



Long-term Debt

Total outstanding debt was \$262.2 million with \$143.7 million of business-type activities debt supported by the individual funds, resulting in net bonded debt for governmental activities of \$118.5 million. Capital leases of \$1.1 million for the regional radio system joint venture and \$5.7 million for the human services facility were included, while liabilities for compensated absences and workers' compensation of \$5.2 million and landfill closure liability of \$3.3 million were excluded.

**Long-term Debt Obligations
As of June 30, 2007/2006
(in millions)**

	Governmental Activities		Business-type Activities		Total Primary Government		Percentage Change 2007-2006
	2007	2006	2007	2006	2007	2006	
General Obligation Bonds	\$ 108.6	\$ 116.7	\$ 52.3	\$ 57.5	\$ 160.9	\$ 174.2	-8%
Revenue Bonds	-	-	74.9	70.5	74.9	70.5	6%
Literary Bonds	0.1	0.1	-	-	0.1	0.1	0%
General Obligation Notes	-	-	16.5	16.5	16.5	16.5	0%
Note Payable	3.0	3.2	-	-	3.0	3.2	-6%
Capital Lease	6.8	7.3	-	-	6.8	7.3	-7%
Total	\$ 118.5	\$ 127.3	\$ 143.7	\$ 144.5	\$ 262.2	\$ 271.8	-4%

Total new long-term debt of \$7 million issued for business-type activities from the Virginia Revolving Loan Program (VRL) was for CSO sewer capital projects.

The City retired \$16.6 million of outstanding principal as planned retirements, which included \$8.8 million for governmental activities and \$7.8 million for business-type activities.

The City's general obligation bonds continued to maintain an Aa3 rating from Moody's Investors Service, an AA rating from Standard and Poor's Rating Service, and an AA rating from Fitch Investors dated July 10, 2007 for the City's August 2, 2007 general obligation public improvement bonds Series 2007. Standard and Poor's utilized their Financial Management Assessment (FMA) model, which resulted in a "strong" ranking for the City's management practices, which is the highest ranking offered in this assessment. This "strong" ranking indicates that management practices, particularly related to fiscal and debt policies, are strong, well embedded, and likely sustainable. The City Council adopted Debt Management Policy was amended in December 2006 and limited tax-supported debt not to exceed 4.5% of net assessed valuation of taxable property in the City. As of the end of FY 2007, outstanding tax-supported debt was 2.45% of net assessed valuation. In addition, the City Council adopted Budget Policy was amended in December 2006. It established that pay-as-you-go funding, as a percentage of the City's Five Year Capital Improvement Program, shall not be less than 10%, and it set a goal of 15%.



Long-Term Liabilities

General Obligation Debt:

	Interest Rates (%)	Date Issued	Final Maturity	Original Issue	Primary Government			Total All Funds
					Public Improvements	School Facilities	Proprietary Funds	
Bond Anticipation Note								
Public Improvement								
Water & Sewer BAN	3.88	05/09/2006	2009	\$ 16,500,000	\$ -	\$ -	\$ 16,500,000	\$ 16,500,000
State Literary Fund Loans Payable								
Virginia Department of Treasury	4.00	07/01/1990	2011	372,412	-	68,412	-	68,412
Serial Bonds								
VPSA General Obligation	4.90-6.35	11/12/1992	2013	458,292	-	157,900	-	157,900
VA Resource Authority Loan	4.50	03/24/1994	2027	3,976,369	-	-	2,464,916	2,464,916
VPSA General Obligation	6.10-6.60	11/22/1994	2015	2,100,362	-	959,344	-	959,344
Public Improvement	4.60-5.40	04/01/1998	2015	33,855,000	3,223,325	2,899,725	4,541,950	10,665,000
Public Improvement	4.60-5.40	06/01/1999	2019	17,820,000	4,388,337	1,642,968	3,783,695	9,815,000
Public Improvement	5.30-5.60	07/01/2000	2010	14,405,000	699,126	286,074	634,800	1,620,000
Public Improvement	3.50-4.88	08/01/2001	2032	14,620,000	-	1,526,992	10,618,008	12,145,000
VPSA General Obligation	3.10-5.10	11/15/2001	2022	3,473,329	-	2,674,601	-	2,674,601
VPSA General Obligation	2.35-4.85	11/07/2002	2023	6,513,732	-	5,302,301	-	5,302,301
Public Improvement Refunding	2.00-5.00	02/01/2003	2014	23,670,000	3,233,009	383,018	6,468,973	10,085,000
Public Improvement	2.50-4.70	02/01/2003	2033	16,745,000	6,560,000	2,010,000	5,395,000	13,965,000
Public Improvement	3.00-5.00	06/01/2004	2034	28,160,000	9,110,000	8,835,000	7,120,000	25,065,000
Public Improvement Refunding	3.00-5.25	03/16/2005	2030	33,105,000	12,843,580	8,449,280	11,712,140	33,005,000
Taxable Refunding	3.90-4.86	03/16/2005	2014	3,810,000	-	3,760,000	-	3,760,000
VPSA General Obligation	4.60-5.10	11/10/2005	2026	6,411,957	-	6,138,853	-	6,138,853
Public Improvement	4.00-5.00	05/09/2006	2026	23,840,000	14,720,083	5,805,462	2,539,456	23,065,001
					<u>\$ 54,777,460</u>	<u>\$ 50,899,930</u>	<u>\$ 71,778,938</u>	<u>\$ 177,456,328</u>

