



Legislation Details (With Text)

File #: 16-5756 **Name:** Consideration of the Monthly Financial Report for the Period Ending September 30, 2016

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Title: Consideration of the Monthly Financial Report for the Period Ending September 30, 2016.

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Indexes:

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Attachments: 1. 16-5756_Att 1 - Revenue- September 2016, 2. 16-5756_Att 2 - Expenditure September 2016, 3. 16-5756_Att 3 - Investment Report 9302016

Date	Ver.	Action By	Action	Result
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City of Alexandria, Virginia

MEMORANDUM

DATE: NOVEMBER 2, 2016

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:
Consideration of the Monthly Financial Report for the Period Ending September 30, 2016.

ISSUE: Receipt of the Monthly Financial Report for the Period Ending September 30, 2016.

RECOMMENDATION: That City Council receives the Monthly Financial Report (Attachment 1).

BACKGROUND: The following discussion is a summary of the Monthly Financial Report for this period. Schedules comparing revenues and expenditures to date to the same period in FY 2016 are attached.

At this time in FY 2017, the City’s revenue and expenditures are not noticeably different than the same time period last year. As of September 30, 2016, General Fund revenues totaled \$65.4 million, a decrease of \$11.2 million or 14.6% below the revenues collected at the same time in FY 2016. Through the first quarter, approximately 10 percent of budgeted revenues have been collected. Revenues may not track consistently with calendar since many revenue sources have dues 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. It should be noted that FY 2016 included a bond refunding of \$10.6 million in the first quarter that increased recorded revenue. The City is currently in the process of refunding existing debt, but the impact will not be recorded until the second quarter; as previously reported to Council, the amount is expected to be higher than the refunded amount in FY 2016. If this revenue is excluded, General Fund Revenue in FY 2017 for the first quarter of \$65.4 million compares to \$65.9 million in the first quarter of FY 2016.

As of August 31, 2016, General Fund expenditures totaled \$141.1 million, a decrease of \$0.5 million over the same time period for FY 2016. The decrease is primarily comprised of the completion of the City's NVTA certification for the City to receive funding from NVTA earlier than in FY 2016 which allowed the City to utilize those \$11.0 million funds for transportation sooner. This increase was offset by the \$10.7 million FY 2016 bond refunding discussed previously.

The City's short-term cash investments are actively reviewed and monitored so that the investment portfolio is consistent with City Council's adopted investment policy. Staff annually provides the status of the City's investments in the Comprehensive Annual Financial Report. Beginning in FY 2017 (based on a recommendation from one of the bond rating agencies), the Monthly Financial Report that coincides with the end of each quarter will include information on the City's short-term investment portfolio. Attachment 3 provides an introduction to the various investments as well as a chart showing the distribution. The City's return on investment for

FY 2016 was 0.78 percent and resulted in \$1.7 million in General Fund Revenue. Through the first quarter of FY 2017 the City has earned \$0.26 million, which is nearly 24 percent of the budgeted amount.

ATTACHMENTS:

Attachment 1 - Comparative Expenditure Schedule for September 30, 2016

Attachment 2 - Comparative Revenue Schedule for September 30, 2016

Attachment 3 - Investment Portfolio as of September 30, 2016

STAFF:

Laura Triggs, Deputy City Manager

Kendel Taylor, Director, Finance Department

Morgan Routt, Director, OMB