

AGENDA

FRANKLIN CITY COUNCIL

MONDAY, FEBRUARY 24, 2014 – CITY HALL COUNCIL CHAMBERS – 207 W. SECOND AVENUE

7:00 P.M.

REGULAR MEETING

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

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

PLEDGE OF ALLEGIANCE

SPECIAL RECOGNITION: Employee Introductions

CITIZENS' TIME:

AMENDMENTS TO AGENDA

1. CONSENT AGENDA

- A. Minutes of the February 10, 2014 City Council Meeting
- B. January 2014 Departmental Reports

2. FINANCE

- A. Monthly Financial Report for January 2014

3. OLD/NEW BUSINESS

- A. Resolution #2014-02 - Resolution Establishing Safety, Health & Wellness Policy
- B. City Manager's Report

4. COUNCIL/STAFF REPORTS ON BOARDS AND COMMISSIONS

5. CLOSED SESSION – I move that the Franklin City Council meet in closed session to consider appointments to boards and commissions and discuss personnel 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. City Manager's Report (Continued)

7. 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

2014 Council Retreat

TBA

CONSENT AGENDA

- A. Minutes of the February 10, 2014 Meeting**
- B. January 2014 Departmental Reports**

The Franklin City Council held a regular meeting on Monday, February 10, 2014 at 7:00 p.m. in the Council Chambers at City Hall.

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

Staff in Attendance: Randy Martin, City Manager; Taylor Williams, City Attorney; Alan Hogge, Director Social Services; Phil Hardison, Chief of Police; Mark Bly, Director of Power & Light; Brenda Rickman, Commissioner of Revenue; Melissa Rollins, Director of Finance; Russ Pace, Director of Public Works and Dan Howe, Executive Director of Downtown Franklin Association.

Other Staff in Attendance: Quentin Livingston, Police Officer; Teresa Rose-McQuay, Administrative Assistant and Acting Secretary, Recording Minutes.

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited by everyone in attendance.

CITIZEN'S TIME

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

AMENDMENTS TO AGENDA

There were no amendments to the Agenda.

CONSENT AGENDA

Minutes of the January 27, 2014 Regular Meeting

A motion was made by Vice-Mayor Cheatham to adopt the minutes as presented from the City Council Meeting held on January 27, 2014. The motion was seconded by Councilwoman Hilliard and was approved with a 6-0 vote (Councilman Blythe absent).

FINANCE

Franklin Public Schools Budget Amendment #2014 – 19

Mrs. Rollins presented a request from the Franklin City Public School System to amend their FY 2013 – 2014 Budget to reflect the award of the following grants:

- A. \$3,000.00 from the Camp Foundation.
- B. \$32,250.00 from Franklin Southampton Charities in support of the Special Olympic Program to be allocated as follows: \$4,000.00 for Graz/n Acres Therapeutic Riding Center; \$16,250.00 for Robotics; and \$12,000.00 for the S. P. Morton Music Program.

A motion was made by Councilwoman Murphy to approve the Amendment. The motion was seconded by Vice-Mayor Cheatham and approved by a 6 – 0 vote (Councilman Blythe absent).

Councilman McLemore inquired about the date of the Special Olympics activity.

The Mayor asked the City Manager to find out the date of the Special Olympics and email the members of Council with that information.

FY 2014 – 2015 Tentative Proposed Budget Calendar

The proposed FY 2014 – 2015 Tentative Budget Calendar was included in the Agenda packet. City Manager Martin noted staff was trying to move the schedule up as requested by some of the outside agencies including the School System to accommodate an earlier adoption of the FY 2014 – 2015 Budget. It would be particularly beneficial to the School System as well as help the City Administration transition to a new year. This proposal would set the earliest date for the adoption of the proposed budget for June 9, 2014.

Additional Council Work session dates that are not on the calendar can be discussed and added as necessary. It was stated that if there were any proposed dates that caused any problems the calendar could be adjusted.

Councilwoman Hilliard brought up a conflict with the date of May 6, 2014 as being the date of the City elections.

Mr. Martin suggested that conflicting date be changed to Monday, May 5, 2014 for Work session #1.

Councilman Burgess supported budget action being moved up to help the School System with their training necessary for maintaining and recruiting teaching staff for the next school year. It was asked if the budget had to be passed as a whole or in part once the School's portion had been determined. He stated that other localities apparently pass the school's part but he is unsure of how it is being done.

Mayor Johnson-Ashburn asked if the school system was in negotiations or recruiting teachers in early spring.

Councilman Burgess replied that there are no negotiations. Teachers are offered a contract for the next year and it is up to them whether or not they will return. They have no way of knowing what or how many teachers they will need until the contracts are brought back to the School Board. Then they begin working to fill vacancies. The School Board cannot issue contracts until the Budget is passed. The concern is that the School System is not as competitive for the best staff available if the Budget is passed on the schedule utilized in past city budget cycles.

Councilwoman Hilliard said that it would be easier if the Council had something from the School Board on their specific needs.

The Mayor cited concern about whether the City could have the budget ready for adoption earlier than June 9, 2014.

City Manager Martin said there were numerous variables to consider regarding the preparation and adopting of the budget, but he would communicate with School system officials to see what could be done to assist them in this area of concern.

A motion was made to approve the Tentative FY 2014 – 2015 Proposed Budget calendar with the one date change from May 6, 2014 to May 5, 2014 by Councilman Burgess, and it was seconded by Vice-Mayor Cheatham.

In discussion on the motion, Councilman Greg McLemore inquired as to why is it necessary to vote on a tentative proposed budget calendar?

Mayor Raystine Johnson-Ashburn replied that the schedule is tentative, but Council needs to approve it to give the staff direction to plan the process.

The motion was approved with a 6 – 0 vote (Councilman Blythe absent).

OLD/NEW BUSINESS

City Manager's Report

Council had previously asked for an update on the process of upgrading the City Financial software as approved in the Capital Budget. The Manager distributed the latest timeline for the process.

City Manager Martin reported on a question from Councilman Burgess raised at the January 27, 2014 meeting about increased expenses in the budget for the Police Department above the prior year in the amount of \$185,000; how much is capital versus personnel? The Manager reported the current year budgeted for 5 replacement vehicles paid for with refinancing and grant funding. Without these funds, which total \$207,000, the budget would have been slightly less than the budget from the prior year. City Manager Martin said that he could email that information, and Councilman Burgess said that he would like the information.

City Manager Martin also commented on a recent Franklin's Present planning meeting held with the Superintendent and Board Chair of the School System.

Councilwoman Mary Hilliard reminded everyone that this committee was not appointed by the City Council.

Councilman Greg McLemore inquired whether the group was seeking an endorsement by Council.

City Manager Martin replied that he was updating the Council on the status and the direction of this multi agency effort for information only.

Councilman Burgess said this was an initiative by the Mayor and they wanted to keep Council abreast of what is going on. The agencies that are involved with the project are working together efficiently. If at any time the occasion arose and Council involvement was desired, the Council having been informed would not be surprised as to what has been going on. The Council has agreed the members are concerned about what is going on in the School System.

Mayor Raystine Johnson-Ashburn agreed that this is independent of Council and asked City Manager Martin to disclose the agencies that are involved. The Manager stated the agencies are: Social Services, Franklin Police Department, the Franklin Judicial System, State related Agencies that are involved in programs regarding youth, the Children's Center, Smart Beginnings, the Franklin City Public schools,

Community Services Board, Franklin Redevelopment and Housing Authority, and the faith based community. Two members of the Council designated by the Mayor are also involved.

Councilman Greg McLemore asked what was the purpose of this group?

City Manager Martin stated the role of the group is to help get the community involved in support of the school system. The first issue addressed was truancy and now they are considering pursuing solutions to promote more volunteer participation by the community in the school system. The Manager reminded Council that the recent State division – level review of the schools emphasized enhanced community stakeholder involvement in the Schools as a priority. The Franklin's Present group is one example of stakeholder involvement.

COUNCIL/STAFF REPORTS ON BOARDS AND COMMISSIONS

Councilman Burgess reported on the meeting held on Tuesday, January 28, 2014 for the Franklin/Southampton Shared Utility Services Grant Management Team. The committee discussed the steps necessary to move forward and a timeline was established to help with the process.

Mayor Raystine Johnson-Ashburn asked if we had an idea of when the RFP for engineering services was going to be distributed?

