

FINANCE COMMITTEE
WEDNESDAY, JANUARY 25, 2012
SECOND FLOOR CONFERENCE ROOM
CITY HALL - MANASSAS, VIRGINIA
AGENDA

5:30 PM CALL TO ORDER

- | | |
|--|-------------------|
| 1. Approve Minutes of the November 30, 2011, January 4 and January 11, 2012 Finance Committee Meetings | 1 Minute |
| | Page 1 |
| 2. Resolution 2012-54-R Amending the FY 2012 Budget by Budgeting and Appropriating \$2,000 of Donation Revenue to Support a Housing and Foreclosure Prevention Event Held on October 15, 2011 (Rhoades / Via-Gossman) | 3 Minutes |
| | Page 9 |
| 3. Resolution 2012-55-R Amending the FY 2012 Budget by Budgeting and Appropriating \$950 in Sponsorship Revenue from 100-0000-316.33-07 to 100-3360-463.55-62 for the Neighborhood Conference Held on November 19, 2011 (Wilson-Sogunro / Via-Gossman) IF POLICY STATEMENT P-2012-02 IS APPROVED BY CITY COUNCIL ON JANUARY 23, 2012, THIS ITEM WILL BE REMOVED FROM THE FINANCE COMMITTEE AGENDA | 3 Minutes |
| | Page 13 |
| 4. Resolution 2012-56-R Amending the FY 2012 Budget by Budgeting and Appropriating a \$5,000 AmeriCorp VISTA Grant to Support the City's Neighborhood Revitalization Programs (Wilson-Sogunro / Via-Gossman) | 3 Minutes |
| | Page 17 |
| 5. Consideration of Funding to Prevent Further Deterioration of 9300 Prescott Avenue (Via-Gossman) (Collins / Via-Gossman) | 10 Minutes |
| | Page 21 |
| 6. Resolution 2012-57-R Amending the FY 2012 Budget by Budgeting and Appropriating \$12,904 from General Fund Fund Balance for Public Works to Stabilize Eroded Areas on McKinley Avenue Related to SP04-71 (Via-Gossman) | 5 Minutes |
| | Page 27 |
| 7. Consideration of the Demolition of 9530 Prince William Street Pursuant to City Code Section 70-93 (b) (2) (Via-Gossman) | 5 Minutes |
| | Page 35 |
| 8. Treasurer's Investment Report as of October 31, 2011 (Perkins) | 10 Minutes |
| | Page 37 |

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9. Joint Meeting of the City Council Finance Committee and the Manassas City Public Schools (MCPS) Finance Committee (Aveni) **30 Minutes**
TIME CERTAIN 6:30 PM **Page 39**
-
10. Discussion of the FY 2011 Comprehensive Annual Financial Report (CAFR), the Single Audit and the Management Letter (Weiler) **60 Minutes**
Page 53
-
11. Discussion of the Annual Budget Presentation to City Council by the Manassas City Public Schools (Weiler) **30 Minutes**
Page 55
-
12. **City Manager's Time**

ADJOURNMENT

PAW/sjt

cc: Mayor
Council Members
Lawrence D. Hughes

Pat Weller
Diane Bergeron
Francis Denlega

**MINUTES OF THE CITY COUNCIL FINANCE COMMITTEE
WEDNESDAY, NOVEMBER 30, 2011
SECOND FLOOR CONFERENCE ROOM
CITY HALL - MANASSAS, VA**

COMMITTEE MEMBERS PRESENT: Council Member Marc Aveni, Chairman
Vice Mayor Andrew Harrover
Council Member J. Steven Randolph
Council Member Sheryl L. Bass (alternate) (5:37 PM)

COMMITTEE MEMBERS ABSENT: None

OTHERS PRESENT: Mayor Harry J. Parrish II (5:36 PM), Council Member Jonathan Way, Public Works & Utilities Director Mike Moon, Deputy Public Works Director Gene Jennings, Family Services Director Ron King, Fiscal Services Manager LaTanya Bell, Emergency Management Coordinator Robert J. Halsall, Budget Manager Diane V. Bergeron and Finance & Administration Director Pat Weiler.

The meeting was called to order at 5:30 PM by Chairman Aveni.

The agenda was amended by removing Item #9 at the request of Staff.

AGENDA ITEM #1 Approve Minutes of the November 16, 2011 Finance Committee Meeting

A motion was made by Council Member Randolph; seconded by Vice Mayor Harrover to approve the minutes of the November 16, 2011 Finance Committee Meeting. The Committee approved (3 / 0) (Aveni, Harrover, Randolph).

AGENDA ITEM #13 Draft Procedure for Non-Profit Funding Process

Pat Weiler presented a draft procedure for the non-profit funding process. The Committee directed Staff to develop an alternative procedure for every City Council member who requests one for consideration at the January 11, 2012 City Council meeting.

AGENDA ITEM #2 Resolution 2012-46-R Amending the FY 2012 Budget by Transferring Funds Within the Family Services Fund to Align the City's Budget with the Virginia Department of Social Services FY 2012 Budget

LaTanya Bell presented Staff's recommendation to amend the FY 2012 Budget by transferring funds within the Family Services Fund to align the City's Budget with the Virginia Department of Social Services FY 2012 Budget. The Committee approved (3 / 0) (Aveni, Harrover, Randolph). This item will be forwarded to the December 12, 2011 City Council meeting.

AGENDA ITEM #3 Resolution 2012-47-R Amending the FY 2012 Budget by Budgeting and Appropriating \$8,056 for a Community Development Block Grant for the Self-Sufficiency Program

LaTanya Bell presented Staff's recommendation to amend the FY 2012 Budget by budgeting and appropriating \$8,056 for a Community Development Block Grant for the Self-Sufficiency Program. The Committee approved (3 / 0) (Aveni, Harrover, Randolph). This item will be forwarded to the December 12, 2011 City Council meeting.

**MINUTES OF THE CITY COUNCIL FINANCE COMMITTEE
WEDNESDAY, JANUARY 4, 2012
SECOND FLOOR CONFERENCE ROOM
CITY HALL - MANASSAS, VA**

COMMITTEE MEMBERS PRESENT: Vice Mayor Andrew Harrover
Council Member J. Steven Randolph

COMMITTEE MEMBERS ABSENT: Council Member Marc Aveni, Chairman
Council Member Sheryl L. Bass (alternate)

OTHERS PRESENT: Mayor Harry J. Parrish II, Council Member Jonathan Way, City Manager Lawrence D. Hughes, Fire & Rescue Chief Brett Bowman, Emergency Management Coordinator Robert J. Halsall, Police Captain Trey Lawler, Police Fiscal Specialist Tamara Sturm, Refuse and Recycling Coordinator Sue Lhotka, Budget Manager Diane V. Bergeron and Finance & Administration Director Pat Weiler.

The meeting was called to order at 5:34 PM by Vice Mayor Harrover.

AGENDA ITEM #1 Resolution 2012-49-R Amending the FY 2012 Budget by Budgeting and Appropriating a \$5,000 2011 Local Emergency Management Performance Grant

Bob Halsall presented Staff's recommendation to amend the FY 2012 Budget by budgeting and appropriating a \$5,000 2011 Local Emergency Management Performance Grant. The Committee approved (2 / 0). This item will be forwarded to the January 9, 2012 City Council meeting.

AGENDA ITEM #2 Resolution 2012-50-R Amending the FY 2012 Budget by Budgeting and Appropriating a \$100 Donation from the White Family for the Smoke Detector Program

Brett Bowman presented Staff's recommendation to amend the FY 2012 Budget by budgeting and appropriating a \$100 donation from the White Family for the Smoke Detector Program. The Committee approved (2 / 0). This item will be forwarded to the January 9, 2012 City Council meeting.

