

AGENDA

FRANKLIN CITY COUNCIL

MONDAY, OCTOBER 28, 2013 – CITY HALL COUNCIL CHAMBERS – 207 W. SECOND AVENUE

6:30 P.M.

WORK SESSION

Draft Derelict Structures Ordinance Review

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 3

PLEDGE OF ALLEGIANCE

CITIZENS' TIME

AMENDMENTS TO AGENDA

- 1. **CONSENT AGENDA**
 - A. Minutes from October 7, 2013 Regular City Council Meeting
 - B. Arbor Day Proclamation
 - C. September 2013 Departmental Reports (separate file)

- 2. **FINANCE**
 - A. Financial Reports August & September, 2013
 - B. Budget Amendment #2014-10 (FY 2013-2014) – USDA Police Equipment Grant & Transfer; IT Server Upgrade Transfer
 - C. Budget Amendment #2014-11 (FY 2013-2014) – Garden Club, CSX & VHCD Main Street Donations/Grants

- 3. **OLD/NEW BUSINESS**
 - A. Public Hearing & Resolution of Support for MAP 21 Grant Application for Multi-Use Path
 - B. Resolution Authorizing VDOT Revenue Sharing Road Improvement Program Local Match
 - C. Blackwater Regional Library Contract Renewal Update
 - D. Water Storage Tank Asset Management & Full Maintenance Service RFP Results
 - E. 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 consider appointments to boards and commissions and for the evaluation of the performance of personnel where such evaluation will necessarily involve discussion of the performance of specific individuals as permitted by 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. **ADJOURNMENT**

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**

**Personnel Policies Review Including PTO,
Health & Disability Insurance**

TBA

Rental Inspection Program Discussion (Work Session)

TBA

Police Department Report (Work Session)

December 16, 2013

2014 Council Retreat

TBA

§ 15.2-907.1. Authority to require removal, repair, etc., of buildings that are declared to be derelict.

Any locality that has a real estate tax abatement program in accordance with this section may, by ordinance, provide that:

1. The owners of property therein shall at such time or times as the governing body may prescribe submit a plan to demolish or renovate any building that has been declared a "derelict building." For purposes of this section, "derelict building" shall mean a residential or nonresidential building or structure, whether or not construction has been completed, that might endanger the public's health, safety, or welfare and for a continuous period in excess of six months, it has been (i) vacant, (ii) boarded up in accordance with the building code, and (iii) not lawfully connected to electric service from a utility service provider or not lawfully connected to any required water or sewer service from a utility service provider.
2. If a building qualifies as a derelict building pursuant to the ordinance, the locality shall notify the owner of the derelict building that the owner is required to submit to the locality a plan, within 90 days, to demolish or renovate the building to address the items that endanger the public's health, safety, or welfare as listed in a written notification provided by the locality. Such plan may be on a form developed by the locality and shall include a proposed time within which the plan will be commenced and completed. The plan may include one or more adjacent properties of the owner, whether or not all of such properties may have been declared derelict buildings. The plan shall be subject to approval by the locality. The locality shall deliver the written notice to the address listed on the real estate tax assessment records of the locality. Written notice sent by first-class mail, with the locality obtaining a U.S. Postal Service Certificate of Mailing shall constitute delivery pursuant to this section.
3. If a locality delivers written notice and the owner of the derelict building has not submitted a plan to the locality within 90 days as provided in subdivision 2, the locality may exercise such remedies as provided in this section or as otherwise provided by law.
4. The owner of a building may apply to the locality and request that such building be declared a derelict building for purposes of this section.
5. The locality, upon receipt of the plan to demolish or renovate the building, at the owner's request, shall meet with the owner submitting the plan and provide information to the owner on the land use and permitting requirements for demolition or renovation.
6. If the property owner's plan is to demolish the derelict building, the building permit application of such owner shall be expedited. If the owner has completed the demolition within 90 days of the date of the building permit issuance, the locality shall refund any building and demolition permit fees. This section shall not supersede any ordinance adopted pursuant to § 15.2-2306 relative to historic districts.
7. If the property owner's plan is to renovate the derelict building, and no rezoning is required for the owner's intended use of the property, the site plan or subdivision application and the building permit, as applicable, shall be expedited. The site plan or subdivision fees may be refunded, all or in part, but in no event shall the site plan or subdivision fees exceed the lesser of 50 percent of the standard fees established by the ordinance for site plan or subdivision applications for the proposed use of the property, or \$5,000 per property. The building permit fees may be refunded, all or in part, but in no event shall the building permit fees exceed the lesser of 50 percent of the standard fees established by the ordinance for building permit applications for the proposed use of the property, or \$5,000 per property.
8. Prior to commencement of a plan to demolish or renovate the derelict building, at the request of the property owner, the real estate assessor shall make an assessment of the property in its current derelict condition. On the building permit application, the owner shall declare the costs of demolition, or the costs of materials and labor

to complete the renovation. At the request of the property owner, after demolition or renovation of the derelict building, the real estate assessor shall reflect the fair market value of the demolition costs or the fair market value of the renovation improvements, and reflect such value in the real estate tax assessment records. The real estate tax on an amount equal to the costs of demolition or an amount equal to the increase in the fair market value of the renovations shall be abated for a period of not less than 15 years, and is transferable with the property. The abatement of taxes for demolition shall not apply if the structure demolished is a registered Virginia landmark or is determined by the Department of Historic Resources to contribute to the significance of a registered historic district. However, if the locality has an existing tax abatement program for less than 15 years, as of July 1, 2009, the locality may provide for a tax abatement period of not less than five years.

9. Notwithstanding the provisions of this section, the locality may proceed to make repairs and secure the building under § 15.2-906, or the locality may proceed to abate or remove a nuisance under § 15.2-900. In addition, the locality may exercise such remedies as may exist under the Uniform Statewide Building Code and may exercise such other remedies available under general and special law.

Franklin, Virginia, Code of Ordinances >> - CODE >> Chapter 6 – BUILDINGS AND BUILDING REGULATIONS >> ARTICLE I. – IN GENERAL >> ARTICLE I. – IN GENERAL

Sec. 6-5. – Authority to require removal, repair, etc., of buildings declared to be derelict.

- (a) Any owner of property located in the City of Franklin shall at such time or times as the city may prescribe submit a plan to demolish or renovate any building that has been declared a “derelict building.” For purposes of this section, “ derelict building” shall mean a residential or non residential building or structure, whether or not construction has been completed, that might endanger the public’s health, safety , or welfare and for a continuous period in excess of six months, it has been;
 - (i) Vacant,
 - (ii) Boarded up in accordance with the building code, and
 - (iii) Not lawfully connected to electric service from a utility service provider or not lawfully connected to any required water or sewer service from a utility service provider.
- (b) If a building qualifies as a derelict building pursuant to this ordinance, the city shall notify the owner of the derelict building that the owner is required to submit to the city a plan, within 90 days, to demolish or renovate the building to address the items that endanger the public’s health, safety, or welfare as listed in the written notification provided by the city. Such plan shall be on a form provided by the city (A BUILDING PERMIT PERFORMANCE DOCUMENT and COVER LETTER) and shall include a proposed time within which the plan will be commenced and completed. The plan may include one or more adjacent properties of the owner, whether or not all of such properties may have been declared derelict buildings. The plan shall be subject to the approval by the city. The city shall deliver the written notice to the owner and address listed on the real estate tax assessment records of the city. Written notice shall be sent via certified mail, with the city obtaining a U.S. Postal Service Certified Mail Receipt constituting delivery pursuant to this section.
- (c) If the city delivers written notice and the owner of the derelict building has not submitted a plan to the city within 90 days as provided in subsection (b), the city may exercise such remedies as provided in this section or as otherwise provided by law.
- (d) The owner of a building may apply to the city and request that such building be declared a derelict building for purposes of this section.
- (e) The city upon receipt of the plan to demolish or renovate the building, at the owner’s request, shall meet with the owner submitting the plan and provide information to the owner on the land use and permitting requirements for demolition or renovation.
- (f) If the property owner’s plan is to demolish the derelict building, and such plan is approved by the city, the building permit application of the owner shall be expedited. Furthermore, if the owner has completed the demolition within 90 days of the date of the building permit issuance, the city shall refund any building and demolition permit fees. This section shall not supersede any ordinance adopted relative to historic districts. In addition the tax abatement process may not be available for any property which either is a registered Virginia landmark or is determined by the Virginia Department of Historic Resources to contribute to the significance of a registered historic district.
- (g) If the property owner’s plan is to renovate the derelict building, and no rezoning is required for the owners intended use of the property, and such plan is approved by the city, the site plan or subdivision application and the building permit, shall be expedited. The site plan or subdivision fees may be refunded, all or in part, but in no event shall the site plan or subdivision fees exceed the lesser of 50 percent of the standard fees established by the ordinance for site plan or subdivision applications for the proposed use of the property, or \$5,000.00 per property. The building permit fees may be refunded , all or in part, but in no event shall the building permit fees exceed the lesser of 50 percent of the standard fees established by the ordinance for building permit applications for the proposed use of the property or \$5,000.00 per property.
- (h) Prior to the commencement of a plan to demolish or renovate the derelict building, at the request of the property owner, the Commissioner of the Revenue or the real estate assessor shall make an assessment of the property in its current derelict condition. On the building permit application, the owner shall declare the costs of the demolition, or the costs of materials and labor to complete the renovation. At the request of the property owner, after demolition or renovation of the derelict building, the real estate assessor shall reflect the fair market value of the demolition costs or the fair market value of the renovation improvements, and reflect such value in the real estate assessment records. Real estate taxes on the amount equal to the costs of demolition or an amount equal to the increase in fair market value of renovations shall be abated in accordance with the tax abatement provisions of the Code of the City of Franklin.

