

EXHIBIT NO. 1

*City of Alexandria, Virginia*

12  
6-26-01

MEMORANDUM

DATE: JUNE 18, 2001  
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL  
FROM: PHILIP SUNDERLAND, CITY MANAGER *PS*  
SUBJECT: MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDING  
MAY 31, 2001

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**ISSUE:** Receipt of the City's Monthly Financial Report for the period ending May 31, 2001.

**RECOMMENDATION:** That City Council receive the following Monthly Financial Report for the period ending May 31, 2001.

**DISCUSSION:** This report provides financial information on revenues and expenditures of the General Fund for the period July 1, 2000 through May 31, 2001. This report also presents revenues and expenditures for the same period for Fiscal Year 2000 for comparative purposes (Attachments 1 and 2) and provides a summary of selected economic indicators (Attachment 3). As of May 31, 2001, General Fund expenditures exceeded General Fund revenues by \$6.7 million. This is a normal situation that occurs this time of year because the City's revenues follow seasonal patterns (the City's real estate tax revenues are due in November and June), while expenditures are more evenly distributed.

**REVENUES (Attachment 1):** As of May 31, 2001, actual General Fund revenues totaled \$245.8 million, an increase of \$17.9 million, or 7.9 percent, as compared to revenues for the same period last year. Unless otherwise noted, revenue to date reflects normal trends and represents no cause for concern.

As discussed in last month's financial report and during the FY 2002 budget work sessions, projected positive variances (i.e., revenues in excess of original budget) are projected to be \$18.0 million. All of these funds have been previously earmarked for cash capital contributions to the FY 2002 to FY 2007 Capital Improvement Program, to balance the FY 2002 Approved Operating Budget, and to increase the undesignated fund balance slightly. The FY 2002 total revenue projections contained in this monthly financial report have not changed from last month's (April) monthly financial report.

The following chart and text describes the sources of the \$18.0 million in net positive variances:

**FY 2001 PROJECTIONS**  
(Amounts in millions)

	FY 2001 BUDGET	FY 2001 BUDGET PROJECTIONS	BUDGET VERSUS PROJECTIONS
Real Property	\$ 149.1	\$ 154.7	\$ 5.6
Personal Property-local share	32.6	35.3	2.7
Penalties and Interest	2.4	2.0	(0.4)
Sales Tax	20.1	21.0	0.9
Consumer Utility Tax	14.5	15.7	1.2
Business License Tax	17.7	19.8	2.1
Transient Lodging Tax	5.5	6.0	0.5
Restaurant Meals Tax	7.7	8.4	0.7
Motor Vehicle License	2.1	2.2	0.1
Recordation Taxes	1.2	1.9	0.7
Other Local Taxes	3.3	3.5	0.2
Intergovernmental	34.5	36.2	1.7
Licenses and Permits	3.8	4.2	0.4
Charges for City Services	9.3	9.1	(0.2)
Use of Money and Property	7.8	9.6	<u>1.8</u>
Total Variance			\$18.0
Variance projected in April Monthly Financial Report			<u>(18.0)</u>
Net change in revenue projections			-0-

**Real Estate Taxes:** Revenues to date reflect the receipt of the first half 2001 real property tax billing and represent an increase of \$2.9 million, or 3.5 percent higher than collections at this time last year. As reported to City Council on February 16, the City's calendar year 2001 assessed real property tax base increased 10.06 percent. At the current rate of \$1.11 per \$100 of assessed value, staff estimates real property tax revenues will total at least \$154.7 million for FY 2001, an increase

of \$5.6 million over the original budget estimate of a year ago, which was based on an estimated 5 percent increase in the calendar year 2001 real estate base.

