Public Library – Law Library. The Public Law Library is a service provided by the Lynchburg Public Library, with funding from a fee assessed as part of the costs of each civil action filed in the circuit court and the general district court of the city. The collection of legal reference materials and online subscriptions are used by attorneys, students and citizens.

	Actual FY 2025	Adopted FY 2026	Department Submitted FY 2027	Manager's Proposed FY 2027	Adopted FY 2027
BUDGET SUMMARY					
EXPENDITURES					
Operating					
Other Charges	$11,029	$11,512	$12,100	$12,100	$12,100
Subtotal Operating	***$11,029***	***$11,512***	***$12,100***	***$12,100***	***$12,100***
TOTAL EXPENDITURES	**$11,029**	**$11,512**	**$12,100**	**$12,100**	**$12,100**
DEDICATED REVENUES					
Law Library Fees	$21,762	$15,000	$15,000	$15,000	$15,000
Assigned Fund Balance Reserve	(10,733)	(3,488)	(2,900)	(2,900)	(2,900)
TOTAL DEDICATED REVENUES	**$11,029**	**$11,512**	**$12,100**	**$12,100**	**$12,100**
TOTAL CITY COST	**$0**	**$0**	**$0**	**$0**	**$0**

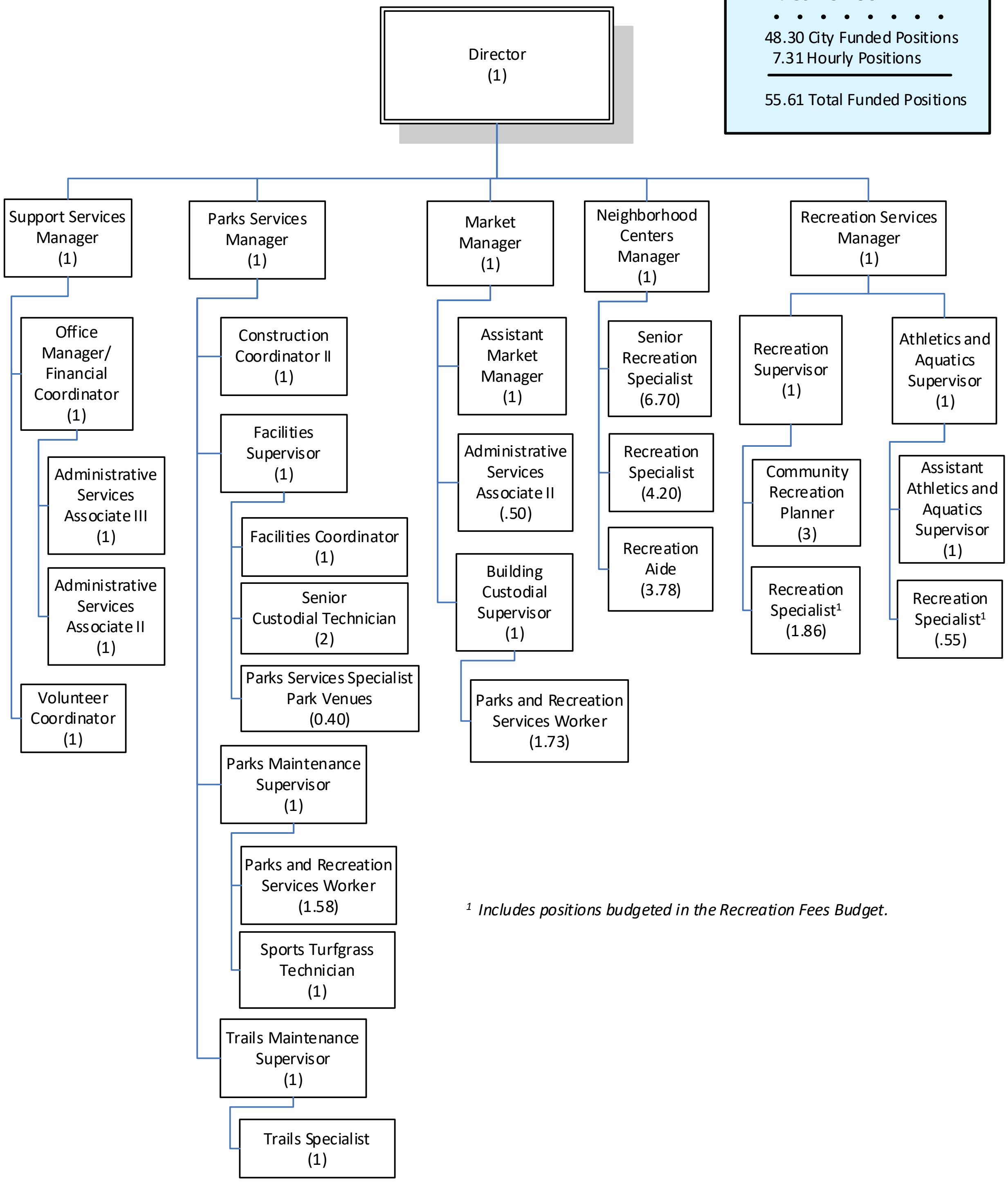
Parks and Recreation

(includes Recreation Services and Community Market)

Position Summary

48.30 City Funded Positions
7.31 Hourly Positions

55.61 Total Funded Positions



[1] *Includes positions budgeted in the Recreation Fees Budget.*

Parks and Recreation, Recreation Services, and Community Market

	Actual FY 2025	Adopted FY 2026	Department Submitted FY 2027	Manager's Proposed FY 2027	Adopted FY 2027
POSITION SUMMARY					
City Funded Full-Time	35.84	34.00	34.00	34.00	34.00
City Funded Part-Time	13.93	14.49	14.30	14.30	14.30
City Funded Hourly	8.96	8.46	7.31	7.31	7.31
TOTAL FTE	**58.73**	**56.95**	**55.61**	**55.61**	**55.61**
BUDGET SUMMARY					
EXPENDITURES					
Personnel Services					
Salaries	$2,772,188	$2,657,480	$2,641,992	$2,641,992	$2,641,992
Employee Benefits	963,701	895,349	960,769	960,769	960,769
Subtotal Personnel Services	***$3,735,889***	***$3,552,829***	***$3,602,761***	***$3,602,761***	***$3,602,761***
Operating					
Contractual Services	$218,299	$200,117	$197,580	$197,580	$197,580
Internal Service Charges	59,258	82,945	77,085	77,085	77,085
Other Charges	784,354	646,918	640,903	640,903	640,903
Rentals and Leases	35,027	36,580	36,786	36,786	36,786
Capital Outlay	50,088	0	0	0	0
Subtotal Operating	***$1,147,026***	***$966,560***	***$952,354***	***$952,354***	***$952,354***
TOTAL DEPARTMENT EXPENDITURES	**$4,882,915**	**$4,519,389**	**$4,555,115**	**$4,555,115**	**$4,555,115**
DEDICATED REVENUES					
Swimming Pool Fees	$40,968	$40,000	$10,000	$10,000	$10,000
Mobile Vendor License Fees	2,400	1,500	1,500	1,500	1,500
Recreation Services Fees	522,920	541,000	387,500	387,500	387,500
Recreation Scholarship Fees	3,199	15,500	8,500	8,500	8,500
State Categorical Aid: SNAP Program Reimbursements	38,746	37,000	37,000	37,000	37,000
Federal Direct/Categorical Aid: FINI Double-Dollars	42,139	30,000	41,000	41,000	41,000
Recreation Services Use of (Addition to) Reserve	3,818	(75,417)	(102,525)	(102,525)	(102,525)
Hillcats - Donation Youth Athletic Programs	10,000	0	0	0	0
Donations to Recreation Programs	22,550	0	0	0	0
Parks and Recreation Special Events Sponsorship	3,666	7,000	5,000	5,000	5,000
P&R Special Events- GF Support Revenue	0	10,000	10,000	10,000	10,000
Property Rental Parks and Recreation Facilities	28,164	0	164,500	164,500	164,500
Property Rental Stadium	26,112	25,000	25,000	25,000	25,000
Property Rental Market	97,179	110,000	110,000	110,000	110,000
Property Rental Market - Penalty and Interest	2,850	1,600	1,600	1,600	1,600
TOTAL DEDICATED REVENUES	**$844,711**	**$743,183**	**$699,075**	**$699,075**	**$699,075**
TOTAL CITY COST	**$4,038,204**	**$3,776,206**	**$3,856,040**	**$3,856,040**	**$3,856,040**

Parks and Recreation, Recreation Services, and Community Market Budget Description

The Department Submitted FY 2027 Parks and Recreation budget of $4,555,115 represents an 0.8% increase of $35,726 compared to the Adopted FY 2026 budget of $4,519,389.

Highlights of the Department Submitted FY 2027 budget include:

- $49,932 increase in Salaries and Employee Benefits reflecting adjustments resulting from the 2.5% cost of living adjustment adopted by City Council for FY 2026 as well as the increase for the employer's share for health insurance.
- $2,537 decrease in Contractual Services reflecting the reduction in needed software maintenance services due to the department's network analyst position being consolidated to the IT Department and the City's maintenance contract for the video/scoreboard and audio systems at the football stadium reaching their end-of-life.
- $5,860 decrease in Internal Service Charges reflecting Fleet Services operating estimates.
- $6,015 decrease in Other Charges reflecting reduced need of program supplies and services due to the elimination of Naturalist fee-based programming and a reduction in funding for pool chemicals because the Miller Park Pool will be closed for construction during most of the fiscal year.

All major items submitted were proposed by the City Manager for funding.

The Manager's Proposed FY 2027 Parks and Recreation budget was adopted by City Council without change.

Parks and Recreation. Develops, administers and manages parks, trails, recreation programs, and the Community Market. The Department is organized into five areas – Recreation Services, Park Services, Neighborhood Centers, Lynchburg Community Market and Support Services. Recreation Services provides an array of organized programs including community recreation classes, youth and adult athletics, senior adult activities, naturalist programs, aquatics, volunteer opportunities and internal events. The Neighborhood Centers provide programs for youth and families in a neighborhood center setting that includes afterschool care, preschool programs and senior programming. Recreation Services, Neighborhood Centers and Park Services work in partnership with numerous community organizations to provide additional services to the public. Park Services manages the parklands, trail system, and recreational facilities. Park Services conducts park planning and develops and implements the Capital Improvement Program. In addition, Park Services manages the rental and use of City Stadium, community centers, the Aviary, City Armory, Fort Early, general park use, and special-events permitting. Park maintenance is coordinated with Public Works. Support Services provides support for all other service areas and the Director's office, operates the Customer Service Desk, develops and administers budgets, processes all financial and personnel transactions, maintains departmental files and records, processes facility use permits, and is responsible for departmental marketing.

	Actual FY 2025	Adopted FY 2026	Department Submitted FY 2027	Manager's Proposed FY 2027	Adopted FY 2027
POSITION SUMMARY					
City Funded Full-Time	31.84	30.00	30.00	30.00	30.00
City Funded Part-Time	11.51	11.43	11.24	11.24	11.24
City Funded Hourly	4.42	5.26	4.38	4.38	4.38
TOTAL FTE	**47.77**	**46.69**	**45.62**	**45.62**	**45.62**
BUDGET SUMMARY					
EXPENDITURES					
Personnel Services					
Salaries	$2,337,282	$2,233,779	$2,222,164	$2,222,164	$2,222,164
Employee Benefits	854,267	785,345	835,970	835,970	835,970
Subtotal Personnel Services	***$3,191,549***	***$3,019,124***	***$3,058,134***	***$3,058,134***	***$3,058,134***
Operating					
Contractual Services	$69,911	$79,702	$77,165	$77,165	$77,165
Internal Service Charges	57,913	78,192	75,204	75,204	75,204
Other Charges	310,899	227,437	225,022	225,022	225,022
Rentals and Leases	32,349	34,830	35,051	35,051	35,051
Capital Outlay	46,563	0	0	0	0
Subtotal Operating	***$517,635***	***$420,161***	***$412,442***	***$412,442***	***$412,442***
TOTAL EXPENDITURES	**$3,709,184**	**$3,439,285**	**$3,470,576**	**$3,470,576**	**$3,470,576**
DEDICATED REVENUES					
Swimming Pool Fees	$40,968	$40,000	$10,000	$10,000	$10,000
TOTAL DEDICATED REVENUES	**$40,968**	**$40,000**	**$10,000**	**$10,000**	**$10,000**
TOTAL CITY COST	**$3,668,216**	**$3,399,285**	**$3,460,576**	**$3,460,576**	**$3,460,576**

Parks and Recreation – Recreation Services. Supports a wide range of recreational activities, including adult and youth athletics, aquatics classes, camps, naturalist programs, rentals of centers, rentals of Miller Park Pool, shelters, athletic fields, special events management, Heritage Crafters Co-op, and general classes. The majority of the programs serve special interest groups or individuals pursuing individual interests.

