



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

**DATE:** MARCH 7, 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 January 31, 2023.

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**ISSUE:** Receipt of the Monthly Financial Report for the Period Ending January 31, 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 January 31, 2023, General Fund revenues totaled \$440.2 million, a difference of \$28.2 million or 6.9 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 seven 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 January, Personal Property taxes total \$62.0 million or 92.9 percent of the budgeted amount, compared to \$54.3 million in FY 2022, which was 98.5 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 January 2023, the City has collected \$250.9 million or 48.8 percent of the budgeted amount of Real Property tax revenue compared to \$234.8 million in FY 2022, which represented 48.6 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 seven months of the year interest earnings account for \$7.6 million of the \$8.9 million of Revenue from Use of Money and Property. This compares to only \$0.2 million through the first seven months of 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 2022, Transient Lodging Tax Revenue of \$793,222 exceeded the revenue collected in December 2019 by \$47,791 or 6.4 percent. This marks the first time in 33 months that revenues for Transient Lodging Tax exceeded the same month prior to the pandemic. It is worth noting that 50 hotels remitted Transient Lodging Tax revenue in December 2022 compared to 51 hotels in December 2019. It is important to note that Transient Lodging Tax revenue is well 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 \$446.6 million, a difference of \$24.8 million more than the same time period for FY 2022. Similar to the situation with revenues, no significant expenditure has occurred in the first seven 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

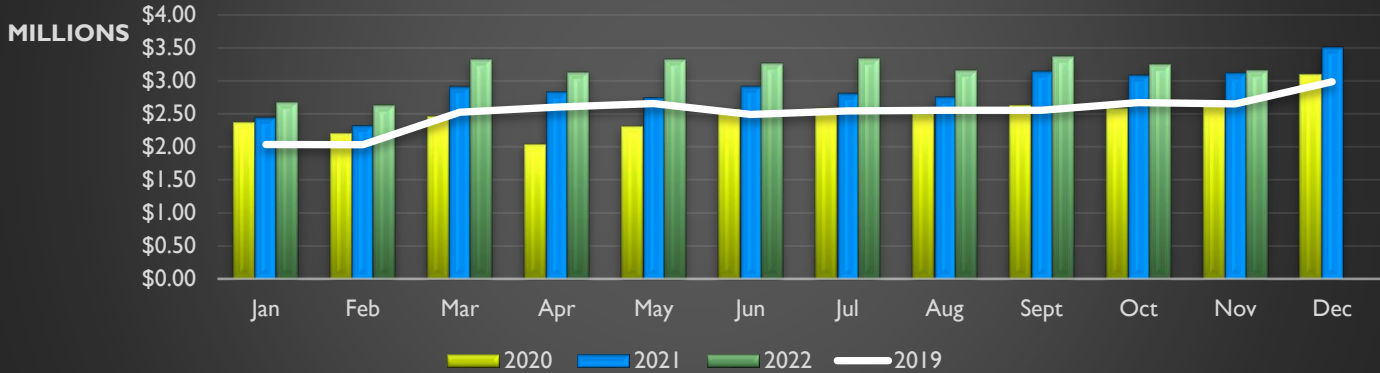
**CITY OF ALEXANDRIA, VIRGINIA**  
**COMPARATIVE STATEMENT OF REVENUES**  
**GENERAL FUND**  
**FOR THE PERIODS ENDING JANUARY 31, 2023 AND JANUARY 31, 2022**

