


*City of Alexandria, Virginia*

## MEMORANDUM

DATE: APRIL 27, 2010

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER 

SUBJECT: MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDING MARCH 31, 2010

---

**ISSUE:** Receipt of the City's Monthly Financial Report for the Period Ending March 31, 2010.

**RECOMMENDATION:** That City Council receive the following Monthly Financial Report for the Period Ending March 31, 2010.

**DISCUSSION:** This report includes highlights of the City's financial condition. More detailed information, including economic information and charts as well as revenue and expenditure charts and references are available with this report from the City of Alexandria web site at alexandriava.gov/financialreports. Also, the FY 2011 budget presented to City Council in February contains additional detail on forecasts for revenues for the remainder of FY 2010 and FY 2011. Updated revenue forecasts were presented to Council by Budget Memorandum #67 and discussed during the add/delete review April 26 and are included with this report.

**ECONOMIC HIGHLIGHTS:**

- **Employment is lagging the overall economy.** The national unemployment rate remained at 9.7% for the third straight month in March, while Virginia's unemployment rate rose to 7.4%, and Alexandria's unemployment rate held steady at 5.4% in February.
- **Despite the recession, the City's total personal income numbers increased by 4.04% in 2008.** The average per capita personal income rose by less than a percent to \$72,220. The City's per capita personal income ranks 12<sup>th</sup> in the nation for county or county-equivalent government areas, and 2<sup>nd</sup> in the Washington, D.C. Metropolitan Area.
- **Economically sensitive City revenues are weaker than at this time last year:** Year-over-year tax collections decreased during the last three months in the Sales Tax, Transient Lodging, and Meals Tax categories, in part due to the last January's inaugural effect which bumped revenues up one year ago and the snowstorms, which reduced revenues this year compared to last year.
- **The real estate market performance is mixed:** Residential sales increased compared to last year while the average sales price was flat. The City's office vacancy rate rose to 17.6% in the 4<sup>th</sup> quarter from 16.3% in the 3<sup>rd</sup> quarter.

## REVENUE HIGHLIGHTS:

- **Year-to-Date Revenues:** As of March 31, 2010, actual General Fund revenues totaled \$322.8 million, which is 1.1 percent above FY 2009 revenues of \$319.2 million for the same period last year. Council received updated revenue forecasts at the April 26 Budget work session. That estimate shows a revenues shortfall of \$8.1 million or 1.5 percent compared to the original FY 2010 budget estimate of General Fund revenues of \$530 million, primarily due to lower business license and sales tax revenue (due to lower assessments than previously forecast) and lower intergovernmental revenues. Note that the revenue estimate shown in Online Reference 2 includes the City Manager's proposed 7 cent tax increase, not the final rate approved on May 3.

This report includes some revenue collections for February business taxes. It shows the significant effect of the February snow event on business activity in the City. The following table compares February 2009 and 2010 receipts for selected business taxes.

### **Effect of Snow Event on Revenues for February 2010 and February 2009**

	February 2010	February 2009	Percentage Change
	A	B	(A-B)/B
Transient Lodging	\$653,396	\$584,965	12%
Restaurant Meals*	907,575	1,046,232	-13%
Sales (excludes any one-time repayments)	1,408,874	1,529,646	-8%
Admissions*	67,365	104,376	-35%
Utilities	799,605	940,248	-15%
Total	<u>\$3,836,815</u>	<u>\$4,205,464</u>	<u>-9%</u>

\*Restaurant Meals tax and Admissions tax collections for February 2010 will increase somewhat in future months as late filers pay.

- **Local Sales and Use Taxes:** Excluding one-time repayments of \$1.5 million made in the prior year, year-to-date retail sales collections from July through February are 3.1 percent below last year.
- **Business License Taxes:** The City's business license tax was due March 1, 2010. Collections-to-date in the amount of \$27.0 million represent a difference in the timing for payments made by businesses. As indicated in the April re-estimates, receipts will be lower than budgeted by \$1.9 million.
- **Revenue from the Use of Money and Property:** Continued decreased revenue in this category reflects the extremely low interest rates budgeted and earned on City operating funds, which remain conservatively invested for safety and liquidity reasons.

**EXPENDITURE HIGHLIGHTS:**

- **Year-to-Date Expenditures:** As of March 31, 2010, actual General Fund expenditures totaled \$340.0 million, an increase of \$1.6 million, or 0.5 percent, above expenditures for the same period last year.
- **Personnel and non-personnel costs:** With 75.0 percent of the fiscal year completed, total expenditures are 63.3 percent of budget. Personnel costs are running exactly on budget, reflecting the fact that 75.86 percent of the FY 2010 payrolls have been processed by March 31, 2010. Non-personnel expenditures are 57.4 percent of the budget through the first nine months of the fiscal year. Typically, the City’s non-personnel expenditures are at 57.1 percent of the budget through March, so this percentage is slightly above what is expected through the first nine months of the year.
- **Debt Service:** The increase reflects budgeted debt service for bonds previously issued.
- **Snow removal:** A recap of expenditures related to snow removal is below:

<u>Storm</u>		<u>Actual Expenditures as of 4/08/2010</u>
December 2009	City	\$0.8 million
February 2010	City	\$6.8 million

All of the City expenditures related to the two major snowstorms currently are charged to the City’s Special Revenue Fund. Those costs for which the City is not reimbursed, or has no reasonable expectation of reimbursement from the federal or state government, will have to be transferred back to the General Fund during the year-end close out. The City will work with federal and state officials to determine what portion of the cost for each snowstorm will be reimbursed. <sup>1</sup> At this time we estimate 75% of these costs will be reimbursed.

- **Expenditure savings:** Significant FY 2010 expenditure savings totaling approximately \$10.0 million will be realized from a number of sources:
  - \$2,574,081 savings in debt service due to the significantly lower debt service costs for the June 2009 debt issuance than budgeted in part due to the Build America Bond issuance with its 35% federal subsidy,
  - \$2,300,000 savings in the cost of Community Services Act for foster care-related services due to program management reforms,
  - \$600,000 savings in the solid waste disposal program due to lower than budgeted volume of waste disposed of at the Waste to Energy facility,
  - \$3,051,822 savings in Transit subsidy payments to WMATA by utilizing surplus State revenues available for this purpose with the Northern Virginia Regional Commission (from regional gas tax collections and State aid dedicated for transit purposes),
  - \$1,500,000 savings in personnel compensation costs due to restraint in filling vacant position throughout FY 2010.

---

<sup>1</sup> The Schools have also estimated \$1.3 million in expenses related to the February snow storms.

- Budget memo #68 describes these expenditure savings and revenue reestimates and their combined affect on the expected end-of-year fund balance on June 30, 2010. The unreserved fund balance is expected to increase to \$49.0 million at the end of FY 2009 to \$53.7 million (10.1% of General Fund revenues) at the end of FY 2010. The undesignated fund balance is expected to increase from \$24.7 million to \$25.2 million (4.7% of General Fund Revenues) These percentages are slightly above the City's adopted financial policy guidelines of 10.0% and 4.0%, respectively

