

**FINANCE COMMITTEE
WEDNESDAY, JANUARY 11, 2012
SECOND FLOOR CONFERENCE ROOM
CITY HALL - MANASSAS, VIRGINIA
AGENDA**

5:30 PM CALL TO ORDER

- | | |
|--|-------------------------------------|
| 1. Resolution 2012-53-R Amending the FY 2012 Budget by Budgeting and Appropriating \$180,000 of Fund Balance in the Information Technology Fund Reserved for the Replacement of the City's Phone System (Weiler) | 15 Minutes
Page 1 |
| 2. Consideration of Policy Statement #P-2012-02 City of Manassas Budgetary Control Policy (Weiler) | 10 Minutes
Page 7 |
| 3. Consideration of Policy Statement #P-2012-01 Non-Profit Grants (Weiler) | 30 Minutes
Page 13 |
| 4. Discussion of the Annual Budget Presentation to City Council by the Manassas City Public Schools (Weiler) | 30 Minutes
Page 27 |
| 5. City Manager's Time | |

ADJOURNMENT

PAW/sjt

cc: Mayor	Pat Weiler
Council Members	Diane Bergeron
Lawrence D. Hughes	Francis Denlega

AGENDA STATEMENT

PAGE NO. 1

ITEM NO. 1

MEETING DATE: January 11, 2012 – Finance Committee

TIME ESTIMATE: 15 Minutes

AGENDA ITEM TITLE: Resolution 2012-53-R Amending the FY 2012 Budget by Budgeting and Appropriating \$180,000 of Fund Balance in the Information Technology Fund Reserved for the Replacement of the City's Phone System

DATE THIS ITEM WAS
LAST CONSIDERED
BY COUNCIL: August, 2002 – Replacement of Phone System

SUMMARY OF
ISSUE/TOPIC: In August of 2002, the City replaced its Centranet type phone system that was controlled and managed by Verizon with a NEC phone system that is controlled and managed by the City. The cost of the system in 2002 was \$347,000. At the time, it was decided that the \$50,000 of annual savings from the new system would be set aside in a reserve each year for future replacements. The current phone system now needs to be replaced. There is \$312,000 in the IT Fund reserved for this replacement. The total cost to replace the system is \$180,000.

This resolution will budget and appropriate \$180,000 of fund balance in the Information Technology Fund.

STAFF
RECOMMENDATION: Approve Resolution 2012-53-R

BOARD/COMMISSION/
COMMITTEE:

RECOMMENDATION: ☐ Approve ☐ Disapprove ☐ Reviewed ☐ See Comments

CITY MANAGER: ☐ Approve ☐ Disapprove ☐ Reviewed ☐ See Comments

COMMENTS:

DISCUSSION
(IF NECESSARY):

BUDGET/FISCAL
IMPACT: \$180,000 – Information Technology Fund Fund Balance

STAFF: Patricia A. Weiler, Finance and Administration Director, (703) 257-8234

RESOLUTION 2012-53-R

Adopted:

BE IT RESOLVED by the Council of the City of Manassas meeting in regular session this 23rd day of January 2012, that the following funds be budgeted and appropriated as shown.

<u>ACCOUNT NO.</u>		<u>AMOUNT</u>
INFORMATION TECHNOLOGY FUND		
<u>Revenue:</u>		
608-0000-346-04-00	IT Fund Fund Balance	\$ 180,000
<u>Expenditure:</u>		
608-1443-419-39-00	Phone System Replacement	\$ 180,000

For: Phone System Replacement

This resolution shall take effect upon its passage.

Harry J. Parrish II MAYOR
On Behalf of the City Council
of Manassas, Virginia

ATTEST:

Andrea P. Madden City Clerk

City of Manassas
FY 2012
Phone System Replacement Cost

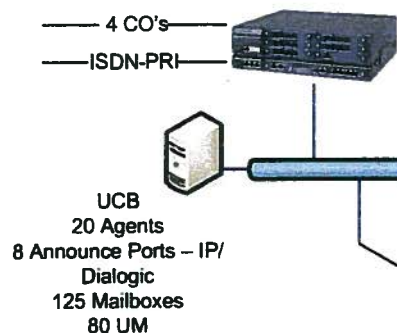
Site	Phone System Type	Number of Phones	System Cost (With Labor)	Phones Cost
City Hall	SV8300	89	26,263	11,631
Police Dept & Electric Shop	SV8300	67	28,922	8,756
Public Works	SV8300	64	25,413	8,364
Museum	SV8100	10	5,633	-
Airport	SV8100	10	5,525	-
Family Services & Fire Rescue	SV8100	48	17,929	-
			109,685	28,750

Voice Mail Systems

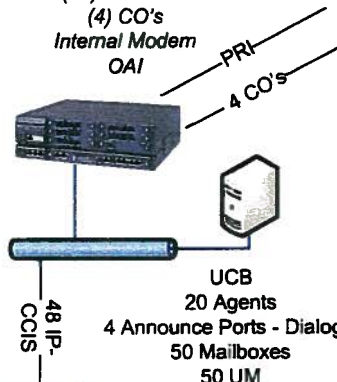
City Hall	125 Users	9,670
Police Department	160 Users	9,138
Public Works & Utilities Facility	50 Users	4,060
	Voicemail	22,869
	System	132,554
	Phones	28,750
	10% Contingency	17,000
Total Phone System Replacement		\$ 180,000

City Hall SV8300

(64) PAD
 (12) IP Seats
 (4) Soft Phones
 (48) IP CCIS
 (112) Digital Ports
 (1) PRI
 (64) SLI Ports
 (4) CO's
 Internal Modem
 OAI

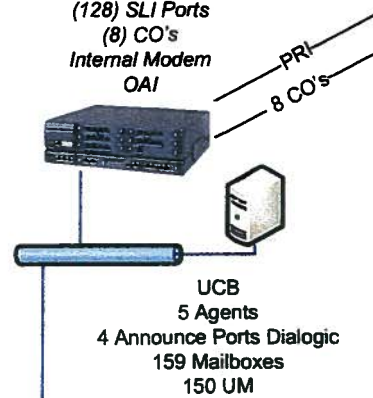
**Public Works SV8300**

(64) PAD
(8) IP Seats
(48) IP CCIS
(64) Digital Ports
(1) PRI
(88) SLI Ports
(4) CO's
Internal Modem
OAI



Police Department
SV8300

(64) PAD
 (8) IP Seats
 (48) IP CCIS
 (64) Digital Ports
 (1) PRI
 (128) SLI Ports
 (8) CO's
 Internal Modem
 OAI



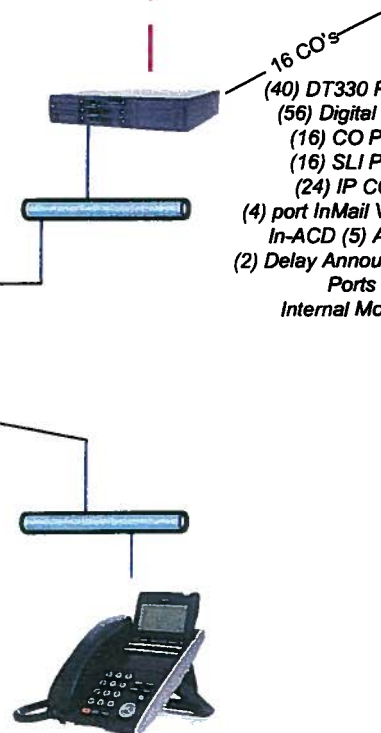
**CITY OF MANASSAS
PROPOSED VOICE
NETWORK**



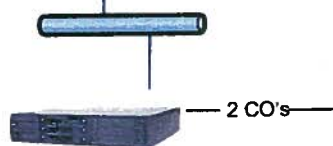
Fire & Rescue
(8) DT330 Phones
Copper Feed to S.S.

Social Services
SV8100

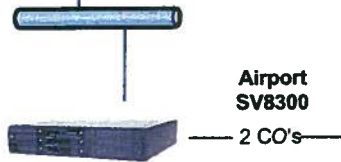
~~16 CO's~~
 (40) DT330 Phones
 (56) Digital Ports
 (16) CO Ports
 (16) SLI Ports
 (24) IP CCIS
 (4) port InMail Voicemail
 In-ACD (5) Agents
 (2) Delay Announcements
 Ports
 Internal Modem

**Museum SV8100**

(8) PAD
(8) IP CCIS
(8) Digital Ports
(7) Phones
(8) SLI Ports
(4) CO Ports
Internal Modem

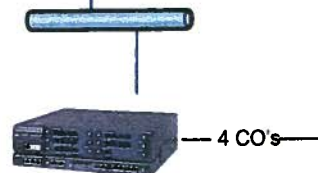
**Airport SV8100**

(8) PAD
(8) IP CCIS
(8) Digital Ports
(6) Phones
(8) SLI Ports
(4) CO Ports
Internal Modem



Water Treatment SV8300 Current System

Current System



Electric Shop
(2) IP Phones
Customer Provided

(2) IP Phones
Customer Provided



**All LAN/WAN Equipment
Provided by Cusotmer**

**City of Manassas
Net Assets Analysis
IT Fund - Fund 608**

Unrestricted Net Assets as of June 30, 2011 **\$ 2,337,699**

FY 2012 Adopted Budget - Contribution from Net Assets -

FY 2012 Budget Amendments

2012-04-R Carryover Operations - CAD System (20,398)

2012-04-R Carryover Ops Adjust - GIS Implementation (12,290)

2012-04-R Carryover Ops Adjust - Dev Svcs Software (211,035)

Subtotal FY 2012 Budget Amendments **(243,723)**

Encumbrance Budget Adjustment (220,235)

Net Assets Available for Appropriation **\$ 1,873,741**

Net Assets Reserved For:

Phone Replacement 312,850

Server Replacement -

Financial Management System 1,560,891

Net Assets Available for Appropriation **\$ 1,873,741**

Phones:

FY 2011 58,850

FY 2010 58,850

FY 2009 60,000

FY 2008 47,490

FY 2007 59,430

FY 2006 49,230

FY 2005 52,000

FY 2004 52,000

Total **437,850**

ACD Replacement System (125,000)

Phone Replacement **\$ 312,850**

AGENDA STATEMENT

PAGE NO. 7

ITEM NO. 2

MEETING DATE: January 11, 2012 – Finance Committee

TIME ESTIMATE: 10 Minutes

AGENDA ITEM TITLE: Consideration of Policy Statement #P-2012-02 City of Manassas Budgetary Control Policy

DATE THIS ITEM WAS
LAST CONSIDERED
BY COUNCIL:

September 22, 2008 – City Council (Adoption of Policy Statement #P-2009-04 City of Manassas Budgetary Control Policy)

SUMMARY OF
ISSUE/TOPIC:

Staff proposes two revisions to the current Budgetary Control Policy.

- 1.) The current policy gives the City Manager authority to transfer between funds existing budget and appropriations of less than \$5,000. Staff proposes to increase this authority to \$10,000 or less.
- 2.) Staff proposes that contributions/donations to the City of \$1,000 or less will go directly to the City Council consent agenda.

STAFF

RECOMMENDATION: Adopt Policy Statement #P-2012-02

BOARD/COMMISSION/
COMMITTEE:

RECOMMENDATION: ☐ Approve ☐ Disapprove ☐ Reviewed ☐ See Comments

CITY MANAGER: ☐ Approve ☐ Disapprove ☐ Reviewed ☐ See Comments

COMMENTS:

DISCUSSION
(IF NECESSARY):

BUDGET/FISCAL
IMPACT: 

N/A

STAFF: Patricia A. Weiler, Finance and Administration Director, (703) 257-8234

POLICY STATEMENT #P-~~2009~~2012-0402

REGULAR CITY COUNCIL MEETING

September 22, 2008January 23, 2012

Re: CITY OF MANASSAS BUDGETARY CONTROL POLICY

ADOPTION OF BUDGET

1. The annual operating budget of the City of Manassas shall be adopted and appropriated by ordinance with the concurrence of at least four members of City Council.

LEGAL LEVEL OF CONTROL

2. The budget and appropriations of the City of Manassas shall be legally controlled at the fund level except for Manassas City Public School (MCPS).
3. The budget and appropriation for MCPS shall be legally controlled at the total appropriation level.

AMENDMENT OF BUDGET

4. The adopted budget may be amended by resolution with the concurrence of at least four members of City Council.
5. A public hearing shall be held prior to any amendment of the budget which is greater than 1% of the adopted budget. The public hearing and notice of such hearing shall be in accordance with the CODE OF VIRGINIA Section 15.2-2507.
6. The City Manager may approve transfers of budget and appropriations between departments within a fund and Department Directors may approve transfers of budget and appropriations within a department within a fund.
7. All transfers of budget and appropriations to and from contingencies, reserves and capital projects shall require a resolution with the concurrence of at least four members of City Council even when these transfers may be within the legal level of budgetary control.

POLICY STATEMENT #P-20092012-0402
CITY OF MANASSAS BUDGETARY CONTROL POLICY
REGULAR CITY COUNCIL MEETING

~~September 22, 2008~~January 23, 2012

Page 2 of 2

8. The City Council delegates to the City Manager the authority to transfer existing budget and appropriations of ~~less than five thousand dollar~~ten thousand dollars (\$5,000)(\$10,000) or less between funds even though this is outside the legal level of control.
9. Contributions/donations to the City of Manassas of one thousand dollars (\$1,000) or less shall be placed directly on the consent agenda of the City Council.

POLICY SUPERCEDES OTHER POLICIES

- ~~9.10.~~ It is the intent of this policy to repeal any inconsistent policy or practice adopted prior to this date, specifically O-2008-24 Section 2 and P-2009-04.

Harry J. Parrish II MAYOR
On behalf of the City Council
of Manassas, Virginia

ATTEST:

Andrea Madden City Clerk

POLICY STATEMENT #P-2009-04

REGULAR CITY COUNCIL MEETING

September 22, 2008

Re: CITY OF MANASSAS BUDGETARY CONTROL POLICY

ADOPTION OF BUDGET

1. The annual operating budget of the City of Manassas shall be adopted and appropriated by ordinance with the concurrence of at least four members of City Council.

LEGAL LEVEL OF CONTROL

2. The budget and appropriations of the City of Manassas shall be legally controlled at the fund level except for Manassas City Public School (MCPS).
3. The budget and appropriation for MCPS shall be legally controlled at the total appropriation level.

AMENDMENT OF BUDGET

4. The adopted budget may be amended by resolution with the concurrence of at least four members of City Council.
5. A public hearing shall be held prior to any amendment of the budget which is greater than 1% of the adopted budget. The public hearing and notice of such hearing shall be in accordance with the CODE OF VIRGINIA Section 15.2-2507.
6. The City Manager may approve transfers of budget and appropriations between departments within a fund and Department Directors may approve transfers of budget and appropriations within a department within a fund.
7. All transfers of budget and appropriations to and from contingencies, reserves and capital projects shall require a resolution with the concurrence of at least four members of City Council even when these transfers may be within the legal level of budgetary control.

**POLICY STATEMENT #P-2009-04
CITY OF MANASSAS BUDGETARY CONTROL POLICY
REGULAR CITY COUNCIL MEETING**

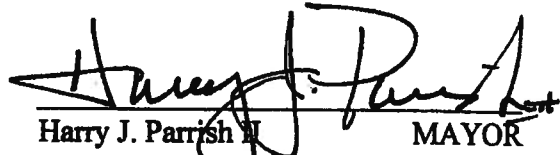
September 22, 2008

Page 2 of 2

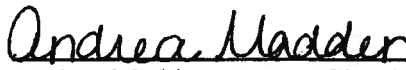
8. The City Council delegates to the City Manager the authority to transfer existing budget and appropriations of less than five thousand dollars (\$5,000) between funds even though this is outside the legal level of control.

POLICY SUPERCEDES OTHER POLICIES

9. It is the intent of this policy to repeal any inconsistent policy or practice adopted prior to this date, specifically O-2008-24 Section 2.


