



CITY COUNCIL

Tuesday, April 18, 2023 | 4:00 PM
2nd Floor Training Room - City Hall
900 Church Street
Lynchburg, VA 24504

BUDGET WORK SESSION AGENDA

- I. **Welcome** *Stephanie T. Reed, Mayor*
- II. **Budget Work Session Agenda Overview** *Wynter C. Benda, City Manager*
- III. **Budget Work Session Agenda Items** *Wynter C. Benda, City Manager*
 - III.1. FY 2024 Proposed Budget Reconciliation

THE CITY OF
LYNCHBURG

A dark blue silhouette of a city skyline is positioned above a horizontal line. The skyline includes a tall, thin spire, a large dome, and several rectangular buildings of varying heights.



CONSIDERATIONS FOR CATEGORICAL FUNDING OF LYNCHBURG CITY SCHOOLS

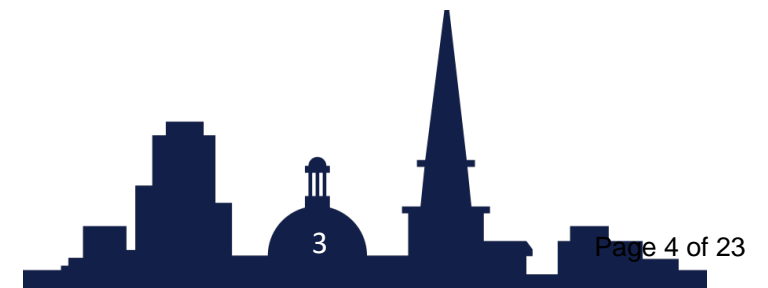
City Council Work Session

April 18, 2023



K-12 FUNDING IN THE COMMONWEALTH

- General Assembly's constitutional responsibility – provide for a system of free and appropriate public education
 - State utilizes complex Standards of Quality (SOQ) funding model to determine state and minimum local funding for each division
- Local governing body allocates resources, school board operates the school system
- Local school divisions do not have taxing authority
 - All funds must be appropriated through the local governing body
 - State Sets a local funding floor – the ***Required Local Effort*** (RLE)
 - RLE calculated based on a localities ***Composite Index of Local Ability to Pay*** and Enrollment



K-12 FUNDING IN THE COMMONWEALTH (CONT.)

- *Code of Virginia* allows local appropriation of funds for public education in two ways:
 - Lump Sum (most common), **OR**
 - By Categories
- Categories are as follows:
 - 1. Instruction
 - 2. Administration, attendance, and health
 - 3. Pupil transportation
 - 4. Operation and maintenance
 - 5. School food services and other noninstructional operations
 - 6. Facilities
 - 7. Debt and fund transfers
 - 8. Technology
 - 9. Contingency reserves

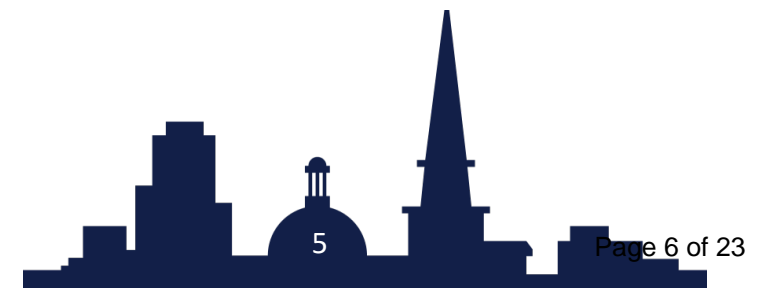


LYNCHBURG CITY SCHOOLS – HISTORICAL FUNDING

Lynchburg City Schools - Five Year Funding by Major Category FY 2019 - FY 2023

Category	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Instruction	\$69,340,524	\$70,149,604	\$70,510,186	\$69,158,581	\$73,187,674
Operation and Maintenance	\$11,558,126	\$11,313,592	\$11,714,859	\$12,632,764	\$12,362,992
Administration, Attendance & Health	\$6,291,257	\$6,752,331	\$7,059,755	\$8,042,042	\$9,188,788
Pupil Transportation	\$7,829,628	\$8,012,747	\$7,040,824	\$6,555,422	\$6,134,466
Technology	\$3,867,954	\$4,330,259	\$5,437,278	\$6,455,719	\$5,363,136
Facilities	\$48,477	\$37,875	\$23,890	\$5,390	\$40,210
Other Noninstructional	\$20,453	\$21,555	\$99,979	\$38,026	\$34,965
Total	\$98,956,420	\$100,617,964	\$101,886,770	\$102,887,944	\$106,312,231