AGENDA ITEM #3 Resolution 2012-51-R Amending the FY 2012 Budget by Budgeting and Appropriating a \$1,000 Donation for the I. J. and Hilda M. Breeden Foundation for Child Safety Equipment

Tamara Sturm presented Staff's recommendation to amend the FY 2012 Budget by budgeting and appropriating a \$1,000 donation for the I. J. and Hilda M. Breeden Foundation for child safety equipment. The Committee approved (2 / 0). This item will be forwarded to the January 9, 2012 City Council meeting.

AGENDA ITEM #4 Resolution 2012-52-R Amending the FY 2012 Budget by Budgeting and Appropriating a \$5,392 Recycling Rebate from American Disposal Services, Inc.

Sue Lhotka presented Staff's recommendation to amend the FY 2012 Budget by budgeting and appropriating a \$5,392 recycling rebate from American Disposal Services, Inc. The Committee approved (2 / 0) as amended; City staff would like to use that money by "giving" it back to City residents who recycle. This will be done through a "recycle right" program. Addresses are selected randomly to determine if the residents recycle. If they recycle properly, they will get a small token recycled item as a "thank you". An address can win only once a year. . This item will be forwarded to the January 9, 2012 City Council meeting.

AGENDA ITEM #5 Budget Status Report

Diane Bergeron presented the Budget Status Report. No action required.

AGENDA ITEM #6 City Manager's Time

The City Manager requested a change to the Budget Policy. Donation of \$1,000 or less will go directly on City Council consent agenda, rather than first come to the Finance Committee for approval. The Finance Committee will consider this policy amendment at their next meeting.

Vice Mayor Harrover would like a more detailed presentation from the Manassas City Public Schools on their annual budget request. The Finance Committee will discuss this topic at their next meeting.

The meeting was adjourned at 6:01 PM by Chairman Aveni.

**MINUTES OF THE CITY COUNCIL FINANCE COMMITTEE
WEDNESDAY, JANUARY 11, 2012
SECOND FLOOR CONFERENCE ROOM
CITY HALL - MANASSAS, VA**

COMMITTEE MEMBERS PRESENT: Council Member Marc Aveni, Chairman
Council Member Sheryl L. Bass (alternate)

COMMITTEE MEMBERS ABSENT: Vice Mayor Andrew Harrover
Council Member J. Steven Randolph

OTHERS PRESENT: Mayor Harry J. Parrish II, Council Member Jonathan Way, City Manager Lawrence D. Hughes, Information Technology Manager Randy Buzzard, Telecommunications Administrator John Dimino, Budget Manager Diane V. Bergeron and Finance & Administration Director Pat Weiler.

The meeting was called to order at 5:37 PM by Vice Mayor Harrover.

AGENDA ITEM #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

Pat Weiler and Randy Buzzard presented Staff's recommendation to amend 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. The Committee approved (2 / 0 – Aveni / Bass). This item will be forwarded to the January 23, 2012 City Council meeting.

AGENDA ITEM #2 Consideration of Policy Statement #P-2012-02 City of Manassas Budgetary Control Policy

Pat Weiler presented Staff's recommendation to consider Policy Statement #P-2012-02 City of Manassas Budgetary Control Policy. The Committee approved (2 / 0 – Aveni / Bass). This item will be forwarded to the January 23, 2012 City Council meeting.

Mayor Parrish left the meeting after Item #2.

AGENDA ITEM #3 Consideration of Policy Statement #P-2012-01 Non-Profit Grants

Pat Weiler presented Staff's recommendation to consider Policy Statement #P-2012-01 Non-Profit Grants. The Committee approved Option 1, as amended (2 / 0 – Aveni / Bass). This item will be forwarded to the January 23, 2012 City Council meeting and will not be on the consent agenda.

AGENDA ITEM #4 Discussion of the Annual Budget Presentation to City Council by the Manassas City Public Schools

This item will be carried over to the January 25, 2012 Finance Committee meeting as it was requested by Vice Mayor Harrover.

AGENDA ITEM #5 City Manager's Time

Lawrence D. Hughes distributed a memo to City Council of a presentation to the School Board on the State budget.

Sheryl Bass requested a joint City/School Finance Committee meeting for a discussion of the School Board request to appropriate \$2.6M and a presentation on the state budget.

The meeting was adjourned at 6:47 PM by Chairmaⁿ Aveni.

AGENDA ITEM #4 Resolution 2012-39-R Amending the FY 2012 Budget by Budgeting and Appropriating \$8,200 for the 2010 State Homeland Security Program Grant for Citizen Preparedness

Robert Halsall presented Staff's recommendation to amend the FY 2012 Budget by budgeting and appropriating \$8,200 for the 2010 State Homeland Security Program Grant for Citizen Preparedness. The Committee approved (3 / 0) (Aveni, Harrover, Randolph). This item will be forwarded to the December 12, 2011 City Council meeting.

Chairman Aveni left the meeting after Item #4.

AGENDA ITEM #5 Resolution 2012-45-R and Resolution 2012-48-R Amending the FY 2012 Budget by Transferring Bond Proceeds from the 2005 B, 2010 A and 2010 D Bond Issues amongst eligible Capital Projects

Pat Weiler presented Staff's recommendation to amend the FY 2012 Budget by transferring bond proceeds from the 2005 B, 2010 A and 2010 D Bond Issues amongst eligible Capital Projects. The Committee approved (3 / 0) (Bass, Harrover, Randolph). This item will be forwarded to the December 12, 2011 City Council meeting.

AGENDA ITEM #6 Resolution 2012-38-R Amending the FY 2012 Budget by Budgeting and Appropriating \$156,000 of State Revenue Sharing Funds and \$294,000 of Gas Tax Funds for the Maple Street Capital Project

Resolution R-2012-24 Authorizing the Potomac and Rappahannock Transportation Commission (PRTC) to appropriate \$294,000 for the Maple Street Capital Project

Gene Jennings presented Staff's recommendation to amend the FY 2012 Budget by budgeting and appropriating \$156,000 of State Revenue Sharing Funds and \$294,000 of Gas Tax Funds for the Maple Street Capital Project and authorizing the Potomac and Rappahannock Transportation Commission (PRTC) to appropriate \$294,000 for the Maple Street Capital Project. The Committee approved (3 / 0) (Bass, Harrover, Randolph). This item will be forwarded to the December 12, 2011 City Council meeting.

AGENDA ITEM #7 Resolution 2012-41-R Amending the FY 2012 Budget by Budgeting and Appropriating \$200,000 of Road Surface Transportation Program Funds for the Construction of Three Variable Message Signs at Gateway Locations to the City

Gene Jennings presented Staff's recommendation to amend the FY 2012 Budget by budgeting and appropriating \$200,000 of Road Surface Transportation Program Funds for the construction of three variable message signs at Gateway locations to the City. The Committee approved (3 / 0) (Bass, Harrover, Randolph). This item will be forwarded to the December 12, 2011 City Council meeting.

AGENDA ITEM #8 Resolution 2012-40-R Amending the FY 2012 Budget by Transferring \$650,000 from Capital Projects with Budget Balances to the Centreville Road Fifth Lane Capital Project for Right of Way Settlements

Nick Gardner presented Staff's recommendation to amend the FY 2012 Budget by transferring \$650,000 from Capital Projects with budget balances to the Centreville Road Fifth Lane Capital Project for right of way settlements. The Committee approved (3 / 0) (Bass, Harrover, Randolph). This item will be forwarded to the December 12, 2011 City Council meeting.

AGENDA ITEM #9 Resolution 2012-45-R Amending the FY 2012 Budget by Budgeting and Appropriating \$86,801 of Gas Tax Funds for Cameras in the Virginia Railway Express (VRE) Parking Structure

Resolution R-2012-26 Authorizing the Potomac and Rappahannock Transportation Commission (PRTC) to appropriate \$86,801 for the Camera in the VRE Parking Structure

Item was removed from the agenda.

