**FINANCE COMMITTEE AGENDA**
**Tuesday, May 28, 2013**
**Bidder's Room**
**11:30 a.m.**

## GENERAL BUSINESS

**11:30 a.m.**

1. Report on the General Fund Reserve for Contingencies

   Contact: Donna Witt, Director of Financial Services 455-3968

**11:35 a.m.**

2. Review highlights of attached quarterly financial reports for the Greater Lynchburg Transit Company (GLTC) as well as the Regional Airport, Lynchburg Regional Juvenile Detention Center, Comprehensive Services Act, Water Operating, Sewer Operating, Stormwater Operating, and General Funds the for the quarter ending March 31, 2013.

| Fund | Preparer |
|---|---|
| GLTC | Karen Walton, General Manager of GLTC |
| Regional Airport Fund | Mark Courtney, Airport Manager |
| Lynchburg Regional Juvenile Detention Center | Tamara Rosser, Director of Human Services |
| Comprehensive Services Act Fund | Tamara Rosser, Director of Human Services |
| Water Operating Fund | Tim Mitchell, Director of Water Resources |
| Sewer Operating Fund | Tim Mitchell, Director of Water Resources |
| Stormwater Operating Fund | Tim Mitchell, Director of Water Resources |
| General Fund | Donna Witt, Director of Financial Services |

**11:55 a.m.**

3. Review collections received from five of the City's largest revenue sources.

   Contact: Donna Witt, Director of Financial Services 455-3968

**12:00 p.m.**

4. Roll Call

**The next Finance Committee meeting is Tuesday, June 25, 2013, at 11:30 a.m.**

AGENDA ITEM NO.: **1**

## FY 2013 GENERAL FUND RESERVE FOR CONTINGENCIES

| | Reserve for Contingencies | City Manager's Discretionary Funding |
|---|---|---|
| **BEGINNING BALANCE, JULY 1, 2012** | $650,000 | $50,000 |
| Anticipated carryforward to FY 2013 Reserve for Contingencies - 05/22/12 Council Meeting | 500,000 | |
| **BALANCE** | **$1,150,000** | **$50,000** |
| | | |
| **APPROPRIATIONS (Second Reading)** | | |
| Human Services Building Bond Reissue - 01/08/13 Council Meeting | | $42,000 |
| Registrar Grant for Electronic Pollbook Laptop Computers - 2/26/13 Council Meeting | $16,727 | |
| Holiday Inn Parking Deck Repairs - 3/12/13 Council Meeting | 182,250 | |
| Holiday Inn Parking Deck Repairs - 3/31/13 Insurance Reimbursement | (66,568) | |
| Third Quarter Adjustments - 04/23/13 Council Meeting | 22,660 | |
| **TOTAL APPROPRIATIONS** | **$155,069** | **$42,000** |
| **REMAINING BALANCE** | **$994,931** | **$8,000** |
| | | |
| **ITEMS INTRODUCED** | | |
| **TOTAL INTRODUCED ITEMS** | **$0** | **$0** |
| **REMAINING BALANCE** | **$994,931** | **$8,000** |
| | | |
| **PENDING ITEMS** | | |
| Democratic Primary Election (June) - 04/23/13 Finance Committee | $17,441 | |
| **TOTAL PENDING ITEMS** | **$17,441** | **$0** |
| **PROJECTED BALANCE** | **$977,490** | **$8,000** |

*May 2013*

Greater Lynchburg Transit Company

1301 Kemper Street
PO Box 797
Lynchburg, VA 24505
434.455.5080
434.847.8621 (Fax)
gberkley@gltconline.com
www.GLTConline.com

May 9, 2013

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

RE: March 31, 2013 Quarterly Financial Report – Greater Lynchburg Transit Company

The attached Greater Lynchburg Transit Company Comparative Income Statement summarizes the financial activities for the first three quarters of this fiscal year, and provides comparative year to date data for the same period in FY2012.

REVENUE

Fare Box Revenue is 12% over projections. This is advantageous in as that some of the smaller revenue line items have not panned out (i.e. the Air Show). Whereas some of the Liberty University pass programs have not materialized, it is made up for under increased contract revenue. Overall our revenue shows an 8% increase over last year and is tracking on budget this year.

EXPENDITURES

Overall expenditures for the first three quarters of this fiscal year are under budget by 13%, with decreases in almost all category line items. Fixed Route overtime costs are our only significant over budget line item. Currently we are actively recruiting for fixed route drivers and will be holding a large class this summer to prepare us for the fall service. We continue to put a little away toward our reserve.

SUMMARY

Passenger boardings are up a respectful 3% YTD over the same time as last year. Our on-time percentage holds steady in the 95% +/- 1%. There were 1,641,498 rides on the Fixed Route service YTD. Paratransit ridership is down -7.9%, which is actually a good thing as our cost per passenger is $36.37 per ride (as opposed to $2.05 a ride on Fixed Route). Again this is attributed to the half off monthly fare pass.

We are gearing up for our Tag! You're On! Kids Summer Pass. This year we are doing something a little different by using dog tags instead of laminated passes. The tags cost $25 and kids will wear them around their neck, and show it to the driver as they board. This will allow them to unlimited rides all summer long. We are actively marketing with radio and print ads.

Our Kemper Street Transfer Center property is totally cleared out and the construction company is gearing up to start building. With a meeting space on the second floor of the new facility, this will allow easier participation by the public in Board Meetings, Open Houses, Customer Service Committee Meetings, and ADA Advisory Committee Meetings to name a few.

GLTC's ADA Advisory Committee has been meeting monthly and assisting staff with rewriting the Paratransit Riders Guide. Included is a new No-Show Policy which should greatly reduce the number of people who book rides and then fail to cancel.

Recently GLTC went through a thorough route analysis. The report will be coming out soon.

Finally GLTC is now on Twitter! You will be seeing the Twitter logo on all of our route brochures and other promotional materials. For those who follow GLTConline on Twitter, they will get instant information on items such as buses running late or needing to be rerouted due to construction or an accident, weather related route information, marketing and promotions, and open house meetings.

GLTC continues with its back-to-basics philosophy which focuses on a clean, safe, punctual bus driven by professional drivers who practice excellent customer service.

Respectfully submitted,

*Karen Walton*

Karen Walton
General Manager

Cc: L. Kimball Payne III, City Manager
Bonnie Svrcek, Deputy City Manager
Donna Witt, Director of Financial Services

# CENTRAL VIRGINIA TRANSIT MANAGEMENT CO INC.

**COMPARATIVE INCOME STATEMENT**

**AS OF MARCH 31, 2013**

| | YEAR TO DATE FY2013 YTD ACTUAL | YEAR TO DATE FY2012 YTD ACTUAL | % VAR | YEAR TO DATE FY2013 YTD ACTUAL | YEAR TO DATE FY2013 YTD BUDGET | % VAR |
|---|---|---|---|---|---|---|
| **REVENUE** | | | | | | |
| FRT Passenger Revenue | $ 747,305 | $ 671,330 | 11% | $ 747,305 | $ 666,000 | 12% |
| DRT Passenger Revenue | 67,393 | 80,222 | -16% | 67,393 | 69,692 | -3% |
| Contracts (LU Access) | - | 102,659 | -100% | - | 146,005 | -100% |
| Contracts (LC Access) | 17,397 | 11,450 | 52% | 17,397 | 19,440 | -11% |
| Contracts (VUL Access) | - | 3,878 | -100% | - | 27,216 | -100% |
| Liberty University Revenue | 863,463 | 756,309 | 14% | 863,463 | 827,244 | 4% |
| Liberty University PTS Revenue | - | 25,137 | -100% | - | 16,800 | -100% |
| Other Contract Revenue | 24,723 | 12,676 | 95% | 24,723 | 68,342 | -64% |
| Non-Operating Revenue | 15,401 | 39,930 | -61% | 15,401 | 18,750 | -18% |
| Advertising Revenue | 40,872 | 56,206 | -27% | 40,872 | 48,750 | -16% |
| City Operating Assistance | 1,026,947 | 857,786 | 20% | 1,026,947 | 1,026,947 | 0% |
| County Operating Assistance | 43,119 | 43,119 | 0% | 43,119 | 51,212 | -16% |
| State Operating Assistance | 1,074,740 | 873,670 | 23% | 1,074,740 | 954,752 | 13% |
| Federal Operating Assistance | 1,384,001 | 1,389,557 | 0% | 1,384,001 | 1,383,997 | 0% |
| **TOTAL REVENUE** | **$ 5,305,361** | **$ 4,923,928** | **8%** | **$ 5,305,361** | **$ 5,325,145** | **0%** |
| **EXPENSES** | | | | | | |
| **FIXED ROUTE** | | | | | | |
| Operator Labor | $ 976,621 | $ 1,022,672 | -5% | $ 976,621 | $ 1,013,749 | -4% |
| Operator-Overtime | 177,058 | 85,492 | 107% | 177,058 | 72,737 | 143% |
| Other Salaries & Wages | 150,277 | 186,112 | -19% | 150,277 | 123,730 | 21% |
| Supervisors-Overtime | 10,952 | 7,957 | 38% | 10,952 | 12,833 | -15% |
| Fringe Benefits | 617,933 | 661,820 | -7% | 617,933 | 806,821 | -23% |
| **TOTAL FIXED ROUTE** | **$ 1,932,841** | **$ 1,964,053** | **-2%** | **$ 1,932,841** | **$ 2,029,870** | **-5%** |
| **DEMAND RESPONSE** | | | | | | |
| Operator Labor | $ 181,386 | $ 219,662 | -17% | $ 181,386 | $ 218,047 | -17% |
| Operator-Overtime-PTS | 3,133 | 6,377 | -51% | 3,133 | 20,847 | -85% |
| Other Salaries & Wages | 59,144 | 45,361 | 30% | 59,144 | 77,720 | -24% |
| Fringe Benefits | 114,508 | 137,930 | -17% | 114,508 | 241,264 | -53% |
| **TOTAL DEMAND RESPONSE** | **$ 358,172** | **$ 409,329** | **-12%** | **$ 358,172** | **$ 557,878** | **-36%** |
| **MAINTENANCE** | | | | | | |
| Other Salaries & Wages | $ 413,116 | $ 486,951 | -15% | $ 413,116 | $ 411,764 | 0% |
| Inspection&Maint,Srvc-Overtim | 15,948 | 19,405 | -18% | 15,948 | 30,704 | -48% |
| Fringe Benefits | 201,636 | 257,340 | -22% | 201,636 | 292,125 | -31% |
| Fuel & Lubricants | 631,069 | 696,878 | -9% | 631,069 | 718,308 | -12% |
| Tires & Tubes | 14,425 | 30,305 | -52% | 14,425 | 36,111 | -60% |
| Other Materials & Supplies | 191,170 | 237,734 | -20% | 191,170 | 315,706 | -39% |
| **TOTAL MAINTENANCE** | **$ 1,467,364** | **$ 1,728,613** | **-15%** | **$ 1,467,364** | **$ 1,804,717** | **-19%** |
| **ADMINISTRATION** | | | | | | |
| Other Salaries & Wages | $ 123,474 | $ 145,486 | -15% | $ 123,474 | $ 125,803 | -2% |
| Fringe Benefits | 58,026 | 73,939 | -22% | 58,026 | 50,861 | 14% |
| Services | 297,196 | 314,099 | -5% | 297,196 | 301,697 | -1% |
| Utilities | 83,898 | 75,678 | 11% | 83,898 | 73,440 | 14% |
| Casualty & Liability Expenses | 223,306 | 244,665 | -9% | 223,306 | 238,488 | -6% |
| Other Materials & Supplies | 20,777 | 18,263 | 14% | 20,777 | 28,895 | -28% |
| Miscellaneous | 19,206 | 25,302 | -24% | 19,206 | 48,707 | -61% |
| **TOTAL ADMINISTRATION** | **$ 825,883** | **$ 897,432** | **-8%** | **$ 825,883** | **$ 867,889** | **-5%** |
| **TOTAL EXPENSES** | **$ 4,584,259** | **$ 4,999,426** | **-8%** | **$ 4,584,259** | **$ 5,260,351** | **-13%** |
| **Reserve Transfer** | **$ 37,501** | **$ 37,503** | **0%** | **$ 37,501** | $ - | 100% |
| **NET INCOME/(LOSS)** | **$ 683,602** | **$ (113,001)** | **117%** | **$ 683,602** | **$ 64,794** | **955%** |

Lynchburg Regional Airport
350 Terminal Drive, Lynchburg, Virginia 24502 • (434) 455-6090 • Fax (434) 239-9027

THE CITY OF LYNCHBURG

May 14, 2013

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

Re: March 31, 2013 – Quarterly Financial Summary - Lynchburg Regional Airport

## REGIONAL AIRPORT FUND

The attached Lynchburg Regional Airport Operating Fund Financial Summary reflects the financial activity for this Fund for the FY 2013 third quarter ending March 31, 2013. I am pleased to report that revenues in general are projected to increase modestly for the year. The subsidy from the General Fund to the airport for FY 2013 is now projected to be $336,330 which is $46,532 less than budgeted. Whatever the outcome of the air traffic control tower issue, it is not expected to have a significant impact on our FY 2013 operating results. As always, further reducing the operating subsidy from the City remains a top priority of airport staff along with attracting additional airline service.

### REVENUE HIGHLIGHTS

- Airfield Revenue: Landing fees revenue is projected to be $9,000 more than budget, reflecting US Airways recent upgrade to mostly jet service.

- Terminal Revenue: Revenue is projected to be $135,164 more than budget after increasing parking rates by $1 per day and the addition of National Car Rental as a new tenant/concession.

- General Aviation: Revenue is projected to be $11,000 more than budget due to better than expected fuel-sales related fees and revenue.

- State Airport Aid: Revenue is projected to be $259,435 more than budget due to having more state-assisted non-recurring airport maintenance and repair projects than anticipated when the budget was prepared.

- General Fund Subsidy: As previously mentioned, the projected operating subsidy from the City is $336,330 which is $46,532 less than budget.

EXPENSE HIGHLIGHTS

- Terminal Operations: $8,000 decrease in Utilities due primarily to savings projected after converting the main passenger terminal to natural gas heat.

- Administration: $4,700 decrease reflecting lower payments to the City for risk management administration and insurance than budgeted.

- Safety (ARFF & LEO): $5,500 increase primarily for additional cost of contracted Airfield Rescue & Fire Fighting (ARFF) services.

- Transfers & Other: $584,849 increase primarily due to additional non-recurring airfield maintenance and tenant occupied building maintenance projects than anticipated (largely reimbursed by state aviation entitlement funds).

SUMMARY

Airline passenger traffic for the first nine months of FY 2013 has increased 5.6% versus FY 2012 which has resulted in modest increases in most airline-related airport revenues. As usual, non-recurring airport maintenance expenses will exceed our budget significantly (but are largely reimbursed by state aviation entitlement funds) and were addressed in the recently approved third-quarter budget review. Based on improved air service levels, competitive airfares, and growing passenger demand combined with decreasing debt service, the airport's subsidy is expected to be reduced significantly from the current level to near self-sufficiency in the next two to three years.

Respectfully submitted,

Mark F. Courtney, A.A.E.
Airport Director

cc: L. Kimball Payne III, City Manager
Bonnie Svrcek, Deputy City Manager
Donna Witt, Director of Financial Services
Wesley Campbell, Airport Finance Manager

LYNCHBURG REGIONAL AIRPORT
OPERATING FUND FINANCIAL SUMMARY
March 31, 2013

| | FY 2012 Amended Budget | FY 2012 Actual (thru 3/31/12) | FY 2012 % of Budget | FY 2013 Amended Budget | FY 2013 Actual (thru 3/31/13) | FY 2013 % of Budget | FY 2013 Amended Budget | FY 2013 Revised Estimates | FY 2013 $ Variance Estimates vs. Amended Budget |
|---|---|---|---|---|---|---|---|---|---|
| **BEGINNING NET ASSETS** | | $ 34,106,631 | | | $ 32,507,809 **(1)** | | | $ 32,507,809 **(1)** | |
| Less: Invested in Capital Assets, net of related debt | | 33,495,323 | | | 31,723,484 | | | 31,723,484 | |
| **BEGINNING UNRESTRICTED NET ASSETS** | $ 393,612 | $ 611,308 | | $ 157,762 | $ 784,325 | | $ 157,762 | $ 784,325 | $ - |
| **BOND REFUNDING PROCEEDS** | $ - | $ - | | $ - | $ - | | $ - | $ - | |
| **PRIOR PERIOD AUDIT ADJUST (OPEB)** | | $ 20,140 | | | $ - | | | $ - | |
| REVENUES | | | | | | | | | |
| Airfield | 90,000 | 77,581 | 86% | 90,000 | 78,789 | 88% | 90,000 | 99,000 | 9,000 |
| Terminal | 1,101,883 | 915,195 | 83% | 1,147,183 | 985,131 | 86% | 1,147,183 | 1,282,347 | 135,164 |
| General Aviation | 362,300 | 292,961 | 81% | 372,000 | 295,884 | 80% | 372,000 | 383,000 | 11,000 |
| Other Leased Property | 213,500 | 173,213 | 81% | 220,400 | 167,539 | 76% | 220,400 | 217,277 | (3,123) |
| State Airport Aid | 255,000 | 9,510 | 4% | 85,000 | 47,744 | 56% | 85,000 | 344,435 | 259,435 |
| Federal Security Aid | 118,415 | 66,961 | 57% | 120,000 | 63,126 | 53% | 120,000 | 105,000 | (15,000) |
| General Fund Subsidy | 421,362 | 360,000 | 85% | 382,862 | 288,000 | 75% | 382,862 | 336,330 | (46,532) |
| Interest & Other | 19,000 | 20,218 | 106% | 19,000 | 20,216 | 106% | 19,000 | 21,986 | 2,986 |
| | $ 2,581,460 | $ 1,915,639 | | $ 2,436,445 | $ 1,946,430 | | $ 2,436,445 | $ 2,789,375 | $ 352,930 |
| EXPENSES | | | | | | | | | |
| Airfield Operations | 283,684 | 219,306 | 77% | 289,822 | 222,125 | 77% | 289,822 | 289,822 | 0 |
| Terminal Operations | 524,772 | 341,701 | 65% | 568,276 | 381,364 | 67% | 568,276 | 560,276 | 8,000 |
| General Aviation | 125,191 | 79,443 | 63% | 120,001 | 92,249 | 77% | 120,001 | 122,501 | (2,500) |
| Administration | 652,732 | 477,432 | 73% | 659,208 | 452,774 | 69% | 659,208 | 654,508 | 4,700 |
| Safety (ARFF & LEO) | 381,468 | 274,857 | 72% | 393,630 | 277,832 | 71% | 393,630 | 399,130 | (5,500) |
| Snow Removal | 20,056 | 2,796 | 14% | 20,056 | 13,438 | 67% | 20,056 | 20,056 | 0 |
| Debt Service | 269,791 | 44,256 | 16% | 263,183 | 37,542 | 14% | 263,183 | 263,183 | 0 |
| Transfers & Other | 559,616 | 252,965 | 45% | 180,031 | 295,141 | 164% | 180,031 | 764,880 | (584,849) |
| Year End Encumbrances | | | | | | | | | |
| | $ 2,817,311 | $ 1,692,755 | | $ 2,494,207 | $ 1,772,465 | | $ 2,494,207 | $ 3,074,356 | $ (580,149) |
| **ENDING UNRESTRICTED NET ASSETS** | $ 157,762 | $ 834,192 | | $ 100,000 | $ 958,290 | | $ 100,000 | $ 499,344 **(2)** | |

**FOOTNOTES:**

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

| | |
|---|---|
| Total Net Assets per CAFR 6/30/12 | $ 34,497,426 |
| Less: Net Assets in Capital & PFC Fund | $ (1,989,617) |
| Total Beginning Net Assets | $ 32,507,809 |

2) FY 2013 Estimated Ending Unrestricted Net Assets is comprised of the following:

| | | |
|---|---|---|
| Des. for Debt Service (Rental Car Facility) | $ 205,053 | $190,553.04 + 14,000 + 500.00 = $205,053.04 |
| Des. for Maintenance (Rental Car Facility) | $ 35,630 | |
| Reserve for Encumbrances | | purchase orders carried forward to FY14 |
| Undesignated Retained Earnings | $ 258,661 | (agrees with balance sheet) |
| | $ 499,344 | |

5/20/2013

May 28, 2013

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

RE: March 31, 2013 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 March 31, 2013 for FY 2013. This financial report provides comparative year to date data for the same period of FY 2012.

REVENUES

**Charges for Services**
This revenue category represents per diem charges to those contracting jurisdictions that place juveniles at the Detention Center. Revenues from charges for services for the third quarter of FY 2013 were $1,063,492 or 59.2% of budget as compared to $1,103,596 or 62.7% of budget for FY 2012. The number of child care days for the third quarter of FY 2013 was 5,760 as compared to 5,979 for FY 2012.

**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 from the DJJ for the third quarter of FY 2013 were $854,997 or 78.1% of budget as compared to $795,075 or 72.6% of budget for FY 2012.

**United States Department of Agriculture (USDA)**
This revenue category consists of reimbursements for meals served to juveniles at the Detention Center. Revenues from USDA for the third quarter of FY 2013 were $16,568 or 36.8% of budget, as compared to $18,461 or 41.0% of budget for FY 2012.

EXPENDITURES

The expenditures for the third quarter of FY 2013 were $1,887,092 or 62.1% of budget as compared to $1,908,658 or 65.8% of budget for FY 2012. Additional expenses for the detention home included: emergency repairs to the security monitoring system; repairs to the kitchen sewer system; and an extension of the perimeter fence to encompass the area behind the detention home where the detainees reside.

SUMMARY

The revenues through the 3rd quarter of FY 2013 were $1,935,057 or 63.7% of budget as compared to $1,917,191 or 66.0% of budget for FY 2012.

The average number of juveniles being served per day through the third quarter of FY 2013 is 21.02 as compared to 21.82 in FY 2012.