**Personal Property Taxes:** The City's personal property tax due date for FY 2001 was October 5, 2000. Personal property tax revenue consists of both personal property (primarily vehicles) and business property (business machinery, computers and furniture). The FY 2001 Approved Budget includes a \$32.6 million for tax revenue collected directly by the City and an additional \$12.3 million of intergovernmental revenue that the City collects from the Commonwealth under the provisions of the Personal Property Tax Relief Act of 1998 (PPTRA). The State's share of the local personal property tax payment for FY 2001 is 47.5 percent of most taxpayers' payments. The State's share for FY 2000 was 27.5 percent. The total for all budgeted revenues related to the personal property tax for FY 2001 is \$44.9 million. This represented an estimated net increase in the FY 2001 tax base of five percent over FY 2000 before any tax changes. The City accelerated the depreciation schedule for business computers, reducing estimated tax revenue in the FY 2001 approved budget by approximately \$1.5 million, as well as changing the tax on pleasure boats to a nominal \$0.01 tax rate amount.

As shown in the following table, through the end of May, the City has collected \$34.9 million in personal property tax revenue. To date, reimbursement from the Commonwealth totals \$13.3 million, for total personal property tax receipts of \$48.2 million for FY 2001, \$3.3 million more than all budgeted revenues related to personal property taxes:

Personal Property Tax (in millions)	Total Actual FY 2000	Amended Budget FY2001	Actual to Date FY 2001	Projection FY 2001
City share	\$38.4	\$32.6	\$34.9	\$35.3
Commonwealth reimbursement	<u>6.8</u>	<u>12.3</u>	<u>13.3</u>	<u>13.3</u>
Total	\$45.2	\$44.9	\$48.2	\$48.6

Tax collections (including both the City's collections and the State's reimbursement) represent a \$3.3 million, or 7.3 percent, increase when compared to receipts collected at the same time last year. The average value of a new model vehicle increased by 4 percent to \$21,362 and the number of new model vehicles increased 14.4 percent to 4,714, or 4.9 percent of all vehicles. Staff estimates the cost of the new computer depreciation schedule will be \$0.5 million less than the \$1.5 million originally estimated. However, business investment in equipment subject to the personal property tax appears to be slowing. Based on these and prior year collection patterns, staff currently projects that total personal property collections will be \$48.6 million, comprised of \$35.3 million in local collections and \$13.3 million from the state. This is an increase of \$3.7 million (\$2.7 million in local tax collections and \$1.0 million in state PPTRA reimbursement) over the original budget, but

\$0.5 million less than the FY 2001 projections reflected in the FY 2002 proposed budget. Staff will continue to monitor these revenues and will project adjustments, as warranted.

**Penalties and Interest:** Penalties and interest represent payment on delinquent taxes, primarily for real estate and personal property. Collections to date, in the amount of \$1.6 million, are \$0.5 million lower than collections at this time last year. Penalties and interest collections are highly variable, with last year's tax collection initiatives representing a very high collection year. Also, with decreased personal property tax bills due to the state-funded tax relief, more taxpayers are more likely paying their bills on time, which results in reduced penalties and interest. Based on collections to date, staff estimates FY 2001 penalties and interest revenues will total approximately \$2.0 million, which is \$0.4 million less than the original FY 2001 budget estimate. Staff will continue to monitor these revenues and will recommend adjustments, as warranted.

**Local Sales and Use Taxes:** Businesses remit sales tax to the Commonwealth within 30 days of the end of the month in which sales occurred. The Commonwealth sends the City its portion of the sales tax approximately one month later. The sales tax revenue represents sales activity for the months of July through March 2001. Revenues to date of \$15.4 million are \$0.9 million, or 5.9 percent, higher than collections at this time last year. This increase is primarily attributable to overall increased sales tax collections citywide. Based on collections through mid May, staff estimates FY 2001 sales tax revenues will total approximately \$21.0 million, which is \$0.9 million higher than the original FY 2001 budget estimate. Staff will continue to monitor these revenues and will recommend adjustments, as warranted.

**Consumer Utility Taxes:** Consumer utility taxes are collected by the utility companies one month after billing and are remitted to the City the following month. The consumer utility tax revenue in this report represents utility services provided to consumers through March. Overall utility tax revenue increases are primarily attributable to the steep cost increases of natural gas, additional households, primarily in Cameron Station, as well as the addition of second phone lines in more households to provide separate computer modem connections. Also the basis of taxation of natural gas and electricity changed statewide as of January 1, 2001 (as mandated by state law), and that these utility categories are now taxed on a usage, rather than a cost basis. Prior to January 1, 2001, the consumer utility tax was based on cost, and therefore as natural gas and electricity prices increased this past fall and winter, so did many tax bills. However, starting in January, when the calculation of these taxes switched from cost-based to usage-based, some consumers saw a reduction in the amount of these taxes.