- (i) Notwithstanding the provisions of this section, the city may proceed to make repairs and secure the building under Section 6-1 of the City Code, or the city may proceed to abate or remove a nuisance under Section 15.2-900, et seq., of the Code of Virginia. In addition, the city may exercise such remedies as may exist under the Uniform Statewide Building Code and such other remedies available under general and special law.

Sec. 6-6. – Violations

- (a) Unless otherwise specified, any person violating any provision of this article shall be guilty of a class 2 misdemeanor. Each day a violation continues shall be deemed a new and separate violation.

Sec. 6-7. – Enforcement

- (a) The Director of Community Development is hereby vested with the authority to require the abatement of derelict buildings pursuant to the provisions of this ordinance and other applicable codes, laws and regulations.

Sec. 6-8. – Notice of declaration of derelict building

- (a) Whenever it shall come to the knowledge of the Director of Community Development that there exists upon property in the city any derelict building, he may notify the owner of the derelict building that the owner must submit a work plan within 90 calendar days to either demolish the derelict building or renovate the derelict building so that lawful use and occupancy of the building or structure is possible.
- (b) Per Sec. 6-5 (b) the notice of declaration of derelict building shall be sent certified mail to the owner at the address in the real estate tax assessment records. If the property owner's address in the real estate tax assessment records is the same as the address of the derelict building, a copy of the notification may also be posted on the derelict building.
- (c) The notice of declaration of derelict building shall also constitute a notice of violation under the Code of the City of Franklin.
- (d) Any person sent a notice of declaration of derelict building pursuant to this section who shall fail to comply with the time specified for submitting a work plan shall be guilty of a class 2 misdemeanor.
- (e) Nothing in this article shall prohibit an owner from requesting that his building or structure be evaluated for a declaration of derelict building.

Sec. 6-9. – Submittal of work plan by owner; approval by Director

- (a) The work plan required to be submitted by the owner shall be on a form prescribed by the Director of Community Development. The work plan must provide a proposed time within which the plan must be commenced and completed. The work plan may include one or more adjacent properties of the owner, whether or not all have been declared to contain a derelict building. The contents of the plan and the proposed schedule shall be subject to the approval by the Director of Community Development and shall be deemed noncompliant until such plan is approved.
- (b) Once the plan has been approved the contents of the work plan and schedule for commencement and completion of the work plan shall be binding on the owner. Failure to comply with the contents of the approved work plan or the dates for commencement and completion without a written variance from the Director of Community Development shall constitute a class 2 misdemeanor.
- (c) Any approval granted under this section shall not relieve the owner of the property located in any historic district from complying with the approval requirements established by relevant provisions of the zoning ordinances before any demolition permit can be issued or any demolition can commence.

CONSENT AGENDA

- A. Minutes from October 7, 2013 Regular City Council Meeting**
- B. Arbor Day Proclamation**
- C. September 2013 Departmental Reports (separate file)**

Minutes from the October 7, 2013 Regular City Council Meeting

The Franklin City Council held a Regular City Council Meeting on Monday, October 7, 2013, at 7:00 p.m. in the Council Chambers, 207 West Second Avenue.

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

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

Other Staff in Attendance: Chad Edwards, Deputy Director of Public Works and Scott Halverson, Sergeant with the Franklin Police Department.

CALL TO ORDER

The Regular City Council Meeting was called to order by Mayor Johnson-Ashburn at 7:00 p.m.

INVOCATION

The invocation was offered by Councilwoman Hilliard.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited by everyone in attendance.

CITIZEN'S TIME

Citizen 1

Thomas Councill who resides at 425 Bracey Street requests the City Council direct the City Manager to update the Parks and Recreation Master Plan to include Recreational Academic Programs. As it now stands recreation staff refuses to initiate, plan, or support academic related recreation; such as, recreational reading, public speaking and math contests. The only way to supply academic recreation to Franklin's children is for the City Council to direct the City Manager to take action.

Mr. Councill also acknowledged that the City had installed Wi-Fi within the Martin L. King, Jr. Center. which would allow the library and Recreation Department to initiate a recreational reading program but, it was not being used. He requested the library be contacted.

Mr. Councill stated according to the City of Franklin Parks and Recreation Advisory Board By-Laws, Article II, Section 1: Membership, each voting ward shall have one member appointed upon the nomination of each ward Council Member so that each Ward shall have a representative on the Board. Ward 1, Ward 2 and Ward 6 do not have appointees on the committee at this time.

In his opinion, the City's Recreation Department is an underperforming department because of the City Council's inept management.

Mayor Johnson-Ashburn interrupted Mr. Council to inform him that he was going overboard with his comments and asked him to tone it down.

Mayor Johnson-Ashburn requested that Mr. Council give his recommendations to Manager Martin.

Mayor Johnson-Ashburn stated for clarification when citizens speak during Citizen's Time, all comments given are individual opinions only.

AMENDMENTS TO AGENDA

A motion was made by Councilman McLemore to place on the agenda whether to reschedule the City Council Joint Meeting with the School Board originally scheduled for Wednesday, October 23, 2013 to Wednesday October 30, 2013 and to formalize scheduling a Public Meeting of the City Council concerning the Schools on Monday, October 21, 2013. The motion was seconded by Vice-Mayor Cheatham and passed with a 6-0 vote (Councilman Blythe absent).

A motion was made by Councilman McLemore to amend the agenda to go into Closed Session to discuss issues pertaining to the School Board.

The motion died due to lack of a second.

Mayor Johnson-Ashburn announced that the approved meeting schedule topics will be addressed under Old/New Business as item number 3B on the agenda.

Councilman McLemore asked Mayor Johnson-Ashburn at what point would he or the Council have an opportunity to ask the School Board questions.

Mayor Johnson-Ashburn stated the October 21st meeting will include an outside Attorney and the Council can ask the Attorney questions for clarification on the Council's role as it relates to the schools.

Mayor Johnson-Ashburn further stated this portion of the meeting was for amendments to the Agenda and asked Councilman McLemore if he had any additional amendments to the Agenda to propose.

A motion was made by Councilman McLemore to adjust the agenda to be able to ask questions pertaining to the School Board during Open Session.

The motion died due to a lack of a second.

CONSENT AGENDA

Minutes from the September 9, 2013 Regular City Council Meeting

Mayor Johnson-Ashburn asked if there were any corrections to the minutes as presented from the September 9, 2013 regular City Council Meeting.

There being none she asked for a motion of approval.

A motion was made by Vice-Mayor Cheatham to approve the minutes as presented from the September 9, 2013 regular City Council Meeting. The motion was seconded by Councilwoman Murphy and passed with a 6-0 vote (Councilman Blythe absent).

Minutes from the September 23, 2013 Regular City Council Meeting/Work Session

Mayor Johnson-Ashburn asked if there were any corrections to the minutes as presented from the September 23, 2013 regular City Council Meeting/Work Session.

There being none she asked for a motion of approval.

A motion was made by Councilwoman Hilliard to approve the minutes as presented from the September 23, 2013 regular City Council Meeting/Work Session. The motion was seconded by Vice-Mayor Cheatham and passed with a 6-0 vote (Councilman Blythe).

FINANCE

Treasurer's Report: Delinquent Collection Report

Dinah Babb, Treasurer presented highlights of the Delinquent Collection Report. Mrs. Babb presented the following total amount of delinquent taxes and the breakdown for all years included in the report:

Real Estate	\$373,729.28
Personal Property	\$205,019.60
Business License	\$ 6,807.65
Meals & Lodging	\$ 26,503.19
Total Delinquent Taxes:	\$612,059.72

Mayor Johnson-Ashburn asked Mrs. Babb when the business is delinquent on taxes; does the business have the right to continue to operate?

Mrs. Babb answered they do. Mrs. Babb informed Council she has brought all the businesses with delinquent licenses since 2012 to current status.

Mayor Johnson-Ashburn asked if there was a statute of limitations on meals tax.

Mrs. Babb answered no there is no statute of limitations on meals tax.

Councilwoman Hilliard asked if a business goes into bankruptcy, does the City collect the taxes first?

Mrs. Babb confirmed the City collects the taxes first.

Mayor Johnson-Ashburn stated Mrs. Babb and her staff have made a big difference in the Collections Department. She noted since Mrs. Babb took office delinquencies have been cut in half based upon the information in the report.

Treasurer's Report: Personal Property/Business License Charge Offs Report

Mrs. Babb presented highlights of the Personal Property/Business License Charge Offs Report for the year 2007 that are deemed uncollectable due to the statute of limitations. The statute of limitations restricts the office from actively placing any collection actions on these accounts. Mrs. Babb recommends that \$21,453.66 of delinquent Personal Property tax accounts and \$381.36 of delinquent Business Licenses for year 2007 be charged off.

Mayor Johnson-Ashburn asked for a motion to approve the Personal Property/Business Licenses recommended to be charged off for the year of 2007.

A motion was made by Councilman Burgess to approve charge offs for Personal Property/Business Licenses for the year of 2007 as recommended. The motion was seconded by Vice-Mayor Cheatham and passed with a 6-0 vote (Councilman Blythe absent).

Treasurer's Report: Utility Charge Offs Report

Melissa Rollins, Director of Finance presented highlights of the Utility Charge Offs Report. Last year, City Council approved charge offs of uncollectible utility accounts for accounts inactive since years 1998 through 2006. In accordance with the Charge-Off Policy, the Treasurer has submitted the 2007 listing of accounts to be recommended for removal from the City's outstanding receivables in the amount of \$119,366.

Mayor Johnson-Ashburn asked whether we have customers on this listing that are active customers and are being billed currently.

Mrs. Babb answered no. To become active, these customers have to pay their past due accounts in order to receive services.

Councilwoman Murphy mentioned the Council needs to finalize review of the utility collection policies in upcoming meetings.

