The site occupied by the Manassas Museum has a remarkable history. When Confederate forces under General P.G.T. Beauregard took possession of Manassas Junction in 1861, they established Camp Pickens and constructed one of the twelve earthwork fortifications here. During the Civil War, the site was alternately occupied by vast camps of both Confederate and Union forces guarding the railroad.

The Museum grounds became home to several schools over the years including the Manassas Institute, Eastern College, Eastern College-Conservatory for Women, Swavely School, and Manassas State Vocational High School.

The Manassas Museum opened its doors in 1991 after moving from its Main Street location. The museum provides visitors with a better understanding of the rich heritage of the area through exhibits, programs, historic artifacts and rare photographs.
The City’s operating budget is made up of accounts that are organized into funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The operation of each fund is accounted for with a self-balancing set of accounts. All the funds budgets are balanced - the total amount of revenues, including transfers in from other funds, equals the total amount of expenditures, including transfers out to other funds. Revenues for a balanced budget may include transfers from fund balance and expenditures for a balanced budget may include transfers to fund balance.

The City's operating budget is prepared using the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues from the use of money and property and from intergovernmental grants are recorded as earned. Other revenues are considered available to be used to pay liabilities of the current period if they are collectible within the current period or within 60 days thereafter. The primary revenues susceptible to accrual include property taxes, sales taxes, other local taxes, and intergovernmental revenues. The legal and contractual requirements of the individual programs are used as guidance. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The level of control, or level of which expenditures may not legally exceed the budget, is at the fund level for all funds except MCPS. The level of control for the MCPS is the total appropriation. Any change in appropriation level of the fund must be approved by the City Council. Budgets are administratively controlled at the department level for all funds except MCPS. Department Directors may transfer appropriations within a department within a fund. The City Manager may approve transfers of appropriations between departments within a fund and transfers between funds of $10,000 or less. City Council must approve all transfers between funds greater than $10,000.

The City prepares project budgets for all capital projects. The level of control for a capital project budget is the project. Any change of the total appropriation for a capital project must be approved by City Council. Changes to the accounts within the project may be approved by the Department Director.

As per the Code of Virginia, all appropriations lapse at year-end. Budgets for multi-year grants and capital projects are carried forward into the next fiscal year until the grant or project is complete. Budgets for encumbrances outstanding at the end of the fiscal year are also carried forward into the next fiscal year.
The government-wide financial statements of the Comprehensive Annual Financial Report (CAFR) are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Private-sector standards of accounting and financial reporting issued prior to November 30, 1989 generally are followed in both government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for the business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Amounts reported as program revenues include: 1) charges to customers for goods or services, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the electric, water, sewer, and airport funds are the charges to customers for sales and services. Operating expenses of enterprise funds and internal service funds include costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues from the use of money and property and from intergovernmental grants are recorded as earned. Other revenues are considered available to be used to pay liabilities of the current period if they are collectible within the current period or within 60 days thereafter. The primary revenues susceptible to accrual include property taxes, sales taxes, other local taxes, and intergovernmental revenues. The legal and contractual requirements of the individual programs are used as guidance. All other revenue items are considered to be measurable and available only when cash is received by the City. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.
FUND BALANCE

It is the Policy of the City to maintain a General Fund Unassigned Fund Balance to provide the City with sufficient working capital and a comfortable margin of safety to address emergencies and unexpected declines in revenue without borrowing. The General Fund Unassigned Fund Balance will be thirteen percent (13%) of the General Fund operating revenues for that same year.

OPERATING BUDGET

All City budgets are prepared using the modified accrual basis of accounting.

The budget ordinance sets the level of control, or level of which expenditures may not legally exceed the budget. The level of control is at the fund level for all funds except the MCPS. The level of control for the MCPS is the total appropriation. The budget ordinance also defines the administrative budget controls. Appropriations are administratively controlled at the department level. Department Directors may transfer appropriations within a department within a fund. The City Manager may approve transfers of appropriations between departments within a fund and transfers between funds of $10,000 or less. City Council must approve all transfers between funds greater than $10,000.