	<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 2023</b>	<b>FY 2023</b>	<b>FY2023</b>	<b>%</b>	<b>FY 2022</b>	<b>FY2022</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 1/31/2023</b>	<b>OF BUDGET</b>	<b>BUDGET</b>	<b>THRU 1/31/2022</b>	<b>OF TOTAL</b>
<b>General Property Taxes</b>							
Real Property Taxes.....	\$ 514,554,739	514,959,597	\$ 250,910,555	48.8%	\$ 483,311,548	\$ 234,801,351	48.6%
Personal Property Taxes.....	66,776,000	64,833,000	62,002,543	92.9%	55,126,000	54,291,892	98.5%
Penalties and Interest.....	3,199,600	3,358,050	1,991,780	62.3%	2,600,000	1,946,958	74.9%
Total General Property Taxes	\$ 584,530,339	\$ 583,150,647	\$ 314,904,877	53.9%	\$ 541,037,548	\$ 291,040,201	53.8%
<b>Other Local Taxes</b>							
Local Sales and Use Taxes.....	\$ 37,440,000	39,000,000	\$ 16,290,834	43.5%	\$ 31,720,000	\$ 14,924,272	47.1%
Consumer Utility Taxes.....	11,760,000	12,020,000	5,751,602	48.9%	11,760,000	5,531,252	47.0%
Communication Sales and Use Taxes.....	7,245,080	7,245,080	3,765,160	52.0%	7,600,000	3,870,557	50.9%
Business License Taxes.....	39,824,300	39,824,300	3,310,939	8.3%	34,135,900	3,042,438	8.9%
Transient Lodging Taxes.....	9,500,000	10,207,000	4,887,324	51.4%	6,500,000	4,187,316	64.4%
Restaurant Meals Tax.....	27,600,000	28,900,000	14,825,662	53.7%	19,980,000	13,839,847	69.3%
Tobacco Taxes.....	2,100,000	2,030,000	1,070,587	51.0%	1,957,000	945,871	48.3%
Motor Vehicle License Tax.....	-	-	4,283	0.0%	-	-	0.0%
Real Estate Recordation.....	8,645,000	4,840,000	2,156,270	24.9%	8,645,000	4,990,391	57.7%
Admissions Tax.....	261,000	348,000	193,481	74.1%	124,000	138,774	111.9%
Other Local Taxes.....	4,103,000	4,018,000	402,017	9.8%	4,595,000	736,349	16.0%
Total Other Local Taxes	\$ 148,478,380	\$ 148,432,380	\$ 52,658,159	35.5%	\$ 127,016,900	\$ 52,207,067	41.1%
<b>Intergovernmental Revenues</b>							
Revenue from the Fed. Government.....	\$ 7,944,000	8,034,000	\$ 3,559,968	44.8%	\$ 7,932,000	\$ 3,359,362	42.4%
Personal Property Tax Relief from the Commonwealth.....	23,578,531	23,579,000	22,399,604	95.0%	23,578,531	22,399,604	95.0%
Revenue from the Commonwealth.....	26,001,491	26,457,000	13,876,894	53.4%	25,617,409	12,261,613	47.9%
Total Intergovernmental Revenues	\$ 57,524,022	\$ 58,070,000	\$ 39,836,466	69.3%	\$ 57,127,940	\$ 38,020,579	66.6%
<b>Other Governmental Revenues And Transfers In</b>							
Fines and Forfeitures.....	\$ 4,305,200	3,730,000	\$ 1,497,467	34.8%	\$ 3,762,200	\$ 1,560,600	41.5%
Licenses and Permits.....	2,867,350	2,638,000	1,510,174	52.7%	2,136,550	1,262,847	59.1%
Charges for City Services.....	15,071,741	13,005,000	8,390,872	55.7%	13,724,495	7,835,451	57.1%
Revenue from Use of Money & Prop.....	6,655,000	14,398,000	9,224,250	138.6%	4,139,167	2,025,258	48.9%
Other Revenue.....	2,490,701	3,236,000	3,339,273	134.1%	2,115,013	1,136,114	53.7%
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	\$ 32,775,526	79.2%	\$ 36,019,968	\$ 18,891,542	52.4%
<b>TOTAL REVENUE</b>	\$ 831,899,384	\$ 836,036,678	\$ 440,175,027	52.9%	\$ 761,202,356	\$ 400,159,389	52.6%
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.....	6,335,925				6,162,701		
Supplemental Appropriations.....	50,401,898				13,360,207		
<b>TOTAL</b>	\$ 896,757,207	\$ 836,036,678	\$ 440,175,027	49.1%	\$ 802,507,810	\$ 411,941,935	51.3%