Respectfully submitted,

Tamara V. Rosser

Tamara Rosser
Director of Human Services

c: L. Kimball Payne, III, City Manager
Bonnie Svrcek, Deputy City Manager
Donna Witt, Director, Financial Services
Robin Mamola, Accounting Supervisor, Human Services
Kathy Collins, Accountant, Juvenile Services

**Lynchburg Regional Juvenile Detention Center**
**Special Revenue Fund**
**Financial Summary**
**Third Quarter: As of March 31, 2013**

| | FY 2012 Amended Budget | FY 2012 Actual 3QTR YTD | FY 2012 % of Budget | FY 2013 Amended Budget | FY 2013 Actual 3 QTR YTD | FY 2013 % of Budget | FY 2013 Amended Budget | FY 2013 Revised Estimates | FY 2013 Actual to Amended |
|---|---|---|---|---|---|---|---|---|---|
| ***Beginning Funds at July 1*** | | | | | | | | | |
| | | | | | | | | | |
| ***Revenues:*** | | | | | | | | | |
| Charges for Services | 1,760,603 | 1,103,596 | 62.7% | 1,796,789 | 1,063,492 | 59.2% | 1,796,789 | 1,796,789 | - |
| Intergovernmental- Department of Juvenile Justice Block Grant | 1,095,120 | 795,075 | 72.6% | 1,095,120 | 854,997 | 78.1% | 1,095,120 | 1,095,120 | - |
| Intergovernmental- USDA | 45,000 | 18,461 | 41.0% | 45,000 | 16,568 | 36.8% | 45,000 | 45,000 | - |
| Miscellaneous | 0 | 59 | 0.0% | 0 | 0 | 0.0% | 0 | 0 | - |
| Budget Designations | 3,673 | 0 | 0.0% | 100,830 | 0 | 0.0% | 100,830 | 100,830 | - |
| ***Total Revenues*** | 2,904,396 | 1,917,191 | 66.0% | 3,037,739 | 1,935,057 | 63.7% | 3,037,739 | 3,037,739 | - |
| | | | | | | | | | |
| ***Expenditures:*** | | | | | | | | | |
| Salaries | 1,415,582 | 1,015,767 | 71.8% | 1,406,306 | 1,019,158 | 72.5% | 1,406,306 | 1,406,306 | - |
| Employee Benefits | 599,538 | 427,365 | 71.3% | 642,677 | 416,642 | 64.8% | 642,677 | 642,677 | - |
| Contractual Services | 36,513 | 55,271 | 151.4% | 38,492 | 34,324 | 89.2% | 38,492 | 38,492 | - |
| Internal Services | 7,379 | 7,152 | 96.9% | 9,170 | 6,179 | 67.4% | 9,170 | 9,170 | - |
| Supplies and Materials | 126,250 | 96,299 | 76.3% | 130,170 | 79,141 | 60.8% | 130,170 | 130,170 | - |
| Utilities | 84,750 | 52,197 | 61.6% | 85,800 | 56,793 | 66.2% | 85,800 | 85,800 | - |
| Training and Conferences | 3,100 | 2,084 | 67.2% | 3,050 | 1,722 | 56.5% | 3,050 | 3,050 | - |
| Telecommunications | 4,500 | 2,144 | 47.6% | 4,500 | 2,291 | 50.9% | 4,500 | 4,500 | - |
| Postage and Mailing | 850 | 386 | 45.4% | 850 | 268 | 31.5% | 850 | 850 | - |
| Indirect Costs | 229,986 | 172,490 | 75.0% | 236,450 | 177,337 | 75.0% | 236,450 | 236,450 | - |
| Self Insurance | 15,752 | 11,814 | 75.0% | 15,752 | 11,814 | 75.0% | 15,752 | 15,752 | - |
| Dues and Memberships | 500 | 431 | 86.2% | 500 | 581 | 116.2% | 500 | 500 | - |
| Rentals and Leases | 2,308 | 1,654 | 71.7% | 2,308 | 1,654 | 71.7% | 2,308 | 2,308 | - |
| Site Improvements | 0 | 0 | 0.0% | 0 | 16,250 | 0.0% | | | |
| Health and Dental Benefits for Retirees | 28,144 | 16,086 | 57.2% | 28,144 | 21,457 | 76.2% | 28,144 | 28,144 | - |
| Professional Services | 3,691 | 3,105 | 84.1% | 6,746 | 3,382 | 50.1% | 6,746 | 6,746 | - |
| SpecialUseEquipment | 2,000 | 0 | 0.0% | 2,000 | 0 | 0.0% | 2,000 | 2,000 | - |
| Debt Service | 284,050 | 25,952 | 25.0% | 273,198 | 21,531 | 7.9% | 273,198 | 273,198 | - |
| USDA Grant | 45,000 | 18,461 | 41.0% | 45,000 | 16,568 | 36.8% | 45,000 | 45,000 | - |
| Capital Outlay | 0 | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0 | - |
| Budget Designations | 0 | 0 | 0.0% | 96,626 | 0 | 0.0% | 96,626 | 96,626 | - |
| Contingency | 10,000 | 0 | 0.0% | 10,000 | 0 | 0.0% | 10,000 | 10,000 | - |
| ***Total Expenditures*** | 2,899,893 | 1,908,658 | 65.8% | 3,037,739 | 1,887,092 | 62.1% | 3,037,739 | 3,037,739 | - |
| | | | | | | | | | |
| ***TOTAL FUND BALANCE*** | 4,503 | 8,533 | | 0 | 47,965 | | 0 | 0 | |
| | | | | | | | | | |
| ***TOTAL ASSIGNED FUND BALANCE Maint./Equipment*** | 100,000 | 100,000 | | 100,000 | 100,000 | | 100,000 | 100,000 | |

May 28, 2013

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

Re: Comprehensive Services Act (CSA) Fund Financial Report for the period ending March 31, 2013.

The attached CSA Fund Financial Summary summarizes the financial activity for this Fund through March 31, 2013. 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 (July-June). Because of the State guidelines, expenditures for this fund are unique due to the overlap of grants each fiscal year. Accordingly, this report reflects only the current grant year financial activity for FY 2013.

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 troubled youth and their families. The current rate of reimbursement for community-based services is 86.32%, residential services are 65.8%, and for all other services is 72.64%. State funds to assist in administering the grant, ($29,730 for FY 2013) are provided by the State each year, and have been received in full. A local match is required for all state funds received. Reimbursements received for expenditures incurred through the third quarter of FY 2013 are $2,019,158.

- CSA Contribution – General Fund and Schools

  These revenue sources are comprised of the required local match for all State funds received for the Comprehensive Services Act Funds. For FY 2013 the budgeted School contribution is $196,541 and the year-to-date budgeted General Fund contribution is $1,338,852. For the third quarter of FY 2013, local matching funds for programs in the amount of $1,004,140 or 75% of the budget for the General Fund and $147,405 or 75% of the budget for Schools have been received.

- Miscellaneous Revenue

  Miscellaneous revenues in the amount of $33,343 or 30.3% of the budget were collected and are mainly comprised of recoupments from children’s social security payments for expenditures incurred on their behalf.

EXPENSES

- Administrative expenses

  CSA Administrative funds are used for salaries, supplies, and materials. Budgeted funds for FY 2013 are $62,283. Actual YTD administrative expenditures for third quarter FY 2013 were $45,983 or 73.8% of the budget as compared to $52,491 or 73.2% of the budget in third quarter FY 2012.

- Mandated – Foster Care

  Foster care expenses include funds for residential facilities, day care, maintenance payments to foster parents, and foster care prevention. Year-to-date foster care expenditures for third quarter FY 2013 totaled $1,550,568 or 42.8% of the budget compared to $1,524,341 or 39.9% of the budget for third quarter FY 2012. The increase is due to more children in care.

- Mandated – Foster Care Enhanced Maintenance

  Enhanced Maintenance is a new rate structure process that was implemented on October 1, 2009 for children placed in foster and adoptive homes. The Virginia Enhanced Maintenance Assessment Tool (VEMAT) was introduced as the required, state-wide tool to be used when assessing a child’s need for additional supervision and support and, thus, an enhanced maintenance payment for the foster or adoptive parent. When it was first implemented it was only required for new foster children. As of October 1st, 2010 it is required for all therapeutic foster children. Enhanced Maintenance expenses for third quarter FY 2013 were $201,382 compared to $177,572 in third quarter FY 2012. This increase is due to having more children in care.

- Mandated – Special Education

  Special Education expenses include services for Special Education students from the Lynchburg City Schools. Expenditures for third quarter FY 2013 totaled $704,224 or 90.9% of the budget compared to $509,429 or 49.7% of the budget for third quarter FY 2012. The change is attributed to an increase in the number of students attending Rivermont School as well as increased lengths of stay at Rivermont.

- Non-Mandated Services

  Non-mandated expenditures are for services such as counseling, mentoring, crisis intervention, and foster care prevention services. Non-mandated expenditures for third quarter FY 2013 were $202,094 or 87.9% of the budget compared to $163,611 or 71.1% of the budget for third quarter FY 2012. The increase is due to serving more non-mandated youth, those involved with the Juvenile and Domestic Court, and those with mental health issues who are not in the custody of Social Services.

- Community Based Services

  This category includes services to children while they are living at home, in the home of an extended family, in a regular foster family home, or in an independent living arrangement. Community services may include assessment, crisis stabilization, therapy, or intervention services provided in the child’s home. Community Based Services for third quarter FY 2013 were $333,265 or 89.6% of budget as compared to $151,345 or 47% of the budget for third quarter FY 2012. The increase is due to more children receiving community-based wrap around services for themselves and their families.

SUMMARY

The Comprehensive Services Act Fund creates a collaborative system of services and funding that is child-centered, family-focused, and community-based when addressing the strengths and needs of at-risk youths and their families in the City of Lynchburg

While the number of children currently in foster care has increased, other factors continue to impact this budget. These factors include an increased number of children receiving more intensive services for longer periods of time, increased vendor rates as well as an increase in the number of services provided by the vendors, higher VEMAT's, and an increase in special educational services.

The Community Policy and Management Team, in collaboration with the professional community, continues to work hard and is diligent and deliberate in efforts to reduce costs associated with CSA. We continue to work with the professional community to develop services in an effort to reduce cost.

Respectfully submitted,

Tamara T. Rosser

Tamara T. Rosser
Director of Human Services

c: L. Kimball Payne, III, City Manager
Bonnie Svrcek, Deputy City Manager
Donna Witt, Director of Financial Services
Rhonda Allbeck, Assistant Director of Financial Services
Robin Mamola, Financial Professional IV
Courtney Blankenstein, Financial Professional III

**Comprehensive Services Act**
**Special Revenue Fund**
**Financial Summary**
**March 31, 2013**

| | FY 2012 Amended Budget | FY 2012 Actual 2 QTR YTD | FY 2012 % of Budget | FY 2013 Amended Budget | FY 2013 Actual 2 QTR YTD | FY 2013 % of Budget |
|---|---|---|---|---|---|---|
| ***Beginning Fund Balance*** | 622,168 | 622,168 | | 329,544 | 329,544 | |
| ***Revenues:*** | | | | | | |
| Public Assistance - Welfare and Administration [1] | 3,708,028 | 1,315,157 | 35.5% | 3,417,468 | 2,019,158 | 59.1% |
| Transfer from Lynchburg City Schools | 196,541 | 147,406 | 75.0% | 196,541 | 147,405 | 75.0% |
| Transfer from General Fund | 1,459,031 | 1,012,193 | 69.4% | 1,338,852 | 1,004,140 | 75.0% |
| Miscellaneous | 110,000 | 87,481 | 79.5% | 110,000 | 33,343 | 30.3% |
| ***Total Revenues*** | 5,473,600 | 2,562,237 | 46.8% | 5,062,861 | 3,204,046 | 63.3% |
| ***Expenses:*** | | | | | | |
| Administrative Expenses | 71,678 | 52,491 | 73.2% | 62,283 | 45,983 | 73.8% |
| Mandated - Foster Care | 3,823,500 | 1,524,341 | 39.9% | 3,619,824 | 1,550,568 | 42.8% |
| Mandated - Foster Care Enhanced Payments | 0 | 177,572 | 1.0% | 0 | 201,382 | 1.8% |
| Mandated - Special Education | 1,025,000 | 509,429 | 49.7% | 775,000 | 704,224 | 90.9% |
| Non-Mandated Services | 230,000 | 163,611 | 71.1% | 230,000 | 202,094 | 87.9% |
| Community Based | 322,078 | 151,345 | 47.0% | 372,078 | 333,265 | 89.6% |
| ***Total Expenditures*** | 5,472,256 | 2,578,789 | 47.1% | 5,059,185 | 3,037,516 | 60.0% |
| | | | | | | |
| ***ENDING FUND BALANCE*** | 623,512 | 605,616 | | 333,220 | 496,074 | |

May 28, 2013

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

Re: March 31, 2013 Quarterly Financial Report – Water Operating Fund

The attached Water Operating Fund Financial Summary summarizes the financial activity for this fund through March 31, 2013. This quarterly report provides comparative financial information for the same period of the prior fiscal year. Projected variances between the FY 2013 budget and the Department's year-end projections are described below.

**REVENUES**

Following the completion of the third quarter, overall revenues for FY 2013 are projected to be $290,867 (2.16%) less than the FY 2013 budget. Explanations follow:

- **Charges for Services**

  Revenue in this category is expected to be $75,525 (0.72%) less than the FY 2013 budget. This is primarily attributable to water sales within the City which are anticipated to be $206,500 less than budget in combination with water connection fees and availability fees exceeding budget by $93,000.

- **Water Contracts**

  This revenue category reflects billing activity for the counties of Amherst, Bedford, and Campbell, and the industries of RockTenn and Frito-Lay. The net revenue from this source is projected to be less than budget by $224,342 (8.50%) which is mostly attributable to decreases in Amherst County, Bedford County and RockTenn.

- **Interest and Other**

  Interest and other earnings are expected to exceed budget by $9,000 (3.19%). This mostly attributable to increased proceeds from sale of scrap metal from water line repairs or replacements.

**EXPENSES**

Overall expenses for FY 2013 are projected to be $681,879 (5.05%) less than the FY 2013 budget. Explanations of this variance follow:

- **Departmental Operation and Maintenance Expenses**

  This category includes the Water Treatment Plant, Meter Operations, Water Line Maintenance and Administration. Expenses in this category are expected to be $667,811 (7.62%) less than the FY 2013 budget (Water Treatment - $444,724 savings, Meter Operations - $15,548 savings, Water Line Maintenance - $219,155 savings, Administration - $11,616 deficit). This variance is broken down as follows:

| | |
|---|---|
| ➢ Personal Services and Benefits | $62,906 |
| ➢ Chemicals | $180,600 |
| ➢ Communication and Utilities | $163,686 |
| ➢ Contractual Services | $130,534 |
| ➢ Supplies and Materials | $122,083 |
| ➢ All Other | $8,002 |
| **Total** | **$667,811** |

  The most significant variances are chemical and electricity savings which occur when James River water does not need to be pumped and treated. Additional savings are in contractual services primarily from Water Treatment Plant's equipment maintenance, janitorial, and lab testing expenses. Savings in personal services and benefits are due to vacancies for Utility Line Technicians. The savings in supplies and materials are anticipated to come primarily from Water Line Maintenance.

- **Non-Departmental Operation and Maintenance**

  A savings of $82,781 (40.10%) is projected primarily due to anticipated reductions in the cost of non-departmental employee benefits for retired employees, minimal workers comp expense, and anticipated savings in doubtful accounts expense.

- **Capital Outlay and Transfers to Other Funds**

  Purchases and transfers in this category are expected to exceed budget by $76,713 (8.73%). This is primarily due to installation of two ductile valve inserts on Stadium Road and Carroll Avenue, new equipment that is being installed at Abert Pump Station for monitoring raw water flow from the plant control room and for HVAC units that will need replacement at the Pedlar Reservoir caretaker's residence.

- **Debt Service**

  Debt Service is expected to be $8,000 (0.22%) less than FY 2013 budget due to savings in credit line interest expense.

**SUMMARY**

This third quarter report reflects a stable FY 2013 financial position for this fund. Under the Council adopted financial policies, the two important financial ratios, debt coverage and fund balance, are within policy targets. The debt coverage ratio projected for the end of the fiscal year is 1.31 compared to a target of 1.20. The fund balance ratio projected for the end of the fiscal year is 54% compared to a target range of 25% - 40%.

Respectfully submitted,

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

c: L. Kimball Payne, III, City Manager
Bonnie Svrcek, Deputy City Manager
Donna Witt, Director of Financial Services

**WATER OPERATING FUND**
**FINANCIAL SUMMARY**
**Quarter Ending March 31, 2013**

| | FY 2012 Adopted Budget | FY 2012 Actual Q3 YTD | FY 2012 % of Budget | FY 2013 Adopted Budget | FY 2013 Actual Q3 YTD | FY 2013 Adopted Budget | FY 2013 Revised Estimate | FY 2013 % of Budget | FY 2013 $ Variance Revised Estimate to Adopted |
|---|---|---|---|---|---|---|---|---|---|
| **BEGINNING NET ASSETS** | $30,409,863 | $30,409,863 | | $30,411,636 | $30,411,636 | $30,411,636 | $30,411,636 | | |
| Less: Invested in Capital Assets, net of related debt | (25,171,966) | ($25,171,966) | | (24,458,991) | (24,458,991) | (24,458,991) | (24,458,991) | | |
| **BEGINNING UNRESTRICTED NET ASSETS** | **5,237,897** | **$5,237,897** | | **$5,952,645** | **$5,952,645** | **$5,952,645** | **$5,952,645** | | |
| **REVENUES:** | | | | | | | | | |
| Charges for services | $10,055,909 | $6,840,596 | 68% | $10,522,925 | $7,420,313 | $10,522,925 | $10,447,400 | 71% | (75,525) |
| Water contracts | 2,649,695 | 1,691,787 | 64% | 2,637,792 | 1,750,130 | 2,637,792 | 2,413,450 | 66% | (224,342) |
| Interest and other | 380,600 | 292,993 | 77% | 282,211 | 281,804 | 282,211 | 291,211 | 100% | 9,000 |
| | **$13,086,204** | **$8,825,376** | | **$13,442,928** | **$9,452,247** | **$13,442,928** | **$13,152,061** | | **($290,867)** |
| **EXPENSES** | | | | | | | | | |
| Departmental O&M | $8,283,526 | $5,700,776 | 69% | $8,767,983 | 5,842,526 | $8,767,983 | $8,100,172 | 67% | 667,811 |
| Non-departmental O&M | 203,482 | 65,155 | 32% | 206,496 | 70,402 | 206,496 | 123,715 | 34% | 82,781 |
| Capital Outlay/Purchases | 0 | 0 | | 0 | 50,785 | 0 | 76,713 | | (76,713) |
| Transfers - Capital | 700,000 | 700,000 | 100% | 878,746 | 659,060 | 878,746 | 878,746 | 75% | 0 |
| Transfers - General Fund | 0 | 0 | | 0 | 0 | 0 | 0 | | 0 |
| Debt service | 3,782,678 | 2,664,145 | 70% | 3,658,789 | 2,610,549 | 3,658,789 | 3,650,789 | 71% | 8,000 |
| Contingencies | 0 | 0 | | 0 | 0 | 0 | 0 | | 0 |
| | **$12,969,686** | **$9,130,076** | | **$13,512,014** | **9,233,321** | **$13,512,014** | **$12,830,135** | | **$681,879** |
| Adjustment for expenses from capital projects | | - | | | - | | **(290,000)** | | |
| **ENDING NET ASSETS** | **$5,354,415** | **$4,933,197** | 92% | **$5,883,559** | **$6,171,571** | **$5,883,559** | **$5,984,571** | 105% | |

**KEY RATIOS:**

| | |
|---|---|
| Unrestricted cash target as a % of operating expenses & debt service: | 40% |
| Unrestricted cash as a % of operating expenses & debt service: | 54% |
| Financial Policy targeted debt coverage ratio minimum: | 1.20 |
| Ending debt coverage ratio: | 1.31 (1) |

Note (1) Calculation of debt coverage includes $150,000 of projected capitalizable costs for internal labor charges applicable to time spent on capital project activities.

May 28, 2013

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

Re: March 31, 2013 Quarterly Financial Report – Sewer Operating Fund

The attached Sewer Operating Fund Financial Summary summarizes the financial activity for this fund through March 31, 2013. This quarterly report provides comparative financial information for the same period of the prior fiscal year. Projected variances between the FY 2013 Budget and the Department's year-end projections are described below.

**REVENUES**

Following the completion of the third quarter, overall revenues for FY 2013 are projected to be $133,533 (0.69%) less than the FY 2013 budget. Explanations follow:

- **Charges for Services**

  Revenue in this category reflects the billing activity for all users other than those under special contract. Revenue is expected to be $6,788 (0.04%) slightly more than the FY 2013 budget. This is primarily attributable to higher than anticipated revenue for septic hauler charges, connection charges, and availability fees that exceeds budget by $161,883 with an offset of sewer sales within the city that is expected to be $168,750 less than budget.

- **Sewer Contracts**

  Revenue in this category reflects the billing activity in counties of Amherst, Bedford, and Campbell and industries of Rock-Tenn and Frito-Lay. Revenue from this source is projected to be $228,700 (7.49%) less than budget primarily due to less sewer usage by Frito-Lay and Rock-Tenn.

- **Interest and Other**

  Revenue is this category is projected to exceed budget by $88,379 (109.90%). $71,000 was received from the sale of surplus property from the Wastewater Treatment Plant.

**EXPENSES**

Overall expenses for FY 2013 are projected to be $458,742 (2.36%) less than the FY 2013 budget. Explanations of this variance follow:

- **Departmental Operation and Maintenance Expenses**

  This category includes the Wastewater Treatment Plant and Sewer Line Maintenance. Expenses in this category are expected to be $310,281 (3.40%) less than the FY 2013 budget (Wastewater Treatment - $18,804 savings and Sewer Line Maintenance - $291,477 savings). This variance is broken down as follows:

| | |
|---|---|
| ➢ Personal Services and Benefits | $90,589 |
| ➢ Chemicals | $22,000 |
| ➢ Utilities | $37,700 |
| ➢ Supplies and Materials | $75,811 |
| ➢ Contractual Services | ($109,187) |
| ➢ All Other | $193,368 |
| **Total** | **$310,281** |

  The most significant savings are expected in the All Other category. A savings of $100,000 is anticipated for charges from Public Works/Community Development due to decreased need for engineering services for capital projects. An additional $115,000 of savings in the All Other category is for less than expected loads of sludge accepted at the Region 2000 Landfill and less than budgeted costs per ton which is offset by Contractual Services going over budget for increased hauling of sludge to the Amelia Landfill that is used when Region 2000 Landfill has reached daily or weekly load limits. Savings in Personal Services and Benefits is a result of vacancies at both Wastewater Treatment and Sewer Line Maintenance.

