City of Alexandria, Virginia

MEMORANDUM

DATE: JULY 28, 2026

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: JAMES F. PARAJON, CITY MANAGER

FROM: KEVIN C. GREENLIEF, DIRECTOR OF FINANCE

DOCKET TITLE:
..TITLE
Consideration of the Monthly Financial Report for the Period Ending May 31, 2026.
..BODY

ISSUE: Receipt of the Monthly Financial Report for the Period Ending May 31, 2026.

RECOMMENDATION: That City Council receives the Monthly Financial Report.

BACKGROUND: The following discussion is a summary of the Monthly Financial Report for this period. Detailed comparative schedules are attached.

As of May 31, 2026, General Fund revenues totaled $641.2 million, a decrease of $4.5 million, or 0.7 percent, compared to the same period in FY 2025. This snapshot is prior to the due date for the 2026 first installment for Real Estate taxes on June 15, and is prior to the due date for supplemental Car Taxes in June, so the gap is expected to close somewhat.

Looking ahead, BPOL taxes are tracking to the revised estimate at the fall retreat. Recordation taxes, Consumer Utility taxes, and Communication taxes all appear to be tracking on target. Investment income has also held strong given the lack of Federal Reserve rate decreases.

While Consumption taxes continue trending negative as the combined growth rate has flattened, there has been some positive movement. Year-to-date receipts through April showed a cumulative decline of -1.22%. Through May, the cumulative decline is only -0.37, with improvements seen in Sales Tax and Meals Tax. While Transient Lodging Tax is down 8.39% through May, looking ahead to June the decline has dropped to -3.75%. This is consistent with information being monitored by Visit Alexandria.

According to CoStar data through May 31, City hotels are now slightly ahead of last year's revenue, with excellent growth in March, April, and May. Partially offsetting this, Visit Alexandria reports that Short-Term Rentals are trending behind the previous year, with fewer active listings (down about 15%). Short-Term Rentals contribute between about 15-20% of our

Transient Lodging tax. While City tax revenue lags the reporting in CoStar, overall these net gains should contribute to an improving trendline.

Again, looking ahead, Visit Alexandria reports that during the week of June 28 – July 4, Virginia outperformed the nation across all key metrics with the July 4th holiday driving strong weekend performance. On July 4th alone they report that Alexandria posted 30.3% growth in hotel occupancy, contributing to an overall RevPar (Revenue Per Available Room) increase of 88.9%.

It is important to note the lag in tax receipts. For retail sales made in July, the City will not receive the associated Sales Tax from Richmond until late September. For Meals Tax and Transient Lodging Tax collected from customers in July, payment is not due to the City until August 31.

As of May 31, 2026, General Fund expenditures totaled $861.1 million, an increase of 9.8%, in part due to the timing difference of posting debt service payments in FY 2026. Adjusting for that timing difference, the percentage of year-to-date expenditures is comparable to the prior year.

ATTACHMENTS:

Attachment 1: Comparative Statement of General Fund Revenues
Attachment 2: Comparative Statement of General Fund Expenditures
Attachment 3: Consumption Taxes

STAFF:

Morgan Routt, Director, Office and Management and Budget
Johanna Seltzer, Deputy Director, Department of Finance
Todd O'Leary, President & CEO, Visit Alexandria