The City Council and School Board entered into a formal agreement via adoption of a resolution by both bodies on February 23, 2009, whereby the City provides 58.5% of general tax revenue to the School Board in support of the operation of the School Division. In addition, per the agreement, the City Council will adopt a Five-Year Forecast by November 15th and will provide the School Division with estimated revenues for the succeeding year by November 15th with updates on March 5th. The School Board is to use these revenue estimates in their adopted budget. The agreement also states that both bodies will adopt a Five-Year Forecast and a Five-Year Capital Improvement Program annually when each adopts their operating budget.

CAPITAL IMPROVEMENT PLAN

Capital Improvement Plan (CIP) projects are defined as any major project requiring the expenditure of public funds that is over and above a normal operating expenditure for the purchase, construction, enhancement, or replacement of a physical infrastructure or asset. This includes land that is required for a project, equipment that is to be affixed to a building and “turn-key” equipment items for a new building to function appropriately such as furniture, computers, telephones, etc.

The City’s cost criterion for capital projects is $25,000 or more. Also, the project must extend the life of the asset by more than one year. For funding purposes, the capital expenditure must have a life expectancy which is the same as the financing source. The City’s debt amortization is usually 20 years. Therefore, the life expectancy of the capital project must be 20 years or more.

The City develops and adopts a Five-Year Capital Improvement Program on an annual basis. Staff will identify the estimated costs and potential funding sources for each proposed project before submitting the project to the City Council for consideration. Each capital project included in the Capital Improvement Plan is for actual appropriation in FY 2015 or approved to be included in the future planned activities for FY 2015 through FY 2019 with no actual appropriation of funds in FY 2015.
BALANCED BUDGET

The City adopts a balanced budget and ensures throughout each fiscal year that the budget remains balanced. The budget is considered balanced when the total amount of revenues, including transfers in from other funds, equals the total amount of expenditures. However, the budget is also balanced in situations where total expenditures are less than total revenues, which is technically a surplus. There are also instances when the City might plan to spend fund balances from previous years on one-time or non-routine expenditures. The City considers the budget to be balanced in this case also, provided the funding from previous years is available, and a plan is in place to not build ongoing expenditures into this type of funding.

- Scenario 1: Revenues = Expenditures
- Scenario 2: Revenues > Expenditures, contribution to fund balance
- Scenario 3: Revenues < Expenditures, use of fund balance

DEBT MANAGEMENT

The City follows the Constitution of Virginia and the Public Finance Act of 1991, which stipulates that a city in Virginia is authorized to issue bonds and notes secured by the pledge of its full faith and credit. The Constitution and the Public Finance Act limit the indebtedness which may be incurred by cities to 10% of the assessed valuation of real estate subject to local taxation.

PURCHASING

The City follows the Virginia Public Procurement Act, which requires contracts over $30,000 with nongovernmental contractors to be awarded after competitive sealed bidding or competitive negotiation, unless otherwise authorized by law. Professional services shall be procured by competitive negotiation.

It is the Policy of the City that all public contracts over $3,000 with nongovernmental contractors for the purchase or lease of goods or for the purchase of nonprofessional services shall be awarded based on competitive principles and competition shall be sought to the maximum feasible degree, unless otherwise exempted or authorized by law.

Goods valued at $5,000 are considered capital assets. Purchase of capital assets must be approved by City Council specifically in the budget process or through a resolution prior to the issuance of purchase orders or contracts.

FIVE-YEAR FORECAST

The City develops and adopts a Five-Year Forecast for the operations of the General Fund on an annual basis as per the City Council/School Board agreement.

REVENUE

As per the City Council/School Board agreement, each fall the City projects revenues for five years. These revenue estimates are the basis for the Five-Year Forecast, the Operating Budget, and the Five-Year Capital Improvement Plan.