	Actual FY 2025	Adopted FY 2026	Department Submitted FY 2027	Manager's Proposed FY 2027	Adopted FY 2027
POSITION SUMMARY					
City Funded Part-Time	1.21	1.83	1.83	1.83	1.83
City Funded Hourly	4.54	3.20	2.93	2.93	2.93
TOTAL FTE	**5.75**	**5.03**	**4.76**	**4.76**	**4.76**
BUDGET SUMMARY					
EXPENDITURES					
Personnel Services					
Salaries	$203,321	$188,500	$178,739	178,739	$178,739
Employee Benefits	15,509	14,422	13,675	13,675	13,675
Subtotal Personnel Services	***$218,830***	***$202,922***	***$192,414***	***$192,414***	***$192,414***
Operating					
Contractual Services	$117,420	$94,140	$94,140	$94,140	$94,140
Other Charges	362,976	294,521	290,921	290,921	290,921
Rentals and Leases	963	0	0	0	0
Capital Outlay	3,525	0	0	0	0
Subtotal Operating	***$484,884***	***$388,661***	***$385,061***	***$385,061***	***$385,061***
TOTAL EXPENDITURES	**$703,714**	**$591,583**	**$577,475**	**$577,475**	**$577,475**
DEDICATED REVENUES					
Recreation Services Fees	$522,920	$541,000	$387,500	$387,500	$387,500
Mobile Vendor License Fees	2,400	1,500	1,500	1,500	1,500
Recreation Scholarship Fees	3,199	15,500	8,500	8,500	8,500
State Categorical Aid: SNAP Program Reimbursements	38,746	37,000	37,000	37,000	37,000
Federal Direct/Categorical Aid: FINI Double-Dollars	42,139	30,000	41,000	41,000	41,000
Recreation Services Use of (Addition to) Reserve	3,818	(75,417)	(102,525)	(102,525)	(102,525)
Parks and Recreation Special Events Sponsorship	3,666	7,000	5,000	5,000	5,000
Hillcats - Donation Youth Athletic Programs	10,000	0	0	0	0
Donations to Recreation Programs	22,550	0	0	0	0
P&R Special Events- GF Support Revenue	0	10,000	10,000	10,000	10,000
Property Rental Parks and Recreation Facilities	28,164	0	164,500	164,500	164,500
Property Rental Stadium	26,112	25,000	25,000	25,000	25,000
TOTAL DEDICATED REVENUES	**$703,714**	**$591,583**	**$577,475**	**$577,475**	**$577,475**
TOTAL CITY COST	**$0**	**$0**	**$0**	**$0**	**$0**

Parks and Recreation – Community Market. The Community Market is a focal point of downtown activity. The Community Market, a 22,000 square-foot retail facility, provides retail space for local farmers and craft vendors, permanent restaurants and other shops. The Community Market staff also provides support services to third-party organizations interested in hosting special events and activities in the downtown area. Included with the Community Market is the City Armory, a 23,000 square-foot gymnasium-style facility, utilized throughout the year by the Central Virginia Criminal Justice Academy and also hosts numerous City and private events, including parties, community special events, and various athletic events. The Community Market budget supports the staff and services required for continued operation of both facilities including custodial services, minor facility maintenance, and administrative services.

	Actual FY 2025	Adopted FY 2026	Department Submitted FY 2027	Manager's Proposed FY 2027	Adopted FY 2027
POSITION SUMMARY					
City Funded Full-Time	4.00	4.00	4.00	4.00	4.00
City Funded Part-Time	1.21	1.23	1.23	1.23	1.23
TOTAL FTE	**5.21**	**5.23**	**5.23**	**5.23**	**5.23**
BUDGET SUMMARY					
EXPENDITURES					
Personnel Services					
Salaries	$231,585	$235,201	$241,089	$241,089	$241,089
Employee Benefits	93,925	95,582	111,124	111,124	111,124
Subtotal Personnel Services	***$325,510***	***$330,783***	***$352,213***	***$352,213***	***$352,213***
Operating					
Contractual Services	$30,968	$26,275	$26,275	$26,275	$26,275
Internal Service Charges	1,345	4,753	1,881	1,881	1,881
Other Charges	110,479	124,960	124,960	124,960	124,960
Rentals and Leases	1,715	1,750	1,735	1,735	1,735
Subtotal Operating	***$144,507***	***$157,738***	***$154,851***	***$154,851***	***$154,851***
TOTAL EXPENDITURES	**$470,017**	**$488,521**	**$507,064**	**$507,064**	**$507,064**
DEDICATED REVENUES					
Property Rental Market	$97,179	$110,000	$110,000	$110,000	$110,000
Property Rental Market - Penalty and Interest	2,850	1,600	1,600	1,600	1,600
TOTAL DEDICATED REVENUES	**$100,029**	**$111,600**	**$111,600**	**$111,600**	**$111,600**
TOTAL CITY COST	**$369,988**	**$376,921**	**$395,464**	**$395,464**	**$395,464**

Historical Fact:

Built around 1815 by Dr. George Cabell, Sr., an eminent physician whose most famous patient was Patrick Henry, Point of Honor was the home of important Lynchburg area families, including the Daniels, Paynes, and Owens. Although not documented, it is possible that at some time Point of Honor may have been used as a dueling ground. However, since dueling was prohibited, it is speculated it occurred on the property in Campbell County to escape the Lynchburg magistrate.

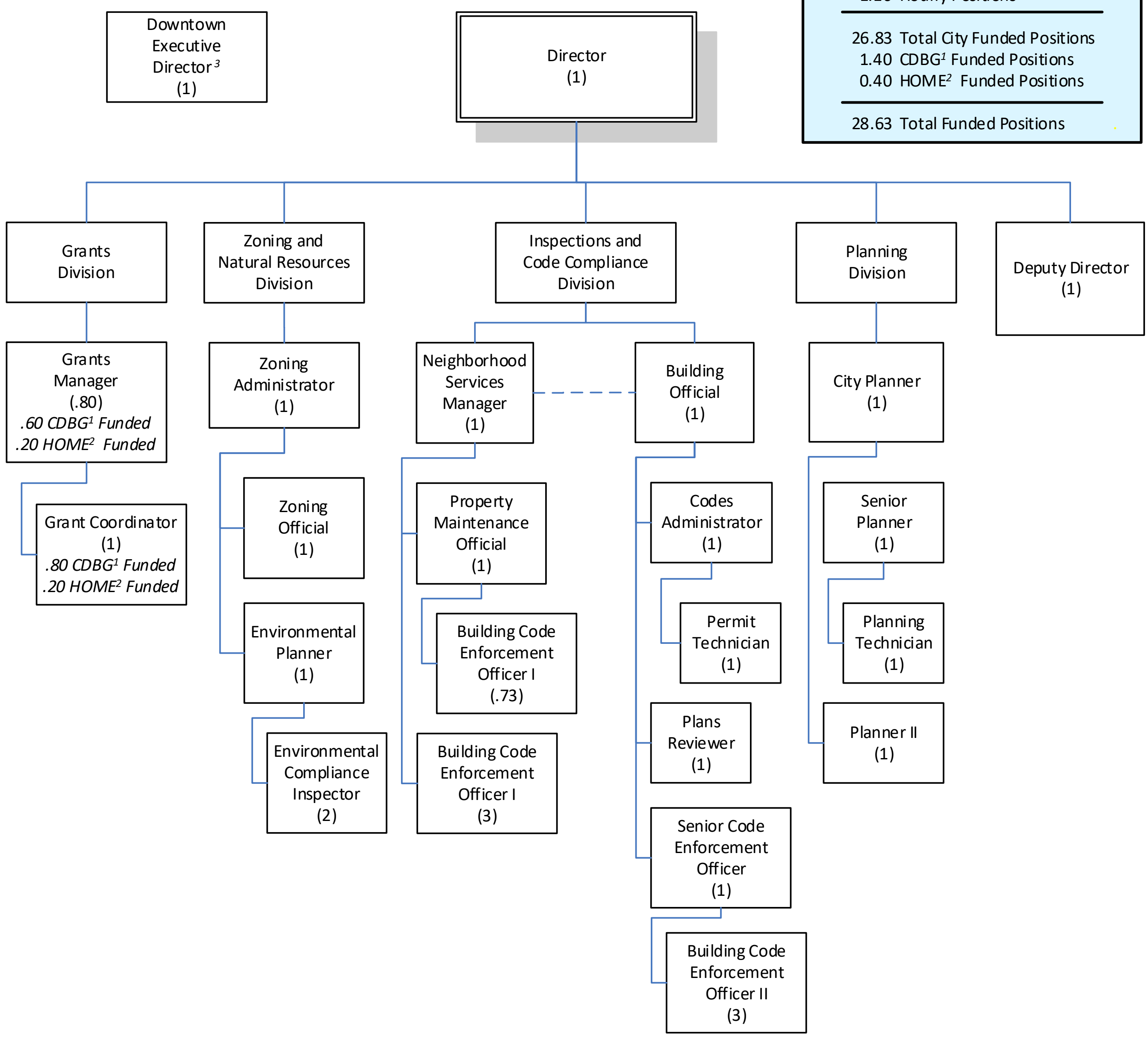
COMMUNITY DEVELOPMENT

POSITION SUMMARY

25.73 City Funded Positions
1.10 Hourly Positions

26.83 Total City Funded Positions
1.40 CDBG[1] Funded Positions
0.40 HOME[2] Funded Positions

28.63 Total Funded Positions



[1] Community Development Block Grant (CDBG)
[2] HOME Investment Partnerships Program Fund (HOME)
[3] Downtown Executive Director reports directly to Downtown Lynchburg Association; the City funds this position.

Community Development

	Actual FY 2025	Adopted FY 2026	Department Submitted FY 2027	Manager's Proposed FY 2027	Adopted FY 2027
POSITION SUMMARY					
City Funded Full-Time	25.00	25.00	25.00	25.00	25.00
City Funded Part-Time	0.73	0.73	0.73	0.73	0.73
City Funded Hourly	1.23	1.23	1.10	1.10	1.10
Grant Funded Full-Time	1.00	1.00	1.00	1.00	1.00
Grant Funded Part-Time	0.80	0.80	0.80	0.80	0.80
TOTAL FTE	**28.76**	**28.76**	**28.63**	**28.63**	**28.63**
BUDGET SUMMARY					
EXPENDITURES					
Personnel Services					
Salaries	$1,663,050	$1,772,219	$1,844,895	$1,844,895	$1,844,895
Employee Benefits	683,304	714,183	772,175	772,175	772,175
Subtotal Personnel Services	***$2,346,354***	***$2,486,402***	***$2,617,070***	***$2,617,070***	***$2,617,070***
Operating					
Contractual Services	$288,012	$59,548	$53,244	$53,244	$53,244
Internal Service Charges	34,741	48,625	45,351	45,351	45,351
Other Charges	50,361	56,812	58,969	58,969	58,969
Rentals and Leases	5,521	8,443	8,443	8,443	8,443
Capital Outlay	37,769	0	0	0	0
Subtotal Operating	***$416,404***	***$173,428***	***$166,007***	***$166,007***	***$166,007***
Total General Fund Expenditures	**$2,762,758**	**$2,659,830**	**$2,783,077**	**$2,783,077**	**$2,783,077**
Total Grant Expenditures [1]	$1,071,034	$1,086,926	$1,071,497	$1,071,497	$1,071,497
TOTAL DEPARTMENT EXPENDITURES	**$3,833,792**	**$3,746,756**	**$3,854,574**	**$3,854,574**	**$3,854,574**
DEDICATED REVENUES					
Community Development Block Grant (CDBG)	$888,425	$708,843	$750,979	$750,979	$750,979
HOME Investment Partnerships Program Fund	182,609	378,083	320,518	320,518	320,518
Community Development Stormwater Charges	612,478	634,340	659,573	659,573	659,573
Rental Inspection Fee - Annual/Periodic	9,100	7,000	5,000	5,000	5,000
Short Term Rental Registration Fee	14,100	8,500	10,000	10,000	10,000
Short Term Rental Program - Civil Penalty	1,500	2,000	2,000	2,000	2,000
Vacant Building Registration Fee	39,149	35,000	38,000	38,000	38,000
Vacant Property Registration - Civil Penalty	39,144	30,000	33,000	33,000	33,000
Derelict - Civil Penalty	0	15,000	24,000	24,000	24,000
Neighborhood Services	22,724	25,000	25,000	25,000	25,000
TOTAL DEDICATED REVENUES	**$1,809,229**	**$1,843,766**	**$1,868,070**	**$1,868,070**	**$1,868,070**
TOTAL CITY COST	**$2,024,563**	**$1,902,990**	**$1,986,504**	**$1,986,504**	**$1,986,504**

[1] Grant details are located in the Other Funds section of this document.

