



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: MAY 6, 2025

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: JAMES F. PARAJON, CITY MANAGER

FROM: KEVIN C. GREENLIEF, DIRECTOR OF FINANCE

DOCKET TITLE:

Consideration of the Monthly Financial Report for the Period Ending March 31, 2025.

ISSUE: Receipt of the Monthly Financial Report for the Period Ending March 31, 2025.

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 March 31, 2025, General Fund revenues totaled \$566.8 million, an increase of \$30.9 million, or 5.8 percent, compared to the same period in FY 2024. There are no significant variations in receipts through the midpoint of the fiscal year other than those related to the timing of billing cycles, posting and accruals. It is important to note that several revenue categories lag by one or two months. Revenue may not track consistently with a monthly calendar since many revenue sources have due dates that do not occur evenly throughout the year.

The City's largest revenue source, Real Estate tax, is remitted twice per year and aligns closely with revenue from the same period in FY 2024. Real Estate tax revenue was due to the City on November 15. Through March 31, 2025, the City has collected \$269.9 million or 49.5 percent of the budgeted amount. This is comparable to FY 2024 when the City had collected \$260.5 million as of March 31, 2024, or 49.0 percent of the budgeted amount. Personal Property tax revenue, including Business Personal Property, remains strong in FY 2025. The \$73.7 million collected in the first nine months of the fiscal year reflects 97.6 percent of the budgeted amount compared to collections of \$67.4 million during the same period in FY 2024. Business License tax revenue continues to perform well with collections of \$40.5 million to date, an increase of 3.7% from the same period last fiscal year. Real Estate Recordation revenue is \$1.2 million more than the same period in FY 2024, reflecting that while sales volume is still down, property values remain high.

While inflation has slowed, prices remain high, impacting discretionary consumer spending in some categories, such as Admissions and Tobacco taxes. However, Restaurant Meals tax revenue is 4.9 percent higher than the same time period last fiscal year and Transient Lodging Tax revenue reflects a modest increase of 2.0 percent compared to FY 2024. Attachment 3 provides the City's 3rd quarter investment report. Revenues are projected to total \$921.1 million and no use of fund balance is projected to be used to support the operating budget.

As of March 31, 2025, General Fund expenditures totaled \$704.4 million, reflecting an increase of \$163.3 million, or 30.2 percent, compared to the same time period for FY 2024. As with revenues, no significant expenditure has occurred in the first nine months of Fiscal Year 2025 that is unbudgeted or unexpected. The most significant difference is the timing of payments and the posting of interfund transfers. In March 2024 only half of the City's transfers to various funds had been posted (cash capital, transfer to the Schools, and Housing). These are accounting entries and do not constitute any economic indication. As noted in previous Monthly Financial Reports, most interfund transfers have been posted for FY 2025, including recording of the \$273.0 million General Fund transfer to support the Schools. At this time last year, only \$129.4 million of the Schools transfer had been recorded. The combined total expenditures of the Legislative and Executive agencies, Judicial Administration agencies, and Staffing and Operating agencies (net of interagency transfers) total \$272.6 million at this time in FY 2025 compared to \$266.4 million in FY 2024, an increase of \$6.2 million or 2.3 percent.

ATTACHMENTS:

Attachment 1: Comparative Statement of General Fund Revenues
Attachment 2: Comparative Statement of General Fund Expenditures
Attachment 3: Investment Report for 3rd Quarter of FY 2025

STAFF:

Laura Gates, Deputy Director, Finance Department
Morgan Routt, Director, Office and Management and Budget