- **Non-Departmental Operational and Maintenance Expenses**

  Non-Departmental expenses are expected to be $147,305 (42.52%) less than the FY 2013 budget primarily because James River Interceptor maintenance has been deferred to FY 2015.

- **Capital Outlay and Transfers to Other Funds**

  Purchases and transfers in this category are expected to be slightly below budget by $1,156 (0.07%).

- **Debt/LOC Service Payments**

  Debt Service and LOC Service payments are expected to be at budget.

**SUMMARY**

This third quarter report reflects a stable FY 2013 financial position for this fund. Under the Council adopted financial policies, the two important financial ratios, debt coverage and fund balance, are within or above policy targets. The debt coverage ratio projected for the end of the fiscal year is 1.25 compared to a target range of 1.20 to 1.50. The fund balance ratio projected for the end of the fiscal year is 37% compared to a target range 15 to 25%.

Respectfully submitted,

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

c: L. Kimball Payne, III, City Manager
Bonnie Svrcek, Deputy City Manager
Donna Witt, Director of Financial Services

**SEWER OPERATING FUND**
**FINANCIAL SUMMARY**
**Quarter Ending March 31, 2013**

| | FY 2012 Adopted Budget | FY 2012 Actual Q3 YTD | FY 2012 % of Budget | FY 2013 Adopted Budget | FY 2013 Actual Q3 YTD | FY 2013 % of Budget | FY 2013 Adopted Budget | FY 2013 Revised Estimate | FY 2013 $ Variance Revised Estimate to Adopted |
|---|---|---|---|---|---|---|---|---|---|
| **BEGINNING NET ASSETS (1)** | $110,158,233 | $110,158,233 | | $91,763,517 | $91,763,517 | | $91,763,517 | $91,763,517 | |
| Less: Invested in Capital Assets, net of related debt | (100,370,755) | (100,370,755) | | (81,440,531) | (81,440,531) | | (81,440,531) | (81,440,531) | |
| **BEGINNING UNRESTRICTED NET ASSETS** | **$9,787,478** | **$9,787,478** | | **$10,322,986** | **$10,322,986** | | **$10,322,986** | **$10,322,986** | |
| **REVENUES:** | | | | | | | | | |
| Charges for services | $16,687,158 | $11,011,469 | 66% | $16,314,331 | $11,461,987 | 70% | $16,314,331 | $16,321,119 | 6,788 |
| Sewer contracts | 2,832,938 | 1,557,186 | 55% | 3,053,114 | 1,599,549 | 52% | 3,053,114 | 2,824,414 | (228,700) |
| Interest and other | 899,989 | 738,359 | 82% | 80,421 | 147,143 | 183% | 80,421 | 168,800 | 88,379 |
| | **$20,420,085** | **$13,307,014** | | **$19,447,866** | **$13,208,678** | | **$19,447,866** | **$19,314,333** | **($133,533)** |
| **EXPENSES:** | | | | | | | | | |
| Departmental O&M | $9,873,605 | $6,646,561 | 67% | $9,112,800 | 6,201,490 | 68% | $9,112,800 | $8,802,519 | 310,281 |
| Non-departmental O&M | 339,276 | 394,013 | 116% | 346,454 | 146,537 | 42% | 346,454 | 199,149 | 147,305 |
| Equipment Purchases | 140,000 | 311,723 | 223% | 60,000 | 9,343 | 16% | 60,000 | 58,844 | 1,156 |
| Transfers - Capital | 2,000,000 | 1,500,000 | 75% | 1,500,000 | 1,125,000 | 75% | 1,500,000 | 1,500,000 | 0 |
| Transfers - City Fleet Fund | 0 | 0 | | 0 | 0 | | 0 | 0 | 0 |
| Debt service | 8,141,619 | 4,461,219 | 55% | 8,451,416 | 4,891,503 | 58% | 8,451,416 | 8,451,416 | 0 |
| Contingencies | 0 | 0 | | 0 | 0 | | 0 | 0 | 0 |
| | **$20,494,500** | **$13,313,516** | | **$19,470,670** | **12,373,873** | | **$19,470,670** | **$19,011,928** | **$458,742** |
| Adjustment for expenses from capital projects | | - | | | | | | | |
| **ENDING NET ASSETS** | **$9,713,063** | **$9,780,976** | | **$10,300,182** | **$11,157,791** | | **$10,300,182** | **$10,625,391** | |

**KEY RATIOS:**

| | |
|---|---|
| Unrestricted cash target as a % of operating expenses & debt service: | 25% |
| Unrestricted cash as a % of operating expenses & debt service: | 37% |
| Financial Policy targeted debt coverage minimum: | 1.20 |
| Ending debt coverage: | 1.25 (1) |

Note (1) Calculation of debt coverage includes $220,000 of projected capitalizable costs for internal labor charges applicable to time spent on capital project activities.

May 28, 2013

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

Re: March 31, 2013 Quarterly Financial Report – Stormwater Operating Fund

The attached Stormwater Operating Fund Financial Summary summarizes the financial activity for this fund through March 31, 2013. This is the first year for the Stormwater Operating Fund and thus there is no comparative financial information of the prior fiscal year. Projected variances between the FY 2013 Adopted Budget and the Department's year-end projections are described below.

## REVENUES

Following the completion of the third quarter, overall revenues for FY 2013 are projected to be $662,000 (24.19%) more than the FY 2013 budget. Explanations follow:

- **Charges for Services**

  Revenue in this category reflects billing activity for all known impervious areas and delinquent charges on past due accounts. The FY 2013 revenue budget that was adopted in February, 2012, was based on impervious measurements that were known, which is mostly residential and estimated incomplete measurements for nonresidential. The nonresidential measurements were not completed by our outside consultant until June, 2012, which was immediately prior to the first Stormwater billing in July, 2012. The budget was intended to provide adequate revenue to ensure that all anticipated expenses could be met without a need for an early rate increase. In addition, FY 2013 budgeted revenues are based on twelve months of billing compared to recognizing revenue on an accrual basis that would add billings in July, 2013 to FY 2013 revenues. July, 2013 billings of approximately $260,000 will be accrued in FY 2013. In FY 2014 and all fiscal years thereafter, recognized revenue will reflect twelve monthly billings.

- **Transfers**

  The transfer from the General Fund is on track with the budget for FY 2013.

**EXPENSES**

Overall expenses for FY 2013 are projected to be $515,413 (16.42%) less than FY 2013 budget. A breakdown and explanations of this variance follow:

- **Departmental Operation and Maintenance Expenses**

  Departmental Operation and Maintenance expenses are projected to be $441,013 (16.32%) less than the FY 2013 budget. This variance is broken down as follows:

| | |
|---|---:|
| ➢ Personal Services and Benefits | $23,718 |
| ➢ Communications | $900 |
| ➢ Internal Service Charges | ($32,715) |
| ➢ Contractual Services | $130,827 |
| ➢ Supplies and Materials | $14,797 |
| ➢ Public Works and Community Development | $300,000 |
| ➢ All Other | $3,486 |
| **TOTAL** | **$441,013** |

  The most significant savings is for Public Works and Community Development. This is mostly due Public Works personnel and equipment being needed for Derecho cleanup and not available for stormwater maintenance activity at the beginning of the year, and less than anticipated engineering services and contractor drainage work. Additional savings in Contractor Services is due to stormwater personnel have been able to take on most of the planned maintenance work for this fiscal year. The savings in Personnel Services and Benefits is a result of Utility Line Technician and Water Quality Compliance Inspector positions being vacant for several weeks. The increased expenses for Internal Service Charges are a result of higher capital charges from the Fleet Fund than were budgeted for in FY 2013.

- **Non-Departmental Operational and Maintenance Expenses**

  Non-departmental expenses are projected to have a savings of $74,400 (54.39%) less than FY 2013 budget primarily due to a budgeted collection rate of 95% compared to a revised collection rate of approximately 98%.

- **Debt/LOC Service Payments**

  Currently, there is no debt for the Stormwater Fund.

**SUMMARY**

This third quarter report reflects a stable FY 2013 financial position for the fund at this time. The fund balance ratio projected for the end of the fiscal year is 42%.

Respectfully submitted,

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

c: L. Kimball Payne, III, City Manager
Bonnie Svrcek, Deputy City Manager
Donna Witt, Director of Financial Services

**STORMWATER OPERATING FUND**
**FINANCIAL SUMMARY**
**Quarter Ending March 31, 2013**

| | FY 2013 Adopted Budget | FY 2013 Actual Q3 YTD | FY 2013 % of Budget | FY 2013 Adopted Budget | FY 2013 Revised Estimate | FY 2013 $ Variance Revised Estimate to Adopted |
|---|---|---|---|---|---|---|
| **BEGINNING NET ASSETS** | $0 | $0 | | $0 | $0 | |
| Less: Invested in Capital Assets, net of related debt | 0 | 0 | | 0 | 0 | |
| **BEGINNING UNRESTRICTED NET ASSETS** | **$0** | **$0** | | **$0** | **$0** | |
| **REVENUES:** | | | | | | |
| Charges for services | $2,737,000 | $2,356,111 | 86% | $2,737,000 | $3,399,000 | 662,000 |
| Transfers | 650,000 | 487,500 | 75% | 650,000 | 650,000 | 0 |
| | **$3,387,000** | **$2,843,611** | | **$3,387,000** | **$4,049,000** | **$662,000** |
| **EXPENSES:** | | | | | | |
| Departmental O&M | $2,702,784 | $1,524,952 | 56% | $2,702,784 | $2,261,771 | 441,013 |
| Non-departmental O&M | 136,800 | 0 | 0% | 136,800 | 62,400 | 74,400 |
| Equipment Purchases | 0 | 0 | | 0 | 0 | 0 |
| Transfers - Capital | 300,000 | 225,000 | 75% | 300,000 | 300,000 | 0 |
| Transfers - City Fleet Fund | 0 | 0 | | 0 | 0 | 0 |
| Debt service | 0 | 0 | | 0 | 0 | 0 |
| Contingencies | 0 | 0 | | 0 | 0 | 0 |
| | **$3,139,584** | **$1,749,952** | | **$ 3,139,584** | **$2,624,171** | **$515,413** |
| Adjustment for expenses from capital projects | | | | | 0 | |
| **ENDING NET ASSETS** | **$247,416** | **1,093,659** | | **$247,416** | **$1,424,829** | |

**KEY RATIOS:**

| | | |
|---|---|---|
| Unrestricted cash as a % of operating expenses | | 42% |

May 28, 2013

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

Re: March 31, 2013 Quarterly Report - General Fund

Attached is the Financial Summary for the General Fund (Fund) for the period ending March 31, 2013.

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, three installments for FY 2013 have been billed, and revenue of $41,811,934 has been collected. This revenue is 78.9% of the FY 2013 Adopted budget of $52,998,701.

- Personal Property Taxes

  Personal Property tax revenue for FY 2013 is $547,573 more than the amount collected in the third quarter of FY 2012, and remains on track with 53.2% collected. 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 at $950 million for FY 2013. This action eliminates the 70% reimbursement. Lynchburg's share is $5,543,584. During the third quarter of FY 2013, the State reimbursed the City $831,538 (15%), as scheduled. The final payment is scheduled for receipt in May 2013 (5%).

- Consumer Utility Tax - Electric

  The third quarter FY 2013 revenue is below FY 2013 budget projections by $35,044 based on collections for 8 months. Staff is monitoring this revenue and providing the Finance Committee with monthly updates related to Consumer Utility Taxes for Electric.

- Communication Sales and Use Taxes

  Communication Sales and Use tax revenue is behind the FY 2013 budget projection by $17,210 based on collections for 8 months.

- Local Sales Tax

  Due to conservative budgeting resulting from an anticipated slow economic recovery, sales tax revenue is ahead of the FY 2013 budget projection by $222,564 based on collections for 8 months.

- Business License

  Business License revenue collected through the third quarter of FY 2013 is $1,550,598. Since this tax is due May 1, the collection percentage is currently only a small part of the annual budget. The majority of the tax will be collected from March to May. Collections remain on pace with FY 2012.

- Meals Tax

  Due to conservative budgeting, meals tax revenue is ahead of the FY 2013 budget projections by $842,093 based on collections for 8 months. Staff is monitoring this revenue and providing the Finance Committee with monthly updates.

- Lodging Tax

  Lodging tax revenue is ahead of the FY 2013 budget projection by $246,865 based on collections for 8 months. Included in the revenue is a one-time collection of $140,000 from a delinquent account. Staff is monitoring this revenue and providing the Finance Committee with monthly updates.

- Permits, Fees, and Licenses

  Permits, Fees, and Licenses is ahead of the FY 2013 budget projection by 16.1%, or $101,716. The majority of this is attributable to Permit Parking Fees.

- Fines and Forfeitures

  Fines and Forfeitures revenue is slightly ahead of the budget projection for FY 2013 by 4.5%, or $25,305.

- Interest on Investments

  Investment income is slightly behind the budget projection for FY 2013 by $31,523 resulting from the low return on investments.

- Charges for Services

  Charges for Services revenue is 0.7%, or $35,841, ahead of the budget projection for FY 2013. The majority of this is attributable to DMV Administration Fees, the new Commonwealth Attorney Collections Program, and Off-Duty Police Fees.

DEDICATED REVENUES

Intergovernmental Revenues are 1.2%, or $310,864, less than the FY 2013 budget projection. The timing of reimbursements from the State causes this revenue source to be slightly ahead, or slightly behind, the yearly projection.

EXPENDITURES

- Operating Expenditures

  The percentage of operating expenditures spent through the third quarter of FY 2013, 76.4%, is on target with budget projections.

- Debt Service

  Debt Service expenditures are on pace with FY 2013 budget projections.

SUMMARY

This report represents nine 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
Director of Financial Services

c: L. Kimball Payne, III, City Manager
Bonnie Svrcek, Deputy City Manager
Rhonda Allbeck, Assistant Director of Financial Services

**GENERAL FUND**
**FINANCIAL SUMMARY**
**As of March 31, 2013**

| | FY 2012 Adopted Budget | FY 2012 Amended Budget | FY 2012 Actual 3rd Qtr As of 3/31/12 | FY 2012 % of Budget | FY 2013 Adopted Budget | FY 2013 Amended Budget | FY 2013 Actual 3rd Qtr As of 3/31/13 | FY 2013 % of Budget | FY 2013 Compared to FY 2012 |
|---|---|---|---|---|---|---|---|---|---|
| **BEGINNING BALANCE** | | | | | | | | | |
| **UNASSIGNED** | $ 31,805,351 | $ 31,805,351 | $ 29,215,579 | | $ 20,199,396 | $ 20,199,396 | $ 28,835,658 | | |
| **REVENUES:** | | | | | | | | | |
| **Non-Dedicated Revenues** | | | | | | | | | |
| Real Property | 49,594,861 | 49,594,861 | 39,124,555 | 78.9% | 52,998,701 | 52,998,701 | 41,811,934 | 78.9% | 2,687,379 |
| Personal Property -Local | 14,000,000 | 14,000,000 | 7,570,185 | 54.1% | 15,251,500 | 15,251,500 | 8,117,758 | 53.2% | 547,573 |
| Public Service Corp | 2,200,000 | 2,200,000 | 2,189,198 | 99.5% | 2,145,000 | 2,145,000 | 2,333,580 | 108.8% | 144,382 |
| Consumer Utility Taxes | 4,364,582 | 4,364,582 | 2,935,971 | 67.3% | 4,364,582 | 4,364,582 | 2,961,133 | 67.8% | 25,162 |
| Communication Sales and Use Taxes | 3,600,000 | 3,600,000 | 1,988,948 | 55.2% | 3,530,000 | 3,530,000 | 2,048,364 | 58.0% | 59,416 |
| Local Sales Tax | 12,694,401 | 12,694,401 | 7,854,432 | 61.9% | 13,284,506 | 13,284,506 | 8,032,342 | 60.5% | 177,910 |
| Business License | 7,000,000 | 7,000,000 | 1,274,590 | 18.2% | 7,000,000 | 7,000,000 | 1,550,598 | 22.2% | 276,008 |
| Meals Tax | 10,580,000 | 10,580,000 | 7,657,023 | 72.4% | 10,830,000 | 10,830,000 | 7,924,076 | 73.2% | 267,053 |
| Delinquent Taxes/Penalties | 2,618,500 | 2,618,500 | 2,495,081 | 95.3% | 2,763,500 | 2,763,500 | 2,581,040 | 93.4% | 85,959 |
| Other Local Taxes | 2,513,490 | 2,513,490 | 1,848,556 | 73.5% | 2,503,500 | 2,503,500 | 1,974,160 | 78.9% | 125,604 |
| Motor Vehicle License | 1,413,142 | 1,413,142 | 171,765 | 12.2% | 1,413,142 | 1,413,142 | 191,791 | 13.6% | 20,026 |
| Bank Stock Tax | 500,000 | 500,000 | 147 | 0.0% | 500,000 | 500,000 | 182 | 0.0% | 35 |
| Lodging Tax | 1,700,000 | 1,700,000 | 1,184,637 | 69.7% | 1,700,000 | 1,700,000 | 1,331,354 | 78.3% | 146,717 |
| Permit, Fees & Licenses | 632,300 | 632,300 | 449,708 | 71.1% | 631,700 | 631,700 | 575,491 | 91.1% | 125,783 |
| Fines and Forfeitures | 555,000 | 555,000 | 374,535 | 67.5% | 566,000 | 566,000 | 449,805 | 79.5% | 75,270 |
| Interest on Investments | 236,502 | 236,502 | 253,928 | 107.4% | 236,502 | 236,502 | 145,854 | 61.7% | (108,074) |
| Use of Property | 366,064 | 366,064 | 243,850 | 66.6% | 372,064 | 372,064 | 268,891 | 72.3% | 25,041 |
| Charges for Services | 3,660,244 | 3,660,244 | 2,659,648 | 72.7% | 5,501,448 | 5,501,448 | 4,161,927 | 75.7% | 1,502,279 |
| Misc. Revenue | 244,300 | 244,300 | 272,532 | 111.6% | 264,400 | 264,400 | 423,389 | 160.1% | 150,857 |
| Revenue from Lynchburg City Schools | 30,153 | 30,153 | - | 0.0% | 29,284 | 29,284 | - | 0.0% | - |
| Intergovernmental Revenues | | | | | | | | | |
| Personal Property -State | 5,543,584 | 5,543,584 | 5,266,405 | 95.0% | 5,543,584 | 5,543,584 | 5,266,405 | 95.0% | - |
| Other | 505,000 | 505,000 | 213,273 | 42.2% | 505,000 | 505,000 | 310,218 | 61.4% | 96,945 |
| **Total Non-Dedicated Revenues** | 124,552,123 | 124,552,123 | 86,028,967 | 69.1% | 131,934,413 | 131,934,413 | 92,460,292 | 70.1% | $ 6,431,325 |
| **Dedicated Revenues** | | | | | | | | | |
| Local | | | | | | | | | |
| Indirect Costs and Services from Enterprise Funds | 1,751,197 | 1,751,197 | 1,313,398 | 75.0% | 1,745,299 | 1,745,299 | 1,320,225 | 75.6% | 6,827 |
| Other | 1,373,286 | 1,373,286 | 976,383 | 71.1% | 1,325,057 | 1,325,057 | 765,790 | 57.8% | (210,593) |
| Intergovernmental Revenues | | | | | | | | | |
| Constitutional Officers | 2,911,234 | 2,957,697 | 1,936,626 | 65.5% | 2,931,739 | 2,972,494 | 1,928,223 | 64.9% | (8,403) |
| Human Services | 12,987,568 | 12,987,568 | 9,188,526 | 70.7% | 12,644,822 | 12,649,985 | 9,385,165 | 74.2% | 196,639 |
| House Bill 599 | 2,930,790 | 2,930,790 | 2,198,094 | 75.0% | 2,930,790 | 2,930,790 | 2,129,984 | 72.7% | (68,110) |
| Aid to the Commonwealth of Virginia | (600,000) | (600,000) | - | 0.0% | (535,000) | (535,000) | - | 0.0% | - |
| Highway Maintenance | 7,714,376 | 7,714,376 | 5,568,814 | 72.2% | 7,105,229 | 7,105,229 | 4,905,094 | 69.0% | (663,720) |
| Other | 682,527 | 682,527 | 680,608 | 99.7% | 706,135 | 706,135 | 712,895 | 101.0% | 32,287 |
| Total Intergovernmental Revenues | 26,626,495 | 26,672,958 | 19,572,668 | 73.4% | 25,783,715 | 25,829,633 | 19,061,361 | 73.8% | (511,307) |
| Interfund Transfers | - | - | 283,271 | #DIV/0! | - | 9,000 | 9,000 | 100.0% | (274,271) |
| **Total Dedicated Revenues** | 29,750,978 | 29,797,441 | 22,145,720 | 74.3% | 28,854,071 | 28,908,989 | 21,156,376 | 73.2% | $ (989,344) |
| **Total Revenues** | $ 154,303,101 | $ 154,349,564 | $ 108,174,687 | 70.1% | $ 160,788,484 | $ 160,843,402 | $ 113,616,668 | 70.6% | $ 5,441,981 |
| **Other Financing Sources** | | | | | | | | | |
| Proceeds from Refunding Bonds | | | | | - | 4,129,625 | 4,129,625 | | |
| **Use of Fund Balance & Reserves** | | | | | | | | | |
| Prior year Encumbrances | | | 200,000 | | | | | | |
| Close Des for Contingencies | | | 13,929 | | | | | | |
| FY11 3rd Qtr Adj | | | 157,735 | | | | | | |
| Use of Committed/Assigned | | | | | 1,520,787 | | | | |
| 12/19/12 GO Refunding | | | | | | | 42,000 | | |
| Pub Safety Comp Adj | | | | | | | 750,000 | | |
| HHS design | | | | | | | 3,480,000 | | |
| 2/26/13 Council #11 | | | | | | | 16,727 | | |
| 3/13/13 Council #7 | | | | | | | 182,250 | | |
| Return of School funding | | | 1,047,695 | | | | 1,124,825 | | |
| Arts & Culture | | | 30,000 | | | | | | |
| 2/14/12 Council #8 | | | 2,091,318 | | | | | | |
| 11/8/11 Council #3 | | | 35,036 | | | | | | |
| Change to Asgn/Comm | | | 963,595 | | | | | | |
| Corr JE's | | | (145,960) | | | | | | |
| FY12 Carry Forward | | | | | | | 453,271 | | |
| Recreation Programs | | | | | | | 89,957 | | |
| Solid Waste Debt | | | | | | | 355,830 | | |
| Remove designations | | | | | | | 865,226 | | |
| **Total Fund Balance, Revenues and Use of Fund Bal.** | $ 186,108,452 | $ 186,154,915 | $ 141,783,614 | | $ 182,508,667 | $ 185,172,423 | $ 153,942,037 | | |

