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5-27-08City of Alexandria, Virginia

MEMORANDUM

DATE: MAY 21, 2008

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDING APRIL 30, 2008

ISSUE: Monthly Financial Report for the period ending April 30, 2008.

RECOMMENDATION: That City Council received the following Monthly Financial Report for the period ending April 30, 2008.

MONTHLY HIGHLIGHTS:**ECONOMY AND REVENUES**

- Residential real estate sales for the first four months of 2008 dropped 37.5%, with the average sales price dropping 5.2%.
- While residential sales have decreased, sales prices are averaging within 1% of current 2008 assessments.
- Given the recent drop in short-term interest rate as implemented by the Federal Reserve, interest earnings on City short-term investments will continue to decrease.
- Personal property taxes, sales taxes, recordation taxes and transient occupancy taxes continue to be below the original FY 2008 budgeted amounts, but do not appear to be declining below the April re-projections.

DISCUSSION: This report provides financial information on the revenues and expenditures of the General Fund for the ten months ending April 30, 2008, presents revenues and expenditures for the same period during FY 2007 for comparative purposes (Attachments 1 and 2), and provides charts of selected economic indicators (Attachment 3). This report includes the budgeted final revenue projections for FY 2008 as included in Council's FY 2009 Approved Budget decisions, with all identified net additional revenues programmed as part of the FY 2009 Operating Budget and the FY 2009 Capital Improvement Plan. In addition, the revenue projections in this report reflect a \$2.6 million increase in real property tax revenues in FY 2008 as a result of the Council-approved 2008 real estate tax rate change from \$0.83 per \$100 of assessed value to \$0.845 per \$100 of assessed value.

ECONOMY: The City's economy, as measured by tax receipts, appeared to be slowing in the first half of FY 2008. However, when compared to many regions of the United States, the City's economy remains very sound. The City's economy is influenced by regional and national economic cycles, is in a transitional phase in the economic cycle and bears careful watching. The City's unemployment rate, although higher than last year, remained at a relatively low 2.7 percent. The Washington, D.C. Area Consumer Price Index (CPI-U) increased 4.7 percent from March 2007 to March 2008. The City's office vacancy rate decreased to 5.2 percent as of December 31, 2007. This was due in part to the removal of the Victory Center as counted vacant space (as it is now under major renovation) and the leasing up of Braddock Place office buildings. This compares to fourth quarter office vacancy rates of 11.6 percent for Northern Virginia and 10.5 percent for the entire D.C. metropolitan area.

On the residential real estate sales front, data continues to show a slower residential sales market. Real estate sales for the first four months of 2008 showed a decline of 37.5 percent from the first four months of 2007. In addition, the average sales price decreased by 5.2 percent. The City's residential market continues to show some signs of weakness in both residential single-family and condominium markets. While the residential market has been weak in 2008, it has not dropped precipitously. Home sales on average for those homes are running within 1% of the January 2008 assessments. A recent Jones Lang LaSalle report stated "...based on the City's strong demographics, great transportation access and rich amenity base, the Alexandria market will likely be one of the first markets to show signs of growth in both activity and pricing over the next several quarters."¹ How the positive effects of National Harbor-related tourism measure up to a slowing economy are unknown, as some restaurants and retailers are reporting sales on par with last year or increasing, while some restaurants and retailers (such as home improvement and furnishings retailers) are reporting sales declines. Commercial assessments and new construction will continue to add to the City's tax base in 2008; however, increasing commercial property capitalization rates, and a slowdown in new construction, coupled with weakness in the residential market, are likely to result in no increase in the City's tax base in 2009.

Given national job losses and poor consumer confidence, it appears that the national economic slowdown may have turned into a recession during the last calendar quarter. While the City economy is not in a recession, it is influenced by national and regional economics. Staff will continue to closely monitor revenues and report to Council through the Monthly Financial Report.

¹ *On.Point: Metro DC Residential Report, First Quarter 2008, Jones Lang LaSalle.*

	<u>FY 2008 BUDGET REVISED</u>	<u>FY 2008 BUDGET PROJECTIONS</u>	<u>BUDGET VERSUS CURRENT PROJECTIONS</u>
Real Property ¹	\$ 278.2	\$ 285.9	\$ 7.7
Personal Property-local share	36.1	33.7	(2.4)
Penalties and Interest	1.7	1.8	0.1
Sales Tax	27.4	24.6	(2.8)
Consumer Utility Tax ²	9.6	10.3	0.7
Communication Sales and Use Tax ²	12.4	12.6	0.2
Business License Tax	32.1	32.5	0.4
Transient Lodging Tax	8.8	8.7	(0.1)
Restaurant Meals Tax	10.4	10.8	0.4
Recordation Taxes	5.7	5.1	(0.6)
Other Local Taxes (including Motor Vehicle License)	9.5	9.1	(0.4)
Intergovernmental	53.2	53.5	0.3
Fines and Forfeitures	4.7	4.3	(0.4)
Licenses and Permits	5.4	5.4	-
Charges for City Services	11.8	11.1	(0.7)
Use of Money and Property	9.6	8.0	(1.6)
Other Revenue	0.2	0.5	0.3
Net Additional Revenue			\$1.1
Amount from RE Tax Rate Increase			(\$2.6)
Previous Projected Shortfall			(\$1.5)

¹ At the adopted rate of 84.5¢ per hundred. Increase of \$2.6 million will be used in FY 2009.

² Certain telecommunications and cable television taxes have been replaced Statewide by the new 5 percent communication sales and use tax.

REVENUES (Attachment 1): As of April 30, 2008, actual General Fund revenues totaled \$328.6 million, an increase of \$13.1 million above the same period last year. This is primarily attributed to a budgeted increase in real estate tax revenue. Unless otherwise noted, revenues are expected to meet expectations. As the real estate market continues to remain stagnant, we will continue to monitor revenues.

Real Property: Second half real estate taxes were due November 15. As projected in the FY 2008 budget, second half real estate tax billings totaled \$139 million. With 2008 assessments growing four percent primarily for commercial properties, overall FY 2008 real estate tax revenue collections, when the planned first half 2008 taxes are billed, will exceed budgeted levels. This assessment increase, at the FY 2009 Adopted Budget 84.5¢ real estate tax rate, would increase expected FY 2008 real estate tax revenue to \$285.9 million, or \$7.7 million

above the Approved 2008 Budget, which is \$2.6 million higher than the previous projection, which was based on \$0.83 real estate tax rate, not the new \$0.845 rate.

FY 2007 Actuals	FY 2008 Budget	FY 2008 Projection	FY 2007 Year-to-Date	FY 2008 Year-to-Date	Percentage change Year-to-Date
\$274.5 million	\$278.2 million	\$285.9 million	\$131.6 million	\$140.4 million	7%

Personal Property: Personal Property Tax revenue consists of two sources: individual personal property (primarily vehicles), and business personal property (includes motor vehicles, machinery, computers, and furniture). Individual Personal Property Taxes are assessed as of January 1. Tax bills are mailed to taxpayers in late August and were due on October 5. Business Personal Property returns are mailed in March and must be filed by May 1. Tax bills are mailed to businesses in September and were due on October 5.

