

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **May 22, 2012**

AGENDA ITEM NO.: 1

CONSENT:

REGULAR:

WORK SESSION: **X**

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Memorandum of Understanding – Armstrong Gymnasium**

RECOMMENDATION: Authorize the City Manager to sign a Memorandum of Understanding (MOU) between the City of Lynchburg and Rush Lifetime Homes, Inc. that will govern the renovation and community use of the Armstrong gymnasium.

SUMMARY: Rush Lifetime Homes, Inc. has entered into a sales contract with the City to purchase Armstrong School for the sum of \$250,000. The sales contract includes a contingency that allows for the continued use of the existing gymnasium by Parks and Recreation Department. The sales contract also discusses the rights and responsibilities of refurbishing of the gymnasium.

The Parks and Recreation Department and Rush Lifetime Homes, Inc. agree that renovation and community use of the gymnasium are in the best interest of City residents and both organizations. The MOU serves to formalize the agreement between the City and Rush Life Homes, Inc. and provides guidance for use and renovation of the gymnasium to comply with the sales contract. A MOU is necessary for Rush Life Homes, Inc. to continue to seek funding for the purchase and renovation of the school.

In summary, the Parks and Recreation Department would have rights to program and utilize the gymnasium for recreation and community purposes and would be responsible for day to day management and operational expenses of the gymnasium. Rush Lifetime Homes, Inc. is responsible for renovation of the gymnasium to the level that would be required if the City was not utilizing the gymnasium, to include the windows, doors, envelope, parking area, roof and exterior lighting. Renovations would meet code and requirements of the Americans with Disabilities Act for building access and egress.

City staff is recommending utilizing the proceeds of the sale, up to \$250,000, to renovate the interior of the gymnasium. The interior renovation would bring the interior space into compliance with codes, the American with Disabilities Act, address safety issues and allow renovation to a basic level, making the space usable for a variety of recreation programs and community uses. Parks and Recreation currently utilizes the gymnasium on a very limited basis because of the poor conditions. A renovated, functioning gymnasium would be a major asset to the neighborhood, meeting a need to provide recreation programs in an underserved area.

PRIOR ACTION(S): February 14 & 28, 2012, Council authorized the sale of the property to Rush Homes.

FISCAL IMPACT: \$250,000 proceeds from sale of Armstrong School directed to the Capital Improvement Program

CONTACT(S): Kay Frazier, 455-5868

ATTACHMENT(S): Draft Memorandum of Understanding

REVIEWED BY: lkp



MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) made and dated this _____ day of _____, 2012, by and between the CITY OF LYNCHBURG and RUSH LIFETIME HOMES, INC

I. Purpose

RUSH LIFETIME HOMES, INC (RUSH) has entered into a sales contract with the CITY OF LYNCHBURG (COL) to purchase the property known locally as Armstrong School, located at 1721 Monsview Place, Lynchburg, Virginia and bearing Tax ID #02130002.

The sales contract (Attachment A) stipulates, under Contingencies, Item 8, the following:

"The Seller is desirous of being able to use the gymnasium and the athletic field on the Property for community activities and programs. Therefore, the conveyance of the Property is expressly contingent upon the Purchaser and the Lynchburg Parks & Recreation Department developing a mutually agreeable schedule that will allow the Seller to use the gymnasium and the athletic field on for community activities and programs. The Seller's use of the gymnasium and the athletic field will continue indefinitely until such time as the Seller determines it no longer has a need to use the gymnasium and the athletic field. The refurbishing of the gymnasium and athletic field will be in the sole discretion of the Purchaser and the Purchaser retains the sole right to decide to what extent and how much the refurbishing will cost. If after careful review of costs and expenses, Purchaser deems the refurbishing to be unfeasible or unreasonable, Purchaser shall not be required to upgrade or refurbish the gymnasium. If the Purchaser decides it is not feasible or reasonable to refurbish the gymnasium and/or athletic field the Seller shall have the right, but not the obligation to refurbish the gymnasium and athletic field at its own expense, so the facilities can continue to be used for community activities and programs. Further, the parties hereto must agree as to the terms of the use of the gym, including times and uses. Both parties shall use their best efforts in the negotiations to arrive at a mutually agreeable lease or terms of use."

The purpose of this MOU is to formalize the local government and non-governmental partnership between the COL and the RUSH, and to set forth the general terms and conditions that will guide these agencies/organizations in establishing and sustaining a long term working relationship.

This MOU will establish the basis for compliance with the above stated section of the sales contract in relation to community use, the renovation of the gymnasium and for the development of a more detailed lease or terms of use agreement once renovation is substantially completed.

II. Background

Lynchburg Parks and Recreation Department (LPRD) has utilized the gymnasium for many years, in partnership with Lynchburg City Schools and independently, once the schools vacated the building. The gymnasium is currently used for youth athletic programs, managed by LPRD, and out of school programs, offered through a partnership with a nonprofit organization.

Both the COL and RUSH support the concept of a lease agreement between the organizations that will support continued use of the gymnasium for recreation programs and community use.

The COL shall have rights for use of the gym, seven days a week, Monday – Saturday, 8:30 am – 9:00 pm, and Sundays, 10:30 am – 8:00 pm. RUSH and LPRD will work cooperatively to accommodate use of the gym by RUSH on an as needed basis, which is not expected to exceed once a month.

III. Term

RUSH and the COL are committed to the project for the long term. This MOU serves for the duration of the sales contract and subsequent building renovation. It is the intent of the RUSH to complete the renovation by July 2014. A lease agreement or terms of use agreement will be established at least sixty (60 days) prior to completion of the renovation.

IV. RUSH Responsibilities

- Renovate the gymnasium to a level that would be required if the COL was not utilizing the gymnasium. Specifically, RUSH is responsible, at a minimum, for renovation of the windows, doors, envelope, parking area and exterior lights. Renovations must meet all code requirements and meet requirements of the American with Disabilities Act.
- Enter into a long term lease of the gymnasium with the COL on a cost neutral basis for RUSH.
- Maintain the major building systems, including the roof, envelope and structure of the building.

V. COL Responsibilities

- The COL agrees to utilize the proceeds for the sale of the property (up to \$250,000) to renovate the interior of the gymnasium. Specifically, the COL is responsible for renovation of the restrooms, gym floor, interior lighting, sprinkler system, HVAC systems and site signage related to the gymnasium.
- LPRD will have oversight of all COL responsibilities in the lease or terms of use agreement.
- The COL will be responsible for all day to day operational costs associated with managing and operating the gymnasium.
- LPRD will manage and coordinate community and recreational use of the gymnasium, establishing policy, and providing oversight, scheduling and custodial services. Policy will be developed in cooperation with RUSH.

- LPDR will provide materials, supplies and equipment for operation of recreation programs and community use.
- COL reserves the right to establish a fee schedule and charge user fees for recreation programs and permitting of community uses.

VI. Compliance with Federal and State Rules and Regulations

The COL and RUSH shall perform all activities specified in this MOU in conformance with all state, COL and federal laws and regulations.

VII. Effective Date

This Agreement is effective as of the date set forth above.

VIII. Non Discrimination

RUSH and the COL agree that they will not, on the grounds of race, color, religion, sex, disability or national origin, discriminate or permit discrimination against any person or groups of persons.

VIII. Changes to the Agreement

The COL and RUSH may agree in writing to modify this MOU at any time. The MOU will be reviewed on a quarterly basis by representatives from both organizations at a formal meeting. A representative from RUSH and the LPRD will attend the review meeting.

X. Termination

The COL shall have the right to terminate the MOU if it decides at some point that it does not want to continue to use the gym for community activities. If RUSH does not obtain the tax credits for the project the MOU will terminate.

WITNESS the following duly authorized signatures and seals:

CITY OF LYNCHBURG, VA

By: _____

L. Kimball Payne, III

Its: City Manager

Date: _____

RUSH LIFETIME HOMES

By: _____

Its: Director

Date: _____

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **May 22, 2012**

AGENDA ITEM NO.: **2**

CONSENT:

REGULAR:

WORK SESSION: **X**

CLOSED SESSION:

(Confidential)

ACTION:

INFORMATION: **X**

ITEM TITLE: **Waste Management: Briefing on the Decals and Trash Tags Program**

RECOMMENDATION: No action required.

SUMMARY: From time to time Council members hear complaints from citizens regarding the operation of the solid waste collection program, specifically regarding the use, or non-use, of the decals and trash tags. Director of Public Works, Dave Owen, will make a presentation to Council, explain the program and suggest some possible changes.

The following are some of his talking points:

- City refuse crews collect trash from approximately 22, 000 households each week
- The current trash tag / decal system was put in place in late summer of 1993 to correspond with the opening of the new City landfill and City Council decision that everyone needed to pay their fair share for trash disposal
- City Council had previously appointed a citizen committee to come up with the “best” method to cover costs of landfill disposal – after much research, discussion and debate it was decided that a combined trash tag and decal system was fairest and most equitable
- Approximately 750-1,000 households do not have a trash cart – their choosing – they prefer only setting out bags when they need to
- Trash collectors issue approximately 600 violation notices a month – approximately 95% of the households correct after the 1st or 2nd violation notice – after 3rd violation city staff have been taking repeat violators to court
- Challenge is when bags are set out without a cart – requires refuse collector to go up to house and leave violation notice on door – slows down collection process considerably
- Current City Ordinance requires refuse collectors to pick up untagged bags and empty untagged or improperly decaled trash carts
- Unfortunately, Judges now require trash collector(s) to appear in Court for prosecution of cases – this has really made it difficult to prosecute cases – previously one of the administrative support associates could present the evidence and the case would be heard and decided
- Due to this issue – City staff recommends modifying the Ordinance to allow the refuse collectors to leave untagged / improperly tagged bags at the curb and to leave untagged / incorrectly decaled trash carts at the curb without emptying them until a proper tag or decal is affixed. The location of the untagged bags or un-decaled carts would be noted via smartphone for appropriate follow up. If Council would like to pursue this approach, staff will draft a new procedure and code amendment.

PRIOR ACTION(S): None

FISCAL IMPACT:

CONTACT(S): Dave Owen, 455-4469

ATTACHMENT(S): Revenue chart

REVIEWED BY: lkp

077L

Revenue Source**FY11****TOTAL
REVENUE****32 gal****Revenue****64 gal****Revenue****TOTALS****Annual Decals (off database)****- Fire Department**

-

-

34

\$ -

34

\$

-

- Pleasant Valley

158

-

48

\$ 654

206

\$

654

- Residential

3,999

159,960

4,272

\$341,760

8,271

\$

501,720

- Social Services

551

-

105

\$ 2,446

656

\$

2,446

- Tax Relief

745

-

117

\$ 7,030

862

\$

7,030

SUBTOTAL

5,453

159,960

4,576

351,890

10,029

\$

511,850

Trash Tags (sold)

117,000

62,400

\$

229,710

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **May 22, 2012**

AGENDA ITEM NO.: **3**

CONSENT:

REGULAR:

WORK SESSION: **X**

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Adoption of Resolutions related to Employer and Member Contributions for the Virginia Retirement System**

RECOMMENDATION: Adopt the attached resolutions related to the employer contribution rate and the member contribution with corresponding salary increase.

SUMMARY: The attached letter from the Virginia Retirement System (VRS) includes two resolutions related to the employer and employee contributions that must be adopted by Council prior to July 1. Council was briefed on these two matters during its budget deliberations and made preliminary decisions pending receipt of formal correspondence from VRS.

The first resolution elects the contribution rate for FY 2013. Council has the option to choose a rate of either 18.14% or 20.89%. The FY 2013 Budget was developed assuming the higher rate. Choosing the lower rate grants only temporary relief, would result in a higher contribution rate in the future, and the net pension obligation would have to be reported in the City's financial statements. For these reasons, staff recommends staying with the higher, and more actuarially responsible, rate.

The second resolution enacts the requirement adopted by the General Assembly that employees must begin paying the 5% member contribution and that contribution must be offset by a salary increase. Although this requirement can be phased in over five years, it is staff's recommendation that the entire requirement be fulfilled in FY 2013 and the adopted (first reading) budget reflects that recommendation.

PRIOR ACTION(S): After several briefings, Council decided to take the action described above on April 24th, 2012.

FISCAL IMPACT: As budgeted for FY 2013.

CONTACT(S): Kimball Payne, 455-3990; Margaret Schmitt, 455-4208

ATTACHMENT(S): Correspondence from VRS dated April 30, 2012; Resolutions

REVIEWED BY: lkp

Employer Contribution Rates for Counties, Cities,
Towns, School Divisions and Other Political Subdivisions
(In accordance with the 2012 Appropriation Act Item 468(H))

Resolution

BE IT RESOLVED, that the City Of Lynchburg 55210 does hereby acknowledge that its contribution rates effective July 1, 2012 shall be based on the higher of a) the contribution rate in effect for FY 2012, or b) seventy percent of the results of the June 30, 2011 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2012-14 biennium (the "Alternate Rate") provided that, at its option, the contribution rate may be based on the employer contribution rates certified by the Virginia Retirement System Board of Trustees pursuant to Virginia Code § 51.1-145(I) resulting from the June 30, 2011 actuarial value of assets and liabilities (the "Certified Rate"); and

BE IT ALSO RESOLVED, that the City Of Lynchburg 55210 does hereby certify to the Virginia Retirement System Board of Trustees that it elects to pay the following contribution rate effective July 1, 2012:

(Check only one box)

☒ The Certified Rate of 20.89%

☐ The Alternate Rate of 18.14%; and

BE IT ALSO RESOLVED, that the City Of Lynchburg 55210 does hereby certify to the Virginia Retirement System Board of Trustees that it has reviewed and understands the information provided by the Virginia Retirement System outlining the potential future fiscal implications of any election made under the provisions of this resolution; and

NOW, THEREFORE, the officers of City Of Lynchburg 55210 are hereby authorized and directed in the name of the City Of Lynchburg to carry out the provisions of this resolution, and said officers of the City Of Lynchburg are authorized and directed to pay over to the Treasurer of Virginia from time to time such sums as are due to be paid by City Of Lynchburg for this purpose.

Governing Body/School Division Chairman

CERTIFICATE

I, Valeria P. Chambers, Clerk of the City Of Lynchburg, certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the City Of Lynchburg held at Lynchburg, Virginia at 4 o'clock p.m. on May 22, 2012. Given under my hand and seal of the City Of Lynchburg this _____ day of May, 2012.

Clerk

Member Contributions by Salary Reduction for Counties, Cities, Towns, and Other Political Subdivisions

(In accordance with Chapter 822 of the 2012 Acts of Assembly (SB497))

Resolution

WHEREAS, the City Of Lynchburg 55210 employees who are Virginia Retirement System members who commence or recommence employment on or after July 1, 2012 ("FY2013 Employees" for purposes of this resolution), shall be required to contribute five percent of their creditable compensation by salary reduction pursuant to Internal Revenue Code § 414(h) on a pre-tax basis upon commencing or recommencing employment; and

WHEREAS, the City Of Lynchburg 55210 employees who are Virginia Retirement System members and in service on June 30, 2012, shall be required to contribute five percent of their creditable compensation by salary reduction pursuant to Internal Revenue Code § 414(h) on a pre-tax basis no later than July 1, 2016; and

WHEREAS, such employees in service on June 30, 2012, shall contribute a minimum of an additional one percent of their creditable compensation beginning on each July 1 of 2012, 2013, 2014, 2015, and 2016, or until the employees' contributions equal five percent of creditable compensation; and

WHEREAS, the City Of Lynchburg 55210 may elect to require such employees in service on June 30, 2012, to contribute more than an additional one percent each year, in whole percentages, until the employees' contributions equal five percent of creditable compensation; and

WHEREAS, the second enactment clause of Chapter 822 of the 2012 Acts of Assembly (SB497) requires an increase in total creditable compensation, effective July 1, 2012, to each such employee in service on June 30, 2012, to offset the cost of the member contributions, such increase in total creditable compensation to be equal to the difference between five percent of the employee's total creditable compensation and the percentage of the member contribution paid by such employee on January 1, 2012.

BE IT THEREFORE RESOLVED, that the City Of Lynchburg 55210 does hereby certify to the Virginia Retirement System Board of Trustees that it shall effect the implementation of the member contribution requirements of Chapter 822 of the 2012 Acts of Assembly (SB497) according to the following schedule for the fiscal year beginning July 1, 2012 (i.e., FY2013):

Type of Employee	Employer Paid Member Contribution	Employee Paid Member Contribution
Plan 1	5%	5%
Plan 2	5%	5%
FY2013 Employees	5%	5%

(Note: Each row must add up to 5 percent.); and

BE IT FURTHER RESOLVED, that such contributions, although designated as member contributions, are to be made by the City Of Lynchburg in lieu of member contributions; and

BE IT FURTHER RESOLVED, that pick up member contributions shall be paid from the same source of funds as used in paying the wages to affected employees; and

BE IT FURTHER RESOLVED, that member contributions made by the City Of Lynchburg under the pick up arrangement shall be treated for all purposes other than income taxation, including but not limited to VRS benefits, in the same manner and to the same extent as member contributions made prior to the pick up arrangement; and

BE IT FURTHER RESOLVED, that nothing herein shall be construed so as to permit or extend an option to VRS members to receive the pick up contributions made by the City Of Lynchburg directly instead of having them paid to VRS; and

BE IT FURTHER RESOLVED, that notwithstanding any contractual or other provisions, the wages of each member of VRS who is an employee of the City Of Lynchburg shall be reduced by the amount of member contributions picked up by the City Of Lynchburg on behalf of such employee pursuant to the foregoing resolutions.

NOW, THEREFORE, the officers of City Of Lynchburg 55210 are hereby authorized and directed in the name of the City Of Lynchburg to carry out the provisions of this resolution, and said officers of the City Of Lynchburg are authorized and directed to pay over to the Treasurer of Virginia from time to time such sums as are due to be paid by the City Of Lynchburg for this purpose.

