



City of Harrisonburg, Virginia

Department of Finance

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TO: Kurt Hodgen, City Manager
FROM: Larry Propst, Director of Finance
DATE: June 19, 2017
RE: Reallocation of Funds

Summary: Reallocate funds from the General Fund to the General Capital Projects Fund and reallocate funds from the Water and Sewer Funds to the Water and Sewer Capital Projects Funds.

Background: This reallocation of funds will move \$925,000 in budgeted funds from the General Fund to the General Capital Projects Fund for several projects. The reallocation will provide (1) \$225,000 for the Fire Station 1 renovation project, (2) \$150,000 for renovations to the old municipal building and (3) \$550,000 to the HVAC project at the City/County jail. This reallocation will also reallocate a total of \$540,000 from the Water and Sewer Funds to the Water and Sewer Capital Projects Funds for the utility billing software project.

Key Issues: Savings were identified in several General Fund department budgets and also within the reserve for contingencies line item to provide additional funding to the Fire Station 1 and old municipal building renovation projects. Funds for the city's share of the HVAC project at the City/County jail were budgeted in the shared services line item in the General Fund for FY 2017 but a capital project line item is now being created for this project. This will add to the funds budgeted in the upcoming FY 2018 budget. Funds for the utility billing software had been budgeted in capital outlay in the FY 2017 within the Water and Sewer Funds but the project has not yet started and these funds will be moved to capital project accounts.

Environmental Impact: None

Fiscal Impact: See above

Prior Actions: None

Alternatives: None

Community Engagement: None

Recommendation: Staff recommends approval of the reallocation of funds.

Attachments: Budget Reallocation

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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The City With The Planned Future