Councilman Burgess replied it is expected within a week to 10 days. The team is pushing very hard to get things done to ensure that the study is complete before the next round of grant money is obligated.

Mayor Raystine Johnson-Ashburn commented on the Franklin Community Leadership Breakfast that was held at the Workforce Development Center on Saturday, February 8, 2014. It was a collaborative effort involving the Franklin Parks and Recreation and the Delta Sigma Theta Sorority Franklin Chapter. They were honored to have as the Key Note Speaker, famous Attorney Willie Gary from Florida. The event was a success and the Mayor commended all the individuals involved in the event; as well as saying that Director Frank Davis did a great job coordinating this event.

With no further questions or comments the regular meeting was recessed for a scheduled work session on the Council's School Board nomination & appointment process.

The Mayor recessed the Regular Meeting at 7:25 P.M.

WORKSESSION: SCHOOL BOARD NOMINATION & APPOINTMENT PROCESS

WORKSESSION MINUTES

The Mayor reconvened the meeting at 7:40 P.M. All members of the Council were present except Councilman Blythe.

The Mayor stated that the purpose of this work session is to review and discuss the nomination and appointment process for upcoming vacancies on the School Board.

The Mayor then recognized City Attorney Williams who reviewed related requirements for the process referencing sections of the City Charter, the City Code, and the Virginia State Code. He cited relevant statutory requirements and reviewed the process utilized by the City in filling past vacancies. He highlighted the requirements for nominations, qualifications, public hearings, oaths, terms of current members, etc. He cited a memorandum he previously distributed on the topic. The referenced

memorandum is attached to and made a part of these minutes. In response to a question from Councilman McLemore, Attorney Williams reviewed the timing of actions utilized in filling school board vacancies and some of the legal limitations that affect timing.

Mayor Johnson-Ashburn offered suggestions that were aimed at increasing public awareness and interest in serving on the School Board. She suggested posting openings on the website, peg channel and City Clips along with information on requirements and responsibilities. She also suggested the use of media advertisements to generate interest and Ward meetings to get citizen input. She stated Ward meetings could be combined or separate in Ward 1 and 3 where the seats will be filled when current terms end June 30, 2014. The process would conclude with nominations at the required public hearing to be followed by interviews and appointments.

Councilman McLemore raised the question of whether elected School Board members should be discussed. City Manager Martin noted that process would require a charter change by the State legislature which could not occur in time for the upcoming vacancies to be filled by June, 2014.

Councilman McLemore stated he felt nominees should have to be endorsed by the Council Ward Member for each seat.

Vice-Mayor Cheatham inquired whether a member of Council can nominate a person for a school board seat. City Attorney Williams answered yes and advised individuals can nominate themselves as well.

Councilman Burgess expressed concern with the Council member endorsement idea. He felt the Council should be impartial and fair to all nominees. Councilman Burgess stated he felt the Council should consider listing the criteria desirable of School Board members.

Councilman McLemore in response suggested requiring having children in the schools, but Vice-Mayor Cheatham gave an example of a retired superintendent living in the City who might not have kids in the schools. Manager Martin cited this requirement would prohibit anyone who had been a student in the schools from serving until if and when they had their own children. Other comments were made on the difficulty in getting more than one nominee currently and how criteria which limit eligible nominees could make that even more difficult.

Councilwoman Hilliard stated her reading of the requirements shared by the City Attorney stated citizen input is the purpose of the public hearing and nomination process. She stated if nominations occur at the hearing that limits citizen input on the selection process. City Attorney Williams stated the Council could give two opportunities for nomination instead of the minimum required one opportunity. Discussion ensued on the pros and cons of multiple hearings.

Councilman Burgess wanted the focus on what the public wanted not on any individuals nominated. He suggested nominations be deferred until the second meeting.

After considerable discussion, the Mayor summarized a suggested schedule as follows:

- Post Openings February 17th; list the basic information for appointments and qualifications, schedule of meetings, etc.
- Publish a series of articles/notices to promote public awareness of the process (February – March)
- Schedule and promote a Combined Ward meeting for Wards 1 and 3 (date to be determined after April 15th but before April 28th) at City Hall to receive citizen input.

- Schedule and advertise two Public hearings on April 28th and May 12th for receiving nominations and citizen input.
- Schedule Council interviews with nominees; then Council makes appointments (May 13th – June 9th)

The Council members by consensus agreed to the suggested schedule.

ADJOURNMENT

Vice-Mayor Cheatham made a motion to adjourn the meeting. The motion was seconded by Councilman Burgess, and it was approved by a 6 – 0 vote (Councilman Blythe absent).

The Mayor declared the meeting adjourned at 8:44 P.M.



*Office Of The City Attorney
H. Taylor Williams, IV*

February 5, 2014

Memorandum

From: H. Taylor Williams, IV, City Attorney

To: Members of the Franklin City Council

Re: School Board terms and appointments

The February 9, 2014 Council agenda includes a work session on the nomination and appointment process for the selection of School Board members. You may recall that the City Charter was amended to achieve a regular three year rotation of 2-2-3 for either appointment or reappointment of School Board members. Ward's 1 and 3 rotate together; Ward's 2 and 5 rotate together; and, Ward's 4 and 6 and the At-Large position all rotate together. Below is a summary of the current School Board members, when terms expire and identification of the two wards that will be up for either appointment or reappointment in 2014.

Ward 1 Will Council: his current term expires June 30, 2014. He is eligible for reappointment to a 3 year term.

Ward 2 Nancy Godwin: her current term expires June 30, 2016. She will be eligible for reappointment to a 3 year term.

Ward 3 Johnetta Nichols: her current term expires June 30, 2014. This will be the end of her third term as a School Board member and she is not eligible for reappointment at this time.

Ward 4 Sherita Ricks-Parker: her current term expires June 30, 2015. She is eligible for reappointment to a 3 year term.

Ward 5 Jeanette Austin: her current term expires June 30, 2016. She is eligible for reappointment to a 3 year term.

Ward 6 Dawna Walton: her current term expires June 30, 2015. Mrs. Walton was appointed to fill the unexpired term of Cindy Fillhart after she resigned last year from the School Board to take a job teaching for the school division. She is eligible for reappointment to a 3 year term.

At-Large Edna King: her current term expires June 30, 2015. She is eligible for reappointment to a 3 year term.

The requirements for appointment to the school board are controlled by state statute, our City Charter and City ordinances. City Charter Section 12.02 provides that the members must be qualified voters of the city and not members of the city council and that one member shall be a resident selected from each of the 6 wards with one member selected from the city at large. (See also City Code 2-70 and Virginia Code 22.1-29.) City Code 2-71 requires that Council will hold a public hearing to receive the views of citizens regarding candidates for appointment to the school board and that no nominee whose name has not been considered at the public hearing shall be appointed as a member of the school board. (See also Virginia Code 22.1-29.1.) I have always interpreted this language to mean a sitting member of the school board whose term is about to expire but is eligible to serve an additional term must have his/her name submitted in nomination at the public hearing to satisfy the requirements of nomination and consideration by the citizens.

Virginia Code 22.1-30 provides the following persons may not serve on the school board: no city officer or any deputy of a city officer; no member of city council; no employee of a school board; no father, mother, brother, sister, spouse, son, daughter, son-in-law, daughter-in-law, sister-in-law or brother-in-law of a member of City Council may be appointed to serve as a member of the school board while the member is still serving on City Council.

In the past the City Council has advertised a date for a public hearing one time at least 10 days in advance in the Tidewater News asking citizens for their input and to receive nominations for persons to serve on the school board. Usually the public hearing is held on the first regular meeting in the month of May. If more than one nomination is received for appointment to a ward, then the Council will hold a called meeting to interview the proposed nominees. After the interviews have been conducted, Council has voted on appointments usually at the first regular meeting in June. The appointed candidate would then need to qualify by taking the oath of office by June 30 to begin serving a three year term beginning on July 1. If a member of the school board resigns before the end of a term, the process for appointment of a person to fill the unexpired term begins as soon as a public hearing can be scheduled for a Council meeting.

Hopefully this explanation of the process provides an understanding of what the Council can and cannot do as far as meeting the requirements of the City Charter, the City Code and the Virginia Code. I will be happy to answer any questions you have before the Council meeting or during the work session.