Bonds issued between 1992 and 2007 are callable subject to a maximum premium of 2%.

Authorized and unissued general obligation public improvement bonds amounted to \$46,523,043 at June 30. This included \$16,800,000 as the authorization for the August 2, 2007 public improvement general obligation bond issuance.

The Constitution of Virginia, Article 7, Section 10(a) sets forth the City's legal debt limit at ten percent (10%) of its real estate assessed valuation for the City's issuance of any bonds or other interest-bearing obligations. As of June 30, the City's aggregate general obligation indebtedness was \$177,456,328 and less than the state limit. In December 2006, City Council amended the Debt Management Policy which limited tax-supported debt to four and a half percent (4.5%) of its assessed valuation of real estate subject to taxation. There are no overlapping tax jurisdictions.



Long-Term Liabilities

Revenue Debt:

	Interest Rates %	Date Issued	Final Maturity	Original Issue	Sewer Fund
Virginia Resources Authority:					
Public Utility Revenue Bonds	0.00%	03/28/1995	2027	\$ 6,571,207	\$ 3,476,798
Public Utility Revenue Bonds	0.00%	08/10/1995	2029	10,000,000	6,019,841
Public Utility Revenue Bonds	0.00%	06/27/1996	2029	8,000,000	4,659,947
Public Utility Revenue Bonds	3.00%	07/17/1997	2020	14,108,460	10,148,283
Public Utility Revenue Bonds	0.00%	07/17/1997	2030	7,591,540	5,105,947
Public Utility Revenue Bonds	0.00%	08/01/1998	2031	6,203,000	4,453,647
Public Utility Revenue Bonds	3.00%	06/02/1999	2020	2,476,763	1,778,132
Public Utility Revenue Bonds	0.00%	09/02/1999	2021	5,300,000	3,905,263
Public Utility Revenue Bonds	0.00%	03/15/2001	2032	735,000	563,684
Public Utility Revenue Bonds	3.50%	06/08/2001	2021	2,835,000	2,290,716
Public Utility Revenue Bonds	0.00%	11/06/2001	2034	1,413,613	1,191,388
Public Utility Revenue Bonds	0.00%	09/15/2003	2036	2,350,165	2,191,117
Public Utility Revenue Bonds	0.00%	05/20/2004	2038	6,000,000	5,900,000
Public Utility Revenue Bonds	0.00%	05/17/2005	2038	6,700,000	6,700,000
Public Utility Revenue Bonds	0.00%	06/28/2006	2039	9,600,000	9,600,000
Public Utility Revenue Bonds	0.00%	06/20/2007	2039	7,000,000	7,000,000
					<u>\$ 74,984,763</u>

The revenue bonds have been issued in accordance with the terms of an indenture agreement with the Virginia Resources Authority (VRA) of the Commonwealth of Virginia. The indenture agreement requires the City to pledge its Sewer Fund Revenues as collateral for the revenue bonds and to maintain debt coverage in the Sewer Fund equal to at least 1.15 of all debt service payments which exclude any refunded principal payments. As shown in the supplementary statistical table 21, the debt coverage ratio for the year ended June 30 was 1.57.



