

AGENDA

FRANKLIN CITY COUNCIL

MONDAY, January 27, 2014 – CITY HALL COUNCIL CHAMBERS – 207 W. SECOND AVENUE

7:00 P.M.

REGULAR MEETING

CALL TO ORDER. . . . MAYOR RAYSTINE D. JOHNSON-ASHBURN

PLEASE TURN OFF CELL PHONES . . . MAYOR RAYSTINE D. JOHNSON-ASHBURN

PLEDGE OF ALLEGIANCE

CITIZENS' TIME

AMENDMENTS TO AGENDA

1. CONSENT AGENDA

- A. Minutes of the January 13, 2014 Meeting
- B. Departmental Reports (Separate File)

2. FINANCE

- A. Budget Amendments:
 - Police Department Budget Amendment #2014-16
 - Franklin Public School Budget Amendment #2014-17
 - Solid Waste Fund Budget Transfer #2014-18
- B. Rescue Squad Assistance Grant Acceptance
- C. Resolution Authorizing a USDA Police Equipment Grant Application
- D. Mid-Year Financial Report – December, 2013

3. OLD/NEW BUSINESS

- A. State of the College Update – President Wm. Paul Conco, Paul D. Camp Community College
- B. City Manager's Report

4. COUNCIL/STAFF REPORTS ON BOARDS AND COMMISSIONS

5. CLOSED SESSION – I move that the Franklin City Council meet in closed session to discuss personnel and consult with the City Attorney regarding legal matters requiring the provision of legal advice as permitted by Virginia Code Section 2.2-3711 (A) (7).

Motion Upon Returning to Open Session: I move that the only matters discussed during the session were those lawfully exempted from open meeting requirements and identified in the motion by which the closed session was convened.

6. ADJOURN

UPCOMING ITEMS TO BE SCHEDULED...

The items below are intended to be reflective, and not inclusive of all subjects staff is working on to bring forward to City Council in the next two months. Both the time lines and subject matter are subject to change and should not be considered final.

SUBJECT**TENTATIVE TIME LINE****2014 Council Retreat****TBA****2014 Council Policy & Goal Session****TBA**

CONSENT AGENDA

A. Minutes of the January 13, 2014 Meeting

B. Departmental Reports (Separate File)

The Franklin City Council held a regular City Council Meeting on Monday, January 13, 2014 at 7:00 p.m. in the City Council Chambers at City Hall.

Council Members in Attendance: Raystine D. Johnson-Ashburn, Mayor; Barry Cheatham, Vice-Mayor; Greg McLemore, Benny Burgess, Mary Hilliard and Mona Murphy (Councilman Don Blythe absent).

Staff in Attendance: Randy Martin, City Manager; Taylor Williams, City Attorney; Jen Maynard, Registrar; Vince Holt, Director of Emergency Services; Alan Hogge, Director Social Services; Carolyn Joyner, Director of Human Resources; Phil Hardison, Chief of Franklin City Police Department; Mark Bly, Director of Power & Light; Dinah Babb, Treasurer; Brenda Rickman, Commissioner of Revenue and Melissa Rollins, Director of Finance.

Other Staff in Attendance: Bruce Edwards, Communications Manager; Karl Boone, Detective Corporal, Franklin City Police; Teresa McQuay, Administrative Assistant and Leesa Livesay, Acting Secretary, Recording Minutes.

CALL TO ORDER

Mayor Raystine Johnson-Ashburn called the regular City Council Meeting to order at 7:00 p.m.

INVOCATION

Vice- Mayor Cheatham offered the Invocation.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited by everyone in attendance.

CITIZEN’S TIME

No citizens signed up to speak at Citizen’s Time.

AMENDMENTS TO AGENDA

There were no amendments to the Agenda.

CONSENT AGENDA

Minutes – November 25, 2013 Regular Meeting & December 16, 2013 Called Meeting

A motion was made by Vice- Mayor Cheatham to adopt the minutes from the November 25, 2013 Regular Meeting and the December 16, 2013 Called Meeting as presented. The motion was seconded by Councilwoman Hilliard.

The motion was approved with the vote as follows:

Mayor Johnson-Ashburn, AYE; Vice-Mayor Cheatham, AYE; Councilman McLemore, ABSTAIN; Councilman Burgess, AYE; Councilwoman Hilliard, AYE; Councilwoman Murphy, AYE (Councilman Blythe absent).

Minutes from the November 4, 2013 Called Meeting (Tabled from December 9, 2013)

A motion was made by Vice-Mayor Cheatham to adopt the minutes from the November 4, 2013 Called Meeting. The motion was seconded by Councilwoman Murphy and passed.

The vote was as follows:

Mayor Raystine Johnson-Ashburn, AYE; Vice-Mayor Barry Cheatham, AYE; Mary Hilliard, AYE; Mona Murphy, AYE; Greg McLemore, AYE; and Councilman Burgess ABSTAIN (Councilman Blythe absent).

Minutes from the December 9, 2013 Regular City Council Meeting

A motion was made by Vice-Mayor Cheatham to adopt the minutes from the December 9, 2013 Regular Meeting. The motion was seconded by Councilwoman Murphy.

The motion was approved with the vote as follows:

Mayor Johnson-Ashburn, ABSTAIN; Vice-Mayor Cheatham, AYE; Greg McLemore, ABSTAIN; Benny Burgess, AYE; Mary Hilliard, AYE; Mona Murphy, AYE (Councilman Blythe absent).

FINANCE**FY 2012 – 2013 Audit Presentation: Audrey Davis, Davis & Associates**

Melissa Rollins, Director of Finance announced that Audrey Davis, Davis & Associates was delayed in traffic therefore; the FY 2012 -2013 Audit Presentation would need to be offered later in the meeting.

Monthly Financial Report – November 2013

Mrs. Rollins reviewed highlights of the November 2013 Financial Report. Mrs. Rollins stated with five months of the fiscal year complete, General Fund Revenues continue to track slightly higher than revenue from the prior year period. General Fund Revenue of \$7.077 million at the end of November is 37% of budget compared to \$6.88 million or 35.8% of budget November 30, 2012.

Property Tax Revenue

Property tax revenue in Fiscal Year 2013-2014 reflects a favorable increase in general property tax collections over the prior year period. Current real estate taxes were relatively close to the prior year while delinquent real estate taxes and penalties and interest on taxes, gained from the prior year period. Personal property tax collections for the first five months of the fiscal year were under prior period collections by \$66,000 or 9%.

Local Taxes

- Taxes indicative of the City's local economy are tracking slightly less overall than the prior year period. Meals and lodging taxes yield positive gains of 2.0% and 18.0%; revenue from cigarette and projected sales taxes reflect less favorable trends decreasing from the prior year period by 14.6% and 2.1% respectively. All categories are relatively consistent with the budget however.

Other Local Revenue

- Revenue from permits, fees and fines reflect an increase in the current accounting period from \$45,357 in November 2012 to over \$80,000 in November 2013 due to the consolidation of planning and inspection services with Southampton County.
- Charges for services reflect the budgeted reduction in the general fund associated with the transitioning to the separate Solid Waste Fund effective July 1, 2013. Effective August 1st, all revenue collected for solid waste services was reported in the Solid Waste Fund.
- Charges for services also include the administrative transfer from the City's Enterprise Funds to the General Fund; the budget and expenditures for FY 13-14 increased as a result of accurate cost allocation and service charges for the newly established Solid Waste Fund. Other charges for services include ambulance billing charges (which reflect significant gains due to timelier billing of Medicaid claims) and parks & recreation fees which also reflect gains over the prior year period.
- State and Federal Revenue – For state aid, there are no major changes from the prior year period; federal aid in the current year increased as a result of the SAFER grant federal reimbursement.

General Fund Expenditure Summary

General Fund expenditures increased overall by \$422,050 or 9% from the prior year period. This is largely due to budgetary changes made in the current fiscal year and capital outlay expenditures associated with loan proceeds; year to date expenditures at 34% of budget are comparable overall with the prior fiscal year.

Water & Sewer Fund Summary

- The Water & Sewer Fund continues to perform according to budget with nearly 41% or \$1.25 million of \$3.12 million budgeted revenue realized at November 30, 2013.
- Operating expenses show a decrease of about \$117,000 due to the timing of projects completed primarily in the water division.
- After factoring in transfers to the General Fund and debt service, the variance between revenue and expenditures is \$477,681. The fund's cash at \$2.035 million increased by \$310,000 from the cash balance of \$1.72 million at the beginning of the fiscal year.

Solid Waste Fund Summary

- Revenue for the Solid Waste Fund of \$464,769 is recorded for four months beginning with the August 2013 financial report. (Revenue for solid waste services received in July 2013 was for the prior year service period (June 2013) and therefore credited to the City's General Fund).
- Operating expenditures are 34% of budget for operating cost only and 26.1% of the total budget when factoring in capital outlay.
- After factoring in transfers to the General Fund, total expenditures of \$393,000 represent 28% of the Fund's total budget.
- As a result of year to date revenue earned and expenditures made, net income for the month is \$71,693.

