

DISCUSSION: The City levies a tax against consumers of utility services (electricity, natural gas, water). The tax is levied and collected by utility companies through the billing process and is remitted to the City. As part of the FY 2015 budget process, City Council increased the utility tax rates for commercial and industrial consumers of water. The rate increase is shown above. The increase will become effective on July 1, 2014.

It is estimated that the average monthly tax will increase by \$6.89 to \$27.59 for water consuming businesses in Alexandria.

FISCAL IMPACT: The rate changes are estimated to produce an additional \$0.3 million in revenues in FY 2015.

ATTACHMENTS: Attachment I: Tax Ordinance Cover
Attachment II: Tax Ordinance

STAFF:

Laura B. Triggs, Chief Financial Officer/Director of Finance
Nelsie L. Smith, Director, Office of Management and Budget
Christina Zechman-Brown, Assistant City Attorney