*Data from LCS Memo to City Manager – March 20, 2023



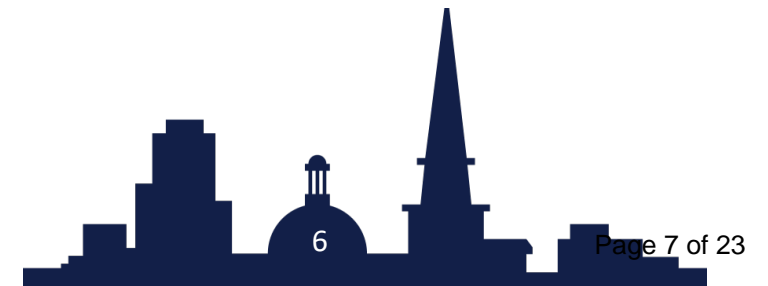
LYNCHBURG CITY SCHOOLS – FY 2024 PROPOSED FUNDING

Lynchburg City Schools - Funding By Category

Proposed FY 2024 vs Adopted FY 2023

Category	FY 2023	Proposed FY 2024	Change
Instruction	\$73,187,674	\$82,959,182	\$9,771,508
Operation and Maintenance	\$12,362,992	\$12,718,310	\$355,318
Administration, Attendance & Health	\$9,188,788	\$9,982,166	\$793,378
Pupil Transportation	\$6,134,466	\$6,599,342	\$464,876
Technology	\$5,363,136	\$5,607,408	\$244,272
Facilities	\$40,210	\$25,210	(\$15,000)
Other Noninstructional	\$34,965	\$42,154	\$7,189
Total	\$106,312,231	\$117,933,772	\$11,621,541

*Data from LCS Memo to City Manager – March 20, 2023 and Lynchburg City Schools FY 2024 Proposed Budget



LYNCHBURG CITY SCHOOLS – STAFFING SUMMARY

Lynchburg City Schools - Staffing by Category FY 2021 - FY 2023

Category	FY 2021	FY 2022	FY 2023
Instructional	1,100.9	1,088.9	1,036.7
Facilities & Maintenance	127.0	128.0	129.0
Administration, Attendance & Health	88.4	92.4	109.8
Pupil Transport	112.9	109.5	109.8
Technology	50.8	56.8	55.8
School Nutrition	0.5	0.5	0.0
Total	1,480.5	1,476.0	1,441.0

*Data from LCS Memo to City Manager – April 4, 2023



LYNCHBURG CITY SCHOOLS – ADMINISTRATIVE STAFFING

Lynchburg City Schools - FY 2023 Staffing Administration, Attendance & Health Category

Job Title	FTE Count		FTE Count
LPN Elementary	11	Director of Human Resources	1
Elem Attendance/Security Clerk	10	Executive Assistant To Supt	1
Sch Board Member Supplement	9	General Ledger Accountant	1
School Nurse	7.4	HR Assistant/Coordinator	1
Secretary III	5	HR Generalist - HRIS	1
Supervisor Student Services	5	Jr HR Generalist	1
Behavior Coach	4.5	Jr HR Talent Acquisition Specialist	1
School Psychologist	4	Print Production Specialist	1
Attendance Clerk	3	Research Assistant/Webmaster	1
Board Certified Behavioral Analyst	3	Restorative Justice Coordinator	1
Financial Analyst	3	School Nurse Coordinator	1
Ms Attendance/Security Clerk	3	School Nurse Floater	1
Payroll/Benefits Specialist	3	School Registrar	1
Coordinator - Community Relations	2	Secretary II	1
Director of Student Services	2	Secretary IV	1
School Psychologist Intern	2	Senior Payroll/Benefits Specialist	1
Student Services Specialist	2	Sr. Hr Generalist - Compensation	1
Assitant Director of Finance	1	Sr. Hr Talent Acquisition Specialist	1
Chief Financial Officer	1	Superintendent	1
Communications Supervisor - Operations	1	Supervisor Of Grants	1
Coordinator - FACE	1	Supervisor Of Payroll/Benefits	1
Deputy Superintendent of Instruction	1	Truancy Officer/Parent Facilitator	1
Deputy Superintendent of Operations	1	Truancy Officer	0.8
Director Equity and Comm Relations	1	Clerk of the Board	0.6
		Partners In Education Liasion	0.5
		Total	109.8