Community Development Budget Description

The Department Submitted FY 2027 Community Development budget of $2,783,077 represents a 4.6% increase of $123,247 compared to the Adopted FY 2026 budget of $2,659,830.

Highlights of the Department Submitted FY 2027 budget include:

- $130,668 increase in Salaries and Employee Benefits reflecting adjustments resulting from the 2.5% cost of living adjustment adopted by City Council for FY 2026 as well as the increase for the employer's share for health insurance.
- $6,304 decrease in Contractual Services reflecting reductions to meet the maximum City cost allocation.
- $3,274 decrease in Internal Service Charges reflecting Fleet Services operating estimates.
- $2,157 increase in Other Charges reflecting historical spending.

All major items submitted were proposed by the City Manager for funding.

The Manager's Proposed FY 2027 Community Development budget was adopted by City Council without change.

Community Development – Office of the Director. Responsible for the overall leadership and administration of the department in three core service areas - Development Services, Community Growth and Revitalization, and Code Compliance. Secures and manages funds from the U.S. Department of Housing and Urban Development for the Community Development Block Grant (CDBG) and HOME Investment Partnerships Program Fund programs. Assists neighborhoods and civic groups in planning and implementing projects for the benefit of the community. Additionally, costs associated with the Downtown Lynchburg Association (DLA) Executive Director position are supported by this Division.

	Actual FY 2025	Adopted FY 2026	Department Submitted FY 2027	Manager's Proposed FY 2027	Adopted FY 2027
POSITION SUMMARY					
City Funded Full-Time	3.0	3.0	3.0	3.0	3.0
Grant Funded Full-Time	1.0	1.0	1.0	1.0	1.0
Grant Funded Part-Time	0.8	0.8	0.8	0.8	0.8
TOTAL FTE	**4.8**	**4.8**	**4.8**	**4.8**	**4.8**
BUDGET SUMMARY					
EXPENDITURES					
Personnel Services					
Salaries	$324,857	$335,212	$366,126	$366,126	$366,126
Employee Benefits	117,615	121,959	136,107	136,107	136,107
Subtotal Personnel Services	***$442,472***	***$457,171***	***$502,233***	***$502,233***	***$502,233***
Operating					
Contractual Services	$0	$310	$0	$0	$0
Other Charges	9,446	9,042	8,875	8,875	8,875
Rentals and Leases	5,521	7,443	7,443	7,443	7,443
Subtotal Operating	***$14,967***	***$16,795***	***$16,318***	***$16,318***	***$16,318***
Total General Fund Expenditures	**$457,439**	**$473,966**	**$518,551**	**$518,551**	**$518,551**
Total Grant Expenditures [1]	$1,071,034	$1,086,926	$1,071,497	$1,071,497	$1,071,497
TOTAL EXPENDITURES	**$1,528,473**	**$1,560,892**	**$1,590,048**	**$1,590,048**	**$1,590,048**
DEDICATED REVENUES					
Community Development Block Grant (CDBG)	$888,425	$708,843	$750,979	$750,979	$750,979
HOME Investment Partnerships Program Fund	182,609	378,083	320,518	320,518	320,518
Community Development Stormwater Charges	74,436	74,812	84,122	84,122	84,122
TOTAL DEDICATED REVENUES	**$1,145,470**	**$1,161,738**	**$1,155,619**	**$1,155,619**	**$1,155,619**
TOTAL CITY COST	**$383,003**	**$399,154**	**$434,429**	**$434,429**	**$434,429**

[1] Grant details are located in the Other Funds section of this document.

Community Development – Inspections and Code Compliance Division. Reviews building and site plans for compliance with the Uniform Statewide Building Code; issues permits for new construction, alterations, additions, renovations, and demolitions within the City; and enforces the Property Maintenance Code, the Rental Inspection Program, the Vacant Building Registration Program, and provisions of the Nuisance ordinance.

	Actual FY 2025	Adopted FY 2026	Department Submitted FY 2027	Manager's Proposed FY 2027	Adopted FY 2027
POSITION SUMMARY					
City Funded Full-Time	12.00	12.00	13.00	13.00	13.00
City Funded Part-Time	0.73	0.73	0.73	0.73	0.73
City Funded Hourly	1.23	1.23	1.10	1.10	1.10
TOTAL FTE	**13.96**	**13.96**	**14.83**	**14.83**	**14.83**
BUDGET SUMMARY					
EXPENDITURES					
Personnel Services					
Salaries	$782,442	$819,353	$894,313	$894,313	$894,313
Employee Benefits	322,185	319,238	370,278	370,278	370,278
Subtotal Personnel Services	***$1,104,627***	***$1,138,591***	***$1,264,591***	***$1,264,591***	***$1,264,591***
Operating					
Contractual Services	$220,278	$31,288	$26,844	$26,844	$26,844
Internal Service Charges	25,498	36,643	33,082	33,082	33,082
Other Charges	25,841	25,002	25,776	25,776	25,776
Rentals and Leases	0	1,000	1,000	1,000	1,000
Capital Outlay	37,769	0	0	0	0
Subtotal Operating	***$309,386***	***$93,933***	***$86,702***	***$86,702***	***$86,702***
TOTAL EXPENDITURES	**$1,414,013**	**$1,232,524**	**$1,351,293**	**$1,351,293**	**$1,351,293**
DEDICATED REVENUES					
Community Development Stormwater Charges	$71,358	$74,018	$77,169	$77,169	$77,169
Rental Inspection Fee - Annual/Periodic	9,100	7,000	5,000	5,000	5,000
Vacant Building Registration Fee	39,149	35,000	38,000	38,000	38,000
Vacant Property Registration - Civil Penalty	39,144	30,000	33,000	33,000	33,000
Derelict - Civil Penalty	0	15,000	24,000	24,000	24,000
Neighborhood Services	22,724	25,000	25,000	25,000	25,000
TOTAL DEDICATED REVENUES	**$181,475**	**$186,018**	**$202,169**	**$202,169**	**$202,169**
TOTAL CITY COST	**$1,232,538**	**$1,046,506**	**$1,149,124**	**$1,149,124**	**$1,149,124**

Community Development – Planning Division. Reviews and approves all site plans and subdivision plats. Makes recommendations to the Planning Commission concerning rezonings, conditional use permits, and Comprehensive Plan amendments. Serves as secretary to the Planning Commission and Historic Preservation Commission. Serves as staff liaison to City Council concerning land use matters. Responsible for updating the Comprehensive Plan, Zoning Ordinance and Historic District Design Guidelines. Coordinates Neighborhood Plan implementation and provides technical assistance to citizens/developers concerning land use issues.

	Actual FY 2025	Adopted FY 2026	Department Submitted FY 2027	Manager's Proposed FY 2027	Adopted FY 2027
POSITION SUMMARY					
City Funded Full-Time	5	5	4	4	4
TOTAL FTE	**5**	**5**	**4**	**4**	**4**
BUDGET SUMMARY					
EXPENDITURES					
Personnel Services					
Salaries	$265,927	$323,362	$282,892	$282,892	$282,892
Employee Benefits	112,688	139,394	123,692	123,692	123,692
Subtotal Personnel Services	***$378,615***	***$462,756***	***$406,584***	***$406,584***	***$406,584***
Operating					
Contractual Services	$50,735	$12,850	$11,500	$11,500	$11,500
Other Charges	6,928	11,089	12,439	12,439	12,439
Subtotal Operating	***$57,663***	***$23,939***	***$23,939***	***$23,939***	***$23,939***
TOTAL EXPENDITURES	**$436,278**	**$486,695**	**$430,523**	**$430,523**	**$430,523**
DEDICATED REVENUES					
Community Development Stormwater Charges	$95,800	$83,696	$86,442	$86,442	$86,442
TOTAL DEDICATED REVENUES	**$95,800**	**$83,696**	**$86,442**	**$86,442**	**$86,442**
TOTAL CITY COST	**$340,478**	**$402,999**	**$344,081**	**$344,081**	**$344,081**

Community Development – Zoning and Natural Resources Division. Conducts development reviews, investigates complaints, and ensures compliance with the Zoning, Erosion and Sediment Control and Stormwater Management ordinances.

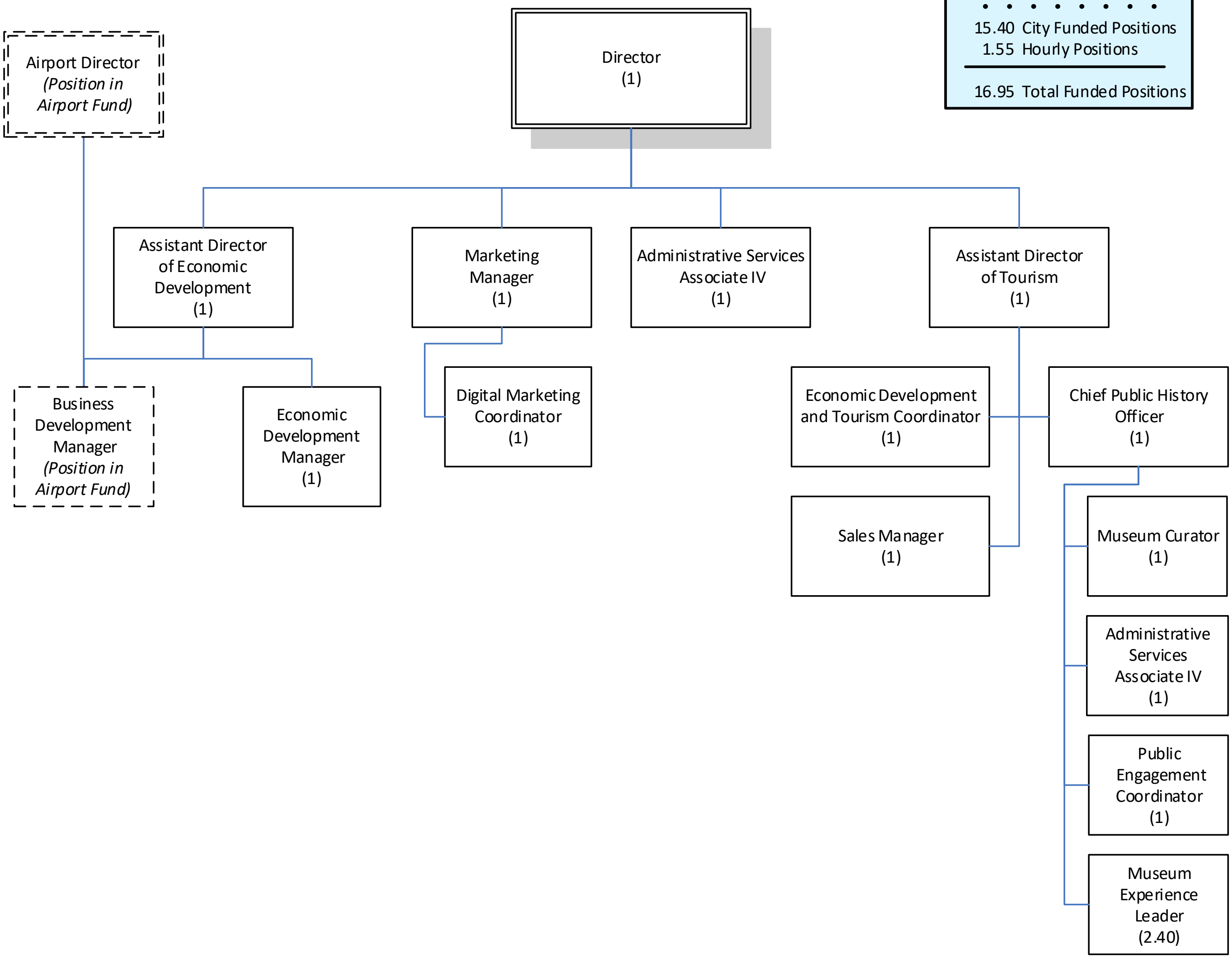
	Actual FY 2025	Adopted FY 2026	Department Submitted FY 2027	Manager's Proposed FY 2027	Adopted FY 2027
POSITION SUMMARY					
City Funded Full-Time	5	5	5	5	5
TOTAL FTE	**5**	**5**	**5**	**5**	**5**
BUDGET SUMMARY					
EXPENDITURES					
Personnel Services					
Salaries	$289,824	$294,292	$301,564	$301,564	$301,564
Employee Benefits	130,816	133,592	142,098	142,098	142,098
Subtotal Personnel Services	***$420,640***	***$427,884***	***$443,662***	***$443,662***	***$443,662***
Operating					
Contractual Services	$16,999	$15,100	$14,900	$14,900	$14,900
Internal Service Charges	9,243	11,982	12,269	12,269	12,269
Other Charges	8,146	11,679	11,879	11,879	11,879
Subtotal Operating	***$34,388***	***$38,761***	***$39,048***	***$39,048***	***$39,048***
TOTAL EXPENDITURES	**$455,028**	**$466,645**	**$482,710**	**$482,710**	**$482,710**
DEDICATED REVENUES					
Community Development Stormwater Charges	$370,884	$401,814	$411,840	$411,840	$411,840
Short Term Rental Registration Fee	14,100	8,500	10,000	10,000	10,000
Short Term Rental Program - Civil Penalty	1,500	2,000	2,000	2,000	2,000
TOTAL DEDICATED REVENUES	**$386,484**	**$412,314**	**$423,840**	**$423,840**	**$423,840**
TOTAL CITY COST	**$68,544**	**$54,331**	**$58,870**	**$58,870**	**$58,870**

