



Legislation Text

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City of Alexandria, Virginia

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MEMORANDUM

**DATE:** JUNE 7, 2022

**TO:** THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

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

**FROM:** KENDEL TAYLOR, DIRECTOR, FINANCE DEPARTMENT

**DOCKET TITLE:**

Consideration of the Monthly Financial Report for the Period Ending April 30, 2022.

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**ISSUE:** Receipt of the Monthly Financial Report for the Period Ending April 30, 2022.

**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.

**General Fund Revenues**

As of April 30, 2022, General Fund revenues totaled \$494.7 million, a reduction of \$14.3 million or 2.8 percent compared to the same period in FY 2021. In November 2021, the City refunded \$11.8 million of existing debt to generate a savings of debt service of approximately \$0.6 million, including \$0.2 million in FY 2022. A similar refunding occurred in FY 2021 of \$49.6 million of outstanding debt. For comparison purposes, without the refinanced bond proceeds, total revenue in FY 2022 is \$483.0 million, which is \$23.8 million more than in FY 2021, or a 5.2 percent increase.

The first significant tax revenue in FY 2022 was due on October 5, when personal property taxes for vehicle and business personal property were due. In FY 2021, through April 2021, the City received \$51.7 million of personal property tax revenue. For the same period in FY 2022, the City has received \$56.2 million. The second half of calendar year 2021 real estate taxes were due on November 15. Through April 2022, the City received \$237.4 million in real estate tax revenue, the same amount it received a year ago through April 2021.

Revenues often do not track consistently with a monthly calendar since many revenue sources have due dates that do not occur evenly through the year. Large revenue sources, such as real estate and personal property tax revenues, are remitted twice per year and once per year, respectively. Through the first ten months of the fiscal year, several categories, including restaurant meals, transient occupancy, and sales tax revenue are reflecting a positive condition.

In addition to the revenues and expenditures schedules, Attachment 3 provides a comparison of the City's primary local taxes related to consumer spending. Sales tax revenue continues to exceed prior years. Through February 2022 (sales taxes are remitted to the City

two months after they are collected), sales tax revenue exceeded the prior year by \$2.9 million, or 13.8 percent. A portion of the sales tax increase can be attributed to online purchases where the purchase originates in a warehouse (Amazon, Wayfair, etc.) and sales tax is designated for the jurisdiction where the home delivery of the online purchase occurred. An in-store purchase may originate online but the assembly or distribution occurs from a “bricks and mortar” location. For in-store purchases, the sales tax is attributed to the jurisdiction where the store is located. Regardless of the origination, the City benefits from sales that occur, either from the home of residents or from City businesses.

With nine months of collections in FY 2022 (restaurant meals taxes are remitted to the City one month after they are collected), restaurant meals tax revenues are 30.7 percent or nearly \$4.7 million above the same period in FY 2021. Transient occupancy tax collections have also rebounded significantly of late. Through the first ten months of FY 2022 (nine months of collections), revenues exceed the same period in FY 2021 by \$2.8 million or 87.2 percent. During the pandemic in FY 2021, transient occupancy tax revenue was down from the prior (pre-pandemic) year by approximately 70 percent. Revenues collected through calendar year 2021 were slightly more than half the amount collected in calendar year 2019. Weekend stays from leisure travel are largely driving the revenue growth, as business travel during the week remains subdued. With the surge in cases from the Omicron variant, revenue from transient lodging taxes was lower in January and February than in prior months.

### **General Fund Expenditures**

As of April 30, 2022, FY 2022 General Fund expenditures totaled \$646.3 million, an increase of \$90.4 million or 16.3 percent compared to the same period in FY 2021. This is primarily because all \$239.4 million in transfers to Alexandria City Public Schools were completed by April of this year, whereas by April 2021 only 70 percent of these transfers had been made, a difference of \$75.6 million. Significant transfers of funds for cash capital, grant cash match, and affordable housing have also been processed earlier in FY 2022 than in FY 2021. This timing difference will have no impact on fiscal year total expenditures.

With two months remaining in FY 2022, no significant expenditure has occurred that is unbudgeted or unexpected. The most substantive difference in spending is the City’s contribution to WMATA, which is funded from several sources. Last year, General Fund resources were conserved, and a greater portion of the contribution came from other sources compared to this year in which the budgeted contributions were utilized. The other anomaly across all departments compared to FY 2021 is the approximately \$7.2 million in pay adjustments that were provided to employees in November 2021 and \$2.1 million for a 1 percent bonus in August 2021. Due to vacancy savings, approximately half the cost of these pay adjustments has been absorbed by departmental budgets.