In the Approved FY 2008 Budget, vehicle personal property taxes were estimated to grow approximately 3.8 percent to \$44.2 million, including the reimbursement from the State. Actual 2007 vehicle tax billings were down 1.4 percent in 2007 compared to 2006 billings. This is primarily attributable to lower overall values for the vehicles in the City personal property tax base. New model cars decreased four percent both in the number of new cars and total taxes, with the average assessment on new cars was down one percent. Starting in FY 2007, the State’s share of the local personal property tax payment was capped for each locality. Alexandria’s cap is \$23.6 million and is paid by the State in installments during the year. This amount provides relief to cover approximately 69 percent of most taxpayers’ bills, which is the same amount of relief provided last year. State reimbursement collections were slightly higher than this cap in FY 2007 because the City was still collecting some delinquent collections that were billed prior to the date the State capped the payment.

Business personal property tax billings for 2007 (FY 2008) were 5.9 percent higher than estimated based on tax returns received. The primary increase in 2007 business personal property assessments reflected higher computer equipment values. Actual 2008 returns received to date have reflected lower values for this equipment as companies have made fewer purchases, so business personal property tax billings for 2008 (FY 2009) may decrease. The slight increase over the projection represents increased enforcement activity in April.

Based on collections-to-date, it appeared in April that business and vehicle personal property tax collections would be approximately \$33.7 million, a decrease of \$2.4 million below the Approved FY 2008 Budget. It appears at this time that actual personal property tax collections may be slightly higher.

	FY 2007 Actuals	FY 2008 Budget	FY 2008 Projection	FY 2007 Year-to-Date	FY 2008 Year-to-Date	Percentage change Year-to-Date
Vehicles	\$18.8 million	\$20.6 million	\$17.7 million	\$18.1 million	\$17.7 million	(2%)
Business - Equipments and Machinery	\$15.7 million	\$15.5 million	\$16.0 million	\$16.0 million	\$16.1 million	1%
Subtotal	\$34.5 million	\$36.1 million	\$33.7 million	\$34.1 million	\$33.8 million	(1%)
State Reimbursement	\$23.8 million	\$23.6 million	\$23.6 million	\$23.3 million	\$23.1 million	(1%)
Total	\$58.3 million	\$59.7 million	\$57.3 million	\$57.4 million	\$57.1 million	(1%)

Sales and Use Tax: Businesses remit Sales and Use Tax to the Commonwealth within 30 days of the end of the month in which sales occurred. The City receives its portion of these sales taxes from the Commonwealth approximately one month later. Sales taxes continue to run slightly behind last year's collections-to-date. This decrease is primarily connected to housing-related merchants, and the one-time repayment to Fairfax County of \$0.5 million for sales tax collections from businesses with an Alexandria address which are actually located in Fairfax County. Based on collections-to-date, it appears that sales tax collections will be approximately \$24.6 million, a decrease of \$2.8 million below the Approved FY 2008 Budget and no change from the previous projection.

FY 2007 Actuals	FY 2008 Budget	FY 2008 Projection	FY 2007 Year-to-Date	FY 2008 Year-to-Date	Percentage change Year-to-Date
\$25.4 million	\$27.4 million	\$24.6 million	\$16.7 million	\$15.8 million	(5%)

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. Effective January 1, 2007, State law changed and the Commonwealth assumed responsibility for collecting a flat five percent tax on landline telephone service. Phone revenues that previously appeared in this category (approximately \$0.6 million per month) now appear as part of the Communications Tax. For this reason, the substantial decline in this tax category in FY 2008, when compared to FY 2007, is offset by the new Communications Tax. Based on collections-to-date, it appears that Consumer Utility Taxes will be approximately \$10.3 million, an increase of \$0.7 million above the Approved FY 2008 Budget and no change from the previous projection.

FY 2007 Actuals	FY 2008 Budget	FY 2008 Projection	FY 2007 Year-to-Date	FY 2008 Year-to-Date	Percentage change Year-to-Date
\$13.6 million	\$9.6 million	\$10.3 million	\$10.9 million	\$7.7 million	(29%)

Communications Tax: Businesses remit the Communications Tax to the Commonwealth within 30 days of the end of the month in which the service occurred. The Commonwealth remits the City's portion of these taxes approximately one month later. The effective date of this tax was January 1, 2007. The City received the first remittance from the Commonwealth in March 2007. Based on collections-to-date, it appears that Communications Tax revenue will be approximately \$12.6 million, an increase of \$0.2 million above the Approved FY 2008 Budget and no change from the previous projection.

FY 2007 Actuals	FY 2008 Budget	FY 2008 Projection	FY 2007 Year-to-Date	FY 2008 Year-to-Date	Percentage change Year-to-Date
\$5.3 million	\$12.4 million	\$12.6 million	\$1.6 million	\$8.4 million	N/A

Business License Taxes: The City's Business License Tax was due March 1, 2008, a Saturday. Collections-to-date in the amount of \$29.3 million, which are based on 2007 gross receipts, will meet the original projections. This represents an increase of \$0.4 million above the Approved FY 2008 Budget. There has been no change since the previous projection. Staff will continue to monitor and make recommendations as warranted in the context of the Monthly Council Report.

FY 2007 Actuals	FY 2008 Budget	FY 2008 Projection	FY 2007 Year-to-Date	FY 2008 Year-to-Date	Percentage change Year-to-Date
\$30.9 million	\$32.1 million	\$32.5 million	\$28.2 million	\$29.3 million	4%

Transient Lodging Taxes: Transient Lodging Taxes are remitted to the City within one month after collections. The increase reflects higher room charges and the recent reopening of a hotel under renovation. Based on collections-to-date, it appears that transient lodging tax collections will be approximately \$8.7 million, a decrease of \$0.1 million below the Approved FY 2008 Budget and no change from the previous projection. While the transient occupancy rate is down slightly, two more hotels are operating in FY 2008 than 2007 and more rooms are being rented.

FY 2007 Actuals	FY 2008 Budget	FY 2008 Projection	FY 2007 Year-to-Date	FY 2008 Year-to-Date	Percentage change Year-to-Date
\$7.4 million	\$8.8 million	\$8.7 million	\$4.9 million	\$5.7 million	16%

Restaurant Meals Taxes: Meals and alcoholic beverage taxes are due to the City within 30 days of the month the sales occurred. Most of the increase reflects a difference in the timing of payments made by businesses between FY 2007 and FY 2008, not the total increase in tax revenue. Based on collections-to-date, it appears that restaurant meals tax collections will be approximately \$10.8 million, an increase of \$0.4 million above the Approved FY 2008 Budget and no change from the previous projection.