City of Alexandria Consumer Utility Tax Receipts Through March 30, 2000 and March 30, 2001				
Utility	FY 2001 Year to Date Receipts	FY 2000 Year to Date Receipts	Increase/ (Decrease)	Notes
Telephone - Tax on Local Services	\$5,421,068	\$4,979,876	\$441,192	
Electricity	4,314,071	3,799,640	514,431	FY 2001 revenues include an additional month's receipts which were paid early.
Water	1,465,699	1,382,333	83,366	
Natural Gas	1,608,091	1,263,449	344,642	

Based on collections to date, staff estimates FY 2001 consumer utility revenues will total approximately \$15.7 million, which is \$1.2 million higher than the original FY 2001 budget estimate. Staff will continue to monitor these revenues and will recommend adjustments, as warranted.

**Business License Taxes:** The City's FY 2001 business license tax was due March 1, 2001. Collections as of May 31, 2001, in the amount of \$19.3 million, are \$1.3 million or 7.5 percent higher than collections at the same time last year. An analysis of the tax returns from businesses, which have reported their gross receipts on time, show an increase in gross receipts from the service sector of 4.4 percent, including an increase in gross receipts of professional services of 2.6 percent. The City experienced a decrease in gross receipts of 10.2 percent from contractors, builders, and developers. City staff are contacting and may audit the gross receipts of the largest firms that show a significant decrease in gross receipts and taxes paid. Staff's current estimate for business tax receipts for FY 2001 is \$19.8 million, which is \$2.1 million over the approved budget amount, but \$1.0 million less than the FY 2001 projections reflected in the FY 2002 proposed budget. Staff will continue to monitor these revenues and will recommend adjustments as warranted.

**Transient Lodging Taxes:** Transient lodging taxes are remitted to the City within one month after collections; therefore, the revenue reflected in this report represents collections by hotels through April 2001. Collections total \$4.9 million, an increase of \$0.5 million over collections for the same period last year. This increase is primarily the result of additional hotel rooms. Based on collections to date, staff estimates FY 2001 transient lodging tax revenues will total approximately \$6.0 million, which is \$0.5 million higher than the original FY 2001 budget estimate. Staff will continue to monitor these revenues and will recommend adjustments, as warranted.

**Restaurant Meals Taxes:** Meals and alcoholic beverage taxes are due to the City within 30 days of the month the sales occurred. Collections to date of \$6.7 million are approximately \$0.5 million, or 8.3 percent, higher than revenues for the same period last year. This increase is primarily attributable to the addition of new restaurants and timing in the receipt of taxes. Based on collections to date, staff estimates FY 2001 restaurant meals tax revenues will total approximately \$8.4 million, which is \$0.7 million higher than the original FY 2001 budget estimate. Staff will continue to monitor these revenues and will recommend adjustments, as warranted.

**Recordation Taxes:** Recordation taxes are collected as a percentage of the sales price for real estate transactions. Revenues to date, in the amount of \$1.7 million, are \$0.3 million, or 25.1 percent higher than collections at this time last year. The increase is primarily attributable to lowering interest rates over the last several months which have caused an increase in the number of real estate transactions and refinancings. May collections also included one large property transaction. Based on collections to date, staff estimates FY 2001 recordation taxes will total approximately \$1.9 million, which is \$0.7 million higher than the original FY2001 budget.

**Other Local Taxes:** The \$0.8 million increase in this tax category is attributable to the E-911 tax rate increase in FY 2001 from 25 cents per line per month to a rate of 50 cents per line per month (\$0.3 million), increased collections of telecommunications tax (\$0.3 million), and the collection of delinquent bank franchise taxes (\$0.2 million).

