

## City of Alexandria, Virginia

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6-24-03

## MEMORANDUM

DATE: JUNE 16, 2003

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, 2003

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**ISSUE:** Receipt of the City's Monthly Financial Report for the period ending May 31, 2003.

**RECOMMENDATION:** That City Council receive the following Monthly Financial Report for the period ending May 31, 2003.

**DISCUSSION:** This report provides financial information on revenues and expenditures of the General Fund for the period July 1, 2002 through May 31, 2003. This report presents revenues and expenditures for the same period for FY 2002 for comparative purposes (Attachments 1 and 2), and also provides a summary of selected economic indicators (Attachment 3). FY 2003 revenues through May 31, 2003, in the amount of \$274.7 million, represent a 3.1 percent increase as compared to collections last year. General Fund expenditures through the end of May total \$294.6 million, or 8.1 percent higher than expenditures at the same time last year. As of May 31, 2003, General Fund expenditures exceeded General Fund revenues by \$19.9 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.

This report reflects updated FY 2003 revenue projections from the FY 2004 Budget approved by City Council on April 29, 2003. Economic reports from various organizations which collect and issue economic data, such as the U.S. Department of Labor, George Mason University, the Fairfax County Government, and the Office of the Secretary of Finance of the Commonwealth of Virginia, all indicate that the statewide and regional economies continue to perform below desired levels, largely due to higher unemployment and reduced consumer and business spending. City office occupancy, dwelling unit sales and building permits are all lower than a year ago at this time. In general, these rates have improved since June 30, 2002, but not enough to equal or better the situation the City experienced in FY 2001. This includes the City's unemployment rate, at 2.5 percent (as of April 2003), which has shown improvement from the 3.5 percent peak in 2002, but has not returned to the January 2001 very low rate of 1.4 percent. In addition, the spring rains and the federal government's Code Orange alert all have combined to dampen hotel, restaurant and retail sales. As a result, and as was the case in FY 2002, City staff will need to continue to monitor revenues very carefully in order to keep the City's budget in balance.

Projecting current year revenues has been a more complicated task with more unknowns than usual. Finance and OMB staff have made projections of the revenues by category. In addition, expenditure budget savings arising from budget management actions instituted in October will help avoid a budget shortfall in FY 2003. In October, due to concerns about the economy and the State revenue reductions, the non-public safety departments were directed to develop a plan to reserve 3.0 percent of their FY 2003 operating budgets. The public safety departments have been requested to plan to reserve 3.0 percent of their FY 2003 non-personnel budgets. Some of these planned savings will be tempered by snow costs which are not recoverable from state and federal sources and which far exceed budgeted amounts.

These revenue projections for FY 2003 (which have not changed since last month's Monthly Financial Report) produce a \$9.0 million revenue surplus, of which \$4.9 million was used to help finance a portion of the FY 2004 operating budget and FY 2004 capital projects and \$1.0 million (equal to 1¢ on the June 2003 real estate tax rate) was designated for open space acquisition. The remaining \$3.1 million is undesignated at this time. It is likely that these funds will be designated for the FY 2005 operating and capital budgets when FY 2003 is closed. These projections have increased by \$0.3 million since the budget was approved as a result of an increase in the projection of Recordation Taxes. The following chart and text summarize the revenue variances:

**FY 2003 PROJECTIONS**  
**(Amounts in millions)**

	<u>FY 2003 BUDGET</u>	<u>FY 2003 BUDGET PROJECTIONS</u>	<u>BUDGET VERSUS PROJECTIONS</u>
Real Property	\$ 176.6	\$ 185.6	\$ 9.0
Personal Property-local share	31.2	30.9	(0.3)
Penalties and Interest	1.1	1.5	0.4
Sales Tax	21.3	21.3	-
Consumer Utility Tax	17.1	17.1	-
Business License Tax	21.9	22.9	1.0
Transient Lodging Tax	5.2	5.6	0.4
Restaurant Meals Tax	8.7	8.7	-
Tobacco	1.6	2.0	0.4
Recordation Taxes	1.5	3.0	1.5
Other Local Taxes	4.5	3.9	(0.6)
Intergovernmental	45.9	45.7	(0.2)
Fines and Forfeitures	3.9	4.0	0.1
Licenses and Permits	4.0	3.0	(1.0)
Charges for City Services	9.9	9.5	(0.4)
Use of Money and Property	<u>6.6</u>	<u>5.3</u>	<u>(1.3)</u>
Total			\$ 9.0

**REVENUES (Attachment 1):** As of May 31, 2003, actual General Fund revenues totaled \$274.7 million, an increase of \$8.4 million, or 3.1 percent, as compared to revenues for the same period last year. Except as noted in this report, revenues reflect normal trends.

