



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 4, 2023

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: JAMES F. PARAJON, CITY MANAGER /s/

FROM: KENDEL TAYLOR, INTERIM DEPUTY CITY MANAGER

DOCKET TITLE:

Consideration of the Monthly Financial Report for the Period Ending February 28, 2023.

ISSUE: Receipt of the Monthly Financial Report for the Period Ending February 28, 2023.

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 of General Fund Revenues (Attachment 1) and General Fund Expenditures (Attachment 2).

As of February 28, 2023, General Fund revenues totaled \$479.3 million, a difference of \$28.8 million or 6.4 percent compared to the same period in FY 2022. Revenue does not track evenly throughout the year since many revenue sources have due dates that do not occur evenly throughout the year. The largest revenue source, real estate tax, is remitted twice per year. Personal property tax revenue is due on October 5 each year. Through the first eight months of the year, no category is showing any significant economic variance from the budgeted amount.

Personal Property tax revenue collections in FY 2023 are higher compared to last year, which is to be expected given the increase in the budgeted amount. Through the end of February, Personal Property taxes total \$62.6 million or 93.7 percent of the budgeted amount, compared to \$54.8 million in FY 2022, which was 99.4 percent of the budgeted amount. The FY 2022 budgeted amount was developed during the uncertainties of COVID. Collections for personal property tax revenue are tracking at the expected rate.

Real Estate tax revenue is remitted to the City twice each year, in November and June. As of February 2023, the City has collected \$251.5 million or 48.9 percent of the budgeted amount of Real Property tax revenue compared to \$236.5 million in FY 2022, which represented 48.9 percent of the budgeted amount.

There are several significant differences between FY 2022 and FY 2023, but they are primarily timing, not economic. The technical change to the ARPA projects results in a Transfer from Other Funds of \$4.1 million in FY 2023, where no such transfer existed in FY 2022. Other Revenue includes the \$1.0 million gift to the City associated with the Winkler Preserve, which will be allocated at a later date for programs stipulated by the gift. Finally, the increases in the interest rates by the Federal Reserve are resulting in a significant increase in the City's Revenue from Use of Money and Property. Through the first eight months of the year interest earnings account for \$11.3 million of the \$14.4 million of Revenue from Use of Money and Property. This compares to only \$1.5 million in total interest earnings in FY 2022.

Attachment 3 compares the consumer spending categories of Sales Tax, Transient Lodging Tax and Meals Sales Tax to the pre-pandemic levels. As previously noted, Sales Tax revenue was largely unimpacted by the pandemic, with the exception of April and May 2019 when many businesses were completely closed. Meals Tax revenue has recovered to pre-pandemic levels and the trend line follows typical seasonal patterns. In December and January of FY 2023, Transient Lodging Tax Revenue of \$1.5 million exceeded the revenue collected in December and January of FY 2019 by \$249,658 or 19.5% percent. Transient Lodging Tax continues to now exceed the same period prior to the pandemic. Transient Lodging Tax revenue continues to run ahead of this same point last year and is consistent with the budgeted amount for FY 2023. It is also very important to note that Transient Lodging Tax revenue only accounts for 1.3 percent of total tax revenue.

As of December 31, 2022, General Fund expenditures totaled \$471.1 million, a difference of \$25.6 million more than the same time period for FY 2022. Similar to the situation with revenues, no significant expenditure has occurred in the first eight months of Fiscal Year 2023 that is unbudgeted or unexpected. Increases correspond to budgeted increases in expenditure categories, such as debt service, cash capital and the transfer to the Schools.