Airport Fund Summary

- Fuel sales at November 30, 2013 were \$88,000, 14% higher than sales reported at November 30, 2012.
- Operating expenditures as of November 30, 2013 are less than the prior year period largely due to the reduction in the amount of fuel purchased (no bulk jet fuel has been purchased by the City in the current fiscal year).

Electric Fund Summary

- Revenue in the Electric Fund is at roughly 38% budget and represents five months of billed revenue at \$5.61 million.
- Revenue from other sources of \$115,000 is performing well with 45% of the budget realized as of November 30, 2013.

Cash Balance

- Cash in the Electric Fund at November 30 was \$876,768, a reduction of \$28,000 from the cash balance reported at October 30, 2013. This balance however, is a considerable increase (\$558,000) over the cash balance reported in the Fund at the end of November 2012 (\$359,027).

Councilman McLemore stated that in Fiscal Year 2011 the City's figure was \$893,000, Fiscal Year 2012 \$359,000 and now the City has increased to \$876,000. Councilman McLemore asked what factors contributed to these fluctuations?

Mrs. Rollins answered to some degree these fluctuations are attributed to the timing of utility rate changes.

Manager Martin added the primary cause of these fluctuations resulted from the City absorbing a significant percentage of the rate increases from Dominion for wholesale power for a long period of time which reduced the amount of cash by over a million dollars in a year and a half.

Budget Amendment: Receipt of Foundation Grants #2014 – 15 (Fund 220)

Mrs. Rollins reviewed Budget Amendment #2014 – 15 which reflects the receipt of Foundation Grants (Fund 220). The City has received the following Foundation Grants:

Franklin Fire & Rescue	\$40,000.00
Hunterdale Fire & Rescue	\$ 5,359.00
Franklin Police	\$29,000.00
Total Amount in Grant Funds	\$74,359.00

Councilman Burgess asked the specific purpose of expenditures for the Fire & Rescue Grants.

Mrs. Rollins answered a large portion of the expenditures would be for training purposes.

Vince Holt, Chief of Emergency Services added a portion of the expenditures would be for advanced life support training classes starting in the month of February 2014.

A motion was made by Councilwoman Hilliard authorizing the acceptance of the grants, and approval of amendment to the FY 2013-2014 budget #2014-15 making the appropriation of the funds for expenditure. The motion was seconded by Councilman Burgess and passed with a 6-0 vote (Councilman Blythe absent).

OLD/NEW BUSINESS

Western Tidewater Regional Jail Authority Update – William Smith, Superintendent

Mayor Johnson-Ashburn introduced William Smith, Superintendent of the Western Tidewater Regional Jail.

Mr. Smith gave a Power Point Presentation on the Western Tidewater Regional Jail and the Federal inmate situation.

In 1994 the Western Tidewater Regional Jail (WTRJ) began to return excess revenues to the Member Jurisdictions. This was accomplished by revenues generated by housing Federal inmates from the U. S. Marshals Service. In 1999 an addition was added (180 bed housing unit) funded by Member Jurisdictions and Federal Grant Money (CAP Funds) – no state funding. This addition was to house additional Federal inmates.

Mr. Smith reviewed the following WTRJ Budget highlights:

Budget and Federal Inmates Revenues

- WTRJ is dependent on Federal inmate revenues
- Current Total Budget is approximately \$13.8 million
- Budget is based on \$3.9 million of revenue for holding Federal inmates
- Member jurisdictions pay \$3.8 million
- State funds approximately \$4.9 million
- The facility makes up the remaining amount from various miscellaneous revenue sources:
 - Pay to Stay
 - Electronic Monitoring
 - Work Release

Federal Inmate Numbers are being reduced

- Federal Public Policy changed on not prosecuting certain offenses
- Total overall number of Federal inmates in the region has decreased
- More competition to house Federal inmates
- The average cost to house an inmate is \$73.00 a day

Measures previously taken to reduce Dependence on Federal Inmates

- WTRJ has been taking measures to reduce the dependence on Federal Revenues
- Attempted to get New Member locality to join the Regional Jail
- Attempted to contract with other localities to house their inmates
- Over the last several years, WTRJ have consistently reduced budgeted revenues on Federal inmates
 - 2012 budgeted on 200 Federal inmates \$4,745,000
 - 2013 budgeted on 175 Federal inmates \$4,151,875
 - 2014 budgeted on 165 Federal inmates \$3,914,625

Current Events concerning WTRJ

- U. S. Marshals Federal Inmate Reduction/Movement (August 2013)
 - U. S. Marshals to reduce inmates to 50 Average Daily Population (ADP)
 - Moving inmates to Virginia Beach City Jail (over 100 inmates)
 - Only Virginia Beach and WTRJ would house Federal inmates
 - Inmates were moved from WTRJ (ADP as low as 70)
 - Told the move was purely for economic reasons (cost savings)
 - WTRJ was the number one service provider
 - Norfolk Jail offered a better rate

The City of Suffolk, the City of Franklin and County of Isle of Wight notified Congressman Forbes who assisted with slowing this process down.

- Several meetings were held with representatives of U. S. Marshals.
- Some of the Federal inmates taken from the facility were returned.
- A hold was placed on any movements of Federal inmates in order to allow affected jurisdictions to amend their agreements with the U. S. Marshalls Service
- It was clear that the Marshals Service was looking for a lower price
- WTRJ submitted a new Inter-Governmental Service Agreement (IGA) and in doing so matched the Virginia Beach rate as follows:
 - Price lowered to \$55.00 per inmate day (previously \$65.00)
 - Transportation cost included
 - Guaranteed minimum of 75 Federal inmates (ADP)

WTRJ's Future Outlook

- WTRJ Finance Committee meeting in January 2014
- Budget is based on 75 inmates, ADP at new contract rate
- Shortfall of 2.4 million (worst case)
 - If no increases to current budget figures
 - Before any cost savings measures

Increase to each City and County

- Suffolk – \$1.6 million
- Franklin - \$384,000
- Isle of Wight - \$384,000

Additional Budget Challenges

- Additional Decrease in Federal Inmate Population may occur
- Jail Officer and Support Staffing shortages
- The cost to deliver inmate Medical Care is increasing
- Increasing number of inmates with Mental Health issues
- Long Term Maintenance of an older facility

Conclusions

- WTRJ will continue to reduce dependence on Federal funds
- This will require additional funding from localities and other sources
- WTRJ will continue to pursue all available options for additional funding
- WTRJ will continue to provide quality service to its member localities

Councilman McLemore asked what happened to the funds earned while an inmate was enrolled in a work release program.

Mr. Smith stated the Jail is allowed to recoup up to 20% of the inmates earnings to assist in operation of the Work Release Program. Mr. Smith also added while an inmate was enrolled in a work release program, the funds earned could go towards medical copays, child support, or to cover any damages if occurred and what is left of these funds goes into an account for the inmate's personal use when released.

Mayor Johnson-Ashburn expressed Council's appreciation for the services that the WTRJ provided.

Councilman McLemore asked if there was any feedback from the inmates on the quality of service provided.

Mr. Smith replied the WTRJ is regularly audited by State and federal agencies and an element of the audit included data from the inmates on the quality of service provided. He added that the WTRJ had received excellent audit results and he has an open policy for handling inmate concerns.

Mayor Johnson-Ashburn requested that Mr. Smith e-mail members of Council some additional information on the programs offered by the WTRJ and the cost of housing an inmate. Superintendent Smith agreed to do so.

Councilman Burgess asked what the time frame or term was on the contract.

Mr. Smith replied there is no guaranteed term on the contract, and it cannot be renegotiated for 36 months. Either party can end it with 30 days notice.

Mr. Smith also added the Federal Marshals can stop bringing inmates at any time during the contract at their discretion.

In response to a question from Councilman McLemore about the WTRJ bid and costs to house inmate, Taylor Williams, City Attorney stated that to ask Mr. Smith to publicly disclose proprietary information about the WTRJ is not fair to the Regional Jail. Some of this information should be kept confidential and Council should understand how this could adversely affect the WTRJ and its competitiveness.

FY 2012 -2013 Audit Presentation: Audrey Davis & Associates

Mrs. Rollins introduced Audrey Davis, CPA and owner of Davis & Associates Certified Public Accountants, PLLC to give an overview of the FY 2012-2013 Audit.