H. Taylor Williams, IV
City Attorney

Cc: R. Randy Martin, City Manager
Edna King, School Board Chairwoman
Dr. Michelle Belle, Superintendent of Schools

FINANCE

A. Monthly Financial Report for January 2014



**Monthly Financial Report Summary (Unaudited)
for the Period Ending January 31, 2014**

General Fund Revenue Assumptions

Accruals: Local Sales & Use Taxes, Meals Taxes, and Lodging Taxes. 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 seven months of the fiscal year complete, General Fund Revenues continue to track slightly higher than revenue from the prior year period. Overall, General Fund revenue of \$10.85 million at the end of month is 57.0% of budget compared to \$10.68 million or 55.7% of budget at January 31, 2013. An overview of the various local, state and federal sources is as follows:

Property Tax Revenue

- Property tax revenue in Fiscal Year 2013-2014 reflects a favorable increase in general property tax collections over the prior year period. Current real estate taxes is consistent to the prior year while delinquent real estate, current personal property taxes and penalties & interest on taxes continue to reflect gains from the prior year period. Collectively, the taxes as shown below reflect a 2.3% gain from the prior year period.

REVENUE SOURCE	ACTUAL	ACTUAL	Prior Year Change and %	Dollar
	1/31/2014	1/31/2013		
Real Estate Taxes-Current	\$ 2,471,315	\$ 2,471,470	\$ (155)	0%
Real Estate Taxes-Delinquent	233,866	\$ 169,154	\$ 64,712	38%
Personal Property Taxes-Current	1,168,512	\$ 1,140,295	\$ 28,217	2%
Personal Property Taxes-Delinquent	27,057	\$ 36,127	\$ (9,070)	-25%
Penalties & Interest Taxes	84,410	\$ 76,703	\$ 7,707	10%
GENERAL PROPERTY TAXES	\$ 3,985,160	\$ 3,893,749	\$ 91,411	2.3%

Local Taxes

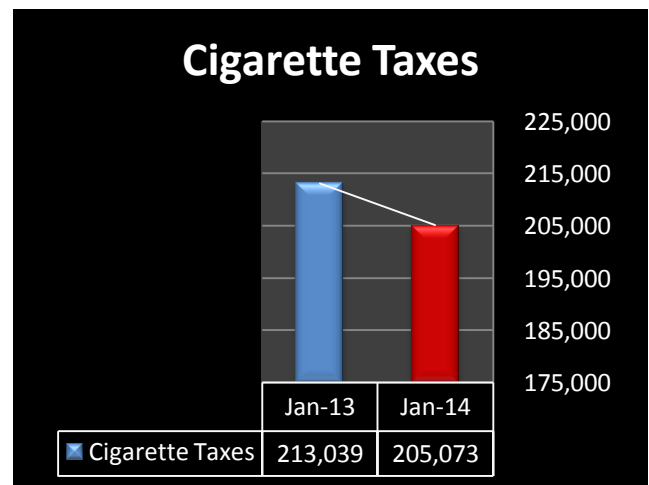
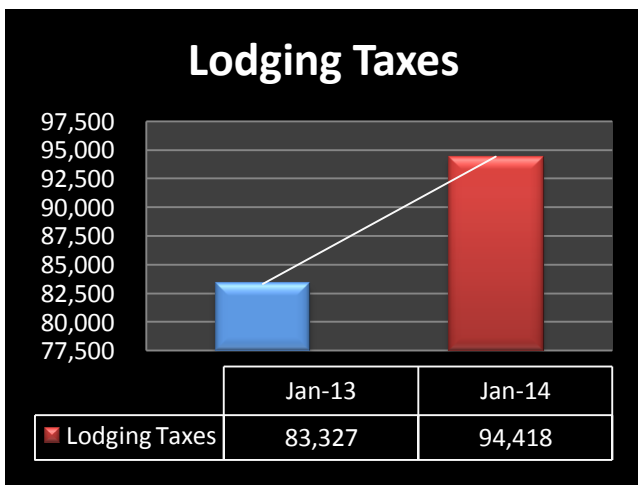
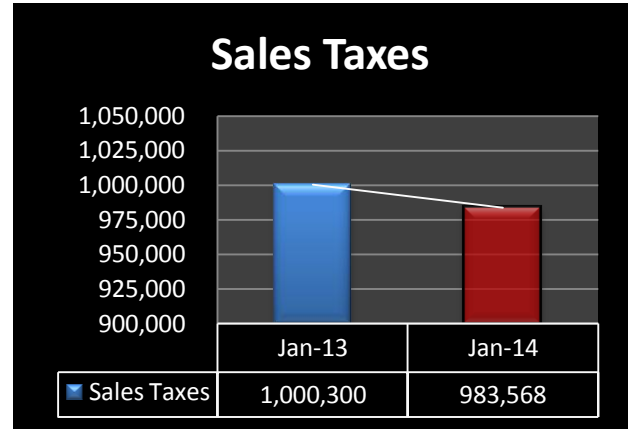
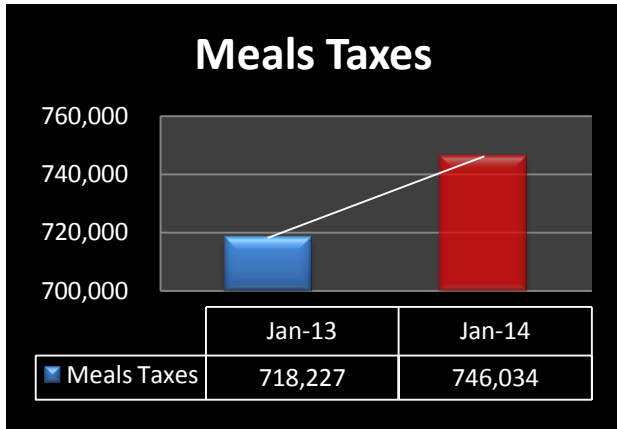
- Taxes indicative of the City’s local economy are tracking slightly higher than the prior year period (an improvement from December). Estimated meals and lodging taxes yield positive gains of 3.8% and 13.3% respectively, while revenue from cigarette and projected sales taxes reflect less



favorable trends decreasing from the prior year period by 3.7% and 1.6% respectively as shown in table 1 and the accompanying charts. **However, all sources are on target with budgeted projections ranging from 57% to 63% of the budget realized at the end of the month.**

	Meals Taxes	Lodging Taxes	Cigarette Taxes	Sales Taxes	Total
Jan-13	718,227	83,327	213,039	1,000,300	2,014,893
Jan-14	746,034	94,418	205,073	983,568	2,029,093
Change \$	27,807	11,091	(7,966)	(16,732)	14,200
Change %	3.87%	13.31%	-3.74%	-1.67%	0.70%

Table 1.





Other Local Revenue

- Revenue from permits, fees and fines reflect an increase in the current accounting period from \$61,925 in January 2013 to over 100,000 in January 2013 due to the consolidation of planning and inspection services with Southampton County. Fees collected year to date have reached 67% of budget.
- Charges for services reflect the budgeted reduction in the general fund associated with the transitioning to the separate Solid Waste Fund effective July 1, 2013. One month of revenue for June 2013 billed services (collected in July) is reflected in the General Fund. Effective August 1st, all revenue collected for solid waste services was reported in the Solid Waste Fund.
- Charges for services also include the administrative transfer from the City’s Enterprise Funds to the General Fund; the budget and expenditures for FY13-14 increased as a result of accurate cost allocation and service charges for the newly established Solid Waste Fund. Other charges for services include ambulance billing charges (which reflect significant gains due to timely billing of Medicaid claims) and parks & recreation fees which also reflect gains over the prior year period. Collectively, receipts for charges for services are 63% of budget at January 31st.
- State and Federal Revenue – For state aid, there are no major changes from the prior year period; federal aid in the current year increased as a result of the SAFER grant federal reimbursement

General Fund Expenditure Summary

General Fund expenditures increased overall by \$1.6 million or 23% from the prior year period. This is largely due to budgetary changes made in the current fiscal year and capital outlay expenditures associated with loan proceeds; year to date expenditures at 58% of budget are slightly higher when compared overall to the prior fiscal year. This is largely due to the expenditure of capital outlay in the current year, budgeted personnel expenditures, and service consolidation in Community Development. Primary decreases and increases in the current fiscal year versus expenditures from the prior year period are as follows:

<u>Category of Expenditure</u>	<u>1/31/2014</u>	<u>1/31/2013</u>	<u>Variance</u>	<u>Primary Reason for Decrease/Increase</u>
Legislative, General & Financial	1,154,549	1,049,134	105,415	Information Technology operating expenses
Law Enforcement	2,160,349	1,859,847	300,502	Capital Outlay-Vehicles and Increased Personnel Cost
Refuse Collection & Disposal	212,709	530,063	(317,354)	Transition to Solid Waste Fund;FY14 for capital outlay
Planning & Beautification	97,970	33,296	64,674	Planning Department - Stormwater Management
Streets	1,508,152	702,975	805,177	Street Paving & Other Capital Expenditures in FY14
Buildings and Grounds	808,096	501,629	306,467	Capital Outlay - Roof Replacements
Fire and Rescue	1,288,825	894,404	394,421	Personnel Cost - Grant funded personnel
	7,230,650	5,571,348	1,659,302	



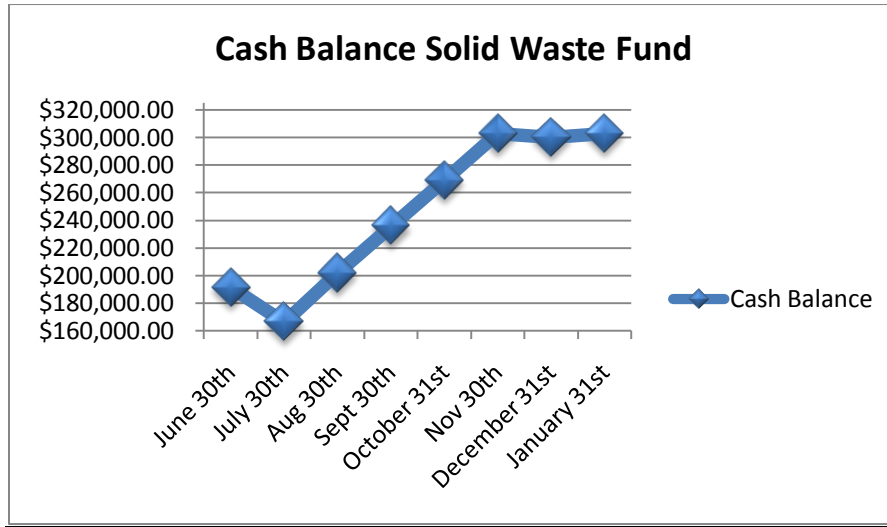
Water & Sewer Fund Summary

- The Water & Sewer Fund continues to perform according to budget with 56% or \$1.75 million of \$3.12 million of budgeted revenue realized at January 31.
- Operating expenses show a decrease of about \$84,000 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 \$257,000.

Solid Waste Fund Summary

- Revenue for the Solid Waste Fund of \$686,000 is recorded for six 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.
- Expenditures are 49% of budget for operating cost and 39% of the total budget when factoring in capital outlay.
- After factoring in transfers to the General Fund and debt service, total expenditures of \$584,000 represent 42% of the Fund’s total budget;
- As a result of year to date revenue earned and expenditures made, net income for the month is \$102,000; Cash in the Solid Waste Fund at the end of January was \$302,728 for an overall \$76,000 increase in the fund’s cash position since July 1.

	<u>Month</u>	<u>Cash Balance</u>	<u>Variance</u>
	June 30th	\$191,478	
	July 30th	\$166,060	(\$25,418)
	Aug 30th	\$201,680	\$35,620
	Sept 30th	\$235,700	\$34,020
	October 31st	\$267,523	\$31,823
	Nov 30th	\$268,902	\$1,379
	December 31st	\$300,148	\$31,245
	January 31st	\$302,728	\$2,580
Net Change Since July 1, 2013			\$76,045



Airport Fund Summary

- Fuel sales at January 31 were \$74,000, slightly higher than sales reported at January 2013. While revenue collected for fuel sales is 42% of budget, about 44% of the budget for fuel sales has been expended.
- Other local revenue consists primarily of airport rental fees is consistent with the prior period revenues and are on target with budget.
- While federal grant revenue is currently less than \$7,000, the City does expect a federal/state reimbursement for land acquisition costs.
- Operating expenditures as of January 31 are higher than the prior year period largely due to the capital outlay expenditure for land acquisition projects.

Electric Fund Summary

- Revenue in the Electric Fund is at roughly 58% budget and represents seven months of billed revenue at \$7.60 million (sale of energy). This is slightly higher than the same period in FY 2012-2013 in which billed revenue of \$7.28 million was nearly 56% of budget.
- Revenue from other sources of \$150,000 is performing well with 59% of the budget realized as of January 31.
- On the expense side, operating expenses of \$685,000 are comparable to the prior year period at 46% of the total budget. Funds set aside for reserves should remain unspent for the purposes of cash replenishment and future capital outlay. Expenditure for the sale of energy is \$5.83 million at the end of the period, or 61% of budget and is comparable to the prior year.

CASH BALANCE

The Electric Fund experienced a loss of \$295,000 in its cash position from December to January. Cash in the Fund at December 31 of \$733,859 fell to \$438,344 at the end of January 2014. This balance is slightly higher (\$48,000) than the cash balance reported in the Fund at the end of January 2013 (\$389,986). *See tables 1, 2 and 3 (graph).*

The following items are attributable to the most recent decline in the Fund's cash position:

- ❖ Debt Service payments were due in January 2014 in the amount of \$185,000. (*See table 7*)
- ❖ Due to higher demand resulting from colder temperatures, the January 2014 payment to VMEA for energy purchases was \$1.012 million, \$62,000 higher than the payment in December 2013. Further, this payment is \$140,000 more than the payment made during the prior year period (January 2013).

Note: Study of January temperatures for 2012, 2013 and 2014 revealed that the average monthly temperature in January 2014 was 9.6 degrees colder than January 2012 and 6.7 degrees colder than January 2013.

- ❖ The January VMEA payment of \$1.012 million increased \$324,000 over the payment made just two months prior in November 2013 which was \$689,000. Even though the cash reduction from December to January 2014 is the most significant, the history for the past three winter months in the current fiscal year is comparable to what the City experienced in FY 11-12. This is reflected in the graph shown at table 3. Table 4 is a snapshot of sale of energy purchases made in the last three winter months (November-January). Payments in FY14 increased by 9.7% over the same period in FY 12-13.



- ❖ Payments are outstanding from the Fuel Assistance Program. The City expects to receive \$116,000 which accounts for a portion of the difference between billed and collected revenue (See table 5). Fuel assistance payments were received in February 2014 and will reflect in the Fund's cash balance during this period.

Collectively, these factors impact the current month cash position by \$363,000:

Fuel Assitance Payments	\$	116,000
Increase in VMEA Payment	\$	62,000
Debt Service Requirements	\$	<u>185,000</u>
	\$	363,000

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)
October		\$ 1,170,681	\$ (1,096,168)	\$ 74,513	\$ 346,776	\$ (818,226)
November		\$ 972,947	\$ (960,696)	\$ 12,251	\$ 359,027	\$ (663,847)
December		\$ 1,084,084	\$ (1,155,921)	\$ (71,837)	\$ 287,190	\$ (882,269)
January		\$ 1,276,135	\$ (1,173,339)	\$ 102,796	\$ 389,986	\$ (871,815)