FY 2007 Actuals	FY 2008 Budget	FY 2008 Projection	FY 2007 Year-to-Date	FY 2008 Year-to-Date	Percentage change Year-to-Date
\$10.7 million	\$10.4 million	\$10.8 million	\$7.4 million	\$7.8 million	5%

Motor Vehicle License Tax: Revenues in this category represent fees for vehicle license decals. The increase represents the decal fee increase approved by City Council to fund transit as allowed in the State legislation authorizing the Northern Virginia Transportation Authority. Since the City's elected officials approved this tax, the recent Supreme Court ruling has no impact on these taxes. Based on collections-to-date, it appears that actual collections will be approximately \$3.2 million, a decrease of \$0.2 million below the Approved FY 2008 Budget and no change from the previous projection.

FY 2007 Actuals	FY 2008 Budget	FY 2008 Projection	FY 2007 Year-to-Date	FY 2008 Year-to-Date	Percentage change Year-to-Date
\$2.4 million	\$3.4 million	\$3.2 million	\$2.3 million	\$3.1 million	35%

Real Estate Recordation Taxes: Real Estate Recordation tax revenues are collected by the Clerk of the Circuit Court and remitted to the City the following month. Based on collections-to-date and a continuing slow down in the real estate market, it appears that actual collections will be approximately \$5.1 million, a decrease of \$0.6 million below the Approved FY 2008 Budget and no change from the previous projection.

FY 2007 Actuals	FY 2008 Budget	FY 2008 Projection	FY 2007 Year-to-Date	FY 2008 Year-to-Date	Percentage change Year-to-Date
\$6.6 million	\$5.7 million	\$5.1 million	\$4.2 million	\$3.8 million	(10%)

Revenue from the Federal Government: Revenues in this category include Federal Prisoner per diem and indirect costs. The budgeted increase reflects payments from a new agreement. Payments received from this agreement with the Office of Federal Detention Trustee have averaged \$0.5 million per month for the first half of the year. Based on collections-to-date, it appears that actual collections will be approximately \$7.2 million, an increase of \$0.7 million over the Approved Budget and no change from the previous projection.

FY 2007 Actuals	FY 2008 Budget	FY 2008 Projection	FY 2007 Year-to-Date	FY 2008 Year-to-Date	Percentage Change Year-to-Date
\$6.7 million	\$6.5 million	\$7.2 million	\$3.5 million	\$4.6 million	31%

Fines and Forfeitures: The increase is primarily attributable to a budgeted increase in parking fine revenue based on increased fines. In addition, the number of parking tickets issued increased almost 12 percent over the number issued at this time last year. At this time last year, the Police Department had a number of parking enforcement position vacancies. This situation has since been addressed and collections appear to have recovered. Because the Red Light Cameras program has not yet been initiated, \$0.7 million in budgeted revenue will not be realized in FY 2008. It appears that actual collections will be approximately \$4.3 million, a decrease of \$0.4 million below the Approved FY 2008 Budget and no change from the previous projections.

FY 2007 Actuals	FY 2008 Budget	FY 2008 Projection	FY 2007 Year-to-Date	FY 2008 Year-to-Date	Percentage Change Year-to-Date
\$3.6 million	\$4.7 million	\$4.3 million	\$2.8 million	\$3.2 million	14%

Charges for Services: Revenues in this category include refuse user charges, ambulance fees, clerk fees and parking meter receipts. The increase primarily reflects the budgeted increase for parking meters and ambulance fees; however, parking meters expected to be implemented in the Carlyle area will not be operational until the spring. Based on collections-to-date and fewer than budgeted meters, staff projects that actual collections will be approximately \$11.1 million, a decrease of \$0.7 million below the Approved FY 2008 Budget and no change from the previous projection.

FY 2007 Actuals	FY 2008 Budget	FY 2008 Projection	FY 2007 Year-to-Date	FY 2008 Year-to-Date	Percentage Change Year-to-Date
\$10.3 million	\$11.8 million	\$11.1 million	\$6.1 million	\$7.9 million	30%

Revenue from Use of Money & Property: Revenues in this category include interest on short-term cash investments, parking garage and lot fees, and rental of property income. Based on lower interest rates and revenue earned to date, it appears that actual revenue will be approximately \$8 million, a decrease of \$1.6 million below the Approved FY 2008 Budget and no change from the previous projection. Given the recent major drop in short-term interest rates announced by the Federal Reserve Board, interest earnings may continue to decrease. For example, six-month Treasury bills yielded 4.8 percent a year ago, but now yield just 1.7 percent.

FY 2007 Actuals	FY 2008 Budget	FY 2008 Projection	FY 2007 Year-to-Date	FY 2008 Year-to-Date	Percentage Change Year-to-Date
\$9.7 million	\$9.6 million	\$8.0 million	\$8.1 million	\$7.6 million	(6%)

EXPENDITURES (Attachment 2): As of April 30, 2008, actual FY 2008 General Fund expenditures totaled \$368.5 million, an increase of \$19.7 million, or 5.7 percent, above expenditures for the same period last year, primarily for planned increases in the City's transfers to the School's Operating Fund and the Capital Projects Funds. The Approved General Fund Budget is 4.4 percent higher than the FY 2007 amended budget.

Annual Expenditures: Most City expenditure payments are made on a level basis during the year. There are some payments, however, that are made either at one time at the beginning of the year, or on a different basis, such as quarterly. The City makes the following types of payments on an other-than-level basis:

Equipment Replacement Fund: Every year, the City separately accumulates funds to replace major equipment items such as police cars and fire apparatus. The allocation of these funds is included in the budget of individual departments and is moved to a separate fund at the beginning of the year. Since these funds accumulate over several years, the fund is used to make the purchase once there are sufficient funds accumulated. This allows departments to fund the purchase over the life of the equipment instead of all at one time. These annual equipment replacement allocations are recognized as expenditures in this report at the time the transfer is made at the beginning of the year.

Of the \$4.8 million in total equipment replacement transfers in FY 2008, the following departments have equipment replacement funds large enough to impact their General Fund expenditure patterns for the first part of the year:

- Police - \$1.6 million
- T&ES - \$0.8 million
- Fire - \$0.8 million

Contributory Payments: The City makes some payments, such as contributions to the Washington Metropolitan Area Transit Authority (WMATA), on a quarterly or semi-annual basis. Since these payments are made less frequently than monthly, expenditures reported in this monthly financial report may be higher than average in those months when the payments are made. This financial report includes the following non-monthly payments:

- Judicial Administration: This category includes quarterly contribution payments to judicial organizations such as Peumensend Creek Regional Jail and the Northern Virginia Criminal Justice Training Academy.
- Economic Development Activities: This category includes quarterly contribution payments to community agencies such as the Alexandria Small Business Development Center and bi-annual payments to the Alexandria Convention and Visitors Association.