Governing Body Chairman

CERTIFICATE

I, Valeria P. Chambers, Clerk of the City Of Lynchburg, certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the City of Lynchburg held at Lynchburg, Virginia at 4 o'clock p.m. on May 22, 2012. Given under my hand and seal of the City Of Lynchburg this ____day of May, 2012.

Clerk

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P.O. Box 2500, Richmond, Virginia 23218-2500
Toll free: 1-888-VARETIR (827-3847)
Web site: www.varetire.org
E-mail: vrs@varetire.org

April 30, 2012

City Of Lynchburg 55210

Recent legislation calls for localities to make certain decisions by July 1, 2012 regarding employer and member retirement contributions. These include:

- Election/certification by your local governing body of your employer retirement contribution rate for 2012-2014, using one of the options allowed in the 2012 Appropriation Act, Item 468(H). We will keep you apprised of any amendments that would change these options.
- Election/certification by your local governing body of the member contribution your current employees will be required to pay beginning July 1, 2012 and the corresponding salary increase, as provided in Chapter 822 of the 2012 Acts of Assembly (Senate Bill 497).

I am pleased to provide you this resolution packet to assist you and your local governing body in the election process for these contributions. Your packet includes:

- Resolutions to be completed and returned to VRS
- Copy of Item 468(H)
- Copy of Chapter 822 (SB 497)

Resolution 1: Employer Retirement Contribution Rate Election

By no later than July 1, 2012, your local governing body must approve one of the following employer contribution rate options for the defined benefit retirement plan in the biennium beginning July 1, 2012:

- 20.89% – the rate certified by the VRS Board of Trustees for the 2012-2014 biennium; or
- 18.14% – the alternate rate, which is the higher of the current rate certified by the VRS Board for FY 2011-2012 or 70 percent of the VRS Board-certified rate for 2012-2014.

As a reminder, effective July 1, 2012, your contribution rates for Group Life Insurance and the Health Insurance Credit, as applicable, are:

- 1.19% – Group Life Insurance
- N/A – Health Insurance Credit



Considerations in Electing Your Contribution Rate

The intent of the language in the 2012 Appropriation Act, Item 468(H), is to offer localities and schools some budget relief for the coming fiscal year with respect to the amount of their retirement contributions. However, this does not change the Board-certified rate or the Annual Required Contribution (ARC). Therefore, if you are considering using the Alternate Rate, please be aware that doing so will:

- Reduce contributions to your employer account and the investment earnings they would have generated, which will mean there will be fewer assets available for benefits.
- Result in a lower funded ratio when the next Actuarial Valuation is performed and, thus, a higher calculated contribution rate at that time.
- Require that you include the Net Pension Obligation (NPO) under GASB Standards in the notes to your financial statements.

Resolution 2: Member Contribution Election

As provided under Chapter 822 of the 2012 Acts of Assembly (SB 497), all Plan 1 and Plan 2 school division and political subdivision employees must begin paying the 5 percent member contribution effective July 1, 2012. All employees hired on or after July 1, 2012 must pay the full 5 percent upon employment with no phase-in allowed. For current employees, the bill allows governing bodies to phase in the member contribution in each of the next five years or until current employees are paying the full 5 percent contribution, whichever is earlier. Phase-in increases must be in whole percentages of at least 1 percent of creditable compensation per year, with comparable offsetting salary increases.

By no later than July 1, 2012, your local governing body must approve the amount of the member contribution that current employees will pay beginning July 1. Your governing body also must certify that employees will receive a comparable offsetting salary increase effective July 1 of each year of the phase-in period.

Deadline for Resolutions

VRS must receive formal signed resolutions for the employer retirement contribution rate election and the member contribution election **by no later than July 10, 2012**.

Employer Webinar Scheduled for May 2 and May 3

To assist you with the election process, I would like to invite you to register for the “Upcoming Changes to VRS Contribution Rates” webinar. There are two sessions available:

- Wednesday, May 2, 2:00-3:00 p.m.
- Thursday, May 3, 10:00-11:00 a.m.

Online registration is available at www.varetire.org/RateChangeWebinar. The webinar also will be recorded and posted on the VRS website.

Meanwhile, if you have any questions about the information in this packet, please contact Ms. ZaeAnne Sferra, Employer Coverage Coordinator, at zsferra@varetire.org or (804) 775-3514.

Best regards.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert P. Schultze", with a stylized flourish at the end.

Robert P. Schultze
Director

Employer Contribution Rates for Counties, Cities,
Towns, School Divisions and Other Political Subdivisions
(In accordance with the 2012 Appropriation Act Item 468(H))

Resolution

BE IT RESOLVED, that the City Of Lynchburg 55210 does hereby acknowledge that its contribution rates effective July 1, 2012 shall be based on the higher of a) the contribution rate in effect for FY 2012, or b) seventy percent of the results of the June 30, 2011 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2012-14 biennium (the "Alternate Rate") provided that, at its option, the contribution rate may be based on the employer contribution rates certified by the Virginia Retirement System Board of Trustees pursuant to Virginia Code § 51.1-145(I) resulting from the June 30, 2011 actuarial value of assets and liabilities (the "Certified Rate"); and

BE IT ALSO RESOLVED, that the City Of Lynchburg 55210 does hereby certify to the Virginia Retirement System Board of Trustees that it elects to pay the following contribution rate effective July 1, 2012:

(Check only one box)

- ☐ The Certified Rate of 20.89% ☐ The Alternate Rate of 18.14%; and

BE IT ALSO RESOLVED, that the City Of Lynchburg 55210 does hereby certify to the Virginia Retirement System Board of Trustees that it has reviewed and understands the information provided by the Virginia Retirement System outlining the potential future fiscal implications of any election made under the provisions of this resolution; and

NOW, THEREFORE, the officers of City Of Lynchburg 55210 are hereby authorized and directed in the name of the City Of Lynchburg to carry out the provisions of this resolution, and said officers of the City Of Lynchburg are authorized and directed to pay over to the Treasurer of Virginia from time to time such sums as are due to be paid by City Of Lynchburg for this purpose.

Governing Body/School Division Chairman

CERTIFICATE

I, _____, Clerk of the City Of Lynchburg, certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the City Of Lynchburg held at _____, Virginia at _____ o'clock on _____, 2012. Given under my hand seal of the City Of Lynchburg this _____ day of _____, 2012.

Clerk

**This resolution must be passed prior to July 1, 2012 and
received by VRS no later than July 10, 2012.**

Member Contributions by Salary Reduction for Counties, Cities, Towns, and Other Political Subdivisions

(In accordance with Chapter 822 of the 2012 Acts of Assembly (SB497))

Resolution

WHEREAS, the City Of Lynchburg 55210 employees who are Virginia Retirement System members who commence or recommence employment on or after July 1, 2012 ("FY2013 Employees" for purposes of this resolution), shall be required to contribute five percent of their creditable compensation by salary reduction pursuant to Internal Revenue Code § 414(h) on a pre-tax basis upon commencing or recommencing employment; and

WHEREAS, the City Of Lynchburg 55210 employees who are Virginia Retirement System members and in service on June 30, 2012, shall be required to contribute five percent of their creditable compensation by salary reduction pursuant to Internal Revenue Code § 414(h) on a pre-tax basis no later than July 1, 2016; and

WHEREAS, such employees in service on June 30, 2012, shall contribute a minimum of an additional one percent of their creditable compensation beginning on each July 1 of 2012, 2013, 2014, 2015, and 2016, or until the employees' contributions equal five percent of creditable compensation; and

WHEREAS, the City Of Lynchburg 55210 may elect to require such employees in service on June 30, 2012, to contribute more than an additional one percent each year, in whole percentages, until the employees' contributions equal five percent of creditable compensation; and

WHEREAS, the second enactment clause of Chapter 822 of the 2012 Acts of Assembly (SB497) requires an increase in total creditable compensation, effective July 1, 2012, to each such employee in service on June 30, 2012, to offset the cost of the member contributions, such increase in total creditable compensation to be equal to the difference between five percent of the employee's total creditable compensation and the percentage of the member contribution paid by such employee on January 1, 2012.

BE IT THEREFORE RESOLVED, that the City Of Lynchburg 55210 does hereby certify to the Virginia Retirement System Board of Trustees that it shall effect the implementation of the member contribution requirements of Chapter 822 of the 2012 Acts of Assembly (SB497) according to the following schedule for the fiscal year beginning July 1, 2012 (i.e., FY2013):

Type of Employee	Employer Paid Member Contribution	Employee Paid Member Contribution
Plan 1	%	%
Plan 2	%	%
FY2013 Employees	0%	5%

(Note: Each row must add up to 5 percent.); and

BE IT FURTHER RESOLVED, that such contributions, although designated as member contributions, are to be made by the City Of Lynchburg in lieu of member contributions; and

BE IT FURTHER RESOLVED, that pick up member contributions shall be paid from the same source of funds as used in paying the wages to affected employees; and

BE IT FURTHER RESOLVED, that member contributions made by the City Of Lynchburg under the pick up arrangement shall be treated for all purposes other than income taxation, including but not limited to VRS benefits, in the same manner and to the same extent as member contributions made prior to the pick up arrangement; and

BE IT FURTHER RESOLVED, that nothing herein shall be construed so as to permit or extend an option to VRS members to receive the pick up contributions made by the City Of Lynchburg directly instead of having them paid to VRS; and

BE IT FURTHER RESOLVED, that notwithstanding any contractual or other provisions, the wages of each member of VRS who is an employee of the City Of Lynchburg shall be reduced by the amount of member contributions picked up by the City Of Lynchburg on behalf of such employee pursuant to the foregoing resolutions.

NOW, THEREFORE, the officers of City Of Lynchburg 55210 are hereby authorized and directed in the name of the City Of Lynchburg to carry out the provisions of this resolution, and said officers of the City Of Lynchburg are authorized and directed to pay over to the Treasurer of Virginia from time to time such sums as are due to be paid by the City Of Lynchburg for this purpose.

Governing Body Chairman

CERTIFICATE

I, _____, Clerk of the City Of Lynchburg, certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the City Of Lynchburg held at _____, Virginia at _____ o'clock on _____, 2012. Given under my hand and seal of the City Of Lynchburg this _____ day of _____, 2012.

Clerk

**This resolution must be passed prior to July 1, 2012 and
received by VRS no later than July 10, 2012.**

VIRGINIA ACTS OF ASSEMBLY -- 2012 RECONVENED SESSION

CHAPTER 822

An Act to amend and reenact § 51.1-144 of the Code of Virginia, relating to Virginia Retirement System employee contributions; local employees; school board employees.

[S 497]

Approved April 18, 2012

Be it enacted by the General Assembly of Virginia:

1. That § 51.1-144 of the Code of Virginia is amended and reenacted as follows:

§ 51.1-144. Member contributions.

A. Each member shall contribute five percent of his creditable compensation for each pay period for which he receives compensation.

The employer shall deduct the contribution payable by the member. Every employee accepting employment shall be deemed to consent and agree to any deductions from his compensation required by this chapter. ~~No deduction shall be taken from the compensation of a member after his normal retirement date if the member elects not to contribute.~~

B. In determining the creditable compensation of a member in a payroll period, the Board may consider the rate of compensation payable to the member on the date of entry or removal of his name from the payroll as having been received throughout the month if service for the month is creditable. If service for the month is not creditable, the Board may consider any compensation payable during the month as not being creditable compensation.

C. The minimum compensation provided by law for any member shall be reduced by the deduction required by this section. Except for any benefits provided by this chapter, payment of compensation minus the deductions shall be a full and complete discharge of all claims for services rendered by the member during the period covered by the payment.

D. No deduction shall be made from any member's compensation if the employer's contribution is in default.

E. The Board may modify the method of collecting the contributions of members so that the employer may retain the amounts deducted from members' salaries and have a corresponding amount deducted from state funds otherwise payable to the employer.

F. 1. Except as provided in ~~subdivision~~ *subdivisions 2 3 and 4*, any employer may elect to pay an equivalent amount in lieu of all member contributions required of its employees. Such payments shall be credited to the members' contribution account. These contributions shall not be considered wages for purposes of Chapter 7 (§ 51.1-700 et seq.) ~~of this title~~, nor shall they be considered to be salary for purposes of this chapter.

2. A person who becomes a member on or after July 1, 2010, shall be required to pay member contributions on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code in the amount of five percent of creditable compensation if the person is (i) a member covered by the defined benefit plan established under this chapter, (ii) a member of the State Police Officers' Retirement System under Chapter 2 (§ 51.1-200 et seq.), (iii) a member of the Virginia Law Officers' Retirement System under Chapter 2.1 (§ 51.1-211 et seq.), (iv) a member of the Judicial Retirement System under Chapter 3 (§ 51.1-300 et seq.), or (v) earning the benefits permitted by § 51.1-138.

~~Each county, city, town, local public school board, or other local employer may elect to pay an equivalent amount in lieu of the member contributions required of its employees described in this subdivision. The county, city, town, local public school board, or other local employer may pay, in whole percentages, up to five percent of the creditable compensation otherwise required of such employees, provided that the employer pays the same percentage of creditable compensation for all such employees, and is paying all member contributions required under this section for all of its other member employees not described in this subdivision. Any portion of the five percent of creditable compensation required of a person who becomes a member on or after July 1, 2010, that is not paid by the county, city, town, local public school board, or other local employer, shall be paid by such person.~~

~~No employer other than a county, city, town, local public school board, or other local employer shall be allowed to elect to pay any amount of the member contributions required of a person who becomes a member on or after July 1, 2010.~~

3. *A member who is an employee of a county, city, town, or other local employer other than a local public school board, regardless of whether the member is a person who becomes a member on or after July 1, 2010, shall be required to pay member contributions on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code in the amount of five percent of creditable compensation as follows: (i) any member who commences or recommences employment on or after July 1, 2012, shall be required to contribute five percent of his creditable compensation upon commencing or recommencing*

employment and (ii) members in service on June 30, 2012, shall be required to contribute five percent of their creditable compensation no later than July 1, 2016. Such member described in subdivision (ii) shall contribute a minimum of an additional one percent of his creditable compensation beginning on each July 1 of 2012, 2013, 2014, 2015, and 2016, or until the member's contribution equals five percent of creditable compensation, but the county, city, town, or other local employer other than a local public school board may elect to require members to contribute more than an additional one percent each year, in whole percentages. In no case shall a member be required to contribute more than five percent of his creditable compensation for each pay period for which he receives compensation. No county, city, town, or other local employer other than a local public school board shall be allowed to elect to pay any amount of member contributions except to pay the difference between five percent and the employee contribution during the phase-in period described in this subdivision for a member who was in service on June 30, 2012.

4. A member who is an employee of a local public school board, regardless of whether the member is a person who becomes a member on or after July 1, 2010, shall be required to pay member contributions on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code in the amount of five percent of creditable compensation as follows: (i) any member who commences or recommences employment on or after July 1, 2012, shall be required to contribute five percent of his creditable compensation upon commencing or recommencing employment and (ii) members in service on June 30, 2012, shall be required to contribute five percent of their creditable compensation no later than July 1, 2016. Such member described in subdivision (ii) shall contribute a minimum of an additional one percent of his creditable compensation beginning on each July 1 of 2012, 2013, 2014, 2015, and 2016, or until the member's contribution equals five percent of creditable compensation, but the local public school board employer may elect to require members to contribute more than an additional one percent each year, in whole percentages. In no case shall a member be required to contribute more than five percent of his creditable compensation for each pay period for which he receives compensation. No local public school board employer shall be allowed to elect to pay any amount of member contributions except to pay the difference between five percent and the employee contribution during the phase-in period described in this subdivision for a member who was in service on June 30, 2012.

3- 5. Notwithstanding any other provision of this section or other law, only those employers who were paying member contributions as of February 1, 2010, may pay member contributions. The provisions of this subdivision shall not apply to a county, city, town, local public school board, or other local employer.

G. Subject to the provisions of subsection F, any employer whose employees are paying member contributions to the retirement system on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code may phase-in the payment of the member contributions on behalf of its employees upon notification to the Board of the employer's intent to make such payments. The Board shall approve the period of time by which the phase-in shall be completed not to exceed six years from the commencement of the phased-in payments.

H. Any employer that, by resolution of its governing body, elects to provide retirement coverage for its employees in accordance with § 51.1-130 on or after September 1, 1998, shall allow its employees to pay member contributions to the retirement system on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code in lieu of paying the member contribution on behalf of its employees in accordance with the provisions of subsection F.

I. The Board may develop procedures to effect the transfer of member contributions paid by employers on or after July 1, 1980, and accrued interest on those contributions, to the member contribution account of the member, if such contributions have been previously deposited into the retirement allowance account of the employer.

2. That any county, city, town, local public school board, or other local employer that currently pays any portion of member contributions to the Virginia Retirement System that the member will be responsible for paying pursuant to the provisions of this act shall provide an increase in total creditable compensation, effective July 1, 2012, to each affected member who was in service on June 30, 2012, to offset the cost of the member contributions. Such increase in total creditable compensation shall be equal to the difference between five percent of an employee's total creditable compensation and the percentage of the member contribution paid by the local member on January 1, 2012. If a county, city, town, local public school board, or other local employer elects to phase in the member contributions pursuant to subdivision F 3 or F 4 of § 51.1-144 of the Code of Virginia, the increase in total creditable compensation may also be phased in at the same rate.

2012 Appropriation Act Item 468(H)

Central Appropriations Language

“H.1. Except as authorized in Paragraph H.2. of this Item, rates paid to the VRS on behalf of employees of participating (i) counties, (ii) cities, (iii) towns, (iv) local public school divisions (only to the extent that the employer contribution rate is not otherwise specified in this act), and (v) other political subdivisions shall be based on the higher of: a) the contribution rate in effect for FY 2012, or b) seventy percent of the results of the June 30, 2011 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2012-14 biennium, eighty percent of the results of the June 30, 2013 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2014-16 biennium, ninety percent of the results of the June 30, 2015 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2016-18 biennium, one-hundred percent of the results of the June 30, 2017 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2018-20 biennium.

