

AGENDA

FRANKLIN CITY COUNCIL
MONDAY, MARCH 11, 2013 – CITY HALL COUNCIL CHAMBERS – 207 W. SECOND AVENUE

5:30 P.M.

WORK SESSION

BILLING & COLLECTION UTILITY POLICY CHANGES

7:00 P.M.

REGULAR MEETING

CALL TO ORDER. . . . MAYOR RAYSTINE D. JOHNSON-ASHBURN
PLEASE TURN OFF CELL PHONES . . . MAYOR RAYSTINE D. JOHNSON-ASHBURN
INVOCATION WARD 2
PLEDGE OF ALLEGIANCE
AMENDMENTS TO AGENDA

CITIZENS' TIME – Electric Utility Concerned Citizen Group – Lynwood Johnson, Spokesperson

1. CONSENT AGENDA
A. City Council Minutes from the February 25, 2013 Regular Meeting
2. FINANCIAL
A. Update by Davenport Financial Advisors on Proposed VRA Refinancing
B. School Board Budget Amendment
3. OLD/NEW BUSINESS
A. City Manager's Report – School Board Capital Project Financing Update
4. COUNCIL/STAFF REPORTS ON BOARDS AND COMMISSIONS
5. CLOSED SESSION – I move that the Franklin City Council meet in closed session to consider appointments to boards and commissions pursuant to Virginia Code Section 2.2-3711 (A) (1).
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

Public Hearing: Rezoning 62.8 Acres of Land and Amendment to Zoning Ordinance Regarding Business Parks and Signs	March 25, 2013
Public Hearing: Highway 58 VDOT Maintenance & Gateway Plan	March 25, 2013
New Employee Introductions / Retiree Recognition	March 25, 2013
Utility Billing & Collection Policy Changes	March 25, 2013
Treasurer’s Report	March 25, 2013
VRA Refinancing Action	March 25, 2013
Personnel Policy PTO Work Session	April 11, 2013
School Financing of Capital Needs Public Hearing	April 11, 2013
Resolution on Health Insurance Plan	TBD
Council Budget & Goal Setting Work Session	TBD

CONSENT AGENDA

A. City Council Minutes from the February 25, 2013 Regular Meeting

The Franklin City Council held a regular meeting on Monday, February 25, 2013, at 7:00 p.m. in Council Chambers, 207 West Second Avenue.

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

Staff in Attendance: R. Randy Martin, City Manager; Taylor Williams, IV, City Attorney; Phil Hardison, Chief of Police; Melissa Rollins, Director of Finance; Dinah Babb, Treasurer; Brenda Rickman, Commissioner of Revenue; Mark Bly, Director of Power & Light; Carolyn Joyner, Director of Human Resources; Alan Hogge, Director of Social Services; Donald Goodwin, Director of Community Development; Russ Pace, Director of Public Works; Philip Page, Director of Franklin Redevelopment & Housing Authority; Frank Davis, Director of Parks & Recreation; Jennifer Maynard, Registrar and Leesa Livesay, Acting Secretary, Recording Minutes.

Other Staff in Attendance: Stephen Newsome, IT Specialist; Robert Porti, Deputy Chief of Police; Dan Howe, Director of Downtown Franklin Association; and Crystal Joyner, Administrative Manager of Franklin Redevelopment & Housing Authority.

CALL TO ORDER

The City Council regular meeting was called to order by Mayor Raystine Johnson-Ashburn at 7:03 p.m.

INVOCATION

The Invocation was offered by Councilwoman Hilliard.

PLEDGE OF ALLEGIANCE

Members of Boy Scout Troop #17 led everyone in attendance in reciting the Pledge of Allegiance.

AMENDMENTS TO AGENDA

Mayor Johnson-Ashburn asked if there were any amendments to the Agenda.

There were no amendments to the Agenda.

INTRODUCTION OF NEW EMPLOYEES

Franklin Police Department – Police Officer Position – Zachary Van Wyhe

Chief Hardison introduced new Police Department employee, Zachary Van Wyhe.

Mayor Johnson-Ashburn welcomed Police Officer Zachary Van Wyhe to the Franklin's Police Department on the behalf of Council and the City of Franklin.

Department of Social Services – Social Worker II – Jennifer Latigue

Mr. Hogge introduced new Social Services Department employee, Jennifer Latigue.