- **Transit Subsidies:** This category includes quarterly payments to the City's major transit programs, including the Alexandria Transit Company (DASH), and to the Washington Metropolitan Area Transit Authority (WMATA). Because of additional State transit aid received in FY 2008, the City will be able to save \$1.1 million in General Fund monies previously budgeted for payment to WMATA in FY 2008. This will help offset the projected revenue shortfall.
- **Human Services:** This category includes quarterly payments to community agency contractors such as Campagna Center and the Salvation Army and payments to the Community Partnership Fund, the Youth Fund and the Children's Fund.
- **Other Education Activities:** This category includes quarterly contribution payments to the Northern Virginia Community College.

Grant Accounting and Cash Matches: To comply with many federal and State 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. Because the City share for most grants is not finalized until the funds are spent, departments set aside, but do not expend, City grant funds until the end of the fiscal year. This ensures that the City maximizes the use of federal and State funding before spending City funds. Most City funds not used for grants by the end of the year are returned to the City.

Schools: The City will provide approximately 78 percent of the estimated funds required to operate the City schools in FY 2008.

Other Expenditures:

Real Estate Assessments: Expenditures reflect costs associated with preparing January 1 assessments. Staff will recommend an appropriations transfer in the context of the June Transfer Resolution as necessary to match these expenditures with budget authority.

Judicial Administration: The Office of Sheriff will exceed their budget for additional staffing. Staff will recommend an appropriations transfer in the context of the June Transfer Resolution as necessary to match these expenditures with budget authority.

City Attorney: Expenditures-to-date reflect outside legal fees. Staff will recommend an appropriations transfer in the context of the June Transfer Resolution as necessary to match these expenditures with budget authority.

Registrar: Expenditures-to-date reflect seasonal costs associated with administering the November election and recent primary.

General Services: Expenditures-to-date reflect increased fuel charges. Staff will recommend an appropriations transfer in the context of the June Transfer Resolution as necessary to match these expenditures with budget authority.

Transportation and Environment Services: Impound lot expenditures (\$0.4 million) were eliminated from the budget in FY 2008 based on plans to close the lot and contract out for vehicle storage. Since that time, the plan has been revised to continue operating the impound lot in-house through a re-engineering of processes. Staff will recommend an appropriations transfer in the context of the June Transfer Resolution as necessary to match these expenditures with budget authority.

Non-Departmental Expenditures: General Fund expenditures in this category reflect the City's contributions to the closed public safety pension plan, grants for the City's Affordable Housing Ownership grants, and payment for the City's property and liability insurance

ATTACHMENTS:

Attachment 1 - Comparative Statement of Revenues

Attachment 2 - Comparative Statement of Expenditures & Transfers by Function

Attachment 3 - Selected Economic Indicators

STAFF:

Mark Jinks, Deputy City Manager

Laura B. Triggs, Director of Finance

Ray Welch, Acting Comptroller

Bruce Johnson, Director, Office of Management and Budget

**CITY OF ALEXANDRIA, VIRGINIA
COMPARATIVE STATEMENT OF REVENUES
GENERAL FUND
FOR THE PERIODS ENDING APRIL 30, 2008 AND APRIL 30, 2007**

	FY2008 APPROVED BUDGET	FY2008 REVENUES THRU 04/30/08	% OF BUDGET	FY2007 REVENUES THRU 04/30/07
General Property Taxes				
Real Property Taxes.....	\$ 278,154,367	\$ 140,372,325	50.5%	\$ 131,596,939
Personal Property Taxes.....	36,100,000	33,835,011	93.7%	34,067,304
Penalties and Interest.....	1,680,000	1,370,285	81.6%	1,441,181
Total General Property Taxes	\$ 315,934,367	\$ 175,577,621		\$ 167,105,424
Other Local Taxes				
Local Sales and Use Taxes.....	\$ 27,400,000	15,775,243	57.6%	\$ 16,693,060
Consumer Utility Taxes.....	9,600,000	7,733,266	80.6%	10,911,145
Communication Sales and Use Taxes.....	12,400,000	8,416,362	67.9%	1,635,454
Business License Taxes.....	32,100,000	29,322,336	91.3%	28,226,152
Transient Lodging Taxes.....	8,800,000	5,690,767	64.7%	4,924,337
Restaurant Meals Tax.....	10,400,000	7,844,099	75.4%	7,394,623
Tobacco Taxes.....	2,750,000	1,996,973	72.6%	2,242,165
Motor Vehicle License Tax.....	3,400,000	3,070,984	90.3%	2,323,309
Real Estate Recordation.....	5,700,000	3,820,966	67.0%	4,203,192
Admissions Tax.....	1,000,000	830,287	83.0%	809,857
Cell Phone Tax.....	-	-	-	1,397,452
Other Local Taxes.....	2,380,000	625,785	26.3%	1,455,549
Total Other Local Taxes	\$ 115,930,000	\$ 85,127,068	73.4%	\$ 82,216,295
Intergovernmental Revenues				
Revenue from the Federal Government.....	\$ 6,529,554	\$ 4,647,397	71.2%	\$ 3,548,040
Personal Property Tax Relief from the Commonwealth.....	23,600,000	23,106,960	97.9%	23,311,781
Revenue from the Commonwealth.....	23,063,334	16,840,549	73.0%	16,995,647
Total Intergovernmental Revenues	\$ 53,192,888	\$ 44,594,906	83.8%	\$ 43,855,468
Other Governmental Revenues And Transfers In				
Fines and Forfeitures.....	\$ 4,722,300	\$ 3,247,130	68.8%	\$ 2,756,352
Licenses and Permits.....	5,356,000	4,035,553	75.3%	4,878,196
Charges for City Services.....	11,847,072	7,862,505	66.4%	6,083,894
Revenue from Use of Money & Property.....	9,570,000	7,566,287	79.1%	8,084,169
Other Revenue.....	268,211	577,964	215.5%	490,272
Transfer from Sewer Fund.....	1,311,109	-	0.0%	-
Total Other Governmental Revenues	\$ 33,074,692	\$ 23,289,439	70.4%	\$ 22,292,883
TOTAL REVENUE	\$ 518,131,947	\$ 328,589,034	63.4%	\$ 315,470,070
Appropriated Fund Balance				
General Fund.....	8,482,492	-	0.0%	-
Reappropriation of FY 2007 Encumbrances And Other Supplemental Appropriations.....	2,345,051	-	0.0%	-
TOTAL	\$ 528,959,490	\$ 328,589,034	62.1%	\$ 315,470,070

