FINANCE COMMITTEE
City Council Committee

Tuesday, January 28, 2025 | 3:00 PM
2nd Floor Training Room - City Hall
900 Church Street
Lynchburg, VA 24504

AGENDA

I. Welcome *Councilmember Martin Misjuns, Chair*

II. General Business

- **II.1.** Funding Request for Demolition of Blighted Properties
- **II.2.** Virginia Department of Emergency Management, 2024 State Homeland Security Program Grant
- **II.3.** 2024 DMV Highway Safety Grant, Selective Enforcement – Speed
- **II.4.** 2024 DMV Highway Safety Grant, Selective Enforcement – Alcohol
- **II.5.** 2024 Police Bulletproof Vest Partnership Grant Program

III. Quarterly Reports

- **III.6.** Quarterly Reports
- **III.6.** **A**) Greater Lynchburg Transit Company (GLTC)
- **III.6.** **B)** Lynchburg Regional Airport Fund
- **III.6.** **C)** Lynchburg Regional Juvenile Detention Center
- **III.6.** **D)** Children's Services Act Fund
- **III.6.** **E)** Water Operating Fund
- **III.6.** **F)** Sewer Operating Fund
- **III.6.** **G)** Stormwater Operating Fund
- **III.6.** **H)** General Fund

IV. Other Information

- **IV.7.** FY 2025 General Fund Reserve for Contingencies Update
- **IV.8.** Monthly Revenue Collections Update
- **IV.9.** Reaffirm the City Council's Finance Committee Guidelines
- **IV.10.** Review City Financial Policies
- **IV.11.** Review Updated Federal Grant Guidelines

V. Roll Call

VI. Next Regular Meeting

- **VI.12.** The next Finance Committee meeting is Tuesday, February 25, 2025 at 3:00 p.m.

AGENDA ITEM SUMMARY

MEETING DATE	PRESENTED BY
January 28, 2025	William Martin, Community Development Director

AGENDA ITEM # II.1

Funding Request for Demolition of Blighted Properties

RECOMMENDATION

Approve a resolution to amend the FY 2025 General Fund budget and appropriate $116,160 with resources from the FY 2025 General Fund Reserve for Contingencies to provide additional funding for the demolition of blighted properties.

SUMMARY

Since January 2024, there have been nine (9) city funded demolitions, fourteen (14) privately funded demolitions, and two (2) private/city demolitions of blighted properties. The City's goal is rehabilitation of blighted properties and there have been eight (8) renovations with an additional thirteen (13) renovations in progress. At the September 24, 2024, Work Session, city staff identified two (2) structures that needed to be demolished for which adequate funding is unavailable: 1106 Jackson Street and 808 Florida Avenue. Since that time, three additional structures have been identified that are in need of demolition: 2021 Campbell Avenue, 1013 Hemlock Street and 900 Florida Avenue.

The following is a brief description of each property with an estimated cost of demolition and land fill fees:

The structure at 1106 Jackson Street has been declared an Emergency. The stability of the structure is compromised. All paperwork and public notices were completed as of September 3, 2024. The owner does not have insurance to cover costs and no permit has been obtained to date. The quote for demolition is $25,910, not including landfill fees (estimated at $4,000).

The structure at 808 Florida Avenue is a fire case (January 2024). The original owner had fire insurance, and then sold the property in April 2024. The current owner received a Notice of Violation to demolish and appealed the decision. A demolition permit was applied for on October 9, 2024, but has not been approved. Staff are awaiting an asbestos report, contractor information, and payment for the permit. This property is considered eligible for demolition as of October 25, 2024, unless there is action by the owner. The quote for demolition of the property is $17,630, not including landfill fees (estimated at $3,000).

The structure at 2021 Campbell Avenue was damaged by a recent fire. The owner does not have insurance and the structure/yard is in complete disarray. This property is not a case for the Derelict program since it has not been vacant for a period of one year. Awaiting a quote for demolition, estimated to be $20,000 for demolition, not including landfill fees (estimated at $5,000, including cleaning up the yard).

The property at 1013 Hemlock Street is in the Derelict Program. The owner is currently being billed $500 a month. A previous demolition order was on this property when the current owner purchased it in October 2023. The owner is out-of-state. No permits have been obtained, and no progress has been made to date. Awaiting a quote for demolition, estimated to be $25,000, not including landfill fees (estimated at $5,000).

Following staff's presentation to the City's Physical Development Committee, the structure at 900 Florida Avenue was added to this list. The structure was damaged by a recent fire and is adjacent to the structure at 808 Florida Avenue - such that the two structures bookend the White Rock Food Market. It has been condemned since 2008 and has been in the Derelict Program since April 2024. The quote for demolition of the property is $26,100, not including landfill fees (estimated at $5,000).

The City uses the funds for demolition to remove structures that are a hindrance to public safety and quality of life. For any funds spent, staff collaborate with the Billings and Collections Department in the collection process to bill owners for the City's expense to demolish and dispose of debris.

PRIOR ACTION(S)

September 24, 2024: City Council Work Session Agenda Item- Code Compliance and Property Toolkit Update
January 14, 2025: Physical Development Committee recommend forwarding the item to the Finance Committee. (900 Florida Avenue was not reviewed as part of the request)
January 28, 2025: Finance Committee Meeting.

FISCAL IMPACT

The amount for demolition of the four priority cases is estimated around $136,640 to include the demolition and landfill fees. The amount remaining in the Community Development FY 2025 budget for demolition is $20,480.37, with an additional estimated $116,159.63 needed to safely demolish these structures and dispose of debris.

- 1106 Jackson Street - $29,910
- 808 Florida Avenue - $20,630
- 2021 Campbell Avenue - $25,000
- 1013 Hemlock Street - $30,000
- 900 Florida Avenue - $31,100

CONTACT(S)

William Martin, Community Development Director

ATTACHMENT(S)

1. RESOLUTION - Community Development - Demolition of Blighted Properties
2. CC Needed Demolitions 012825

REVIEWED BY

Date:

William Martin, Community Development Director

Date:

Kent White, Assistant City Manager

Date:

Alicia Finney, Clerk of Council

RESOLUTION:

BE IT RESOLVED that the FY 2025 General Fund budget is amended and $116,160 is appropriated with resources from the FY 2025 General Fund Reserve for Contingencies to provide additional funding for the demolition of blighted properties.

Introduced: Adopted:

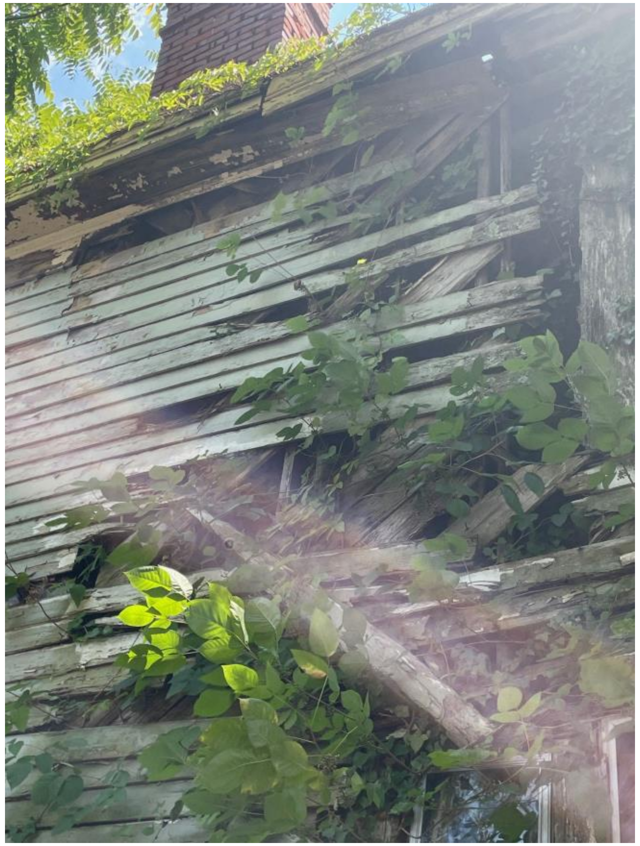
Certified: ________________________________
Clerk of Council

NEEDED DEMOLITIONS

City Council

January 28, 2025

NEEDED DEMOLITION



1106 Jackson Street

THE CITY OF LYNCHBURG

NEEDED DEMOLITION

808 Florida Avenue

NEEDED DEMOLITION

2021 Campbell Avenue

NEEDED DEMOLITION

1013 Hemlock Street

NEEDED DEMOLITION

900 Florida Avenue

COST OF DEMOLITION

- 1106 Jackson Street - $29,910
- 808 Florida Avenue - $20,630
- 2021 Campbell Avenue - $25,000
- 1013 Hemlock Street - $30,000
- 900 Florida Avenue - $31,100
- Total = $136,640
- Less $20,480 remaining FY25 Demolition Funds
- Need = $116,159.63

AGENDA ITEM SUMMARY

MEETING DATE	PRESENTED BY
January 28, 2025	Ryan Zuidema, Chief of Police

AGENDA ITEM # II.2

Virginia Department of Emergency Management, 2024 State Homeland Security Program Grant

RECOMMENDATION

Adopt a resolution to amend the FY2025 City/Federal/State Aid Fund budget and appropriate $200,380 with resources from the Virginia Department of Emergency Management, 2024 State Homeland Security Program Grant to purchase night vision equipment for the Police Department.

SUMMARY

The Police Department was awarded $200,380 through a competitive grant process from the Virginia Department of Emergency Management, State Homeland Security Program to purchase night vision equipment. This funding will be used to replace equipment that is well beyond its usable lifespan. The total cost is $200,380 which is fully reimbursable by the grant; no local matching funds are required.

PRIOR ACTION(S)

None

FISCAL IMPACT

None, no local match is required.

CONTACT(S)

Ryan Zuidema, Chief of Police
Jessica Hughes, Administrative Manager

ATTACHMENT(S)

1. 2024 State Homeland Security Program Grant - Resolution

REVIEWED BY

____________________ Date:
Ryan Zuidema, Chief of Police

____________________ Date:
Mercedes Braun, Assistant to the City Manager

Date:

Wynter Benda, City Manager

Date:

Alicia Finney, Clerk of Council

RESOLUTION:
BE IT RESOLVED that the FY 2025 City/Federal/State Aid Fund budget is amended and $200,380 is appropriated with resources from the Virginia Department of Emergency Management, 2024 State Homeland Security Program Grant to purchase night vision equipment for the Police Department.

Introduced: Adopted:

Certified: ______________________________
Clerk of Council

AGENDA ITEM SUMMARY

MEETING DATE	PRESENTED BY
January 28, 2025	Ryan Zuidema, Chief of Police

AGENDA ITEM # II.3

2024 DMV Highway Safety Grant, Selective Enforcement – Speed

RECOMMENDATION

Adopt a resolution to amend the FY 2025 City/Federal/State Aid Fund budget and appropriate $58,885 with resources of $38,400 from the Department of Motor Vehicles (DMV) Highway Safety Grant and a match of $20,485 from the FY 2025 General Fund Police Department budget to fund speed enforcement activities and equipment.

SUMMARY

The DMV Highway Safety Grant Program has awarded the City $38,400.00 for speed enforcement activities, along with radar and LiDAR equipment. The grant agreement includes an in-kind match of $19,200 from the department's fuel and vehicle maintenance services budget. This grant excludes reimbursement of $1,285 in Medicare and Social Security (collectively FICA) benefit costs associated with the allotted overtime. Both the in-kind match and FICA costs are available to transfer from the FY 2025 Police Department General Fund budget.

PRIOR ACTION(S)

None

FISCAL IMPACT

$20,485 from the FY 2025 General Fund Police Department budget

CONTACT(S)

Ryan Zuidema, Chief of Police
Jessica Hughes, Administrative Manager

ATTACHMENT(S)

1. 2024 DMV Selective Enforcement - Speed - Resolution

REVIEWED BY

Ryan Zuidema, Chief of Police — Date:

Date:

Mercedes Braun, Assistant to the City Manager

Date:

Wynter Benda, City Manager

Date:

Alicia Finney, Clerk of Council

RESOLUTION:

BE IT RESOLVED that the FY 2025 City/Federal/State Aid Fund budget is amended and $58,885 is appropriated with resources of $38,400 from the Department of Motor Vehicles Highway Safety Grant and a match of $20,485 from the FY 2025 General Fund Police Department budget to fund speed enforcement activities and equipment.

Introduced: Adopted:

Certified: ________________________________
Clerk of Council

THE CITY OF LYNCHBURG

Finance Committee
Agenda Item II.4.
Action

AGENDA ITEM SUMMARY

MEETING DATE	PRESENTED BY
January 28, 2025	Ryan Zuidema, Chief of Police

AGENDA ITEM # II.4

2024 DMV Highway Safety Grant, Selective Enforcement – Alcohol

RECOMMENDATION

Adopt a resolution to amend the FY 2025 City/Federal/State Aid Fund budget and appropriate $35,870 with resources of $23,056 from the Department of Motor Vehicles (DMV) Highway Safety Grant and a match of $12,814 from the FY 2025 General Fund Police Department budget to fund DUI enforcement activities, equipment, and training.

SUMMARY

The DMV Highway Safety Grant Program has awarded the City $23,056 for DUI enforcement activities, alcohol testing equipment, and annual DMV grant-related training. The grant agreement includes an in-kind match of $11,528 from the department's fuel and vehicle maintenance services budget. The grant excludes reimbursement of $1,286 in Medicare and Social Security (collectively FICA) benefit costs associated with the allotted overtime. Both the in-kind match and FICA costs are available to transfer from the FY 2025 Police Department General Fund budget.

PRIOR ACTION(S)

None

FISCAL IMPACT

$12,814 from the FY 2025 General Fund Police Department budget

CONTACT(S)

Ryan Zuidema, Chief of Police
Jessica Hughes, Administrative Manager

ATTACHMENT(S)

1. 2024 DMV Highway Safety Grant - Alcohol - Resolution

REVIEWED BY

________________________________ Date:

Ryan Zuidema, Chief of Police

Date:

Mercedes Braun, Assistant to the City Manager

Date:

Wynter Benda, City Manager

Date:

Alicia Finney, Clerk of Council

RESOLUTION:

BE IT RESOLVED that the FY 2025 City/Federal/State Aid Fund budget is amended and $35,870 is appropriated with resources of $23,056 from the Department of Motor Vehicles Highway Safety Grant and a match of $12,814 from the FY 2025 General Fund Police Department budget to fund DUI enforcement activities, equipment, and training.

Introduced: Adopted:

Certified: ______________________________
Clerk of Council

AGENDA ITEM SUMMARY

MEETING DATE	PRESENTED BY
January 28, 2025	Ryan Zuidema, Chief of Police

AGENDA ITEM # II.5

2024 Police Bulletproof Vest Partnership Grant Program

RECOMMENDATION

Adopt a resolution to amend the FY 2025 City/Federal/State Aid Fund budget and appropriate $89,004 with resources of $44,502 from the Bulletproof Vest Partnership 2024 Grant Program and $44,502 transferred from the FY2025 General Fund Police Department ($40,827) and Sheriff's Office ($3,675) budgets to purchase 79 replacement ballistic vests for law enforcement officers.

SUMMARY

The Police Department applies annually for the Bulletproof Vest Partnership Grant through the Office of Justice Programs. For the 2024 Police Bulletproof Vest Partnership, the City was awarded funding that covers the cost of replacement ballistic vests for both the Lynchburg Police Department and the Lynchburg Sheriff's Office. The vests provide protection to officers in the line of duty and the life of the vest is five years from the manufacturing date. The total replacement cost for 79 vests is $89,004. The grant requires a 50% local match; these funds are available in the FY 2025 General Fund Police ($40,827) and Sheriff's Office ($3,675) operating budgets.

PRIOR ACTION(S)

None

FISCAL IMPACT

The required local match of $44,502 is budgeted in the FY 2025 General Fund Police and Sheriff's Office operating budgets; no additional funds are required.

CONTACT(S)

Ryan Zuidema, Chief of Police
Jessica Hughes, Administrative Manager

ATTACHMENT(S)

1. 2024 BVP Grant - Resolution

REVIEWED BY

Date:

Ryan Zuidema, Chief of Police

Date:

Mercedes Braun, Assistant to the City Manager

Date:

Wynter Benda, City Manager

Date:

Alicia Finney, Clerk of Council

RESOLUTION:

BE IT RESOLVED that the FY 2025 City/Federal/State Aid Fund budget is amended and $89,004 is appropriated with resources of $44,502 from the Bulletproof Vest Partnership 2024 Grant Program and $44,502 transferred from the FY 2025 General Fund Police Department ($40,827) and Sheriff's Office ($3,675) budgets to purchase 79 replacement bulletproof vests for law enforcement officers.

Introduced: Adopted:

Certified: ________________________________
Clerk of Council

Finance Committee
Agenda Item III.6.
Information Only

AGENDA ITEM SUMMARY

MEETING DATE	PRESENTED BY
January 28, 2025	

AGENDA ITEM # III.6

Quarterly Reports

RECOMMENDATION

Review highlights of the attached quarterly financial reports for the quarter ending September 30, 2024.

FUND	**Presenter:**
A) Greater Lynchburg Transit Company (GLTC)	Joshua Moore, GLTC General Manager
B) Regional Airport Fund	Cedric Simon, Acting Airport Director
C) Lynchburg Regional Juvenile Detention Center	Kent White, Assistant City Manager for Preston Sellers, Director of Human Services
D) Children's Services Act Fund (CSA)	Kent White, Assistant City Manager, for Preston Sellers, Director of Human Services
E) Water Operating Fund	Tim Mitchell, Director of Water Resources
F) Sewer Operating Fund	Tim Mitchell, Director of Water Resources
G) Stormwater Operating Fund	Tim Mitchell, Director of Water Resources
H) General Fund	Donna Witt, Chief Financial Officer

SUMMARY

In compliance with the Finance Committee guidelines, quarterly financial reports are provided for General, Water, Sewer, Stormwater, Airport, Lynchburg Regional Juvenile Detention Center, Children's Services Act (CSA) Funds, and Greater Lynchburg Transit Company (GLTC).

PRIOR ACTION(S)

FISCAL IMPACT

As Noted

CONTACT(S)

Donna Witt, Chief Financial Officer

ATTACHMENT(S)

None

REVIEWED BY

______________________________ Donna Witt, Chief Financial Officer	Date:
______________________________ Gregory Patrick, Deputy City Manager	Date:
______________________________ Alicia Finney, Clerk of Council	Date:

GREATER LYNCHBURG TRANSIT COMPANY
We're Here To Get You There!

Finance Committee
Lynchburg City Council

January 17th, 2025

Re: GLTC Quarterly Financial Report – 1st Quarter 2025

REVENUE

GLTC has experienced higher than anticipated revenues in Fixed Route fares with a 19% positive variance over the anticipated totals for the quarter. Paratransit fare revenues are up 50% this quarter as well. Non-operating revenues are down 8% this quarter, which reflects lower insurance claims and advertising revenue is up 55%. City, County, State, and Federal operating assistance revenues have been disbursed to GLTC on-time. There is a decrease of 23% in State and 1% in Federal funds as GLTC has had lower reimbursable expenses on our microtransit grant for this quarter.

EXPENSES

Fixed Route
Fixed Route expenses are 5% under budget for the quarter. Overtime for this quarter is running at 38% below budget with the addition of new operators. Other Salaries and Wages show an increase of 10% as this accounts for overtime for non-CBA staff.

Demand Response (PTS)
Demand Response expenses are 9% below budgeted numbers this quarter primarily due to positional vacancies creating savings in operator labor and fringe benefits of 7% and 11% respectively. Additionally, our scheduling vendor has not invoiced for the new year yet, which is artificially lowering the costs. Overtime is under budget by 10% due to lower trip volume. Several of our past new hires have not taken GLTC health insurance, which is contributing to our decreased overhead. Salaries and wages for the remaining staff in this department are up 13% for the quarter, which reflects staff involvement with the microtransit launch and staff that service.

Maintenance
Maintenance expenses are 14% below budget for the quarter, which wages and salaries are at 8% below. Inspection and Servicer Overtime is 32% below budget. Benefits are down 18% for the quarter due to several positions being part-time. Fuel and lubricants are currently at 21% under budget for the quarter.

419 Bradley Drive • Lynchburg, VA 24501 | PO Box 11286 • Lynchburg, VA 24506
434.455.5080 Office • 434.528.4582 Fax • www.GLTConline.com
The Central Virginia Transit Management Company, Inc., employs all Administrative Staff, Bus Operators and Maintenance Personnel for the Greater Lynchburg Transit Company (GLTC). GLTC is professionally managed by First Transit, a division of First Group America.

Tires are currently 53% below budget but will be higher next quarter with the replacement of tires before winter weather. Other materials and supplies are currently 8% above budget for this quarter as GLTC has experienced higher costs in maintaining older vehicles before their scheduled replacement in October.

Administration

Administration is currently 7% below budget. Fringe benefits is running slightly over budget due to the 34% rate increase that GLTC experienced in September. Casualty and Liability insurance is on budget for this quarter. Utilities are also under budget by 17% this quarter although that is expected to change with rate increases for both AEP and water, sewer, and stormwater and higher usage this winter for heating.