Mayor Johnson-Ashburn welcomed Ms. Latigue to the Social Services Department on the behalf of Council and the City of Franklin.

CITIZEN’S TIME

Bonnie Roblin

Bonnie Roblin, Manager of Ruth Campbell Library presented information on the Franklin Job Club. This is a joint project between the Library and the Virginia Employment Commission. They have weekly meetings which assist job seekers in our community. This club offers assistance in internet use as well individual job seeking assistance. The summer of 2011, 175 people found employment in the local area by attending these meetings. Mrs Roblin also expressed her appreciation for the City’s continued support.

Mayor Johnson-Ashburn stated the Ruth Campbell Library was a valuable asset to the community.

Mary Alice Beale

Mary Alice Beale resides at 201 South High Street, Franklin. Mrs. Beale commented on the Utility Department charging a Garbage Fee even if it is not being used provided the water and sewer is still connected. She has apartments at Beale Court and owns rental property. Mrs. Beale needs the water to stay connected in order to clean as well as for maintenance purposes. She hauls all of her garbage to SPSA and pays the tipping fee, therefore does not utilize the garbage pick-up services. She states the garbage fee needs to be readdressed.

Mayor Johnson-Ashburn requested Mrs. Beale give her contact information to her Ward representative Councilwoman Murphy and the City Manager in order for more information to be gathered and a follow-up about this matter.

Linda Filippi, Executive Director, Tidewater Youth Services Commission

Frank Davis, Director of Parks & Recreation introduced Ms. Linda Filippi, Executive Director, Tidewater Youth Services Commission. Mr. Davis serves as a City Appointee to the Commission’s Board of Directors.

Ms. Filippi delivered a Presentation about the Tidewater Youth Services Commission. The Tidewater Youth Services Commission operates as a political subdivision. Small localities as well as large localities use this facility which is governed by a Board of Directors. There are three facilities, located in West Portsmouth and two in Virginia Beach. This is an alternative to detention which uses electronic monitoring as well as a GPS system. This allows the youth to stay in the home. This facility has assisted six Franklin youths in the last eighteen months. Ms. Filippi stated currently the City of Franklin has \$15,000.00 in crime control act money which has been drastically reduced from for \$44,000.00 in 2002.

Ms. Filippi introduced Ray Williams who is the School Based Case Manager in the Franklin Schools service area.

Mr. Williams gave a brief report on the School Based Case Management Program he operates in Franklin.

Mr. Martin announced that Mr. Williams would be attending the Franklin's Present Committee Meeting scheduled for the following evening to give an overview of the service his program provides.

Mayor Johnson-Ashburn suggested adding Ms. Filippi and Mr. Williams to the Agenda of a future meeting in order to gain more information and to answer any questions Council may have about the programs they offer.

CONSENT AGENDA

City Council Minutes from the February 11, 2013 Regular Meeting

Mayor Johnson-Ashburn called for corrections to the City Council Minutes from the February 11, 2013, Regular Meeting.

There were two corrections:

Correction 1: Page 5, Line 1, under Council/Staff Reports on Boards and Commissions, second paragraph, the name Steward was changed to Stewart.

Correction 2: Page 5, Line 5, under Council/Staff Reports on Boards and Commissions, second paragraph, Delta Sigma Theta Sorority should be added in addition to Parks and Recreation for sponsoring the Community Leader Breakfast.

A motion was made by Vice-Mayor Cheatham to adopt the City Council Minutes from the February 11, 2013, Regular Meeting as corrected. The motion was seconded by Councilwoman Murphy.

The motion was approved with the vote as follows:

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

Departmental Reports

Mayor Johnson-Ashburn called for any questions concerning Departmental Reports.

There were no comments or questions concerning Departmental Reports.

FINANCIAL

Monthly Financial Report (January 2013)

Mrs. Rollins presented the Monthly Financial Report for January 2013. She reviewed highlights of the report as follows:

- With seven months of Fiscal Year 2013 completed, revenues continue to track slightly higher compared to the prior year as expected. As of January 31, General Fund revenues were \$10.78 mil. This represents 55% of the City's FY 2013 budget. Last year, the City had collected \$10.15 mil, after excluding the \$900,000 revenue sharing payment from Isle of Wight County.
- Through the month of January, the City realized \$2.47 million in current real estate tax or 48% of budget, a gain as expected over prior year collections of \$2.30 million (a \$170,000 or 7.4% increase). Personal property tax collections were \$1,140,295 or 86.8% of budget, slightly higher than prior year receipts of \$1,105,539.
- Other Local taxes collected through January, (cash basis), were \$2.58 million, or 50% of budget. This is an increase of \$272,000 or nearly 12% from last year.
- Local sales taxes – Revenue collected through January was \$1,021,462 or 61% of budget. Compared to the prior year period, this is a 12.5% increase.
- Cigarette Taxes – Revenue of \$213,038 through January surpassed prior year period revenues of \$140,171 by 52% as vendor purchases during FY 2012-13 have thus far significantly exceeded the prior year period.
- Restaurant Meals Taxes – Revenue collected in the first half of the fiscal year amounted to \$742,000 or 59% of budget.
- Lodging Taxes – Revenue of \$97,437 represents a 15.7% increase over the prior year period.
- Motor Vehicle License – Revenue of \$113,499 at January 31 is consistent with prior year collections.

Water & Sewer Fund

Revenue Analysis

Revenue from the sale of water and sewer service charges of \$1.69 mil through January was in line with budgeted projections (56% of budget), and for the month of January 2.3% less than the prior year.

Expenditure Analysis

Expenditures of \$1.35 mil at the end of the month reflect a decrease from FY 2011-12, largely due to sewer system improvement projects that were completed in the prior year. Expenditures for the Water Division in the current fiscal year reflect an increase over the prior year due to current year capital outlay expenditures budgeted.

Airport Fund

Fuel sales through January were \$ 69,484, increasing over \$4,000 in the prior month. Revenue from jet fuel sales are 34% of budget compared to 42% for aviation fuel sales.

Electric Fund

Tracking close to budget at 56%, revenue in the Electric Fund totaled \$8.16 mil through January.

Cash Balance

Cash in the Electric Fund through January was \$389,986 an increase of \$102,000 or 35% from the December balance.

Budget Amendments (FY 2012-13)

Budget Amendment #2013-18 (FUND 204)

This Amendment is a request from Smart Beginnings to amend the FY 2012-2013 Budget to reflect additional local revenue from various sources in the amount of \$81,499.

Budget Amendment #2013-19 (FUND 100)

This Amendment for Information Technology requires an amendment via a line item transfer in the amount of \$18,000 from operational expenses (contractual services) to personnel to cover the cost of salaries and benefits for the remainder of the fiscal year.

A motion was made by Vice-Mayor Cheatham to adopt Budget Amendments #2013-18 (FUND 204) and Budget Amendment #2013-19 (FUND 100). The motion was seconded by Councilwoman Hilliard and passed with a 6-0 vote (Councilman Blythe absent).

Mayor Johnson-Ashburn asked Mrs. Rollins if she was prepared to answer the questions about the December Financial Report raised at the City Council meeting that was held on January 28, 2013.

Councilman Burgess asked Mrs. Rollins to explain why the Cash Balance in the Electric Fund through December was \$287,000, a decrease in cash of nearly \$72,000, from November.

Mrs. Rollins replied due to accrual practices the report reflected 6 months of billed revenue versus only 5 months of expenditures resulting in a negative figure. She has corrected this problem that the numbers reflect 6 months billed and expended.

Councilman Burgess asked if the sale of energy shown was on a billed basis or a collection basis.

Mrs. Rollins answered the sale of energy shown in the report is on a billed basis.

Councilman McLemore asked what constituted Non-Departmental Miscellaneous.

Mrs. Rollins answered these are monthly merchant bank fees for the use of credit cards by citizens/customers to pay bills.

Councilman Burgess asked is the Electric Fund monthly financials true accrual.

Mrs. Rollins confirmed the Electric Fund is true accrual.

Mayor Johnson-Ashburn requested Councilman Burgess meet with Mrs. Rollins and the City Manager to discuss questions in further detail and the manner in which Electric Fund financials are reported.

Concerning questions raised on collection of court fees by Councilman McLemore for Mrs. Rollins from the City Council Meeting that was held on January 28, 2013, Mrs. Rollins reported that the City receives \$61,000.00 in Court fines and fees. She referenced information in a memorandum distributed to Council that detailed her response to the questions raised.

Councilman McLemore requests further analysis of court fines and fees received from the Court System. He wants to be sure Franklin receives its fair share of these revenues.