**Real Estate Taxes:** Revenues to date are \$16.7 million, or 17.8 percent higher than collections at this time last year. As projected in the Proposed FY 2004 Budget, real estate gross levy for locally assessed real property for second half CY 2002 totaled \$168.5 million. Staff currently expects to collect 49.2 percent of this levy. First half CY 2002 real estate taxes are due June 16 (the first business day after the normal due date) and are driven by the CY 2002 assessments, which increased an average of 19.93 percent. The remaining difference between the revenue collected and the amount billed relates to the timing of collection of taxes due June 15. The assessment increase, at the adopted lower real estate tax rate of \$1.035, along with the increased collection of second half CY 2002 taxes and delinquent taxes, would increase expected FY 2003 real estate tax revenues to \$185.6 million, or \$9.0 million above the FY 2003 budget and has not changed since last month.

**Personal Property Taxes:** Personal property tax bills were due in October 2002. The FY 2003 Approved Budget includes a \$31.2 million revenue projection for tax revenue collected directly by the City (including \$15.8 million for vehicles and \$15.4 million for businesses). It also includes an additional \$22.0 million of intergovernmental revenue that the City collects from the Commonwealth under the provisions of the Personal Property Tax Relief Act of 1998 (PPTRA). This year, the State's share of the local personal property tax payment is 70.0 percent of most taxpayers' payments, which is the same as last year. The total for all budgeted revenues related to the personal property tax for FY 2003 is \$53.2 million and has not changed from last month.

Through May 31, 2003, the City has collected \$30.4 million in personal property tax revenue and has received reimbursement from the Commonwealth of \$21.9 million for total personal property tax receipts of \$52.3 million. This represents a \$6.8 million decrease when compared to receipts collected at the same time last year. In FY 2002, the City received \$7.6 million for personal property taxes from the Mirant Corporation for business personal property (the former PEPCO plant off of Slater's Lane) purchased from a public service corporation. Public service corporations' personal property is taxed at a lower rate than other private companies; therefore, the sale of the public service corporation assets to independent power producer Mirant resulted in a one-year, one-time tax revenue payment to the City in FY 2002 of \$7.6 million. For FY 2003, State law gave independent power producers such as Mirant the same lower tax treatment as public service corporations. As previously reported, it now appears that the total budgeted revenues related to the personal property tax (\$53.2 million) will fall short of the FY 2003 budget by \$300,000. It is clear that the rate of assessment growth in the vehicle portion of the tax base has slowed significantly from prior years.

Personal Property Tax (in millions)	Budget FY 2003	Actual to Date FY 2003	Actual to Date FY 2002
City share	\$ 31.2	\$ 30.4	\$ 37.9
Commonwealth reimbursement	22.0	21.9	21.2
Total	\$ 53.2	\$ 52.3	\$ 59.1

**Penalties and Interest:** Collections of penalties and interest year-to-date total \$1.4 million, which slightly exceeds last year's penalties and interest revenues for the same time period. Based upon historical patterns, it is projected that FY 2003 revenues will total at least \$1.5 million by the end of the fiscal year. This amount has not changed from last month.

**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 wires the City's portion of the sales tax approximately one month later. Sales taxes received by the City in May represent revenues collected by merchants in March. Year-to-date revenues continue to improve over last year with a 5 percent annualized increase for the last few months. As a result, the prior projection of \$21.3 million in sales tax revenue in FY 2003 will likely be achieved. It should be noted that sales tax reporting by companies and administration by the Virginia Department of Taxation make single-month comparisons difficult.