Mrs. Davis gave the following highlights:

Audit Findings

- There were no findings or reportable conditions
- There were no findings related to compliance with applicable laws and regulations
- There were no findings related to the SEFA

Net Position

- The assets of the Primary Government exceeded its liabilities at June 30, 2013 by \$30.3 million
 - \$11.5 million (38 percent) unrestricted
- The net position for government activities was \$22.0 million
 - Decrease of \$391,000 from prior year
 - Unrestricted net position of \$9.8 million
- The net position of the City's business-type activities was \$8.4 million
 - Decrease of \$181,000
 - Unrestricted net position of \$1.7 million
- The School Board's net position was \$8.8 million
 - \$9.0 million reported as invested in capital assets
 - Remaining (\$177,000) unrestricted
 - Net position decreased by \$728,000 from previous year

Revenues

- Revenues from governmental activities totaled \$21.4 million
 - General Revenues, specifically Property Taxes and other Local Taxes, are the largest components of revenues (56 percent)
 - Overall increase in revenue from Real Estate and Personal Property Taxes from \$6.5 million in 2012 to \$6.8 million in 2013

Expenses

- Expenses for governmental activities totaled \$23.3 million
 - Decrease of \$118,000 from previous year
 - Public Safety is the largest expense function (same as previous year)

General Fund

- Fund Balance of \$8.7 million
- Actual revenues and other financing sources, including transfers, were less than amended budget revenues by \$1.6 million
- Expenditures, transfers and other uses of funds were \$3.4 million less than the amended budget

Long-Term Debt

- The City's total outstanding general obligation debt was \$20.4 million
 - Includes \$5.3 million of business-type activity debt supported by the enterprise fund
 - Of remaining amount, \$7.4 million is school-related and \$7.7 million is general government debt
 - Total outstanding general obligations grew by \$3.7 million from previous year

Councilman Burgess asked what the actual amount of budget carryover for the schools was at year end.

Mrs. Rollins replied the figure could be located on page 101 of the Comprehensive Annual Financial Report and that the figure is \$345,594.

Manager Martin commended staff on their efforts in successfully managing the City's financial resources during the past fiscal year.

City Manager's Report

Manager Martin announced that the City has now installed new audio equipment and it may take a little time to get the equipment working properly in the Chambers.

Manager Martin reminded Council and Department Heads to complete their State Financial Disclosure Statements as soon as possible.

Manager Martin announced the plans for a FSEDI & Chamber of Commerce sponsored upcoming "State of the Community" event that will probably take place Mid-March 2014. He stated the City and County will participate.

COUNCIL/STAFF REPORTS ON BOARDS AND COMMISSIONS

Councilman Burgess announced the passing of Jesse Drewry; a long time member of the Hunterdale Volunteer Fire Department.

Councilwoman Murphy informed Council and Staff that Mrs. Effie King sent a Thank you note for the Proclamation she received honoring her volunteer services.

Councilwoman Murphy informed Council and Staff about A Centennial Gala: Celebrating 100 years: Scholarship, Sisterhood & Service; an event sponsored by Delta Sigma Theta Sorority Franklin Chapter at which Mayor Raystine Johnson-Ashburn was honored recently.

CLOSED SESSION

A motion was made by Vice-Mayor Cheatham that the Franklin City Council meet in Closed Session to consult with the City Attorney regarding legal matters requiring the provision of legal service as permitted by Virginia Code Section 2.2-3711 (A) (7). The motion was seconded by Councilman Burgess and passed with a 6-0 vote (Councilman Blythe absent).

The Franklin City Council met in Closed Session at 8:30 p.m.

Mayor Johnson-Ashburn reconvened the open session. Vice-Mayor Cheatham made a motion upon returning to open session that the only matters discussed during the closed session were those lawfully exempted from open meeting requirements and identified in the motion by which the closed session was convened. The motion was seconded by Councilman Burgess and approved by a 6-0 vote (Councilman Blythe absent).

ADJOURNMENT

Vice-Mayor Cheatham made a motion to adjourn. The motion was seconded by Councilman Burgess and approved by a 6-0 vote (Councilman Blythe absent). The Mayor declared the meeting adjourned at 8:44 p.m.

FINANCE

A. Budget Amendments:

- **Police Department Budget Amendment #2016-16**
- **Franklin Public School Budget Amendment #2014-17**
- **Solid Waste Fund Budget Transfer \$2014-18**

B. Rescue Squad Assistance Grant Acceptance

C. Resolution Authorizing a USDA Police Equipment Grant Application

D. Mid-Year Financial Report – December, 2013



January 21, 2014

TO: Randy Martin
City Manager

FROM: Melissa D. Rollins *Melissa D. Rollins*
Director of Finance

RE: **Budget Amendments & Transfer- FY 2013-2014**

Budget Amendment #2014-16

The Franklin City Police Department was awarded a \$35,000 grant from Franklin Southampton Charities for Information Technology improvements in the Police Department and E-911 Communications Center.

Required Council Action:

Authorize acceptance of the \$35,000 grant, amendment to the FY 2013-2014 Budget (Foundation Grants) and appropriate the funds for expenditure in current fiscal year.

Budget Amendment #2014-17

Attached is a request from the Franklin Public School System to amend the FY 2013-2014 Budget to reflect the award of (1) grant funds in the amount of \$3,140 from the Franklin City Educational Foundation. The funds were awarded in support of band and music (\$2,500) and for kitchen supplies (\$640) and (2) a State grant in the amount of \$1,000 for the Career Switcher New Teacher Mentor Program.

Required Council Action:

Amend the FY2013-2014 City Budget (School Fund) to reflect the award of local and State grants in the amount of \$4,140 and appropriate the funds for expenditure in the current fiscal year.

Budget Amendment #2014-18

Franklin Department of Public Works (Solid Waste Fund) is requesting a budget transfer in the amount \$40,000 from "garbage containers" to cover the cost of "repairs and maintenance" to Solid Waste vehicles and equipment. Expenditures for the first half of the fiscal year have exceeded the budget (\$40,000) due to numerous and ongoing repairs. Russ Pace, Director of Public Works will be present to answer any additional questions regarding the transfer.

Required Council Action:

Authorize the transfer of \$40,000 from the garbage container line item to repairs and maintenance to cover the cost of equipment and vehicle repairs in the Solid Waste Fund.

BUDGET AMENDMENT 2014-16

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA that the 2013-2014 City Budget is hereby amended to recognize additional revenues and to appropriate such revenue for new uses.

<u>REVENUE</u>	<u>FOUNDATION GRANT FUND</u>			
		2013-2014 Budget	Amended Budget	Increase (Decrease)
220 18990 3001	Franklin/Southampton Charities	\$ -	\$ 35,000.00	\$ 35,000.00
TOTAL REVENUE		\$ -	\$ 35,000.00	\$ 35,000.00
<u>EXPENSES</u>	<u>FOUNDATION GRANT FUND</u>			
220 31100 9004	IT Upgrades & Improvements	\$ -	\$ 35,000.00	\$ 35,000.00
TOTAL EXPENSES		\$ -	\$ 35,000.00	\$ 35,000.00

To amend the FY 2013-14 Budget (Foundation Fund) to reflect a donation received from Franklin Southampton Charities in the amount of \$35,000 and appropriate the funds for expenditure.

*Certified copy of resolution adopted by
Franklin City Council*

Clerk to the City Council

BUDGET AMENDMENT 2014-17

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA that the 2013-2014 School Fund is hereby amended to recognize grant funds and to appropriate the funds for expenditure.

250 EDUCATION FUND

	2013-2014 Budget	Amended Budget	Increase (Decrease)
18990-1800 Donations	\$ 57,971	\$ 61,111	\$ 3,140
24000-0232 Career Mentor Teacher	\$ -	\$ 1,000	\$ 1,000
TOTAL REVENUE			\$ 4,140

EDUCATION FUND

50000-0001 Instruction	\$ 10,651,688	\$ 10,655,828	\$ 4,140
TOTAL EXPENSES			\$ 4,140

**To amend the FY 2013-2014 Budget to reflect the award of local and state grants totaling \$4,140 and appropriate the funds for expenditure.*

*Certified copy of resolution adopted by
Franklin City Council*

Clerk to the City Council

BUDGET AMENDMENT 2014-18

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA that the 2013-2014 City Budget is hereby amended to transfer expenses exceeding \$10,000:

2013-2014 Budget	Amended Budget	Increase (Decrease)
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EXPENSES

502	42300	3310 Repairs & Maintenance	\$ 40,000.00	\$ 80,000.00	\$ 40,000.00
502	42300	8125 Garbage Containers	\$ 60,000.00	\$ 20,000.00	\$ (40,000.00)

TOTAL \$ -

To transfer funds from Garbage Containers to Repairs and Maintenance to cover the cost of repairs and maintenance to Solid Waste vehicles and equipment.

