

FRANKLIN CITY COUNCIL
MONDAY, June 27, 2016 – CITY HALL COUNCIL CHAMBERS – 207 W. SECOND AVE.

7:00 P.M.

Regular Meeting

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

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

PLEDGE OF ALLEGIANCE

CITIZENS' TIME

INTRODUCTION: NEW HIRE

AMENDMENTS TO AGENDA

1. CONSENT AGENDA

- A. Minutes: May 16, 2016 Called Meeting; May 17, 2016 Called Meeting; May 19, 2016 Called Meeting; June 8, 2016 Called Meeting; June 13, 2016 Regular Meeting and Work Session
- B. Departmental Reports: May, 2016 (Separate File)

2. PUBLIC HEARING: Fuller Properties, LLC Rezoning Request for 500, 502, 504 & 506 West 2nd Avenue (R-2 to R-1A) Resolution to Approve Ordinance # 2016 - 03

3. FINANCE

- A. Financial Report; May, 2016
- B. FY 2015 – 2016 School Budget Amendments, Ordinance # 2016 – 17
- C. FY 2015 – 2016 City Budget Amendments, Ordinances # 2016 – 18, # 2016 - 19 & # 2016 - 20
- D. Government Financial Officers Association CAFR Award Recognition

4. OLD/NEW BUSINESS

- A. Adopt the City's Five Year CIP FY 2017 - 2021 (continued from 6/20/16)
- B. Charter Communications Franchise Agreement Renewal Update – R. Randy Martin, City Manager
- C. FOIA Statutory Changes – H. Taylor Williams, IV, City Attorney
- D. City Manager's Report
 - 1. Franklin/Southampton County HRTPO Metropolitan Planning Area (MPA) Membership Update
 - 2. Hayden Property Closing Update – H. Taylor Williams, IV, City Attorney

5. COUNCIL/STAFF REPORTS ON BOARDS & COMMISSIONS

6. SPECIAL RECOGNITION

7. CLOSED SESSION – I move that the Franklin City Council meet in Closed Session to specifically discuss and consider appointments to Boards and Commissions; a prospective business or industry where no previous announcement has been made of the business or industry's interest in locating its facilities in the community; and the evaluation of the performance of the City Attorney pursuant to Virginia Code Section 2.2-3711 (A) (1) & (5).

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.

8. 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**

**Called Meeting to certify Election Results &
Administer Oaths of Office**

June 27, 2016 @ 6:00 p.m.

CONSENT AGENDA

- A. Minutes: May 16, 2016 Called Meeting; May 17, 2016 Called Meeting; May 19, 2016 Called Meeting; June 8, 2016 Called Meeting; June 13, 2016 Regular Meeting and Work Session**
- B. Departmental Reports: May, 2016 (Separate File)**

**Franklin City Council Called Meeting
Work Session # 1
City Council Chambers
May 16, 2016 – 6:00 p.m.**

The Franklin City Council met in a Called Meeting on Monday, May 16, 2016 at 6 p.m. in the Council Chambers for the purpose of conducting a work session on the proposed FY 2016 – 2017 City Budget.

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

Others in Attendance: Randy Martin, City Manager; Taylor Williams, City Attorney; Teresa Rose-McQuay, Administrative Secretary; Dinah Babb, Treasurer; Brenda Rickman, Commissioner of Revenue; Chief Phillip Hardison, Franklin Police Department; Deputy Chief Robert Porti, Franklin Police Department; Chief Vince Holt, Director of Emergency Services; Deputy Chief Mark Carr; and Melissa Rollins, Director of Finance.

Mayor Johnson-Ashburn called the budget work session to order. The Mayor recognized Manager Martin to make a presentation and lead the work session discussion on the FY 2016 – 2017 proposed budget development process. Manager Martin reminded Council this would be the first of three scheduled work sessions with department and agency staff this week on the budget. The primary focus of these sessions is for Council to receive updates on the budget process and to specifically review departmental budget requests with staff.

Manager Martin recognized Finance Director Rollins to review highlights of the FY 2016 – 2017 Budget Work Session Book including the format of the budget detail sheets prepared utilizing the new software.

Commissioner of Revenue

Manager Martin recognized Brenda Rickman, Commissioner of the Revenue to talk about the update to the reassessment data. She stated that the reassessment data was updated on April 22, 2016. The impact of 2016 Real Estate reassessment data has a net change of \$30,060.36 or - 0.55%. This is a change from the previously reported data and shows a greater reduction in values.

Mrs. Rickman then highlighted budget requests for her department.

Highlights: Part-time examiner auditor request, License & tax compliance, sales tax focus; Telecommunications – Lease of new phone system, and Travel – Convention and Education – for compliance for certification for both the Commissioner and the Deputy Commissioner. Mrs. Rickman also commented about the assistance of Ed Martin, Deputy Treasurer has contributed by helping with computer issues.

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There was then discussion between members of Council and Commissioner Rickman on the budget.

Treasurer's Office

Manager Martin then recognized Treasurer Dinah Babb to highlight her budget requests for the Treasurer's office.

Highlights: Part-time position increased to Full-time to job share with Finance; small increases in binding and printing, postal services, Telecommunications, and travel for conferences and education.

Some discussion ensued between members of Council and Treasurer Babb regarding the budget.

Police Department

Manager Martin recognized Chief Phil Hardison and Deputy Chief Bob Porti to highlight the budget requests for the Police Department.

Highlights: Increase in Overtime, struggling with recruitment, increase in Maintenance Service Contracts, Advertising, Data communications and cell phones, Academy dues, range ammunition supply, part-time dispatcher, upgrades for new equipment, incinerator fuel. They also discussed communications equipment needs and coverage issues.

After some discussion between members of Council, Chief Hardison and Deputy Chief Porti, the budget session continued.

Fire Department

Manager Martin recognized Chief Holt and Deputy Chief Carr to highlight the budget requests for the Fire Department.

Highlights: Combined the Civil Defense budget into the Emergency Management services budget. Increase in Telecommunications, discussed personnel turnover and recruitment of volunteers, and the need for a replacement vehicle for Chief Holt.

After some discussion between members of Council, Chief Holt and Deputy Chief Porti the budget session continued.

City Attorney

Manager Martin recognized City Attorney Williams to highlight his budget requests.

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Highlights: Replacement for Computer, minor increase for travel and coverage for healthcare; outside legal fees increase for litigation.

Mayor Johnson-Ashburn thanked Attorney Williams for his service with the SPSA board and stated that it was very much appreciated. The meeting then continued.

Manager Martin then reviewed the City Administration (City Council, City Manager and Human Resources).

Human Resources

Manager Martin stated that currently he has an active role in Human Resources due to HR Manager vacant position. He is looking at making some changes to make things more efficient and there are no significant changes to the budget.

City Manager

Manager Martin stated that there are no significant changes to his budget other than Telecommunications which everyone has. He touched on the vacant position and working on the job description for that in the coming year.

City Council

Manager Martin asked for direction concerning the requests for funding from outside agencies/organizations. Manager Martin recommended level funding if that is the desire of Council. Councilwoman Hilliard wanted more information on the request from the STOP organization. Mayor Johnson-Ashburn suggested that the Council evaluate the proposed budget request from the Downtown Franklin Association.

Judicial Administration

Manager Martin stated that the only change in the Judicial Administration fund is in the telecommunications line item. There were no other significant changes in this budget. Manager Martin also expressed his joy in the savings this year with the Western Tidewater Regional Jail Authority. The savings are small but there has been a monumental amount of work going into avoiding another increase in this agency's funding.

Health & Welfare Administration

The only change to report in this fund request is the increase in payments to Western Tidewater Community Board (WTCSB) which is a contractual obligation.

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Non Departmental

This fund is contractual obligations and the only increase is in Merchant Card Fees.

Comprehensive Services Fund

Manager Martin stated the Virginia Comprehensive Services Act provides for the pooling of eight specific funding streams to support services for high-risk youth. These funds are returned to the localities with a required state/ local match and are managed by local interagency teams. The purpose of the act is to provide high quality, child centered, family focused, cost effective, community-based services to high-risk youth and their families. Manager Martin stated that Social Services Director Alan Hogge could explain this in more detail at the next budget work session.

Economic Development Fund

The major changes in this fund are Telecommunications and the replacing of an aging HVAC unit. There are a number of these HVAC units in several city buildings that need to be replaced at the same time. Manager Martin stated that this item and a strategy to address the need would be discussed further at the work session on Thursday, June 19, 2016.

Recess

After concluding discussions, Mayor Johnson-Ashburn asked for a motion to recess the work session. Councilman Rabil made a motion to recess the called work session meeting until 6:00 p.m. May 17, 2016 at the Council Chambers. Vice-Mayor Cheatham seconded the motion and it was approved by 6 – 0 vote (Councilman McLemore absent).

Mayor Johnson-Ashburn declared the meeting recessed at 9:08 p.m.

These Minutes for May 16, 2016 City Council Meeting were adopted on the 27th day of June, 2016.

Mayor

Clerk to City Council

Franklin City Council Called Meeting
Work Session #2
City Council Chambers
May 17, 2016 – 6:00 p.m.

The Franklin City Council met in a Called Meeting on Tuesday, May 17, 2016 at 6 p.m. in the Council Chambers for the purpose of conducting a work session on the proposed FY 2016 – 2017 city budget. The budget work session was recessed on May 16, 2016.

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

Others in Attendance: Randy Martin, City Manager; Taylor Williams, City Attorney; Teresa Rose-McQuay, Administrative Secretary; Jennifer Maynard, Voter Registrar; Alan Hogge, Director of DSS; Donald Goodwin, Director of Community Development; Beth Lewis, Assistant Director of Community Development; Mark Bly, Director of Power and Light and Melissa Rollins, Director of Finance.

Mayor Johnson-Ashburn reconvened the recessed budget work session and recognized the City Manager.

Registrar

Manager Martin stated that Council had already addressed the Registrars' biggest budget request with the new voting machines that were purchased in this fiscal year but will be paid for beginning in FY 2016 – 2017 and ending in FY 2017 – 2018 in two equal payments with no interest charged.

Manager Martin recognized Jennifer Maynard, Voter Registrar to review her requests.

Registrar Maynard reported on the new election equipment and the change in processes. She also reported that the transition for the new equipment went smoothly.

Registrar Maynard then highlighted other budget requests for her department.

Registrar Maynard has requested some upgrades to the facility where her office is located to address safety and security concerns, specifically a panic button and security cameras.

Social Services

Manager Martin recognized Director Hogge of the Department of Social Services to present his department's budget requests.

Director Hogge distributed the 2015 Social Services Community profile. The information that was discussed was very informative. Social Services served 4,441 citizens in 2015 (unduplicated numbers). Director Hogge also answered the questions raised in Work Session #1 about the Western Tidewater Community Services Board and the Comprehensive Services Act.

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Work Session #2
City Council Chambers
May 17, 2016 – 6:00 p.m.

Inspection, Community Development and Beautification

Manager Martin recognized Community Development Director Goodwin and Deputy Director Beth Lewis to review their budget requests.

Manager Martin reminded Council of the cost of the Nuisance Abatement project on Armory Drive and informed Council that those funds had been reimbursed from the sale of the property. Manager Martin also discussed with the Council the purchase of the new vehicle recommended to be done in this fiscal year that will be cost shared with Southampton County. The funds reimbursed on the Armory Drive nuisance project can be utilized for the city share and take advantage of a reduced cost purchase option which will expire if the purchase is delayed until the new budget. The Council by consensus agreed for the Manager to pursue the purchase this year.

There is an increase in Telecommunications. Director Goodwin updated Council on the GIS system upgrade proposed. Director Goodwin also asked for \$25,000 for planning and design of the Riverwalk grant. Councilman Burgess asked whether students from ODU could assist with the engineering part of the Riverwalk project to reduce cost. Director Goodwin agreed to research.

Power and Light

Manager Martin recognized Director Bly of Power and Light to present his budget. Director Bly presented to Council a chart detailing residential average kilowatt usage for 1000 hours. Director Bly is recommending changing the winter/summer rate to a 12 month rate. He is also asking that the one rate be increased by 8% to offset the proposed Dominion wholesale rate increase.

Regarding wholesale power costs, the City of Franklin has had the highest power cost among VMEA members in four of the last six months.

Since 2011, revenue is up 22%. Electric cost is up 36% less the fuel adjustment rate. Fuel adjustment is down \$1.3 million to \$300,000. Operating expenditures are showing an 8% decrease during the period. Currently transfers of \$1.4 million continue to be made to the General Fund or 36%. Director Bly advised Council that we are expecting a 6.9% Dominion rate increase which would be passed through to our customers.

Councilman Burgess asked for a comparison of rates to energy costs. Vice Mayor Cheatham asked Council to consider an additional 1% which would increase the proposed energy rates by 9%. The Mayor stated she could not support the additional 1% increase.

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City Council Chambers
May 17, 2016 – 6:00 p.m.

Director Bly brought up the need to be more competitive as to our salaries in the Electric department. Director Bly stated that if we could hire candidates to fill the vacant positions we have the city could cut contract costs considerably.

Finance and Utility Billing

Manager Martin recognized Director Rollins to review her budget requests. Director Rollins mentioned the increase in auditor expenses due to an expected increase resulting from the upcoming RFP process for new auditors. There was also the increase in Telecommunications for the new voice and data system purchased which is reflected in all the departments. Maintenance service contracts are increased due to having to use both the new and old software systems until the conversion is complete. The timeline for the conversion to be complete was discussed with the next major milestone expected to be complete in the fall.

Financial Policies Update

Director Rollins shared a change in the current Financial Policies and Guidelines that were last revised in June of 2011. The only notable change is on page 4 under Transfer To/From Policies to read: “The Electric Fund may transfer a contribution to the City’s General Fund annually. This contribution will be set by City Council with a targeted range of 8% to 12% of the Gross Revenues of the Electric Fund.” This change would require adoption by the City Council and would insert similar language for the other enterprise funds. Other minor changes were then reviewed with Council aimed at improving efficiency without compromising internal controls including an increase in the Manager authorized transfer amount within a department and an increase in the fixed asset value threshold.

Capital Improvement Plan

The City’s proposed Capital Improvement Plan includes the school board requested Capital Improvements for the schools. Vice Mayor Cheatham asked Council to consider holding the \$480,000 for the schools until they have submitted appropriate responses to the internal control concerns raised in the City’s Audit for 2016. The Council will further discuss the suggestion and the schools’ capital outlay request at a later work session.

Recess

After concluding discussions, Mayor Johnson-Ashburn asked for a motion to recess the work session. Councilman Rabil made a motion to recess the called work session meeting until 6:00 p.m. May 19, 2016 at the Council Chambers. Vice-Mayor Cheatham seconded the motion and it was approved by 6 – 0 vote (Councilman McLemore absent).