Attachment 1

CITY OF ALEXANDRIA, VIRGINIA

COMPARATIVE STATEMENT OF REVENUES
GENERAL FUND
FOR THE PERIODS ENDING MAY 31, 2026 AND MAY 31, 2025

	FY 2026 APPROVED BUDGET	FY2026 REVENUES THRU 05/31/2026	% OF BUDGET RECEIVED	FY 2025 APPROVED BUDGET	FY2025 REVENUES THRU 05/31/2025	% OF BUDGET RECEIVED	Variance Analysis	
General Property Taxes								
Real Property Taxes	$ 557,980,013	$ 303,373,697	54.4%	$ 545,370,119	$ 307,607,832	56.4%	-1.4%	(4,234,135)
Personal Property Taxes	81,046,000	76,035,768	93.8%	75,590,000	75,313,654	99.6%	1.0%	722,114
Penalties and Interest	5,175,699	5,536,414	107.0%	4,123,399	4,972,771	120.6%	11.3%	563,644
Total General Property Taxes	$ 644,201,712	$ 384,945,879	59.8%	$ 625,083,518	$ 387,894,257	62.1%	-0.8%	(2,948,377)
Other Local Taxes								
Local Sales and Use Taxes	$ 40,500,000	$ 30,472,670	75.2%	$ 41,192,000	$ 30,284,041	73.5%	0.6%	188,629
Consumer Utility Taxes	14,065,000	9,970,257	70.9%	12,020,000	10,053,470	83.6%	-0.8%	(83,213)
Communication Sales and Use Taxes	6,594,000	5,662,781	85.9%	6,700,000	5,821,706	86.9%	-2.7%	(158,926)
Business License Taxes	45,017,145	42,002,710	93.3%	43,718,700	42,097,559	96.3%	-0.2%	(94,848)
Transient Lodging Taxes	14,901,000	10,848,871	72.8%	14,901,000	11,842,312	79.5%	-8.4%	(993,441)
Restaurant Meals Tax	32,850,000	27,171,548	82.7%	34,270,000	26,621,130	77.7%	2.1%	550,417
Tobacco Taxes	1,468,400	1,433,148	97.6%	1,948,999	1,352,179	69.4%	6.0%	80,968
Out of State License Plate	95,800	75,935	79.3%	95,800	9,974	10.4%	661.3%	65,961
Real Estate Recordation	5,100,000	4,127,460	80.9%	2,811,000	4,242,340	150.9%	-2.7%	(114,879)
Admissions Tax	267,000	304,849	114.2%	441,600	307,448	69.6%	-0.8%	(2,599)
Other Local Taxes	3,810,600	1,190,959	31.3%	3,650,060	2,497,916	68.4%	-52.3%	(1,306,957)
Total Other Local Taxes	164,668,945	133,261,189	80.9%	161,749,159	135,130,076	83.5%	-1.4%	(1,868,887)
Intergovernmental Revenues								
Revenue from the Fed. Government	$ 8,157,740	$ 6,824,721	83.7%	$ 7,372,000	$ 6,946,418	94.2%	-1.8%	(121,697)
Personal Property Tax Relief from the Commonwealth	23,578,531	23,578,531	100.0%	23,578,531	23,578,531	100.0%	0.0%	-
Revenue from the Commonwealth	32,909,000	28,129,372	85.5%	31,551,357	28,728,033	91.1%	-2.1%	(598,661)
Total Intergovernmental Revenues	$ 64,645,271	$ 58,532,623	90.5%	$ 62,501,888	$ 59,252,981	94.8%	-1.2%	(720,358)
Other Governmental Revenues And Transfers In								
Fines and Forfeitures	$ 5,694,500	$ 4,030,193	70.8%	$ 4,304,500	$ 6,006,206	139.5%	-32.9%	(1,976,012)
Licenses and Permits	3,039,000	3,652,143	120.2%	2,500,000	2,908,574	116.3%	25.6%	743,569
Charges for City Services	19,244,366	15,798,043	82.1%	18,997,239	13,243,338	69.7%	19.3%	2,554,705
Revenue from Use of Money & Prop.	22,336,354	20,627,029	92.3%	24,194,038	25,145,490	103.9%	-18.0%	(4,518,461)
Other Revenue	4,496,845	4,422,958	98.4%	2,441,000	5,119,856	209.7%	-13.6%	(696,898)
Transfer from Other Funds	15,924,565	15,924,565	100.0%	16,018,604	11,000,506	68.7%	44.8%	4,924,059
Total Other Governmental Revenues	$ 70,735,630	$ 64,454,931	91.1%	$ 68,455,381	$ 63,423,970	92.7%	1.6%	1,030,962
TOTAL REVENUE	$ 944,251,558	$ 641,194,623	67.9%	$ 917,789,946	$ 645,701,283	70.4%	-0.7%	(4,506,660)
Appropriated refunding bond proceeds								
Appropriated Fund Balance								
Operating Budget	$ 13,992,992	$ -	0.0%	$ 13,992,992	$ -	0.0%	0.0%	-
Cash Capital	-	-	0.0%		-	0.0%	0.0%	-
Encumbrances And Other	$ 6,512,932	-	0.0%	4,845,016	-	0.0%	0.0%	-
Supplemental Appropriations	30,631,766	-	0.0%	5,866,683	-	0.0%	0.0%	-
TOTAL	$ 995,389,248	$ 641,194,623	64.4%	$ 942,494,637	$ 645,701,283	68.5%	-0.7%	(4,506,660)