Mayor Johnson-Ashburn asked for a motion to Charge off the 2007 uncollectible utility accounts as recommended.

A motion was made by Vice-Mayor Cheatham to charge off the 2007 uncollectible utility accounts in the amount of \$119,366 as recommended. The motion was seconded by Councilwoman Murphy and passed with a 6-0 vote (Councilman Blythe absent).

Councilman Burgess noted that this is a small percentage considering the number and amount of accounts.

July 2013 Monthly Financial Report

Mrs. Rollins presented highlights of the July 2013 Monthly Financial Report:

Property Tax Revenue

The first month of Fiscal Year 2013-2014 reflects a favorable increase in general property tax collections over the prior year period by \$36,000.

Local Taxes

- Local sales and use taxes reflect a 15% decrease from July 2012.
- Restaurant meals taxes increased 3.6% from July 2012.
- Cigarette tax sales were higher in July 2012 at \$50,600 versus \$19,430 sold in July 2013.
- Lodging taxes in July 2013 at \$18,106 is \$5,255 less than receipts in July 2012.

Other Local Revenue

- Revenue from permits, fees and fines reflect an increase from \$3,700 in July 2012 to nearly \$16,000 in July 2013 due to the consolidation of Southampton County and City inspection services.
- Charges for services reflect the budgeted reduction in general fund revenues associated with the transitioning to the separate Solid Waste Fund effective July 1, 2013. The general fund reported \$118,000 in solid waste collections in July 2013 as a result of payments made in the month of July for prior fiscal year (June 25th) billings.
- Charges for services also include the administrative transfer from the City's Enterprise Funds to the General Fund.

General Fund Expenditures Summary

General Fund expenditures increased by \$148,000 or 23% from the prior year period. Legislative General and Financial Administration increased primarily as a result of payroll liabilities; Fire & Rescue increased as expected in accordance to budgeted personnel expenses and Library expenses reflect the payment of the 1st quarter contribution in July 2013. Overall total General Fund expenditures of \$928,000 were 6.74% of budget.

Water & Sewer Fund Summary

- Revenue from water and sewer service charges of \$251,000 at July 31 is in line with prior year revenue.
- Revenue is 8% of budget for both periods
- Expenditures for the Fund are slightly less than prior year at \$69,000 compared to \$79,000 in the prior year period largely due to a decrease in transfers to the general fund.
- Operating expenses however, reflect an increase for water, sewer and wastewater operations.

Solid Waste Fund Summary

- The cash balance in the Solid Waste Fund at July 1, 2013 was \$191,478. The City transferred the June 30th balance of reserves set aside for recycling containers (\$87,478) and the capital reserve set aside in the General Fund budget in FY 12-13 (\$104,000) to the fund for beginning cash balance purposes.
- Revenue for the Solid Waste Fund will be recorded beginning with the August 2013 financial report as "billed revenue". Revenue received in July 2013 was for solid waste services rendered in the prior year service period (June 2013) and therefore credited to the City's General Fund in FY 2012-2013.
- Expenditures as shown at \$30,820 reflect operating expenses (\$15,140) plus the monthly budgeted transfer to the General Fund for administrative service charges (\$15,680).

- As a result, Cash in the Solid Waste Fund at the end of the month decreased by this amount. Including other adjustments, the cash balance at the end of July 2013 for the fund is \$166,060.

Airport Fund Summary

- Fuel sales at July 31 were \$19,029, increasing over the prior year period.
- Other local revenue consists primarily of airport rental fees and is just slightly higher than the prior year period.
- Expenditures in July 2013 are \$24,000 less than July 2012 due to decreased fuel purchases.

Electric Fund Summary

- Revenue in the Electric Fund represents one month of billed revenue at \$1.327 million.
- Revenue from the sale of energy is nearly \$37,000 less than July 2012 which is mostly offset by an increase in the fuel adjustment.
- Expenditures associated with the sale of energy/fuel adjustment increased due to higher fuel adjustment rates.

Electric Fund Cash Balance

Cash in the Electric Fund at July 31 was \$642,085, essentially no change from the cash balance reported at June 30, 2013.

Councilman Burgess stated in July the City was short \$250,000 in collections, is this a normal shortage for the month of July.

Mrs. Rollins answered yes, the month of July and August will fluctuate due to cooling assistance reimbursement programs which have not been adjusted yet.

FY 2012- 2013 & FY 2013-2014 Budget Amendments

Mrs. Rollins presented year to date FY 2012- 2013 & FY 2013-2014 Budget Amendments:

Budget Amendment #2013-26 – (FY 2012-2013)

A supplemental appropriation in the amount of \$24,000 is requested to cover cost exceeding available appropriation in the FY 2012-2013 Fire & Rescue Budget. The request is to amend the budget for available revenues (ambulances billing charges for services rendered).

A motion was made by Councilman Burgess to amend the FY 2012-2013 Fire & Rescue Budget by \$24,000 to reflect additional revenue received beyond budgeted appropriations for contracted service expenses. The motion was seconded by Councilwoman Hilliard and passed with a 6-0 vote (Councilman Blythe absent).

Budget Amendment #2014-05 – (FY 2013-2014)

The City has received the following grant awards and donations in the current fiscal year:

- Litter Control Grant - \$6,366 – (Beautification)
- Byrne Justice Assistance Grant - \$6,056 (Police)
- Wal-Mart Donation – Police Operations - \$1,000 (Police)

In FY 2012-2013, City Council was notified of the Emergency A.T.S. Generator Hookup Grant received from the Virginia Department of Emergency Management through the Hazardous Mitigation Grant Program. The total grant is \$119,783.

A motion was made by Councilman McLemore to amend the FY 2013-2014 General Fund budget to reflect the receipt of grants and donations received in FY 2013-2014 and appropriate the funds for expenditure and to amend the FY 2013-2014 budget (Community Development) to reflect unspent grant funds as outlined on the attached budget amendment and appropriate the funds for expenditure. The motion was seconded by Vice-Mayor Cheatham and passed with a 6-0 vote (Councilman Blythe absent).

Budget Amendment #2014-06 (FY 2013-2014)

Budget Amendment #2014-06 is to appropriate unspent funds received in FY 2012-2013 from the 2013 Virginia Public School Authority (VPSA) bond issue for School Capital Projects to the FY 13-14 budget.

A motion was made by Councilman McLemore to amend the FY 2013-2014 School Capital Projects fund in the amount of \$1,905,600 to reflect the unspent VPSA bond proceeds for School Capital projects and appropriate the funds for expenditure in the FY 13-14 budget. The motion was seconded by Councilwoman Hilliard and passed with a 6-0 vote (Councilman Blythe absent).

Budget Amendment #2014-07 (FY 2013-2014)

Budget Amendment #2014-07 is a request from the Franklin Public School System to amend the FY 2013-2014 Operating Budget to reflect the award of a School Security Equipment Grant for Franklin High and J. P. King Middle Schools. The grant award is \$36,800 (state funds) and requires a 25% local match (\$9,200) for a total of \$46,000.

The School System is requesting that the City appropriate additional funds to cover the \$9,200 local match requirement. The current FY 2013-2014 budgeted local appropriation to the School Division is as follows:

Local Appropriation	\$4,834,395
Re-Appropriation of Prior Year Carryover	\$ 643,174
Total FY 2013-2014 Budgeted Appropriation	\$5,480,569

City Council must decide whether to appropriate additional local funds for the required match. If authorized, the FY 2013-2014 budgeted local appropriation to the School System would increase to \$5,489,769.

Mayor Johnson-Ashburn recognized Edna King, Chairwoman of the Franklin City School Board and thanked her for attending the meeting.

Councilman Burgess stated Manager Martin would have to provide the information of where the funds would come from in order for Council to approve this action.

Mrs. Rollins informed Council if approved the funds would be coming from the Council's Contingency Fund as recommended by the City Manager.

Councilman McLemore asked why the City would be appropriating funds to the School System prior to the Council and School Board Joint Meeting.

Manager Martin answered these funds would need to be appropriated in order for the School System to receive the Grant.

Mayor Johnson-Ashburn asked Mrs. King if she knew the deadline for the Grant.

Mrs. King did not have the information at hand.

A motion was made by Councilwoman Hilliard to appropriate \$9,200 in local funds from the City to cover the required state match for the School Security Equipment Grant. The motion was seconded by Councilwoman Murphy and passed with a 6-0 vote (Councilman Blythe absent).

Councilman Burgess requested in the future if there is a grant coming up; could the School Board please communicate this to Council for discussion rather than waiting until the Grant deadline is approaching.

Mayor Johnson-Ashburn excused herself from the meeting.

Vice-Mayor Cheatham chaired the meeting for Mayor Johnson-Ashburn in her absence.

Budget Amendment #2014-08 – (FY 2013-2014)

Budget Amendment #2014-08 – (FY 2013-2014) is requesting the transfer of funds from the City's Solid Waste (Enterprise) Fund to the Public Works – Building Maintenance Division (General Fund) in the amount of \$10,000. This will enable the department to utilize contractual services for the upkeep and maintenance of grounds to various City Buildings and other City properties.

Councilman Burgess asked if this Budget Amendment had to be approved tonight or could the City consider alternative resources to accomplish the tasks.

Manager Martin agreed with Councilman Burgess' statement about considering alternatives for the future budget but the funds are needed to be transferred to cover the rest of this fiscal year and to balance the costs of the two funds for activities set to begin right away.

A motion was made by Councilwoman Murphy to authorize the transfer of \$10,000 from the Solid Waste Fund to the General Fund (Public Works-Building Maintenance) and appropriate the funds for expenditure. The motion was seconded by Councilwoman Hilliard and passed with a 6-0 vote.

Mayor Johnson-Ashburn returned to the meeting.