Harry J. Parrish II MAYOR
On behalf of the City Council
of Manassas, Virginia

ATTEST:


Andrea Madden City Clerk

AGENDA STATEMENT

PAGE NO. 13

ITEM NO. 3

MEETING DATE: January 11, 2012 – Finance Committee

TIME ESTIMATE: 30 Minutes

AGENDA ITEM TITLE: Consideration of Policy Statement #P-2012-01 Non-Profit Grants

DATE THIS ITEM WAS
LAST CONSIDERED
BY COUNCIL: November 16, 2011 – Finance Committee
November 30, 2011 – Finance Committee

SUMMARY OF ISSUE/TOPIC:

At the November 16, 2011 Finance Committee meeting, Mayor Parrish proposed to create a citizens task force to make recommendations to City Council for non-profit funding. The Committee directed Staff to develop a procedure for the process based on Vice Mayor Harrover's letter, to rewrite the scope of work, and to recommend a different consultant.

At the November 30, 2011 Finance Committee meeting, staff presented a draft procedure. The Committee asked staff to prepare procedures for every Council Member who requests one.

Staff received a request from Council Member Aveni. Council Member Way submitted a memo which outlined three alternatives without endorsing any.

Case 1 is Council Member Aveni's request

Case 2-a is Council Member Harrover's original letter

Case 3-a is an alternative to Council Member Harrover's letter

For discussion and consideration, attached are Council Member Way's memo and the three drafts (1 – Aveni, 2a – Harrover, and 2b).

STAFF

RECOMMENDATION: Approve Policy Statement #P-2012-01 Non-Profit Grants

BOARD/COMMISSION/ COMMITTEE:

RECOMMENDATION: ☐ Approve ☐ Disapprove ☐ Reviewed ☐ See Comments

CITY MANAGER: ☐ Approve ☐ Disapprove ☐ Reviewed ☐ See Comments

COMMENTS:

DISCUSSION (IF NECESSARY):

BUDGET/FISCAL IMPACT:

Funds are budgeted annually for non-profit contributions. Current funding levels are attached.

STAFF:

Patricia A. Weiler, Finance and Administration Director, (703) 257-8234

POLICY STATEMENT #P-2012-01

Option 2a (Harrover)

REGULAR COUNCIL MEETING
January 23, 2012

RE: NON-PROFIT GRANTS

Virginia Code Section 15.2-953 allows the City government to give voluntary donations of public funds to charitable organizations, located within its respective limits or outside its limits if such institution or association provides services to the residents of the locality; however, such institutions or associations shall not be controlled in whole or in part by any church or sectarian society. Virginia Code further provides that the words "sectarian society" shall not be construed to mean a nondenominational Young Men's Christian Association, a nondenominational Young Women's Christian Association, Habitat for Humanity, or the Salvation Army.

It is the policy of the City of Manassas (City) to award grants to non-profit organizations with the adoption of the annual operating budget. Grants will only be awarded to non-profit organizations with IRS 501(c)3 status and as allowed by Virginia Code Section 15.2-953. The amounts of the grants shall be determined as outlined in the procedure.

PROCEDURE

1. Each year, with the adoption of the Five Year Forecast, the City Council will allocate for the next fiscal year's annual operating budget an amount to award as Human Services Non-Profit Grants and an amount to award as Arts/Cultural Non-Profit Grants.
2. Each year, with the adoption of the Five Year Forecast, the City Council will approve a point system to be used to rank the grant applications for the purpose of determining funding levels.
3. Each year, with the adoption of the Five Year Forecast, a seven (7) member Non-Profit Grants Committee will be established. Each City Council Member and the Mayor will appoint one committee member to a one (1) year term. Members of the Non-Profit Grants Committee may not be currently affiliated with any organization awarded a City Non-Profit Grant.
4. City staff will ensure that
 - a. a grant application is developed based on the point system approved by City Council
 - b. grant applications are distributed to all requesting organizations
 - c. a workshop for applicants is conducted
 - d. all grant applications are recorded when received and reviewed for completeness
 - e. all applicants are eligible to receive funding per this policy
 - f. members of the Non-Profit Grant Committee receive copies of all eligible grant applications
 - g. the Non-Profit Grants Committee has clerical and logistics support

5. The Non-Profit Grant Committee will
 - a. read all eligible grant applications and interview each applicant or allow each applicant the opportunity to present their request to the Non-Profit Grant Committee
 - b. rank the applicants based on a point system approved by City Council to determine the amount to grant to each applicant
 - c. make their recommendation to the City Council at a Budget Work Session in March
6. The City Council will consider the recommendation of the Non-Profit Grant Committee in the adoption of the Annual Operating Budget.

POLICY SUPERCEDES OTHER POLICIES

It is the intent of this policy to repeal any inconsistent policy or practice adopted prior to this date.

Harry J. Parrish II MAYOR
On Behalf of the City Council
of Manassas, Virginia

ATTEST:

Andrea Madden City Clerk

POLICY STATEMENT #P-2012-01

Option 2b

REGULAR COUNCIL MEETING
January 23, 2012

RE: NON-PROFIT GRANTS

Virginia Code Section 15.2-953 allows the City government to give voluntary donations of public funds to charitable organizations, located within its respective limits or outside its limits if such institution or association provides services to the residents of the locality; however, such institutions or associations shall not be controlled in whole or in part by any church or sectarian society. Virginia Code further provides that the words "sectarian society" shall not be construed to mean a nondenominational Young Men's Christian Association, a nondenominational Young Women's Christian Association, Habitat for Humanity, or the Salvation Army.

It is the policy of the City of Manassas (City) to award grants to non-profit organizations with the adoption of the annual operating budget. Grants will only be awarded to non-profit organizations with IRS 501(c)3 status and as allowed by Virginia Code Section 15.2-953. The amounts of the grants shall be determined as outlined in the procedure.

PROCEDURE

1. Each year, with the adoption of the Five Year Forecast, the City Council will allocate for the next fiscal year's annual operating budget an amount to award as Human Services Non-Profit Grants and an amount to award as Arts/Cultural Non-Profit Grants.
- ~~2. Each year, with the adoption of the Five Year Forecast, the City Council will approve a point system to be used to rank the grant applications for the purpose of determining funding levels.~~
- ~~3.2. The City Council Personnel Committee will appoint three (3) citizens to the Each year, with the adoption of the Five Year Forecast, a seven (7) member Non-Profit Grants Committee will be established. Each City Council Member and the Mayor will appoint one committee member to a one (1) year term. Members of the Non-Profit Grants Committee may not be currently affiliated with any organization awarded a City Non-Profit Grant.~~
- ~~4.3. City staff will ensure that~~
 - a. a grant application is developed based on the point system approved by City Council
 - b. grant applications are distributed to all requesting organizations
 - c. a workshop for applicants is conducted
 - d. all grant applications are recorded when received and reviewed for completeness
 - e. all applicants are eligible to receive funding per this policy
 - f. members of the Non-Profit Grant Committee receive copies of all eligible grant applications
 - g. the Non-Profit Grants Committee has clerical and logistics support

| 5.4. The Non-Profit Grant Committee will

- a. read all eligible grant applications and interview each applicant or allow each applicant the opportunity to present their request to the Non-Profit Grant Committee
- | b. rank the applicants ~~based on a point system approved by City Council~~ to determine the amount to grant to each applicant
- c. make their recommendation to the City Council at a Budget Work Session in March

| 6.5. The City Council will consider the recommendation of the Non-Profit Grant Committee in the adoption of the Annual Operating Budget.

POLICY SUPERCEDES OTHER POLICIES

It is the intent of this policy to repeal any inconsistent policy or practice adopted prior to this date.

Harry J. Parrish II MAYOR
On Behalf of the City Council
of Manassas, Virginia

ATTEST:

Andrea Madden City Clerk

POLICY STATEMENT #P-2012-01

Option 1 (Aveni)

REGULAR COUNCIL MEETING
January 23, 2012

RE: NON-PROFIT GRANTS

Virginia Code Section 15.2-953 allows the City government to give voluntary donations of public funds to charitable organizations, located within its respective limits or outside its limits if such institution or association provides services to the residents of the locality; however, such institutions or associations shall not be controlled in whole or in part by any church or sectarian society. Virginia Code further provides that the words "sectarian society" shall not be construed to mean a nondenominational Young Men's Christian Association, a nondenominational Young Women's Christian Association, Habitat for Humanity, or the Salvation Army.

It is the policy of the City of Manassas (City) to award grants to non-profit organizations with the adoption of the annual operating budget. Grants will only be awarded to non-profit organizations with IRS 501(c)3 status and as allowed by Virginia Code Section 15.2-953. The amounts of the grants shall be determined as outlined in the procedure.

PROCEDURE

1. Each year, with the adoption of the Five Year Forecast, the City Council will allocate for the next fiscal year's annual operating budget an amount to award as Human Services Non-Profit Grants and an amount to award as Arts/Cultural Non-Profit Grants.
- ~~2. Each year, with the adoption of the Five Year Forecast, the City Council will approve a point system to be used to rank the grant applications for the purpose of determining funding levels.~~
- ~~3.2. The Mayor will appoint two (2) or three (3) Council Members to a~~ Each year, with the adoption of the Five Year Forecast, a seven (7) member Non-Profit Grants Committee will be established. ~~Each City Council Member and the Mayor will appoint one committee member to a one (1) year term. Members of the~~ Non-Profit Grants Committee may not be currently affiliated with any organization awarded a City Non-Profit Grant.
- ~~4.3. City staff will ensure that~~
 - a. a grant application is developed based on the point system approved by City Council
 - b. grant applications are distributed to all requesting organizations
 - c. a workshop for applicants is conducted
 - d. all grant applications are recorded when received and reviewed for completeness
 - e. all applicants are eligible to receive funding per this policy
 - f. members of the Non-Profit Grant Committee receive copies of all eligible grant applications
 - g. the Non-Profit Grants Committee has clerical and logistics support
 - h. all eligible applicants are invited to present at a City Council Budget Work Session in March

5.4. The Non-Profit Grant Committee will

- a. read all eligible grant applications and ~~interview each applicant or allow each applicant the opportunity to present their request to the Non Profit Grant Committee~~
- b. ~~rank the applicants based on a point system approved by City Council to determine the amount to grant to each applicant~~
- c. make their recommendation to the City Council at a Budget Work Session in March

6.5. The City Council will consider the recommendation of the Non-Profit Grant Committee in the adoption of the Annual Operating Budget.

POLICY SUPERCEDES OTHER POLICIES

It is the intent of this policy to repeal any inconsistent policy or practice adopted prior to this date.

Harry J. Parrish II MAYOR
On Behalf of the City Council
of Manassas, Virginia

ATTEST:

Andrea Madden City Clerk

MEMORANDUM

December 5, 2011

To: L. Hughes
P. Weiler

From: J. Way

cc: Mayor and City Council

Re: **Allocation of City Funding to Non-profit and Cultural Organizations**

This memo is a follow-up to our recent discussions about alternative methods of allocating city funding to non-profit and cultural organizations under pending Policy Statement #P-2012-01.

There are three basic approaches:

1. Continue the historic system in which the Finance Committee recommends expenditures to be voted on by City Council.
2. Appoint an advisory committee to recommend expenditures to be voted on by City Council
 - a. With significant up-front guidance by City Council
 - b. With only general up-front guidance by City Council
3. Discontinue all charitable and cultural contributions.

There are certain principles which should be incorporated into any system.

1. It should be transparent, unbiased and logical.
2. It should be sustainable from year to year without complex reviews and changes.
3. It should be efficient and not create an unreasonable administrative workload or cost given the amount of funding.
4. Ultimate responsibility rests with the City Council. Advisory groups are just that.
5. It should cover only grant funding. Contract funding of services to the city, such as HMI, should continue to be managed separately and individually.
6. Grants should be only for 501(c)3 organizations, avoiding those which are prohibited from city grants by state law.
7. City Council should determine the overall level of grant funding each year
8. Where awarded, individual grants should be commensurate with the work input required of the applicant. (no trivial awards).

Case 1: Historic System

This approach is well understood by Council members. It is clearly the most efficient (least complex) model for awarding grants, but it does put a major work burden on the Finance Committee members during the busy budget cycle and for a relatively small amount of money. It retains responsibility for recommendations with the body that ultimately must approve them and does not create a perception of devolution. It is not as transparent as an advisory committee and its results may not be as logical in that the system has occasionally created issues of consistency and possible bias.

Case 2-a: Advisory Committee with significant up-front guidance

This case is described in the draft policy statement #P-2012-01. It involves setting up a committee of seven individuals, one appointed annually by each council member and the Mayor. It requires Council to establish a "point system" for ranking. City staff would ensure applicants develop proposals using

this point system and will review applications. Staff would also provide orientation and training and might hire a contractor to facilitate committee operations. (A \$2.5k contractor proposal is in hand for a workshop for applicants, an orientation for the committee and review and processing of applications).

This case should provide consistency and transparency. It does, however, put Council very much at the front of the decision process by directing the decision criteria. This tends to limit the committee to a mechanical operation rather than a thinking process. Further, the structure seems rather large for a small contributions budget.

Case 2-b: Advisory Committee with limited up-front guidance

This case is a scaled down version of 2-a. A committee of three citizens serving at the pleasure of Council would be appointed through the Personnel Committee. Council would establish the total award amounts. Council may split the total between non-profits and cultural, or may leave that to the committee. Council would not mandate a point system, but rather would give general guidance to the committee to:

- Favor organizations with a local orientation of the services provided
- Favor charities serving the most needy
- Favor organizations which might otherwise have funding difficulties
- Avoid organizations which advocate on either side of social issues
- Favor organizations, both charity and cultural, which have a broad service appeal

Council and city staff could decide whether to hire a consultant to manage the process or to utilize city staff as in 2-a above.

Council would review the recommendations and either vote to accept them or relieve the committee of responsibility and rework the plan through the Finance Committee.

Pat Weiler

From: Robert Bendall [rbendall@smithanddavenport.com]
Sent: Tuesday, April 19, 2011 11:43 AM
To: Diane Bergeron; Pat Weiler; Larry Hughes
Cc: Andrew L. Harrover; Mark Aveni; Mayor Parrish; Sheryl Bass; Steve Randolph; Jonathan Way; Wolfe, Mark (mwolfe@adcoHVAC.com)
Subject: Donation of Public Funds to Charities and Other Organizations
Attachments: Memo on Charities Eligibility 041811.docx

As requested.

Robert W. Bendall
City Attorney
SMITH AND DAVENPORT
9253 Lee Avenue
Manassas, Virginia 20110
Phone: (703) 368-8148
Fax: (703) 368-7745

MEMORANDUM

To: Pat Weiler, Director of Finance & Administration
From: Robert W. Bendall, City Attorney
Date: April 19, 2011
Re: Donation of Public Funds to Charities and Other Organizations

CONFIDENTIAL

Note: This attorney-client communication is privileged from discovery and need not be disclosed under the Virginia Freedom of Information Act (See Virginia Code § 2.2-3705.1(2)).

Virginia law (Virginia Code § 15.2-953, as amended) allows the City government to give voluntary donations of public funds to charitable organizations, located within its respective limits or outside its limits if such institution or association provides services to residents of the locality; however, such institution or association shall not be controlled in whole or in part by any church or sectarian society. The Virginia Code further provides that the words "sectarian society" shall not be construed to mean a nondenominational Young Men's Christian Association, a nondenominational Young Women's Christian Association, Habitat for Humanity, or the Salvation Army. Nothing in Virginia law prohibits a City from making contracts with any sectarian institution for the care of indigent, sick, or injured persons. Furthermore, "donations," in this context, shall include the lawful provision of in-kind resources for any event sponsored by the donee.

I have been asked by the City Department of Finance to review three applications submitted by three entities seeking voluntary taxpayer support in this year's City Budget and render an opinion as to each organization's eligibility for public funds donation. The entities are (i) Care Net Pregnancy Resource Centers (PRC's), (ii) Brethren Housing Corporation, and (iii) E. Carrington Family Enrichment Center. In preparation of this opinion, I have reviewed each entities application to the City for public fund support, relevant web sites, submitted Financial Statements, submitted IRS Form 990, IRS tax-exempt status, and submitted By-Laws. I have also spoken with Lynne Sevinsky of Care Net Pregnancy Resource Centers and Dr. Jan Chambers with the E. Carrington Family Enrichment Center. I find all three entities to be section 501 (c) (3) charitable tax exempt organizations and PRC and Brethren Housing classified as a *public charity* under either Internal Revenue Code section 509 (a) (1) or section 170 (b) (1) (A) (vi).