AGENDA ITEM #10 Resolution 2012-44-R Amending the FY 2012 Budget by Changing the Funding Sources for the Wellington Road Capital Project from State Revenue to Federal Revenue

Pat Weiler presented Staff's recommendation to amend the FY 2012 Budget by changing the funding sources for the Wellington Road Capital Project from State Revenue to Federal Revenue. The Committee approved (3 / 0) (Bass, Harrover, Randolph). This item will be forwarded to the December 12, 2011 City Council meeting.

AGENDA ITEM #11 Resolution 2012-42-R Amending the FY 2012 Budget by Budgeting and Appropriating a \$21,000 Transfer from the Water Fund in the IT Fund for Water Information Management System Software

Diane Bergeron presented Staff's recommendation to amend the FY 2012 Budget by budgeting and appropriating a \$21,000 transfer from the Water Fund in the IT Fund for Water Information Management System Software. The Committee approved (3 / 0) (Bass, Harrover, Randolph). This item will be forwarded to the December 12, 2011 City Council meeting.

AGENDA ITEM #12 Resolution 2012-43-R Amending the FY 2012 Budget by Reducing the Budget and Unappropriating \$8,183 of Fire Programs Fund Grant Revenue from the State

Diane Bergeron presented Staff's recommendation to amend the FY 2012 Budget by reducing the Budget and unappropriating \$8,183 of Fire Programs Fund Grant Revenue from the State. The Committee approved (3 / 0). This item will be forwarded to the December 12, 2011 City Council meeting.

AGENDA ITEM #14 City Manager's Time – No Items

The meeting was adjourned at 6:38 PM by Vice Mayor Harrover.

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AGENDA STATEMENT

PAGE NO. 9

ITEM NO. 2

MEETING DATE: January 25, 2012 – Finance Committee

TIME ESTIMATE: 3 Minutes

AGENDA ITEM TITLE: Resolution 2012-54-R Amending the FY 2012 Budget by Budgeting and Appropriating \$2,000 of Donation Revenue to Support a Housing and Foreclosure Prevention Event Held on October 15, 2011

**DATE THIS ITEM WAS
LAST CONSIDERED
BY COUNCIL:** N/A

**SUMMARY OF
ISSUE/TOPIC:** The City received \$1,000 from Bank of America and \$1,000 from Wells Fargo to assist the Community Development Housing Division in putting on a housing event that focused on foreclosure prevention.

This resolution will budget and appropriate \$2,000 of donation revenue in the General Fund.

**STAFF
RECOMMENDATION:** Approve Resolution 2012-54-R

**BOARD/COMMISSION/
COMMITTEE:**

RECOMMENDATION: ☐ Approve ☐ Disapprove ☐ Reviewed ☐ See Comments

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

COMMENTS:

**DISCUSSION
(IF NECESSARY):**

**BUDGET/FISCAL
IMPACT:** \$2,000 – Donation Revenue

STAFF: Mickey Rhoades, Housing Manager, (703) 257-8297
Elizabeth S. Via-Gossman, Community Development Director, (703) 257-8224

RESOLUTION 2012-54-R

Adopted:

BE IT RESOLVED by the Council of the City of Manassas meeting in regular session this 13th day of February 2012, that the following funds be budgeted and appropriated as shown.

<u>ACCOUNT NO.</u>		<u>AMOUNT</u>
GENERAL FUND		
<u>Revenue:</u>		
100-0000-316-33-11	Housing Fair Donations	\$ 2,000
<u>Expenditure:</u>		
100-3331-419-39-00	Housing Fair Purchases	\$ 2,000

For: Housing Fair Donations from BOA and Wells Fargo

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
Cash Receipts Transaction**1/19/12
13:03:54

Group number : 2204 CR CASH RECEIPTS
Accounting period : 03/2012 mm/yyyy
Posting date : 09/22/2011 mm/dd/yyyy

Transaction information:

Transaction date : 09/19/2011 mm/dd/yyyy
Receipt number : 0034214
Account number : 100-0000-316.33-11 Housing Fair
Project number :
Transaction amount : 1,000.00
Description 1 : BOA HOUSING EVENT
Description 2 : SBRYNER 09/19/11 00
Transaction type code . . :
Bank code : 0

Press Enter to continue.**F3=Exit F12=Cancel F15=Group Inquiry****F20=Imaging**

**City of Manassas
Cash Receipts Transaction**1/19/12
13:03:48

Group number : 2280 CR CASH RECEIPTS
Accounting period : 03/2012 mm/yyyy
Posting date : 09/22/2011 mm/dd/yyyy

Transaction information:

Transaction date : 09/20/2011 mm/dd/yyyy
Receipt number : 0035699
Account number : 100-0000-316.33-11 Housing Fair
Project number :
Transaction amount : 1,000.00
Description 1 : WELLS FARGO BANK
Description 2 : JYAMBAO 09/20/11 00
Transaction type code . . :
Bank code : 0

Press Enter to continue.**F3=Exit F12=Cancel F15=Group Inquiry****F20=Imaging**

AGENDA STATEMENT

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ITEM NO. 3

MEETING DATE: January 25, 2012 – Finance Committee

TIME ESTIMATE: 3 Minutes

AGENDA ITEM TITLE: Resolution 2012-55-R Amending the FY 2012 Budget by Budgeting and Appropriating \$950 in Sponsorship Revenue from 100-0000-316.33-07 to 100-3360-463.55-62 for the Neighborhood Conference Held on November 19, 2011

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

N/A

**SUMMARY OF
ISSUE/TOPIC:**

The City received \$950 from various donors to support the 2011 Neighborhood Conference. Each year the Staff defrays the actual cost of the conference with community and business sponsorships.

This resolution will budget and appropriate \$950 of sponsorship revenue in the General Fund.

**STAFF
RECOMMENDATION:**

Approve Resolution 2012-55-R

**BOARD/COMMISSION/
COMMITTEE:**

RECOMMENDATION: ☐ Approve ☐ Disapprove ☐ Reviewed ☐ See Comments

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

COMMENTS:

**DISCUSSION
(IF NECESSARY):**

**BUDGET/FISCAL
IMPACT:**

\$950 – Sponsorship Revenue

STAFF:

Kisha Wilson-Sogunro, Neighborhood Services Manager, (703) 257-8240
Elizabeth S. Via-Gossman, Community Development Director, (703) 257-8224

RESOLUTION 2012-55-R

Adopted:

BE IT RESOLVED by the Council of the City of Manassas meeting in regular session this 13th day of February 2012, that the following funds be budgeted and appropriated as shown.

<u>ACCOUNT NO.</u>		<u>AMOUNT</u>
GENERAL FUND		
<u>Revenue:</u>		
100-0000-316-33-07	Neighborhood Conference Sponsorships	\$ 950
<u>Expenditure:</u>		
100-3360-463-55-62	Neighborhood Conference Purchases	\$ 950

For: Neighborhood Conference Sponsorships

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

Account number . . . : 100-0000-316.33-07

Fund : 100 General Fund
Department : 00
Division : 00
Activity basic : 31 Local Revenues
Sub activity : 6 Charges for Services
Element : 33 Community Development
Object : 07 Neighborhood Conference

Estimated revenue :	0	
Actual receipts - current . . . :	350.00	
Actual receipts - ytd :	600.00	
Unposted receipts :	.00	
Total receipts :	950.00	0.0%
Unrealized revenue :	950.00-	0.0

F7=Project data
F11=Acct activity list

F8=Misc inquiry
F12=Cancel

F9=Misc update
F13=Misc Budget

F10=Detail trans
F24=More keys

AGENDA STATEMENT

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ITEM NO. 4

MEETING DATE: January 25, 2012 – Finance Committee

TIME ESTIMATE: 3 Minutes

AGENDA ITEM TITLE: Resolution 2012-56-R Amending the FY 2012 Budget by Budgeting and Appropriating a \$5,000 AmeriCorp VISTA Grant to Support the City's Neighborhood Revitalization Programs

**DATE THIS ITEM WAS
LAST CONSIDERED
BY COUNCIL:** N/A

**SUMMARY OF
ISSUE/TOPIC:** The City received \$5,000 from AmeriCorps VISTA to undertake projects and activities related to the City's neighborhood revitalization efforts.

