

// A regular meeting of the Council of the City of Lynchburg was held on the 18th day of April, 2017, at 4:00 P.M. in the Council Chamber, City Hall, Joan Foster, President, presiding. The following Members were present:

Present: Dolan, Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster

7

Absent:

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// Deputy City Manager Charles Hartgrove provided information on the Real Property Tax Rate. Mr. Hartgrove stated City Council asked for clarification about the causes of the relatively flat real property assessments that were recently completed. The City staff surveyed the Real Property Tax Rate from the Virginia First Cities and asked for the following information:

- Total taxable real property
- Total assessment increase
- Current real property tax rate
- City Manager FY2018 proposed tax rate

The comparison from the Virginia First Cities are as follows:

- Most Virginia First Cities have similar real estate growth rates to Lynchburg.
- Outside of one outlier, Charlottesville at 15.14%, the assessment rates range from 1.39% to 3.4%.
- No response from Staunton and Winchester.

Mr. Hartgrove went on to say that Lynchburg's proposed total assessment increase is 0.66% for FY 2018. This increase is in the middle or median of the other First Cities. Mr. Hartgrove explained the drivers that are causing our relatively flat real property reassessment.

// City Manager Bonnie Svrcek stated that responses from questions raised at previous Council work sessions have been provided and also the analysis contributions from the Lynchburg City Schools. Ms. Svrcek began with the FY 2018 Proposed Balanced General Fund Budget. There were several adjustments to Revenues and Expenditures that were explained as follows:

Preliminary Proposed FY 2018 Revenues: Staff Adjustments to Revenues:

- Reduce Personal Property Tax Revenue from (\$18,281,000 to \$18,100,000)
- Adjust Personal Property Tax Uncollectible (-\$548,430 to -\$543,000)
- Increase Lodging Tax Revenue from (\$2,910,000 to \$3,100,000)
- Reduce Meal Tax Revenue from (\$15,769,447 to \$15,500,000)
- Increase Region 2000 Service Authority Payment (\$300,000 to \$400,000)

A subtotal Staff Adjustment to Revenues is (\$155,017)

Preliminary Proposed FY 2018 Expenditures: Staff Adjustments to Expenditures:

- Delete request for Economic Development Coordinator position – (\$52,405)
- Restore full funding for Lynchburg Regional Business Alliance - \$25,000
- Non-department – Additional funding for Line of Duty - \$140,000

Subtotal Staff Adjustments to Expenditures - \$112,595 with a Preliminary GAP of (\$267,612) at the present time. Next discussed were the balancing of the items on the "List", which follows:

- Meals Tax Increase
- City Assessor's Office
- City Attorney's Office
- Human Resources – Occupational Health
- Non-Departmental
- Lynchburg City Schools
- Public Works – Refuse
- Public Works – Parks and Grounds Maintenance
- Parks and Recreation
- Community Development
- Economic Development – Tourism
- Communications and Marketing
- Non-Departmental – Lean/Six Sigma
- Non-Departmental – Poverty Initiative
- Greater Lynchburg Transit Company (GLTC)
- Lynchburg City Schools – School Buses
- Lynchburg City Schools – School Maintenance Projects

// City Manager Bonnie Svrcek began discussing the balancing of the FY 2018 Capital Improvement Program. Ms. Svrcek explained the projects that would be funded under the FY2018 City Capital Projects Funds and the projects that would be under Pay-As-You-Go Projects. City Manager Bonnie Svrcek stated that there were three items that need to be addressed at the next meeting on April 25, 2017.

- City Wide Compensation Study
- Reserves for the City Wide Compensation Implementation Study
- Contractual Services for a Department Strategic Plan

// During roll call Council Member Wilder mentioned a wonderful event downtown, the International Festival.

// Council Member Dolan thanked the Water Resources Department for providing outstanding service due to a water situation.

// Council Member Perrow mentioned that students visited the Water Plant and the Wastewater Treatment Plant and wanted to thank the Water Resources staff for taking the time to talk to the students.

// Vice Mayor Tweedy mentioned a great event she attended at the Point of Honor and wanted to thank Parks and Recreation and Public Works for putting on a wonderful event. She also got a chance to read to the children.

April 18, 2017

067

// Mayor Foster stated that on April 25, 2017 the work session would start at 3:00 p.m. and there will be no 7:30 p.m. meeting and she wished Valeria P. Chambers, Clerk of Council, a Happy Birthday.

// The meeting was adjourned at 6:10 P.M.

Clerk of Council