ATTACHMENTS:

Attachment 1: Comparative Statement of General Fund Revenues

Attachment 2: Comparative Statement of General Fund Expenditures

Attachment 3: Consumer Spending comparison charts

STAFF:

Morgan Routt, Director, Office and Management and Budget

Kevin Greenlief, Assistant Director, Finance Department

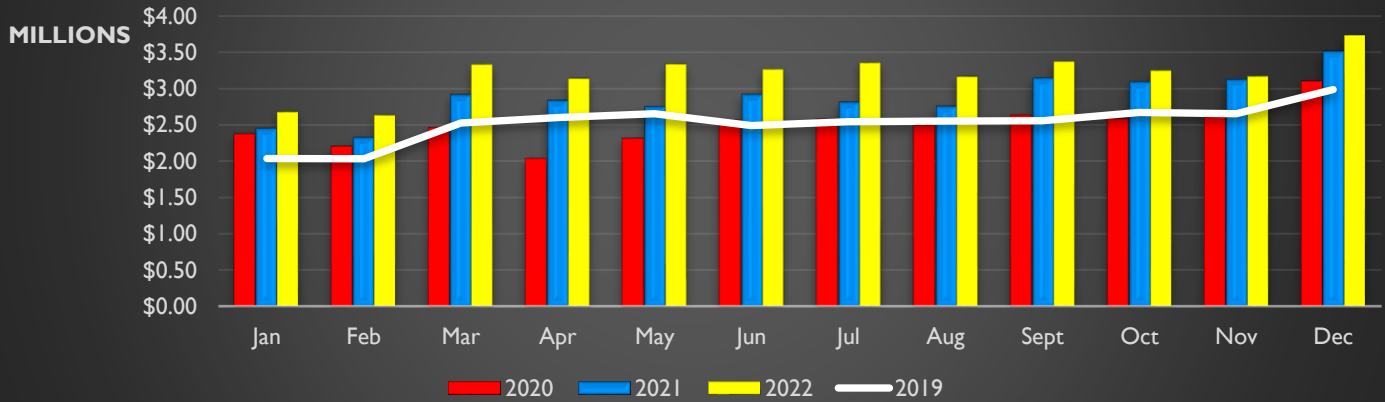
CITY OF ALEXANDRIA, VIRGINIA
COMPARATIVE STATEMENT OF REVENUES
GENERAL FUND
FOR THE PERIODS ENDING FEBRUARY 28, 2023 AND FEBRUARY 28, 2022

