



Legislation Text

File #: 16-5937, **Version:** 1

City of Alexandria, Virginia

MEMORANDUM

DATE: DECEMBER 7, 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 October 31, 2016.

ISSUE: Receipt of the Monthly Financial Report for the Period Ending October 31, 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 October 31, 2016, General Fund revenues totaled \$128.2 million, a decrease of \$7.1 million or 5.3% below the revenues collected at the same time in FY 2016. Through the first four months of the fiscal year, approximately 19 percent of budgeted revenues have been collected. Revenues may not track consistently with the 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 recently refunded existing debt, but the impact will not be recorded until the November 2016 report. As previously reported to Council, \$30.1 million in existing bonds were refunded for a savings of \$0.5 million in FY 2017. If the refunding revenue is excluded in FY 2016, General Fund Revenue in FY 2017 for the first five months of \$128.2 million compares to \$124.7 million in the first five months of FY 2016. The majority of this increase is in General Property Tax revenue and is due to the timing of payments.

Through October 2015, the City had collected \$32.8 million of Real Property Tax Revenue, compared to \$35.3 million through October 2016. The due date for the second half payment of Real Property Taxes was

November 15. Personal Property tax revenue is also higher compared to the amount collected last year at this time. However, it is consistent with the increase in the budgeted amount for FY 2017. Through October 2015, the amount collected represented 90.7 percent of the budgeted amount, which is the same proportion reflected in collections this year (\$41.8 million of Personal Property Tax Revenue is 90.7 percent of the \$46.1 million budgeted for Personal Property Tax).

As of October 31, 2016, General Fund expenditures totaled \$190.0 million, an increase of \$3.3 million over the same time period for FY 2016. The increase 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 in NVTa funds for transportation sooner. This increase was offset by the \$10.7 million FY 2016 bond refunding discussed previously. Not including interfund transfers that do not follow a regular, monthly posting pattern, with 33 percent of the fiscal year completed, the City has expended 28.4 percent of the budgeted amount.

ATTACHMENTS:

Attachment 1 - Comparative Expenditure Schedule for October 31, 2016

Attachment 2 - Comparative Revenue Schedule for October 31, 2016

Attachment 3 - First quarter economic indicators related to real estate and new construction

STAFF:

Laura Triggs, Deputy City Manager

Kendel Taylor, Director, Finance Department

Morgan Roult, Director, OMB