Based upon my review of the law, applicants' submissions and specific answers to my questions, I am of the opinion that **Care Net Pregnancy Resource Centers (PRC's)** is not entitled to a public voluntary donation of City tax-payer dollars principally because in my opinion the organization is controlled in whole or in part by a religious sectarian society. Care Net's "Core Values" and "Statement of Faith" are part of the basis of my opinion that the organization is a religious "sectarian society," as that term is used, under Virginia Code for purposes of eligibility to make donations of public funds. Furthermore, Care Net has not been specifically identified within the exemptions noted within the Code of Virginia's definition of "sectarian society." A "sect" is a group with distinctive religious beliefs. A review of PRC's web site and application professes the organization's focus and mission is to offer abortion counseling services and to "minister the gospel of Jesus Christ and to affirm the sanctity of human life by providing counseling and practical assistance to women and men involved in unplanned pregnancies, encouraging abstinence until marriage and providing the opportunity for emotional and spiritual healing of those already harmed by abortion."

Brethren Housing Corporation and the E. Carrington Family Enrichment Center are eligible for public voluntary donation of City tax-payer dollars. These organizations are located within the City's limits and provide services to City residents, and are not in my opinion, controlled in whole or part by any church or sectarian society. Dr. Chambers has assured me that while her organization was at one time associated with Calvary Counseling Center, a religious based organization; it is no longer and is an independent organization not controlled in whole or part by a church or sectarian society.

I have a research file on each of these organizations. If you need to see my research, please simply advise.

Upon discussing this matter with Councilman Aveni, I was asked to review the eligibility of **Habitat for Humanity, Inc. of Prince William County, Manassas and Manassas Park and BEACON.**

Despite the fact that Habitat for Humanity is a self-described "ecumenical Christian housing ministry," the Virginia General Assembly has provided for in Virginia Code § 15.2-953, as amended, a specific exemption for Habitat for Humanity which exempts Habitat from classification as a "sectarian society" and thereby makes it eligible for public voluntary donation of City tax-payer dollars.

BEACON is a self-described secular ministry of the Benedictine Sisters of Virginia. The request is for funds to provide Manassas residents with job search, employment and educational skills and on-line/distance learning. While open to all residents the City's Hispanic population is primarily served by BEACON's program. The ministry of the Benedictine Sisters of Virginia is a charitable tax exempt organization pursuant to IRS section 501 (c) (3) and under Internal Revenue Code sections 509 (a) (1) or section 170 (b) (1) (A) (vi), it is a *public charity*. BEACON is not located within the City limits but is located outside its limits; however, BEACON provides services to

residents of the City. I am of the opinion that the association is controlled in whole or in part by a church or sectarian society. Despite this conclusion I am of the opinion the City may "purchase services" of the nature described from BEACON. I recommend, as I have in the past, a service contract be executed to make the funding eligible for public tax-payer payment and that such support not be considered a "donation" but funds spent on procurement of services.

I would suggest the same analysis might be used in the Care Net Pregnancy Resource Center's (PRC's) application if the City Council believes it should contract for abortion counseling services and to affirm the sanctity of human life by providing counseling and practical assistance to women and men involved in unplanned pregnancies, encouraging abstinence until marriage and providing the opportunity for emotional and spiritual healing of those already harmed by abortion. The request would be an application for a contract to provide services and not a donation.

I welcome your questions.

**City of Manassas
Contributions**

							Increase	Increase
						FY 2012	(Decrease)	(Decrease)
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	Adopted	from	from
Entity/Description	Actual	Actual	Actual	Actual	Actual	Budget	FY 2011	FY 2011
Health & Welfare								
ARC of Greater Prince William	-	500	500	500	500	1,000	500	100%
Project Mend-A-House	-	1,000	1,000	1,000	1,000	2,500	1,500	150%
Housing Trust Fund	45,000	45,000	45,000	-	-	-	-	
Voluntary Action Center	-	-	-	5,000	5,000	5,000	-	
Habitat for Humanity	2,500	2,500	2,500	2,500	2,500	4,500	2,000	80%
ACTS - Turning Points	20,000	20,000	20,000	20,000	20,000	16,000	(4,000)	-20%
American Red Cross	8,000	8,000	8,000	8,000	8,000	8,000	-	
ACTS - Suicide Prevention	10,000	10,000	10,000	10,000	10,000	9,500	(500)	-5%
Healthy Families - NVFS	12,000	12,000	12,000	12,000	12,000	9,000	(3,000)	-25%
Independence Empowerment	3,000	-	1,000	1,000	1,000	1,000	-	
B.E.A.C.O.N.	-	1,000	1,000	1,000	1,000	1,000	-	
Community Health	-	-	-	-	-	2,000	2,000	
Pharmacy Central - NVFS	4,000	4,000	4,000	4,000	4,000	4,000	-	
Healthlink - NVFS	5,800	5,800	5,800	5,800	5,800	4,000	(1,800)	-31%
Free Clinic	9,000	9,000	9,000	9,000	9,000	10,000	1,000	11%
Brethren Housing Corporation	-	-	-	-	-	1,000	1,000	
E. Carrington Family Enrichment Center	-	-	-	-	-	500	500	
Total Health & Welfare	119,300	118,800	119,800	79,800	79,800	79,000	(800)	
Cultural Enrichment								
St Patricks Day Parade	-	-	-	2,500	2,500	2,500	-	
Center for the Arts	35,000	35,000	35,000	35,000	35,000	-	(35,000)	-100%
Prince William Symphony	20,000	20,000	20,000	18,000	-	-	-	
Manassas Ballet Theatre	20,000	20,000	20,000	20,000	20,000	18,000	(2,000)	-10%
Christmas Parade	3,000	3,000	3,000	3,000	3,000	3,500	500	17%
NOVA Symphony	-	-	-	2,000	2,000	2,500	500	25%
Prince William Chorale	-	500	500	-	-	-	-	
Prince William Little Theatre	1,000	1,000	1,000	-	1,000	1,500	500	50%
Upstart Crow	1,000	1,000	1,000	1,000	1,000	1,500	500	50%
Manassas Community Chorale	1,000	1,000	1,000	1,000	1,000	1,500	500	50%
Total Cultural Enrichment	81,000	81,500	81,500	82,500	65,500	31,000	(34,500)	
Total Contributions	200,300	200,300	201,300	162,300	145,300	110,000	(35,300)	

AGENDA STATEMENT

PAGE NO. 27

ITEM NO. 4

MEETING DATE: January 11, 2012 – Finance Committee Meeting

TIME ESTIMATE: 30 Minutes

AGENDA ITEM TITLE: Discussion of the Annual Budget Presentation to City Council by the Manassas City Public Schools

**DATE THIS ITEM WAS
LAST CONSIDERED**

BY COUNCIL: July 27, 2011 – Finance Committee (Discussion of Local Funding for Manassas City Public Schools)

**SUMMARY OF
ISSUE/TOPIC:**

The Finance Committee requested a discussion of the Manassas City Public Schools (MCPS) annual budget presentation to City Council.

STAFF

RECOMMENDATION: N/A

**BOARD/COMMISSION/
COMMITTEE:**

RECOMMENDATION: ☐ Approve ☐ Disapprove ☐ Reviewed ☐ See Comments

CITY MANAGER: ☐ Approve ☐ Disapprove ☐ Reviewed ☐ See Comments

COMMENTS:

**DISCUSSION
(IF NECESSARY):**

**BUDGET/FISCAL
IMPACT:** *200*

N/A.

STAFF: Patricia A Weiler, Finance and Administration Director, (703) 257-8234

AGENDA STATEMENT

PAGE NO. _____

ITEM NO. _____

MEETING DATE: July 27, 2011 – Finance Committee Meeting

TIME ESTIMATE: 60 minutes

AGENDA ITEM TITLE: Discussion of local funding for Manassas City Public Schools

**DATE THIS ITEM WAS
LAST CONSIDERED
BY COUNCIL:**

N/A

**SUMMARY OF
ISSUE/TOPIC:**

The Finance Committee requested a discussion of the local funding for Manassas City Public Schools (MCPS).

Attached is a summary of the Code of Virginia (VA Code) and the Joint Budget Agreement adopted by the City Council and the MCPS School Board in February 2009.

Also attached are pertinent sections of the VA Code, the Joint Budget Agreement, previous revenue sharing agreements, and data from the CAFR (annual audit) on MCPS revenues, expenditures and fund balance.

**STAFF
RECOMMENDATION:** N/A

**BOARD/COMMISSION/
COMMITTEE:**

RECOMMENDATION: _____ **Approve** _____ **Disapprove** _____ **Reviewed** _____ **See Comments**

CITY MANAGER: _____ **Approve** _____ **Disapprove** _____ **Reviewed** _____ **See Comments**

COMMENTS:

**DISCUSSION
(IF NECESSARY):**

**BUDGET/FISCAL
IMPACT:**

FY 2012 Budget:
\$46,611,500 - 58.5% of General Tax Revenue
\$ 346,900 - Additional funds from General Fund Fund Balance
\$46,958,400 - Total

STAFF: Patricia A Weiler, Finance and Administration Director, (703) 257-8234

**City of Manassas
Local Funding for MCPS**

Code of Virginia (VA Code)

Section 15.2-2503	by April 1 "division, board" submits to council estimate of "money needed"
Section 15.2-2508	council may require information "deemed advisable"
Section 22.1-88	local funds appropriated to school board by council
Section 22.1-89	if appropriated by "major classifications", school board may not spend in excess of each "major classification"
Section 22.1-91	school board may not spend in excess of appropriation
Section 22.1-92	"amount deemed needed" for each major classification
Section 22.1-93	council shall prepare and approve school budget by May 15, or within 30 days of receiving estimate of state funds
Section 22.1-94	council either appropriate in total or by "major classification"
Section 22.1-95	council duty to levy taxes for maintaining "standards of quality"
Section 22.1-100	local funds not spent by school board shall remain part of the funds of council
Section 22.1-115	major classifications 1) instruction 2) administration 3) pupil transportation 4) operation and maintenance 5) food services 6) facilities 7) debt and transfers 8) contingency

Joint City Council/School Board Agreements

Resolution R-98-07	July 21, 1997	Coordinate five-year budgets and capital programs
Resolution R-2001-90	January 24, 2001	56.2% of general non-agency revenues
Resolution R-2009-53	February 23, 2009	58.5% of general tax revenues

Joint Budget Agreement (R-2009-53)

school board will use most current council estimate of revenues in its budget
school board agrees to adopt five-year forecast and CIP with annual budget
13% general fund fund balance maintained

§ 15.2-2503. Time for preparation and approval of budget; contents.

All officers and heads of departments, offices, divisions, boards, commissions, and agencies of every locality shall, on or before the first day of April of each year, prepare and submit to the governing body an estimate of the amount of money needed during the ensuing fiscal year for his department, office, division, board, commission or agency. If such person does not submit an estimate in accordance with this section, the clerk of the governing body or other designated person or persons shall prepare and submit an estimate for that department, office, division, board, commission or agency.

The governing body shall prepare and approve a budget for informative and fiscal planning purposes only, containing a complete itemized and classified plan of all contemplated expenditures and all estimated revenues and borrowings for the locality for the ensuing fiscal year. The governing body shall approve the budget and fix a tax rate for the budget year no later than the date on which the fiscal year begins. The governing body shall annually publish the approved budget on the locality's website, if any, or shall otherwise make the approved budget available in hard copy as needed to citizens for inspection.

(Code 1950, § 15-575; 1959, Ex. Sess., c. 69; 1962, c. 623, § 15.1-160; 1976, c. 762; 1978, c. 551; 1997, c. 587; 2008, c. 353.)

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§ 15.2-2508. Governing bodies may require information of departments, etc.

A. Local governing bodies may require the heads or other responsible representatives of all departments, offices, divisions, boards, commissions and agencies of their localities to furnish such information as may be deemed advisable.

B. A constitutional officer, as defined in § 15.2-2511, for any such locality, to the extent information is required, shall be subject to the provisions of this section.

(Code 1950, § 15-578; 1962, c. 623, § 15.1-163; 1993, c. 681; 1997, c. 587.)

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Pat Weiler

From: Martin Crim [mcrim@smithanddavenport.com]
Sent: Tuesday, July 19, 2011 3:29 PM
To: Pat Weiler
Subject: RE: Legal opinion please

Pat,

To answer your first question, a long string of Attorney General Opinions holds that § 15.2-2508 grants broad authority to require such information from the School Board as the governing body deems advisable, but there are some limits because of the statutes governing budgeting by major categories and granting School Boards the power to control and supervise the operation of the school system. The line item detail budget, as we discussed, clearly falls within the scope of the Council's ability to require, and is a public document, to boot.

Here are some quotations from Attorney General's opinions to show you some of the limits applicable to the power to require "such information as may be deemed advisable" under § 15.2-2508 A.:

"Pursuant to § 15.1-163, the governing body also may require the school board to furnish such additional information as may be necessary for it, the governing body, to prepare the educational budget in the format it desires. ... However, the governing body's appropriation for the public schools must be in an amount related to a total only or to the major classifications prescribed by the Board of Education." 1982 Op. Atty Gen. Va. 409, citing 1967-1968 Op. Atty Gen. Va. 27, 28 and Va. Code § 22.1-94.

"In my opinion, therefore, the Chesterfield County administrator may not prescribe a maximum amount for the annual budget that the school board and superintendent may request, but he may require them to present their request in a particular form, including a form that divides their request into those items that would be funded by a target amount of revenue, as established by the county administrator, and those items for which the school authorities are requesting funding beyond that target amount." 1993 Op. Atty Gen. Va. 135.

"It is my opinion, therefore, that the City Council may conduct an administrative audit of a school system's administrative operations provided that the conduct of the audit does not interfere with the day-to-day operations of the school system or the Board's supervision of those operations." 1989 Op. Atty Gen Va. 49.

To answer your second question, the scope of the power under § 15.2-2508 A. is clearly much broader than simply requesting the information required to be provided under § 15.2-2503.

Martin R. Crim
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 Manassas, Virginia 20110
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 fax (703) 368-7745

CONFIDENTIAL

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From: Pat Weiler [mailto:PWEILER@ci.manassas.va.us]
Sent: Tuesday, July 19, 2011 12:43 PM
To: Martin Crim
Subject: Legal opinion please

Martin

Your opinion please.

We need by July 25th if possible

Thanks

Pat

1. Does Virginia Code Section 15.2-2508 apply to School Divisions?
In other words, may the City Council require MCPS to furnish information which the City Council "may deem advisable"?
2. Is this information for the "amount of money deemed to be needed" which is required to be submitted by April 1 per section 15.2-2503 and section 22.1-92

§ 22.1-88. Of what school funds to consist.

The funds available to the school board of a school division for the establishment, support and maintenance of the public schools in the school division shall consist of state funds appropriated for public school purposes and apportioned to the school board, federal funds appropriated for educational purposes and apportioned to the school board, local funds appropriated to the school board by a local governing body or such funds as shall be raised by local levy as authorized by law, donations or the income arising therefrom, and any other funds that may be set apart for public school purposes.

(Code 1950, § 22-116; 1971, Ex. Sess., c. 162; 1980, c. 559; 1988, c. 576.)

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§ 22.1-89. Management of funds.

Each school board shall manage and control the funds made available to the school board for public schools and may incur costs and expenses. If funds are appropriated to the school board by major classification as provided in § 22.1-94, no funds shall be expended by the school board except in accordance with such classifications without the consent of the governing body appropriating the funds.

(Code 1950, §§ 22-72, 22-97, 22-127; 1954, cc. 289, 291; 1956, Ex. Sess., cc. 60, 67; 1959, Ex. Sess., c. 79, § 1; 1966, c. 691; 1968, cc. 501, 614; 1970, c. 71; 1971, Ex. Sess., cc. 161, 162; 1972, c. 511; 1975, cc. 308, 328, 443; 1978, c. 551; 1980, c. 559.)

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§ 22.1-91. Limitation on expenditures; penalty.

No school board shall expend or contract to expend, in any fiscal year, any sum of money in excess of the funds available for school purposes for that fiscal year without the consent of the governing body or bodies appropriating funds to the school board. Any member of a school board or any division superintendent or other school officer violating, causing to be violated or voting to violate any provision of this section shall be guilty of malfeasance in office.

(Code 1950, § 22-120; 1980, c. 559.)

