



DATE: March 18, 2022

TO: Mayor and City Council

FROM: Wyatt Shields, City Manager  
Kiran Bawa, Director of Finance

SUBJECT: FY2022 Seven-Month Financial Report for the General Fund

Attached is the General Fund's actual performance against budget for the period July 1, 2021 to January 31, 2022. Overall, the revenues are slightly over budget by 2.1% for the first seven months of FY2022. This represents recovery of most revenue indicators to pre-pandemic levels. Results of key revenue indicators are as follows:

- Real estate property tax receipts are currently at budget projection net of abatements, tax relief and deferrals. Taxes for the first seven months of the year are 97% collected, similar to the trend last year.
- Personal property tax assessments are approximately \$135,000 over the budget, which is about 1.1% over the second quarter of FY2021. Abatements, supplementals and delinquencies will ultimately determine this revenue for the fiscal year. As of January 31, 2022, we have collected 94% of the taxes
- Sales tax revenue remains steady with almost 5.45% year over year growth, and almost 6.7% over the budget target. This is one of the key local economic indicator and staff continues to monitor it as the pandemic situation subsides.
- Meals tax revenue has experienced significant growth and exceeded the budgeted target for the year, returning to pre-COVID19 levels. Receipts are over 40 percent ahead of the same period last year.
- Overall, other taxes show an almost 15% increase over budget target for the year but still trailing last year collections by almost 1%. Recordation, hotel and utility taxes are above budgeted targets. Hotel taxes are budgeted at 40% of pre-COVID-19 level.
- Business license tax revenue is expected to exceed the budget target of \$3.3 million, based on the FY2021 collections of \$4.4 million. The business license deadline is March 1<sup>st</sup> and the results will be reflected in the third quarter results.

- Charges for services revenues continue to climb back to normal levels with current revenues 77% above the same time last fiscal year. Our Recreation and Parks department is continuing to increase its activities as community risk from the pandemic continues to decline.
- Fines & forfeitures are approximately 13% below budget but are almost 48% above last year.

Expenditures show under-spending of budget for the second quarter in most areas due to cyclical nature of expenditures, and contracts for maintenance and service agreements that are not yet up for renewal. Some of the smaller departments are projected to spend above their budget target, which will be made whole as part of the last budget amendment of this fiscal year. Finance will continue working with departments to review their current budgets to ensure programmatic needs are accommodated within the confines of the budget.

The FY2023 proposed budget, to be presented on March 28, 2022, will include projections based on these results along with the City's performance in February.

**CITY OF FALLS CHURCH**  
**FY2022 YEAR-TO-DATE FINANCIAL REPORT - UNAUDITED**  
**THROUGH January 31, 2022**

	FY2022 THROUGH January 31, 2022					COMP FY2022 VS. FY2021		
	TOTAL FY2022 BUDGET	BUDGET TO- DATE	ACTUAL TO- DATE	OVER/ (UNDER)	% DIFF	FY2021 ACTUAL TO-DATE	\$ DIFF	% DIFF
<b>Revenues</b>								
Real Property Taxes	59,788,500	29,392,620	29,544,212	151,591	0.5%	29,374,799	169,413	0.58%
Personal Property Taxes	5,954,800	5,936,900	6,072,807	135,907	2.3%	6,005,255	67,551	1.12%
Sales Tax	5,995,000	2,417,189	2,579,991	162,802	6.7%	2,446,577	133,414	5.45%
Meals Tax	2,984,700	1,450,136	1,982,627	532,491	36.7%	1,409,448	573,178	40.67%
BPOL	3,267,050	158,729	229,117	70,388	44.3%	230,457	(1,340)	-0.58%
Other Taxes	3,463,200	1,668,007	1,913,187	245,180	14.7%	1,932,225	(19,038)	-0.99%
Licenses & Permits	1,291,425	753,331	677,874	(75,458)	-10.0%	699,265	(21,391)	-3.06%
Federal Grants	2,788,405	61,298	76,262	14,965	0.0%	1,405,863	(1,329,600)	-94.58%
State Revenue	4,382,836	2,756,396	2,721,592	(34,804)	-1.3%	2,830,239	(108,647)	-3.84%
Charges for Services	3,196,068	1,756,509	1,697,027	(59,482)	-3.4%	958,757	738,270	77.00%
Fines & Forfeitures	386,500	216,292	188,017	(28,275)	-13.1%	127,205	60,812	47.81%
Investment and Rent Revenues	394,900	230,358	118,867	(111,491)	-48.4%	219,238	(100,371)	-45.78%
Miscellaneous	108,150	45,588	60,570	14,982	32.9%	44,230	16,340	36.94%
Transfer from Sp Trans Fund	1,543,200	1,543,000	1,543,000	-	0.0%			
<b>Operating Revenues</b>	<b>95,544,734</b>	<b>48,386,353</b>	<b>49,405,148</b>	<b>1,018,796</b>	<b>2.1%</b>	<b>47,683,558</b>	<b>178,590</b>	<b>0.37%</b>

