

Popular Annual Financial Report
To the Community
For the Fiscal Year ended on June 30, 2019

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The City of Lexington proudly presents Popular Annual Financial Report [PAFR]. The purpose of this report is to inform the community of the City's financial activity in a simple and easy-to-read format for the fiscal year ending June 30, 2019.

These highlights are based on the City's 2019 Comprehensive Annual Financial Report [CAFR], a more inclusive and audited document.

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ABOUT THIS REPORT

The City of Lexington reports financial year-end results in the Comprehensive Annual Financial Report (CAFR).

The Popular Annual Financial Report (PAFR) is an unaudited report that summarizes the most significant data from the 2019 CAFR and is consistent with Generally Accepted Accounting Principles.

For a complete review of the City's financial position for 2019, consult the 2019 CAFR available on the City's website at <http://lexingtonva.gov> or from the Finance Department at 540-462-3731.

City of Lexington Welcomes the New Manager



City Council Members FY 2019



New City Manager: Jim Halasz

The City of Lexington welcomes Mr. Jim Halasz as the new city manager! Before coming to Lexington as the new City manager on Nov 9, 2019, Mr. Jim Halasz was the Halifax County Administrator and lived in South Boston, Virginia for over 6 years. Prior to that, Jim worked for 12 years as Assistant & Deputy City Manager in Staunton, Virginia. He had also worked additional nearly 12 years in Michigan as Paw Paw Village Manager, Milford Village Manager and City of Cadillac, Assistant to the City Manager.

Jim is a long time Rotarian and believes deeply in community service on a professional and personal level. In his first few months in Lexington, he has very much enjoyed working with the City Council, the regional partners, stakeholders and residents of the community. He actively pursues outdoor activities like running, hiking, hunting and wilderness canoeing. Jim has been married for nearly 30 years and has a daughter and son, both of who are adults and now have moved to Colorado.

Infrastructure and Improvements in Lexington

The City of Lexington made a series of improvements to infrastructure throughout the community. Several of these improvements are described below.

Enfield Sewer Improvements – Phase II

This \$1.2M project completed the Enfield sewer shed sanitary sewer repair, replacement, and lining efforts which commenced with Phase I in 2017. This project focused on the City's sewer infrastructure within and along the periphery of Borden Road, Alum Springs Road, and Lime Kiln Road.



Woods Creek Sewer Interceptor Improvements

This \$520K project increased the size of the City's primary sewer conveyance main to 16-inches from the Lime Kiln Bridge to its confluence with the Sarah's Run Interceptor. The existing 12-inch interceptor was poorly aligned and experienced periodic overflows.

Main Street Waterline Project

This \$1.6M project replaced the myriad of aged 8-inch, 10-inch, and 12-inch waterlines within Main Street with new 12-inch ductile iron pipe from Jordan Street to Maiden Lane. This project also included the installation of new master water meters for the Virginia Military Institute.



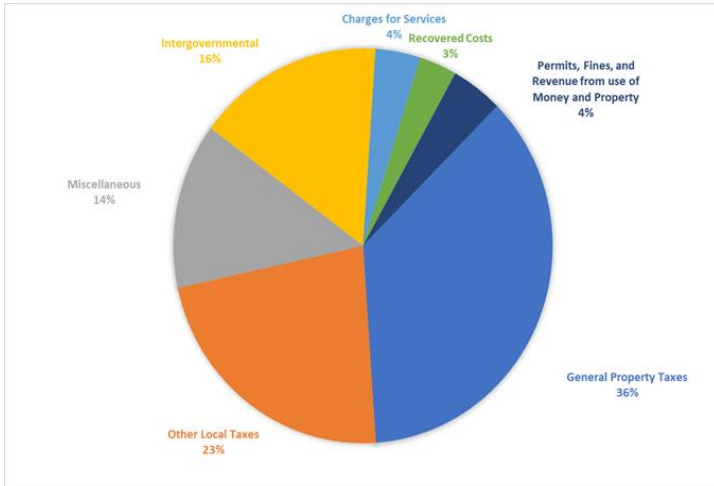
Taylor Street Reconstruction

This \$600K project replaced all City right-of-way water, sewer, concrete, and roadway infrastructure from Houston Street to Wallace Street. The project was fifty percent funded by VDOT Revenue Sharing grant monies.



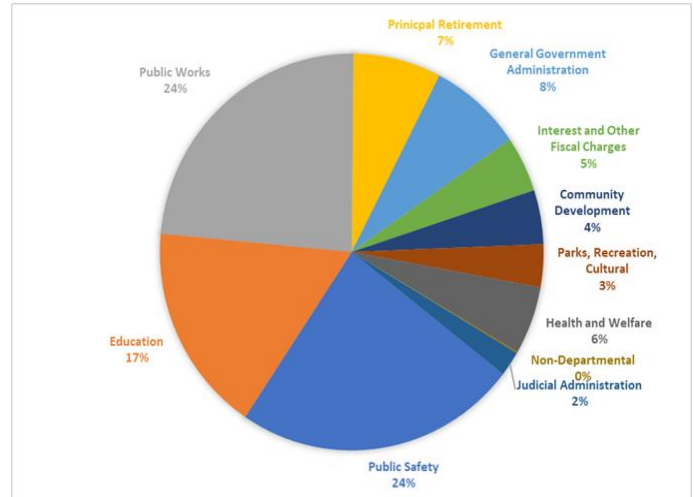
General Fund Revenue

Total: \$19,269,550



General Fund Expenditure

Total: \$17,949,318



The General Fund is one of the largest funds for Lexington's operation. The General Fund accounts for day-to-day general expenditures such as street and park maintenance, public safety, and administrative services, while also providing to other funds. However, it does not account for the purchase of tangible assets like buildings. Those purchases fall under the Capital Projects Fund.

