



CITY OF HARRISONBURG
**FINANCE
& PURCHASING**

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TO: Ande Banks, City Manager
FROM: Larry L. Propst, Director of Finance
DATE: February 16, 2024
RE: Supplemental Appropriation – Interest Earned on Bond Proceeds

Summary: Consider a supplemental appropriation for the General, School and Water Capital Projects Funds.

Background: The City issued bonds in September 2021 for the construction of Rocktown High School and for the continued construction of the waterline to the Shenandoah River. The unexpended bond proceeds have been earning interest throughout this time period. This supplemental appropriation will appropriate \$2,982,833.46 in interest earnings through January 31, 2024 into the project budget line items.

Key Issues: None.

Environmental Impact: None.

Fiscal Impact: The total City budget will increase by \$2,982,833.46. The General Capital Projects Fund budget will increase by \$283,611.05, the School Capital Projects Fund will increase \$1,189,112.17 and the Water Capital Projects Fund will increase by \$1,510,110.24.

Prior Actions: None.

Alternatives: Do not approve the supplemental appropriation.

Community Engagement: None.

Recommendation: Staff recommends approval of the supplemental appropriation.

Attachments: Supplemental Appropriation.

Review:

The initiating Department Director will place in Legistar, in sequence of transmittal, the names of each department that must initial their review in order for this item to be placed on the City Council agenda. The completion of review only addresses the readiness of the issue for Council consideration. This does not address the recommendation for approval or denial of the issue.

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