SUMMARY

For the quarter revenues were under budget by 5% ($130,271), and expenses were under budget by 9% ($204,633) leaving GLTC with a slight surplus of $74,362.

Price volatility in parts and fuels remain GLTC's largest concerns in the new fiscal year, along with the change to health insurance that occurred in September. Staff is continuing to meet the Board of Director's Fiscal Sustainability KPIs and will be iterating the next set of fiscal goals during the Board of Directors Retreat in February 2025.

Respectfully,

Joshua A. Moore
General Manager

CENTRAL VIRGINIA TRANSIT MANAGEMENT CO INC.
QUARTERLY INCOME STATEMENT
AS OF SEPTEMBER 30, 2024

	QTR TO DATE FY2024 QTD ACTUAL	FY2024 QTD BUDGET	% VAR	FY2024 YTD ACTUAL	FY2024 YTD BUDGET	% of Budget
REVENUE						
FRT Passenger Revenue	$ 130,641	$ 109,625	19%	$ 130,641	$ 109,625	119%
DRT Passenger Revenue	13,508	9,030	50%	13,508	9,030	150%
Contracts (CVCC Access)	12,759	12,759	0%	12,759	12,759	100%
Non-Operating Revenue	14,893	16,250	-8%	14,893	16,250	92%
Advertising Revenue	27,209	17,500	55%	27,209	17,500	155%
City Operating Assistance	469,827	469,827	0%	469,827	469,827	100%
County Operating Assistance	21,240	21,240	0%	21,240	21,240	100%
State Operating Assistance	521,112	672,576	-23%	521,112	672,576	77%
Federal Operating Assistance	1,060,569	1,073,221	-1%	1,060,569	1,073,221	99%
TOTAL REVENUE	**$ 2,271,757**	**$ 2,402,028**	**-5%**	**$ 2,271,757**	**$ 2,402,028**	**95%**
EXPENSES						
FIXED ROUTE						
Operator Labor	$ 456,137	$ 453,466	1%	$ 456,137	$ 453,466	101%
Operator-Overtime	36,719	58,951	-38%	36,719	58,951	62%
Other Salaries & Wages	128,090	116,078	10%	128,090	116,078	110%
Supervisors-Overtime	3,235	5,750	-44%	3,235	5,750	56%
Fringe Benefits	284,397	311,622	-9%	284,397	311,622	91%
Information Technology	10,300	25,000	-59%	10,300	25,000	41%
TOTAL FIXED ROUTE	**$ 918,877**	**$ 970,866**	**-5%**	**$ 918,877**	**$ 970,866**	**95%**
DEMAND RESPONSE						
Operator Labor	$ 91,012	$ 97,490	-7%	$ 91,012	$ 97,490	93%
Operator-Overtime-PTS	2,625	2,925	-10%	2,625	2,925	90%
Other Salaries & Wages	31,317	27,668	13%	31,317	27,668	113%
Fringe Benefits	56,933	64,310	-11%	56,933	64,310	89%
Information Technology	-	8,238	-100%	-	8,238	0%
TOTAL DEMAND RESPONSE	**$ 181,885**	**$ 200,631**	**-9%**	**$ 181,885**	**$ 200,631**	**91%**
MAINTENANCE						
Other Salaries & Wages	$ 199,587	$ 217,547	-8%	$ 199,587	$ 217,547	92%
Inspection&Maint,Srvc-Overtime	9,334	13,701	-32%	9,334	13,701	68%
Fringe Benefits	95,191	116,109	-18%	95,191	116,109	82%
Fuel & Lubricants	177,625	225,050	-21%	177,625	225,050	79%
Tires & Tubes	11,783	25,000	-53%	11,783	25,000	47%
Information Technology	2,453	2,250	9%	2,453	2,250	109%
Other Materials & Supplies	100,186	92,500	8%	102,639	94,750	108%
TOTAL MAINTENANCE	**$ 596,160**	**$ 692,156**	**-14%**	**$ 596,160**	**$ 692,156**	**86%**
ADMINISTRATION						
Other Salaries & Wages	$ 135,222	$ 121,776	11%	$ 135,222	$ 121,776	111%
Fringe Benefits	61,612	61,144	1%	61,612	61,144	101%
Services	137,423	142,071	-3%	137,423	142,071	97%
Utilities	52,123	63,059	-17%	52,123	63,059	83%
Casualty & Liability Expenses	67,220	67,046	0%	67,220	67,046	100%
Information Technology	14,238	14,525	-2%	14,238	14,525	98%
Bad Debt Expense	1,238	-	100%	1,238	-	100%
Other Materials & Supplies	13,941	32,919	-58%	13,941	32,919	42%
Miscellaneous	17,457	35,836	-51%	17,457	35,836	49%
TOTAL ADMINISTRATION	**$ 500,473**	**$ 538,375**	**-7%**	**$ 500,473**	**$ 538,375**	**93%**
TOTAL EXPENSES	**$ 2,197,395**	**$ 2,402,028**	**-9%**	**$ 2,197,395**	**$ 2,402,028**	**91%**
NET INCOME/(LOSS)	**$ 74,362**	**$ -**	**100%**	**$ 74,362**	**$ -**	**100%**

Lynchburg Regional Airport

A City of Lynchburg Enterprise Fund

350 Terminal Drive • Suite 100
Lynchburg, Virginia 24502
P 434-455-6090 • F 434-239-9027
www.lynchburgva.gov/airport

January 14, 2025

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

Re: September 30, 2024 – Quarterly Financial Summary - Lynchburg Regional Airport

REGIONAL AIRPORT FUND

The attached Lynchburg Regional Airport Operating Fund Financial Summary reflects the financial activity through the FY2025 first quarter ending September 30, 2024. Operating revenues have achieved their slow but steady return to pre-COVID sustainable levels even as American Airlines continues to contend with equipment challenges and staffing shortages. The Airport is projecting a FY2025 surplus of $164,647 which is $827 more than our Adopted Budget.

REVENUE HIGHLIGHTS

- Airfield: Revenue is projected to be $35,000 more than budget due to a recent increase in commercial aircraft landing fees.
- Terminal: Revenue is projected to be $143,000 more than budget due mainly to anticipated increases in Auto Lot Parking and Rental Car Concession revenues.
- General Aviation: Revenue is projected to be $15,000 more than budget due to projected increase in aircraft fuel sales.
- Federal Security Aid: Revenue is projected to be $95,000 less than budget due to a phase-out of federal reimbursements for Airport law enforcement officers.
- Interest & Other: Revenue is projected to be $75,000 more than budget due mostly to increase interest earnings on invested retained earnings.

EXPENSE HIGHLIGHTS

- All expenses are expected to be at or near their budgeted amounts.

SUMMARY

Operating revenues for the year are projected to be an estimated $173,000 more than budget while expenses as previously mentioned are projected to be consistent with the budget. Bottom line: the Airport is currently projecting an operating surplus for FY2025 of $164,647.

Respectfully submitted,

Cedric Simon

Cedric Simon, A.A.E.
Acting Airport Director

cc: Wynter Benda, City Manager
Greg Patrick, Deputy City Manager
Kent White, Assistant City Manager
Donna Witt, Director of Financial Services

LYNCHBURG REGIONAL AIRPORT
OPERATING FUND FINANCIAL SUMMARY
September 30, 2024

	FY 2024 Amended Budget	FY 2024 Actual (thru 9/30/23)	FY 2024 % of Budget	*	FY 2025 Amended Budget	FY 2025 Actual (thru 9/30/24)	FY 2025 % of Budget	*	FY 2025 Amended Budget	FY 2025 Projected Total	FY 2025 $ Variance Projected vs. Amended Budget
BEGINNING NET ASSETS	$ 249,875	$ 40,245,824 **(1)**		*	$ 250,000	$ 40,762,677 **(1)**		*	$ 250,000	$ 40,762,677 **(1)**	
Less: Invested in Capital Assets, net of related debt		$ (37,940,664)		*		$ (38,071,618)		*		$ (38,071,618)	
BEGINNING UNRESTRICTED NET ASSETS	$ 249,875	$ 2,305,158		*	$ 250,000	$ 2,691,057		*	$ 250,000	$ 2,691,057	$ -
USE OF ENCUMBRANCES CARRIEDFORWARD	$ 141,142				$ 172,173				$ 172,173		
TRANSFER OF RESERVES TO CAPITAL FUND				*				*			
REVENUES				*				*			
Airfield	100,000	23,585	24%	*	100,000	24,314	24%	*	100,000	135,000	35,000
Terminal	1,620,843	430,101	27%	*	1,620,843	506,070	31%	*	1,620,843	1,763,843	143,000
General Aviation	872,000	214,522	25%	*	955,000	247,319	26%	*	955,000	970,000	15,000
Other Leased Property	414,050	105,149	25%	*	425,050	90,503	21%	*	425,050	425,050	0
State Airport Aid	175,000	0	0%	*	210,000	0	0%	*	210,000	210,000	0
Federal Security Aid	87,000	(7,200)	-8%	*	95,000	0	0%	*	95,000	0	(95,000)
Federal CARES/CRRSA/ARPA Grants	1,515,947	0	0%	*	0	0	100%	*	0	0	0
Interest & Other	246,000	62,029	25%	*	131,000	70,485	54%	*	131,000	206,000	75,000
TOTAL REVENUES	$ 5,030,840	$ 828,186		*	$ 3,536,893	$ 938,691		*	$ 3,536,893	**$ 3,709,893**	$ 173,000
EXPENSES				*				*			
Airfield Operations	328,498	100,103	30%	*	390,061	74,741	19%	*	390,061	390,061	0
Terminal Operations	647,639	104,172	16%	*	754,832	135,988	18%	*	754,832	754,832	0
General Aviation	162,266	21,668	13%	*	162,202	17,985	11%	*	162,202	162,202	0
Administration	1,056,332	301,322	29%	*	1,081,300	318,339	29%	*	1,081,300	1,081,300	0
Public Safety (Fire & LEO)	499,082	132,881	27%	*	500,577	133,522	27%	*	500,577	500,577	0
Snow Removal	24,030	0	0%	*	24,030	4,810	20%	*	24,030	24,030	0
Debt Service	179,033	5,274	3%	*	174,649	4,996	3%	*	174,649	174,649	0
Small Projects & Equip. (CARES/CRRSA/ARPA Supported)	1,002,457	281,489	28%	*	353,898	167,323	47%	*	353,898	353,898	0
Transfers to Other Airport Funds	1,000,000	0	0%	*	0	0	#DIV/0!	*	0	0	0
Other Airport Expenses	62,188	6,076	10%	*	58,697	6,076	10%	*	58,697	58,697	0
Year-end GASB68 & GASB75 Retiree Accrual Adjustments	45,000	0			45,000	0			45,000	45,000	0
TOTAL EXPENSES	$ 5,006,525	$ 952,987		*	$ 3,545,246	$ 863,780		*	$ 3,545,246	**$ 3,545,246**	$ -
ENDING UNRESTRICTED NET ASSETS	$ 415,332	$ 2,180,356		*	$ 413,820	$ 2,765,968		*	$ 413,820	$ 2,855,703 **(2)**	

FOOTNOTES:

1) Beginning Net Assets agrees with the Annual Comprehensive Financial Report (ACFR) with the following adjustment:

Total Net Assets per ACFR 6/30/24	$ 56,901,190
Less: Net Assets in Capital & PFC Funds	$ (16,138,513)
Total Beginning Net Assets	$ 40,762,677

FY2025 Projected Totals	
Total Revenues	**$ 3,709,893**
Total Expenses	**$ 3,545,246**
FY2025 Surplus	**$ 164,647**

2) FY 2024 Ending Unrestricted Net Assets is comprised of the following:

Des. for Maintenance (Rental Car Facility)	$ 244,145	($130,358.86 beginning + 113,786.08 year end adjustment to reserve)
Reserve for Encumbrances at Year-end	$ 172,173	(encumbrances carried forward to FY2025)
GASB68 Pension-related Accrual	$ (763,927)	(net liability as of the end of FY2024)
GASB75 Other OPEB Obligations	$ (563,961)	(net liability as of the end of FY2024)
GASB87 Net Lease Receivables	$ 2,293	(net lease receivables as of 6/30/24)
Undesignated Retained Earnings	$ 3,764,981	(includes FY2025 projected surplus)
	$ 2,855,703	

1/23/2025

January 28, 2025

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

RE: September 30, 2024, Quarterly Financial Report - Lynchburg Regional Juvenile Detention Center

Lynchburg Regional Juvenile Detention Center

The attached Lynchburg Regional Juvenile Detention Center (Detention Center) financial report summarizes the financial activities through September 30, 2024, for FY 2025. The financial spreadsheet provides comparative year-to-date data for the same period of FY 2024.

REVENUES

Charges for Services

Revenue in this category for the first quarter of FY 2025 is $545,688 or 20.1% of the budget.

Department of Juvenile Justice Block Grant

This revenue category represents allocations from the Virginia Department of Juvenile Justice (DJJ) for operational expenses of the Detention Center. Revenues received from the DJJ through the first quarter of FY 2025 are $306,611 or 27.7% of the budget.

United States Department of Agriculture (USDA)

This revenue category consists of reimbursements for meals served to juveniles at the Detention Center. Year-to-date revenues from USDA for FY 2025 are $12,166 or 24.3% of the budget.

Miscellaneous and State Ward Per Diem

Revenue in this category for the first quarter of FY 2025 is $0.00.

EXPENDITURES

Overall expenditures for the first quarter of FY 2025 were $748,666 or 19.2% of the budget.

Finance Committee
January 23,2024
Page 2

Juvenile Population

The average number of juveniles being served per day through the first quarter of FY 2025 is 19 as compared to 20 in FY 2024. The percentage of Lynchburg City's juveniles through the first quarter is 63% of the total juvenile population.

SUMMARY

The Lynchburg Regional Detention Center is recognized for providing educational services, mental health services, physical health services, and partnerships with local area businesses.

The total revenue through the first quarter is $864,465 and the total expenditures are $748,666.

Respectfully submitted,

Preston Sellers
Director, Department of Human Services

c: Wynter Benda, City Manager
Gregory Patrick, Deputy City Manager
Kent White, Assistant City Manager
Donna Witt, Director, Financial Services
Sherry McIntyre, Accountant, Juvenile Services

Lynchburg Regional Juvenile Detention Center
Special Revenue Fund
Financial Summary
First Quarter: As of September 30, 2024

	FY 2024 Amended Budget	FY 2024 Actual 1st QTR YTD	FY 2024 % of Budget	FY 2025 Amended Budget	FY 2025 Actual 1st QTR YTD	FY 2025 % of Budget	FY 2025 Amended Budget	FY 2025 Actual 1st QTR YTD	FY 2025 Actual to Amended
Beginning Funds at July 1		222,460			276,097				
Revenues:									
Charges for Services	2,427,301	555,302 *	22.9%	2,715,523	545,688 **	20.1%	2,715,523	545,688	2,169,835
Intergovernmental- Department of Juvenile Justice Block Grant	1,044,329	276,757	26.5%	1,107,028	306,611	27.7%	1,107,028	306,611	800,417
Intergovernmental- USDA	40,000	15,994	40.0%	50,000	12,166	24.3%	50,000	12,166	37,834
Miscellaneous and State Ward Per Diem	1,400	2,600	0.0%	6,000	0	0.0%	6,000	0	6,000
Total Revenues	3,513,030	850,653	24.2%	3,878,551	864,465	22.3%	3,878,551	864,465	3,014,086
Expenditures:									
Salaries	1,969,885	398,426	20.2%	2,163,725	413,034	19.1%	2,163,725	413,034	1,750,691
Employee Benefits	762,402	150,618	19.8%	845,835	139,132	16.4%	845,835	139,132	706,703
Contractual Services	64,063	14,614	22.8%	109,555	10,321	9.4%	109,555	10,321	99,234
Fleet Services	8,280	3,722	45.0%	13,598	6,029	44.3%	13,598	6,029	7,569
Supplies and Materials	169,658	44,040	26.0%	159,742	47,458	29.7%	159,742	47,458	112,284
Utilities	67,687	14,646	21.6%	67,687	16,285	24.1%	67,687	16,285	51,402
Training and Conferences	6,050	0	0.0%	6,050	1,119	18.5%	6,050	1,119	4,931
Telephone Services	7,000	1,450	20.7%	7,000	1,523	21.8%	7,000	1,523	5,477
Cable/Satellite TV Service	1,200	246	0.0%	1,200	123	10.3%	1,200	123	1,077
Postage and Mailing	850	66	7.8%	850	0	0.0%	850	0	850
Indirect Costs	281,188	70,297	25.0%	250,922	62,731	25.0%	250,922	62,731	188,191
Self Insurance	32,185	32,185	100.0%	32,739	32,739	100.0%	32,739	32,739	0
Dues and Memberships	1,000	0	0.0%	1,000	0	0.0%	1,000	0	1,000
Misc. Other Charges	6,000	52	0.0%	6,000	1,192	19.9%	6,000	1,192	4,808
Rentals and Leases	768	425	55.3%	6,052	421	7.0%	6,052	421	5,631
Site Improvements	25,440	0	0.0%	0	0	0.0%	0	0	0
Specific Use Equipment	14,586	7,293	50.0%	0	0	0.0%	0	0	0
Health and Dental Benefits for Retirees	63,168	15,792	25.0%	63,168	15,792	25.0%	63,168	15,792	47,376
Unemployment Compensation	1,000	0	0.0%	1,000	0	0.0%	1,000	0	1,000
Workers Comp Indemnity Pymt	10,000	0	0.0%	55,000	0	0.0%	55,000	0	55,000
Professional Services	5,435	767	14.1%	12,942	767	5.9%	12,942	767	12,175
Serial Bond Principal	7,175	0	0.0%	7,525	0	0.0%	7,525	0	7,525
Serial Bond Interest	2,770	0	0.0%	2,402	0	0.0%	2,402	0	2,402
ud Alc Salary Plan Adj	0	0	0.0%	81,000	0	0.0%	81,000	0	0
Total Expenditures	3,507,790	754,639	21.5%	3,894,992	748,666	19.2%	3,894,992	748,666	3,065,326
TOTAL FUND BALANCE		**318,474**			**391,896**				

**** The amount includes billing for September 2023 ($72,270) that was not posted until October 2023***

***** The amount includes billing for September 2024 ($62,898) that was not posted until October 2024***

THE CITY OF LYNCHBURG
HUMAN SERVICES
99 Ninth Street | Lynchburg, VA 24504
P.O. Box 6798 | Lynchburg, VA 24505

January 28, 2025

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

Re: Children's Services Act (CSA) Fund Financial Report for the period ending September 30, 2024.

The attached CSA Fund Financial Summary outlines the financial activity through September 30, 2024. Under the State guidelines, CSA prior year obligations are paid through September 30th of each year. However, the annual budget is prepared on a fiscal year basis (July-June). Because of the State guidelines, expenditures for this fund are unique due to the overlap of grants each fiscal year.

REVENUES

- Public Assistance – Welfare and Administration

  The Public Assistance revenue source is the reimbursement received from the State for local expenses incurred under CSA for providing services to at-risk youth and their families. The current rate of reimbursement for community-based services is 86.32%, residential services is 65.8%, and for all other services, 72.64%.

  - State of Virginia reimbursements for the Children's Services grant through the 1st quarter of FY25 are $741,058 or 15.5% of the adopted FY25 budget.

- CSA Contribution – General Fund and Schools

  - Required local match for all State funds received through the 1st quarter of FY25; $49,135 or 25.00% from the City of Lynchburg Schools and $524,022 or 25.00% from the City of Lynchburg General Fund have been received.

THE CITY OF LYNCHBURG
HUMAN SERVICES
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- Miscellaneous Revenue/Budget Designations
  - Miscellaneous Revenue comprised of CSA parental co-payments, child support and recoupments from social security payments. Revenue received through the 1st quarter of FY25 were $33,210 or 68.3% of the adopted FY25 budget.

<u>EXPENSES</u>

- Administrative expenses
  - CSA administrative expenses comprised of salaries and supplies. Expenditures through the 1st quarter of FY25 were $14,996 or 19.6% of the adopted FY25 budget.

- Sum-Sufficient– Foster Care
  - Foster care expenses comprise residential facilities, day care, maintenance and enhanced payments to foster parents and foster care prevention services. Expenditures through the 1st quarter of FY25 were $635,416 or 18.6% of the adopted FY25 budget.

- Sum-Sufficient– Special Education
  - Special education expenditures comprised of Special Education to students for the City of Lynchburg Schools. Expenditures can increase and decrease due to enrollments in private day placement schools. Expenditures through the 1st quarter of FY25 were $140,268 or 5.3% of the adopted FY25 budget.

- Non-Sum Sufficient Services (Non-Mandated)
  - Non-Sum Sufficient expenditures comprised of counseling, mentoring, crisis intervention, and foster care prevention services. Expenditures through the 1st quarter of FY 2025 were $0.00 or 0.0% of the adopted FY25 budget. Non-Sum Sufficient services are provided almost exclusively to youth involved in the court system. The Court Services are accessing alternate funding for court-involved youth to decrease expenditures in this category.