**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 and are in line with prior projections.

**City of Alexandria Consumer Utility Tax Receipts**

Utility	FY 2003 Year to Date Receipts	FY 2002 Year to Date Receipts	Increase/ (Decrease)
Telephone - Tax on Local Services	5,804,978	\$5,802,820	\$2,158
Electricity	4,531,086	4,337,085	194,001
Water	1,599,829	1,604,595	(4,766)
Natural Gas	1,904,104	1,785,398	118,706

**Business License Taxes:** The City's business license tax was due March 3 for CY 2003. Collections as of May 31, 2003, in the amount of \$21.6 million, are \$0.9 million, or 4.3 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 taxes paid from the service sector of 5.5 percent, including a decrease in taxes paid from professional services of 2.9 percent. Taxes paid by the retail sector remained flat. Staff estimate that the City will collect an additional \$1.3 million in the remainder of the year, including \$0.6 million in quarterly payments and \$0.7 million from non-filers, delinquent taxpayers and audits of tax returns. Based on collection patterns to date, staff's current estimate for business tax receipts for FY 2003 is \$22.9 million, which is \$1.0 million over the approved budget, as well as equal to the previously projected total for the fiscal year.

**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 March. Collections total \$4.3 million, an increase of \$0.1 million or 2.7 percent over last year. However, since Reagan National Airport was closed or restricted at less than full

capacity for a period of time in FY 2002 beginning on September 11, 2001, a slightly larger percentage increase was expected. Full service and mid-range hotels experienced a slight increase in revenue compared to last year, but budget and extended stay hotels, on average, are still somewhat lower than last year. Based on collections to date, staff projects that transient lodging taxes will be \$5.6 million, an increase of \$0.4 million above the Approved FY 2003 Budget. This projection has not changed from last month, but may not be met if hotel occupancies through June 30 do not meet prior expectations.

**Restaurant Meals Tax:** Meals and alcoholic beverage taxes are due to the City within 30 days of the month the sales occurred. Collections for sales in March 2003 were one-tenth of one percent higher than collections in March 2002. Based on collections to date, staff projects that restaurant meals taxes will be \$8.7 million, which approximates the Approved FY 2003 Budget and has not changed from last month.

**Tobacco Taxes:** Tobacco taxes are levied at a rate of \$0.50 per pack of 20 cigarettes sold in the City. This rate was increased as of January 2003. Based on the increased rate, staff projects that tobacco taxes will be approximately \$2.0 million, an increase of \$0.4 million over the Approved FY 2003 Budget, which is consistent with prior projections.

**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. Collections in the amount of \$2.7 million increased \$0.6 million, or 29.3 percent over collections at this time last year. The increase is primarily attributable to residential refinancings due to continued historically low mortgage interest rates. Based on current collections, staff projects recordation taxes will be at least approximately \$3.0 million, an increase of \$0.3 million over the previous projection.

**Other Local Taxes:** This category includes taxes such as bank franchise, telecommunications right-of-way, cable TV franchise, daily rental and other miscellaneous taxes. The decrease in revenue to date results from a decrease in the telecommunications taxes and E-911 taxes reported by Verizon. The telephone company attributes the decrease in revenue to corrections in accounting procedures, customer wireless replacement of land line phones and economic factors. Based on collections to date, staff projects that other local taxes will be \$3.9 million, a decrease of \$0.6 million below the Approved FY 2003 Budget. This is consistent with prior projections.

**Revenue from the Federal Government:** The City's General Fund revenues from the federal government are primarily for federal prisoner per diem. The City has billed \$4.4 million for housing federal prisoners through the period ending May 31, 2003. As of May 31, 2003, \$3.9 million has been received. The federal government generally pays the City for housing federal prisoners 45 to 60 days after the end of the billing period. Based on collections to date, staff projects that revenue from the federal government will exceed \$4.5 million, with the balance of these revenues (about \$0.7 million) allocated to added Public Safety Center security staffing costs.

**Revenue from the Commonwealth:** The \$15.5 million in revenues received to date is \$0.8 million lower than that received for the same period in FY 2002. This is due to State revenue reductions. FY 2003 State revenue reductions, estimated prior to General Assembly amendments for the City, total \$1.1 million. Expected revenue losses include substantial reductions in per diem jail reimbursement, as well as in ABC/wine tax distributions. Based on these changes, staff projects that General Fund revenue from the Commonwealth will be \$19.1 million, a decrease of

\$0.4 million below the Approved FY 2003 Budget, which is consistent with prior projections. The City's Special Revenue Fund where grants are accounted for will also experience losses.

**Fines and Forfeitures:** Increased revenues primarily represent collections for parking tickets and red light fees. These collections were lower in FY 2002 as a result of the events following September 11. Based on these collections, staff projects revenues of \$4 million, \$0.1 million higher than the Approved FY 2003 Budget, which is consistent with prior projections.