Office of Economic Development and Tourism and Museums

Position Summary

15.40 City Funded Positions
1.55 Hourly Positions

16.95 Total Funded Positions



Office of Economic Development and Tourism and Museums.

Office of Economic Development and Tourism. The Office of Economic Development and Tourism (OEDT) works to position the City of Lynchburg for investment by businesses, residents, talent and visitors, as the lead Destination Marketing and Economic Development Organization for the City.

OEDT provides resources tailored to business needs, including site selection, financing and workforce development to improve the business climate, create jobs and expand the economic base of the City. The office also manages two industrial parks, Ivy Creek Innovation Center and Lynchburg Center for Industry, promotes and administers planning for property development and administers state and local business incentives to support a robust business attraction and expansion program. Additionally, staff develops a comprehensive marketing strategy to promote the City to current and potential employers, workforce talent, and anchor institutions through business visitation, innovative partnerships and through digital resources such as OpportunityLynchburg.com and LYHLovesYou.com websites.

As the City's Destination Marketing Organization, the department drives economic growth and sustainability by supporting asset development and effectively marketing the City and region as a preferred destination for meetings and conferences, sporting events, group tour/travel and leisure visitors. Through strategic partnerships, direct sales coordination, digital marketing strategies including the LYH Loves You campaign and LynchburgVirginia.org website, media relations, and support for events and conferences, staff supports the delivery of excellent Lynchburg experiences to drive lodging, meals, amusement, and sales tax revenue for the City. The department also manages the Lynchburg Museum and Visitor Services and serves as the point of contact for special events in the City.

Economic Development Authority (EDA) of the City of Lynchburg. The Office of Economic Development and Tourism staffs the Economic Development Authority of the City of Lynchburg (the EDA), which develops industrial parks and buildings within the City and is responsible for the Lynchburg’s economic development incentive programs. Lynchburg’s EDA actively pursues investment and development opportunities and works to elevate the economic development profile of the business community.

Museums. Established in 1976, the Lynchburg Museum System manages the official history museums and archives of the City of Lynchburg. Its mission is to collect, interpret, preserve, and share the history and culture of Lynchburg, Virginia, and the surrounding area. Since 2017 the Museum System has been a division of the City’s Office of Economic Development and Tourism, working in partnership with the non-profit Lynchburg Museum Foundation.

The Museum System is responsible for operating two museums: the Lynchburg Museum and Visitor Center in the Old Court House at the top of Monument Terrace and Point of Honor, the former plantation site on Daniel’s Hill. These museums preserve over 100,000 artifacts and share the diverse stories of three centuries of local history with residents, tourists, and students of all ages.

Office of Economic Development and Tourism and Museums.

	Actual FY 2025	Adopted FY 2026	Department Submitted FY 2027	Manager's Proposed FY 2027	Adopted FY 2027
POSITION SUMMARY					
City Funded Full-Time	13.00	13.00	13.00	13.00	13.00
City Funded Part-Time	3.60	2.15	2.40	2.40	2.40
City Funded Hourly	1.80	1.80	1.55	1.55	1.55
TOTAL FTE	**18.40**	**16.95**	**16.95**	**16.95**	**16.95**
BUDGET SUMMARY					
EXPENDITURES					
Personnel Services					
Salaries	$905,890	$1,012,745	$1,078,718	$1,078,718	$1,078,718
Employee Benefits	350,309	389,060	424,494	424,494	424,494
Subtotal Personnel Services	***$1,256,199***	***$1,401,805***	***$1,503,212***	***$1,503,212***	***$1,503,212***
Operating					
Contractual Services	$231,711	$245,541	$243,700	$243,700	$243,700
Internal Service Charges	3,026	7,371	3,610	3,610	3,610
Other Charges	712,440	691,611	638,139	638,139	638,139
Rentals and Leases	16,956	23,486	21,800	21,800	21,800
Subtotal Operating	***$964,133***	***$968,009***	***$907,249***	***$907,249***	***$907,249***
Total General Fund Expenditures	**$2,220,332**	**$2,369,814**	**$2,410,461**	**$2,410,461**	**$2,410,461**
Total Grant Expenditures [1]	$375,048	$215,000	$215,000	$215,000	$215,000
TOTAL EXPENDITURES	**$2,595,380**	**$2,584,814**	**$2,625,461**	**$2,625,461**	**$2,625,461**
DEDICATED REVENUES					
CFSA Localities/Other Reimbursements	$122,480	$0	$0	$0	$0
CFSA Use of (Addition to) Fund Balance	(57,319)	0	0	0	0
Diggs Trust (Lynchburg Museum System)	37,820	36,000	36,000	36,000	36,000
Photograph Reproduction Fees	0	100	100	100	100
Reimbursement - Point of Honor/Carriage House	29,594	28,000	28,000	28,000	28,000
Rental of Museum Facilities	1,740	500	1,000	1,000	1,000
TOTAL DEDICATED REVENUES	**$134,315**	**$64,600**	**$65,100**	**$65,100**	**$65,100**
TOTAL CITY COST	**$2,461,065**	**$2,520,214**	**$2,560,361**	**$2,560,361**	**$2,560,361**

[1] Grant details are located in the Other Funds section of this document.

Office of Economic Development and Tourism and Museums Budget Description

The Department Submitted FY 2027 Office of Economic Development and Tourism and Museums budget of $2,410,461 represents a 1.7% increase of $40,647 compared to the Adopted FY 2026 budget of $2,369,814.

Highlights of the Department Submitted FY 2027 budget include:

- $101,407 increase in Salaries and Employee Benefits reflecting adjustments resulting from the 2.5% cost of living adjustment adopted by City Council for FY 2026 as well as the increase for the employer's share for health insurance and structure adjustments.
- $1,841 decrease in Contractual Services reflecting reductions to meet the maximum City cost allocation.
- $3,761 decrease in Internal Service Charges reflecting Fleet Services operating estimates.
- $53,472 decrease in Other Charges reflecting reductions to meet the maximum City cost allocation.
- $1,686 decrease in Rentals and Leases reflecting reductions to meet the maximum City cost allocation.

All major items submitted were proposed by the City Manager for funding.

The Manager's Proposed FY 2026 Office of Economic Development and Tourism and Museums budget was adopted by City Council without change.

Office of Economic Development and Tourism.

	Actual FY 2025	Adopted FY 2026	Department Submitted FY 2027	Manager's Proposed FY 2027	Adopted FY 2027
POSITION SUMMARY					
City Funded Full-Time	9.00	9.00	9.00	9.00	9.00
City Funded Hourly	1.80	1.80	1.55	1.55	1.55
TOTAL FTE	**10.80**	**10.80**	**10.55**	**10.55**	**10.55**
BUDGET SUMMARY					
EXPENDITURES					
Personnel Services					
Salaries	$574,380	$705,350	$756,735	$756,735	$756,735
Employee Benefits	235,718	276,284	304,359	304,359	304,359
Subtotal Personnel Services	***$810,098***	***$981,634***	***$1,061,094***	***$1,061,094***	***$1,061,094***
Operating					
Contractual Services	$218,597	$228,141	$226,300	$226,300	$226,300
Internal Service Charges	1,775	3,788	2,053	2,053	2,053
Other Charges	671,945	654,251	600,209	600,209	600,209
Rentals and Leases	2,122	4,186	2,500	2,500	2,500
Subtotal Operating	***$894,439***	***$890,366***	***$831,062***	***$831,062***	***$831,062***
Total General Fund Expenditures	**$1,704,537**	**$1,872,000**	**$1,892,156**	**$1,892,156**	**$1,892,156**
Total Grant Expenditures [1]	$375,048	$215,000	$215,000	$215,000	$215,000
TOTAL EXPENDITURES	**$2,079,585**	**$2,087,000**	**$2,107,156**	**$2,107,156**	**$2,107,156**
DEDICATED REVENUES					
CFSA Localities/Other Reimbursements	$122,480	$0	$0	$0	$0
CFSA Use of (Addition to) Fund Balance	(57,319)	0	0	0	0
TOTAL DEDICATED REVENUES	**$65,161**	**$0**	**$0**	**$0**	**$0**
TOTAL CITY COST	**$2,014,424**	**$2,087,000**	**$2,107,156**	**$2,107,156**	**$2,107,156**

[1] Grant details are located in the Other Funds section of this document.

Office of Economic Development and Tourism – Museums.

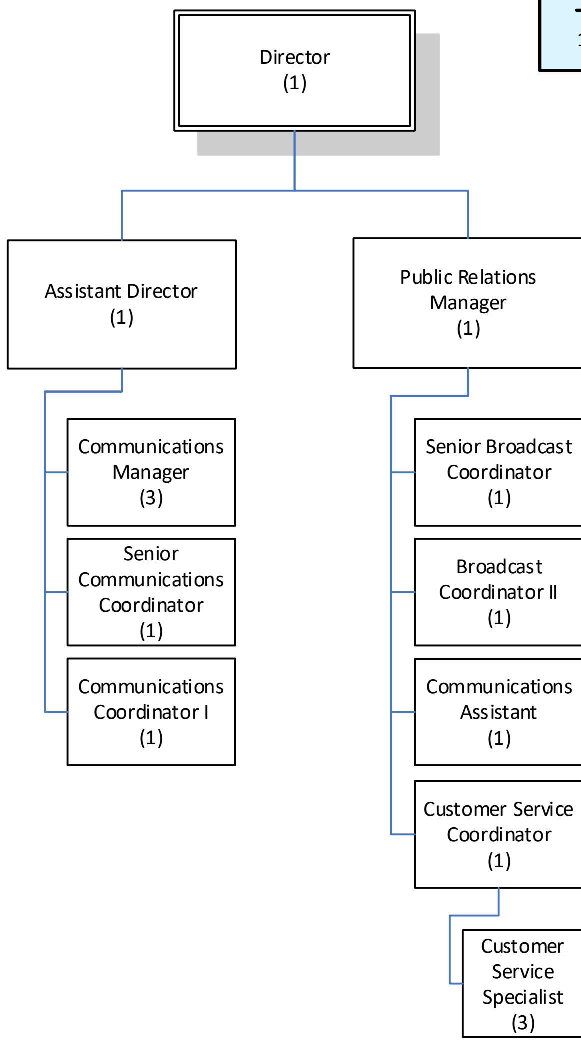
	Actual FY 2025	Adopted FY 2026	Department Submitted FY 2027	Manager's Proposed FY 2027	Adopted FY 2027
POSITION SUMMARY					
City Funded Full-Time	4.00	4.00	4.00	4.00	4.00
City Funded Part-Time	3.60	2.15	2.40	2.40	2.40
TOTAL FTE	**7.60**	**6.15**	**6.40**	**6.40**	**6.40**
BUDGET SUMMARY					
EXPENDITURES					
Personnel Services					
Salaries	$331,510	$307,395	$321,983	$321,983	$321,983
Employee Benefits	114,591	112,776	120,135	120,135	120,135
Subtotal Personnel Services	***$446,101***	***$420,171***	***$442,118***	***$442,118***	***$442,118***
Operating					
Contractual Services	$13,114	$17,400	$17,400	$17,400	$17,400
Internal Service Charges	1,251	3,583	1,557	1,557	1,557
Other Charges	40,495	37,360	37,930	37,930	37,930
Rentals and Leases	14,834	19,300	19,300	19,300	19,300
Subtotal Operating	***$69,694***	***$77,643***	***$76,187***	***$76,187***	***$76,187***
TOTAL EXPENDITURES	**$515,795**	**$497,814**	**$518,305**	**$518,305**	**$518,305**
DEDICATED REVENUES					
Diggs Trust (Lynchburg Museum System)	$37,820	$36,000	$36,000	$36,000	$36,000
Photograph Reproduction Fees	0	100	100	100	100
Reimbursement - Point of Honor/Carriage House	29,594	28,000	28,000	28,000	28,000
Rental of Museum Facilities	1,740	500	1,000	1,000	1,000
TOTAL DEDICATED REVENUES	**$69,154**	**$64,600**	**$65,100**	**$65,100**	**$65,100**
TOTAL CITY COST	**$446,641**	**$433,214**	**$453,205**	**$453,205**	**$453,205**