**ONLINE REFERENCES:**

Online Reference 1-The Economy

Online Reference 2-Revenues

Online Reference 3-Expenditures

**STAFF:**

Bruce Johnson, Chief Financial Officer

Laura Triggs, Finance Director

Ray Welch, Controller

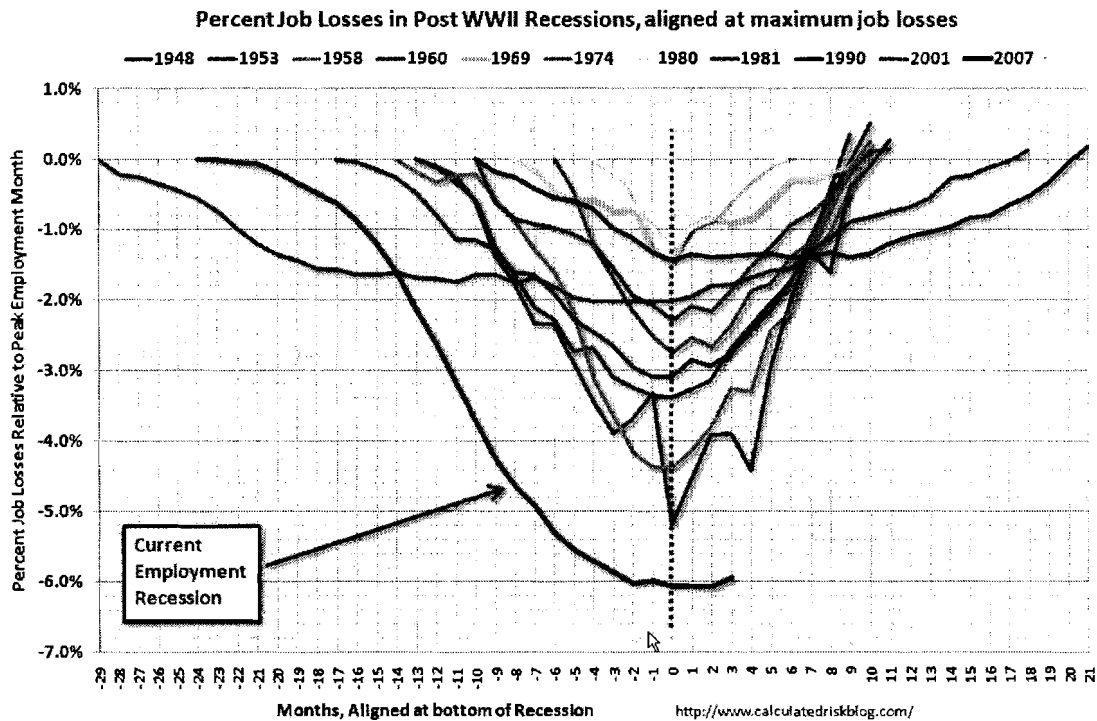
Melinda Barton, Revenue Collection Specialist

Eric Eisinger, Budget Analyst

## National, State, and Regional Economy

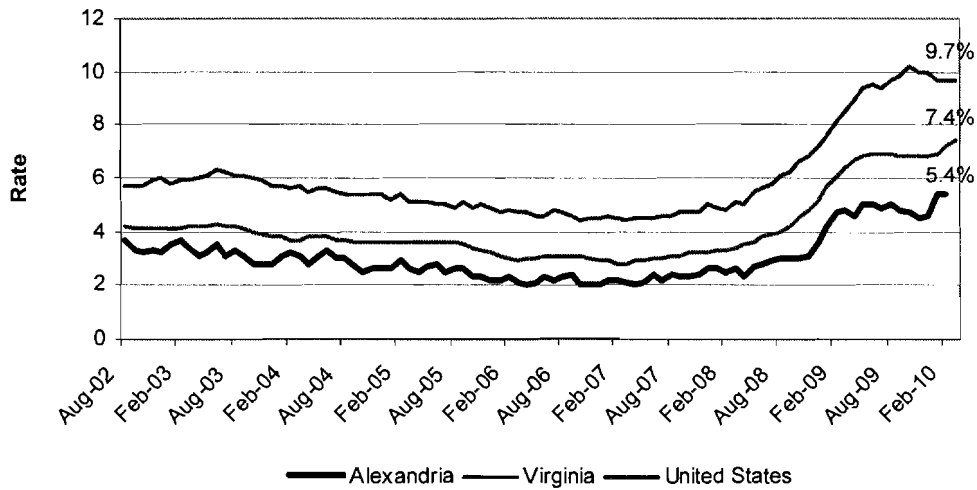
## Online Reference 1

The economic recovery continues. There was good news in March for employment as the Bureau of Labor Statistics reported the number of jobs in the economy grew by 162,000 in March, the first major monthly increase in several years. However, an estimated 48,000 of those positions were temporary census related hirings which will go away later this year. The ADP National Employment report which tracks private sector employment continues to show shrinking private sector employment, a decrease 23,000 private sector jobs in March. The graph below from the financial blog *Calculated Risk* shows a comparison of the current employment recession measured against other recessions since World War II. The duration of job losses is second only to the 2001 recession, but the magnitude of job losses is much deeper than any other postwar recession. The United States has lost approximately 6% of its jobs over the last two years.



The national unemployment rate remained at 9.7% in March for the third straight month, while Virginia's unemployment rate rose to 7.4%. That's the highest unemployment rate in Virginia since 1983. The City's unemployment rate rose to 5.4% in February, the highest level since 1993.

### Unemployment Rate - U.S., Virginia, and Alexandria

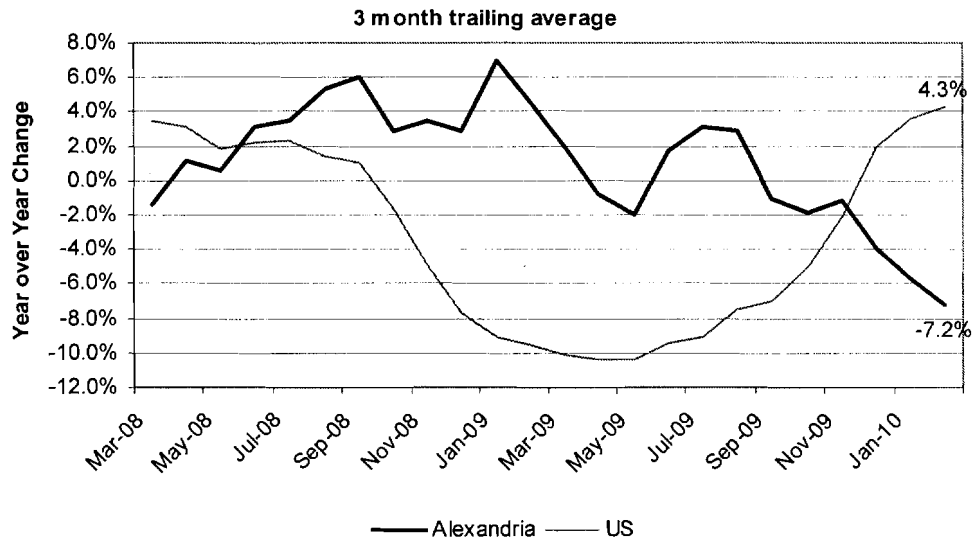


Except for housing, inflation is accelerating slightly. In March, the Washington-Baltimore Consumer Price Index rose 2.6% compared to March 2009. However, the national core inflation rate, which excludes volatile food and energy costs, rose only 1.1%, pulled down by housing costs which decreased 3.4%. Excluding shelter, but including food and energy, the overall CPI increased year-over-year by 3.8%.

### Alexandria's Economy

While the national economy is showing signs of improvement, Alexandria's economic activity over the last several months was strongly affected by the snowstorms. The graph below shows the year-over-year sales tax comparison. The most recent data point includes the December snowstorm and the February snowstorm and compares with last year's sales tax numbers which were boosted by the inauguration. Because of the unusual circumstances of the December through February period, it is as yet difficult to see signs of improvement in the City's economy.

### Annual Change in Retail Sales & Sales Tax Collections

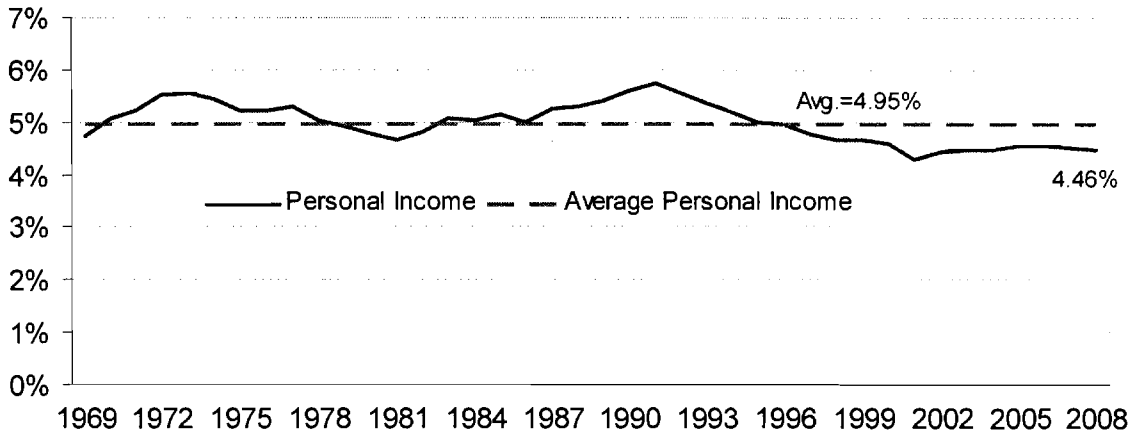


One potentially positive sign is the number of the City's new auto registrations. The number of registrations rose by 60% from March, 2009 to March 2010. Overall, the number of calendar year-to-date registration rose to 1,719 in 2010, an increase of over 20% compared to last year. That is probably a harbinger of better things to come from the City's sales tax collections.