WHEREAS, the Council of the City of Manassas has held seven (7) work sessions to consider the City Manager's and School Board’s recommendations for the FY 2016 budget; and

WHEREAS, the budget was advertised on April 15, 2015, and a public hearing was held on April 27, 2015, in accordance with Section 15.1-162 of the Code of Virginia.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Manassas, Virginia meeting in regular session this 11th day of May, 2015, that:

Section 1. The budget for the fiscal year beginning July 1, 2015 and ending June 30, 2016 is hereby adopted and appropriated from the revenues of the City as follows:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Amount</th>
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<tbody>
<tr>
<td>General Fund</td>
<td>$103,589,050</td>
</tr>
<tr>
<td>Family Services Fund</td>
<td>5,945,260</td>
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<tr>
<td>Speiden Carper House Fund</td>
<td>5,450</td>
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<tr>
<td>Owens Brooke Special District</td>
<td>40,200</td>
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<tr>
<td>Fire and Rescue Fund</td>
<td>9,684,100</td>
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<tr>
<td>PEG Fund</td>
<td>150,000</td>
</tr>
<tr>
<td>Debt Service Fund</td>
<td>9,389,030</td>
</tr>
<tr>
<td>Sewer Utility Fund</td>
<td>15,314,990</td>
</tr>
<tr>
<td>Water Utility Fund</td>
<td>9,898,800</td>
</tr>
<tr>
<td>Electric Utility Fund</td>
<td>44,904,660</td>
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<tr>
<td>Stormwater Fund</td>
<td>1,117,280</td>
</tr>
<tr>
<td>Airport Fund</td>
<td>2,628,060</td>
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<tr>
<td>Solid Waste Fund</td>
<td>3,474,450</td>
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<tr>
<td>Building Maintenance Fund</td>
<td>1,469,860</td>
</tr>
<tr>
<td>Vehicle Maintenance Fund</td>
<td>4,229,910</td>
</tr>
<tr>
<td>Information Technology Fund</td>
<td>2,726,160</td>
</tr>
<tr>
<td>Manassas City Public Schools</td>
<td>111,312,006</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$325,879,266</strong></td>
</tr>
</tbody>
</table>

Section 2. The appropriation to the Manassas City Public Schools shall be legally controlled at the total appropriation level. Appropriations to all other funds shall be legally controlled at the fund level. Amendments to the budget and appropriations may be made in accordance with City Council Policy Statement #P-2012-02.
Section 3. This Section does not apply to the Manassas City Public Schools. The Staffing Plan contained in the FY 2016 Adopted Budget and the City of Manassas Classification and Compensation Plan are authorized by Council. However, the City Manager is authorized to make any rearrangement of positions and compensation in so long as the affected department’s budget does not exceed the amount authorized in FY 2016 Adopted Budget.

Section 4. The budget for the first year (FY 2016) of the Five Year Capital Improvement Program, containing capital projects necessary for the betterment of the community, is hereby adopted and appropriated in the amount of $35,349,000 for capital projects and $1,314,000 in maintenance capital projects and will remain in effect until completion of the projects.

Section 5. At the close of FY 2015, all appropriations lapse into fund balance. However, outstanding encumbrances and unexpended appropriations for grants, capital and other projects at June 30, 2015, are hereby reappropriated to the FY 2016 budget for the same purpose for which they were encumbered or appropriated for in the FY 2015 budget. The reappropriation of these funds is in addition to the appropriations in Section 1 and Section 4 of this resolution. Upon completion of a grant, capital or other project, staff will close out the project or grant and transfer remaining balances to other grants/projects as needed.

Section 6. The City Council has set aside $374,000 of the City’s portion of Real Property Tax Revenue in the General Fund for Community Investment.

Section 7. This Resolution shall take effect July 1, 2015.