*Certified copy of resolution adopted by
Franklin City Council*

Clerk to the City Council

Franklin Southampton Charities

Post Office Box 276 • 403½ North Main Street • Franklin, Virginia 23851
Phone: 757/569-1611 • Fax: 757/569-1615 • email: fsc@beldar.com

December 17, 2013

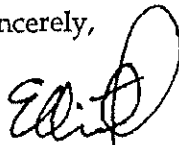
Mr. Bruce Edwards
Franklin Police Department
1018 Pretlow Street
Franklin, VA 23851

Dear Bruce:

I am pleased to enclose a grant check in the amount of \$35,000, to be used as described in your fall grant application. The Board of Directors of Franklin Southampton Charities is happy to be able to support this worthy program.

Enclosed is a copy of our grant guidelines. Included in it is detailed information on our reporting requirements. Please remember that we ask for a brief interim report on your use of these funds six months after the grant date, and a more detailed final report to be submitted by the anniversary of the grant. If you have any questions, please do not hesitate to contact our office.

Sincerely,



G. Elliott Cobb, Jr.
Chair, Grants Committee

Enclosures

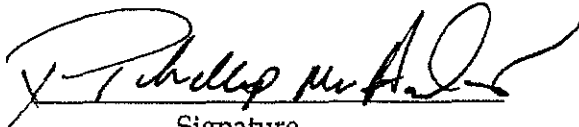
Franklin Southampton Charities

Post Office Box 276 • 403½ North Main Street • Franklin, Virginia 23851
Phone: 757/569-1611 • Fax: 757/569-1615 • email: fsc@beldar.com

GRANT AGREEMENT

On behalf of the Franklin, City of Franklin Police Department, I verify that I am authorized to act for this organization, that the organization has received notice that its grant application to Franklin Southampton Charities has been approved in the amount of \$35,000, and that no goods or services were provided to Franklin Southampton Charities in exchange for this grant. I further verify that by accepting the grant, the organization agrees to the following:

1. The funds will be used solely for the purposes and in the manner described in this organization's grant application submitted to Franklin Southampton Charities in the *Fall 2013* grants cycle, and in our letter of notification dated November 19, 2013.
2. The organization will comply with Franklin Southampton Charities' reporting requirements as outlined in the grant guidelines. A copy of the guidelines will be included with your grant check in December.
3. Any funds not expended as described in the grant application will be returned to Franklin Southampton Charities unless this organization requests and receives permission from Franklin Southampton Charities to use them otherwise.


Signature

25 NOV 2013
Date

R. Randy Martin
Print name

CITY MANAGER
Print title



FRANKLIN CITY PUBLIC SCHOOLS

207 West Second Avenue
Franklin, Virginia 23851-1713
(757) 569-8111 • Fax (757) 569-8078

TO: Mr. Randy Martin, City Manager
FROM: Dr. Michelle Belle, Superintendent
RE: FY 2014 Authorization to Request Appropriation
DATE: December 20, 2013

At the Franklin City Public Schools Board meeting on December 19, 2013, the following authorization requests for appropriations were approved:

- Career Switcher New Teacher Mentor Program - \$1,000.00
- Franklin City Educational Foundation - \$3,140.00

In order to correctly account for these funds, the FY2013-2014 school budget must be increased by \$4,140.00. The amendments should be to the following revenue and expenditures:

Revenues

- Fund 250-18990-1800 \$ 3,140.00
- Fund 250-24000-0202 \$ 1,000.00

Expenditures

- Fund 250-60000-0001 \$ 4,140.00

Please add the appropriation increase request to the next City Council meeting agenda. As always, my staff and I are available to you if you have any questions.

Cc: Melissa Rollins, Finance Director
Rachel Yates, Coordinator of Finance - FCPS



FRANKLIN CITY PUBLIC SCHOOLS

207 West Second Avenue
Franklin, Virginia 23851-1713
(757) 569-8111 • Fax (757) 569-8078

TO: Dr. Michelle Belle, Superintendent

FROM: Rachel Yates, Coordinator of Finance *rely*

RE: FY 2014 Authorization to Request Appropriation

DATE: December 19, 2013

Franklin City Public Schools received the attached notification of grant award for the Career Switcher New Teacher Mentor Program in the amount of \$1,000. In order to correctly account for these funds, the FY2013-2014 school budget must be increased by \$1,000.

Please add to the School Board meeting agenda for authorization to request appropriation. Following board approval we will request authorization for expenditure from City Council.

cc: School Board Clerk



"COPY"
Rachel

COMMONWEALTH of VIRGINIA

DEPARTMENT OF EDUCATION

P.O. BOX 2120

RICHMOND, VA 23218-2120

December 4, 2013

Dr. Michelle Belle
Division Superintendent
Franklin City Public Schools
207 W. Second Avenue
Franklin, Virginia 23851-2100

Dear Dr. Belle:

Enclosed is the Notification of Grant Award for the Career Switcher New Teacher Mentor Program for a grant award in the amount of \$1,000. For the 2013-2014 fall data collection, Franklin City Public Schools submitted the name of one new teacher enrolled in the Career Switcher Program (see enclosures); your division was awarded a \$1,000 grant (\$1,000 per teacher) to support the mentoring program for this new teacher. The payment is taxable to the recipient, and the school division assumes responsibility for ensuring all taxes are remitted.

Thank you for your continued support of the Career Switcher Program. Should you need further information or have questions or concerns regarding the Career Switcher New Teacher Mentor Program grant award, please contact Dr. Mark Allan, director of licensure and school leadership, at (804) 371-2471 or Mark.Allan@doe.virginia.gov.

Sincerely,

A handwritten signature in cursive script that reads "Patty S. Pitts".

Patty S. Pitts, Assistant Superintendent
Division of Teacher Education and Licensure

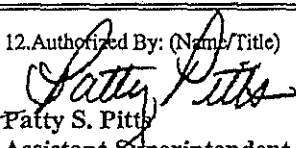
PSP/ej

Enclosures

August 2012

COMMONWEALTH OF VIRGINIA
 DEPARTMENT OF EDUCATION
 P.O. BOX 2120
 RICHMOND, VIRGINIA 23218-2120

NOTIFICATION OF GRANT AWARD

1. Name, Address, Phone Number of Grant Recipient: Franklin City Public Schools Attention: Director of Finance 207 W. Second Avenue Franklin, VA 23851-2100 757-569-8111 Payee Number: 135		2. Grant Title/Description: Career Switcher New Teacher Mentor Program (See the attached list of first-year teachers who hold a Provisional Career Switcher License in your school division.)		3. DOE Contact Person, office, and Phone Number: Eleanor Joyce Career Switcher Liaison Division of Teacher Education and Licensure Phone: 804-692-0172 Fax: 804-530-4510 E-mail: Eleanor.Joyce@doe.virginia.gov	
4. Grant Authority: Item 139., Chapter 806, 2013 Acts of Assembly		5. Grant Award Amount: \$1,000		6. Grant Award Number: 61480-135	
7. Grant Award Type: New <input checked="" type="checkbox"/> Revised <input type="checkbox"/>		8. Period of Award: July 1, 2013 - June 30, 2014		9. Fund Source: General <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Special <input type="checkbox"/>	
10. Special Instructions/Conditions Funds were appropriated by the General Assembly to provide grants to school divisions that employ mentor teachers for new teachers entering the profession through the alternative career switcher route to licensure as prescribed by the Board of Education. <ul style="list-style-type: none"> • Each local school division will receive \$1,000 per Career Switcher reported in the annual data collection (see attachment) to use for mentoring. • The payment is taxable to the recipient, and the school division assumes responsibility for ensuring all taxes are remitted. • All copyright and patent rights to all papers, reports, forms, materials, creations or inventions created or developed in the performance of this grant/subgrant award ("the Intellectual Property") shall become the sole property of the Virginia Department of Education. See attached "Additional DOE Special Terms and Conditions" for complete details. 					
11. Authorized By: (Name/Title) Kent Dickey Deputy Superintendent for Finance and Operations		12. Authorized By: (Name/Title)  Patty S. Pitts Assistant Superintendent for Teacher Education and Licensure		13. Date: November 18, 2013	
14. Project Code: 63480	15. Revenue Source Code or CFDA #: 240467	16. Program/Service Area: 1780200	17. Fiscal Year: FY 2014	18. Recipient Type: <input checked="" type="checkbox"/> Subrecipient <input type="checkbox"/> Cooperative Agreement	

Budget Review: *WVS*
AB

Additional Required Special Terms and Conditions for Department of Education Grant Awards (Ownership of Intellectual Property, Revised 2/22/13)