In late April, the Bureau of Economic Analysis (BEA) released the City's personal income numbers for 2008. Despite the recession which began in late 2007 and subsequent decline in the stock market and other asset values, the City's total personal income increased by 4.04% in 2008. The average per capita income rose by less than a percent to \$72,220. (The difference in these two rates was caused by population growth.) The City's per capita income of \$72,220 ranks 12<sup>th</sup> in the nation for County or County-equivalent government areas.

The graph below is included each year in the budget document has been updated to reflect the release of Alexandria's 2008 personal income numbers by the BEA on April 22.

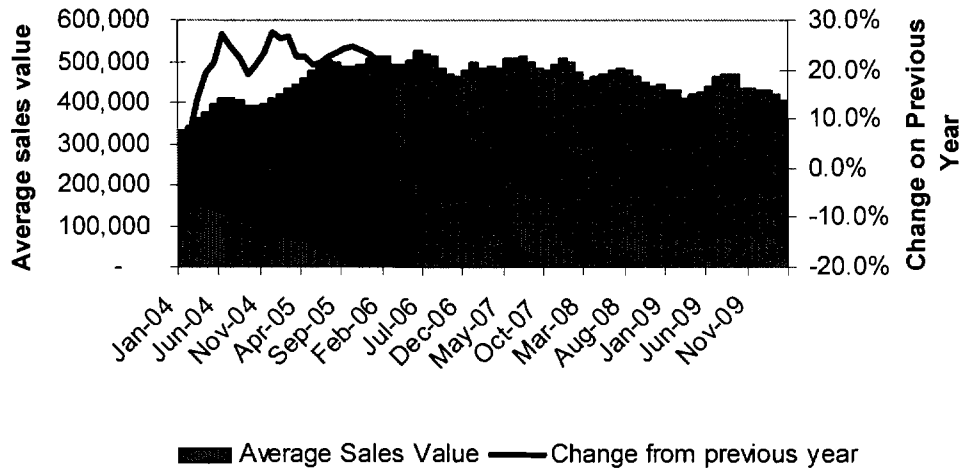
### General Fund Revenue from Local Sources as a Percentage of Personal Income



### Real Estate

Real estate sales for the three months ending in March rose from 2009, by 9.3%. The average sales price was \$405,524, roughly equal to last year. The year-over-year change in the average sales price has been flat for the last six months or so.

### Residential Property Average Sales Value Three Month Trailing Average

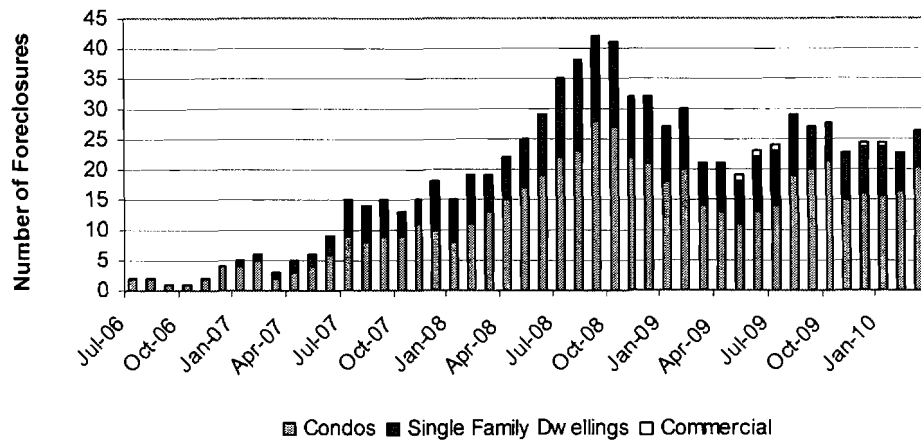


It should be noted that some of the federal government's unprecedented support for the residential housing market will end during the next several months. This may pull some sales forward into the next several months from later this year. As of March 31, the Federal Reserve stopped purchasing mortgage backed securities which artificially depressed mortgage interest rates. Interest rates are likely to go up from their current levels of just over 5% on the 30 year fixed rate mortgage. Also, the homebuyer's tax credit is scheduled to be discontinued for home sales after April. The credit has propped



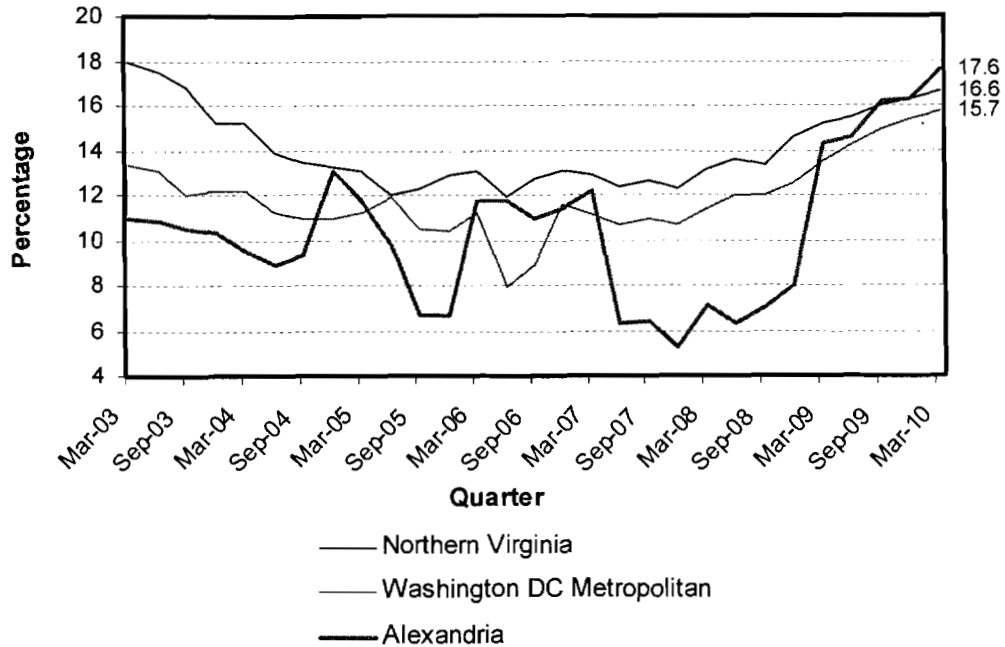
up the market, particularly for lower end homes. Finally, it looks as if the number of foreclosures may be increasing once again. In March, the number of residences in foreclosure rose to its highest level since last fall. However, everything is relative, and according to Realtytrac, Alexandria has the lowest rate of foreclosures of any Northern Virginia jurisdiction, except for Arlington County.

### New Foreclosures in Alexandria 3 month trailing average



The City's commercial real estate market continues to struggle. According to Grubb & Ellis, the City's office vacancy rates climbed from 16.3 % in the 4<sup>th</sup> quarter 2009 to 17.5 % in the 1<sup>st</sup> quarter of 2010.

### Office Vacancy Rates



The majority of the increase in the office vacancy rate was due to the introduction of newly constructed office space into the Alexandria market. Despite the weakness in the office market, asking rents per square foot of Class A office space were down modestly around 3.5% compared to the first quarter of 2009 and roughly flat compared to the 4<sup>th</sup> quarter of last year.