	B	B.1	C	D=C/B	E	F	G=F/E
	FY 2023	FY 2023	FY2023	%	FY 2022	FY2022	%
	APPROVED	PROJECTED	REVENUES	%	APPROVED	REVENUES	%
	BUDGET	REVENUES	THRU 2/28/2023	OF BUDGET	BUDGET	THRU 2/28/2022	OF TOTAL
General Property Taxes							
Real Property Taxes.....	\$ 514,554,739	514,959,597	\$ 251,538,774	48.9%	\$ 483,311,548	\$ 236,509,000	48.9%
Personal Property Taxes.....	66,776,000	64,833,000	62,592,957	93.7%	55,126,000	54,783,170	99.4%
Penalties and Interest.....	3,199,600	3,358,050	2,239,119	70.0%	2,600,000	2,218,998	85.3%
Total General Property Taxes	\$ 584,530,339	\$ 583,150,647	\$ 316,370,851	54.1%	\$ 541,037,548	\$ 293,511,168	54.2%
Other Local Taxes							
Local Sales and Use Taxes.....	\$ 37,440,000	39,000,000	\$ 20,021,751	53.5%	\$ 31,720,000	\$ 18,433,437	58.1%
Consumer Utility Taxes.....	11,760,000	12,020,000	7,133,724	60.7%	11,760,000	6,566,088	55.8%
Communication Sales and Use Taxes.....	7,245,080	7,245,080	4,384,595	60.5%	7,600,000	4,507,297	59.3%
Business License Taxes.....	39,824,300	39,824,300	23,079,644	58.0%	34,135,900	26,205,763	76.8%
Transient Lodging Taxes.....	9,500,000	10,207,000	5,747,506	60.5%	6,500,000	4,448,498	68.4%
Restaurant Meals Tax.....	27,600,000	28,900,000	16,933,737	61.4%	19,980,000	15,404,468	77.1%
Tobacco Taxes.....	2,100,000	2,030,000	1,234,348	58.8%	1,957,000	1,269,733	64.9%
Motor Vehicle License Tax.....	-	-	4,514	0.0%	-	-	0.0%
Real Estate Recordation.....	8,645,000	4,840,000	2,362,950	27.3%	8,645,000	5,422,810	62.7%
Admissions Tax.....	261,000	348,000	203,696	78.0%	124,000	152,840	123.3%
Other Local Taxes.....	4,103,000	4,018,000	536,342	13.1%	4,595,000	738,246	16.1%
Total Other Local Taxes	\$ 148,478,380	\$ 148,432,380	\$ 81,642,808	55.0%	\$ 127,016,900	\$ 83,149,180	65.5%
Intergovernmental Revenues							
Revenue from the Fed. Government.....	\$ 7,944,000	8,034,000	\$ 4,115,021	51.8%	\$ 7,932,000	\$ 3,964,386	50.0%
Personal Property Tax Relief from the Commonwealth.....	23,578,531	23,579,000	23,106,960	98.0%	23,578,531	23,106,960	98.0%
Revenue from the Commonwealth.....	26,001,491	26,457,000	15,134,199	58.2%	25,617,409	13,630,220	53.2%
Total Intergovernmental Revenues	\$ 57,524,022	\$ 58,070,000	\$ 42,356,180	73.6%	\$ 57,127,940	\$ 40,701,566	71.2%
Other Governmental Revenues And Transfers In							
Fines and Forfeitures.....	\$ 4,305,200	3,730,000	\$ 1,677,370	39.0%	\$ 3,762,200	\$ 1,729,940	46.0%
Licenses and Permits.....	2,867,350	2,638,000	1,612,665	56.2%	2,136,550	1,570,840	73.5%
Charges for City Services.....	15,071,741	13,005,000	10,327,815	68.5%	13,724,495	9,365,843	68.2%
Revenue from Use of Money & Prop.....	6,655,000	14,398,000	13,175,288	198.0%	4,139,167	2,319,736	56.0%
Other Revenue.....	2,490,701	3,236,000	3,354,929	134.7%	2,115,013	1,299,264	61.4%
Transfer from Other Funds.....	9,976,651	9,376,651	8,813,490	88.3%	10,142,543	5,071,272	50.0%
Total Other Governmental Revenues	\$ 41,366,643	\$ 46,383,651	\$ 38,961,555	94.2%	\$ 36,019,968	\$ 21,356,895	59.3%
TOTAL REVENUE	\$ 831,899,384	\$ 836,036,678	\$ 479,331,393	57.6%	\$ 761,202,356	\$ 438,718,809	57.6%
Appropriated refunding bond proceeds.....					\$ 11,782,546	\$ 11,782,546	
Appropriated Fund Balance							
Operating Budget	\$ 8,120,000	-	\$ -	\$ -	\$ 10,000,000	\$ -	-
Cash Capital.....							
Encumbrances And Other.....	5,977,029				5,590,127		
Supplemental Appropriations.....	50,401,898				13,360,207		
TOTAL	\$ 896,398,311	\$ 836,036,678	\$ 479,331,393	53.5%	\$ 801,935,236	\$ 450,501,355	56.2%