This resolution will budget and appropriate \$5,000 of Federal grant revenue in the General Fund.

**STAFF
RECOMMENDATION:** Approve Resolution 2012-56-R

**BOARD/COMMISSION/
COMMITTEE:**

RECOMMENDATION: ☐ Approve ☐ Disapprove ☐ Reviewed ☐ See Comments

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

COMMENTS:

**DISCUSSION
(IF NECESSARY):**

**BUDGET/FISCAL
IMPACT:** \$5,000 – Federal Grant Revenue

STAFF: Kisha Wilson-Sogunro, Neighborhood Services Manager, (703) 257-8240
Elizabeth S. Via-Gossman, Community Development Director, (703) 257-8224

RESOLUTION 2012-56-R

Adopted:

BE IT RESOLVED by the Council of the City of Manassas meeting in regular session this 13th day of February 2012, that the following funds be budgeted and appropriated as shown.

<u>ACCOUNT NO.</u>		<u>AMOUNT</u>
GENERAL FUND		
<u>Revenue:</u>		
100-0000-334-33-66	AmeriCorps VISTA Grant	\$ 5,000
<u>Expenditure:</u>		
100-3366-463-11-00	Neighborhood Revitalization	\$ 5,000

For: AmeriCorps VISTA Grant for Neighborhood Revitalization Programs

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

Notice of Grant Award**Corporation for National and Community Service**601 Walnut Street, Suite 876 E
Philadelphia, PA 19106-3323**VISTA State****Grantee**City of Manassas
9027 Center St Manassas VA 20110-5462

EIN: 546001411

Award Information

Agreement No.:	11VSSVA005	Project Period:	06/19/2011 - 06/16/2012
Amendment No.:	0	Budget Period:	
CFDA No.:	94.013		

Award Description**Purpose**

The purpose of this award is to assist the Project Sponsor in carrying out an AmeriCorps*VISTA project as authorized under Title I, Part A of the Domestic Volunteer Service Act of 1973, as amended (Pub. L. 93-113).

Funding Information

Current Year	Previously Awarded This Year	This Award/ Amendment	Total Current Year
Total Obligated by CNCS	\$5,000	\$0	\$5,000
Grantee's Unobligated Balance (Carryover)	\$0	\$0	\$0
Total Available	\$5,000	\$0	\$5,000

Cumulative Funding for Project Period

Total Awarded in Previous Years	\$0
Total CNCS Funds Awarded to Date	\$5,000

Funding Source and Amount

Not applicable to this award.

Terms of Acceptance: By accepting the terms under this Memorandum of Agreement, the Project Sponsor agrees to comply with all terms and conditions, all assurances and certifications made in the application, and all applicable federal statutes, regulations, and guidelines. The Project Sponsor agrees to administer the project in accordance with the approved project application, budget and Notice of Grant Award (if applicable), supporting documents, and other representations made in support of the approved project application. Terms and conditions for support grants are located at https://egrants.cns.gov/termsandconditions/NGA_TC_Support_Revised20110104.pdf; terms and conditions for program grants are located at https://egrants.cns.gov/termsandconditions/NGA_TC_Program_Revised20110104.pdf.

Corporation for National and Community Service:

06/20/2011

Signature

Date

Debra Mitchell, 215-964-6330
Grants Official

AGENDA STATEMENTPAGE NO. 21ITEM NO. 5**MEETING DATE:** January 25, 2012 – Finance Committee**TIME ESTIMATE:** 10 Minutes**AGENDA ITEM TITLE:** Consideration of Funding to Prevent Further Deterioration of 9300 Prescott Avenue**DATE THIS ITEM WAS
LAST CONSIDERED
BY COUNCIL:**

April 11, 2011 – City Council
May 9, 2011 – City Council
July 11, 2011 – City Council
October 27, 2011 – Land use Committee

**SUMMARY OF
ISSUE/TOPIC:**

On April 11, 2011, several citizens spoke and requested that the City revisit the issue of the deteriorating structure at 9300 Prescott Avenue and specifically voiced concern that the condition of the structure represented a hazard to the neighborhood. The City Council directed the City Building Official and other staff to investigate the condition of the house to determine if there is a safety risk and if the structure was fit for habitation. The Building Official and the Fire Marshal determined that the house was unsafe on April 28, 2011 and on May 9, 2011 the City Council formally declared the house a dangerous structure pursuant to City Code Section 70-93 (a) (1).

Background and options are provided in the attached memorandum. The owner of the property has not provided an acceptable plan to correct the situation as required by City Code Section 70-93 (a) (1). Bids are due back on January 20, 2012.

STAFF**RECOMMENDATION:** Budget and Appropriate Funds to Prevent Further Deterioration**BOARD/COMMISSION/
COMMITTEE:****RECOMMENDATION:** ☐ Approve ☐ Disapprove ☐ Reviewed ☐ See Comments**CITY MANAGER:** ☐ Approve ☐ Disapprove ☐ Reviewed ☐ See Comments**COMMENTS:****DISCUSSION
(IF NECESSARY):****BUDGET/FISCAL
IMPACT:**

To Be Provided at the Finance Committee Meeting.
Funds will need to be budgeted and appropriated from General Fund Fund Balance.

STAFF:

Jamie S. Collins, Development Services Manager, (703) 257-8231
Elizabeth S. Via-Gossman, Community Development Director, (703) 257-8224



MEMORANDUM

CITY OF MANASSAS

Department of Community Development
Phone: 703-257-8223 Fax: 703-257-5117

TO: The Hon. Marc Aveni, Chairman, Finance Committee
The Hon. Andrew L. Harrover, Vice Mayor
The Hon. J. Steven Randolph, Councilmember

THRU: Lawrence D. Hughes, City Manager *LA*

FROM: Elizabeth S. Via-Gossman, Director, Community Development *EV*
Jamie Collins, Manager, Development Services

COPIES: The Hon. Hal Parrish, Mayor
The Hon. Sheryl Bass, Councilmember
The Hon. Jonathan Way, Councilmember
The Hon. Mark Wolfe, Councilmember
Martin Crim, City Attorney

DATE: January 18, 2012

RE: 9300 Prescott Ave

Background

In a letter dated May 6, 2011, the Owner (Dorothy Feaganes) was notified by the City of Manassas Building Official that the property at 9300 Prescott Ave. in the City of Manassas had been declared unsafe and unfit for human occupancy pursuant to Section 105 of the Virginia Maintenance Code. The City also notified her that on May 9, 2011, the Manassas City Council determined the structure might endanger the public health or safety of other residents of the city pursuant to City Code Section 70-93 (a) (1). Both notices to the Owner indicated the requirement to address the deficiencies identified in an inspection of the property that took place on April 28, 2011. The Owner responded back to the City Manager on June 6, 2011 with an inadequate plan to correct the deficiencies.

Later that same month, Bank of America, the bank that holds the mortgage on the property, advised the City of its intent to review the situation. In July, the Manassas City Council determined to take no action to allow the Bank time to review the situation and take what action it might find appropriate. To staff's knowledge, the Bank has taken no action on the property except paying the back property taxes, more firmly boarding up the structure, and seeking bids related to electrical work on the property (but the electrical work has not been performed). The Bank has declined to provide information to the City regarding any further work planned to correct the situation.

The front porch on the structure is beyond repair and a danger to the public. The Building Official has determined that the front porch will have to be demolished.