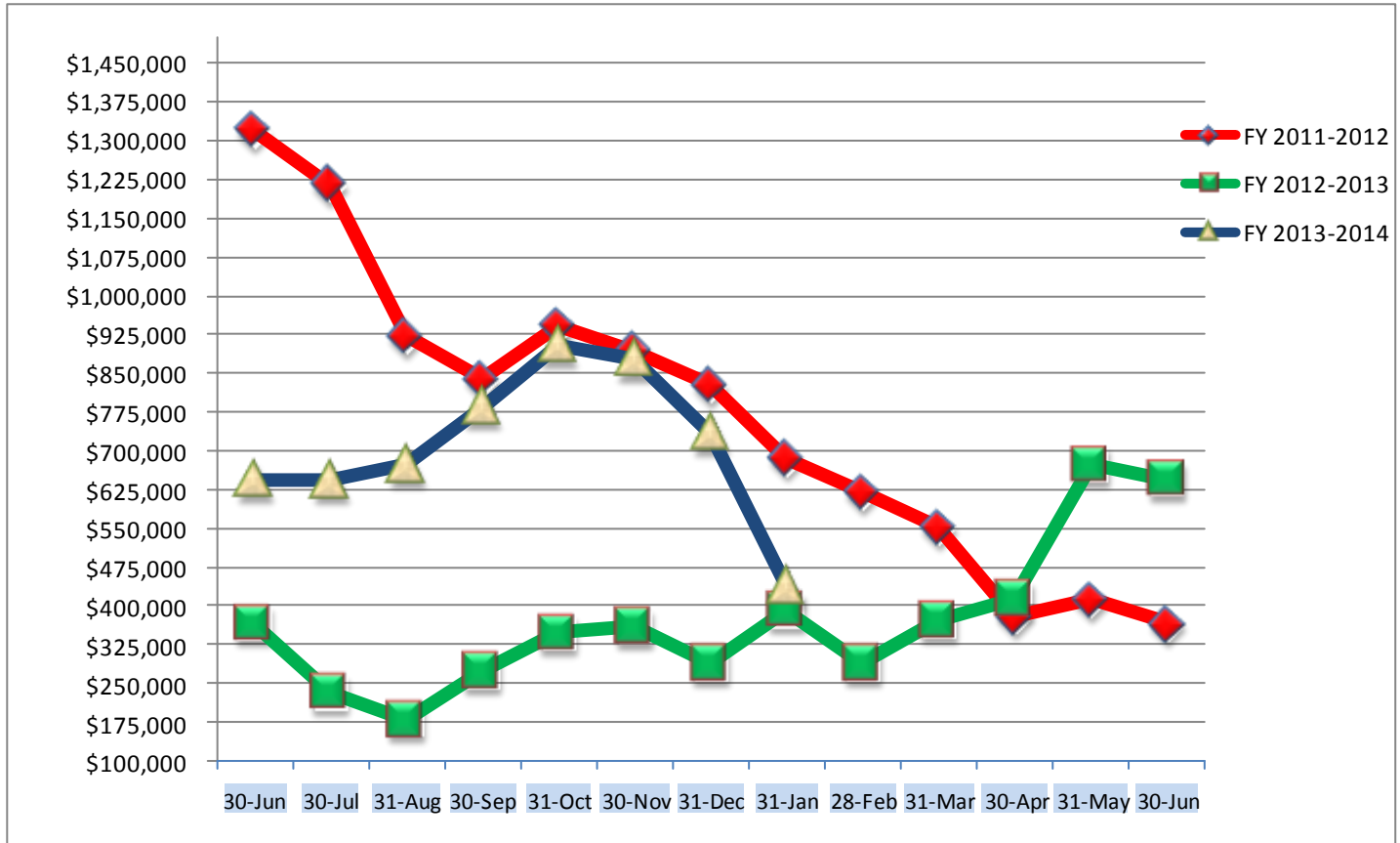
Current Year (Table 2)

Month	FY13-14	Revenue	Expenses	Month to Month Variance	Cash Balance	VMEA PAYMENTS
					\$ 643,257.00	
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)
October		\$ 1,159,090	\$ (1,038,735)	\$ 120,355	\$ 904,924	\$ (744,689)
November		\$ 963,168	\$ (991,325)	\$ (28,157)	\$ 876,767	\$ (689,136)
December		\$ 1,036,073	\$ (1,178,982)	\$ (142,909)	\$ 733,858	\$ (950,909)
January		\$ 1,229,938	\$ (1,525,452)	\$ (295,514)	\$ 438,344	\$ (1,012,802)

*

* January increase over December = \$62,000

Table (3) – Graph of Three Fiscal Year History – Electric Fund Cash Position



Ending Month Cash Balance

	FY11-12	FY12-13	FY13-14
30-Jun	\$ 1,320,285	\$ 365,374	\$ 643,257
30-Jul	\$ 1,215,100	\$ 232,177	\$ 642,085
31-Aug	\$ 922,039	\$ 179,939	\$ 672,538
30-Sep	\$ 839,265	\$ 272,263	\$ 784,569
31-Oct	\$ 941,608	\$ 346,776	\$ 904,924
30-Nov	\$ 893,591	\$ 359,027	\$ 876,767
31-Dec	\$ 827,204	\$ 287,190	\$ 733,859
31-Jan	\$ 686,342	\$ 389,986	\$ 438,344
28-Feb	\$ 620,337	\$ 287,764	



Table 4.

VEMA EXPENSE

November through January for Current and Last Two Fiscal Years

Month	FY 11-12	FY12-13	FY13-14
November	764,435	663,847	689,136
December	841,637	882,269	950,909
January	1,010,288	871,815	1,012,802
Total 3 Months	2,616,360	2,417,931	2,652,847
Percent Change		-7.6%	9.7%

Table 5.

FY 2013-2014 REVENUE BILLED VERSUS PAYMENTS COLLECTED ANALYSIS

	July	August	September	October	November	December	January	TOTAL
BILLING	\$ 1,313,838	\$ 1,230,838	\$ 1,065,393	\$ 912,746	\$ 1,058,860	\$ 1,356,659	\$ 1,605,050	\$ 8,543,384
TOTAL PAYMENTS*	\$ 1,065,604	\$ 1,233,896	\$ 1,215,170	\$ 1,123,384	\$ 937,101	\$ 1,094,581	\$ 1,221,909	\$ 7,891,645
VARIANCE	\$ (248,234)	\$ 3,058	\$ 149,777	\$ 210,638	\$ (121,759)	\$ (262,078)	\$ (383,141)	\$ (651,739)

Table 6.

FY 2012-2013 REVENUE BILLED VERSUS PAYMENTS COLLECTED ANALYSIS

	July	August	September	October	November	December	January	TOTAL
BILLING	\$ 1,326,194	\$ 1,311,511	\$ 1,031,082	\$ 878,274	\$ 1,187,308	\$ 1,148,471	\$ 1,294,486	\$ 8,177,326
TOTAL PAYMENTS*	\$ 980,728	\$ 1,259,910	\$ 1,253,148	\$ 1,129,249	\$ 935,060	\$ 1,060,843	\$ 1,214,002	\$ 7,832,940
VARIANCE	\$ (345,466)	\$ (51,601)	\$ 222,066	\$ 250,975	\$ (252,248)	\$ (87,628)	\$ (80,484)	\$ (344,386)

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



Table 7
Electric Fund Debt Service

City of Franklin, Virginia
As of June 30, 2013

Electric Fund				
FY	Principal	Interest	Total	Outstanding
	\$2,009,000	\$382,788	\$2,391,788	
2013	0	40,106	40,106	2,009,000
2014	185,000	59,873	244,873	1,824,000
2015	193,000	54,747	247,747	1,631,000

- Payments increased \$200,000 from FY 13
- Principal Payments Due January 15, 2014 = \$185,000

Cash Balance Policy Evaluation

FY 2013-14 Cash Balance as a Percentage of Annual Revenues (excluding fuel adjustment) at 1/31/14 = \$438,000 or 3.2%.

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 1/31/13 = \$389,000 or 2.9%.

Policy Evaluation: FY 13-14 reflects a slight gain in the Fund’s cash position from the prior year period largely due to the factors as discussed adversely impacting January’s cash position. As a result, the Fund fell below minimum policy level by \$900,000. In comparison to the prior year period, cash in the Fund was below minimum policy level (\$1.330 million) by over \$1.0 million.