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§ 22.1-92. Estimate of moneys needed for public schools; notice of costs to be distributed.

A. It shall be the duty of each division superintendent to prepare, with the approval of the school board, and submit to the governing body or bodies appropriating funds for the school division, by the date specified in § 15.2-2503, the estimate of the amount of money deemed to be needed during the next fiscal year for the support of the public schools of the school division. The estimate shall set up the amount of money deemed to be needed for each major classification prescribed by the Board of Education and such other headings or items as may be necessary.

Upon preparing the estimate of the amount of money deemed to be needed during the next fiscal year for the support of the public schools of the school division, each division superintendent shall also prepare and distribute, within a reasonable time as prescribed by the Board of Education, notification of the estimated average per pupil cost for public education in the school division for the coming school year to each parent, guardian, or other person having control or charge of a child enrolled in the relevant school division, in accordance with the budget estimates provided to the local governing body or bodies. Such notification shall also include actual per pupil state and local education expenditures for the previous school year. The notice may also include federal funds expended for public education in the school division.

The notice shall be made available in a form provided by the Department of Education and shall be published on the school division's website or in hard copy upon request. To promote uniformity and allow for comparisons, the Department of Education shall develop a form for this notice and distribute such form to the school divisions for publication.

B. Before any school board gives final approval to its budget for submission to the governing body, the school board shall hold at least one public hearing to receive the views of citizens within the school division. A school board shall cause public notice to be given at least ten days prior to any hearing by publication in a newspaper having a general circulation within the school division. The passage of the budget by the local government shall be conclusive evidence of compliance with the requirements of this section.

(Code 1950, §§ 22-120.3, 22-120.5; 1959, Ex. Sess., c. 79, § 1; 1980, c. 559; 1986, c. 282; 1994, cc. 453, 788; 2011, c. 216.)

§ 22.1-93. Approval of annual budget for school purposes.

Notwithstanding any other provision of law, including but not limited to Chapter 25 (§ 15.2-2500 et seq.) of Title 15.2, the governing body of a county shall prepare and approve an annual budget for educational purposes by May first or within thirty days of the receipt by the county of the estimates of state funds, whichever shall later occur, and the governing body of a municipality shall prepare and approve an annual budget for educational purposes by May fifteen or within thirty days of the receipt by the municipality of the estimates of state funds, whichever shall later occur. Upon approval, each local school division shall publish the approved annual budget, including the estimated required local match, on the division's website, and the document shall also be made available in hard copy as needed to citizens for inspection.

The Superintendent of Public Instruction shall, no later than the fifteenth day following final adjournment of the Virginia General Assembly in each session, submit estimates to be used for budgetary purposes relative to the Basic School Aid Formula to each school division and to the local governing body of each county, city and town that operates a separate school division. Such estimates shall be for each year of the next biennium or for the then next fiscal year.

(Code 1950, § 22-127; 1956, Ex. Sess., c. 67; 1959, Ex. Sess., c. 79, § 1; 1968, c. 614; 1971, Ex. Sess., c. 162; 1975, c. 443; 1978, c. 551; 1980, c. 559; 1981, c. 541; 2008, cc. 353, 404; 2009, c. 280; 2011, c. 216.)

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§ 22.1-94. Appropriations by county, city or town governing body for public schools.

A governing body may make appropriations to a school board from the funds derived from local levies and from any other funds available, for operation, capital outlay and debt service in the public schools. Such appropriations shall be not less than the cost apportioned to the governing body for maintaining an educational program meeting the standards of quality for the several school divisions prescribed as provided by law. The amount appropriated by the governing body for public schools shall relate to its total only or to such major classifications prescribed by the Board of Education pursuant to § 22.1-115. The appropriations may be made on the same periodic basis as the governing body makes appropriations to other departments and agencies.

(Code 1950, § 22-127; 1956, Ex. Sess., c. 67; 1959, Ex. Sess., c. 79, § 1; 1968, c. 614; 1971, Ex. Sess., c. 162; 1975, c. 443; 1978, c. 551; 1980, c. 559; 1989, c. 94.)

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§ 22.1-95. Duty to levy school tax.

Each county, city and town is authorized, directed and required to raise money by a tax on all property subject to local taxation at such rate as will insure a sum which, together with other available funds, will provide that portion of the cost apportioned to such county, city or town by law for maintaining an educational program meeting the standards of quality for the several school divisions prescribed as provided by law.

(Code 1950, § 22-126.1; 1971, Ex. Sess., c. 162; 1980, c. 559.)

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§ 22.1-100. Unexpended school and educational funds.

All sums of money derived from the Commonwealth which are unexpended in any year in any school division shall revert to the fund of the Commonwealth from which derived unless the Board of Education directs otherwise. All sums derived from local funds unexpended in any year shall remain a part of the funds of the governing body appropriating the funds for use the next year, but no local funds shall be subject to redivision outside of the locality in which they were raised.

(Code 1950, § 22-138; 1956, Ex. Sess., c. 67; 1980, c. 559.)

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[prev](#) | [next](#)**§ 22.1-115. System of accounting; statements of funds available; classification of expenditures.**

The State Board, in conjunction with the Auditor of Public Accounts, shall establish and require of each school division a modern system of accounting for all school funds, state and local, and the treasurer or other fiscal agent of each school division shall render each month to the school board a statement of the funds in his hands available for school purposes. The Board shall prescribe the following major classifications for expenditures of school funds: (i) instruction, (ii) administration, attendance and health, (iii) pupil transportation, (iv) operation and maintenance, (v) school food services and other noninstructional operations, (vi) facilities, (vii) debt and fund transfers, (viii) technology, and (ix) contingency reserves.

(Code 1950, § 22-143; 1979, c. 630; 1980, c. 559; 1984, c. 130; 1989, c. 94; 2002, c. 470; 2008, c. 131.)

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MOTION: Wolfe

**February 23, 2009
Regular Meeting
Res. No. R-2009-53**

SECOND: Aveni

**RE: JOINT RESOLUTION BY AND BETWEEN THE CITY COUNCIL OF
THE CITY OF MANASSAS AND THE SCHOOL BOARD OF THE CITY
OF MANASSAS APPROVING THIS JOINT BUDGET AGREEMENT**

WHEREAS, the City Council and the School Board declare their intent to respond in a coordinated way to local economic changes and to State and Federal budgetary, economic or policy changes; and

WHEREAS, it is in the best interest of the City Council and the School Board to have independent financial and service planning capabilities; and

WHEREAS, the City Council acknowledges the need for adequate funding to support the operation of the Manassas City Public Schools (MCPS).

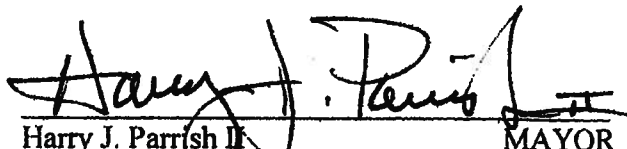
NOW, THEREFORE BE IT RESOLVED that the Manassas City Council and the School Board of the City of Manassas do hereby support five-year planning; and the City Council and the School Board agree to the following:

1. That projected revenues in forecasts and budgets may change.
2. That the City Council and the School Board acknowledge that in order to provide appropriate compensation to employees and best meet competitive needs, different levels of compensation adjustments may occur in the budgets of the City and the MCPS.
3. That the City and the MCPS each will maintain an undesignated fund balance.
4. That the School Board will receive 58.5% of the General Tax Revenue of the City. The General Tax Revenue of the City is the following Major Sources of Revenue as defined by the Commonwealth of Virginia Auditor of Public Accounts in the Uniform Financial Reporting Manual: General Property Taxes (311-xxxx), Other Local Taxes (312-xxxx), and the payment from the Commonwealth of Virginia for the Personal Property Tax Relief Act (PPTRA). Real property taxes which are levied for a specific purpose (such as the Fire and Rescue Tax Levy and the Owens Brooks Tax Levy) are not included in General Tax Revenue for the purposes of this agreement.

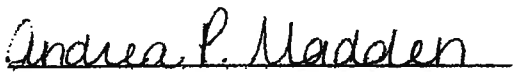
5. That the City Council will provide the School Board with an estimate of the General Tax Revenue for the succeeding fiscal year by November 15. This estimate will be revised on or before March 5. The School Board will use the most current estimate of General Tax Revenue provided by the City Council when adopting its budget.
6. That during the fiscal year the actual General Tax Revenue may be more or less than the estimate in the adopted budget. The City Council will report any material variances to the School Board as they become known. If the actual General Tax Revenue exceeds the adopted budget, the excess will first be used to bring City's general fund undesignated fund balance to the level stated in the City Council's Fund Balance Policy. The School Board will receive 58.5% of remaining excess of General Tax Revenue during the audit process. If the actual General Tax Revenue is less than the budget, the budgeted transfer to the School Board will be reduced by 58.5% of the deficiency during the audit process. Prior to the close of the audit, the School Board may request that the "true-up" of the transfer take place in the fiscal year following the fiscal year being audited.
7. That the City Council and the School Board agree to maintain a five-year forecast. The City Council will adopt a five-year forecast by November 15 of each year for the succeeding fiscal year based on the most recent revenue forecast available.
8. That the City Council and the School Board will each adopt via Resolution a Five-Year Capital Improvement Program and a Five-Year Forecast annually when the operating budget is adopted. The Five-Year Capital Improvement Program and the Five-Year Forecast will be consistent with the General Tax Revenue projected to be available and in a format designated by the City Council.
9. That the City Council will allocate interest earned on the MCPS Undesignated Fund Balance to the School Board each fiscal year using the interest rate the City earned on its investments for that fiscal year.
10. That the City Council agrees that the School Board may carry-over unexpended budget by presenting a carry-over resolution for City Council action prior to the close of the fiscal year. The unspent balances of MCPS pay-as-you-go capital projects and bond funded projects will automatically be included in the City's carryover resolution.

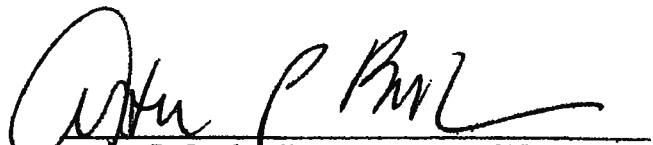
February 23, 2009
Regular Meeting
Res. No. R-2009-53
Page Three

11. That this agreement is effective for the FY 2010 and subsequent budgets.
12. That the City Council or the School Board may initiate discussion to re-examine the Joint Budget Agreement if circumstances warrant.
13. This resolution supersedes resolutions R-2001-90 dated January 24, 2001 and R-2001-01 dated January 23, 2001.


Harry J. Parrish II MAYOR
On behalf of the City Council
of Manassas, Virginia

ATTEST:


Andrea P. Madden City Clerk


Arthur P. Bushnell CHAIRMAN
On behalf of the Manassas City Schools

ATTEST:


Barbara J. Lepre Clerk of the Board

City Council Votes:

Ayes: Aveni, Harrover, Randolph
Nays: Smith, Way, Wolfe
Absent from Vote: Nays: None
Absent from Meeting: None
None

School Votes:

Ayes: Bass, Bushnell, Dance, Wunderly
Nays: Albrecht, Demeria
Absent from Vote: Brooks
Absent from Meeting: None

City of Manassas								
Source: City of Manassas								
CAFRs Fiscal Years 1996 - 2010								
	Budgeted Transfer to MCPS	Actual Transfer to MCPS	Budget Variance	Revenue not shared	\$ Increase from PY	% Increase from PY	MCPS Operating Fund Balance	
FY 1996	\$22,454,052	\$21,945,774	(\$508,278)				\$0	As per State Code Section 22.1-100
FY 1997	\$22,968,407	\$22,756,947	(\$211,460)				\$0	As per State Code Section 22.1-100
FY 1998	\$25,141,249	\$24,695,469	(\$445,780)				\$250,000	Resolution R-98-07
FY 1999	\$28,260,250	\$27,425,063	(\$835,187)				\$800,000	Resolution R-98-07
FY 2000	\$29,244,020	\$28,884,503	(\$359,517)				\$970,500	Resolution R-98-07
FY 2001	\$29,930,710	\$31,559,408	\$1,628,698		\$2,674,905	9.3%	\$4,066,844	Resolution R-2001-90 (56.2% Agreement)
FY 2002	\$32,804,440	\$35,296,290	\$2,491,850		\$3,736,882	11.8%	\$7,821,652	Resolution R-2001-90 (56.2% Agreement)
FY 2003	\$34,825,460	\$35,481,928	\$656,468		\$185,638	0.5%	\$8,104,189	Resolution R-2001-90 (56.2% Agreement)
FY 2004	\$36,150,748	\$37,828,740	\$1,677,992		\$2,346,812	6.6%	\$9,329,431	Resolution R-2001-90 (56.2% Agreement)
FY 2005	\$40,210,450	\$40,655,630	\$445,180	\$1,511,300	\$2,826,890	7.5%	\$8,976,411	Resolution R-2001-90 (56.2% Agreement)
FY 2006	\$44,194,150	\$44,804,226	\$610,076	\$810,000	\$4,148,596	10.2%	\$8,536,064	Resolution R-2001-90 (56.2% Agreement)
FY 2007	\$47,009,780	\$47,009,780	\$0	\$603,045	\$2,205,554	4.9%	\$8,028,473	Resolution R-2001-90 (56.2% Agreement)
FY 2008	\$49,176,480	\$47,689,765	(\$1,486,715)		\$679,985	1.4%	\$6,316,320	Resolution R-2001-90 (56.2% Agreement) REVISED to 57.9% for 7.3 cents in CY 2008
FY 2009	\$52,343,658	\$48,924,698	(\$3,418,960)		\$1,234,933	2.6%	\$5,306,769	Resolution R-2009-53 (58.5% Agreement)
FY 2010	\$49,523,010	\$47,592,844	(\$1,930,166)		(\$1,331,854)	-2.7%	\$6,093,040	Resolution R-2009-53 (58.5% Agreement)

City of Manassas
MCPS Operating Fund
Source: CAFR
Does not include
Food Service Fund or
Bond Capital Projects Fund

	<u>Actual FY 2000</u>	<u>Actual FY 2001</u>		<u>Actual FY 2002</u>		<u>Actual FY 2003</u>		<u>Actual FY 2004</u>		<u>Actual FY 2005</u>	
City Support of School	28,884,503	31,559,408	9.3%	35,296,290	11.8%	35,481,928	0.5%	37,828,740	6.6%	40,655,630	7.5%
State	20,450,220	22,728,536	11.1%	22,609,470	-0.5%	24,069,343	6.5%	25,528,039	6.1%	28,326,150	11.0%
Federal	792,409	994,394	25.5%	1,587,638	59.7%	1,744,798	9.9%	2,008,035	15.1%	1,884,628	-6.1%
Other	<u>1,427,955</u>	<u>1,568,360</u>	9.8%	<u>1,415,587</u>	-9.7%	<u>1,689,282</u>	19.3%	<u>1,747,473</u>	3.4%	<u>1,994,213</u>	14.1%
Total School Revenue	<u>51,555,087</u>	<u>56,850,698</u>	10.3%	<u>60,908,985</u>	7.1%	<u>62,985,351</u>	3.4%	<u>67,112,287</u>	6.6%	<u>72,860,621</u>	8.6%
47 Total School Expenditures	52,427,279	53,754,354	2.5%	57,154,177	6.3%	62,702,814	9.7%	65,887,045	5.1%	73,213,641	11.1%
Excess Revenue	<u>(872,192)</u>	<u>3,096,344</u>		<u>3,754,808</u>		<u>282,537</u>		<u>1,225,242</u>		<u>(353,020)</u>	
Fund Balance	970,500	4,066,844		7,821,652		8,104,189		9,329,431		8,976,411	

City of Manassas
MCPS Operating Fund
Source: CAFR
Does not include
Food Service Fund or
Bond Capital Projects Fund