*Data from LCS Memo to City Manager – April 4, 2023

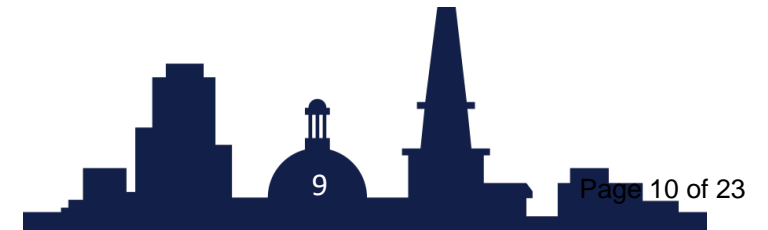


LYNCHBURG CITY SCHOOLS – STAFFING SUMMARY

Lynchburg City Schools - FY 2021 to FY 2023 Staffing Change Administration, Attendance & Health Category

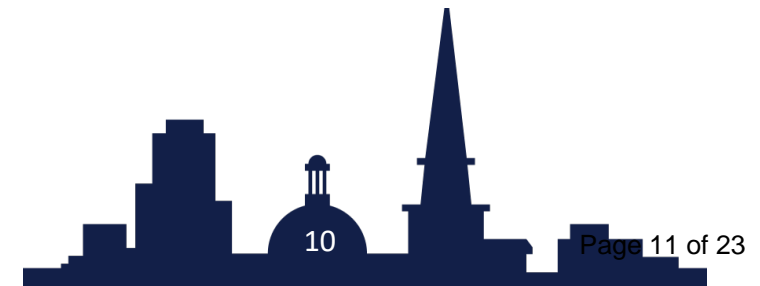
Job Title	Change		
School Board Member Supplement	9	School Registrar	1
Supervisor Student Services	4	Secretary II	1
Coordinator - Community Relations	2	Senior Payroll/Benefits Specialist	1
Behavior Coach	2	Supervisor Of Grants	1
Assistant Director of Finance	1	Partners in Education Liaison	1
Attendance Clerk	1	School Nurse	(1)
Communications Supervisor - Operations	1	Account Clerk III	(1)
Coordinator - FACE	1	Budget Analyst	(1)
Deputy Superintendent of Instruction	1	Deputy Superintendent	(1)
Deputy Superintednent of Operations	1	Elem Attendance / Security Clerk	(1)
Director Equity and Comm Relations	1	HR Analyst - HRIS	(1)
Financial Analyst	1	HR Licensure Specialist	(1)
HR Generalist - HRIS	1	HR Talent Acquisition Specialist	(1)
Jr HR Generalist	1	LPN - Elementary	(1)
Jr HR Talent Acquisition Specialist	1	Payroll/Benefits Specialist	(1)
Research Assistant / Webmaster	1	School Psychiatrist - Intern	(1)
Restorative Justice Coordinator	1	Secretary I - 11 mo	(1)
		Sr Director - Finance and Budget Operations	(1)
		Total	21

*Data from LCS Memo to City Manager – April 4, 2023



NEXT STEPS

- Identify the total amount of local funding for Lynchburg City Schools in FY 2024
 - Adjusted budget assumes \$2.1M increase from \$40.8M to \$42.9M
- Set funding levels for one or all categories
- School Administration will provide update on impact of funding changes



THE CITY OF
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A dark blue silhouette of the Lynchburg skyline, featuring a prominent steeple, a dome, and several rectangular buildings, positioned above a horizontal line that serves as a baseline for the text.