Mayor Johnson-Ashburn declared the meeting recessed at 9:08 p.m.

**Franklin City Council Called Meeting
Work Session #2
City Council Chambers
May 17, 2016 – 6:00 p.m.**

These Minutes for May 17, 2016 City Council Meeting were adopted on the 27th day of June, 2016.

Mayor

Clerk to City Council

**Franklin City Council Called Meeting
Work Session #3
City Council Chambers
May 19, 2016 – 6:00 p.m.**

The Franklin City Council met in a Called Meeting on Wednesday, May 19, 2016 at 6 p.m. in the Council Chambers for the purpose of conducting a work session on the proposed FY 2016 – 2017 city budget. The budget work session was recessed on May 17, 2016.

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

Others in Attendance: Randy Martin, City Manager; Taylor Williams, City Attorney; Teresa Rose-McQuay, Administrative Secretary; Stephen Newsome, Information Technology; Frank Davis, Director of Parks and Recreation; Russ Pace, Director of Public Works; Chad Edwards, Deputy Director of Public Works; Jimmy Gray, Airport Manager and Melissa Rollins, Director of Finance.

Vice Mayor Cheatham reconvened the budget work session recessed from May 17, 2016.

Information Technology

Manager Martin recognized Steve Newsome to review the highlights of his budget. Manager Martin commended Mr. Newsome for his work on the voice/data upgrade. Mr. Newsome reviewed highlights of the initiatives requested in the budget including proposed GIS upgrade.

Parks and Recreation

Manager Martin recognized Director Davis to present the highlights of the Parks and Recreation Department budget request and activities.

Director Davis distributed some pictures of improvements to recreation facilities that have been completed during this year including the College Drive Park and Armory Park. Mr. Davis commented that the concrete padding around the pool needed major repair in the near future.

Director Davis mentioned some staffing needs due to the increasing number of programs that are being offered. Director Davis reported on the need for more part time staffing for maintenance and clerical support. Director Davis also commented on the summer staffing for the pool and the need for experienced lifeguards.

After much discussion with Director Davis about Parks and Recreation, the work session moved forward.

Franklin City Council Called Meeting
Work Session #3
City Council Chambers
May 19, 2016 – 6:00 p.m.

Finance

Manager Martin recognized Director Rollins for a special announcement and introduction. Manager Rollins acknowledged Mrs. Joe Ann Faulk who has been promoted to the Accounting Supervisor position in the Finance Department. Ms. Faulk was in attendance for a portion of the work session.

Public Works

Manager Martin recognized Director Pace and Deputy Director Edwards to present highlights of the Public Works Department budget requests..

Airport

Director Pace recognized Airport Manager Jimmy Gray to present the Airport portion of the budget. Mr. Gray reviewed the status of the projects at the airport over the last several years: runway lighting, weather station, runway (09) rehab. Mr. Gray discussed some upcoming projects that are being pursued for grant funding and the required local match. Mr. Gray gave a more realistic budget figure for fuel costs and sales.

Mr. Gray commented on his goals with the advertising of the airport to increase traffic and visibility. He also talked about the rental of the hangars.

Streets

Director Pace and Deputy Director Edwards discussed the street paving priority process and planned project priorities.

Solid Waste

Director Pace discussed the need of replacing an eighteen years old garbage truck with over 145,000 miles. Director Pace advised Council that replacing the aging piece of equipment with a new one arm truck would save money and reinforces the stability of the sanitation fleet.

Equipment Needs – Public Works

Director Pace also discussed with Council the need to purchase some other equipment that is much needed:

1. Backhoe – replace a 26 years old backhoe with 6,991 hours at a cost of \$126,500
2. Skid Steer – new versatile machine with the ability to rent numerous attachments instead of purchasing all the accessories; the cost of the Skid Steer itself is \$62,500.

**Franklin City Council Called Meeting
Work Session #3
City Council Chambers
May 19, 2016 – 6:00 p.m.**

Garage

Director Pace brought up the need to replace a 65 years old air compressor that is nearing the end of its usefulness at a cost of \$7,000. He also touched on the future needs of an air conditioner in the garage. This item was not included in this budget but Director Pace commented that it is an item for consideration in the future.

Building Maintenance

General

Director Pace shared with Council some general building maintenance needs that need to be addressed:

1. Public Works/Electric Building – Needs ceiling tile replaced and painting
2. Police/Courts Building – Needs HVAC replacement
3. Emergency Services Building – HVAC Replacement, ceiling tile replacement and painting
4. Martin Luther King Center – Ceiling tile replacement and painting
5. \$25,000 for regularly budgeted operating expenses

Director Pace shared that the total building maintenance request is \$533,000.

Armory Field/Sports Complex

Director Pace mentioned the need for a fencing upgrade and slats for the area that was formerly the skate park site.

City Hall

Director Pace highlighted the needs for the City Hall building which are:

1. HVAC replacement
2. Generator

Social Services

1. Painting and ceiling tile replacement
2. \$5,000 for regularly budgeted operating expenses

Health Department

1. Painting and ceiling tile replacement
2. \$5,000 for regularly budgeted operating expenses

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Manager Martin then advised that staff was researching the option to fund all these major facility needs in multiple departments utilizing a state option referred to as a Performance Energy Project financing that has minimal impact on the operating budget. He reviewed summary information on this option and advised that management will present it for Council consideration later in the year.

Water/Sewer Fund

Director Pace proposed a rate increase based on comparisons with the 2015 27th Annual Virginia Water and Wastewater Rate Report. The recommendation is to increase user rates sufficient to generate a 10% increase in water and sewer revenue. Based upon the results of a 2013 engineer's rate study analysis, the increase is justified. The effect of the increase will generate \$305,000 in revenue. He also requested \$50,000 to continue with the Franklin/Southampton Shared Utility Study. Director Pace also discussed the reduction in water capital and the increase in the sewer capital in order to continue sewer system rehab. He gave two examples of recent work that reduced wastewater system inflow and infiltration and subsequent treatment by 200,000 gallons per day.

After considerable discussion concerning all functions of the Public Works department and the necessity of all the requests, the meeting moved forward.

School Fund

Manager Martin recognized Director Rollins to review the School Fund Budget request previously presented to Council. She distributed handouts that showed historical data and a summary of the School Board request for FY 2016 - 2017.

Vice Mayor Cheatham suggested that the entire carryover amount including the \$480,000 that the schools requested as part of the Capital Improvement Plan not be appropriated until School Officials sufficiently addressed the issues raised concerning internal controls from the City's 2015 – 2016 Audit. The Council discussed in great detail the direction of the funding for the schools.

Fee Schedule

Director Rollins advised Council of the proposed changes to the Fee Schedule. The most noteworthy change in the current fee schedule is on page 12 under City Administration – Service Fees. The change is to increase the Return Check Fee from \$35.00 to \$50.00 which is the standard fee in other localities and financial institutions.

**Franklin City Council Called Meeting
Work Session #3
City Council Chambers
May 19, 2016 – 6:00 p.m.**

Adjourn

Having completed the scheduled work session agenda, Councilwoman Hilliard made the motion to adjourn the meeting and Councilman Burgess seconded it.

The motion was approved by a 5 – 0 vote (Mayor Johnson-Ashburn and Councilman McLemore absent).

Vice Mayor Cheatham declared the meeting adjourned at 9:00 p.m.

These Minutes for May 19, 2016 City Council Meeting were adopted on the 27th day of June, 2016.

Mayor

Clerk to City Council

Franklin City Council Called Meeting
Work Session #4
City Council Chambers
June 8, 2016 – 6:00 p.m.

The Franklin City Council met in a Called Meeting on Wednesday, June 8, 2016 at 6 p.m. in the Council Chambers for the purpose of conducting a work session on the proposed FY 2016 – 2017 city budget.

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

Others in Attendance: Randy Martin, City Manager; Taylor Williams, City Attorney; Teresa Rose-McQuay, Administrative Secretary; Director Mark Bly; Power and Light; Chief Vince Holt, Director of Emergency Services and Melissa Rollins, Director of Finance.

Mayor Johnson-Ashburn called the budget work session to order. The Mayor recognized Manager Martin to present the City Manager’s FY 16 – 17 recommended budget highlighting the adjustments from the requested budget reviewed in previous work sessions.

Before reviewing the budget proposal, Manager Martin took the opportunity to remind Council of the groundbreaking ceremony for the Pinnacle Agriculture Project that is taking place on Tuesday, June 14, 2016 at 10 a.m. in the Pretlow Industrial Park.

Mayor Johnson-Ashburn acknowledged that Mayor Elect Rabil would not be able to attend the groundbreaking ceremony due to the ribbon cutting ceremony of the new Southeastern Virginia Health Center that is being held at the same time. He will attend that event representing Council at the Mayor’s request.

City Manager’s FY 16 – 17 Recommended Budget

Manager Martin reviewed highlights of the recommended budget previously delivered to Council members and the prior year comparison. The City Manager’s Recommended FY 16 – 17 budget totals \$55,886,074.

General Fund

Manager Martin detailed the major steps taken to close the budget gap between spending requests and available funding for the FY 16 – 17 General Fund Budget by:

1. Level funding for most of the community outside Organizations and Agencies.
2. Numerous revenue and expenditure budgetary adjustments.
3. Reduction to major Capital Outlay requests and reallocation of capital outlay from General Fund to CIP.
4. Adjustments to various requests for salary increases beyond VRS 1.1% and 2.0% COLA recommended increase. (COLA effective December, 2016)

Franklin City Council Called Meeting
Work Session #4
City Council Chambers
June 8, 2016 – 6:00 p.m.

5. Use of General Fund Balance Reserves within policy guidelines.
6. Revenue Neutral Tax Rate Adjustment (+ \$.01 cent)

Manager Martin reviewed where we started in the FY 16 – 17 budget process. When city staff began there was a variance of \$3,635,646 of expenditure requests over projected revenue. The total GF revenue projections excluded any use of prior year carryover; the total GF expenditure requests excluded the additional funding request from the school division in the amount of \$92,770 for salary increases. The expenditure request also excluded the funding of prior year carryover funding in the amount of \$480,000 for Capital Improvement Projects requested by the schools.

During discussion and as previously suggested, the consensus of Council was to set aside \$10,000 of DFA funding to have a collaborative effort with FSEDI and DFA to bring in a consultant to develop a marketing plan for the downtown Franklin area. The Mayor had raised this issue at a previous work session. Councilman Rabil felt downtown property owners deserved a return on investment for the additional tax dollars they pay and this is a step in that direction.

Manager Martin, Director Rollins and Council discussed the various primary expenditure adjustments that resulted in a total preliminary proposed reduction in spending below requests of \$2,854,687. The city manager's recommended General Fund FY 2016 – 2017 budget is \$22,470,652 in revenue and expenditures which as required is balanced. The balance of the adjustments were made in the revenue projections to match expenditures.

Manager Martin highlighted the personnel costs in the General Fund and changes that result in a net impact of \$199,677 in increased costs for salary and benefits. Manager Martin advised Council that there are no new positions for FY 2016 – 2017 as recommended.

The City Manager's recommended balanced budget proposals for FY 2016 – 2017 for the Enterprise Funds were reviewed with highlights as follows:

Water & Sewer Fund

There is a recommended increase in the City's Water & Sewer rates sufficient to generate 10% additional revenue as recommended in the city consulting engineers' rate study. The factors below detail the necessity of the increase:

1. City water and sewer rates are currently well below median statewide utility system rates.
2. Current rates do not generate revenues sufficient to adequately address capital needs of an aging utility system.
3. Current rates do not qualify the City for various federal and state revenue assistance programs which require a minimum rate to income ratio.

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City Council Chambers
June 8, 2016 – 6:00 p.m.

Even with the recommended rate changes proposed, the City water and sewer rates remain below the median range of the statewide utility system rates. It was noted rates were last increased in July, 2008.

The proposed budget in the Water & Sewer Fund increased from \$3.13 million to \$3.44 million which will generate additional revenue allocated to capital outlay for needed water/sewer system improvements particularly wastewater collection system maintenance. The transfer to the General Fund for administrative services increased from \$263,042 to \$291,908 based on a recent cost allocation analysis of services provided by the General Fund.

Solid Waste Fund

In the Solid Waste Fund, the balanced budget is status quo excluding capital outlay expenditures. The revenues and expenditures show an increase of \$132,519 from FY 15 – 16 which includes use of cash reserves (\$212,793) for Capital Purchases (“Pay As You Go” Option) for equipment replacement of a One-Arm Collection Truck. There are no changes recommended to the Solid Waste collection rates.

Airport Fund

In the Airport Fund, the balanced budget is status quo excluding capital outlay. Revenue and expenditures are \$406,841 which is an increase of \$86,000 from FY 15 – 16. There are two new capital projects proposed for FY 16 – 17 at a cost of \$151,240: 1) parallel taxiway design and 2) aerial survey for a tree clearance project (96% of the cost will be funded by state and federal aid). In the operational changes, there is a reduction in fuel expenditures and revenue generated from fuel sales based on actual history.

Electric Fund

The balanced budget in the Electric Fund is \$15,260,769 which is a reduction from FY 14 – 15 of \$551,869 (3.5%). A \$1.03 million reduction in energy cost resulting from the 75.7% rate reduction from the fuel adjustment. The reduction is offset by an increase in operating expenses for energy for resale which totals \$924,621.

There is a projected wholesale rate increase from Dominion of 6.9%. The FY 15 – 16 proposed budget is based on a Department recommended increase of 8.0% in the retail rate necessary to pass through the Dominion rate increase proposed and rebuild cash reserves to policy minimums.

There is no proposed change to the Basic Customer Charge. The net impact for a residential customer including fuel adjustment is an increase of \$1.07 for 1,000 kwh usage and \$1.40 for 1,300 kwh usage. The proposed budget eliminates the City’s winter/summer seasonal rate structure in an effort to further improve cash flow in the fund

Franklin City Council Called Meeting
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City Council Chambers
June 8, 2016 – 6:00 p.m.

OTHER CITY FUNDS

Economic Development

The revenue and expenditures are \$304,695. The primary budget change is an increase in the local City General Fund appropriation partially resulting from a projected decline in the new year in rental income to support operations due to the relocation of a major tenant to add to the City's downtown tax base next door.

Social Services

The primary budget change is the slight projected decrease in the City's local match requirement by \$4,236. The net change in the total budget from the prior year is \$3,748 less.

School Fund

The recommended School Operating Fund Budget is \$16,385,266 which includes the level base local appropriation of \$4.987 million as requested by the School Board. The recommendation also includes appropriation in the City CIP of the School Division request to use \$480,000 in FY 15 carryover to fund proposed Capital Improvement Projects for Education. The recommendation is based on an ADM of 1003 students. The recommended budget does not address the school supplemental request for funding to provide salary adjustments for school personnel.