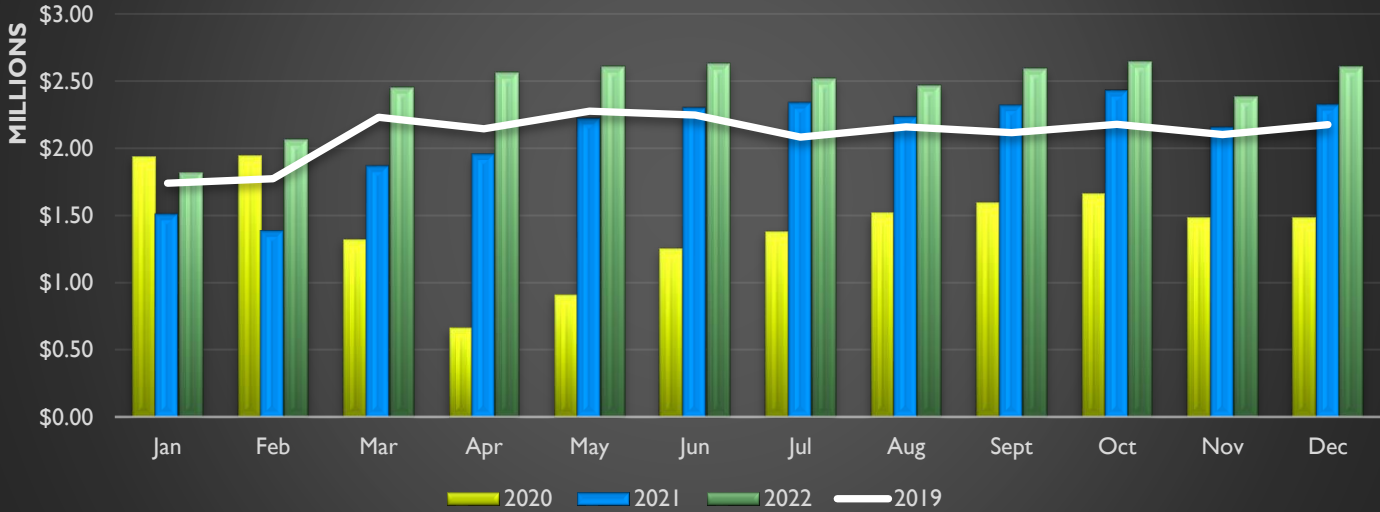
**COMPARATIVE STATEMENT OF EXPENDITURES & TRANSFERS BY FUNCTION  
GENERAL FUND  
FOR THE PERIODS ENDING JANUARY 31, 2023 AND JANUARY 31, 2022**