Long-Term Liabilities (Continued)

Primary Government:

The following is a summary of changes in long-term liabilities:

	Beginning Balance	Additions	Deletions	Ending Balance	Current Portion
Governmental Activities					
General obligation bonds	\$ 116,709,426	\$ -	\$ 8,116,440	\$ 108,592,986	\$ 7,782,532
Notes payable*	3,200,000	-	180,000	3,020,000	180,000
State literary fund loans	87,412	-	19,000	68,412	19,000
Adjust for deferred amounts:					
Issuance premiums	2,301,674	-	130,521	2,171,153	-
On refunding	(1,774,939)	-	(177,598)	(1,597,341)	-
Total bonds and notes	120,523,573	-	8,268,363	112,255,210	7,981,532
Workers' compensation	924,237	1,136,211	912,996	1,147,452	137,694
Compensated absences	3,451,825	2,686,374	2,579,992	3,558,207	426,986
Capitalized lease obligations	7,287,252	-	476,854	6,810,398	494,679
	<u>\$ 132,186,887</u>	<u>\$ 3,822,585</u>	<u>\$ 12,238,205</u>	<u>\$ 123,771,267</u>	<u>\$ 9,040,891</u>
Business-Type Activities					
Bond anticipation notes	\$ 16,500,000	\$ -	\$ -	\$ 16,500,000	\$ -
General obligation bonds	57,532,084	-	5,237,154	52,294,930	5,147,886
Public utility revenue bonds	70,542,685	7,000,000	2,557,922	74,984,763	2,909,118
Adjust for deferred amounts:					
Issuance discounts	(237,185)	-	(25,701)	(211,484)	-
Issuance premiums	995,562	-	77,503	918,059	-
On refunding	(1,245,435)	-	(155,995)	(1,089,440)	-
Total bonds and notes payable	144,087,711	7,000,000	7,690,883	143,396,828	8,057,004
Workers' compensation	83,950	76,325	83,102	77,173	8,999
Compensated absences	382,319	336,783	305,947	413,155	49,579
Landfill – open landfill	2,637,961	908,814	262,506	3,284,269	553,212
Landfill – closed landfill	153,900	-	153,900	-	-
	<u>\$ 147,345,841</u>	<u>\$ 8,321,922</u>	<u>\$ 8,496,338</u>	<u>\$ 147,171,425</u>	<u>\$ 8,668,794</u>

*A note receivable was obtained concurrent with the issuance of this note payable. Neither instrument provided or consumed current financial resources and therefore, are not reflected in the fund statements. The note receivable is included in other assets on Exhibit 1.



Long-Term Liabilities (Continued)

Debt Service to Maturity:

Year Ending June 30	Governmental Activities						Business-Type Activities	
	Governmental Obligation		Literary Fund Loans		Capital Lease Obligations		General Obligation Sewer Fund	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 7,782,532	\$ 4,908,843	\$ 19,000	\$ 2,736	\$ 494,679	\$ 247,597	\$ 2,312,792	\$ 1,313,175
2009	7,617,057	4,580,498	19,000	1,976	512,510	229,767	8,466,861	1,089,220
2010	7,714,680	4,268,753	19,000	1,216	530,986	211,290	1,961,560	885,197
2011	7,728,747	3,949,890	11,412	456	550,133	192,143	1,963,444	806,271
2012	7,274,268	3,636,576	-	-	436,756	172,277	1,619,696	735,031
2013-2017	32,575,806	13,208,349	-	-	1,697,274	666,101	6,750,434	2,718,084
2018-2022	22,355,474	6,459,410	-	-	2,050,590	312,786	3,843,292	1,548,344
2023-2027	13,353,093	2,078,005	-	-	537,470	14,686	2,897,924	940,412
2028-2032	2,051,330	235,120	-	-	-	-	2,303,085	365,762
2033-2036	139,999	7,700	-	-	-	-	280,000	19,040
2037-2041	-	-	-	-	-	-	-	-
Total	\$ 108,592,986	\$ 43,333,144	\$ 68,412	\$ 6,384	\$ 6,810,398	\$ 2,046,647	\$ 32,399,088	\$ 10,420,536

