



City of Harrisonburg, Virginia

Department of Finance

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TO: Eric D. Campbell, City Manager
FROM: Larry L. Propst, Director of Finance
DATE: May 20, 2019
RE: Supplemental Appropriation – School Capital Projects Fund

Summary: Consider a supplemental appropriation in the amount of \$3,335,206 for the School Capital Projects Fund.

Background: At its May 14, 2019 meeting, City Council was presented with an interim Public-Private Education and Infrastructure Act (PPEA) agreement from the Harrisonburg City School Board (HCPS) for the construction of a new high school. The HCPS requested a supplemental appropriation in the amount of \$3,335,206 to fund the interim PPEA agreement. HCPS agreed to fund \$799,506.03 of the requested amount from the fund balance of the School Fund with the City funding the remaining \$2,535,699.97 from the fund balance of the General Fund.

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 \$6,670,412. The General Fund will increase \$2,535,699.97, the School Fund will increase \$799,506.03 and the School Capital Projects Fund will increase \$3,335,206.

Prior Actions: None

Alternatives: Do not approve the supplemental appropriation.

Community Engagement: A public hearing notice was placed in the Daily News-Record on May 20, 2019.

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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