Department of Communications and Public Engagement

Position Summary

15 City Funded Positions

15 Total Funded Positions



Department of Communications and Public Engagement. The Department of Communications and Public Engagement is dedicated to fostering transparent communication and meaningful connections between the City of Lynchburg and its residents. It develops and implements strategic public relations and marketing initiatives to promote community awareness, encourage citizen engagement, and support City departments in delivering key messages.

The department's responsibilities span five core areas: media relations provides timely updates and emerging news about City government activities to the media and public; strategic communications manages key messaging, crisis communications, and special projects to effectively address community needs and priorities; website & social media marketing administers content for the City’s official website, www.lynchburgva.gov, and social media accounts, including Facebook, YouTube, and X (formerly Twitter), to engage with residents digitally; broadcast services produces and broadcasts public meetings and events on LTV/Channel 15 and streaming platforms to enhance government transparency; and the Citizens First Information Center serves as a one-stop resource for residents seeking City-related services or information, ensuring efficient and customer-focused support. The department coordinates a consolidated communications strategy for City departments to deploy marketing campaigns, amplify public awareness, and promote participation in programs and services that enrich community life.

	Actual FY 2025	Adopted FY 2026	Department Submitted FY 2027	Manager's Proposed FY 2027	Adopted FY 2027
POSITION SUMMARY					
City Funded Full-Time	10	15	15	15	15
TOTAL FTE	**10**	**15**	**15**	**15**	**15**
BUDGET SUMMARY					
EXPENDITURES					
Personnel Services					
Salaries	$789,600	$942,487	$989,292	$989,292	$989,292
Employee Benefits	340,699	412,653	444,678	444,678	444,678
Subtotal Personnel Services	***$1,130,299***	***$1,355,140***	***$1,433,970***	***$1,433,970***	***$1,433,970***
Operating					
Contractual Services	$136,642	$206,369	$185,465	$185,465	$185,465
Internal Service Charges	1,333	1,897	1,923	1,923	1,923
Other Charges	84,125	61,663	81,369	81,369	81,369
Rentals and Leases	1,285	1,200	1,200	1,200	1,200
Subtotal Operating	***$223,385***	***$271,129***	***$269,957***	***$269,957***	***$269,957***
TOTAL CITY COST	**$1,353,684**	**$1,626,269**	**$1,703,927**	**$1,703,927**	**$1,703,927**

Department of Communications and Public Engagement Budget Description

The Department Submitted FY 2027 Department of Communications and Public Engagement budget of $1,703,927 represents a 4.8% increase of $77,658 compared to the Adopted FY 2026 budget of $1,626,269.

Highlights of the Department Submitted FY 2027 budget include:

- $78,830 increase in Salaries and Employee Benefits reflecting adjustments resulting from the 2.5% cost of living adjustment adopted by City Council for FY 2026 as well as the increase for the employer's share for health insurance and structure adjustments.
- $20,904 decrease in Contractual Services reflecting more accurate coding of expenses.
- $19,706 increase in Other Charges reflecting the addition of the digital asset management system.

All major items submitted were proposed by the City Manager for funding.

The Manager's Proposed FY 2027 Department of Communications and Public Engagement budget was adopted by City Council without change.

External Service Providers. The City provides funding to external organizations that provide various mandated, contractual, or discretionary services to the community.

	Actual FY 2025	Adopted FY 2026	Agency Requested FY 2027	Manager's Proposed FY 2027	Adopted FY 2027
BUDGET SUMMARY					
Mandated					
Blue Ridge Regional Jail Authority (BRRJA)	$7,084,836	$7,455,505	$7,536,933	$7,536,933	$7,536,933
Central Virginia Planning District Commission (CVPDC)	54,086	54,497	55,203	55,203	55,203
Central Virginia Regional Radio Board (CVRRB)	716,135	735,777	754,468	754,468	754,468
Horizon Behavioral Health	943,770	943,770	943,770	943,770	943,770
Lynchburg Health Department	538,969	600,000	600,000	600,000	600,000
	$9,337,796	**$9,789,549**	**$9,890,374**	**$9,890,374**	**$9,890,374**
Contractual					
Lynchburg Humane Society	$575,000	$575,000	$575,000	$575,000	$575,000
Southern Memorial Association (Old City Cemetery)	166,858	151,858	176,858	151,858	151,858
Virginia Cooperative Extension Service	43,276	50,060	51,402	50,060	50,060
	$785,134	**$776,918**	**$803,260**	**$776,918**	**$776,918**
Discretionary					
American Red Cross	$0	$0	$8,927	$0	$0
Brain Injury Solutions	0	0	1,000	0	0
Central Virginia Alliance for Community Living	25,000	0	25,000	25,000	25,000
Central Virginia Community College (CVCC) Board	1,930	0	1,941	0	0
Impact Living Services - Impact First Responders	36,000	36,000	40,000	40,000	40,000
Virginia Legal Aid Society	13,160	0	15,000	0	0
	$76,090	**$36,000**	**$91,868**	**$65,000**	**$65,000**
TOTAL CITY COST	**$10,199,020**	**$10,602,467**	**$10,785,502**	**$10,732,292**	**$10,732,292**

American Red Cross. The American Red Cross prevents and alleviates human suffering in the face of emergencies by mobilizing the power of volunteers and the generosity of donors.

Blue Ridge Regional Jail Authority (BRRJA). The BRRJA is a cooperative effort to provide jail services for the City of Lynchburg and the Counties of Amherst, Appomattox, Bedford, Campbell, and Halifax.

Brain Injury Solutions. Provides services to brain injury survivors and their families by making positive, measurable differences in the survivor's abilities to fulfill their service potential and optimize their reintegration into their families and communities.

Central Virginia Alliance for Community Living (formerly Central Virginia Area Agency on Aging). Provides services to help senior citizens maintain their dignity and independence by remaining in their own homes.

Central Virginia Community College (CVCC) Board. The City's share of funding provided by the entire Colleges service region. The funding provided by the service region is used to support College Advisory Board activities. Activities supported include board obligations, community information, and special functions.

Central Virginia Planning District Commission (CVPDC) (formerly Region 2000 Local Government Council Regional Commission). Facilitates regional coordination between the members of CVPDC for planning and development. CVPDC consists of the City of Lynchburg, the Towns of Altavista, Amherst, Appomattox, Bedford and Brookneal, and the Counties of Amherst, Appomattox, Bedford, and Campbell.

Central Virginia Regional Radio Board (CVRRB). Oversees the regional radio system; participating jurisdictions include: Amherst County, Bedford County, Town of Bedford, and City of Lynchburg.

Horizon Behavioral Health (formerly known as the Central Virginia Community Services Board). Supports and promotes the health, independence and self-worth of individuals and families in Central Virginia by providing a continuum of community-based prevention, early intervention, aftercare, and psycho-social rehabilitation services for persons affected by mental health, intellectual disabilities, substance abuse, and co-occurring disorders.

Impact Living Services - Impact First Responders. The Impact First Responders program serves our community's first responders through education, peer support, and counseling to address the chronic stress and trauma experienced on and off the job.

Lynchburg Health Department. The local match for the Central Virginia Health District of the Commonwealth of Virginia Department of Health. The Central Virginia Health District serves the Counties of Amherst, Appomattox, Bedford and Campbell and the City of Lynchburg.

Lynchburg Humane Society. The City contracted with the Lynchburg Humane Society to operate the Animal Shelter for the purpose of impounding and harboring seized, stray, homeless, abandoned, or unwanted animals.

Southern Memorial Association. The Old City Cemetery is operated by the Southern Memorial Association, thereby relieving the City government of management of this historic property.

Virginia Cooperative Extension Service. A joint program of Virginia Tech, Virginia State University, the United States Department of Agriculture and state and local governments to provide educational programs.

Virginia Legal Aid Society. A non-profit law firm that provides free legal information, advice, and representation in civil cases to low-income individuals and families.

Transfers/Non-Departmental. Transfers include payments from the General Fund to other funds, generally as a payment for services. Non-departmental includes those miscellaneous components of the City budget that generally do not fit nicely into an individual departmental budget but are widespread throughout.

	Actual FY 2025	Adopted FY 2026	Department Submitted FY 2027	Manager's Proposed FY 2027	Adopted FY 2027
BUDGET SUMMARY					
Transfers					
City Capital Projects Fund	$5,429,382	$8,443,570	$9,082,528	$9,082,528	$8,667,263
City/Federal/State Aid Fund (Matching Funds)	2,602,060	270,526	282,409	282,409	282,409
Fleet Fund	796,950	751,612	2,177,822	2,177,822	1,277,822
Risk Management Self Insurance Fund	10,126	0	0	0	0
Schools Capital Projects Fund	0	950,000	1,645,222	1,645,222	983,868
Technology Fund	508,419	346,768	343,641	343,641	343,641
Total Transfers	**$9,346,937**	**$10,762,476**	**$13,531,622**	**$13,531,622**	**$11,555,003**
Non-Departmental					
College Lake Dam Repairs	$520	$0	$0	$0	$0
Employee Appreciation	28,889	43,000	41,000	41,000	41,000
Employee Benefits					
Workers' Compensation	794,509	1,061,000	1,067,500	1,067,500	1,067,500
Retiree Benefits	2,506,868	3,304,512	3,286,776	3,286,776	3,286,776
Line of Duty Act	451,327	442,768	518,544	518,544	518,544
Unemployment Compensation	55,177	35,000	45,000	45,000	45,000
VRS Group Life Projected Change	0	0	(81,123)	(81,123)	(81,123)
VRS Retirement Projected Change	0	0	(3,114,086)	(3,114,086)	(3,114,086)
Active Employee Health Insurance Projected Increase	0	1,557,768	0	0	0
Reclassification of Health and Dental	733,306	0	0	0	0
Employee Compensation					
Salary/Market Adjustments	0	1,446,928	0	2,332,500	2,332,500
Employee Programs					
Tuition Reimbursement	23,822	55,000	35,000	35,000	35,000
Employee Assistance Program	33,432	34,000	34,000	34,000	34,000
Fleet Vehicle (Depreciation)	3,235,726	3,360,630	3,811,758	3,811,758	3,811,758
Health Management Program	(9,958)	15,000	15,000	15,000	15,000
Landfill Closure	13,783	0	0	0	0
Lease Accounting (GASB 87)	250,776	0	0	0	0
Managed Vacancy Program	0	(2,100,000)	(2,100,000)	(2,100,000)	(2,100,000)
Miscellaneous Accounting Adjustments	1,805	0	0	0	0
Multi-Modal Transportation Planning	0	0	0	500,000	500,000
Planned Budget Savings	0	(538,118)	0	0	0
Professional Fees - Medical and Dental	12,750	12,750	12,750	12,750	12,750
Recruitment	45,319	50,000	50,000	50,000	50,000
Stormwater - General Fund Payment	110,742	114,800	124,500	124,500	124,500
Stormwater - Schools Payment	86,273	90,900	94,800	94,800	94,800
Transportation Contingency	0	0	0	800,000	800,000
Water Fund Payment	957,120	1,118,753	1,110,465	1,110,465	1,110,465
Workplace Safety and Wellness Program	78,310	95,000	95,000	95,000	95,000
Total Non-Departmental	**$9,410,496**	**$10,199,691**	**$5,046,884**	**$8,679,384**	**$8,679,384**
Total Transfers and Non-Departmental	**$18,757,433**	**$20,962,167**	**$18,578,506**	**$22,211,006**	**$20,234,387**

TRANSFERS

City Capital Projects Fund. Transfer from the General Fund to the City Capital Projects Fund for Pay-As-You-Go projects and Reserves for projects.