CITY OF ALEXANDRIA, VIRGINIA

COMPARATIVE STATEMENT OF REVENUES

GENERAL FUND

FOR THE PERIODS ENDING MARCH 31, 2025 AND MARCH 31, 2024

	B	B.1	C	D=C/B	E	F	G=F/E
	FY 2025	FY 2025	FY2025		FY 2024	FY2024	
	APPROVED	PROJECTED	REVENUES	%	APPROVED	REVENUES	%
	BUDGET	REVENUES	THRU 3/31/2025	OF BUDGET	BUDGET	THRU 3/31/2024	OF TOTAL
General Property Taxes							
Real Property Taxes.....	\$ 545,370,119	\$ 546,603,593	\$ 269,889,502	49.5%	\$ 532,076,175	\$ 260,520,573	49.0%
Personal Property Taxes.....	75,590,000	78,826,000	73,739,413	97.6%	66,313,000	67,373,166	101.6%
Penalties and Interest.....	4,123,399	5,175,699	4,211,415	102.1%	3,358,050	2,906,485	86.6%
Total General Property Taxes	<u>\$ 625,083,518</u>	<u>\$ 630,605,292</u>	<u>\$ 347,840,330</u>	<u>55.6%</u>	<u>\$ 601,747,225</u>	<u>\$ 330,800,223</u>	<u>55.0%</u>
Other Local Taxes							
Local Sales and Use Taxes.....	\$ 41,192,000	40,300,000	\$ 23,825,013	57.8%	\$ 39,000,000	\$ 23,391,967	60.0%
Consumer Utility Taxes.....	12,020,000	13,065,000	8,085,560	67.3%	12,020,000	7,557,432	62.9%
Communication Sales and Use Taxes.....	6,700,000	6,851,000	4,655,838	69.5%	6,810,000	4,738,331	69.6%
Business License Taxes.....	43,718,700	43,718,700	40,536,551	92.7%	39,824,300	39,077,557	98.1%
Transient Lodging Taxes.....	14,901,000	14,901,000	8,737,633	58.6%	11,200,000	8,570,412	76.5%
Restaurant Meals Tax.....	34,270,000	32,500,000	21,224,789	61.9%	31,200,000	20,242,685	64.9%
Tobacco Taxes.....	1,948,999	1,468,400	1,054,748	54.1%	2,030,000	1,136,918	56.0%
Real Estate Recordation.....	2,811,000	5,100,000	3,481,590	123.9%	3,926,000	2,291,335	58.4%
Admissions Tax.....	441,600	267,000	256,740	58.1%	313,000	290,468	92.8%
Other Local Taxes.....	3,745,860	3,905,960	482,094	12.9%	3,848,000	939,220	24.4%
Total Other Local Taxes	<u>\$ 161,749,159</u>	<u>\$ 162,077,060</u>	<u>\$ 112,340,555</u>	<u>69.5%</u>	<u>\$ 150,171,300</u>	<u>\$ 108,236,324</u>	<u>72.1%</u>
Intergovernmental Revenues							
Revenue from the Fed. Government.....	\$ 7,372,000	7,372,000	\$ 5,016,192	68.0%	\$ 7,944,000	\$ 4,604,035	58.0%
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.....	31,551,357	31,725,236	24,816,751	78.7%	27,422,507	18,271,265	66.6%
Total Intergovernmental Revenues	<u>\$ 62,501,888</u>	<u>\$ 62,675,767</u>	<u>\$ 52,939,903</u>	<u>84.7%</u>	<u>\$ 58,945,038</u>	<u>\$ 45,982,260</u>	<u>78.0%</u>
Other Governmental Revenues And Transfers In							
Fines and Forfeitures.....	\$ 4,304,500	5,669,500	\$ 4,736,904	110.0%	\$ 4,425,000	\$ 4,120,993	93.1%
Licenses and Permits.....	2,500,000	2,954,000	2,329,168	93.2%	2,667,500	2,365,164	88.7%
Charges for City Services.....	18,997,239	16,162,239	10,172,054	53.5%	15,652,609	13,570,538	86.7%
Revenue from Use of Money & Prop.....	24,194,038	25,973,945	21,152,087	87.4%	19,322,000	21,632,901	112.0%
Other Revenue.....	2,441,000	4,329,000	4,337,456	177.7%	3,470,890	3,483,098	100.4%
Transfer from Other Funds.....	10,631,458	10,631,458	11,000,506	103.5%	10,461,523	5,747,767	54.9%
Total Other Governmental Revenues	<u>\$ 63,068,235</u>	<u>\$ 65,720,142</u>	<u>\$ 53,728,175</u>	<u>85.2%</u>	<u>\$ 55,999,522</u>	<u>\$ 50,920,460</u>	<u>90.9%</u>
TOTAL REVENUE	\$ 912,402,800	\$ 921,078,261	\$ 566,848,963	62.1%	\$ 866,863,085	\$ 535,939,268	61.8%
Appropriated refunding bond proceeds.....							
Appropriated Fund Balance							
Operating Budget	\$ 13,992,992				\$ 17,464,943		
Cash Capital.....							
Encumbrances And Other.....	5,747,794				8,496,332		
Supplemental Appropriations.....	3,294,959				8,428,296		
TOTAL	<u><u>\$ 935,438,545</u></u>	<u><u>\$ 921,078,261</u></u>	<u><u>\$ 566,848,963</u></u>	<u><u>60.6%</u></u>	<u><u>\$ 901,252,656</u></u>	<u><u>\$ 535,939,268</u></u>	<u><u>59.5%</u></u>