[Signature]
Harry J. Parish II, Mayor
On Behalf of the City Council
of Manassas, Virginia

ATTEST:

[Signature]
Andrea P. Madden, City Clerk

Votes:
Ayes: Bass, Elston, Way and Wolfe
Nays: Aveni and Lovejoy
Absent from Vote: None
Absent from Meeting: None
ORDINANCE # O-2015-24

First Reading May 11, 2015
Second Reading May 11, 2015
Enacted May 11, 2015
Effective May 18, 2015

AN UNCODIFIED ORDINANCE SETTING THE REAL ESTATE TAX RATES FOR TAX YEAR 2016

1. BE IT ORDAINED that by the City Council of the City of Manassas, Virginia, meeting in special session this 18th day of May, 2015, that there shall be levied upon real estate within the City of Manassas the following taxes for tax year 2016:

(a) The real estate tax year in the City of Manassas is July 1st to June 30th.

(b) Real Estate in the City of Manassas: One Dollar and Twenty-One Cents ($1.21) per one hundred dollars ($100.00) of assessed valuation.

(c) Real Estate in the Manassas Fire and Rescue District: Seventeen and Eight Tenths Cents ($0.178) per one hundred dollars ($100.00) of assessed valuation.

(d) Real Estate in the Owens Brooke Special Taxing District: Thirteen and Two Tenths Cents ($0.132) per one hundred dollars ($100.00) of assessed valuation.

2. This ordinance shall take effect upon its passage on second reading.


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

ATTEST:

Antoinette M. Elgart Deputy City Clerk
ORDINANCE # O-2015-25

First Reading May 11, 2015
Second Reading May 18, 2015
Enacted May 18, 2015
Effective May 18, 2015

AN UNCODIFIED ORDINANCE SETTING THE PERSONAL PROPERTY TAX RATES FOR TAX YEAR 2015

1. **BE IT ORDAINED** that by the City Council of the City of Manassas, Virginia, meeting in special session this 18th day of May, 2015, that there shall be levied upon personal property within the City of Manassas the following taxes for tax year 2015:

(a) The personal property tax year in the City of Manassas is January 1st to December 31st.

(b) Machinery and Tools: Two Dollars and Ten Cents ($2.10) per one hundred dollars ($100.00) of assessed valuation.

(c) Machinery and Tools Used in Semiconductor Manufacturing as defined by Section 58.1-3508.1 of the Code of Virginia (1950), as amended: Sixty-Five and Five Tenths Cents ($0.655) per one hundred dollars ($100.00) of assessed valuation.

(d) Programmable Computer Equipment and Peripherals Employed in a Trade or Business as defined by Section 58.1-3506(A)(25) of the Code of Virginia (1950), as amended: One Dollar and Twenty-Five Cents ($1.25) per one hundred dollars ($100.00) of assessed valuation.

(e) Aircraft as defined by Section 5.1-3506(A)(2) and (3) of the Code of Virginia (1950), as amended: One Thousandth of One Cent ($0.00001) per one hundred dollars ($100.00) of assessed valuation.

(f) Antique motor vehicles as defined by Section 46.2-100 of the Code of Virginia (1950), as amended: One Thousandth of One Cent ($0.00001) per one hundred dollars ($100.00) of assessed valuation.

(g) Motor vehicles specially equipped to provide transportation for physically handicapped individuals as provided for by Section 58.1-3506(A)(12) of the Code of Virginia (1950), as amended: One Thousandth of One Cent ($0.00001) per one hundred dollars ($100.00) of assessed valuation.

(h) Motor Vehicles owned by certain elderly and handicapped persons as provided for by Section 58.1-3506.1 of the Code of Virginia (1950), as amended: One Thousandth of One Cent ($0.00001) per one hundred dollars ($100.00) of assessed valuation.
Ordinance O-2015-25
Page 2

(i) One motor vehicle which is owned by each volunteer rescue squad member or volunteer
fire department member, or leased by each volunteer rescue squad member or volunteer
fire department member as defined by Section 58.1-3506(A)(13) of the Code of Virginia
(1950), as amended: One Thousandth of One Cent ($0.00001) per one hundred dollars
($100.00) of assessed valuation.