REAL ESTATE TAX RELIEF FOR THE ELDERLY & DISABLED

MITCHELL W. NUCKLES

APRIL 2023



Mitchell W. Nuckles
Commissioner of the Revenue





TAX RELIEF SUMMARY

<u>FISCAL YEAR</u>	<u># APPLICANTS</u>	<u>RELIEF AMOUNT</u>
2023	588	\$589,388.53
2022	537	\$556,381.36
2021	500	\$491,740.13
2020	573	\$559,420.20
2019	646	\$615,258.29



TAX RELIEF SUMMARY

TAX RELIEF DISQUALIFIED APPLICANTS

<u>FISCAL YEAR</u>	<u>DISQUALIFIED INCOME</u>	<u>DISQUALIFIED NET WORTH</u>
2023	30	2
2022	16	0
2021	48	7
2020	45	2
2019	27	0



SURROUNDING LOCALITIES

<u>LOCALITY</u>	<u>INCOME</u>	<u>NET WORTH</u>	<u>MAX \$</u>
Amherst	\$50,000	\$150,000	\$600
Appomattox	\$35,000	\$100,000	\$350
Bedford	\$37,500	\$100,000	\$1,000
Campbell	\$50,000	\$100,000	\$1,000
Lynchburg	\$46,100	\$100,000	\$2,500



FIRST CITIES TAX RELIEF

	<u>INCOME THRESHOLD</u>	
Norfolk	\$67,000	
Hampton	\$62,000	
Charlottesville	\$60,000	
Richmond	\$60,000	
Winchester	\$58,818	
Fredericksburg	\$50,000	Average Income Threshold
Harrisonburg	\$50,000	
Newport News	\$50,000	\$46,495
Portsmouth	\$50,000	
Lynchburg	\$46,100	
Petersburg	\$35,000	
Staunton	\$35,000	
Hopewell	\$32,500	
Danville	\$30,000	
Lexington	\$30,000	
Martinsville	\$27,500	



FIRST CITIES TAX RELIEF

NET WORTH THRESHOLD

Charlottesville	NONE
Norfolk	\$350,000
Richmond	\$350,000
Fredericksburg	\$300,000
Hampton	\$200,000
Newport News	\$200,000
Portsmouth	\$175,000
Lynchburg	\$100,000
Winchester	\$100,000
Harrisonburg	\$100,000
Hopewell	\$100,000
Petersburg	\$70,000
Staunton	\$70,000
Lexington	\$70,000
Martinsville	\$65,000
Danville	\$50,000

Average Net Worth Threshold

\$153,333

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BUDGET RECONCILIATION

Budget Work Session
April 18, 2023



CALCULATING THE BUDGET GAP

BASED ON THE BUDGET AND PERFORMANCE EXPECTATIONS OF THE CITY MANAGER

Description	Amount
Revenue Adjustments	(\$12,650,000)
Expenditure Adjustments	(\$5,310,000)
Technical Adjustments*	(\$545,000)
Budget Surplus / (Deficit)	(\$6,795,000)

- * Structural Budget Gap is \$6.79M as Proposed FY 2024 Budget includes \$545K of ongoing expenditures above FY 2023 due to department need, not included in the new initiative table and not related to inflation.



WHAT'S IN MAINTAINED FROM MANAGER'S PROPOSED BUDGET

- \$2,100,000 - Increased funding for Lynchburg City Schools (LCS)
 - includes funding for the local match for State proposed increase
- \$2,620,000 - Five percent general wage increase (GWI) for general city employees
 - includes 5% general wage increase for General Fund staff excluding sworn Police Department and Fire Department employees (1% = \$524,000)
- \$3,020,000 - Public safety employees targeted compression/progression
 - Lynchburg Fire Department Compression Adjustments, Public Safety Pay Progression (LPD & LFD), Increased Starting Pay for 911 Call Takers



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