**GENERAL FUND**
**FINANCIAL SUMMARY**
**As of March 31, 2013**

| | FY 2012 Adopted Budget | FY 2012 Amended Budget | FY 2012 Actual 3rd Qtr 3/31/12 | FY 2012 % of Budget | FY 2013 Adopted Budget | FY 2013 Amended Budget | FY 2013 Actual 3rd Qtr 3/31/13 | FY 2013 % of Budget | FY 2013 Compared to FY 2012 |
|---|---|---|---|---|---|---|---|---|---|
| **BALANCE FORWARD** | | | | | | | | | |
| Total Fund Balance, Revenues and Use of Fund Bal. | $ 186,108,452 | $ 186,154,915 | $ 141,783,614 | | $ 182,508,667 | $ 185,172,423 | $ 153,942,037 | | |
| **EXPENDITURES** | | | | | | | | | |
| Operating Expenditures - Departmental | | | | | | | | | |
| General Government | | | | | | | | | |
| Internal Audit | 55,900 | 55,900 | 37,804 | 67.6% | - | - | - | #DIV/0! | (37,804) |
| Communications/Marketing | 396,532 | 435,074 | 220,100 | 50.6% | 393,841 | 393,841 | 274,168 | 69.6% | 54,068 |
| Customer Service Center | 125,554 | 125,554 | 87,693 | 69.8% | 128,849 | 128,849 | 83,624 | 64.9% | (4,069) |
| Local Government Channel | 140,915 | 140,915 | 101,593 | 72.1% | 154,196 | 154,196 | 105,988 | 68.7% | 4,395 |
| Council/Manager | 1,033,358 | 1,076,334 | 756,423 | 70.3% | 838,589 | 839,289 | 640,008 | 76.3% | (116,415) |
| Parking Management | 374,600 | 517,817 | 274,174 | 52.9% | 331,739 | 332,389 | 261,695 | 78.7% | (12,479) |
| City Attorney | 607,325 | 607,325 | 441,754 | 72.7% | 627,712 | 627,712 | 461,641 | 73.5% | 19,887 |
| Self-Insurance (Risk Management) | 548,524 | 548,524 | 411,393 | 75.0% | 555,681 | 555,681 | 416,643 | 75.0% | 5,250 |
| State Treasurer | 145,161 | 145,161 | 100,909 | 69.5% | 147,833 | 147,833 | 106,738 | 72.2% | 5,829 |
| Comm of Revenue | 684,214 | 684,968 | 466,777 | 68.1% | 703,238 | 706,079 | 488,723 | 69.2% | 21,946 |
| City Assessor | 707,865 | 707,865 | 513,999 | 72.6% | 740,465 | 741,069 | 517,744 | 69.9% | 3,745 |
| Director of Finance | 517,482 | 532,144 | 390,563 | 73.4% | 545,980 | 558,072 | 424,920 | 76.1% | 34,357 |
| Billings & Collections | 1,248,251 | 1,261,081 | 909,220 | 72.1% | 1,312,194 | 1,312,194 | 935,969 | 71.3% | 26,749 |
| Procurement | 212,165 | 214,452 | 152,587 | 71.2% | 211,263 | 212,318 | 154,116 | 72.6% | 1,529 |
| Accounting | 806,562 | 860,668 | 605,859 | 70.4% | 800,073 | 854,833 | 601,207 | 70.3% | (4,652) |
| Budget | 154,869 | 154,869 | 113,849 | 73.5% | 160,715 | 160,715 | 118,182 | 73.5% | 4,333 |
| Human Services - Finance | 474,433 | 474,433 | 334,027 | 70.4% | 411,717 | 411,717 | 250,818 | 60.9% | (83,209) |
| Human Resources | 685,847 | 703,389 | 521,789 | 74.2% | 725,782 | 734,792 | 513,273 | 69.9% | (8,516) |
| Occumaptional Health Services | 127,044 | 132,186 | 88,753 | 67.1% | 129,493 | 135,390 | 100,472 | 74.2% | 11,719 |
| Health Management Program | - | - | 181 | 0.0% | - | - | - | 0.0% | (181) |
| Application Services | 1,272,247 | 1,272,247 | 844,559 | 66.4% | 1,233,231 | 1,233,231 | 910,474 | 73.8% | 65,915 |
| Network Services | 1,280,130 | 1,279,051 | 939,970 | 73.5% | 1,339,431 | 1,339,431 | 996,300 | 74.4% | 56,330 |
| IT Administration | 423,886 | 430,941 | 307,946 | 71.5% | 447,803 | 455,038 | 321,075 | 70.6% | 13,129 |
| PC Replacements | - | - | - | 0.0% | - | - | - | 0.0% | - |
| IT Projects | - | 8,000 | - | 0.0% | - | - | - | #DIV/0! | - |
| GIS | 252,354 | 273,791 | 179,135 | 65.4% | 257,645 | 257,645 | 190,400 | 73.9% | 11,265 |
| Registrar | 163,140 | 165,305 | 121,206 | 73.3% | 156,887 | 158,469 | 117,154 | 73.9% | (4,052) |
| Electoral Board | 90,779 | 102,543 | 68,821 | 67.1% | 57,282 | 57,282 | 48,337 | 84.4% | (20,484) |
| Judicial | | | | | | | | | |
| Circuit Court - Judge | 157,113 | 163,106 | 108,460 | 66.5% | 161,575 | 163,839 | 113,365 | 69.2% | 4,905 |
| General District Court | 62,550 | 65,141 | 50,771 | 77.9% | 62,550 | 63,150 | 50,315 | 79.7% | (456) |
| Juvenile & Domestic District Court | 14,541 | 15,246 | 8,813 | 57.8% | 15,409 | 16,908 | 9,856 | 58.3% | 1,043 |
| 24th Court Services Unit | 1,632 | 1,632 | 703 | 43.1% | 1,632 | 1,632 | 262 | 16.1% | (441) |
| Commonwealth Attorney | 1,385,774 | 1,385,774 | 1,026,928 | 74.1% | 1,460,014 | 1,413,215 | 1,039,840 | 73.6% | 12,912 |
| Comm Atty Fines & Fees Coll | - | - | - | | - | 65,973 | 45,887 | 69.6% | 45,887 |
| Magistrates Office | 2,893 | 3,887 | 1,899 | 48.9% | 4,093 | 5,157 | 1,394 | 27.0% | (505) |
| Circuit Court - Clerk | 746,142 | 792,605 | 555,097 | 70.0% | 795,978 | 836,733 | 566,645 | 67.7% | 11,548 |
| Sheriff | 2,070,227 | 2,063,752 | 1,503,417 | 72.8% | 2,083,804 | 2,082,244 | 1,561,648 | 75.0% | 58,231 |
| Public Safety | | | | | | | | | |
| Police Operations | 13,701,291 | 13,828,907 | 10,605,851 | 76.7% | 14,725,712 | 15,092,948 | 11,509,026 | 76.3% | 903,175 |
| Animal Warden | 319,978 | 319,978 | 215,055 | 67.2% | 300,979 | 300,979 | 172,489 | 57.3% | (42,566) |
| Emergency Communications | 2,470,283 | 2,489,360 | 1,817,487 | 73.0% | 2,602,812 | 3,044,318 | 2,322,828 | 76.3% | 505,341 |
| Range Operations | 12,500 | 12,500 | 10,469 | 0.0% | 15,000 | 15,569 | 9,269 | 59.5% | (1,200) |
| Off Duty Employment | - | - | - | 0.0% | - | - | 198,350 | #DIV/0! | 198,350 |
| Fire Operations and EMS | 14,581,360 | 14,621,688 | 10,393,087 | 71.1% | 14,853,175 | 15,236,372 | 11,132,480 | 73.1% | 739,393 |
| TRT-Pier | 82,500 | 82,500 | 49,021 | 59.4% | 82,500 | 146,677 | 47,441 | 32.3% | (1,580) |
| Public Works | | | | | | | | | |
| Public Works Administration | 719,246 | 719,246 | 491,427 | 0.0% | 696,752 | 696,752 | 520,788 | 74.7% | 29,361 |
| Engineering | 3,390,840 | 3,402,705 | 2,350,501 | 100.0% | 3,351,569 | 3,510,520 | 2,559,249 | 72.9% | 208,748 |
| Street Maintenance | 3,249,100 | 3,252,425 | 1,973,179 | 60.7% | 3,285,782 | 3,349,205 | 2,228,247 | 66.5% | 255,068 |
| Snow Removal | 240,695 | 240,695 | 92,218 | 38.3% | 240,695 | 284,629 | 156,003 | 54.8% | 63,785 |
| Refuse Collection | 2,416,112 | 2,421,739 | 1,711,398 | 70.7% | 2,528,706 | 2,694,002 | 1,980,771 | 73.5% | 269,373 |
| Parks/Grounds Maintenance | 2,487,329 | 2,511,908 | 1,719,993 | 68.5% | 2,507,217 | 2,578,645 | 1,772,631 | 68.7% | 52,638 |
| Baseball Stadium Maintenance | 127,378 | 128,341 | 58,576 | 45.6% | 127,378 | 131,765 | 74,295 | 56.4% | 15,719 |
| Building Maintenance | 3,104,363 | 3,133,046 | 2,292,555 | 73.2% | 3,182,712 | 3,271,926 | 2,580,848 | 78.9% | 288,293 |
| Human Services Maintenance | 234,095 | 248,820 | 143,406 | 57.6% | 234,131 | 249,192 | 132,987 | 53.4% | (10,419) |
| Subtotal Est. Operating Expenditures - Departmental | $ 64,107,079 | $ 64,815,538 | $ 46,171,395 | 71.2% | $ 65,731,814 | $ 67,760,415 | $ 49,826,583 | 73.5% | $ 3,655,188 |

**GENERAL FUND**
**FINANCIAL SUMMARY**
**As of March 31, 2013**

| | FY 2012 Adopted Budget | FY 2012 Amended Budget | FY 2012 Actual 3rd Qtr 3/31/12 | FY 2012 % of Budget | FY 2013 Adopted Budget | FY 2013 Amended Budget | FY 2013 Actual 3rd Qtr 3/31/13 | FY 2013 % of Budget | FY 2013 Compared to FY 2012 |
|---|---|---|---|---|---|---|---|---|---|
| Subtotal Est Operating Expenditures Departmental | $ 64,107,079 | $ 64,815,538 | $ 46,171,395 | | $ 65,731,814 | $ 67,760,415 | $ 49,826,583 | | |
| Continued Operating Expenditures Departmental: | | | | | | | | | |
| Health and Welfare | | | | | | | | | |
| Human Services Administration | - | - | - | 0.0% | - | - | - | 0.0% | - |
| Delta Outreach ( Counties) | - | - | - | #DIV/0! | - | - | - | 0.0% | - |
| Social Services Administration | 6,212,650 | 6,212,650 | 4,292,573 | 69.1% | 6,535,154 | 6,536,717 | 4,554,561 | 69.7% | 261,988 |
| Public Assistance | 6,496,243 | 6,537,656 | 5,554,482 | 85.0% | 6,075,506 | 6,113,459 | 5,602,401 | 91.6% | 47,919 |
| Juvenile Services Administration | 687,115 | 707,404 | 405,621 | 57.3% | 457,080 | 457,080 | 278,701 | 0.0% | (126,920) |
| Regional Detention Home | 808,117 | 808,117 | 239,112 | 29.6% | 808,117 | 808,117 | 264,860 | 32.8% | 25,748 |
| Opportunity House | 624,152 | 624,975 | 437,471 | 70.0% | 645,650 | 646,273 | 470,909 | 72.9% | 33,438 |
| Single Point of Entry (Crossroads House) | - | - | - | 0.0% | - | - | - | 0.0% | - |
| SPARC House | 581,854 | 585,799 | 437,332 | 74.7% | 601,953 | 603,782 | 443,589 | 73.5% | 6,257 |
| CSA Service Providers | 1,524,631 | 1,524,631 | 1,147,383 | 75.3% | 1,521,294 | 1,521,294 | 1,105,500 | 72.7% | (41,883) |
| Day Services | - | - | 707 | 0.0% | - | - | - | 0.0% | (707) |
| Lynchburg Outreach Program | 270,744 | 275,203 | 173,927 | 63.2% | 278,626 | 278,793 | 179,827 | 64.5% | 5,900 |
| ARRA-SS Prog | - | - | - | 0.0% | - | - | - | 0.0% | - |
| Parks Recreation and Cultural | | | | | | | | | |
| Parks and Recreation | 3,109,974 | 3,130,715 | 2,080,475 | 66.5% | 3,047,903 | 3,081,375 | 2,041,665 | 66.3% | (38,810) |
| Public Library | 1,606,473 | 1,610,155 | 1,108,920 | 68.9% | 1,541,276 | 1,541,455 | 1,135,650 | 73.7% | 26,730 |
| Law Library | 28,770 | 28,770 | 14,350 | 49.9% | 28,770 | 28,770 | 14,680 | 51.0% | 330 |
| Museums | 383,028 | 383,121 | 265,877 | 69.4% | 438,441 | 455,672 | 291,217 | 63.9% | 25,340 |
| Point of Honr/Carriage House | 45,000 | 45,223 | 24,848 | 54.9% | - | - | - | #DIV/0! | (24,848) |
| Community Development | | | | | | | | | |
| Director | 313,417 | 313,417 | 230,424 | 73.5% | 340,095 | 342,398 | 240,887 | 70.4% | 10,463 |
| Planning | 303,658 | 324,158 | 196,291 | 60.6% | 313,526 | 512,896 | 193,758 | 37.8% | (2,533) |
| Inspections | 820,118 | 902,073 | 553,225 | 61.3% | 806,121 | 824,021 | 543,029 | 65.9% | (10,196) |
| Engineering | - | - | - | 0.0% | - | - | - | 0.0% | - |
| GIS | 211,897 | 211,897 | 127,217 | 0.0% | 154,710 | 154,710 | 111,910 | 0.0% | (15,307) |
| Economic Development | 307,231 | 306,631 | 229,101 | 74.7% | 345,286 | 401,012 | 317,926 | 79.3% | 88,825 |
| Operating Expenditures Non-Departmental: | 15,555,963 | 15,575,106 | 13,427,633 | 86.2% | 15,959,840 | 15,918,888 | 14,887,999 | 93.5% | 1,460,366 |
| Total Est. Operating Expenditures | 103,998,114 | 104,923,239 | 77,118,364 | 73.5% | 105,631,162 | 107,987,127 | 82,505,652 | 76.4% | 5,387,288 |
| **TRANSFERS TO OTHER FUNDS** | | | | | | | | | |
| Airport Fund | 494,536 | 494,536 | 360,000 | 72.8% | 382,862 | 382,862 | 288,000 | 75.2% | (72,000) |
| City/Federal state Aid Fund | 27,171 | 121,316 | 59,469 | 49.0% | 11,720 | 81,882 | 75,112 | 91.7% | 15,643 |
| City/Federal state Aid Fund - 8592 | | | | | | 47,414 | 47,414 | | |
| Fleet Debt Service | - | - | - | 0.0% | - | - | - | 0.0% | - |
| Fleet - Vehicle Replacement | - | - | - | 0.0% | - | - | - | 0.0% | - |
| Stormwater | - | 688,036 | 516,027 | 0.0% | - | - | - | | |
| Sewer | 688,036 | - | - | 0.0% | - | - | - | 0.0% | - |
| Stadium Fund - Debt/Operating Expenses | - | - | - | #DIV/0! | - | - | - | 0.0% | - |
| Technology Fund | 636,773 | 787,508 | 635,315 | 80.7% | 623,575 | 678,597 | 522,704 | 77.0% | (112,611) |
| Total Transfers to Other Funds | 1,846,516 | 2,091,396 | 1,570,811 | 75.1% | 1,018,157 | 1,190,755 | 933,230 | 78.4% | (637,581) |
| **SCHOOLS - OPERATIONS** | 31,942,103 | 33,834,798 | 18,617,695 | 55.0% | 35,601,147 | 35,750,972 | 20,243,512 | 56.6% | 1,625,817 |
| **DEBT SERVICE** | | | | | | | | | |
| General Fund | 7,717,671 | 7,754,852 | 5,337,686 | 68.8% | 7,433,452 | 11,606,632 | 9,217,738 | 79.4% | 3,880,052 |
| Stadium | 205,887 | 205,887 | 114,494 | 0.0% | 205,528 | 205,528 | 115,088 | 56.0% | |
| Schools | 7,009,713 | 7,010,588 | 4,506,402 | 64.3% | 7,018,677 | 7,020,162 | 4,417,231 | 62.9% | (89,171) |
| Total Debt Service | 14,933,271 | 14,971,327 | 9,958,582 | 66.5% | 14,657,657 | 18,832,322 | 13,750,057 | 73.0% | 3,791,475 |
| **RESERVES** | | | | | | | | | |
| FY10 Encumbrances Carried to FY11 | | | 1,004,153 | | | | | | |
| 1/24/12 Council #8 - LNDF | | | 14,520 | | | | | | |
| Adj Recreation Programs | | | | | | | 66,453 | | |
| Other Post Employment Benefits (OPEB) | | | 250,000 | | 250,000 | | 250,000 | | |
| Budget designations | | | | | 1,050,000 | | | | |
| Health Insurance Reserve | | | 364,538 | | | | | | |
| Post Closure | | | 204,438 | | | | | | |
| Landfill | | | 48,297 | | | | | | |
| Law Library | | | | | 5,080 | | 5,080 | | |
| Debt Service - HHS | | | 939,562 | | 2,044,657 | | 2,044,657 | | |
| Debt Service - CVRRB | | | 134,800 | | 205,200 | | 205,200 | | |
| Arts & Cultural District | | | 30,000 | | | | | | |
| FY12 Carry Forward - Contingencies | | | | | | | 500,000 | | |
| LOD VRS payment | | | | | | | 105,952 | | |
| PIER | | | 7,194 | | | | | | |
| Detention Home Workers Comp | | | 20,000 | | | | | | |
| Contingency | | | 500,000 | | 700,000 | | 700,000 | | |
| Total Reserves | - | - | 3,517,502 | | 4,254,937 | - | 3,877,342 | | |
| **TOTAL EXPENDITURES** | $ 152,720,004 | $ 155,820,760 | $ 110,782,954 | | $ 161,163,060 | $ 163,761,176 | $ 121,309,793 | | |

**GENERAL FUND**
**FINANCIAL SUMMARY**
**As of March 31, 2013**

| | FY 2012 Adopted Budget | FY 2012 Amended Budget | FY 2012 Actual 3rd Qtr 3/31/12 | FY 2012 % of Budget | FY 2013 Adopted Budget | FY 2013 Amended Budget | FY 2013 Actual 3rd Qtr 3/31/13 | FY 2013 % of Budget |
|---|---|---|---|---|---|---|---|---|
| **TRANSFERS TO CAPITAL FUNDS** | | | | | | | | |
| School Capital Projects Fund | $ 1,030,518 | $ 2,276,836 | $ 1,960,018 | 0.0% | $ 975,000 | $ 4,455,000 | $ 4,455,000 | 0.0% |
| City Capital Projects Fund | 7,624,033 | 7,705,278 | 5,718,025 | 74.2% | 4,291,759 | 4,924,009 | 3,851,070 | 78.2% |
| **Total Transfers to Capital Funds** | 8,654,551 | 9,982,114 | 7,678,043 | 76.9% | 5,266,759 | 9,379,009 | 8,306,070 | 88.6% |
| **TOTAL EXPENDITURES, RESERVES & TRANSFERS** | 161,374,555 | 165,802,874 | 118,460,997 | 71.4% | 166,429,819 | 173,140,185 | 129,615,863 | 74.9% |
| **Remaining Unassigned Fund Balance** | 24,733,897 | 20,352,041 | 23,322,617 | 114.6% | 16,078,848 | 12,032,238 | 24,326,174 | 202.2% |
| **Committed and Assigned Fund Balance** | 6,943,781 | 11,116,167 | 11,797,768 | 106.1% | 12,059,206 | 10,925,692 | 10,925,692 | 100.0% |
| **TOTAL FUND BALANCE** | $ 31,677,678 | $ 31,468,208 | $ 35,120,385 | 111.6% | $ 28,138,054 | $ 22,957,930 | $ 35,251,866 | 153.5% |

