



The City of Lynchburg, Virginia

CITY HALL, LYNCHBURG, VIRGINIA 24505 • (434) 847-1443
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OFFICE OF THE MAYOR

July 1, 2007

Dear Citizens of Lynchburg,

City Council adopted the *FY 2008 Operating Budget*, *FY 2008 Capital Budget* and the *FY 2008-2012 Capital Improvement Program* on May 23, 2007. This action followed several months of deliberation and review of the proposed budget and Capital Improvement Program (CIP). City Council held seven work sessions and a public hearing on the proposed budget and CIP. A copy of the FY 2008 Budget Ordinance outlining the appropriations to various City funds is attached.

Adjustments to the *FY 2008 Proposed Operating Budget* are 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	\$152,399,439	(\$465,665)	\$151,933,774
Use of Fund Balance	4,842,435	160,000	\$5,002,435
Total Revenues and Use of Fund Balance	\$157,241,874	(\$305,665)	\$156,936,209
<u>Expenditures</u>			
Operations	\$100,349,899	(\$548,296)	\$99,801,603
Debt Service	12,467,615	479,601	\$12,947,216
Schools-Operations	33,113,730	(546,000)	\$32,567,730
Transfers to Other Funds	4,344,257	709,030	\$5,053,287
Reserves	2,223,938	(400,000)	\$1,823,938
Capital Improvements	4,742,435	0	\$4,742,435
Total Expenditures, Reserves, and Transfers	\$157,241,874	(\$305,665)	\$156,936,209

Details of these adjustments can be found in the City Council report that follows this letter.

Schools Operating Fund

The Schools Operating Fund has been amended by \$546,000 to reflect a reduction in local funding approved by City Council.

City/Federal/State Aid Fund

The City/Federal/State Aid Fund has been amended by \$869,030 to reflect a \$130,970 reduction in transfers from the General Fund for the Neighborhood Alliance Network and a \$1,000,000 increase for the Workforce Investment Act Program.

Water Operating Fund

The Water Operating Fund has been amended by \$330,000 reflecting increases in supplies and materials, contractual services, and training.

Sewer Operating Fund

The Sewer Operating Fund has been amended by \$286,532 reflecting a \$330,000 increase in supplies and materials, contractual services, and training and a \$43,468 reduction in Debt Service.

Water Capital Projects Fund

The Water Capital Projects Fund has been amended by \$300,000 reflecting increases in College Hill Water Filtration Plant Renovations.

Sewer Capital Projects Fund

The Sewer Capital Projects Fund has been amended by \$1,650,000 reflecting a \$250,000 increase in Annual Sewer Extensions and a \$1,900,000 decrease in Combined Sewer Overflow Projects.

Solid Waste Management Fund

The Solid Waste Management Fund has been amended by \$210,000 reflecting a \$1,050,000 decrease in Charges for Services and an \$840,000 increase in the transfer from the General Fund as a result of the elimination of the Common Goods fee.

I want to thank City Council and staff for their dedication to public service and their willingness to spend countless hours deliberating and making difficult choices during this rather challenging budget process. I am proud that Council has worked together to adopt a budget that will serve us well during this fiscal year.

Thank you.

Sincerely,



Joan F. Foster
Mayor

Attachment: City Council Report: Adoption and Appropriation of the FY 2008 Operating and Capital Budgets and Adoption of the FY 2008-2012 Capital Improvement Program.