Budget Amendment #2014-09 – (FY 2013-2014)

Budget Amendment #2014-09 – (FY 2013-2014) is a request from Ellen Couch, Director of Smart Beginnings to amend the FY 2013-2014 budget to reflect the receipt of additional carryover from FY 2012-2013 in the amount of \$2,566 and grant funds from Green Mountain Coffee in the amount of \$15,000 for a total amendment to the budget of \$17,566. The City manages the budget for Smart Beginnings as part of its contribution to that agency.

A motion was made by Councilwoman Murphy to amend the FY 2013-2014 Smart Beginnings Budget to reflect the receipt of additional prior year carryover (\$2,566) and grant funds (\$15,000) and to appropriate the funds for expenditure as requested. The motion was seconded by Councilwoman Hilliard and passed with a 6-0 vote (Councilman Blythe absent).

GASB 54 Fund Balance Classification Report

Mrs. Rollins reviewed highlights of the GASB 54 Fund Balance Classification Report. GASB-54 requires local governments to focus on the constraints imposed upon financial resources when reporting fund balance in governmental funds. The following five classifications and the balances of each are displayed on the City's Balance Sheet:

- Non-spendable Fund Balance – Fund balance reported as “non-spendable” represents fund balance that is (a) not in a spendable form such as prepaid items or (b) legally or contractually required to be maintained intact such as an endowment (\$969,874).
- Restricted Fund Balance – Fund balance reported as “restricted” consist of amounts that can be spent only on the specific purposes stipulated by law or by the external providers of those resources (1) The grant awarded by the State for maintenance and upkeep of the Chowan River Gauge is restricted for that purpose and is classified as restricted fund balance (\$13, 950); and (2) the loan proceeds for the new money projects are restricted for capital projects (\$1,056,302) are classified as restricted fund balance (\$1,070,252).
- Committed Fund Balance – Fund balance reported as “committed” are self-imposed limitations set in place prior to the end of the fiscal period. These amounts can be used only for the specific purposes determined by a formal action of the City Council. City Council approved \$643,174 in fund balance to fund the School Division FY 13-14 budget FY 12 Re-appropriation (\$643,174).
- Assigned Fund Balance – Fund balance reported as “assigned” consists of amounts that are subject to a purpose constraint that represents an intended use established by management. Formal action is not necessary to impose, remove, or modify a constraint in Assigned Fund Balance. This category is used to reflect the appropriation of a portion of existing fund balance to eliminate a projected deficit in the subsequent year's budget: (1) The Debt Service Restructuring reserve in the amount of \$1,616,795, (2) the reserve funds for recycling containers in the amount of \$87,478, (3) capital reserve funds established for solid waste services in the amount of \$104,000, (4) re-appropriation of (FY13) funds not used for governmental operations in the amount of \$16,416 and (5) funds remaining for street paving and drainage projects in the amount of \$541,459 are classified as Assigned Fund Balance (\$2,366,148).
- Unassigned Fund Balance – Fund balance reported as “unassigned” represents the residual classification of fund balance and includes all spendable amounts not contained within the other classifications. This amount is used for monitoring the City's “fund balance” financial policy (\$3,848,195). The amount is in compliance with the City Council established policy.

Councilman Burgess commended the City Manager and Staff on a job well done.

Manager Martin congratulated the Council on keeping the policies in place to make the GASB 54 Fund Balance Report outcome a success.

Councilman McLemore departed the meeting at 8:35 p.m.

USDA Police Equipment Grant Resolution

Mrs. Rollins reviewed the USDA Police Equipment Grant Resolution. Based upon application efforts of the Police Department, the City of Franklin Police Department is eligible for grant funds from the United States Department of Agriculture (USDA) in the amount of \$24,970 to use for the acquisition of a police vehicle and equipment. Grant conditions require a resolution from City Council which in essence (1) states that Council adopts and agrees to abide by the covenants in the grant agreement, documents and forms to be executed and (2) authorizes the City Manager to act on the behalf of City Council to execute all documents and required in obtaining the financial award.

A motion was made by Councilman Burgess to adopt the Resolution as required from USDA. The motion was seconded by Councilwoman Hilliard and passed with a 5-0 vote (Councilmen McLemore and Blythe absent).

OLD/NEW BUSINESS

City Manager's Report

Manager Martin thanked and congratulated the Downtown Franklin Association, staff and volunteers for their efforts aimed at making the Downtown Fall Festival a success this past weekend.

Manager Martin made the following statements:

- Notices have been sent out to residents affected by a street resurfacing project which would soon be under way on portions of Clay Street
- The current Federal Government shutdown is expected to have little effect in the short term on the City and its departments with the exception of potential significant impacts on the Social Services Department and citizens who receive certain services funded with federal dollars.

Social Services Impact

Manager Martin introduced Alan Hogge, Director of Social Services to review the effects the shutdown would have on his department. Mr. Hogge reviewed the possible affects the government shutdown could possibly have:

- Medicaid – should be fine for at least 90 days as the Medicaid appropriation for the first quarter of the federal fiscal year is provided by the previous year's appropriation
- TANF – the program's authorization expires on September 30th, but we anticipate being able to use prior TANF grant balances in the short term
- Title IV-E Foster Care and Adoption Assistance – similar to Medicaid, they receive an advance appropriation for the first quarter of the fiscal year in the prior year's appropriation.
- Energy Assistance – is a discretionary grant program and would be impacted by a shutdown because funds would cease

- SNAP – is an entitlement program, but is not forward funded and unexpected appropriations cannot be carried forward from year-to-year, so problems will occur if the shutdown is prolonged
- Child Care Assistance – this is a block grant program that would be impacted by a shutdown, but we anticipate being able to utilize any prior year's balance.
- SSBG – this is a block grant program that would be impacted by a shutdown, but we anticipate being able to utilize any prior year's balances.

Discussion Concerning the Joint Council & School Board Meeting

Mayor Johnson-Ashburn called for discussion about a change in the schedule of the Joint Meeting between City Council and the Franklin City School Board. Mayor Johnson-Ashburn recommends a change in the date of the Joint Meeting between City Council and the Franklin City School Board from Wednesday, October 23, 2013 to Wednesday, October 30, 2013 due to some School obligations and the resulting scheduling conflict.

A motion was made by Vice-Mayor Cheatham to change the date of the Joint Meeting between City Council and the Franklin City School Board from Wednesday, October 23, 2013 to Wednesday, October 30, 2013 at 6:30 p.m. at a location to be determined. The motion was seconded by Councilwoman Murphy and passed with a 5-0 vote (Councilmen McLemore and Blythe absent).

Discussion of Scheduling a Public Meeting of the Council Concerning the Schools

Mayor Johnson-Ashburn asked City Attorney Williams for clarification on the proper procedure for discussing this meeting. The Mayor asked did the Council need to discuss the purpose of the meeting during this portion prior to scheduling it.

City Attorney Williams answered this is a called meeting and a called meeting is for a specific purpose therefore; he recommended the discussion.

Mayor Johnson-Ashburn stated the purpose of this meeting is to allow Council to have the opportunity to discuss with an Attorney our roles and responsibilities as it relates to school issues; after our discussion the attorney will come out in Open Session and give an overview to the public as to the City Council's roles and responsibilities as they relate to the Public Schools. At that time the meeting will be open to the citizens for comments or questions. Council will then take the comments or questions to the Joint Meeting with the Franklin City School Board on Wednesday, October 30, 2013.

City Attorney Williams then made a statement that the City Charter requires him to represent the School Board as well as be General Council to the City Council. This will place him in a conflicted situation with the Called Meeting on Monday, October 21, 2013 as well as the Joint Meeting on Wednesday, October 30, 2013. Due to this conflict as City Attorney; he is withdrawing from any further representation of the School Board and the City Council regarding the issues being discussed by the two bodies at these meetings.

Councilman Burgess asked Mayor Johnson-Ashburn to repeat the process and purpose of the proposed meeting, which she did.

Councilwoman Hilliard asked if the citizens would be able to ask individual Council Members direct questions.

Mayor Johnson-Ashburn answered Council acts as a body. She continued that if Council Members wanted to make individual statements that would be appropriate.

Councilwoman Hilliard asked if the public would be able to ask the Attorney questions.

Mayor Johnson-Ashburn answered she would like to keep the entire meeting to two hours, but if there were areas that needed clarifying, she would let the Attorney clarify them.

Councilman Burgess asked has the City Council had any preliminary discussions with outside legal counsel regarding what the Attorney will be advising. Councilman Burgess added that Council already had a basic understanding about legal restrictions and limitations; did Council need to spend the funds on an Attorney?

Mayor Johnson-Ashburn answered some of the Council members had requested an Attorney be brought in and she did not want to stop the process. She also stated this is an opportunity for the public to hear the information from a third party legal source.

A motion was made by Vice-Mayor Cheatham to schedule the public meeting of the Council to discuss the Public Schools on Monday, October 21, 2013 7:30 p.m. in the Council Chambers to be preceded by a Closed Session for legal consultation at 6:30 p.m. The motion was seconded by Councilwoman Murphy and passed with a 5-0 vote (Councilmen McLemore and Blythe absent).

Mayor Johnson-Ashburn suggested changes to upcoming previously planned Council Meeting topics including personnel policies necessary since the October 21st meeting topic changed. She and the City Manager will adjust the schedule and report back to Council Members.

Mayor Johnson-Ashburn recognized City Staff for preparing the Customer Electric Booklet which gives tips on how to conserve energy. She also announced that Manager Martin is in the process pursuing of a schedule where the STOP Organization will be available to accept weatherization applications.

COUNCIL/STAFF REPORTS ON BOARDS AND COMMISSIONS

Vice-Mayor Cheatham reported on the Business Friendly Committee Meeting and announced that the City is now sending out welcome letters to all new businesses in the area, asking them their experiences during the opening process of their business.