### **ATTACHMENTS:**

- Attachment 1: Comparative Statement of General Fund Revenues
- Attachment 2: Comparative Statement of General Fund Expenditures
- Attachment 3: Consumer Spending Comparison Charts

### **STAFF:**

Laura Triggs, Deputy City Manager  
Kendel Taylor, Director, Finance Department  
Morgan Routt, Director, Office and Management and Budget  
Evan Davis, Administrative Chief, Finance Department

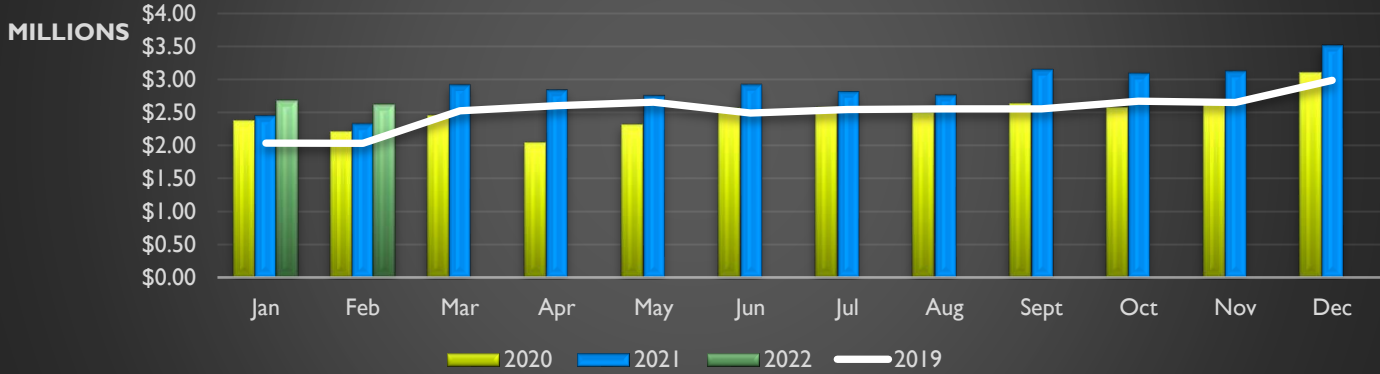
**CITY OF ALEXANDRIA, VIRGINIA**  
**COMPARATIVE STATEMENT OF REVENUES**  
**GENERAL FUND**  
**FOR THE PERIODS ENDING APRIL 30, 2022 AND APRIL 30, 2021**