Year Ending June 30	Business-Type Activities							
	Water Fund		General Obligation Solid Waste Management		Airport Fund		Revenue Bonds Sewer Fund	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 1,683,800	\$ 1,272,301	\$ 876,266	\$ 196,823	\$ 275,028	\$ 101,724	\$ 2,909,118	\$ 430,895
2009	11,498,385	1,004,412	584,943	154,373	243,019	89,591	3,097,845	402,168
2010	1,494,805	747,507	577,012	127,160	247,966	79,226	3,520,797	372,550
2011	1,458,045	683,356	588,271	99,958	248,756	68,536	3,551,334	342,012
2012	1,200,623	627,186	335,180	77,351	184,379	59,099	3,582,820	310,527
2013-2017	5,225,338	2,350,041	1,215,772	173,978	761,479	181,673	18,421,676	1,045,057
2018-2022	2,771,949	1,337,700	133,980	25,691	279,626	72,170	15,914,269	187,096
2023-2027	1,981,475	825,232	39,295	11,621	177,540	21,562	11,091,054	-
2028-2032	1,914,925	348,528	27,985	2,551	-	-	6,907,727	-
2033-2036	370,000	25,230	-	-	-	-	4,164,790	-
2037-2041	-	-	-	-	-	-	1,823,333	-
Total	\$ 29,599,345	\$ 9,221,493	\$ 4,378,704	\$ 869,506	\$ 2,417,793	\$ 673,581	\$ 74,984,763	\$ 3,090,305

Notes Payable, Bank:

In July 2002, the City issued a general obligation note to SunTrust Bank and concurrently entered into a financing agreement with the Bank. The agreement provided for borrowings of up to \$15,000,000 to provide interim financing for qualifying capital improvements. Interest was equal to the tax-exempt note rate as defined in the agreement, plus 0.45%, up to a maximum of 4%, payable in arrears, on a monthly basis. All outstanding amounts were due at final maturity on August 30, 2007. There was no principal activity during FY 2007 and no amounts outstanding at June 30, 2007.

Bond Anticipation Notes:

On May 9, 2006, the City issued \$16,500,000 general obligation bond public improvement anticipation notes (BANS) maturing on July 15, 2008 for interim financing of water and sewer projects. The notes bear interest at the rate of 3.875% per annum. On September 4, 2007 these BANS were redeemed and permanently financed with general obligation public improvement bonds dated August 2, 2007.



Long-Term Liabilities (Continued)

August 2, 2007 General Obligation Bond Issue:

The City of Lynchburg issued \$33,300,000 of general obligation public improvement bonds Series 2007 dated August 2, 2007 from its competitive bond sale on July 19, 2007. They were issued to fund general government capital projects, fleet public safety equipment and issuance costs. They were allocated as follows: \$15,445,000 for general government, \$1,190,000 for fleet public safety equipment; and \$10,100,000 and \$6,565,000 respectively for water and sewer utilities. This permanently financed the \$10,000,000 of water and \$6,500,000 of sewer general obligation bond anticipation notes issued May 9, 2006 through the current refunding on September 4, 2007. Bonds funding general government projects and fleet equipment were financed for twenty (20) years while the water and sewer bonds were financed for thirty (30) years. The final maturity date is August 1, 2037 for the bond with interest rates ranging from 4.125% to 5.00%. Bonds maturing on August 1 in each of the years 2018 through 2027, on August 1, 2032 and August 1, 2037 are insured under a financial guaranty insurance policy issued by MBIA Insurance Corporation purchased by the underwriter.

Component Unit – Lynchburg City Schools:

The following is a summary of changes in other long-term liabilities:

	Beginning Balance	Additions	Deletions	Ending Balance	Current Portion
Compensated absences	\$ 631,397	\$ 652,397	\$ 591,410	\$ 692,384	\$ -
Capital lease obligations	2,068,280	1,000,000	867,874	2,200,406	696,986
	<u>\$ 2,699,677</u>	<u>\$ 1,652,397</u>	<u>\$ 1,459,284</u>	<u>\$ 2,892,790</u>	<u>\$ 696,986</u>

School Capital Leases:

Interest Rates	Date Issued	Final Maturity	Original Issue	Balance
3.08%	02/2005	02/2010	\$ 1,000,000	\$ 552,419
3.39	09/2005	09/2010	750,000	489,235
2.99	09/2004	09/2009	500,000	234,051
2.93	09/2002	09/2007	1,000,000	54,352
4.12	08/2006	08/2011	500,000	423,641
3.83	10/2006	10/2011	500,000	446,708
				\$ 2,200,406