City Attorney Williams informed Councilman McLemore the Clerk's Office has a listing of different fees that make up the cost of the fine, this is according to statute.

Mrs. Rollins answered a portion of the fees and fines collected go to state via EDI transmittal.

Councilman McLemore asked for further detailed analysis concerning this matter.

OLD/NEW BUSINESS

Resolution in Support of the Franklin Redevelopment and Housing Authority

Mr. Page introduced and requested City Council support of the Resolution in Support of the Franklin Redevelopment and Housing Authority. This Resolution approves the participation of the Franklin Redevelopment and Housing Authority in entities relating to the renovation of existing housing units and new construction activities on land adjacent to and/or part of the Oldtown Terrace Apartments, Pretlow Gardens Apartments and Berkley Court Apartments. This is at no cost to the City. Mr. Page explained that an earlier Resolution adopted at a previous Council Meeting was not as comprehensive and that is why the new action is requested.

Councilman McLemore wanted to know why Mr. Page needed the approval of the City Council.

Mayor Johnson-Ashburn referenced language contained in the Resolution, which states the Virginia Housing Authorities Law, Chapter 1, Title 36, Code of Virginia of 1950, as amended, FRHA is authorized to form corporations, partnerships, joint ventures, trusts, or any other legal entity or combination thereof, with the approval of the local governing body.

A motion was made by Vice-Mayor Cheatham to adopt the Resolution in Support of the Franklin Redevelopment and Housing Authority. The motion was seconded by Councilwoman Murphy and passed with a 6-0 vote (Councilman Blythe absent).

SPSA Status Update Post 2018

City Attorney Williams reviewed a draft example of a non-binding Resolution stating the City's understanding of regional efforts to manage solid waste in Southside Hampton Roads after January 24, 2018, and the City's intent to pursue cooperative development of a regional solid waste management system.

City Attorney Williams provided Council with some conclusions and observations he recommended that the City of Franklin should desire to see in any Franklin adopted SPSA Resolution:

1. The Cities of Chesapeake, Franklin, Norfolk, Portsmouth, Suffolk and Virginia Beach and the Counties of Isle of Wight and Southampton are members currently with future membership to be determined.
2. A Board of Directors appointed by the Governor and 8 board members appointed by the member localities is the current composition and would remain unless new legislative state approval is pursued.
3. Creation of an East Division and a West Division based upon the method of disposal of residential solid waste reflecting the cost associated is necessary for fairness.
4. Suffolk and Virginia Beach pay the same tipping fee as every other member in the East Division or the same tipping fee as everyone else disposing of waste in like manner.
5. No debt service unless it is related to the cost of developing the regional landfill to its full capacity.
6. Member have the statutory right to withdraw from SPSA consistent with existing laws and language to be included in the use and support agreement allowing for withdrawal based upon the same statutory considerations.
7. Exploring the option of expanding the regional landfill to its fullest capacity through a conditional use permit in Suffolk and understanding and acceptance of the costs of the expansion of all cells and conditions imposed by Suffolk in the expansion.
8. Ownership interest in the Franklin transfer station jointly with Southampton County.

City Attorney Williams stated at the moment no one knows what the tipping fee will be post 2018 and may not know until the year 2018. He also added another thing to consider is how long any future Use Agreement should last.

Vice-Mayor Cheatham previously served as a City Representative on the SPSA Board. He stated that the current Western Tidewater Advisory Committee he chairs is comprised of Representatives of the two adjacent counties and the City. This committee is studying a collaborative SPSA solution.

Vice-Mayor Cheatham asked if SPSA had settled with Virginia Beach on the previous SPSA use of that City's landfill.

City Attorney Williams answered yes, that issue has been settled by mutual agreement between SPSA and Virginia Beach.

Vice-Mayor Cheatham asked if Suffolk still desired construction of a fly-over at the entrance to the landfill on Highway 58.

City Attorney Taylor replied that matter has not been resolved but to expand the landfill it must be addressed before SPSA could get a permit to expand the landfill cells from the City of Suffolk.

Manager Martin stated there is a need for an interchange or fly-over at this time in the vicinity of the landfill entrance because of traffic volumes; therefore, this should become a shared project with VDOT and other beneficiaries which would result in SPSA only paying for its share of the cost.

Manager Martin stated the Use Agreement is expiring not the Statutory Authorization for SPSA. The original charter will stay the same without legislative action to amend.