Vice-Mayor Cheatham reported on the meeting of the Hampton Roads Planning District where the topic of discussion was the consolidation of the sewer systems of several cities and countries in Hampton Roads with the Hampton Roads Sanitary District Organization.

Vice-Mayor Cheatham reported on the Hampton Roads Transportation Planning Organization Meeting where the topic of discussion was traffic and potential improvements in the region.

Vice-Mayor Cheatham reported on the Western Tidewater Jail Authority Meeting. There will be another meeting on Wednesday where the main topic of discussion is the Federal inmate situation and potential budgetary impacts.

Councilman Burgess announced there would be a meeting of the recently appointed management team on Thursday, October 17 at 5:30 p.m. in Franklin with City and County representatives to review the Water & Waste Water Treatments options for the City of Franklin and Southampton County.

ADJOURNMENT

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

Meeting adjourned at 9:07 p.m.

Arbor Day Proclamation

Whereas, In 1872 J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees, and
Whereas, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska, and
Whereas, Arbor Day is now observed throughout the nation and the world, and
Whereas, trees can reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce oxygen and provide habitat for wildlife, and
Whereas, the City of Franklin celebrates its 29th consecutive year as a certified "TREE CITY USA" honored by the National Arbor Day Foundation,

Whereas, The City of Franklin celebrates its 29th consecutive year as a certified "TREE CITY USA" honored by the National Arbor Day Foundation,

NOW, THEREFORE, the FRANKLIN CITY COUNCIL, of the CITY OF FRANKLIN does hereby proclaim November 7, 2013, as

"Arbor Day"

in the CITY OF FRANKLIN, and we urge all citizens to celebrate Arbor Day and to support efforts to protect our trees and woodlands, and

Further, We urge all citizens to plant trees to gladden the heart and promote the well-being of this and future generations.

Dated this 21st day of October 2013.

Raystine D. Johnson – Ashburn, Mayor



FINANCE

- A. Financial Reports August & September, 2013**
- B. Budget Amendment #2014-10 (FY 2013-2014) – USDA Police Equipment Grant & Transfer;
IT Server Upgrade Transfer**
- C. Budget Amendment #2014-11 (FY 2013-2014) – Garden Club, CSX & VHCD Main Street
Donations/Grants**



**Monthly Financial Report Summary (Unaudited)
for the 1st Quarter Ending September 30, 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 the 1st quarter of the fiscal year complete, General Fund Revenues are tracking slightly higher than revenue from the prior year period. Overall, General Fund revenue of \$3.167 million at the end of September 30, 2013 is 16.75% of budget compared to \$2.831 million or 14.76% of budget at September 30, 2012. An overview of the various local, state and federal sources is as follows:

Property Tax Revenue

- The first quarter of Fiscal Year 2013-2014 reflects a favorable increase in general property taxes collections over the prior year period. All sources, current and delinquent real estate, personal property, and penalties & interest on taxes gained from the first quarter in fiscal year 2012-2013.

REVENUE SOURCE	ACTUAL		Prior Year Change	
	9/30/2013	9/30/2012	Dollar	%
Real Estate Taxes-Current	\$ 104,749	\$ 77,682	\$ 27,067	35%
Real Estate Taxes-Delinquent	54,844	34,081	\$ 20,763	61%
Personal Property Taxes-Delinquent	21,314	19,479	\$ 1,835	9%
Penalties & Interest Taxes	39,044	29,124	\$ 9,920	34%
GENERAL PROPERTY TAX	\$ 219,951	\$ 160,366	\$ 59,585	37%

Local Taxes

- Taxes indicative of the City’s local economy are tracking slightly less than the prior year period. While meals taxes earned in the first quarter reflect a positive gain of 8.5%, revenue from lodging, cigarette and sales taxes reflect less favorable trends as shown in table 1 and the accompanying charts. However, all sources are on target with budgeted projections at greater than 25% of budget. The decline from the prior year in sales taxes is all attributed to sales associated with the month of July; July 2012 sales revenue remitted to the City was \$174,000 compared to \$149,000 received

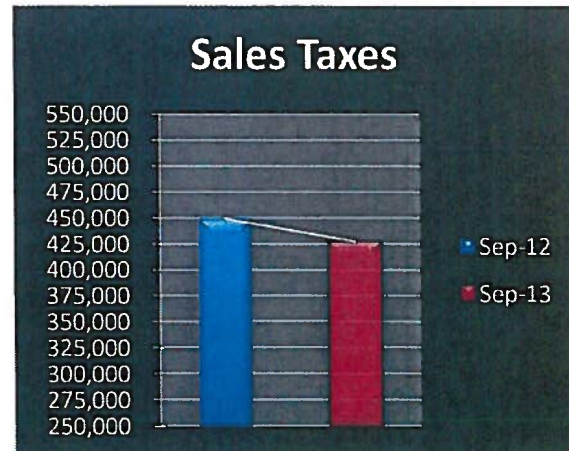
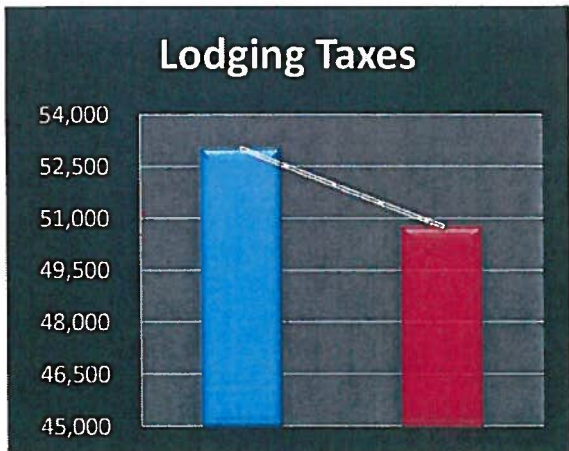
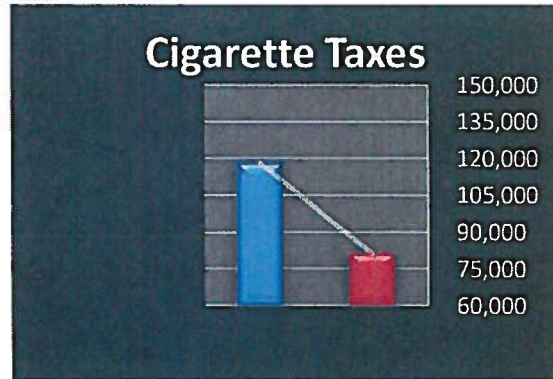
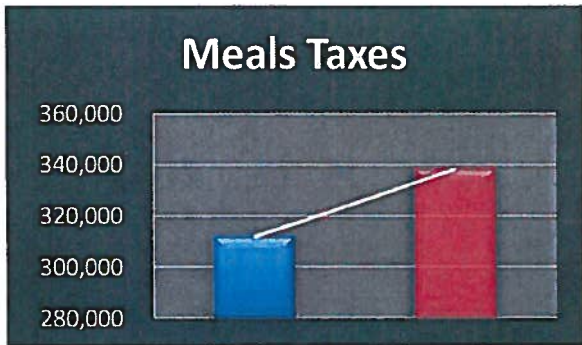


for July 2013 sales. The decline in cigarette tax revenue is due to the tax increase assessed last July on current inventory (due to the rate change) in addition to less stamps purchased by businesses in the current year quarter.

Table 1.

	Meals Taxes	Lodging Taxes	Cigarette Taxes	Sales Taxes	Total
Sep-12	311,715	53,021	118,287	448,951	931,974
Sep-13	338,354	50,761	80,895	427,029	897,039
Change \$	26,639	(2,260)	(37,392)	(21,922)	(34,935)
Change %	8.55%	-4.26%	-31.61%	-4.88%	-3.75%

Sept-12
Sept-13





Other Local Revenue

- Revenue from permits, fees and fines reflect an increase in the current accounting period from \$14,900 in September 2012 to over \$51,000 in September 2013 due to the consolidation of planning and inspection services with Southampton County. This amounts to nearly 33% of the total budget.
- Charges for services reflect the budgeted reduction in general fund associated with the transitioning to the separate Solid Waste Fund effective July 1, 2013. The general fund will reflect one month of solid waste collections as a result of payments made in the month of July for prior year (June 25th) billing. 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 and parks & recreation fees which reflect gains over the prior year period and are on target with budgeted projections.
- State and Federal Revenue - No major changes from the prior year period; these sources tend to track closely to budget unless unexpected revenue is received.

