



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: OCTOBER 7, 2015

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, 2015.

ISSUE: Receipt of the Monthly Financial Report for the Period Ending August 31, 2015.

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. The complete report is attached.

FY 2015: As discussed in the prior Monthly Financial Reports, revenues for FY 2015 were projected to be near and potentially even under the budgeted revenue amounts. Revenues for FY 2015 which totaled \$638.9 million did come in under revenue projections, but only by \$0.2 million. Expenditures were also under budget and enabled the City not to have to spend \$2.4 million in fund balance that had been budgeted to be expended in FY 2015. This coupled with favorable expenditure experience enabled the City to not draw on fund balance for operating expenses, and to not have the spendable fund balance dip below the City's 10% floor policy guideline. The under expenditure is comprised in large part by salary and benefit monies that were not expended as a result of vacancies that have become harder to fill, as well as savings due to fewer employees choosing the City as their health insurance carrier, and enrollment by City employees in lower cost plans. Increased NVTC funds contributed to a lower WMATA cost to the City's General Fund, and a shift in bond issuance structure resulted in debt service savings.

The under expenditure of the approved FY 2015 budget also enabled there to be a designation of \$7.0 million in the General Fund fund balance towards the upcoming FY 2017 to FY 2026 Capital Improvement Program.

FY 2016: At this time in FY 2016, the City's revenue and expenditures are not noticeably different than the same time period last year. As of August 31, 2015, General Fund revenues totaled \$34.0 million, an increase of \$12.0 million or 54.7% above the revenues collected at the same time in FY 2015. After adjusting to exclude \$10.6 million debt proceeds received through the bond refinancing, the City received \$1.4 million or 6.2%

more revenue in this fiscal year than last year at the same time.

As of August 31, 2015, General Fund expenditures totaled \$99.9 million, an increase of \$8.9 million over the same time period for FY 2015. After adjusting for expenditures related to the bond refinancing, which will save the City some \$1.255 million over the next 13 years, the City spent 0.8% less of its budgeted expenditures compared to the percentage of total expenditures expended at this time in FY 2015. Personnel expenditures are 2.1% more than FY 2015, whereas non-personnel expenditures are 2.7% lower than FY 2015.

The economic indicators highlighted in this month's report are personal property tax billing, residential property sales volume, and median sales value. Additional economic, revenue, and expenditure charts are also available on the City of Alexandria website at: alexandriava.gov/FinancialReports. Attached are General Fund revenue and expenditure tables.

ATTACHMENTS:

Attachment 1: Monthly Financial Report for the Period Ending August 31, 2015

STAFF:

Laura Triggs, Deputy City Manager

Morgan Routt, Acting Director, OMB

Kendel Taylor, Director, Finance Department

Martina Alexander, Budget/Management Analyst, OMB