City/Federal/State Aid Fund (Matching Funds). Amounts appropriated from the General Fund transferred to this fund for matching funds for state and federal grants.

Fleet Fund. Transfer from the General Fund to the Fleet Fund for debt service and vehicle replacements.

Schools Capital Projects Fund. Transfer from the General Fund Year-End Fund Balance to the Schools Capital Project Fund for school maintenance projects.

Technology Fund. Funding from revenue generated by partnership with LUMOS and telecom savings.

NON-DEPARTMENTAL

College Lake Dam Repairs. Expenses associated with the August 2018 Flood that have been submitted to the Virginia Department of Emergency Management for possible reimbursement.

Employee Appreciation. Funding for Employee Awards and Recognition, Retiree Recognition, and Take Your Kids to Work Day.

Employee Benefits. Workers' compensation, retiree benefits, and other benefit payments as required by the fringe benefit program. For FY 2027, the VRS Group Life Projected Change and VRS Retirement Projected Change was not available until after department budgets were submitted/balanced. Staff is including the estimated change to department budgets in this code and these changes will be moved to department budgets.

Employee Compensation. Funding for salary/market adjustments for non-sworn employees. For FY 2027, the funding for the joint Public Safety Pay Plan is included.

Employee Programs. Funding for Tuition Assistance and the Employee Assistance Program.

Fleet Vehicle (Depreciation). Cost for depreciation of vehicles.

Health Management Program. Funding to provide wellness programs to assist in preventative care, and vision coverage for employees enrolled in the health management program.

Landfill Closure. Payment made to Region 2000 Services Authority for landfill post closure costs.

Lease Accounting (GASB 87). Implementation of GASB 87 in FY 2022: requires a year-end entry to account for all leases.

Managed Vacancy Program. Budgeting for vacant City positions.

Multi-Modal Transportation Planning. Funding to initiate a comprehensive multi-modal transportation plan that includes evaluating existing bus routes and future mobility options.

Planned Budget Savings. City Council Special Called Meeting 06-30-25.

Professional Fees – Medical and Dental. Cost of independent actuarial and consulting services to support effective benefits management.

Recruitment. Funding to serve as a resource to support recruitment efforts.

Stormwater – General Fund Payment. Funding for Stormwater Fees related to City owned buildings.

Stormwater – Schools Payment. Funding for Stormwater Fees related to City owned school buildings.

Transportation Contingency. Funding to address current transit needs.

Water Fund Payment. Transfer to the Water Fund for the City's fire hydrant use.

Workplace Safety and Wellness Program. Funding to encourage the safety and health of current employees.

Debt Overview

The City utilizes different financing tools for capital projects depending on the type of project. A "capital project" is defined as an acquisition that represents a public betterment to the community, has a life of not less than twenty (20) years following its purchase, construction or other acquisition, and has a total cost of not less than twenty-five thousand dollars ($25,000). The City uses a combination of general obligation and revenue bonds to debt fund building (city and schools), transportation, economic development, parks and recreation, water, sewer, stormwater, and airport projects.

General Obligation (GO) Bonds are backed by the full faith of the government and are graded based on the credit worthiness of the local government. GO Bonds issued for governmental fund projects are considered tax-supported obligations and are expected to be repaid from General Fund tax revenue. GO Bonds issued for enterprise fund projects are considered to be revenue-supported obligations and are expected to be repaid from the revenue generated by the individual funds, primarily through user charges.

Revenue bonds are secured solely by and payable solely from revenues of the water, sewer, or stormwater system. Revenues from the system are irrevocably pledged to the payment of principal and interest of the bond.

The City utilizes a "just in time financing" strategy developed by the City's financial advisors, Davenport & Company. This strategy utilizes the use of a line of credit in order to minimize the City's debt service costs while major projects are still in the planning stages because interest is only paid on the drawn balance. The City will initially fund its capital projects via a 2-3-year drawdown Line of Credit. On or prior to the final maturity dates of the Line of Credit, the City will permanently finance the drawn balance.

Credit Rating Scales by Agency	Fitch Ratings	Moody's Investors Service	Standard & Poor's Global Ratings
City of Lynchburg, Ratings	**AA+**	**Aa2**	**AA+**
Prime	AAA	Aaa	AAA
High Grade	**AA+**	Aa1	**AA+**
	AA	**Aa2**	AA
	AA-	Aa3	AA-
Upper Medium Grade	A+	A1	A+
	A	A2	A
	A-	A3	A-
Lower Medium Grade	BBB+	Baa1	BBB+
	BBB	Baa2	BBB
	BBB-	Baa3	BBB-
Non-investment grade considered junk bonds	BB+	Ba1	BB+
	BB	Ba2	BB
	B+	Ba3	B+
	B	B1	B
	B-	B2	B-
	CCC	B3	CCC+
		Caa1	CCC
		Caa2	CCC-
	CC	Caa3	CC
	C	Ca	C
	D	C	D
		/	
		/	

Excerpt from the City's FY 2025 Annual Comprehensive Financial Report (ACFR)
"The City's general obligation bonds continued to maintain an Aa2 rating from Moody's Investors Service, an AA+ rating from Fitch Ratings, and an AA+ from Standard & Poor's Global Ratings."

Long-Term Debt

Total outstanding debt was $367.7 million with $187.6 million of business-type activities debt supported by the individual funds, resulting in $180.1 million in outstanding debt for governmental activities. Liabilities of $11.4 million for compensated absences and workers compensation were excluded.

Long-Term Debt Obligations
As of June 30, 2025/2024
(in millions)

	Governmental Activites		Business-type Activities		Total Primary Government		Percentage Change
	2025	2024	2025	2024	2025	2024	2025-2024
General obligation bonds	$ 164.9	$ 175.5	$ 79.7	$ 83.4	$ 244.6	$ 258.9	-6%
General obligation-Direct borrowing	2.6	3.3	-	-	2.6	3.3	-21%
Revenue bonds	-	-	83.8	90.3	83.8	90.3	-7%
Bond anticipation notes	8.9	0.5	24.0	11.5	32.9	12.0	174%
Lease obligations	2.8	2.7	0.1	0.1	2.9	2.8	4%
Other long-term payables	0.9	1.3	-	-	0.9	1.3	-31%
Total	$ 180.1	$ 183.3	$ 187.6	$ 185.3	$ 367.7	$ 368.6	0%

Total new debt of $21.1 million was issued, of which $8.6 million was for governmental activities, and $12.5 million was for business-type activities and includes:

- $20.9 million of bond anticipation notes, of which $8.4 million was for governmental activities and $12.5 million was for business-type activities.
- $0.3 million of lease obligations, all of which was for governmental activities.

The City retired $22.0 million of outstanding principal. The governmental activities principal retirements were $11.8 million and the business-type activities principal retirements were $10.2 million and include:

- $21.9 million in planned principal retirements, of which $11.7 million was for governmental activities and $10.2 million was for business-type activities.
- $0.2 million in lease payments, all of which was for governmental activities.

The City's general obligation bonds continued to maintain an Aa2 rating from Moody's Investors Service, an AA+ rating from Fitch Ratings, and an AA+ from Standard & Poor's Global Ratings. These credit ratings were last affirmed in April 2024 for the City's issuance of $69.3 million General Obligation Public Improvement Refunding Bonds, Series 2024 on May 7, 2024. The agencies noted the City's stable and mature economic base, strong financial management, strong reserves and liquidity, healthy revenue growth, and manageable liabilities and fixed cost when reaffirming the ratings.

On July 18, 2023 the City issued a three-year General Obligation Bond Anticipation Note and concurrently entered into a line of credit Financing Agreement with JPMorgan Chase Bank, N.A. The Agreement provided for borrowings of up to $68.5 million to provide interim financing for qualifying city, school, water, sewer, stormwater, airport and fleet capital improvements. Interest on the unpaid principal is equal to the sum of (i) 80% times adjusted term secured overnight financing rate (SOFR), plus (ii) 0.55%, as calculated by the Lender. Interest shall be computed on the basis of the actual number of days elapsed in a 360-day year. Interest is paid monthly. All outstanding amounts are due on June 15, 2026. The unused line of credit as of June 30, 2025 is $35.6 million.

The Constitution of Virginia limits the amount of general obligation debt a governmental entity may issue to 10% of the total assessed value of real property. As of June 30, 2025, the City's assessed value of real property was $8.1 billion. The City's debt is less than the current debt limitation of $807.4 million.

Long-Term Debt (continued)

The City's debt management policy states that tax-supported debt should not exceed 4.5% of net assessed valuation of taxable property in the City of Lynchburg.   For the purposes of calculating this ratio, assessed value includes real property and personal property. As of June 30, 2025, debt to assessed value was 2.10%. The debt policy also states that the 10-year principal payout ratio shall not be less than 60% at the end of each adopted five-year Capital Improvement Program for tax-supported general obligation indebtedness. As of June 30, 2025, the 10-year principal payout ratio was 71.85%.

Detailed information on the City's long-term debt is included in Note 9 of this report.

Note 9: Long-Term Liabilities

Primary Government:

General Obligation Debt:

As of June 30, 2025	Interest Rates (%)	Date Issued	Final Maturity	Original Issue	Public Improvements	School Facilities	Proprietary Funds	Total
Bond Anticipation Note								
Public Improvement								
Draw-down loan facility	Variable-SOFR	07/18/23	06/15/26	$ 68,500,000	$ 7,503,612	$ 1,412,039	$ 24,019,729	$ 32,935,380
General Obligation Bonds								
VA Resources Authority	0.00	03/24/94	06/01/26	3,976,369	-	-	129,732	129,732
VPSA General Obligation	4.60-5.10	11/10/05	07/15/25	6,411,957	-	372,067	-	372,067
VPSA General Obligation	0.00	11/13/09	09/01/26	10,255,000	-	1,460,000	-	1,460,000
Public Improvement	2.00-5.00	05/19/16	02/01/46	26,945,000	9,161,284	-	9,953,716	19,115,000
Public Improvement								
Refunding	2.00-5.00	05/19/16	02/01/38	20,350,000	1,622,093	-	9,162,907	10,785,000
Public Improvement								
Refunding	3.00-5.00	09/26/17	08/01/39	29,100,000	2,689,472	7,643,960	11,121,568	21,455,000
Public Improvement	2.00-5.00	01/30/20	08/01/49	49,425,000	31,945,000	3,860,000	11,660,000	47,465,000
Public Improvement								
Refunding	4.00-5.00	10/29/20	12/01/33	15,340,000	2,879,243	2,099,336	3,301,421	8,280,000
Public Improvement	4.00-5.00	03/07/23	08/01/52	66,990,000	32,155,000	4,200,000	27,310,000	63,665,000
VA Resources Authority	0.50	01/30/24	06/01/45	7,500,000	7,500,000	-	-	7,500,000
Public Improvement								
Refunding	4.00-5.00	05/07/24	06/01/44	69,375,000	10,506,647	43,008,655	10,869,698	64,385,000
General Obligation- Direct Borrowings								
Public Improvement	2.75	10/23/13	12/01/28	10,000,000	1,881,583	249,617	532,800	2,664,000
					$ 107,843,934	$ 64,305,674	$ 108,061,571	$ 280,211,179

Authorized and unissued general obligation public improvement bonds amounted to $80,005,774 at June 30, 2025.