City Manager's Report

Manager Martin announced and apologized for the City Council Meeting that was held on February 11, 2013 not being televised due to mechanical issues. New IT Tech, Steve Newsome is working to resolve the problem as soon as possible.

Manager Martin announced his one year anniversary as the City Manager for the City of Franklin had passed last week. He planned to present a more formal report or a "State of the City Message" later in the budget process this year. He reviewed some of his observations from the past year with highlights as follows:

- Blessed with good people in this community
- Great resources natural as well as man-made
- City of Franklin Staff, the City is blessed to have the employees we have
- Can do and Want to Attitude is necessary and being advocated

Manager Martin also introduced some challenges that the City needs to overcome:

- Certain Demographics present a challenge
- Need to improve our message as part of a marketing strategy for the Community
- Encourage Private Investment and be prepared to act boldly to encourage job creation and investment
- Regional Cooperation is off to a good start and is an essential priority which will help determine the degree of success in achieving goals

Manager Martin expressed sincere thanks to the entire City Team and everyone else contributing to making the past year a success.

Mayor Johnson-Ashburn congratulated Manager Martin on his first year with the City and expressed appreciation on behalf of Council and the City of Franklin for his services.

Mayor Johnson-Ashburn requested a list of accomplishments the Council Members feel have been achieved during the past year, she asked the Council Members share their input with Manager Martin so he can incorporate into his future presentations on the state of the City.

Upcoming Items to be Scheduled

Mayor Johnson-Ashburn requested a meeting in order to review the Personnel Time Off (PTO) Policy, scheduled tentatively for the second meeting in March.

Mayor Johnson-Ashburn also requested Manager Martin to poll Council for a tentative date for a future Goal and Budget Meeting.

COUNCIL/STAFF REPORTS ON BOARDS AND COMMISSIONS

Vice-Mayor Cheatham attended the Hampton Roads Planning Commission Goal Session Meeting. There was a presentation on commuting patterns to work in the Hampton Roads area and Franklin ranked 8th in out commuting patterns in the region at 58%, which puts Franklin's ranking in the middle. He also commented on the possibility of future collaboration between the Hampton Roads region and the Richmond/Petersburg region.

Vice-Mayor Cheatham also attended a Tidewater Regional Jail Meeting. The topic of discussion was about a contract for renovating the kitchen.

CLOSED SESSION

A motion was made by Vice-Mayor Cheatham to meet in closed session to consider appointments to Boards and Commissions pursuant to Virginia Code Section 2.2-3711 (A) (1). The motion was seconded by Councilwoman Hilliard and passed with a 6-0 vote (Councilman Blythe absent).

Councilman McLemore left prior to the Council entering Closed Session.

City Council went into Closed Session at 9:14 p.m.

A motion was made by Vice-Mayor Cheatham 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. The motion was seconded by Councilman Burgess and approved with a 5-0 vote (Councilmen McLemore and Blythe absent).

First Action

A motion was made by Vice-Mayor Cheatham to appoint Councilwoman Murphy as the Ward 4 Representative on the City of Franklin's Park & Recreation Advisory Committee. 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 Burgess, AYE; Councilwoman Hilliard, AYE; Councilwoman Murphy, Abstain (Councilmen McLemore and Blythe absent).

Second Action

A motion was made by Vice-Mayor Cheatham to appoint Joe Ann Faulk as the Accounting Assistant and to reappoint Donald Goodwin to the Western Tidewater Regional HOME Consortium Housing Advisory Board.

Adjournment

A motion was made by Vice-Mayor Cheatham to adjourn the City Council Meeting. The motion was seconded by Councilwoman Hilliard and approved by a 5-0 vote (Councilman McLemore and Blythe absent).

City Council Meeting adjourned at 9:24 p.m.


FINANCIAL MATTERS

- A. Update by Davenport Financial Advisors on Proposed VRA Refinancing**
- B. School Board Budget Amendment**



March 6, 2013

TO: Randy Martin
City Manager

FROM: Melissa D. Rollins 
Director of Finance

RE: Refinancing of Existing City Debt with Virginia Resources Authority

Attached please find information from the City's Financial Advisors, Davenport & Company, relative to the proposed opportunity to refinance existing 2002 Rural Development General Fund Debt used to fund improvements to the City Hall building with the Virginia Resources Authority (VRA).