**Revenues from the Federal Government:** The City's General Fund revenues from the federal government are primarily for federal prisoner per diem payments. The City has billed \$4.1 million for housing federal prisoners through the period ending May 31, 2001; however, only \$3.7 million had been received as of May 31. The federal government generally pays the City for housing federal prisoners between 30 and 60 days after the end of the billing period. Billings since December 1999 reflect an increase in the reimbursement rate when the City renegotiated the contract with the US Marshal for prisoner cost reimbursement. This renegotiation resulted in an increase in the rate reimbursement from \$83.25 per inmate day to \$93.92 per inmate day, effective December 1, 1999. Based on collections to date, staff estimates FY 2001 revenues from the federal government will total approximately \$4.6 million, which is \$0.8 million higher than the original FY 2001 budget estimate. Staff will continue to monitor these revenues and will recommend adjustments, as warranted.

**Revenues from the Commonwealth:** Revenues from the Commonwealth increased \$11.0 million, or 61.5 percent, over the prior year. This is the result of budgeted increases in reimbursements from the Commonwealth for vehicle personal property tax relief. As discussed above in the personal property section, the FY 2001 Approved Budget includes \$12.3 million to reflect the City's reimbursement of the 47.5 percent vehicle personal property tax relief due from the Commonwealth to most vehicle owners. For FY 2000 the City was reimbursed for 27.5 percent for most vehicles. As of May 31, 2001, the City has billed and received \$13.3 million from the Commonwealth for PPTRA, an increase of \$6.5 million over that received in FY 2000. The remaining increase primarily represents a shift of revenues associated with the City's reimbursable highway

maintenance program from the Special Revenue Fund to the General Fund as discussed in expenditures below. Based on collections to date, staff estimates FY 2001 revenue from the Commonwealth will total approximately \$31.8 million, which is \$0.9 million higher than the original FY 2001 budget estimate.

**Licenses and Permits:** Revenues to date, in the amount of \$3.8 million, are \$0.2 million or 4.4 percent higher than revenues at this time last year. Based on collections to date, staff estimates FY 2001 revenues from license and permits will total at least \$4.2 million, which represents an increase of \$0.4 million over the approved budget amount but is still \$0.2 million less than FY 2000 actual collections of \$4.4 million. Staff will continue to monitor these revenues and will recommend adjustments as warranted.

**Use of Money and Property:** Revenues to date in the amount of \$9.0 million are \$1.4 million higher than revenues earned at this time last year. The increase is attributable to an increase in interest earnings. Interest rates were higher than anticipated for the first half of FY 2001, and interest rates at the beginning of FY 2001 were also higher than FY 2000, as well as higher than they will be through the end of FY 2001. In addition, the City issued \$55 million in general obligation bonds in June of 2000. \$32 million of these bonds were used to reimburse the City for capital expenditures made up to 18 months prior to the June issuance date. The remainder is being used to finance capital expenditures in FY 2001. This acceleration in the issuance of bonds compared to the prior City reimbursement practice has improved the City's cash flow and increased cash balances and interest earnings. Based on projected cash flow, staff estimates revenue in this category will total at least \$9.6 million, which is \$1.8 million above the original budget estimate.

**EXPENDITURES (Attachment 2):** As of May 31, 2001, actual General Fund expenditures totaled \$252.4 million, an increase of \$8.5 million, or 3.5 percent, over expenditures for the same period last year. The relatively low increase as compared to last year is primarily attributable to the timing and amount of the cash capital transfer to the capital projects fund. Last year at this time the transfer, including a transfer from fund balance, was \$21.9 million. This year (solely from current year General Fund sources) it is \$9.8 million. Excluding cash capital transfers, expenditures for FY 2001 to date are \$20.6 million, or 9.3%, above FY 2000 expenditures for the same time period. This expenditure pattern reflects normal and expected activity consistent with the FY 2001 Approved Budget. Expenditure activities to date, where an explanation of variances is warranted, are discussed below.

**Other Planning Activities:** General Fund expenditures in this category reflect quarterly contribution payments (paid at the beginning of each quarter) to community and regional agencies.

**City Attorney:** Expenditures to date reflect outside legal fees which are budgeted in a non-departmental account and charged to the City Attorney's Office. Staff will recommend an appropriations transfer in the context of the June transfer resolution to match expenditures with budget authority.