(j) One motor vehicle which is owned by persons who have been appointed to serve as
auxiliary police officers pursuant to Section 53.1-3503(A)(17) of the Code of Virginia
(1950), as amended: One Thousandth of One Cent ($0.00001) per one hundred dollars
($100.00) of assessed valuation.

(k) One motor vehicle which is owned by persons who serve as auxiliary, reserve or special
deputy sheriffs or leased by persons who serve as auxiliary, reserve or special deputy
sheriffs as defined by Section 58.1-3506(A)(30) of the Code of Virginia (1950), as
amended: One Thousandth of One Cent ($0.00001) per one hundred dollars ($100.00) of
assessed valuation.

(l) One motor vehicle which is owned by persons who serve as auxiliary firefighter or
rescue personnel or leased by persons who serve as auxiliary firefighter or rescue
personnel as defined by Section 58.1-3506(A)(14) of the Code of Virginia (1950), as
amended. One Thousandth of One Cent ($0.00001) per one hundred dollars ($100.00)
of assessed valuation.

(m) Business Personal Property: Three Dollars and Seventy Cents ($3.70) per one hundred
dollars ($100.00) of assessed valuation.

(n) All Tangible Personal Property except as specified in (a) through (m): Three Dollars
Twenty Five Cents ($3.25) per one hundred dollars ($100.00) of assessed valuation.

2. This ordinance shall take effect upon its passage on second reading.

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

ATTEST:

Antoinette M. Elgart  Deputy City Clerk
POLICY STATEMENT #P-2011-01

REGULAR COUNCIL MEETING
June 27, 2011

RE: GENERAL FUND UNASSIGNED FUND BALANCE POLICY

It is the policy of the City of Manassas (City) to maintain unassigned fund balance in the general fund at a level to provide the City with sufficient working capital to mitigate current and future risk of revenue shortfalls due to economic downturns and unanticipated expenditures from emergencies or natural disasters.

BACKGROUND
The Council first adopted a fund balance policy in 1992 (15% of the subsequent year’s budget). The attached analysis of the City’s financial condition as of June 30, 2008 compared with June 30, 1992 was the basis for the City Council’s decision to reduce the fund balance level to 13% of the operating revenue with Policy Statement #P-2010-01 adopted on November 9, 2009. The City Council deliberated this decision with consideration of the predictability and reliability of City revenues, the volatility of City expenditures, the liquidity of its assets, the resources available in other funds and the fund balance designations.

Statement No. 54 of the Governmental Accounting Standards Board (GASB 54) defines nonspendable, restricted, committed, assigned and unassigned fund balance. This policy statement adheres to the GASB 54 definitions.

PURPOSE
The City Council recognizes that one of the keys to sound financial management is the development of financial policies. Credit agencies carefully monitor levels of unrestricted (committed, assigned and unassigned) fund balance in a government’s general fund to evaluate a government’s continued creditworthiness. The Government Finance Officers Association (GFOA) recommends that governments establish a formal policy on the level of unrestricted fund balance. In addition, the National Advisory Council on State and Local Budgeting (NACSLB) issued a comprehensive set of accepted budget processes and procedures that set the standards of excellence in state and local governmental budgeting. A critical element incorporated into these standards is the adoption of financial policies, which include the development of a policy on stabilization funds, i.e. unrestricted fund balance.

The City Council is ensuring the long-term economic stability of the City by adopting a policy that maintains a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures. The unassigned fund balance will provide resources to allow for unforeseen needs of an emergency nature and to permit orderly adjustment to changes resulting from reductions or loss of revenues. The maintenance of an unassigned fund balance is not to be construed as a surplus or over-taxation by the City. Rather, it is an element of sound fiscal management.