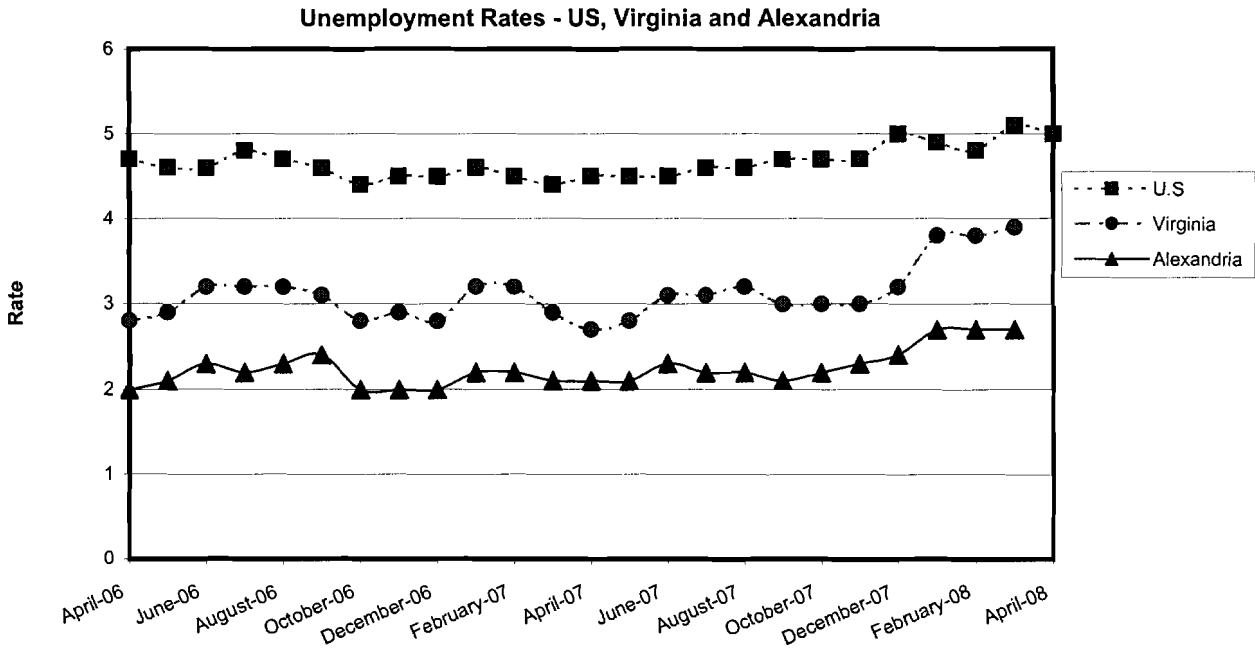
CITY OF ALEXANDRIA, VIRGINIA
COMPARATIVE STATEMENT OF EXPENDITURES & TRANSFERS BY FUNCTION
GENERAL FUND
FOR THE PERIODS ENDING APRIL 30, 2008 AND APRIL 30, 2007

FUNCTION	FY2008	FY2008	% OF	FY2007
	APPROVED BUDGET	EXPENDITURES THRU 04/30/08		BUDGET
Legislative & Executive.....	\$ 6,083,728	\$ 4,795,778	78.8%	\$ 4,686,988
Judicial Administration.....	\$ 36,974,575	\$ 30,769,545	83.2%	\$ 28,694,514
Staff Agencies				
Information Technology Services.....	\$ 8,537,260	\$ 6,242,432	73.1%	\$ 6,037,909
Management & Budget.....	1,191,547	888,656	74.6%	888,121
Finance.....	10,298,719	7,284,537	70.7%	7,572,430
Real Estate Assessment.....	1,530,590	1,313,446	85.8%	1,132,817
Personnel.....	3,366,284	2,679,164	79.6%	2,576,261
Planning & Zoning.....	5,682,285	4,652,743	81.9%	3,767,587
Economic Development Activities.....	2,877,538	2,653,333	92.2%	2,731,486
City Attorney.....	3,253,814	2,846,719	87.5%	3,682,937
Registrar.....	1,106,565	934,910	84.5%	831,901
General Services.....	12,701,521	11,364,289	89.5%	10,446,895
Total Staff Agencies	\$ 50,546,123	\$ 40,860,229	80.8%	\$ 39,668,344
Operating Agencies				
Transportation & Environmental Services.....	\$ 27,506,938	\$ 22,689,569	82.5%	\$ 20,549,139
Fire.....	37,225,170	30,475,836	81.9%	29,430,081
Police.....	51,342,764	41,225,273	80.3%	39,839,568
Transit Subsidies.....	7,985,495	6,011,916	75.3%	6,405,223
Mental Health/Mental Retardation/				
Substance Abuse.....	521,650	433,765	83.2%	457,292
Health.....	7,881,534	6,204,514	78.7%	6,025,747
Human Services.....	11,327,364	10,366,821	91.5%	9,999,821
Historic Resources.....	2,926,887	2,415,565	82.5%	2,110,605
Recreation.....	20,744,297	16,565,712	79.9%	16,098,750
Total Operating Agencies	\$ 167,462,099	\$ 136,388,971	81.4%	\$ 130,916,226
Education				
Schools.....	\$ 160,239,697	\$ 113,329,389	70.7%	\$ 108,855,326
Other Educational Activities.....	12,399	12,399	100.0%	12,548
Total Education	\$ 160,252,096	\$ 113,341,788	70.7%	\$ 108,867,874
Capital, Debt Service and Miscellaneous				
Debt Service.....	\$ 30,551,035	\$ 12,604,475	41.3%	\$ 13,203,001
Non-Departmental.....	9,737,783	4,354,964	44.7%	4,906,944
Cash Capital.....	10,334,771	10,334,761	100.0%	4,854,808
Contingent Reserves.....	1,277,306	-	-	-
Total Capital, Debt Service and Miscellaneous	\$ 51,900,895	\$ 27,294,200	52.6%	\$ 22,964,753
TOTAL EXPENDITURES	\$ 473,219,516	\$ 353,450,511	74.7%	\$ 335,798,699
Cash Match (Mental Health/Mental Retardation/ Substance Abuse, Human Services and Library and Transfers to the Special Revenue Fund)...				
	36,324,757	-	0.0%	-
Transfer to Housing.....	4,815,949	2,920,362	60.6%	1,044,496
Transfer to Library.....	7,107,746	5,922,885	83.3%	5,868,511
Transfer to DASH.....	7,491,522	6,242,685	83.3%	6,111,741
TOTAL EXPENDITURES & TRANSFERS	\$ 528,959,490	\$ 368,536,443	69.7%	\$ 348,823,447