SELECTED ECONOMIC INDICATORS

Online Reference 1

<b>Consumer Price Index (CPI-U) for the Washington-Baltimore, DC-MD-VA-WV Area (as of Mar. 2010) For the United States (as of Mar. 2010) Core CPI-U (excludes food and energy) (As of Mar. 2010)</b>	<b>Change on Previous Year</b>
	2.6%
	2.3%
	1.1%

(Source: U.S. Department of Labor, Bureau of Labor Statistics)

<b>Unemployment Rates</b>	<b>Current Year</b>	<b>Prior Month</b>	<b>Prior Year</b>
<b>Alexandria (as of Feb. 2010)</b>	5.4%	5.4%	4.7%
<b>Virginia (as of Mar. 2010)</b>	7.4%	7.2%	6.1%
<b>United States (as of Mar. 2010)</b>	9.7%	9.7%	8.1%

(Source: U.S. Department of Labor, Bureau of Labor Statistics)

<b>Office Vacancy Rates</b>	<b>Current Year</b>	<b>Prior Quarter</b>	<b>Prior Year</b>
<b>Alexandria</b>	17.6%	16.3%	14.3%
<b>Northern Virginia</b>	16.6%	16.3%	15.2%
<b>Washington, DC Metro area</b>	15.7%	15.4%	13.5%

(As of 1st quarter, 2010)  
(Source: Grubb & Ellis)

	<b>Current Year</b>	<b>Prior Year</b>	<b>Change on Previous Year</b>
<b>New Business Licenses</b>			
3 month trailing average (As of Mar. 2010)	80	82	-2.4%

(Source: Finance Department)

<b>New Commercial Construction</b>			
(Fiscal YTD as of March, 2010)			
Number of new building permits	4	5	-20.0%
Value of new building permits	23.5	61.5	-61.8%

(Source: Office of Code Enforcement)

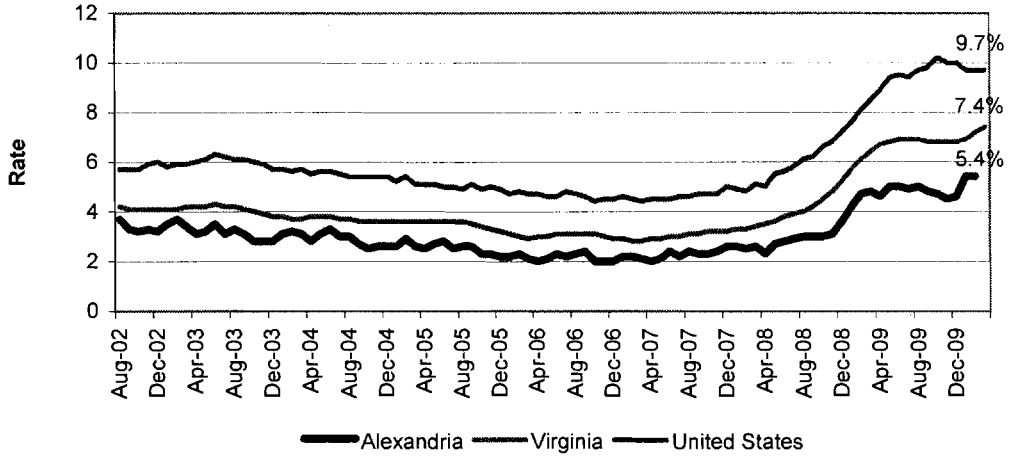
<b>Residential Real Estate Indicators</b>			
(YTD ending March, 2010)			
Residential Dwelling Units Sold	352	331	6.3%
Average Residential Sales Price	\$ 405,424	\$ 407,924	-0.6%

(Source: Department of Real Estate Assessments)

<b>Foreclosures</b>			
3 month trailing average (As of March, 2010)			
Source: Dept of Real Estate Assessments	26	22	18.2%

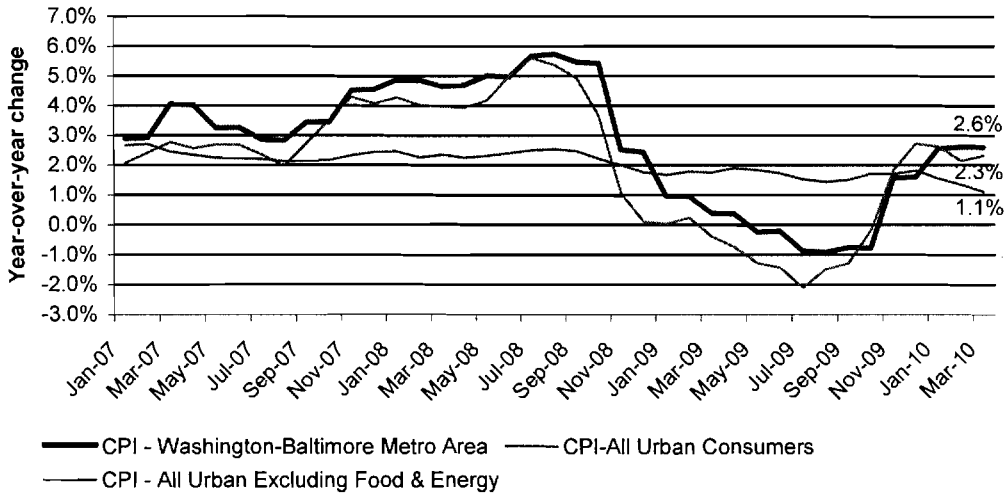
Online Reference 1 - The Economy

Unemployment Rate - U.S., Virginia, and Alexandria



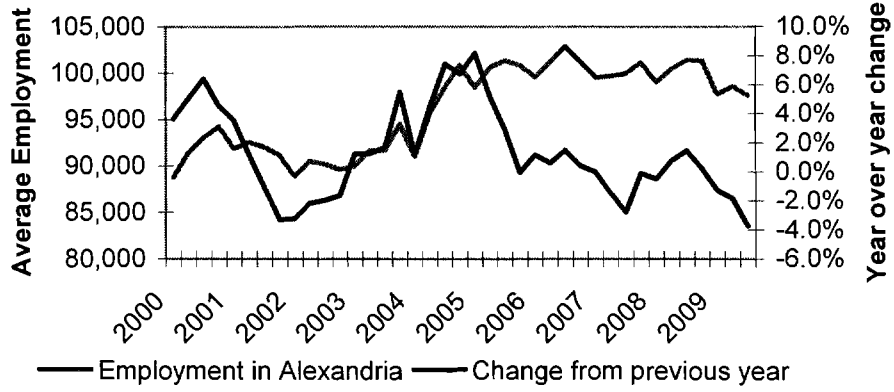
Source: U.S. Department of Labor, Bureau of Labor Statistics  
 U.S., Virginia through March 2010; Alexandria through February 2010

Annual Change in Consumer Price Index



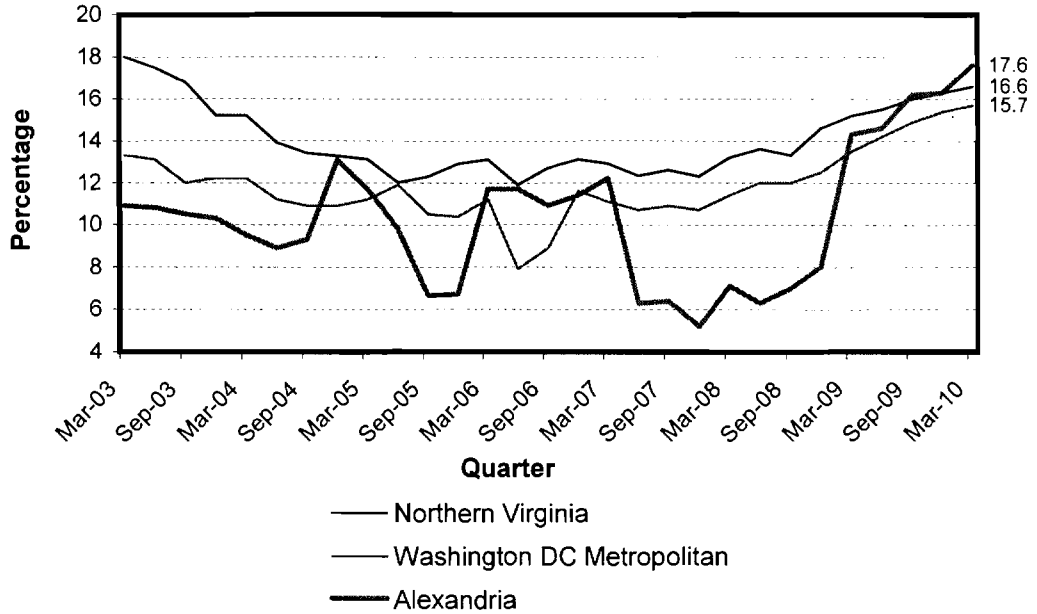
Source: U.S. Department of Labor, Bureau of Labor Statistics  
 Through March, 2010