	<b>B</b>	<b>B.1</b>	<b>C</b>	<b>D=C/B</b>	<b>E</b>	<b>F</b>	<b>G=F/E</b>
	<b>FY 2022</b>	<b>FY 2022</b>	<b>FY2022</b>	<b>%</b>	<b>FY 2021</b>	<b>FY2021</b>	<b>%</b>
	<b>APPROVED</b>	<b>PROJECTED</b>	<b>REVENUES</b>	<b>%</b>	<b>APPROVED</b>	<b>REVENUES</b>	<b>%</b>
	<b>BUDGET</b>	<b>REVENUES</b>	<b>THRU 4/30/2022</b>	<b>OF BUDGET</b>	<b>BUDGET</b>	<b>THRU 4/30/2021</b>	<b>OF TOTAL</b>
<b>General Property Taxes</b>							
Real Property Taxes.....	\$ 483,311,548	\$ 493,535,498	\$ 237,427,886	49.1%	\$ 477,554,000	\$ 237,370,445	49.7%
Personal Property Taxes.....	55,126,000	59,376,000	56,200,308	101.9%	55,213,000	51,673,416	93.6%
Penalties and Interest.....	2,600,000	3,092,000	2,779,211	106.9%	2,808,000	1,895,869	67.5%
Total General Property Taxes	<u>\$ 541,037,548</u>	<u>\$ 556,003,498</u>	<u>\$ 296,407,405</u>	<u>54.8%</u>	<u>\$ 535,575,000</u>	<u>\$ 290,939,730</u>	<u>54.3%</u>
<b>Other Local Taxes</b>							
Local Sales and Use Taxes.....	\$ 31,720,000	\$ 35,000,000	\$ 23,711,890	74.8%	\$ 26,194,000	\$ 20,841,828	79.6%
Consumer Utility Taxes.....	11,760,000	11,760,000	8,414,029	71.5%	12,700,000	8,233,433	64.8%
Communication Sales and Use Taxes.....	7,600,000	7,600,000	5,778,704	76.0%	8,275,000	6,135,712	74.1%
Business License Taxes.....	34,135,900	37,364,300	36,393,669	106.6%	22,000,000	34,330,435	156.0%
Transient Lodging Taxes.....	6,500,000	10,000,000	5,947,898	91.5%	10,833,000	3,177,379	29.3%
Restaurant Meals Tax.....	19,980,000	24,000,000	20,018,887	100.2%	20,500,000	15,319,935	74.7%
Tobacco Taxes.....	1,957,000	1,957,000	1,272,645	65.0%	2,600,000	1,587,758	61.1%
Real Estate Recordation.....	8,645,000	8,645,000	6,408,611	74.1%	5,900,000	7,005,100	118.7%
Admissions Tax.....	124,000	231,000	180,526	145.6%	500,000	64,928	13.0%
Other Local Taxes.....	4,595,000	4,595,000	1,181,248	25.7%	5,109,090	1,045,493	20.5%
Total Other Local Taxes	<u>\$ 127,016,900</u>	<u>\$ 141,152,300</u>	<u>\$ 109,308,107</u>	<u>86.1%</u>	<u>\$ 114,611,090</u>	<u>\$ 97,742,001</u>	<u>85.3%</u>
<b>Intergovernmental Revenues</b>							
Revenue from the Fed. Government.....	\$ 7,932,000	7,944,000	\$ 3,920,220	49.4%	\$ 10,109,303	\$ 5,539,843	54.8%
Personal Property Tax Relief from the Commonwealth.....	23,578,531	23,578,531	23,106,960	98.0%	23,578,531	23,106,960	98.0%
Revenue from the Commonwealth.....	25,617,409	24,966,000	19,278,785	75.3%	23,741,866	18,719,159	78.8%
Total Intergovernmental Revenues	<u>\$ 57,127,940</u>	<u>\$ 56,488,531</u>	<u>\$ 46,305,965</u>	<u>81.1%</u>	<u>\$ 57,429,700</u>	<u>\$ 47,365,962</u>	<u>82.5%</u>
<b>Other Governmental Revenues And Transfers In</b>							
Fines and Forfeitures.....	\$ 3,762,200	3,465,200	\$ 2,234,799	59.4%	\$ 3,502,615	\$ 2,580,099	73.7%
Licenses and Permits.....	2,136,550	1,938,850	1,900,396	88.9%	2,339,631	3,871,183	165.5%
Charges for City Services.....	13,724,495	13,433,320	12,000,935	87.4%	14,308,344	7,893,130	55.2%
Revenue from Use of Money & Prop.....	4,139,167	3,405,000	2,661,040	64.3%	5,498,250	2,869,356	52.2%
Other Revenue.....	2,190,013	2,151,500	1,992,788	91.0%	2,067,866	1,476,676	71.4%
Transfer from Other Funds.....	10,142,543	10,243,676	10,142,543	100.0%	9,246,427	4,416,124	47.8%
Total Other Governmental Revenues	<u>\$ 36,094,968</u>	<u>\$ 34,637,546</u>	<u>\$ 30,932,501</u>	<u>85.7%</u>	<u>\$ 36,963,133</u>	<u>\$ 23,106,568</u>	<u>62.5%</u>
<b>TOTAL REVENUE</b>	<u>\$ 761,277,356</u>	<u>\$ 788,281,875</u>	<u>\$ 482,953,978</u>	<u>63.4%</u>	<u>\$ 744,578,923</u>	<u>\$ 459,154,261</u>	<u>61.7%</u>
Refunding bond proceeds.....	\$ 11,782,546	\$ 11,782,546	\$ 11,782,546	100.0%	49,887,196	\$ 49,887,196	100.0%
<b>Appropriated Fund Balance</b>							
Operating Budget .....	\$ 10,000,000		\$ -		\$ 12,934,086	\$ -	
Cash Capital.....							
Encumbrances And Other.....	5,538,625		-		-	-	
Supplemental Appropriations.....	26,133,457	14,667,563	-		4,072,972	-	
<b>TOTAL</b>	<u>\$ 814,731,984</u>	<u>\$ 814,731,984</u>	<u>\$ 494,736,524</u>	<u>60.7%</u>	<u>\$ 811,473,177</u>	<u>\$ 509,041,457</u>	<u>62.7%</u>