2. Rates paid to the VRS on behalf of employees of participating (i) counties, (ii) cities, (iii) towns, (iv) local public school divisions (only to the extent that the employer contribution rate is not otherwise specified in this act), and (v) other political subdivisions may, at each participating employers option, be based on the employer contribution rates certified by the Virginia Retirement System (VRS) Board of Trustees pursuant to § 51.1-145(I), Code of Virginia.

3. Every participating employer must certify to the board of the Virginia Retirement System by resolution adopted by its local governing body that it: has reviewed and understands the information provided by the Virginia Retirement System outlining the potential future fiscal implications of electing or not electing to utilize the employer contribution rates certified by the Virginia Retirement System (VRS) Board of Trustees, as provided for in paragraph H.2.

4. Prior to electing to utilize the employer contribution rates certified by the Virginia Retirement System (VRS) Board of Trustees, as authorized in paragraph H.2, local public school divisions must receive the concurrence of the local governing body. Such concurrence must be documented by a resolution of the governing body.

5. The board of the Virginia Retirement System shall provide all employers participating in the Virginia Retirement System with a summary of the implications inherent in the use of the employer contribution rates certified by the Virginia Retirement System (VRS) Board of Trustees set out in paragraph H.2, and the alternate employer contribution rates set out in paragraph H.1.”

Explanation:

(This amendment allows for the phase-in of the VRS Board-approved employer contribution rates for local employers over three biennia.)

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **May 22, 2012**

AGENDA ITEM NO.: **4**

CONSENT:

REGULAR:

WORK SESSION: **X**

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Schedule for Council Member's Swearing in and Council's Organizational Meeting**

RECOMMENDATION: Determine the dates for Council's swearing in ceremony and organizational meeting. Provide guidance on possible amendments to the Rules of Procedure.

SUMMARY: The recently re-elected Council members need to be sworn in prior to July 1st. Additionally, Council needs to schedule its Organizational Meeting prior to the first regular meeting on July 10th.

Circuit Court Judge Patrick Yeatts has agreed to issue the oath of office to the four ward representatives on June 26th at 5:00 pm. The plan would be to schedule the ceremony during a recess of Council's meeting on that day.

It is recommended that Council's Organizational Meeting be scheduled for Monday, July 2nd at 10:00 am.

At the Organizational Meeting Council readopts its Rules of Procedure and may amend them as appropriate. If any Council member has a suggested amendment, please share that with staff so that the language for the proposed amendment can be prepared. A copy of the Rules of Procedure is attached for reference.

PRIOR ACTION(S): N/A

FISCAL IMPACT: None

CONTACT(S): Kimball Payne, 455-3990; Walter Erwin, 455-3973; Valeria Chambers, 455-3990

ATTACHMENT(S): Rules of Procedure

REVIEWED BY: lkp

LYNCHBURG CITY COUNCIL RULES OF PROCEDURE

(Adopted September 23, 2008;
Amended August 11, 2009 and July 9, 2010)

Introduction

These rules of procedure were designed and adopted for the benefit and convenience of the Lynchburg City Council. Their purpose is to help City Council conduct its affairs in a timely and efficient manner. They incorporate the general principles of parliamentary procedure found in *Robert's Rules of Order Newly Revised* and applicable Virginia laws. The rules of procedure do not create substantive rights for third parties or participants in proceedings before City Council. Further, City Council reserves the right to suspend or amend the rules of procedure whenever a majority of Council decides to do so. The failure of City Council to strictly comply with the rules of procedure shall not invalidate any action of City Council.

SECTION 1 - PURPOSE AND BASIC PRINCIPLES

Section 1-1. Purpose of Rules of Procedure

- A. To enable the Lynchburg City Council to transact business fully, expeditiously and efficiently while affording every opportunity to citizens to witness the operations of government;
- B. To protect the rights of each individual Council member;
- C. To preserve a spirit of cooperation among Council members; and
- D. To determine the will of City Council on any matter.

Section 1-2. Basic Principles Underlying Rules of Procedure

- A. The business of the City Council should proceed in the most efficient manner possible;
- B. City Council's rules of procedure must be followed consistently;
- C. City Council's actions should be the result of a decision on the merits and not a manipulation of the procedural rules;
- D. Only one subject may claim the attention of City Council at one time;
- E. Each item presented for consideration is entitled to full and free discussion;

- F. Every member has equal rights to participate and vote on all issues;
- G. Every member must have equal opportunity to participate in decision making;
- H. The will of the majority must be carried out, and the rights of the minority must be preserved; and
- I. The Council must act as a body.

SECTION 2 -- MEETINGS

Section 2-1. When and Where Regular Meetings are Held

The time and place of regular meetings of the Lynchburg City Council (hereinafter referred to as the Council) shall be established at each organizational meeting. Meetings shall be held in the City Council Chambers, on the first floor in City Hall, as follows:

Second Tuesday of the month, 5:00 p.m. – Work Session
Second Tuesday of the Month, 7:30 p.m. – Regular meeting
Fourth Tuesday of the month, 5:00 p.m. – Work Session
Fourth Tuesday of the month, 7:30 p.m. – Regular meeting

There will be no regular meeting or work session on the fourth Tuesdays during the months of July, August, and December.

The Council may hold additional meetings or work sessions at other locations and times, or may change the locations and times of regularly scheduled meetings or work sessions as it deems appropriate to do so. Notice of such additional meetings or changes to the location or time of regularly scheduled meetings or work sessions shall be provided to the public and the press as required by State Code. Additional meetings shall be referred to as “additional scheduled meetings” and shall be approved by Council during a regularly scheduled meeting or work session.

Section 2-1.1. Continued Meetings

A regular meeting shall be continued to the immediately following Thursday of that week, or to the next regularly scheduled meeting, at the same time and place as the regular meeting if the Mayor, or Vice Mayor if the Mayor is unable to act, finds and declares that weather or other conditions are such that it is hazardous for members to attend the regular meeting. Such finding shall be communicated to the Council members and the press as promptly as possible. All hearings and other matters previously advertised shall be conducted at the continued meeting and no further advertisement is required.

Section 2-2. Special Meetings

A. The Council may hold such special meetings, as it deems necessary, at such times and places as it may find convenient; and it may adjourn from time to time. A special meeting of the Council shall be called pursuant to Section 15.2-1417 of the Code of Virginia (1950), as amended, Section 9 of the City Charter and Section 2-19 of the City Code.

B. Special meetings may be called by the Mayor, the City Manager, or any two (2) members of the Council in writing to the Clerk of Council for the purpose stated in the notice of the special meeting. The Clerk of Council shall forthwith notify the members of the Council of the time and place designated and the purpose of the meeting. Written notice of the special meeting shall be delivered to each member of the Council by leaving a copy thereof at his or her place of abode or place of business at least twelve hours before the time scheduled for the special meeting. Only matters specified in the notice of the special meeting shall be considered unless (1) all of the members of the Council are present and (2) the Council determines in good faith at the meeting that it is essential to discuss or act on such additional item(s) immediately.

C. Notice to the public of any special meeting shall be given contemporaneously with the notice provided the members of the Council, the City Attorney, and the City Manager.

Section 2-3. Legal Holiday

When a regularly scheduled meeting falls on a legal holiday, the meeting shall be held on the following business day unless the meeting is canceled by a majority vote of the Council.

Section 2-4. Adjourned or Recessed Meetings

A. A meeting of the Council is adjourned when the Council has finished its business and is bringing the meeting to a close, with the intention of holding another meeting at a later date. Generally, when a meeting of the Council is adjourned, the next meeting of the Council is preceded by opening ceremonies. A meeting of the Council is recessed when the Council takes a break between sittings and after the recess business is resumed where it left off.

B. A properly called regular, additional scheduled, or special meeting may be recessed or adjourned to a time and place certain by a motion made and adopted by a majority of the Council in open session during the regular, additional scheduled, or special meeting. The motion shall state the time and place when the meeting will reconvene. No further notice need be given of such a recessed or adjourned session of a properly called regular, additional scheduled or special meeting.

Section 2-5. Cancellation or Rescheduling of Meetings

A regularly scheduled meeting may be cancelled or rescheduled, in special circumstances and for the convenience of Council, if the change would not impact an advertised public hearing or a scheduled public presentation. The Mayor and Vice Mayor shall agree to any such change and the remaining members of the Council shall be immediately notified of the change and the reason therefore. If any member of the Council objects, the regularly scheduled meeting shall

proceed as originally planned. In the event that no member of the Council objects, the public and the media shall be notified promptly of the change.

Section 2-6. Organizational Meeting

A. The first meeting in July of each year in which a Council election is held shall be known as the organizational meeting. The Clerk of Council shall preside during the organizational meeting pending the election of the Mayor.

B. The Mayor shall be elected at the organizational meeting for a term of two years.

C. Following the election of the Mayor, he or she shall preside during the election of the Vice Mayor.

D. Following the election of the Vice Mayor, the Council shall:

1. Establish the dates, times and places for regular meetings; and
2. Adopt its Rules of Procedure.

Section 2-7. Procedure for Election of Mayor and Vice Mayor

A. The Clerk of Council shall preside during the meeting at which the Mayor is elected, pending the election of the Mayor. Following the election of the Mayor, he or she shall preside during the election of the Vice Mayor.

1. The presiding officer shall call for nominations from the membership.
2. Any Council member, after being recognized by the presiding officer, may place one or more names in nomination and discuss his or her opinions on the qualifications of the nominees.
3. After all nominations have been made the presiding officer shall close the nominating process and open the floor for discussion.
4. After discussion the presiding officer shall call for the vote.
5. The membership shall vote by written ballot and the completed ballots shall immediately be passed to the Deputy Clerk who shall collect the ballots, read them aloud, publicly announce how each member of the Council voted and tally the respective votes.
6. Each member shall cast one vote for any one nominee.
7. In the case of three-way race, the candidate receiving the least number of votes will be dropped from the slate of nominees, and another vote will be taken.

8. A majority of those voting shall be required to elect the Mayor or Vice Mayor.

B. The Mayor and Vice Mayor shall serve until replaced.

Section 2-8. Seating Arrangement

The Mayor shall occupy the center seat on the dais with the Vice Mayor occupying the seat at his or her immediate right. The remaining members of the Council shall determine their seating arrangement by seniority with the most senior member selecting his or her seat first and the remaining members selecting their respective seats in seniority order based on years served on the Council. In the event that two or more Council members have equal seniority, the selection of seating for those members shall be determined by chance.

SECTION 3 -- OFFICERS

Section 3-1. Mayor and Vice Mayor

The Mayor shall preside over all meetings of the Council. The Vice Mayor serves in the absence of the Mayor. In the absence from any meeting of both the Mayor and Vice Mayor, the Council members present shall choose one of their members as temporary presiding officer.

Section 3-2. Clerk

The Clerk of Council shall be appointed by the Council. He or she shall prepare the agenda for Council meetings, shall attend all Council meetings, and shall keep an accurate record of the proceedings.

Section 3-3. Parliamentarian

The City Attorney shall serve as the Parliamentarian for the purpose of interpreting these Rules of Procedure and the Code of Virginia (1950), as amended, as may be directed by the presiding officer, or as required as a result of a point of order raised by one or more Council members. If the City Attorney is unavailable, the City Manager shall serve as the Parliamentarian.

Section 3-4. Preservation of Order

A. At meetings of the Council, the presiding officer shall preserve order and decorum. The presiding officer shall have the following powers:

1. To rule motions in or out of order, including any motion not germane to the subject under discussion or patently offered for obstructive or dilatory purposes;

2. To determine whether a speaker has gone beyond reasonable standards of courtesy in his or her remarks and to entertain and rule on objections from other members on this ground;
3. To entertain and answer questions of parliamentary law or procedure;
4. To call a brief recess at any time;
5. To adjourn in an emergency.

B. A decision by the presiding officer under any of the first three powers listed above may be appealed to the Council upon motion of any member. Such a motion is in order immediately after a decision under those powers is announced and at no other time. The member making the motion need not be recognized by the presiding officer, the motion does not require a second, and the motion, if timely made, may not be ruled out of order. There are two exceptions to this right of appeal. The presiding officer may adjourn without the Council's vote or appeal in an emergency, and he or she may also call a brief recess without a vote at any time, when necessary to "clear the air" and thus reduce friction among the members.

SECTION 4 – AGENDA

Section 4-1. Preparation

A. The Clerk of Council shall prepare an agenda for the regularly scheduled meetings conforming to the order of business specified in Section 5-1 entitled "Order of Business".

B. Any Council member may request that items be placed on a meeting agenda by contacting the Clerk at least seven (7) days prior to the Council meeting for which they wish the item scheduled. The Clerk shall place requested items on the agenda for the next regular meeting or work session, as appropriate, following the request.

C. All items which are requested to be placed on the agenda and which have not been submitted within the prescribed deadline shall be placed on the following regular work session agenda for consideration.

D. Nothing herein prohibits the Council from adding items to the agenda, provided that such a request is in the form of a motion, voted upon by a majority of the Council. Members must use discretion in requesting the addition of items on the agenda. It is considered desirable to have items listed on the published agenda.

E. Unless required by law, no item will be scheduled for a public hearing unless by unanimous consent or the vote of a majority of the Council to hold a public hearing on the item.

F. Any individual or group who wishes to address the Council during a regular meeting on any item of City business shall submit a written request to be on the agenda to the Clerk of Council by noon on the Wednesday preceding the Council meeting.

Section 4-3. Delivery of Agenda

The Council meeting package, including the agenda and related materials, shall be delivered to each member of the Council and the City Attorney the Thursday prior to the Tuesday Council meeting.

Section 4-4. Copies

The Clerk of Council shall prepare or cause to be prepared extra copies of the meeting package and shall make the same available to the public and the press in the Council/Manager Offices contemporaneous with delivery to the Council. Copies will also be available in the Main and Downtown branches of the Public Library and at the Front Information Desk in City Hall for public inspection.

Section 4-5. Internet

The Clerk of Council shall post the agenda documents for all Council meetings on the Internet for public information as promptly as possible.

SECTION 5 -- ORDER OF BUSINESS FOR COUNCIL MEETINGS

Section 5-1. Order of Business

A. At regular meetings of the Council on the 2nd and 4th Tuesdays of the month, the order of business shall generally be as follows:

1. Call to Order
2. Invocation & Pledge of Allegiance
3. Special Recognitions by the Mayor or Council (if any)
4. Consent Agenda
5. Public Hearings
6. Public Presentations (if requested)
7. General Business
8. Closed Meeting (if necessary)
9. Adjournment

B. The above order of business may be modified by the Clerk of Council to facilitate the business of the Council.

C. Council work sessions are less formal meetings and the agenda may be as determined by the City Manager and Clerk of Council to best facilitate the business of the Council.

Section 5-2. Consent Agenda

A. The consent agenda shall include, by way of illustration but not limitation, the following:

1. Approval of minutes.
2. Ordinances or resolutions that are routine.
3. Final/second readings of appropriations, ordinances or resolutions which received unanimous approval upon introduction at a previous meeting.
4. Any item believed by the Clerk of Council to be routine and not controversial in nature.

B. The consent agenda shall be introduced by a motion "to approve", and shall be considered by the Council as a single item.

C. There may be a short discussion of consent agenda items to answer questions or clarify a matter. There shall be no lengthy debate or discussion of a consent agenda item.

D. Upon request of any Council member, an item shall be removed from the Consent Agenda. The item shall be considered separately after adoption of the Consent Agenda.

Section 5-3. Citizen Participation

A. Every petition, communication or address to the Council shall be in respectful language and is encouraged to be in writing.

B. Public Presentations

1. Individuals or groups wishing to speak at a regular Council meeting shall submit a written request to the Clerk of Council by noon on the Wednesday prior to the regular meeting date.
2. Public presentations shall be for the purpose of allowing members of the public to present any matter, which, in their opinion, deserves the attention of the Council. They shall not serve as a forum for debate with the Council.
3. Remarks shall be addressed directly to the Council and not to staff, the audience, or the media.
4. The presiding officer shall open the Public Presentations.
5. Each speaker shall clearly state his or her name and address. If the speaker is uncomfortable stating his or her address in public, he or she may provide that information privately to the Clerk of Council after speaking.

6. There shall be a time limit for each individual speaker of 3 minutes.
7. A representative of a group may have up to five (5) minutes to make a presentation. The representative shall identify the group at the beginning of his or her presentation. A group may have no more than one spokesperson.
8. There shall be no comment during Public Presentations on a matter for which a public hearing is scheduled during the same meeting.
9. There shall be no comment during Public Presentations on a matter that has already been the subject of a previous public hearing where no final vote has been taken.
10. Any issue raised by the public which the Council wishes to consider may be put on the agenda for a future Council meeting or work session by a majority vote.
11. Council members shall not discuss issues raised by the public except by consent of a majority of the Council members present.
12. Once the Council has heard a presentation from an individual or organization on a particular subject, the individual or organization may not make another presentation on the same subject within three (3) months of the first presentation, except by a majority vote of the members of the Council present and voting.
13. The above rules notwithstanding, members of the public may present written comments to the Council or to individual Council members at any time during the meeting. Such written comments shall be submitted through the Clerk of Council.

C. Other than as stipulated above or during public hearings, no person shall be permitted to address the council orally, except by permission of the Council, and such permission shall not be granted unless with the consent of a majority of the members of the Council present at such meeting.

D. No speaker's time shall be extended except by unanimous consent or a two-thirds (2/3) vote of the Council members present.

E. Any person who desires to submit written statements for forwarding to the Council prior to a Council meeting must submit nine (9) copies to the Clerk of Council by 4:00 p.m. on the Thursday preceding the Council meeting.