A representative from Davenport will be at the City Council meeting to discuss the refinancing, potential savings to the City and the schedule which requires action by City Council at a later date.

To: City Council of the City of Franklin, Virginia
 R. Randy Martin, City Manager, City of Franklin, Virginia
 Melissa D. Rollins, Director of Finance, City of Franklin, Virginia

From: Kyle A. Laux, First Vice President, Davenport Public Finance
 Robert E. Porter, Analyst, Davenport Public Finance

CC: David P. Rose, Manager, Davenport Public Finance

RE: Potential 2002 Rural Development Loan Refinancing Transaction

Date: March 11, 2013

Background:

During previous City Council meetings and discussions with City Staff, Davenport presented an opportunity for the City to potentially refinance its 2002 Rural Development Loan (the “2002 RD Loan”) for debt service savings. Details of the 2002 RD Loan are listed below:

▪ Est. Par Amt Outstanding:	\$2,230,000	▪ Current Interest Rate:	4.625%
▪ Debt Service		▪ Final Maturity:	FY 2043
▸ Monthly:	\$11,550	▪ Prepayment Feature:	Anytime
▸ Annual:	\$138,600		w/o Penalty

The refinancing of the 2002 RD Loan is viable based on the current interest rate environment⁽¹⁾. The City has submitted an application to take part in the Virginia Resources Authority’s (“VRA”) Spring 2013 Pooled Financing Program, which will allow the City to obtain a fixed rate for the full term of the loan at prevailing AAA/AA market rates when VRA prices the bonds in early May (currently slated for May 8th). It is expected that the City should receive VRA’s formal credit decision/approval shortly.

Estimated Refunding Highlights⁽¹⁾:

Davenport estimates, based on current market conditions, that the City could lower its current interest rate by approximately 70 basis points and shorten the final maturity by roughly 3 Years. Estimated figures can be found below:

▪ Total Savings:	\$509,600	▪ All-In Interest Cost:	3.933%
▪ Net Present Value Savings (%) ⁽²⁾ :	9.73%	▪ Final Maturity:	FY 2039
▪ Average Annual Savings			
FY 2013 – 2039:	\$2,110		
FY 2040 – 2043:	\$113,150		

Next Steps:

No action is necessary tonight. Davenport will return to City Council for its March 25th meeting, at which time the City would need to decide whether it wants to proceed with the potential refinancing through VRA. Please note that the City can establish parameters at its March 25th meeting that would allow the City to pull out of the Program at no cost if minimum savings thresholds are not met (i.e. the City is not stuck in the Program if interest rates increase significantly between March 25th and the pricing date). The potential refinancing through VRA is currently expected to close on/about May 22nd.

(1)Note: Results are estimated and subject to change. Estimated debt service and savings figures are inclusive of cost of issuance estimate. Estimated figures are based off municipal interest rates (MMD) as of March 1, 2013.

(2)Note: The Industry Standard for Net Present Value Savings of a refinancing for debt service savings is at least 3.00%.

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Draft Schedule of Events

<u>Date</u>	<u>Required Action</u>	<u>Responsible Party</u>
Friday, February 8, 2013	<ul style="list-style-type: none">• City Staff and Davenport submit application to VRA.	City, Davenport
Wednesday, February 13, 2013	<ul style="list-style-type: none">• VRA holds due diligence call with City Staff, Davenport, and Troutman Sanders.	City, Davenport, TS
Mid March, 2013	<ul style="list-style-type: none">• VRA provides Term Sheet to the City.	VRA
March 11 or March 25, 2013	<ul style="list-style-type: none">• <u>Regular Meeting of the City of Franklin City Council:</u><ol style="list-style-type: none">1) Davenport and City Staff provide updated analysis on refinancing.2) Adopt VRA Bond Resolution with desired savings parameters.	City, Davenport, TS
By April 4, 2013	<ul style="list-style-type: none">• All local approvals and resolutions received by VRA.	City, TS, VRA
May 8, 2013	<ul style="list-style-type: none">• VRA sells bonds.	VRA
May 22, 2013	<ul style="list-style-type: none">• Close on refinancing through VRA.	ALL



March 6, 2013

TO: Randy Martin
City Manager

FROM: Melissa D. Rollins 
Director of Finance

RE: Budget Amendment Requests – FY 2012-2013

Budget Amendment #2013-20

Attached is a request from the Franklin Public School System (February 22nd) to amend the FY 2012-2013 Budget to reflect the award of additional federal and state grants in the aggregate amount of \$8224,355. Additional state funds were awarded for Project Graduation (\$12,805) and additional federal funds have been awarded for the School Improvement Grant (\$211,550).

