



Legislation Details (With Text)

File #: 16-6768 **Name:** Monthly Financial Report
Type: Written Report **Status:** Agenda Ready
File created: 8/10/2017 **In control:** City Council Legislative Meeting
On agenda: 10/10/2017 **Final action:**
Title: Consideration of the Monthly Financial Report for the Period Ending August 31, 2017.
Sponsors:
Indexes:
Code sections:
Attachments: 1. 16-6768_Att 1 - Revenue - August 2017, 2. 16-6768_Att 2 - Expenditure August 2017

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

MEMORANDUM

DATE: OCTOBER 4, 2017
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 August 31, 2017.

ISSUE: Receipt of the Monthly Financial Report for the Period Ending August 31, 2017.

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.

FY 2017: The unaudited preliminary estimate for FY 2017 General Fund revenues is \$728.2 million. At the same time, FY 2017 expenditures, encumbrances, carryover projects and planned assignments are projected to total \$721.3 million, enabling the City to end the year with a surplus generated from the expenditure savings of about \$7.0 million. It is planned to assign this remaining \$7.0 million to FY 2019 or a subsequent year for Cash Capital. A portion of the additional real estate tax revenues generated in FY 2017 were allocated in the FY 2018 budget process towards Affordable Housing (\$3.6 million), and due to the tax rate increase the existing assignment for Economic Contingency was increased by \$3.6 million, and due to higher projected General

Scale employee retirements the amount set aside for leave balance payout was increased from \$0.5 million to \$1.0 million. It is interesting to note that the FY 2017 Year End revenue projection was within one tenth of one percent of the unaudited preliminary revenue total.

FY 2018: As of August 31, 2017, General Fund revenues totaled \$44.7 million, an increase \$15.3 million or 52.1% above the revenues collected at the same time in FY 2017. This is entirely a function of the timing of revenue receipts. In accordance with governmental accounting rules, revenues remitted to the City through August 15 are posted to the prior fiscal year and revenues collected between August 15 and August 31 are attributed to the new fiscal year. In FY 2017, the Monthly Financial Report was prepared earlier in the month of September and several local taxes had not yet been posted for August 2016. In addition, receipts for state and other external parties vary from year to year.

As of August 31, 2017, General Fund expenditures totaled \$93.9 million, compared to \$88.6 million over the same time period for FY 2017, which represents a 6 percent increase. There are several contributing factors. The quarterly WMATA operating subsidy payment was approximately \$3.4 million, compared to \$1.9 million in FY 2017. The July 2017 debt service payment for principal and interest on the City's outstanding debt is \$2.5 million more than in FY 2017 to pay for the budgeted additional capital expenditures. Through the first two months of FY 2018, which equates to 16.7 percent of the fiscal year, the City has expended 12.9 percent of the budgeted amount. This difference is primarily attributable to the timing of transfers for cash capital and grants which may not occur evenly throughout the year.

ATTACHMENTS:

Attachment 1: Comparative Statement of General Fund Revenues

Attachment 2: Comparative Statement of General Fund Expenditures

STAFF:

Laura Triggs, Deputy City Manager

Kendel Taylor, Director, Finance Department

Morgan Routt, Director, Office and Management and Budget