**Registrar:** Expenditures to date include overtime expenses associated with the Presidential election in November 2000, expenses for precinct election officials at the DMV co-location, and expenses

related to the statewide primary election on June 12, 2001. Staff will recommend an appropriation transfer in the context of the June transfer resolution to match expenditures with budget authority.

**Transportation and Environmental Services:** The increase in expenditures in comparison to FY 2000 reflects a shift of reimbursable highway maintenance expenditures from the Special Revenue Fund to the General Fund. This change was made in the FY 2001 Approved Budget in order to reduce the complexities of administering this \$4.6 million annual program.

**Transit Subsidies:** Expenditures to date reflect the City's quarterly payments to the Washington Metropolitan Area Transit Authority (WMATA) for Fiscal Year 2001. The increase over the prior year is attributable to an adjustment to the City's budget structure starting in FY 2001 for total WMATA expenditures. Prior to FY 2001, some WMATA planned operating expenditures were budgeted and then expensed in the capital budget. These expenditures are now budgeted and included in the City's operating budget to more accurately reflect the City's share of WMATA operating expenditures.

**Mental Health/Mental Retardation/Substance Abuse:** Expenditures to date are normal and also reflect annual equipment replacement charges made at the beginning of the fiscal year.

**Debt Service:** A portion of the increase in expenditures reflects the City's share of debt service, in the amount of \$256,070, for the Northern Virginia Transportation District bonds, issued in November 1999. The remaining increase represents scheduled increased interest and principal payments on the City's bonds, primarily for interest payments related to the \$55 million in general obligation bonds sold in June of 2000.

**Non-Departmental:** Increased expenditures in FY 2001 reflect budgeted expenditures for computer replacement and the public safety radio system maintenance expenditures.

**Schools:** The School Administration has reported \$106.7 million in expenses from all sources through May 31, 2001. The City's General Fund share of total School Administration budgeted expenditures is approximately 75 percent of the total expenditures. This percentage was applied to total school disbursements to estimate school expenditures to date in the amount of \$80.0 million (i.e. 75 percent of \$106.7 million).

**Cash Matches (MH/MR/SA, Human Services, Library and Miscellaneous Grants):** To comply with grant awards, the City's share funding is transferred from the General Fund to the Special Revenue Fund at the end of the fiscal year.

**ATTACHMENTS:**

Attachment 1 - Comparative Statement of Revenues

Attachment 2 - Comparative Statement of Expenditures & Transfers by Function

Attachment 3 - Selected Economic Indicators

**STAFF:**

Mark Jinks, Assistant City Manager

D. A. Neckel, Director of Finance

Laura Triggs, Deputy Director of Finance/Comptroller

**CITY OF ALEXANDRIA, VIRGINIA  
COMPARATIVE STATEMENT OF REVENUES  
GENERAL FUND  
FOR THE PERIODS ENDING MAY 31, 2001 AND MAY 31, 2000**