FINANCIAL REPORT AS OF JANUARY, 2014 - 7 Months = 58%							
	2013-2014	ACTUAL	BUDGET	2012-2013	ACTUAL	BUDGET	
REVENUE:	BUDGET	1/31/2014	%	BUDGET	1/31/2013	BUDGET	%
Taxes; Licenses	\$ 12,149,932	6,670,165	54.90%	\$ 12,163,583	6,479,565	\$ 53.27%	
Permits, Fees, Fines	155,190	104,192	67.14%	125,225	61,925	49.45%	
Use of Money & Property	247,757	191,636	77.35%	251,026	186,750	74.39%	
Charges for Services:							
Total Charges for Services	1,316,464	834,818	63.41%	2,625,187	1,459,762	55.61%	
Misc & Recovered Costs	248,812	104,791	42.12%	185,500	91,120	49.12%	
Isle of Wight Rev. Sharing	530,000	530,000	100.00%	-	238,835	0.00%	
State Aid:							
Total State Aid	3,851,399	2,224,545	57.76%	3,808,404	2,157,794	56.66%	
Federal Aid	538,295	192,321	35.73%	22,966	6,365	27.71%	
Total Current Revenue	\$ 19,037,849	\$ 10,852,468	57.00%	\$ 19,181,891	\$ 10,682,116	55.69%	
EXPENDITURES:							
Operating Expense:							
Legislative, General & Financial	\$ 2,464,769	1,154,549	46.84%	\$ 2,134,834	\$ 1,049,134	49.14%	
Elections, Courts, Sheriff	1,089,322	877,511	80.56%	1,069,122	902,348	84.40%	
Law Enforcement	3,608,534	2,160,349	59.87%	3,531,339	1,859,847	52.67%	
Fire and Rescue	2,136,870	1,288,825	60.31%	1,608,758	894,404	55.60%	
Community Development	371,842	246,658	66.33%	371,387	200,018	53.86%	
Streets	2,626,315	1,508,152	57.42%	1,983,665	702,975	35.44%	
Garage	226,527	113,205	49.97%	195,169	102,762	52.65%	
Refuse Collection & Disposal	185,000	212,709	0.00%	1,401,916	530,063	37.81%	
Buildings and Grounds	1,353,939	808,096	59.68%	967,715	501,629	51.84%	
Health	167,198	27,500	16.45%	166,173	82,500	49.65%	
Parks and Recreation	600,458	333,084	55.47%	585,077	309,948	52.98%	
Library	290,300	203,065	69.95%	283,723	143,029	50.41%	
Planning & Beautification	252,876	97,970	38.74%	82,451	33,296	40.38%	
Downtown Development	108,707	34,471	31.71%	105,516	60,465	57.30%	
Subtotal- Operating Expenses	15,482,657	9,066,144	58.56%	14,486,845	7,372,418	50.89%	
GENERAL FUND CONT'D			2				

EXPENDITURES:	2013-2014 BUDGET	ACTUAL 1/31/2014	BUDGET %	2012-2013 BUDGET	ACTUAL 1/31/2013	BUDGET %
Payments to Southampton Co.	\$ 650,000	\$ -	0.00%	\$ 650,000	\$ 500,000	76.92%
Non-Departmental Miscellaneous	40,000	17,830	44.58%	10,322	19,078	184.83%
Non-Departmental Debt Reserve	-	-	0.00%	242,151	-	0.00%
Total Operating Expense	\$ 16,172,657	\$ 9,083,974	56.17%	\$ 15,389,318	\$ 7,891,496	51.28%
Net Operating Income	\$ 2,865,192	\$ 1,768,494	61.72%	\$ 3,792,573	\$ 2,790,620	73.58%
TRANSFERS - IN:						
Transfer from Unappr Surplus	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Transfer from Electric Fund	1,409,891	704,946	50.00%	1,409,891	822,436	58.33%
Use of Prior Year Fund Balance	1,201,049	-	0.00%	469,858	-	0.00%
Use of Fund Bal Reserve for Debt	689,386	-	0.00%	876,222	-	0.00%
Transfer W/S Debt Reserve	-	-	0.00%	157,915	92,117	58.33%
Use of Restricted Fund Balance	1,006,675	-	0.00%	132,213	-	0.00%
Transfer Electric Debt Reserve	-	-	0.00%	80,175	46,769	58.33%
Total Transfers In	\$ 4,307,001	\$ 704,946	16.37%	\$ 3,126,274	\$ 961,322	30.75%
To General Debt	\$ 498,604	\$ 449,411	90.13%	\$ 543,689	\$ 471,889	86.79%
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	95,231	100.00%	86,897	86,897	100.00%
To Education Fund	4,847,395	2,831,014	58.40%	4,980,153	2,905,089	58.33%
To Education Fund-Carryover	643,174	-	0.00%	-	-	-
To Social Services Fund	397,338	-	0.00%	454,057	168,011	37.00%
To Comprehensive Services Act	92,750	-	0.00%	151,584	38,727	25.55%
To Economic Dev Incubator	78,539	78,539	100.00%	63,038	63,038	100.00%
To Economic Dev Joint Fund	125,000	125,000	100.00%	100,000	100,000	100.00%
Total Transfers Out	\$ 7,202,193	\$ 3,579,195	49.70%	\$ 7,106,997	\$ 3,833,651	53.94%
Variance (Revenue vs. Expense)	\$ -	\$ (1,105,755)	3	\$ -	\$ (81,709)	

WATER AND SEWER FUND		2013-2014	ACTUAL	BUDGET	2012-2013	ACTUAL	BUDGET
REVENUES:	BUDGET	1/31/2014	%	BUDGET	1/31/2013	%	
Sale of Water	\$ 1,300,000	\$ 734,231	56.48%	\$ 1,300,000	\$ 730,606	56.20%	
Sewer Service Charges	1,750,000	958,940	54.80%	1,750,000	966,980	55.26%	
Treatment Fees - Counties	70,000	54,074	77.25%	70,000	48,779	69.68%	
Other Revenues	250	1,828	731.20%	500	(772)	-154.40%	
Administrative Connection Fee	-	300	10.00%	-	-	0.00%	
Total Current Revenue	\$ 3,120,250	\$ 1,749,373	56.07%	\$ 3,120,500	\$ 1,745,593	55.94%	
EXPENDITURES:							
Operating Expense:							
Water System	\$ 1,361,348	\$ 447,886	32.90%	\$ 1,250,850	\$ 551,183	44.06%	
Sewer System	1,093,027	144,048	13.18%	889,814	133,525	15.01%	
Treatment Plant	743,603	368,366	49.54%	727,520	359,392	49.40%	
Total Operating Expenditures	3,197,978	960,300	30.03%	2,868,184	1,044,100	36.40%	
TRANSFERS:							
GF Transfer - Administrative Services	257,305	150,095	58.33%	346,361	202,044	58.33%	
GF Transfer - Payment in Lieu of Taxes	26,460	15,435	58.33%	26,460	15,435	58.33%	
GF Transfer - Debt Restructuring	-	-	0.00%	157,915	92,117	58.33%	
Total Transfers Out	\$ 283,765	\$ 165,530	58.33%	\$ 530,736	\$ 309,596	58.33%	
<i>Net Operating Income</i>	<i>\$ 2,836,485</i>	<i>\$ 623,543</i>	<i>21.98%</i>	<i>\$ 2,589,764</i>	<i>\$ 391,897</i>	<i>15.13%</i>	
OTHER FINANCING SOURCES							
Use of Prior Year Fund Balance	\$ 727,617	\$ -	0.00%	\$ -	\$ -	0.00%	
Transfer from General Fund	-	-	0.00%	-	-	0.00%	
Total Other Financing Sources	727,617	-	-	-	-	-	
Total Revenue & Other Sources	3,847,867	1,749,373	45.46%	3,120,500	1,745,593	55.94%	
Debt Service	\$ 366,124	\$ 366,123	100.00%	\$ 138,061	\$ 99,906	72.36%	
Total Expenditures	\$ 3,847,867	\$ 1,491,953	38.77%	\$ 3,536,981	\$ 1,453,602	41.10%	
Variance - Revenue vs. Expenses	\$ -	\$ 257,420		\$ -	\$ 291,991		
			4				