Debt Service Funds

The FY 16 – 17 tax supported debt service obligation compared to FY 15 – 16 is a net budgetary increase in cost impact in the amount of \$157,734 or \$.028 equivalent in tax rate per \$100.00 of real property value.

Capital Improvement Budget

The total amount of capital projects that comprise the FY 16 – 17 recommended capital improvement budget is \$2,732,596. This includes appropriation of the requested school capital outlay using carryover funds totaling \$480,000.

Budget Proposal Review

Council members asked questions and discussed various aspects of the proposed budget following the Manager's presentation summarizing the recommendations by funds.

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City Council Chambers
June 8, 2016 – 6:00 p.m.

Specifically, several questions were posed that would necessitate follow up and research by staff. The following are the issues/questions for which management will provide additional information:

- Determine the cost to provide the 2% COLA raise to city employees that are funded by the state if the state, due to shortfalls in revenue projections, does not provide this funding.
- Research solid waste rates prior to the major SPSA increase a few years ago to compare to projected rates in 2018
- Evaluate costs of rehabilitating a solid waste one-arm collection truck to purchasing a new truck (pros and cons).
- Provide a cost estimate, if residential property owner interest and financing was sufficient, to curb and gutter the opposite side of Fairview Drive across from the Dr. Patel facility/ Health Department/Hospital.

Electric Fund Update

Manager Martin recognized Director Bly to provide an update on the proposed electric fund budget. Director Bly reported that after the Manager finalized his budget recommendation, Dominion provided an updated final wholesale rate adjustment for the city. The projected rate increase will be 5.8% down from the original estimate of 6.9%. Director Bly and Manager Martin had discussed the change and recommend that the retail city rate adjustment remain at the recommended 8% increase. The additional funds estimated at approximately \$180,000 would appreciably help replenish cash reserves thus addressing Council concerns that Cash Reserve growth is below expectations for the current year. Vice Mayor Cheatham, who had at an earlier meeting proposed consideration of a 1% increase above the recommended 8% stated he felt this new information adequately addressed his concern and that he would accept the compromise of retaining the 8% recommended by staff. Mayor Johnson-Ashburn, who had opposed the Vice Mayor's suggested additional 1%, also stated her support for this compromise. Other members stated their consensus support as well.

School Capital Funding Request

Council then had a lengthy discussion on the capital funding request from the schools and the Vice Mayor's earlier suggestion that Council withhold CIP funding of the Schools until an appropriate response to audit findings is provided. Members of Council gave opinions on the merits and raised questions which they directed to the City Attorney for response when he is prepared. City Attorney Williams stated he would give feedback to the extent he can avoid any conflict since he represents both the Council and School Board.

**Franklin City Council Called Meeting
Work Session #4
City Council Chambers
June 8, 2016 – 6:00 p.m.**

Recommended Revenue Neutral Tax Rate Change

Council members indicated a desire to retain the 99¢ tax rate and agreed to provide input individually to the City Manager on potential changes to adjust the rate from the recommended revenue neutral \$1.00 rate in the proposed budget.

The Council consensus was for members to provide the Manager with any suggestions then the Manager evaluate and provide an update to Council.

Recess

The Mayor then declared a recess of the budget work session until Monday, June 13th at 6:00 p.m. in the Council Chambers.

The meeting recessed at 8:45 p.m.

These Minutes for the June 8, 2016 City Council Meeting were adopted on the 27th day of June, 2016.

Mayor

Clerk to City Council

Franklin City Council Called Meeting
Work Session # 5
City Council Chambers
June 13, 2016 – 6:00 p.m.

The Franklin City Council met in a Called Meeting on Monday, June 13, 2016 at 6 p.m. in the Council Chambers for the purpose of conducting a work session on the proposed FY 2016 – 2017 City Budget. The budget work session was recessed on June 8, 2016.

Council Members in Attendance: Raystine D. Johnson-Ashburn, Mayor; Barry Cheatham, Vice-Mayor; Benny Burgess, Mona Murphy, Mary Hilliard, Frank Rabil and Greg McLemore.

Others in Attendance: Randy Martin, City Manager; Taylor Williams, City Attorney; Teresa Rose-McQuay, Administrative Secretary; Brenda Rickman, Commissioner of Revenue; Mark Bly, Director of Power and Light and Melissa Rollins, Director of Finance.

Mayor Johnson-Ashburn called the recessed budget work session to order. The Mayor recognized Manager Martin to make a presentation and lead the work session discussion on questions raised from previous work sessions.

1. What is the cost for the state 2% increase for affected city employees if the state does not fund the increase?

The affected personnel (Social Services, elected constitutional officials and Registrar) 2% increase would be approximately \$21,000. Manager Martin reiterated that no definite decision on whether the state increase would be impacted by the recent dip in state revenue collections had been made at this time.

2. Which is more cost effective to rehab existing one-arm solid waste collection truck or purchase a new one?

Public Works evaluated both options; rehab would cost almost as much as a new one. As stated at a previous meeting, Power & Light Director Mark Bly confirmed his experience with electric company bucket trucks was rehab can cost more in the long run. Based on the research, it is believed to be far more cost effective to purchase a new one-arm truck. Manager Martin gave details on the specifics of this equipment.

3. What was the highest solid waste rate prior to the current year?

The highest rate recorded was 46.36. Director Rollins updated the historical data to reflect prior year rates before the high and reviewed those with Council.

4. The cost to curb and gutter the other side of Fairview Drive opposite the hospital and Health Department/Dr. Patel's office.

The estimate would be approximately \$348,000 for a 1,000 square foot section. Councilman Rabil asked if city staff could better maintain the ditch on the opposite side of the street to keep the collection of trash to a minimum. Manager Martin stated that would be a solution to consider. He noted the cost would likely be prohibitive for the residents' participation in curb and gutter based upon this cost estimate.

5. Clarification from City Attorney on legal questions raised at the prior meeting concerning the Appropriation of carryover funds for the schools to the CIP.

**Franklin City Council Called Meeting
Work Session # 5
City Council Chambers
June 13, 2016 – 6:00 p.m.**

Attorney Williams stated that he did not find any case law pertinent to this type of situation; however, he did state that Council could decide not to appropriate the funds at this time as the alternative if desired. Several members of Council commented on the merits of whether to withhold CIP funds and the audit concerns.

After considerable discussion by Council concerning these questions, the Council agreed to recess the work session until after the Budget Public Hearing later this evening with the next scheduled work session being at 6:00 p.m. on June 20, 2016 in the Council Chambers.

Recess

After concluding discussions, Mayor Johnson-Ashburn asked for a motion to recess the work session. Councilman Rabil made a motion to recess the called work session meeting until 7:00 p.m. June 13, 2016 for the Regular meeting to be held in the City Council Chambers. Vice-Mayor Cheatham seconded the motion and it was approved by 7 – 0 vote.

Mayor Johnson-Ashburn declared the meeting recessed at 6:55 p.m.

These Minutes for June 13, 2016 City Council Meeting were adopted on the 27th day of June, 2016.

Mayor

Clerk to City Council

The Franklin City Council held its regular meeting on Monday, June 13, 2016 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; Mona Murphy, Mary Hilliard, Frank Rabil and Greg McLemore (Benny Burgess returned to the meeting following the work session after the call to order).

Staff in Attendance: Randy Martin, City Manager; Taylor Williams, City Attorney; Chief Phil Hardison, Police Department; Brenda Rickman, Commissioner of the Revenue; Dinah Babb, Treasurer; Mark Bly, Director of Power and Light; Jennifer Maynard, Voter Registrar; Donald Goodwin, Director of Community Development and Melissa Rollins, Director of Finance.

Others in Attendance: Teresa Rose-McQuay; Administrative Assistant and Acting Secretary, Recording Minutes.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited by everyone in attendance.

CITIZENS' TIME

No one signed up to speak at Citizens' Time.

AMENDMENTS TO AGENDA

There were no amendments to the agenda.

Consent Agenda

Minutes of the May 23, 2016 Regular Meeting

Mayor Johnson-Ashburn asked if there were any corrections or changes to the minutes. Vice Mayor Cheatham made the motion to approve the minutes as presented and Councilwoman Hilliard seconded the motion. Mayor Johnson-Ashburn asked if there were any questions or comments on the motion: hearing none she called for a vote.

The motion was approved by a 6 – 0 vote (Councilman Burgess absent)

PUBLIC HEARING

Mayor Johnson-Ashburn recognized Manager Martin to give an overview of the Public Hearing. Manager Martin stated that the purpose of the public hearing was to allow citizens to address Council concerning the FY 2016 – 2017 proposed City budget which will establish tax rates and other fees. Manager Martin stated that the notice for the hearing had been published in the local newspaper. Manager Martin advised Council that the budget had also been distributed in various public places. (Councilman Burgess returned to the meeting at 7:04 p.m.)

Manager Martin highlighted the proposed budget detail as follows:

1. Total budget - \$55,886,074 (All Funds)
2. FY 16 – 17 Capital Improvement Budget - \$2,732,596

Manager Martin then commented on selected recommendations in the largest funds.

General Fund

1. Real Estate Tax – increase of \$0.01 to offset a decrease in real estate values resulting from the 2016 Reassessment of Real Property
2. Personal Property Tax Relief – personal use vehicles valued at \$1,000 or less will be eligible for 100% tax relief
 - Personal use vehicles valued at \$1,001 to \$20,000 will be eligible for tax relief at a percentage of 52% (previously 55%)
 - Personal use vehicles valued at \$20,001 or more shall be eligible for tax relief at 52% on the first \$20,000 of value and taxed fully on the balance of the value under this program (previously 55%)

Water & Sewer Fund

A proposed increase in water and sewer rates sufficient to generate a 10% increase in revenue is recommended. Mayor Johnson-Ashburn asked Manager Martin to explain the purpose for the increase. Manager Martin stated that the recommended increase is necessary to 1) aid in rehabilitating an aging water and sewer system and 2) to help the City to qualify for grants to be received for future capital needs.

Electric Fund

The Electric Fund proposed budget of \$15,260,769 is a decrease of \$551,869 from the FY 2015 – 2016 budget. This decrease is the result of a Dominion approved decrease in the fuel surcharge paid to the electric power producer/supplier by customers. The proposed budget accounts for an anticipated 6.9% increase in Dominion Virginia Power's wholesale power cost. A recommended rate increase of 8.0% is proposed to offset the increase in the wholesale power costs from Dominion which is based on kilowatt hours used. The proposed budget also eliminates the City's winter/summer seasonal rate structure.

Solid Waste Fund

Solid Waste collection fees are unchanged.

School Fund

The Franklin City Schools FY 2016 – 2017 Proposed Operating Fund of \$16,385,266 reflects no change in the City's 2015 – 2016 base appropriation of \$4,987,395. A one-time carryover of \$480,000 remaining from the FY 2014 – 2015 is proposed for allocation to the City's Capital Improvement Budget for school projects. In addition, the proposed City budget includes debt service requirements in the amount of \$678,096 for school related projects. The total FY 2016 – 2017 school related funding from the City's general fund, including debt payments and capital outlay, is \$6,145,491.

Public Hearing

Mayor Johnson-Ashburn opened the floor for comment at 7:09 p.m.

No one indicated a desire to speak at the public hearing.

Mayor Johnson-Ashburn closed the hearing at 7:10 p.m.

Mayor Johnson-Ashburn asked the Council for comments or questions.

Hearing none, Mayor Johnson-Ashburn stated that the Council would defer any additional conversation on this matter until the next scheduled work session on June 20, 2016 at 6:00 p.m. in the Council Chambers after which the Council could consider action on the budget.

FINANCE

Mayor Johnson-Ashburn recognized Director Rollins to review the requested FY 2015 – 2016 School Budget Amendment Ordinance # 2016 – 16.

FY 2015 – 2016 School Budget Amendments, Ordinance # 2016 – 16

Director Rollins stated that the Franklin City Public Schools have received numerous local, state and federal grant awards for FY 2015 – 2016 which are:

1. Franklin Southampton Charities - \$194,585
 2. Miscellaneous local donations in the amount of \$525 to support school sponsored activities.
 3. State Grant Funds - \$147,052
 4. Federal Grant Funds - \$67,029
- Total grant awards - \$409,191

The required action from City Council is to authorize the amendment of state, local and federal grant awards in the amount of \$409,191 to the FY 2015 – 2016 School Division Budget per the expenditure categories outlined and appropriate the funds for expenditure by adopting Ordinance # 2016 – 16.

Mayor Johnson-Ashburn asked if there were any questions or comments.

Members of Council expressed concern regarding so many budget amendments at one time and the extended lapse of time before presentation to Council for appropriation of the funds. After some discussion on the budget amendment ordinance # 2016 – 16, the Mayor asked for a motion.

Councilwoman Hilliard made the motion to adopt Budget Ordinance #2016 - 16 of state, local and federal grant awards in the amount of \$409,191. Councilwoman Murphy seconded the motion.

The motion was approved with a vote as follows:

Councilman McLemore, AYE; Councilman Burgess, AYE; Councilwoman Hilliard, AYE; Vice Mayor Cheatham, AYE; Councilman Rabil, NAY; Councilwoman Murphy, AYE and Mayor Johnson-Ashburn, AYE

OLD/NEW BUSINESS**City Manager's Report**

Manager Martin recognized Chief Hardison of the Franklin Police Department to share a humanitarian effort that the department participated in recently.

Chief Hardison outlined the process in detail of the combined efforts of police departments throughout the country to fulfill a request from 6 year old Aaron Barton. They collected challenge coins and patches from Law Enforcement Departments to give to Aaron who is from Chesapeake, Virginia and currently in the Ronald McDonald House at Duke University Hospital in North Carolina. This young man's request was coordinated through the efforts of Sergeant Halverson and the Bearded Santa Program that originated on the internet.

Chief Hardison also updated Council concerning the health of a local man, Ritchie Artis who formerly lived in our area. Ritchie was made an honorary member of the Police department as a child some time ago. Chief Hardison informed Council that Mr. Artis now lives in Elizabeth City, NC. Chief Hardison shared that Mr. Artis' health is declining and over the next week or so he was planning to reach out to him for an update.

Mayor Johnson- Ashburn, Council and staff were all moved by the acts of kindness that were shown and commended the police department for their role in participation of this program. Everyone present gave a round of applause to the department.

Manager Martin advised Council that expenses from 1999 – 2016 for associated costs dealing with closure, post closure, environmental assessments, and testing are at \$800,000 for the old landfill owned by the city and located in Isle of Wight County. The staff has been authorized through the State to submit a request for final closure of the facility. This action to permanently close the landfill will be a financial savings to the City going forward. The Manager will advise when final closure is complete.