In the Fiscal Year 2019, most of Lexington's expenditure was about evenly split between public works (24%) and public safety (24%), and the second largest expense was education (17%). The total expenditure was \$17,949,318, which was 3.5% higher than the approved budget of \$17,334,338.00. This was due to an increase in public safety, non-departmental, and community development.

Capital Projects Fund

Capital Projects Fund Revenue

Miscellaneous	-
Commonwealth	-
Total Revenue	-

Capital Projects Expenditure

Current	
Public Works	\$689,662
Education	\$5,667
Parks, recreation and cultural	\$37,345
Public Safety	\$258,610
General government administration	\$14,378
Community Development	\$40,697
Total Expenditure	\$1,046,359

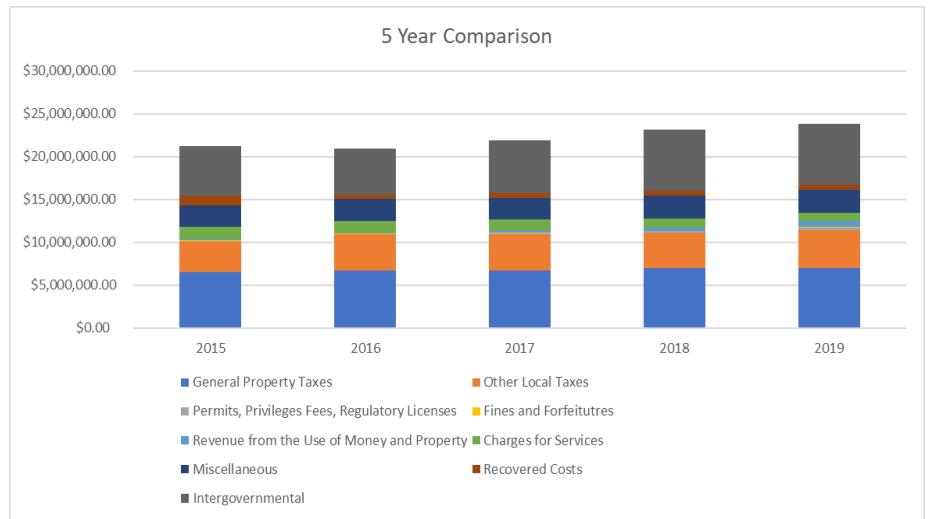
Revenue	-
Expenditure	\$1,046,359
Excess	\$(1,046,359)
Transfer	\$1,610,000
Excess	\$563,641
Beginning Fund	\$2,794,787
Ending Fund	\$3,358,428

A transfer of \$1,610,000 was made from bond funds and the General Fund to cover the excess in expenditure, \$1,046,359, which brought the excess to a positive \$563,641. This excess was added to the beginning Capital Projects Fund of \$2,794,787 to leave \$3,358,428 as the ending balance of the Capital Projects Fund.

Governmental Revenue and Expenditure

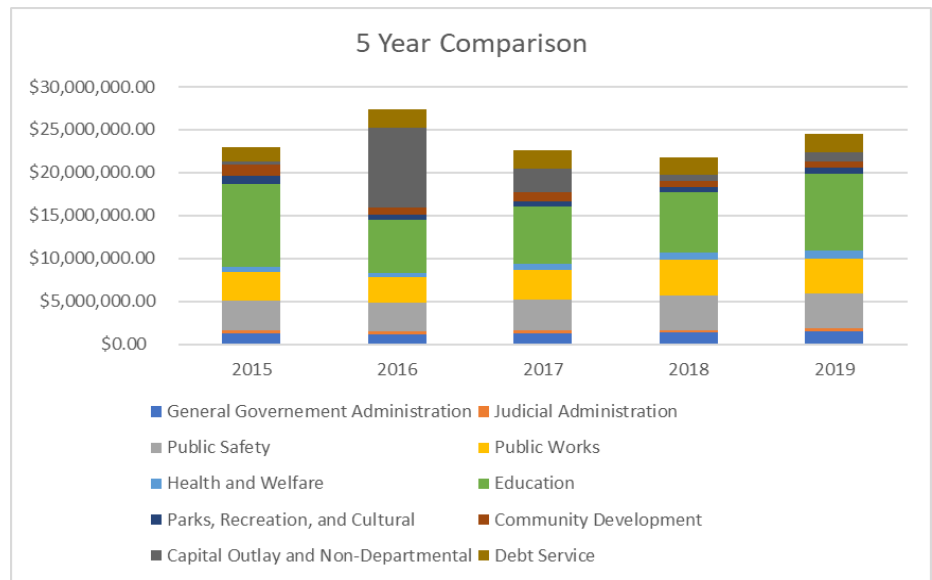
Revenue

Lexington’s revenue for FY 2019 was a total of \$19,367,135.00. This was about a 1.25% increase from 2018’s revenue.



Expenditure

Lexington’s expenditure in the FY 2019 was a total of \$17,949,358.00. This was about a 1% increase from 2018’s total expenditure.



Long-Term Debt

2018 \$28,152,374
 2019 \$29,397,936

The City’s total general obligation debt increased by \$1,245,562 or 4.4% during the current fiscal year.

The current debt limitation for the City of Lexington is \$58,665,000, so the current long-term debt is *significantly* lower than the debt limit.