Section 5-4. Prohibited Conduct

A. Persons appearing before the Council will not be allowed to:

1. Campaign for public office;

2. Promote private business ventures;
3. Use profanity or vulgar language or gestures;
4. Use language which insults or demeans any person or which, when directed at a public official or employee is not related to his or her official duties, however, citizens have the right to comment on the performance, conduct, and qualifications of public figures;
5. Make non-germane or frivolous statements;
6. Interrupt other speakers or engage in behavior that disrupts the meeting including but not limited to applause, cheers, jeers, etc.;
7. Engage in behavior that intimidates others;
8. Address the Council on issues that do not concern the services, policies or affairs of the city.

B. The presiding officer shall preserve order and decorum at Council meetings. He or she may order the expulsion of any person for violation of these rules, disruptive behavior, or any words or action which incites violence or disorder, subject to appeal to the Council. Any person so expelled shall not be readmitted for the remainder of the meeting from which expelled. Any person who has been so expelled and who at a later meeting again engages in behavior justifying expulsion may also be barred from attendance at future Council meetings for a specified and reasonable period of time not to exceed six months, or upon a still subsequent expulsion a period not to exceed one year either by the presiding officer, subject to appeal to the Council, or by motion passed by the Council.

Section 5-5. Public Hearings

A. This section of the agenda shall be for public hearings as required by City, State, or Federal law, or as the Council may direct.

B. The presiding officer shall conduct all public hearings.

C. The order of public hearings shall be as follows:

1. The presiding officer shall open the public hearing.
2. Hearings shall begin with a brief presentation from a staff member and/or representative from the cognizant board, authority, commission or committee by recognizing the City Manager. The presentation shall summarize the facts about the issue and the staff recommendation. Council members may seek clarification during the presentation.

3. In land use cases (rezoning or conditional use permit) the applicant or his or her representative shall be the first speaker(s). There shall be a time limit of ten (10) minutes for the applicant's or his or her representative's presentation.

4. The presiding officer shall then solicit comments from the public, asking those in favor of the proposal to speak first, and then those opposed to the proposal. Each speaker must clearly state his or her name and address. If the speaker is uncomfortable stating his or her address in public, he or she may provide that information privately to the Clerk of Council after speaking. There shall be a time limit of three (3) minutes for each individual speaker. If the speaker represents a group, there shall be a time limit of five (5) minutes. A speaker representing a group shall identify the group at the beginning of his or her remarks. A group may have no more than one spokesperson. The Council, by unanimous consent or by a two-thirds (2/3) vote of the members present, may allow any speaker to proceed past the time limit.

5. After public comments have been received, in a land use case, the applicant or the representative of the applicant, at his or her discretion, may respond with a rebuttal. There shall be a five (5) minute time limit for rebuttal.

6. Upon the conclusion of public comments, or the applicant's rebuttal in a land use case, the presiding officer shall close the public hearing.

D. When a public hearing has been closed by the presiding officer, no further public comment shall be permitted. Council members, however, may direct questions to the applicant, the representative of the cognizant board, authority, commission, committee, to a speaker, or to a staff member for clarification prior to taking any vote, if a vote is in order.

E. Following the close of the public hearing, the presiding officer may entertain a motion to dispose of the issue and the Council may debate the merits of the issue.

Section 5-6. General Business

This section of the agenda shall include items of a general nature to be considered by the Council. The last items on the agenda shall be adoption of appropriation resolutions introduced at a previous meeting which did not receive unanimous vote upon introduction. After the presiding officer has stated the item for consideration, staff may be asked to provide a brief summary.

Section 5-7. Items Not on the Agenda

With the Council's consent, items may be added to the agenda to respond to situations and/or questions of a critical nature which have arisen after the deadline has passed for items to be placed on the agenda.

Section 5-8. Closed Meetings

A. Closed Meetings should only be used when the matter to be discussed is too sensitive for discussion in public and only as allowed by law.

B. No meeting shall become a Closed Meeting until the Council takes an affirmative record vote during the open meeting.

1. The motion shall state specifically the purpose or purposes which are the subject of the closed meeting and reasonably identify the substance of the matters to be discussed. The motion shall make specific reference to the applicable exemption(s) under the Freedom of Information Act, which authorizes the Closed Meeting.

2. Members shall request the assistance of the City Attorney when making additions to the published Closed Meeting agenda.

C. No resolution, ordinance, rule, contract, regulation or motion considered in a Closed Meeting shall become effective until the Council reconvenes in an open meeting and takes a vote of the membership on such resolution, ordinance, rule, contract, regulation or motion which shall have its substance reasonably identified in the open meeting.

D. At the conclusion of a Closed Meeting, the Council shall reconvene in open meeting immediately thereafter and shall cast a vote certifying that to the best of each member's knowledge:

1. Only public business matters lawfully exempted from open meeting requirements were discussed; and;

2. Only public business matters identified in the motion convening the Closed Meeting were heard, discussed or considered.

3. Any member who believes that there was a departure from the above requirements shall so state prior to the presiding officer's call for the vote, indicating the substance of the departure that, in his or her judgment, has taken place.

E. The failure of the certification to receive the affirmative vote of the majority of the members present during the Closed Meeting shall not affect the validity or confidentiality of the Closed Meeting with respect to matters considered therein in compliance with the Freedom of Information Act.

F. The Council may permit non-members to attend a Closed Meeting if their presence would reasonably aid the Council in its consideration of an issue.

G. Individuals attending a Closed Meeting should respect the Council's decision that the subject matter is too sensitive for public discussion and should treat the Closed Meeting discussion as confidential.

SECTION 6 – RULES OF PROCEDURE FOR COUNCIL MEETINGS

Section 6-1. Quorum

A. As provided by Section 15.2-1415 of the Code of Virginia, a majority of the members of the Council must be present to conduct business. A quorum is a majority of the entire membership of the Council, including any vacant seats.

B. Quorum refers to the number of members present at a meeting, not the number of members voting on an issue. If no quorum is present or if a quorum is lost, the Council can only (i) adjourn, (ii) recess, or (iii) take steps to obtain a quorum.

C. If a quorum fails to attend any meeting, those attending may adjourn to such other time prior to the next regular meeting as they may determine and the Clerk of Council shall enter such adjournment in the minute book of the Council and shall notify absent members thereof in the same manner as required for special meetings.

D. If the Virginia Conflict of Interests Act prevents some of the members of the Council from participating in an item of business, Sections 2.2-3112 and 15.2-1415 of the Code of Virginia provide that a majority of the remaining members of the Council shall constitute a quorum.

Section 6-2. Priority in Speaking on the Council

When two or more members of the Council wish to speak at the same time, the presiding officer shall name the one to speak.

Section 6-3. Comments, Queries of Council Members

Council members are to observe the following rules during the discussion of agenda items:

A. The presiding officer shall keep discussion germane to the subject. Points of clarification shall be limited to questions only. The presiding officer shall rule other comments out of order.

B. Council members may address questions to the City Manager or staff present at the meeting. Staff members should be at a microphone when answering Council members' questions. All legal questions should be addressed to the City Attorney.

Section 6-4. Action by the Council

A. Items of business will be considered and dealt with one at a time, and a new proposal may not be put forth until action on the preceding one has been concluded.

B. When a proposal is perfectly clear to all present, and the proposal will not obligate the Council in any manner nor finally decide an issue before the Council, action can be taken upon the unanimous consent of the Council members present, without a motion having been introduced. However, unless agreed to by unanimous consent, all proposed actions of the Council must be approved by vote under these rules. Silence, or the lack of spoken dissent, is taken as consent.

Section 6-5. Motions

- A. Informal discussion of a subject is permitted while no motion is pending.
- B. Any member, including the presiding officer, may make a motion.
- C. Members are required to obtain the floor before making motions or speaking, which they can do while seated.
- D. A member may make only one motion at a time.
- E. Except for matters recommended by a Council committee, or as otherwise stipulated in these rules of procedure, all motions require a second and a motion dies for lack of a second.

Section 6-6. Substantive Motions

- A. A substantive motion is any motion that deals with the merits of an item of business and is within the Council's legal powers, duties and responsibilities.
- B. A substantive motion is out of order while another substantive motion is pending.

Section 6-7. Procedural Motions

- A. Procedural motions are those motions that the Council may use to "act upon" a substantive motion by amending it, delaying consideration of it, and so forth. Procedural motions are in order while a substantive motion is pending and at other times, except as otherwise noted.
- B. In addition to substantive proposals, only the following procedural motions, and no others, are in order. Unless otherwise noted, each motion requires the floor and a second, is debatable, may be amended, and requires a majority of the votes cast, a quorum being present, for adoption. Procedural motions are listed below in their order of priority. If a procedural option is not listed below, then it is not available.

1. To Appeal a Procedural Ruling of the Presiding Officer. A decision of the presiding officer ruling a motion in or out of order, determining whether a speaker has gone beyond reasonable standards of courtesy in his remarks, or entertaining and answering a question of parliamentary law or procedure may be appealed to the Council which shall decide the matter by majority decision. Such an appeal is in order immediately after such a decision is announced and at no other time. The member making the motion need not be recognized by the presiding officer, the motion does not require a second, and the motion, if timely made, may not be ruled out of order.

2. Motion To Adjourn. At a meeting of the Council, a motion to adjourn shall always be in order. The motion may be made only at the conclusion of action on a pending substantive matter; it may not interrupt deliberation of a pending matter. The motion is not debatable and cannot be amended.

3. To Take a Brief Recess. This motion allows the Council to pause briefly in its proceedings. A motion to take a brief recess is in order at any time except when a motion to appeal a procedural ruling of the presiding officer or a motion to adjourn is pending

4. To Suspend the Rules. The Council may suspend provisions of its rules of procedure. The Council may not, however, suspend any provisions of the rules that state requirements imposed by law on the Council. For adoption, a motion to suspend the rules requires unanimous consent or an affirmative vote of two-thirds (2/3) of members present.

5. To Defer Consideration. The Council may defer action on a substantive motion to a more convenient time. The Council may use the following motions to defer consideration of a substantive motion:

(a) The motion to “lay on the table” is used to temporarily set aside an item of business to deal with a more urgent item. Once an item of business has been laid on the table, a motion to “take from the table” is needed to bring the item back before the public body for discussion.

(b) The motion to “postpone” delays debate on an item of business so that it may be considered at a later date. An item of business may be “postponed definitely,” when it is continued to a definite time or date or “postponed indefinitely” if no future time or date is specified in the motion. A matter that has been postponed to a certain time or day shall be brought up again automatically when that time arrives. When a matter has been postponed indefinitely it takes an affirmative vote of a majority of the Council to bring the matter back for further discussion.

(c) Section 15.2-2286 of the State Code requires that a zoning petition must be “acted upon” within a “reasonable time,” not exceeding one year. The Council may defer action on a zoning petition for consideration at a more convenient time.

However, the Council may not dispose of a zoning petition with a motion to postpone indefinitely.

6. Call the Question. The motion to call the question is not in order until every member of the Council has had an opportunity to speak once and the deliberation by the Council on an item of business has exceeded thirty (30) minutes. The motion is not amendable or debatable.

7. To Amend. Any substantive motion properly on the floor may be amended. An amendment to a motion must be pertinent to the subject matter of the motion. An amendment is improper if adoption of the motion with that amendment added would have the same effect as rejection of the original motion. A proposal to substitute completely different wording for a motion or an amendment shall be treated as a substitute motion. A motion may be amended no more than twice. Once a motion has been offered to the Council, it is up to the Council to decide whether or not it should be changed by amendment. It is not necessary for the person making the original motion to approve of any proposed amendment to the motion.

8. Substitute Motion. A substitute motion shall be allowed to replace any motion properly on the floor. It shall have precedence over an existing motion and may be discussed prior to being voted on. If the substitute motion fails, the former motion can then be voted on. If the substitute motion passes, the substitute motion replaces the main motion and the new main motion will be considered and acted upon by Council. No more than one (1) substitute motion may be made. If a substitute motion passes and replaces the main motion, no further substitute motions may be made. (Amended July 9, 2010)

9. Withdrawal of Motion. A motion may be withdrawn by the introducer at any time before it is amended or before the presiding officer puts the motion to a vote, whichever occurs first.

10. Motion to Reconsider. The Council may vote to reconsider its action on a matter. The motion to reconsider must be made no later than the next succeeding regular meeting of the Council and can only be made by a member who voted with the prevailing side. In the event of a tie vote on the original motion any Council member may introduce a motion to reconsider. The motion cannot interrupt deliberation on a pending matter but is in order when action on a pending matter concludes. A motion to reconsider may not be used in a land use decision involving a rezoning or a conditional use permit.

11. Motion to Prevent Reintroduction for Six Months. The motion shall be in order immediately following the defeat of a substantive motion and at no other time. The motion requires for adoption a vote of the majority of the entire membership (4) of the Council. If adopted, the restriction imposed by the motion

remains in effect for six months. As with every other procedural motion, the motion to prevent reintroduction may be dissolved by a motion to suspend the rules

Section 6-8. Debate

A. The presiding officer shall state the motion and then open the floor to debate. The presiding officer shall preside over the debate according to the following general principles:

1. The maker of the motion is entitled to speak first;
2. A member who has not spoken on the issue shall be recognized before someone who has already spoken;
3. To the extent possible, the debate shall alternate between proponents and opponents of the measure.
4. A member of the Council may vote against his or her motion, but may not speak against his or her motion.
5. The presiding officer may participate in the debate prior to declaring the matter ready for a vote.

Section 6-9. Duty to Vote

A. Each member of the Council who is present at a meeting shall be required to vote upon all issues presented for decision unless prohibited from doing so by the Virginia Conflict of Interests act or unless excused from voting by the other members of the Council. A member who wishes to be excused from voting shall state his or her reasons for abstaining and the presiding officer shall ask if any of the remaining members object. If there are any objections, the Council shall take a vote of the remaining members on the question of whether or not to allow the member to abstain from voting.

B. If there is an abstention, it shall be the responsibility of the Clerk of Council to note the abstention and the reason for abstaining for the record.

Section 6-10. Method of Voting

A. After debate, the presiding officer shall ensure that the motion is clear and call for the vote.

B. All questions submitted to the Council shall be determined by a majority vote of the members voting on any such question, unless otherwise required by special or general law. A majority is more than half.

C. An “affirmative vote” by a majority of the Council present being necessary to adopt a motion, a tie vote means that the motion has been rejected. When a motion fails on a tie vote, the “noes” prevail.

D All questions submitted to the Council for decision shall be decided by a vote of the Council utilizing the electronic voting board in Council chambers. In the event of a malfunction of the electronic voting board, or if the meeting is held in a space without such a device, the question shall be decided by an oral vote of "aye" or "nay". Any member may request a roll call vote. In any case, the presiding officer shall announce the results of the vote

Section 6-11. Decisions on Points of Order

Any Council member may raise a point of order without being recognized by the presiding officer. The presiding officer shall refer any point of order to the Parliamentarian. The Parliamentarian shall advise the presiding officer who shall then make a ruling on the point of order. A Council member may appeal the ruling of the presiding officer to the full Council which shall decide the matter by majority decision.

SECTION 7 -- BOARDS, AUTHORITIES, COMMISSIONS AND COMMITTEES

Section 7-1. Appointments to Boards, Authorities, Commissions, and Committees

A. Members of boards, authorities, commissions and committees shall be appointed by an affirmative vote of a majority of the members of the Council to serve specified terms as may be deemed to be appropriate by the Council.

B. The Mayor shall make all appointments to, and select the chairs of, the Council's two standing committees (Finance and Physical Development). Substitutes or alternates may participate on Council committees only if so authorized by the Mayor. Committee members will serve two-year terms.

C. Ad hoc committees, such as special task forces, may be created from time to time, for specific purposes, as determined by the Council.

Section 7-2. Standing Committees Roles and Guidelines

A. The roles of and the operating guidelines for the Finance and Physical Development committees shall be as adopted by a majority of the Council.

SECTION 8 -- GENERAL OPERATING POLICY

Section 8-1. Broadcasting Council Meetings

Regular meetings and work sessions of the Council shall be broadcast live on the City Government Channel 15 and the Internet. Copies of the broadcast may be obtained by the public from the Department of Communications and Marketing at cost.

Section 8-2. Numbering and Indexing of Resolutions and Ordinances

It shall be the responsibility of the Clerk to number and index all resolutions and ordinances adopted by the Council. The resolutions shall be numbered consecutively, and use the last two digits of the calendar year. Example: for the first resolution in January, 2008, the resolution number would be shown as: #R-08-01. Ordinances shall also be numbered consecutively.

Section 8-3. Minutes of the Council Meetings

The minutes of the Council meetings shall reflect the official acts of the Council. They shall provide a summary of discussion and record Council votes. Minutes shall be considered for approval within a reasonable time after the meeting they record.

Section 8-4. Amending the Rules of Procedure

These rules may be amended at any regular meeting, or at any properly called special meeting that includes amendment of the rules as one of the stated purposes of the meeting. Adoption of an amendment shall require an affirmative vote of four (4) members of the Council.

Section 8-5. Special Rules of Procedure

The Council may adopt its own special rules of procedure to cover any situations that are not adequately addressed in these Rules of Procedure. Adoption of a special rule of procedure shall require an affirmative vote of a majority of a quorum of the Council.

AMENDMENTS:

August 11, 2008: the time of Council meetings was changed to the present schedule.

July 9, 2010: amended Section 6-7, B (8) to stipulate that if a substitute motion passes it becomes the main motion for consideration and action and there may be no additional substitute motions.

074L

// A regular meeting of the Council of the City of Lynchburg was held on the 8th day of May, 2012, at 4:00 P.M. in the Council Chamber, City Hall, Joan F. Foster, President, presiding. The following Members were present:

Present: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster

7

Absent:

0

// Deputy City Manager Bonnie Svrcek along with Kevin Henry, Community Development Planner II, gave a presentation on the City's Housing Analysis Report and to endorse the formation of a Housing Collaborative. Ms. Svrcek stated last year the City and local housing partners initiated a process to evaluate current housing stock within our community. Through a grant with Housing Virginia, the City contracted with HOME (Housing Opportunities Made Equal) to prepare a City-wide Housing Assessment and organized public meetings known as "Lynchburg is Listening: A Conversation on Housing" to discuss housing with community stakeholders.