Manager Martin reminded Council to turn in their Statement of Economic Interests tonight at the conclusion of the meeting to ensure the deadline is met. Manager Martin advised Council that in 2017 the Statement of Economic Interest will be required only once a year.

The Manager also reminded Council of the invitation from FSEDI to attend the groundbreaking at the new location of Providence Agriculture, a Pinnacle Company that is being held on Tuesday, June 14, 2016 at 10 a.m. in Pretflow Industrial Park.

COUNCIL/STAFF REPORTS ON BOARDS & COMMISSIONS

Councilman Rabil reminded everyone of the Cruise In on Wednesday night and We Be Jammin on Thursday.

Closed Session

There was no closed session.

Adjournment

Councilwoman Murphy made a motion to adjourn the meeting which was seconded by Councilman Rabil.

The motion was approved by a 7 – 0 vote.

Mayor Johnson-Ashburn declared the meeting adjourned at 7:32 p.m.

These Minutes for the June 13, 2016 City Council Meeting were adopted on the 27th day of June, 2016.

Mayor

Clerk to City Council

PUBLIC HEARING

- A. **Public Hearing: Fuller Properties, LLC Rezoning Request for 500, 502, 504 & 506 West 2nd Avenue (R-2 to R-1A) Resolution to Approve Ordinance # 2016 - 03**



**DEPARTMENT OF COMMUNITY DEVELOPMENT
PLANNING - BUILDING INSPECTIONS – ZONING**

TO: MEMBERS OF THE PLANNING COMMISSION AND CITY COUNCIL
From: Donald Goodwin, CBO, CFM, Director of Community Development
Subject: Staff Report for the Zoning Map Amendment for 500 West 2nd Avenue,
Tax Parcel 122-(63)-Blk A-84B
Date: June 20, 2016

REQUEST

The applicant for the zoning map amendment request is the owner, Lee Barnes of Fuller Properties LLC. The request includes an amendment of the zoning designation from R-2, General Residence, to R-1A, General Residence. The property is made up of a four-unit residential structure on a 10,500 square foot lot at the northwest corner of West 2nd Avenue and Charles Street. The structure was built as a four-unit building in the early 1900s, and the footprint has remained unchanged since it was constructed. The change, however, has been to the zoning regulations that govern the property. The four-unit residential structure is nonconforming as to use and setbacks under the current R-2 General Residence District.

The property existed as a nonconforming building and use since changes to the Zoning Ordinance made it nonconforming. Had the property been continuously occupied, it could have retained its nonconforming status. However, once a nonconforming building or use is vacant for a period of two (2) years, the only way it can be re-used is to make it conform to the current zoning district, which in this instance only permits single family detached residences. Therefore without the requested zoning map amendment, the existing structure, which predates zoning regulations, would have to be removed and replaced with one single family residence.

The property is in an area of Franklin that contains a mix of single family residences, multi-family residences, schools and churches, built over a span of many years. The use as a four-unit residence is in keeping with the fabric of the neighborhood and in fact predates most of the neighborhood. The structure has not changed since its construction; the regulations have changed so as to make it nonconforming. The owner merely wishes to update the interior of the units, make repairs to the exterior of the building, and repopulate it. The request is to amend the zoning designation from R-2 to R-1A, a district that permits single family attached residences, a district appropriate for this building.

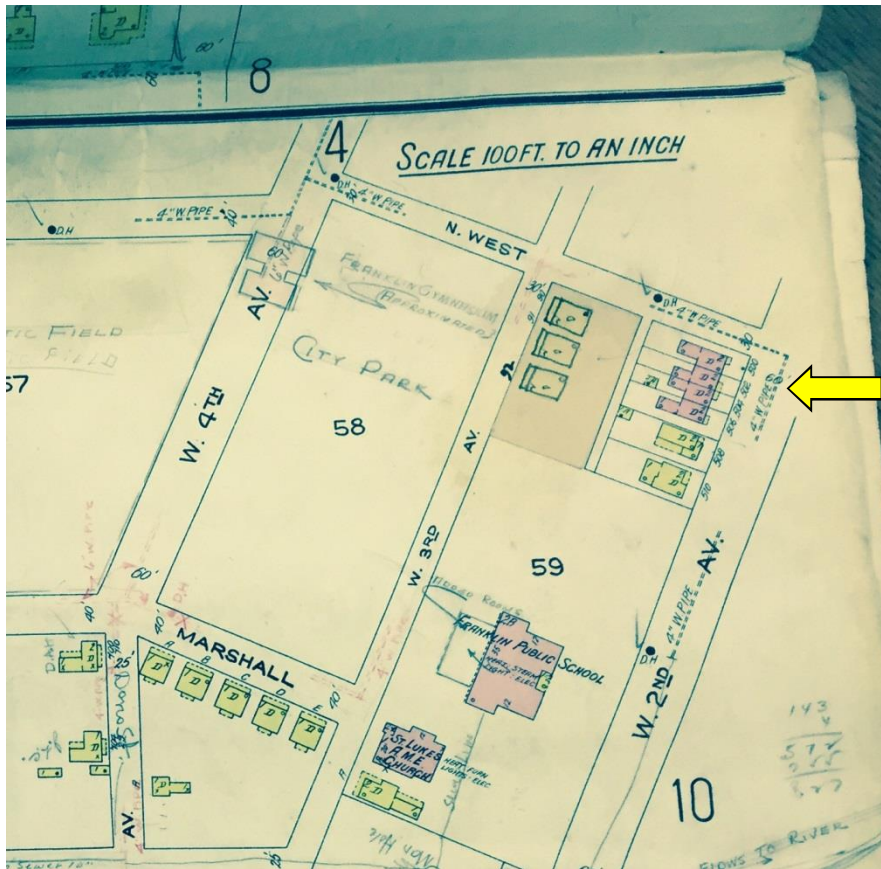
Should the zoning designation be amended to R-1A, the owner would be required to seek variances to the district regulations to acknowledge an existing building. None of the existing zoning designations provide for this building completely, but the R-1A district approximates the existing conditions most closely. Should the zoning designation be amended to R-1A, the following variances would need to be sought by the owner from the Board of Zoning Appeals:

- Variance to permit four units on a 10,500 square foot lot.
- Variance to permit 21' setback from West 2nd Avenue, with stoops protruding into the setback as permitted by Sec. 19.2(6)(b) of the zoning ordinance .

FRANKLIN 6 SOUTHAMPTON
DEPARTMENT OF COMMUNITY DEVELOPMENT
207 WEST SECOND AVENUE, FRANKLIN VIRGINIA 23851
OFFICE: 757-562-8580 FAX: 757-562-0870

- Variance to permit 9.9' interior side setback, the setback adjacent to the residence to the west.
- Variance to permit 8.4' setback from Charles Street.

Following is a portion of a 1924 City map. The structure in question is located at the upper right-hand corner of the page, the four pink structures at the corner of N. West and West 2nd Avenue. This four unit structure in its current configuration is shown on the map in its current location. This structure has remained unchanged in use, configuration and location since that time. While this map seems to show each unit is on a separate parcel, the current tax rolls includes all four units on one tract.



PROFFERS

No voluntary proffers were submitted with the application. Since the building was built as a four-unit structure in the early 1900s, its rehabilitation and repopulation will not increase its impacts on City services.

PUBLIC NOTICE

Notice has been properly advertised in accordance with Virginia Code Section 15.2-2204. Adjoining property owners adjacent to the property and directly across the street have been properly notified.

FRANKLIN 6 SOUTHAMPTON
 DEPARTMENT OF COMMUNITY DEVELOPMENT
 207 WEST SECOND AVENUE, FRANKLIN VIRGINIA 23851
 OFFICE: 757-562-8580 FAX: 757-562-0870

COMPREHENSIVE PLAN AND ZONING ORDINANCE AMENDMENTS

The City of Franklin 2015 Comprehensive Plan Future Land Use Map designates this property as Single Family Medium Density. The property is also within the High Street Historic District, an area that the Comprehensive Plan notes as being, "historic and worthy of preservation efforts". The current zoning designation, however, does not permit such efforts. One of the recommendations in the 2015 Plan provides, "Reconsider the adoption of the new historic district boundary so that the historic preservation ordinance may be implemented to insure the integrity of the historic district is maintained". The replacement of this structure, which is part of the historic fabric of downtown Franklin, would very likely not be in keeping with the integrity of the historic district, if structures in Franklin and elsewhere are to be seen as examples. The property is not located within the Special Flood Hazard Area as identified on the FEMA FIRM 2000 and staff does not anticipate any adverse fiscal impact or traffic impact should the building be repopulated. As the property is vacant and deteriorating, renovations and upgrades to the building will have a positive effect both on the City's tax rolls and the surrounding neighborhood.

STAFF COMMENTS

This zoning map amendment is favored as outlined in the aforementioned section of the comprehensive plan. The building has remained unchanged as regulations have forced it into a nonconforming status. It is not eligible to be repaired and repopulated as its nonconforming status expired after being vacant for over two (2) years. It is a negative influence on the surrounding properties because it is deteriorating, and its replacement with a conforming single family residence would likely not have a positive impact on the historic fabric of the neighborhood. The only current conforming use of the property is a single family residence; however, the property's use as a four-unit residence is in keeping with the neighborhood that has grown up around it for generations.

In short, there are only two alternatives for this structure:

- It remains a vacant four-unit structure until it deteriorates and the City forces its removal, leaving a vacant lot which may at some point have a single family residence built on it which likely will not make any contribution to the historic fabric of the neighborhood, or
- The zoning map amendment is approved by the City Council and the variances approved by the Board of Zoning Appeals, which would permit the rehabilitation and repopulation of the building in its configuration and use, as it has been used since the early 1900s.

RECOMMENDED ACTION:

1. Approve the rezoning of the approximately 10,500 square foot parcel of land as described above from R-2 General Residence District to R-1A, General Residence District.

Dear Beth,

Thank you and all of the good people in Community Development for your help, support, guidance and courtesies regarding this project. 500 W. Second Avenue has been a part of our hometown since 1900-when it was constructed. We honor the vision and spirit of those who conceived it and constructed it to last with some of the finest materials of the day. We celebrate and honor their and our rich history as we preserve this building's charm and its character. But, this is just a part of what is noble and special about Franklin. What's truly special is the spirit of the people of our city and their sense of right and decency. You don't find that everywhere in 2016.

Though we have a modern city, we proudly embrace the charm of the 1900's and its architecture, and honor and preserve it. We treasure the hands, muscle and spirit of those who meticulously placed each brick in mortar. Their work and spirit live on in this structure, and so many others, and tell the story of dreamers and doers who met the needs of their community and housing in their day.

This historic treasure deserves a new lease on life because its history is strong and relevant. At a time when so many people want to change everything about our culture, it's nice to preserve and hold on to some things that are very dear. And, as the hands on clocks ever wind forward, may we never forget the visionaries and builders, and city planners and leaders who came before us to create the working city we know and love today.

Through the years, many people have called this four unit apartment building "home." Each apartment is warm and welcoming, generously proportioned and characteristic of structures of the day. We wish to preserve the amazing character and charm of this building, while investing in the modernity of its:

- * Supply and waste water plumbing;
- * Inside and outside electrical systems;
- * HVAC systems, ductwork and hot water heaters;
- * Refinishing of its hardwood floors;
- * Light and plumbing fixtures; and
- * Kitchen and bathroom cabinets and flooring, among other things.

On a personal note, this building is also special to me because I have wanted to own it ever since I was a kid. As a boy, I made Lego block models of it. With lights, miniature switches and

wiring from Radio Shack, I made the individual rooms light up. It's an honor to get to do this project and to help revitalize the block.

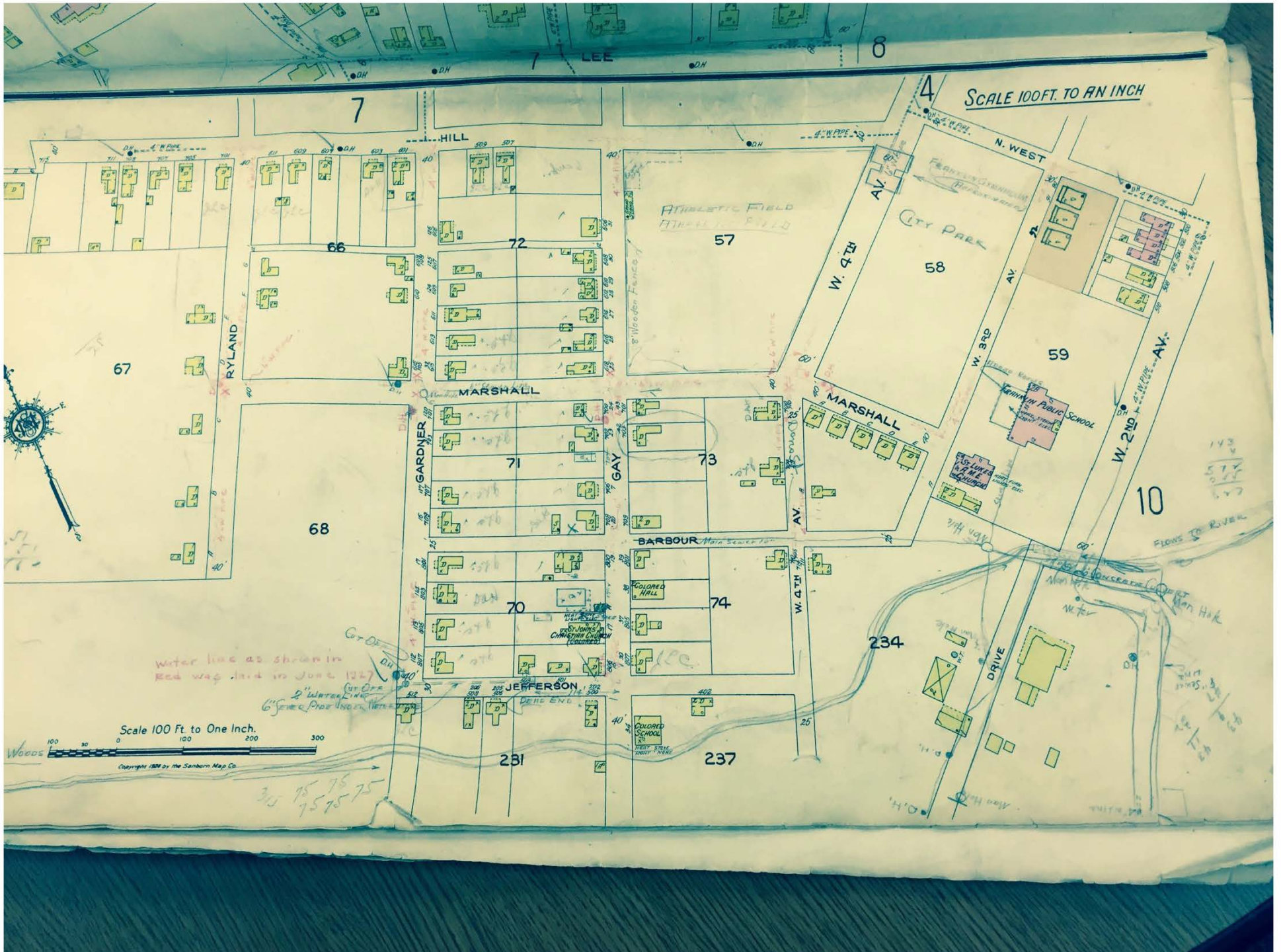
My Dad, Dr. Lee A. Barnes, Sr., grew up on Hall Street. Back when people didn't have doctors in the country, he wanted to help make a difference in people's health. He served in the Army and then worked his way through medical school. When he finished, he fulfilled a lifelong dream of returning to Franklin and practicing medicine. The Cutchins helped him finance his medical building across the street from Hardee's to serve the community that he loved. At 47, he passed when I was Two-Years-Old. Today, I'm 46. I'd like to make a contribution to my Dad's hometown with this project, too. It's an honor and pleasure to work along side you. I'd like to help make our city better. And, I hope we will make the original builders and our neighbors very proud, too.