	Actual FY 2006		Actual FY 2007		Actual FY 2008		Actual FY 2009		Actual FY 2010		Adopted Budget FY 2011	
City Support of School	44,804,226	10.2%	47,009,785	4.9%	47,689,765	1.4%	48,924,698	2.6%	47,592,844	-2.7%	46,958,400	-1.3%
State	29,259,949	3.3%	32,675,768	11.7%	33,245,596	1.7%	34,802,419	4.7%	30,951,333	-11.1%	33,863,493	9.4%
Federal	2,783,387	47.7%	2,670,765	-4.0%	2,826,388	5.8%	3,382,900	19.7%	6,829,727	101.9%	4,493,871	-34.2%
Other	2,172,696	9.0%	547,198	-74.8%	1,473,506	169.3%	582,651	-60.5%	557,368	-4.3%	549,992	-1.3%
Total School Revenue	<u>79,020,258</u>	8.5%	<u>82,903,516</u>	4.9%	<u>85,235,255</u>	2.8%	<u>87,692,668</u>	2.9%	<u>85,931,272</u>	-2.0%	<u>85,865,756</u>	-0.1%
48 Total School Expenditures	79,460,605	8.5%	84,095,663	5.8%	86,947,408	3.4%	89,702,219	3.2%	85,145,001	-5.1%	86,850,743	2.0%
Excess Revenue	<u>(440,347)</u>		<u>(1,192,147)</u>		<u>(1,712,153)</u>		<u>(2,009,551)</u>		<u>786,271</u>		<u>(984,987)</u>	
Fund Balance	8,536,064		8,028,473		6,316,320		5,306,769		6,093,040			

Beginning in FY 2007, Regional Special Education no longer reported as other revenue or an expenditure

**City of Manassas
History of Taxes**

	Actual FY 2001	Actual FY 2002	Actual FY 2003	Actual FY 2004	Actual FY 2005	Actual FY 2006
Property Taxes						
Real Current	26,379,269	28,500,573	31,976,383	35,998,207	40,950,996	40,658,893
Real Delinquent	1,666,845	2,954,730	2,482,712	1,646,332	2,111,489	2,904,461
Real Estate Tax Rate Increase						
Legislative Reserve						-
subtotal Real Estate	28,046,114	31,455,303	34,459,095	37,644,540	43,062,485	43,563,354
Public Service Corps	843,850	922,534	899,681	890,523	873,934	700,422
PP Current	5,574,860	5,805,227	6,099,695	6,745,470	4,362,588	7,247,614
PP Delinquent	1,571,116	1,811,444	1,913,185	1,602,176	2,268,246	2,313,148
Mobile Home Current	6,131	5,943	5,500	5,479	6,005	5,378
Mobile Home Delinquent	4,122	3,180	3,787	3,752	2,975	3,459
Airplane Current	2,895	3,636	5,525	7,015	7,529	6,361
Airplane Delinquent	645	605	531	2,585	2,360	6,429
M & T	5,711,373	5,506,108	6,154,115	3,748,265	3,575,948	4,393,963
M & T Delinquent	15,925	296,393	26,168	8,402	33,892	130,536
Penalty	286,163	368,465	341,633	330,877	346,456	374,750
Interest	189,705	497,273	184,359	84,876	20,234	33,004
Refund Prior Year Taxes	(252,762)	-	(1,340,074)	(260,899)	-	-
Total Property Taxes	42,000,137	46,676,111	48,753,200	50,813,060	54,562,652	58,778,417
Other Taxes						
Local Sales Tax	5,091,385	4,674,652	5,313,476	6,565,896	6,989,980	7,778,776
Utility Tax	1,568,600	1,436,705	1,716,542	1,589,079	1,679,028	1,620,560
Business License Tax	1,820,063	2,063,267	2,101,196	2,265,090	2,700,753	3,029,004
Consumption Electric	59,800	144,208	151,236	139,659	147,188	158,710
Consumption Gas	13,342	19,335	25,266	26,114	26,565	25,491
Franchise Fees - Cable	304,791	390,498	304,777	314,708	314,596	314,278
Franchise Fees - Broadband	-	-	-	-	-	-
Motor Vehicle Licenses	636,529	667,723	673,084	708,145	753,839	740,634
Bank Stock/Franchise Tax	287,167	283,475	300,973	322,145	428,589	503,693
Recordation Taxes	156,854	362,351	454,321	589,059	1,121,396	1,236,968
Cigarette Taxes	354,100	345,377	332,773	515,982	979,036	982,136
Lodging Taxes	136,076	108,603	109,140	138,767	164,652	169,367
Meal Tax	1,837,050	1,895,293	1,975,493	2,298,604	2,583,398	2,596,486
Cell Phone	-	-	-	-	371,304	938,875
E-911	266,646	261,805	273,324	258,673	334,561	670,541
Right of Way User Fees	142,195	153,812	144,511	140,817	147,777	153,264
Metro Media Fiber	28,612	-	39,489	38,216	10,807	-
Deeds of Conveyance	75,306	173,402	138,706	206,251	276,515	265,190
Communication Tax	-	-	-	-	-	-
Total Other Taxes	12,778,516	12,980,506	14,054,307	16,117,204	19,029,984	21,183,973
E-911	266,646	261,805	273,324	258,673	334,561	670,541
21.49% of Comm Tax						
Other Taxes to Share - MCPS	12,511,870	12,718,701	13,780,984	15,858,532	18,695,424	20,513,432

**City of Manassas
History of Taxes**

	Actual FY 2007	Actual FY 2008	Actual FY 2009	Actual FY 2010
Property Taxes				
Real Current	42,465,823	43,978,117	44,783,242	41,461,991
Real Delinquent	3,637,012	4,626,951	4,351,953	5,994,375
Real Estate Tax Rate Increase		-	-	-
Legislative Reserve				
subtotal Real Estate	46,102,835	48,605,068	49,135,195	47,456,366
Public Service Corps	651,886	710,683	922,145	987,156
PP Current	5,386,571	5,177,656	5,240,524	3,884,559
PP Delinquent	1,216,184	1,069,021	1,129,468	818,989
Mobile Home Current	4,928	5,297	5,919	7,433
Mobile Home Delinquent	3,178	2,825	2,238	3,485
Airplane Current	-	-	-	-
Airplane Delinquent	-	13	-	-
M & T	353,556	4,419,984	4,531,611	421,005
M & T Delinquent	4,112,081	3,024	24,485	4,186,588
Penalty	409,836	370,033	386,081	353,495
Interest	1,886	101,398	141,671	148,313
Refund Prior Year Taxes	-	-	-	-
Total Property Taxes	58,242,941	60,465,002	61,519,337	58,267,389
Other Taxes				
Local Sales Tax	8,129,713	7,082,425	6,440,056	6,881,710
Utility Tax	989,591	364,492	381,805	385,472
Business License Tax	3,490,912	3,017,479	2,869,133	2,450,090
Consumption Electric	174,103	178,140	178,920	178,801
Consumption Gas	39,419	27,788	24,716	22,062
Franchise Fees - Cable	180,100	-	-	-
Franchise Fees - Broadband	-	-	-	-
Motor Vehicle Licenses	714,666	684,140	651,825	608,330
Bank Stock/Franchise Tax	384,805	342,201	327,204	408,763
Recordation Taxes	865,432	671,443	599,217	342,403
Cigarette Taxes	921,175	832,606	781,638	741,156
Lodging Taxes	42,823	132,347	110,757	103,755
Meal Tax	2,682,545	2,640,666	2,547,152	2,423,969
Cell Phone	430,090	-	-	-
E-911	374,976	-	-	-
Right of Way User Fees	146,824	143,313	158,018	197,269
Metro Media Fiber	93,029	36,845	38,731	40,670
Deeds of Conveyance	157,274	221,126	236,426	112,807
Communication Tax	1,420,444	3,312,500	3,009,702	3,022,248
Total Other Taxes	21,237,921	19,687,511	18,355,300	17,919,505
E-911	374,976	-		
21.49% of Comm Tax	300,424	700,594		
Other Taxes to Share - MCPS	20,562,521	18,986,917		

City of Manassas
Revenue to Share with MCPS

	Actual FY 2001	Actual FY 2002	Actual FY 2003	FY 2004 Actual	Actual FY 2005
Real Estate Taxes	26,379,269	28,500,573	31,976,383	35,998,207	40,950,996
Real Estate Taxes Delinquent	1,666,845	2,954,730	2,482,712	1,646,332	2,111,489
Public Service Corporations	843,850	922,534	899,681	890,523	873,934
Personal Property Taxes	5,574,860	5,805,227	2,514,454	2,999,530	830,990
Personal Property Taxes Delinquent	1,571,116	1,811,444	1,913,185	1,602,176	2,268,246
Mobile Homes	6,131	5,943	5,500	5,479	6,005
Mobile Homes Delinquent	4,122	3,180	3,787	3,752	2,975
Airplanes	2,895	3,636	5,525	7,015	7,529
Airplanes Delinquent	645	605	531	2,585	2,360
Machinery & Tools	5,711,373	5,506,108	6,154,115	3,748,265	3,575,948
Delinquent Machinery & Tools	15,925	296,393	26,168	8,402	33,892
Penalty on Taxes	286,163	368,465	341,633	330,877	346,456
Interest on Taxes	189,705	497,273	184,359	84,876	20,234
Refund PY Taxes	(252,762)	-	(1,340,074)	(260,899)	-
PROPERTY TAXES	42,000,137	46,676,111	45,167,959	47,067,120	51,031,054
Sales Taxes	5,091,385	4,674,652	5,313,476	6,565,896	6,989,980
Utility Taxes	1,568,600	1,436,705	1,716,542	1,589,079	1,679,028
Business License Taxes	1,820,063	2,063,267	2,101,196	2,265,090	2,700,753
Electric Consumption Tax	59,800	144,208	151,236	139,659	147,188
Gas Consumption Tax	13,342	19,335	25,266	26,114	26,565
Franchise Fees Cable	304,791	390,498	304,777	314,708	314,596
Motor Vehicle Licenses	636,529	667,723	673,084	708,145	753,839
Bank Franchise Taxes	287,167	283,475	300,973	322,145	428,589
Recordation Taxes	156,854	362,351	454,321	589,059	1,121,396
Cigarette Taxes	354,100	345,377	332,773	515,982	979,036
Lodging & Motel Taxes	136,076	108,603	109,140	138,767	164,652
Meals Taxes	1,837,050	1,895,293	1,975,493	2,298,604	2,583,398
Right of Way User Fees	142,195	153,812	144,511	140,817	147,777
Cell Phone Tax	-	-	-	-	371,304
Media One	28,612	-	39,489	38,216	10,807
Deeds of Conveyance	75,306	173,402	138,706	206,251	276,515
Communications Tax	-	-	-	-	-
OTHER LOCAL TAXES	12,511,870	12,718,701	13,780,984	15,858,532	18,695,424
Interest on Investments	1,090,821	720,124	400,670	323,657	360,709
REVENUE FROM USE OF MONEY	1,090,821	720,124	400,670	323,657	360,709
ABC Profits	75,005	95,508	42,514	53,581	20,597
Wine Tax	44,350	49,524	39,365	33,213	21,590
Car Rental Tax	193,612	215,318	197,270	210,624	167,553
Mobile Home Titling	6,638	5,055	2,597	4,793	4,386
Rolling Stock Tax	17,981	16,207	14,751	13,764	14,031
PPTRA	-	-	3,585,241	3,745,940	3,531,598
NON-CATEGORICAL AID	337,586	381,612	3,881,737	4,061,915	3,759,755
Revenues to Share with Schools	55,940,414	60,496,548	63,231,350	67,311,224	73,846,942
to Fund Balance to Maintain 15%	-	-	-	-	(1,511,300)
NET Revenues to Share	55,940,414	60,496,548	63,231,350	67,311,224	72,335,642
	56.20%	56.20%	56.20%	56.20%	56.20%
School Share of Revenue	31,438,513	33,999,060	35,536,019	37,828,908	40,652,631

Actual FY 2006	Actual FY 2007	Actual FY 2008	Actual FY 2009	Actual FY 2010
40,658,893	42,465,823	43,978,117	44,783,242	41,461,991
2,904,461	3,637,012	4,626,951	4,351,953	5,994,375
700,422	651,886	710,683	922,145	987,156
3,441,606	5,386,571	5,177,656	5,240,524	3,884,559
2,313,148	1,216,184	1,069,021	1,129,468	818,989
5,378	4,928	5,297	5,919	7,433
3,459	3,178	2,825	2,238	3,485
6,361	-	-	-	-
6,429	-	13	-	-
4,393,963	353,556	4,419,984	4,531,611	421,005
130,536	4,112,081	3,024	24,485	4,186,588
374,750	409,836	370,033	386,081	353,495
33,004	1,886	101,398	141,671	148,313
-	-	-	-	-
54,972,409	58,242,941	60,465,002	61,519,337	58,267,389
7,778,776	8,129,713	7,082,425	6,440,056	6,881,710
1,620,560	989,591	364,492	381,805	385,472
3,029,004	3,490,912	3,017,479	2,869,133	2,450,090
158,710	174,103	178,140	178,920	178,801
25,491	39,419	27,788	24,716	22,062
314,278	180,100	-	-	-
740,634	714,666	684,140	651,825	608,330
503,693	384,805	342,201	327,204	408,763
1,236,968	865,432	671,443	599,217	342,403
982,136	921,175	832,606	781,638	741,156
169,367	42,823	132,347	110,757	103,755
2,596,486	2,682,545	2,640,666	2,547,152	2,423,969
153,264	146,824	143,313	158,018	197,269
938,875	430,090	-	-	-
-	93,029	36,845	38,731	40,670
265,190	157,274	221,126	236,426	112,807
-	1,120,020	2,611,906	3,009,702	3,022,248
20,513,432	20,562,521	18,986,917	18,355,300	17,919,505
915,140	1,374,226	760,202	-	-
915,140	1,374,226	760,202	-	-
20,597	20,597	20,597	-	-
21,590	21,590	21,590	-	-
263,713	163,556	131,129	-	-
6,303	5,003	5,557	-	-
13,630	12,849	13,832	-	-
3,806,008	3,845,623	3,786,634	-	-
4,131,841	4,069,218	3,979,339	-	-
80,532,822	84,248,905	84,191,460	79,874,637	76,186,894
(810,000)	(603,045)	-	-	-
79,722,822	83,645,860	84,191,460	79,874,637	76,186,894
56.20%	56.20%		58.50%	58.50%
44,804,226	47,008,974	47,689,765	46,726,663	44,569,333

**JOINT RESOLUTION BY AND BETWEEN
THE CITY COUNCIL OF THE CITY OF MANASSAS
AND THE SCHOOL BOARD OF THE CITY OF MANASSAS**

**COUNCIL RESOLUTION #R-2001-90
Council Meeting Date January 24, 2001**

**SCHOOL BOARD RESOLUTION #R-2001-01
School Board Meeting Date January 23, 2001**

WHEREAS, the Manassas City Council and the Manassas City School Board have a five-year budget planning agreement; and

WHEREAS, the City Council and the School Board declare their intent to respond in a coordinated way to local economic changes and to State and Federal budgetary, economic or policy changes; and

WHEREAS, it is in the best interest of the City Council and the School Board to have independent financial and service planning capabilities; and

WHEREAS, the City Council acknowledges the need for adequate funding to support the operation of the City Public Schools; and

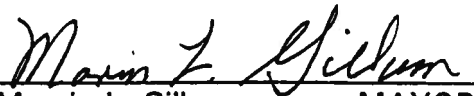
WHEREAS, there is a need for the continued work for a committee of the City Council and the School Board to maintain five-year budget plans;

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Manassas, Virginia, meeting in special session this 24th day of January, 2001 and that the School Board of the City of Manassas meeting in regular session this 23rd day of January, 2001 do hereby support five-year budget planning, and the City Council and the School Board agree to the following:

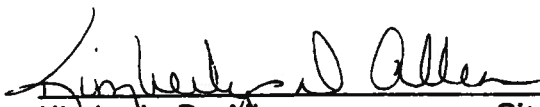
1. That the projected revenues in the proposed plans may change.
2. That the City Council and the School Board acknowledge in order to provide appropriate compensation to employees and best meet competitive needs, that different levels of compensation adjustments may occur in future budgets.
3. That the School Board will receive 56.2% of general non-agency City revenue to support the operation of the School Division. General non-agency City revenues are the following Major Sources of Revenue as defined by the Commonwealth of Virginia Auditor of Public Accounts in the Uniform Financial Reporting Manual: General Property Taxes (311-xxxx), Other Local Taxes (312-xxxx), Revenue from the Use of Money and Property (315-xxxx), Revenue from the Commonwealth Non-categorical Aid (322-xxxx). Excluding any revenues which are designated for a specific purpose (for example: Other Local Taxes-E-911, Revenue from the Use of Money and Property-Interest on Bond Proceeds and Non-categorical aid-HB 599). 53

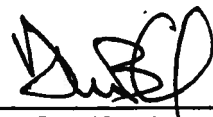
4. That the City Council will provide the School Board with an estimate of the general non-agency revenue for the succeeding fiscal year by November 15. This estimate may be revised on January 31 and again on March 15. The School Board will use the most current estimate provided by the City Council when adopting its budget.
5. During the fiscal year the actual general non-agency revenue may be more or less than the estimate in the adopted budget. The City Council will report any material variances to the School Board as they become known. If the actual general non-agency revenue exceeds the budget, 56.2% of the excess will be transferred to the School Board during the audit process. If the actual general non-agency revenue is less than the budget, the budgeted transfer to the schools will be reduced by 56.2% of the deficiency during the audit process. Prior to the close of the audit, the School Board may request that the "true-up" of the transfer take place in the fiscal year following the fiscal year being audited.
6. That if the City General Fund revenue exceeds adopted budget, the excess will first be used to bring City undesignated fund balance to 15% of the succeeding years' General Fund budget. The schools will receive 56.2% of remaining excess of general non-agency City revenue.
7. The City Council or the School Board may initiate discussion to re-examine the joint five-year budget plan if circumstances warrant.
8. That the City Council and the School Board agree to maintain a five-year budget forecast adopted by both bodies by November 15 (January 31, 2001 for the FY 2002 budget) each year for the succeeding fiscal year based on the revenue sharing agreement delineated in statement 3 above, and the most recent revenue forecast available.
9. That the City Council and the School Board will each adopt a Capital Improvement Plan annually when the operating budget is adopted. The Capital Improvements Plans will be consistent with the revenues projected to be available.
10. That the City and the Schools each will maintain an undesignated fund balance. The City undesignated fund balance will be at least 15% of the succeeding years' General Fund budget.
11. The City will allocate interest earned on the Schools Undesignated Fund Balance to the Schools annually.
12. The City Council agrees that the School Board may carry-over unexpended funds by presenting a carry-over resolution for City Council action.