As of June 30, the City's Primary Government had outstanding general obligation debt of $280,211,179, including direct borrowings from commercial banks totaling $2,664,000. For all general obligation debt, the full faith and credit of the City are irrevocably pledged to the punctual payment of the principal of and interest on the Bonds as the same become due. In each year while any Bonds are outstanding and unpaid, the Council shall be authorized and required to levy and collect annually, at the same time and in the same manner as other taxes of the City are assessed, levied and collected, a tax upon all taxable property within the City, over and above all other taxes, authorized or limited by law and without limitation as to rate or amount, sufficient to pay when due the principal of and interest on the Bonds to the extent other funds of the City are not lawfully available and appropriated for such purpose.

Note 9: Long-Term Liabilities (continued)

Primary Government *(continued)*:

General Obligation Debt *(continued)*:

Direct Borrowing- Event of Default Provisions- Series 2013 Bonds (Issued 10/23/2013):

The events of default ("Events of Default") with respect to this Bond shall be (i) the failure to pay principal of or interest on this Bond when due, (ii) the failure to perform or observe the covenants set forth in Sections 4 and 5 of the Authorizing Resolution, (iii) any representation or warranty made by the City Manager on behalf of the City in the Certificate of the City Manager as to Representations, Warranties and Covenants of the City of Lynchburg, Virginia, dated October 23, 2013, proving to have been incorrect when made or confirmed, (iv) a default by the City in the payment of the principal of or interest on any other general obligation indebtedness of the City, and (v) the downgrade of the City's general obligation bond rating below BBB by Fitch Ratings or Baa2 by Moody's Investors Service or BBB by Standard & Poor's Ratings Services. Upon the occurrence and continuance of an Event of Default this Bond shall bear interest at the rate of four percent (4%) per annum and the Purchaser shall have the right to declare the principal amount of this Bond to be immediately due and payable and may exercise its rights of remedies available to it under the Authorizing Resolution, at law or in equity.

Legal Debt Limit:

The Constitution of Virginia, Article VII, Section 10(a) sets forth the City's legal debt limit at ten percent (10%) of its real estate assessed valuation for the issuance of any bonds or other interest-bearing obligations. As shown in Supplementary Statistical Table 22, as of June 30, the City's debt limit was $807.4 million. The City's aggregate general obligation indebtedness was $280.2 million and the City's legal debt margin (amount available for issuance of additional debt) was $527.2 million.

Debt Management Policy:

The City's Debt Management Policy, which was reaffirmed on January 24, 2023, limits tax-supported debt to four and a half percent (4.50%) of its net assessed valuation of taxable property (general obligation bonds issued for self-supporting enterprise funds are not included in this calculation). As shown in the Supplementary Statistical Table 21, outstanding tax-supported debt was 2.10% of net assessed valuation of taxable property. The Policy also states that the 10-Year Principal Payout Ratio shall not be less than 60% at the end of each adopted five-year Capital Improvement Program. The principal payout ratio for the year ended June 30 was 71.85%. There are no overlapping tax jurisdictions.

Note 9: Long-Term Liabilities (continued)

Primary Government *(continued)*:

Revenue Debt:

As of June 30, 2025	Interest Rates %	Date Issued	Final Maturity	Final Issue	Water Fund	Sewer Fund	Stormwater Fund	Total
Virginia Resources Authority								
Public Utility Revenue Bonds	0.00	03/28/95	06/01/26	$ 6,541,207	$ -	$ 182,989	$ -	$ 182,989
Public Utility Revenue Bonds	0.00	08/10/95	12/01/27	10,000,000	-	734,127	-	734,127
Public Utility Revenue Bonds	0.00	06/27/96	12/01/27	8,000,000	-	568,286	-	568,286
Public Utility Revenue Bonds	0.00	07/17/97	06/01/29	7,591,540	-	928,354	-	928,354
Public Utility Revenue Bonds	0.00	08/21/98	06/01/30	6,203,000	-	968,184	-	968,184
Public Utility Revenue Bonds	0.00	02/15/01	06/01/31	735,000	-	140,921	-	140,921
Public Utility Revenue Bonds	0.00	11/06/01	12/01/32	1,413,613	-	350,408	-	350,408
Public Utility Revenue Bonds	0.00	09/15/03	06/01/35	2,350,165	-	782,542	-	782,542
Public Utility Revenue Bonds	0.00	05/20/04	12/01/36	6,000,000	-	2,300,000	-	2,300,000
Public Utility Revenue Bonds	0.00	05/17/05	06/01/37	6,700,000	-	2,680,000	-	2,680,000
Public Utility Revenue Bonds	0.00	06/28/06	12/01/38	9,600,000	-	4,320,000	-	4,320,000
Public Utility Revenue Bonds	0.00	06/20/07	06/01/39	7,000,000	-	3,266,667	-	3,266,667
Public Utility Revenue Bonds	0.00	06/05/08	11/01/40	12,350,000	-	6,380,834	-	6,380,834
Public Utility Revenue Bonds	0.00	06/25/09	06/01/41	19,000,000	-	10,133,333	-	10,133,333
Public Utility Revenue Bonds	0.00	06/17/10	06/01/42	13,100,000	-	7,423,333	-	7,423,333
Public Utility Revenue Bonds	0.00	06/15/11	02/01/33	9,343,149	-	3,732,593	-	3,732,593
Public Utility Revenue Bonds	0.00	06/15/11	08/01/44	10,100,000	-	6,565,000	-	6,565,000
Public Utility Revenue Bonds	0.00	06/06/12	01/01/44	7,000,000	-	4,433,333	-	4,433,333
Public Utility Revenue Bonds	0.00	01/05/17	02/01/38	1,697,269	-	-	1,139,041	1,139,041
Public Utility Revenue Bonds	0.00	09/18/18	10/01/40	32,000,000	-	24,800,000	-	24,800,000
Public Utility Revenue Bonds	0.00	07/30/20	05/01/41	1,500,000	-	1,200,000	-	1,200,000
Public Utility Revenue Bonds	1.00	06/07/24	10/01/44	775,000	775,000	-	-	775,000
					$ 775,000	$ 81,890,904	$ 1,139,041	$ 83,804,945

The revenue bonds have been issued in accordance with the terms of an indenture agreement with the Virginia Resources Authority, a public body corporate and a political subdivision of the Commonwealth of Virginia (the "Authority"), as Administrator of the Virginia Water Facilities Revolving Fund and Virginia Water Supply Revolving Fund.

Pursuant to Chapter 22 Title 62.1 of the Code of Virginia (1950), as amended (the "Act"), the General Assembly created a permanent and perpetual fund known as the "Virginia Water Facilities Revolving Fund (the "Fund"). In conjunction with the State Water Control Board, the Authority administers and manages the Fund. From the Fund, the Authority from time to time makes loans to and acquires obligations of local governments in Virginia to finance: 1) the costs of wastewater treatment facilities within the meaning of Section 62.1-224 of the Act; 2) the costs of constructing facilities or structures or implementing other best management practices that reduce or prevent pollution of state waters caused by stormwater runoff from impervious surfaces within the meaning of Section 62.1-229.4 of the Act.

Pursuant to Chapter 23, Title 62.1 of the Code of Virginia (1950) as amended (the "Act"), the General Assembly created a fund known as the "Virginia Water Supply Revolving Fund" (the "Fund"). In conjunction with the Virginia Board of Health, the Authority administers and manages the Fund. From the Fund, the Authority from time to time makes loans to and acquires obligations of local governments in Virginia to finance the costs of water supply facilities within the meaning of Section 62.1-233 of the Act.

All of the indenture agreements require the City to pledge its Water, Sewer, and Stormwater Funds Revenues as collateral for the revenue bonds and to maintain a debt coverage ratio at least equal to 1.15. As shown in Supplementary Statistical Tables 23, 24 and 25, the Water Fund's debt coverage ratio for the year ended June 30 was 1.46, the Sewer Fund's debt coverage ratio was 1.57 and the Stormwater Fund's debt coverage ratio was 2.70.

Note 9: Long-Term Liabilities (continued)

Primary Government *(continued)*:

Summary of Changes in Long-Term Liabilities for FY 2025:

Governmental Activities	Beginning Balance	Additions	Deletions	Ending Balance	Current Portion
Bond anticipation notes	$ 448,654	$ 8,466,997	$ -	$ 8,915,651	$ -
General obligation bonds	175,507,558	-	10,637,136	164,870,422	11,323,856
General obligation- Direct borrowings	3,330,000	-	666,000	2,664,000	666,000
Lease obligations	2,668,212	259,023	122,720	2,804,515	129,803
Other long term payable *	1,312,667	-	437,555	875,112	437,555
Adjust for deferred amounts:					
Issuance discounts	(159,926)	-	(53,309)	(106,617)	-
Issuance premiums	15,969,997	-	1,510,226	14,459,771	-
Total bonds and notes	199,077,162	8,726,020	13,320,328	194,482,854	12,557,214
Workers' compensation**	3,235,475	(251,264)	945,130	2,039,081	244,690
Compensated absences**	6,276,079	1,834,631	-	8,110,710	973,283
	$ 208,588,716	$ 10,309,387	$ 14,265,458	$ 204,632,645	$ 13,775,187

Business-Type Activities	Beginning Balance	Additions	Deletions	Ending Balance	Current Portion
Bond anticipation notes	$ 11,532,062	$ 12,487,667	$ -	$ 24,019,729	$ -
General obligation bonds	83,399,861	-	3,658,484	79,741,377	3,561,269
Public utility revenue bonds	90,341,586	-	6,536,641	83,804,945	6,572,825
Lease obligations	66,069	9,822	18,068	57,823	17,628
Adjust for deferred amounts:					
Issuance premiums	5,969,538	-	371,963	5,597,575	-
Total bonds and notes	191,309,116	12,497,489	10,585,156	193,221,449	10,151,722
Workers' compensation	93,715	202,137	95,374	200,478	24,058
Compensated absences	549,598	482,826	-	1,032,424	123,891
	$ 191,952,429	$ 13,182,452	$ 10,680,530	$ 194,454,351	$ 10,299,671

* An intangible asset was obtained concurrent with the recordation of this long term payable. Neither instrument constituted a source or a use of current financial resources; therefore, they are not reflected in the fund financial statements. The intangible asset is included in capital assets in Exhibit 1.

**For governmental activities, a portion of the workers' compensation and compensated absences are liquidated by the Internal Service Fund. The remaining portion of the workers' compensation, compensated absences, and other post-employment benefits are liquidated by the General Fund.

The change in compensated absences above is the net change for the year.

Note 9: Long-Term Liabilities (continued)

Primary Government *(continued)*:

Debt Service to Maturity:

Governmental Activities

Year Ending June 30	General Obligation Bonds Principal	General Obligation Bonds Interest	General Obligation- Direct Borrowings Principal	General Obligation- Direct Borrowings Interest	Other Long Term Payable Principal
2026	$ 11,323,856	$ 6,581,381	$ 666,000	$ 64,103	$ 437,555
2027	10,790,362	5,992,883	666,000	45,788	437,557
2028	9,353,243	5,556,165	666,000	27,473	-
2029	9,504,072	5,134,617	666,000	9,158	-
2030	9,484,384	4,713,587	-	-	-
2031-2035	46,124,845	17,421,670	-	-	-
2036-2040	42,657,391	8,645,873	-	-	-
2041-2045	25,632,269	1,661,365	-	-	-
	$ 164,870,422	$55,707,541	$ 2,664,000	$ 146,522	$ 875,112

Business-Type Activities

General Obligation Bonds

Year June 30	Water Fund Principal	Water Fund Interest	Sewer Fund Principal	Sewer Fund Interest	Stormwater Fund Principal	Stormwater Fund Interest	Airport Fund Principal	Airport Fund Interest
2026	$ 1,954,221	$ 1,675,248	$ 1,395,185	$ 1,077,454	$ 100,000	$ 219,950	$ 111,863	$ 57,841
2027	2,012,142	1,572,274	1,303,046	1,013,481	100,000	214,950	72,476	52,248
2028	2,051,836	1,482,251	1,321,536	960,155	110,000	209,700	78,253	49,774
2029	2,086,278	1,394,274	1,327,340	906,993	115,000	204,075	79,030	47,158
2030	2,057,934	1,309,459	1,281,197	855,237	120,000	198,200	80,066	44,473
2031-2035	10,683,779	5,206,201	6,331,553	3,472,421	700,000	895,325	470,971	166,274
2036-2040	10,791,715	3,176,684	6,095,185	2,342,195	870,000	715,247	329,798	74,822
2041-2045	5,997,292	1,645,967	5,148,681	1,390,859	1,080,000	519,456	200,000	12,200
2046-2050	3,975,000	730,897	3,985,000	607,713	1,300,000	293,966	-	-
2051-2053	1,845,000	116,222	1,380,000	87,038	800,000	50,531	-	-
	$ 43,455,197	$ 18,309,477	$ 29,568,723	$ 12,713,546	$ 5,295,000	$ 3,521,400	$ 1,422,457	$ 504,790

Business-Type Activities

Revenue Bonds

Year Ending June 30	Water Fund Principal	Water Fund Interest	Sewer Fund Principal	Stormwater Principal
2026	$ 36,184	$ 7,660	$ 6,449,022	$ 87,619
2027	36,546	7,297	6,266,032	87,619
2028	36,913	6,931	6,005,550	87,619
2029	37,283	6,561	5,745,067	87,619
2030	37,657	6,187	5,512,979	87,619
2031-2035	194,021	25,195	25,443,088	438,092
2036-2040	203,944	15,273	21,433,333	262,854
2041-2045	192,452	4,843	5,035,833	-
	$ 775,000	$ 79,947	$ 81,890,904	$ 1,139,041

*Sewer and Stormwater Fund Revenue Bonds are 0.00% interest.