COMPARATIVE STATEMENT OF EXPENDITURES & TRANSFERS BY FUNCTION
GENERAL FUND
FOR THE PERIODS ENDING MARCH 31, 2025 AND MARCH 31, 2024

	B	C	D=C/B	E	F	G=F/E
	FY 2025	FY2025	%	FY 2024	FY2024	%
FUNCTION	APPROVED	EXPENDITURES	OF BUDGET	APPROVED	EXPENDITURES	OF BUDGET
	BUDGET	THRU 3/31/2025	EXPENDED	BUDGET	THRU 3/31/2024	EXPENDED
Legislative & Executive.....	\$ 7,848,980	\$ 4,468,680	56.9%	\$ 8,356,313	\$ 4,060,699	48.6%
Judicial Administration.....	\$ 53,062,708	\$ 37,924,394	71.5%	\$ 51,053,130	\$ 36,918,008	72.3%
Staff Agencies						
Communications.....	\$ 2,490,443	\$ 1,523,980	61.2%	\$ 2,428,674	\$ 1,848,241	76.1%
Human Rights.....	1,184,429	\$ 528,212	44.6%	1,108,318	\$ 747,369	67.4%
Information Technology Services.....	16,886,348	\$ 13,390,565	79.3%	16,764,959	\$ 12,887,140	76.9%
Management & Budget.....	1,938,735	\$ 1,433,409	73.9%	1,980,448	\$ 1,190,936	60.1%
Finance.....	14,733,140	\$ 10,520,696	71.4%	14,628,948	\$ 9,431,267	64.5%
Performance and Accountability.....	958,790	\$ 710,532	74.1%	1,007,418	\$ 637,485	63.3%
Internal Audit.....	582,385	\$ 398,005	68.3%	453,648	\$ 306,325	67.5%
Human Resources.....	5,851,287	\$ 3,848,404	65.8%	6,514,136	\$ 3,596,950	55.2%
Planning & Zoning.....	7,847,972	\$ 5,303,873	67.6%	7,938,776	\$ 5,172,210	65.2%
Economic Development Activities.....	9,277,318	\$ 7,026,208	75.7%	8,550,618	\$ 5,943,324	69.5%
City Attorney.....	4,455,122	\$ 3,630,587	81.5%	4,157,204	\$ 3,326,551	80.0%
Registrar.....	2,436,663	\$ 1,448,764	59.5%	1,806,009	\$ 1,120,592	62.0%
General Services.....	15,925,466	\$ 10,752,723	67.5%	16,497,666	\$ 10,912,117	66.1%
Total Staff Agencies	\$ 84,568,099	\$ 60,515,958	71.6%	\$ 83,836,822	\$ 57,120,507	68.1%
Operating Agencies						
Transportation & Environmental Services.....	\$ 29,394,351	\$ 17,823,312	60.6%	\$ 28,590,520	\$ 17,253,685	60.3%
Fire.....	68,149,895	\$ 48,027,256	70.5%	60,517,939	\$ 43,487,586	71.9%
Police.....	71,692,701	\$ 49,933,480	69.6%	72,736,646	\$ 51,828,269	71.3%
Community Policing Review.....	653,618	\$ 327,554	50.1%	578,440	\$ 178,965	30.9%
Emergency Communications.....	10,165,444	\$ 6,984,701	68.7%	10,244,336	\$ 6,695,178	65.4%
Transit Subsidies.....	16,954,438	\$ 1,563,132	9.2%	19,430,635	\$ 4,169,814	21.5%
Housing.....	2,343,231	\$ 1,675,392	71.5%	2,216,317	\$ 1,440,225	65.0%
Community and Human Services.....	18,452,890	\$ 12,355,020	67.0%	17,818,277	\$ 11,729,418	65.8%
Health.....	10,995,493	\$ 7,884,035	71.7%	10,963,937	\$ 8,265,388	75.4%
Historic Resources.....	4,607,856	\$ 3,650,898	79.2%	4,968,818	\$ 3,370,461	67.8%
Recreation.....	30,216,876	\$ 19,417,482	64.3%	28,930,975	\$ 19,915,016	68.8%
Total Operating Agencies	\$ 263,626,792	\$ 169,642,261	64.3%	\$ 256,996,841	\$ 168,334,006	65.5%
		\$ 272,551,293			\$ 266,433,221	
Education						
Schools.....	\$ 273,034,300	\$ 273,034,300	100.0%	\$ 258,686,800	\$ 129,343,400	50.0%
Other Educational Activities.....	15,570	\$ 11,587	74.4%	15,570	\$ 11,678	75.0%
Total Education	\$ 273,049,870	\$ 273,045,887	100.0%	\$ 258,702,370	\$ 129,355,078	50.0%
Capital, Debt Service and Miscellaneous						
Debt Service - City.....	\$ 49,638,949	\$ 32,570,870	65.6%	\$ 48,235,001	\$ 45,608,018	94.6%
Debt Service - Schools.....	\$ 45,527,862	\$ 28,883,602	63.4%	\$ 32,220,940	\$ 30,405,345	94.4%
Non-Departmental.....	\$ 11,865,620	\$ 7,111,765	59.9%	\$ 13,130,177	\$ 7,757,206	59.1%
General Cash Capital.....	\$ 29,476,152	\$ 29,476,152	100.0%	\$ 38,392,581	\$ 18,280,741	47.6%
Contingent Reserves.....	1,800,575	\$ -	0.0%	570,325	\$ -	0.0%
Total Capital, Debt Service and Miscellaneous	\$ 138,309,158	\$ 98,042,389	70.9%	\$ 132,549,024	\$ 102,051,309	77.0%
TOTAL EXPENDITURES	\$ 820,465,608	\$ 643,639,569	78.4%	\$ 791,494,498	\$ 497,839,607	62.9%
Transfers						
Transfers to Special Revenue /Capital Projects Funds.....	\$ 62,062,130	\$ 17,444,967	28.1%	\$ 61,319,206	\$ 8,254,269	13.5%
Transfer to Housing.....	9,919,184	\$ 9,919,184	100.0%	9,601,130	\$ 4,673,223	48.7%
Transfer to Library.....	9,173,121	\$ 2,033	0.0%	8,589,228	\$ 4,295,008	50.0%
Transfer to DASH.....	33,818,503	\$ 33,428,362	98.8%	30,248,594	\$ 26,077,166	86.2%
TOTAL EXPENDITURES & TRANSFERS	\$ 935,438,546	\$ 704,434,115	75.3%	\$ 901,252,656	\$ 541,139,273	60.0%
Total Expenditures by Category						
Salaries and Benefits.....	\$ 281,460,194	\$ 195,399,105	69.4%	\$ 267,813,214	\$ 187,118,968	69.9%
Non Personnel (includes all school funds)	653,978,352	\$ 509,035,010	77.8%	633,439,442	\$ 354,020,305	55.9%
Total Expenditures	\$ 935,438,546	\$ 704,434,115	75.3%	\$ 901,252,656	\$ 541,139,273	60.0%