General Fund Expenditure Summary

General Fund expenditures increased by \$182,012 or 6% from the prior year period. This is largely due to budgetary changes made in the current fiscal year as expenditures for both year periods were 21% of the total budget. Primary decreases and increases in the first quarter of fiscal year 13-14 versus expenditures at September 30, 2012 are as follows:

<u>Category of Expenditure</u>	<u>9/30/2013</u>	<u>9/30/2012</u>	<u>Variance</u>	<u>Primary Reason for Decrease/Increase</u>
Refuse Collection & Disposal	-	196,281	(196,281)	Transition to Solid Waste Fund
Health	-	27,500	(27,500)	Request for Funds Not Made in Current Year Quarter
Planning & Beautification	27,563	3,218	24,345	Planning Department - Stormwater Management
Streets	338,237	304,254	33,983	More Operating Expenses in Current Fiscal Year
Buildings and Grounds	331,070	207,553	123,517	Capital Outlay - Roof Replacements
Fire and Rescue	521,745	334,024	187,721	Personnel Cost - Grant funded personnel
	<u>1,218,615</u>	<u>1,072,830</u>	<u>145,785</u>	



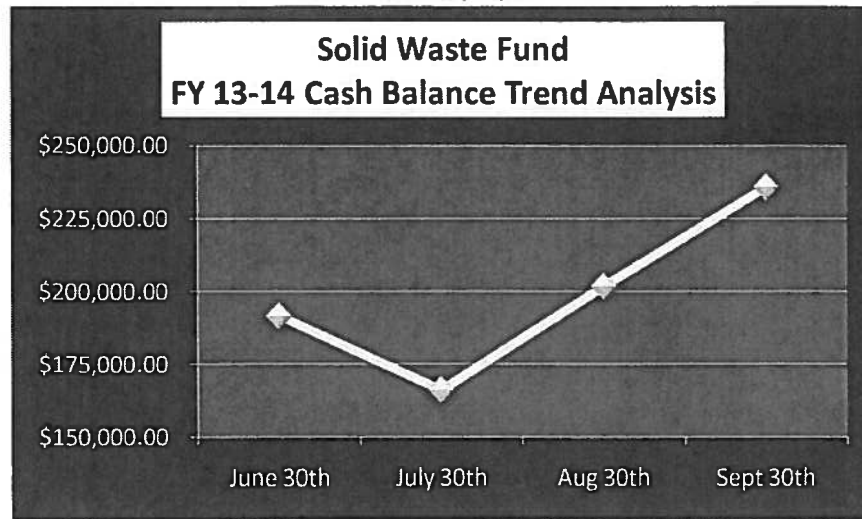
Water & Sewer Fund Summary

- The Water & Sewer Fund continues to perform according to budget for the first quarter into the current fiscal year.
- Revenue collected for water and sewer charges (\$755,000) is at 25% of budget and is in line with the prior year period.
- Operating expenses show a decrease of about \$85,000 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 \$335,368.

Solid Waste Fund Summary

- Revenue for the Solid Waste Fund is recorded for two 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 as shown at \$147,903 is 16% of the total budget for operating cost and 12.5% of the total budget when factoring in capital outlay.
- After factoring in transfers to the General Fund, total expenditures of \$194,943 represent 14% of the Fund’s total budget;
- As a result of year to date revenue earned and expenditures made, net income for the month is \$38,577; Cash in the Solid Waste Fund at the end of the quarter increased from the prior month by \$34,000.

<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
Net Change Since July 1, 2013		\$44,222.15



Airport Fund Summary

- Fuel sales at Sept 30 were \$38,748, 17% higher than sales reported in the first quarter of FY12-13.
- Other local revenue consists primarily of airport rental fees and is consistent with prior period revenue.
- Expenditures in Sept 30 are less than Sept 2012 due to fuels purchases; no purchase has been made during the first quarter of the current fiscal year; fuel was purchased in mid October.



Electric Fund Summary

- Revenue in the Electric Fund is on target with budget and represents three months of billed revenue for the sale of energy at \$3.24 million or roughly 25% of the budget. This is comparable to the same period in FY 2012-2013 in which billed revenue of \$3.36 million was 26% of budget.
- Revenue from the sale of energy is nearly \$120,000. Revenue from other sources of nearly \$73,000 is performing well with 28% of the budget collected during the 1st quarter of FY 3013-2014.
- On the expense side, operating expenses are comparable to the prior year at \$272,000 at under 19% of the total budget. Funds set aside for reserves should remain unspent for the purposes of cash replenishment and future capital outlay.

CASH BALANCE

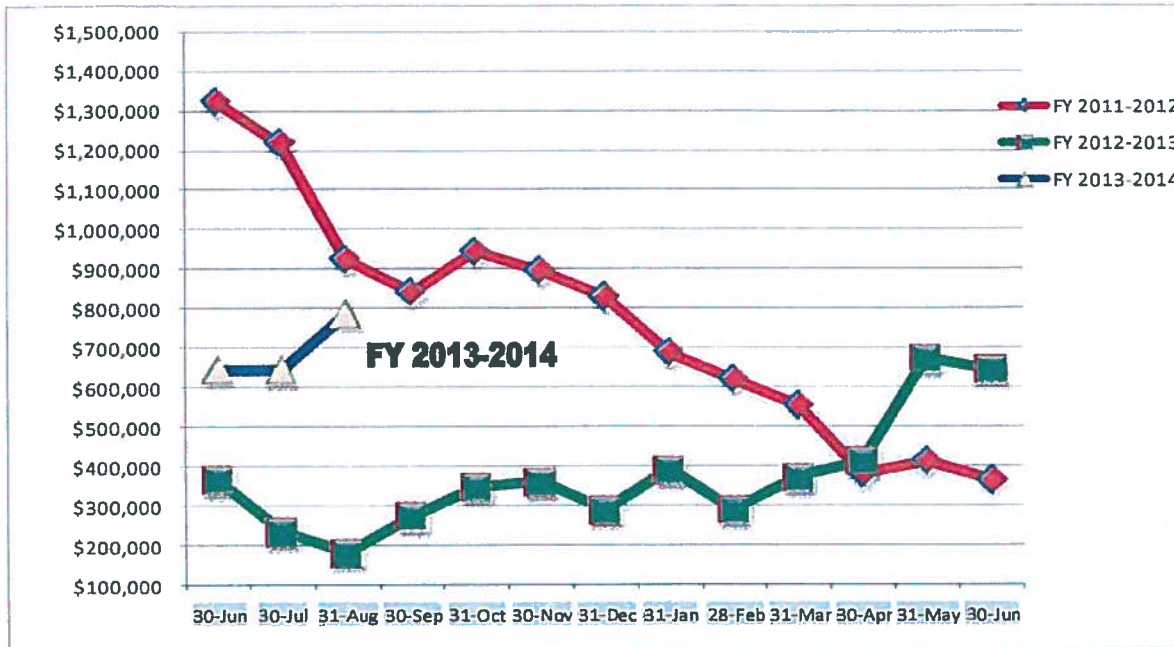
Cash in the Electric Fund at September 30th was \$784,569, a positive gain of \$112,000 from the cash balance reported at August 30, 2013. This is a considerable increase (\$512,306) over the cash balance reported in the Fund at the end of September 2012 (\$272,263). While cash (revenue from receipts from customers and other sources) increased slightly by 1.2% in the quarter, the expenditures in the Fund decreased by nearly 5%. This is partly attributed to the reduction in the payments due to VMEA (in essence lower cost for the purchase of electricity).

Prior Year (Table 1)

Month	FY12-13	Revenue	Expenses	Month to Month Variance	Cash Balance	VMEA PAYMENTS
					\$ 365,374	
July		\$ 1,010,040	\$ (1,143,237)	\$ (133,197)	\$ 232,177	\$ (887,569)
August		\$ 1,281,182	\$ (1,333,420)	\$ (52,238)	\$ 179,939	\$ (1,015,441)
September		\$ 1,289,437	\$ (1,197,113)	\$ 92,324	\$ 272,263	\$ (928,938)

Current Year (Table 2)

Month	FY13-14	Revenue	Expenses	Month to Month Variance	Cash Balance	VMEA PAYMENTS
					\$ 643,257	
July		\$ 1,124,201	\$ (1,125,373)	\$ (1,172)	\$ 642,085	\$ (816,474)
August		\$ 1,273,234	\$ (1,242,781)	\$ 30,453	\$ 672,538	\$ (908,442)
September		\$ 1,245,217	\$ (1,133,186)	\$ 112,031	\$ 784,569	\$ (870,736)



Cash Balance Policy Evaluation

FY 2013-14 Cash Balance as a Percentage of Annual Revenues (excluding fuel adjustment) at 9/30/13 = \$784,569 or 6.0%.

FY 2014 TOTAL REVENUE	15,051,745
Less Fuel Adjustment	(1,667,809)
Budget Basis for Policy	13,383,936
10% of Annual Revenue	\$ 1,338,394

FY 2012-13 Cash Balance as a Percentage of Annual Revenues (excluding fuel adjustment) at FYE 9/30/12 = \$272,263 or 2.0%.

Policy Evaluation: FY 13-14 reflects good improvement in the Fund’s cash position; estimated cash in the Fund is still below minimum policy level by \$554,000 at Sept 30, 2013. However, in comparison to FYE Sept 30, 2012 cash in the Fund was below minimum policy level by over \$1.0 million indicative of the favorable gains realized thus far in FY 2013-2014.



Table 3.

FY 2013-2014 REVENUE BILLED VERSUS PAYMENTS COLLECTED ANALYSIS

	July	August	September	TOTAL
BILLING	\$ 1,313,838	\$ 1,230,838	\$ 1,065,393	\$ 3,610,069
TOTAL PAYMENTS*	\$ 1,065,604	\$ 1,233,896	\$ 1,215,170	\$ 3,514,670
VARIANCE	\$ (248,234)	\$ 3,058	\$ 149,777	\$ (95,399)

97.4% billed versus payments

Table 4.