UNASSIGNED FUND BALANCE LEVEL
After evaluating the City’s operating characteristics, its emergency and disaster risks, its overall financial health, the diversity and flexibility of its tax base, the reliability of non-property tax revenue sources, the City’s working capital needs, the impact of the Commonwealth of Virginia policies and
budgets, and other contingent issues the City Council hereby establishes that the unassigned fund balance of the general fund will be maintained at thirteen percent (13%) of general fund operating revenues of the same fiscal year. For purposes of this policy, operating revenues are all revenues except payment in lieu of debt service from the Manassas City Public Schools and other financing sources.

ASSIGNED OR COMMITTED FUND BALANCE
The City Council may assign or commit fund balance by way of a Resolution. Assigned or committed fund balance may be unassigned or uncommitted by City Council by way of a Resolution.

MAINTENANCE OF UNASSIGNED FUND BALANCE LEVEL
At the end of each fiscal year, all general fund revenues in excess of budget will first go into the unassigned fund balance, until the 13% level for the current fiscal year is met. After the fund balance level is met, the Manassas City School Board will receive a percent of the remaining excess of general tax revenue as identified in the most current Joint Budget Agreement. All other excess revenues over expenditures which have not been assigned or committed by City Council will be committed to the Capital Reserve Fund Balance.

CAPITAL RESERVE FUND BALANCE
The Capital Reserve Fund Balance is to be used for non-reoccurring needs of the City as determined by the City Council. Only the City Council may authorize the use of the Capital Reserve Fund Balance by way of a Resolution budgeting and appropriating the funds.

USE OF UNASSIGNED FUND BALANCE
It is the policy of the City Council to limit the use of the general fund unassigned fund balance to address unanticipated, non-recurring needs or known and planned future obligations. General fund unassigned fund balance shall not normally be applied to recurring annual operating expenditures. General fund unassigned fund balance may, however, be used to allow time for the City to restructure its operations in a deliberate manner. Such use will only take place in the context of long-term fiscal planning.

REPLENISHMENT OF UNASSIGNED FUND BALANCE
In the event the City Council authorizes the use of general fund unassigned fund balance, the authorization must be accompanied by a plan to replenish the unassigned fund balance.

POLICY SUPERCEDES OTHER POLICIES
It is the intent of this policy to repeal any inconsistent policy or practice adopted prior to this date, specifically and #P-2010-01.

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

ATTEST:
Antoinette M. Elgart  Deputy City Clerk
CITY OF MANASSAS
ATTACHMENT TO POLICY STATEMENT #P-2011-01
UNRESERVED UNDESIGNATED FUND BALANCE POLICY

Considerations
- Predictability and reliability of revenues
- Volatility of expenditures
- Liquidity
- Resources available in other funds

Designations

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<tr>
<th></th>
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<tbody>
<tr>
<td></td>
<td>15% of annual</td>
<td>15% of</td>
<td>15% of</td>
</tr>
<tr>
<td></td>
<td>General Fund</td>
<td>operating</td>
<td>operating</td>
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<tr>
<td></td>
<td>Budget</td>
<td>revenues</td>
<td>revenues</td>
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<tr>
<td>Operating Revenues</td>
<td>$43,796,894</td>
<td>$97,526,018</td>
<td>$96,002,587</td>
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<td>Operating Expenditure</td>
<td>$23,010,442</td>
<td>$51,171,375</td>
<td>$47,358,913</td>
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<td>Debt Service</td>
<td>$6,745,243</td>
<td>$2,315,391</td>
<td>$2,271,117</td>
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<td>City</td>
<td>$29,755,685</td>
<td>$53,486,766</td>
<td>$49,630,030</td>
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<tr>
<td>School Transfer (includes School debt)</td>
<td>$21,799,515</td>
<td>$48,102,935</td>
<td>$48,443,875</td>
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<tr>
<td>Total</td>
<td>$81,310,885</td>
<td>$155,076,467</td>
<td>$147,703,935</td>
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| Unreserved, Undesignated Fund Balanc | $9,146,233 | $14,052,538 | $13,367,179 |