ELECTRIC FUND	2013-2014 BUDGET	ACTUAL 1/31/2014	BUDGET %	2012-2013 BUDGET	ACTUAL 1/31/2013	BUDGET %
REVENUES:						
Sale of Energy	\$ 13,126,639	\$ 7,608,666	57.96%	\$ 13,080,084	\$ 7,280,733	55.66%
Sale of Energy Fuel Adj	1,667,809	985,702	59.10%	1,346,515	777,257	57.72%
Other Revenue	232,297	134,239	57.79%	236,000	104,710	44.37%
Administrative Connection Fee	25,000	16,320	65.28%			
Proceeds Loan/Bonds	-		0.00%	-	-	0.00%
Total Current Revenue	\$ 15,051,745	\$ 8,744,927	58.10%	\$ 14,662,599	\$ 8,162,700	55.67%
EXPENDITURES:						
Energy for Resale	\$ 8,891,025	\$ 5,383,981	60.56%	\$ 9,095,800	\$ 5,502,793	60.50%
Energy for Resale Fuel Adj	1,683,110	1,156,833	68.73%	1,359,260	827,644	60.89%
Other Expenses	1,471,551	685,785	46.60%	1,490,553	675,640	45.33%
Capital Outlay	297,000	62,436	21.02%	377,304	80,993	21.47%
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	\$ 7,289,035	56.43%	\$ 12,744,259	\$ 7,087,070	55.61%
<i>Net Operating Income</i>	<i>\$ 2,135,151</i>	<i>\$ 1,455,892</i>	<i>68.19%</i>	<i>\$ 1,918,340</i>	<i>\$ 1,075,630</i>	<i>56.07%</i>
OTHER FINANCING SOURCES:						
Use of Prior Year Fund Balance	\$ -	\$ -	0.00%	\$ 59,059	\$ -	0.00%
TRANSFERS:						
GF Transfer-Council Approved	\$ 1,409,891	\$ 822,436	58.33%	\$ 1,409,891	\$ 822,436	58.33%
GF Transfer - Administrative Services	388,960	226,893	58.33%	325,945	190,135	58.33%
GF Transfer - Payment in Lieu of Taxes	59,282	34,581	58.33%	59,282	34,581	58.33%
GF Transfer - Debt Restructuring	-	-		80,175	46,769	
Total Transfers (Out)	\$ 1,858,133	\$ 1,083,910	58.33%	\$ 1,875,293	\$ 1,093,921	58.33%
Debt Service	\$ 277,018	\$ 268,778	97.03%	\$ 102,106	\$ 41,764	40.90%
Total Expenses	\$ 15,051,745	\$ 8,641,723		\$ 14,721,658	\$ 8,222,755	
Variance - Revenue versus Expenses	\$ -	\$ 103,204		\$ -	\$ (60,055)	
			5			

AIRPORT FUND		2013-2014	ACTUAL	BUDGET	2012-13	ACTUAL	BUDGET
REVENUE:	BUDGET	1/31/2014	%	BUDGET	1/31/2013	%	BUDGET
Fuel Sales	\$ 177,232	\$ 74,315	41.93%	\$ 177,232	\$ 69,484	39.21%	
Other Revenue	64,700	40,059	61.91%	64,700	38,014	58.75%	
State Grants	14,142	2,036	14.40%	35,043	4,587	13.09%	
Federal Grants	352,828	6,672	0.00%	511,359	85,504	0.00%	
Total Current Revenue	\$ 608,902	\$ 123,082	20.21%	\$ 788,334	\$ 197,589	25.06%	
EXPENDITURES:							
Operating Expenses	\$ 308,710	\$ 150,030	48.60%	\$ 308,832	\$ 138,115	44.72%	
Capital Outlay	\$ 391,398	\$ 97,563	0.00%	\$ 571,431	\$ 80,961	14.17%	
Total Operating Expenses	\$ 700,108	\$ 247,593	35.36%	\$ 880,263	\$ 219,076	24.89%	
Net Operating Income	\$ (91,206)	\$ (124,511)	136.52%	\$ (91,929)	\$ (21,487)	23.37%	
TRANSFERS:							
Use of Prior Year Funds	\$ -	\$ -	0.00%	\$ 6,029	\$ -	0.00%	
Transfer from Other Funds	\$ 95,231	\$ 95,231	100.00%	\$ 86,897	\$ 86,897	100.00%	
Total Revenue	\$ 704,133	\$ 218,313		\$ 881,260	\$ 284,486		
Transfer to Other Funds	\$ 17,833	\$ 10,402	58.33%	\$ 2,222	\$ 1,296	58.33%	
Net Transfers To/From							
Debt Service	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%	
Total Expenses	\$ 717,941	\$ 257,995		\$ 882,485	\$ 220,372		
NET INCOME/(LOSS)		\$ (39,682)			\$ 64,114		
			6				

CITY OF FRANKLIN
 FISCAL YEAR 2013-14
 CASH BALANCES - JANUARY 2014

FUND	CURRENT YEAR	PRIOR YEAR
General Fund	\$ 5,710,081	\$ 5,352,619
Fund SNAP Proceeds	\$ 234,051	\$ -
Total General Fund	\$ 5,944,132	\$ 5,352,619
Water & Sewer Fund	\$ 2,171,791	\$ 1,392,376
Fund SNAP Proceeds	\$ 234,870	\$ -
Total Water & Sewer Fund	\$ 2,406,661	\$ 1,392,376
Electric Fund	\$ 438,456	\$ 389,986
Fund SNAP Proceeds	\$ 532,495	\$ -
Total Electric Fund	\$ 970,951	\$ 389,986
Solid Waste Fund	\$ 302,428	\$ -
Airport Fund	\$ (119,718)	\$ 4,171
TOTAL CASH FOR OPERATIONS	\$ 8,503,038	\$ 7,139,152
TOTAL CASH FOR CAPITAL PROJECTS	\$ 1,001,416	\$ -
TOTAL CASH	\$ 9,504,454	\$ 7,139,152

OLD/NEW BUSINESS

- A. Resolution #2014-02 - Resolution Establishing Safety, Health & Wellness Policy**
- B. City Manager's Report**



Franklin Fire and Rescue

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

Vince Holt
Director of Emergency Services

DATE: February 19, 2014
TO: Mr. Randy Martin
FROM: Chief Vince Holt
REF: Safety, Health, & Wellness Committee

Per your direction, the Safety, Health, and Wellness committee has been actively meeting since January 16, 2013. I would like to share for your review and submission to the Franklin City Council a copy of the Safety, Health, & Wellness Policy Statement along with a resolution that recognizes the importance of having a safety, health, and wellness program for our employees.

During our first year as a committee we have tried to focus on a set of risk management guidelines that are provided by VML. These guidelines help to offer structure and direction for a locality to follow as they build their safety, health, and wellness program. Achieving these guidelines not only helps with implementation of a sound program but also can qualify the locality for a premium discount.

Safety has to remain a top priority as each department conducts their daily business and for any program to be successful there has to be support at every level of the City. Through a concerted effort we can help ensure that the safest workplace possible is provided for our most valuable resource!

If you have any questions, please contact me.



**RESOLUTION OF THE CITY COUNCIL ESTABLISHING
SAFETY, HEALTH, AND WELLNESS POLICY**

WHEREAS, The Occupational Safety and Health Act of 1970 requires employers to provide a safe place to work, a place free from hazards that might cause injury, disability or even death; and

WHEREAS, it is the policy of the City of Franklin that every employee is entitled to work under the safest conditions possible. Every reasonable effort will be made to promote accident prevention for protection and health preservation; and

WHEREAS, it is our belief that accidents that injure people, damage equipment or property, or destroy materials causing needless personal suffering, inconvenience, and expense. We believe that taking common sense precautions can prevent practically all accidents.

NOW THEREFORE, BE IT RESOLVED, that the Franklin City Council, through its appointed managers, will endeavor to maintain a safe and healthful workplace. The city departments will provide safe working equipment, necessary personal protection and, in the case of injury, the appropriate first aid and medical services will be available.

BE IT FURTHER RESOLVED that a copy of this Resolution be spread upon the minutes of this meeting of the Franklin City Council this 24th day of February, 2014, thereby forever preserving and recording its importance.

Mayor Raystine D. Johnson-Ashburn



Safety, Health, & Wellness Policy Statement

The Occupational Safety and Health Act of 1970, clearly states our common goal of safe and healthful working conditions to be the first consideration in operating this business. Safety, health, and wellness must be part of every operation that is carried out within the various City of Franklin departments. Without question, it is every employee's responsibility at all levels.

It is the intent of the City of Franklin to comply with all laws. To do this, we must constantly be aware of conditions in all work areas that can produce injuries. No employee is required to work at a job he/she knows is not safe or healthful. Your cooperation in detecting hazards and, in turn, controlling them, is a condition of your employment. Inform your supervisor immediately of any situation beyond your ability or authority to correct.

The personal safety, health, and wellness of each employee of the City of Franklin is of primary importance. Prevention of occupationally induced injuries and illnesses is of such consequence that it will be given precedence over operating productivity, whenever necessary. To the greatest degree possible, management will provide all mechanical and physical safeguards required for personal safety and health, in keeping with the highest standards.

We will maintain a safety, health, and wellness program conforming to the best practices of organizations of this type. To be successful, such a program must embody proper attitudes toward injury and illness prevention on the part of supervisors and employees. It also requires cooperation in all safety, health, and wellness matters, between not only supervisor and employee, but also between each employee and his/her co-workers. Only through such a cooperative effort can a safety program in the best interest of all be established and preserved.