	FY2001 APPROVED BUDGET	FY2001 REVENUES THRU 05/31/01	% OF BUDGET	FY2000 REVENUES THRU 05/31/00
<b>General Property Taxes</b>				
Real Property Taxes.....	\$ 149,135,000	\$ 86,264,612	57.8%	\$ 83,342,242
Personal Property Taxes.....	32,560,000	34,932,302	107.3%	38,058,043
Penalties and Interest.....	2,400,000	1,649,465	68.7%	2,141,594
<b>Total General Property Taxes</b>	<b>\$ 184,095,000</b>	<b>\$ 122,846,379</b>	<b>66.7%</b>	<b>\$ 123,541,879</b>
<b>Other Local Taxes</b>				
Local Sales and Use Taxes.....	\$ 20,085,000	\$ 15,378,144	76.6%	\$ 14,525,169
Consumer Utility Taxes.....	14,454,000	12,808,929	88.6%	11,425,298
Business License Taxes.....	17,725,000	19,318,840	109.0%	17,975,195
Transient Lodging Taxes.....	5,500,000	4,856,328	88.3%	4,316,701
Restaurant Meals Tax.....	7,690,000	6,695,375	87.1%	6,182,555
Tobacco Taxes.....	1,649,000	1,328,144	80.5%	1,383,986
Motor Vehicle License Tax.....	2,140,000	2,218,340	103.7%	2,147,489
Real Estate Recordation.....	1,217,000	1,686,701	138.6%	1,347,947
Other Local Taxes.....	3,329,000	2,530,735	76.0%	1,753,302
<b>Total Other Local Taxes</b>	<b>\$ 73,789,000</b>	<b>\$ 66,821,536</b>	<b>90.6%</b>	<b>\$ 61,057,642</b>
<b>Intergovernmental Revenues</b>				
Revenue from the Federal Government....	\$ 3,767,000	\$ 3,677,360	97.6%	\$ 3,105,897
Revenue from the Commonwealth.....	30,744,000	28,767,982	93.6%	17,814,239
<b>Total Intergovernmental Revenues</b>	<b>\$ 34,511,000</b>	<b>\$ 32,445,342</b>	<b>94.0%</b>	<b>\$ 20,920,136</b>
<b>Other Governmental Revenues</b>				
Fines and Forfeitures.....	\$ 4,264,000	\$ 3,709,695	87.0%	\$ 3,747,148
Licenses and Permits.....	3,760,000	3,818,246	101.5%	3,656,635
Charges for City Services.....	9,342,400	6,686,814	71.6%	6,662,027
Revenue from Use of Money & Property.	7,759,950	8,997,169	115.9%	7,547,544
Other Revenue.....	359,000	430,115	119.8%	684,538
<b>Total Other Governmental Revenues</b>	<b>\$ 25,485,350</b>	<b>\$ 23,642,039</b>	<b>92.8%</b>	<b>\$ 22,297,892</b>
<b>TOTAL REVENUE</b>	<b>\$ 317,880,350</b>	<b>\$ 245,755,296</b>	<b>77.3%</b>	<b>\$ 227,817,549</b>
<b>Appropriated Fund Balance</b>				
General Fund.....	2,921,512	-	-	-
Reappropriation of FY 2000 Encumbrances	-	-	-	-
And Other Supplemental Appropriations..	4,121,761	-	-	-
<b>TOTAL</b>	<b>\$ 324,923,623</b>	<b>\$ 245,755,296</b>	<b>75.6%</b>	<b>\$ 227,817,549</b>

91.7% of Fiscal Year Completed  
90.38% of Payrolls Processed

Attachment 2

**CITY OF ALEXANDRIA, VIRGINIA**  
**COMPARATIVE STATEMENT OF EXPENDITURES & TRANSFERS BY FUNCTION**  
**GENERAL FUND**  
**FOR THE PERIODS ENDING MAY 31, 2001 AND MAY 31, 2000**