Mr. Henry stated that staff compiled the results of the meetings into a Housing Report that details the process, responses and recommendations. Mr. Henry further stated that the primary recommendation of the Housing Report is the formation of a Housing Collaborative to implement the strategies identified during the stakeholder meetings. The Housing Collaborative would include a representative from each of the City's housing partners, realtors, developers, bankers, staff representatives from the Department of Community Development and the Office of Economic Development and others. Mr. Henry went on to say its first responsibility would be to develop and recommend housing goals and strategies for City Council's consideration. Afterwards, this group would meet at least twice a year to review data, identify trends, and monitor progress in achieving the stated goals and strategies. Ms. Svrcek further stated that the Planning Commission endorsed the housing initiative, noting its tie-in with the goals of the *Comprehensive Plan 2002-2020* and recommended forwarding the Housing Report to City Council.

// City Manager Kimball Payne gave a summary of the FY 2013 Budget Review. Mr. Payne reviewed the final changes as discussed previously at the April 24th meeting.

// City Manager Kimball Payne stated this would be the First Reading on the Adoption of the FY 2013 Budget Resolutions along with adopting a resolution authorizing the City Manager to award monetary incentives, awards, and bonuses to employees for exceptional service; and adopting a resolution to set the personal property tax relief rate.

// In the matter of Budget, City Council Report #3A was considered. On motion of Council Member Gillette, seconded by Council Member Nelson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-12-047, as presented, adopting the FY 2013 General Fund Operating Budget (excluding External Service Provider and Component Unit expenditures) and appropriating \$182,508,667 for this budget:

Ayes: Gillette, Johnson, Nelson, Foster

4

Noes: Cary, Helgeson, Perrow

3

// In the matter of Budget, City Council Report #3B was considered. Council Member Helgeson asked to remove the Humane Society appropriation item and vote on this item separately.

On motion of Vice Mayor Johnson, seconded by Council Member Nelson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-12-048, as amended, adopting the FY 2013 Mandated and Contractual External Service Providers Budget and appropriating \$8,898,140 for this budget:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// In the matter of Budget, City Council Report #3B was considered. On motion of Vice Mayor Johnson, seconded by Council Member Nelson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-12-049, as amended, adopting the FY 2013 Humane Society Budget and appropriating \$281,538 for this budget:

Ayes: Cary, Gillette, Johnson, Nelson, Perrow, Foster 6

Noes: Helgeson 1

// In the matter of Budget, City Council Report #3C was considered. On motion of Vice Mayor Johnson, seconded by Council Member Gillette, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-12-050, as presented, adopting the FY 2013 Central Virginia Area Agency on Aging Budget and appropriating \$15,000 for this budget:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// In the matter of Budget, City Council Report #3D was considered. On motion of Council Member Cary, seconded by Vice Mayor Johnson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-12-051, as presented, adopting the FY 2013 Central Virginia Community College Board and Related Operations Budget and appropriating \$1,899 for this budget:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// In the matter of Budget, City Council Report #3E was considered. On motion of Council Member Cary, seconded by Council Member Gillette, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-12-052, as presented, adopting the FY 2013 Court Appointed Special Advocate Budget and appropriating \$12,000 for this budget:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// In the matter of Budget, City Council Report #3F was considered. On motion of Council Member Cary, seconded by Council Member Nelson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-12-053, as presented, adopting the FY 2013 Region 2000 Economic Development Council Budget and appropriating \$81,586 for this budget:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// In the matter of Budget, City Council Report #3G was considered. On motion of Vice Mayor Johnson, seconded by Council Member Gillette, Council by the following recorded vote introduced and laid over to a

later meeting for final action Resolution #R-12-054, as presented, adopting the FY 2013 Robert E. Lee Soil & Water Conservation District Budget and appropriating \$10,000 for this budget:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster

7

Noes:

0

// In the matter of Budget, City Council Report #3H was considered. On motion of Council Member Gillette, seconded by Council Member Cary, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-12-055, as presented, adopting the FY 2013 Virginia Legal Aid Society Budget and appropriating \$10,000 for this budget:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster

7

Noes:

0

// In the matter of Budget, City Council Report #3I was considered. On motion of Council Member Cary, seconded by Council Member Nelson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-12-056, as presented, adopting the FY 2013 Amazement Square Real Estate Tax Refund and appropriating \$5,302 for this budget:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster

7

Noes:

0

// In the matter of Budget, City Council Report #3J was considered. Council Member Nelson stated that his wife is a School Division employee but that fact would not impair his unbiased judgment in consideration of this item. Council Member Helgeson stated he would not support this item because it is a 12% increase, \$3.7M more than we gave them last year. On motion of Vice Mayor Johnson, seconded by Council Member Gillette, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-12-057, as presented, adopting the FY 2013 School Operating Budget and appropriating \$92,796,315 for this budget:

Ayes: Cary, Gillette, Johnson, Nelson, Perrow, Foster

6

Noes: Helgeson

1

// In the matter of Budget, City Council Report #3K was considered. Council Member Helgeson stated he would not support giving another \$500,000 to Greater Lynchburg Transit which is an increase from last year. On motion of Vice Mayor Johnson, seconded by Council Member Gillette, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-12-058, as presented, adopting the FY 2013 Greater Lynchburg Transit Budget and appropriating \$7,016,113 for this budget:

Ayes: Cary, Gillette, Johnson, Nelson, Foster

5

Noes: Helgeson, Perrow

2

// In the matter of Budget, City Council Report #3L was considered. On motion of Council Member Gillette, seconded by Vice Mayor Johnson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-12-059, as presented, adopting the FY 2013 Operating Fund Budgets and appropriating the sums of each fund:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster

7

Noes:

0

// In the matter of Budget, City Council Report #3M was considered. On motion of Vice Mayor Johnson, seconded by Council Member Nelson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-12-060, as presented, adopting the FY 2013 Capital Budget and appropriating \$10,342,220 for the City Capital Projects Fund; \$975,000 for the School Capital Projects Fund; \$1,850,000 for the Airport Capital Projects Fund; \$3,203,746 for the Water Capital Projects Fund; \$2,180,000 for the Sewer Capital Projects Fund and \$300,000 for the Stormwater Capital Projects Fund:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// In the matter of Budget, City Council Report #3N was considered. On motion of Vice Mayor Johnson, seconded by Council Member Nelson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-12-061, as presented, approving the payment of monetary incentives, awards and bonuses to City employees under certain circumstances:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// In the matter of Budget, City Council Report #3O was considered. On motion of Council Member Gillette, seconded by Council Member Nelson, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-12-062, as presented, setting the personal property tax relief rate for the fiscal year beginning July 1, 2012 through June 30, 2013 at 52.8%:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// City Manager Kimball Payne gave an overview on the Jefferson Street CSO Project. Jim Talian, Project Manager with Water Resources, provided information regarding the James River Interceptor Phase Division 3A update. Mr. Talian stated that Phase A would take 5 months to complete (existing parking lot closed, Jefferson Street closed from Horseford Road), Phase B would take 9 months (temporary parking lot closed, Jefferson Street closed from Washington Street to Horseford Road) and Phase C would take 1 month (half of existing public parking lot closed, Jefferson Street opened, existing trail closed periodically from 13th Street to Jefferson Street).

// Council Member Cary stated at the intersection of Polk and Martin Luther King Boulevard on Fifth Street the curbing needs to be replaced again. The trash tags concern will be discussed at the next council meeting.

// Council Member Helgeson had a concern that citizens should be able to park across the street from City Hall when they are coming in to take care of city business. City Manager Payne stated that there would be signs over the two spaces for City Council every day but Tuesday when there is a Council meeting.

// Vice Mayor Johnson stated he had received an email from a citizen regarding the retention and recruiting of the police department and asked each Council Member to respond to the email if they have not already done so.

// City Council recessed the meeting to attend a Reception for Hill Climbers recipients which was hosted at the Holiday Inn.

// City Council recessed the meeting at 5:45 p.m.

// City Council reconvened the meeting at 7:30 p.m.

The following Members were present:

Present: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster

7

Absent:

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// Council Member Nelson gave the Invocation, followed by the Pledge of Allegiance.

// Mayor Foster and Vice Mayor Johnson presented Certificates of Recognition to the 2012 Hill Climbers recipients, i.e., Miyah N. Body, Dakota Clark, Dagan Seth Crawley, O'Brian Davis, Jaylen Hamlett, Kayshauna Holden, Nahajen Jones, Jacob Lawson, Margaret "Maggie" Mills, Trequan Mosby, Abigail Stinnett, Eric Taylor, Christopher L. Ward, Jr. and Russell "Wyatt" Wilson.

// Mayor Foster and Vice Mayor Johnson presented a Certificate of Recognition to Meg Smith for Teacher of the Year Award from Dunbar Middle School for Innovation.

// Copies of the minutes of the April 10, 2012 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Council Member Nelson, seconded by Council Member Gillette, Council by the following recorded vote approved the minutes as presented:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster

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Noes:

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// Copies of the minutes of the April 17, 2012 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Council Member Nelson, seconded by Council Member Gillette, Council by the following recorded vote approved the minutes as amended:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster

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Noes:

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// Copies of the minutes of the April 24, 2012 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Council Member Nelson, seconded by Council Member Gillette, Council by the following recorded vote approved the minutes as amended:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster

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Noes:

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// In the matter of Community Development – General, Resolution #R-12-046 amending the FY 2012 City/Federal/State Aid Fund budget and appropriating \$91,288 with resources of \$81,288 from the U. S. Department of Housing and Urban Development (HUD), \$5,000 from the Department of Social Services and \$5,000 from the Department of Juvenile Services, to provide 10 units of tenant-based rental assistance and associated supportive services, laid over from the April 24, 2012 meeting, was again presented and read, and on motion of Council Member Nelson, seconded by Council Member Gillette, Council by the following recorded vote adopted the Resolution:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster

7

Noes:

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// In the matter of Fire – General, City Council Report #10 was considered. On motion of Council Member Nelson, seconded by Council Member Gillette, Council by the following recorded vote introduced and laid

over to a later meeting for final action Resolution #R-12-063, as presented, amending the FY 2012 City/Federal/State Aid Fund budget and appropriating \$50,000, fully reimbursable, to be utilized for equipment and training for the Fire Department's Technical Rescue Team:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster

7

Noes:

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// In the matter of School – Board, a public hearing was held regarding City Council Report #11 regarding receiving input from citizens regarding appointments (or reappointments) to vacancies that will exist June 30 in each of the three (3) School Board representational districts. Mayor Foster read into record the names of the current School Board members whose terms will expire on June 30: District 1, Charles B. White, who is willing to serve again; District 2, Keith R. Anderson, who is not willing to serve again; and District 3, Troy L. McHenry, who is not willing to serve again. Mayor Foster then read into the record the names of volunteers who have applied to-date to serve on the School Board: District 1 – Mona Williams; District 2 – Eyvonne Harvey Green, Benjamin Hagwood, Monroe Kelso, Lewis Lee, Jr., and Thomas Webb; District 3 – Joshua J. Owens, Craig A. Storrs, Jr., and Katie Snyder. The following candidates spoke before City Council to communicate their interest and present their credentials and qualifications to serve on the School Board – Mayor Foster read a letter from Lewis Lee, Jr., Eyvonne Harvey Green, Benjamin Hagwood, Monroe Kelso, Thomas Webb, and Craig A. Storrs, Jr. Two individuals spoke in support of Thomas Webb. There was no one else present who wished to speak to this item, and the public hearing was closed. Council Members discussed and reached consensus to continue the public hearing until the May 22 meeting to allow more time for citizens to apply for the positions on the School Board. On motion of Vice Mayor Johnson, seconded by Council Member Helgeson, Council by the following recorded vote continued the public hearing until May 22 to allow more time to receive names of volunteers:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster

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Noes:

0

// In the matter of Community Planning - Zoning Amendments, a public hearing was held regarding City Council Report # 12 outlining the petition of Rush Homes to rezone approximately three and one hundred fifty-five thousandths (3.155) acres from R-3, Medium Density, Two-Family Residential District to R-4, Medium-High Density Residential District (Conditional) to allow the reuse of the existing building for up to sixteen (16) apartment units and the construction of twelve (12) apartment units in new buildings at 1721 Monsview Place. Community Development Planner II Kevin Henry gave a summary of the request and stated the Planning Commission recommended approval of the petition of Rush Homes. Janey White, Rush Homes representative, spoke to this item and asked for Council approval. One individual spoke in favor of the petition. There was no one else present who wished to speak to this item, and the public hearing was closed. On motion of Council Member Gillette, seconded by Vice Mayor Johnson, Council by the following recorded vote adopted Ordinance #0-12-064, as presented, granting the petition:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster

7

Noes:

0

// In the matter of Community Planning – Zoning Amendments, a public hearing was held regarding City Council Report #13 regarding the petition of the City of Lynchburg to amend the Future Land Use Map (FLUM) from Medium Density Residential to Community Commercial and outlining the petition to rezone from R-1, Low Density Single-Family Residential District to B-5, General Business District approximately four and six hundred sixty-two thousandths (4.662) acres located between Whitehall Road and Lakeside Drive to facilitate the construction of a fifty-one thousand, three hundred fifteen (51,315) square foot shopping center. Director of Community Development Kent White gave a summary of the request and stated the Planning Commission recommended approval the FLUM and rezoning petitions. Two individuals spoke in favor of the FLUM and the rezoning petition. There was no one else present who wished to speak to this item, and the public hearing was closed. On motion of Council Member Helgeson, seconded by Council Member Gillette, Council by the following recorded vote adopted Ordinance #0-12-065, as presented, granting the petition to amend the Future Land Use Map:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

On motion of Vice Mayor Johnson, seconded by Council Member Gillette, Council by the following recorded vote adopted Ordinance #0-12-066, as presented, granting the petition to rezone from R-1, Low Density Single-Family Residential District to B-5, General Business District approximately four and six hundred sixty-two thousandths (4.662) acres located between Whitehall Road and Lakeside Drive to facilitate the construction of a fifty-one thousand, three hundred fifteen (51,315) square foot shopping center:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// In the matter of Community Planning - Zoning, a public hearing was held regarding City Council Report #14 outlining the petition of Invest Lynchburg, LLC for a Conditional Use Permit (CUP) at 1215 and 1221 Jefferson Street to allow fill within the 100-year flood plain that would facilitate the construction of condominiums on the subject property. Director of Community Development Kent White gave a summary of the request and stated the Planning Commission recommended approval of the CUP. Invest Lynchburg, LLC representative, Patrick Proffitt, spoke to this item and asked for Council approval. There was no one else present who wished to speak to this item, and the public hearing was closed. Council Member Nelson stated he would abstain from voting on this item because he had provided legal assistance to this company and on motion of Council Member Cary, seconded by Council Member Gillette, Council by the following recorded vote adopted Resolution #R-12-067, as presented, granting the Conditional Use Permit:

Ayes: Cary, Gillette, Helgeson, Johnson, Perrow, Foster 6

Noes: 0

Abstain: Nelson 1

// In the matter of Community Planning – Zoning Amendments, a public hearing was held regarding City Council Report #15 regarding the petition of Dunn Rite Construction to:

- (1) amend the Future Land Use Map (FLUM) from Employment 2 to Traditional Residential at 2057 and 2059 Campbell Avenue;
- (2) to rezone approximately two hundred fifty six thousandths (.256) of an acre from I-2, Light Industrial District, to R-3, Medium Density, Two-Family Residential District located at 2057 and 2059 Campbell Avenue; and
- (3) for a Conditional Use Permit (CUP) at 2057, 2059 and 2221 Campbell Avenue to allow the construction of 2 dormitories approximately 4,340 square feet in size for use by Virginia University of Lynchburg.