### Employment in Alexandria by quarter



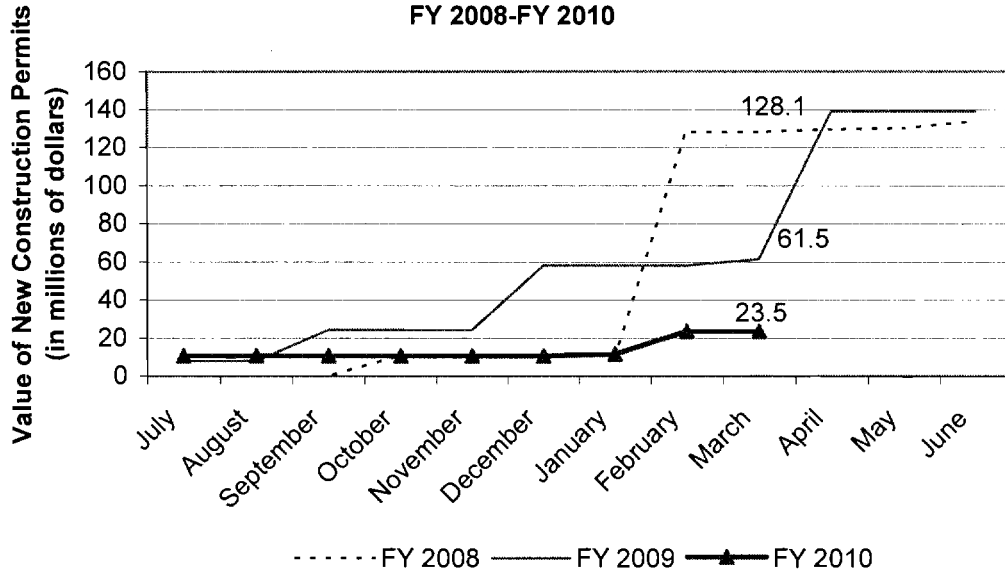
Source: Virginia Employment Commission  
Through 3rd quarter 2009

### Office Vacancy Rates



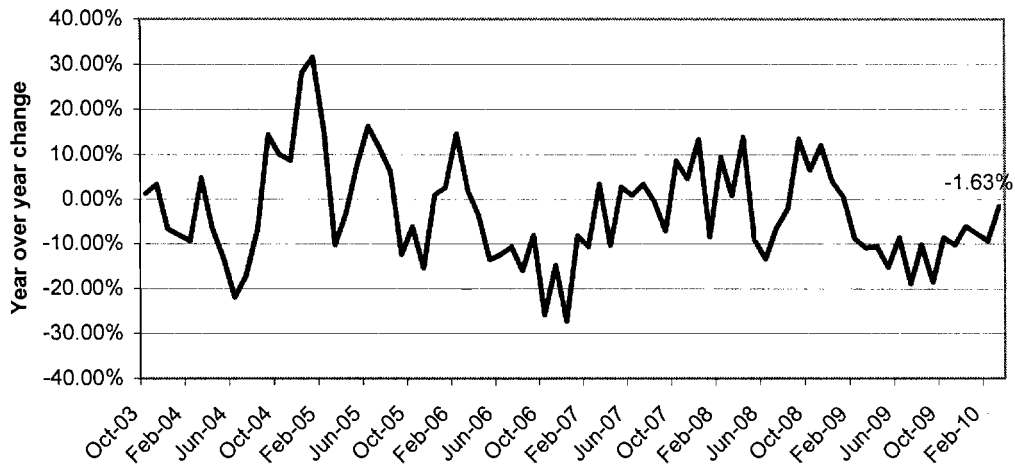
Source: Grubb & Ellis  
Through 1st quarter, 2010

**Cumulative Value of Commercial Property  
New Construction Permits  
FY 2008-FY 2010**



Source: Code Enforcement  
Through March, 2010

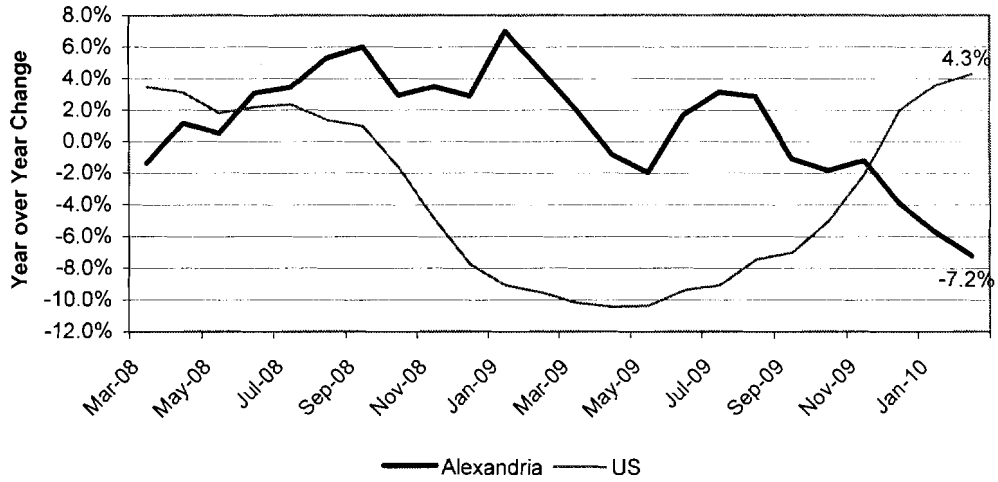
**New Business Licenses Issued in Alexandria  
3 mos. trailing average**



Source: Finance Department  
Through: March 2010

### Annual Change in Retail Sales & Sales Tax Collections

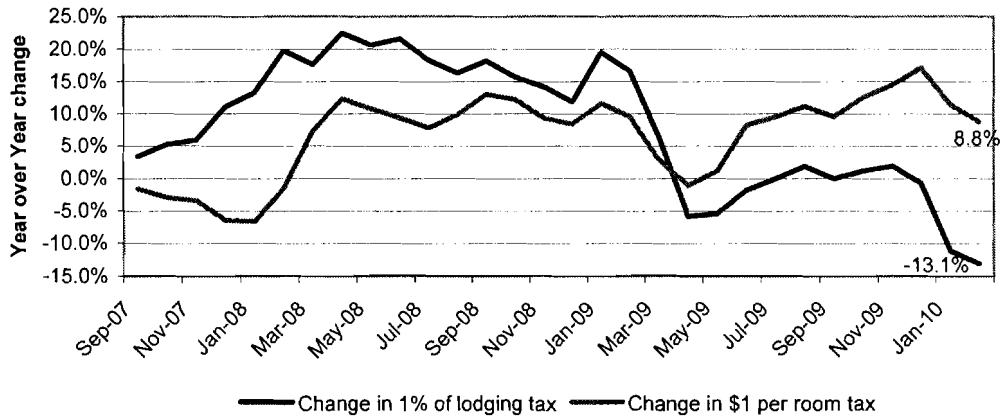
3 month trailing average



Source: Finance Department, U.S. Census Bureau  
Through: February 2010

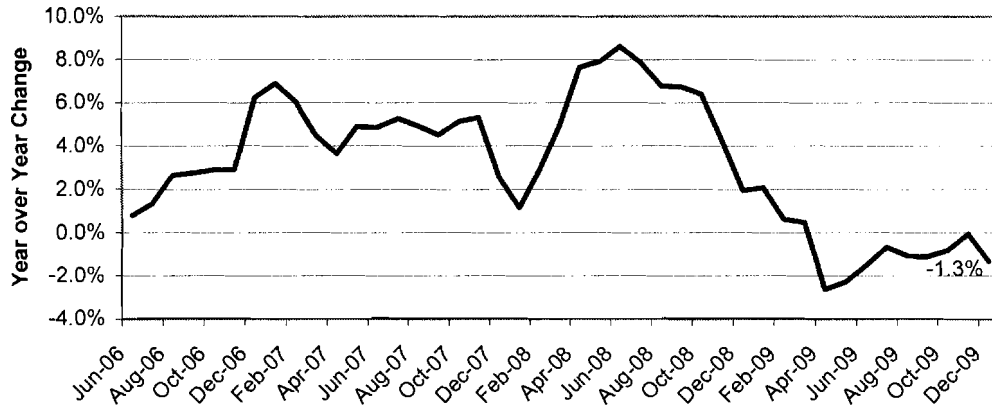
### Annual Change in Transient Lodging Tax Receipts