ASSESSED VALUE (REAL, PP, M&T)

| Top Taxpayer to Total Assessed Value | 15.6% | 11.0% | 13.9% |
| IBM | Micron | Micron |
| Top Ten Taxpayers to Total | 23.9% | 16.6% | 20.9% |

ASSESSED VALUE (REAL)

| Top Taxpayer to REAL Assessed Value | 10.1% | 1.9%  | 2.2%  |
| IBM | Lockheed Martin | Lockheed Martin |
| Top Ten Taxpayers to Total | 19.6% | 8.5%  | 10.2% |

TAXES PAID (REAL, PP, M&T)

| Top Taxpayer Taxes Paid | 25.1% | 9.6%  | 8.6%  |
| IBM | Micron | Micron |
| Top Ten Taxpayers to Total | 32.9% | 15.6% | 16.2% |
CITY OF MANASSAS
ATTACHMENT TO POLICY STATEMENT #P-2011-01
UNRESERVED UNDESIGNATED FUND BALANCE POLICY

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<tr>
<td>Cash Balance General Fund</td>
<td>$14,666,006</td>
<td>$20,821,371</td>
<td>$18,206,534</td>
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<tr>
<td>Total Cash Balance with Treasurer</td>
<td>$18,604,446</td>
<td>$64,010,951</td>
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Fund Balances/Net Assets of other Funds

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<tbody>
<tr>
<td>MCPS</td>
<td>$0</td>
<td>$5,739,589</td>
<td>$3,000,694</td>
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<td>Electric</td>
<td>($212,147)</td>
<td>$14,449,069</td>
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<td>Water</td>
<td>$401,728</td>
<td>$3,780,541</td>
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<td>$2,114,832</td>
<td>$5,857,500</td>
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<td>Airport</td>
<td>($693,316)</td>
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<td>$1,523,778</td>
</tr>
<tr>
<td>IT</td>
<td>$94,282</td>
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<td>Vehicle Maintenance</td>
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<td><strong>$1,674,218</strong></td>
<td><strong>$31,944,307</strong></td>
<td><strong>$34,869,766</strong></td>
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GFOA Recommended Practice
5% to 15% of Operating Revenues
OR
No less than one to two months of regular general fund expenditures (8.3% to 16.7%)

<table>
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<td>15% of Operating Revenues</td>
<td>$14,628,903</td>
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<td>5% of Operating Revenues</td>
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<td>8.3% of Operating Expenditures</td>
<td>$4,247,224</td>
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<td>16.7% of Operating Expenditures</td>
<td>$8,545,620</td>
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POLICY STATEMENT #P-2012-02

REGULAR CITY COUNCIL MEETING
January 23, 2012

Re: CITY OF MANASSAS BUDGETARY CONTROL POLICY

ADOPTION OF BUDGET

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

LEGAL LEVEL OF CONTROL

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

3. The budget and appropriation for MCPS shall be legally controlled at the total appropriation level.

AMENDMENT OF BUDGET

4. The adopted budget may be amended by resolution with the concurrence of at least four members of City Council.

5. A public hearing shall be held prior to any amendment of the budget which is greater than 1% of the adopted budget. The public hearing and notice of such hearing shall be in accordance with the CODE OF VIRGINIA Section 15.2-2507.

6. The City Manager may approve transfers of budget and appropriations between departments within a fund and Department Directors may approve transfers of budget and appropriations within a department within a fund.