**Licenses and Permits:** Revenues decreased \$0.6 million, or 18.2 percent below collections at this time last year. This decrease is attributable to fewer new residential and commercial building and related permits issued in FY 2003 than in FY 2002. Based on collections to date, staff projects that revenues from licenses and permits will be \$3.0 million, \$1.0 million less than the Approved FY 2003 Budget. This \$3.0 million projection is consistent with prior projections.

**Charges for Services:** Revenue for charges for services increased 6.7 percent as a result of Council action to increase the fees paid by the development community in order to better recover costs. Based on collections to date, staff projects that charges for services will be \$9.5 million, \$0.4 million less than the Approved FY 2003 Budget. This is consistent with prior projections.

**Revenue from Use of Money and Property:** Year-to-date interest revenues decreased \$1.3 million compared to last fiscal year, largely due to substantially declining market interest rates on City short-term investments. This large decrease in market interest rates is reflected in the federal fund rate reduction from 1.76 percent in May 2002 to 1.23 percent in May 2003. As a result, it is expected that interest revenues will fall significantly short of budget expectations in FY 2003. Staff projects that revenues from use of money and property will be \$5.3 million, which is equal to prior FY 2003 budget projections.

**Other Revenue:** Other revenues include gifts and donations, damage recoveries and recovered costs.

**EXPENDITURES (Attachment 2):** As of May 31, 2003, actual General Fund expenditures totaled \$294.6 million, an increase of \$ 22.1 million, or 8.1 percent over expenditures for the same period last year. The Approved General Fund Budget is 6.6 percent higher than FY 2002. Unless noted below, the increase in expenditures over that budgeted is attributable to budgeted expenditures for annual equipment replacement charges made at the beginning of the fiscal year and a budgeted increase in cash capital. Except as noted below, this expenditure pattern reflects the Approved FY 2003 Budget.

**Judicial Administration:** Expenditures represent the annual payments to regional organizations that provide legal, correctional and animal welfare and control services. In addition, the Sheriff's Department continues to incur substantial overtime costs related to perimeter security at the Public Safety Center. The City is working to obtain federal funding for some of these costs, and will use excess federal jail per diem funds to cover the balance.

**Other Planning Activities:** General Fund expenditures in this category reflect the City's contribution payments to community agencies.

**City Attorney:** Expenditures to date reflect outside legal fees which are budgeted in a non-department 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 these expenditures with budget authority.

**General Services:** Expenditures reflect additional expenditures for snow removal costs. Staff will recommend an appropriations transfer in the context of the June Transfer Resolution to match these expenditures with budget authority.

**Fire:** Expenditures reflect additional overtime costs caused by the winter's snow storms.

**Transit Subsidies:** General Fund expenditures in this category reflect the City's contribution payments to WMATA, DASH and for paratransit services.

**Human Services:** Expenditures reflect increased costs associated with providing child and youth services, particularly for the Comprehensive Services Act (CSA) program.

**Schools:** The School Administration has reported \$117.7 million in expenses through May 31, 2003. The City's General Fund share of total School Administration budgeted expenditures is approximately 77.8 percent of the total expenditures. This percentage was applied to total school disbursements to estimate school expenditures to date in the amount of \$91.6 million (i.e., 77.8 percent of \$117.7 million).

**Other Educational Activities:** General Fund expenditures in this category reflect the City's contribution to the Northern Virginia Community College.

**Non-Departmental:** General Fund expenditures in this category reflect the City's contributions to the closed public safety pension plan, senior citizens' rent relief, payment for liability insurance premiums, and the City's share of debt service on the Northern Virginia Transportation District bonds.

**Cash Matches (MH/MR/SA, Human Services, Library and Miscellaneous Grants):** To comply with grant awards, the City's share of 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 for Fiscal and Financial Affairs