**City of Alexandria
Investment Report
As of March 31, 2025**

Investment Policy

Objective and Strategy

Safety of Principle – investments will be made in a manner that seeks to ensure the preservation of capital

Preservation of capital

Liquidity – the investments will remain sufficiently liquid to meet all operating requirements that are reasonably anticipated

Requirements that are reasonably anticipated

Yield – attain a market rate of return (consistent with the 2-year Treasury maturity). This is secondary to safety and liquidity.

Investment Committee

Responsibilities for the City's investment management decisions and activities rest with:

- Director of Finance – Kevin C. Greenlief
- Deputy Director – Laura Gates
- Assistant Director, Treasury Division – Vacant (to be advertised)

Authorized Investments

- Obligations of the Commonwealth of Virginia, the United States or Virginia Municipalities
- Prime Quality Commercial Paper with maturities of 270 days or less
- Certificates of Deposits (CDARS)
- Insured Cash Sweeps (ICS)
- Virginia Local Government Investment Pool (LGIP)
- Virginia Investment Pool (VIP)

Diversification Strategy

Security Type	Maximum % of the Total Funds Available for Investment
Obligations of Virginia	40%
Obligations of the US	75%
Obligations of Virginia Municipalities	40%
Prime Quality Commercial Paper	25%
Commercial Paper of any one Issuing Corporation	5%
CDARs	75%
ICS	40%
LGIP	100%
VIP	75%

Portfolio as of March 31, 2025

Security Type	Balance (millions)	Allocation
Local Government Investment Pool (LGIP)	\$480.4	88.1%
CDARS	16.6	3.0%
Virginia Investment Pool (VIP) Liquidity	5.9	1.1%
Cash/Money market	42.6	7.8%
Total	\$545.5	100.0%

Return on Investment 3Q – FY 2025

Security Type	Interest Earned During Period	Annualized Total Rate of Return
Local Government Investment Pool (LGIP)	\$5.00	4.43%
CDARS	0.659	4.46%
Virginia Investment Pool (VIP) Liquidity	0.065	4.46%
Cash/Money Market	0.014	0.71%
Total	\$5.739	4.44%