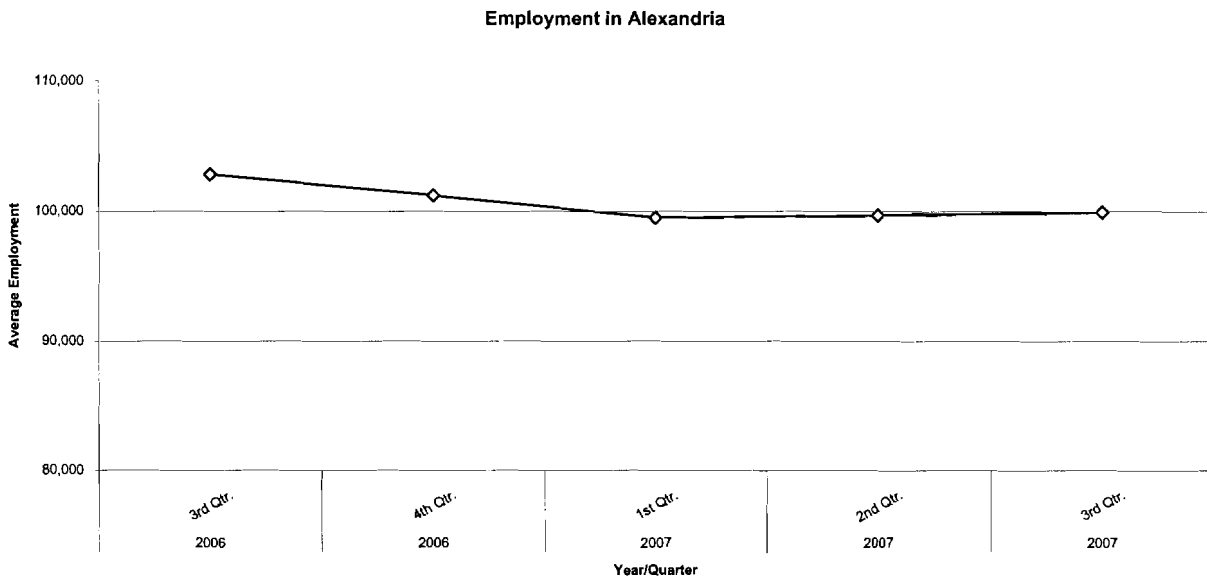
**CITY OF ALEXANDRIA
SELECTED ECONOMIC INDICATORS**

	<u>Current Year</u>	<u>Prior Year</u>	<u>Percent Change</u>
<u>Consumer Price Index (CPI-U)</u> for the Washington-Baltimore, DC-MD-VA-WV Area (As of March 31, 2008) (Source: Published bi-monthly by United States Department of Labor, Bureau of Labor Statistics)	138.1	131.9	+4.7%
<u>Unemployment Rates</u> Alexandria	2.7%	2.1%	+29%
Virginia (As of March 31, 2008) (Source: United States Department of Labor, Bureau of Labor Statistics, as adjusted)	3.9%	2.9%	+34%
<u>United States</u> (As of April 30, 2008) (Source: United States Department of Labor, Bureau of Labor Statistics)	5.0%	4.5%	+11%
<u>Interest Rates</u> (As of April 30, 2008)			
Prime Rate	5.0%	8.25%	-39%
Federal Funds Rate (Source: NY Federal Reserve Bank)	2.28%	5.25%	-57%
<u>New Business Licenses</u> (During April 2008) (Source: Finance Department, Business Tax Branch)	76	76	0%
<u>Office Vacancy Rates</u> (As of December 31, 2007)			
Alexandria	5.2%	11.4%	-54%
Northern Virginia	11.6%	12.3%	-6%
Washington DC Metro Area (Source: Grubb & Ellis)	10.5%	10.7%	-2%
<u>New Commercial Construction</u> (As of April 30, 2008)			
Number of New Building Permits	4	7	-43%
Value of New Building Permits (Source: Fire Department Code Enforcement Bureau)	129.7	90.1	+44%
<u>Residential Real Estate Indicators</u> (YTD ending March 31, 2008)			
Residential Dwelling Units Sold	390	624	-37.5%
Average Residential Sales Price (Source: Department of Real Estate Assessments)	\$451,988	\$476,792	-5.2%

City of Alexandria
Selected Economic Indicators



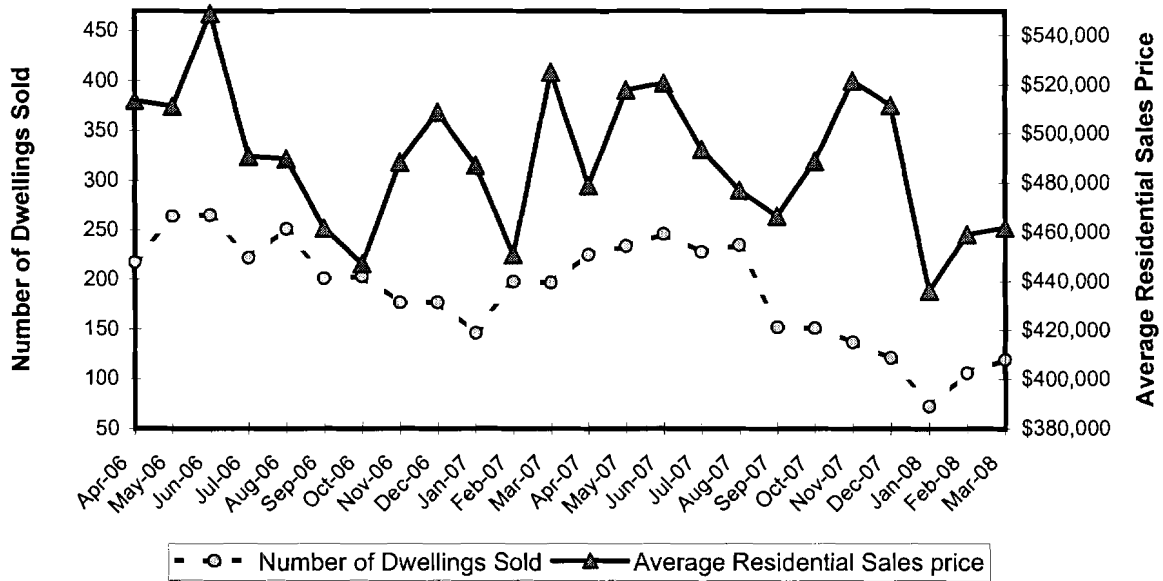
Source: United States Department of Labor, Bureau of Labor Statistics (as revised by BLS)



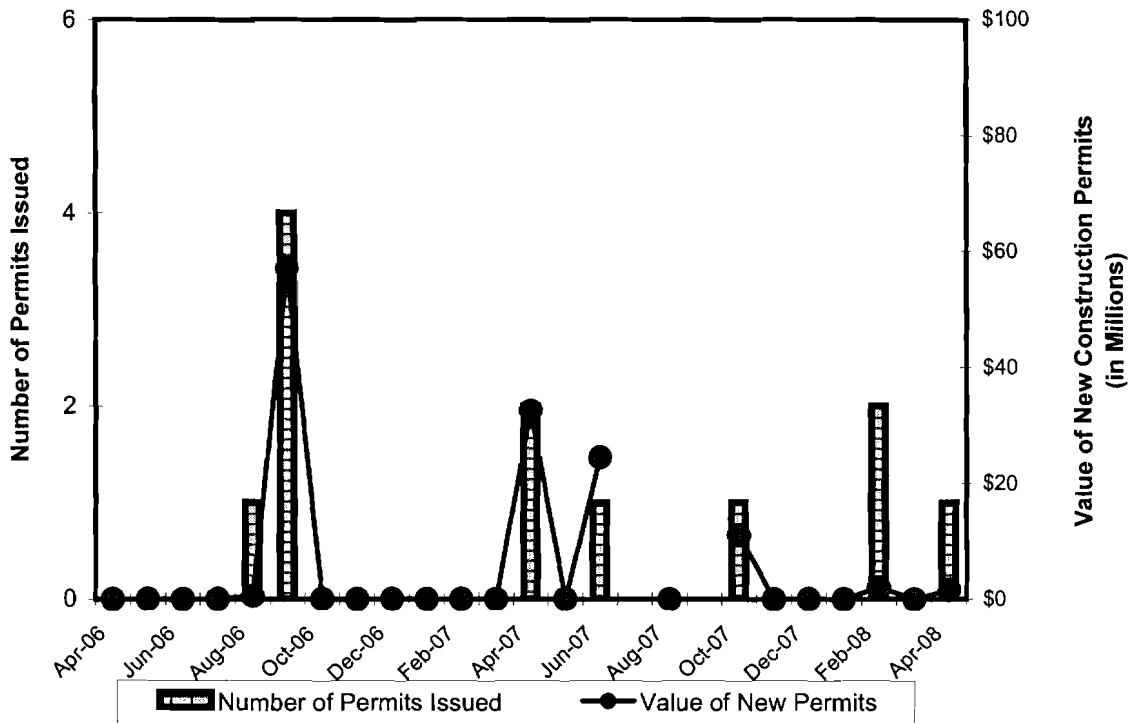
Source: Virginia Employment Commission, including the U.S. Patent and Trademark Office.