| **Committed and Assigned Fund Balance** | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Committed Fund Balance | | | 392,117 | | | | - | | Committed Fund Balance |
| Health Insurance | 125,400 | 148,473 | 636,127 | | 636,127 | 656,617 | 656,617 | | Health Insurance |
| Contingencies | - | 1,200,000 | 1,136,515 | | - | 959,023 | 959,023 | | Contingencies |
| Technology | 197,962 | 208,469 | (7,000) | | | | | | Technology |
| Local Aid to Commonwealth | - | 314,108 | - | | | | | | Local Aid to Commonwealth |
| Detention Home Workers Comp | 80,000 | 80,000 | 100,000 | | 100,000 | 100,000 | 100,000 | | Detention Home Workers Comp |
| LCS Budget Balancing | 440,608 | 440,608 | - | | | | | | LCS Budget Balancing |
| SW Debt Retire | 1,910,014 | 1,910,014 | 1,541,905 | | 1,186,075 | 1,186,075 | 1,186,075 | | SW Debt Retire |
| Future Post Closure Costs | - | - | 604,284 | | 604,284 | 604,284 | 604,284 | | Future Post Closure Costs |
| Other Post Employment Benefits | 760,529 | 790,480 | 1,061,310 | | 1,311,310 | 1,331,231 | 1,331,231 | | OPEB |
| Detention Home Capital Needs | - | - | 440,185 | | | | | | Detention Home Capital Needs |
| Detention Home Prevention Initiative | 25,000 | 25,000 | - | | | | | | Detention Home Prevention Initiative |
| | | | | | 340,185 | - | - | | Juvenile Services Group Home |
| Debt Service | 1,071,781 | 1,071,781 | 1,071,781 | | | | | | Debt Service |
| Arts & Culture District | | | | | | | | | Arts & Culture District |
| Schl Spc Ed Dis Prop | | | | | | 321,000 | 321,000 | | Schl Spc Ed Dis Prop |
| HHS Debt Service | | | 939,562 | | 2,984,219 | - | - | | HHS Debt Service - Recurring |
| | | | | | 1,120,078 | 624,297 | 624,297 | | HHS Debt Service - Non Recurring |
| Debt Service CVRRB | | | 134,800 | | 340,000 | 5,929 | 5,929 | | Debt Service CVRRB |
| Rsrv for Future Need | | | 48,297 | | | | | | Rsrv for Future Need |
| Pub Safety Comp Adj | | | 13,968 | | 13,968 | 13,968 | 13,968 | | Pub Safety Comp Adj |
| School Textbooks | 1,059,392 | 1,059,392 | 1,059,392 | | 1,059,392 | 1,432,254 | 1,432,254 | | School Textbooks |
| School Health Ins Reserve | 1,000,000 | 1,000,000 | 1,140,608 | | 1,140,608 | 1,440,608 | 1,440,608 | | School Health Ins Reserve |
| School Future Exp Needs | 75,908 | 75,908 | 75,908 | | 75,908 | 75,908 | 75,908 | | School Future Exp Needs |
| Total Committed Fund Balance | **6,746,594** | **8,324,233** | **10,389,759** | | **10,912,154** | **8,751,194** | **8,751,194** | | Total Committed Fund Balance |
| Assigned Fund Balance | | | 176,080 | | | | - | | Assigned Fund Balance |
| Return of School Funding | - | 2,498,449 | 260,419 | | 260,419 | 279,818 | 279,818 | | Return of School Funding |
| PubWrks Funds from SW | 39,925 | 39,925 | | | | | | | PubWrks Funds from SW |
| Law Library | 62,920 | 66,308 | 69,969 | | 75,049 | 79,941 | 79,941 | | Law Library |
| Hlth Ins Reserve | | | 364,538 | | 364,538 | 364,538 | 364,538 | | Health Ins Reserve |
| Future Post Closure | | | 204,438 | | 204,438 | 204,438 | 204,438 | | Future Post Closure |
| Museum | 14,082 | 32,153 | 47,374 | | 47,374 | 50,028 | 50,028 | | Museum |
| Recreation Programs | 80,260 | 137,949 | 110,847 | | 20,890 | 73,200 | 73,200 | | Recreation Programs |
| Dental Insurance Reserve | | | 150,000 | | 150,000 | 150,000 | 150,000 | | Dental Insurance Reserve |
| Fire Equipment | | | | | | 50,000 | 50,000 | | Fire Equipment |
| LOD Death Benefit | | | | | | 211,904 | 211,904 | | LOD Death Benefit |
| LOD Health Benefit | | | | | | 145,000 | 145,000 | | LOD Health Benefit |
| | | | | | | | | | Pub Safety Comp Adj |
| Parking Operations | | | | | | 62,409 | 62,409 | | Parking Operations |
| Point of Honor | | | | | | 2,653 | 2,653 | | Point of Hononr |
| Police Range Oper | | | | | | 569 | 569 | | Police Range Oper |
| Health Mgmt Oper | | | | | | 500,000 | 500,000 | | Health Mgmt Oper |
| PIER | - | 17,150 | 24,344 | | 24,344 | | - | | PIER |
| Total Assigned Fund Balance | **197,187** | **2,791,934** | **1,408,009** | | **1,147,052** | **2,174,498** | **2,174,498** | | Total Assigned Fund Balance |
| **Total Committed/Assigned Fund Balance** | **$ 6,943,781** | **$ 11,116,167** | **$ 11,797,768** | | **$ 12,059,206** | **$ 10,925,692** | **$ 10,925,692** | | |

# FINANCE COMMITTEE
## Agenda Item Summary

| | | | |
|---|---|---|---|
| MEETING DATE: **May 28, 2013** | | | AGENDA ITEM NO.: **3** |
| CONSENT: | REGULAR: | WORK SESSION: | CLOSED SESSION: (Confidential) |
| ACTION: | | INFORMATION: **X** | |
| ITEM TITLE: **Revenue Update** | | | |

RECOMMENDATION:
Review the collections received from five of the City's largest revenue sources.

SUMMARY:
Five of the City's major revenue sources are taxes collected on a monthly basis: Sales Tax, Consumer Utility Tax – Electric, Communications Sales and Use Tax, Meals Tax, and Lodging Tax. Since the last Finance Committee meeting, revenue information for the month of March has been posted for the five revenue streams.

PRIOR ACTION(S):
This information is provided monthly to the Finance Committee.

FISCAL IMPACT:
None

CONTACT(S):
Donna Witt, Director of Financial Services, 455-3968

ATTACHMENT(S):
Comparison of Collections Budget to Actual FY 2012 – FY 2013

REVIEWED BY:

## Comparison of Collections
## Budget to Actual FY 2012 - FY 2013

| | Actual FY 2010 | Actual FY 2011 | Actual FY 2012 | Adopted FY 2013 | Actual FY 2013 | Actual FY 2013 to Adopted FY 2013 | Actual FY 2013 to Actual FY 2012 |
|---|---|---|---|---|---|---|---|
| **SALES & USE TAX** | | | | | | | |
| ***ADOPTED FY 2013 BUDGET - $13,284,506*** | | | | | | | |
| JULY | $980,632 | $979,650 | $1,014,596 | $1,002,827 | $996,646 | ($6,181) | ($17,950) |
| AUGUST | 984,751 | 1,022,849 | 1,079,129 | 1,066,611 | 1,145,592 | 78,981 | 66,463 |
| SEPTEMBER | 1,118,288 | 1,102,964 | 1,100,698 | 1,087,930 | 1,117,209 | 29,279 | 16,511 |
| OCTOBER | 1,074,618 | 1,056,307 | 1,055,941 | 1,043,692 | 1,033,859 | (9,833) | (22,082) |
| NOVEMBER | 1,075,789 | 1,144,056 | 1,117,090 | 1,104,132 | 1,187,008 | 82,876 | 69,918 |
| DECEMBER | 1,340,449 | 1,548,053 | 1,488,926 | 1,471,654 | 1,466,715 | ($4,939) | ($22,211) |
| JANUARY | 905,873 | 1,018,798 | 998,052 | 986,475 | 1,085,312 | $98,837 | $87,260 |
| FEBRUARY | 908,746 | 1,025,671 | 1,134,434 | 1,121,275 | 1,074,819 | ($46,456) | ($59,615) |
| MARCH | 1,118,448 | 1,112,797 | 1,196,149 | 1,182,274 | 1,138,611 | ($43,663) | ($57,538) |
| **TOTAL** | **$9,507,594** | **$10,011,145** | **$10,185,015** | **$10,066,870** | **$10,245,771** | **$178,901** | **$60,756** |
| **CONSUMER UTILITY TAX - ELECTRIC** | | | | | | | |
| ***ADOPTED FY 2013 BUDGET - $3,757,100*** | | | | | | | |
| JULY | $309,784 | $352,603 | $341,729 | $346,445 | $323,141 | ($23,304) | ($18,588) |
| AUGUST | 318,714 | 345,842 | 345,615 | 350,384 | 345,163 | (5,221) | (452) |
| SEPTEMBER | 313,468 | 329,379 | 325,754 | 330,249 | 318,915 | (11,334) | (6,839) |
| OCTOBER | 277,528 | 283,250 | 280,745 | 284,619 | 279,145 | (5,474) | (1,600) |
| NOVEMBER | 275,270 | 262,650 | 281,842 | 285,731 | 282,035 | (3,696) | 193 |
| DECEMBER | 309,087 | 341,053 | 325,287 | 329,776 | 330,714 | 938 | 5,427 |
| JANUARY | 412,142 | 388,100 | 344,439 | 349,192 | 346,399 | (2,793) | 1,960 |
| FEBRUARY | 362,316 | 350,799 | 322,546 | 326,997 | 342,839 | 15,842 | 20,293 |
| MARCH | 322,341 | 299,725 | 298,405 | 302,523 | 326,828 | 24,305 | 28,423 |
| **TOTAL** | **$2,900,650** | **$2,953,401** | **$2,866,362** | **$2,905,918** | **$2,895,179** | **($10,739)** | **$28,817** |
| **COMMUNICATIONS SALES & USE TAX** | | | | | | | |
| ***ADOPTED FY 2013 BUDGET - $3,530,000*** | | | | | | | |
| JULY | $260,565 | $301,373 | $349,339 | $294,166 | $293,358 | ($808) | ($55,981) |
| AUGUST | 271,686 | 344,401 | 294,910 | 294,167 | 291,560 | (2,607) | (3,350) |
| SEPTEMBER | 293,483 | 274,076 | 179,549 | 294,167 | 263,295 | (30,872) | 83,746 |
| OCTOBER | 318,835 | 299,531 | 309,437 | 294,166 | 319,011 | 24,845 | 9,574 |
| NOVEMBER | 309,705 | 292,735 | 284,123 | 294,167 | 300,665 | 6,498 | 16,542 |
| DECEMBER | 300,961 | 344,423 | 233,654 | 294,167 | 297,855 | 3,688 | 64,201 |
| JANUARY | 296,884 | 265,736 | 337,936 | 294,166 | 282,620 | (11,546) | (55,316) |
| FEBRUARY | 291,057 | 288,629 | 287,492 | 294,167 | 287,759 | (6,408) | 267 |
| MARCH | 310,456 | 300,235 | 302,278 | 294,167 | 299,333 | 5,166 | (2,945) |
| **TOTAL** | **$2,653,632** | **$2,711,139** | **$2,578,718** | **$2,647,500** | **$2,635,456** | **($12,044)** | **$56,738** |

[1] As of the date of this report (April 18, 2013), the State has neither released Communications Sales and Use Tax funds for the month of February to localities nor has it provided a report with the amount of funds to expect.

# Comparison of Collections
# Budget to Actual FY 2012 - FY 2013

| | Actual Assessed FY 2011 | Actual Collected FY 2011 [2] | Actual Assessed FY 2012 | Actual Collected FY 2012 [1] | Adopted FY 2013 | Actual Assessed FY 2013 | Assessed FY 2013 to Adopted FY 2013 | Actual Collected FY 2013 [1] | Collected FY 2013 to Adopted FY 2013 | Collected FY 2013 to Assessed FY 2013 |
|---|---|---|---|---|---|---|---|---|---|---|
| **MEALS TAX** | | | | | | | | | | |
| ***ADOPTED FY 2013 BUDGET - $10,830,000*** | | | | | | | | | | |
| JULY | $874,987 | $844,384 | $889,917 | $889,135 | $820,859 | $958,235 | $137,376 | $1,044,556 | $223,697 | $86,321 |
| AUGUST | 916,720 | 872,601 | 960,082 | 962,761 | 884,371 | 1,042,850 | 158,479 | 1,026,544 | 142,173 | (16,306) |
| SEPTEMBER | 909,620 | 881,239 | 984,785 | 998,157 | 904,581 | 1,011,701 | 107,120 | 1,012,294 | 107,713 | 593 |
| OCTOBER | 939,119 | 938,152 | 999,289 | 994,851 | 918,237 | 1,006,966 | 88,729 | 1,003,032 | 84,795 | (3,934) |
| NOVEMBER | 868,677 | 837,655 | 916,955 | 898,157 | 841,506 | 964,775 | 123,269 | 868,692 | 27,186 | (96,083) |
| DECEMBER | 938,858 | 892,398 | 1,028,805 | 986,078 | 946,300 | 1,044,178 | 97,878 | 1,083,983 | 137,683 | 39,805 |
| JANUARY | 856,523 | 806,405 | 931,373 | 950,784 | 855,624 | 927,026 | 71,402 | 889,358 | 33,734 | (37,668) |
| FEBRUARY | 911,867 | 967,088 | 988,981 | 977,100 | 910,506 | 983,390 | 72,884 | 995,618 | 85,112 | 12,228 |
| MARCH | 996,664 | 976,512 | 1,079,018 | 1,073,364 | 993,892 | 1,077,728 | 83,836 | 1,091,421 | 97,529 | 13,693 |
| **TOTAL** | **$8,213,035** | **$8,016,434** | **$8,779,205** | **$8,730,387** | **$8,075,876** | **$9,016,849** | **$940,973** | **$9,015,498** | **$939,622** | **($1,351)** |
| **LODGING TAX** | | | | | | | | | | |
| ***ADOPTED FY 2013 BUDGET - $1,700,000*** | | | | | | | | | | |
| JULY | $161,614 | $159,195 | $180,074 | $168,386 | $140,452 | $180,074 | $39,622 | $197,072 | $56,620 | $16,998 |
| AUGUST [2] | 170,748 | 159,316 | 192,759 | 200,321 | 176,240 | 163,020 | (13,220) | 275,903 | 99,663 | 112,883 |
| SEPTEMBER | 148,532 | 140,207 | 156,383 | 159,891 | 142,957 | 160,661 | 17,704 | 157,680 | 14,723 | (2,981) |
| OCTOBER | 184,513 | 173,828 | 185,386 | 185,530 | 169,498 | 183,064 | 13,566 | 191,453 | 21,955 | 8,389 |
| NOVEMBER | 125,640 | 116,376 | 131,053 | 131,431 | 119,846 | 131,993 | 12,147 | 129,941 | 10,095 | (2,052) |
| DECEMBER | 105,337 | 90,610 | 108,029 | 92,483 | 98,771 | 112,277 | 13,506 | 113,067 | 14,296 | 790 |
| JANUARY | 116,099 | 127,772 | 122,636 | 115,790 | 112,126 | 134,471 | 22,345 | 129,578 | 17,452 | (4,893) |
| FEBRUARY | 122,316 | 122,155 | 136,278 | 130,805 | 124,599 | 136,660 | 12,061 | 136,660 | 12,061 | 0 |
| MARCH | 154,963 | 151,945 | 154,626 | 144,654 | 141,683 | 158,706 | 17,023 | 158,706 | 17,023 | 0 |
| **TOTAL** | **$1,289,762** | **$1,241,404** | **$1,367,224** | **$1,329,291** | **$1,226,171** | **$1,360,926** | **$134,755** | **$1,490,060** | **$263,889** | **$129,134** |

[1] Meals and Lodging Tax data includes columns titled "Actual Collected ." The figures listed under these columns include all revenue received per month under that description regardless of whether the payment is current or delinquent.

[2] The August FY 2013 collection amount includes a one-time $140,000 payment in delinquent taxes.

# LYNCHBURG CITY COUNCIL
## Agenda Item Summary

MEETING DATE: **May 28, 2013** AGENDA ITEM NO.: 1

CONSENT: REGULAR: WORK SESSION: **X** CLOSED SESSION: (Confidential)

ACTION: INFORMATION: **X**

ITEM TITLE: **Lynchburg Police Department Career Progression Program**

RECOMMENDATION: No action required.

SUMMARY: Police Chief Parks Snead will brief City Council on the new career progression program that will be implemented in the Lynchburg Police Department on July 1, 2013. The new program is an outcome, in part, of the review that was conducted by the Police Executive Research Forum (PERF) last year.

Attached are presentation slides for your review.

PRIOR ACTION(S): PERF review.

FISCAL IMPACT: Minimal impact will be absorbed in the LPD budget.

CONTACT(S): Colonel Parks Snead, Chief of Police, 455-6104

ATTACHMENT(S): Presentation

REVIEWED BY: lkp

076K

Lynchburg Police Department

# Career Progression Plan for FY2014

## Purpose – Develop a meaningful officer career development program to meet the following needs:

- Provide systematic means for long-term officer development toward specialized and supervisory career success
- Promote officer retention
- Promote targeted skills enhancement and officer community engagement
- Maintain highly focused supervision and mentoring for our officer workforce
- Achieve these aims with minimal increase over current budget cost

## LPD Career Progression Plan
# Officer Career Progression pre-FY2014

- **Recruit Officer**
  $35,006 current salary (attends regional basic training)

- **Police Officer Trainee**
  + 5% (basic training graduate)

- **Police Officer II**
  Field training completed
  + 2.5% at close of initial employment period

- **Police Officer III (senior officer)**
  + 10% (annual competitive selection process)
  Eligibility: 3 years service as PO II

- **Police Officer III Assistant Supervisor**
  + 5% (non-recurring annual bonus)
  1 year assignment term: annual competitive selection process

- **Lieutenant (workgroup supervisor)**
  + 10% (annual competitive selection process)
  Eligibility: 3 years service as PO III

## LPD Career Progression Plan

# Officer Career Progression Effective FY2014

- **Recruit Police Officer**
  $35,006 current salary (attends regional basic training)

- **Police Officer Trainee**
  + 5% (basic training graduate)

- **Police Officer**
  Field training completed
  + 2.5% at close of initial employment period

- **Senior Officer**
  + 5% (non-competitive progression)
  Eligibility: 3 years service as PO, other criteria

- **Senior Specialist Officer**
  + 5% (non-competitive progression)
  Eligibility: 3 years service as SO, other criteria

- **Master Officer (workgroup assistant supervisor)**
  + 5% (annual competitive selection process)
  Initial Eligibility: 3 years service as SSO/Police Officer III

- **Lieutenant (workgroup supervisor)**
  + 10% (annual competitive selection process)
  Initial Eligibility: Master Officer or 3 years service as SSO/POIII

LPD Career Progression Plan

# New Rank Structure to Support Career Development Goals

## Former Career Progression:

- **Recruit Officer**
  $35,006 salary (attends regional basic training)
- **Officer Trainee**
  + 5% (basic training graduate)
- **Police Officer II**
  Field training completed
  + 2.5% at close of initial employment period
- **Police Officer III (senior officer)**
  + 10% (annual competitive selection process)
  Eligibility: 3 years service as PO II
- **PO III Assistant Supervisor**
  + 5% (non-recurring annual bonus)
  1 year assignment: annual competitive selection process
- **Lieutenant (workgroup supervisor)**
  + 10% (annual competitive selection process)
  Eligibility: 3 years service as PO III

## FY14 Career Progression:

- **Recruit Police Officer**
  $35,006 salary (attends regional basic training)
- **Officer Trainee**
  + 5% (basic training graduate)
- **Police Officer**
  Field training completed
  + 2.5% at close of initial employment period
- **Senior Officer**
  + 5% (non-competitive progression)
  Eligibility: 3 years service as PO, other criteria
- **Senior Specialist Officer**
  + 5% (non-competitive progression)
  Eligibility: 3 years service as SO, other criteria
- **Master Officer** (workgroup assistant supervisor)
  + 5% (annual competitive selection process)
  Initial Eligibility: 3 years service as SSO/POIII
- **Lieutenant** (workgroup supervisor)
  + 10% (annual competitive selection process)
  Initial Eligibility: Master Officer or 3 years service as SSO/PO III

LPD Career Progression Plan

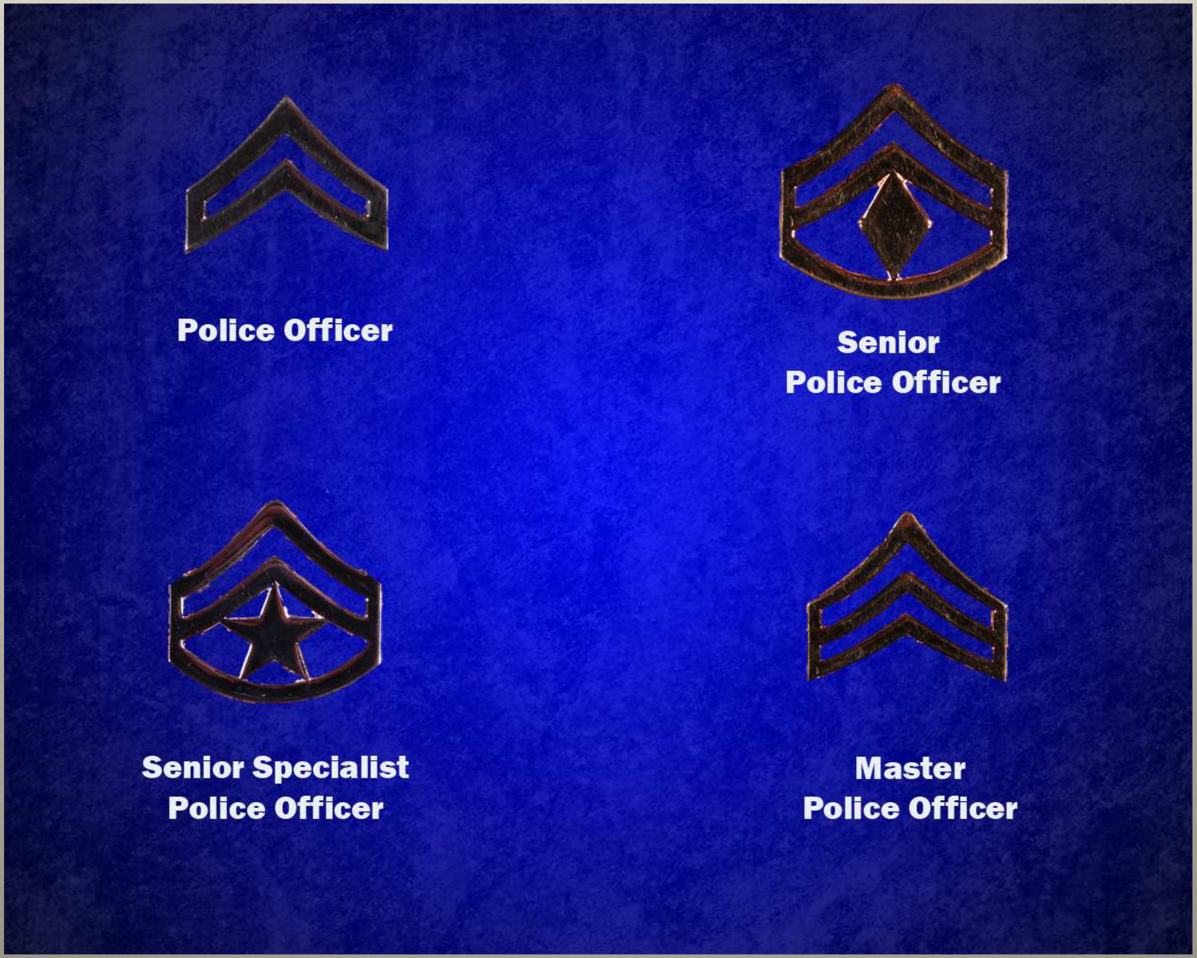
# Eligibility Criteria for Senior Officer, Senior Specialist Progression

## Requirements for progression will include:

- Years of service
- City EDGE workforce development training
- Specialized law enforcement training
- Supervisory development training
- Service as an LPD, City or regional law enforcement Instructor
- LPD service program participation
- Other community service program participation
- Satisfactory job performance
- Limited disciplinary action during the eligibility review period

LPD Career Progression Plan

# Rank Insignia Evolution (a Work in Progress)



LPD Career Progression Plan

# Implementation Timeline

## September 2012 – March 2013

- Planning and discussion with City Manager and City Human Resources staff

## May, 2013

- Competitive selection process for Master Officer rank progression (18 positions)
  - Initial eligibility: 3 years service as Police Officer III

## July, 2013

- New career progression system operational
- Master Officers assigned to workgroups, specialized supervisory roles
- Existing PO IIIs transitioned to Senior Specialist Officer rank
  - 3 year window to meet all Senior Specialist eligibility criteria
- First command staff panels convenes to review applications for Senior Officer and Senior Specialist Officer career progression

## LPD Career Progression Plan
# Implementation Timeline

### January, 2014:

- Next command staff panel to review applications for Senior Officer progression

### May, 2014:

- Next competitive selection process for Master Officer, Lieutenant progression

### July, 2014:

- LPD FY2015 budget adjusted for projected Senior Officer career progression
- Next command staff panel to review applications for Senior Specialist Officer progression

# LYNCHBURG CITY COUNCIL
## Agenda Item Summary

MEETING DATE: **May 28, 2013** AGENDA ITEM NO.: 2

CONSENT: REGULAR: WORK SESSION: **X** CLOSED SESSION: (Confidential)

ACTION: INFORMATION: **X**

ITEM TITLE: **Presentation on Emergency Medical Services in Lynchburg**

RECOMMENDATION: No action required.