13. That the City will transfer \$250,000 to the Schools upon adoption of this Resolution for the Sumner Lake (Smitherwood) proffers. The City will be reimbursed for this transfer as it collects the proffers from the developers of Sumner Lake (Smitherwood).
14. That the City will transfer to the Schools upon adoption of this resolution \$359,517 for the FY 2000 "true-up".
15. That in FY 2001 the City will transfer to the Schools the greater of \$29,847,710 or 56.2% of the general non-agency revenues excluding the \$434,401.88 in roll-back taxes on the Sumner Lake (Smitherwood) development.
16. That this agreement is effective for the FY 2002 and subsequent budgets.
17. That the City will transfer \$1,000,000 to the Schools in FY 2002, in addition to the 56.2% of general non-agency revenues.
18. This resolution supersedes resolution #R-98-07 dated July 28, 1997.

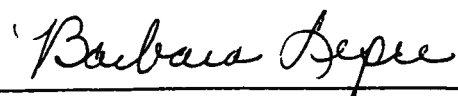

Marvin L. Gillum MAYOR
On behalf of the City Council
of Manassas, Virginia

ATTEST:


Kimberly D. Allen City Clerk


Thomas Bradford CHAIRMAN
On behalf of the
Manassas City Schools

ATTEST:


Barbara Lepre Deputy Clerk

JOINT RESOLUTION
BY AND BETWEEN
THE SCHOOL BOARD OF THE CITY OF MANASSAS AND
THE CITY COUNCIL OF MANASSAS

COUNCIL RESOLUTION NO. R-98-07

COUNCIL MEETING DATE: July 21, 1997

WHEREAS, the School Board of the City of Manassas (Board) has identified a need for addressing an aging high school facility by increasing its capacity from 1,325 to 2,000, aligning Metz as a middle school, and readjusting elementary school grade configuration consistent with the State model thereby increasing the School Division's capacity from 6,850 to 7,525 students; and

WHEREAS, the Board has a technology plan to network the School libraries, to provide networked student and teacher workstations in each classroom/instructional space, and to provide the necessary staff development to effectively utilize the technology; and

WHEREAS, the Board has a commitment to maintain existing programs and services; and

WHEREAS, the City Council of the City of Manassas (Council) has identified a need to address such major City government issues as a capital improvement program, a five million dollar bond issue for public improvements, shared services with neighboring jurisdictions, regional law enforcement and recreation facilities, and a strong undesignated Fund Balance, as well as the delivery of effective and efficient municipal services; and

WHEREAS, the Council and the Board appointed members to develop a five-year budget plan to address both City government and School Division needs; and

WHEREAS, the appointed members have developed a five-year budget plan and recommend support of the plan; and

WHEREAS, the Council and the Board recognize that the projected revenues in the plan may change; and


WHEREAS, there is a need for a commitment from the Council and the Board to the five-year budget plan before any part of the plan, including the sale of bonds, can be initiated;

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Manassas and the School Board of the City of Manassas agree that the City government and the School Division must coordinate their five-year projected budgets and capital programs to achieve a balanced


mix of service; and

BE IT FURTHER RESOLVED THAT both the Council and the Board agree to respond in a coordinated way to potential local economic changes and to state, Federal, budgetary, economic or policy changes; and

BE IT FINALLY RESOLVED THAT both the Council and the Board declare their support of the five-year budget plan attached hereto.




Marvin L. Gillum Mayor
On behalf of the City Council
of the City of Manassas, Virginia



Joseph B. Johnson Chairman
On behalf of the School Board
of the City of Manassas, Virginia

ATTEST:



Alwilda C. Merritt City Clerk

**City of Manassas and City of Manassas Public School
Five-Year Budget Plan
Memorandum of Understanding
Attachment to Council Resolution No. R-98-07**

1. The Manassas City Council and the City of Manassas School Board recognize that the five year budget plan is based on estimated enrollment figures and that if the actual enrollment figures are greater or less than projected, the budget plan will need to be adjusted accordingly.
2. The Manassas City Council and the City of Manassas School Board recognize that there is a need to replace the present School administration building and agree to work together in addressing this need in the future. The five year budget plan does not include any costs for this new building.
3. The Manassas City Council agrees to return to the School division fund an amount equal to the excess of actual revenues received for school purposes from non-City sources over budgeted revenues from non-City sources. This will take place as part of the annual audit.
4. The Manassas City Council agrees to return to the School division fund an amount equal to 50% of the unspent expenditure budget of the School division budget. This will take place as part of the annual audit.

Attachment to Resolution NO. R-98-07

City of Manassas and City of Manassas Public Schools

Five-Year Budget Plan

	Adopted Budget FY 98	Projected FY 99	Projected FY 00	Projected FY 01	Projected FY 02	Projected FY 03
City General Fund Revenues						
Property Taxes	32,345,750	38,816,877	39,573,537	40,405,651	41,255,849	40,342,078
Other Taxes	9,180,660	9,547,886	9,929,802	10,326,994	10,740,074	11,169,677
Permits, Fees, Licenses	566,050	583,032	600,522	618,538	637,094	656,207
Fines & Forfeitures	431,850	444,806	458,150	471,894	486,051	500,633
Use of Money and Property	589,760	590,000	590,000	590,000	590,000	590,000
Charges for Services	1,887,040	1,943,651	2,001,961	2,062,020	2,123,880	2,187,597
Miscellaneous	1,769,420	1,822,503	1,877,178	1,933,493	1,991,498	2,051,243
Miscellaneous SS	68,222	70,269	72,377	74,548	76,784	79,088
From Commonwealth	3,139,272	3,233,450	3,330,454	3,430,367	3,533,278	3,639,277
From Commonwealth SS	1,022,543	1,053,219	1,084,816	1,117,360	1,150,881	1,185,408
From Federal	64,809	66,753	68,756	70,819	72,943	75,131
From Federal SS	890,953	917,682	945,212	973,568	1,002,775	1,032,859
Transfers	95,260	98,118	101,061	104,093	107,216	110,432
Total General Fund Revenues	52,051,589	59,188,245	60,633,825	62,179,346	63,768,324	63,619,628
City General Fund Expenditures						
Departmental	22,472,878	23,147,064	23,841,476	24,556,721	25,293,422	26,052,225
Shared Services	3,108,066	3,201,308	3,297,347	3,396,268	3,498,156	3,603,100
CIP		413,000	428,000	528,000	561,000	590,600
Transfers	619,570	638,157	657,302	677,021	697,331	718,251
Debt Service	1,387,114	1,784,820	1,741,930	1,666,062	1,639,526	1,378,420
Debt Service - New Bond Issue		525,000	511,250	497,500	483,750	470,000
800 MHz		180,000	180,000	180,000	180,000	180,000
Jail		176,000	88,000			
Western Recreation Center		156,712	516,520	166,574	147,041	126,401
Other	572,711	559,978	566,282	572,770	579,453	586,336
Total City Expenditures	28,160,339	30,782,039	31,828,107	32,240,915	33,079,679	33,705,334
Transfer to School	24,891,249	27,700,770	29,665,213	28,847,949	30,044,542	28,503,847
Total General Fund Expenditures	53,051,588	58,482,809	61,493,320	61,088,864	63,124,221	62,209,181
Contribution to (from) City General Fund fund balance	(999,999)	705,436	(859,495)	1,090,481	644,103	1,410,448
 Undesignated fund balance 7/1	9,643,375	8,643,376	9,348,812	8,489,316	9,579,798	10,223,901
Undesignated fund balance 6/30	8,643,376	9,348,812	8,489,316	9,579,798	10,223,901	11,634,348
6/30 fund balance as a % of succeeding years budget.	14.8%	15.2%	13.9%	15.2%	16.4%	18.7%

Attachment to Resolution NO. R-98-07

City of Manassas and City of Manassas Public Schools

Five-Year Budget Plan

	Adopted Budget FY 98	Projected FY 99	Projected FY 00	Projected FY 01	Projected FY 02	Projected FY 03
School Revenues						
State Funds	12,471,344	14,591,472	15,175,131	17,754,904	18,465,100	21,604,167
Federal Funds	632,558	638,884	645,272	651,725	658,242	664,825
Other Funds	659,000	665,590	672,246	678,968	685,758	692,616
Sales Tax	3,264,119	3,525,249	3,807,268	4,111,850	4,440,798	4,796,062
Total School Revenues *	17,027,021	19,421,195	20,299,917	23,197,447	24,249,898	27,757,670
School Expenditures - Base						
Personal Services	25,153,711	26,055,104	26,803,692	27,387,675	28,103,933	28,810,212
Benefits	6,129,397	6,418,844	6,678,714	6,917,730	7,193,358	7,478,641
Purchased Services	2,256,769	2,369,607	2,488,088	2,612,492	2,743,117	2,880,273
Other Charges	1,405,915	1,476,211	1,550,021	1,627,522	1,708,898	1,794,343
Supplies	1,479,011	1,737,838	2,041,960	2,399,302	2,819,180	3,312,537
Capital Outlay	425,757	500,264	587,811	690,678	811,546	953,567
Contingency/Grants	100,000	100,000	100,000	100,000	100,000	100,000
Debt Service on Old Debt	3,276,293	2,994,419	2,895,094	2,657,143	2,099,071	1,962,174
Debt Service on New Debt	200,000	2,971,500	2,893,674	2,815,850	2,738,024	2,660,200
CIP	70,000	397,000	809,000	855,000	1,108,000	500,000
Total Base Expenditures	40,496,853	45,020,787	46,848,054	48,063,392	49,425,127	50,451,947
School Expenditures - Technology						
Personal Services	207,218	205,658	215,322	222,234	229,924	237,712
Benefits	54,386	56,862	60,298	63,312	66,640	70,132
Purchased Services	407,006	427,356	448,724	471,160	494,718	519,454
Other Charges	5,800	6,090	6,394	6,714	7,050	7,402
Supplies	89,929	105,667	124,158	145,886	171,416	201,414
Capital Outlay	657,078	772,067	1,000,000	1,000,000	1,000,000	1,000,000
Total Technology Expenditures	1,421,417	1,573,700	1,854,896	1,909,306	1,969,748	2,036,114
School Expenditures - New Enrollment						
Personal Services		401,688	926,873	1,495,639	2,058,713	2,638,852
Benefits		125,790	335,307	577,059	840,852	1,134,604
Total New Enrollment	0	527,478	1,262,180	2,072,698	2,899,565	3,773,456
Total School Expenditures *	41,918,270	47,121,965	49,965,130	52,045,396	54,294,440	56,261,517
Transfer from City	24,891,249	27,700,770	29,665,213	28,847,949	30,044,542	28,503,847

* excludes the self-supporting Food Services Fund

Sec.		Sec.	
	for preparation and approval of budget; contents.	15.2-2510.	Comparative report of local government revenues and expenditures.
15.2-2504.	What budget to show.	15.2-2511.	Audit of local government records, etc.; Auditor of Public Accounts; audit of shortages.
15.2-2505.	Budget may include reserve for contingencies and capital improvements.	15.2-2511.1.	Return of local surplus funds.
15.2-2506.	Publication and notice; public hearing; adjournment; moneys not to be paid out until appropriated.	15.2-2511.2.	Duties of local government auditors.
15.2-2507.	Amendment of budget.	15.2-2512.	Audit of accounts of certain county officers, boards and commissions.
15.2-2508.	Governing bodies may require information of departments, etc.	15.2-2513.	Special budget provisions.
15.2-2509.	Auditor to devise system of book-keeping and accounting.		

§ 15.2-2500. Uniform fiscal year for all localities and school divisions. — Notwithstanding any contrary provision of a local charter, the fiscal year of every locality and school division shall begin on the first day of July and end on the thirtieth day of June. (1979, c. 318, § 15.1-159.8; 1997, c. 587.)

§ 15.2-2501. Establishment of funds for accounting and budgeting; separate depository and investment accounts not required. — Every locality and school division shall establish such funds as may be required by law and as may otherwise be deemed necessary to provide appropriate accounting and budgetary control over the activities and affairs of the locality or school division. This section shall not be construed to require separate depository or investment accounts for the assets of each fund. (1997, c. 587.)

§ 15.2-2502. Notification by state officials and agencies. — Notwithstanding any contrary provision of general law, the Compensation Board and Department of Taxation shall, no later than the fifteenth day following final adjournment of each regular session of the General Assembly, inform all localities and school divisions of the estimated amounts of all state moneys they will receive during the upcoming fiscal year and any other information that may be required for such localities and school divisions to be able to compute amounts of moneys they may collect. (1989, c. 242, § 15.1-159.9; 1997, c. 587.)

§ 15.2-2503. (Effective until January 1, 2009) Time for preparation and approval of budget; contents. — All officers and heads of departments, offices, divisions, boards, commissions, and agencies of every locality shall, on or before the first day of April of each year, prepare and submit to the governing body an estimate of the amount of money needed during the ensuing fiscal year for his department, office, division, board, commission or agency. If such person does not submit an estimate in accordance with this section, the clerk of the governing body or other designated person or persons shall prepare and submit an estimate for that department, office, division, board, commission or agency.

The governing body shall prepare and approve a budget for informative and fiscal planning purposes only, containing a complete itemized and classified plan of all contemplated expenditures and all estimated revenues and borrowings for the locality for the ensuing fiscal year. The governing body shall approve the budget and fix a tax rate for the budget year no later than the date on which the fiscal year begins. (Code 1950, § 15-575; 1959, Ex. Sess., c. 69; 1962, c. 623, § 15.1-160; 1976, c. 762; 1978, c. 551; 1997, c. 587.)

Section set out twice. — The section above is effective until January 1, 2009. For the version of this section effective January 1, 2009, see the following section, also numbered 15.2-2503.

Cross references. — As to time for preparation and approval of annual budget for school purposes, see § 22.1-93. As to levy of taxes by county, city or town on a fiscal year basis of July 1 to June 30, see § 58.1-3010.

§ 15.2-2503. (Effective January 1, 2009) Time for preparation and approval of budget; contents. — All officers and heads of departments, offices, divisions, boards, commissions, and agencies of every locality shall, on or before the first day of April of each year, prepare and submit to the governing body an estimate of the amount of money needed during the ensuing fiscal year for his department, office, division, board, commission or agency. If such person does not submit an estimate in accordance with this section, the clerk of the governing body or other designated person or persons shall prepare and submit an estimate for that department, office, division, board, commission or agency.