FY 2012-2013 REVENUE BILLED VERSUS PAYMENTS COLLECTED ANALYSIS

	July	August	September	TOTAL
BILLING	\$ 1,326,194	\$ 1,311,511	\$ 1,031,082	\$ 3,668,787
TOTAL PAYMENTS*	\$ 980,728	\$ 1,259,910	\$ 1,253,148	\$ 3,493,786
VARIANCE	\$ (345,466)	\$ (51,601)	\$ 222,066	\$ (175,001)

95.2% billed versus payments

***Payments applied are for any month, current or past due.**

FINANCIAL REPORT AS OF SEPTEMBER 30, 2013 - 3 Months = 25%												
	2013-2014		ACTUAL		BUDGET		2012-2013		ACTUAL		BUDGET	
REVENUE:	BUDGET		9/30/2013	%	BUDGET	%	BUDGET	9/30/2012	%	BUDGET	%	
Taxes; Licenses	\$ 12,149,932	\$	1,280,153	10.54%	\$ 12,163,583	10.54%	\$ 1,141,060	9.38%				
Permits, Fees, Fines	155,190		51,186	32.98%	125,225	32.98%	14,990	11.97%				
Use of Money & Property	247,757		133,109	53.73%	251,026	53.73%	126,210	50.28%				
Charges for Services:												
Court Services	11,300		1,392	12.32%	8,300	12.32%	507	6.11%				
Fire & Rescue	398,354		99,696	25.03%	398,354	25.03%	85,847	21.55%				
Animal & Building Services	29,800		20	0.07%	29,518	0.07%	7,220	24.46%				
Waste Removal Services	9,000		128,011	1422.34%	1,497,637	1422.34%	363,944	24.30%				
Administrative Services	852,260		213,066	25.00%	674,528	25.00%	168,632	25.00%				
Recreational Services	15,750		8,018	50.91%	16,850	50.91%	6,348	37.67%				
Total Charges for Services	1,316,464		450,203	34.20%	2,625,187	34.20%	632,498	24.09%				
Misc & Recovered Costs	239,312		42,571	17.79%	185,500	17.79%	27,696	14.93%				
Isle of Wight Rev. Sharing	530,000		530,000	100.00%	-	100.00%	238,835	0.00%				
State Aid:												
Non Categorical Aid	1,670,397		157,488	9.43%	1,679,397	9.43%	158,579	9.44%				
Shared Expenses	174,989		22,239	12.71%	167,412	12.71%	18,905	11.29%				
Categorical Aid	1,954,076		494,120	25.29%	1,961,595	25.29%	472,638	0.00%				
Total State Aid	3,799,462		673,847	17.74%	3,808,404	17.74%	650,122	17.07%				
Federal Aid	467,711		6,056	1.29%	22,966	1.29%	-	0.00%				
Proceeds Loans/Bonds	-		-	0.00%	-	0.00%	-	0.00%				
Total Current Revenue	\$ 18,905,828	\$	3,167,125	16.75%	\$ 19,181,891	16.75%	\$ 2,831,411	14.76%				
EXPENDITURES:												
Operating Expense:												
Legislative, General & Financial	\$ 2,474,769	\$	465,307	18.80%	\$ 2,122,767	18.80%	\$ 445,543	20.99%				
Elections, Courts, Sheriff	1,089,322		321,773	29.54%	1,068,095	29.54%	327,067	30.62%				
Law Enforcement	3,576,478		813,160	22.74%	3,503,791	22.74%	802,367	22.90%				
Fire and Rescue	2,136,870		521,745	24.42%	1,496,550	24.42%	334,024	22.32%				
Community Development	371,842		101,219	27.22%	368,392	27.22%	87,197	23.67%				
Streets	2,626,315		338,237	12.88%	1,976,932	12.88%	304,254	15.39%				

Garage	226,527	42,010	18.55%	190,400	41,288	21.68%
Refuse Collection & Disposal	185,000	-	0.00%	1,397,709	196,281	14.04%
Buildings and Grounds	1,353,939	331,070	24.45%	963,585	207,553	21.54%
Health	167,198	-	0.00%	166,173	27,500	16.55%
Parks and Recreation	600,458	148,931	24.80%	580,227	151,143	26.05%
Library	290,300	68,393	23.56%	283,723	70,299	24.78%
Planning & Beautification	182,911	27,563	15.07%	75,235	3,218	4.28%
Downtown Development	108,707	13,861	12.75%	105,516	13,523	12.82%
Subtotal- Operating Expenses	15,390,636	3,193,269	20.75%	14,299,095	3,011,257	21.06%
			2			
GENERAL FUND CONT'D						
EXPENDITURES:	2013-2014	ACTUAL	BUDGET	2012-2013	ACTUAL	BUDGET
	BUDGET	9/30/2013	%	BUDGET	9/30/2012	%
Payments to Southampton Co.	\$ 650,000	\$ -	0.00%	\$ 650,000	\$ -	0.00%
Non-Departmental Miscellaneous	40,000	6,130	15.33%	10,322	5,400	52.32%
Pass through Contributions	-	-	0.00%	-	-	0.00%
Non-Departmental Debt Reserve	-	-	0.00%	242,151	-	0.00%
Total Operating Expense	\$ 16,080,636	\$ 3,199,399	19.90%	\$ 15,201,568	\$ 3,016,657	19.84%
Net Operating Income	\$ 2,825,192	\$ (32,274)	-1.14%	\$ 3,980,323	\$ (185,246)	-4.65%
TRANSFERS - IN:						
Transfer from Unappr Surplus	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Transfer from Electric Fund	1,409,891	352,473	25.00%	1,409,891	352,473	25.00%
Use of Prior Year Fund Balance	643,174	-	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	39,479	25.00%
Use of Restricted Fund Balance	-	-	0.00%	132,213	-	0.00%
Transfer Electric Debt Reserve	-	-	0.00%	80,175	20,044	25.00%
Total Transfers In	\$ 2,742,451	\$ 352,473	12.85%	\$ 3,126,274	\$ 411,996	13.18%
To General Debt	\$ 498,604	\$ 186,644	37.43%	\$ 543,689	\$ 126,229	23.22%
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	-	0.00%
To Education Fund	4,837,395	1,209,349	25.00%	4,980,153	1,245,038	25.00%
To Education Fund-Carryover	643,174		0.00%			
To Social Services Fund	397,338	-	0.00%	454,057	-	0.00%
To Comprehensive Services Act	92,750	-	0.00%	151,584	-	0.00%
To Economic Dev Incubator	78,539	-	0.00%	63,038	-	0.00%
To Economic Dev Joint Fund	125,000	-	0.00%	100,000	\$ -	0.00%
Total Transfers Out	\$ 7,192,193	\$ 1,395,993	19.41%	\$ 7,106,997	\$ 1,371,267	19.29%
Variance (Revenue vs. Expense)	\$ -	\$ (1,075,794)	3	\$ -	\$ (1,144,517)	

ELECTRIC FUND	2013-2014		ACTUAL		BUDGET		2012-2013		ACTUAL		BUDGET	
	BUDGET		9/30/2013		%		BUDGET		9/30/2012		%	
REVENUES:												
Sale of Energy	\$ 13,126,639		\$ 3,241,963		24.70%	\$ 13,080,084		\$ 3,362,708		25.71%		
Sale of Energy Fuel Adj	1,667,809		404,253		24.24%	1,346,515		337,997		25.10%		
Other Revenue	257,297		72,894		28.33%	236,000		50,393		21.35%		
Proceeds Loan/Bonds	-		279		0.00%	-		-		0.00%		
Total Current Revenue	\$ 15,051,745		\$ 3,719,389		24.71%	\$ 14,662,599		\$ 3,751,098		25.58%		
EXPENDITURES:												
Energy for Resale (a)	\$ 8,891,025		\$ 2,095,957		23.57%	\$ 9,095,800		\$ 2,438,649		26.81%		
Energy for Resale Fuel Adj (a)	1,683,110		444,297		26.40%	1,359,260		348,297		25.62%		
Other Expenses	1,471,551		271,908		18.48%	1,490,553		270,787		18.17%		
Capital Outlay	297,000		17,115		5.76%	377,304		18,857		5.00%		
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		\$ 2,829,277		21.90%	\$ 12,744,259		\$ 3,076,590		24.14%		
<i>Net Operating Income</i>	<i>\$ 2,135,151</i>		<i>\$ 890,112</i>		<i>41.69%</i>	<i>\$ 1,918,340</i>		<i>\$ 674,508</i>		<i>35.16%</i>		
OTHER FINANCING SOURCES:												
Use of Prior Year Fund Balance	\$ -		\$ -		0.00%	\$ 59,059		\$ -		0.00%		
TRANSFERS:												
GF Transfer-Council Approved	\$ 1,409,891		\$ 352,473		25.00%	\$ 1,409,891		\$ 352,473		25.00%		
GF Transfer - Administrative Services	388,960		97,240		25.00%	325,945		81,486		25.00%		
GF Transfer - Payment in Lieu of Taxes	59,282		14,820		25.00%	59,282		14,821		25.00%		
GF Transfer - Debt Restructuring	-		-		-	80,175		20,044		-		
Total Transfers (Out)	\$ 1,858,133		\$ 464,533		25.00%	\$ 1,875,293		\$ 468,824		25.00%		
Debt Service	\$ 277,018		\$ 30,633		11.06%	\$ 102,106		\$ 21,048		20.61%		
Total Expenses	\$ 15,051,745		\$ 3,324,443			\$ 14,721,658		\$ 3,566,462				
Variance - Revenue versus Expenses	\$ -		\$ 394,946			\$ -		\$ 184,636				
<i>(a) Operating expenses for resale and fuel adjustment costs reflect the September payment for the August 2013 Invoice billed in August but paid in September. Financial statements reflect three months of billed revenue and three months of expenditures to more accurately reflect the Fund's cash position even though two months of expenses to VMEA have occurred.</i>												

CITY OF FRANKLIN
 FISCAL YEAR 2013-14
 CASH BALANCES - SEPTEMBER 2013

FUND	CURRENT YEAR	PRIOR YEAR
General Fund	\$ 4,690,924	\$ 4,155,160
Fund SNAP Proceeds	\$ 933,126	\$ -
Total General Fund	\$ 5,624,050	\$ 4,155,160
Water & Sewer Fund	\$ 1,886,142	\$ 1,241,630
Fund SNAP Proceeds	\$ 372,625	\$ -
Total Water & Sewer Fund	\$ 2,258,767	\$ 1,241,630
Electric Fund	\$ 784,569	\$ 272,262
Fund SNAP Proceeds	\$ 661,153	\$ -
Total Electric Fund	\$ 1,445,722	\$ 272,262
Solid Waste Fund	\$ 235,700	\$ -
Airport Fund	\$ (64,585)	\$ (104,356)
TOTAL CASH FOR OPERATIONS	\$ 7,532,750	\$ 5,564,696
TOTAL CASH FOR CAPITAL PROJECTS	\$ 1,966,904	\$ -
TOTAL CASH	\$ 9,499,654	\$ 5,564,696