FUNCTION	B	C	D=C/B	E	F	G=F/E
	FY 2023	FY2023	%	FY 2022	FY2022	%
	APPROVED BUDGET	EXPENDITURES THRU 1/31/2023	OF BUDGET EXPENDED	APPROVED BUDGET	EXPENDITURES THRU 1/31/2022	OF BUDGET EXPENDED
Legislative & Executive.....	\$ 5,353,977	\$ 2,662,416	49.7%	\$ 4,778,319	\$ 2,768,657	57.9%
Judicial Administration.....	\$ 48,621,278	\$ 26,603,525	54.7%	\$ 45,029,421	\$ 25,537,193	56.7%
<b>Staff Agencies</b>						
Communications.....	\$ 2,315,980	\$ 853,409	36.8%	\$ 1,651,966	\$ 750,614	45.4%
Human Rights.....	1,118,762	558,287	49.9%	1,008,210	564,141	56.0%
Information Technology Services.....	17,462,099	9,626,535	55.1%	14,124,346	7,903,851	56.0%
Management & Budget.....	1,786,305	801,572	44.9%	1,476,120	662,341	44.9%
Finance.....	14,365,095	7,060,459	49.2%	13,217,108	6,542,711	49.5%
Performance and Accountability.....	868,233	496,298	57.2%	690,787	326,836	47.3%
Internal Audit.....	438,920	234,391	53.4%	461,431	220,890	47.9%
Human Resources.....	5,778,137	2,689,773	46.6%	5,051,787	2,250,127	44.5%
Planning & Zoning.....	7,593,728	3,657,067	48.2%	6,771,770	3,398,651	50.2%
Economic Development Activities.....	9,105,994	7,190,761	79.0%	7,036,340	5,038,325	71.6%
City Attorney.....	4,160,155	2,546,793	61.2%	3,847,491	2,012,612	52.3%
Registrar.....	1,561,826	775,541	49.7%	1,428,386	801,007	56.1%
Organizational Excellence	271,499	51,703	19.0%	193,448	78,637	40.7%
General Services.....	14,871,041	6,437,222	43.3%	11,602,845	6,283,831	54.2%
Total Staff Agencies	\$ 81,697,775	\$ 42,979,809	52.6%	\$ 68,562,034	\$ 36,834,574	53.7%
<b>Operating Agencies</b>						
Transportation & Environmental Services.....	\$ 27,684,657	\$ 12,824,340	46.3%	\$ 25,215,198	\$ 12,102,563	48.0%
Project Implementation.....	-	-	0.0%	-	6,289	0.0%
Fire.....	56,544,097	30,871,075	54.6%	53,157,528	30,000,526	56.4%
Police.....	70,358,385	35,475,719	50.4%	61,943,107	34,342,383	55.4%
Community Policing Review.....	515,114	36,445	0.0%	500,000	-	0.0%
Emergency and Customer Communications.....	9,907,137	5,173,701	52.2%	9,227,404	4,791,353	51.9%
Code.....	-	-	0.0%	-	-	0.0%
Transit Subsidies.....	19,355,404	9,391,648	48.5%	19,280,052	13,837,942	71.8%
Housing.....	2,081,141	1,125,782	54.1%	1,829,441	1,090,578	59.6%
Community and Human Services.....	17,586,100	8,207,056	46.7%	15,956,122	8,870,828	55.6%
Health.....	9,713,307	6,583,964	67.8%	8,946,872	5,945,413	66.5%
Historic Resources.....	5,279,711	2,239,098	42.4%	3,935,134	1,917,454	48.7%
Recreation.....	28,198,744	14,080,350	49.9%	25,308,382	13,107,147	51.8%
Total Operating Agencies	\$ 247,223,797	\$ 126,009,178	51.0%	\$ 225,299,240	\$ 126,012,476	55.9%
<b>Education</b>						
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%
<b>Capital, Debt Service and Miscellaneous</b>						
Debt Service - City.....	\$ 41,170,131	\$ 36,056,187	87.6%	\$ 36,851,668	\$ 29,901,447	81.1%
Debt Service - Schools.....	\$ 31,941,000	27,895,884	87.3%	\$ 28,633,966	23,233,603	81.1%
Expenses on Refunding Bonds.....	-	-	0.0%	11,782,546	11,710,136	0.0%
Non-Departmental.....	\$ 31,190,582	9,610,733	30.8%	\$ 17,542,970	8,218,033	23.6%
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	\$ 165,307,690	\$ 101,210,705	61.2%	\$ 130,719,591	\$ 90,032,371	68.9%
<b>TOTAL EXPENDITURES</b>	\$ 796,957,567	\$ 423,846,095	53.2%	\$ 713,841,686	\$ 400,915,758	56.2%
Cash Match (Transportation/DCHS/ and Transfers to Special Revenue /Capital Projects Funds)...	\$ 58,742,540	\$ 7,342,346	0.0%	\$ 55,838,330	\$ 7,152,999	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	6,435	0.1%	7,680,826	3,826	0.0%
Transfer to DASH.....	25,164,459	11,580,614	46.0%	20,558,446	11,418,283	55.5%
<b>TOTAL EXPENDITURES &amp; TRANSFERS</b>	\$ 896,757,207	\$ 446,615,048	49.8%	\$ 802,507,810	\$ 421,785,127	52.6%
<b>Total Expenditures by Category</b>						
Salaries and Benefits.....	\$ 258,355,244	\$ 131,538,505	50.9%	\$ 240,751,310	\$ 130,318,362	54.1%
Non Personnel (includes all school funds) .....	638,401,963	315,076,543	49.4%	561,756,501	291,466,765	51.9%
<b>Total Expenditures</b>	\$ 896,757,207	\$ 446,615,048	49.8%	\$ 802,507,810	\$ 421,785,127	52.6%

### 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