Note 9: Long-Term Liabilities (continued)

Primary Government *(continued)*:

July 18, 2023 General Obligation Public Improvement Bond Anticipation Note, Series 2023

July 18, 2023 General Obligation Public Improvement Bond Anticipation Note, Series 2023
On July 18, 2023 the City issued a three-year General Obligation Bond Anticipation Note and concurrently entered into a line of credit Financing Agreement with JPMorgan Chase Bank, N.A. The Agreement provided for borrowings of up to $68,500,000 to provide interim financing for qualifying city, school, water, sewer, stormwater, airport and fleet capital improvements. Interest on the unpaid principal is equal to the sum of (i) 80% times adjusted term secured overnight financing rate (SOFR), plus (ii) 0.55%, as calculated by the Lender. Interest shall be computed on the basis of the actual number of days elapsed in a 360-day year. Interest is paid monthly. All outstanding amounts are due on June 15, 2026. The unused line of credit as of June 30 is $35,564,620.

January 30, 2024 General Obligation Public Improvement Bonds, Series 2024 (Virginia Water Facilities Revolving Fund-College Lake Dam Project, Loan C-515768G)

The City entered into a $7,500,000 General Obligation Public Improvement Bond, Series 2024 Financing Agreement with the Virginia Resources Authority on January 30, 2024. Proceeds of the borrowing will be used to finance a portion of the College Lake Dam Removal Project. The bonds were issued with a 0.50% per annum interest rate. An interest only payment shall be due and payable on December 1, 2025, with semi-annual principal and interest payments commencing June 1, 2026 and continuing semiannually thereafter on June 1 and December 1 in each year, with the final installment being due on June 1, 2045. As of June 30, the City has drawn $3,712,393 on the loan. The remaining available proceeds of $3,787,607 are expected to be drawn in FY 2026.

June 7, 2024 Water Revenue Bonds, Series 2024 (Virginia Water Supply Revolving Fund- Water Line Inventory Project, Loan BIL 04L-22)

The City entered into a $775,000 Public Utility Water Revenue Bond, Series 2024 Financing Agreement with the Virginia Resource Authority on June 7, 2024. Proceeds of the borrowing will be used to pay a portion of the costs of a water line inventory project. The bonds were priced with a 1.00% per annum interest rate. An interest only payment shall be due and payable on April 1, 2025; with principal and interest payments commencing on October 1, 2025 and continuing semiannually thereafter on April 1 and October 1 in each year, with the final installment being due on October 1, 2044. As of June 30, the City has drawn the full $775,000 available on the loan.

August 22, 2025 Water Revenue Bonds, Series 2025 (Virginia Water Supply Revolving Fund- Water Line Inventory and Replacement Project, Loan BIL 66L-23)

The City entered into a $6,365,998 Public Utility Water Revenue Bond, Series 2025 Financing Agreement with the Virginia Resource Authority on August 22, 2025. Proceeds of the borrowing will be used to pay a portion of the costs of a water line inventory and replacement project. The bonds were priced with a 1.00% per annum interest rate. An interest only payment shall be due and payable on July 1, 2027; with principal and interest payments commencing on January 1, 2028 and continuing semiannually thereafter on July 1 and January 1 in each year, with the final installment being due on January 1, 2047. All available proceeds are expected to be drawn by January 2027.

September 19, 2025, Sewer Revenue Bonds, Series 2025A (Virginia Water Facilities Revolving Fund- CSO 52 Tunnel and Pump Station Project, Loan C-515865E)

The City entered into a $29,395,000 Public Utility Sewer Revenue Bond, Series 2025A Financing Agreement with the Virginia Resource Authority on September 19, 2025. Proceeds of the borrowing will be used to pay a portion of the costs of the Combined Sewer Overflow Tunnel and Pump Station Project. The bonds were priced with a 0.50% per annum interest rate. An interest only payment shall be due and payable on March 1, 2028; with principal and interest payments commencing on September 1, 2028 and continuing semiannually thereafter on March 1 and September 1 in each year, with the final installment being due on September 1, 2052. All available proceeds are expected to be drawn by September 2027.

Component Unit – Lynchburg City Schools:

Summary of Changes in Long-Term Liabilities for FY 2025:

	Beginning Balance	Additions	Deletions	Ending Balance	Current Portion
Compensated absences	$ 1,455,776	$ 1,385,981	$ -	$ 2,841,757	$ 1,676,637
Subscription liability	3,059,521	864,454	3,552,852	371,123	368,768
	$ 4,515,297	$ 2,250,435	$ 3,552,852	$ 3,212,880	$ 2,045,405

Debt Service to Maturity:

Year Ending June 30	Subscription Liabilities Principal	Subscription Liabilities Interest
2026	$ 368,768	$ 13,026
2027	2,355	44
	$ 371,123	$ 13,070

Ratios of Outstanding Debt by Type
(dollars expressed in thousands, except for per capita amounts)

	Governmental Activities						Business-type Activities							Total Primary Government - Net Outstanding Debt Ratios		
Fiscal Year	General Obligation Bonds	Direct Borrowings (1)	General Obligation Notes	Note Payable and Other	Leases	Net Deferred Amounts(2)	General Obligation Bonds	Direct Borrowings (1)	General Obligation Notes	Public Utility Revenue Bonds	Leases	Net Deferred Amounts(2)	Total Primary Government (Principal Only)	Total Primary Government - Net (Includes Net Deferred	Percentage of Personal Income(3)	Total Primary Government - Net Bonded Debt Per Capita(3)
2016	$ 191,848	$ -	$ -	$ 1,400	$ -	$ 12,877	$ 76,395	$ -	$ -	$ 104,998	$ -	$ 4,722	$ 374,641	$ 392,240	13.29%	$ 4,932
2017	180,737	-	-	1,220	-	12,143	71,917	-	-	99,530	-	4,483	353,404	370,030	12.28%	4,604
2018	169,882	12,496	183	4,978	-	12,610	79,953	1,400	618	93,217	-	5,709	362,727	381,046	12.15%	4,685
2019	160,508	10,851	2,457	3,500	-	11,792	76,582	1,130	5,619	118,825	-	5,412	379,472	396,676	12.16%	4,910
2020	173,528	9,188	551	3,063	-	14,594	72,970	856	81	113,934	-	5,914	374,171	394,679	11.77%	4,857
2021	163,143	6,246	4,529	2,625	-	14,849	69,349	-	3,169	109,284	-	6,234	358,345	379,428	10.89%	4,740
2022	152,733	5,163	7,910	2,188	2,658	13,789	66,040	-	10,575	102,640	2	5,874	349,909	369,572	9.74%	4,612
2023	184,219	4,072	-	1,750	2,611	16,674	88,028	-	-	96,103	28	6,346	376,811	399,831	9.66%	4,952
2024	175,507	3,330	449	1,313	2,668	15,810	83,400	-	11,532	90,342	66	5,969	368,607	390,386	9.32%	4,773
2025	164,870	2,664	8,916	875	2,805	14,353	79,741	-	24,020	83,805	58	5,597	367,754	387,704	9.25%	4,741

Source: Chief Financial Officer, City of Lynchburg, Virginia.

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.
The City of Lynchburg is autonomous and entirely independent of any county or any other political subdivision of the Commonwealth of Virginia.
Therefore, there is no direct and no overlapping debt related to governmental activities.

(1) Direct Borrowings were split out from General Obligation Bonds starting with FY 2018 to meet GASB 88 disclosure requirements.
(2) Net Deferred Amounts include Premiums and Discounts.
(3) See Table 26 for population and per capita personal income information. For FY 2025 and FY 2024, the FY 2023 amount for per capita personal income of $51,243 was utilized to calculate the Percentage of Personal Income.

Note: Information from the FY 2025 Annual Comprehensive Financial Report, Statistical Table 20.

Ratios of Net General Bonded Debt Outstanding

(dollars in thousands, except per capita)

Fiscal Year	Population (1)	Assessed Valuation (in thousands) (1)	Gross Bonded Debt (2)	Net Deferred Amounts (3)	Net Bonded Debt (Includes Net Deferred Amounts)	Net Bonded Debt To Assessed Value (Includes Net Deferred Amounts)	Net Bonded Debt Per Capita (Includes Net Deferred Amounts)	Bonded Debt Payable From Enterprise Fund Revenues (4)	Net Deferred Amounts Enterprise Funds (4)	Net Bonded Debt Governmental Funds Only (4)	Net Bonded Debt Governmental Funds Only To Assessed Value (Includes Net Deferred Amounts) (4)
2016	79,977	$ 6,141,752 (5)	$ 268,243	$17,599	$ 285,842	4.65%	$ 3,574	$ 76,395	$ 4,722	$ 204,725	3.33%
2017	80,667	6,209,849 (5)	252,654	16,626	269,280	4.34%	3,338	71,917	4,483	192,880	3.11%
2018	80,690	6,299,243 (5)	264,532	18,319	282,851	4.49%	3,505	81,971	5,709	195,171	3.10%
2019	80,772	6,434,077 (5)	257,147	17,204	274,351	4.26%	3,397	83,331	5,412	185,608	2.88%
2020	80,327	6,728,225 (5)	257,174	20,508	277,682	4.13%	3,457	73,907	5,914	197,861	2.94%
2021	80,054	6,896,833 (5)	246,436	21,083	267,519	3.88%	3,342	72,518	6,234	188,767	2.74%
2022	80,127	7,383,211 (5)	242,421	19,663	262,084	3.55%	3,271	76,615	5,874	179,595	2.43%
2023	80,736	7,464,861 (5)	276,319	23,020	299,339	4.01%	3,708	88,028	6,346	204,965	2.75%
2024	81,782	8,945,243 (5)	274,218	21,779	295,997	3.31%	3,619	94,932	5,969	195,096	2.18%
2025	81,782	9,107,060 (6)	280,211	19,950	300,161	3.30%	3,670	103,761	5,597	190,803	2.10%

Source: Chief Financial Officer, City of Lynchburg, Virginia.

(1) See Table 14 for Assessed Valuations and Table 26 for population information.
(2) Includes governmental and business type activity general obligation principal only and excludes City of Lynchburg Public Utility revenue bonds.
(3) Net Deferred Amounts include Premiums and Discounts.
(4) Per City Council Adopted Debt Polices, total tax-supported debt will not exceed 4.5% of the net assessed valuation of taxable property in the City of Lynchburg.
For the purpose of this policy, tax-supported obligations are defined as those that are expected to be repaid from General Fund tax revenue of the City of Lynchburg.
These include general obligation bonds (except self-supporting bonds) and capital leases. General obligation bonds issued for self-supporting enterprise funds are not included in the calculations of tax-supported bonds.
The City is including a ratio of Governmental Fund debt only to prove adherance to internal debt policies.
(5) These figures have been updated to reflect all billings associated with the personal property tax levy.
(6) These figures only reflect two of the four billings associated with the personal property tax levy.
These figures will be updated in FY 2026 to reflect all four billings.

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

Note: Information from the FY 2025 Annual Comprehensive Financial Report, Statistical Table 21.