SUMMARY: Fire Chief Brad Ferguson will brief Council on the latest achievements in Emergency Medical Services in Lynchburg. His presentation slides are attached for your review.

PRIOR ACTION(S): N/A

FISCAL IMPACT: N/A

CONTACT(S): Chief Brad Ferguson, 455-6346

ATTACHMENT(S): Presentation

REVIEWED BY: lkp

078K

# EMERGENCY MEDICAL SERVICES IN LYNCHBURG


*May 28, 2013*

Lynchburg Fire Department

Presented by: Chief Brad Ferguson

LYNCHBURG SINCE 1883 FIRE DEPT VA

# WHAT WE ARE CURRENTLY DOING

- Aggressive Field Resuscitation
- Advanced Practice Paramedics
- Telemedicine Project

# CARDIAC ARREST RESUSCITATION DATA

- FY2013 Data
  - 43 patients were treated for cardiac arrest
    - 22 survived to be admitted at the ED.
    - 21 were pronounced dead after being treated at the scene
    - Field termination of resuscitative efforts
  - Patients not included in this data
    - Those with a valid DNR
    - Those who were DOA
    - Traumatic Arrests
- AHA reports that 26% of out-of-hospital arrests survive to be admitted to the ED. LFD has a 51% survival rate.
- AHA reports that 9% of patients admitted to the ED survive to discharge. LFD has a 13% survival to discharge rate.

# CARDIAC ARREST RESUSCITATION DATA

- Why are our numbers so good?
  - Pit Crew CPR concept
  - Cooling-Induced Hypothermia
  - Advanced Protocols
  - Lucas 2 Device
  - Certification and experience level of providers
  - Response times
    - Current response time data shows we are not meeting the goals in our standards of response document

- Implementation of Emergency Medical Dispatch at Lyn-Comm

- Developed a strong working relationship with other stakeholders

# ADVANCED PRACTICE PARAMEDICS
## SUCCESSES

- Surgical Airway performed recently on the bike trail
- LFD medics often provide this service to assist neighboring counties
- LFD medics chosen for positions with the medical helicopter service

# WHAT NOW?

- How do we improve these numbers?
  - Continue to train
  - Get there faster while being safe
  - Get the public involved
    - Hands only CPR Video
    - Mass ‘drive-thru CPR’ training
    - Use technology to help us
      - Pulse Point App for smart phones

# TELEMEDICINE PROJECT

- Telemedicine Project alerts hospital as early as possible
  - Stroke Assessments
  - Trauma Scenes
  - 12-lead EKG transmission

# FUTURE IDEAS/SKILLS

- Community Paramedic Program
  - Affordable Care Act
- Advanced Paramedic Skills
- Public Access Defibrillator Program (PAD)

# PUBLIC ACCESS DEFIBRILLATOR (PAD) PROGRAM

## GOALS

- Public Access Defibrillators will be located in:
  - All government facilities, including Schools
  - Major industry
  - Businesses
- Pulse Point App for smart phones

# SUMMARY

- The Lynchburg Fire Department is making great strides in the provision of Emergency Medical Services.

  We will continue to update City Council on these exciting developments.

- Lynchburg Life Saving Crew status

# LYNCHBURG FIRE DEPARTMENT MUSEUM, INC.

Lynchburg Fire Department Museum, Inc. is committed to the preservation of history and heritage of the Lynchburg Fire Department and to the education of past and present firefighting and emergency medical services practices.

1878 American Steamer Pumper

- Formed in March 2013
- Application made for 501(c)(3) status
- Fundraising currently underway
- Ultimate goal is to have an area to properly display our 130 years of history and relics


1943 Seagrave Pumper — **“Ole Engine 1”**
*Recently restored by members and friends of LFD*

1886 Hayes-LaFrance Ladder Truck

# LYNCHBURG CITY COUNCIL
## Agenda Item Summary

MEETING DATE: **May 28, 2013** AGENDA ITEM NO.: 3

CONSENT: REGULAR: WORK SESSION: **X** CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **Review of the Tourism Program**

RECOMMENDATION: Identify issues, goals, expectations, and performance measures related to the City's tourism program, including guidance on the development of a new contract, if desirable.

SUMMARY: The current contract between the City and the Lynchburg Regional Chamber of Commerce (LRCC) for the management and operation of the Lynchburg Visitors Center and the Lynchburg Regional Convention and Visitors Bureau (LRCVB) expires on December 31, 2013. During budget deliberations City Council expressed a desire to discuss the future of the City's tourism program in a broader context rather than simply negotiating the renewal of the existing contract, which, of course, remains an option.

The purpose of the work session is to provide Council an opportunity to discuss the tourism program and provide a policy context for its future. In having that discussion, there are three questions that seem most relevant. They are:

- What are our goals?
- How will we know if we have achieved them?
- How will we go about it?

The attached document, "Considerations for the Tourism Program," is intended to facilitate Council's discussion. It includes thoughts and comments from various sources, including Council members and City staff, in five categories, Goals & Expectations, Performance Measures, Structure/Approach, Financing, and Relationships.

This work session discussion is intended to be among Council members and staff to form the basis for further deliberations regarding the goals and structure of tourism program from January 1, 2014 forward. There is no expectation that Council will engage with other stakeholders at this time.

The Tourism Advisory Board (TAB) has asked for one hour on a future work session agenda to make a presentation and answer questions regarding the current arrangement with the Chamber of Commerce. Dates of June 11th or June 25th have been suggested, with the TAB expressing a preference for June 11th. The TAB has been advised that the decision whether or not to have such a discussion rests with City Council.

PRIOR ACTION(S): The current contract with the Lynchburg Regional Chamber of Commerce was signed in 2008 for a term of five years.

FISCAL IMPACT: Current year funding is approximately $1.3 million.

CONTACT(S): Kimball Payne, 455-3990

ATTACHMENT(S): Considerations for the Tourism Program; Current contract; Performance Measures

REVIEWED BY: lkp

075K

**Considerations for the Tourism Program**

## GOALS & EXPECTATIONS

- What is the purpose of a tourism program?
- Council should adopt clear goals for the tourism program and develop associated metrics.
- Beyond broad program goals, what are the expectations regarding the day to day operations of the tourism program?

## PERFORMANCE MEASURES

- Reaffirm the current LRCVB performance measures (attached).
- Develop additional metrics that measure tourism investment against actual return for the City, i.e., hotel room sales, meals and lodging taxes, visitation to attractions, and other direct performance measures.

## STRUCTURE/APPROACH

- Consider bringing the management of the tourism program in-house or issue a new RFP with different terms.
- Renewal of the contract with the Lynchburg Regional Chamber of Commerce, with necessary and appropriate revisions.
- Set up the CVB as a separate entity, such as an authority, as was proposed by the Tourism Task Force in 2007. (Section 15.2-5516 of the Code of Virginia.) If the Civic Center initiative is successful, consider placing the CVB under its governing body.
- There are other successful models for tourism programs that incorporate funding from multiple jurisdictions/sources. If the tourism program must have a regional approach, regional funding/governance should be explored. For example, two attractions that are prominently featured in LRCVB marketing materials, Poplar Forest and the D-Day Memorial, are in Bedford County. Explore a partnership with Bedford County.
- Explore the possibility of the creation of an LLC to serve as the vendor
- Consider providing memberships in the CVB, with a fee, for attractions, lodging establishments, restaurants, etc.
- Is the “Hub and Spoke” model the best for the City or should it be revisited and refocused to better drive activity within the City limits? Should not the CVB look for ways to market what is here to advance and enhance these Lynchburg assets by focusing on the structure and

character of the City?  Consider specific terms of service regarding the marketing of City attractions, amenities and events.

## FINANCING

- Confirm that Lodging Tax revenue will be the source of program funding.  Maintain or adjust the use of 73% of this revenue for program funding.

- Cap the annual amount provided for tourism program funding.  After funding a certain baseline amount, have the annual budget process determine the amount of funding provided for marketing.

- Establish any new contract on a July 1-June 30 fiscal year basis.

- Include a non-appropriations clause.

- Designate funds to be used for local marketing initiatives.

- Create a mechanism to memorialize and honor multi-year commitments.

- If lack of infrastructure (fields, maintenance, etc.) makes attracting certain events to the city difficult, consider apportioning some of the funding that now goes to the tourism program into improving the infrastructure.

## RELATIONSHIPS

- Strengthen the relationship of vendor to customer between the CVB and the City.

- There should be more transparency and better communications between the tourism program and the City.  The City should have more direct input into the program.  For example:  input on promotions and marketing, sharing of information and marketing materials in advance of publication for accuracy checks.

- Create a conduit for accurate information flow from City entities to the CVB with some form of proofing or fact checking. (Richmond allows its partners to sign in online to make changes. They are able to update the information for their attractions; schedules, events, addresses, etc. This ensures that information is accurate.)

- Examine the make-up, appointment process, and responsibilities of the Tourism Advisory Board.  Is it the board’s role to represent the interests of the City, the Chamber of Commerce or tourism stakeholders?  Place a “City” representative on the TAB.

- Clarify the role of the Marketing Partnership.

- Require compliance with the Public Procurement Act, the Freedom of Information Act and the Conflict of Interest Act.

***discoverLynchburg - Lynchburg Regional Convention and Visitors Bureau***
***Performance Measures***
***Date: __March 20, 2013_____ Submitted by:__Beckie Nix___________________***

***Goal 1***: Strengthen Lynchburg's economy through increased Meals & Lodging Tax revenue.

| ***Performance Measure:*** | ***Actual 2010*** | ***Actual 2011*** | ***Actual 2012*** |
|---|---|---|---|
| Meals & Lodging Tax*1 | $ 12,089,113 | $ 12,614,077 | $ 13,372,802 |

*Analysis of data: 2012 Lodging tax revenue increased by 3% while hotel inventory dropped another 6%...a total loss of 18% of Lynchburg's sellable rooms in 3 years. Meals tax revenue increased 6.5%. This is good news for Lynchburg as many localities are struggling with losses or barely maintaining.*

***Goal 2:*** Strengthen Lynchburg's economy by increased visitor expenditures in the city.

| ***Performance Measure:*** | ***Actual 2010*** | ***Actual 2011*** | ***Actual 2012*** |
|---|---|---|---|
| Annual Visitor Expenditures*2 | $ 136,171,088 | $ 143,132,756 | $ 155,758,589 |

*Analysis of data: Visitor spending in the city of Lynchburg increased $13 million dollars over the previous year, an increase of 9% during a down economy.*
**Note: Current report from the US Travel Association, supplied by Virginia Tourism Corporation.*

***Goal 3:*** Maintain highest professional standards as a DMO (Destination Marketing Organization) via accreditation by the Destination Marketing Association International (DMAI).

| ***Performance Measure:*** | ***Yes/no 2010*** | ***Yes/no 2011*** | ***Yes/no 2012*** |
|---|---|---|---|
| Maintain DMAI accreditation | Yes | Yes<br>Note: discoverLynchburg now has Bureau accreditation from DMAI, along with 3 individually DMAI accredited staff members. | Yes<br>Note: discoverLynchburg staff member first in state to receive latest industry certification of VDP. |

***Goal 4:*** Increase Lynchburg visibility in the internet marketplace.

| ***Performance Measure:*** | ***Actual 2010*** | ***Actual 2011*** | ***Actual 2012*** |
|---|---|---|---|
| Website hits* 3 | 54, 121 | 69,195 | 105,646 |

*Analysis of data: Webhits to the discoverlynchburg.org website, along with both mobile hits and cell phone application downloads continue to increase significantly as more and more people use internet and today's technologies in travel planning.*

***Goal 5:*** Strengthen Lynchburg as a destination for group travel.

| ***Performance Measure:*** | ***Actual 2010*** | ***Actual 2011*** | ***Actual 2012*** |
|---|---|---|---|
| Group, Business, Sports Shows attended | 16 | 20 | 23 |
| Closed sales*4 | $ 1,385,650 | $ 1,736,253 | $ 1,912,883 |

*1. Meals and Lodging Tax data from City of Lynchburg*
*2. Annual visitor spending data prepared by the U.S. Travel Association, and supplied by the Virginia Tourism Corporation*
*3. Web hit data from Google Analytics*
*4. Group sales data from discoverLynchburg contracts*

**MANAGEMENT AND OPERATING AGREEMENT**
**FOR THE LYNCHBURG VISITORS CENTER**
**AND THE LYNCHBURG REGIONAL CONVENTION AND VISITORS BUREAU**

This MANAGEMENT AND OPERATING AGREEMENT ("Agreement") is made and entered into effective as of the 1st day of July, 2008, by and between the CITY OF LYNCHBURG, a municipal corporation of the Commonwealth of Virginia, hereinafter referred to as the "CITY", and the LYNCHBURG REGIONAL CHAMBER OF COMMERCE, a Virginia Corporation, hereinafter referred to as the "LRCC".

WITNESSETH:

WHEREAS, the CITY and the LRCC have had an agreement since 1993 for the management of the Lynchburg Regional Convention & Visitors Bureau (the "LRCVB") by the LRCC including, without limitation and as a part of the operations of the LRCVB, the lease and operation of the VISITORS INFORMATION CENTER ("VISITORS CENTER") located at 216 12th Street, Lynchburg, Virginia; and

WHEREAS, the CITY and the LRCC have agreed that a changing environment, with new challenges and opportunities, requires the revision of the current structure of the CITY's tourism program with the ultimate goal of establishing an even more effective program and structure that will maximize tourism opportunities for the community; and

WHEREAS, the CITY and the LRCC have agreed that the LYNCHBURG REGIONAL TOURISM BOARD (the "BOARD") will be established as set forth in this Agreement. The BOARD will be responsible for the development and setting of the tourism program policies and strategy including those for the operation of the LRCVB (including the VISITORS CENTER) as well as the review of the annual tourism plans as set forth in this Agreement; and

WHEREAS, the CITY and the LRCC desire that the LRCC continue the operation and the management of the LRCVB (including the VISITORS CENTER) for an additional five-year period.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements herein contained, the parties do hereby mutually covenant and agree as follows:

I. PREMISES

The CITY hereby demises, leases and rents unto the LRCC, and the LRCC hereby takes, accepts and rents from the CITY, the VISITORS CENTER building located at 216 12th Street, Lynchburg, Virginia (hereinafter referred to as the "Premises"), and the surrounding grounds. Title to the Premises during the term of this Agreement shall remain in the CITY. The VISITORS CENTER shall continue to be operated by the LRCC as a part of the LRCVB at the existing location or such other location as may be agreed upon by the CITY and the LRCC.

II. TERM

This Agreement shall be for a term of sixty six (66) months beginning on the 1st day of July, 2008 and ending on the 31st day of December, 2013. Thereafter, this Agreement may be renewed by mutual written agreement of the CITY and the LRCC. In the event the LRCC shall continue to provide services under this Agreement after the end of the term of this Agreement and the CITY shall continue to accept services from the LRCC after the end of the term of this Agreement, this Agreement shall continue in full force and effect until thereafter terminated by either party upon one hundred eighty (180) days written notice to the other party. Upon termination of this Agreement, the LRCC shall promptly and in good condition surrender the Premises to the CITY, ordinary wear and tear excepted.

## III. RENTAL

The LRCC agrees to pay the CITY the sum of one dollar ($1.00) per year payable upon the first day of each calendar year as rental for the Premises.

## IV. LRCC RESPONSIBILITIES AND REPORTING

A. Tourism Program Responsibilities. Subject to the terms of this Agreement, the LRCC will maintain authority over and responsibility for the tourism program operation. The LRCC will be responsible for: (1) the development of the annual Budget, Program Plan and Marketing Plan of the LRCVB subject to the approval of the BOARD; (2) the establishment of appropriate benchmark standards and performance measures to monitor program effectiveness which shall be approved by the BOARD; (3) the hiring and supervision of a Director of Tourism who shall serve as the primary interface between the LRCC and the CITY and the BOARD and who will be hired by the CITY MANAGER and the President of the LRCC following a process mutually agreed upon by the CITY MANAGER'S OFFICE ("CMO") and the LRCC. The initial Director of Tourism job description, salary and benefits and hiring process to be followed in 2008 as well as the hiring of any replacement Director shall be subject to the mutual approval of the LRCC and the CMO; (4) the hiring and supervision of all other LRCVB employees (including the LRCVB employees that work at the VISITORS CENTER) and the termination of all LRCVB employees; and (5) the day-to-day operation of the LRCVB (including the VISITORS CENTER).

B. Reporting. Within 45 days after the end of each calendar quarter, the LRCC shall file quarterly reports with the BOARD and the CMO which shall include information and statistics from the LRCVB (including the VISITORS CENTER), the activities of the LRCVB staff, information on relevant performance measures and any other relevant information reasonably requested by either the BOARD and/or the CMO. By May 1st of each year, the LRCC will file an annual report with the BOARD and the CMO for the preceding calendar year updating and summarizing the information contained in the preceding calendar year's quarterly reports including, without limitation, financial and marketing information. Expenses, anticipated revenues, budget analysis, the work program/action plans and accomplishments, marketing expenditures and any other relevant information reasonably requested by either the BOARD and/or the CMO will be reviewed and discussed at such other times as the LRCC, CMO and the BOARD deem appropriate.

C. For purposes of collaboration, coordination and information the CITY MANAGER shall have unfettered access to the Director of Tourism. When requested, the Director of Tourism shall provide unfiltered information to the CITY MANAGER. The LRCC shall be kept fully informed of any contact between the CITY MANAGER and the Director of Tourism and the CITY MANAGER shall not attempt to direct the work of the Director of Tourism.

## V. LYNCHBURG REGIONAL TOURISM BOARD

A. Formation and Membership. As part of this Agreement, the parties hereto agree to establish the BOARD as follows following a process jointly agreed upon by the CMO and the LRCC. The size of the BOARD shall be seven (7), nine (9) or eleven (11) members. Persons interested in serving as a member of the BOARD shall fill out and submit an application to the Clerk of Council for initial processing. The form of the application shall be mutually agreed upon by the CMO and the LRCC. The criteria for BOARD membership may include without limitation: (1) knowledge of the tourism industry and economic development issues; (2) relevant business experience; and (3) interest in and support of the LRCVB and regional tourism. Membership applications shall be submitted to and reviewed by the CMO and the LRCC and, if necessary, interviews held by one or both groups following a process jointly agreed upon by the CMO and the LRCC. BOARD member appointments and re-appointments shall be made by CITY Council after consultation with the LRCC Board of Directors. The CMO and the LRCC shall mutually agree on the appointment of the first Chair of the BOARD. Thereafter, the BOARD shall elect its Chair. BOARD members shall serve staggered three (3) year terms. BOARD meetings shall be held as often as determined by the Chair of the BOARD or a majority of the members of the BOARD but not less than quarterly. BOARD members shall attend a minimum of seventy-five percent (75%) of full BOARD and their designated Committee meetings during their term.

B. Committees. The BOARD will have three committees: (1) the Program Committee; (2) the Marketing Committee; and (3) the Finance Committee. The Committees will each have a minimum of three (3) BOARD members who will be appointed by the Chair of the BOARD. The Chair of each Committee will also be appointed by the Chair of the BOARD.

C. BOARD Functions. The function of the BOARD is to establish tourism policies and strategies including the policies and strategies for operation of the LRCVB (including the VISITORS CENTER). BOARD functions include the following:

1. Mission Statement. Using input provided by the LRCC, to review and to recommend to CITY Council and the LRCC Board of Directors proposed revisions, if any, to the mission statement of the LRCVB within six (6) months after the date the first meeting of the members of the new BOARD is held (the "First BOARD Meeting").

2. Tourism Policies and Strategies. Using input provided by the LRCC, to recommend to CITY Council and the LRCC Board of Directors long term tourism policies and strategies including long term policies and strategies for the management and operation of the LRCVB (including the VISITORS CENTER) within six (6) months after the date of the First BOARD Meeting.

3. Benchmark Standards and Performance Measures. Using input and recommendations from the LRCC, to review and approve, within six (6) months after the date of the First BOARD Meeting, benchmark standards and performance measures to help demonstrate and evaluate the performance by LRCC toward meeting its obligations under the terms of this Agreement. The benchmark standards and performance measures shall be selected from best practices for the tourism industry which are applicable to tourism opportunities in the Lynchburg, VA regional area. Sources of possible benchmark standards/performance measures include, without limitation, the following sources:

a. Recommendations of the 2006-07 Lynchburg Tourism Task Force
b. Standards of the Destination Marketing Association International (DMAI)
c. Standards of the International City/County Management Association (ICMA)
d. Standards of the Virginia Tourism Corporation (VTC)
e. Recommendations from the research of Professor Paul Young at Liberty University.

D. Oversight Committee. The need and requirement to maintain the Oversight Committee described in the January 1, 2006 Management and Operating Agreement between the CITY and the LRCC is deleted since the work of the 2006-07 Lynchburg Tourism Task Force has been completed and the BOARD is being formed.

