



CITY OF HARRISONBURG
**FINANCE
& PURCHASING**

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TO: Eric D. Campbell, City Manager
FROM: Larry L. Propst, Director of Finance
DATE: June 1, 2020
RE: Fiscal Year 2020-2021 Budget Amendments

Summary: Consider amendments to the Fiscal Year 2020-2021 budget.

Background: Due to the COVID-19 pandemic, revenue projections for the approved Fiscal Year 2020-2021 budget are being adjusted in the General Fund to reflect a decrease in anticipated tax and other revenue. Almost all other fund budgets have been amended as well. In addition, staff consulted with Harrisonburg City School staff regarding the decrease in school operating funding.

Key Issues: General Fund revenues are initially projected to decrease \$6 million. In general, the budget is being balanced with an additional \$1.5 million in funding from HEC, a \$1.1 million decrease in funding to the School Board, \$2.7 million in capital outlay/capital project funding, \$433,000 from removing the 1.5% July 1 COLA and \$267,000 in miscellaneous adjustments to both revenues and expenditures.

Environmental Impact: None

Fiscal Impact: The General Fund budget will decrease \$5.1 million (4.1%) while the total city budget will decrease \$11.2 million (4%).

Prior Actions: City Council approved the original budget at its May 26, 2020 meeting.

Alternatives: Do not approve the budget amendments.

Community Engagement: None.

Recommendation: Staff recommends approval of the budget amendments.

Attachments: Summary Change to FY 2020-2021 Approved Budget.

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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