1. **OWNERSHIP OF INTELLECTUAL PROPERTY:** All copyright and patent rights to all deliverables provided to the Virginia Department of Education in the performance of this contract ("the Intellectual Property") shall become the sole property of the Virginia Department of Education. The grantee hereby assigns to the Commonwealth exclusively all right, title, and interest in and to all rights in the Intellectual Property that the grantee may have or obtain, without further consideration, free from any claim, lien for balance due, or rights of retention thereto on the part of the grantee. Upon request, the grantee shall promptly provide any further acknowledgment or assignment in a tangible form satisfactory to the Virginia Department of Education to evidence the Virginia Department of Education's sole ownership of the Intellectual Property.
2. **SUBCONTRACTS/SUBAWARDS:** No portion of the work shall be subcontracted or subawarded without prior written consent of the Virginia Department of Education. In the event that the grantee subcontracts /subawards any part of the work specified herein, the grantee shall include Term & Condition #1 in the contract(s)/subaward(s) with the subcontractor(s)/subgrantee(s), shall remain fully liable and responsible for the work to be done by its subcontractor(s)/subgrantee(s), and shall assure compliance with all requirements of the grant.
3. **GRANTEE RIGHTS TO USE MATERIALS:** The grantee is hereby granted a royalty-free, non-exclusive and irrevocable license in perpetuity to reproduce, publish or otherwise use the Intellectual Property for noncommercial purposes. Such rights shall include, but are not limited to the right to claim credit as the original author of the Intellectual Property, the right to use and authorize others to use the Intellectual Property in research and for preparation of teaching materials for noncommercial use, and the right to transfer to publishers the copyrights in scholarly publications and textbooks that include an insubstantial portion of the Intellectual Property. The Grantee may seek further rights to use the Intellectual Property by submitting a written request for authorization to the Superintendent of Public Instruction, which authorization shall not reasonably be withheld.



FRANKLIN CITY PUBLIC SCHOOLS

207 West Second Avenue
Franklin, Virginia 23851-1713
(757) 569-8111 • Fax (757) 569-8078

TO: Dr. Michelle Belle, Superintendent

FROM: Rachel Yates, Coordinator of Finance *RY*

RE: FY 2014 Authorization to Request Appropriation

DATE: December 19, 2013

Franklin City Public Schools received the attached notification of grant award from the Franklin City Educational Foundation in the amount of \$3,140. In order to correctly account for these funds, the FY2013-2014 school budget must be increased by \$3,140.

Please add to the School Board meeting agenda for authorization to request appropriation. Following board approval we will request authorization for expenditure from City Council.

cc: School Board Clerk

Franklin City Educational Foundation, Inc.

NOV 21 2013

P. O. Box 96
Franklin, VA 23851

James D. Jervey, Jr., President
Brenton D. Burgess, Treasurer
Jennifer C. Stephenson, Secretary

Dr. Marice Minor
Coordinator of Testing
207 West Second Avenue
Franklin, Va. 23851

November 20, 2013

Dear Dr. Minor:

At a meeting of the Franklin City Educational Foundation held Monday, November 18, 2013, the Board of Directors approved grants for the Franklin City Public Schools. We were pleased to be able to fund the two grant requests that were submitted to the Foundation. The grants totaled \$3,140.00. The Board was impressed with the quality and creativity of the grants.

Specifically we awarded the following:

Lillian Garcia, SPM & FHS Band Dir, Purchase of Instruments & Music	\$2,500.00
Orline Turner, FHS Special Ed Teacher, Purchase of Kitchen Wares & Food	\$ 640.00

I will prepare a letter for the two grantees, detailing the award and letting them know the money has been forwarded to the Central Office. The Foundation Board is requesting to be added to the agenda for the next School Board meeting to make formal presentations to the teachers. If you would, please ask the Superintendent to add us to the next School Board meeting's agenda. Also please ask each teacher to attend the School Board meeting for a formal presentation of the grant award. If you will let me know the date and time of the meeting, I will make sure that we have a representative in attendance to make the award.

I appreciate your help in getting these grant requests to us and I look forward to having additional ones come to us over time. We do not have a tremendous amount of money but we are willing to continue to find resources to help our schools. Please continue to forward to us any additional grants that come to your attention.

Sincerely,



Brenton D. Burgess
Treasurer



Public Works Department

Date: December 10, 2013

To: Randy Martin, City Manager

From: Russell L. Pace, FPW Director

Rp

Re: Solid Waste Fund Budget Transfer

As we discussed, the Solid Waste Fund budget line 502-42300-3310 (Repairs & Maintenance – Vehicles) to date has been over expended by approximately \$5,600 dollars. We also have a refuse truck being repaired at this time which is estimated to cost another \$5,000.00 dollars. This will total an approximate deficit of \$10,600.00 dollars by the end of December. With six months left in the fiscal year, I am requesting a budget transfer of \$40,000.00 dollars within the Solid Waste Fund. The transfer would come from budget line 502-42300-8125 (Garbage Containers). I feel we can manage the remaining portion of this fiscal year with the containers we have and by ordering containers with the remaining funds in the account.

I have attached a budget transfer request for Finance to include in the next council agenda.



Franklin Fire and Rescue

100 South Main Street • Post Office Box 179 • Franklin, Virginia 23851
(757) 562-8581 • Fax (757) 562-6340 • Email vholt@franklinva.com

Vince Holt
Director of Emergency Services

DATE: January 22, 2014

TO: Mr. Randy Martin

FROM: Chief Vince Holt

REF: RSAF Grant

I would like to share that we were successful in receiving a Rescue Squad Assistance Fund grant from the Virginia Office of Emergency Medical Services. This grant will be utilized to replace our Medic 4 ambulance which is 14 years old. The grant requires a 20% match which will be covered through capital improvement funds which we receive from Southampton County.

I have attached the award information regarding this grant which will allow us to replace an ambulance that has exceeded its life expectancy.

If you have any questions, please contact me.





COMMONWEALTH of VIRGINIA
Department of Health

Office of Emergency Medical Services
1041 Technology Park Drive
Glen Allen, VA 23059-4500

January 1, 2014

1-800-523-6019 (VA only)
804-888-9100 (Main Office)
804-888-9120 (Training Office)
FAX: 804-371-3108

Cynthia C. Romero, MD, FFAFP
State Health Commissioner

Gary R. Brown
Director

P. Scott Winston
Assistant Director

Robert Randy Martin
Franklin Fire & Rescue
PO Box 179
Franklin, VA 23851

Dear Grant Administrator:

The Office of Emergency Medical Services (OEMS) is pleased to announce that your agency has been awarded funding from the Financial Assistance for Emergency Medical Services Grant Program, known as the Rescue Squad Assistance Fund (RSAF). The attached Award Page itemizes the actual dollar value, quantity, funding level and item(s) your agency has been awarded under this program. The following documents have been included in your grant award package:

- **Memorandum of Agreement:** All three (3) pages of this document must be signed and returned by **March 1, 2014**. Original or faxed copies will be accepted.
- **Instructions for Grant Reimbursement:** All items must be submitted in order to process your reimbursement.
- **Equipment Status/Final Report Form:** This form must be submitted sixty (60) days after the grant cycle deadline.

If your agency has had special conditions placed on your grant award, any and all conditions must be met in order to receive reimbursement. All vehicles that are awarded under the RSAF Grant Program must be available for service 24 hours a day – 7 days a week. **Any agency that is not fully compliant with EMS data submission through OEMS will not be reimbursed for their grant award until compliance has been fully met.**

Items awarded may be available by state contract, www.eva.virginia.gov, OEMS recommends your agency purchase under state contract if applicable. For radio equipment purchases, OEMS recommends you check the Virginia Technologies Information Agency (VITA) contract for pricing at the following website <http://www.vita.virginia.gov/services/default.aspx?id=3361>.

Any funding your agency receives through Return to Localities funding cannot be used as the matching share of Rescue Squad Assistance Fund grants or any grants offered using **Four-For-Life** funds. *“Any funds received from Section 46.2-694 by a non-state agency cannot be used to match any other funds derived from Section 46.2-694 by that same non-state agency.”*

If you have any questions, please contact Amanda Davis, OEMS Grant Program Manager at (804) 888-9106, Amanda.Davis@vdh.virginia.gov or Linwood P. Pulling, Grant Specialist at (804) 888-9105, Linwood.Pulling@vdh.virginia.gov or 1-800-523-6019 for additional grant information.

Congratulations,

Gary R. Brown
Director

Enclosures

Office of Emergency Medical Services
Consolidated Grant Program

AWARD PAGE

January 1, 2014 - December 31, 2014 Grant Period

Agency Name: FRANKLIN FIRE & RESCUE

Grant Number: TI-C02/12-13

<u>Item Type (Item)</u>	<u>Status</u>	<u>Quantity Funded</u>	<u>Funding % Level</u>	<u>Amount Funded</u>
Vehicle - Type I Ambulance (Replacement of Medic 4)	FUNDED	1	80	\$135,912.00

Conditions: 1-Vehicle must be available for service 24 hours a day, 7 days a week.

13-Acknowledgment must be provided on any printed material, equipment or vehicle as follows: Funding was made possible by a grant from the Virginia Office of Emergency Medical Services, Virginia Department of Health.