FUNCTION	FY2001 APPROVED BUDGET	FY2001 EXPENDITURES THRU 05/31/01	% OF BUDGET	FY2000 EXPENDITURES THRU 05/31/00
Legislative & Executive.....	\$ 4,203,694	\$ 3,580,491	85.2%	\$ 3,158,218
Judicial Administration.....	\$ 23,958,836	\$ 21,040,604	87.8%	\$ 20,379,909
<b>Staff Agencies</b>				
Information Technology Services.....	\$ 5,781,367	\$ 4,167,773	72.1%	\$ 4,353,087
Management & Budget.....	965,347	512,407	53.1%	693,504
Finance.....	6,735,446	5,366,061	79.7%	5,169,012
Real Estate Assessment.....	910,639	763,144	83.8%	738,881
Personnel.....	1,896,859	1,599,260	84.3%	1,489,067
Planning & Zoning.....	2,155,181	1,768,331	82.1%	1,535,914
Other Planning Activities.....	1,817,168	1,712,080	94.2%	1,625,106
City Attorney.....	1,269,861	1,181,500	93.0%	1,026,994
Registrar.....	661,896	710,997	107.4%	565,231
General Services.....	8,795,826	7,736,014	88.0%	7,507,070
Total Staff Agencies	\$ 30,989,590	\$ 25,517,567	82.3%	\$ 24,703,866
<b>Operating Agencies</b>				
Transportation & Environmental Services.....	\$ 20,114,691	\$ 16,104,013	80.1%	\$ 12,887,856
Fire.....	23,286,365	21,191,478	91.0%	19,523,172
Police.....	32,980,915	28,918,312	87.7%	27,475,713
Transit Subsidies.....	3,515,994	3,463,974	98.5%	1,869,766
Housing.....	872,453	686,723	78.7%	699,942
Mental Health/Mental Retardation/ Substance Abuse.....	467,282	457,875	98.0%	443,195
Health.....	5,943,736	4,629,005	77.9%	3,526,548
Human Services.....	6,794,143	6,024,720	88.7%	5,253,754
Historic Resources.....	1,999,074	1,713,983	85.7%	1,735,253
Recreation.....	13,073,922	11,599,124	88.7%	10,616,158
Total Operating Agencies	\$ 109,048,575	\$ 94,789,207	86.9%	\$ 84,031,357
<b>Education</b>				
Schools.....	\$ 98,797,770	\$ 79,965,330	80.9%	\$ 74,922,955
Other Educational Activities.....	13,017	13,017	100.0%	13,120
Total Education	\$ 98,810,787	\$ 79,978,347	80.9%	\$ 74,936,075
<b>Capital, Debt Service and Miscellaneous</b>				
Debt Service.....	\$ 12,638,385	\$ 10,423,382	82.5%	\$ 8,686,043
Non-Departmental.....	7,430,486	4,001,113	53.8%	3,379,382
Cash Capital.....	9,846,000	9,846,000	100.0%	21,893,434
Contingent Reserves.....	-	-	-	-
Total Capital, Debt Service and Miscellaneous	\$ 29,914,871	\$ 24,270,495	81.1%	\$ 33,958,859
TOTAL EXPENDITURES	\$ 296,926,353	\$ 249,176,711	83.9%	\$ 241,168,284
<b>Cash Match (Mental Health/Mental Retardation/ Substance Abuse, Human Services and Library) Transfers to the Special Revenue Fund.....</b>	<b>24,449,060</b>	<b>-</b>	<b>-</b>	<b>-</b>
Transfer to DASH.....	3,548,210	3,253,709	91.7%	2,728,862
TOTAL EXPENDITURES & TRANSFERS	\$ 324,923,623	\$ 252,430,420	77.7%	\$ 243,897,146

Attachment 3

CITY OF ALEXANDRIA  
SELECTED ECONOMIC INDICATORS

	<u>Current Year</u>	<u>Prior Year</u>	<u>Percent Change</u>
<b><u>Consumer Price Index (CPI-U)</u></b>			
<b>for the Washington-Baltimore, DC-MD-VA-WV Area</b>			
(As of May 31, 2001)	110.1	106.7	3.1%
(Source: Published bi-monthly by United States Department of Labor, Bureau of Labor Statistics)			
<b><u>Unemployment Rates</u></b>			
<b>Alexandria</b>	1.5%	1.6%	< 6.3%>
<b>Virginia</b>	2.2%	2.3%	< 4.3%>
(As of April 30, 2001)			
(Source: United States Department of Labor, Bureau of Labor Statistics)			
<b>United States</b>	4.4%	3.9%	12.8%
(As of May 31, 2001)			
(Source: United States Department of Labor, Bureau of Labor Statistics)			
<b><u>Interest Rates</u></b>			
(As of May 31, 2001)			
<b>Prime Rate</b>	7.00%	9.50%	< 26.3%>
<b>Federal Fund Rate</b>	3.97%	6.48%	< 38.7%>
(Source: SunTrust Economic Monitor)			
<b><u>New Business Licenses</u></b>			
(During May)			
(Source: Finance Department, Business Tax Branch)	79	73	8.2%
<b><u>New Commercial Construction</u></b>			
(As of April 30, 2001)			
<b>Number of New Building Permits</b>	67	34	97.1%
<b>Value of New Building Permits</b>	\$110.3 million	\$96.0 million	14.9%
(Source: Fire Department Code Enforcement Bureau)			
<b><u>Residential Real Estate Indicators</u></b>			
(for the three months ended March 31, 2001)			
<b>Residential Dwelling Units Sold</b>	595	510	16.7%
<b>Average Residential Sales Price</b>	\$224,254	\$223,134	0.5%
(Source: Department of Real Estate Assessments )			