Community Development Planner II Kevin Henry gave a summary of the request and stated the Planning Commission recommended denial of the FLUM amendment, rezoning petition and CUP. Representative Russ Nixon, with Nixon Land Surveying spoke to this item and asked for Council approval for the FLUM, rezoning petition and CUP. Twelve individuals spoke in favor of the item. There was no one else present who wished to speak to this item, and the public hearing was closed. On motion of Vice Mayor Johnson, seconded by Council Member Perrow, Council by the following recorded vote adopted Ordinance #O-12-068, as presented, to amend the Future Land Use Map from Employment 2 to Traditional Residential at 2057 and 2059 Campbell Avenue:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster	7
Noes:	0

On motion of Council Member Nelson seconded by Vice Mayor Johnson, Council by the following recorded vote adopted Ordinance #O-12-069, as presented, to rezone approximately two hundred fifty six thousandths (.256) of an acre from I-2, Light Industrial District, to R-3, Medium Density, Two-Family Residential District located at 2057 and 2059 Campbell Avenue:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster	7
Noes:	0

Vice Mayor Johnson made a motion to approve the conditional use permit, seconded by Council Member Nelson. During discussion Council Member Perrow offered a substitute motion to defer this item for future consideration for the University of Lynchburg to bring this back after a Master Plan had been submitted and went through the planning process, seconded by Council Member Cary. After some discussion, Council by the following recorded vote defeated the substitute motion:

Ayes: Perrow	1
Noes: Cary, Gillette, Helgeson, Johnson, Nelson, Foster	6

City Council then discussed the original motion made by Vice Mayor Johnson. Council Member Perrow stated that he could not support this motion for reasons stated above and Council by the following recorded vote adopted Resolution #R-12-070, as presented, granting the Conditional Use Permit at 2057, 2059 and 2221 Campbell Avenue to allow the construction of 2 dormitories approximately 4,340 square feet in size for use by Virginia University of Lynchburg:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Foster	6
Noes: Perrow	1

// In the matter of Public Works – Street Vacation, a public hearing was held regarding City Council Report #16 regarding the vacation of a portion of Right-of-Way located on Kelly Street between 2059 and 2101 Campbell Avenue. Community Development Planner II Kevin Henry gave a summary of the request. Representative Russ Nixon, with Nixon Land Surveying spoke to this item and asked for Council approval for the Right-of-Way. There was no one else present who wished to speak to this item, and the public hearing was closed. Council Member Perrow, Chair of the Physical Development Committee (PDC), stated that this matter came before the PDC and they recommended approval of the vacation of Right-of-Way located on Kelly Street between 2059 and 2101 Campbell Avenue. This motion does not require a second, and Council by the following recorded vote adopted Ordinance #O-12-071, as presented, vacating the Right-of-Way located on Kelly Street between 2059 and 2101 Campbell Avenue:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster

7

Noes:

0

// In the matter of Public Works – Street Vacation, a public hearing was held regarding City Council Report #17 regarding the vacation of an unopened portion of Right-of-Way on Grayson Street between 1721 Monsview Place and 1851 Monsview Place and three alleys. Community Development Planner II Kevin Henry gave a summary of the request. There was no one else present who wished to speak to this item, and the public hearing was closed. Council Member Perrow, Chair of the Physical Development Committee (PDC), stated that this matter came before the PDC and they recommended approval of the Right-of-Way located on Grayson Street between 1721 Monsview Place and 1851 Monsview Place and three alleys. This motion does not require a second, and Council by the following recorded vote adopted Ordinance #O-12-072, as presented, vacating the Right-of-Way located on Grayson Street between 1721 Monsview Place and 1851 Monsview Place and three alleys:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster

7

Noes:

0

// In the matter of Public Works – Street Vacation, a public hearing was held regarding City Council Report #18 to vacate approximately 0.129 acres of Right-of-Way located in front of 109 Jackson Street. Community Development Planner II Kevin Henry gave a summary of the request. There was no one else present who wished to speak to this item, and the public hearing was closed. Council Member Perrow, Chair of the Physical Development Committee (PDC), stated that this matter came before the PDC and they recommended approval of the Right-of-Way in front of 109 Jackson Street. This motion does not require a second, and Council by the following recorded vote adopted Ordinance #O-12-073, as presented, vacating the Right-of-Way located in front of 109 Jackson Street:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster

7

Noes:

0

// In the matter of Community Planning – CDBG, a public hearing was held regarding City Council Report #19 to receive comments on the Community Development Block Grant (CDBG) and HOME Program FY 2013 Annual Action Plan and adopt a Resolution approving the FY 2013 Annual Action Plan. Grants

Manager Melva Walker gave a summary of the request. There was no one else present who wished to speak to this item, and the public hearing was closed. On motion of Council Member Gillette, seconded by Vice Mayor Johnson, Council by the following recorded vote adopted Resolution #R-12-074, as presented, approving the FY 2013 Annual Action Plan:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// Mr. Craig Storrs spoke before Council regarding the budget.

// In the matter of City Code, City Council Report #21 was considered. City Attorney Walter Erwin stated that Council Member Perrow had a policy question during roll call on March 27 regarding roosters in the City. Mr. Erwin presented the proposed changes in the City Code relating to excessive, continuous or untimely noise from animals, livestock, poultry or fowl. On motion of Council Member Gillette, seconded by Vice Mayor Johnson, Council by the following recorded vote adopted Ordinance #0-12-075, as amended, amending the City Code relating to excessive, continuous or untimely noise from animals, livestock, poultry or fowl:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 7

Noes: 0

// In the matter of Budget, City Council Report #22 was considered. Council Member Helgeson stated he voted against this item previously because of the extra \$5 million for Economic Development pay as you go capital for downtown. On motion of Council Member Gillette, seconded by Council Member Nelson, Council by the following recorded vote adopted Ordinance #0-12-044, as presented, amending the FY 2012 Third Quarter Adopted Budget and appropriating funds to implement revenue, expenditures, and transfer adjustments:

Ayes: Cary, Gillette, Helgeson, Johnson, Nelson, Perrow, Foster 6

Noes: Helgeson 1

// The meeting was adjourned at 10:35 P.M.

Clerk of Council

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **May 22, 2012**

AGENDA ITEM NO.: **7 - 18**

CONSENT: **X**

REGULAR:

WORK SESSION:

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: 1) Adoption and Appropriation of FY 2013 Budget Resolutions B, D, E, F, G, H, I, J, M, N, O, P; 2) Adopt a Resolution Authorizing the City Manager to Award Monetary Incentives, Awards, and Bonuses to Employees for Exceptional Services; 3) Adopt a resolution to set the personal property tax relief rate. **SECOND READING**

RECOMMENDATION: Adopt and appropriate FY 2013 Budget resolutions B, D, E, F, G, H, I, J, M, N, O, P; adopt a resolution authorizing the City Manager to award monetary incentives, awards, and bonuses to employees for exceptional services; and, adopt a resolution to set the personal property tax relief rate.

SUMMARY: Each of these budget resolutions were passed unanimously by City Council on May 8, 2012.

PRIOR ACTION(S): March 6, 13, 20, 27, April 3, 10, 17, 24, 2012 – City Council Work Sessions; April 3, 2012 – Public Hearing on the Proposed FY 2013 Budgets for City Government, Public Schools, Water, Sewer, Stormwater, Airport and Other Funds, and the FY 2013 - 2017 Capital Improvement Program; May 8, 2012: City Council Meeting

FISCAL IMPACT: As noted on attached resolutions B, D, E, F, G, H, I, J, M, N, O, 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): May 8, 2012 Agenda Item Summary, Attachment A
Resolutions B, D, E, F, G, H, I, J, M, N, O, P.

REVIEWED BY: bms

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **May 8, 2012**

AGENDA ITEM NO.: **3**

CONSENT:

REGULAR:

WORK SESSION: **X**

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: 1) Adoption and Appropriation of the FY 2013 Budget; 2) Adopt a Resolution Authorizing the City Manager to Award Monetary Incentives, Awards, and Bonuses to Employees for Exceptional Services; 3) Adopt a resolution to set the personal property tax relief rate.

RECOMMENDATION: After a review by staff, adopt and appropriate the FY 2013 Budget; adopt a resolution authorizing the City Manager to award monetary incentives, awards, and bonuses to employees for exceptional services; adopt a resolution to set the personal property tax relief rate.

SUMMARY: Prior to asking Council to formally adopt the resolutions (first reading) related to the FY 2013 Budget, staff will review the final changes included both as a result of and since the discussion and direction provided on April 24th.

Following the April 3, 2012 Public Hearing for the FY 2013 Budget, Council and staff adjusted the Proposed FY 2013 General Fund Budget as follows:

General Fund

<u>Revenues and Use of Fund Balance</u>	<u>Proposed Operating Budget</u>	<u>Adjustments</u>	<u>Revised Budget</u>
Revenues	\$163,350,304	(\$2,561,820)	\$160,788,484
Use of Fund Balance	5,385,153	256,182	\$5,641,335
Total Revenues and Use of Fund Balance	\$168,735,457	(\$2,305,638)	\$166,429,819
<u>Expenditures</u>			
Operations	\$105,819,626	(\$507,726)	\$105,311,900
Debt Service	14,657,657	0	\$14,657,657
Schools-Operations	35,601,147	0	\$35,601,147
Greater Lynchburg Transit Company	1,676,798	(307,536)	\$1,369,262
Transfers to Other Funds	1,018,157	0	\$1,018,157
Reserves	3,970,313	(765,376)	\$3,204,937
Capital Improvements	5,991,759	(725,000)	\$5,266,759
Total Expenditures, Reserves, and Transfers	\$168,735,457	(\$2,305,638)	\$166,429,819

Based on discussion at the April 24 City Council meeting, staff made the following adjustments:

1. As a result of revenue adjustments, the amount of required fund balance changed to allow \$256,182 to be used for recurring expenditures.
2. Adjusted the recurring funding committed to the Heritage High School Debt Service Reserve to \$2,044,657. This is an additional \$1,105,095 over the \$939,562 committed in the FY 2012 budget. Adding one-time funds in the amount of \$1,071,781 (FY 2011) and \$48,297 (FY 2012) brings the cumulative balance to \$4,104,297.

3. Budgeted for the impact of FICA, Life Insurance and Unemployment related to the 5% Virginia Retirement System increase of \$797,666 with managed vacancy savings of \$797,666.
4. Library funding was increased to restore full time hours at the Downtown Branch.
5. Lynch's Landing was fully funded.
6. Humane Society Funding was adjusted according to City Council vote.
7. Added \$100,445 to Tourism to be in compliance with the Tourism contract in a total amount of \$1,324,170.
8. Estimated Personal Property Tax Revenue was increased by \$750,000.
9. Estimated Meals Tax Revenue was increased by \$250,000.
10. Included \$750,000 for public safety compensation as a result of revised Personal Property and Meals Tax revenue.
11. Reduced Major Building Repair capital needs by \$300,000 of recurring funds.
12. Included \$300,000 in compensation adjustments to hold employees harmless from VRS changes.

Details of all City Council and staff adjustments can be found in Attachment A.

The most significant changes are with respect to revenues and employee compensation (items #8-12 above).

An additional review of projected Personal Property Tax and Meals Tax Revenues has led to conclusion that those revenues can be adjusted upward in the amounts of \$500,000 and \$250,000, respectively.

Values on used vehicles have held steady or better resulting in a higher amount of Personal Property Tax billing than was originally projected. After accounting for appropriate adjustments (delinquencies and uncollected amounts) staff is comfortable with increasing the estimated revenues for FY 2013 by \$750,000. \$250,000 of that amount was used on April 24th to balance the budget.

Meals Tax revenues have shown an increase beyond estimates as the current fiscal year has progressed. Assuming that this increase will hold during FY 2013, staff has adjusted this revenue up by \$250,000. There remains some concern regarding the volatility of both the Meals Tax and the Sales Tax, however, staff believes that the projected increase is both reasonable and prudent.

It is recommended that the additional \$750,000 in revenues be used for public safety compensation adjustments in FY 2013. This will support the action already taken to establish recruit salaries at \$35,000 and could provide additional compensation at other levels. If Council accepts this recommendation, staff will prepare a proposed plan for Council's consideration in June.

Of course, the additional \$750,000 in revenues could be treated differently. The tax rate could be reduced, the funds could be used for Heritage High School debt service, absorbed into the fund balance, or used for some other purpose designated by Council. Given the concerns about public safety compensation expressed by Council members, however, it is recommended that the additional revenues be used to address those concerns.

There is one other major recommended change regarding employee compensation. That is to reassign \$300,000 in recurring funds from Major Building Repairs, in Pay As You Go Capital, to be used to hold employees harmless (no reduction in take home pay) in the implementation of the "5 for 5" VRS adjustment. A number of localities across the state, including our neighbors, are planning to hold employees harmless through the transition. This would result in an additional 0.7% increase in salary for Plan 1 employees (those hired before July 1, 2010). It is believed that there are adequate funds remaining in the capital fund for major building repairs and that this transfer will not be detrimental to those activities.

In addition to the other budget adoption actions, state code requires that the personal property tax relief rate be set at the time the budget is adopted.

Adopting Resolutions A, B, E, F, G, J, K, L, M, N, and O require a majority vote of all of the members of City Council in attendance, said vote to be taken by ayes and noes.

Adopting Resolutions C, D, H, and I require a two-thirds majority vote (i.e. five of seven) among the members elected to City Council, said vote to be taken by ayes and noes.

Fund Balance

With the adjustments noted above, the General Fund undesignated fund balance as of June 30, 2013 is projected to be \$16,078,848 or 10% of revenues. Council's target for undesignated fund balance is 10% of revenues.

PRIOR ACTION(S): March 6, 13, 20, 27, April 3, 10, 17, 24, 2012 – City Council Work Sessions; April 3, 2012 – Public Hearing on the Proposed FY 2013 Budgets for City Government, Public Schools, Water, Sewer, Stormwater, Airport and Other Funds, and the FY 2013 - 2017 Capital Improvement Program

BUDGET IMPACT: See attached budget resolution.

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

ATTACHMENT(S): Attachment A: Balancing the FY 2013 General Fund Budget, and Resolutions to 1) adopt and appropriate the FY 2013 Budget; 2) adopt a resolution authorizing the City Manager to award monetary incentives, awards, and bonuses to employees for exceptional services; and 3) adopt a resolution to set the personal property tax relief rate.

REVIEWED BY: lkp

072L

ATTACHMENT A

BALANCING THE FY 2013 GENERAL FUND BUDGET

Revenues and Use of Fund Balance

Proposed Revenues (from the FY 2013 Proposed Operating Budget)	\$163,350,304
Use of Fund Balance	5,385,153
Total Proposed Revenues and Use of Fund Balance	\$168,735,457

Adjustments: Revenue Summary

Dedicated Revenue Adjustments

Additional partner added to Partners in Emergency Response (PIER) program	\$7,500
E-911 wireless funds	(\$12,000)
Recreation fees	\$12,229

Non-Dedicated Revenue Adjustments

Court fines	(14,000)
Eliminate increase in Meals Tax	(1,673,236)
Tax relief for the elderly and disabled	70,500
Personal Property Tax	\$750,000
Meals Tax	\$250,000
Adjust Real Estate Tax rate to \$1.11	(\$1,952,813)

Use of Fund Balance Adjustments

Funds available based on 10% Fund Balance Policy	\$256,182
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Revised Revenues and Use of Fund Balance	\$166,429,819
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Expenditures, Reserves, and Transfers

Proposed Expenditures, Reserves, and Transfers (from the FY 2013 Proposed Operating Budget)	\$168,735,457
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Adjustments: Expenditures, Reserves, and Transfers

Revised Blue Ridge Regional Jail request	(\$959,211)
Reduce banking and mail services for Financial Services Department	(33,000)
Additional partner added to Partners in Emergency Response (PIER) program	7,500
Additional fuel cost	150,936
Revised GLTC request	(307,536)
Rent adjustment for Sheriff	(16,000)
Personnel adjustments for various departments	21,294
Eliminate compensation/capital/other from Non-Departmental	(395,383)
Reduce Heritage High School Debt Reserve	(765,376)
Eliminate third street sweeper	(113,704)
Reduce recycling program from nine to five sites	(85,000)
Restore the downtown library to full time hours	42,089
Restructure Parks and Recreation staff during Miller Center renovations	(75,000)
Reduce temporary hours and training in Parks and Recreation	(2,771)
Eliminate Parks and Recreation special events funding from Communications and Marketing budget	(10,000)
Reduce Parking Management operating cost	(51,459)
Additional funding for tourism based on contract	100,445
Eliminate cost of Animal Shelter from Police Department Animal Control budget	(420,000)
Renegotiate contract with the Humane Society	281,538
Reduce Animal Shelter Capital needs	(425,000)
Compensation adjustment for Public Safety	750,000
General Assembly action related to Virginia Retirement System	797,666
Managed Vacancy	(797,666)
Reduce Major Building Repair Capital needs	(300,000)
Compensation adjustment to hold employees harmless from VRS changes	300,000

Revised Expenditures	\$166,429,819
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A. BE IT RESOLVED that by majority vote the FY 2013 General Fund Operating Budget (excluding External Service Provider and Component Unit 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, 2012 and ending June 30, 2013 and said funds be appropriated:

GENERAL FUND INCOME		GENERAL FUND EXPENDITURES	
Beginning Balance	\$20,199,396	General Government	\$12,079,900
<u>Non-Dedicated Revenues</u>		Judicial Administration	4,585,055
General Property Taxes	72,900,201	Public Safety	32,580,178
Other Local Taxes	45,384,230	Public Works	16,154,942
Permits, Privilege Fees and Licenses	448,700	Health and Welfare	16,923,380
Fines & Forfeitures	481,000	Parks, Recreation and Cultural	5,056,390
Use of Money & Property	514,966	Community Development	2,291,477
Charges for Services	3,645,394	Non-Departmental	6,325,113
Miscellaneous	266,200	Transfer to Other Funds	1,018,157
Revenue from the Commonwealth	6,048,584	Debt Service	7,758,980
Revenue from Lynchburg City Schools	29,284	Schools (Local Share Only) - Debt Service	6,898,677
<u>Dedicated Revenues</u>		Reserves	3,204,937
Revenue from Use of Money & Property		Transfer to Capital - City	4,291,759
Charges for Services	3,600,527	Transfer to Capital - Schools	975,000
Recreation Revenue	363,039	Ending Balance	16,078,848
Parking	379,600	Subtotal	\$136,222,793
Miscellaneous	1,849,448		
Revenue from the Commonwealth		External Service Providers ¹	\$9,315,465
Categorical Aid - State Shared Expenditures	2,931,739		
Categorical Aid	15,465,068	Component Units ¹	\$36,970,409
Revenue from the Federal Government	6,480,504		
Use of Reserves and Designated Fund Balance	1,520,787	Total	<u>\$182,508,667</u>
Total	<u>\$182,508,667</u>		

¹ To be considered separately

Introduced:

Adopted:

Certified:

Clerk of Council

072L1

B. BE IT RESOLVED that by majority vote the FY 2013 Mandated and Contractual External Service Providers Budget of \$9,179,678 proposed by the City Manager be adopted as part of the operating budget of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated:

MANDATED

Blue Ridge Regional Jail Authority	\$6,103,789
Central Virginia Community Services Board	444,003
Health Department	830,977
Region 2000 Local Government Council.....	43,600
TOTAL MANDATED	<u>\$7,422,369</u>

CONTRACTUAL

Lynchburg Humane Society.....	\$281,538
Lynchburg Regional Chamber of Commerce-Tourism	1,324,170
Southern Memorial Association (Old City Cemetery)	122,438
Virginia Cooperative Extension Service	29,163
TOTAL CONTRACTUAL	<u>\$1,757,309</u>

Introduced:

Adopted:

Certified:

Clerk of Council

072L2

C. BE IT RESOLVED that by two – thirds majority vote (five of seven) the FY 2013 Central Virginia Area Agency on Aging Budget of \$15,000 proposed by the City Manager be adopted as part of the operating budget of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated.