Again, Thank you for being there every step of the way. You're awesome, and I appreciate you.

Lee

500 W. 2nd Avenue





SCALE 100 FT. TO AN INCH

Scale 100 Ft. to One Inch.
 0 100 200 300
 Copyright 1884 by the Sanborn Map Co.

Water line as shown in
 Red was laid in June 1927
 4" Oak
 2" Water Line
 6" Sewer Pipe Under Here

34 75 75
 75 75 75

143
 574
 577

10

234

237

231

N. WEST

W. 4TH AV.

CITY PARK

W. 3RD AV.

JENNIFER PUBLIC SCHOOL

W. 2ND AV.

MARSHALL

MARSHALL

BARBOUR

GARDNER

71

73

70

74

JEFFERSON

COLORED SCHOOL

ATHLETIC FIELD

67

68

66

72

57

58

59

HILL



WOODS

FLOWS TO RIVER

DRIVE

CONCRETE DRIVE

MAN HOLE

WATER

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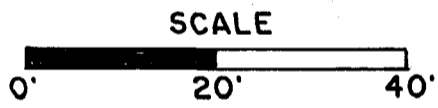
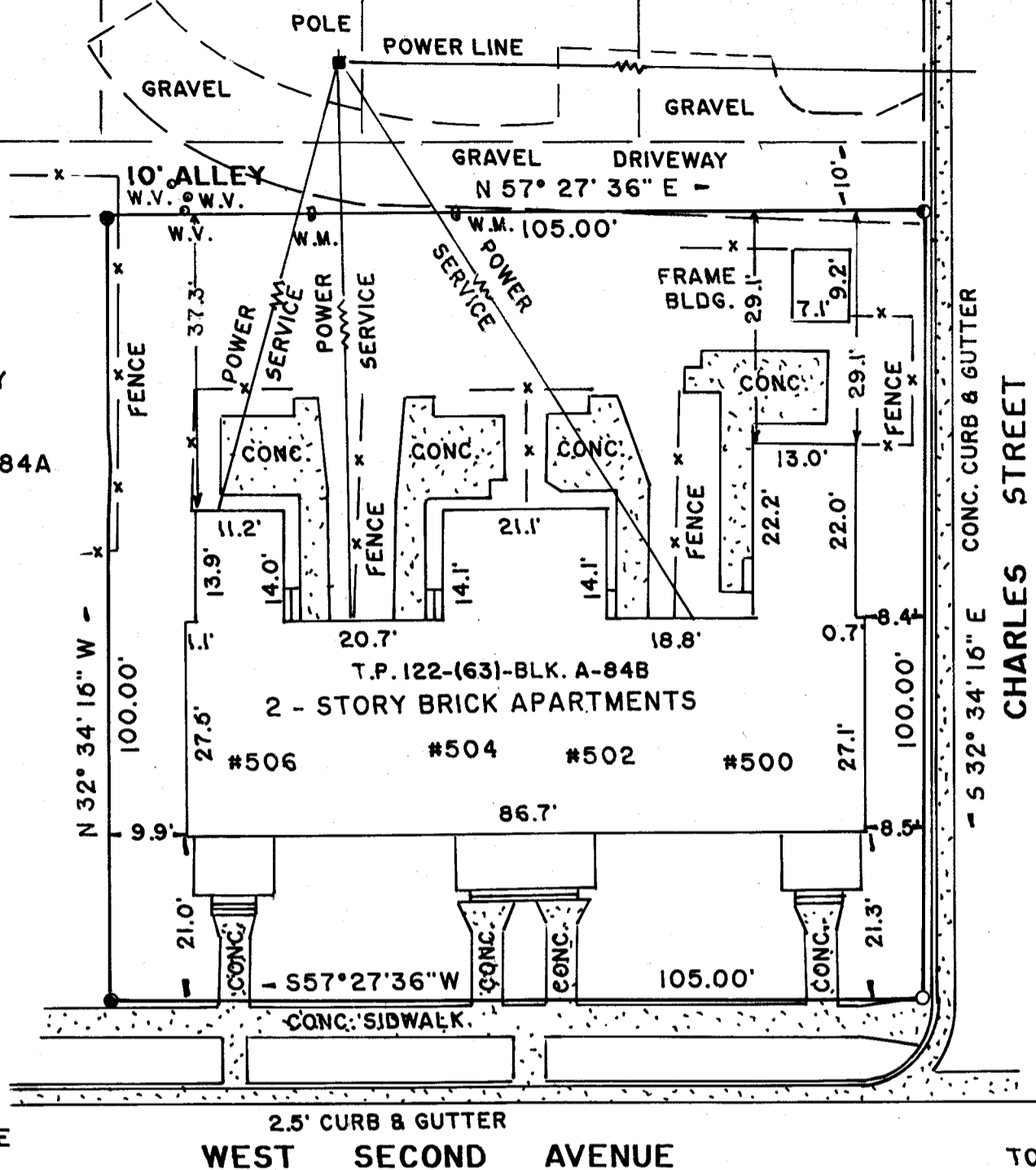
THE CHILDREN'S CENTER
D.B. 273 PG. 303
T.P. 122-(63)-BLK. A-85D

D&G INVESTMENT CORP.
INSTR. #120002386
T.P. 106-(63)-BLK. A - 85A

D&G INVESTMENT CORP.
INSTR. #120002386
T.P. 106-(63)-BLK. A - 85B

D&G INVESTMENT CORP.
INSTR. #060002910
T.P. 106-(63)-BLK. A - 85C

FRANKLIN T. HACKNEY
OLA W. HACKNEY
D.B. 225 PG. 22
T.P. 122-(63)-BLK. A-84A



REFERENCE - INSTR. #130000973
P.B. 2 PG. 72

- - DENOTES IRON PIN FOUND
- ⊙ - DENOTES IRON PIN SET
- - DENOTES COMPUTED POINT

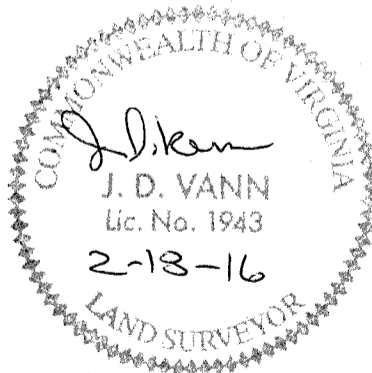
PHYSICAL SURVEY SHOWING PROPERTY OF
FULLER PROPERTIES, LLC
LOCATED AT 500, 502, 504 & 506 WEST SECOND AVENUE
CITY OF FRANKLIN, VIRGINIA
SCALE 1" = 20' FEB. 18, 2016

THIS SURVEY IS SUBJECT TO ANY EASEMENT OF RECORD AND OTHER PERTINENT FACTS WHICH A TITLE SEARCH MIGHT DISCLOSE.

AREA OF THIS PLAT = 10,500 SQ. FT. - 0.241 AC.

THIS IS TO CERTIFY THAT ON FEB. 18, 2016, I SURVEYED THE PROPERTY SHOWN ON THIS PLAT, SHOWING THE TITLE LINES AND PHYSICAL IMPROVEMENTS. THE IMPROVEMENTS STAND STRICTLY WITHIN THE TITLE LINES AND THERE ARE NO ENCROACHMENTS OR VISIBLE EASEMENTS EXCEPT AS SHOWN.

J. D. Vann, L. S.



I HEREBY CERTIFY THAT THE PROPERTY SHOWN ON THIS PLAT IS LOCATED IN ZONE "X" AS SHOWN ON THE FLOOD INSURANCE RATE MAP, COMMUNITY-PANEL NO. 510060 0004 D, DATED SEPT. 4, 2002.

J. D. Vann, L. S.

J. D. VANN - LAND SURVEYING
25085 NEW MARKET ROAD
COURTLAND, VIRGINIA 23837
TEL. NO. 757-562-4923

ORDINANCE TO REZONE PROPERTY LOCATED AT 500 WEST SECOND AVENUE
FOR THE PRUPOSES REESTABLISHING THE EXISTING HISTORICAL 4 UNIT
APARTMENT BUILDING

WHEREAS, the Planning Commission of the City of Franklin, Virginia received a request from Fuller Properties, LLC (owner) to rezone approximately 10,500 sq. ft. or 0.241 acres of property located at 500,502,504, & 506 West 2nd Avenue known as a Tax Map Parcel 122-(63)-BLK. A-84B from R-2 General Residence District to R-1A General Residence District; and

WHEREAS, the City of Franklin 2010 Comprehensive Plan Future Land Use Map designates this property as Single Family Medium Density; and

WHEREAS, the Planning Commission, at the conclusion of the duly scheduled public hearing held on April 28, 2016, did pass a resolution recommending to City Council that this property be rezoned as set forth above; and

WHEREAS, City Council did hold a public hearing on the proposed rezoning on June 27, 2016 at 7:00 P.M. at a regular meeting of Council after giving public notice as required by Virginia Code Section 15.2-2204 in the Tidewater News on June 15th and June 22nd 2016; and

WHEREAS, the City Council of the City of Franklin, Virginia feels that the public necessity, convenience, general welfare and good zoning practice require that the approximately 10,500 sq. ft. or 0.241 acres of property located at 500,502,504, & 506 West 2nd Avenue known as a Tax Map Parcel 122-(63)-BLK. A-84B be rezoned from R-2 General Residence District to R-1A General Residence District; and

NOW, THEREFORE, IT IS HEREBY ORDAINED by the City Council of the City of Franklin, Virginia that the Zoning District Map provided for in Section 1.2 of the City Zoning Ordinance is hereby amended to establish the following zoning classification of R-1A General Residence District for the approximately 10,500 sq. ft. or 0.241 acres of property located at 500,502,504, & 506 West 2nd Avenue known as a Tax Map Parcel 122-(63)-BLK. A-84B for the purposes of reestablishing the existing historical 4 unit apartment building.

This ordinance shall be effective from the date of its adoption.

Certified copy of ordinance adopted by the City of Franklin City Council at its meeting held on June 27, 2016.

Clerk to City Council

ORDINANCE TO REZONE PROPERTY LOCATED AT 500 WEST SECOND AVENUE
FOR THE PRUPOSES REESTABLISHING THE EXISTING HISTORICAL 4 UNIT
APARTMENT BUILDING

WHEREAS, the Planning Commission of the City of Franklin, Virginia received a request from Fuller Properties, LLC (owner) to rezone approximately 10,500 sq. ft. or 0.241 acres of property located at 500,502,504, & 506 West 2nd Avenue known as a Tax Map Parcel 122-(63)-BLK. A-84B from R-2 General Residence District to R-1A General Residence District; and

WHEREAS, the City of Franklin 2010 Comprehensive Plan Future Land Use Map designates this property as Single Family Medium Density; and

WHEREAS, the Planning Commission, at the conclusion of the duly scheduled public hearing held on April 28, 2016, did pass a resolution recommending to City Council that this property be rezoned as set forth above; and

WHEREAS, City Council did hold a public hearing on the proposed rezoning on June 27, 2016 at 7:00 P.M. at a regular meeting of Council after giving public notice as required by Virginia Code Section 15.2-2204 in the Tidewater News on June 15th and June 22nd 2016; and

WHEREAS, the City Council of the City of Franklin, Virginia feels that the public necessity, convenience, general welfare and good zoning practice require that the approximately 10,500 sq. ft. or 0.241 acres of property located at 500,502,504, & 506 West 2nd Avenue known as a Tax Map Parcel 122-(63)-BLK. A-84B be rezoned from R-2 General Residence District to R-1A General Residence District; and

NOW, THEREFORE, IT IS HEREBY ORDAINED by the City Council of the City of Franklin, Virginia that the Zoning District Map provided for in Section 1.2 of the City Zoning Ordinance is hereby amended to establish the following zoning classification of R-1A General Residence District for the approximately 10,500 sq. ft. or 0.241 acres of property located at 500,502,504, & 506 West 2nd Avenue known as a Tax Map Parcel 122-(63)-BLK. A-84B for the purposes of reestablishing the existing historical 4 unit apartment building.

This ordinance shall be effective from the date of its adoption.

Certified copy of ordinance adopted by the City of Franklin City Council at its meeting held on June 27, 2016.