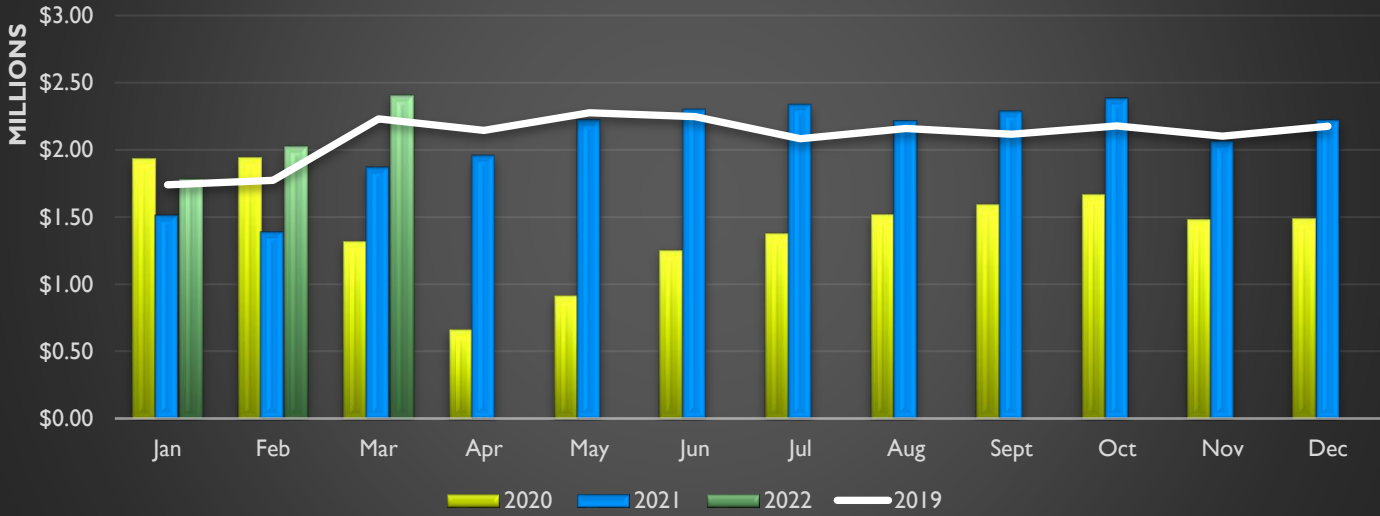
**COMPARATIVE STATEMENT OF EXPENDITURES & TRANSFERS BY FUNCTION  
GENERAL FUND  
FOR THE PERIODS ENDING APRIL 30, 2022 AND APRIL 30, 2021**