	FY2022 THROUGH January 31, 2022					COMP FY2022 VS. FY2021		
	TOTAL FY2022 BUDGET	BUDGET TO- DATE	ACTUAL TO- DATE	(OVER)/UNDER	% DIFF	FY2021 ACTUAL TO-DATE	\$ DIFF	% DIFF
<b>Expenditures</b>								
Legislative	1,303,301	490,563	421,971	68,592	14.0%	395,156	26,815	6.79%
Executive Management	4,048,178	2,129,610	2,064,555	65,055	3.1%	1,909,738	154,817	8.11%
Finance	1,706,007	863,929	782,985	80,944	9.4%	846,050	(63,065)	-7.45%
Commissioner of Revenue	840,595	446,805	453,103	(6,298)	-1.4%	324,594	128,510	39.59%
Treasurer	600,822	328,791	337,436	(8,645)	-2.6%	283,940	53,497	18.84%
Registrar	363,517	193,929	199,353	(5,424)	-2.8%	196,523	2,830	1.44%
Sheriff	1,279,287	674,184	475,913	198,271	29.4%	538,787	(62,874)	-11.67%
Clerk of Court	40,364	21,294	13,167	8,127	38.2%	17,618	(4,451)	-25.26%
Public Safety	10,406,536	3,903,298	3,955,678	(52,379)	-1.3%	3,477,514	478,164	13.75%
Human Services	4,669,127	1,639,953	1,633,582	6,371	0.4%	2,037,428	(403,846)	-19.82%
Public Works	7,046,642	2,921,538	2,913,623	7,915	0.3%	2,807,178	106,445	3.79%
Education	33,666	33,666	33,666	-	0.0%	33,972	(306)	-0.90%
Recreation & Parks	3,558,670	1,925,650	1,908,351	17,299	0.9%	1,202,904	705,448	58.65%
Library	2,345,295	1,209,736	1,074,686	135,050	11.2%	1,058,428	16,258	1.54%
Development Services	3,637,035	1,941,483	1,814,054	127,429	6.6%	1,609,219	204,835	12.73%
WMATA	1,571,856	1,117,059	1,117,059	-	0.0%	1,433,670	(316,611)	-22.08%
Post-Sale Water	-	-	-	-	0.0%	-	-	0.00%
Debt Service	14,142,748	13,895,305	13,895,305	(0)	0.0%	14,201,074	(305,768)	-2.15%
Retiree Health	(600,000)	-	-	-	-	-	-	0.00%
Transfer to School Board	45,768,671	-	-	-	-	-	-	-
Transfer to FCCTV	230,029	-	-	-	-	-	-	-
Transfer to EDA	2,435,000	1,933,412	1,933,412	-	-	-	1,933,412	-
Transfer to ADU	100,000	100,000	100,000	-	-	-	100,000	-
Operating Expenditures	105,527,346	35,770,206	35,127,901	642,305	0.6%	32,373,792	2,754,110	8.51%