Clerk to City Council

FINANCE

- A. Financial Report; May, 2016**
- B. FY 2015 – 2016 School Budget Amendments, Ordinance # 2016 – 17**
- C. FY 2015 – 2016 City Budget Amendments, Ordinances # 2016 – 18, # 2016 – 19
and # 2016 - 20**
- D. Government Financial Officers Association CAFR Award Recognition**



For the period ending May 31, 2016 (Unaudited)

Based on Unaudited Financial Data

Major General Fund Taxes

BUDGET COMPARISON

2

Account Description	Prior Year YTD	Current Year		Variance From	
		Budget	Current YTD	Prior Year	% Change
CURRENT REAL ESTATE TAXES	3,577,105.00	5,456,874.00	3,846,174.00	269,069.00	7.5%
DELINQUENT REAL ESTATE TAXES	256,483	190,000.00	350,962.00	94,479.00	36.8%
PUBLIC SERVICE CORPORATION TAXES	64,977	66,863.00	67,087.90	2,110.90	3.2%
CURRENT PERSONAL PROPERTY TAXES	1,412,592	1,450,000.00	1,507,771.00	95,179.00	6.7%
DELINQUENT PERSONAL PROPERTY TAXES	62,780	65,000.00	36,141.00	-26,639.00	-42.4%
MACHINERY & TOOLS TAXES	18,867	23,577.00	19,401.62	534.62	2.8%
PENALTIES AND INTEREST	152,560	145,000.00	165,475.63	12,915.63	8.5%
TOTAL PROPERTY TAXES	5,545,364	7,397,314	5,993,013	447,649.15	8.1%
VARIANCE \$	\$ 447,649.15				
VARIANCE %	8.1%				

	Prior Year YTD	Budget	Current YTD	Prior Year Variance	% Change
LOCAL SALES & USE	1,616,361	1,800,000	1,612,377.00	-3,984.00	-0.2%
BUSINESS LICENSE TAXES	909,181	950,000	952,788.00	43,607.00	4.8%
CIGARETTE TAXES	332,182	325,000	325,990.00	-6,192.00	-1.9%
LODGING TAXES	138,191	150,000	114,062.00	-24,129.00	-17.5%
MEALS TAX	<u>1,321,352</u>	<u>1,350,000</u>	<u>1,373,912.00</u>	<u>52,560.00</u>	<u>4.0%</u>
TOTAL	4,317,267	4,575,000	4,379,129	61,862	0.0143
VARIANCE \$	61,862				
VARIANCE %	1.43%				

General Fund Expenditure History

3

GENERAL FUND REVENUE & GENERAL FUND EXPENDITURES (Expenditures Exclude Transfers to Other Funds)

GENERAL FUND REVENUE		GENERAL FUND EXPENDITURES	
May-15	\$ 18,772,199	May-15	\$ 13,242,297
May-16	\$ 19,401,474	May-16	\$ 13,423,422
Net Change		Net Change	
from 2014-15	\$ \$ 629,275	from 2014-15	\$ \$ 181,125
Net Change %	3.35%	Net Change %	1.37%

Details of Revenue & Expenditures – See General Fund
Statement of Revenue and Expenditures for May 2016

NO MAJOR CHANGES TO REPORT

(General Fund Expenditures are Net of Transfers)



PRELIMINARY FINANCIAL REPORT ENTERPRISE FUNDS

For the period ending May 31, 2016

No significant Changes Unless Otherwise
Reported



Based on Unaudited Financial Data

Solid Waste Fund – Cash Balance

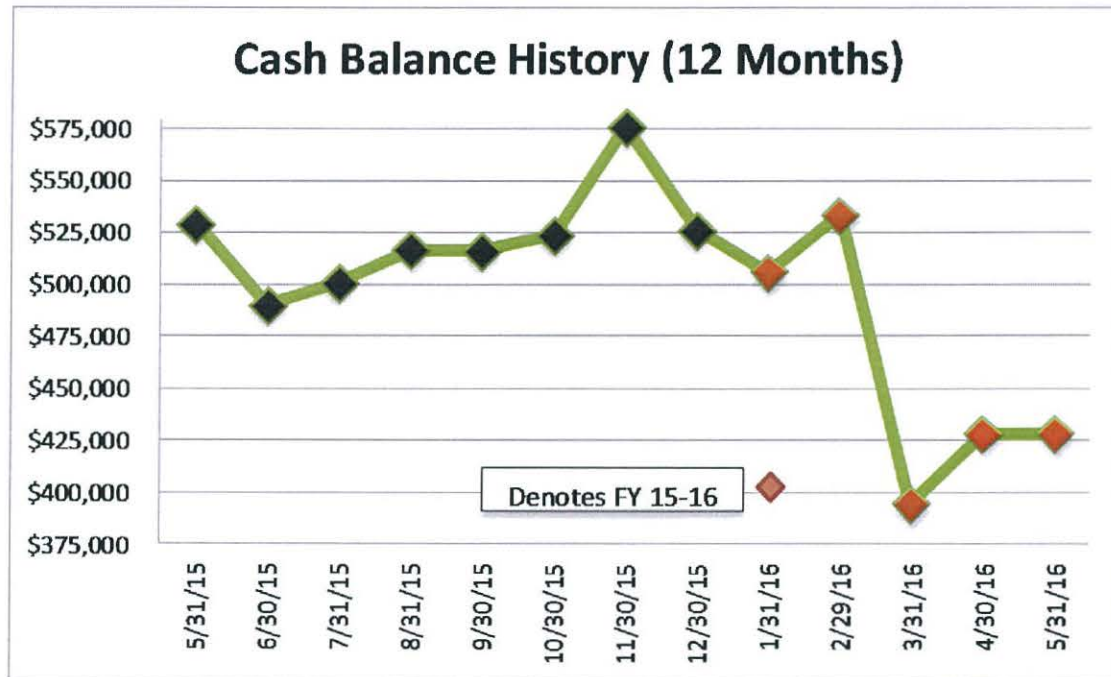
5

- Cash balance at May 31 = \$428,088

Month	FYE 6/30/16 Cash Balance	Variance
30-Jun	\$489,888	
31-Jul	\$500,732	\$10,844
31-Aug	\$516,372	\$15,640
30-Sep	\$516,226	(\$146)
31-Oct	\$523,758	\$7,532
30-Nov	\$576,079	\$52,321
31-Dec	\$526,270	(\$49,809)
31-Jan	\$505,773	(\$20,497)
28-Feb	\$533,646	\$27,873
31-Mar	\$394,249	(\$139,397)
30-Apr	\$428,223	\$33,974
31-May	\$428,088	(\$135)
30-Jun		

Net Change Since July 31, 2015

(\$61,665)



March decline results from planned use of cash (PAY-GO) to purchase equipment (\$160,000)

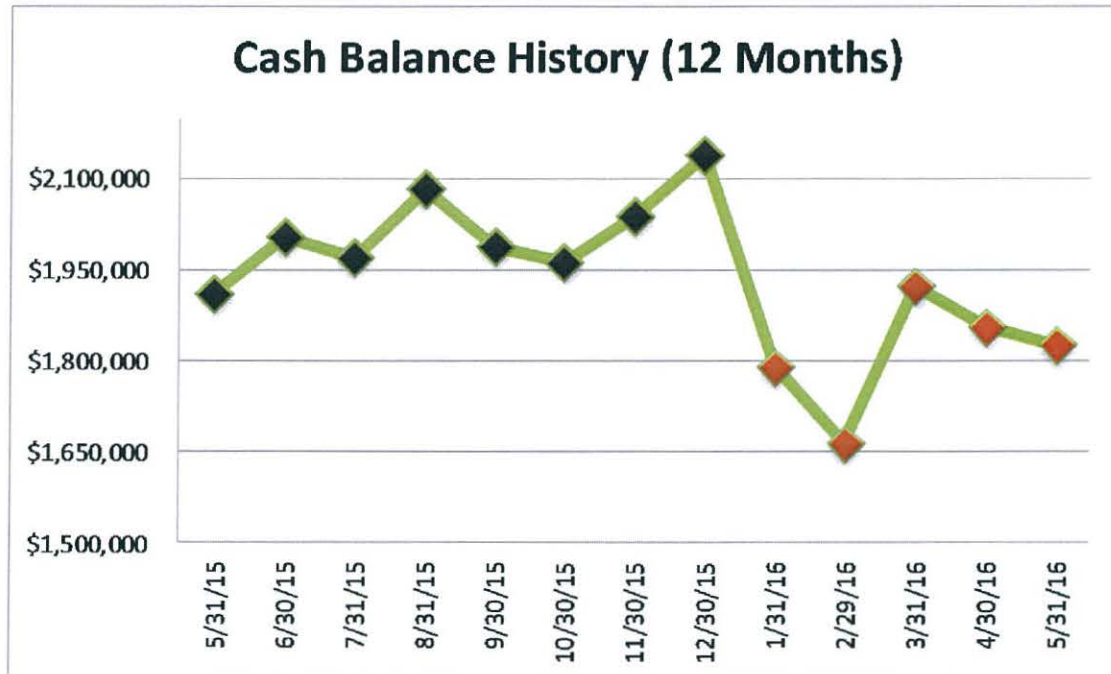
Water & Sewer Fund – Cash Balance

6

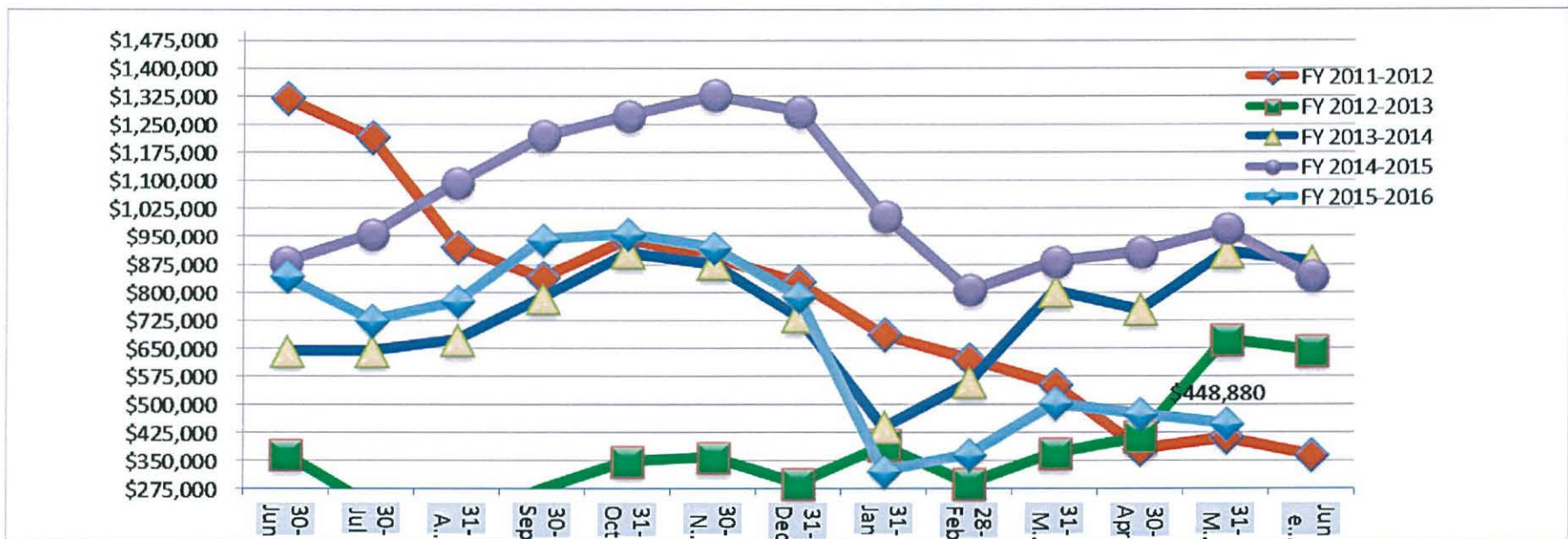
- Water & Sewer Fund at May 31 = \$1.825 mil

Month	Cash Balance	Variance
30-Jun	\$2,004,250	
31-Jul	\$1,970,310	(\$33,940)
31-Aug	\$2,082,735	\$112,425
30-Sep	\$1,988,991	(\$93,744)
31-Oct	\$1,961,965	(\$27,026)
30-Nov	\$2,037,647	\$75,682
31-Dec	\$2,137,984	\$100,337
31-Jan	\$2,004,250	(\$133,734)
28-Feb	\$1,664,617	(\$339,633)
31-Mar	\$1,923,180	\$258,563
30-Apr	\$1,855,680	(\$67,500)
31-May	\$1,825,516	(\$30,164)

Net Change Since July 31, 2015 **(\$144,794)**



ELECTRIC FUND CASH ANALYSIS



Cash in the Electric Fund at \$448,880 decreased by \$25,160 from the prior month period.

FY 2015-16 Cash Balance as a Percentage of Annual Revenues (excluding fuel adjustment) at FYE 05/31/16=\$448,880 or 3.1%.

Cash Balances for April-All Funds

FUND	CURRENT YEAR	PRIOR YEAR
General Fund	\$ 5,179,568	\$ 5,379,131
Fund SNAP Proceeds	<u>\$ 98,698</u>	<u>\$ 183,712</u>
Total General Fund	\$ 5,278,266	\$ 5,133,937
Water & Sewer Fund	\$ 1,825,516	\$ 1,911,506
Fund SNAP Proceeds	<u>\$ 196,070</u>	<u>\$ 195,407</u>
Total Water & Sewer Fund	\$ 2,051,660	\$ 2,059,289
Electric Fund	\$ 448,880	\$ 968,713
Fund SNAP Proceeds	<u>\$ 24,030</u>	<u>\$ 328,183</u>
Total Electric Fund	\$ 472,910	\$ 1,296,896
Solid Waste Fund	\$ 428,087	\$ 529,345
Airport Fund	\$ (47,610)	\$ (67,720)
TOTAL CASH FOR OPERATIONS	\$ 7,834,441	\$ 8,851,415
TOTAL CASH FOR CAPITAL PROJECTS	<u>\$ 318,798</u>	<u>\$ 707,301</u>
TOTAL CASH	\$ 8,153,239	\$ 9,558,716