Introduced:

Adopted:

Certified:

Clerk of Council

072L3

D. BE IT RESOLVED that by two – thirds majority vote (five of seven) the FY 2013 Central Virginia Community College Board and Related Operations Budget of \$1,899 proposed by the City Manager be adopted as part of the operating budget of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated.

Introduced:

Adopted:

Certified:

Clerk of Council

072L4

E. BE IT RESOLVED that by majority vote the FY 2013 Court Appointed Special Advocate Budget of \$12,000 proposed by the City Manager be adopted as part of the operating budget of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated.

Introduced:

Adopted:

Certified:

Clerk of Council

072L5

F. BE IT RESOLVED that by majority vote the FY 2013 Region 2000 Economic Development Council Budget of \$81,586 proposed by the City Manager be adopted as part of the operating budget of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated.

Introduced:

Adopted:

Certified:

Clerk of Council

072L6

G. BE IT RESOLVED that by majority vote the FY 2013 Robert E. Lee Soil & Water Conservation District Budget of \$10,000 proposed by the City Manager be adopted as part of the operating budget of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated.

Introduced:

Adopted:

Certified:

Clerk of Council

072L7

H. BE IT RESOLVED that by two – thirds majority vote (five of seven) the FY 2013 Virginia Legal Aid Society Budget of \$10,000 proposed by the City Manager be adopted as part of the operating budget of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated.

Introduced:

Adopted:

Certified:

Clerk of Council

072L8

I. BE IT RESOLVED that by two – thirds majority vote (five of seven) the FY 2013 Amazement Square Real Estate Tax Refund Budget of \$5,302 proposed by the City Manager be adopted as part of the operating budget of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated.

Introduced: May 8 2012

Adopted:

Certified:

Clerk of Council

072L9

J. BE IT RESOLVED that by majority vote the FY 2013 School Operating Budget, including the revenues and expenditures proposed by the City Manager, be adopted for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated:

SCHOOL INCOME

Beginning Balance	\$0
State	43,511,592
Federal	461,000
Grants	11,435,121
Local – Operating	35,601,147
Local – Debt Service	33,627
Miscellaneous	1,753,828
Total	<u>\$92,796,315</u>

SCHOOL EXPENDITURES

Operations	\$81,361,194
Grant Funded Expenditures	11,435,121
Ending Balance	0
Total	<u>\$92,796,315</u>

Introduced: May 8, 2012

Adopted:

Certified:

Clerk of Council

072L10

K. BE IT RESOLVED that by majority vote the FY 2013 Greater Lynchburg Transit Company Budget including the revenues and expenditures proposed by the City Manager be adopted for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated:

GREATER LYNCHBURG TRANSIT COMPANY INCOME

Beginning Balance	\$0
Fares	980,922
Contracts	240,826
Federal	1,852,743
State	1,267,900
Local - Operating	1,369,262
Partners	1,130,922
Miscellaneous	173,538
Total	<u>\$7,016,113</u>

GREATER LYNCHBURG TRANSIT COMPANY EXPENDITURES

Operations	\$7,016,113
Ending Balance	0
Total	<u>\$7,016,113</u>

Introduced:

Adopted:

Certified:

Clerk of Council

072L11

L. BE IT RESOLVED that by majority vote the budgets of the funds mentioned herein be adopted for the purposes herein mentioned and said funds be appropriated from the funds and resources of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

FLEET SERVICES FUND INCOME

Beginning Balance	\$1,126,775
Revenues	5,913,988
Total	<u>\$7,040,763</u>

FLEET SERVICES FUND EXPENDITURES

Operations	\$5,289,620
Debt Service	360,812
Ending Balance	1,390,331
Total	<u>\$7,040,763</u>

AIRPORT FUND INCOME

Beginning Balance	\$100,000
Revenue from Cost Centers	1,829,583
Transfer from General Fund	382,862
Interest and Other	224,000
Total	<u>\$2,536,445</u>

AIRPORT FUND EXPENDITURES

Operations	\$2,173,262
Debt Service	263,183
Ending Balance	100,000
Total	<u>\$2,536,445</u>

WATER FUND INCOME

Use of Fund Balance	\$69,086
Water Sales	5,642,000
Meter, Sewer and General Fund Hydrant Charges	2,571,000
Cut-on/off Charges	92,000
Availability, Connection Fees	25,000
Other Charges for Service	2,192,925
Water Contracts (Amherst/Bedford/Campbell/Industrial)	2,637,792
Interest	30,000
Other Revenues	252,211
Total	<u>\$13,512,014</u>

WATER FUND EXPENDITURES

Operations	\$8,952,379
Debt Service	3,658,789
Transfer to Water Capital Fund	878,746
Transfer to Fleet Services Fund	22,100
Total	<u>\$13,512,014</u>

SEWER FUND INCOME

Use of Fund Balance	\$22,804
Charges for Services	16,330,331
Sewer Contracts (Amherst/Bedford/Campbell/Industrial)	2,959,441
Interest and Other	158,094
Total	<u>\$19,470,670</u>

SEWER FUND EXPENDITURES

Operations	\$9,359,254
Debt Service	8,451,416
Capital Outlay	60,000
Transfer to Sewer Capital Fund	1,500,000
Major Sewer Line Cleaning	100,000
Total	<u>\$19,470,670</u>

STORMWATER FUND INCOME

Beginning Balance	\$0
Charges for Services	2,599,200
Transfer from General Fund	650,000
Miscellaneous	1,000
Total	<u>\$3,250,200</u>

STORMWATER FUND EXPENDITURES

Operations	\$1,010,230
Transfer to General Fund	1,692,554
Transfer to Capital Fund	300,000
Ending Balance	247,416
Total	<u>\$3,250,200</u>

ASSET FORFEITURE FUND INCOME

Beginning Balance	\$29,388
Revenue	0
Total	<u>\$29,388</u>

COMPREHENSIVE SERVICES ACT FUND INCOME

Beginning Balance	\$474,002
Miscellaneous	110,000
Transfer from General Fund	1,338,852
Lynchburg City School Transfer	196,541
Revenue from the Commonwealth	3,417,468
Total	<u>\$5,536,863</u>

HOME FUND INCOME

Beginning Balance	\$0
Revenue from the Federal Government	283,839
Total	<u>\$283,839</u>

LYNCHBURG BUSINESS DEVELOPMENT CENTRE FUND INCOME

Beginning Balance	\$125,385
Revenue	0
Total	<u>\$125,385</u>

LEAF FUND INCOME

Beginning Balance	\$164,196
Pledges/Donations	0
Total	<u>\$164,196</u>

REGIONAL JUVENILE DETENTION CENTER FUND INCOME

Beginning Balance	\$96,627
Charges for Services	1,796,789
Intergovernmental	1,140,120
Total	<u>\$3,033,536</u>

RISK MANAGEMENT FUND INCOME

Beginning Balance	\$2,487,666
Charges for Services	957,202
Interest	35,000
Subrogation	25,000
Total	<u>\$3,504,868</u>

SPECIAL WELFARE FUND INCOME

Beginning Balance	\$46,263
Donations and Restitutions	18,000
Interest	2,000
Revenue from the Commonwealth	8,500
Total	<u>\$74,763</u>

TECHNOLOGY FUND INCOME

Beginning Balance	\$2,265,318
Use of Money and Property	15,000
Transfer from General Fund	623,575
Total	<u>\$2,903,893</u>

CITY/FEDERAL/STATE AID FUND INCOME

Beginning Balance	\$0
Revenue from the Federal Government	1,557,480
Revenue from the Commonwealth	807,524
Other	3,124
In-Kind	23,706
Transfer from General Fund	11,720
Total	<u>\$2,403,554</u>

COMMUNITY DEVELOPMENT BLOCK GRANT FUND INCOME

Beginning Balance	\$0
Intergovernmental	639,243
Program Income	2,030
Total	<u>\$641,273</u>

ASSET FORFEITURE FUND EXPENDITURES

Operations	\$0
Ending Balance	29,388
Total	<u>\$29,388</u>

COMPREHENSIVE SERVICES ACT FUND EXPENDITURES

Operations	\$5,062,861
Ending Balance	474,002
Total	<u>\$5,536,863</u>

HOME FUND EXPENDITURES

Operations	\$283,839
Ending Balance	0
Total	<u>\$283,839</u>

LYNCHBURG BUSINESS DEVELOPMENT CENTRE FUND EXPENDITURES

Operations	\$0
Ending Balance	125,385
Total	<u>\$125,385</u>

LEAF FUND EXPENDITURES

Operations	\$0
Ending Balance	164,196
Total	<u>\$164,196</u>

REGIONAL JUVENILE DETENTION CENTER FUND EXPENDITURES

Operations	\$2,663,711
Debt Service	273,198
Ending Balance	96,627
Total	<u>\$3,033,536</u>

RISK MANAGEMENT FUND EXPENDITURES

Operations	\$268,474
Insurance and Claims	735,918
Ending Balance	2,500,476
Total	<u>\$3,504,868</u>

SPECIAL WELFARE FUND EXPENDITURES

Operations	\$54,250
Ending Balance	20,513
Total	<u>\$74,763</u>

TECHNOLOGY FUND EXPENDITURES

Operations	\$1,043,918
Capital Outlay	546,200
Ending Balance	1,313,775
Total	<u>\$2,903,893</u>

CITY/FEDERAL/STATE AID FUND EXPENDITURES

Operations	\$2,403,554
Ending Balance	0
Total	<u>\$2,403,554</u>

COMMUNITY DEVELOPMENT BLOCK GRANT FUND EXPENDITURES

Operations	\$641,273
Ending Balance	0
Total	<u>\$641,273</u>

Introduced:

Adopted:

Certified:

 Clerk of Council

072L12

M. BE IT RESOLVED that by majority vote the FY 2013 Capital Budget is hereby adopted and said funds be appropriated from the funds and resources of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013, in the total amount of \$10,342,220 for the City Capital Projects Fund; \$975,000 for the School Capital Projects Fund; \$1,850,000 for the Airport Capital Projects Fund; \$3,203,746 for the Water Capital Projects Fund; \$2,180,000 for the Sewer Capital Projects Fund and \$300,000 for the Stormwater Capital Projects Fund.

Introduced:

Adopted:

Certified:

Clerk of Council

072L13

N. BE IT RESOLVED that by majority vote in accordance with Section 15.2-1508 of the Code of Virginia, 1950, as amended, City Council authorizes, and subject to the availability of appropriated funds, the payment of monetary incentives, awards, and bonuses to City employees for exceptional services rendered by those employees. Such monetary incentives, awards, or bonuses may not exceed \$5,000 or five percent of the employee's annual salary, whichever is greater. Such incentives, awards, and bonuses may be offered and paid for such exceptional services as defined in the procedural directives issued by the City Manager or his/her designee, including, but not necessarily limited to, any or all of the following purposes:

- (1) Individual incentive awards,
- (2) Special recognition awards,
- (3) Outstanding performance awards, and
- (4) Cost savings or revenue generating suggestion awards.

The Director of Human Resources shall administer the incentive award and bonus program. The types of incentives, awards, and bonuses and the types of exceptional services for which they may be granted; the amount of particular incentives, awards, and bonuses; and the selection criteria and process for particular incentives, awards, and bonuses shall be set forth in the procedural directives issued by the City Manager. The total amount paid in monetary incentives, awards, and bonuses shall not exceed \$60,000 annually.

Introduced:

Adopted:

Certified:

Clerk of Council

072L14

O. BE IT RESOLVED that by majority vote in accordance with Section 14.2 (b) 2 of the Code of Virginia, 1950, as amended, the personal property tax relief rate for the fiscal year beginning July 1, 2012 through June 30, 2013 shall be set at 52.8%.

Introduced:

Adopted:

Certified:

Clerk of Council

072L15

BUDGET RESOLUTIONS TO BE ADOPTED

B. BE IT RESOLVED that by majority vote the FY 2013 Mandated and Contractual External Service Providers Budget of ~~\$9,179,678~~ \$8,898,140 proposed by the City Manager be adopted as part of the operating budget of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated:

MANDATED

Blue Ridge Regional Jail Authority	\$6,103,789
Central Virginia Community Services Board	444,003
Health Department	830,977
Region 2000 Local Government Council.....	43,600
TOTAL MANDATED	<u>\$7,422,369</u>

CONTRACTUAL

Lynchburg Humane Society.....	\$281,538
Lynchburg Regional Chamber of Commerce-Tourism	1,324,170
Southern Memorial Association (Old City Cemetery)	122,438
Virginia Cooperative Extension Service	29,163
TOTAL CONTRACTUAL	<u>\$1,757,309</u> <u>\$1,475,771</u>

Introduced: May 8, 2012

Adopted:

Certified: _____
Clerk of Council

D. BE IT RESOLVED that by two – thirds majority vote (five of seven) the FY 2013 Central Virginia Area Agency on Aging Budget of \$15,000 proposed by the City Manager be adopted as part of the operating budget of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated.

Introduced: May 8, 2012

Adopted:

Certified: _____
Clerk of Council

E. BE IT RESOLVED that by two – thirds majority vote (five of seven) the FY 2013 Central Virginia Community College Board and Related Operations Budget of \$1,899 proposed by the City Manager be adopted as part of the operating budget of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated.

Introduced: May 8, 2012

Adopted:

Certified:

Clerk of Council

F. BE IT RESOLVED that by majority vote the FY 2013 Court Appointed Special Advocate Budget of \$12,000 proposed by the City Manager be adopted as part of the operating budget of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated.

Introduced: May 8, 2012

Adopted:

Certified:

Clerk of Council

G. BE IT RESOLVED that by majority vote the FY 2013 Region 2000 Economic Development Council Budget of \$81,586 proposed by the City Manager be adopted as part of the operating budget of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated.

Introduced: May 8, 2012

Adopted:

Certified:

Clerk of Council

H. BE IT RESOLVED that by majority vote the FY 2013 Robert E. Lee Soil & Water Conservation District Budget of \$10,000 proposed by the City Manager be adopted as part of the operating budget of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated.

Introduced: May 8, 2012

Adopted:

Certified:

Clerk of Council

I. BE IT RESOLVED that by two – thirds majority vote (five of seven) the FY 2013 Virginia Legal Aid Society Budget of \$10,000 proposed by the City Manager be adopted as part of the operating budget of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated.

Introduced: May 8, 2012

Adopted:

Certified:

Clerk of Council

J. BE IT RESOLVED that by two – thirds majority vote (five of seven) the FY 2013 Amazement Square Real Estate Tax Refund Budget of \$5,302 proposed by the City Manager be adopted as part of the operating budget of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated.

Introduced: May 8 2012

Adopted:

Certified:

Clerk of Council

M. BE IT RESOLVED that by majority vote the budgets of the funds mentioned herein be adopted for the purposes herein mentioned and said funds be appropriated from the funds and resources of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

FLEET SERVICES FUND INCOME		FLEET SERVICES FUND EXPENDITURES	
Beginning Balance	\$1,126,775	Operations	\$5,289,620
Revenues	5,913,988	Debt Service	360,812
Total	<u>\$7,040,763</u>	Ending Balance	1,390,331
		Total	<u>\$7,040,763</u>
AIRPORT FUND INCOME		AIRPORT FUND EXPENDITURES	
Beginning Balance	\$100,000	Operations	\$2,173,262
Revenue from Cost Centers	1,829,583	Debt Service	263,183
Transfer from General Fund	382,862	Ending Balance	100,000
Interest and Other	224,000	Total	<u>\$2,536,445</u>
Total	<u>\$2,536,445</u>		
WATER FUND INCOME		WATER FUND EXPENDITURES	
Use of Fund Balance	\$69,086	Operations	\$8,952,379
Water Sales	5,642,000	Debt Service	3,658,789
Meter, Sewer and General Fund Hydrant Charges	2,571,000	Transfer to Water Capital Fund	878,746
Cut-on/off Charges	92,000	Transfer to Fleet Services Fund	22,100
Availability, Connection Fees	25,000	Total	<u>\$13,512,014</u>
Other Charges for Service	2,192,925		
Water Contracts (Amherst/Bedford/Campbell/Industrial)	2,637,792		
Interest	30,000		
Other Revenues	252,211		
Total	<u>\$13,512,014</u>		
SEWER FUND INCOME		SEWER FUND EXPENDITURES	
Use of Fund Balance	\$22,804	Operations	\$9,359,254
Charges for Services	16,330,331	Debt Service	8,451,416
Sewer Contracts (Amherst/Bedford/Campbell/Industrial)	2,959,441	Capital Outlay	60,000
Interest and Other	158,094	Transfer to Sewer Capital Fund	1,500,000
Total	<u>\$19,470,670</u>	Major Sewer Line Cleaning	100,000
		Total	<u>\$19,470,670</u>
STORMWATER FUND INCOME		STORMWATER FUND EXPENDITURES	
Beginning Balance	\$0	Operations	\$1,010,230
Charges for Services	2,599,200	Transfer to General Fund	1,692,554
Transfer from General Fund	650,000	Transfer to Capital Fund	300,000
Miscellaneous	1,000	Ending Balance	247,416
Total	<u>\$3,250,200</u>	Total	<u>\$3,250,200</u>
ASSET FORFEITURE FUND INCOME		ASSET FORFEITURE FUND EXPENDITURES	
Beginning Balance	\$29,388	Operations	\$0
Revenue	0	Ending Balance	29,388
Total	<u>\$29,388</u>	Total	<u>\$29,388</u>
COMPREHENSIVE SERVICES ACT FUND INCOME		COMPREHENSIVE SERVICES ACT FUND EXPENDITURES	
Beginning Balance	\$474,002	Operations	\$5,062,861
Miscellaneous	110,000	Ending Balance	474,002
Transfer from General Fund	1,338,852	Total	<u>\$5,536,863</u>
Lynchburg City School Transfer	196,541		
Revenue from the Commonwealth	3,417,468		
Total	<u>\$5,536,863</u>		
HOME FUND INCOME		HOME FUND EXPENDITURES	
Beginning Balance	\$0	Operations	\$283,839
Revenue from the Federal Government	283,839	Ending Balance	0
Total	<u>\$283,839</u>	Total	<u>\$283,839</u>
LYNCHBURG BUSINESS DEVELOPMENT CENTRE FUND INCOME		LYNCHBURG BUSINESS DEVELOPMENT CENTRE FUND EXPENDITURES	
Beginning Balance	\$125,385	Operations	\$0
Revenue	0	Ending Balance	125,385
Total	<u>\$125,385</u>	Total	<u>\$125,385</u>
LEAF FUND INCOME		LEAF FUND EXPENDITURES	
Beginning Balance	\$164,196	Operations	\$0
Pledges/Donations	0	Ending Balance	164,196
Total	<u>\$164,196</u>	Total	<u>\$164,196</u>
REGIONAL JUVENILE DETENTION CENTER FUND INCOME		REGIONAL JUVENILE DETENTION CENTER FUND EXPENDITURES	
Beginning Balance	\$96,627	Operations	\$2,663,711
Charges for Services	1,796,789	Debt Service	273,198
Intergovernmental	1,140,120	Ending Balance	96,627
Total	<u>\$3,033,536</u>	Total	<u>\$3,033,536</u>