The City Manager therefore advised the Owners in a letter dated November 15, 2011, that the City of Manassas may exercise such remedies as provided by law including removing, repairing or securing the structure, the cost or expenses of which shall be chargeable to and paid by the Owner and may be collected by the City as taxes are collected. (This lien has priority over all other liens, including the Bank's mortgage.) In addition, the Owner is subject to the assessment of up to \$1,000 in civil penalties (fines). The letter indicated that the City would proceed with such remedies unless the Owner made progress to address the deficiencies by November 23, 2011. As of this date, neither the Owner nor the Bank has applied for a building permit to remedy the deficiencies at the property.

The City of Manassas prepared an Invitation to Bid for selected demolition and stabilization of the structure. The decision to award a contract lies with City Council, but if a contract is awarded then the City will recoup its expenses by placing a lien on the property. On January 20, 2012, bids are expected to be received by the City of Manassas to perform the work associated with the attached scope of work. The bid amount will be shared with the Finance Committee at the meeting on January 25, 2012.

The City Council's options at this point are as follows:

Option 1: Accept Bid to perform the stabilization work. The completion of the work will result in a "mothball" approach to stabilizing the structure and prevent further deterioration. It will not render the structure habitable and will not substantially improve the appearance of the structure. While the unsafe porch construction will be demolished, the porch elements will not be rebuilt at this time. The windows will continue to be boarded up, and will not give the appearance of an occupied structure. The main structure roof will be replaced, and the wood siding will be repaired and painted.

As noted above, the cost of such work would be charged to the Owner. If the Owner does not reimburse the City for these expenses, the City would record a lien on the property for the cost of the work performed, plus a \$1,000 penalty for creating the ordinance violation. The lien accrues interest at a rate of 10% per year. If the lien remains unpaid on the next January 1 after two years have passed, the City may file suit to sell the property at auction in the same manner as a tax sale.

Pros - The stabilization of the structure would limit further deterioration until such time that a comprehensive project is undertaken by others to fully restore the structure. Through the City's priority lien, the City can obtain reimbursement of the taxpayers' investment in the stabilization up to the value of the property.

Cons - The stabilization of the structure at this time would not guarantee that the structure would be saved in the future. With the exception of the newly painted siding, the overall appearance of the property would not be much improved by the project, primarily because of the need to demolish the porch and leave the windows boarded up. If the sale of the property at tax sale did not bring enough to cover the City's lien, then the City could try to collect the deficiency from the Owner but that debt would be unsecured.

Option 2: Demolish the Porch Only. The front porch of the structure is unsafe and must come down to protect the public. The invitation to bid for the stabilization work allows the City to award any separately priced item, and the porch demolition is separately priced. If and when the remainder of the structure deteriorates to such a point as to lose its structural integrity and become an immediate threat to the public, then the Building Official will have no choice but to order the structure's demolition. Once again, the City would need to perform the demolition if the Owner is unable or unwilling. The City would recover any demolition costs incurred through the lien process described above.

Pro - The cost of demolition of the porch is expected to be much less than the cost of stabilization and even the cost of demolition of the entire structure will be much less than the cost of its stabilization. The value of the property after demolition of the structure is very likely enough for the City to recoup the cost of demolition.

Con- Without stabilization, the structure will continue to deteriorate unless the Owner or the Bank undertakes the necessary repairs. At the present time, there is not significant water damage to the interior of the structure. Without stabilization, deterioration will continue and the structure will eventually have to be demolished unless the Owner or Bank takes the necessary steps to save the structure.

Staff Recommends Option 1 to prevent further deterioration of the structure.



CITY OF MANASSAS

FINANCE & ADMINISTRATION DEPARTMENT

January 19, 2012

TO: Lawrence D. Hughes, City Manager

FROM: Patricia A. Weiler, Finance Director

SUBJECT: Current Status of Miscellaneous Contingency - Account #100-9600-411-9501

The following is a list of the transfers from the Miscellaneous Contingency account during Fiscal Year 2012 and the current status of that account:

BEGINNING BALANCE	\$218,400
<u>Ordinance/Resolution #</u>	
2012-04-R Carryover From FY 2011 Budget	100,000
2012-10-R VA State Police Grant & Contingency for Continuation of Internet Crimes Against Children Task Force	(65,500)
2012-16-R Touch Screen Voting Machines	(8,970)
2012-17-R Continuation of Gang Task Force	(62,890)
2012-21-R City Manager Executive Search	(28,500)
2012-25-R Legislative Representation 2011/2012 Season	(6,250)
2012-35-R HMI Visitors Center Improvements	(3,891)
2012-36-R HMI Sesquicentennial	(123,332)
CURRENT BALANCE	<u>\$ 19,067</u>

PAW/sjt

AGENDA STATEMENT

PAGE NO. 27

ITEM NO. 6

MEETING DATE: January 25, 2012 – Finance Committee

TIME ESTIMATE: 5 Minutes

AGENDA ITEM TITLE: Resolution 2012-57-R Amending the FY 2012 Budget by Budgeting and Appropriating \$12,904 from General Fund Fund Balance for Public Works to Stabilize Eroded Areas on McKinley Avenue Related to SP04-71

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

April 27, 2009 – City Council (2009-75-R Budget and Appropriate \$10,950 Soil Erosion Control Bond)

**SUMMARY OF
ISSUE/TOPIC:**

Previously, the Manassas City Council declared the builder to be in default and set aside \$10,950 from the builder's bond for erosion and sedimentation work if not completed by the builder or other parties. The work has not been completed and the Staff is recommending that Public Works stabilize the site at this time. After the builder defaulted, another party that was financially obligated stepped in to resolve many of the issues at the development site however this did not include the stabilization of previously eroded areas which now need to be corrected.

The \$10,950 erosion bond was budgeted and appropriated in FY 2009, but was not spent at the time and, therefore, lapsed into Fund Balance. The bond has also earned \$1,954 of interest so the total available is \$12,904. This resolution will budget and appropriate \$12,904 of Fund Balance in the General Fund.

STAFF

RECOMMENDATION: Approve Resolution 2012-57-R

**BOARD/COMMISSION/
COMMITTEE:**

RECOMMENDATION: ☐ Approve ☐ Disapprove ☐ Reviewed ☐ See Comments

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

COMMENTS:

**DISCUSSION
(IF NECESSARY):**

**BUDGET/FISCAL
IMPACT:**

\$12,904 – General Fund Fund Balance

STAFF:

Elizabeth S. Via-Gossman, Community Development Director, (703) 257-8224

RESOLUTION 2012-57-R

Adopted:

BE IT RESOLVED by the Council of the City of Manassas meeting in regular session this 13th day of February 2012, that the following funds be budgeted and appropriated as shown.

<u>ACCOUNT NO.</u>		<u>AMOUNT</u>
GENERAL FUND		
<u>Revenue:</u>		
100-0000-346-01-00	General Fund Fund Balance	\$ 12,904
<u>Expenditure:</u>		
100-2551-431-39-00	S4021 Streets-Storm Drainage	\$ 12,904

For: Soil Erosion Stabilization on McKinley Avenue

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

RESOLUTION 2009-75-R

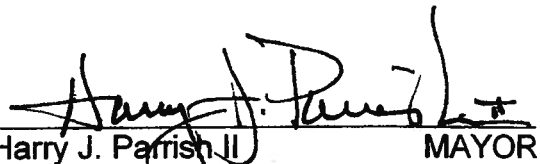
Adopted: April 27, 2009

BE IT RESOLVED by the Council of the City of Manassas meeting in regular session this 27th day of April, 2009, that the following funds be transferred as shown.


