

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **May 12, 2009**

AGENDA ITEM NO.:

CONSENT:

REGULAR: **X**

CLOSED SESSION:
(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: 1) Adoption and Appropriation of the FY 2010 Operating Budget 2) Adopt a Resolution Authorizing the City Manager to Award Monetary Incentives, Awards, and Bonuses to Employees for Exceptional Services; 3) Adopt the personal property tax relief rate.

RECOMMENDATION:

Adopt and appropriate the FY 2010 Operating 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:

Following the March 31, 2009 Public Hearing for the FY 2010 Budget, Council incorporated several adjustments to the Proposed FY 2010 Budget including: adjustments to revenues and reserves. Adjustments to proposed expenditures included: a reduction in City Council pay, an increase in Communications and Marketing to publish "The Source" in two newspapers, restoration of two school crossing guard positions, restoration of funding for the downtown branch library, as well as other adjustments detailed in Attachment A.

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.

The FY 2010 Proposed Operating Budget has been amended 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 Attachment A.

Fund Balance

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.

PRIOR ACTION(S):

March 10, 17, 24, April 7, 14, 28, 2009 – City Council Work Sessions

March 31, 2009 – Public Hearing on the Proposed FY 2010 Budgets for City Government, Public Schools, Water, Sewer, Airport and Other Funds, and the FY 2010 - 2014 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: General Fund Expenditure Adjustments, and

Resolutions to 1) adopt and appropriate the FY 2010 Operating Budget; 2) approve 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:

ATTACHMENT A

BALANCING THE FY 2010 GENERAL FUND BUDGET continued

Revenues and Use of Fund Balance

<i>Proposed Revenues (from the FY 2010 Proposed Operating Budget)</i>	\$150,712,304
Use of Fund Balance	3,489,490
Total Proposed Revenues and Use of Fund Balance	\$154,201,794
<i>Adjustments: Revenue Summary (discussed at the 4/14/09 Work Session)</i>	
<i>Dedicated Revenue Adjustments</i>	
Compensation Board	(\$41,751)
Pay for Parking Manager with Remaining CIP Funds	102,241
Highway Maintenance	63,365
Local Law Enforcement Funding (House Bill 599)	112,934
<i>Non-Dedicated Revenue Adjustment</i>	
Increase Tax Relief for Elderly and Disabled	(31,100)
<i>Adjustments: Revenue Summary (discussed at the 4/28/09 Work Session)</i>	
<i>Non-Dedicated Revenue Adjustment</i>	
Increase Tax Relief for Elderly and Disabled	(\$62,497)
Revised Revenues and Use of Fund Balance	\$154,344,986

Expenditures, Reserves and Transfers

Proposed Expenditures, Reserves and Transfers (from the FY 2010 Proposed Operating Budget)	\$154,201,794
<i>Adjustments: Expenditures, Reserves, and Transfers (discussed at the 4/14/09 Work Session)</i>	
Compensation Board	(\$23,846)
Amazement Square Skate Park Real Estate Tax Reimbursement	5,013
Miscellaneous Non-departmental	19,050
Reduce City Council Pay	(14,000)
Restore School Crossing Guard Positions	25,518
Restore Funding for Downtown Branch Library	104,656
<i>Adjustments: Expenditures, Reserves, and Transfers (discussed at the 4/28/09 Work Session)</i>	
Restore Dues for National League of Cities	5,401
Restore Mayor's Youth Council Breakfast	600
Restore Publishing "The Source" in Two Newspapers	20,800
Revised Expenditures	\$154,344,986