THE CITY OF LYNCHBURG
HUMAN SERVICES
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P.O. Box 6798 | Lynchburg, VA 24505

- Community Base (Sum/Non-Sum Sufficient) Services
  - Community services may include assessment, crisis stabilization, therapy, or intervention services provided in the child's home. Community Based Services through the 1st quarter of FY 2025 total $190,233, or 31.8% of the adopted FY25 budget.

SUMMARY

While the number of children currently in foster care fluctuates during the year, more children fall into the "Sum-Sufficient" mandated classification and access CSA funds due to the severity of their needs. Other factors impacting the budget can be an increase of children receiving more intensive services for extended periods, increased vendor rates, parental agreements, and an increase in special educational services.

Respectfully submitted,

Preston Sellers
Director of Human Services

c:

Wynter Benda, City Manager
Gregory Patrick, Deputy City Manager
Kent White, Assistant City Manager
Donna Witt, Chief Financial Officer
Rhonda Allbeck, Assistant Director of Financial Services
Kathy Collins, Financial Professional IV

Children's Services Act
Special Revenue Fund
Financial Summary
September 30, 2024

	FY 2024 Amended Budget	FY 2024 Actual 1 QTR YTD	FY 2024 % of Budget	FY 2025 Amended Budget	FY 2025 Actual 1 QTR YTD	FY 2025 % of Budget
Beginning Fund Balance		84,739		0	210,195	
Revenues:						
Public Assistance - Welfare and Administration	4,738,816	438,670	9.3%	4,772,659	741,058	15.5%
Transfer from Lynchburg City Schools	196,541	49,135	25.0%	196,541	49,135	25.0%
Transfer from General Fund	2,083,588	520,897	25.0%	2,096,086	524,022	25.0%
Miscellaneous/Special Welfare	48,650	2,664	5.5%	48,600	33,210	68.3%
Budget Designations	0	0		0	0	0.0%
Total Revenues	7,067,595	1,011,366	14.3%	7,113,886	1,347,425	18.9%
Expenses:						
Administrative Expenses	78,323	15,388	19.6%	76,349	14,996	19.6%
Sum-Sufficient - Foster Care	3,351,750	536,895	16.0%	3,407,915	635,416	18.6%
Sum-Sufficient - Special Education	2,655,865	72,055	2.7%	2,655,865	140,268	5.3%
Non-Sum Sufficient Services	375,907	3,633	1.0%	375,907	0	0.0%
Sum-Sufficient and Non-Sum Sufficient Services	605,750	86,828	14.3%	597,850	190,233	31.8%
Miscellaneous/Budget Designations/Transfer to GF	0	0		0	0	
Total Expenditures	7,067,595	714,799	10.1%	7,113,886	980,913	13.8%
ENDING FUND BALANCE	0	381,306		0	576,707	

January 28, 2025

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

Re: September 30, 2024 Quarterly Financial Report – Water Operating Fund

The attached Water Operating Fund Financial Summary summarizes the financial activity for this fund through September 30, 2024. This quarterly report provides comparative financial information for the same period of the prior fiscal year. Projected variances between the FY 2025 Adopted Budget and the Department's year-end projections are described below.

REVENUES

Following the completion of the first quarter, overall revenues for FY 2025 are projected to be $206,900 (1.1%) less than budget. Explanations of this variance follow:

- **Charges for Services:**

  Revenue in this category is projected to be $187,500 (1.1%) less than budget. This is primarily due to less than expected water consumption from domestic, commercial, and institutional customers.

- **Water Contracts:**

  Revenue in this category reflects billing activity to the counties of Amherst, Bedford, and Campbell, and to the industries of CertainTeed and Frito-Lay. Revenue is projected to be $168,000 (7.0%) less than budget. This is primarily due to CertainTeed's, Frito-Lay's and Bedford County's decreased water purchases.

- **Interest and Other:**

  Interest and Other is projected to be $148,600 (47.4%) more than budget. This is mostly due to higher than anticipated interest revenues on investments.

EXPENSES

Overall expenses for FY 2025 are projected to be $210,700 (1.1%) less than budget. Explanations of this variance follow:

- **Departmental Operation and Maintenance:**

  Departmental Operation and Maintenance expenses are projected to be $168,300 (1.2%) over budget. This category includes the Water Treatment Plant, Meter Operations, Water Line Maintenance and Administration. (Water Treatment - $105,350 over budget, Meter Operations - $28,250 savings, Water Line Maintenance – $75,250 over budget, Administration - $15,950 over budget). This variance is broken down as follows:

➢ Personnel Services and Benefits		($103,000)
➢ Supplies and Materials		(41,400)
➢ Contractual Services		(13,300)
➢ All Other		(10,600)
	Total	**($168,300)**

  Increased costs in Personnel Services and Benefits is mostly related to overtime costs in Water Treatment Plant to cover unfilled positions. Supplies and Materials increase is primarily due to an increase in parts costs and parts used for repairs of the water distribution system. Contractual Services budget overrun is due to higher than expected repair cost for field equipment.

- **Non-Departmental Operation and Maintenance:**

  Non-Departmental Operation and Maintenance expenses are projected to be at budget.

- **Capital Outlay:**

  Purchases in this category are projected to be $49,000 (19.4%) under budget. This is mostly associated with better vehicle utilization in Department of Water Resources which resulted in not ordering a budgeted new vehicle.

- **Transfers to Capital:**

  Transfers to Capital are projected to be at budget.

- **Debt Service:**

  Expenditures in debt service are projected to be $330,000 (7.3%) under budget due to lesser use of line of credit proceeds and lower than budgeted interest rate. Several large projects had beginning construction dates deferred. Some of those projects required resolution to easement issues and railroad permitting. One project required replacement of the engineering firm and another project that had an extended lead time for water tank equipment replacement thus delaying a water tank painting project.

SUMMARY

The first quarter report reflects a stable FY 2025 financial position for this fund. Under the Council adopted financial policies two important financial ratios, debt coverage ratio and fund balance ratio are projected to be within or above policy targets. The debt coverage ratio for the fiscal year is projected to be 1.23, which is above Council's financial policy minimum target of 1.20. The projected fund balance ratio for the fiscal year is 31% compared to the target range of 25% - 40%.

Respectfully submitted,

Timothy A. Mitchell, P.E.
Director of Water Resources

cc: Wynter Benda, City Manager
Greg Patrick, Deputy City Manager
Donna Witt, Chief Financial Officer

WATER OPERATING FUND
FINANCIAL SUMMARY
Quarter Ending September 30, 2024

	FY 2024 Adopted Budget	FY 2024 Actual Q1 YTD	FY 2024 % of Budget	FY 2025 Adopted Budget	FY 2025 Actual Q1 YTD	FY 2025 % of Budget	FY 2025 Adopted Budget	FY 2025 Projection	FY 2025 $ Variance Adopted Budget vs. Projected
REVENUES:									
Charges for Services	$14,860,284	$3,186,630	21%	$16,614,950	$3,416,297	21%	$16,614,950	$16,427,450	($187,500)
Water Contracts	2,428,678	443,992	18%	2,412,242	362,258	15%	2,412,242	2,244,242	(168,000)
Interest and Other	362,500	146,127	40%	313,500	131,115	42%	313,500	462,100	148,600
	$17,651,462	**$3,776,749**		**$19,340,692**	**$3,909,670**		**$19,340,692**	**$19,133,792**	**($206,900)**
EXPENSES									
Departmental O&M	$12,536,401	$3,006,310	24%	$13,673,532	$2,937,238	21%	$13,673,532	$13,841,832	($168,300)
Non-Departmental O&M	306,714	38,426	13%	357,275	39,131	11%	357,275	357,275	-
Capital Outlay/Purchases	146,000	13,956	10%	252,415	13,196	5%	252,415	203,415	49,000
Transfers to Capital	2,400,000	600,000	25%	600,000	150,000	25%	600,000	600,000	-
Debt Service	4,037,167	1,272,059	32%	4,520,518	1,489,744	33%	4,520,518	4,190,518	330,000
	$19,426,282	**$4,930,751**		**$19,403,740**	**$4,629,309**		**$19,403,740**	**$19,193,040**	**$210,700**
Adjustment for Expenses from Capital Projects:		**$0**			**$0**			**$0**	

KEY RATIOS:

Unrestricted cash target range as a % of operating expenses & debt service:	25% - 40%
Unrestricted cash as a % of operating expenses & debt service:	31%
Financial Policy targeted debt coverage ratio minimum:	1.20
Ending debt coverage ratio:	1.23 (a)

Note (a) Calculation of debt coverage includes estimated $205,000 of capitalizable costs for internal labor charges applicable to time spent on capital project activities.

January 28, 2025

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

Re: September 30, 2024 Quarterly Financial Report – Sewer Operating Fund

The attached Sewer Operating Fund Financial Summary summarizes the financial activity for this fund through September 30, 2024. This quarterly report provides comparative financial information for the same period of the prior fiscal year. Projected variances between the FY 2025 Adopted Budget and the Department's year-end projections are described below.

REVENUES

Following the completion of the first quarter, overall revenues for FY 2025 are projected to be $19,500 (0.1%) less than budget. Explanations of this variance follow:

- **Charges for Services:**

  Revenue in this category is projected to be $392,000 (1.5%) less than budget. Noncontract sewer sales are projected to decrease $619,800. This is associated with less water consumption from domestic, commercial and institutional customers. This revenue decrease is offset by higher than anticipated septic hauler charges, connection charges and availability fees combined for $210,000.

- **Sewer Contracts:**

  Revenue in this category reflects billing activity in the counties of Amherst, Bedford, and Campbell and the industries of CertainTeed and Frito-Lay. Revenue is projected to be $73,000 (1.5%) above budget. This increase is mostly attributable to increased sewer surcharges to CertainTeed and Frito-Lay for $125,000. This is partially offset by counties FY 2024 settlement of monthly provisional billings and allocated share of Water Resources Recovery Facility operating cost netting to $37,000 due back to the counties.

- **Interest and Other:**

  Revenue is this category is projected to be $299,500 (52.3%) greater than budget. This is primarily due to higher than anticipated interest revenues on investments.

EXPENSES

Overall expenses for FY 2025 are projected to be $741,800 (2.3%) less than budget. Explanations of this variance follow:

- **Departmental Operation and Maintenance:**

  Departmental Operation and Maintenance expenses are projected to be $352,900 (2.3%) less than budget. This category includes the Water Resources Recovery Facility (WRRF) and Sewer Line Maintenance. The WRRF is projected to be $354,600 under budget and Sewer Line Maintenance is projected to be $1,700 over budget. These variances are broken down as follows:

➢ Personnel Services and Benefits		$ (40,000)
➢ Chemicals		149,000
➢ Contractual Services		200,000
➢ Supplies and Materials		16,500
➢ Contractual Services		19,400
➢ All Other		8,000
	Total	**$352,900**

  Increase in Personnel Services and Benefits are associated with overtime costs to cover unfilled positions. Chemical budgets were based on previous years trend of significant chemical increases. Chemical pricing has stabilized. Savings in Contractual Services is primarily associated with savings in engineering services for nutrient modeling work that will be split with this fiscal year and FY 2026 fiscal year.

- **Non-Departmental Operation and Maintenance:**

  Non-Departmental Operation and Maintenance expenses are projected to be at budget.

- **Capital Outlay:**

  Purchases in Capital Outlay are projected to be $173,900 (20.1%) under budget. This is due to deferring retro fitting a camera truck because replacement camera truck will not arrive until FY 2026 fiscal year. Other savings include deferring laboratory and field equipment replacements one year.

  Transfers to Capital:

  Transfers to Capital are projected to be at budget.

- **Debt Service:**

  Expenditures in debt service are projected to be $215,000 (2.2%) less than budget. This is mostly attributable to lesser use of line of credit proceeds and lesser than budgeted interest rate. Lesser use of line of credit proceeds are the result of delays in easement acquisition process, lack of bidders on some projects and bids rejected on two large projects due to greatly exceeding the budgeted amounts for the projects.

SUMMARY

This first quarter report reflects a stable FY 2025 financial position for this fund. Under the Council adopted financial policies, two important financial ratios, debt coverage ratio and fund balance ratio are projected to be within or above policy targets. The projected debt coverage ratio for the fiscal year is 1.33 compared to a target range of 1.20 to 1.50. The projected fund balance ratio for the fiscal year is 42% compared to a target range 25% - 40%.

Respectfully submitted,

Timothy A. Mitchell, P.E.
Director of Water Resources

cc: Wynter Benda, City Manager
Greg Patrick, Deputy City Manager
Donna Witt, Chief Financial Officer

SEWER OPERATING FUND
FINANCIAL SUMMARY
Quarter Ending September 30, 2024

	FY 2024 Adopted Budget	FY 2024 Actual Q1 YTD	FY 2024 % of Budget	FY 2025 Adopted Budget	FY 2025 Actual Q1 YTD	FY 2025 % of Budget	FY 2025 Adopted Budget	FY 2025 Projection	FY 2025 $ Variance Adopted Budget vs. Projected
REVENUES:									
Charges for Services	$25,011,633	$4,682,387	19%	$26,031,328	$5,006,533	19%	$26,031,328	$25,639,328	($392,000)
Sewer Contracts	4,834,550	845,830	17%	4,896,420	1,018,794	21%	4,896,420	4,969,420	73,000
Interest and Other	537,000	346,770	65%	573,000	363,576	63%	573,000	872,500	299,500
	$30,383,183	**5,874,987**		**$31,500,748**	**$6,388,902**		**$31,500,748**	**$31,481,248**	**($19,500)**
EXPENSES:									
Departmental O&M	$17,999,795	$4,130,676	23%	$19,086,202	$4,208,325	22%	$19,086,202	$18,733,302	$352,900
Non-Departmental O&M	334,202	44,776	13%	334,631	44,776	13%	334,631	334,631	-
Capital Outlay/Purchases	745,000	26,898		829,500	-	0%	829,500	655,600	173,900
Transfers to Capital	3,600,000	900,000	25%	1,800,000	450,000	25%	1,800,000	1,800,000	-
Debt service	9,348,718	1,454,314	16%	9,691,558	1,658,504	17%	9,691,558	9,476,558	215,000
	$32,027,715	**$6,556,663**		**$31,741,891**	**$6,361,604**		**$31,741,891**	**$31,000,091**	**$741,800**
Adjustment for Expenses from Capital Projects		**$0**			**$0**			**$0**	

KEY RATIOS:

Unrestricted cash target range as a % of operating expenses & debt service:	25% - 40%
Unrestricted cash as a % of operating expenses & debt service:	42%
Financial Policy targeted debt coverage ratio minimum:	1.20
Ending debt coverage ratio:	1.33 (a)

Note (a) Calculation of debt coverage includes estimated $200,000 of capitalizable costs for internal labor charges applicable to time spent on capital project activities.

January 28, 2025

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

Re: September 30, 2024 Quarterly Financial Report – Stormwater Operating Fund

The attached Stormwater Operating Fund Financial Summary summarizes the financial activity for this fund through September 30, 2024. This quarterly report provides comparative financial information for the same period of the prior fiscal year. Projected variances between the FY 2025 Budget and the Department's year-end projections are described below.

REVENUES

Following the completion of the first quarter, the overall revenues for FY 2025 are projected to exceed budget by $64,000 (1.4%). Explanations of this variance follow:

- **Charges for Services:**

  Revenue in this category reflects billing activity for all known impervious areas, Virginia Stormwater Management Program (VSMP) permits and delinquent charges on past due accounts. Charges for services are projected to be over budget by $15,000 (0.4%). This is mostly associated with slightly higher than anticipated billable impervious areas.

- **Interest and Other:**

  Interest and Other is projected to exceed budget by $49,000 (94.2%). This is primarily due to higher than expected interest revenue on investments.

- **Transfers from Other Funds:**

  Transfers from General Fund are projected to be at budget.

EXPENSES

Overall expenses for FY 2025 are projected to be $151,900 (3.2%) below budget. Explanations of this variance follow:

- **Departmental Operation and Maintenance:**

  Departmental Operation and Maintenance is projected to be $11,200 (.3%) above budget. This variance is broken down as follows:

➢ Personnel Services and Benefits		($38,000)
➢ Contractual Services		12,000
➢ Public Works and Community Development		15,000
➢ All Other		(200)
	Total	**($11,200)**

  Personnel Services and Benefits is expected to be greater than budget due to higher than expected utility line technicians time working on stormwater maintenance and repairs as opposed to water or sewer line repairs. Savings in Contractual Services is related to Engineering Costs related to municipal separate storm sewer system (MS4) permit. Savings in Public Works and Community Development costs is due to lesser than expected stormwater maintenance and repair contracted by Public Works and charged to Stormwater Fund.

  Non-Departmental Operation and Maintenance:

  Non-Departmental Operation and Maintenance expenses are projected to be at budget.

- **Capital Outlay:**

  Capital Outlay is projected to be $3,900 (9.8%) over budget. This is due to one new vehicle cost was more than expected.

- **Transfers to Capital:**

  Transfers to Capital are projected to be at budget.

- **Debt Service:**

  Debt Service expenditures are projected to be $167,000 (25.9%) less than budget. This is mostly attributable to lesser use of line of credit proceeds and lesser than budgeted interest rate. Lesser use of line of credit proceeds are the result from the delay of College Park Stormwater Rehabilitation Project and several other projects needing easement issues to be resolved.

SUMMARY

The first quarter report reflects a stable FY 2025 financial position for this fund. Under the Council adopted financial policies, two important financial ratios, debt coverage ratio and fund balance ratio are projected to be above policy targets. The projected debt coverage ratio for the fiscal year is 1.74, which is above Council's financial policy minimum target of 1.20. The projected fund balance ratio for the fiscal year is 31% compared to the target range of 15%- 20%.

Respectfully submitted,

Timothy A. Mitchell, P.E.
Director of Water Resources

cc: Wynter Benda, City Manager
Greg Patrick, Deputy City Manager
Donna Witt, Chief Financial Officer

STORMWATER OPERATING FUND
FINANCIAL SUMMARY
Quarter Ending September 30, 2024

	FY 2024 Adopted Budget	FY 2024 Actual Q1 YTD	FY 2024 % of Budget	FY 2025 Adopted Budget	FY 2025 Actual Q1 YTD	FY 2025 % of Budget	FY 2025 Adopted Budget	FY 2025 Projection	FY 2025 $ Variance Adopted Budget vs. Projected
REVENUES:									
Charges for Services	$3,841,830	$711,868	19%	$4,233,415	$786,493	19%	$4,233,415	$4,248,415	$15,000
Interest and Other	62,000	28,276	46%	52,000	39,669	76%	52,000	101,000	49,000
Transfers from Other Funds	275,000	68,750	25%	275,000	68,750	25%	275,000	275,000	-
	$4,178,830	**808,894**		**$4,560,415**	**$894,912**		**$4,560,415**	**$4,624,415**	**$64,000**
EXPENSES:									
Departmental O&M	$3,511,231	$779,587	22%	$3,816,977	$808,977	21%	$3,816,977	$3,828,177	($11,200)
Non-Departmental O&M	28,776	2,044	7%	34,040	2,044	6%	34,040	34,040	-
Capital Outlay/Purchases	-	-		40,000	-	0%	40,000	43,900	(3,900)
Transfers to Capital	500,000	125,000	25%	250,000	62,500	25%	250,000	250,000	-
Debt Service	517,718	192,904	37%	645,326	256,447	40%	645,326	478,326	167,000
	$4,557,725	**$1,099,535**		**$4,786,343**	**$1,129,967**		**$4,786,343**	**$4,634,443**	**$151,900**
Adjustment for Expenses from Capital Projects		**$0**			**$0**			**$0**	

KEY RATIOS:

Unrestricted cash target range as a % of operating expenses & debt service	15% - 20%	
Projected unrestricted cash as a % of operating expenses at year end	31%	
Financial Policy targeted debt coverage ratio minimum:	1.20	
Ending debt coverage ratio:	1.74	(a)

Note (a) Calculation of debt coverage includes $70,000 of estimated capitalizable costs for internal labor charges applicable to time spent on capital project activities.

January 28, 2025

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

Re: September 30, 2024 Quarterly Report - General Fund

Attached is the Financial Summary for the General Fund (Fund) for the fiscal period which ended September 30, 2024.

This quarterly report provides comparative information for the same period of the prior fiscal year and an annualized projection through the end of the current fiscal year.

NON-DEDICATED REVENUES

- Real Estate Taxes:

  Real Estate taxes are due in four quarterly installments on November 15, January 15, March 15, and May 15. As of the date of this report, the first installment for FY 2025 has not been billed. Economic Development tax incentive payments totaling $161,183 have been paid.

- Personal Property Taxes:

  Personal Property tax revenue collected is $3,239,341, which is $405,190 more than the amount collected in the first quarter of FY 2024. Economic Development tax incentives totaling $27,830 have been paid. Personal property taxes are payable in two equal installments on June 5 and December 5. Additional billings for personal property acquisitions are due March 5 and September 5.