**City of Alexandria
Selected Economic Indicators**

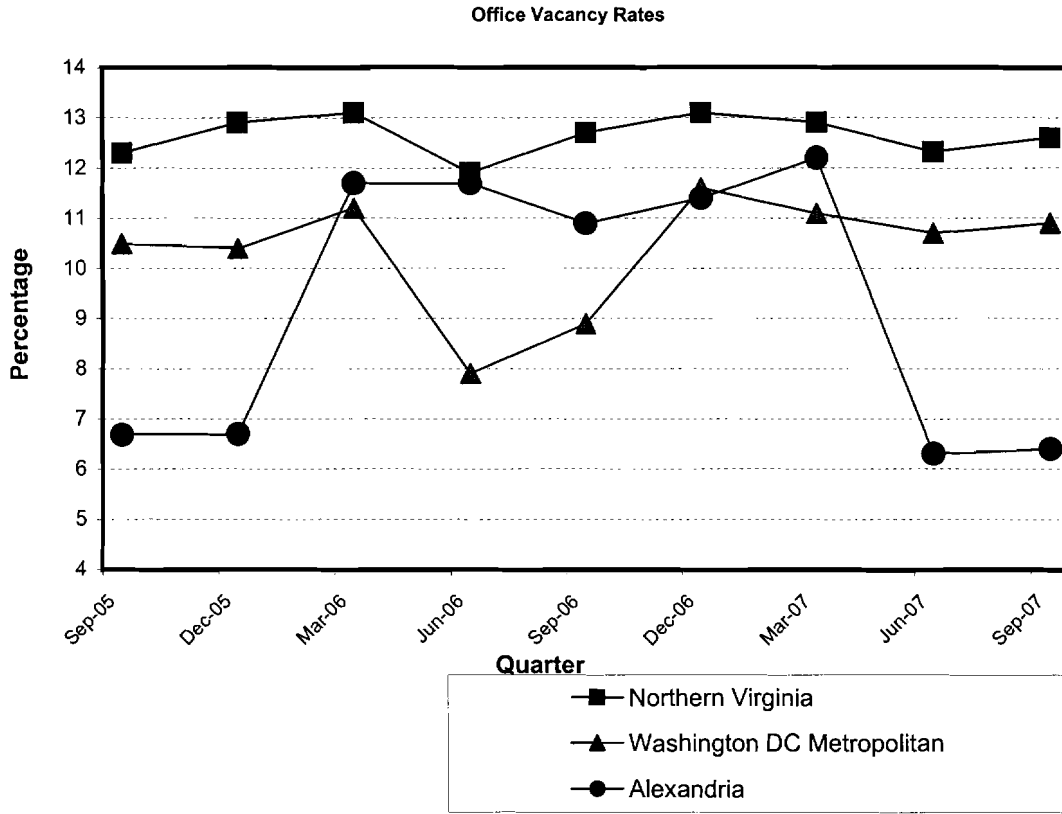
Selected Residential Real Estate Indicators



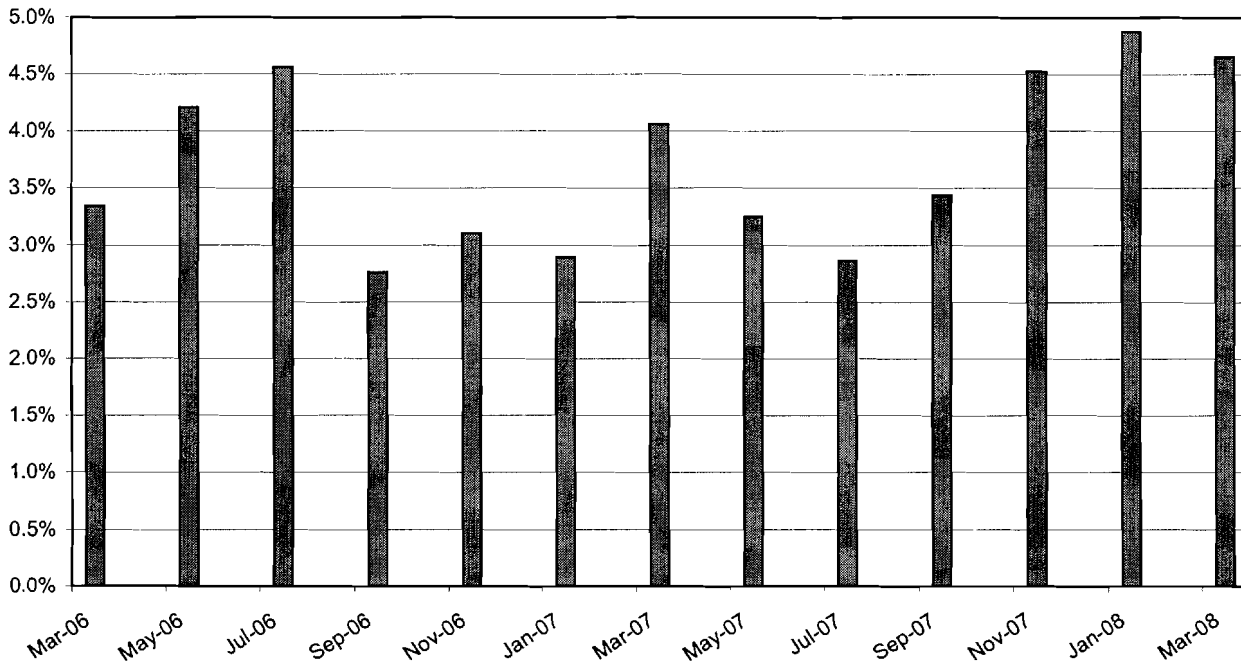
**Alexandria New Commercial Construction
Number of Permits and
Value of New Construction Permits**