Our objective is a safety, health and wellness program that will reduce the number of injuries and illnesses to an absolute minimum, not merely in keeping with, but surpassing, the best experience of operations similar to ours. Our goal is zero accidents and injuries.

Our safety, health, and wellness program will include:

- Providing mechanical and physical safeguards to the maximum extent possible.
- Conducting safety and health inspections to find, eliminate or control safety and health hazards, as well as unsafe working conditions and practices, and to comply fully with the safety and health standards for every job.
- Training all employees in good safety and health practices.
- Providing necessary personal protective equipment and instructions for use and care.
- Developing and enforcing safety and health rules, and requiring that employees cooperate with these rules as a condition of employment.
- Investigating, promptly and thoroughly, every accident to find out what caused it and correct the problem so it will not happen again.
- Setting up a system of recognition and awards for outstanding safety service or performance.
- Providing periodic safety, health, and wellness awareness information.

We recognize that the responsibilities for safety, health, and wellness are shared:

- The employer accepts the responsibilities for leadership of the safety, health, and wellness program, for its effectiveness and improvement, and for providing the safeguards required ensuring safe conditions.
- Supervisors are responsible for developing proper attitude toward safety, health, and wellness in themselves and in those they supervise, and for ensuring that all operations are performed with the utmost regard for the safety, health, and wellness of all personnel involved, including themselves.
- Employees are responsible for wholehearted, genuine operation of all aspects of the safety, health, and wellness program, including compliance with all rules and regulations and for continuously practicing safety while performing their duties.



WORKPLACE SAFETY, HEALTH, & WELLNESS COMMITTEE PROGRAM

Section I. Policy Statement Effective Date: February 24, 2014

It is the policy of the City of Franklin to protect the safety and health of employees. Injury and illness losses from accidents are needless, costly, and preventable. Our organization has established a fundamental safety, health, and wellness program that will help us prevent injury and illness due to hazards. Employee involvement at all levels is critical for success. An employee/management safety committee has been established to promote safety, health, and wellness in the workplace. This committee will assist the City of Franklin in making recommendations for change.

Management is accountable for the prevention of workplace injuries and illnesses. Management provides direction and full support to supervisors and employees regarding safety and health, job training, and hazard-elimination procedures. Management must be fully informed about safety and health issues throughout the organization in order to continually review the effectiveness of our safety, health, and wellness program.

Supervisors are directly responsible for supervising and training their workers in proper procedures, work practices, and safe methods. Supervisors must enforce departmental rules and take immediate corrective action to eliminate hazardous conditions and practices. They will not permit safety to sacrifice for any reason. In addition, they will be held accountable for all safety and health issues.

Each employee, regardless of his or her position within the City, is expected to cooperate in all aspects of the safety, health, and wellness program, including these requirements:

Accidents must be reported immediately to your supervisor.

Required personal protective equipment must be worn by all employees.

Hazardous conditions or other safety and health concerns must be reported to your supervisor immediately.

Employees participate in safety, health, and wellness committee activities and support committee membership.

The safety, health, and wellness committee consists of management and employee representatives who have an interest in safety and health in the City of Franklin. The committee is responsible for making recommendations for improving safety and health in the workplace. It is accountable for defining problems and removing obstacles to accident prevention, identifying hazards and recommending corrective actions, helping identify employee safety training needs, and establishing accident-investigation procedures for our organization.

If everyone does his or her part to ensure workplace safety, health, and wellness, we all benefit. No job is so important that we cannot take time to do it safely.

Section II. Committee Structure

A two tier approach will be used which consist of a main committee and subcommittee(s). The main safety committee will be comprised of (14) members. The make up of the committee will consist of management and employee representatives from all major departments.

Main Safety Committee

<u>Title</u>	<u>Member</u>
Chairman	Vince Holt – Fire & Rescue
Vice Chairman	Jennifer Maynard – Voter Registrar
Secretary	Betty Tarkington – Commissioner of Revenue
Member	Public Works
Member	Police Department
Member	Power & Light
Member	Human Resources
Member	Parks & Recreation
Member	Finance
Member	Social Services
Member	Community Development
Member	Commissioner of Revenue
Member	Treasurer
Member	Fire & Rescue
Member	Downtown Development

Subcommittee(s). Subcommittees will be established based on the experience, expertise, responsibilities and capabilities of the members selected. Subcommittees are not intended to be a decision making body. Subcommittees are charged with determining possible courses of action for the resolution of any issues not resolved during regular committee meetings or may be established to perform specific task on a regular basis. Subcommittee findings will be presented to the committee as a whole for review and determination.

The Chairman will be present to make notations of the meeting and offer advice. He will track open safety items to conclusion.

Section III. Safety, Health, & Wellness Committee Operation. The principal responsibilities of the organization's safety, health, and wellness committee will be as follows:

- Assemble on a bi-monthly basis to conduct safety meetings.
- Establish goals and objectives
- Conduct and oversee departmental safety inspections.
- Review accident/injury reports and discuss corrective actions.
- Direct and monitor departmental training and safety meetings.
- Discuss and report on unfinished business from previous meetings.
- Discuss new business.
- Discuss old business.
- Maintain appropriate records of activities.
- Provide recommendations for resolution by the next scheduled safety committee meeting or by a previously determined date.
- Recommend courses of action to take on safety concerns based on employee safety as a first priority. Safety issue resolution will be determined based on the following decision tier:
 - Engineering controls will be considered as a first priority.
 - Administrative controls will be considered as a second priority.
 - Personal protective equipment (PPE) will be considered as a third and last priority.
- Assist in the prevention of occupationally-induced injuries and illnesses.
- Assist the organization in complying with all laws pertaining to safety.
- Provide periodic safety, health, and wellness awareness information to all employees

Section IV. Meeting Fundamentals. The City's safety, health, & wellness committee meetings will be conducted in such a manner as to foster a productive work environment. The principal goal being to determine solutions to safety issues affecting our employees. The following ground rules apply:

Recordkeeping

- Minutes will be recorded by the committee secretary.

- Distribution and posting of Minutes. Minutes will be posted in work areas for employee viewing and will be distributed within (10) working days to the following:
 - City Hall
 - Public Works
 - Power & Light
 - Police Department
 - Fire & Rescue Department
 - Social Services
 - Parks & Recreation

Agenda

- An agenda will be followed during each meeting to keep meetings on track and to ensure all pertinent issues are covered. Also, an agenda will allow members, visitors, etc. to prepare for the meetings.

- Discussion time limits. In order to establish and maintain a productive course of action on individual safety issues, discussion time limits will be established and adhered to.

- Subcommittee actions. Where an issue cannot be resolved in a reasonable amount of time, a subcommittee (composed of at least two people) will be selected and the issue turned over to the subcommittee for investigation and development of recommendations. Subcommittee actions will be classified as "old business" and integrated into the next safety committee meeting as appropriate.
 - Subcommittee suspension. Subcommittees will be given a suspense date by the safety, health, & wellness committee to determine courses of action. Typically a suspension will be carried to the next scheduled committee meeting. Additional time may be awarded as required.

- Tracking of old business. Old business will be tracked to resolution. Issues will be resolved as soon as possible. Where old business is carried beyond a reasonable amount of time (determined by the hazards involved and the complexity of the issue) the chairman will upgrade the priority of the issue and submit it to management for resolution.

- Prioritization of safety issues. Safety issues will be prioritized according to the following rating system. Where it is unclear where a safety issue should be rated, the next higher classification will be assumed.

Priority 1 Hazard. The most serious type of unsafe condition or unsafe work practice that could cause loss of life, permanent disability, the loss of a body part (amputation or crippling injury), or extensive loss of structure, equipment, or material.

Priority 2 Hazard. Unsafe condition or work practice that could cause serious injury, industrial illness, or disruptive property damage.

Priority 3 Hazard. Unsafe condition or work practice that might cause a recordable injury or industrial illness or nondisruptive property damage.

Priority 4 Hazard. Minor condition, a housekeeping item or unsafe work practice infraction with little likelihood of injury or illness other than perhaps a first-aid case.

Section V. Training and Education

Each safety, health, & wellness committee member will be provided the necessary training in:

- The function of the committee
- Safety programs
- Safety policies and procedures

COUNCIL/STAFF REPORTS ON BOARDS AND COMMISSIONS