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, 2003 AND MAY 31, 2002**

	FY2003 APPROVED BUDGET	FY2003 REVENUES THRU 05/31/03	% OF BUDGET	FY2002 REVENUES THRU 05/31/02
<b>General Property Taxes</b>				
Real Property Taxes.....	\$ 176,572,000	\$ 110,125,801	62.4%	\$ 93,455,038
Personal Property Taxes.....	31,184,000	30,410,599	97.5%	37,922,115
Penalties and Interest.....	1,100,000	1,428,970	129.9%	1,515,113
<b>Total General Property Taxes</b>	<b>\$ 208,856,000</b>	<b>\$ 141,965,370</b>		<b>\$ 132,892,266</b>
<b>Other Local Taxes</b>				
Local Sales and Use Taxes.....	\$ 21,300,000	\$ 15,893,778	74.6%	\$ 15,166,845
Consumer Utility Taxes.....	17,100,000	13,839,997	80.9%	13,529,898
Business License Taxes.....	21,900,000	21,559,887	98.4%	20,666,536
Transient Lodging Taxes.....	5,250,000	4,281,538	81.6%	4,168,303
Restaurant Meals Tax.....	8,700,000	6,857,092	78.8%	6,862,294
Tobacco Taxes.....	1,600,000	1,636,663	102.3%	1,320,331
Motor Vehicle License Tax.....	2,300,000	2,284,648	99.3%	2,259,030
Real Estate Recordation.....	1,500,000	2,681,772	178.8%	2,074,509
Other Local Taxes.....	4,468,000	2,915,460	65.3%	3,397,785
<b>Total Other Local Taxes</b>	<b>\$ 84,118,000</b>	<b>\$ 71,950,835</b>	<b>85.5%</b>	<b>\$ 69,445,531</b>
<b>Intergovernmental Revenues</b>				
Revenue from the Federal Government.....	\$ 4,380,000	\$ 3,936,689	89.9%	\$ 4,555,481
Personal Property Tax Relief from the Commonwealth.....	22,040,000	21,900,236	99.4%	21,187,887
Revenue from the Commonwealth.....	19,485,800	15,455,681	79.3%	16,258,530
<b>Total Intergovernmental Revenues</b>	<b>\$ 45,905,800</b>	<b>\$ 41,292,606</b>	<b>90.0%</b>	<b>\$ 42,001,898</b>
<b>Other Governmental Revenues</b>				
Fines and Forfeitures.....	\$ 3,882,000	\$ 3,569,447	91.9%	\$ 3,470,456
Licenses and Permits.....	4,000,000	2,664,223	66.6%	3,255,125
Charges for City Services.....	9,863,800	7,562,141	76.7%	7,085,010
Revenue from Use of Money & Property.....	6,550,500	5,126,527	78.3%	7,571,947
Other Revenue.....	929,480	546,350	58.8%	583,139
<b>Total Other Governmental Revenues</b>	<b>\$ 25,225,780</b>	<b>\$ 19,468,688</b>	<b>77.2%</b>	<b>\$ 21,965,677</b>
<b>TOTAL REVENUE</b>	<b>\$ 364,105,580</b>	<b>\$ 274,677,499</b>	<b>75.4%</b>	<b>\$ 266,305,372</b>
<b>Appropriated Fund Balance</b>				
General Fund.....	9,816,624	-	0.0%	-
Reappropriation of FY 2002 Encumbrances And Other Supplemental Appropriations.....	4,532,090	-	0.0%	-
<b>TOTAL</b>	<b>\$ 378,454,294</b>	<b>\$ 274,677,499</b>	<b>72.6%</b>	<b>\$ 266,305,372</b>



**CITY OF ALEXANDRIA, VIRGINIA**  
**COMPARATIVE STATEMENT OF EXPENDITURES & TRANSFERS BY FUNCTION**  
**GENERAL FUND**  
**FOR THE PERIODS ENDING MAY 31, 2003 AND MAY 31, 2002**