STATEMENT OF REVENE AND EXPENDITURES - GENERAL FUND - MAY 2016 (UNAUDITED) - 91.6% BENCHMARK

Account Description	YTD 5-31-15	Current Year Budget	YTD 5-31-16	Variance from Prior Year	% of Budget
REAL ESTATE TAXES	3,577,105.00	5,456,874.00	3,846,174.00	269,069.00	70.5%
DELINQUENT REAL ESTATE TAXES	256,483	190,000.00	350,962.00	94,479.00	184.7%
PUBLIC SERVICE CORPORATION TAXES	64,977	66,863.00	67,087.90	2,110.90	100.3%
PERSONAL PROPERTY TAXES	1,412,592	1,450,000.00	1,507,771.00	95,179.00	104.0%
DELINQUENT PERSONAL PROPERTY TAXES	62,780	65,000.00	36,141.00	-26,639.00	55.6%
MACHINERY & TOOLS TAXES	18,867	23,577.00	19,401.62	534.62	82.3%
PENALTIES AND INTEREST	152,560	145,000.00	165,475.63	12,915.63	114.1%
LOCAL SALES & USE TAX	1,616,361	1,800,000.00	1,612,377.00	-3,984.00	89.6%
UTILITY TAXES	534,026	505,000.00	528,485.91	-5,540.09	104.7%
BUSINESS LICENSE TAXES	909,181	950,500.00	952,788.00	43,607.00	100.2%
MOTOR VEHICLE LICENSES	191,772	180,000.00	182,392.35	-9,379.65	101.3%
BANK STOCK TAXES	58,618	65,000.00	56,200.38	-2,417.62	86.5%
TAXES ON RECORDATION AND WILLS	48,461	45,000.00	31,316.02	-17,144.98	69.6%
CIGARETTE TAXES	332,182	325,000.00	325,989.67	-6,192.33	100.3%
LODGING TAXES	138,191	150,000.00	114,062.00	-24,129.00	76.0%
MEALS TAX	1,321,352	1,350,000.00	1,373,911.90	52,559.90	101.8%
PROBATE TAXES	2,921	2,500.00	2,639.97	-281.03	105.6%
ANIMAL LICENSES	3,964	3,500.00	3,500.50	-463.50	100.0%
PERMITS AND OTHER LICENSES	217,969	159,400.00	149,350.56	-68,618.44	93.7%
FINES AND FORFEITURES	29,677	40,200.00	26,726.81	-2,950.19	66.5%
REVENUE FROM USE OF MONEY	2,015	1,900.00	2,545.66	530.66	134.0%
REVENUE FROM USE OF PROPERTY	229,909	268,948.00	237,803.09	7,894.09	88.4%
CHARGES FOR COURT SERVICES	8,377	9,300.00	11,443.78	3,066.78	123.1%
CHARGES FOR FIRE & RESCUE SERVICES	332,756	425,000.00	269,267.42	-63,488.58	63.4%
CHARGES FOR OTHER PROTECTIONS	13,645	17,100.00	13,677.06	32.06	80.0%
MISC BILLING SERVICES	0	0.00	6,072.37	6,072.37	0.0%
CHG FOR SANITATION & WASTE REMOVAL	4,679	5,650.00	7,183.93	2,504.93	127.1%
CHARGES FOR ADMIN-FUNDS	862,024	932,192.00	861,506.25	-517.75	92.4%
RECREATIONAL FEES	6,701	12,500.00	4,039.31	-2,661.69	32.3%
MISCELLANEOUS	1,038,770	1,124,742.00	1,181,200.69	142,430.69	105.0%
RECOVERED COSTS	183,046	281,000.00	189,051.50	6,005.50	67.3%
NON-CATEGORICAL AID STATE	1,517,687	1,666,597.00	1,498,222.00	-19,465.00	89.9%
SHARED EXPENSES	57,812	77,650.00	65,470.42	7,658.42	84.3%
SHARED EXPENSES	45,508	71,404.00	56,858.58	11,350.58	79.6%
SHARED EXPENSES	33,542	34,042.00	0.00	-33,542.00	0.0%

Account Description	Current Year			Variance from	
	YTD 5-31-15	Budget	YTD 5-31-16	Prior Year	% of Budget
CATEGORICAL AID - STATE	1,871,572	2,666,861.00	2,143,140.14	271,568.14	80.4%
CATEGORICAL AID -FEDERAL GOVERNMENT	321,717	110,825.00	82,603.81	-239,113.19	74.5%
FUNDS TRANSFERS	1,292,400	2,611,876.00	1,418,634.25	126,234.25	54.3%
General Fund Revenue Total	18,772,199.00	23,291,001.00	19,401,474.48	629,275.48	
**CITY COUNCIL **	156,134	171,942.00	144,753.15	-11,380.85	84.2%
CITY MANAGER *****	154,629	209,970.00	162,190.74	7,561.74	77.2%
CITY ATTORNEY *****	149,042	159,541.00	154,580.87	5,538.87	96.9%
MANAGEMENT SERVICES & HR*****	132,337	151,067.00	129,402.39	-2,934.61	85.7%
COMMISSIONER OF THE REVENUE *****	221,396	250,480.00	225,156.82	3,760.82	89.9%
REAL ESTATE ASSESSOR *****	44,718	105,055.00	88,119.63	43,401.63	83.9%
CITY TREASURER *****	222,299	276,712.00	233,516.26	11,217.26	84.4%
ACCOUNTING *****	245,804	305,755.00	224,293.87	-21,510.13	73.4%
PURCHASING & GENERAL SERVICES****	74,011	84,513.00	75,316.70	1,305.70	89.1%
UTILITY COLLECTIONS & BILLING *****	195,907	231,312.00	211,163.64	15,256.64	91.3%
INSURANCE *****	121,131	161,200.00	145,819.63	24,688.63	90.5%
INFORMATION TECHNOLOGY*****	142,909	328,497.00	188,894.16	45,985.16	57.5%
BOARD OF ELECTIONS *****	82,239	119,925.00	106,501.41	24,262.41	88.8%
CIRCUIT COURT ***	7,524	9,530.00	9,528.97	2,004.97	100.0%
GENERAL DISTRICT COURT ***	8,167	15,075.00	15,745.33	7,578.33	104.4%
CLERK OF CIRCUIT COURT ***	57,644	54,862.00	54,861.27	-2,782.73	100.0%
SHERIFF'S OFFICE ***	113,200	140,370.00	140,369.62	27,169.62	100.0%
DISTRICT COURT SERVICE ***	38,239	31,503.00	13,271.88	-24,967.12	42.1%
COMMONWEALTH'S ATTORNEY ***	69,324	55,185.00	55,185.32	-14,138.68	100.0%
WESTERN TIDEWATER REGIONAL JAIL**	852,165	922,091.00	922,090.98	69,925.98	100.0%
POLICE ***	2,533,920	2,839,223.00	2,445,914.93	-88,005.07	86.1%
E - 911 *****	666,497	716,760.00	568,874.33	-97,622.67	79.4%
EMERGENCY MANAGEMENT SERVICES ***	2,096,434	2,319,753.00	1,891,461.18	-204,972.82	81.5%
BUILDING INSP & CODE ENFORCEMENT***	416,355	548,781.00	417,430.79	1,075.79	76.1%
ANIMAL CONTROL*****	81,504	101,223.00	83,203.78	1,699.78	82.2%
CIVIL DEFENSE *****	58,856	70,916.00	60,184.29	1,328.29	84.9%
PUBLIC WORKS-STREET MAINTENANCE****	1,469,605	2,752,012.00	2,015,299.16	545,694.16	73.2%
PUBLIC WORKS-SNOW REMOVAL ****	17,355	26,500.00	10,913.97	-6,441.03	41.2%
PUBLIC WORKS-GARAGE****	199,626	230,282.00	193,713.96	-5,912.04	84.1%
BUILDING MAINTENANCE-GENERAL*****	558,308	641,327.00	569,415.57	11,107.57	88.8%
BUILDING MAINTENANCE-ARMORY***	34,065	47,118.00	36,884.24	2,819.24	78.3%
BUILDING MAINTENANCE-CITY HALL****	197,091	207,809.00	178,809.52	-18,281.48	86.0%
BLDG MAINTENANCE-SOC SERVICES****	71,285	80,827.00	62,777.49	-8,507.51	77.7%

Account Description	Current Year		Variance from		% of Budget
	YTD 5-31-15	Budget	YTD 5-31-16	Prior Year	
BUILDING MAINTENANCE-HEALTH DEPT***	22,886	33,807.00	17,269.11	-5,616.89	51.1%
HEALTH DEPARTMENT*****	110,000	110,000.00	110,000.00	0.00	100.0%
MOSQUITO CONTROL****	0	11,000.00	0.00	0.00	0.0%
MENTAL HEALTH*****	0	35,198.00	35,198.00	35,198.00	100.0%
RECREATION*****	270,606	359,223.00	305,652.89	35,046.89	85.1%
CEMETERIES*****	34,083	50,500.00	34,000.00	-83.00	67.3%
SENIOR CITIZENS TITLE III ***	27,179	7,450.00	6,350.00	-20,829.00	85.2%
SENIOR CITIZENS NUTRITION ***	39,695	33,017.00	29,561.28	-10,133.72	89.5%
LIBRARY*****	278,924	296,412.00	279,149.22	225.22	94.2%
PLANNING AND ZONING****	189,466	192,023.00	137,388.22	-52,077.78	71.5%
BEAUTIFICATION COMMISSION ****	8,596	18,763.00	4,074.80	-4,521.20	21.7%
DOWNTOWN DEVELOPMENT *****	80,618	107,093.00	83,932.68	3,314.68	78.4%
PAYMENTS TO SOUTHAMPTON COUNTY ***	652,305	700,000.00	500,000.00	-152,305.00	71.4%
NON-DEPARTMENT MISCELLANEOUS***	38,219	49,000.00	45,199.83	6,980.83	92.2%
TRANSFERS*****	5,408,439	6,920,399.00	6,344,570.11	936,131.11	91.7%
General Fund Expenditure Total	18,650,736.00	23,291,001.00	19,767,991.99	1,117,255.99	

Local Taxes highlighted have been estimated to include 10 months of revenue projections.

STATEMENT OF REVENE AND EXPENDITURES - WATER & SEWER FUND MAY 2016 (UNAUDITED) - 91.6% BENCHMARK

Account Description	YTD 5-31-15	Current Year Budget	YTD 5-31-16	Variance from Prior	
				Year	% of Budget
SALE OF WATER	1,134,212	1,300,000.00	1,069,916.00	-230,084.00	82%
SEWER CHARGES	1,507,929	1,750,000.00	1,449,280.00	-300,720.00	83%
TREATMENT FEES COUNTIES	73,912	82,500.00	87,516.00	5,016.00	106%
CONNECTION FEES	23,000	0.00	12,500.00	12,500.00	0%
ADMINISTRATIVE FEES	4,970	5,000.00	5,990.00	990.00	120%
OTHER REVENUE	1,490	250.00	435.00	185.00	174%
TRANSFERS	0	631,662.00	0.00	-631,662.00	0%
Water & Sewer Fund Revenue Total	2,745,513.00	3,769,412.00	2,625,637.00	-1,143,775.00	
WATER SERVICE	685,226	1,540,539.00	1,093,848.27	446,690.73	71%
SEWER SERVICE *****	897,076	733,054.00	301,154.84	431,899.16	41%
WASTE WATER TREATMENT PLANT *****	588,576	758,083.00	720,163.80	37,919.20	95%
TRANSFERS *****	286,348	372,128.00	341,117.33	31,010.67	92%
DEBT SERVICE *****	366,934	365,608.00	365,608.36	-0.36	100%
Water & Sewer Fund Expenditure Total	2,824,160.00	3,769,412.00	2,821,892.60	947,519.40	

STATEMENT OF REVENE AND EXPENDITURES - SOLID WASTE FUND - MAY 2016 (UNAUDITED) - 91.6% BENCHMARK

Account Description	YTD 5-31-15	Current Year Budget	YTD 5-31-16	Variance from Prior	
				Year	% of Budget
SOLID WASTE COLLECTION AND DISPOSAL	1,247,651	1,318,079.00	1,191,132.00	-126,947.00	90%
ADMINISTRATION SERVICE FEE	4,160	4,000.00	4,870.00	870.00	122%
MISCELLANEOUS	316	0.00	0.00	0.00	0%
FUNDS TRANSFER	0	80,274.00	0.00	-80,274.00	0%
Solid Waste Fund Revenue Total	1,252,127.00	1,402,353.00	1,196,002.00	-206,351.00	
SOLID WASTE	920,434	1,103,398.00	955,903.47	-147,494.53	87%
TRANSFERS	179,107	270,899.00	248,324.09	-22,574.91	92%
DEBT SERVICE	0	28,056.00	6,493.57	-21,562.43	23%
Solid Waste Fund Expenditure Total	1,099,541.00	1,402,353.00	1,210,721.13	-191,631.87	

STATEMENT OF REVE NE AND EXPENDITURES - AIRPORT FUND - MAY 2016 (UNAUDITED) - 91.6% BENCHMARK

Account Description	YTD 5-31-15	Current Year Budget	YTD 5-31-16	Variance from Prior	
				Year	% of Budget
FUEL SALES	61,723	177,232.00	46,617.00	-130,615.00	26%
OTER REVENUE	54,271	63,000.00	50,989.00	-12,011.00	81%
STATE CATEGORICAL AID	139,056	17,164.00	950.00	-16,214.00	6%
FEDERAL CATEGORICAL AID	773,721	448,513.00	49,731.13	-398,781.87	11%
TRANSFERS	0	88,747.00	79,305.00	-9,442.00	89%
Account Description					
	YTD 5-31-15	Current Year Budget	YTD 5-31-16	Variance from Prior	% of Budget
				Year	
AIRPORT SERVICE	175,066	301,788.00	158,080.45	-143,707.55	52%
CAPITAL OUTLAY	721,939	472,119.00	55,257.50	-416,861.50	12%
TRANSFERS	17,291	20,749.00	19,020.83	-1,728.17	92%
Airport Fund Expenditure Total	914,296.00	794,656.00	232,358.78	-562,297.22	

STATEMENT OF REVE NE AND EXPENDITURES - ELECTRIC FUND- MAY 2016 (UNAUDITED) - 91.6% BENCHMARK

Account Description	YTD 5-31-15	Current Year Budget	YTD 5-31-16	Variance from Prior	
				Year	% of Budget
SALE OF ENERGY-FUEL ADJUSTMENT	1,962,423.00	1,349,299.00	970,707.00	-378,592.00	72%
SALE OF ENERGY	11,990,002.00	14,232,589.00	11,491,273.00	-2,741,316.00	81%
ADMINISTRATIVE CONNECTION FEE	10,910.00	20,000.00	12,580.00	-7,420.00	63%
OTHER REVENUE	253,289.00	210,750.00	171,760.00	-38,990.00	81%
Electric Fund Revenue Total	14,216,624.00	15,812,638.00	12,646,320.00	-3,166,318.00	
ENERGEY FOR RESALE	8,952,729	9,873,999.00	8,535,210.00	-1,338,789.00	86%
ENERGEY FOR RESALE FUEL ADJUSTMENT	1,952,021	1,363,097.00	996,019.00	-367,078.00	73%
OTHER EXPENSES	1,167,795	1,575,820.00	1,386,920.00	-188,900.00	88%
RESERVES	0	541,750.00	0.00	-541,750.00	0%
CAPITAL OUTLAY	185,658	273,884.00	139,941.28	-133,942.72	51%
TRANSFERS *****	1,750,276	1,909,391.00	1,750,275.08	-159,115.92	92%
DEBT SERVICE *****	271,414	274,697.00	276,291.02	1,594.02	101%
Electric Fund Expenditure Total	14,279,893.00	15,812,638.00	13,084,656.38	-291,464.62	



June 23, 2016

To: Randy Martin
City Manager

From: Melissa D. Rollins 
Director of Finance

Re: **Budget Amendment Request #2016-17 – School Fund**

The School Division submitted its annual request to appropriate prior year carryover of Federal Programs grant funds that remained unspent at the conclusion of the previous year. The request was received in May 2016 however, the amendment request was held until June as additional review was needed by Staff which did result in a change to the amount requested. Action is needed to amend these funds to the FY 15-16 budget and to appropriate the funds for expenditure.

The amount of the carryover is \$946,561 to be allocated to the various programs as outlined.

Required Action From City Council:

Authorize the amendment of federal grant awards carryover funds in the amount of \$946,561 to the FY 2015-2016 School Division Budget per the expenditure programs as outlined and appropriate the funds for expenditure.



