



The City of Lynchburg, Virginia

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OFFICE OF THE MAYOR

July 1, 2009

Dear Citizens of Lynchburg:

City Council adopted the *FY 2010 Operating and Capital Budget* for all funds on May 26, 2009. This action followed several months of deliberation and review of the proposed budget and Capital Improvement Program (CIP). City Council held six work sessions and a public hearing on the proposed budget and CIP. A copy of the FY 2010 Budget Resolution outlining the appropriations to various City funds can be found behind the Budget Resolution tab in this document.

Adjustments to the *FY 2010 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	\$150,712,304	\$143,192	\$150,855,496
Use of Fund Balance	3,489,490	0	\$3,489,490
Total Revenues and Use of Fund Balance	\$154,201,794	\$143,192	\$154,344,986
 <u>Expenditures</u>			
Operations	\$101,040,968	\$143,192	\$101,184,160
Debt Service	15,237,900	0	\$15,237,900
Schools-Operations	32,442,103	0	\$32,442,103
Greater Lynchburg Transit Company	1,128,884	0	\$1,128,884
Transfers to Other Funds	1,311,322	0	\$1,311,322
Reserves	220,000	0	\$220,000
Capital Improvements	2,820,617	0	\$2,820,617
Total Expenditures, Reserves, and Transfers	\$154,201,794	\$143,192	\$154,344,986

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

It should be noted that City Council amended the *FY 2010 Adopted Operating Budget* on June 24, 2009. The amendment was to adjust revenues and restore the 3% salary cut for all City employees. A copy of the City Council report explaining this amendment is located behind the Council Agenda tab.

With the adjustments noted above, the General Fund undesignated fund balance as of June 30, 2010 is projected to be \$15,093,589, or 10.0% of revenues. Council's target for undesignated fund balance is 10.0% of revenues.

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,

A handwritten signature in black ink, reading "Joan F. Foster". The signature is written in a cursive style with a large, prominent initial "J".

Joan F. Foster
Mayor