**AUGUST 30, 2013 FINANCIAL REPORT
PROVIDED FOR INFORMATION**

GENERAL FUND CONT'D	2013-2014		ACTUAL		BUDGET		2012-2013		ACTUAL		BUDGET	
	BUDGET		8/31/2013		%	BUDGET	BUDGET	8/31/2012		%		
EXPENDITURES:												
Payments to Southampton Co.	\$ 650,000	\$ -			0.00%	\$ 650,000	\$ -	\$ -		0.00%		
Non-Departmental Miscellaneous	40,000	6,152			15.38%	10,322	2,781			26.94%		
Pass through Contributions	-	-			0.00%	-	-			0.00%		
Non-Departmental Debt Reserve	-	-			0.00%	242,151	-			0.00%		
Total Operating Expense	\$ 14,456,086	\$ 2,187,424			15.13%	\$ 15,201,568	\$ 2,109,423			13.88%		
Net Operating Income	\$ 4,449,742	\$ (180,764)			-4.06%	\$ 3,946,179	\$ (250,082)			-6.34%		
TRANSFERS - IN:												
Transfer from Unappr Surplus	\$ -	\$ -			0.00%	\$ -	\$ -			0.00%		
Transfer from Electric Fund	1,409,891	234,982			16.67%	1,409,891	234,982			16.67%		
Use of Prior Year Fund Balance	643,174	-			0.00%	337,154	-			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	26,319			16.67%		
Use of Restricted Fund Balance	-	-			0.00%	-	-			0.00%		
Transfer Electric Debt Reserve	-	-			0.00%	80,175	13,363			16.67%		
Total Transfers In	\$ 2,742,451	\$ 234,982			8.57%	\$ 2,861,357	\$ 274,664			9.60%		
To General Debt	\$ 498,604	\$ 95,655			19.18%	\$ 543,689	\$ 114,679			21.09%		
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	-			0.00%		
To Education Fund	4,837,395	806,232			16.67%	4,980,153	830,026			16.67%		
To Education Fund-Carryover	643,174	-			0.00%	454,057	-			0.00%		
To Social Services Fund	397,338	-			0.00%	151,584	-			0.00%		
To Comprehensive Services Act	92,750	-			0.00%	63,038	-			0.00%		
To Economic Dev Incubator	78,539	-			0.00%	100,000	-			0.00%		
To Economic Dev Joint Fund	125,000	-			0.00%	100,000	-			0.00%		
Total Transfers Out	\$ 7,192,193	\$ 901,887			12.54%	\$ 7,106,997	\$ 944,705			13.29%		
NET INCOME	\$ -	\$ (847,669)			3	\$ -	\$ (920,123)					

WATER AND SEWER FUND						
	2013-2014		2012-2013		2011-2010	
	BUDGET	ACTUAL 8/31/2013	BUDGET %	BUDGET	ACTUAL 8/31/2012	BUDGET %
REVENUES:						
Sale of Water	\$ 1,300,000	\$ 217,937	16.76%	\$ 1,300,000	\$ 220,150	16.93%
Sewer Service Charges	1,750,000	286,705	16.38%	1,750,000	285,855	16.33%
Treatment Fees - Counties	70,000	6,564	9.38%	70,000	13,292	18.99%
Other Revenues	250	105	42.00%	500	-	0.00%
Total Current Revenue	\$ 3,120,250	\$ 511,311	16.39%	\$ 3,120,500	\$ 519,297	16.64%
EXPENDITURES:						
Operating Expense:						
Water System	\$ 1,167,962	\$ 69,854	5.98%	\$ 1,250,850	\$ 104,820	8.38%
Sewer System	558,796	31,488	5.63%	889,814	24,278	2.73%
Treatment Plant	743,603	67,876	9.13%	727,520	67,276	9.25%
Total Operating Expenditures	2,470,361	169,218	6.85%	2,868,184	196,374	6.85%
TRANSFERS:						
GF Transfer - Administrative Services	257,305	45,884	17.83%	346,361	57,727	16.67%
GF Transfer - Payment in Lieu of Taxes	26,460	4,410	16.67%	26,460	4,410	16.67%
GF Transfer - Debt Restructuring	-	-	0.00%	157,915	26,319	16.67%
Total Transfers Out	\$ 283,765	\$ 50,294	17.72%	\$ 530,736	\$ 88,456	16.67%
Net Operating Income	\$ 2,836,485	\$ 291,799	10.29%	\$ 2,589,764	\$ 234,467	9.05%
OTHER FINANCING SOURCES						
Use of Prior Year Fund Balance	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Transfer from Unappropriated Surplus	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Transfer from General Fund	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Debt Service	\$ 366,124	\$ 51,252	14.00%	\$ 138,061	\$ 32,841	23.79%
Total Expenses	\$ 3,120,250	\$ 270,764	8.68%	\$ 3,536,981	\$ 317,671	8.98%
NET INCOME	\$ -	\$ 240,547		\$ -	\$ 201,626	
			4			

ELECTRIC FUND	2013-2014		ACTUAL		BUDGET		2012-2013		ACTUAL		BUDGET	
	BUDGET		8/31/2013		%	BUDGET		BUDGET	8/31/2012		%	BUDGET
REVENUES:												
Sale of Energy	\$ 13,126,639	\$	2,303,988	\$	17.55%	\$ 13,080,084	\$	2,418,883	\$	18.49%		
Sale of Energy Fuel Adj	1,667,809		285,090		17.09%	1,346,515		242,592		18.02%		
Other Revenue	257,297		33,247		12.92%	236,000		30,195		12.79%		
Proceeds Loan/Bonds	-		191		0.00%	-		-		0.00%		
Total Current Revenue	\$ 15,051,745	\$	2,622,516	\$	17.42%	\$ 14,662,599	\$	2,691,670	\$	18.36%		
EXPENDITURES:												
Energy for Resale (a)	\$ 8,891,025	\$	1,500,605	\$	16.88%	\$ 9,095,800	\$	1,707,288	\$	18.77%		
Energy for Resale Fuel Adj (a)	1,683,110		295,320		17.55%	1,359,260		252,569		18.58%		
Other Expenses	1,471,551		174,113		11.83%	1,490,553		183,097		12.28%		
Capital Outlay	297,000		16,751			377,304		13,738				
Reserve for Capital Expenditures	250,000		-		0.00%	266,667		-		0.00%		
Reserve for Cash Replenishment	323,908		-									
Total Operating Expenses	\$ 12,916,594	\$	1,986,789	\$	15.38%	\$ 12,744,259	\$	2,156,692	\$	16.92%		
<i>Net Operating Income</i>	<i>\$ 2,135,151</i>	<i>\$</i>	<i>635,727</i>	<i>\$</i>	<i>29.77%</i>	<i>\$ 1,918,340</i>	<i>\$</i>	<i>534,978</i>	<i>\$</i>	<i>27.89%</i>		
OTHER FINANCING SOURCES:												
Use of Prior Year Fund Balance	\$ -	\$	-	\$	0.00%	\$ 59,059	\$	-	\$	0.00%		
TRANSFERS:												
GF Transfer-Council Approved	\$ 1,409,891	\$	234,982	\$	16.67%	\$ 1,409,891	\$	234,982	\$	16.67%		
GF Transfer - Administrative Services	388,960		64,827		16.67%	325,945		54,324		16.67%		
GF Transfer - Payment in Lieu of Taxes	59,282		9,880		16.67%	59,282		9,880		16.67%		
GF Transfer - Debt Restructuring	-		-			80,175		-				
Total Transfers (Out)	\$ 1,858,133	\$	309,689	\$	16.67%	\$ 1,875,293	\$	299,186	\$	15.95%		
Debt Service	\$ 277,018	\$	30,580	\$	11.04%	\$ 102,106	\$	20,087	\$	19.67%		
Total Expenses	\$ 15,051,745	\$	2,327,058	\$		\$ 14,721,658	\$	2,475,965	\$			
NET INCOME	\$ -	\$	295,458	\$		\$ -	\$	215,705	\$			
								5				

(a) Operating expenses for energy for resale and fuel adjustment costs reflect the September payment for the August 2013 Invoice billed in August but paid in September. Financial statements reflect two months of billed revenue and two months of expenditures to more accurately reflect the Fund's cash position even though one month of expenses to VMEA have occurred.

CITY OF FRANKLIN
 FISCAL YEAR 2013-14
 CASH BALANCES - AUGUST 2013

FUND	CURRENT YEAR	PRIOR YEAR
General Fund	\$ 4,693,716	\$ 4,810,767
Fund SNAP Proceeds	\$ 1,046,858	\$ -
Total General Fund	\$ 5,740,574	\$ 4,810,767
Water & Sewer Fund	\$ 1,794,133	\$ 1,447,036
Fund SNAP Proceeds	\$ 372,575	\$ -
Total Water & Sewer Fund	\$ 2,166,708	\$ 1,447,036
Electric Fund	\$ 672,538	\$ 232,176
Fund SNAP Proceeds	\$ 661,064	\$ -
Total Electric Fund	\$ 1,333,602	\$ 232,176
Solid Waste Fund	\$ 201,680	\$ -
Airport Fund	\$ (67,623)	\$ (81,159)
TOTAL CASH FOR OPERATIONS	\$ 7,294,444	\$ 6,408,820
TOTAL CASH FOR CAPITAL PROJECTS	\$ 2,080,497	\$ -
TOTAL CASH (Corrected 10/3/13)	\$ 9,374,941	\$ 6,408,820