



CITY OF HARRISONBURG
**FINANCE
& PURCHASING**

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TO: Eric D. Campbell, City Manager
FROM: Larry L. Propst, Director of Finance
DATE: January 2, 2020
RE: Public Hearing – Supplemental Appropriation for the New High School

Summary: Consider a supplemental appropriation in the amount of \$6,200,000 for the General and School Capital Projects Funds.

Background: At its December 10, 2019 meeting, City Council approved the Harrisonburg City School Board's (HCPS) Comprehensive Public-Private Education and Infrastructure Act (PPEA) agreement for the construction of the new high school. As the contractor has begun work, this supplemental appropriation will provide interim funding for the PPEA agreement until permanent financing is in place.

Key Issues: This supplemental appropriation represents an increase of over 1% of the total city budget. Code of Virginia Section 15.2-2507 requires a public hearing for budget amendments that exceed 1% of the budget.

Environmental Impact: None

Fiscal Impact: The total city budget will increase by \$12,400,000. The General Fund will increase \$6,200,000, the General Capital Projects Fund will increase \$433,325 and the School Capital Projects Fund will increase \$5,766,675.

Prior Actions: City Council approval on December 10, 2019 of HCPS's Comprehensive PPEA agreement to build the new high school.

Alternatives: Do not approve the supplemental appropriation.

Community Engagement: A public hearing notice was placed in the Daily News-Record on January 7, 2020.

Recommendation: Staff recommends approval of the supplemental appropriation.

Attachments: Supplemental Appropriation and Public Hearing notice.

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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