3 month trailing average



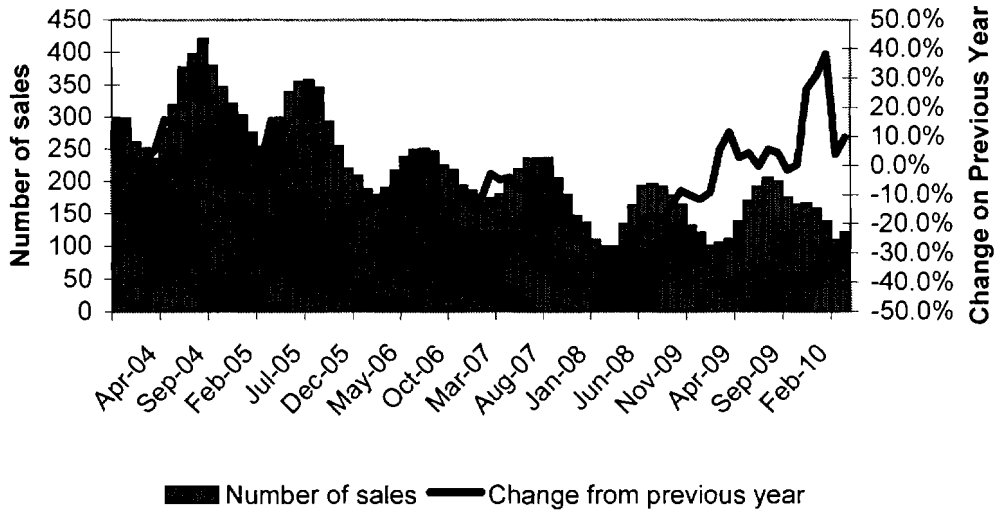
Source: Finance Department  
Through February 2010

**Annual Change in Meals Tax Revenue Per 1 % of Tax**  
3 month trailing average



Source: Finance Department  
Through December 2009

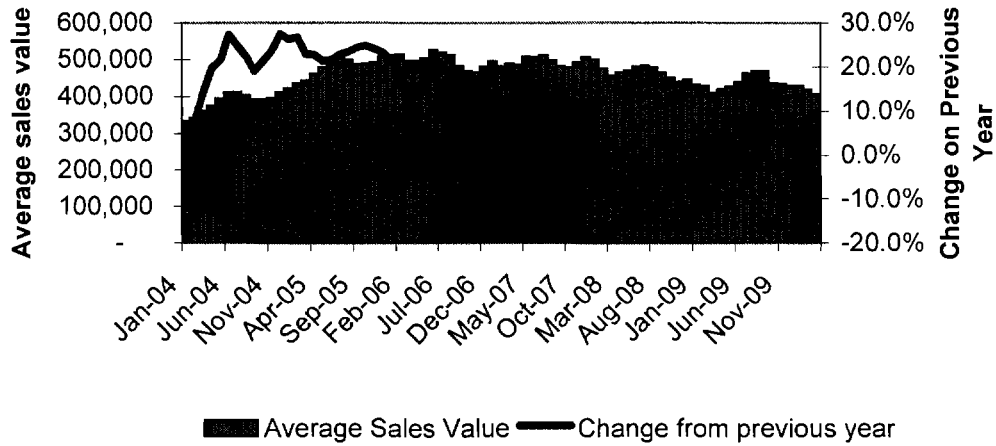
**Residential Property Sales Volume**  
Three Month Trailing Average



Source: Department of Real Estate Assessments  
Through March 2010

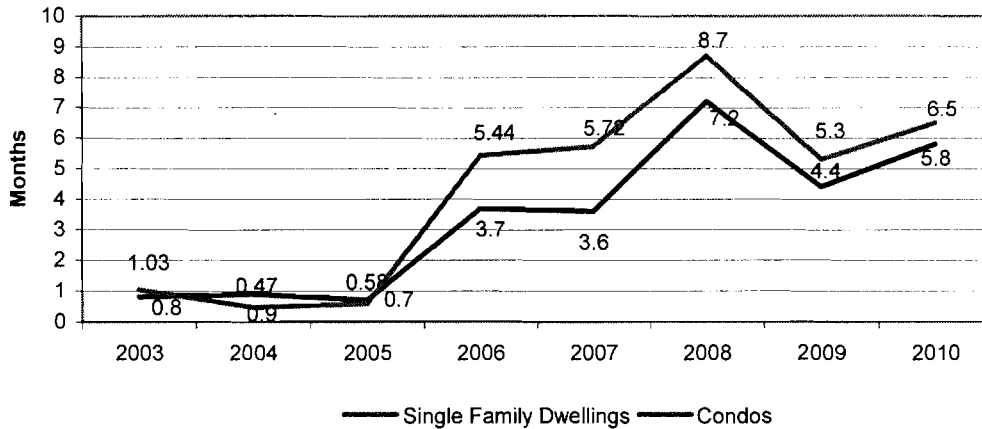


### Residential Property Average Sales Value Three Month Trailing Average



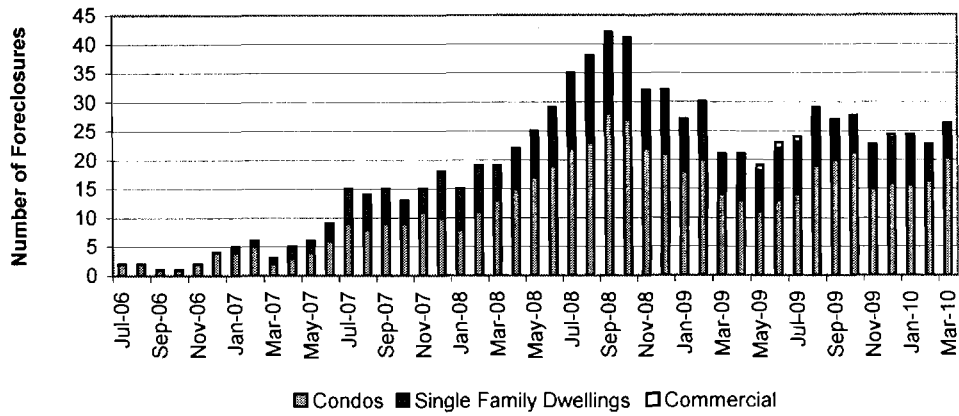
Source: Department of Real Estate Assessments  
Through March 2010