Following is a summary of debt service to maturity:

Year Ending June 30	Capital Lease Obligations	
	Principal	Interest
2007	\$696,986	\$65,454
2008	664,840	42,985
2009	533,934	21,087
2010	240,840	7,244
2011	63,806	532
Total	<u>\$2,200,406</u>	<u>\$137,302</u>



Ratios of Outstanding Debt by Type
(dollars in thousands)

Fiscal Year	Governmental Activities					Business-type Activities				Total Primary Government
	General Obligation Bonds	Literary Bonds	General Obligation Notes	Note Payable	Capital Leases	General Obligation Bonds	General Obligation Notes	Public Utility Revenue Bonds	Capital Leases	
1999	\$ 43,525	\$ 458	\$ -	\$ -	\$ 2,961	\$ 59,308	\$ -	\$ 52,681	\$ 226	\$ 159,159
2000	39,866	400	3,345	-	2,783	54,707	-	56,266	77	157,444
2001	42,519	341	3,345	-	2,595	55,521	-	57,500	-	161,821
2002	71,901	283	9,290	-	2,397	63,499	-	56,096	-	203,466
2003	85,006	225	610	-	2,187	64,141	-	52,973	-	205,142
2004	100,251	166	7,500	3,200	8,396	66,896	-	59,152	-	245,561
2005	93,990	127	7,500	3,200	7,747	61,935	-	63,526	-	238,025
2006	116,709	87	-	3,200	7,287	57,532	16,500	70,543	-	271,858
2007	108,593	68	-	3,020	6,810	52,295	16,500	74,985	-	262,271

Ratios of Net General Bonded Debt Outstanding
(dollars in thousands, except per capita)

Fiscal Year	Population ¹	Assessed Valuation (in thousands)	Gross Bonded Debt ²	Debt Payable From Enterprise Revenues ²	Net Bonded Debt	Net Bonded Debt To Assessed Value	Net Bonded Debt Per Capita
1999	66,200	\$ 3,013,246	\$ 133,714	\$ 59,337	\$ 74,377	2.47%	\$ 1,124
2000	65,269	3,166,143	126,725	54,707	72,018	2.27%	1,103
2001	65,400	3,250,445	134,592	55,521	79,071	2.43%	1,209
2002	65,800	3,466,111	144,973	63,499	81,474	2.35%	1,238
2003	66,400	3,604,279	149,981	64,140	85,841	2.38%	1,293
2004	67,100	3,915,725	174,813	66,896	107,917	2.76%	1,608
2005	67,756	3,954,923	163,552	61,935	101,617	2.57%	1,500
2006	68,758	4,357,188	190,829	74,032	116,797	2.68%	1,699
2007	68,758	4,437,416	177,456	68,795	108,661	2.45%	1,580

¹ Data from the Weldon Cooper Center for Public Service, University of Virginia, Charlottesville, Virginia, for 1996-1999, and 2001-2006 Provisional Estimates; and United States Bureau of the Census 2000. The 2007 population is an estimate based on 2006.

² Excludes City of Lynchburg Public Utility Revenue Bonds.



Legal Debt Margin Information
(dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2007

Real Property Assessed Value	\$ 3,682,350
Public Service Corporations Real Property Assessed Value	<u>163,455</u>
Total Real Property Assessed Value (1)	<u>3,845,805</u>
Debt limit (10% of assessed value)	384,581
Debt applicable to limit:	
Less: General Obligation Debt	(177,456)
Legal Debt Margin	<u><u>\$ 207,125</u></u>