91.7% of Fiscal Year Completed
89.7% of Payrolls Processed

Attachment 2

COMPARATIVE STATEMENT OF EXPENDITURES & TRANSFERS BY FUNCTION
GENERAL FUND
FOR THE PERIODS ENDING MAY 31, 2026 AND MAY 31, 2025

FUNCTION	FY 2026 REVISED BUDGET	FY2026 EXPENDITURES THRU 05/31/2026	% OF BUDGET EXPENDED	FY 2025 APPROVED BUDGET	FY2025 EXPENDITURES THRU 05/31/2025	% OF BUDGET EXPENDED	Variar
Legislative & Executive...	$ 8,437,203	$ 6,735,474	79.8%	$ 7,848,980	$ 5,709,357	72.7%	18.0%
Judicial Administration..	$ 53,667,025	$ 48,917,129	91.1%	$ 53,212,708	$ 47,763,992	89.8%	2.4%
Staff Agencies							
Communications…...	$ 2,631,656	$ 2,176,826	82.7%	$ 2,490,443	$ 1,965,497	78.9%	10.8%
Human Rights…...	1,369,498	$ 1,095,338	80.0%	1,334,429	$ 716,194	53.7%	52.9%
Information Technology Services.......................	20,677,499	$ 18,591,530	89.9%	16,886,292	$ 15,754,039	93.3%	18.0%
Management & Budget..	1,885,167	$ 1,730,794	91.8%	1,938,735	$ 1,759,092	90.7%	-1.6%
Finance..	15,560,408	$ 12,730,235	81.8%	14,733,140	$ 12,934,460	87.8%	-1.6%
Performance and Accountability………………	1,140,122	$ 958,641	84.1%	958,790	$ 864,023	90.1%	11.0%
Internal Audit………………………………….	557,379	$ 456,216	81.9%	607,385	$ 495,404	81.6%	-7.9%
Human Resources..	6,413,443	$ 5,436,962	84.8%	5,851,287	$ 4,813,870	82.3%	12.9%
Planning & Zoning...	8,766,970	$ 7,244,036	82.6%	8,345,203	$ 6,903,992	82.7%	4.9%
Economic Development Activities......................	10,793,698	$ 10,498,923	97.3%	9,277,318	$ 9,256,190	99.8%	13.4%
City Attorney...	4,935,800	$ 4,535,168	91.9%	4,755,122	$ 4,720,882	99.3%	-3.9%
Registrar...	2,104,960	$ 1,886,046	89.6%	2,434,072	$ 1,930,168	79.3%	-2.3%
General Services..	15,094,388	$ 12,323,377	81.6%	16,114,632	$ 14,149,426	87.8%	-12.9%
Total Staff Agencies	$ 91,930,989	$ 79,664,093	86.7%	$ 85,726,848	$ 76,263,239	89.0%	4.5%
Operating Agencies							
Transportation & Environmental Services..........	$ 28,920,246	$ 23,437,516	81.0%	$ 28,375,792	$ 22,474,149	79.2%	4.3%
Fire..	69,733,667	$ 65,399,422	93.8%	67,680,546	$ 60,871,022	89.9%	7.4%
Police..	73,951,727	$ 63,970,918	86.5%	71,692,591	$ 63,140,768	88.1%	1.3%
Community Policing Review…...........................	620,884	$ 306,115	49.3%	653,618	$ 387,855	59.3%	-21.1%
Emergency Communications...............................	10,220,918	$ 8,473,989	82.9%	10,165,444	$ 8,983,359	88.4%	-5.7%
Transit Subsidies..	14,690,613	$ 3,818,138	26.0%	16,954,439	$ 15,589,076	91.9%	-75.5%
Housing…………………………………………	2,203,661	$ 2,081,067	94.4%	2,317,225	$ 2,074,240	89.5%	0.3%
Community and Human Services........................	17,215,636	$ 14,662,336	85.2%	18,452,890	$ 15,035,418	81.5%	-2.5%
Health...	11,095,250	$ 9,886,798	89.1%	10,995,493	$ 10,203,352	92.8%	-3.1%
Historic Resources...	4,953,927	$ 4,510,297	91.0%	4,665,856	$ 4,553,203	97.6%	-0.9%
Recreation..	31,274,552	$ 26,347,679	84.2%	30,202,173	$ 24,598,196	81.4%	7.1%
Total Operating Agencies	$ 264,881,080	$ 222,894,275	84.1%	$ 262,156,066	$ 227,910,637	86.9%	-2.2%
Education							
Schools...	$ 282,384,561	$ 282,384,561	100.0%	$ 273,034,300	$ 273,034,300	100.0%	3.4%
Other Educational Activities...............................	15,449	$ 15,449	100.0%	15,570	$ 15,449	99.2%	0.0%
Total Education	$ 282,400,010	$ 282,400,010	100.0%	$ 273,049,870	$ 273,049,749	100.0%	3.4%
Capital, Debt Service and Miscellaneous							
Debt Service - City………………………………	$ 57,989,074	$ 57,703,661	99.5%	$ 56,285,405	$ 32,070,551	57.0%	79.9%
Debt Service - Schools……………………………	$ 48,104,891	$ 31,890,831	66.3%	$ 45,749,475	$ 22,874,738	50.0%	39.4%
Expenses on Refunding Bonds…………………	20,000	$ 2,080	10.4%	-	$ -	0.0%	0.0%
Non-Departmental..	$ 11,254,102	$ 8,678,646	77.1%	$ 11,865,620	$ 7,808,932	65.8%	11.1%
General Cash Capital...	$ 48,670,924	$ 48,670,924	100.0%	$ 29,976,152	$ 29,476,152	98.3%	65.1%
Contingent Reserves..	160,000	$ -	0.0%	1,650,575	$ -	0.0%	0.0%
Total Capital, Debt Service and Miscellaneous	$ 166,198,991	$ 146,946,142	88.4%	$ 145,527,227	$ 92,230,373	63.4%	59.3%
TOTAL EXPENDITURES	$ 867,515,298	$ 787,557,123	90.8%	$ 827,521,699	$ 722,927,347	87.4%	8.9%
Transfers to Special Revenue /Capital Projects Fu	$ 72,517,301	$ 27,655,400	38.1%	$ 62,062,130	$ 17,444,967	28.1%	58.5%
Transfer to Housing...	9,789,776	$ 9,789,776	100.0%	9,919,184	$ 9,919,184	100.0%	-1.3%
Transfer to Library...	9,312,456	$ 133	0.0%	9,173,121	$ 2,059	0.0%	-93.5%
Transfer to DASH..	36,254,417	$ 36,107,279	99.6%	33,818,503	$ 33,688,454	99.6%	7.2%
TOTAL EXPENDITURES & TRANSFERS	$ 995,389,248	$ 861,109,711	86.5%	$ 942,494,637	$ 783,982,011	83.2%	9.8%
Total Expenditures by Category							
Salaries and Benefits………………………….....	$ 286,006,934	$ 254,966,721	89.1%	$ 280,513,094	$ 248,498,083	88.6%	2.6%
Non Personnel (includes all school funds) ……..	709,382,314	$ 606,142,990	85.4%	661,981,543	$ 535,483,928	80.9%	13.2%
Total Expenditures	$ 995,389,248	$ 861,109,711	86.5%	$ 942,494,637	$ 783,982,011	83.2%	9.8%