32-Agency must complete all vehicle information in the manage vehicles section of the VPHIB system, including all data elements within the vehicle information, station, purchase information, and vehicle status sections. If this vehicle is replacing another vehicle, the vehicle being replaced must be marked as inactive in the VPHIB system.

\$135,912.00

USDA Grant Authorization



RESOLUTION #2014 -01
RESOLUTION OF THE GOVERNING BODY OF
City of Franklin

The City Council governing the City of Franklin consisting of 7 members, in a duly called meeting held on the 27th day of January, 2014 at which a quorum was present, RESOLVED as follows:

BE IT HEREBY RESOLVED that, in order to facilitate obtaining financial assistance from the United States of America (USDA), acting by and through the Rural Utilities Service, an agency of the United States Department of Agriculture, (the Government), to purchase police vehicles and equipment, the City Council does hereby adopt and abide by the covenants contained in the following agreements:

1. Form RD-400-4, "Assurance Agreement "
2. Form RD -400-1, "Equal Opportunity Agreement"
3. Form RD-1940-1, "Request for Obligation of Funds"
4. Form RD-442-7, "Operating Budget"
5. Form 1910-11, Applicant Certification
6. Form AD-1047, "Certification Regarding the Debarment, Suspension and Other Responsibility Matters – Primary Covered Transactions"
7. Form AD-1049, "Certification Regarding Drug-Free Workplace"
8. Form RD 3570-3, "Agreement for Administrative Requirements for Community Facility Grants"
9. FMHA 1940-Q, "Exhibit A-1, Certification Regarding Lobbying"
10. Form RD 3570-3, Grant Agreement

BE IT FURTHER RESOLVED that the City Manager be authorized to execute, on behalf of the City of Franklin the above agreements and to execute such other documents including, but not limited to, debt instruments and security instruments as may be required in obtaining said financial assistance.

This Resolution, along with a copy of the above-named documents, is hereby entered into the permanent minutes of the meetings of this Council.

On motion made by _____ and seconded by _____, the USDA Resolution Authorizing the Purchase of two police cars was approved by Council. The vote on this motion was as follows:

_____,
_____, and _____.

Raystine Johnson-Ashburn, Mayor

ATTEST: _____
R. Randy Martin, Clerk



**Monthly Financial Report Summary (Unaudited)
for the Period Ending December, 2013**

General Fund Revenue Assumptions

Accruals: Local Sales & Use Taxes, Meals Taxes, Lodging Taxes and Ambulance Service Charges. The Financial Report has been modified to adjust for these revenue sources on an accrual basis.

General Fund Revenue Summary

The General Fund is the City's primary operating fund and is used to account for all resources except those that are required to be accounted for in another fund. With six months of the fiscal year complete, General Fund Revenues continue to track slightly higher than revenue from the prior year period. Overall, General Fund revenue of \$10.16 million at the end of month is 53.3% of budget compared to \$9.86 million or 51.4% of budget at December 2012. An overview of the various local, state and federal sources is as follows:

Property Tax Revenue

- Property tax revenue in Fiscal Year 2013-2014 reflects a favorable increase in general property tax collections over the prior year period. Current real estate taxes were relatively close to the prior year while delinquent real estate, current personal property taxes and penalties & interest on taxes gained from the prior year period. Collectively, the taxes as shown below reflect a 3.0% gain from the prior year period.

REVENUE SOURCE	ACTUAL	ACTUAL	Prior Year Change	
	12/31/2013	12/31/2012	Dollar	%
Real Estate Taxes-Current	\$ 2,436,524	\$ 2,445,596	\$ (9,072)	0%
Real Estate Taxes-Delinquent	224,081	\$ 150,914	\$ 73,167	48%
Personal Property Taxes-Current	1,146,999	\$ 1,112,483	\$ 34,516	3%
Personal Property Taxes-Delinquent	25,579	\$ 34,643	\$ (9,064)	-26%
Penalties & Interest Taxes	71,640	\$ 61,341	\$ 10,299	17%
GENERAL PROPERTY TAX	\$ 3,904,823	\$ 3,804,977	\$ 99,846	3%

Local Taxes

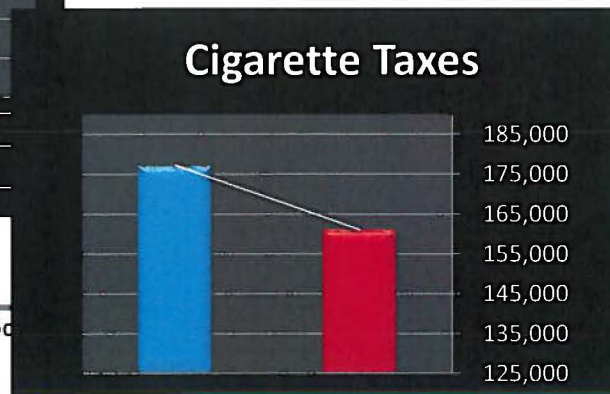
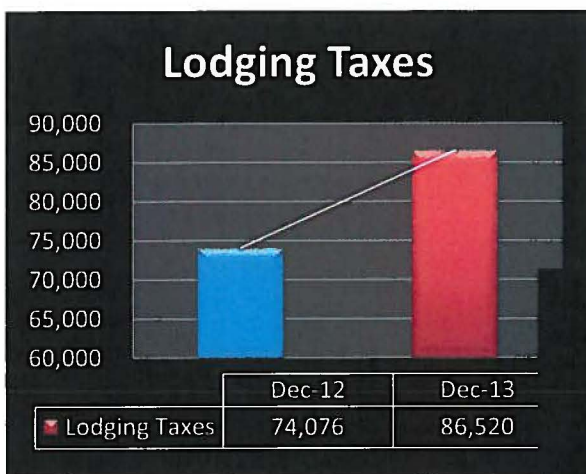
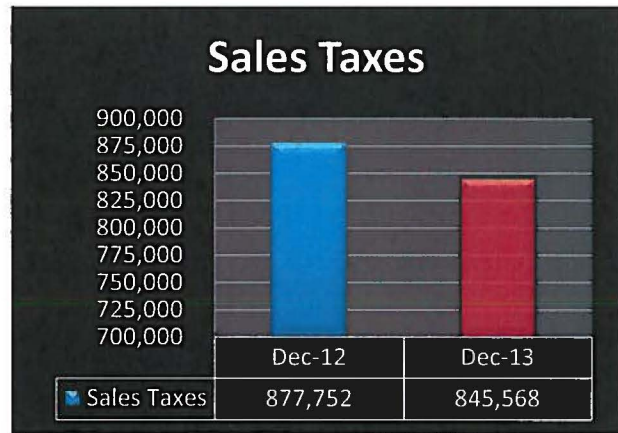
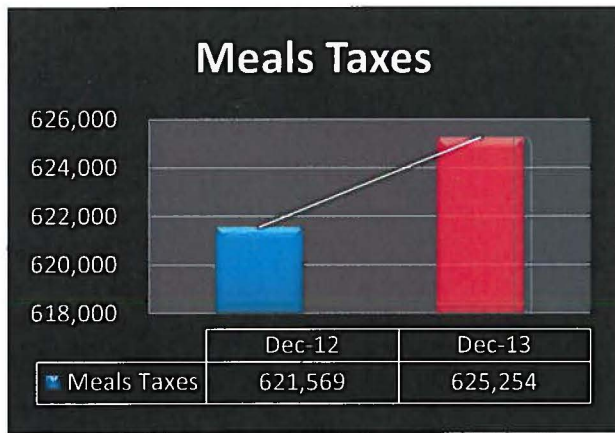
- Taxes indicative of the City's local economy are tracking slightly less overall than the prior year period. Estimated meals and lodging taxes yield positive gains of ½ % and 16.8%; revenue from cigarette and projected sales taxes reflect less favorable trends decreasing from the prior year period by 9.1% and 3.6% respectively as shown in table 1 and the accompanying charts.

However, all sources are on target with budgeted projections. The decline from the prior year in sales taxes is mostly attributed to sales associated with the month of July as July 2012 sales tax revenue remitted to the City was higher than tax revenue remitted for July 2013 sales. The decline in cigarette tax revenue is due to the tax increase assessed last July on current inventory (due to the rate change) in addition to less stamps purchased by businesses in the first part of the current year.

Table 1.

