

approximately \$2.4 million. In FY 2018, \$167.4 million in outstanding debt was refinanced and will produce approximately \$13 million in debt service savings over the next 15 years. If the refunding is excluded in both years, 67.0 percent of budgeted revenues have been collected, and revenues through the first ten months reflect a 5.2 percent increase compared to the same time period last year. Real Property tax revenues are 7.4 percent higher at this point in FY 2018 compared to the same period in FY 2017, which is consistent with the tax rate and assessment increases approved in Calendar Year 2017.

Through January 2018, Other Local Tax revenues equal \$99.5 million compared to \$96.9 million in April 2017. Recordation tax revenue exceeds last year by \$2.1 million primarily due to the sale of several large properties in the City over the past 10 months. Sales Tax is trending lower through the first eight months of the year (it is remitted to the City from the State two months after it is collected by the place of business). Local Sales Tax revenues are currently \$0.4 million lower than through February 2018. Although Consumer Utility Tax is showing a positive variance, it is due to the timing of receipts in FY 2018 compared to FY 2017 and does not reflect any economic advantage. When payment timing is discounted, Consumer Utility Tax Revenue is within 2 percent of FY 2017. In total, Other Local Taxes are 2.0 percent, or \$1.8 million, higher than last year at this time.

Charges for Services are \$1.5 million higher than FY 2017, due mostly to Planning and Zoning and Rental Fees, which are consistent with this point in the fiscal year. Higher than budgeted rising interest rates are helping to generate additional Revenue from use of Money and Property, as Interest from General Fund Investments total \$3.4 million through February compared to \$1.8 million at this same time last year.

These positive and negative revenue variances were utilized to produce the revised FY 2019 revenue projections reflected in the budget technical adjustments memo to Council which indicated the availability of \$1.3 million in additional resources in the FY 2019 budget.

As of April 30, 2018, General Fund expenditures totaled \$595.0 million, an increase of \$125.9 million over the same time period for FY 2017. After adjusting for the difference due to the refunding, expenditures total \$471.3 million, which is \$7.8 million lower than FY 2018 or 1.6 percent, compared to the same time period last year. No significant expenditure has occurred in the first ten months of Fiscal Year 2018 that is unbudgeted or unexpected. The amount and the timing of the cash capital transfer is the most significant variance between FY 2017 and

FY 2018. By February 2017, the full amount of \$24.2 million budgeted for cash capital had been transferred to the CIP. In FY 2018, \$43.4 million is budgeted and none has been transferred at this time. Departments that have expended a considerably lower portion of their budget than the percent of the fiscal year that has occurred have underspent primarily due to vacancies or turnover or contracts that have been issued but for which payments have not yet been requested by the vendor. The only General Fund supported departments that have expended significantly more than 75 percent are the Alexandria Health Department, Economic Development Activities and Transit Subsidies. In the case of the Health Department, approximately \$4.6 million is budgeted for the City's Local Commitment to the State for Public Health programs based on a required match percentage. This funding is remitted to the Commonwealth quarterly. As of March 31, 2018, 100 percent of this expenditure has been remitted to the Commonwealth. For both Economic Development Activities and Transit Subsidies, these are primarily funded from quarterly transfers from the City. At this time 100 percent of transfer have occurred. The Supplemental Appropriation Ordinance includes several transfers to reallocate funds from existing savings in several departments to funds that have unbudgeted expenditures that cannot be absorbed.

ATTACHMENTS:

Attachment 1 - Comparative Revenue Schedule for April 30, 2018

Attachment 2 - Comparative Expenditure Schedule for April 30, 2018

Attachment 3 - Economic Indicators

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