The governing body shall prepare and approve a budget for informative and fiscal planning purposes only, containing a complete itemized and classified plan of all contemplated expenditures and all estimated revenues and borrowings for the locality for the ensuing fiscal year. The governing body shall approve the budget and fix a tax rate for the budget year no later than the date on which the fiscal year begins. The governing body shall annually publish the approved budget on the locality's website, if any, or shall otherwise make the approved budget available in hard copy as needed to citizens for inspection. (Code 1950, § 15-575; 1959, Ex. Sess., c. 69; 1962, c. 623, § 15.1-160; 1976, c. 762; 1978, c. 551; 1997, c. 587; 2008, c. 353.)

Section set out twice. — The section above is effective January 1, 2009. For the version of this section effective until January 1, 2009, see the preceding section, also numbered 15.2-2503.

provides: "That the provisions of this act shall become effective on January 1, 2009."

The 2008 amendments. — The 2008 amendment by c. 353, effective January 1, 2009, added the last sentence of the second paragraph.

Editor's note. — Acts 2008, c. 353, cl. 2,

§ 15.2-2504. What budget to show. — Opposite each item of the contemplated expenditures the budget shall show in separate parallel columns the aggregate amount appropriated during the preceding fiscal year, the amount expended during that year, the aggregate amount appropriated and expected to be appropriated during the current fiscal year, and the increases or decreases in the contemplated expenditures for the ensuing year as compared with the aggregate amount appropriated or expected to be appropriated for the current year. This budget shall be accompanied by:

1. A statement of the contemplated revenue and disbursements, liabilities, reserves and surplus or deficit of the locality as of the date of the preparation of the budget; and

2. An itemized and complete financial balance sheet for the locality at the close of the last preceding fiscal year. (Code 1950, § 15-576; 1959, Ex. Sess., c. 69; 1962, c. 623, § 15.1-161; 1997, c. 587.)

§ 15.2-2505. Budget may include reserve for contingencies and capital improvements. — Any locality may include in its budget a reasonable reserve for contingencies and capital improvements. (1980, c. 258, § 15.1-161.1; 1997, c. 587.)

§ 15.2-2506. Publication and notice; public hearing; adjournment; moneys not to be paid out until appropriated. — A brief synopsis of the budget which, except in the case of the school division budget, shall be for

informative and fiscal planning purposes only, shall be published once in a newspaper having general circulation in the locality affected, and notice given of one or more public hearings, at least seven days prior to the date set for hearing, at which any citizen of the locality shall have the right to attend and state his views thereon. Any locality not having a newspaper of general circulation may in lieu of the foregoing notice provide for notice by written or printed handbills, posted at such places as it may direct. The hearing shall be held at least seven days prior to the approval of the budget as prescribed in § 15.2-2503. With respect to the school division budget, such hearing shall be held at least seven days prior to the approval of that budget as prescribed in § 22.1-93. The governing body may adjourn such hearing from time to time. The fact of such notice and hearing shall be entered of record in the minute book.

In no event, including school division budgets, shall such preparation, publication and approval be deemed to be an appropriation. No money shall be paid out or become available to be paid out for any contemplated expenditure unless and until there has first been made an annual, semiannual, quarterly or monthly appropriation for such contemplated expenditure by the governing body, except funds appropriated in a county having adopted the county executive form of government, outstanding grants may be carried over for one year without being reappropriated. (Code 1950, § 15-577; 1956, Ex. Sess., c. 67; 1959, Ex. Sess., c. 69; 1962, c. 623, § 15.1-162; 1976, c. 762; 1978, cc. 126, 551; 1984, c. 485; 1997, c. 587.)

§ 15.2-2507. Amendment of budget. — A. Any locality may amend its budget to adjust the aggregate amount to be appropriated during the current fiscal year as shown in the currently adopted budget as prescribed by § 15.2-2504. However, any such amendment which exceeds one percent of the total expenditures shown in the currently adopted budget must be accomplished by publishing a notice of a meeting and a public hearing once in a newspaper having general circulation in that locality at least seven days prior to the meeting date. The notice shall state the governing body's intent to amend the budget and include a brief synopsis of the proposed budget amendment. Any local governing body may adopt such amendment at the advertised meeting, after first providing a public hearing during such meeting on the proposed budget amendments.

B. Pursuant to the requirements of §§ 15.2-1609.1, 15.2-1609.7, 15.2-1636.8, and 15.2-1636.13 through 15.2-1636.17 every county and city shall appropriate as part of its annual budget or in amendments thereto amounts for salaries, expenses and other allowances for its constitutional officers that are not less than those established for such offices in the locality by the Compensation Board pursuant to applicable law or, in the event of an appeal pursuant to § 15.2-1636.9, by the circuit court in accordance with the provisions of that section. (1983, c. 319, § 15.1-162.1; 1984, c. 523; 1997, cc. 587, 602; 2007, c. 297.)

The 2007 amendments. — The 2007 amendment by c. 297 deleted "or the sum of \$500,000, whichever is lesser" following "cur-

rently adopted budget" in the second sentence in subsection A.

CIRCUIT COURT OPINIONS

Reimbursement by the Commonwealth was not a prerequisite or condition precedent to the county's obligation to pay the entire amount

of salaries and expense for the County Commonwealth's Attorney's office; the provisions of Title 15.2, art. 6.1, were not in conflict with

subsection B of § 15.2-2507. Lohr v. Sullenberger, 61 Va. Cir. 396, 2003 Va. Cir. LEXIS 41 (Highland County 2003).

§ 15.2-2508. Governing bodies may require information of departments, etc. — A. Local governing bodies may require the heads or other responsible representatives of all departments, offices, divisions, boards, commissions and agencies of their localities to furnish such information as may be deemed advisable.

B. A constitutional officer, as defined in § 15.2-2511, for any such locality, to the extent information is required, shall be subject to the provisions of this section. (Code 1950, § 15-578; 1962, c. 623, § 15.1-163; 1993, c. 681; 1997, c. 587.)

Editor's note. — Acts 1993, c. 681, cl. 2, shall be deemed to supersede any provision of provides that the provisions of the 1993 act state or local law which may be in conflict.

§ 15.2-2509. Auditor to devise system of bookkeeping and accounting. — The Auditor of Public Accounts shall devise a system of bookkeeping and accounting for use by local governments and others pursuant to § 30-137. (Code 1950, § 15-579; 1959, Ex. Sess., c. 69; 1962, c. 623, § 15.1-164; 1968, c. 602; 1997, c. 587.)

CASE NOTES

Boards need not use furnished forms for notice of proposed increase in levies. — In the instant case it was claimed that the notice of proposed increase in local tax levies was insufficient because the board of supervisors failed to use the forms provided by the Auditor of Public Accounts. Under this section before the 1968 amendment, the Auditor was required

to furnish the boards of supervisors all necessary forms for the preparation of the budget, but it was not mandatory upon the boards to use the forms furnished by the Auditor for the notice of a proposed increase in local levies, required by former § 15-582. *Smith v. Board of Supvrs.*, 155 Va. 343, 154 S.E. 479 (1930) (decided under prior law).

§ 15.2-2510. Comparative report of local government revenues and expenditures. — A. The treasurer or other chief financial officer of each locality shall file annually on or before November 30 with the Auditor of Public Accounts a detailed statement prepared according to the Auditor's specifications showing the amount of revenues, expenditures and fund balances of the locality for the preceding fiscal year, accompanied by the locality's audited financial report.

B. If such annual statement is not filed with the Auditor of Public Accounts, he may perform such work as is necessary to comply with the provisions of this section or hire certified public accountants to do such work. In either event the expenses of such work shall be charged to and paid by the locality failing to supply the required information.

C. The Auditor of Public Accounts shall prepare and publish annually by January 31 a statement showing in detail the total and per capita revenues and expenditures of all localities for the preceding fiscal year. The statement shall contain such analytical tables, explanations and comparisons as may lead to a clear understanding of such information and make the information readily accessible to the readers.

The Auditor of Public Accounts shall mail or deliver by February 1 of each year a copy of the statement to the members of the General Assembly, to the members and clerks of the local governing bodies, and until the supply is exhausted to every citizen who may request a copy.

The provisions of this section shall apply to all counties and cities, to all towns having a population of 3,500 or over, and to all towns constituting a

Sec.
22.1-114. Town school division's share of general county funds.

Article 5.

Treasurers; Accounts.

- 22.1-115. System of accounting; statements of funds available; classification of expenditures.
- 22.1-116. How and by whom funds for school division kept and disbursed.
- 22.1-116.1. Receipt of payment by credit cards; service charge.
- 22.1-117. Fiscal agents of certain school divisions.
- 22.1-118. Handling of funds for joint school;

Sec.
county or city treasurer as fiscal agent.

- 22.1-119. No commission for treasurer.
- 22.1-120. Settlement by treasurer.
- 22.1-121. Proceedings against officers, etc., to compel settlement of accounts.

Article 6.

Payment of Claims.

- 22.1-122. Approval and payment of claims; warrants; prohibited acts.
- 22.1-122.1. Accounts to purchase certain materials and supplies.
- 22.1-123. Petty cash funds; payment of claims from petty cash.
- 22.1-124. Officers may not purchase warrants for less than face value.

Michie's Jurisprudence. — For related discussion, see 16 M.J. Schools, § 25 — 29.

ARTICLE 1.

State and Local Funds.

§ 22.1-88. Of what school funds to consist. — The funds available to the school board of a school division for the establishment, support and maintenance of the public schools in the school division shall consist of state funds appropriated for public school purposes and apportioned to the school board, federal funds appropriated for educational purposes and apportioned to the school board, local funds appropriated to the school board by a local governing body or such funds as shall be raised by local levy as authorized by law, donations or the income arising therefrom, and any other funds that may be set apart for public school purposes. (Code 1950, § 22-116; 1971, Ex. Sess., c. 162; 1980, c. 559; 1988, c. 576.)

Cross references. — For constitutional provision relating to local school taxes, see Va. Const., Art. VIII, § 2.

OPINIONS OF THE ATTORNEY GENERAL

There is no express grant of authority for a local school board to make loans to the Board of Supervisors nor can any such authority be reasonably or fairly implied. See

opinion of Attorney General to Mr. Franklin P. Slavin, Jr., County Attorney for Bland County, 04-074 (10/19/04).

§ 22.1-89. Management of funds. — Each school board shall manage and control the funds made available to the school board for public schools and may incur costs and expenses. If funds are appropriated to the school board by major classification as provided in § 22.1-94, no funds shall be expended by the school board except in accordance with such classifications without the consent of the governing body appropriating the funds. (Code 1950, §§ 22-72, 22-97, 22-127; 1954, cc. 289, 291; 1956, Ex. Sess., cc. 60, 67; 1959, Ex. Sess., c. 79, § 1;

1966, c. 691; 1968, cc. 501, 614; 1970, c. 71; 1971, Ex. Sess., cc. 161, 162; 1972, c. 511; 1975, cc. 308, 328, 443; 1978, c. 551; 1980, c. 559.)

CASE NOTES

Editor's note. — Some of the cases below were decided under prior law.

Control of school funds generally. — A county school board is vested with the use and control of all school funds, whether derived from state appropriations, local taxation, or other sources, and has exclusive authority to expend the funds set apart by law for school purposes. *School Bd. v. Shockley*, 160 Va. 405, 168 S.E. 419 (1933).

Control over funds derived from sale of school bonds. — Under the Constitution and

pertinent statutes a county board of supervisors has no control over the funds derived from the sale of school bonds except temporarily to invest them until they are needed for the purpose for which the bonds were sold, and the board of supervisors has no authority to prohibit the school board from expending them for a legitimate purpose. *County School Bd. v. Farrar*, 199 Va. 427, 100 S.E.2d 26 (1957).

Applied in *Hallett v. United States*, 603 F. Supp. 55 (E.D. Va. 1984).

§ 22.1-89.1. Management of cafeteria funds. — Notwithstanding any other provision of law including, but not limited to this article, §§ 15.2-2503 and 15.2-2506, a school board may, in its discretion, establish a decentralized system for management and control of cafeteria funds without including in its annual budget an estimate of the total amount of such decentralized cafeteria funds, or receiving an appropriation of these decentralized cafeteria funds from the local governing body.

All decentralized cafeteria funds shall continue to be audited as required by the Superintendent of Public Instruction pursuant to his authority under § 22.1-24 and by the Auditor of Public Accounts pursuant to his authority under § 15.2-2511. (1984, c. 138.)

§ 22.1-89.2. Financial records retention and disposition schedule. — School boards shall retain and dispose of financial records in accordance with the regulations concerning financial records retention and disposition promulgated pursuant to the Virginia Public Records Act (§ 42.1-76 et seq.) by the State Library Board. However, school boards shall not be required to retain any such records pertaining to nonappropriated school activity funds for longer than five years. (1990, c. 451.)

§ 22.1-89.3. Funds from telephone service or credit cards. — Any school board may enter into a contract with a commercial institution for the issuance of a telephone service or credit card that would bear the name of the school board. No such card shall contain an image of the seal of the Commonwealth or any of its localities. Each card issued shall bear on the front of such card words which indicate that the credit card is not a government credit card. The contract shall (i) provide that the contract is not to be interpreted as authority to license the locality or school board name or endorse commercial products in exchange for revenue, (ii) contain language indemnifying and protecting the locality and school board from legal action arising from the issuance of such card, and (iii) provide that a portion or percentage of the revenue generated by the use of such card will be returned to the local governing body, to be placed in a fund for public school purposes, for subsequent appropriation to the school board. Any such appropriation shall supplement, not supplant, any local funding for educational purposes.

The school board shall not enter into any such contract without following the provisions of, nor shall any such contract conflict with, any applicable budget or procurement statute, ordinance, or regulation of the state, locality or school board. (1998, c. 595.)

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§ 22.1-89.4. Certain policy required; partnerships and sponsorships. — Each school board shall develop and implement, and may, from time to time, revise, a policy relating to commercial, promotional, and corporate partnerships and sponsorships involving the public schools within the division. (2001, c. 467.)

§ 22.1-90. Annual report of expenditures. — Every school board shall submit at least once each year to the governing body or bodies appropriating funds to the school board a report of all its expenditures. (Code 1950, § 22-97; 1954, c. 291; 1959, Ex. Sess., c. 79, § 1; 1968, c. 501; 1971, Ex. Sess., c. 161; 1975, cc. 308, 328; 1978, c. 430; 1980, c. 559.)

§ 22.1-91. Limitation on expenditures; penalty. — No school board shall expend or contract to expend, in any fiscal year, any sum of money in excess of the funds available for school purposes for that fiscal year without the consent of the governing body or bodies appropriating funds to the school board. Any member of a school board or any division superintendent or other school officer violating, causing to be violated or voting to violate any provision of this section shall be guilty of malfeasance in office. (Code 1950, § 22-120; 1980, c. 559.)

Law Review. — For article surveying developments in education law in Virginia, see 37 U. Rich. L. Rev. 89 (2002).

§ 22.1-92. Estimate of moneys needed for public schools; notice of costs to be distributed. — A. It shall be the duty of each division superintendent to prepare, with the approval of the school board, and submit to the governing body or bodies appropriating funds for the school division, by the date specified in § 15.2-2503, the estimate of the amount of money deemed to be needed during the next fiscal year for the support of the public schools of the school division. The estimate shall set up the amount of money deemed to be needed for each major classification prescribed by the Board of Education and such other headings or items as may be necessary.

Upon preparing the estimate of the amount of money deemed to be needed during the next fiscal year for the support of the public schools of the school division, each division superintendent shall also prepare and distribute, within a reasonable time as prescribed by the Board of Education, notification of the estimated average per pupil cost for public education in the school division for the coming school year to each parent, guardian, or other person having control or charge of a child enrolled in the relevant school division, in accordance with the budget estimates provided to the local governing body or bodies. Such notification shall also include actual per pupil state and local education expenditures for the previous school year. The notice may also include federal funds expended for public education in the school division.