<u>ACCOUNT NO.</u>		<u>AMOUNT</u>
GENERAL FUND		
<u>Revenue:</u>		
100-0000-318-25-01	Developer Contributions	\$10,950
<u>Expenditure:</u>		
100-2553-431-39-00	Contractual Services	\$10,950
<u>Actual Transfers</u>		
100-0000-217-55-00		\$10,950.00

For: Erosion Control Bond T&M Properties

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



MEMORANDUM

CITY OF MANASSAS

Department of Community Development
Phone: 703-257-8223 Fax: 703-257-5117

TO: Elizabeth Via-Gossman, Director

FROM: Jamie S. Collins, Manager *JSC*

DATE: January 17, 2012

RE: McKinley Ave. Jefferson Ave. Extension, SP04-71

Please formally request that the Department of Public Works complete the remaining erosion control corrections and stabilization at the referenced development.

Attached please find the following:

1. Punchlist of the work remaining.
2. Public Works 12/21/2011 estimate for \$6,670.00.
3. Account information from Robin Perkins, Treasurer.
 - a. Account Number: 100-0000-318.25-01
 - b. Account Name: Contribution Developers

If you have any questions relating to this matter please contact Luis Munoz at ext. 8204.

cc: Luis Munoz, Bond Administrator
Elden Riffle, Site Inspector

City of Manassas

Development Services

Site Inspections Punchlist

This punchlist is good for 30 days from the date of delivery. It is provided so that bond release work can commence. The punchlist identifies all known items needing correction or addressing prior to bond release. This is not a final punchlist. During correction of these items newly damaged items remain the responsibility of the developer to correct.

Project: McKinley Ave & Jefferson Ave
Plan #: SP#04-71-R1

Inspector: Elden Riffle (703) 257-8267
Conducted: November 28, 2011

- ~~1. Hand place additional rip rap (class 1A is acceptable) to finished grade at the end of the stilling basin. Rip rap should be uniform and level with finished grade.~~
- ~~2. Remove from the site damaged tree located at the end of the rip rap channel~~
3. At the inlet side of the rip rap channel at lot#64 temporary rip rap check dams need to be spread evenly into the ditch line.
- ~~4. Install correct end cap on sanitary main turn down drop inside MH EX6.~~
- ~~5. Secure/bolt down sanitary lid tops.~~
- ~~6. Replace the marker post for the sanitary MH EX6.~~
- ~~7. Remove all left over or un-used concrete pipe, end wall sections and debris from site.~~
8. Stabilize with seed and heavy mulch stock piles/spoils excavated from overland relief cut.
- ~~9. Break out and replace damaged concrete apron with VDOT A3 mix concrete at entrance of access road.~~
- ~~10. Replace broken barricade at the entrance of the access road behind apron.~~
11. Remove all silt fences from all stabilized areas of the entire site.

Luis MunozATTACHMENT 2

From: Russell Graham
Sent: Wednesday, December 21, 2011 11:18 AM
To: Luis Munoz; Elden Riffle
Cc: Nicholas Gardner
Subject: McKinley

Per your request the estimate to remove approximately 3600' of silt fence, grade, seed, mulch and stabilize eroded areas disturbed area around silt fence. Remove rip-rap check dams in stream and place rip-rap where needed for stabilization. Thanks, Russell Graham

Estimate	\$5800.00
Administrative Overhead 15%	\$870.00
Total	\$6670.00

AGENDA STATEMENT

PAGE NO. 

ITEM NO. 

MEETING DATE: April 27, 2009

TIME ESTIMATE: Consent

AGENDA ITEM TITLE: Resolution 2009-75-R Amending the FY 2009 Budget by Budgeting and Appropriating \$10,950 from a Soil Erosion Control Bond Pursuant to Section 4-470 of the City of Manassas Design and Construction Standards Manual (DCSM) for the Purposes of Correcting Violations of Section 58, Article III of the Manassas City Code

**DATE THIS ITEM WAS
LAST CONSIDERED
BY COUNCIL:** April 22, 2009 – Finance Committee

**SUMMARY OF
ISSUE/TOPIC:** T&M Properties received approval by the City of Manassas to construct 18 houses under SP04-71 at Jefferson Avenue and McKinley Avenue. Pursuant to City Code, the developer posted a \$10,950 cash bond for erosion and sedimentation control purposes and a \$334,100 performance bond for public improvements. The project has stalled and the developer has been issued a violation of Section 58, Article III of the Manassas City Code for failing to maintain erosion and sedimentation control devices.

**STAFF
RECOMMENDATION:** Approve Resolution 2009-75-R

**BOARD/COMMISSION/
COMMITTEE:** April 22, 2009 – Finance Committee (3 / 0)

RECOMMENDATION: ☐ Approve ☐ Disapprove ☐ Reviewed ☐ See Comments

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

COMMENTS:

**DISCUSSION
(IF NECESSARY):** Attached is a Notice to Comply issued by the City's Site Inspector providing an opportunity for the developer to comply with the City Code. The developer has failed to do so and Staff recommends that the cash bond of \$10,950 be transferred to the Department of Public Works for remediation of the erosion issues. Staff will also be meeting to determine further action as it relates to the public improvements on the project. The developer does have a 30-day right of appeal following the City's determination that action will be taken. Once that 30-days has expired, and if there is no appeal, Public Works will remediate the concerns.

**BUDGET/FISCAL
IMPACT:** \$10,950 has been posted as a cash bond by T&M Properties.

STAFF: Brian Smith, Manager, Development Services, Community Development (703) 257-8231

AGENDA STATEMENT

PAGE NO. 35

ITEM NO. 7

MEETING DATE: January 25, 2012 – Finance Committee

TIME ESTIMATE: 5 Minutes

AGENDA ITEM TITLE: Consideration of the Demolition of 9530 Prince William Street Pursuant to City Code Section 70-93 (b) (2)

**DATE THIS ITEM WAS
LAST CONSIDERED
BY COUNCIL:** April 11, 2011 – City Council
October 27, 2011 – Land Use Committee

**SUMMARY OF
ISSUE/TOPIC:**

On April 11, 2011, the Manassas City Council declared the buildings located at 9300 Prince William Street to be derelict and therefore required to be demolished or renovated. The property owner demolished several out buildings and cleaned up the site but did not renovate or demolish the primary structure. It has been secured and is listed For Sale.

If the City Council moves to demolish the structure the cost of the demolition is charged back to the owner and a lien placed on the property if the owner does not reimburse the City for the work. The cost of demolition is \$20,000.

The primary structure has been secured and is neatly boarded up and painted. It has a For Sale sign on it so it is clearly in a temporary state though dependent on the market. It has not been abandoned. Staff recommends letting the market determine the outcome though there is also the possibility the State will do an early acquisition for the future overpass as the structure is within the right-of-way needed for that project.

STAFF

RECOMMENDATION: Do Not Move Forward with Demolition

**BOARD/COMMISSION/
COMMITTEE:**

RECOMMENDATION: ☐ Approve ☐ Disapprove ☐ Reviewed ☐ See Comments

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

COMMENTS:

**DISCUSSION
(IF NECESSARY):**

**BUDGET/FISCAL
IMPACT:**

\$20,000 will need to be budgeted and appropriated from General Fund Fund Balance should City Council chose to move forward with the demolition.

STAFF:

Elizabeth S. Via-Gossman, Community Development Director, (703) 257-8224



CITY OF MANASSAS

FINANCE & ADMINISTRATION DEPARTMENT

January 19, 2012

TO: Lawrence D. Hughes, City Manager

FROM: Patricia A. Weiler, Finance Director

SUBJECT: Current Status of Miscellaneous Contingency - Account #100-9600-411-9501

The following is a list of the transfers from the Miscellaneous Contingency account during Fiscal Year 2012 and the current status of that account:

BEGINNING BALANCE	\$218,400
<u>Ordinance/Resolution #</u>	
2012-04-R Carryover From FY 2011 Budget	100,000
2012-10-R VA State Police Grant & Contingency for Continuation of Internet Crimes Against Children Task Force	(65,500)
2012-16-R Touch Screen Voting Machines	(8,970)
2012-17-R Continuation of Gang Task Force	(62,890)
2012-21-R City Manager Executive Search	(28,500)
2012-25-R Legislative Representation 2011/2012 Season	(6,250)
2012-35-R HMI Visitors Center Improvements	(3,891)
2012-36-R HMI Sesquicentennial	(123,332)
CURRENT BALANCE	<u>\$ 19,067</u>

PAW/sjt

AGENDA STATEMENT

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ITEM NO. 8

MEETING DATE: January 25, 2012 – Finance Committee

TIME ESTIMATE: 10 Minutes

AGENDA ITEM TITLE: Treasurer's Investment Report as of October 31, 2011

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

N/A

**SUMMARY OF
ISSUE/TOPIC:**

Treasurer will present the October 31, 2011 Investment Report.