  In 1998, the Virginia General Assembly enacted the Personal Property Tax Relief Act (PPTRA) to reimburse citizens for a portion of the local personal property tax. In the 2004 Virginia General Assembly, the State capped the amount reimbursed to localities, which equates to $950 million for FY 2025. This action eliminates the 70% reimbursement. Lynchburg's share is $5,543,584. During the first quarter of FY 2025, the State reimbursed the City $277,179 (5%), as scheduled. Future payments have been scheduled for November 2024 (75%), February 2025 (15%), and May 2025 (5%).

- Consumer Utility Taxes - Electric:

  Consumer Utility Tax – Electric revenue of $328,167 has been collected, which is 9.4% of the fiscal year budget, based on collections for 2 months. Staff is monitoring this revenue and providing the Finance Committee with monthly updates.

- Communication Sales and Use Taxes:

  Communication Sales and Use tax revenue of $190,594 has been collected, which is 9.5% of the fiscal year budget.

- Local Sales Tax:

  Sales tax revenue of $1,858,086 has been collected, which is 8.4% of the fiscal year budget, based on collections for 1 month. Economic Development tax incentives totaling $128,170 have been paid.

- Business License

  Business License revenue of $206,176 has been collected. The majority of the tax will be collected from March to May. Economic Development tax incentives totaling $37,617 have been paid.

- Meals Tax

  Meals tax revenue of $3,217,443 has been collected, which is 15.0% of the fiscal year budget, based on collections for 2 months. Economic Development tax incentives totaling $340,585 have been paid.

- Lodging Tax

  Lodging tax revenue of $724,468 has been collected, which is 16.8% of the fiscal year budget, based on collections for 2 months. Economic Development tax incentives totaling $423,554 have been paid.

- Permit, Fees, and Licenses:

  Permit, Fees, and Licenses revenue of $331,837 has been collected, which is 26.9% of the fiscal year budget.

- Fines and Forfeitures:

  Fines and Forfeitures revenue of $26,299 has been collected, which is 9.0% of the fiscal year budget.

- Interest on Investments:

  Investment income of $1,716,181 has been earned, which is 42.8% of the fiscal year budget.

- Charges for Services

  Charges for Services revenue of $2,676,234 has been collected, which is 21.8% of the fiscal year budget.

DEDICATED REVENUES

Intergovernmental Revenues (consisting of Constitutional Officers, Health and Human Services, and State & Federal subsidies) of $7,307,005 have been received, which is 16.8% of the fiscal year budget. The timing of submitting and receiving reimbursements for constitutional offices impacts these revenues.

EXPENDITURES

- Operating Expenditures:

  The percentage of operating expenditures spent through the first quarter of FY 2025, 24.6%, is on target with budget projections.

- Debt Service

  Debt Service expenditures are on pace with FY 2025 budget projections.

SUMMARY

This report represents three months of fiscal activity. As the year progresses, revised estimates for revenues and expenditures will be presented to reflect the impact of changes.

Respectfully submitted,

D. S. Witt

Donna S. Witt
Chief Financial Officer

cc: Wynter C. Benda, City Manager
Gregory Patrick, Deputy City Manager
Rhonda Allbeck, Assistant Director of Financial Services

Fiscal Year	Fiscal Calendar 2025
Fiscal Quarter of Year	(Multiple Items)
Fiscal Month of Year	(Multiple Items)
Fund	1001 General Fund
Account Type	Revenue
Process Status	Posted

Revenues	Adopted Budget	Budget Amendment	Amended Budget	Actual Amount 9.30.24	Remaining Budget w/o Encumbrances	Percentage of Amended Budget	Actual Amount 9.30.23
100 Taxes							
02110.0100 - Current Real Property Tax	68,813,667	-	68,813,667	(2,493)	68,816,160	0.0%	2,447,264
02110.0105 - Tax Relief For Elderly	(630,000)	-	(630,000)	0	(630,000)	0.0%	(597,738)
02110.0110 - Tax Relief-Rehabilitation Real Property	(1,405,549)	-	(1,405,549)	-	(1,405,549)	0.0%	(1,362,008)
02110.0200 - Delinquent Real Property Tax	1,000,000	-	1,000,000	385,096	614,904	38.5%	224,409
02110.0900 - Real Estate Tax- Economic Development Incentive	(172,936)	-	(172,936)	(161,183)	(11,753)	93.2%	(172,427)
02120.0100 - Current PSC Tax	2,320,000	-	2,320,000	-	2,320,000	0.0%	-
02130.0101 - Current Personal Property Tax PCI	24,500,000	-	24,500,000	3,239,341	21,260,659	13.2%	2,834,151
02130.0201 - Delinquent Personal Property Tax PCI	2,150,000	-	2,150,000	114,811	2,035,189	5.3%	171,402
02130.0205 - Recovery-C/O Personal Property Tax	-	-	-	-	-	0.0%	30
02130.0900 - Personal Property Tax- Economic Development Incentive	(21,347)	-	(21,347)	(27,830)	6,483	130.4%	(31,109)
02170.0105 - Penalty-Delinquent Tax	850,000	-	850,000	180,794	669,206	21.3%	162,461
02170.0205 - Interest-Delinquent Tax	350,000	-	350,000	83,652	266,348	23.9%	74,410
02510.0000 - Local Sales And Use Tax	22,000,000	-	22,000,000	1,858,086	20,141,914	8.4%	1,756,307
02510.0900 - Local Sales & Use Tax- Economic Development Incentive	(119,437)	-	(119,437)	(128,170)	8,733	107.3%	(123,279)
02515.0100 - Consumer Utility Tax-Electric	3,500,000	-	3,500,000	328,167	3,171,833	9.4%	620,879
02515.0105 - Consumer Utility Tax-Gas	600,000	-	600,000	148,831	451,169	24.8%	55,535
02515.0120 - Right of Way Fees	225,000	-	225,000	46,577	178,423	20.7%	17,285
02515.0900 - Pen & Int - Consumer Utility Tax, None	-	-	-	0	(0)	0.0%	1
02517.0000 - Communication Sales & Use Tax	2,000,000	-	2,000,000	190,594	1,809,406	9.5%	172,736
02520.0000 - Business License Tax	10,900,000	-	10,900,000	206,176	10,693,824	1.9%	260,967
02520.0010 - Consumption Tax-Electric	300,000	-	300,000	27,524	272,476	9.2%	51,184
02520.0015 - Consumption Tax-Gas	30,000	-	30,000	3,593	26,407	12.0%	2,499
02520.0030 - Pen & Int-Business License	100,000	-	100,000	71,872	28,128	71.9%	56,336
02520.0900 - Business License Tax- Economic Development Incentive	(34,449)	-	(34,449)	(37,617)	3,168	109.2%	(33,394)
02530.0001 - Motor Vehicle Licenses PCI	-	-	-	-	-	0.0%	79,508
02530.0201 - Delinquent Motor Vehicle License	35,000	-	35,000	7,731	27,269	22.1%	10,024
02535.0000 - Bank Stock Tax	900,000	-	900,000	-	900,000	0.0%	(266)
02540.0100 - Recordation Tax-City	750,000	-	750,000	69,055	680,945	9.2%	62,762
02540.0200 - Probate Tax	25,000	-	25,000	3,596	21,404	14.4%	5,701
02545.0000 - Tobacco Tax	750,000	-	750,000	189,000	561,000	25.2%	178,870
02550.0000 - Amusement Tax	950,000	-	950,000	163,057	786,943	17.2%	150,456
02550.0005 - Pen & Int - Amusement Tax	-	-	-	494	(494)	0.0%	115
02555.0000 - Lodging Tax	4,300,000	-	4,300,000	724,468	3,575,532	16.8%	654,771
02555.0005 - Pen & Int - Lodging Tax	-	-	-	233	(233)	0.0%	1,376
02555.0900 - Lodging Tax- Economic Development Incentive	(394,223)	-	(394,223)	(423,554)	29,331	107.4%	(390,065)
02560.0000 - Meals Tax	21,500,000	-	21,500,000	3,217,443	18,282,557	15.0%	3,147,016
02560.0005 - Pen & Int - Meals Tax	60,000	-	60,000	19,675	40,325	32.8%	15,249
02560.0900 - Meals Tax- Economic Development Incentive	(349,834)	-	(349,834)	(340,585)	(9,249)	97.4%	(385,472)
100 Taxes Total	**165,780,892**	**-**	**165,780,892**	**10,158,437**	**155,622,455**	**6.1%**	**10,117,945**
110 Permits, Fees, & Licenses							
03005.0000 - Animal Licenses	4,000	-	4,000	914	3,086	22.9%	662

Revenues	Adopted Budget	Budget Amendment	Amended Budget	Actual Amount 9.30.24	Remaining Budget w/o Encumbrances	Percentage of Amended Budget	Actual Amount 9.30.23
03010.0200 - Permit Parking Fees	200,000	-	200,000	50,873	149,127	25.4%	68,404
03010.0205 - Permit Parking Fees- Lease Agreement, None	4,500	-	4,500	1,080	3,420	24.0%	920
03010.0400 - Land Disturbing Fees	24,000	-	24,000	6,200	17,800	25.8%	10,328
03010.0600 - Transfer Fees	2,000	-	2,000	637	1,363	31.9%	610
03010.0700 - Zoning Appeal Fees-Inspc	1,000	-	1,000	75	925	7.5%	-
03010.0702 - Zoning Certification Letter	3,500	-	3,500	500	3,000	14.3%	1,500
03010.0705 - Legal Notice Advertising	10,000	-	10,000	4,289	5,711	42.9%	1,097
03010.0710 - Site Plan Reviews	15,000	-	15,000	2,863	12,138	19.1%	2,822
03010.0715 - Conditional Use Permits	3,600	-	3,600	832	2,768	23.1%	2,008
03010.0720 - Re-zoning Fees	8,000	-	8,000	3,097	4,903	38.7%	1,467
03010.0800 - Subdivision Plat Review	12,500	-	12,500	1,140	11,360	9.1%	2,655
03010.0900 - Building Insp Permit Fee	650,000	-	650,000	163,161	486,839	25.1%	118,959
03010.0901 - Elevator Inspect Admin Fee	20,000	-	20,000	7,546	12,454	37.7%	8,089
03010.0902 - Elevator Inspect Admin Fee Pen & Int	-	-	-	146	(146)	0.0%	67
03010.0920 - Sign Inspect Permit Fee	5,000	-	5,000	900	4,100	18.0%	650
03010.0925 - Demolition Fees	4,000	-	4,000	3,900	100	97.5%	900
03010.0927 - Building Plan Review	40,000	-	40,000	11,468	28,532	28.7%	5,288
03010.0928 - Vacant Building Registration Fee	35,000	-	35,000	19,860	15,140	56.7%	19,799
03010.0929 - Pen & Int-Vacant Building Registration Fee	-	-	-	314	(314)	0.0%	1,563
03010.0930 - Certificate of Occupancy for Existing Building	-	-	-	450	(450)	0.0%	375
03010.0931 - Temporary Certificate of Occupancy, None	-	-	-	5,100	(5,100)	0.0%	2,550
03010.0932 - Working Without a Building Permit	-	-	-	100	(100)	0.0%	200
03010.0933 - Short Term Rental Fee, None	12,000	-	12,000	9,750	2,250	81.3%	7,500
03010.0934 - Vacant Property Registration- Civil Penalties, None	35,000	-	35,000	1,890	33,110	5.4%	3,992
03010.0935 - Short Term Rental Program- Civil Penalty, None	5,000	-	5,000	-	5,000	0.0%	-
03010.0936 - Non-Compliance Penalty, None	-	-	-	-	-	0.0%	1,000
03010.0937 - Derelict- Civil Penalties, None	10,000	-	10,000	-	10,000	0.0%	-
03010.1000 - False Alarm Service Assessment	80,000	-	80,000	2,645	77,355	3.3%	5,395
03010.1005 - False Alarm Permit Fee, None	30,000	-	30,000	22,158	7,842	73.9%	45,639
03010.2005 - Taxicab Application Fees	3,000	-	3,000	100	2,900	3.3%	350
03010.2010 - Precious Metal Premits	1,600	-	1,600	200	1,400	12.5%	-
03010.2011 - Rental Reinspect/FollowUp	-	-	-	400	(400)	0.0%	950
03010.2012 - Rental Intial Inspection	-	-	-	1,150	(1,150)	0.0%	750
03010.2013 - Annual/Periodic Inspect Fee	12,000	-	12,000	1,800	10,200	15.0%	550
03010.2014 - Rental Intial Inspect-No Show	-	-	-	150	(150)	0.0%	650
03010.2015 - Rental Inspect- Pre Court	-	-	-	50	(50)	0.0%	150
03010.2016 - Rental Inspect-Annual No Show	-	-	-	100	(100)	0.0%	300
03010.2020 - Mobile Vendor License Fee	900	-	900	1,200	(300)	133.3%	40
03010.2028 - Dumpster Permit Fee , None	-	-	-	250	(250)	0.0%	250
03010.2029 - Dumpster Permit Fee- 30 Day Extension, None	-	-	-	-	-	0.0%	150
03010.2030 - Small Cell Facility (SCF)- Permit Fee, None	-	-	-	-	-	0.0%	50
03010.2050 - Misc Permit Fee & License	-	-	-	4,549	(4,549)	0.0%	2,391
110 Permits, Fees, & Licenses Total	**1,231,600**	**-**	**1,231,600**	**331,837**	**899,763**	**26.9%**	**321,018**
120 Fines & Forfeitures							
03510.0100 - Court Fines And Forfeitures, None	180,000	-	180,000	16,400	163,600	9.1%	6,593
03510.0105 - Criminal Court Fees	2,500	-	2,500	261	2,239	10.4%	287
03510.0200 - Parking Fines	110,000	-	110,000	9,638	100,362	8.8%	15,184
120 Fines & Forfeitures Total	**292,500**	**-**	**292,500**	**26,299**	**266,201**	**9.0%**	**22,064**
130 Use of Money & Property							

Revenues	Adopted Budget	Budget Amendment	Amended Budget	Actual Amount 9.30.24	Remaining Budget w/o Encumbrances	Percentage of Amended Budget	Actual Amount 9.30.23
04010.0100 - Interest on Investment	2,014,000	-	2,014,000	627,645	1,386,355	31.2%	682,479
04010.0101 - Interest-City Capital	1,543,000	-	1,543,000	451,681	1,091,319	29.3%	540,469
04010.0123 - Interest-Health Ins Resrv	-	-	-	86,207	(86,207)	0.0%	13,869
04010.0124 - Interest-OPEB	-	-	-	21,077	(21,077)	0.0%	6,598
04010.0132 - Interest Income - Nonjudicial Excess Funds, None	-	-	-	753	(753)	0.0%	801
04010.0156 - Interst-MktValueGain/Loss	-	-	-	423,559	(423,559)	0.0%	318,858
04020.0105 - Gen Govt Property Rental	135,000	-	135,000	41,429	93,571	30.7%	36,061
04020.0115 - Public Safety Prop Rent	33,000	-	33,000	-	33,000	0.0%	-
04020.0125 - Human Services Prop Rent	98,000	-	98,000	25,000	73,000	25.5%	25,000
04020.0135 - Downtown Parking Deck Lease, None	15,000	-	15,000	3,750	11,250	25.0%	-
04020.0200 - Jones Memorial Library Lease, None	15,070	-	15,070	3,768	11,303	25.0%	3,768
04020.0201 - Prop Rental-Stadium	20,000	-	20,000	5,100	14,900	25.5%	7,500
04020.0202 - Prop Rental-Market/Park.	130,000	-	130,000	24,246	105,754	18.7%	29,616
04020.0205 - Market Rent- Pen & Int	1,600	-	1,600	407	1,193	25.5%	387
04020.0207 - Rental of Museum Facilities, None	500	-	500	1,560	(1,060)	312.0%	-
130 Use of Money & Property Total	**4,005,170**	**-**	**4,005,170**	**1,716,181**	**2,288,989**	**42.8%**	**1,665,406**
140 Charges for Services							
04510.0900 - Collection & Tax Lien Fees	50,000	-	50,000	15,522	34,478	31.0%	11,689
04510.0901 - DMV Admin Fee	325,000	-	325,000	101,476	223,524	31.2%	116,770
04510.0915 - Processng Fee - Payroll deduction	4,000	-	4,000	1,490	2,510	37.3%	1,410
04510.0916 - Indirect Cost&Svc DetHome	250,922	-	250,922	62,731	188,192	25.0%	70,297
04510.0918 - Indirect Cost&Srvc Water	1,219,026	-	1,219,026	304,757	914,270	25.0%	301,385
04510.0919 - Indirect Cost&Srvc Sewer	278,691	-	278,691	77,318	201,373	27.7%	69,728
04510.0920 - Indirect Cost&Srvc WWTP	691,029	-	691,029	165,112	525,917	23.9%	148,904
04510.0921 - Indirect Cost&Srvc Airprt	203,165	-	203,165	50,791	152,374	25.0%	45,284
04510.0922 - Indirect Cost&Svc Strmwtr	408,896	-	408,896	102,224	306,672	25.0%	85,964
04515.0101 - Document Reprod Costs	7,000	-	7,000	2,247	4,753	32.1%	2,560
04515.0200 - Court Room Sheriff Fee, None	101,000	-	101,000	24,789	76,211	24.5%	26,245
04515.0300 - Fees For Court Officers	7,244	-	7,244	7,244	(0)	100.0%	7,244
04515.0301 - Legal Service Charges	42,500	-	42,500	42,500	-	100.0%	-
04515.0303 - Probation Supervisor Fee	8,000	-	8,000	3,900	4,100	48.8%	2,325
04515.0304 - Jail Fee, None	1,500	-	1,500	906	594	60.4%	683
04515.0305 - E-Summons Fee, None	22,500	-	22,500	5,948	16,552	26.4%	5,868
04515.0400 - Commonwealth Atty.Fees	5,000	-	5,000	1,701	3,299	34.0%	1,508
04515.0401 - CA Coll Fees- Gen Dist Ct	55,000	-	55,000	11,479	43,521	20.9%	11,853
04515.0402 - CA Coll Fees- J&D Court	4,000	-	4,000	1,151	2,849	28.8%	1,168
04515.0403 - CA Coll Fees- Circuit Crt	55,000	-	55,000	13,227	41,773	24.0%	10,449
04515.0404 - CA Coll Fees- FOIA Requests, None	770	-	770	71	699	9.2%	-
04520.0300 - Fire Prevention Fees	3,500	-	3,500	2,396	1,104	68.5%	950
04520.0301 - Ambulance Service Fees	3,859,710	-	3,859,710	598,023	3,261,687	15.5%	556,431
04520.0304 - Delinq Ambulance>120 Days	275,000	-	275,000	28,109	246,891	10.2%	38,451
04520.0305 - LFD Off Duty, None	134,563	-	134,563	34,778	99,785	25.8%	31,710
04520.0306 - LFD Off Duty - Penalty and Interest, None	-	-	-	265	(265)	0.0%	136
04520.0901 - PIER Contract Payments	23,000	-	23,000	17,000	6,000	73.9%	20,500
04520.0903 - Police-Schools Resource Officer (SRO) Prog	140,000	-	140,000	-	140,000	0.0%	-
04520.0904 - Local Reimb-COL Confined Space	50,000	-	50,000	12,500	37,500	25.0%	12,500
04520.0905 - Police Report Sales	2,200	-	2,200	365	1,835	16.6%	540
04520.0906 - Range Use Fee	13,800	-	13,800	13,600	200	98.6%	12,800
04520.0908 - DUI Fees, None	-	-	-	-	-	0.0%	949