### Months' Worth of Residential Housing Inventory March 2003-2010



Source: Metropolitan Regional Information Systems  
March 2003-2010

### New Foreclosures in Alexandria 3 month trailing average

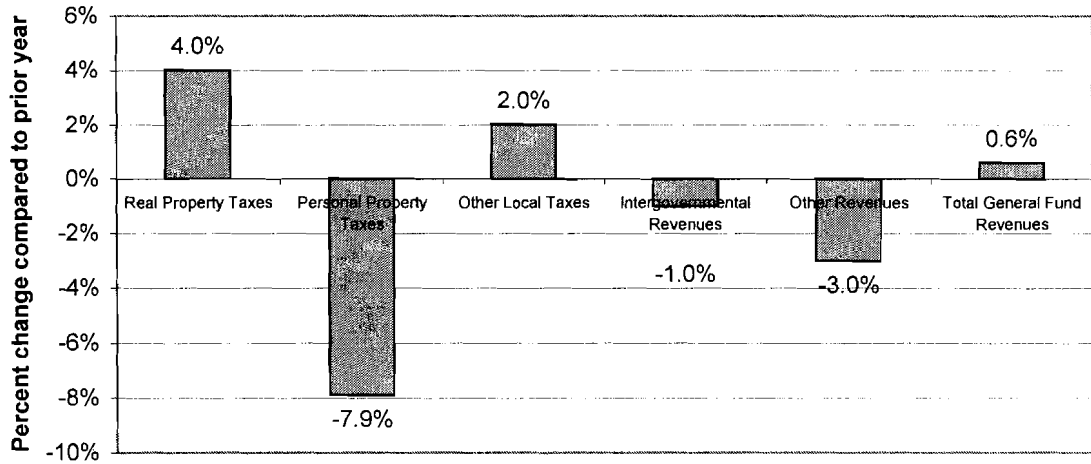


Source: Department of Real Estate Assessments  
Through Mar. 2010

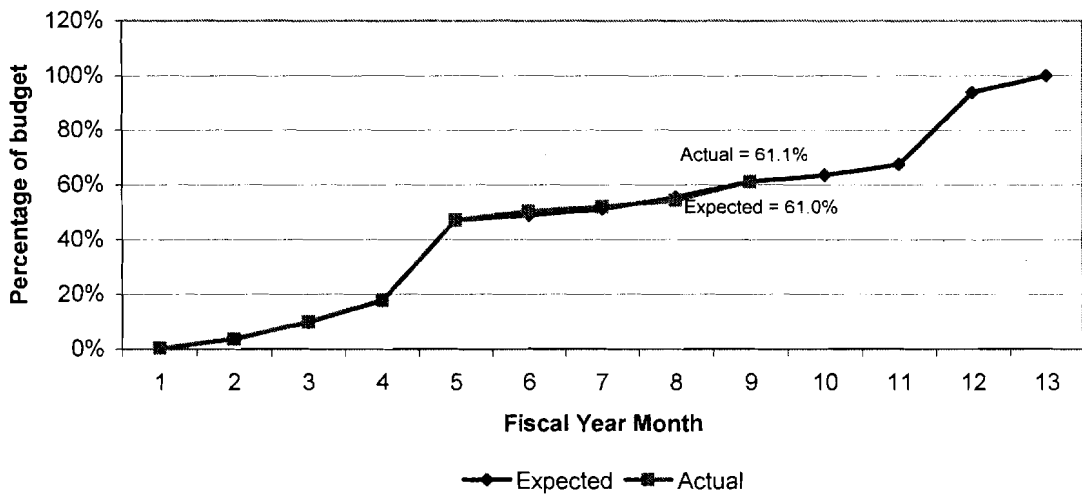
**CITY OF ALEXANDRIA, VIRGINIA  
COMPARATIVE STATEMENT OF REVENUES  
GENERAL FUND  
FOR THE PERIODS ENDING MARCH 31, 2010 AND MARCH 31, 2009**

	<b>A</b>	<b>B</b>	<b>B 2</b>	<b>C</b>	<b>D=C/B</b>	<b>E</b>	<b>F=(C-E)/E</b>
	<b>FY2009</b>	<b>FY2010</b>	<b>FY2010</b>	<b>FY2010</b>		<b>FY2009</b>	
	<b>ACTUALS</b>	<b>REVISED BUDGET</b>	<b>PROJECTED REVENUES</b>	<b>REVENUES THRU 03/31/10</b>	<b>% OF BUDGET</b>	<b>REVENUES THRU 03/31/09</b>	<b>% CHANGE</b>
<b>General Property Taxes</b>							
Real Property Taxes.....	\$ 295,518,893	\$ 296,281,111	\$ 303,545,273	\$ 151,190,021	51.0%	\$ 144,975,846	4%
Personal Property Taxes.....	36,023,945	31,300,000	32,300,000	31,764,903	101.5%	34,527,804	-8%
Penalties and Interest.....	1,939,225	1,870,000	1,870,000	1,071,853	57.3%	1,402,876	-24%
<b>Total General Property Taxes</b>	<b>\$ 333,482,063</b>	<b>\$ 329,451,111</b>	<b>\$ 337,715,273</b>	<b>\$ 184,026,777</b>	<b>55.9%</b>	<b>\$ 180,906,526</b>	<b>2%</b>
<b>Other Local Taxes</b>							
Local Sales and Use Taxes.....	\$ 21,679,635	\$ 24,050,000	\$ 22,600,000	\$ 13,359,948	55.6%	\$ 12,189,306	10%
Consumer Utility Taxes.....	10,409,248	10,600,000	10,300,000	6,907,354	65.2%	7,068,554	-2%
Communication Sales and Use Taxes...	11,268,560	11,800,000	11,400,000	6,537,345	55.4%	6,822,133	-4%
Business License Taxes.....	30,527,956	30,100,000	29,200,000	26,978,008	89.6%	26,812,034	1%
Transient Lodging Taxes.....	10,592,806	11,000,000	10,700,000	6,303,665	57.3%	6,377,746	-1%
Restaurant Meals Tax.....	14,912,796	15,200,000	14,800,000	9,372,474	61.7%	9,467,896	-1%
Tobacco Taxes.....	2,719,084	3,100,000	2,900,000	1,925,281	62.1%	1,819,870	6%
Motor Vehicle License Tax.....	3,085,288	3,200,000	3,200,000	2,922,231	91.3%	2,826,083	3%
Real Estate Recordation.....	3,206,705	3,100,000	3,500,000	2,157,946	69.6%	1,959,976	10%
Admissions Tax.....	1,103,782	1,050,000	1,150,000	760,675	72.4%	729,988	4%
Other Local Taxes.....	2,765,510	2,730,000	3,030,000	603,422	22.1%	561,900	7%
<b>Total Other Local Taxes</b>	<b>\$ 112,271,370</b>	<b>\$ 115,930,000</b>	<b>\$ 112,780,000</b>	<b>\$ 77,828,349</b>	<b>67.1%</b>	<b>\$ 76,635,486</b>	<b>2%</b>
<b>Intergovernmental Revenues</b>							
Revenue from the Fed. Government.....	\$ 8,919,582	\$ 7,883,381	\$ 7,868,360	\$ 4,780,765	60.6%	\$ 4,197,881	14%
Personal Property Tax Relief from the Commonwealth.....	23,578,531	23,578,531	23,578,531	23,106,960	98.0%	23,106,960	0%
Revenue from the Commonwealth.....	20,597,014	22,314,591	20,235,623	15,241,461	68.3%	16,110,007	-5%
<b>Total Intergovernmental Revenues</b>	<b>\$ 53,095,127</b>	<b>\$ 53,776,503</b>	<b>\$ 51,682,514</b>	<b>\$ 43,129,186</b>	<b>80.2%</b>	<b>\$ 43,414,848</b>	<b>-1%</b>
<b>Other Governmental Revenues And Transfers In</b>							
Fines and Forfeitures.....	\$ 4,116,453	\$ 4,781,325	\$ 3,983,550	\$ 2,852,695	59.7%	\$ 2,875,507	-1%
Licenses and Permits.....	4,827,422	5,367,759	4,730,836	3,411,932	63.6%	3,472,956	-2%
Charges for City Services.....	12,404,166	12,852,808	13,141,634	8,408,307	65.4%	7,612,041	10%
Revenue from Use of Money & Prop....	4,433,015	3,859,476	3,110,000	2,577,328	66.8%	3,793,158	-32%
Other Revenue.....	1,065,129	785,987	728,000	547,823	69.7%	508,335	8%
Transfer from Other Funds.....	2,223,910	1,301,560	1,301,560	-	0.0%	-	0%
<b>Total Other Governmental Revenues</b>	<b>\$ 29,070,095</b>	<b>\$ 28,948,915</b>	<b>\$ 26,995,580</b>	<b>\$ 17,798,085</b>	<b>61.5%</b>	<b>\$ 18,261,997</b>	<b>-3%</b>
<b>TOTAL REVENUE</b>	<b>\$ 527,918,655</b>	<b>\$ 528,106,529</b>	<b>\$ 529,173,367</b>	<b>\$ 322,782,397</b>	<b>61.1%</b>	<b>\$ 319,218,857</b>	<b>1%</b>
<b>Appropriated Fund Balance</b>							
General Fund.....		5,540,347		-		-	0%
Reappropriation of FY 2009 Encumbrances And Other Supplemental Appropriations....		3,673,357		-		-	0%
<b>TOTAL</b>	<b>\$ 527,918,655</b>	<b>\$ 537,320,233</b>	<b>\$ 529,173,367</b>	<b>\$ 322,782,397</b>	<b>60.1%</b>	<b>\$ 319,218,857</b>	<b>1%</b>