## VI. FUNDING AND BUDGETARY ACCOUNTABILITY

A. Annual Budget. The budget for each upcoming calendar year shall be prepared by the LRCC and submitted on or before November 1st of the preceding calendar year to the BOARD for review and approval. The final version of the budget, with all agreed upon revisions, shall be approved in writing by the BOARD and the LRCC on or before the immediately following December 15th and provided to the CITY. Any revisions to the budget during the year also shall be approved in writing by the BOARD and the LRCC and provided to the CITY.

B. Operating Funds. The CITY will advance to the LRCC operating funds to be used by the LRCC for the administration and operation of the LRCVB in accordance with the terms of the budget ("Operating Funds").

1. Beginning on June 15, 2008 and continuing quarterly thereafter, the Operating Funds will be paid by the CITY to the LRCC in four equal quarterly payments ("Operating Fund Payments") in advance of the first day of each quarter and on or before, as applicable, each December 15th, March 15th, June 15th and September 15th. Subject to the stipulations below, Operating Funds for each year shall be provided by the CITY to the LRCC in the following amounts:

| Fiscal Year Ending | Annual Amount | Quarterly Operating Fund Payments |
|---|---|---|
| June 30, 2009 | $670,000 | $167,500 |
| June 30, 2010 | $890,000 | $222,500 |
| June 30, 2011 | $1,100,000 | $275,000 |

2. For the fiscal years beginning July 1, 2011 and ending June 30, 2012 (Fiscal Year 2012) and thereafter, Operating Funds shall be provided by the CITY to the LRCC in amounts equal to seventy-three percent (73%) of the lodging tax revenues received by the CITY (from both the 5.5% Transient Occupancy Tax and the $1.00 per-night-per-rented room use fee, combined, as well as any other lodging tax revenues or similar type tax revenues assessed by the CITY) during the time period running from April 1st to March 31st immediately prior to the start of the current fiscal year.

3. The increase in annual funding outlined above is subject to: (i) the development by the BOARD of the benchmark standards and performance measures called for in Section V. C. (3) of this Agreement using input and recommendations provided by the LRCC; and (ii) the CITY's receipt of the annual report, the Program Plan and the proposed budget showing how the additional funding will be utilized as called for in Sections VII.B, VII.A and VI.A, respectively, of this Agreement.

4. The method and schedule for reimbursement of tourism costs expended by the LRCC including the specific costs, methods and amounts to be reimbursed shall be mutually agreed upon each year by the BOARD and the LRCC as part of the LRCVB annual budget process. The reimbursement method and schedule for the fiscal year ending June 30, 2009 is set forth in **Exhibit A** attached hereto and incorporated herein by reference.

C. Accounting. To ensure budgetary accountability and transparency the tourism program budget shall be separated from the overall LRCC budget. The LRCC shall provide a full breakout of the costs of shared facilities and personnel in a manner reasonably and mutually acceptable to the CMO, the BOARD Finance Committee and the LRCC. This could be shown as a transfer between the tourism program and overall LRCC budgets. Financial reports showing expenditures and revenues to date and a comparison to budget estimates shall be provided to the BOARD Finance Committee and the CMO within 45 days after the end of each quarter. An annual financial report showing all of the expenditure and revenues during the prior calendar year shall be provided by LRCC to the BOARD Finance Committee and the CMO by May 1st of the following year. The LRCC shall conduct an audit of the tourism program paid for with tourism program revenues.

## VII. ANNUAL PROGRAM

A. Program Plan. On or before each November 1st, the LRCC shall prepare and submit to the BOARD Program Committee the annual Tourism Program plan for the upcoming calendar year. The annual Tourism Program plan shall provide the Program goals and objectives for the upcoming calendar year including the plan for achievement of the mutually agreed upon performance measures. The final version of the Program Plan shall be mutually agreed upon by the BOARD and the LRCC on or before the immediately following December 15th and provided to the CITY.

B. Prior Year Annual Reporting. On or before each May 1st, the LRCC shall prepare and submit to the BOARD Program Committee and the CMO annual Tourism Program reports with the information set forth in Section IV.B of this Agreement and describing the tourism activities in the prior calendar year. The annual report shall indicate how the agreed upon performance measures described in Section V.C of this Agreement have been achieved. The annual Tourism Program report shall be presented by the BOARD at a joint meeting of the CITY Council, the BOARD and the LRCC for a discussion of prior year achievements and current year plans.

C. Regional Meetings. The CITY and LRCC agree that the LRCVB shall continue to promote regional tourism activities in partnership with other localities in our region to the greatest extent possible for the mutual benefit of all groups. The LRCVB will cooperate and collaborate with other regional tourism entities to plan for, market, advertise, and support events of regional interest and will seek opportunities for greater regional tourism programming. The BOARD will annually meet with adjoining municipalities and major regional tourism stakeholders to discuss regional tourism opportunities.

D. Destination Marketing Association International Accreditation. LRCC will continually seek to maintain the DMAI accreditation of the LRCVB obtained by the LRCC in 2007.

E. Program Oversight. The BOARD Program Committee and the BOARD will be continually involved in the oversight of the tourism program and LRCVB operations (including the VISITORS CENTER).

F. Marketing Partnership. The Director of Tourism will continue to participate in the CITY's Marketing Partnership as a full member.

## VIII. ANNUAL MARKETING PLANS

A. Marketing Plans. The LRCC shall prepare and submit, on or before each November 1st, the Marketing Plan for the upcoming calendar year to the BOARD Marketing Committee. The annual Marketing Plan shall provide the marketing goals and objectives for the upcoming calendar year including the specific planned print advertising and other advertising expenditures. The final version of the Marketing Plan shall be mutually agreed upon by the BOARD and the LRCC on or before the immediately following December 15th and provided to the CITY.

B. Cooperative Marketing Efforts. When advantageous to the tourism program, both financially and from a marketing standpoint, the LRCVB shall seek opportunities to market and advertise local tourism opportunities with other regional and Virginia groups.

## IX. LRCVB EMPLOYEES

The LRCC shall operate the VISITORS CENTER at a sufficient staffing level that will enable it to adequately fulfill its responsibilities under this Agreement and to maintain its status as a State Certified Visitors Information Center. The LRCC agrees that all full-time LRCC employees staffing the VISITORS

CENTER and working with the LRCVB, if otherwise eligible, shall be provided with the insurance and retirement benefits which are provided to other LRCC employees.

## X. VISITORS CENTER FURNITURE AND EQUIPMENT

The CITY originally furnished the VISITORS CENTER with certain furniture and equipment in 1993 to be used for the tourism program, as was described in an attachment to the original and subsequent management and operating agreements between the CITY and the LRCC. Since then, certain changes have been made to the furniture and equipment. The intent is that title to any remaining or replacement furniture and equipment provided by the CITY and still on the Premises at the expiration of this Agreement shall remain with the CITY. Subsequent to the commencement of this Agreement the LRCC shall prepare and submit to the CMO an updated inventory of furniture and equipment identifying all furniture and equipment on the Premises and the ownership of the furniture and equipment. The updated VISITORS CENTER furniture and equipment 2008 inventory shall be finalized and presented by the LRCC to the CMO on or before November 1, 2008. The inventory shall be updated on or before November 1st of each year of this Agreement. The CITY is under no obligation to provide additional furniture or equipment or to replace existing furniture or equipment to be used by the LRCVB for the tourism program. Any furniture or equipment acquired or replaced by the LRCC for use by the LRCVB on the Premises during the term of this Agreement shall belong to the LRCC.

## XI. MAINTENANCE, REPAIRS AND IMPROVEMENTS AT THE VISITORS CENTER

The following terms and provisions shall apply to the occupancy and use by the LRCC of the VISTORS CENTER currently located at 216 12th Street, Lynchburg, Virginia. The terms and provisions of this Section XI of the Agreement shall be reviewed and, if necessary, amended if the VISTORS CENTER is moved to a new location mutually agreed upon by the CITY and the LRCC.

A. Acceptance. The LRCC has inspected the current Premises and agrees to accept the same in the condition in which the Premises now are.

B. Improvements. While the CITY shall have the right to improve the Premises during the term of this Agreement, the CITY shall be under no duty or obligation to do so. The LRCC shall not make any permanent improvements or alterations to the Premises without the prior written approval of the CMO. Said permanent improvements or alterations, if approved by the CMO, are to be made at the expense of the LRCC and reimbursed by the CITY as agreed to by the CMO. Any permanent improvements or alterations made to the Premises by the LRCC during the term of this Agreement must first be approved by the CMO, shall become the property of the CITY and may not be removed from the Premises without the prior written approval of the CMO.

C. Maintenance. During the term of this Agreement, the CITY will provide routine day-to-day janitorial services, repairs and maintenance of the Premises and surrounding grounds (including without limitation the control of any environmental contamination and all repairs to the HVAC equipment). All repairs and maintenance shall be performed by the CITY diligently and expeditiously. The LRCC will be responsible for all necessary maintenance, repair or replacement of furniture and equipment used by the LRCVB in the tourism program.

D. Access. For the purpose of performing its responsibilities hereunder, the CITY shall have the right to enter upon the Premises, at such times as the CITY, in its sole discretion, deems necessary and such right shall include the right to store on the Premises in a mutually agreed upon location, the parts, equipment, and materials necessary to perform such responsibilities.

E. Security. The LRCC shall secure the Premises during and after each daily use including, without limitation, locking all windows and doors and taking all appropriate security measures both during and after the VISITORS CENTER's hours of operation.

XII. VISITORS CENTER UTILITIES

The electric meter for the Premises will remain in the CITY's name and the CITY will pay for all reasonable electric usage. The LRCC shall pay for all telephone and all other utility charges arising from and needed for its use of the Premises and such charges will be reimbursed through the annual Budget.

XIII. ASSIGNMENT OR TRANSFER OF AGREEMENT

This Agreement shall not be transferred or assigned to any third party without the mutual consent of both the CITY and the LRCC.

XIV. DAMAGE TO THE PREMISES OR OTHER PROPERTY

A. Premises Damage. If the Premises shall be materially damaged or destroyed by fire, the elements, the public enemy or other casualty to the extent that the Premises becomes untenantable, the CITY shall have the option, at is sole discretion, of repairing the Premises, acquiring a new property for the VISITORS CENTER or canceling this Agreement without further obligation to the LRCC.

B. LRCC Property Damage. The CITY shall not be liable for any damage to or loss of any property owned by the LRCC or the property of any of its agents or employees which is brought onto the Premises regardless of how such damage or loss may occur. It is expressly agreed and understood that the LRCC, its agents and employees, in placing their property in and on the Premises, do so at their own risk.

XV. INSURANCE AND INDEMNIFICATION FOR VISITORS CENTER

A. CITY Insurance. The CITY shall provide for all risk fire and casualty insurance coverage on the improvements, additions, alterations and fixtures made to the VISITORS CENTER Premises in the amount of their full insurable replacement value.

B. LRCC Property. If the LRCC desires insurance against loss or damage by fire (multi-peril coverage) to cover its property located on the Premises including without limitation merchandise, inventory, equipment and business property used by the LRCVB, it shall be the LRCC's obligation to obtain and maintain such insurance.

C. Waiver of Subrogation. Any provision in this Agreement to the contrary notwithstanding, the CITY and the LRCC hereby waive any and all rights to recover from the other party and from their agents, servants and employees, for any, loss or damage from risks ordinarily insured against under a standard fire insurance policy with extended coverage, but each party's waiver only applies to the extent that such loss or damage is covered by an insurance policy or policies in force and is collected by the CITY and the LRCC, as the case may be. The CITY and the LRCC each covenant and agree that they will, if a waiver of subrogation clause is not already part of their respective fire insurance policies, on or before the effective date of this Agreement request their respective insurance companies to issue and attach to such polices a waiver of subrogation clause with respect to the other party, their agents, servants and employees.

D. LRCC Indemnification. The LRCC shall indemnify and hold harmless and assume the defense of the CITY, its agents, employees, and officials, from any and all liability, expenses, or claims which may be recovered from, or sought to be recovered from the CITY, its employees, officials, and agents by third parties by reason of or on account of any third party's property damage or any personal injury, sickness or death of any third party, which property damage, personal injury, sickness or death directly arises from the LRCVB's use and operation of the Premises but is not a result of the negligence or willful misconduct of the CITY or its agents, employees or officials. The CITY shall promptly submit all claims received from third parties to the LRCC for resolution and the LRCC shall assume the complete defense and, if elected by the LRCC, settlement of all such third party claims. The CITY shall provide reasonable cooperation and assistance to the LRCC in the defense of all such third party claims. To effect the same, the LRCC agrees, at its expense, to obtain and keep in full force and effect at all times during its use and occupancy of the Premises, comprehensive liability insurance naming the CITY, its agents, employees and officials, as an additional insured, in the amount of $1,000,000.00 per accident insuring the CITY from the LRCVB's use and operation of the Premises. The LRCC further agrees to deliver to the CITY a copy of said insurance policy and a certificate of insurance showing the same to be in full force and effect. The insurance policy shall contain provisions requiring in the case of cancellation that the CITY be given thirty (30) days prior written notice of such cancellation. The insurance required hereunder shall be primary and any insurance or self insurance maintained by the CITY shall be in excess of and shall not contribute with any insurance provided by the LRCC under this Agreement. Any deductibles or self-insured retentions applicable to required coverage shall be paid by the LRCC and the CITY shall not be required to participate therewith. The LRCC waives all rights of subrogation against the CITY to the extent that such loss or damage is covered by an insurance policy or policies in force and is collected by the LRCC. In order to comply with this paragraph, the LRCC may add the CITY to its current insurance coverage rather than obtaining new insurance coverage, if that coverage meets the above requirements in all other respects.

## XVI. DISPUTE RESOLUTION.

In addition to the claims resolution procedure set forth in Section XV.D of this Agreement, the CITY and the BOARD agree to promptly submit all other complaints and disputes about the tourism program received by the CITY and/or the BOARD from tourists, visitors, citizens, stakeholders and other parties in writing, to the Director of Tourism for resolution. The Director of Tourism shall provide a written acknowledgement (by mail, fax or electronic mail) of receipt of the tourism program complaint. In addition, the Director of Tourism shall keep a written log of all such complaints and disputes received by the LRCC including the date of receipt, a brief description of the complaint and the status or resolution of the complaint. The Director of Tourism shall seek to promptly communicate with the complaining person and seek to informally resolve all disputes and complaints. If the Director of Tourism is unable to resolve the dispute or complaint, they shall forward the dispute or complaint: (a) to the BOARD for resolution if the dispute or complaint is related to the financing, programming or marketing of the tourist program; or (b) to the CMO and the LRCC for resolution if the dispute or complaint is related to tourism program legal, contractual or personnel issues.

## XVII. NONDISCRIMINATION

The LRCC agrees that in the operation of the LRCVB (including the use and operation of the VISITORS CENTER Premises), it will not, on the grounds of race, color, sex, disability or national origin, discriminate or permit discrimination against any person or groups of persons.

## XVIII. NOTICE

Formal notices to the LRCC under this Agreement shall be sufficient if sent, by certified mail, postage prepaid, return receipt requested and addressed to President, Lynchburg Regional Chamber of Commerce, 2015 Memorial Ave., Lynchburg, Virginia 24501, or to such other persons as the LRCC may designate in writing from time to time. Formal notices to the CITY shall be sufficient if mailed, by certified, postage prepaid, return receipt requested and addressed to the City Manager, 900 Church Street, Lynchburg, Virginia 24504, or to such other persons as the CITY may designate in writing from time to time.

## XIX. GENERAL PROVISIONS

A. Headings. Marginal headings contained in this Agreement are for convenience only and shall not be considered to amplify, relate, modify or otherwise affect any of the terms, provisions or conditions of this Agreement.

B. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

C. Entire Agreement. All terms and conditions with respect to this Agreement are expressly contained herein, and both parties agree that no representative or agent of the CITY or the LRCC has made any representation or promise with respect to this Agreement not expressly contained herein.

D. Severability. In the event that any provision of this Agreement shall be construed to be invalid or unenforceable, then the remaining portions shall remain in full force and effect.

E. Compliance. The LRCC agrees to observe and obey during the term of this Agreement all federal, state and local laws, ordinances, rules and regulations currently in force or subsequently adopted for the operation of the LRCVB and the VISITORS CENTER.

F. Public Records and Meetings. The LRCC and the LRCVB agree to comply with the provisions of the Virginia Freedom of Information Act dealing with public records and meetings in the development, management and operation of the tourism program.

G. Default. In the event that either party fails to perform any of the terms and conditions required by this Agreement and fails to remedy such default within a period of thirty (30) days after the receipt from the non-defaulting party of a written notice to remedy the same, the non-defaulting party shall have the right to cancel this Agreement without additional notice to the defaulting party. No waiver of default by either party of any of the terms or conditions of this Agreement to be kept or performed by the other party shall be considered to be or act as a waiver in the event of any subsequent default of such terms and conditions by the other party.

[END OF TEXT]

IN TESTIMONY WHEREOF, the CITY has caused its name to be hereunto subscribed by L. Kimball Payne, III, its City Manager, and attested by Patricia W. Kost, its Clerk of Council; and the LRCC has caused its name to be hereunder subscribed by Rex Hammond, its President & CEO, all effective as of the day and year first above written.

CITY OF LYNCHBURG

By: L Kimball Payne
L. Kimball Payne, III
City Manager

Attest: Patricia W. Kost
Patricia W. Kost
Clerk of Council

LYNCHBURG REGIONAL
CHAMBER OF COMMERCE

By: Rex Hammond
Rex Hammond
President and Chief Executive Officer

COMMONWEALTH OF VIRGINIA:
CITY OF LYNCHBURG, to-wit:

The foregoing document was acknowledged before me this 15 day of May, 2008, by L. KIMBALL PAYNE, III and PATRICIA W. KOST, City Manager and Clerk of Council, respectively, for the CITY OF LYNCHBURG.

Valerie P. Clark
Notary Public SO # 205 480

My commission expires: April 30, 2010

COMMONWEALTH OF VIRGINIA:
CITY OF LYNCHBURG, to-wit:

The foregoing document was acknowledged before me this 15 day of May, 2008, by Rex Hammond, President and Chief Executive Officer, of the LYNCHBURG REGIONAL CHAMBER OF COMMERCE.

Brooke James
Notary Public

BROOKE CHEREE JAMES
NOTARY PUBLIC
REG. #7155145
MY COMMISSION EXPIRES 8/31/
COMMONWEALTH OF VIRGINIA

My commission expires: August 31, 2011

**Exhibit A**

Fiscal Year 2009 Reimbursement Method and Schedule

Salaries and Benefits

Salary and benefit expenses for the Tourism and Visitors Center staff are based on direct allocation. Benefit expenses include all benefits detailed in the LRCC policy manual.

Support Services

The expense for support services is allocated based on the percentage of time Chamber staff spends on Tourism related projects and activities. On a monthly basis the LRCC Director of Finance surveys staff to determine time devoted to Tourism related projects and activities. The expense allocated is based on the employee's cost (salary + benefits). The expense allocations may change as additional staff are hired for the Tourism program including, but not limited to, the new Director of Tourism.

Building and Grounds

Building and grounds expenses consist of the following: utilities, custodial, building insurance and rent. Utilities, custodial and building insurance expenses are allocated based on the percentage of Chamber office space utilized by Tourism staff. Rent is billed to the Tourism division at a rate of $400 per month. This is based on the market value of the space occupied or shared by Tourism staff.

General Expenses

General expenses consist of the following: office supplies, printing, D&O insurance, dues, subscriptions and telephone expenses. These expenses are allocated based on the number of full-time Tourism staff.

Equipment

Equipment expenses consist of the following: depreciation, repairs, taxes and licenses. These expenses are allocated based on the number of full-time Tourism staff

Direct Expenses

The following expenses are based on direct allocation:

postage
marketing and advertising
meetings, meals, lodging & travel
brochure distribution
long distance service
equipment lease and rental
website design
promotional items
registration fees
production
convention services
trade show graphics
small equipment purchases
temporary services
staff training
depreciation (VC)
telephone (VC & long distance)
building repairs & maintenance (VC)

# LYNCHBURG CITY COUNCIL
## Agenda Item Summary

MEETING DATE: **May 28, 2013** AGENDA ITEM NO.: 17

CONSENT: REGULAR: **X** WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **Continuation of the Public Hearing Regarding School Board Appointments**

RECOMMENDATION:

To receive input from citizens regarding appointments (or reappointments) to vacancies that will exist June 30 in each of the three (3) School Board representational districts.

SUMMARY:

The Code of Virginia stipulates that Council may appoint only those nominees or applicants whose names have been considered at a public hearing. Following the public hearing City Council may either conclude the public hearing or continue it to the next meeting to allow more time for citizen input. The City Code requires that these appointments be made during the month of June; so therefore, no action may be taken on this matter except at the June 11 or June 25 meetings.

PRIOR ACTION(S): May 14, 2013, Public Hearing

FISCAL IMPACT:

None

CONTACT(S):

Valeria P. Chambers – 455-3990

ATTACHMENT(S):

School Board Appointment List

REVIEWED BY: lkp

072K

# School Board Appointment List

## Current Board Members to be reappointed/replaced

**Mary Ann Barker, District 1 (Willing to serve again)**
**Jettie Marie Waller, District 2 (Willing to serve again)**
**Albert L. Billingsly, District 3 (Not eligible to serve again)**

## CURRENT VOLUNTEERS

**District 1 –**
**Michael A. Bodnar**
**Thomas (Tom) Butler**
**Christopher Shearer**

**District 2 -**
**~~Eyvonne Harvery Green~~ - Withdrew**
**Lewis Lee, Jr.**
***Angela Goine Tyree**

**District 3 –**
**~~Craig A. Storrs, Jr~~. – Withdrew**
***Michael Nilles**
***Francisco Diaz**
***Michael Everette Baer**

**(*) means new names added**

# LYNCHBURG CITY COUNCIL
## Agenda Item Summary

MEETING DATE: **May 28, 2013** AGENDA ITEM NO.: 18

CONSENT: REGULAR: **X** WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **Proposed Swap of Buildings with Centra Health and Relocation of the Lynchburg Health Department**

RECOMMENDATION: After a public hearing, approve the Memorandum of Understanding and authorize the City Manager and City Attorney to sign the necessary documents for the exchange of properties subject to all appropriate conditions being satisfied.

SUMMARY: For a number of years Centra Health has had in interest in obtaining the city-owned building on Thompson Drive that houses the Lynchburg Health Department in order to expand the foot print of Lynchburg General Hospital. While not opposed in principle to Centra's acquisition of the property, it has been the City's position that the Health Department needed to be relocated to another comparable or better location at no cost to the City.