<u>Description</u>	Fiscal Years				
	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Debt limit	\$ 242,460	\$ 247,466	\$ 259,682	\$ 264,398	\$ 290,687
Total net debt applicable to limit	<u>127,400</u>	<u>133,714</u>	<u>131,167</u>	<u>140,452</u>	<u>143,183</u>
Legal debt margin	<u>\$ 108,039</u>	<u>\$ 113,752</u>	<u>\$ 128,515</u>	<u>\$ 123,946</u>	<u>\$ 147,504</u>
Total net debt applicable to the limit as a percentage of the debt limit	51.69%	54.03%	50.51%	53.12%	49.26%
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Debt limit	\$ 301,016	\$ 330,240	\$ 338,155	\$ 372,512	\$ 384,581
Total net debt applicable to limit	<u>149,371</u>	<u>167,313</u>	<u>156,052</u>	<u>190,828</u>	<u>177,456</u>
Legal debt margin	<u>\$ 151,645</u>	<u>\$ 162,927</u>	<u>\$ 182,103</u>	<u>\$ 181,684</u>	<u>\$ 207,125</u>
Total net debt applicable to the limit as a percentage of the debt limit	49.62%	50.66%	46.15%	51.23%	46.14%

Note: The Constitution of Virginia, Article 7, Section 10(a) sets forth the City's legal debt limit at ten percent (10%) of its assessed valuation of real estate subject to taxation for the City's issuance of any bonds or other interest-bearing obligations. In August 1999, City Council adopted a Debt Management Policy that limits tax-supported debt to five percent (5%) of its assessed valuation of real estate subject to taxation. In December 2006, City Council amended the Debt Management Policy that limits tax-supported debt to four and a half percent (4.5%) of its assessed valuation of real estate subject to taxation.



Debt Service

	2009 Debt Per 6/30/07 ⁽¹⁾ Debt Book	2008 ⁽²⁾ Bond Issue	2009 Bond Issue ⁽³⁾ and/or Line of Credit	Less: Savings from ⁽⁴⁾ Refunding	2009 Budget
General Fund					
1001-7450					
Principal	\$3,646,054	\$817,048	\$0	(\$146,879)	\$4,316,223
Interest	2,070,557	654,782		(37,926)	2,687,413
Regional Radio Lease Principal	242,357				242,357
Regional Radio Lease Interest	27,244				27,244
Human Service Lease Principal	270,153				270,153
Human Service Lease Interest	202,522				202,522
Debt Service Charges	3,000				3,000
Total	\$6,461,887	\$1,471,830	\$0	(\$184,805)	\$7,748,912

	2009 Debt Per 6/30/07 ⁽¹⁾ Debt Book	2008 ⁽²⁾ Bond Issue	2009 Bond Issue ⁽³⁾ and/or Line of Credit	Less: Savings from ⁽⁴⁾ Refunding	2009 Budget
Detention Home Fund					
2022-7450					
Principal	\$176,944	\$0	\$0	(\$32,010)	\$144,934
Interest	79,790			(9,973)	69,817
Debt Service Charges	0				0
Total	\$256,734	\$0	\$0	(\$41,983)	\$214,751

	2009 Debt Per 6/30/07 ⁽¹⁾ Debt Book	2008 ⁽²⁾ Bond Issue	2009 Bond Issue ⁽³⁾ and/or Line of Credit	Less: Savings from ⁽⁴⁾ Refunding	2009 Budget
Airport Fund					
4030-7450					
Principal	\$243,019	\$0	\$0	(\$8,088)	\$234,931
Interest	89,591			(2,373)	87,218
Debt Service Charges	5,000				5,000
Total	\$337,610	\$0	\$0	(\$10,461)	\$327,149

	2009 Debt Per 6/30/07 ⁽¹⁾ Debt Book	2008 ⁽²⁾ Bond Issue	2009 Bond Issue ⁽³⁾ and/or Line of Credit	Less: Savings from ⁽⁴⁾ Refunding	2009 Budget
Water Fund					
4015-7450					
Principal	\$1,498,384	\$0	\$0	(\$89,602)	\$1,408,782
Interest	810,650	454,369		(23,457)	1,241,562
Debt Service Charges	26,862				26,862
Total	\$2,335,896	\$454,369	\$0	(\$113,059)	\$2,677,206



Debt Service (continued)

	2009 Debt Per 6/30/07 ⁽¹⁾ <u>Debt Book</u>	2008 ⁽²⁾ <u>Bond Issue</u>	2009 Bond Issue ⁽³⁾ <u>and/or Line of Credit</u>	Less: Savings from ⁽⁴⁾ <u>Refunding</u>	2009 Budget
Sewer Fund 4020-7450					
G.O. Principal	\$1,966,861	\$0	\$0	(\$156,829)	\$1,810,032
G.O. Interest	963,295	295,381		(40,354)	1,218,322
Rev. Principal	3,097,845				3,097,845
Rev. Interest	402,168				402,168
Debt Service Charges	43,639				43,639
Total	<u>\$6,473,808</u>	<u>\$295,381</u>	<u>\$0</u>	<u>(\$197,183)</u>	<u>\$6,572,006</u>