Required Council Action:

Amend the FY2012-2013 City Budget (School Fund) to reflect the award of state and federal grants in the amount of \$224,355 and appropriate the funds for expenditure in the current fiscal year.

BUDGET AMENDMENT 2013-20

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA that the 2012-2013 School Fund Budget is hereby amended to recognize additional grant awards:

<u>REVENUE</u>	<u>EDUCATION FUND</u>				
			2012-2013 Budget	Amended Budget	Increase (Decrease)
250 24000	256	Project Graduation	\$ -	\$ 12,805.00	\$ 12,805.00
250 33010	261	Title I-1003A School Improvement	\$ -	\$ 211,550.00	\$ 211,550.00
		TOTAL REVENUE			\$ 224,355.00
<u>EXPENSES</u>	<u>EDUCATION FUND</u>				
250 60000	56	Project Graduation	\$ -	\$ 12,805.00	\$ 12,805.00
250 60000	61	Title I - 1003A School Improvement	\$ 36,688.00	\$ 248,238.00	\$ 211,550.00
		TOTAL EXPENSES			\$ 224,355.00

To reflect additional state and federal grant award amounts as per attached award letters.

*Certified copy of resolution adopted by
Franklin City Council*

Clerk to the City Council



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 2013 Authorization to Request Appropriation

DATE: February 22, 2013

At the Franklin City Public Schools Board meeting on February 21, 2013, the following authorization requests for appropriations were approved:

- Project Graduation grant in the amount of \$12,805
- Title I – 1003A School Improvement grant in the amount of \$211,550.

In order to correctly account for these funds, the FY2012-2013 school budget must be increased by \$224,355. The amendments should be to the following revenue and expenditures:

Revenues

- Fund 250-24000-0256 \$ 12,805
- Fund 250-33010-0261 \$ 211,550

Expenditures

- Fund 250-60000-0056 \$ 12,805
- Fund 250-60000-0061 \$ 211,550

Please add the appropriation increase 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, Supervisor of Finance - FCPS



COMMONWEALTH of VIRGINIA

DEPARTMENT OF EDUCATION

P.O. BOX 2120
RICHMOND, VA 23218-2120

January 10, 2013

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

Dear Dr. Belle:

Thank you for submitting your proposal for Franklin City Public Schools Project Graduation 2012-2013 Academic Year Grant. Your project in the amount of \$12,805 has been approved.

Enclosed is the Notification of Grant Award for the Project Graduation Academic Year Grant. The deadline to submit the reimbursement request is May 15, 2013. Final project evaluations are due July 2, 2013.

Project Graduation students taking a Standards of Learning (SOL) test or End-of-Course (EOC) substitute test (e.g., WorkKeys Writing etc.) must have the "Project Graduation" field coded with a "Y" in their student data record. This field can be coded manually in PearsonAccess or uploaded using a Student Data Upload (SDU) file prior to testing.

If you have any questions, please contact Kim Powell, grants and reports manager, Office of Science and Health Education, by e-mail at Kim.Powell@doe.virginia.gov or by telephone at (804) 225-3609. Thank you for your work to help all students in Virginia achieve a high school diploma.

Sincerely,

A handwritten signature in cursive script that reads "Linda M. Wallinger".


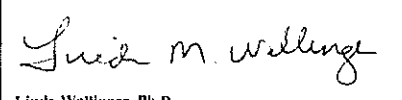
Linda Wallinger, Ph.D.
Assistant Superintendent for Instruction

LMW/MB/kp
Enclosure

August 2012

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

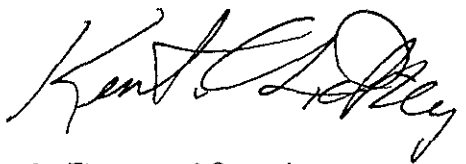
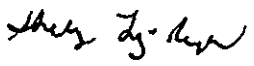
NOTIFICATION OF GRANT AWARD