Dec-2012

Dec-2013





Other Local Revenue

- Revenue from permits, fees and fines reflect an increase in the current accounting period from \$67,696 in December 2012 to over \$90,000 in December 2013 due to the consolidation of planning and inspection services with Southampton County. Fees collected year to date have reached 60% of budget.
- Charges for services reflect the budgeted reduction in the general fund associated with the transitioning to the separate Solid Waste Fund effective July 1, 2013. One month of revenue for June 2013 billed services (collected in July) is reflected in the General Fund. Effective August 1st, all revenue collected for solid waste services was reported in the Solid Waste Fund.
- Charges for services also include the administrative transfer from the City's Enterprise Funds to the General Fund; the budget and expenditures for FY13-14 increased as a result of accurate cost allocation and service charges for the newly established Solid Waste Fund. Other charges for services include ambulance billing charges (which reflect significant gains due to timely billing of Medicaid claims) and parks & recreation fees which also reflect gains over the prior year period. Collectively, receipts for charges for services are 56% of budget at December 31st.
- State and Federal Revenue – For state aid, there are no major changes from the prior year period; federal aid in the current year increased as a result of the SAFER grant federal reimbursement

General Fund Expenditure Summary

General Fund expenditures increased overall by \$1.3 million or 22% from the prior year period. This is largely due to budgetary changes made in the current fiscal year and capital outlay expenditures associated with loan proceeds; year to date expenditures at 46% of budget are slightly higher when compared overall to the prior fiscal year. This is largely due to the expenditure of capital outlay in the current year. Primary decreases and increases in the current fiscal year versus expenditures from the prior year period are as follows:

<u>Category of Expenditure</u>	<u>12/31/2013</u>	<u>12/30/2012</u>	<u>Variance</u>	<u>Primary Reason for Decrease/Increase</u>
Legislative, General & Financial	950,570	896,771	53,799	Information Technology operating expenses
Law Enforcement	1,801,140	1,616,857	184,283	Capital Outlay- Vehicles and Increased Personnel Cost
Refuse Collection & Disposal	212,709	462,112	(249,403)	Transistion to Solid Waste Fund;FY14 for capital outlay
Planning & Beautification	67,601	28,786	38,815	Planning Department - Stormwater Management
Streets	1,363,760	602,422	761,338	Street Paving & Other Capital Expenditures in FY14
Buildings and Grounds	708,031	443,757	264,274	Capital Outlay - Roof Replacements
Fire and Rescue	1,012,642	749,420	263,222	Personnel Cost - Grant funded personnel
	6,116,453	4,800,125	1,316,328	

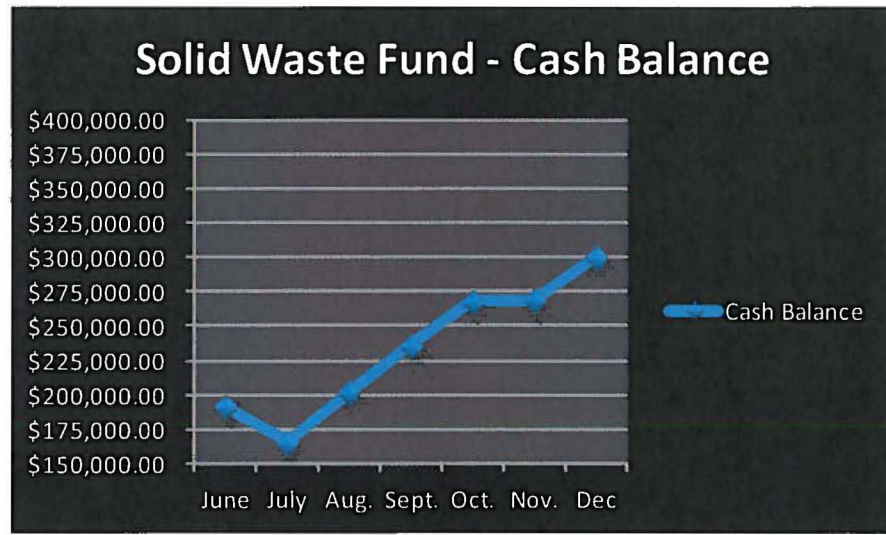
Water & Sewer Fund Summary

- The Water & Sewer Fund continues to perform according to budget with 48% or \$1.50 million of \$3.12 million of budgeted revenue realized at December 31, 2013.
- Operating expenses show a decrease of about \$200,000 due to the timing of projects completed primarily in the water division (i.e. waterline rehabilitation).
- After factoring in transfers to the General Fund and debt service, the variance between revenue and expenditures is \$584,000.

Solid Waste Fund Summary

- Revenue for the Solid Waste Fund of \$576,734 is recorded for four months beginning with the August 2013 financial report. (Revenue for solid waste services received in July 2013 was for the prior year service period (June 2013) and therefore credited to the City's General Fund). Consequently, revenue will track behind budget until the end of the fiscal year.
- Operating expenditures are 39% of budget for operating cost and 31.7% of the total budget when factoring in capital outlay.
- After factoring in transfers to the General Fund, total expenditures of \$474,000 represent 34% of the Fund's total budget;
- As a result of year to date revenue earned and expenditures made, net income for the month is \$103,000; Cash in the Solid Waste Fund at the end of December increased over \$31,000 from the prior month.

<u>Month</u>	<u>Cash Balance</u>	<u>Variance</u>
30-Jun	\$191,478.00	
30-Jul	\$166,060.35	(\$25,417.65)
30-Aug	\$201,680.10	\$35,619.75
30-Sep	\$235,700.15	\$34,020.05
31-Oct	\$267,523.00	\$31,822.85
30-Nov	\$268,902.00	\$1,379.00
30-Dec	\$300,148.00	\$31,246.00
Net Change Since July 1, 2013		\$77,424.00



Airport Fund Summary

- Fuel sales at Dec 31 were \$68,000, comparable to sales reported at December 31, 2012. While revenue collected for fuel sales is only 38% of budget, about 44% of the budget for fuel sales has been expended.
- Other local revenue consists primarily of airport rental fees and is consistent with prior period revenue and on target with budget.
- While federal grant revenue is currently less than \$7,000, the City does expect a federal/state reimbursement for land acquisition costs.



- Operating expenditures as of December 31 are higher than the prior year period largely due to the capital outlay expenditure for land acquisition projects.

Electric Fund Summary

Due to the timing needed to submit the Financial Report for agenda preparation, the analysis of the Electric Fund could not be completed; a complete analysis will be prepared and submitted to Council prior to the scheduled meeting.

GENERAL FUND CONT'D						
	2013-2014	ACTUAL	BUDGET	2012-2013	ACTUAL	BUDGET
EXPENDITURES:	BUDGET	12/31/2013	%	BUDGET	12/31/2012	%
Payments to Southampton Co.	\$ 650,000	\$ -	0.00%	\$ 650,000	\$ -	0.00%
Non-Departmental Miscellaneous	40,000	18,004	45.01%	10,322	15,114	146.43%
Non-Departmental Debt Reserve	-	-	0.00%	242,151	-	0.00%
Total Operating Expense	\$ 16,182,657	\$ 7,257,783	44.85%	\$ 15,208,784	\$ 5,948,172	39.11%
Net Operating Income	\$ 2,855,192	\$ 2,906,497	101.80%	\$ 3,973,107	\$ 3,913,518	98.50%
TRANSFERS - IN:						
Transfer from Unappr Surplus	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Transfer from Electric Fund	1,409,891	704,946	50.00%	1,409,891	704,946	50.00%
Use of Prior Year Fund Balance	1,201,049	-	0.00%	469,858	-	0.00%
Use of Fund Bal Reserve for Debt	689,386	-	0.00%	876,222	-	0.00%
Transfer W/S Debt Reserve	-	-	0.00%	157,915	78,958	50.00%
Use of Restricted Fund Balance	1,006,675	-	0.00%	132,213	-	0.00%
Transfer Electric Debt Reserve	-	-	0.00%	80,175	40,088	50.00%
Total Transfers In	\$ 4,307,001	\$ 704,946	16.37%	\$ 3,126,274	\$ 823,992	26.36%
To General Debt	\$ 498,604	\$ 222,806	44.69%	\$ 543,689	\$ 196,940	36.22%
To School Debt	424,162	-	0.00%	727,579	-	0.00%
To Water Fund	-	-	0.00%	-	-	0.00%
To Electric Fund	-	-	0.00%	-	-	0.00%
To Airport Fund	95,231	-	0.00%	86,897	86,897	100.00%
To Education Fund	4,847,395	2,427,897	50.09%	4,980,153	2,490,077	50.00%
To Education Fund-Carryover	643,174	-	0.00%	-	-	-
To Social Services Fund	397,338	-	0.00%	454,057	168,011	37.00%
To Comprehensive Services Act	92,750	-	0.00%	151,584	38,727	25.55%
To Economic Dev Incubator	78,539	-	0.00%	63,038	63,038	100.00%
To Economic Dev Joint Fund	125,000	-	0.00%	100,000	\$ 100,000	100.00%
Total Transfers Out	\$ 7,202,193	\$ 2,650,703	36.80%	\$ 7,106,997	\$ 3,143,690	44.23%
Variance (Revenue vs. Expense)	\$ -	\$ 960,740	3	\$ -	\$ 1,593,820	