	2009 Debt Per 6/30/07 ⁽¹⁾ <u>Debt Book</u>	2008 ⁽²⁾ <u>Bond Issue</u>	2009 Bond Issue ⁽³⁾ <u>and/or Line of Credit</u>	Less: Savings from ⁽⁴⁾ <u>Refunding</u>	2009 Budget
Stadium Fund 2026-7450					
Principal	\$104,595	\$0	\$0	\$0	\$104,595
Interest	117,657				117,657
Total	<u>\$222,252</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$222,252</u>

	2009 Debt Per 6/30/07 ⁽¹⁾ <u>Debt Book</u>	2008 ⁽²⁾ <u>Bond Issue</u>	2009 Bond Issue ⁽³⁾ <u>and/or Line of Credit</u>	Less: Savings from ⁽⁴⁾ <u>Refunding</u>	2009 Budget
Fleet Services Fund 5003-7450					
Principal	\$184,056	\$62,952	\$0	\$0	\$247,008
Interest	122,655	50,449			173,104
Debt Service Charges	(2,361)				(2,361)
Total	<u>\$304,350</u>	<u>\$113,401</u>	<u>\$0</u>	<u>\$0</u>	<u>\$417,751</u>



Debt Service (continued)

FY 2009 City's General Fund Appropriation for Schools Debt Service						
	2009 Debt Per 6/30/07 ⁽¹⁾	2008 ⁽²⁾	2009 Bond Issue ⁽³⁾	2009 VPSA	Less: Savings from ⁽⁴⁾	2009
	<u>Debt Book</u>	<u>Bond Issue</u>	<u>and/or Line of Credit</u>	<u>Bond Issue</u>	<u>2008 Refunding</u>	<u>Budget</u>
1001-7450						
Principal	\$3,524,408	\$0	\$200,000	\$0	(200,148)	\$3,524,260
Interest	<u>2,191,814</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(46,428)</u>	<u>2,145,386</u>
Total School Debt Service	<u>\$5,716,222</u>	<u>\$0</u>	<u>\$200,000</u>	<u>\$0</u>	<u>(\$246,576)</u>	<u>\$5,669,646</u>
Plus:						
Debt Service Charges	<u>3,000</u>					<u>3,000</u>
Local City Share for School Debt Service	<u>\$5,719,222</u>	<u>\$0</u>	<u>\$200,000</u>	<u>\$0</u>	<u>(\$246,576)</u>	<u>\$5,672,646</u>

- (1) Information for FY 2009 existing debt service (cash basis) per the City's Debt Book as of 6/30/07 .
- (2) This is new debt service for a FY 2008 - August 2, 2007, \$33.3 million GO bond issue which included redemption of May 9, 2006 \$16.5 million Water & Sewer Funds' BANS.
- (3) As of 4/25/08, a FY 2009 bond issue is anticipated, but would not result in debt service in FY 2009. A Line of Credit was established in March FY 2008.
- (4) The City refunded the 1998B Bonds on March 19, 2008 and issued Series 2008 Refunding Bonds, resulting in debt service savings reflected above.

NOTE: This schedule excludes debt service for the Solid Waste Fund as plans for the Regional Solid Waste Authority include the City's realignment of this existing debt during FY 2009.



HISTORICAL QUOTE:

“Be it enacted by the General Assembly...that the mayor, recorder, aldermen and common councilmen...are hereby made a body corporate and politic, by the name of the Mayor and Commonality of the town of Lynchburg...[they] shall have power to erect work houses, houses of correction, prisons and other public buildings....And be it further enacted, that all half acre lots of land, as the same were laid off adjoining the said town, by John Lynch, shall, so soon as a connected plan of the said lots be duly admitted to record in the court of Campbell county, be added to, incorporated with, and considered as a part of, the said town.”

*An Act for incorporating the town of Lynchburg, and enlarging the same.
January 10, 1805*

-- S. Allen Chambers, Lynchburg An Architectural History, University Press of Virginia, 1982.