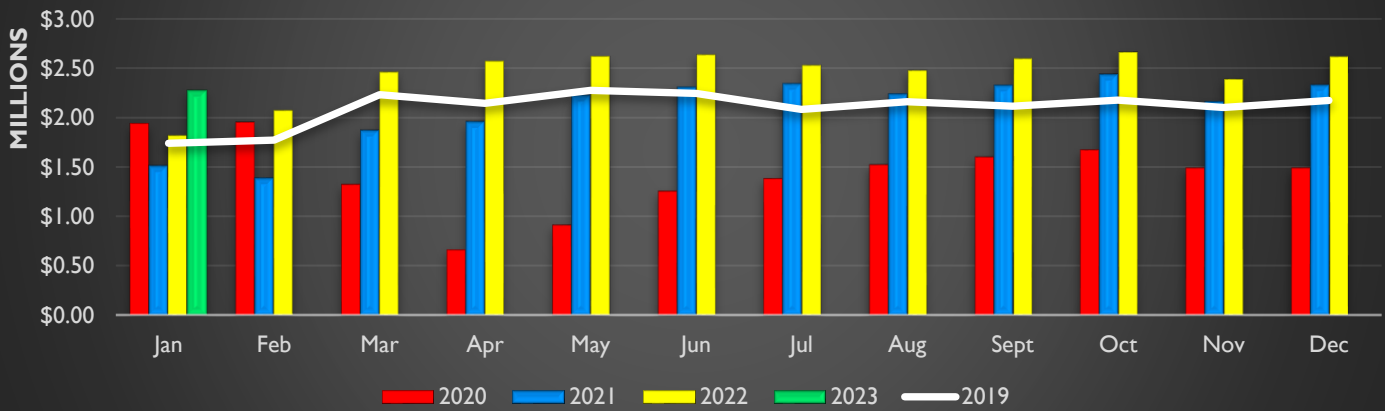
**COMPARATIVE STATEMENT OF EXPENDITURES & TRANSFERS BY FUNCTION
GENERAL FUND
FOR THE PERIODS ENDING FEBRUARY 28, 2023 AND FEBRUARY 28, 2022**