FUNCTION	FY2003	FY2003	% OF	FY2002
	APPROVED BUDGET	EXPENDITURES THRU 05/31/03		BUDGET
Legislative & Executive.....	\$ 4,737,409	\$ 3,894,837	82.2%	\$ 3,673,642
Judicial Administration.....	\$ 26,587,007	\$ 25,134,707	94.5%	\$ 22,355,917
<b>Staff Agencies</b>				
Information Technology Services.....	\$ 6,463,714	\$ 4,759,954	73.6%	\$ 4,992,294
Management & Budget.....	913,849	603,816	66.1%	575,403
Finance.....	7,513,026	6,124,336	81.5%	5,755,394
Real Estate Assessment.....	980,950	774,654	79.0%	815,690
Personnel.....	2,285,897	1,892,687	82.8%	1,798,763
Planning & Zoning.....	3,466,384	2,760,113	79.6%	2,316,779
Other Planning Activities.....	2,194,945	2,146,773	97.8%	2,030,469
City Attorney.....	1,402,831	1,663,653	118.6%	1,513,799
Registrar.....	904,969	745,725	82.4%	687,500
General Services.....	9,060,617	8,488,169	93.7%	8,160,405
Total Staff Agencies	\$ 35,187,182	\$ 29,959,880	85.1%	\$ 28,646,496
<b>Operating Agencies</b>				
Transportation & Environmental Services.....	\$ 22,268,685	\$ 18,643,560	83.7%	\$ 17,145,268
Fire.....	26,772,124	24,710,158	92.3%	23,032,515
Police.....	37,962,793	33,784,875	89.0%	31,743,945
Transit Subsidies.....	3,688,778	3,511,087	95.2%	2,637,693
Housing.....	1,242,249	786,880	63.3%	742,973
<b>Mental Health/Mental Retardation/</b>				
Substance Abuse.....	601,688	533,495	88.7%	510,166
Health.....	7,169,160	5,193,260	72.4%	4,913,271
Human Services.....	8,118,476	7,395,462	91.1%	6,215,335
Historic Resources.....	2,247,776	1,895,616	84.3%	1,805,305
Recreation.....	15,180,556	13,181,314	86.8%	12,613,512
Total Operating Agencies	\$ 125,252,285	\$ 109,635,707	87.5%	\$ 101,359,983
<b>Education</b>				
Schools.....	\$ 115,329,680	\$ 91,555,363	79.4%	\$ 84,565,448
Other Educational Activities.....	13,246	13,246	100.0%	12,923
Total Education	\$ 115,342,926	\$ 91,568,609	79.4%	\$ 84,578,371
<b>Capital, Debt Service and Miscellaneous</b>				
Debt Service.....	\$ 17,739,094	\$ 11,162,348	62.9%	\$ 11,525,300
Non-Departmental.....	7,593,250	4,593,968	60.5%	4,189,786
Cash Capital.....	14,200,000	14,200,000	100.0%	12,420,000
Contingent Reserves.....	743,705	-	-	-
Total Capital, Debt Service and Miscellaneous	\$ 40,276,049	\$ 29,956,316	74.4%	\$ 28,135,086
TOTAL EXPENDITURES	\$ 347,382,858	\$ 290,150,056	83.5%	\$ 268,749,495
<b>Cash Match (Mental Health/Mental Retardation/ Substance Abuse, Human Services and Library)</b>				
Transfers to the Special Revenue Fund.....	26,237,236	-	0.0%	-
Transfer to DASH.....	4,834,200	4,428,127	91.6%	3,739,872
TOTAL EXPENDITURES & TRANSFERS	\$ 378,454,294	\$ 294,578,183	77.8%	\$ 272,489,367

**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 March 31, 2003) (Source: Published bi-monthly by United States Department of Labor, Bureau of Labor Statistics)	115.9	111.9	+4%
<b><u>Unemployment Rates</u></b> <b>Alexandria</b>	2.5%	3.2%	-22%
<b>Virginia</b> (As of April 30, 2003) (Source: United States Department of Labor, Bureau of Labor Statistics)	3.7%	3.9%	-5%
<b>United States</b> (As of May 31, 2003) (Source: United States Department of Labor, Bureau of Labor Statistics)	6.1%	5.8%	+5%
<b><u>Interest Rates</u></b> (As of May 31, 2003)			
<b>Prime Rate</b>	4.25%	4.75%	-11%
<b>Federal Fund Rate</b> (Source: SunTrust Economic Monitor)	1.23%	1.79%	-31%
<b><u>New Business Licenses</u></b> (During May) (Source: Finance Department, Business Tax Branch)	96	93	+3%
<b><u>Office Vacancy Rates</u></b> (As of December 31, 2002)			
<b>Alexandria</b>	11.5%	9.1%	+26%
<b>Northern Virginia</b>	17.9%	13.9%	+29%
<b>Washington DC Metro Area</b> (Source: Grubb & Ellis)	13.2%	10.6%	+25%
<b><u>New Commercial Construction</u></b> (As of April 30, 2003)			
<b>Number of New Building Permits</b>	12	15	-20%
<b>Value of New Building Permits</b> (Source: Fire Department Code Enforcement Bureau)	\$169.8 million	\$72.3 million	+135%
<b><u>Residential Real Estate Indicators</u></b> (for the three months ended March 31, 2003)			
<b>Residential Dwelling Units Sold</b>	669	710	-6%
<b>Average Residential Sales Price</b> (Source: Department of Real Estate Assessments)	\$314,708	\$263,127	+20%