RISK MANAGEMENT FUND INCOME

Beginning Balance	\$2,487,666
Charges for Services	957,202
Interest	35,000
Subrogation	25,000
Total	<u>\$3,504,868</u>

SPECIAL WELFARE FUND INCOME

Beginning Balance	\$46,263
Donations and Restitutions	18,000
Interest	2,000
Revenue from the Commonwealth	8,500
Total	<u>\$74,763</u>

TECHNOLOGY FUND INCOME

Beginning Balance	\$2,265,318
Use of Money and Property	15,000
Transfer from General Fund	623,575
Total	<u>\$2,903,893</u>

CITY/FEDERAL/STATE AID FUND INCOME

Beginning Balance	\$0
Revenue from the Federal Government	1,557,480
Revenue from the Commonwealth	807,524
Other	3,124
In-Kind	23,706
Transfer from General Fund	11,720
Total	<u>\$2,403,554</u>

COMMUNITY DEVELOPMENT BLOCK GRANT FUND INCOME

Beginning Balance	\$0
Intergovernmental	639,243
Program Income	2,030
Total	<u>\$641,273</u>

RISK MANAGEMENT FUND EXPENDITURES

Operations	\$268,474
Insurance and Claims	735,918
Ending Balance	2,500,476
Total	<u>\$3,504,868</u>

SPECIAL WELFARE FUND EXPENDITURES

Operations	\$54,250
Ending Balance	20,513
Total	<u>\$74,763</u>

TECHNOLOGY FUND EXPENDITURES

Operations	\$1,043,918
Capital Outlay	546,200
Ending Balance	1,313,775
Total	<u>\$2,903,893</u>

CITY/FEDERAL/STATE AID FUND EXPENDITURES

Operations	\$2,403,554
Ending Balance	0
Total	<u>\$2,403,554</u>

COMMUNITY DEVELOPMENT BLOCK GRANT FUND EXPENDITURES

Operations	\$641,273
Ending Balance	0
Total	<u>\$641,273</u>

Introduced: May 8, 2012

Adopted:

Certified: _____
Clerk of Council

N. BE IT RESOLVED that by majority vote the FY 2013 Capital Budget is hereby adopted and said funds be appropriated from the funds and resources of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013, in the total amount of \$10,342,220 for the City Capital Projects Fund; \$975,000 for the School Capital Projects Fund; \$1,850,000 for the Airport Capital Projects Fund; \$3,203,746 for the Water Capital Projects Fund; \$2,180,000 for the Sewer Capital Projects Fund and \$300,000 for the Stormwater Capital Projects Fund.

Introduced: May 8, 2012

Adopted:

Certified: _____
Clerk of Council

O. BE IT RESOLVED that by majority vote in accordance with Section 15.2-1508 of the Code of Virginia, 1950, as amended, City Council authorizes, and subject to the availability of appropriated funds, the payment of monetary incentives, awards, and bonuses to City employees for exceptional services rendered by those employees. Such monetary incentives, awards, or bonuses may not exceed \$5,000 or five percent of the employee's annual salary, whichever is greater. Such incentives, awards, and bonuses may be offered and paid for such exceptional services as defined in the procedural directives issued by the City Manager or his/her designee, including, but not necessarily limited to, any or all of the following purposes:

- (1) Individual incentive awards,
- (2) Special recognition awards,
- (3) Outstanding performance awards, and
- (4) Cost savings or revenue generating suggestion awards.

The Director of Human Resources shall administer the incentive award and bonus program. The types of incentives, awards, and bonuses and the types of exceptional services for which they may be granted; the amount of particular incentives, awards, and bonuses; and the selection criteria and process for particular incentives, awards, and bonuses shall be set forth in the procedural directives issued by the City Manager. The total amount paid in monetary incentives, awards, and bonuses shall not exceed \$60,000 annually.

Introduced: May 8, 2012

Adopted:

Certified: _____
Clerk of Council

P. BE IT RESOLVED that by majority vote in accordance with Section 14.2 (b) 2 of the Code of Virginia, 1950, as amended, the personal property tax relief rate for the fiscal year beginning July 1, 2012 through June 30, 2013 shall be set at 52.8%.

Introduced: May 8, 2012

Adopted:

Certified: _____
Clerk of Council

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **May 22, 2012**

AGENDA ITEM NO.: 20

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 12 or June 26 meetings.

PRIOR ACTION(S): May 8, 2012, Public Hearing

FISCAL IMPACT:

None

CONTACT(S):

Valeria P. Chambers 455-3990

ATTACHMENT(S):

None

REVIEWED BY: lkp

REVISED

VOLUNTEERS FOR SCHOOL BOARD APPOINTMENTS

District 1 –

~~Mona Williams~~ with drew

District 2 - Volunteers

Eyvonne Harvery Green

Benjamin Hagwood

Monroe Kelso

Lewis Lee, Jr.

Thomas Webb

District 3 –

Joshua J. Owens

Craig A. Storrs, Jr.

Katie Snyder

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **May 22, 2012**

AGENDA ITEM NO.: **21**

CONSENT: REGULAR: **X**

WORK SESSION:

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Amendment to the City Code re. Real Estate Tax Relief**

RECOMMENDATION: Adopt an ordinance to amend Section 36-175 of the Lynchburg City Code to comply with the approved FY 2013 budget increasing the gross combined income of the owner to \$32,500 for the Tax Relief for the Elderly and Disabled program.

SUMMARY: The Proposed FY 2013 Budget included the recommendation that the criteria for Tax Relief for the Elderly and Disabled be amended to increase the ceiling on the gross combined income of the owner of property. The adopted FY 2013 budget increases the gross combined income of the owner from \$30,000 to \$32,500. Therefore, an amendment to section 36-175 of the Lynchburg City Code is necessary to comply with this revised criterion.

PRIOR ACTION(S): None

FISCAL IMPACT: A \$42,500 reduction in Real Property Tax Revenue was programmed into the FY 2013 Budget.

CONTACT(S): Mitchell W Nuckles, Commissioner of the Revenue 455-3871

ATTACHMENT(S): Proposed ordinance, City Code Section 36-175

REVIEWED BY: lkp

ORDINANCE

AN ORDINANCE TO AMEND AND REENACT SECTION 36-175 OF THE CODE OF THE CITY OF LYNCHBURG, 1981, THE AMENDED SECTION RELATING TO THE EXEMPTION OF REAL ESTATE TAXES FOR CERTAIN ELDERLY AND DISABLED PERSONS.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LYNCHBURG:

1. That Section 36-175 of the Code of the City of Lynchburg, 1981, be and the same is hereby amended and reenacted as follows:

Sec. 36-175. Exemption of real estate taxes on property of certain elderly or permanently and totally disabled persons.

(a) Exemption of taxation of real estate and mobile homes as defined herein below is hereby provided for qualified property owners who are not less than sixty-five (65) years of age or who are permanently and totally disabled and who are eligible therefore, pursuant to the provisions of 58.1-3210 of the Code of Virginia (1950), as amended.

(b) The exemption shall be administered by the city manager or his authorized delegates. Applications for real estate tax relief for the elderly or the permanently and totally disabled shall be filed with the commissioner of the revenue. Immediately upon approval of the application, it shall be forwarded to the department of finance for processing. The city manager is hereby authorized and empowered to prescribe, adopt and enforce rules and regulations, including the requirement of answers under oath, as would be reasonably necessary to determine qualifications for exemption.

(c) Exemptions shall be granted to persons subject to the following provisions:

(1) Effective July 1, 2012 ~~2002~~, the person claiming the exemption must on June thirtieth immediately preceding the taxable year, have held title to the property for which the exemption is claimed.

(2) The head of the household occupying the dwelling and owning title, or partial title thereto, is sixty-five (65) years or older or permanently and totally disabled on June thirtieth of the year immediately preceding the taxable year. Such dwelling must be occupied as the sole dwelling of the person or persons claiming exemptions.

(3) The gross combined income of the owner during the year immediately preceding the taxable year, from all sources, shall be determined by the commissioner of the revenue to be an amount not to exceed thirty-two thousand five hundred thirty thousand dollars (\$32,500.00) ~~(\$30,000.00)~~. Gross combined income shall include all income from all sources of the owner, spouse and of the owner's relatives living in the dwelling for which exemption is claimed except that the first four thousand dollars (\$4,000.00) of income of each relative, other than the spouse, of the owner, or owners, who is living in the dwelling, shall not be included in such total.

(4) The net combined financial worth of the owner as of June thirtieth of the year immediately preceding the taxable year shall be determined by the commissioner of the revenue to be an amount not to exceed sixty thousand dollars (\$60,000.00). Net combined financial worth shall include the value of all assets, including equitable interest, of the owner and spouse of any owner, excluding the fair market value of the dwelling and the land, not exceeding one (1) acre upon which it is situated and for which exemption is claimed, and excluding household furnishings, including furniture, household appliances and other items typically used in a home. The fair market value shall be determined by the city assessor.

(5) For the purposes of this section, the term "permanently and totally disabled" shall mean unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment or deformity which can be expected to result in death or can be expected to last for the duration of such person's life.

(6) Applicants who are both sixty-five (65) years or older and permanently and totally disabled shall be entitled to only one (1) exemption.

(7) For the purposes of this section, a mobile home means an industrialized building unit constructed on a chassis for towing to the point of use and designed to be used without a permanent foundation for continuous year-round occupancy as a dwelling; or two (2) or more such units separately towable, but designed to be joined together at the point of use to form a single dwelling, and which is designed for removal to and installation or erection on other sites.

(d) Annually, and not later than August first of the taxable year, the person or persons claiming such an exemption must file a real estate affidavit with the commissioner of the revenue; provided, however, that in the case of filing hardship, as defined by the director of finance, or first-time applicants, such applications may be filed by November fifteen of such year. Such applicants will qualify for benefits insofar as funds are then available for the tax relief program within the budget appropriation for this purpose. Such affidavit shall set forth, in a manner prescribed by the city manager, the location, assessed value of the property, and the names of the related persons occupying the dwelling for which exemption is claimed, their gross combined incomes and net financial worth. If such person is under sixty-five (65) years of age such form shall have attached thereto a certification by the Social Security Administration, the Veterans Administration, or the Railroad Retirement Board, or if such person is not eligible for certification by any of these agencies, a sworn affidavit by two (2) medical doctors licensed to practice medicine in the commonwealth to the effect that such person is permanently and totally disabled, as defined in subsection (c)(5). The affidavit of at least one of such doctors shall be based on a physical examination of such person by such doctor. The affidavit of one of such doctors may be based upon medical information contained in the records of the Civil Service Commission which is relevant to the standards for determining permanent and total disability as defined in subsection (c)(5).

If, after an audit and investigation, the commissioner of the revenue determines that the person or persons are qualified for exemption, he shall so certify the same, and immediately forward the application form to the department of finance. The director of finance shall determine the percentage of exemption allowable, which exemption shall be deducted from the applicant's real estate tax liability. Such exemption shall be applicable only to the tax year following application therefor. Any real estate tax liability reduced by virtue of an exemption pursuant to this section shall be paid as and when due as provided by Section 36-171 of this code. If any installment of taxes due on such property shall not be paid as and when due pursuant to said Section 36-171, said installment shall at once become due and collectible with ten (10) per cent penalty computed upon the amount of adjusted taxes so due and payable. Such exemption shall remain effective for all purposes other than the amount of penalty so imposed. Interest shall be collected, as provided by Section 36-171 of this code, on taxes not paid as and when due.

(e) Amount of exemption. The director of finance shall determine the tax exemption in accordance with a schedule to be approved by the city council.

(f) Changes in respect to income, financial worth, ownership of property or other factors occurring during the taxable year for which the affidavit mentioned in paragraph (d) of this section is filed and having the effect of exceeding or violating the limitations and/or conditions provided shall nullify any relief of the tax liability for the current taxable year and the tax year immediately following.

(g) Any person or persons falsely claiming an exemption shall be guilty of a misdemeanor and upon conviction thereof may be punished as provided in Section 36-1.

2. That this ordinance shall become effective upon its adoption.

Adopted:

Certified:

Clerk of Council

073L

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **May 22, 2012**

AGENDA ITEM NO.: 22 - 25

CONSENT: REGULAR: **X**

WORK SESSION:

CLOSED SESSION:
(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Adoption and Appropriation of FY 2013 Budget Resolutions A, C, K, L
SECOND READING**

RECOMMENDATION: Adopt and appropriate FY 2013 Budget resolutions A, C, K, L.

SUMMARY: Each of these budget resolutions were passed by a majority vote on May 8, 2012.

PRIOR ACTION(S): March 6, 13, 20, 27, April 3, 10, 17, 24, 2012 – City Council Work Sessions; April 3, 2012 – Public Hearing on the Proposed FY 2013 Budgets for City Government, Public Schools, Water, Sewer, Stormwater, Airport and Other Funds, and the FY 2013 - 2017 Capital Improvement Program; May 8, 2012: City Council Meeting

FISCAL IMPACT: As noted on attached resolutions A, C, K, L.

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, C, K, L

REVIEWED BY: bms

A. BE IT RESOLVED that by majority vote the FY 2013 General Fund Operating Budget (excluding External Service Provider and Component Unit 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, 2012 and ending June 30, 2013 and said funds be appropriated:

GENERAL FUND INCOME		GENERAL FUND EXPENDITURES	
Beginning Balance	\$20,199,396	General Government	\$12,079,900
<u>Non-Dedicated Revenues</u>		Judicial Administration	4,585,055
General Property Taxes	72,900,201	Public Safety	32,580,178
Other Local Taxes	45,384,230	Public Works	16,154,942
Permits, Privilege Fees and Licenses	448,700	Health and Welfare	16,923,380
Fines & Forfeitures	481,000	Parks, Recreation and Cultural	5,056,390
Use of Money & Property	514,966	Community Development	2,291,477
Charges for Services	3,645,394	Non-Departmental	6,325,113
Miscellaneous	266,200	Transfer to Other Funds	1,018,157
Revenue from the Commonwealth	6,048,584	Debt Service	7,758,980
Revenue from Lynchburg City Schools	29,284	Schools (Local Share Only) - Debt Service	6,898,677
<u>Dedicated Revenues</u>		Reserves	3,204,937
Revenue from Use of Money & Property		Transfer to Capital - City	4,291,759
Charges for Services	3,600,527	Transfer to Capital - Schools	975,000
Recreation Revenue	363,039	Ending Balance	16,078,848
Parking	379,600	Subtotal	\$136,222,793
Miscellaneous	1,849,448		
Revenue from the Commonwealth		External Service Providers ¹	\$9,315,465
Categorical Aid - State Shared Expenditures	2,931,739		
Categorical Aid	15,465,068	Component Units ¹	\$36,970,409
Revenue from the Federal Government	6,480,504		
Use of Reserves and Designated Fund Balance	1,520,787	Total	\$182,508,667
Total	\$182,508,667		

¹ To be considered separately

Introduced: May 8, 2012

Adopted:

Certified: _____
Clerk of Council

C. BE IT RESOLVED that by majority vote the FY 2013 Lynchburg Humane Society Budget of \$281,538 proposed by the City Manager be adopted as part of the operating budget of the City of Lynchburg for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated.

Introduced:

May 8, 2012

Adopted:

Certified: _____
Clerk of Council

- K. BE IT RESOLVED that by majority vote the FY 2013 School Operating Budget, including the revenues and expenditures proposed by the City Manager, be adopted for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated:

SCHOOL INCOME		SCHOOL EXPENDITURES	
Beginning Balance	\$0	Operations	\$81,361,194
State	43,511,592	Grant Funded Expenditures	11,435,121
Federal	461,000	Ending Balance	0
Grants	11,435,121	Total	<u>\$92,796,315</u>
Local – Operating	35,601,147		
Local – Debt Service	33,627		
Miscellaneous	1,753,828		
Total	<u>\$92,796,315</u>		

Introduced: May 8, 2012

Adopted:

Certified: _____
Clerk of Council

- L. BE IT RESOLVED that by majority vote the FY 2013 Greater Lynchburg Transit Company Budget including the revenues and expenditures proposed by the City Manager be adopted for the fiscal year beginning July 1, 2012 and ending June 30, 2013 and said funds be appropriated:

GREATER LYNCHBURG TRANSIT COMPANY INCOME		GREATER LYNCHBURG TRANSIT COMPANY EXPENDITURES	
Beginning Balance	\$0	Operations	\$7,016,113
Fares	980,922	Ending Balance	0
Contracts	240,826	Total	<u>\$7,016,113</u>
Federal	1,852,743		
State	1,267,900		
Local - Operating	1,369,262		
Partners	1,130,922		
Miscellaneous	173,538		
Total	<u>\$7,016,113</u>		

Introduced: May 8, 2012

Adopted:

Certified: _____
Clerk of Council