FUNCTION	B	C	D=C/B	E	F	G=F/E
	FY 2023	FY2023	%	FY 2022	FY2022	%
	APPROVED BUDGET	EXPENDITURES THRU 2/28/2023	OF BUDGET EXPENDED	APPROVED BUDGET	EXPENDITURES THRU 2/28/2022	OF BUDGET EXPENDED
Legislative & Executive.....	\$ 5,353,977	\$ 3,062,196	57.2%	\$ 4,778,319	\$ 3,080,769	64.5%
Judicial Administration.....	\$ 48,619,720	\$ 30,247,698	62.2%	\$ 45,029,421	\$ 28,473,791	63.2%
Staff Agencies						
Communications.....	\$ 2,315,980	\$ 991,295	42.8%	\$ 1,651,966	\$ 837,470	50.7%
Human Rights.....	1,118,762	622,276	55.6%	1,008,210	646,610	64.1%
Information Technology Services.....	17,462,099	10,800,368	61.9%	14,121,129	8,761,645	62.0%
Management & Budget.....	1,786,305	906,258	50.7%	1,476,120	760,279	51.5%
Finance.....	14,365,095	7,907,111	55.0%	13,217,108	7,410,163	56.1%
Performance and Accountability.....	868,233	554,847	63.9%	690,787	362,356	52.5%
Internal Audit.....	438,920	264,040	60.2%	461,431	251,029	54.4%
Human Resources.....	5,706,052	3,025,642	53.0%	5,051,787	2,527,459	50.0%
Planning & Zoning.....	7,593,728	4,180,705	55.1%	6,764,770	3,840,232	56.8%
Economic Development Activities.....	9,105,994	7,213,459	79.2%	7,036,340	5,049,973	71.8%
City Attorney.....	4,160,155	3,020,701	72.6%	3,847,491	2,436,361	63.3%
Registrar.....	1,561,826	836,108	53.5%	1,428,386	870,565	60.9%
Organizational Excellence	271,499	51,743	19.1%	193,448	89,772	46.4%
General Services.....	14,871,041	7,424,635	49.9%	11,602,845	7,090,951	61.1%
Total Staff Agencies	\$ 81,625,691	\$ 47,799,188	58.6%	\$ 68,551,818	\$ 40,934,865	59.7%
Operating Agencies						
Transportation & Environmental Services.....	\$ 27,483,157	\$ 14,841,901	54.0%	\$ 24,775,471	\$ 13,698,037	55.3%
Project Implementation.....	-	-	0.0%	-	-	0.0%
Fire.....	56,540,448	35,280,200	62.4%	53,157,528	33,950,958	63.9%
Police.....	70,358,385	40,175,578	57.1%	61,943,107	38,525,675	62.2%
Community Policing Review.....	515,114	54,866	0.0%	500,000	8,000	0.0%
Emergency and Customer Communications.....	9,907,137	5,756,332	58.1%	9,145,532	5,377,695	58.8%
Code.....	-	-	0.0%	-	-	0.0%
Transit Subsidies.....	19,355,404	9,662,352	49.9%	19,280,052	13,952,086	72.4%
Housing.....	2,081,141	1,263,369	60.7%	1,829,441	1,232,210	67.4%
Community and Human Services.....	17,886,100	9,548,685	53.4%	15,908,362	10,307,396	64.8%
Health.....	9,713,307	6,805,100	70.1%	8,946,872	6,075,794	67.9%
Historic Resources.....	5,279,711	2,411,401	45.7%	3,942,134	2,185,355	55.4%
Recreation.....	28,118,640	15,887,119	56.5%	25,308,382	14,568,904	57.6%
Total Operating Agencies	\$ 247,238,544	\$ 141,686,903	57.3%	\$ 224,736,881	\$ 139,882,110	62.2%
Education						
Schools.....	\$ 248,737,300	\$ 124,368,650	50.0%	\$ 239,437,296	\$ 119,718,648	50.0%
Other Educational Activities.....	15,750	11,813	75.0%	15,785	11,839	75.0%
Total Education	\$ 248,753,050	\$ 124,380,463	50.0%	\$ 239,453,081	\$ 119,730,487	50.0%
Capital, Debt Service and Miscellaneous						
Debt Service - City.....	\$ 41,170,131	\$ 35,669,020	86.6%	\$ 36,851,668	\$ 29,901,447	81.1%
Debt Service - Schools.....	\$ 31,941,000	27,686,256	86.7%	\$ 28,633,966	23,233,603	81.1%
Expenses on Refunding Bonds.....	-	-	0.0%	11,782,546	11,710,136	0.0%
Non-Departmental.....	\$ 30,890,582	10,093,248	32.7%	\$ 17,542,970	10,266,349	29.5%
General Cash Capital.....	\$ 57,881,807	27,647,901	47.8%	\$ 34,804,271	16,969,152	0.0%
Contingent Reserves.....	3,124,170	-	0.0%	1,104,170	-	0.0%
Total Capital, Debt Service and Miscellaneous	\$ 165,007,690	\$ 101,096,424	61.3%	\$ 130,719,591	\$ 92,080,687	70.4%
TOTAL EXPENDITURES	\$ 796,598,671	\$ 448,272,871	56.3%	\$ 713,269,111	\$ 424,182,709	59.5%
Cash Match (Transportation/DCHS/ and Transfers to Special Revenue /Capital Projects Funds)...	\$ 58,742,540	\$ 7,342,346	0.0%	\$ 55,838,331	\$ 7,153,000	0.0%
Transfer to Housing.....	7,679,115	3,839,558	0.0%	4,588,522	2,294,261	0.0%
Transfer to Library.....	8,213,526	6,972	0.1%	7,680,826	373,921	4.9%
Transfer to DASH.....	25,164,459	11,671,031	46.4%	20,558,446	11,493,256	55.9%
TOTAL EXPENDITURES & TRANSFERS	\$ 896,398,311	\$ 471,132,778	52.6%	\$ 801,935,236	\$ 445,497,147	55.6%
Total Expenditures by Category						
Salaries and Benefits.....	\$ 257,882,144	\$ 150,629,768	58.4%	\$ 240,751,310	\$ 148,173,617	61.5%
Non Personnel (includes all school funds)	638,516,167	320,503,009	50.2%	561,183,926	297,323,530	53.0%
Total Expenditures	\$ 896,398,311	\$ 471,132,778	52.6%	\$ 801,935,236	\$ 445,497,147	55.6%

Sales Tax Monthly Comparison 2019 - 2012



Meals Tax Monthly Comparison 2019-2023



Transient Lodging Tax Monthly Comparison 2019-2023