**Change in year-to-date revenues through March  
FY 2010 compared to FY 2009**



**Actual Revenues vs. Expected Revenues through March  
(based on prior two years' pattern)**



75.0% of Fiscal Year Completed  
75.86% of Payrolls Processed

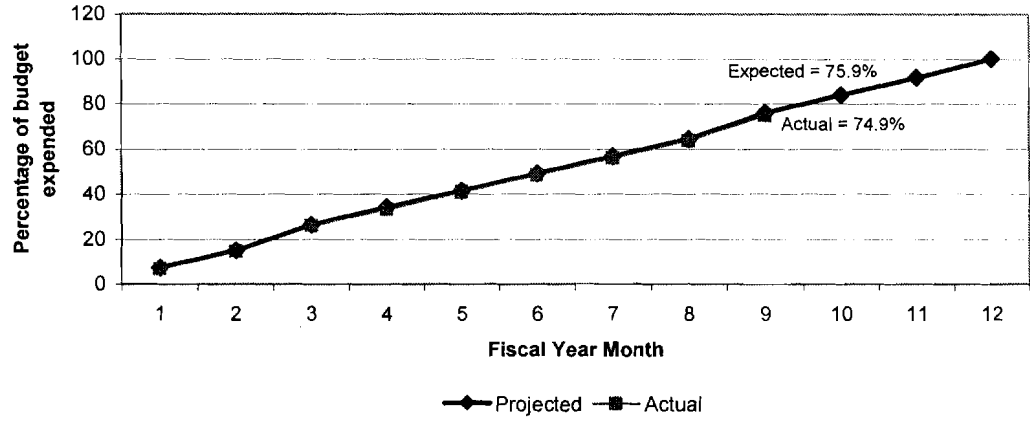
Online Reference 3

**COMPARATIVE STATEMENT OF EXPENDITURES & TRANSFERS BY FUNCTION  
GENERAL FUND  
FOR THE PERIODS ENDING MARCH 31, 2010 AND MARCH 31, 2009**

FUNCTION	A	B	C	D=C/B	E	F=(C-E)/E
	FY 2009 ACTUALS	FY2010 REVISED BUDGET	FY2010 EXPENDITURES THRU 03/31/10	% OF BUDGET EXPENDED	FY2009 EXPENDITURES THRU 03/31/09	EXPENDITURES % CHANGE
Legislative & Executive.....	\$ 6,770,267	\$ 7,557,721	\$ 5,436,390	71.9%	\$ 4,901,654	11%
Judicial Administration.....	\$ 38,343,097	\$ 37,931,150	\$ 28,657,474	75.6%	\$ 28,517,856	0%
<b>Staff Agencies</b>						
Information Technology Services.....	\$ 6,675,286	\$ 6,659,935	\$ 4,704,947	70.6%	\$ 4,658,499	1%
Management & Budget.....	1,121,368	1,139,968	840,428	73.7%	816,024	3%
Finance.....	9,316,826	9,260,682	5,981,398	64.6%	6,576,584	-9%
Real Estate Assessment.....	1,573,247	1,516,494	1,103,912	72.8%	1,150,846	-4%
Human Resources.....	3,219,974	2,965,408	2,129,382	71.8%	2,395,853	-11%
Planning & Zoning.....	6,410,744	5,550,168	4,146,707	74.7%	4,662,099	-11%
Economic Development Activities.....	3,455,816	3,554,178	3,156,662	88.8%	3,425,781	-8%
City Attorney.....	3,015,941	2,806,519	1,720,672	61.3%	2,303,559	-25%
Registrar.....	1,377,827	1,070,439	794,783	74.2%	1,047,294	-24%
General Services.....	11,790,479	11,477,020	8,281,505	72.2%	8,344,823	-1%
<b>Total Staff Agencies</b>	<b>\$ 47,957,508</b>	<b>\$ 46,000,811</b>	<b>\$ 32,860,396</b>	<b>71.4%</b>	<b>\$ 35,381,362</b>	<b>-7%</b>
<b>Operating Agencies</b>						
Transportation & Environmental Services.....	\$ 27,206,561	\$ 27,408,779	\$ 19,622,836	71.6%	\$ 19,606,686	0%
Fire.....	39,497,216	39,553,474	29,397,577	74.3%	29,405,658	0%
Police.....	53,079,793	53,584,456	38,983,577	72.8%	39,315,129	-1%
Transit Subsidies.....	4,595,401	8,329,696	4,496,565	54.0%	3,856,488	17%
Mental Health/Mental Retardation/ Substance Abuse.....	595,442	514,292	418,478	81.4%	477,775	-12%
Health.....	7,653,868	8,010,541	5,821,386	72.7%	4,749,858	23%
Human Services.....	12,055,156	11,878,834	9,388,842	79.0%	9,941,788	-6%
Historic Resources.....	2,906,634	2,600,063	1,988,932	76.5%	2,182,032	-9%
Recreation.....	20,203,235	18,926,775	14,109,787	74.5%	15,112,687	-7%
<b>Total Operating Agencies</b>	<b>\$ 167,793,306</b>	<b>\$ 170,806,910</b>	<b>\$ 124,227,980</b>	<b>72.7%</b>	<b>\$ 124,648,101</b>	<b>0%</b>
<b>Education</b>						
Schools.....	\$ 167,953,749	\$ 164,594,674	\$ 106,464,830	64.7%	\$ 105,212,260	1%
Other Educational Activities.....	12,004	12,304	12,304	100.0%	12,004	2%
<b>Total Education</b>	<b>\$ 167,965,753</b>	<b>\$ 164,606,978</b>	<b>\$ 106,477,134</b>	<b>64.7%</b>	<b>\$ 105,224,264</b>	<b>1%</b>
<b>Capital, Debt Service and Miscellaneous</b>						
Debt Service.....	\$ 31,900,635	\$ 37,837,472	\$ 16,432,209	43.4%	\$ 13,395,149	22.7%
Non-Departmental.....	14,153,318	14,663,641	10,122,290	69.0%	11,128,625	-9.0%
Cash Capital.....	12,017,687	4,400,038	4,400,038	100.0%	3,067,687	43.4%
Contingent Reserves.....	-	1,581,378	-	0.0%	-	-
<b>Total Capital, Debt Service and Miscellaneous</b>	<b>\$ 58,071,640</b>	<b>\$ 58,482,529</b>	<b>\$ 30,954,537</b>	<b>52.9%</b>	<b>\$ 27,591,461</b>	<b>12.2%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 486,901,571</b>	<b>\$ 485,386,099</b>	<b>\$ 328,613,911</b>	<b>67.7%</b>	<b>\$ 326,264,698</b>	<b>0.7%</b>
<b>Cash Match (Mental Health/Mental Retardation/ Substance Abuse, Human Services and Library and Transfers to the Special Revenue Fund).....</b>	<b>\$ 37,434,486</b>	<b>35,112,459</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>
Transfer to Housing.....	1,317,547	2,713,915	924,943	34.1%	999,117	-7.4%
Transfer to Library.....	6,793,868	6,074,971	4,556,228	75.0%	5,184,588	-12.1%
Transfer to DASH.....	7,955,042	7,907,789	5,930,842	75.0%	5,951,281	-0.3%
<b>TOTAL EXPENDITURES &amp; TRANSFERS</b>	<b>\$ 540,402,514</b>	<b>\$ 537,195,233</b>	<b>\$ 340,025,924</b>	<b>63.3%</b>	<b>\$ 338,399,684</b>	<b>0.5%</b>
<b>Total Expenditures by Category</b>						
Salaries and Benefits.....	\$ 186,818,695	\$ 181,791,370	\$ 136,123,468	74.9%	\$ 137,109,187	-0.7%
Non Personnel (includes all school funds).....	353,583,819	355,403,863	203,902,456	57.4%	201,290,497	1.3%
<b>Total Expenditures</b>	<b>\$ 540,402,514</b>	<b>\$ 537,195,233</b>	<b>\$ 340,025,924</b>	<b>63.3%</b>	<b>\$ 338,399,684</b>	<b>0.5%</b>

21

**Personnel**  
**Actual vs. Expected Expenditures through March**  
 (based on pay period dates)



**Non-Personnel**  
**Actual vs. Expected Expenditures through March**  
 (based on prior two years' pattern)