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$	1,026,116
$	1,153,137
$	211,329
$	379,144
$	2,837,491
$	(28,298)
$	(204,226)
$	94,618
$	(39,188)
$	623,092
$	340,044
$	1,242,733
$	(185,715)
$	(44,122)
$	(1,826,050)
$	3,400,854
$	963,367
$	4,528,400
$	830,150
$	(81,740)
$	(509,370)
$	(11,770,938)
$	6,827
$	(373,082)
$	(316,554)
$	(42,906)
$	1,749,484
$	(5,016,362)
$	9,350,261
$	-
$	9,350,261
$	25,633,110
$	9,016,093
$	2,080
$	869,714
$	19,194,772
$	-
$	54,715,769
$	64,629,776
$	10,210,433
$	(129,408)
$	(1,926)
$	2,418,825
$	77,127,700
$	6,468,638
$	70,659,062
$	77,127,700

ATTACHMENT 3

Monthly	Growth Rate: YTD Receipts through May 2026				
	FY22	**FY23**	**FY24**	**FY25**	**FY26**
Sales Tax	13.96%	8.35%	1.58%	1.64%	0.62%
Meals Tax	32.02%	7.91%	7.92%	0.96%	2.07%
Transient Lodging	94.72%	30.88%	23.17%	2.93%	-8.39%
	27.55%	**11.00%**	**7.23%**	**1.59%**	**-0.37%**