Revenues	Adopted Budget	Budget Amendment	Amended Budget	Actual Amount 9.30.24	Remaining Budget w/o Encumbrances	Percentage of Amended Budget	Actual Amount 9.30.23
04520.0909 - LPD Off Duty	1,100,000	-	1,100,000	278,981	821,019	25.4%	232,278
04525.0106 - Downtown Parking Fees	40,000	-	40,000	5,387	34,613	13.5%	6,187
04525.0107 - PW Admin Stormwater Charges	202,889	-	202,889	8,134	194,755	4.0%	9,778
04525.0108 - PW Eng Stormwater Charges	22,103	-	22,103	5,304	16,799	24.0%	6,377
04525.0109 - PW-Leaf Collection Stormwater Charges, None	216,129	-	216,129	-	216,129	0.0%	-
04525.0110 - PW BMP's Stormwater Charges, None	30,000	-	30,000	-	30,000	0.0%	-
04525.0218 - Trash Bag Srvc-Waste Zero	65,000	-	65,000	17,120	47,880	26.3%	17,132
04525.0219 - Landlord Set Out Program , None	6,000	-	6,000	2,077	3,924	34.6%	1,243
04525.0220 - Refuse Disposal Fee, None	419,000	-	419,000	126,344	292,656	30.2%	297,539
04525.0221 - Penalty- Refuse Disposal Fee, None	-	-	-	-	-	0.0%	2,511
04525.0300 - Bldg Maint Charge-Other	10,142	-	10,142	2,536	7,607	25.0%	2,536
04530.0409 - Human Services Court Order Fees	-	-	-	-	-	0.0%	(58)
04530.0410 - Lynchburg Youth Group Home Charges	700,000	-	700,000	187,375	512,625	26.8%	111,625
04535.0100 - Swimming Pool Fees	30,000	-	30,000	24,160	5,840	80.5%	23,303
04535.0150 - Recreation Program Fees	519,900	-	519,900	134,227	385,673	25.8%	132,442
04535.0151 - Recreation Program- Scholarship Fees , None	7,000	-	7,000	845	6,155	12.1%	1,287
04535.0300 - Library Fines & Fees	15,000	-	15,000	7,232	7,768	48.2%	6,893
04535.0301 - Law Library Fees	30,000	-	30,000	8,739	21,261	29.1%	7,552
04535.0303 - Lost/Damaged Library Prop	3,000	-	3,000	811	2,190	27.0%	946
04535.0304 - Delinq Library Fines & Fees	-	-	-	52	(52)	0.0%	-
04535.0305 - Delinq Library Lost/Damaged	500	-	500	1,624	(1,124)	324.8%	44
04535.0306 - Delinq Library Pen & Int	200	-	200	701	(501)	350.5%	31
04540.0103 - Charges For Demolition	-	-	-	-	-	0.0%	255
04540.0105 - Comm Develop Stormwater Charges	612,478	-	612,478	153,120	459,358	25.0%	146,090
04540.0108 - Neighborhood Services - Derelict Residential DERR, None	-	-	-	4,000	(4,000)	0.0%	-
04599.0002 - Secure Vacant Stru Reimb	-	-	-	-	-	0.0%	1,140
04599.0004 - Neighborhood Services, None	25,000	-	25,000	3,256	21,745	13.0%	7,596
04599.0009 - Penalty and Interest- Neighborhood Services Receivables, None	-	-	-	591	(591)	0.0%	822
140 Charges for Services Total	**12,296,357**	**-**	**12,296,357**	**2,676,234**	**9,620,123**	**21.8%**	**2,611,851**
150 Miscellaneous Revenue							
05030.0105 - Suspense Revenue/Exp Ref	-	-	-	-	-	0.0%	-
05050.0105 - Pmt In Lieu Tax-WestCntbr	54,438	-	54,438	-	54,438	0.0%	-
05050.0110 - Pymt In Lieu of Tax-LRHA	25,000	-	25,000	-	25,000	0.0%	-
05050.0228 - Recreation Program - Donations, None	-	-	-	-	-	0.0%	9,950
05050.0230 - Friends of Lynchburg Library	19,458	-	19,458	3,174	16,284	16.3%	-
05050.0232 - Digg's Trust Rec-Pt Honor	36,770	-	36,770	9,193	27,577	25.0%	-
05050.0400 - Sale-Salvage/Surplus Prop	-	-	-	3,079	(3,079)	0.0%	2,956
05050.0415 - Proceeds frm PropRoom.com	-	-	-	176	(176)	0.0%	338
05050.2001 - Cash Overage And Shortage	-	-	-	(1,494)	1,494	0.0%	(226)
05050.2011 - Reimb.POH Carriage House	28,924	-	28,924	7,231	21,693	25.0%	-
05050.2013 - Photo Reprod And Royalty	100	-	100	-	100	0.0%	-
05050.2016 - Dedicated Misc Rev HumSvc	-	-	-	313	(313)	0.0%	930
05050.2025 - Credit Card Rebate	100,000	-	100,000	-	100,000	0.0%	-
05050.2028 - WardsCrossingWestSvcFee	143,277	-	143,277	-	143,277	0.0%	-
05050.2034 - P&R Spec Event Sponsorship, None	10,000	-	10,000	-	10,000	0.0%	750
05050.2049 - Residential Trash Violation, None	12,000	-	12,000	10,339	1,661	86.2%	4,080
05050.2055 - Hillcats - Donation Youth Athletic Programs	10,000	-	10,000	-	10,000	0.0%	10,000
05050.2056 - Commission on City Vending Machine Sales	-	-	-	1,007	(1,007)	0.0%	1,452
05050.2059 - Court Restitution, None	-	-	-	51	(51)	0.0%	309

Revenues	Adopted Budget	Budget Amendment	Amended Budget	Actual Amount 9.30.24	Remaining Budget w/o Encumbrances	Percentage of Amended Budget	Actual Amount 9.30.23
05050.2065 - FOIA Requests, None	-	-	-	-	-	0.0%	46
05050.2066 - P&R Special Events- GF Support Revenue, None	10,000	-	10,000	-	10,000	0.0%	-
05050.2070 - Rehab-Renovation Program Fees, None	-	-	-	625	(625)	0.0%	10,625
05050.2090 - Miscellaneous Revenue	100,000	-	100,000	15,773	84,227	15.8%	4,951
150 Miscellaneous Revenue Total	**549,967**	**-**	**549,967**	**49,468**	**500,499**	**9.0%**	**46,162**
300 State Non-Categorical Aid							
06100.0300 - Rolling Stock Taxes	90,000	-	90,000	104,445	(14,445)	116.1%	95,630
06100.0400 - Mobile Home Titling Taxes	1,000	-	1,000	300	700	30.0%	5,979
06100.0600 - Deeds Of Conveyance	200,000	-	200,000	21,804	178,196	10.9%	24,862
06100.0900 - Auto Rental Tax-DMV	450,000	-	450,000	139,558	310,442	31.0%	153,015
06100.0905 - Peer to Peer Vehicle Sharing Tax, None	2,500	-	2,500	1,283	1,217	51.3%	1,648
06100.1108 - Personal Prop Tax Relief	5,543,584	-	5,543,584	277,179	5,266,405	5.0%	277,179
300 State Non-Categorical Aid Total	**6,287,084**	**-**	**6,287,084**	**544,570**	**5,742,514**	**8.7%**	**558,314**
310 State Shared Exp (Cat.)							
06510.0200 - Commissioner of Revenue	223,620	-	223,620	43,713	179,907	19.5%	37,529
06510.0300 - Treasurer	134,974	-	134,974	21,747	113,227	16.1%	22,042
06510.1000 - Registrar/Electoral Board	100,918	-	100,918	-	100,918	0.0%	-
06515.0100 - Clerk of Cir Crt-Fringes	798,052	-	798,052	114,602	683,450	14.4%	116,064
06515.0200 - Sheriff	1,315,098	-	1,315,098	221,895	1,093,203	16.9%	216,940
06515.0400 - Commonwealth Attorney	1,365,094	-	1,365,094	228,740	1,136,354	16.8%	94,235
310 State Shared Exp (Cat.) Total	**3,937,756**	**-**	**3,937,756**	**630,697**	**3,307,059**	**16.0%**	**486,810**
320 State Categorical Aid							
06820.0201 - Wireless E911	380,000	-	380,000	72,533	307,467	19.1%	69,851
06820.0203 - HB 599 Law Enforc.Asst	3,250,000	-	3,250,000	976,031	2,273,969	30.0%	-
06825.0100 - Street And Highway Maint.	9,743,419	-	9,743,419	2,435,855	7,307,564	25.0%	2,385,609
06830.0412 - Health Department	-	-	-	3,008	(3,008)	0.0%	-
06830.0413 - SS State Adm Sub 0901	2,776,715	-	2,776,715	408,880	2,367,835	14.7%	434,493
06830.0414 - SS State Prog Sub 0902	5,020,451	-	5,020,451	544,768	4,475,683	10.9%	377,870
06835.0102 - SNAP Program Reimb	37,000	-	37,000	12,385	24,615	33.5%	9,639
06835.0300 - Finan Asst-Public Library	234,494	-	234,494	64,491	170,003	27.5%	51,179
320 State Categorical Aid Total	**21,442,079**	**-**	**21,442,079**	**4,517,951**	**16,924,128**	**21.1%**	**3,328,641**
330 State Aid in Suspense							
05030.0100 - Suspense Rev-Va EDI Pmts	-	-	-	118,985	(118,985)	0.0%	685,271
330 State Aid in Suspense Total	**-**	**-**	**-**	**118,985**	**(118,985)**	**0.0%**	**685,271**
520 Fed Cat Aid- Pass Thru							
07830.0420 - Fed Pass Thru:Cost AIIDMG	573,000	-	573,000	-	573,000	0.0%	-
07830.0421 - SS Fed Adm Sub 0901	7,180,807	-	7,180,807	936,283	6,244,524	13.0%	979,744
07830.0422 - SS Fed Prog Sub 0902	3,965,652	-	3,965,652	522,688	3,442,964	13.2%	335,821
07830.0430 - USDA Funding - Group Home, None	25,000	-	25,000	9,689	15,311	38.8%	7,349
07875.0003 - Human Services Depreciation Reimbursement, None	-	-	-	12,467	(12,467)	0.0%	-
07875.0021 - FINI Double-Dollars	30,000	-	30,000	13,675	16,325	45.6%	12,530
520 Fed Cat Aid- Pass Thru Total	**11,774,459**	**-**	**11,774,459**	**1,494,802**	**10,279,657**	**12.7%**	**1,335,445**
700 Proceed From Indebtedness							
08550.0000 - Proceeds - Line of Credit	-	-	-	-	-	0.0%	153,950
700 Proceed From Indebtedness Total	**-**	**-**	**-**	**-**	**-**	**0.0%**	**153,950**
710 Operating Transfers In							
09301.0003 - TrfFrmCtyCp-Capital Proj	1,600,000	-	1,600,000	1,600,000	-	100.0%	-
710 Operating Transfers In Total	**1,600,000**	**-**	**1,600,000**	**1,600,000**	**-**	**100.0%**	**-**
Grand Total	**229,197,864**	**-**	**229,197,864**	**23,865,460**	**205,332,404**	**10.4%**	**21,332,875**

Fiscal Year	Fiscal Calendar 2025
Fiscal Quarter of Year	(Multiple Items)
Fund	1001 General Fund
Account Type	Expenses
Process Status	Posted

Expenditures	Adopted Budget	Budget Amendment	Amended Budget	Actual Amount 9.30.24	Remaining Budget w/ Encumbrances	Percentage Used w/ Encumbrances	Actual Amount 9.30.23
2022 Communications/Public Engagement							
0021 Communications/Public Engagement	1,035,981	279,819	1,315,800	275,241	921,711	30.0%	303,964
0022 Customer Service Center	-	-	-	-	-	0.0%	-
0029 Local Government Channel	-	-	-	-	-	0.0%	-
2022 Communications/Public Engagement Total	**1,035,981**	**279,819**	**1,315,800**	**275,241**	**921,711**	**30.0%**	**303,964**
2023 Council / Manager							
0010 City Council and Clerk	282,034	22,278	304,312	51,679	252,633	17.0%	43,871
0028 City Manager Offices	1,399,925	186,213	1,586,138	321,616	1,195,631	24.6%	234,859
2023 Council / Manager Total	**1,681,959**	**208,491**	**1,890,450**	**373,296**	**1,448,264**	**23.4%**	**278,730**
2030 City Attorney							
0050 City Attorney	1,224,330	46,278	1,270,608	254,059	1,016,549	20.0%	197,049
0051 Risk Management	1,428,460	-	1,428,460	1,428,460	-	100.0%	1,328,236
2030 City Attorney Total	**2,652,790**	**46,278**	**2,699,068**	**1,682,519**	**1,016,549**	**62.3%**	**1,525,285**
2035 State Treasurer							
0060 State Treasurer	205,681	5,179	210,860	43,693	167,167	20.7%	42,706
2035 State Treasurer Total	**205,681**	**5,179**	**210,860**	**43,693**	**167,167**	**20.7%**	**42,706**
2040 Commissioner Of Revenue							
0070 Com Rev-State/Loc Budget	991,883	26,599	1,018,482	186,597	820,937	19.4%	187,173
2040 Commissioner Of Revenue Total	**991,883**	**26,599**	**1,018,482**	**186,597**	**820,937**	**19.4%**	**187,173**
2045 City Assessor							
0080 City Assessor	798,725	124,092	922,817	191,223	729,517	20.9%	189,638
2045 City Assessor Total	**798,725**	**124,092**	**922,817**	**191,223**	**729,517**	**20.9%**	**189,638**
2050 Finance							
0090 Office of Management & Budget	1,039,545	155,763	1,195,308	212,032	975,336	18.4%	202,775
0093 Billings And Collections	2,027,625	117,156	2,144,781	438,670	1,400,677	34.7%	281,376
0094 Procurement	567,858	27,904	595,762	115,270	467,173	21.6%	113,478
0095 Accounting	1,185,539	185,622	1,371,161	202,514	863,003	37.1%	212,024
2050 Finance Total	**4,820,567**	**486,444**	**5,307,011**	**968,486**	**3,706,189**	**30.2%**	**809,653**
2055 Human Resources							
0110 Human Resources	1,196,672	37,220	1,233,892	219,390	1,009,719	18.2%	203,539
0111 Occupational Health Svs	216,440	-	216,440	52,658	163,782	24.3%	90,057
2055 Human Resources Total	**1,413,112**	**37,220**	**1,450,332**	**272,048**	**1,173,501**	**19.1%**	**293,596**
2057 Information Technology							

Expenditures	Adopted Budget	Budget Amendment	Amended Budget	Actual Amount 9.30.24	Remaining Budget w/ Encumbrances	Percentage Used w/ Encumbrances	Actual Amount 9.30.23
0115 Application Services	1,516,344	65,373	1,581,717	356,014	1,222,583	22.7%	291,049
0116 Network Services	2,228,463	67,216	2,295,679	543,148	1,752,531	23.7%	489,534
0117 I T Administration	783,802	24,153	807,955	162,643	627,819	22.3%	112,191
0125 GIS	410,118	13,666	423,784	103,412	320,372	24.4%	71,054
2057 Information Technology Total	**4,938,727**	**170,408**	**5,109,135**	**1,165,217**	**3,923,305**	**23.2%**	**963,827**
2065 Registrar							
0150 Registrar	301,884	5,446	307,330	74,690	231,537	24.7%	81,512
0151 Electoral Board	145,774	143,200	288,974	169,473	(23,699)	108.2%	4,231
2065 Registrar Total	**447,658**	**148,646**	**596,304**	**244,163**	**207,839**	**65.1%**	**85,743**
2090 Education							
0200 Lcl Sch Oper Contribution	40,360,355	-	40,360,355	1,339,645	39,020,710	3.3%	8,250,000
2090 Education Total	**40,360,355**	**-**	**40,360,355**	**1,339,645**	**39,020,710**	**3.3%**	**8,250,000**
2105 Circuit Court-Judge							
0300 Circuit Court-Judge	186,731	3,726	190,457	28,333	161,877	15.0%	38,113
2105 Circuit Court-Judge Total	**186,731**	**3,726**	**190,457**	**28,333**	**161,877**	**15.0%**	**38,113**
2110 General District Court							
0310 General District Court	61,373	1,297	62,670	12,867	48,835	22.1%	10,671
2110 General District Court Total	**61,373**	**1,297**	**62,670**	**12,867**	**48,835**	**22.1%**	**10,671**
2115 Juvenile & Dr Dist Court							
0320 Juvenile & Dr Dist Court	28,400	2,205	30,605	3,821	22,298	27.1%	7,456
2115 Juvenile & Dr Dist Court Total	**28,400**	**2,205**	**30,605**	**3,821**	**22,298**	**27.1%**	**7,456**
2120 24th Court Service Unit							
0330 24th Court Service Unit	1,500	-	1,500	0	1,500	0.0%	26
2120 24th Court Service Unit Total	**1,500**	**-**	**1,500**	**0**	**1,500**	**0.0%**	**26**
2125 Commonwealth's Attorney							
0340 Commonwealth Attorney	2,275,655	17,102	2,292,757	482,299	1,808,095	21.1%	437,087
0343 Com Aty Fines & Fees Coll	73,484	1,020	74,504	16,285	57,208	23.2%	14,737
2125 Commonwealth's Attorney Total	**2,349,139**	**18,122**	**2,367,261**	**498,584**	**1,865,303**	**21.2%**	**451,824**
2130 Magistrate's Office							
0350 Magistrate's Office	8,166	63	8,229	193	7,983	3.0%	216
2130 Magistrate's Office Total	**8,166**	**63**	**8,229**	**193**	**7,983**	**3.0%**	**216**
2135 Circuit Court-Clerk							
0360 Circuit Court-Clerk	1,241,472	4,347	1,245,819	246,963	998,856	19.8%	234,918
2135 Circuit Court-Clerk Total	**1,241,472**	**4,347**	**1,245,819**	**246,963**	**998,856**	**19.8%**	**234,918**
2200 City Sheriff							
0400 City Sheriff And Jail	3,043,207	(5,514)	3,037,693	650,006	2,365,187	22.1%	606,302
2200 City Sheriff Total	**3,043,207**	**(5,514)**	**3,037,693**	**650,006**	**2,365,187**	**22.1%**	**606,302**
2240 Police							
0420 Police Operations	25,678,172	1,306,615	26,984,787	5,098,806	20,672,364	23.4%	4,706,242

Expenditures	Adopted Budget	Budget Amendment	Amended Budget	Actual Amount 9.30.24	Remaining Budget w/ Encumbrances	Percentage Used w/ Encumbrances	Actual Amount 9.30.23
0421 Animal Warden	427,791	8,277	436,068	67,554	366,634	15.9%	76,662
0422 Emergency Communications	3,899,914	(27,229)	3,872,685	759,945	3,010,648	22.3%	-
0429 Range Operations	13,800	148	13,948	1,673	10,923	21.7%	1,391
0430 Police Off Duty Employmnt	1,040,551	1,367	1,041,918	190,169	851,749	18.3%	197,491
2240 Police Total	**31,060,228**	**1,289,177**	**32,349,405**	**6,118,146**	**24,912,319**	**23.0%**	**4,981,785**
2245 Emergency Services							
0422 Emergency Communications	-	-	-	-	-	0.0%	812,416
2245 Emergency Services Total	**-**	**-**	**-**	**-**	**-**	**0.0%**	**812,416**
2270 Fire							
0444 Fire Operations And Ems	25,117,511	113,242	25,230,753	4,884,960	20,124,974	20.2%	4,797,263
0446 TRT- PIER Program	73,000	-	73,000	7,051	65,949	9.7%	12,988
0447 Fire Training Division	-	-	-	52,642	(52,996)	0.0%	64,513
0449 Emergency Services	-	-	-	25,320	(25,320)	0.0%	-
2270 Fire Total	**25,190,511**	**113,242**	**25,303,753**	**4,969,973**	**20,112,606**	**20.5%**	**4,874,764**
2400 Public Works							
0600 Public Works Administrat.	1,433,865	42,060	1,475,925	263,009	1,210,570	18.0%	214,852
0605 Engineering	5,218,591	363,374	5,581,965	1,151,126	4,143,400	25.8%	1,005,743
0632 Street Maintenance,II	4,494,648	1,987,317	6,481,965	813,140	3,596,028	44.5%	663,294
0635 Snow Removal	455,102	340,079	795,181	13,187	441,915	44.4%	10,209
0640 Refuse Collection	5,180,250	993,203	6,173,453	904,685	3,726,528	39.6%	1,103,935
0645 Parks/Grounds Maintenance	5,100,091	339,368	5,439,459	977,315	3,923,667	27.9%	1,112,772
0649 Baseball Stadium Maint	150,495	3,417	153,912	58,270	64,632	58.0%	46,685
0650 Building Maintenance	5,027,591	180,371	5,207,962	879,127	4,073,043	21.8%	978,113
0660 Human Services Maint.	45,174	14,193	59,367	3,439	26,164	55.9%	11,232
2400 Public Works Total	**27,105,807**	**4,263,381**	**31,369,188**	**5,063,299**	**21,205,948**	**32.4%**	**5,146,835**
2555 Health							
0800 Health Operations	600,000	-	600,000	300,000	-	100.0%	175,000
2555 Health Total	**600,000**	**-**	**600,000**	**300,000**	**-**	**100.0%**	**175,000**
2561 Juvenile Services							
0905 Juvenile Detention Home	950,000	-	950,000	362,670	587,330	38.2%	374,390
0906 Juvenile Services	2,393,250	67,563	2,460,813	522,774	1,915,384	22.2%	447,217
2561 Juvenile Services Total	**3,343,250**	**67,563**	**3,410,813**	**885,444**	**2,502,714**	**26.6%**	**821,607**
2562 Social Services							
0901 Social Services Admin.	12,396,581	357,530	12,754,111	2,466,229	10,234,500	19.8%	2,331,056
0902 Public Assistance	9,131,614	-	9,131,614	1,656,556	7,475,058	18.1%	1,433,638
0915 Csa Service Providers	2,096,086	-	2,096,086	524,022	1,572,065	25.0%	520,897
2562 Social Services Total	**23,624,281**	**357,530**	**23,981,811**	**4,646,807**	**19,281,622**	**19.6%**	**4,285,591**
2563 Recreation Services							
0116 Network Services	22,385	-	22,385	6,198	16,187	27.7%	5,574