WATER AND SEWER FUND						
	2013-2014	ACTUAL	BUDGET	2012-2013	ACTUAL	BUDGET
REVENUES:	BUDGET	12/31/2013	%	BUDGET	12/31/2012	%
Sale of Water	\$ 1,300,000	\$ 628,939	48.38%	\$ 1,300,000	\$ 642,400	49.42%
Sewer Service Charges	1,750,000	825,900	47.19%	1,750,000	851,778	48.67%
Treatment Fees - Counties	70,000	44,199	63.14%	70,000	41,892	59.85%
Other Revenues	250	1,799	719.76%	500	(9,000)	-1800.00%
Total Current Revenue	\$ 3,120,250	\$ 1,500,837	48.10%	\$ 3,120,500	\$ 1,527,070	48.94%
EXPENDITURES:						
Operating Expense:						
Water System	\$ 1,361,348	\$ 318,364	23.39%	\$ 1,250,850	\$ 503,092	40.22%
Sewer System	1,093,027	112,231	10.27%	889,814	111,464	12.53%
Treatment Plant	743,603	292,849	39.38%	727,520	313,020	43.03%
Total Operating Expenditures	3,197,978	723,444	22.62%	2,868,184	927,576	32.34%
TRANSFERS:						
GF Transfer - Administrative Services	257,305	128,652	50.00%	346,361	173,181	50.00%
GF Transfer - Payment in Lieu of Taxes	26,460	13,230	50.00%	26,460	13,230	50.00%
GF Transfer - Debt Restructuring	-	-	0.00%	157,915	78,958	50.00%
Total Transfers Out	\$ 283,765	\$ 141,882	50.00%	\$ 530,736	\$ 265,369	50.00%
<i>Net Operating Income</i>	<i>\$ 2,836,485</i>	<i>\$ 635,511</i>	<i>22.40%</i>	<i>\$ 2,589,764</i>	<i>\$ 334,125</i>	<i>12.90%</i>
OTHER FINANCING SOURCES						
Use of Prior Year Fund Balance	\$ 727,617	\$ -	0.00%	\$ -	\$ -	0.00%
Transfer from General Fund	-	-	0.00%	-	-	0.00%
Total Other Financing Sources	727,617	-	-	-	-	-
Total Revenue & Other Sources	3,847,867	1,500,837	39.00%	3,120,500	1,527,070	48.94%
Debt Service	\$ 366,124	\$ 51,252	14.00%	\$ 138,061	\$ 68,598	49.69%
Total Expenditures	\$ 3,847,867	\$ 916,578	23.82%	\$ 3,536,981	\$ 1,261,543	35.67%
Variance - Revenue vs. Expenses	\$ -	\$ 584,259		\$ -	\$ 265,527	

ELECTRIC FUND						
	2013-2014	ACTUAL	BUDGET	2012-2013	ACTUAL	BUDGET
REVENUES:	BUDGET	12/31/2013	%	BUDGET	12/31/2012	%
Sale of Energy	\$ 13,126,639	\$ 6,187,580	47.14%	\$ 13,080,084	\$ 6,300,980	48.17%
Sale of Energy Fuel Adj	1,667,809	791,908	47.48%	1,346,515	650,519	48.31%
Other Revenue	257,297	137,306	53.36%	236,000	129,041	54.68%
Proceeds Loan/Bonds	-	516	0.00%	-	-	0.00%
Total Current Revenue	\$ 15,051,745	\$ 7,117,310	47.29%	\$ 14,662,599	\$ 7,080,540	48.29%
EXPENDITURES:						
Energy for Resale	\$ 8,891,025	\$ 4,270,773	48.03%	\$ 9,095,800	\$ 4,546,013	49.98%
Energy for Resale Fuel Adj	1,683,110	944,125	56.09%	1,359,260	684,251	50.34%
Other Expenses	1,471,551	555,748	37.77%	1,490,553	574,407	38.54%
Capital Outlay	297,000	47,148	15.87%	377,304	67,120	17.79%
Reserve for Capital Expenditures	250,000		0.00%	154,675		0.00%
Reserve for Cash Replenishment	323,908	-	0.00%	266,667	-	0.00%
Total Operating Expenses	\$ 12,916,594	\$ 5,817,794	45.04%	\$ 12,744,259	\$ 5,871,791	46.07%
<i>Net Operating Income</i>	<i>\$ 2,135,151</i>	<i>\$ 1,299,516</i>	<i>60.86%</i>	<i>\$ 1,918,340</i>	<i>\$ 1,208,749</i>	<i>63.01%</i>
OTHER FINANCING SOURCES:						
Use of Prior Year Fund Balance	\$ -	\$ -	0.00%	\$ 59,059	\$ -	0.00%
TRANSFERS:						
GF Transfer-Council Approved	\$ 1,409,891	\$ 587,455	41.67%	\$ 1,409,891	\$ 704,946	50.00%
GF Transfer - Administrative Services	388,960	162,066	41.67%	325,945	162,973	50.00%
GF Transfer - Payment in Lieu of Taxes	59,282	24,701	41.67%	59,282	29,641	50.00%
GF Transfer - Debt Restructuring	-	-		80,175	40,088	
Total Transfers (Out)	\$ 1,858,133	\$ 774,222	41.67%	\$ 1,875,293	\$ 937,648	50.00%
Debt Service	\$ 277,018	\$ 54,477	19.67%	\$ 102,106	\$ 21,608	21.16%
Total Expenses	\$ 15,051,745	\$ 6,646,493		\$ 14,721,658	\$ 6,831,047	
Variance - Revenue versus Expenses	\$ -	\$ 470,817		\$ -	\$ 249,493	
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AIRPORT FUND						
	2013-2014	ACTUAL	BUDGET	2012-13	ACTUAL	BUDGET
REVENUE:	BUDGET	12/31/2013	%	BUDGET	12/31/2012	%
Fuel Sales	\$ 177,232	\$ 68,091	38.42%	\$ 177,232	\$ 65,098	36.73%
Other Revenue	64,700	34,760	53.72%	64,700	32,409	50.09%
State Grants	14,142	2,036	14.40%	35,043	2,975	8.49%
Federal Grants	352,828	6,672	0.00%	511,359	42,535	0.00%
Total Current Revenue	\$ 608,902	\$ 111,559	18.32%	\$ 788,334	\$ 143,017	18.14%
EXPENDITURES:						
Operating Expenses	\$ 308,710	\$ 135,873	44.01%	\$ 307,607	\$ 127,473	41.44%
Capital Outlay	\$ 391,398	\$ 96,483	0.00%	\$ 571,431	\$ 67,262	11.77%
Total Operating Expenses	\$ 700,108	\$ 232,356	33.19%	\$ 879,038	\$ 194,735	22.15%
Net Operating Income	\$ (91,206)	\$ (120,797)	132.44%	\$ (90,704)	\$ (51,718)	57.02%
TRANSFERS:						
Use of Prior Year Funds	\$ -	\$ -	0.00%	\$ 6,029	\$ -	0.00%
Transfer from Other Funds	\$ 95,231	\$ -	0.00%	\$ 86,897	\$ 86,897	100.00%
Total Revenue	\$ 704,133	\$ 111,559		\$ 881,260	\$ 229,914	
Transfer to Other Funds	\$ 17,833	\$ 8,917	50.00%	\$ 2,222	\$ 1,111	50.00%
Net Transfers To/From						
Debt Service	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Total Expenses	\$ 717,941	\$ 241,273		\$ 881,260	\$ 195,846	
NET INCOME(LOSS)		\$ (129,714)			\$ 34,068	
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**CITY OF FRANKLIN
FISCAL YEAR 2013-14
CASH BALANCES - DECEMBER 2013**

FUND	CURRENT YEAR	PRIOR YEAR
General Fund	\$ 7,646,900	\$ 6,942,654
Fund SNAP Proceeds	\$ 234,022	\$ -
Total General Fund	\$ 7,880,922	\$ 6,942,654
Water & Sewer Fund	\$ 2,171,791	1,316,936
Fund SNAP Proceeds	\$ 234,841	\$ -
Total Water & Sewer Fund	\$ 2,406,632	\$ 1,316,936
Electric Fund	\$ 733,399	287,189
Fund SNAP Proceeds	\$ 532,430	\$ -
Total Electric Fund	\$ 1,265,829	\$ 287,189
Solid Waste Fund	\$ 300,148	\$ -
Airport Fund	\$ (210,148)	(25,875)
TOTAL CASH FOR OPERATIONS	\$ 10,642,090	\$ 8,520,904
TOTAL CASH FOR CAPITAL PROJECTS	\$ 1,001,293	\$ -
TOTAL CASH	\$ 11,643,383	\$ 8,520,904

OLD/NEW BUSINESS

- A. A. State of the College Update – President Wm. Paul Conco, Paul D. Camp Community College**
- B. City Manager’s Report**

COUNCIL/STAFF REPORTS ON BOARDS AND COMMISSIONS