7. All transfers of budget and appropriations to and from contingencies, reserves and capital projects shall require a resolution with the concurrence of at least four members of City Council even when these transfers may be within the legal level of budgetary control.
8. The City Council delegates to the City Manager the authority to transfer existing budget and appropriations of ten thousand dollars ($10,000) or less between funds even though this is outside the legal level of control.

9. Contributions/donations to the City of Manassas of one thousand dollars ($1,000) or less shall be placed directly on the consent agenda of the City Council.

POLICY SUPERCEDES OTHER POLICIES

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

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

ATTEST:

[Signature]
Andrea Madden  City Clerk
POLICY STATEMENT #P-2009-02

REGULAR CITY COUNCIL MEETING
September 22, 2008

Re: CITY OF MANASSAS PURCHASING POLICY

It is the policy of the City, that pursuant to provisions of the Virginia Public Procurement Act (Chapter 7 of Title 11, §2.2-4300 through 2.2-4377 of the Virginia Code (1950), as amended) the following be adopted.

METHOD OF PROCUREMENT

1. All public contracts over $30,000 with nongovernmental contractors for the purchase or lease of goods, or for the purchase of services, insurance, or construction shall be awarded after competitive sealed bidding or competitive negotiation as required by the Virginia Public Procurement Act, unless otherwise authorized by law. Professional services shall be procured by competitive negotiation.

2. All public contracts over $3,000 with nongovernmental contractors for the purchase or lease of goods or for the purchase of nonprofessional services or construction shall be awarded based on competitive principles and competition shall be sought to the maximum feasible degree, unless otherwise exempted or authorized by law.

3. The following items are exempted from the City’s competitive procurement policy and are in addition to exceptions allowed by the Virginia Public Procurement Act.

   a. Books, Manuscripts, Maps and Pamphlets
   b. Dues, Subscription and Publications
   c. Educational Films
   d. Used Vehicles, Machinery and Equipment
   e. Insurance Claims
   f. Perishable Foodstuffs
   g. Postage
   h. Training, Educational Services and Conferences
   i. Travel, Room and Board
   j. Tuition

CAPITAL PURCHASES

4. Goods valued at $5,000 are considered capital assets. Purchase of Capital Assets must be approved by Council specifically in the budget process. If the Capital Asset has not been specifically identified and approved in the budget process, the department must submit a resolution to Council for approval of purchase prior to award of purchase order or contract.
AUTHORIZATIONS

5. The Authority to sign Purchase Orders, Sole Source Procurements, Emergency Procurements and Contracts to commit the City is vested with the Council and is delegated as follows:

a. City Council delegates authority to the Mayor to sign all Purchase Orders, Sole Source Procurements, Emergency Procurements and Contracts for which funds have been budgeted and appropriated by City Council and which have been reviewed and approved by the City Attorney's Office as per Policy Statement #P-99-08.

b. City Council delegates authority to the City Manager to sign Purchase Orders, Sole Source Procurements, Emergency Procurements and Contracts up to an estimated or actual amount not to exceed $500,000 for which funds have been budgeted and appropriated by City Council and which have been reviewed and approved by the City Attorney's Office as per Policy Statement #P-99-08.

c. City Council delegates authority to the Purchasing Manager to sign Purchase Orders, Sole Source Procurements, Emergency Procurements and Contracts up to an estimated or actual amount not to exceed $100,000 for which funds have been budgeted and appropriated by Council and which have been reviewed and approved by the City Attorney's Office as per Policy Statement #P-99-08.

POLICY SUPERCEDES OTHER POLICIES

6. It is the intent of this policy to repeal any inconsistent policy or practice adopted prior to this date, specifically #P-2006-01, #P-98-02, #P-97-01, and any inconsistent regulation promulgated in the City of Manassas Purchasing Policies Manual approved by Council on December 12, 2005.

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

ATTEST:

Andrea Madden
City Clerk

PAGE 2
MOTION: Wolfe
SECOND: Aveni

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


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.
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.


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: None
Absent from Meeting: None

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