Expenditures	Adopted Budget	Budget Amendment	Amended Budget	Actual Amount 9.30.24	Remaining Budget w/ Encumbrances	Percentage Used w/ Encumbrances	Actual Amount 9.30.23
1002 Parks/Rec/Market	476,928	11,470	488,398	90,922	389,144	20.3%	110,655
1010 Recreation, General Admin	792,430	50,648	843,078	173,931	647,152	23.2%	138,686
1011 Recreation Services	155,535	6,537	162,072	35,759	126,313	22.1%	5,515
1013 Recreation, Athletic	160,977	18,711	179,688	44,484	135,204	24.8%	40,522
1015 Recreation, Park Services	962,393	39,710	1,002,103	190,997	800,915	20.1%	196,635
1022 Recreation, Aquatics	148,945	14,579	163,524	102,173	58,391	64.3%	77,220
1023 Recreation, Naturalist	217,679	6,521	224,200	36,684	187,516	16.4%	47,553
1027 Recreation Programs	591,505	3,124	594,629	131,431	460,074	22.6%	141,075
1028 City-wide Centers	305,243	34,021	339,264	90,300	248,964	26.6%	61,916
1029 Neighborhood Centers	898,292	26,746	925,038	188,299	736,739	20.4%	175,364
2563 Recreation Services Total	**4,732,312**	**212,067**	**4,944,379**	**1,091,179**	**3,806,599**	**23.0%**	**1,000,714**
2610 Libraries							
1100 Public Library	1,989,689	142,090	2,131,779	462,985	1,627,181	23.7%	410,443
1120 Law Library	11,001	-	11,001	1,839	9,162	16.7%	2,033
2610 Libraries Total	**2,000,690**	**142,090**	**2,142,780**	**464,824**	**1,636,343**	**23.6%**	**412,476**
2611 Museum System							
1150 Museum	528,377	22,046	550,423	104,676	441,668	19.8%	99,299
2611 Museum System Total	**528,377**	**22,046**	**550,423**	**104,676**	**441,668**	**19.8%**	**99,299**
2715 Community Development							
1200 Director-Comm Plan/Dev	417,922	13,830	431,752	89,290	337,963	21.7%	87,982
1201 Planning	512,353	130,424	642,777	99,147	441,514	31.3%	116,315
1202 Inspections	1,291,785	63,749	1,355,534	314,524	1,012,998	25.3%	259,668
1205 Zoning	438,781	14,172	452,953	88,487	364,466	19.5%	71,241
2715 Community Development Total	**2,660,841**	**222,175**	**2,883,016**	**591,448**	**2,156,941**	**25.2%**	**535,206**
2720 Office Of Economic Devel							
1300 Economic Development	1,969,645	70,146	2,039,791	649,613	1,378,470	32.4%	648,477
2720 Office Of Economic Devel Total	**1,969,645**	**70,146**	**2,039,791**	**649,613**	**1,378,470**	**32.4%**	**648,477**
5000 Nondept Employee Benefits							
1430 Non-allocated Emp Benefit	4,963,318	(470,564)	4,492,754	911,649	3,533,445	21.4%	673,471
5000 Nondept Employee Benefits Total	**4,963,318**	**(470,564)**	**4,492,754**	**911,649**	**3,533,445**	**21.4%**	**673,471**
5050 Non-Departmental							
1506 Water Oper Fund Payments	957,120	-	957,120	239,280	717,840	25.0%	225,381
1508 Stormwater Fee-City Bldgs	110,800	-	110,800	18,315	92,485	16.5%	16,643
1509 Stormwater Fee-School Bld	87,000	-	87,000	14,379	72,621	16.5%	13,066
1512 College Lake Dam Repairs	-	108,995	108,995	520	(520)	100.5%	463
1515 Alternative to CARES Funding	-	5,485	5,485	1,847	-	100.0%	650
1566 Managed Vacancy Program	(2,000,000)	-	(2,000,000)	-	(2,000,000)	0.0%	-
1567 Years of Service Awards	15,000	-	15,000	3,124	11,876	20.8%	4,375
1568 Retirement Recognition	5,000	-	5,000	-	5,000	0.0%	4,950

Expenditures	Adopted Budget	Budget Amendment	Amended Budget	Actual Amount 9.30.24	Remaining Budget w/ Encumbrances	Percentage Used w/ Encumbrances	Actual Amount 9.30.23
1569 Take Your Kids to Work Dy	1,000	-	1,000	81	919	8.1%	-
1570 Emp Appreciation Luncheon	10,000	-	10,000	146	9,854	1.5%	-
1573 Payment-Fleet Capital Chg	3,075,085	-	3,075,085	771,283	2,303,802	25.1%	792,188
1574 Health Management Program	15,000	-	15,000	(22,196)	37,196	-148.0%	-
1575 Employee Committee Funds	8,000	568	8,568	1,418	6,582	23.2%	-
1576 Line of Duty Act	420,000	-	420,000	139,180	2,786	99.3%	100,554
1579 Recruitment	50,000	-	50,000	5,823	13,977	72.0%	7,080
1580 International Festival	-	-	-	-	-	0.0%	(100)
1581 Workplace Safety & Wellness	60,000	-	60,000	15,171	44,829	25.3%	23,267
1637 City Cemetery Master Plan	166,858	-	166,858	110,126	-	100.0%	110,126
5050 Non-Departmental Total	**2,980,863**	**115,048**	**3,095,911**	**1,298,497**	**1,319,248**	**57.4%**	**1,298,644**
5060 Support Local/State Organ							
1702 V.P.I. Extension Service	47,525	-	47,525	-	-	100.0%	3
1705 Lynchburg Humane Society	575,000	-	575,000	575,000	-	100.0%	520,000
1707 Cent Va Alli for Comm Liv	25,000	-	25,000	25,000	-	100.0%	15,000
1708 Horizon Behavioral Health	943,770	-	943,770	235,943	-	100.0%	162,470
1709 Cvcc Board & Related Oper	1,930	-	1,930	1,930	-	100.0%	1,931
1711 Cent Va Planning Dist Com	54,086	-	54,086	54,086	-	100.0%	51,635
1715 Greater Lynch. Transit Co	1,879,308	-	1,879,308	939,654	939,654	50.0%	862,232
1721 Blue Ridge Regional Jail	6,773,233	-	6,773,233	(173,156)	1,866,464	72.4%	505,539
1724 Legal Aid Society	13,160	-	13,160	13,160	-	100.0%	13,160
1739 Contrib- Amazement Square	369	-	369	-	369	0.0%	-
1743 Central Va Reg Radio Brd	716,136	-	716,136	402,097	314,039	56.1%	385,766
1752 Impact Live Servc - 1st Respond	36,000	-	36,000	9,000	-	100.0%	-
5060 Support Local/State Organ Total	**11,065,517**	**-**	**11,065,517**	**2,082,713**	**3,120,526**	**71.8%**	**2,517,735**
7450 Debt Service							
5990 Principal Bonds/BANS/LOC	11,288,400	-	11,288,400	3,644,012	7,644,388	32.3%	3,154,524
5994 Interest Bonds/BANS/LOC	8,386,165	-	8,386,165	1,906,802	6,479,363	22.7%	1,814,536
5996 Debt Issuance Costs	-	-	-	-	-	0.0%	153,197
5997 Debt - Misc. Charges	4,500	-	4,500	-	4,500	0.0%	-
7450 Debt Service Total	**19,679,065**	**-**	**19,679,065**	**5,550,814**	**14,128,251**	**28.2%**	**5,122,257**
7570 Other Financing Uses							
9710 Operating Transfers Out	3,306,904	61,122	3,368,026	1,981,030	1,386,996	58.8%	98,462
7570 Other Financing Uses Total	**3,306,904**	**61,122**	**3,368,026**	**1,981,030**	**1,386,996**	**58.8%**	**98,462**
Grand Total	**231,079,035**	**8,022,442**	**239,101,477**	**44,893,007**	**179,531,218**	**24.9%**	**47,784,582**

AGENDA ITEM SUMMARY

MEETING DATE	PRESENTED BY
January 28, 2025	Donna Witt, Chief Financial Officer

AGENDA ITEM # IV.7

FY 2025 General Fund Reserve for Contingencies Update

RECOMMENDATION

Receive an update on the FY 2025 General Fund Reserve for Contingencies.

SUMMARY

The General Fund Reserve for Contingencies is a reserve in the General Fund Operating Budget designed to provide a source of funding for items not included in the current budget. Requests for use of this reserve is recommended by the Finance Committee with final approval by City Council.

The FY 2025 Reserve for Contingencies was adopted at $1,200,000, including $50,000 for City Manager's Discretionary expenditures. Updates are presented at the Finance Committee meeting.

PRIOR ACTION(S)

May 28, 2024: City Council, Adoption of the FY 2025 Operating Budget

FISCAL IMPACT

As noted in Attachment A.

CONTACT(S)

Donna Witt, Chief Financial Officer

ATTACHMENT(S)

1. General Fund Reserve for Contingencies - Finance Committee - January 2025

REVIEWED BY

D. S. Witt

Date: January 23, 2025

Donna Witt, Chief Financial Officer

FY 2025 GENERAL FUND RESERVE FOR CONTINGENCIES

	Reserve for Contingencies	City Manager's Discretionary Funding
BEGINNING BALANCE, JULY 1, 2024	$1,150,000	$50,000
Carryforward to FY 2025 Reserve for Contingencies - FY 2025 Adopted Budget	0	0
BALANCE	**$1,150,000**	**$50,000**
APPROPRIATIONS (Second Reading)		
TOTAL APPROPRIATIONS	**$0**	**$0**
REMAINING BALANCE	**$1,150,000**	**$50,000**
ITEMS INTRODUCED		
TOTAL INTRODUCED ITEMS	**$0**	**$0**
REMAINING BALANCE	**$1,150,000**	**$50,000**
PENDING ITEMS		
Community Development - Request for $116,160 for Demolition of Blighted Properties (1/28/2025)	($116,160)	
TOTAL PENDING ITEMS	**($116,160)**	**$0**
ENDING BALANCE, JUNE 30, 2025	**$1,033,840**	**$50,000**

Finance Committee
Agenda Item IV.8.
Information Only

AGENDA ITEM SUMMARY

MEETING DATE	PRESENTED BY
January 28, 2025	Donna Witt, Chief Financial Officer

AGENDA ITEM # IV.8

Monthly Revenue Collections Update

RECOMMENDATION

Review collections received from five of the City's revenue sources during Fiscal Year 2025. This report reflects revenues collected through November 2024.

SUMMARY

A comparison of collections received by month is provided for the following revenues:

1. Sales and Use Tax
2. Consumer Utility Tax - Electric
3. Meals Tax
4. Lodging Tax
5. Amusement Tax

PRIOR ACTION(S)

May 28, 2024: City Council, Adoption of the FY 2025 Operating Budget

FISCAL IMPACT

As noted on report.

CONTACT(S)

Donna Witt, Chief Financial Officer

ATTACHMENT(S)

1. Monthly Tax Revenues Comparison FY 2025- November 2024

REVIEWED BY

Date:

Donna Witt, Chief Financial Officer

Comparison of Collections
Budget to Actual
Fiscal Year 2025

	Actual FY 2022	Actual FY 2023	Actual FY 2024	Adopted FY 2025	Actual FY 2025	Actual FY 2025 to Adopted FY 2025	Actual FY 2025 to Actual FY 2025
SALES & USE TAX							
ADOPTED FY 2025 BUDGET - $22,000,000							
JULY	$1,595,392	$1,752,856	$1,756,307	$1,757,960	$1,858,087	$100,127	$105,231
AUGUST	1,567,107	1,734,950	1,735,715	1,737,349	1,925,891	188,542	190,941
SEPTEMBER	1,702,723	1,910,727	1,873,719	1,875,483	1,782,891	(92,592)	(127,836)
OCTOBER	1,727,124	1,826,541	1,779,505	1,781,180	1,873,631	92,451	47,090
NOVEMBER	1,705,132	1,755,273	1,849,100	1,850,840	1,909,776	58,936	154,503
TOTAL	**$8,297,478**	**$8,980,347**	**$8,994,346**	**$9,002,812**	**$9,350,276**	**$347,464**	**$369,929**
CONSUMER UTILITY TAX - ELECTRIC							
ADOPTED FY 2025 BUDGET - $3,500,000							
JULY	$320,905	$323,534	$305,391	$303,585	$328,167	$24,582	$4,633
AUGUST	340,374	326,175	315,489	313,624	326,991	13,367	816
SEPTEMBER	321,494	316,174	313,758	311,903	302,612	(9,291)	(13,562)
OCTOBER	285,740	264,598	259,987	258,450	258,383	(67)	(6,215)
NOVEMBER	265,895	248,183	240,492	239,070	247,468	8,398	(715)
TOTAL	**$1,534,408**	**$1,478,664**	**$1,435,117**	**$1,426,632**	**$1,463,621**	**$36,989**	**($15,043)**

Comparison of Collections
Budget to Actual
Fiscal Year 2025

	Actual Collected FY 2022 [2]	Actual Collected FY 2023 [2]	Actual Collected FY 2024 [2]	Adopted FY 2025	Actual Assessed FY 2025	Actual Assessed FY 2025 to Adopted FY 2025	Actual Collected FY 2025 [2]	Actual Collected FY 2025 to Adopted FY 2025	Actual Collected FY 2025 to Collected FY 2024
MEALS TAX									
ADOPTED FY 2025 BUDGET - $21,500,000									
JULY [1]	$1,381,484	$1,450,812	$1,445,285	$1,664,742	$1,568,899	($95,843)	$1,463,383	($201,359)	$18,098
AUGUST	1,506,141	1,608,171	1,701,730	1,810,513	1,741,484	(69,029)	1,754,060	(56,453)	52,330
SEPTEMBER	1,457,339	1,636,715	1,815,499	1,787,870	1,754,453	(33,417)	1,740,798	(47,072)	(74,701)
OCTOBER	1,537,383	1,677,356	1,759,675	1,857,002	1,807,476	(49,526)	1,731,117	(125,885)	(28,558)
NOVEMBER	1,452,953	1,531,231	1,672,125	1,757,737	1,754,056	(3,681)	1,734,682	(23,055)	62,557
TOTAL	**$7,335,300**	**$7,904,285**	**$8,394,314**	**$8,877,864**	**$8,626,368**	**($251,496)**	**$8,424,040**	**($453,824)**	**$29,726**
LODGING TAX									
ADOPTED FY 2025 BUDGET - $4,300,000									
JULY [1]	$242,273	$268,473	$287,424	$341,838	$304,097	($37,741)	$323,561	($18,277)	$36,137
AUGUST	333,446	335,707	367,347	406,757	401,148	(5,609)	400,907	(5,850)	33,560
SEPTEMBER	263,845	301,809	341,274	380,352	333,670	(46,682)	327,595	(52,757)	(13,679)
OCTOBER	317,407	384,448	411,122	452,601	376,556	(76,045)	376,203	(76,398)	(34,919)
NOVEMBER	194,097	241,126	297,618	352,943	267,609	(85,334)	273,200	(79,743)	(24,418)
TOTAL	**$1,351,068**	**$1,531,563**	**$1,704,785**	**$1,934,491**	**$1,683,080**	**($251,411)**	**$1,701,466**	**($233,025)**	**($3,319)**
AMUSEMENT TAX									
ADOPTED FY 2025 BUDGET - $950,000									
JULY [1]	$59,351	$46,938	$88,097	$96,977	$84,443	($12,534)	$83,599	($13,378)	($4,498)
AUGUST	55,160	97,916	62,359	68,804	77,609	8,805	79,458	10,654	17,099
SEPTEMBER	45,639	60,593	62,730	69,355	69,951	596	70,629	1,274	7,899
OCTOBER	55,688	70,383	93,525	87,983	80,926	(7,057)	81,550	(6,433)	(11,975)
NOVEMBER	54,292	64,081	57,177	68,195	92,300	24,105	91,894	23,699	34,717
TOTAL	**$270,130**	**$339,911**	**$363,888**	**$391,314**	**$405,229**	**$13,915**	**$407,130**	**$15,816**	**$43,242**

[1] Due to year end accounting activities, a portion of revenues associated with May and June were posted in June and July.

[2] "Actual Collected" includes all revenue received per month regardless of whether the payment is current or delinquent.

Finance Committee
Agenda Item IV.9.
Information Only

AGENDA ITEM SUMMARY

MEETING DATE	PRESENTED BY
January 28, 2025	Donna Witt, Chief Financial Officer

AGENDA ITEM # IV.9

Reaffirm the City Council's Finance Committee Guidelines

RECOMMENDATION

Review and reaffirm the guidelines for the operation of the City Council's Finance Committee.

SUMMARY

The City Council's Finance Committee Guidelines are reviewed by the Finance Committee for relevance biannually, in conjunction with the appointment of the Finance Committee chair. Following review by the Finance Committee, these guidelines require approval by the City Council.

PRIOR ACTION(S)

FISCAL IMPACT

None.

CONTACT(S)

Donna Witt, Chief Financial Officer

ATTACHMENT(S)

1. Finance Committee Guidelines REVISED January 24, 2023

REVIEWED BY

D. S. Witt

Donna Witt, Chief Financial Officer

Date: January 23, 2025

Finance Committee Guidelines
(*Revised: January 24, 2023)*

General Purpose Statement

To guide the City in the execution of Council-adopted financial policies; to review and serve as a filter in determining specific budget/financial actions to be considered by City Council; and, to review financial reports on a quarterly basis to determine if any revenue or expenditure adjustments are necessary during the fiscal year.

To better facilitate the Finance Committee meetings, the agenda format is divided into two sections: General Business and Other Information. Following is a sample of items that may be included in each of these sections:

I. Items considered as General Business

1. A review of the status of the General Fund Reserve for Contingencies
2. Any item requesting an appropriation from:
   - Reserve for Contingencies-All Funds
   - Fund Balance-All Funds
3. Review of grant applications:
   Prior to submitting grant applications, the grant application or concept will be reviewed by the Finance Committee if local funding is required during or following the end of the grant period. Departments applying for grants must include a strategy for consideration by the Committee outlining what action will occur when the grant funding expires.
4. Discuss quarterly financial reports for the General, Water, Sewer, Stormwater, Airport, Juvenile Detention Home, Children's Services Act (CSA) Funds, and Greater Lynchburg Transit Company (GLTC).
5. Proposed Amendments to Fiscal Management Policies.
6. Other items deemed appropriate by the City Manager.

II. Items Considered as Other Information

1. Items that do not require immediate Council action but are to advise Council on future items, issues, or simply information sharing. Examples include: reports from bond rating agencies, changes in Virginia Retirement System costs, changes in accounting identified by the Governmental Accounting Standards Board (GASB), grants that are fully reimbursable, requiring no current or local funding.

III. Financial items to be considered by the full City Council

1. Input into the planning and approach for the annual Capital Improvement Program and Operating Budget.
2. Review and deliberations regarding the Proposed Capital Improvement Program and Operating Budget.
3. Requests for funding by outside agencies.
4. First Quarter Adjustments
5. Third Quarter Adjustments
6. Use of Contingency
7. The structure and timing of proposed bond sales.
8. New programs or changes in programs creating a current or future budget impact, to include both revenue and expenditure impact.

IV. Roll Call Items

CITY OF LYNCHBURG
FINANCIAL MANAGEMENT POLICIES

Policy I	***Fund Balance***	**Adopted August 10, 1999** **Reaffirmed November 14, 2000** **Revised October 29, 2002** **Reaffirmed September 28, 2004** **Reaffirmed December 12, 2006** **Reaffirmed December 9, 2008** **Reaffirmed November 23, 2010** **Revised May 10, 2011** **Revised February 26, 2013** **Revised March 22, 2016** **Reaffirmed March 27, 2018** **Revised December 10, 2019**	**Reaffirmed January 24, 2023**
Policy II	***Debt Management***	**Adopted August 10, 1999** **Reaffirmed November 14, 2000** **Revised October 29, 2002** **Reaffirmed September 28, 2004** **Revised December 12, 2006** **Revised December 9, 2008** **Revised November 23, 2010** **Revised February 26, 2013** **Revised March 22, 2016** **Reaffirmed March 27, 2018** **Revised December 10, 2019**	**Reaffirmed January 24, 2023**
Policy III	***Budget***	**Adopted November 14, 2000** **Revised October 29, 2002** **Reaffirmed September 28, 2004** **Revised December 12, 2006** **Revised December 9, 2008** **Reaffirmed November 23, 2010** **Revised February 26, 2013** **Revised March 22, 2016** **Reaffirmed March 27, 2018** **Reaffirmed December 10, 2019**	**Reaffirmed January 24, 2023**
Policy IV	***Investment***	**Adopted September 25, 2001** **Revised October 29, 2002** **Reaffirmed September 28, 2004** **Revised December 12, 2006** **Revised December 9, 2008** **Reaffirmed November 23, 2010** **Revised February 26, 2013** **Reaffirmed March 22, 2016** **Reaffirmed March 27, 2018** **Reaffirmed December 10, 2019**	**Revised January 24, 2023**

Basis for Sound Financial Management Policies

The primary objective of sound financial management policies is for the City Council to create a framework within which financial decisions can be made. These policies are a statement of the guidelines and goals that influence and guide the financial management practices of the City of Lynchburg. Financial management policies that are adopted, adhered to, and regularly reviewed are recognized as the cornerstone of sound financial management. Sound financial management policies:

- Contribute significantly to the City's ability to insulate itself from fiscal crisis and economic disruption.
- Enhance short-term and long-term financial credit ability by helping to achieve the highest credit and bond ratings possible.
- Promote long-term financial stability by establishing clear and consistent guidelines.
- Direct attention to the total financial picture of the City rather than single-issue areas.
- Promote the view of linking long-term financial planning with day-to-day operations.
- Provide the City Council and citizens a framework for measuring the fiscal impact of government services against established fiscal parameters and guidelines.
- Ensure that the organization has sufficient resources to perform mandated responsibilities.
- Provide a foundation for evaluating financial analysis and condition.

