



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 29, 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 February 28, 2017.

ISSUE: Receipt of the Monthly Financial Report for the Period Ending February 28, 2017.

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 February 28, 2017, General Fund revenues totaled \$410.9 million, an increase of \$29.5 million or 7.7% above the revenues collected at the same time in FY 2016. Through the first eight months of the fiscal year, approximately 59.7 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. This compares with a bond refunding in FY 2017 that occurred in November 2016 of \$34.2 million, which saved approximately \$2.4 million over the next 10 years. If the refunding revenue is excluded in both years, revenue of \$376.7 million collected in the first eight months of FY 2017 compares to \$370.7 million in the first eight months of FY 2016. This increase is an increase of 1.6 percent compared to last year. General Property taxes are trending at 4.3 percent more than last year and Other Local Taxes are 3.9 percent more than last year. This is consistent with the increase in the overall General Fund Operating Budget from FY 2016 to FY 2017, which increased from \$649.2 million to \$678.5 million, including a 5.4 percent increase in Real Property tax revenues. The

variance in Revenue from the federal government relates to the timing of receipts for federal prisoner per diem. The variance in Revenue from the Commonwealth is also related to timing in which the City's HB 599 public safety revenue was recorded in March 2017, compared to February 2016.

As of February 28, 2017, General Fund expenditures totaled \$430.5 million, an increase of \$31.8 million over the same time period for FY 2016. As noted above, there were bond refundings in both years that were significantly different. Without the refundings in the calculation, total expenditures in FY 2017 are \$396.3 million compared to \$388.0 million in FY 2016, which reflects a 2.2 percent increase in spending to date. Through eight months of the fiscal year, which is 66.7 percent of the fiscal year, excluding the refundings, 57.7 percent of the budget has been expended.

Attachment 3 provides a multi-year comparison of sales tax receipts.

ATTACHMENTS:

Attachment 1 - Comparative Revenue Schedule for February 28, 2017

Attachment 2 - Comparative Expenditure Schedule for February 28, 2017

Attachment 3 - Economic Indicators - Sales Tax Revenues

STAFF:

Laura Triggs, Deputy City Manager

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Morgan Routt, Director, OMB