The notice shall be printed on a form prescribed by the Board of Education and shall be distributed separately or with any other materials being currently transmitted to the parents, guardians or other persons having control or charge of students. To promote uniformity and allow for comparisons, the Board of Education shall develop a one-page form for this notice and distribute such form to the school superintendents for duplication and distribution.

B. Before any school board gives final approval to its budget for submission to the governing body, the school board shall hold at least one public hearing to receive the views of citizens within the school division. A school board shall cause public notice to be given at least ten days prior to any hearing by publication in a newspaper having a general circulation within the school

division. The passage of the budget by the local government shall be conclusive evidence of compliance with the requirements of this section. (Code 1950, §§ 22-120.3, 22-120.5; 1959, Ex. Sess., c. 79, § 1; 1980, c. 559; 1986, c. 282; 1994, cc. 453, 788.)

CASE NOTES

Editor's note. — The cases below were decided under prior law.

Purpose of superintendent's estimate. — Board of Supvrs. v. County School Bd., 182 Va. 266, 28 S.E.2d 698 (1944).

Governing body has duty to supervise school expenses. — Former statutes showed the legislative intent to place in the hands of the governing body the power and duty of supervising school expenses. Scott County

School Bd. v. Scott County Bd. of Supvrs., 169 Va. 213, 193 S.E. 52 (1937); Board of Supvrs. v. County School Bd., 182 Va. 266, 28 S.E.2d 698 (1944).

But it is not concerned with the individual items of the school budget, except insofar as they help to determine the total amount of the tax to be levied. Board of Supvrs. v. County School Bd., 182 Va. 266, 28 S.E.2d 698 (1944).

§ 22.1-93. Approval of annual budget for school purposes. — Notwithstanding any other provision of law, including but not limited to Chapter 25 (§ 15.2-2500 et seq.) of Title 15.2, the governing body of a county shall prepare and approve an annual budget for educational purposes by May first or within thirty days of the receipt by the county of the estimates of state funds, whichever shall later occur, and the governing body of a municipality shall prepare and approve an annual budget for educational purposes by May fifteen or within thirty days of the receipt by the municipality of the estimates of state funds, whichever shall later occur.

The Superintendent of Public Instruction shall, no later than the fifteenth day following final adjournment of the Virginia General Assembly in each session, submit estimates to be used for budgetary purposes relative to the Basic School Aid Formula to each school division and to the local governing body of each county, city and town that operates a separate school division. Such estimates shall be for each year of the next biennium or for the then next fiscal year. (Code 1950, § 22-127; 1956, Ex. Sess., c. 67; 1959, Ex. Sess., c. 79, § 1; 1968, c. 614; 1971, Ex. Sess., c. 162; 1975, c. 443; 1978, c. 551; 1980, c. 559; 1981, c. 541.)

§ 22.1-94. Appropriations by county, city or town governing body for public schools. — A governing body may make appropriations to a school board from the funds derived from local levies and from any other funds available, for operation, capital outlay and debt service in the public schools. Such appropriations shall be not less than the cost apportioned to the governing body for maintaining an educational program meeting the standards of quality for the several school divisions prescribed as provided by law. The amount appropriated by the governing body for public schools shall relate to its total only or to such major classifications prescribed by the Board of Education pursuant to § 22.1-115. The appropriations may be made on the same periodic basis as the governing body makes appropriations to other departments and agencies. (Code 1950, § 22-127; 1956, Ex. Sess., c. 67; 1959, Ex. Sess., c. 79, § 1; 1968, c. 614; 1971, Ex. Sess., c. 162; 1975, c. 443; 1978, c. 551; 1980, c. 559; 1989, c. 94.)

CASE NOTES

Editor's note. — The cases below were decided under prior law.

Power of federal court. — A federal court

ordinarily has no right or power to interfere with appropriations made by a city council for use by the school board. There is, however, an

shall be conclusive opinion. (Code 1950, § 59; 1986, c. 282;

Board of Supvrs., 169 Va. 266, 28 S.E.2d 698

With the individual budget, except insofar as the total amount of the Board of Supvrs. v. 266, 28 S.E.2d 698

poses. — Noted to Chapter 1 a county shall be by May first of estimates of state a municipality purposes by May of the estimates

in the fifteenth assembly in each relative to the local governing school division. for the then next Ex. Sess., c. 79, § 1; 1980, c. 559;

Governing body of a school or other funds of public schools. tioned to the standing the standards provided by law. shall relate to the Board of made on the basis of other Ex. Sess., c. 67; 1959, § 443; 1978, c.

power to interfere with a city council for is, however, an

exception to this rule where the purpose and intent of council is clearly to flaunt the law of the land and avoid the effect of lawful court orders by participating in a scheme or device to attain its objective. *James v. Duckworth*, 170 F. Supp. 342 (E.D. Va.), aff'd, 267 F.2d 224 (4th Cir.), cert. denied, 361 U.S. 835, 80 S. Ct. 88, 4 L. Ed. 2d 76 (1959).

Withholding of funds from certain schools and grades. — The appropriation ordinance of the City of Norfolk for the year 1959 made appropriations for the public schools on a tentative basis, as authorized by former § 22-127 as amended in 1956 and before its amendment in 1959, and provided that no part of the funds so appropriated should be available to the school board except as the council might by resolution authorize. A subsequent resolution authorized the transfer of a certain sum to the school board but stipulated that "no part of said sum shall be disbursed for

the normal daytime operation of the schools now under the control of the Governor of Virginia without his prior approval." A second resolution declared that the council would not thereafter authorize the transfer to the school board for the maintenance and operation of any grade higher than the sixth grade of any part of the funds tentatively appropriated. The federal district court enjoined the enforcement of the ordinance and resolutions, holding that the action of the council in adopting them was tantamount to an evasive scheme or device seeking to perpetuate the program of massive resistance in the public schools of the city, and that they violated the laws of Virginia, as well as the laws and Constitution of the United States. *James v. Duckworth*, 170 F. Supp. 342 (E.D. Va.), aff'd, 267 F.2d 224 (4th Cir.), cert. denied, 361 U.S. 835, 80 S. Ct. 88, 4 L. Ed. 2d 76 (1959).

§ 22.1-95. Duty to levy school tax. — Each county, city and town is authorized, directed and required to raise money by a tax on all property subject to local taxation at such rate as will insure a sum which, together with other available funds, will provide that portion of the cost apportioned to such county, city or town by law for maintaining an educational program meeting the standards of quality for the several school divisions prescribed as provided by law. (Code 1950, § 22-126.1; 1971, Ex. Sess., c. 162; 1980, c. 559.)

Cross references. — For constitutional provision, see Va. Const., Art. VIII, § 2.

Law Review. — For survey of Virginia law

on taxation for the year 1970-1971, see 57 Va. L. Rev. 1618 (1971).

§ 22.1-96. Proration of operating cost, expenditures for capital outlay purposes and indebtedness for construction of buildings in certain school divisions. — In a school division composed of part or all of more than one county or city, the operating cost as well as the expenditures for capital outlay purposes and indebtedness for the construction of school buildings shall be on a pro rata basis on enrollment of pupils unless some other basis is agreed upon by the division school board and the governing bodies of the participating counties and cities. (Code 1950, § 22-100.9; 1954, c. 391; 1956, c. 671; 1971, Ex. Sess., c. 161; 1980, c. 559.)

§ 22.1-97. Calculation and reporting of required local expenditures; procedure if locality fails to appropriate sufficient educational funds. — A. The Department of Education shall collect annually the data necessary to make calculations and reports required by this subsection.

At the beginning of each school year, the Department shall make calculations to ensure that each school division has appropriated sufficient funds to support its estimated required local expenditure for providing an educational program meeting the prescribed Standards of Quality, required by Article VIII of the Constitution of Virginia and Chapter 13.2 (§ 22.1-253.13:1 et seq.) of this title. At the conclusion of the school year, the Department shall make calculations to verify whether the locality has provided the required expenditure, based on average daily membership as of March 31 of the relevant school year.

The Department shall report annually to the House Committees on Education and Appropriations and the Senate Committees on Finance and Education

troller such apportionment for the payment of the same. (Code 1950, § 22-140; 1972, c. 663; 1980, c. 559.)

§ 22.1-100. Unexpended school and educational funds. — All sums of money derived from the Commonwealth which are unexpended in any year in any school division shall revert to the fund of the Commonwealth from which derived unless the Board of Education directs otherwise. All sums derived from local funds unexpended in any year shall remain a part of the funds of the governing body appropriating the funds for use the next year, but no local funds shall be subject to redivision outside of the locality in which they were raised. (Code 1950, § 22-138; 1956, Ex. Sess., c. 67; 1980, c. 559.)

§ 22.1-100.1. Lottery proceeds nonrecurring costs escrow accounts. — A. Notwithstanding the provisions of § 22.1-100, the governing body of any locality may authorize the local treasurer or fiscal officer, by ordinance or resolution, to create a separate escrow account upon the books of the locality for the deposit of that portion of the locality's appropriation from the lottery proceeds which are designated, pursuant to Item 139 B 4 of Chapter 935 of the 1999 Acts of Assembly or any other state law, for nonrecurring costs incurred by the relevant school division.

Such nonrecurring costs shall include school construction, additions, infrastructure, site acquisition, renovations, technology, and other expenditures related to modernizing classroom equipment, and debt service payments on school projects completed during the last ten years. Upon adoption of the proper ordinance or resolution, the treasurer or local fiscal officer of the locality shall place such appropriation into a separate lottery proceeds nonrecurring costs escrow account. Under no circumstances shall the escrow account allowed for the school construction grants pursuant to § 22.1-175.5 be used for these deposits.

B. The escrow account shall be known as the "County/City/Town of _____ Lottery Proceeds Nonrecurring Costs Fund." All principal deposited to such fund, together with all income from or attributable to the fund, shall be used solely for (i) construction, additions, renovations, including retrofitting and enlarging public school buildings, infrastructure, including technology infrastructure, and site acquisition for public school buildings and facilities or (ii) debt service payments, or a portion thereof, for any such projects completed in the previous ten years if so designated.

No disbursement from the fund may be made except upon specific appropriation by the governing body in accordance with applicable law. If a locality establishes such a fund and designates any portion of the funds deposited therein to pay debt service for (i) any general obligation of the locality held by the Virginia Public School Authority or (ii) any Literary Fund loan, the locality shall obtain an opinion of bond counsel that designation of funds to pay debt service on obligations described in clauses (i) and (ii) hereof does not adversely impact the tax-exempt status of such obligations.

C. All moneys deposited in the fund, including all income from or attributable to such fund, shall be deemed public funds of the locality and shall be subject to all limitations upon deposit and investment provided by general law, including, but not limited to, the Virginia Security for Public Deposits Act (§ 2.2-4400 et seq.). Income, dividends, distributions, and grants accruing to the fund shall be retained in such fund and shall be expended only in accordance with the terms of this section.

D. Nothing in this section shall be deemed or construed to authorize a school board or school division to receive, hold or invest funds in its own name, or to expend funds in the absence of a specific appropriation by the governing body of the locality in accordance with applicable law. (2000, cc. 635, 693.)

ARTICLE 4.

*Town School Division Funds.***§ 22.1-113. Town school division's share of county school funds. —**

A. Funds to be paid by county treasurer to town treasurer. — For the benefit of each school division composed of a town, the treasurer of the county in which the town is located shall pay over to the town treasurer, if and when properly bonded, the following funds to be used for public school purposes within such town school division:

1. From the amount derived from a county school levy for public school purposes, a sum equal to the pro rata amount from such levy derived from such town;

2. From federal funds allocated to and received by the county on the basis of federally-connected pupils for operations or capital outlay purposes, to be apportioned between the county and the town on the same basis of distribution as used in making the allotment of such federal funds to the county and in the ratio that such federally-connected pupils residing in the town bear to the total of such federally-connected pupils residing in the county including the town and which were included in the county's application for such federal funds.

B. Division located in adjoining counties. — Where a town school division is located partly in each of two adjoining counties and operated by a town school board created or constituted by the charter of such town, each county treasurer shall pay over to the town treasurer, if and when properly bonded, from the amount derived from a county school levy or appropriations in each respective county for public school purposes, a sum equal to the pro rata amount from such levy or appropriations derived from such town to be used for public school purposes within the town school division.

C. State funds from special sources. — None of the provisions of this section shall require the county treasurer to pay over to the town treasurer of a town school division any funds received from the Commonwealth from special sources, including funds distributed to the localities from the profit realized from the operation of the state alcoholic beverage control system, when the town has received direct appropriations or allocations from the Commonwealth from the same special sources. (Code 1950, § 140.1; 1972, c. 663; 1980, c. 559.)

§ 22.1-114. Town school division's share of general county funds. —

For the benefit of each school division composed of a town, the governing body of the county in which such town is located shall require the county treasurer to pay over to the town treasurer, if and when properly bonded, the following funds to be placed in the general fund of the town, subject to appropriation by the governing body of the town as it may deem necessary:

From the amount derived from a general or unit levy for all county purposes, a sum equal to such town's pro rata share of the general or unit levy receipts derived from the taxable property within the town, including real estate, tangible personal property, merchants' capital and machinery and tools. The pro rata share of the town shall be determined by allocating to the town the same percentage of general or unit levy receipts as is appropriated by the county governing body for the support of public schools. (Code 1950, § 22-141.2; 1972, c. 746; 1980, c. 559.)

ARTICLE 5.

Treasurers; Accounts.

§ 22.1-115. System of accounting; statements of funds available; classification of expenditures. — The State Board, in conjunction with the

Auditor of Public Accounts, shall establish and require of each school division a modern system of accounting for all school funds, state and local, and the treasurer or other fiscal agent of each school division shall render each month to the school board a statement of the funds in his hands available for school purposes. The Board shall prescribe the following major classifications for expenditures of school funds: (i) instruction, (ii) administration, attendance and health, (iii) pupil transportation, (iv) operation and maintenance, (v) school food services and other noninstructional operations, (vi) facilities, (vii) debt and fund transfers, and (viii) contingency reserves. (Code 1950, § 22-143; 1979, c. 630; 1980, c. 559; 1984, c. 130; 1989, c. 94; 2002, c. 470.)

Law Review. — For article surveying developments in education law in Virginia, see 37 U. Rich. L. Rev. 89 (2002).

§ 22.1-116. How and by whom funds for school division kept and disbursed. — The treasurer or comparable officer of each county, city or part thereof constituting a school division or town, if the town constitutes the school division, shall be charged with the responsibility for the receipt, custody and disbursement of the funds of the school board and shall keep such funds in an account or accounts separate and distinct from all other funds. (Code 1950, §§ 22-132, 22-133; 1959, Ex. Sess., c. 79, § 1; 1960, c. 222; 1980, c. 559.)

§ 22.1-116.1. Receipt of payment by credit cards; service charge. — School boards may accept payment for services and goods by credit or debit cards. School boards accepting credit or debit card payments may, in addition to any penalties and interest, add to such payment a sum as a service charge for the acceptance of such method of payment. (2002, cc. 164, 238.)

§ 22.1-117. Fiscal agents of certain school divisions. — The fiscal agent for the school board of a school division composed of part or all of more than one county or city shall be the treasurer of one of the participating counties or cities, as agreed upon by the division school board and the governing bodies. In the event agreement on the selection of a fiscal agent cannot be reached, the Board of Education shall designate such fiscal agent. For his services as fiscal agent, the treasurer shall be paid such salary as the school board and treasurer may agree upon. In the event the school board and the treasurer so designated cannot agree on such compensation, the amount of salary to be paid shall be determined by a court of competent jurisdiction. The amount so fixed by the court shall be binding upon both the treasurer and the school board. Nothing contained in this section shall affect the regular salary or expense allowance of the treasurer as fixed annually by the State Compensation Board. (Code 1950, § 22-100.10; 1954, c. 391; 1980, c. 559.)

§ 22.1-118. Handling of funds for joint school; county or city treasurer as fiscal agent. — The treasurer of a county or city in which a joint school is located shall be the fiscal agent of such school and shall receive and disburse the funds thereof. All disbursements shall be by warrant signed by the clerk of the committee for control of such school and countersigned by such treasurer as fiscal agent.

For his services as fiscal agent, the treasurer shall be paid such salary as may be agreed upon by the committee for control of the joint school and treasurer. In the event they cannot agree, then the amount of salary to be paid shall be submitted to the circuit court of the county or city in which the school is located for hearing and determination, and the amount so fixed by the court