Financial Management Policies

The City intends to adhere to these policies. If there is any anticipated or unplanned variance from these policies, staff will advise City Council and establish a plan for recovery within three years.

Policy I - Fund Balance

<u>General Fund</u>

Unassigned Fund Balance

- The City of Lynchburg's Unassigned General Fund Balance will be maintained at a level to provide the City with sufficient working capital and a comfortable margin of safety to address emergencies and unexpected declines in revenue without borrowing.
- The City shall not use the Unassigned General Fund Balance to finance recurring operating expenditures.
- The City will maintain an Unassigned General Fund Balance (UGFB) equal to a minimum of 10% of General Fund revenues with a goal of 15% as the City strives to grow incrementally each year subject to revenues available. In the event the UGFB is used to provide for temporary funding of unforeseen emergency needs, the City shall restore the Unassigned General Fund Balance to the previous level within three years.
- The City will balance moving towards the 15% targeted fund balance with its annual "Pay as you go" capital improvement requirements.

Committed Fund Balance

- Committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of City Council. These committed fund balance amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed to previously commit those amounts. Committed fund balance also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned Fund Balance

- Assigned fund balance includes amounts that are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed. Fund Balance may be assigned either through the encumbrance process as a result of normal purchasing activity (which includes the issuance of a purchase order), or by the City Manager or designee, in accordance with Council adopted fund balance policy.

Restricted Fund Balance

- Restricted fund balance includes amounts that have constraints placed on their use by external sources such as creditors, grantors, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Non-Spendable Fund Balance

- Non-spendable Fund Balance includes amounts that cannot be spent because they are either not in spendable form such as inventories and prepaids or they are legally or contractually required to be maintained intact.

Policy on the order of spending resources

- The City considers restricted fund balance to be spent when an expenditure is incurred for purposes for which restricted and unrestricted fund balance are available unless prohibited by legal documents or contracts. When an expenditure is incurred for purposes for which committed, assigned or unassigned amounts are available, the City considers committed fund balance to be spent first, then assigned fund balance, and lastly unassigned fund balance.

<u>Enterprise Funds</u>

Water Fund

- Minimum ending fund balance shall not be less than 25% of total fund appropriations with a target balance of 40% of total fund appropriations. In the event the ending fund balance falls below the minimum of 25% of total fund appropriations, the City shall restore the fund balance to the minimum of 25% within three years. Funds in excess of the annual requirements may be considered for "pay-as-you-go" capital outlay expenditures, other non-recurring expenditures or funding of necessary reserves. Total appropriations include operating expenses, debt service and transfers.
- A rate review will be conducted at least every two years.

Sewer Fund

- In accordance with the Virginia Department of Environmental Quality Special Order, the City shall annually adjust sewer system reserve funds to no more than 40% of the subsequent fiscal years' budgeted operating expenses and debt service.
- Minimum ending fund balance shall not be less than 25% of total fund appropriations. In the event the ending fund balance falls below the minimum of 25% of total fund appropriations, the City shall restore the fund balance to the minimum of 25% within three years. Total appropriations include operating expenses, debt service and transfers.
- Ending fund balance in excess of 40% will be reallocated to "pay-as-you-go" capital outlay expenditures.
- A rate review will be conducted at least every two years.

Stormwater Fund

- Minimum ending fund balance shall not be less than 15% of total fund appropriations with a target balance of 20% of total fund appropriations. In the event the ending fund balance falls below the minimum of 15% of total fund appropriations, the City shall restore the fund balance to the minimum of 15% within three years. Total appropriations include operating expenses, debt service and transfers.
- Funds in excess of the annual requirements may be considered for "pay-as-you-go" capital outlay expenditures, other non-recurring expenditures or funding of necessary reserves.
- A rate review will be conducted at least every two years.

Policy II - Debt Management

<u>Tax-Supported Debt</u>

Tax-supported obligations are those that are expected to be repaid from the General Fund tax revenue of the City of Lynchburg. These include general obligation bonds (except self-supporting bonds) and capital leases. General obligation bonds issued for self-supporting enterprise funds are not included in calculations of tax-supported bonds.

- The City will not use long-term debt to fund current operations.
- The City will not use short-term borrowing to fund current operations.
- Whenever the City finds it necessary to issue tax-supported bonds, the following policy will be adhered to:
  1. The City will never borrow more than it has the capacity to repay.
  2. The term of any bond issue will not exceed the useful life of the capital project/facility or equipment for which the borrowing is intended.
  3. Annual debt service expenditures for tax-supported debt should not exceed 10% of total General Fund Expenditures plus School Component Unit Expenditures minus the General Fund Transfer to Schools.
  4. Total tax-supported debt will not exceed 4.50% of the net assessed valuation of taxable property in the City of Lynchburg.
  5. The 10-Year Principal Payout Ratio shall not be less than 60% at the end of each adopted five-year Capital Improvement Program for Tax-Supported General Obligation Indebtedness.

Revenue-Supported Debt

The Water, Sewer and Stormwater Funds may issue General Obligation or Revenue-Supported Debt.

Revenue-supported obligations are those for which the debt service is payable solely from the revenue generated from the operation of the project being financed or a category of facilities (i.e. water, sewer). These are not considered tax-supported debt of the City. Whenever the City finds it necessary to issue revenue-supported bonds, the following guidelines will be adhered to:

1. The term of any revenue-supported or general obligation bond issue will not exceed the useful life of the capital project/facility or equipment for which borrowing is intended.
2. Revenue-supported and general obligation bonds will be structured to allow equal or declining annual debt service payments over a term not to exceed the life of the project being financed. For those revenue-supported bonds issued through the Virginia Revolving Loan Fund, annual debt service payments shall not exceed thirty years.
3. The Water, Sewer and Stormwater Funds, net revenues available for debt service shall not be less than 1.2 times annual debt service for each fiscal year. For the Sewer Fund, in accordance with the Virginia Department of Environmental Quality Special Order, net revenues shall not exceed 1.5 times annual debt service computed on a three-year rolling average. Net revenues available for debt service will be calculated as operating income, plus depreciation and amortization, plus interest income, plus governmental grants, plus miscellaneous income, plus capital contributions of others who jointly share in ownership of an infrastructure or facility, and plus any capitalized costs. Debt service will include all debt service paid by the respective fund; however, the principal portion of any bond anticipation notes or other short-term financing should be excluded.
4. In the event net revenues available for debt service falls below 1.2 times annual debt service of any fiscal year, the City shall restore the net revenues available for debt service to the minimum of 1.2 within three years.

Refinancing of Debt

- The City shall issue refunding bonds to achieve debt service savings, eliminate onerous covenants or provisions in outstanding bond documents, or to respond to a financial emergency.
- The City shall continually monitor its outstanding debt to identify instances where the City may achieve savings through an advance refunding or current refunding transaction.
- The City shall receive a written refunding analysis indicating the amount of net present value savings from its financial advisor prior to selling bonds to refund any outstanding bonds.

- A refunding transaction to achieve debt service savings should only be undertaken when the net present value of the savings, net of issuance costs, will be at least 3% of the principal amount of the refunded bonds. Refunding transactions for revenue bonds can be structured so that savings are realized over the life of the refunding bonds or up-front, depending on the results of a cost-benefit analysis.

General Debt Policies

- The City will maintain communication with bond rating agencies to keep them abreast of its financial condition and will provide them with information on a timely basis including the City's *Annual Comprehensive Financial Report*, *Annual Adopted Budget* and *Capital Improvement Program*.
- The City shall comply with all of its undertakings in accordance with Securities and Exchange Commission Rule 15c2-12 and will follow the Government Finance Officers' Association and Securities and Exchange Commission requirements for continuing disclosure.
- The City may use the Virginia Public School Authority (VPSA) or State Literary Fund loans to finance school capital projects. City bonds sold to the VPSA and Literary Fund loans constitute general obligation debt of the City. City Council shall approve any application to the VPSA or the Department of Education for a Literary Fund loan. City Council shall approve the issuance of the bonds as required by the Public Finance Act. The School Board shall recommend such financings before a proposed financing is brought to City Council for approval.

Policy III - Budget

Principles

- Public participation in the budgetary process will be encouraged.
- The City will avoid dedicating revenue to a specific project or program because of the constraint this may place on flexibility in resource allocation except in instances where programs are expected to be self-sufficient or where revenue is dedicated to a program for statutory or policy reasons.
- The budget process will be coordinated in a way that major policy issues are identified for City Council several months prior to consideration of budget approval. This will allow adequate time for appropriate decisions and analysis of financial impacts.

Policies

- City Council shall adopt a balanced budget in accordance with all legal requirements.
- A structured budget preparation and formulation process shall be used for all departments and agencies receiving funding from the City.
- Departmental budgets shall be managed within the total appropriated budget for each fiscal year.
- All operating budget appropriations shall lapse at the end of the fiscal year to the extent that they are not expended or encumbered.
- The budget shall be adopted by the favorable vote of a majority of members of City Council.
- The Vision and priorities established by City Council as well as the *Comprehensive Plan* will serve as the framework for the budget proposed by the City Manager.
- The fiscal year for the City is July 1 through June 30 as defined by the *City Code*, Section 18-1.
- One-time revenues shall be used for one-time expenditures only.
- A General Fund Reserve for Contingencies of $1.2 million shall be used as a source of funding for unanticipated expenditures during the budget year. The Reserve for Contingencies is limited to one-time expenditures and shall not be considered a source for recurring financing.

Process

- The City Manager shall annually prepare a *Proposed Budget* for City Council review. The *Proposed Budget* shall serve as a financial plan for the upcoming fiscal year and shall contain the following information:
  1. A budget message that outlines the proposed revenue and expenditures for the upcoming fiscal year together with an explanation of any major changes from the previous fiscal year. The budget message should also include any proposals for major changes in financial policy.
  2. Charts indicating the major revenues and expenditures in each major fund (General, Water, Sewer, Stormwater, Airport) as well as changes in fund balance for all funds.
  3. Summaries of proposed expenditures by function, department and activity for all funds proposed to be expended in a fiscal year.
  4. A schedule of estimated requirements for the principal and interest of each bond issue.
  5. A three-year history of revenues and expenditures to include the prior year actual, current year adopted, revised and proposed budgets for each major fund.
  6. The proposed budget appropriation resolution, including the tax levy.
- The City Council shall hold a public hearing on the budget submitted by the City Manager and all interested citizens shall be given an opportunity to be heard on issues related to the proposed budget, including the *Capital Improvement Program*.
- Following the public hearing on the *Proposed Budget*, City Council may make adjustments. In instances where City Council increases the total proposed expenditures, it shall also identify a source of funding at least equal to the proposed expenditures.

Capital Improvement Program

- A five-year *Capital Improvement Program (CIP)* that serves as the basis for annual capital appropriations and debt financing requirements shall be prepared and updated annually.
- The *CIP* shall include descriptions, timeline, cost estimates, and a schedule of expected expenditures for each project.
- Debt service requirements and funding needs for schools and City government shall be determined based on the *Adopted CIP*.
- Long-term borrowing shall be confined to major capital improvements and equipment purchases.
- Short-term borrowing shall be limited to bond anticipation notes and equipment leasing, where feasible, with a life of less than 8 years.
- Capital project appropriations shall lapse upon project completion, allowing for an adequate warranty period. Lapsed appropriations shall remain in the Capital Fund for reallocation to other projects.
- Incremental operating costs associated with capital projects shall be funded in the operating budget after being identified and approved in the Capital Improvement Program.
- Pay-as-you-go funding, including State Highway Maintenance Funds, State Revenue Sharing Funds, State and federal grants, and other cash sources, shall not be less than 10%, with a goal of 15%, of the City's 5-Year CIP.

Quarterly Financial Reporting

The City Manager will present to the City Council's Finance Committee (with copies to the remainder of Council) quarterly financial reports identifying meaningful trends in revenues and expenditures for the General, Water, Sewer, Stormwater, Airport, Children's Services Act, Juvenile Detention, and Greater Lynchburg Transit Company Funds.

Third Quarter Review

In March, Budget staff will evaluate all expenditures and revenues as compared to budget and make recommendations to City Council regarding possible budget adjustments. Section 15.2-2507 of the *Code of Virginia* requires that a public hearing be held prior to City Council action when a proposed amendment of the budget exceeds one percent of the total expenditures shown in the currently adopted budget.

First Quarter Review

In September, Budget staff will evaluate requests for the carry forward of funds remaining from prior year appropriations and other possible budget adjustments. Section 15.2-2507 of the Code of Virginia requires that a public hearing be held prior to City Council action when a proposed budget amendment exceeds one percent of the total expenditures shown in the currently adopted budget.

Policy IV - Investment

I. Policy Statement

It is the policy of The City of Lynchburg, Virginia ("the City") that the investment and administration of its funds be made in accordance with the Code of Virginia Investment of Public Funds Act, the applicable provisions of any outstanding bond indebtedness, and this policy. The City shall be in complete compliance with all applicable federal, state and local laws, and other regulations and statutes governing the investment of public funds. Within those parameters, the goal of this policy is to achieve the highest rate of return that is reasonable. The City will establish an Investment Committee consisting of the City Manager, Deputy City Manager, and Director of Financial Services. This Committee will provide broad policy oversight over investments. This policy will be reviewed on an annual basis. Any changes must be approved by the Investment Committee and be reaffirmed by City Council. See Appendix 1 for a Glossary of Investment Terms.

II. Scope

This policy applies to the investment of all the financial assets and funds held by the City. Specific requirements or limitations imposed upon the investment of Bond Proceeds, Debt Service Funds and Debt Service Reserve Funds are located in Section X of this Policy. These Funds are accounted for in the City of Lynchburg's *Annual Comprehensive Financial Report* and include the General, Special Revenue, Capital Projects, and Proprietary Funds.

III. Objectives

Funds shall be invested in only those investments permitted by Federal, State and local law as it relates to public funds, as well as any contractual agreements entered into by the City.

All of the City's funds, regardless of term, shall be invested with the following objectives listed in the order of priority:

1. *Safety* - Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the portfolio. Specifically, the City will:
    a. seek to avoid realizing any loss through the sale or disposal of an investment; and
    b. seek to mitigate the risk of unrealized losses due to a decline in value of investments held in the portfolio.
2. *Liquidity* - The investment portfolio shall remain sufficiently liquid to meet all cash requirements that may be reasonably anticipated. This shall be accomplished by structuring the portfolio in the following manner:
    a. The City will purchase investments scheduled to mature in accordance with its anticipated cash needs, in order to minimize the need to sell investments prior to maturity;
    b. A portion of City Funds will be maintained in cash equivalents, including money market funds, investment pools and overnight securities, which may be easily liquidated without a loss of principal should an unexpected need for cash arise; and
    c. The portfolio will consist largely of investments with active secondary markets.
3. *Yield* - The City's investment portfolio shall be designed with the objective of maximizing a fair rate of return consistent with the investment risk constraints and cash flow characteristics of the portfolio. The Investment Committee shall establish suitable benchmarks for the measurement of the portfolio's return.

IV. Delegation of Authority

Under the guidance of the Investment Committee, the City's Director of Financial Services is the official charged with collecting, safeguarding and disbursing City funds. In this capacity, and with consensus from the Investment Committee, the Director of Financial Services is responsible for establishing staff roles and responsibilities, considering the quality and capability of staff, selecting investment advisors and consultants involved in investment management, and developing and maintaining appropriate administrative procedures for the operation of the investment program. Examples of key staff roles and responsibilities include, but are not limited to, solicitation of investment offerings, placement of purchase and sell orders, confirmation of trades, and preparation of reports and other activities as required for the daily operations of the investment area. The Director of Financial Services is also charged with developing written standard Investment procedures and an asset allocation plan consistent with this policy. Such procedures shall be reviewed and approved by the Investment Committee. Subject to the approval of the Investment Committee and City Council, the Director of Financial Services may employ financial consultants on a contractual basis to assist in the development and implementation of investment procedures and policies, to monitor the effectiveness and continued compliance with such policies and procedures, and to provide guidance in investment matters.

V. Standards of Care

The standard of prudence to be used by investment personnel shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. The "prudent person" standard states:

> "Investments shall be made with judgment and care – under circumstances then prevailing – which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

The Director of Financial Services, and those delegated investment authority under this Policy, when acting in accordance with written procedures and this Investment Policy and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

VI. Ethics and Conflicts of Interest

Officers and employees of the City involved in the investment process shall refrain from personal business activities that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose to the Office of the Clerk of Council any material interests in financial institutions with which they conduct business and any personal investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City. Officers and employees are required to abide by the provisions of the Virginia Conflict of Interests Act. The Act prohibits City officers and employees from seeking or accepting money or any other thing of value for the performance of their duties, using confidential information for their own benefit and having a personal interest in a company with which the City is doing business. "Officer" means any person appointed or elected to the City's government whether or not he/she receives compensation or other emolument of office. "Employee" means all persons employed by the City.

VII. Collateral and Safekeeping Arrangements

The City's investments shall be held in safekeeping by a third party and evidenced by safekeeping receipts. As required by Virginia Code, all security holdings with maturities over 30 days may not be held in safekeeping with the "counterparty" to the investment transaction. The Code refers to counterparty as the issuer or seller of the security and any repurchase agreement provider. All securities purchased or sold will be transferred when possible only under "delivery vs. payment method" to ensure that funds or securities are not released until all criteria relating to the specific transaction are met.

VIII. Competitive Selection of Investment Instruments

It is desirable to select investments on a competitive basis when possible to ensure that the City receives the best price available on a particular investment and avoids paying excessive fees, mark-ups or other compensation to the provider. A list will be maintained of approved financial institutions and security broker/dealers selected by creditworthiness (*e.g.*, a minimum capital requirement of $10,000,000 and at least five years of operations). These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified for investment transactions will supply the following as appropriate:

- Audited financial statements
- Proof of National Association of Securities Dealers (NASD) certification
- Proof of state registration
- Certification of having read and understood and agreeing to comply with the City of Lynchburg Investment Policy

Under the guidance and oversight of the Investment Committee, the Director of Financial Services shall adhere to the following procedures, with assistance from the City's Investment Advisor where appropriate, when funds become available for investment to the extent practical:

1. The Director of Financial Services shall determine the class of investment and maturity range most appropriate for investment of the funds available, based upon the anticipated expenditure schedule of the City, the desired asset allocation of the City's portfolio and the City's Investment Plan.
2. Offers will be solicited for the selected investment from the list of pre-approved providers as noted above.
3. The Director of Financial Services will accept the offer (or bid, if the City is selling an investment) which provides the highest rate of return or which is otherwise deemed most suitable while complying with this Policy and any other criteria specified in the solicitation of offers.

The City shall retain a record of the offers received, the instruments chosen, and the rationale for making the decision.

From time to time, certain investment dealers may present the City with offers that are attractive for investment. Although the City should endeavor to verify (and document) that the price is "fair," it may occasionally purchase such a security without a competitive process if the investment is for $500,000 or less.

Additionally, a competitive process shall not be required for the investment of funds in money market funds, investment pools and overnight securities. However, it shall be the responsibility of the Director of Financial Services to be aware of the yields being offered by various highly liquid investments, and to invest the City's overnight funds in the vehicle(s) which provide a competitive return to the City while complying with this policy and any other criteria established by the Investment Committee or City Council.

IX. Suitable and Authorized Investments – Without Exception, Only the Following Investments Are Suitable and Authorized

1. **Treasury Securities**
   Bonds, Notes and Bills issued by the United States Treasury or certificates representing ownership of treasury bond principal or coupons.
2. **Agency Securities (FHLB, FNMA, FFCB, FHLMC, GNMA)**
   Obligations issued and guaranteed as to principal and interest by the Federal Home Loan Bank, the Federal National Mortgage Association, the Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, or the Government National Mortgage Association, maturing within five years of the date of purchase.

3. **Prime Commercial Paper**
   Commercial Paper maturing within 270 days of the day of purchase rated P-1 or higher by Moody's and A-l or higher by Standard & Poor's, provided that the issuing domestic corporation has a net worth of $50 million and its long-term debt is rated A or better by Moody's and Standard & Poor's.