City of Alexandria Selected Economic Indicators



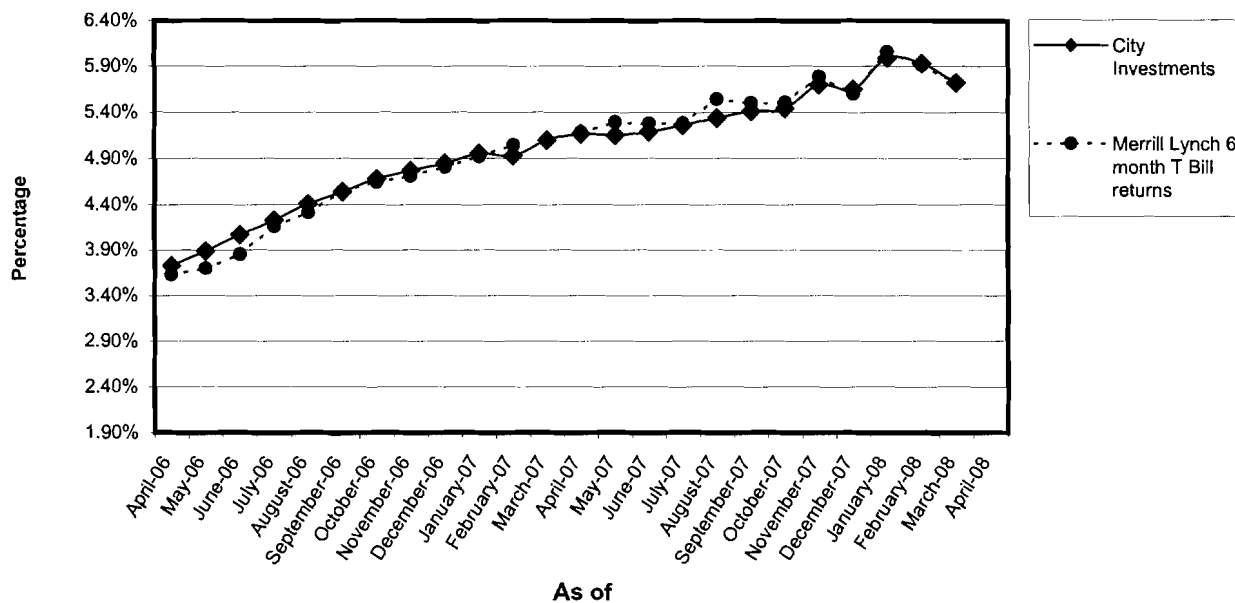
**Twelve Month Annualized Percentage Change in Consumer Price Index
Washington/Baltimore**



Source: United States Department of Labor, Bureau of Labor Statistics

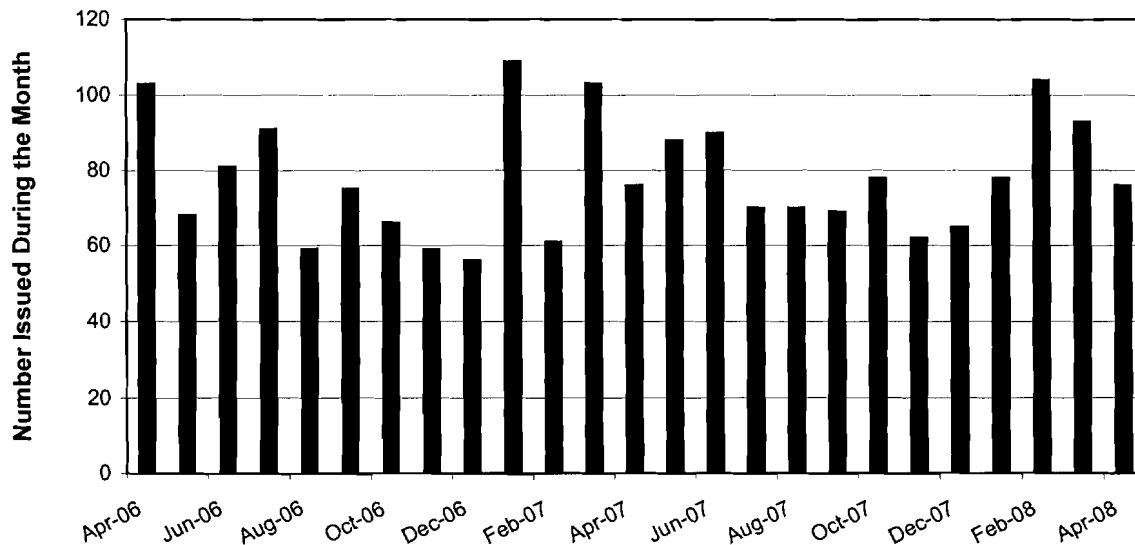
City of Alexandria Selected Economic Indicators

Selected Interest Rates



Source: Suntrust Economic Monitor

New Business Licenses Issued in Alexandria



12 9 14

5-27-08



Gloria Sitton/Alex
05/27/2008 10:38 AM

To Jackie Henderson/Alex@Alex
cc
bcc
Subject Fw: Council Docket for Tuesday, May 27th

Gloria Sitton
Deputy City Clerk
City of Alexandria
703-838-4550
gloria.sitton@alexandriava.gov

GO GREEN -- Tip: Use a ceramic mug for your coffee or tea. Americans use more than 14 billion paper cups a year, enough to circle the earth 55 times!

----- Forwarded by Gloria Sitton/Alex on 05/27/2008 10:37 AM -----



alexvamayor@aol.com
05/27/2008 10:36 AM

To Ignacio.Pessoa@alexandriava.gov, wmeuille@wdeuille.com, delpepper@aol.com, ludwig@gainwithgaines.com, Councilmangaines@aol.com, rob@krupicka.com, smedbergpc@aol.com, timothylovain@aol.com, Justin.Wilson@alexandriava.gov
cc Jim.Hartmann@alexandriava.gov, Michele.Evans@alexandriava.gov, Mark.Jinks@alexandriava.gov, Gloria.Sitton@alexandriava.gov
Subject Re: Council Docket for Tuesday, May 27th

Jim, I plan on puling the following consent items off for comments/questions:

Item # 12- Tall Ship Godspeed:

Where exactly will the ship be docked?

Has this been shared w/ both Old Town civic and Founders Park Assoc.'s?

Item # 14-

Mark should be prepared to make some comments relative to pertitnent economic trends for our info.

Bill

-----Original Message-----

From: Ignacio.Pessoa@alexandriava.gov
To: wmeuille@wdeuille.com; alexvamayor@aol.com; delpepper@aol.com; ludwig@gainwithgaines.com; Councilmangaines@aol.com; rob@krupicka.com; smedbergpc@aol.com; timothylovain@aol.com; Justin.Wilson@alexandriava.gov
Cc: Jim.Hartmann@alexandriava.gov; Michele.Evans@alexandriava.gov; Mark.Jinks@alexandriava.gov; Gloria.Sitton@alexandriava.gov