Last year Centra acquired the building at 901 Lakeside Drive (or alternately identified as 307 Allegheny Avenue), which is currently leased by a call center. The lease expires on September 30th. Centra Health now proposes to renovate the building at its expense, swap buildings with the City, and relocate the Health Department to this building.

The terms of this property exchange are outlined in the Memorandum of Understanding (MOU) that is in substantially final form and is attached.

The two buildings are roughly comparable and the newly renovated building is acceptable to the local Health Director, Dr. Kerry Gately. Dr. Gately and City staff will be involved with the development of the plans for the building's renovation. The newly renovated building will be leased by the City to the state.

PRIOR ACTION(S): None

FISCAL IMPACT: The current lease provides $100,000 in annual revenue to the City. It is anticipated that the new lease will be comparable.

The property at 1900 Thompson Drive is assessed at $3,060,900 and was appraised at $2,350,000. The property at 307 Alleghany Avenue is assessed at $3,046,300 and was appraised at $2,100,000, as currently leased. The market value of the property, after renovation, is appraised as $5,500,000.

CONTACT(S): Kimball Payne, 455-3990

ATTACHMENT(S): Proposed Memorandum of Understanding

REVIEWED BY: lkp

077K

**MEMORANDUM OF UNDERSTANDING** (this ***"MOU"***)

*for*

**EXCHANGE AGREEMENT**

*by and between*

The City of Lynchburg, Virginia (the ***"City"***)

*and*

Centra Health, Inc. (***"Centra"***)

**May ___, 2013**

1. **Background.**

   a. The City presently owns 2.476 acres in the City of Lynchburg, which includes a two-level, 42,514 square foot medical office building, located at 1900 Thomson Drive, Lynchburg, Virginia 24501 (the ***"1900 Thomson Dr. Property"***). The 1900 Thomson Dr. Property is immediately adjacent to Centra's Lynchburg General Hospital campus.

   b. The Virginia Department of Health (***"VDH"***) presently operates the Central Virginia Health District headquarters (the ***"Lynchburg Health Department"***) from the 1900 Thomson Dr. Property, which it leases from the City on a month-to-month basis.

   c. Centra owns 3.944 acres in what is commonly referred to as the lower level of the Plaza Shopping Center, which includes a 37,040 square foot commercial building, located at 901 Lakeside Drive, Lynchburg, Virginia 24501 (the ***"901 Lakeside Dr. Property"***).

   d. The 901 Lakeside Dr. Property is presently leased by Centra to StarTek USA, Inc. for use as a call center. That lease expires September 30, 2013.

   e. Centra and the City desire to exchange the 901 Lakeside Dr. Property for the 1900 Thomson Dr. Property (the ***"Exchange"***). Centra will, at its expense, design and construct renovations to the 901 Lakeside Dr. Property for purposes of VDH's operation of the Lynchburg Health Department from offices to be located in the existing building on the 901 Lakeside Dr. Property (***"Centra's Work"***). The

Exchange will allow (i) Centra to expand its hospital facilities to improve the welfare of the community served by Centra and (ii) the City to improve the welfare of the community served by the Lynchburg Health Department.

f. The parties agree that the value of the 901 Lakeside Dr. Property, upon substantial completion of Centra's Work, will equal or exceed the value of the 1900 Thomson Dr. Property, according to appraisals performed by Hallmark Properties Inc.

g. This MOU describes the terms on which the City and Centra intend to enter into an exchange agreement (the ***"Exchange Agreement"***) for the purpose of more fully describing all of the terms and conditions of the Exchange. The parties agree to negotiate in good faith to enter into the Exchange Agreement.

2. **Approval by VDH; Possession.** The City represents that during the Planning Period (as defined in paragraph 3 below) it will obtain all approvals from VDH (including negotiation of a new lease if necessary) to move VDH's Lynchburg Health Department to the 901 Lakeside Dr. Property on the basis described in this MOU. Centra represents that StarTek USA, Inc.'s lease of the 901 Lakeside Dr. Property ends on September 30, 2013 so that it may begin construction of Centra's Work at that time. Centra will deliver possession of the 901 Lakeside Dr. Property to the City and VDH upon substantial completion of Centra's Work. The City represents that it will deliver possession of the 1900 Thomson Dr. Property to Centra at Closing of the Exchange, subject to continued occupancy of such property by VDH until such time as Centra has substantially completed Centra's Work and relocated VDH to the 901 Lakeside Dr. Property (the ***"Relocation"***). VDH will pay Centra on the same basis VDH pays the City for the period of its occupancy of the 1900 Thomson Drive property between the dates of Closing and Relocation, and Centra will pay to the City all rent (but not any charges for utilities or services) collected from VDH on account of its occupancy of the 1900 Thomson Dr. Property until the date of the Relocation.

3. **Planning Period.** During the 90-day period from the last of the parties to sign this MOU (the ***"Planning Period"***) the following will occur:

a. *Plans and Specifications for Centra's Work.* Centra will, at its expense, engage an architectural and engineering team to provide space planning services for Centra's Work, and the City (including input from VDH) and Centra will agree on the space plan and specifications for Centra's Work (the ***"Plans and Specifications"***). Centra will cooperate with the City and VDH in developing the Plans and Specifications. The Plans and Specifications will generally be consistent with VDH's standard requirements, as specified in Exhibit C, titled "Guidelines for Interior Tenant Improvements," attached hereto and incorporated herein. Where the Plans and Specifications are silent as to a particular item, construction will be average to good quality medical office space consistent with Centra's customary practices for building out medical office space for primary care physicians.

b. *Schedule for Construction and Relocation of VDH*. The parties will agree to a schedule for construction of Centra's Work (the ***"Construction Schedule"***) during the Planning Period, including dates estimated for commencement, substantial completion and any interim milestones. At the time of this MOU, the parties intend that Centra will bid Centra's Work by August 31, 2013. Additionally, Centra will cooperate with the City and VDH in developing the schedule for the Relocation of VDH's Lynchburg Health Department to the 901 Lakeside Dr. Property (the ***"Relocation Schedule"***), which Relocation will begin promptly upon substantial completion of Centra's Work. These schedules will be subject to adjustment for delays outside of Centra's control.

c. *Title & Survey*. Either party may conduct title work and survey work on the property that such party will acquire in the Exchange. Each party must notify the other party of any objections to title or survey matters during the Planning Period. Any title or survey matters not objected to during the Planning Period will be considered permitted exceptions and conveyance will be subject to such exceptions.

d. *Exchange Agreement.* Upon execution of this MOU, Centra's counsel will prepare an Exchange Agreement for approval by the City.

4. **Construction.**

a. *Performance of Centra's Work.* Centra will, at its expense, construct Centra's Work according to the Plans and Specifications and the Construction Schedule.

b. *Selections.* The City will promptly confirm any selections that require the City's approval as set forth in the Plans and Specifications, or if the City does not make such selections within 7 days of request Centra may make such selections according to its standard construction procedures for medical office space of the type described in paragraph 3. a. above.

c. *The City's Work.* The term ***"City's Work"*** means any work (including planning, materials, labor and supervision) that increases the scope (including quantity or quality) of Centra's Work as described in the Plans and Specifications, including as may be needed for the City to provide upgrades for VDH above the scope of Centra's Work. The City shall be responsible, at its expense, for the City's Work. Centra will not have any responsibility to perform or provide any of the City's Work unless agreed in a written change order, which shall set forth the price to the City of the City's Work (including the cost of the work, overhead, profit, and any extended general conditions costs) and any extension of the Construction and Relocation Schedules.

d. Any of the City's Work to be performed by the City shall occur after substantial completion of Centra's Work.

5. **<u>Exchange</u>.** The Exchange Agreement will set forth in greater detail the terms of the Exchange, which shall be consistent with this MOU and shall provide for the following terms to govern the Exchange:
   a. *Price and Terms.*
      i. No cash consideration; real estate exchange as provided in this MOU.
      ii. Centra will, at its expense, construct Centra's Work according to the Plans and Specifications and the Construction Schedule.
      iii. The City will pay for the City's Work.
      iv. Centra will, at its expense, relocate VDH's Lynchburg Health Department (including placing furniture and installing fixtures and equipment) to the 901 Lakeside Dr. Property upon substantial completion of Centra's Work, according to the Relocation Schedule.
   b. *Exchange Documents.*
      i. The parties will exchange deeds, owner's affidavits as to possession and mechanic's liens, a settlement statement, and other closing papers as necessary or appropriate to consummate the Exchange.
   c. *Settlement Costs.*
      i. Subject to item c. ii. below, all settlement costs will be paid by Centra.
      ii. Each party will pay its own attorney fees.
   d. *Brokers.*
      i. Neither the City nor Centra is represented by a broker or real estate agent in this transaction, so no brokerage fees or commissions will be payable as a result of the Exchange.
   e. *Closing of the Exchange (**"Closing"**).*
      i. Closing will occur in Lynchburg, Virginia.

   ii. The parties will consummate the Exchange and transfer title no later than 30 days after the end of the Planning Period.

f. *Transfer of Possession.*

   i. At Closing, the City will deliver possession of the 1900 Thomson Dr. Property to Centra, subject to VDH's continued occupancy as provided in paragraph 2 above until the date of Relocation.

   ii. Upon substantial completion of Centra's Work, Centra will deliver possession of the 901 Lakeside Dr. Property to the City and VDH for the Relocation of VDH to the 901 Lakeside Dr. Property.

g. *Approval by Lynchburg City Council*. The parties' obligations under this MOU, including the City's conveyance of the 1900 Thomson Dr. Property to Centra and Centra's conveyance of the 901 Lakeside Dr. Property to the City, are conditioned upon the approval of this MOU for the exchange of said properties by the Lynchburg City Council as required by Section 15.2-1800 of the Code of Virginia.

[SIGNATURES ON FOLLOWING PAGE]

*SIGNATURES TO MEMORANDUM OF UNDERSTANDING, DATED ______, 2013:*

THE CITY OF LYNCHBURG, VIRGINIA

By___________________________________
L. Kimball Payne, Jr., City Manager

Date of Execution: _____________________

CENTRA HEALTH, INC.

By___________________________________
E.W. Tibbs, Jr., CEO

Date of Execution: _____________________

# EXHIBIT C

## GUIDELINES FOR INTERIOR TENANT IMPROVEMENTS

*This listing is intended to be a comprehensive description of the general level of acceptable finishes the Commonwealth of Virginia expects, however, the requirements of the Tenant will vary from site to site and specific finishes will be defined in the course of the design of the Tenant Improvements.*

ADA Accessibility

- All facilities shall comply with applicable ADA codes and regulations for access and ability to work in a barrier free space.
- Accessible facilities to include parking, building entrance, elevators, toilets and other ancillary spaces as well as tenant office areas.

Environmental

- The building is to be free of friable asbestos, or friable asbestos must be properly abated prior to occupancy. ACM's must be managed under an appropriate management plan. Certification will be required as part of the lease.
- Only low VOC adhesives, paint and other materials to be used.
- Space to be mold free. Certification of mold free environment may be required.

Ceiling

- Lay-in acoustical 2' x 2' tiles with suspended grid, with minimum NRC of 0.65.

Lighting

- Luna 2' x 4' recessed indirect light with narrow 4" perforated center basket fluorescent fixtures with energy efficient lamps (T-8 or better) and electronic ballasts shall be provided. Fixtures shall be capable of producing and maintaining a uniform lighting level of 50-foot candles at working surface height throughout the space. Indirect lighting to be suspended when ceiling height allows.
- Restroom lighting shall be 30 foot candles measured at counter height and 20 foot candles measured at the floor in enclosed corridors.
- Dimmable ballast fluorescent or zoned lights shall be provided for conference/training rooms and reception areas.
- Emergency egress lighting as required by applicable life safety codes shall be provided throughout the entire space.

Walls

- Gypsum wallboard, minimum thickness of 5/8" with studs at a maximum of 24" on center, level 4 finish.
- Acoustical treatment in walls for all conference/meeting/training rooms, e.g. 3 ½" sound attenuation batt insulation.
- Walls to be finished with primer and two finish coats of paint.

Windows

- 1" wide, metal blade mini blinds shall be provided and installed.

Doors

- Flush solid wood core.
- Minimum 3'-0" wide x 7' high.
- ADA compliant lever hardware.
- Locks and closers provided as required in compliance with ADA and as required by Tenant.
- Automatic assist on building and/or suite entry doors as required by ADA code.

Floor

- Finished floor to be ½" over 10 feet level and clean, ready to receive carpet or resilient flooring.

Carpet

- Branded 100% nylon with minimum density of 6,000.
- Minimum face weight for carpet tiles to be 20 oz. per sq. yd.
- Minimum face weight for broadloom products to be 26 oz. per sq. yd.

Resilient Flooring

Acceptable:

- If Vinyl Composition tile is specified/used – 12" x 12", Armstrong, Tarkett, or equal.
- If Ceramic Tile is specified/used – thinset in 12" x 12" Crossville or equal.

Vinyl Base

- Shall be 1/8" gauge x 4" high, cove profile in longest lengths possible, continuous roll preferred.

Casework

- To meet A.W.I. Standard for custom grade.
- High pressure plastic laminate on all exposed surfaces.
- To be designed and constructed to meet ADA codes.

- Solid surface countertops on all toilets having multiple fixtures.
- Storage shelving as required by Tenant.

Electrical Power

- 7.5 watt per square foot.
- Clean source power available, free of distortion and harmonics.
- Core drills as needed for tenant systems furniture layout.

Sprinkler System

- Certified, compliant, fully operational sprinkler system to be provided to meet local building codes.

HVAC System

- Must provide a temperature throughout the Building of not less than 68º F nor more than 74º F year round, during regular business hours of the Occupants, with a minimum of 20% relative humidity when heat is being provided and with a maximum of 60% relative humidity when air conditioning is being provided.
- Provide terminal device every 1,200 square feet.
- Fresh air exchange rates and CO2 levels shall comply with Ventilation Standard for Virginia MEP code 62.1, 2007.

Exhaust System

- Required for all toilet facilities.

Drinking Fountains

- The Lessor shall provide a minimum of one (1) chilled water drinking ADA Compliant fountain on each floor. Travel from any part of the leased space to this water fountain must not exceed 150 feet.

High Density Filing

- Live floor load shall be sufficient to accommodate modern high density filing system in specified locations.

Building Vending Area

- Water lines for supply and drainage.
- Dedicated/separate electrical circuits for appliances and vending as required.
- Supplemental cooling if required.

Cabling/Telecommunications/Electrical

- Accessible and appropriately sized conduit from the demark location to all occupied floors.
- Core drills as needed to accommodate tenants systems furniture layout.
- 1" conduit within the premises.

Server Room

- VCT or raised floor if required.
- Full height insulated walls.
- Supplemental HVAC system.
- Separate electrical panel with an emergency shut off button within the server room.

Security

- Card reader access system with electric strikes as identified on Tenant's space.
- Controlled access into specified areas, if required.
- Security glass as required by Tenant in reception area

Agenda Item #19

Robert W. T. Short, Sr.
709 Jackson Street
Lynchburg Va, 24504
(540) 797-7432

May 12, 2013

Ms Valeria Chambers
Clerk of City Council
900 Church Street
Lynchburg, VA 24504

Dear Ms. Chambers:

I would like to request a few minutes of the City Council's time at their next meeting on the 28th of May. I would like to speak to them on subject of Monument Terrace, specifically on adding a monument to those who served in the Gulf, Iraq, and Afghanistan wars (Operation Desert Storm, Operation Iraqi Freedom, Operation New Dawn, and Operation Enduring Freedom).

Sincerely,

Travis

Robert W.T. Short, Sr.

RECEIVED
MAY 16 2013
Council/Manager Offices

# LYNCHBURG CITY COUNCIL
## Agenda Item Summary

| | | | |
|---|---|---|---|
| MEETING DATE: **May 28, 2013** | | | AGENDA ITEM NO.: **20,21,22** |
| CONSENT: | REGULAR: **X** | WORK SESSION: | CLOSED SESSION: (Confidential) |
| ACTION: **X** | | INFORMATION: | |

ITEM TITLE: **Adoption and Appropriation of FY 2014 Budget Resolutions A, J, P**
**SECOND READING**

RECOMMENDATION: Adopt and appropriate FY 2014 Budget resolutions A, J, and P.

SUMMARY: Budget resolutions A and J were passed on first reading by a majority vote on May 14, 2013.

Budget resolution P, for the adoption of the FY 2014-2018 Capital Improvement Program, was inadvertently omitted from the first reading. Since budget resolution P does not appropriate any funds, only one reading is required.

The other budget resolutions were adopted unanimously on the first reading and are included in the consent agenda for today's meeting.

PRIOR ACTION(S): March 12, 19, 26, April 9, 23, 2013 – City Council Work Sessions;
April 2, 2013 – Public Hearing on the Proposed FY 2014 Budgets for General Government, Schools, Water, Sewer, Stormwater, Airport, and Other Funds, and the FY 2014 - 2018 Capital Improvement Program;
May 14, 2013 City Council Meeting—First Reading of Budget resolutions

FISCAL IMPACT: As noted on attached resolutions A, J, P

CONTACT(S): L. Kimball Payne, III, City Manager, 455-3990
Bonnie Svrcek, Deputy City Manager, 455-3987
Donna Witt, Director of Financial Services, 455-3968

ATTACHMENT(S): Resolutions A, J, P

REVIEWED BY: lkp

A. BE IT RESOLVED that by majority vote the FY 2014 General Fund Operating Budget (excluding External Service Providers and Component Units expenditures) including the revenues and expenditures proposed by the City Manager and amended by City Council be adopted as the annual operating budget of the City of Lynchburg for the fiscal year beginning July 1, 2013 and ending June 30, 2014 and said funds be appropriated:

| GENERAL FUND INCOME | |
|---|---|
| Beginning Balance | $22,744,259 |
| Non-Dedicated Revenues | |
| General Property Taxes | 73,358,784 |
| Other Local Taxes | 46,688,787 |
| Permits, Privilege Fees and Licenses | 569,900 |
| Fines & Forfeitures | 481,000 |
| Use of Money & Property | 388,226 |
| Charges for Services | 3,863,294 |
| Miscellaneous | 231,200 |
| Revenue from the Commonwealth | 6,048,584 |
| Dedicated Revenues | |
| Revenue from Use of Money & Property | |
| Charges for Services | 3,982,944 |
| Recreation Revenue | 374,000 |
| Parking | 442,600 |
| Miscellaneous | 2,102,556 |
| Revenue from the Commonwealth | |
| Categorical Aid - State Shared Expenditures | 2,975,787 |
| Categorical Aid | 17,064,771 |
| Revenue from the Federal Government | 7,135,226 |
| Use of Reserves and Committed/Assigned Fund Balance | 992,570 |
| **Total** | **$189,444,488** |

| GENERAL FUND EXPENDITURES | |
|---|---|
| General Government | $11,974,532 |
| Judicial Administration | 4,648,864 |
| Public Safety | 33,273,880 |
| Public Works | 15,535,031 |
| Health and Welfare | 18,076,611 |
| Parks, Recreation and Cultural | 4,975,401 |
| Community Development | 2,253,574 |
| Non-Departmental | 6,488,709 |
| Transfer to Other Funds | 956,486 |
| General Fund - Debt Service | 7,249,168 |
| Schools - Debt Service | 6,565,401 |
| Reserves | 4,046,741 |
| Transfer to Capital - City | 3,777,878 |
| Transfer to Capital - Schools | 2,250,000 |
| Transfer to Capital - School buses | 1,002,460 |
| Ending Balance | 16,635,457 |
| **Subtotal** | **$139,710,193** |
| External Service Providers[1] | $10,338,909 |
| Component Units[1] | $39,395,386 |
| **Total** | **$189,444,488** |

[1] *To be considered separately*

Introduced: May 14, 2013

Adopted:

Certified: ______________________________

Clerk of Council

J. BE IT RESOLVED that by majority vote the FY 2014 School Operating Budget, including the revenues and expenditures proposed by the City Manager, be adopted for the fiscal year beginning July 1, 2013 and ending June 30, 2014 and said funds be appropriated:

| **SCHOOL INCOME** | | **SCHOOL EXPENDITURES** | |
|---|---|---|---|
| Beginning Balance | $0 | Operations | $84,249,418 |
| State | 43,730,131 | Grant Funded Expenditures | 8,714,800 |
| Federal | 476,000 | Ending Balance | 0 |
| Grants | 8,714,800 | **Total** | **$92,964,218** |
| Local – Operating [1] | 38,201,147 | | |
| Miscellaneous | 1,842,140 | | |
| **Total** | **$92,964,218** | | |

[1] An additional $1,002,460 is included in the FY 2014 Schools Capital Project Fund for school buses.

Introduced: May 14, 2013 Adopted:

Certified: ______________________________
Clerk of Council

P. BE IT RESOLVED that by majority vote the amended FY 2014 - 2018 Capital Improvement Program Budget is hereby adopted.

Adopted:

Certified: ______________________________
Clerk of Council

073K

# LYNCHBURG CITY COUNCIL
## Agenda Item Summary

| | | | |
|---|---|---|---|
| MEETING DATE: **May 28, 2013** | | | AGENDA ITEM NO.: 23 |
| CONSENT: | REGULAR: **X** | WORK SESSION: | CLOSED SESSION: (Confidential) |
| ACTION: | INFORMATION: **X** | | |
| ITEM TITLE: **The Vue at Cornerstone** | | | |

RECOMMENDATION: No action required.

SUMMARY: During Council's last meeting citizens from the Cornerstone community expressed concerns about new student housing under construction in the development. They questioned whether or not the buildings and their intended use are in compliance with the CUP for Cornerstone, suggesting that the buildings are "dormitories" or a "rooming house." Questions were also raised about a potential fair housing issue since the tenants will be restricted to students only.

Staff has conducted a review of documentation provided by both the citizens and the project owner, the City Zoning Ordinance, the CUP issued for Cornerstone, and HUD regulations and has consulted with local government officials from other communities with similar projects.

The City Attorney will brief Council on staff's findings and conclusions and will explain the process of seeking formal determinations or appeals by any party.

PRIOR ACTION(S): May 14, 2013, staff instructed to look into citizen concerns and report back to Council.

FISCAL IMPACT: N/A

CONTACT(S): City Attorney, Walter Erwin, 455-3973

ATTACHMENT(S): None

REVIEWED BY: lkp

074K