FUNCTION	B	C	D=C/B	E	F	G=F/E
	FY 2022	FY2022	%	FY 2021	FY2021	%
	APPROVED BUDGET	EXPENDITURES THRU 4/30/2022	OF BUDGET EXPENDED	APPROVED BUDGET	EXPENDITURES THRU 4/30/2021	OF BUDGET EXPENDED
Legislative & Executive.....	\$ 4,778,319	\$ 3,755,711	78.6%	\$ 3,577,587	\$ 2,718,487	76.0%
Judicial Administration.....	45,008,863	35,603,287	79.1%	45,727,423	34,657,782	75.8%
<b>Staff Agencies</b>						
Communications.....	\$ 1,651,966	\$ 1,100,572	66.6%	\$ 1,567,258	\$ 1,053,828	67.2%
Human Rights.....	1,008,210	821,149	81.4%	939,907	734,336	78.1%
Information Technology Services.....	14,121,129	10,501,908	74.4%	13,118,675	9,788,999	74.6%
Management & Budget.....	1,476,120	981,130	66.5%	1,274,629	931,037	73.0%
Finance.....	13,211,768	9,410,433	71.2%	12,845,110	9,015,632	70.2%
Performance Analytics.....	690,787	430,998	62.4%	509,772	407,356	79.9%
Internal Audit.....	461,431	310,584	67.3%	412,464	288,245	69.9%
Human Resources.....	5,051,787	3,156,993	62.5%	4,344,021	3,250,074	74.8%
Planning & Zoning.....	6,764,770	4,779,050	70.6%	5,937,014	4,476,029	75.4%
Economic Development Activities.....	7,036,340	6,738,228	95.8%	7,123,390	6,813,118	95.6%
City Attorney.....	3,847,491	3,117,680	81.0%	3,751,516	2,529,425	67.4%
Registrar.....	1,517,361	1,013,340	66.8%	1,468,351	1,044,877	71.2%
Organizational Excellence	193,448	129,623	67.0%	169,548	149,712	88.3%
General Services.....	11,602,845	9,054,155	78.0%	11,531,122	7,694,933	66.7%
Total Staff Agencies	\$ 68,635,453	\$ 51,545,843	75.1%	\$ 64,992,777	\$ 48,177,601	74.1%
<b>Operating Agencies</b>						
Transportation & Environmental Services.....	\$ 24,761,646	\$ 17,316,236	69.9%	\$ 23,774,573	\$ 16,412,022	69.0%
Project Implementation.....	-	-	0.0%	-	25	0.0%
Fire.....	53,201,585	42,495,107	79.9%	52,442,480	40,055,010	76.4%
Police.....	61,943,105	48,191,656	77.8%	62,514,687	47,054,648	75.3%
Community Policing Review.....	500,000	16,000	0.0%	-	-	-
Emergency Communications.....	9,145,532	6,732,308	73.6%	8,743,235	6,696,924	76.6%
Code.....	-	-	0.0%	24,000	3,592	15.0%
Transit Subsidies.....	19,272,548	18,109,818	94.0%	14,562,467	860,651	5.9%
Housing.....	1,829,441	1,519,890	83.1%	1,807,163	1,525,089	84.4%
Community and Human Services.....	15,908,362	12,736,502	80.1%	14,850,323	11,684,654	78.7%
Health.....	8,937,817	7,379,007	82.6%	9,130,362	8,249,739	90.4%
Historic Resources.....	3,942,134	2,731,339	69.3%	3,566,232	2,734,147	76.7%
Recreation.....	25,308,382	17,672,243	69.8%	23,236,276	15,949,846	68.6%
Total Operating Agencies	\$ 224,750,552	\$ 174,900,106	77.8%	\$ 214,651,798	\$ 151,226,347	70.5%
<b>Education</b>						
Schools.....	\$ 239,437,296	\$ 239,437,296	100.0%	\$ 234,037,296	\$ 163,826,107	70.0%
Other Educational Activities.....	15,785	15,785	100.0%	16,009	16,009	100.0%
Total Education	\$ 239,453,081	\$ 239,453,081	100.0%	\$ 234,053,305	\$ 163,842,116	70.0%
<b>Capital, Debt Service and Miscellaneous</b>						
Debt Service - City.....	\$ 36,851,668	\$ 29,901,447	81.1%	\$ 37,288,071	\$ 26,000,796	69.7%
Debt Service - Schools.....	28,633,966	23,233,603	81.1%	28,578,698	28,578,698	100.0%
Expenses on Refunding Bonds.....	11,710,136	11,710,136	100.0%	49,681,100	49,618,630	0.0%
Non-Departmental.....	20,365,380	11,751,563	57.7%	9,857,954	9,776,054	99.2%
General Cash Capital.....	43,938,304	33,938,304	77.2%	27,338,144	13,669,072	50.0%
Contingent Reserves.....	1,074,170	-	0.0%	4,268,703	-	0.0%
Total Capital, Debt Service and Miscellaneous	\$ 142,573,624	\$ 110,535,053	77.5%	\$ 157,012,670	\$ 127,643,250	81.3%
<b>TOTAL EXPENDITURES</b>	\$ 725,199,892	\$ 615,793,082	84.9%	\$ 720,015,560	\$ 528,265,583	73.4%
<b>Cash Match (Transportation/DCHS/ and Transfers to Special Revenue /Capital Projects Funds)...</b>	\$ 56,704,298	\$ 14,305,998	25.2%	\$ 55,736,959	\$ 6,532,995	11.7%
Transfer to Housing.....	4,588,522	4,588,522	100.0%	4,717,217	2,358,609	50.0%
Transfer to Library.....	7,680,826	6,894	0.1%	7,176,355	151,268	2.1%
Transfer to DASH.....	20,558,446	11,643,202	56.6%	23,827,086	18,649,566	78.3%
<b>TOTAL EXPENDITURES &amp; TRANSFERS</b>	\$ 814,731,984	\$ 646,337,698	79.3%	\$ 811,473,177	\$ 555,958,021	68.5%
<b>Total Expenditures by Category</b>						
Salaries and Benefits.....	\$ 241,261,310	\$ 183,330,074	76.0%	\$ 227,456,371	\$ 175,944,181	77.4%
Non Personnel (includes all school funds) .....	573,470,674	463,007,624	80.7%	584,016,806	380,013,840	65.1%
<b>Total Expenditures</b>	\$ 814,731,984	\$ 646,337,698	79.3%	\$ 811,473,177	\$ 555,958,021	68.5%

### Sales Tax Monthly Comparison 2019-2020-2021-2022



### Meals Tax Monthly Comparison 2019-2020-2021-2022



### Transient Lodging Tax Monthly Comparison 2019-2020-2021-2022