1 Name, Address, Phone Number of Grant Recipient: Dr. Michelle Belle Superintendent Franklin City Public Schools 207 W. Second Avenue Franklin, Virginia 23851-2100 Payee Number: 135		2 Grant Title/Description: Project Graduation 2012-2013 Academic Year Grant		3 DOE Contact Person, Office and Phone Number: Kim Powell Grants and Reports Manager (804) 225-3609 Kim.Powell@doe.virginia.gov Office of Science and Health Education	
4 Grant Authority: Chapter 3, Special Session 1, 2012 Acts of the Assembly.		5 Grant Award Amount: \$12,805		6 Grant Award Number: PGAY 12-13 - 135	
7 Grant Award Type: New <input checked="" type="checkbox"/> Revised <input type="checkbox"/>		8 Period of Award: December 1, 2012 - May 15, 2013		9 Fund Source: General <input type="checkbox"/> Federal <input type="checkbox"/> Special <input checked="" type="checkbox"/>	
10 Special Instructions/Conditions: <ul style="list-style-type: none"> • The project will be funded at the level noted above, contingent upon the availability of funds. • These funds are intended to cover expenses in support of the project as outlined in the grant proposal on a reimbursement basis. • The required evaluation report is due to the Department of Education by July 2, 2013. • Projects are subject to the attached additional special terms and conditions. • Funds will be available after January 1, 2013. • Final reimbursement requests must be received by the Department of Education by May 15, 2013. 					
11 Authorized By (Name/Title):  Kent Dickey Deputy Superintendent for Finance and Operations			12 Authorized By (Name/Title):  12-19-12 Linda Wallinger, Ph.D. Assistant Superintendent for Instruction		13 Date: December 17, 2012
14 Project Code: 42890/545	15 Revenue Source Code or CFDA #: 240415	16 Program/Service Area: 178-05	17 Fiscal Year: 2013	18 Recipient Type: <input checked="" type="checkbox"/> Subrecipient <input type="checkbox"/> Cooperative Agreement	

Budget Review MS

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: Dr. Michelle R. Belle Superintendent Franklin City Public Schools 207 W. Second Avenue Franklin, Virginia 23851-2100 Payee Number: 135		2. Grant Title/Description: School Improvement Funds 1003(a) Title I, Part A		3. DOE Contact Person, office, and Phone Number: Kathleen Smith, Director Office of School Improvement kathleen.smith@doe.virginia.gov office: (804) 786-1062					
4. Grant Authority: Public Law 107-110, Elementary and Secondary Education Act, As Amended		5. Grant Award Amount: <table border="1"> <thead> <tr> <th>School Name</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Joseph P. King Middle School</td> <td>\$211,550.00</td> </tr> </tbody> </table>		School Name	Total	Joseph P. King Middle School	\$211,550.00	6. Grant Award Number: 135 - S010A110046 - 42892	
School Name	Total								
Joseph P. King Middle School	\$211,550.00								
7. Grant Award Type: New <input checked="" type="checkbox"/> Revised <input type="checkbox"/>		8. Period of Award: January 1, 2013 – September 30, 2013		9. Fund Source: General <input type="checkbox"/> Federal <input checked="" type="checkbox"/> Special <input type="checkbox"/>					
10. Special Instructions/Conditions: SY 2012-2013 New Priority Schools – Cohort III - Payments will be made on a cost-reimbursement basis. Reimbursements should be submitted quarterly, at a minimum, through the Online Management of Education Grant Awards (OMEGA). Year one of the approved application budget should be aligned with the initial budget transfer. Revisions to the budget are to be submitted through OMEGA as a budget transfer unless additional information is required. Funds must be encumbered by September 30, 2013 with final reimbursement by November 15, 2013. See Attachments A and B for Additional Conditions and Assurances.									
11. Authorized By: (Name/Title)  Kent Dickey Deputy Superintendent for Finance and Operations		12. Authorized By: (Name/Title)  Shelley Loving-Ryder Assistant Superintendent, Student Assessment and School Improvement		13. Date: January 10, 2013					
14. Project Code: 42892	15. Revenue Source Code or CFDA #: CFDA #84.010	16. Program/Service Area: 179-01-00	17. Fiscal Year: 2012-2013	18. Recipient Type: <input checked="" type="checkbox"/> Subrecipient <input type="checkbox"/> Cooperative Agreement					

Budget Review: *ABW*

OLD/NEW BUSINESS

A. City Manager's Report – School Board Capital Project Financing Update

**COUNCIL/STAFF REPORTS ON BOARDS AND
COMMISSIONS**