4. **Corporate Bonds/Notes**
   Corporate obligations rated AA or higher by Standard & Poor's and Aa by Moody's that were issued by a domestic corporation with a net worth of at least $50 million maturing within five years of the date of purchase.

5. **Certificates of Deposit**
   Certificates of Deposit maturing within one year and issued by domestic banks rated P-l by Moody's and A-l by Standard & Poor's.

6. **Banker's Acceptances**
   Banker's Acceptances maturing within 180 days rated P-l or higher by Moody's and A-l or higher by Standard & Poor's, provided the issuer is a major domestic bank or the domestic office of an international bank rated AA category or higher by Moody's and Standard & Poor's.

7. **Commonwealth of Virginia and Virginia Local Government Obligations**
   General Obligations, Insured Obligations or Revenue Bonds secured by Debt Service Reserve Funds not subject to annual appropriation rated AA category or higher by Moody's or Standard & Poor's.

8. **Pre-Refunded Obligations of the Commonwealth of Virginia and Virginia Local Government Obligations**
   Obligations of the Commonwealth of Virginia and Virginia Local Governments that have been legally and economically defeased and are secured by an escrow account funded with cash or securities issued or unconditionally guaranteed by the United States Treasury.

9. **Repurchase Agreements**
   Repurchase Agreements collateralized by securities approved for investment herein, provided that the counterparty is rate A or better by Moody's and Standard & Poor's and the collateral is held by an independent third party. All Repurchase Agreements are purchased with a Master Repurchase Agreement in place with a third-party custodian.

10. **Open-End Investment Funds**
    Open-end Investment Funds registered under the Securities Act of the Commonwealth or the Federal Investment Company Act of 1940, provided that they invest only in securities approved for investment herein.

11. **Virginia Local Government Investment Pool**
    Any portfolio established by the Virginia Department of the Treasury.

12. **Virginia State Non-Arbitrage Program or Other Authorized Arbitrage Investment Management Programs**

X. Suitable and Authorized Investments – Restricted Funds

Funds defined as sinking funds under the Virginia Code may be invested in items listed in Section IX.1 and IX.6 above, repurchase agreements collateralized by those investments, and in the Virginia State Non-Arbitrage Program or other authorized Arbitrage Investment Management programs.

XI. Internal Controls

Under the guidance of the Investment Committee, the Director of Financial Services will establish and maintain an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse. The internal control structure will be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management. The Internal Audit Department shall add this Policy and related Procedures to their Audit Universe for audit consideration. The internal control structure will address the following points:

- Control of collusion
- Separation of transaction authority from accounting and record keeping

- Custodial safekeeping
- Avoidance of physical delivery of securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian

XII. Reporting

Under the guidance of the Investment Committee, the Director of Financial Services will ensure that a Management Report will be prepared on a quarterly basis. The information from this Report may be derived from the Investment Advisor and/or the Safekeeping Agent, or both, where appropriate. This Report will include information that provides an analysis of the status of the current investment portfolio and whether investment activities during the reporting period have conformed to the investment policy herein. The Report will be presented to City Council for information and comment. To the extent practical, the report detail may include such items as the following:

- Listing of securities held at the end of the reporting period
- Realized and unrealized gains or losses resulting from appreciation or depreciation
- Average weighted yield to maturity of portfolio on investments compared to benchmarks
- Listing of investment by maturity type
- Percentage of the total portfolio which each type of investment represents

XIII. Diversification

The City will endeavor to diversify its investment portfolio to avoid incurring unreasonable risks regarding (i) security type, (ii) individual financial institution or issuing entity, and (iii) maturity. Target asset allocation strategies shall be developed by the Investment Committee to provide guidance as to appropriate levels of diversification. With the exception of U. S. Treasury securities and authorized pools, no more than 50% of the City's total investment will be the obligations of a single financial institution.

XIV. Maximum Maturities

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than one year from the date of purchase.

Appendix 1: Glossary of Investment Terms

Accrued Interest – The accumulated interest due on a bond as of the last interest payment made by the issuer.

Agency – A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally sponsored agencies (FSA's) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of a federal agency is the Government National Mortgage Association (GOMA). An example of a FSA is the Federal National Mortgage Association (FNMA).

Amortization – The systematic reduction of the amount owed on a debt issue through periodic payments of principal.

Average Life – The average length of time that an issue of serial bonds and/or term bonds with a mandatory sinking fund feature is expected to be outstanding.

Basis Point – A unit of measurement used in the valuation of fixed-income securities equal to 1/100 of 1 percent of yield, e.g., "one-quarter" of 1 percent is equal to 25 basis points.

Bid – The indicated price at which a buyer is willing to purchase a security or commodity.

Book Value – The value at which a security is carried on the inventory lists or other financial records of an investor. The book value may differ significantly from the security's current value in the market.

Call Price – The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

Call Risk – The risk to a bondholder that a bond may be redeemed prior to maturity.

Callable Bond – A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

Cash Sale/Purchase – A transaction which calls for delivery and payment of securities on the same day that the transaction is initiated.

Collateralization – Process by which a borrower pledges securities, property, or other deposits for the purpose of securing the repayment of a loan and/or security.

Commercial Paper – An unsecured short-term promissory note issued by corporations, with maturities ranging from 2 to 270 days.

Convexity – A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

Corporate Bond – A promissory note issued by corporations with maturities ranging from 0 to 5 years.

Coupon Rate – The annual rate of interest received by an investor from the issuer of certain types of fixed-income securities. Also known as the "interest rate."

Credit Quality – The measurement of the financial strength of a bond issuer to help an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

Credit Risk – The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

Current Yield (Current Return) – A yield calculation determined by dividing the annual interest received on a security by the current market price of that security.

Delivery Versus Payment (DVP) – A type of securities transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or his/her custodian.

Discount – The amount by which the par value of a security exceeds the price paid for the security.

Diversification – A process of investing assets among a range of security types by sector, maturity, and quality rating.

Duration – A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

Fair Value – The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Federal Funds (Fed Funds) – Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the Federal Reserve banking system. Fed funds are considered to be immediately available funds.

Federal Funds Rate – Interest rate charged by one institution lending federal funds to the other.

Government Securities – An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market See "Treasury Bills, Notes, and Bonds."

Interest Rate – See "Coupon Rate."

Interest Rate Risk – The risk associated with declines or rises in interest rates which cause an investment in a fixed-income security to increase or decrease in value.

Internal Controls – An internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management. Internal controls should address the following points:

1. Control of collusion - Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
2. Separation of transaction authority from accounting and record keeping - By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
3. Custodial safekeeping - Securities purchased from any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.
4. Avoidance of physical delivery securities - Book-entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
5. Clear delegation of authority to subordinate staff members - Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
6. Written confirmation of transactions for investments and wire transfers -Due to the potential for error and improprieties arising from telephone and electronic transactions, all transactions should be supported by written communications and approved by the appropriate person written communications may be via fax if on letterhead and if the safekeeping institution has a list of authorized signatures.
7. Development of a wire transfer agreement with the lead bank and third-party custodian – The designated official should ensure that an agreement will be entered into and will address the following points: controls, security provisions, and responsibilities of each party making and receiving wire transfers.

Inverted Yield Curve – A chart formation that illustrates long-term securities having lower yields than short-term securities. This configuration usually occurs during periods of high inflation coupled with low levels of confidence in the economy and a restrictive monetary policy.

Investment Company Act of 1940 – Federal legislation which sets the standards by which investment such as mutual funds, are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

Investment Policy – A concise and clear statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

Liquidity – An asset that can be converted easily and quickly into cash.

Local Government Investment Pool (LGIP) – An investment by local governments in which their money is pooled as a method for managing local funds.

Mark-to-Market – The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

Market Risk – The risk that the value of a security will rise or decline as a result of changes in market conditions.

Market Value – Current market price of a security.

Maturity – The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder. See "Weighted Average Maturity."

Money Market Mutual Fund – Mutual funds that invest, solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos and federal funds).

Mutual Fund – An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. Mutual funds are regulated by the Investment Company Act of 1940 and must abide by the following Securities and Exchange Commission (SEC) disclosure guidelines:

1. Report standardized performance calculations.
2. Disseminate timely and accurate information regarding the fund's holdings, performance, management and general investment policy.
3. Have the fund's investment policies and activities supervised by a board of trustees, which are independent of the adviser, administrator or other vendor of the fund.
4. Maintain the daily liquidity of the fund's shares.
5. Value their portfolios on a daily basis.
6. Have all individuals who sell SEC-registered products licensed with a self-regulating organization (SRO) such as the National Association of Securities Dealers (NASD).
7. Have an investment policy governed by a prospectus which is updated and filed by the SEC annually.

Mutual Fund Statistical Services – Companies that track and rate mutual funds, e.g., IBC/Donoghue, Lipper Analytical Services, and Morningstar.

National Association of Securities Dealers (NASD) – A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

Net Asset Value – The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets which includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. [(Total assets) - (Liabilities)] / (Number of shares outstanding)

No Load Fund – A mutual fund which does not levy a sales charge on the purchase of its shares.

Nominal Yield – The stated rate of interest that a bond pays its current owner, based on par value of the security. It is also known as the "coupon," "coupon rate," or "interest rate."

Offer – An indicated price at which market participants are willing to sell a security or commodity. Also referred to as the "Ask price."

Par – Face value or principal value of a bond, typically $1,000 per bond.

Positive Yield Curve – A chart formation that illustrates short-term securities having lower yields than long-term securities.

Premium – The amount by which the price paid for a security exceeds the security's par value.

Prime Rate – A preferred interest rate charged by commercial banks to their most creditworthy customers. Many interest rates are keyed to this rate.

Principal – The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

Prospectus – A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC. This can include information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements.

Prudent Person Rule – An investment standard outlining the fiduciary responsibilities of public funds investors relating to investment practices.

Regular Way Delivery – Securities settlement that calls for delivery and payment on the third business day following the trade date (T+3); payment on a T+l basis is currently under consideration. Mutual funds are settled on a same day basis; government securities are settled on the next business day.

Reinvestment Risk – The risk that a fixed-income investor will be unable to reinvest income proceeds from a security holding at the same rate of return currently generated by that holding.

Repurchase Agreement (repo or RP) – An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.

Reverse Repurchase Agreement (Reverse Repo) – An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified date.

Rule 2a-7 of the Investment Company Act – Applies to all money market mutual funds and mandates such funds to maintain certain standards, including a 13-month maturity limit and a 90-day average maturity on investments, to help maintain a constant net asset value of one dollar ($1.00).

Safekeeping – Holding of assets (e.g., securities) by a financial institution.

Serial Bond – A bond issue, usually of a municipality, with various maturity dates scheduled at regular intervals until the entire issue is retired.

Sinking Fund – Money accumulated on a regular basis in a separate custodial account that is used to redeem debt securities or preferred stock issues.

Swap – Trading one asset for another.

Term Bond – Bonds comprising a large part or all of a particular issue which come due in a single maturity. The issuer usually agrees to make periodic payments into a sinking fund for mandatory redemption of term bonds before maturity.

Total Return – The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period. (Price Appreciation) + (Dividends paid) + (Capital gains) = Total Return.

Treasury Bills – Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of $10,000. Auctions of three- and six-month bills are weekly, while auctions of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

Treasury Bonds – Long-term U.S. government debt securities with maturities of ten years or longer and issued in minimum denominations of $1,000. Currently, the longest outstanding maturity for such securities is 30 years.

Treasury Notes – Intermediate U.S. government debt securities with maturities of one to 10 years and issued in denominations ranging from $1,000 to $1 million or more.

Uniform Net Capital Rule – SEC Rule 15C3-1 outlining capital requirements for broker/dealers.

Volatility – A degree of fluctuation in the price and valuation of securities.

"Volatility Risk" Rating – A rating system to clearly indicate the level of volatility and other non-credit risks associated with securities and certain bonds funds. The ratings for bond funds range from those that have extremely low sensitivity to changing market conditions and offer the greatest stability of the returns ("AAA" by S&P; "V- 1" by Fitch) to those that are highly sensitive with currently identifiable market volatility risk ("CCC"- S&P, "V-10" by Fitch).

Weighted Average Maturity (WAM) – The average maturity of all the securities that comprise a portfolio. According to SEC rule 2a-7, the WAM for SEC registered money market mutual funds may not exceed 90 days and no one security may have a maturity that exceeds 397 days.

When Issued (WI) – A conditional transaction in which an authorized new security has not been issued. All "when issued' transactions are settled when the actual security is issued.

Yield – The current rate of return on an investment security generally expressed as a percentage of the security's current price.

Yield Curve – A graphic representation that depicts the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity. A normal yield curve may be alternatively referred to as a positive yield curve.

Yield-to-Call (YTC) – The rate of return an investor earns on a bond assuming the bond is redeemed (called) prior to its nominal maturity date.

Yield-to-Maturity – The rate of return yielded by a debt security held to maturity when both interest payments and the investor's potential capital gain or loss are included in the calculation of return.

Zero-Coupon Securities – Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.

PRESIDENTIAL ACTIONS

ENDING ILLEGAL DISCRIMINATION AND RESTORING MERIT-BASED OPPORTUNITY

January 21, 2025

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered:

Section 1. Purpose. Longstanding Federal civil-rights laws protect individual Americans from discrimination based on race, color, religion, sex, or national origin. These civil-rights protections serve as a bedrock supporting equality of opportunity for all Americans. As President, I have a solemn duty to ensure that these laws are enforced for the benefit of all Americans.

Yet today, roughly 60 years after the passage of the Civil Rights Act of 1964, critical and influential institutions of American society, including the Federal Government, major corporations, financial institutions, the medical industry, large commercial airlines, law enforcement agencies, and institutions of higher education have adopted and actively use dangerous, demeaning, and immoral race- and sex-based preferences under the guise of so-called "diversity, equity, and inclusion" (DEI) or "diversity, equity, inclusion, and accessibility" (DEIA) that can violate the civil-rights laws of this Nation.

Illegal DEI and DEIA policies not only violate the text and spirit of our longstanding Federal civil-rights laws, they also undermine our national unity, as they deny, discredit, and undermine the traditional American values of hard work, excellence, and individual achievement in favor of an unlawful, corrosive, and pernicious identity-based spoils system. Hardworking Americans who deserve a shot at the American Dream should not be stigmatized, demeaned, or shut out of opportunities because of their race or sex.

These illegal DEI and DEIA policies also threaten the safety of American men, women, and children across the Nation by diminishing the importance of individual merit, aptitude, hard work, and determination when selecting people for jobs and services in key sectors of American society, including all levels of government, and the medical, aviation, and law-enforcement communities. Yet in case after tragic case, the American people have witnessed first-hand the disastrous consequences of illegal, pernicious discrimination that has prioritized how people were born instead of what they were capable of doing.

The Federal Government is charged with enforcing our civil-rights laws. The purpose of this order is to ensure that it does so by ending illegal preferences and discrimination.

Sec. 2. Policy. It is the policy of the United States to protect the civil rights of all Americans and to promote individual initiative, excellence, and hard work. I therefore order all executive departments and agencies (agencies) to terminate all discriminatory and illegal preferences, mandates, policies, programs, activities, guidance, regulations, enforcement actions, consent orders, and requirements. I further order all agencies to enforce our longstanding civil-rights laws and to combat illegal private-sector DEI preferences, mandates, policies, programs, and activities.

Sec. 3. Terminating Illegal Discrimination in the Federal Government. (a) The following executive actions are hereby revoked:
(i) Executive Order 12898 of February 11, 1994 (Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations);
(ii) Executive Order 13583 of August 18, 2011 (Establishing a Coordinated Government-wide Initiative to Promote Diversity and Inclusion in the Federal Workforce);
(iii) Executive Order 13672 of July 21, 2014 (Further Amendments to Executive Order 11478, Equal Employment Opportunity in the Federal Government, and

Executive Order 11246, Equal Employment Opportunity); and
(iv) The Presidential Memorandum of October 5, 2016 (Promoting Diversity and Inclusion in the National Security Workforce).
(b) The Federal contracting process shall be streamlined to enhance speed and efficiency, reduce costs, and require Federal contractors and subcontractors to comply with our civil-rights laws. Accordingly:
(i) Executive Order 11246 of September 24, 1965 (Equal Employment Opportunity), is hereby revoked. For 90 days from the date of this order, Federal contractors may continue to comply with the regulatory scheme in effect on January 20, 2025.
(ii) The Office of Federal Contract Compliance Programs within the Department of Labor shall immediately cease:
(A) Promoting "diversity";
(B) Holding Federal contractors and subcontractors responsible for taking "affirmative action"; and
(C) Allowing or encouraging Federal contractors and subcontractors to engage in workforce balancing based on race, color, sex, sexual preference, religion, or national origin.
(iii) In accordance with Executive Order 13279 of December 12, 2002 (Equal Protection of the Laws for Faith-Based and Community Organizations), the employment, procurement, and contracting practices of Federal contractors and subcontractors shall not consider race, color, sex, sexual preference, religion, or national origin in ways that violate the Nation's civil rights laws.
(iv) The head of each agency shall include in every contract or grant award:
(A) A term requiring the contractual counterparty or grant recipient to agree that its compliance in all respects with all applicable Federal anti-discrimination laws is material to the government's payment decisions for purposes of section 3729(b)(4) of title 31, United States Code; and
(B) A term requiring such counterparty or recipient to certify that it does not operate any programs promoting DEI that violate any applicable Federal anti-discrimination laws.
(c) The Director of the Office of Management and Budget (OMB), with the assistance of the Attorney General as requested, shall:
(i) Review and revise, as appropriate, all Government-wide processes, directives, and guidance;
(ii) Excise references to DEI and DEIA principles, under whatever name they may appear, from Federal acquisition, contracting, grants, and financial assistance procedures to streamline those procedures, improve speed and efficiency, lower costs, and comply with civil-rights laws; and
(iii) Terminate all "diversity," "equity," "equitable decision-making," "equitable deployment of financial and technical assistance," "advancing equity," and like

mandates, requirements, programs, or activities, as appropriate.

Sec. 4. Encouraging the Private Sector to End Illegal DEI Discrimination and Preferences. (a) The heads of all agencies, with the assistance of the Attorney General, shall take all appropriate action with respect to the operations of their agencies to advance in the private sector the policy of individual initiative, excellence, and hard work identified in section 2 of this order.
(b) To further inform and advise me so that my Administration may formulate appropriate and effective civil-rights policy, the Attorney General, within 120 days of this order, in consultation with the heads of relevant agencies and in coordination with the Director of OMB, shall submit a report to the Assistant to the President for Domestic Policy containing recommendations for enforcing Federal civil-rights laws and taking other appropriate measures to encourage the private sector to end illegal discrimination and preferences, including DEI. The report shall contain a proposed strategic enforcement plan identifying:
(i) Key sectors of concern within each agency's jurisdiction;
(ii) The most egregious and discriminatory DEI practitioners in each sector of concern;
(iii) A plan of specific steps or measures to deter DEI programs or principles (whether specifically denominated "DEI" or otherwise) that constitute illegal discrimination or preferences. As a part of this plan, each agency shall identify up to nine potential civil compliance investigations of publicly traded corporations, large non-profit corporations or associations, foundations with assets of 500 million dollars or more, State and local bar and medical associations, and institutions of higher education with endowments over 1 billion dollars;
(iv) Other strategies to encourage the private sector to end illegal DEI discrimination and preferences and comply with all Federal civil-rights laws;
(v) Litigation that would be potentially appropriate for Federal lawsuits, intervention, or statements of interest; and
(vi) Potential regulatory action and sub-regulatory guidance.

Sec. 5. Other Actions. Within 120 days of this order, the Attorney General and the Secretary of Education shall jointly issue guidance to all State and local educational agencies that receive Federal funds, as well as all institutions of higher education that receive Federal grants or participate in the Federal student loan assistance program under Title IV of the Higher Education Act, 20 U.S.C. 1070 et seq., regarding the measures and practices required to comply with Students for Fair Admissions, Inc. v. President and Fellows of Harvard College, 600 U.S. 181 (2023).

Sec. 6. Severability. If any provision of this order, or the application of any provision to any person or circumstance, is held to be invalid, the remainder of this order and the application of its provisions to any other persons or circumstances shall not be affected thereby.

Sec. 7. Scope. (a) This order does not apply to lawful Federal or private-sector employment and contracting preferences for veterans of the U.S. armed forces or persons protected by the Randolph-Sheppard Act, 20 U.S.C. 107 et seq.
(b) This order does not prevent State or local governments, Federal contractors, or Federally-funded State and local educational agencies or institutions of higher education from engaging in First Amendment-protected speech.
(c) This order does not prohibit persons teaching at a Federally funded institution of higher education as part of a larger course of academic instruction from advocating for, endorsing, or promoting the unlawful employment or contracting practices prohibited by this order.

Sec. 8. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:
(i) the authority granted by law to an executive department, agency, or the head thereof; or
(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.
(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.
(c) This order is not intended to and does not create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

THE WHITE HOUSE,
January 21, 2025.

THE WHITE HOUSE

1600 Pennsylvania Ave NW
Washington, DC 20500