**STAFF
RECOMMENDATION:**

INFORMATION ONLY

**BOARD/COMMISSION/
COMMITTEE:**

RECOMMENDATION: ☐ Approve ☐ Disapprove ☐ Reviewed ☐ See Comments

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

COMMENTS:

**DISCUSSION
(IF NECESSARY):**

Report will be distributed at the meeting.

**BUDGET/FISCAL
IMPACT:**

N/A

STAFF:

Robin R. Perkins, City Treasurer, (703) 257-8246

AGENDA STATEMENT

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ITEM NO. 9

MEETING DATE: January 25, 2012 – Finance Committee

TIME ESTIMATE: 30 Minutes – **TIME CERTAIN 6:30 PM**

AGENDA ITEM TITLE: Joint Meeting of the City Council Finance Committee and the Manassas City Public Schools (MCPS) Finance Committee

**DATE THIS ITEM WAS
LAST CONSIDERED
BY COUNCIL:** N/A

**SUMMARY OF
ISSUE/TOPIC:** Chairman Aveni and Chairman Bushnell have agreed to have a Joint Finance Committees meeting on January 25, 2012.

The topics for tonight's meeting are:

1. MCPS request to budget and appropriate \$2.6 million of Fund Balance
2. Presentation on State Budget Update

**STAFF
RECOMMENDATION:**

**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: City Council Member Marc T. Aveni, Chairman, Finance Committee, (703) 795-9651



**THE SCHOOL BOARD OF
THE CITY OF MANASSAS**

**9000 TUDOR LANE • MANASSAS, VA 20110
(571) 377-6000 • FAX (703) 257-8801**

Gail E. Pope, Ed. D.
Superintendent

Scott M. Albrocht, *Chairman*
Arthur P. Bushnell, *Vice-Chairman*
Kermit H. Dance
Tim Demeris
R. J. "Jack" Magee, Jr.
Pamela J. Sebesky
Sanford S. Williams

January 11, 2012

The Honorable Harry J. (Hal) Parrish, II
Mayor, City of Manassas
9027 Center Street
Manassas, VA 20110

Dear Mayor Parrish:

Enclosed please find resolution R2012-04 requesting a supplemental appropriation for fiscal year 2012 in the amount of \$2.6 million for the purchase of an office building and warehouse facility located at 9500 Technology Drive, Manassas, Virginia.

After numerous closed sessions and much discussion regarding this purchase, the School Board approved this resolution unanimously at its meeting on December 13, 2011 by a vote of 6-0 with one member absent. The matter was discussed again at our January 10, 2012 meeting with all seven board members in attendance and the School Board voting unanimously to reaffirm the resolution.

For many years the School Board and City Council have acknowledged the need to replace central office. As recently as the FY 2009 CIP, the School Board had included \$15.7 million for land and construction costs for a central office. In 2010, budgetary and revenue forecast considerations resulted in the removal of this project from our CIP, and the replacement of it with \$790 thousand in FY 2013 for needed capital repair and renovation of the current buildings to be funded by a bond issue.

The need and desire to centrally locate our administrative team has not diminished. However, market conditions required a re-evaluation of our 2010 decision. The many reasons for this re-evaluation, and resulting decision to acquire property using undesignated fund balance were discussed in great detail. This is not an expenditure that the School Board took lightly. At our January 10, 2012 business meeting the School Board's Finance and Facility committees jointly summarized the need and rationale leading to our decision. These reasons are highlighted below:

- This purchase will free up land to facilitate replacement of Baldwin Elementary School
- It will allow us to use the two trailers at the central office to provide classroom space needed at our elementary schools due to enrollment growth (Otherwise, we will need to purchase or lease two trailers next school year)
- Consolidating central office staff in one building will eliminate inefficiencies and inconvenience from operating out of five separate facilities

- The School Board will gain needed warehouse and storage space
- This purchase will allow us to eliminate \$790 thousand included in the current CIP for capital maintenance of the two existing central office buildings
- The cost of the property is well below market (and City assessment) and the purchase price includes furnishings for the facilities
- This purchase is consistent with our practice of using fund balance for one-time (as opposed to recurring) costs

We believe this a rare opportunity to help us move forward in addressing our comprehensive facility needs. In addition to the unquantifiable benefit of allowing for an easier and potentially more cost effective replacement of Baldwin Elementary School, this acquisition also will remove a future project from our CIP. This removal will not only reduce a potential future bond issue, it will also allow the School Board to focus our limited capital resources on pressing academic needs.

We appreciate the support of the Mayor and the City Council in meeting the educational needs of the children of Manassas and request favorable consideration of our supplemental budget request from the School Board undesignated fund balance.

Sincerely,



Scott M. Albrecht
Chairman, Manassas City School Board

Enc.

Resolution R-2012-04 – Original (dated December 13, 2011)
Resolution R-2012-04 – Reaffirmed (dated January 10, 2012)

: School Board Members
Larry Hughes, City Manager, City of Manassas
Pat Weiler, Director of Finance, City of Manassas

MANASSAS CITY SCHOOL BOARD
9000 Tudor Lane
Manassas, Virginia 20110

REGULAR MEETING OF THE MANASSAS CITY SCHOOL BOARD

DATE: December 13, 2011

RESOLUTION NUMBER: R-2012-04

REFERENCE: FY 2012 Supplemental Budget Appropriation

MAKER OF MOTION: Vice Chairman Bushnell

SECOND: Mr. Demeria

WHEREAS, the School Board of the City of Manassas has authorized the School Board Chairman to enter into a contract for the acquisition of real property located within the City of Manassas, and

WHEREAS, the School Board intends to purchase said property for use as office and warehouse space in a manner consistent with and in support of its mission, and

WHEREAS, the School Board has identified funds available in the School Board fund balance to purchase said property, and

WHEREAS, a budgetary appropriation authorizing the disbursement and use of fund balance for the above purchase is required,

NOW, THEREFORE, be it resolved that the Manassas City School Board requests the Manassas City Council approve a supplemental budget appropriation in the amount of \$2.6 million (\$2,600,000) for use in FY 2012 for the purchase of real property.

RECORDED VOTE:


YES: 6

NO: 0

ABSTAIN:

ABSENT:

CERTIFIED COPY:


Barbara J. Lepre, Clerk of the Board

MANASSAS CITY SCHOOL BOARD
9000 Tudor Lane
Manassas, Virginia 20110

REGULAR MEETING OF THE MANASSAS CITY SCHOOL BOARD

DATE: January 10, 2012

RESOLUTION NUMBER: R-2012-04

REFERENCE: FY 2012 Supplemental Budget Appropriation - Reaffirmed

MAKER OF MOTION: Vice Chairman Bushnell

SECOND: Mr. Magee

WHEREAS, the School Board of the City of Manassas has authorized the School Board Chairman to enter into a contract for the acquisition of real property located within the City of Manassas, and

WHEREAS, the School Board intends to purchase said property for use as office and warehouse space in a manner consistent with and in support of its mission, and

WHEREAS, the School Board has identified funds available in the School Board fund balance to purchase said property, and

WHEREAS, a budgetary appropriation authorizing the disbursement and use of fund balance for the above purchase is required,

NOW, THEREFORE, be it resolved that the Manassas City School Board requests the Manassas City Council approve a supplemental budget appropriation in the amount of \$2.6 million (\$2,600,000) for use in FY 2012 for the purchase of real property.

RECORDED VOTE:

YES: 7

NO: 0

ABSTAIN:

ABSENT:

CERTIFIED COPY:



Barbara J. Lepre, Clerk of the Board



CITY OF MANASSAS CITY MANAGER'S OFFICE

January 11, 2012

TO: Mayor Parrish and Members of City Council

FROM: Lawrence D. Hughes, City Manager *LDH*

SUBJECT: Possible Budget Impacts of Governor McDonnell's Proposed
Budget for K-12 Education

Attached is a presentation to the Manassas School Board related to the possible budget impacts of Governor McDonnell's proposed budget for K-12 education.

LDH/kt

Enclosure

Manassas City Public Schools

State Budget Update

*Presentation to the School Board
January 10, 2012*

Potential Increases in State Funding for FY 2013

(Under Current Funding Model)

LCI Change (from .4005 to .3599)	\$2.4 M
Enrollment Increase	.7 M
Sales Tax	.8 M
Other Incentive and Lottery Programs*	1.3 M
Textbooks	<u>.2 M</u>
Total Potential Increase to MCPS	<u>\$5.4 M</u>

* Funding tied to population served

Governor's Proposed Changes to Funding Model for Basic Aid

- Eliminates the cost of competing adjustment for support staff for Northern Virginia school divisions

Potential impact to MCPS

(\$1 Million)

Governor's Proposed Changes to Funding Model for Basic Aid

- Increases the deduction for federal revenue imbedded in the SOQ funding model

Potential impact to MCPS

(\$600 Thousand)

Governor's Proposed Changes to K-12 Funding

- Eliminates “supplemental support for school operating costs”

Potential impact to MCPS

(\$500 Thousand)

Governor's Proposed VRS Related Fringe Benefit Rates

- **Proposed Rate for VRS pension funding increases from 11.33% to 16.66% of salaries**
- **Proposed Rate for Retiree Health Insurance Credit increases from 0.6% to 1.11% of salaries**

Estimated increase in Cost to MCPS: \$2.5 million

Less: Estimated increase in State Funding: \$1.1 million

Potential Impact to MCPS (\$1.4 Million)

Governor's Proposed Life Insurance Fringe Benefit Rates

- **Proposed Rate for Employer Share of Life Insurance benefit goes from 0.28% to 0.48% of salaries**
- **Proposed Rate for Employee Share of Life Insurance goes from 0.0% to .71% of salaries**

Estimated Increase in Cost – Employer Share: \$100 thousand

Estimated Increase in Cost – Employee Share: \$400 thousand

Potential Impact to MCPS (\$.5 Million)

AGENDA STATEMENT

PAGE NO. 53

ITEM NO. 10

MEETING DATE: January 25, 2012 – Finance Committee

TIME ESTIMATE: 60 Minutes

AGENDA ITEM TITLE: Discussion of the FY 2011 Comprehensive Annual Financial Report (CAFR), the Single Audit and the Management Letter

**DATE THIS ITEM WAS
LAST CONSIDERED
BY COUNCIL:** N/A

**SUMMARY OF
ISSUE/TOPIC:** Pat Weiler, Finance & Administration Director, will present a detailed overview of the FY 2011 Comprehensive Annual Financial Report (CAFR).

**STAFF
RECOMMENDATION:** NO COUNCIL ACTION REQUIRED

**BOARD/COMMISSION/
COMMITTEE:**

RECOMMENDATION: ☐ Approve ☐ Disapprove ☐ Reviewed ☐ See Comments

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

COMMENTS:

**DISCUSSION
(IF NECESSARY):** **PLEASE BRING YOUR FY 2011 CAFR TO THE MEETING**

**BUDGET/FISCAL
IMPACT:**

STAFF: Patricia A. Weiler, Finance & Administration Director 703/257-8234

AGENDA STATEMENT

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ITEM NO. 11

MEETING DATE: January 25, 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:** 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	by April 1, superintendent, with approval of school board, submits to council estimate of the "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
 Smith and Davenport
 9253 Lee Avenue
 Manassas, Virginia 20110
 (703) 368-8148
 fax (703) 368-7745

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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

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§ 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.)

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§ 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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[prev](#) | [next](#)**§ 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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§ 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).

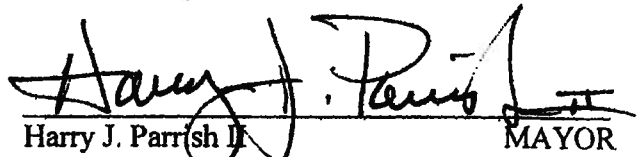
NOW, THEREFORE BE IT RESOLVED that the Manassas City Council and the School Board of the City of Manassas do hereby support five-year planning; and the City Council and the School Board agree to the following:

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.

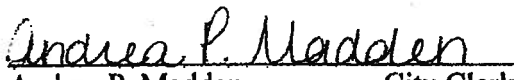
5. That the City Council will provide the School Board with an estimate of the General Tax Revenue for the succeeding fiscal year by November 15. This estimate will be revised on or before March 5. The School Board will use the most current estimate of General Tax Revenue provided by the City Council 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.

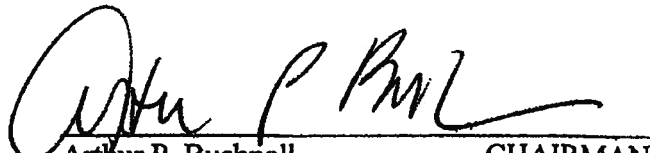
**February 23, 2009
Regular Meeting
Res. No. R-2009-53
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11. That this agreement is effective for the FY 2010 and subsequent budgets.
12. That the City Council or the School Board may initiate discussion to re-examine the Joint Budget Agreement if circumstances 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
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%
75											
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	<u>2,172,696</u>	9.0%	<u>547,198</u>	-74.8%	<u>1,473,506</u>	169.3%	<u>582,651</u>	-60.5%	<u>557,368</u>	-4.3%	<u>549,992</u>	-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%
76												
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

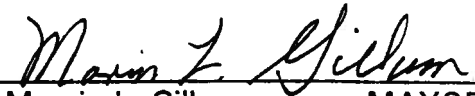
WHEREAS, there is a need for the continued work for a committee of the City Council and the School Board to maintain five-year budget plans;

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:

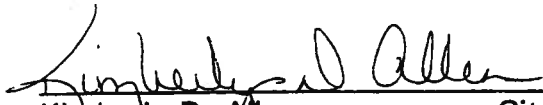
1. That the projected revenues in the proposed plans may change.
2. That the City Council and the School Board acknowledge in order to provide appropriate compensation to employees and best meet competitive needs, that different levels of compensation adjustments may occur in future budgets.
3. That 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).

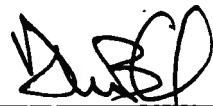
4. That the City Council will provide the School Board with an estimate of the general non-agency revenue for the succeeding fiscal year by November 15. This estimate may be revised on January 31 and again on March 15. The School Board will use the most current estimate provided by the City Council when 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.

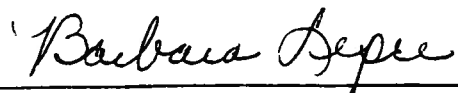

Marvin L. Gillum MAYOR
On behalf of the City Council
of Manassas, Virginia

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

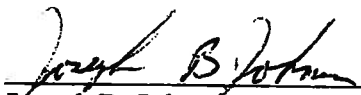
mix of service; and

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

C:\cmsb\Joint Resolution on Osbourn upgrade.wpd
July 25, 1997 (10:48AM)

**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.)

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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, commis-

sion 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.

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

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.

§ 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 "currently 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

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

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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

§ 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

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).

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