Franklin City Public Schools

207 West Second Avenue
Franklin, Virginia 23851-1713
(757) 569-8111 • Fax (757) 516-1015

TO: Mr. Randy Martin, City Manger


FROM: Willie J. Bell, Jr., Superintendent

RE: Federal Carryover Budget Correction

DATE: May 10, 2016

On behalf of the Franklin City Public Schools, I am requesting permission to carryover federal appropriation balances in the following amounts:

Grant	Amount
Title I, Part A 13/14	✓ \$5,241.46
Title I, Part A 14/15	✓ 275,424.33
Title I, Part A 1003A JPK	173,352.94
Title I, Part A 1003A SPM/JPK	63,391.53
Title I, Part A 1003G	✓ 220,460.85
Title II, Part A	✓ 1,615.80
Title II, Part A 14/15	✓ 47,857.34
Rural Education	✓ 7,603.75
Rural Education	14,179.46
21 st Century	28,391.72 11,764.00
Title VIB	✓ 529.95 - 525.95
Title VIB 14/15	✓ 97,927.30

Preschool 13/14	✓ 12,587.14
Preschool 14/15	<u>14,630.82</u>
Total	\$963,194.39 + 946,561
	<u>963,189</u> 

As always, my staff and I are available if you have any questions.

cc: Melissa Rollins, Franklin City Finance Director
 Laveka Jarrell, Coordinator of Finance – FCPS

BUDGET AMENDMENT 2016-17

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA that the 2015-2016 City Budget is hereby amended as follows:

		2015-2016	AMENDED	INCREASE
		BUDGET	BUDGET	(DECREASE)
250	SCHOOL FUND REVENUE			
	(1)			
41050-0200	Prior Year Budget Carryover		\$946,561	\$946,561
250	SCHOOL FUND EXPENDITURES			
60000-0008	Title VIB Special Ed	\$324,558	423,011	98,453
60000-0015	Pre-School Grant	13,924	41,142	27,218
60000-0061	Title I – 1003A	\$905,579	1,142,323	236,744
60000-0062	Title I – 1003G	\$0	220,460	220,460
60000-0071	Title I-Part A	\$504,724	785,390	280,666
60000-0072	Title II – Part A	\$81,026	130,499	49,473
60000-0076	Rural Education	\$19,043	40,826	21,783
60000-0053	21 st Century Learning Grant	\$0	11,764	<u>11,764</u>
	TOTAL			946,561

(1) To carry forward unspent appropriations for specific federal grants from FY 14-15 for use in FY15-16.

*Certified copy of resolution adopted by
Franklin City Council.*

Clerk to the City Council



June 22, 2016

TO: Randy Martin, City Manager

FROM: Melissa D. Rollins, Director of Finance 

RE: **Year End Budget Amendments & Transfers for FY 2015-16**
Budget Amendment #2016-18 and #2016-19

Budget amendment **#2016-18** reflects the following:

(1) Grant Funds Received

Four for Life (state grant) – **Franklin City Fire & Rescue** received \$7,381 in four for life funds from the Dept. of Health – Office of Emergency Medical Services to be used for medical and lab supplies.

Justice Assistance (Federal grant) – **Franklin City Police Department** received \$1,288 in JAG funds from the Office of Justice Programs for certain uniforms under the Bullet Proof Vest program.

The request is to amend the grant funds to the budget for expenditure in the current fiscal year.

(2) Supplemental Appropriation and/or Expenditures Over \$10,000:

Commissioner of the Revenue – (\$7,100) - Additional appropriation is required to cover the health insurance line item in FY 15-16. One employee was added to the plan after preparation of the budget. The budget had already been adopted and insufficient funds are available to cover the telecommunications budget (new phone/data system costs). As a result, the line items will be overspent and funds are needed to cover the costs to prevent over expenditure of the entire budget.

Utility Billing (\$13,000) – Additional appropriation is needed to cover Utility Billing personnel costs and postage where insufficient funds are available to cover the cost within other line items. To avoid over expenditure of the entire budget, additional funds are needed.

City Attorney (\$34,000) – Funds are needed to cover professional services fees for services rendered in FY 16-17. The total amended budget only reflects cost through March 2016.

Fire & Rescue (\$18,000) – Funds are needed to cover the cost of vehicle repairs.

District Court - Telecommunications (\$3,000) – Additional costs associated with the new phone/data system.

The request is to transfer funds from other areas of the general fund budget as outlined. No use of fund balance is being requested.

Industrial Corridor Payment to Southampton County (\$64,000) – The final allocation to the County exceeds the budgeted amount of \$700,000 by nearly \$64,000. The request is to amend the budget to reflect the actual payment. Funds are available in the form of additional revenue received beyond budgeted projections (Isle of Wight County Revenue Sharing Payment - \$29,170 and Penalties and Interest on Delinquent Taxes - \$34,830).

(3) To correct a prior amendment

Economic Development Fund – (\$21,120) To correct budget amendment 2016-08 to adjust the General Fund transfer to the Fund. The previous amendment only recognized the transfer from the General Fund.

(4) Debt Service Fund – Recognition of Bond Proceeds from 2015 Refunded Bond Transactions

Generally Accepted Accounting Principles (GAAP) requires that proceeds from Bond Transactions be recorded as “proceeds from bond sales” revenue in governmental fund financial statements. At the recommendation of the City’s financial advisors, the City refunded various pieces of general and school debt (2015A and 2015B taxable and non-taxable) debt instruments in 2015. Accordingly, this requires the payment of old debt (which is recorded as an expenditure) with proceeds from the new debt. Amendments to the General Fund (\$5,280,000) and School Fund (\$837,000) Debt are required to appropriate the bond proceeds, payment of the old debt, and cost of issuance. These budget amendments do not require use of tax revenue.

Budget Amendment #2016-19

Dept. of Housing & Community Development Unspent Grant Funds – financial conditions of the DHCD Neighborhood Stabilization Program (NSP) requires that grant funds be appropriated annually to the budget. Unspent funds at the end of the previous year total **\$158,759**. A portion of the funds have been recently spent and less funds will be available for carryover into the new year and projects are nearing completion.

The request is to authorize carryover of prior year funds for appropriation and expenditure in FY 15-16.

REQUIRED COUNCIL ACTION

- 1) *To authorize supplemental appropriations of state and federal grant revenue, and to appropriate the additional revenue for expenditure in FY 15-16.*
- 2) *To authorize the transfer of various line items of the FY 15-16 budget to cover expenditures exceeding \$10,000 and expenditures that will exceed total budget as outlined.*
- 3) *To reflect correction of a previously approved amendment #2016-08 (to complete the transfer from General Fund side).*
- 4) *To amend Debt Service Funds to recognize proceeds from 2015 Refunded Bond Transactions*

BUDGET AMENDMENT 2016-18

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA that the 2015-16 City Budget is hereby amended as follows:

- 1) To authorize supplemental appropriations of state and federal grant revenue, and to appropriate the additional revenue for expenditure in FY 15-16.
- 2) To authorize the transfer of various line items of the FY 15-16 budget to cover expenditures exceeding \$10,000 and expenditures that will exceed total budget.
- 3) To reflect correction of a previously approved amendment #2016-08 (to complete the transfer from General Fund side).
- 4) To amend Debt Service Funds to recognize proceeds from 2015 Refunded Bond Transactions

		Revenue	BUDGET FY 15-16	Amended Budget	Increase/ Decrease
General Fund Budget Amendment #1					
24040	12	Four For Life - EMS Grant	-	7,381	(7,381)
32100	6004	Supplies and Medical Lab	-	7,381	7,381
33010	12	JAG Assistant Grant - Police Grant	-	1,288	(1,288)
31100	6011	Uniforms & Wearing Apparel	34,200	35,488	1,288
					-

		Revenue	Budget	Amended Budget	Increase/ Decrease
Fund 100 - General Fund #2 - Appropriations Exceeding \$10,000 or Total Budget					
12430	2210	Finance - VRS	21,800	12,300	(9,500)
12430	1101	Finance-Wages	134,966	131,466	(3,500)
12535	1101	Utility Billing - Wages	115,576	122,076	6,500
12535	3600	Utility Billing - Postage	36,000	40,500	4,500
12535	2210	Utility Billing -VRS	13,846	15,846	2,000
12310	2300	Comm. of Revenue, Hospitalization	20,560	25,560	5,000
12310	5230	Comm. of Revenue, Communications	2,800	4,900	2,100
32100	2300	Fire, Hospitalization	184,292	177,192	(7,100)
12210	3600	City Attorney Professional Services	24,000	58,000	34,000
11010	7000	Contingency Fund	22,121	16,121	(6,000)
11010	3191	Contractual Services-Facilitator	3,000	-	(3,000)
31100	8105	Police, Vehicles	28,000	13,000	(15,000)
32100	2300	Fire, Hospitalization	177,192	167,192	(10,000)
					-
32100	3310	Fire Vehicle Repairs	32,500	50,500	18,000
32100	2300	Fire, Hospitalization	167,192	149,192	(18,000)
					-
21200	5230	District Court Telecommunications	4,000	7,000	3,000
31100	2213	Police-Line of Duty	16,983	13,983	(3,000)
					-
91300	5672	Industrial Corridor Payment to SH County	700,000	764,000	64,000
18990	201	Isle of Wight Revenue sharing	680,000	709,170	(29,170)
11060	1	Property Taxes - Penalties & Interest	85,000	119,830	(34,830)
					-

General Fund #3					
93100	9280	General Fund Transfer to Economic Development	24,220	45,340	21,120
18990	7	Sale of Real Estate	10,000	31,120	(21,120)
					-

Debt Service Fund #4					
41040	1	Proceeds of Refunding Bond Issue-General Fund Debt	-	5,280,000	5,280,000
41040	1	Proceeds of Refunding Bond Issue-School Fund Debt	-	837,000	837,000
40950				6,117,000	6,117,000
		VARIANCE LINE ITEM EXPENDITURES ARE ASSOCIATED WITH THIS TRANSACTION			-

*Certified copy of resolution adopted by
Franklin City Council.*

Clerk to the City

Agenda
Franklin City Council
June 27, 2016



COMMONWEALTH OF VIRGINIA

Marissa J. Levine, MD, MPH, FAAFP
State Health Commissioner

Gary R. Brown
Director

P. Scott Winston
Assistant Director

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

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

May 10, 2016

CITY OF FRANKLIN TREASURER
POST OFFICE BOX 179
207 WEST SECOND AVENUE
FRANKLIN VA 23851

Dear City/County Administrator:

IMMEDIATE ATTENTION REQUIRED
Please return this report within 30 days

Your locality will be receiving the Fiscal Year 2016 "Four-For-Life" payment for Emergency Medical Services (EMS) in the amount of **\$7,380.88**. *These funds are for the collection period March 1, 2015 through February 28, 2016.*

Guidelines for the use of these funds are attached and are available on our website:

http://www.vdh.virginia.gov/OEMS/Files_Page/Locality_Resources/FourForLifeGuidelines.pdf. Prior to distribution of these funds to the local government, this office must receive your Report of Expenditures on last year's distribution. The total amount that must be reported for last year's distribution is annotated on the enclosed report.

The Four-For-Life program, as amended in 2000, stipulates that four additional dollars be charged and collected at the time of registration of each passenger vehicle, pickup and panel truck. The funds collected, pursuant to Section 46.2-694, Code of Virginia, shall be used only for emergency medical services. The law further states that the Department of Health shall return twenty-six percent (26%) of the registration fees collected to the locality wherein such vehicle is registered to provide funding for:

VDH VIRGINIA
DEPARTMENT
OF HEALTH
Protecting You and Your Environment
www.vdh.virginia.gov/oems

- (1) Training of volunteer or salaried emergency medical service personnel of licensed, nonprofit emergency medical service agencies; or
- (2) The purchase of necessary equipment and supplies for licensed, nonprofit emergency medical service agencies.

It is important to recognize two clauses in the Four-For-Life legislation: (1) non-supplanting funds and (2) failure to report the use of funds by any local governing body will result in funds being retained. The Assistant Attorney General, at our request has offered the following interpretation for use of the funds. "Any funds received from Section 46.2-694 by a non-state agency cannot be used to match any other funds derived from Section 46.2-694 by that same non-state agency" Simply put, funds returned to localities cannot be used as the matching share of any grants offered using Four-For-Life funds.

*"Each local governing body shall report to the Board of Health on the use of **Four-For-Life** funds, which were returned to it. In any case in which the local governing body grants the funds to a regional emergency medical council to be distributed the licensed, nonprofit emergency medical and rescue services, the local governing body shall remain responsible for the proper use of the funds. If, at the end of any fiscal year, a report on the use of **Four-For-Life** funds for that year has not been received from a local governing body, any funds due to that local governing body for the next fiscal year shall be retained until such time as the report has been submitted to the Board."*

If you have any questions or need additional information, please do not hesitate to contact Kim Barton, OEMS Accountant, at (804) 888-9100.

Sincerely,

A handwritten signature in black ink, appearing to read "Dennis J. Molnar". The signature is fluid and cursive, with a large initial "D" and "M".

Dennis J. Molnar
Business Manager

Encl.:

Guidelines for Expenditures of EMS Funds
Four-For-Life Report of Expenditures Form



[NIJ Standards](#) [Glossary](#) [BVP Manuals](#)

> Payment

OMB #1121-0235
(Expires: 10/31/2016)

Please see the following link for the vests that meet the latest NIJ standard and are eligible for BVP reimbursement.

Ballistic Vests: <http://www.nij.gov/nij/topics/technology/body-armor/compliant-ballistic-armor.htm>
Stab Vests: <http://www.nij.gov/nij/topics/technology/body-armor/compliant-stab-armor.htm>

REMINDER: BVP funds may be used for tactical-level armor. However, only one vest may be purchased per officer in a replacement cycle. If an agency purchases a tactical-level vest for an officer, it must be his or her primary vest. Jurisdictions cannot then use BVP funds to purchase a regular-duty vest for the same officer during the same replacement cycle.

Notice: Justice Assistance Grant (JAG) funds may not be used to pay for that portion of the bulletproof vest (50%) that is not covered by BVP funds. JAG funds may be used to purchase vests for an agency, but they may not be used as the 50% match for BVP purposes.

Option: To exclude a receipt from a payment request, enter zero in all drawdown amount fields for that receipt. Receipts that contain zero in all drawdown amount fields are not included in the payment request and can be included in a future payment request.

Payment Request Summary

Request ID	120562
Total Cost	\$2,576.78
Request Amount	\$1,288.40
Status	Processing Payment
Requested Date	09/01/2015
Processing Date	11/20/2015
Approved Date	
View Invoice Information	
View Authorized Designee Information	

Awards Summary

Fiscal Year	Amount
2013 Regular Fund	\$1,288.40

Receipt Drawdown

Receipt ID	Quantity	Ordered Date	Total Cost	FY2013
238248	2	03/13/2015	\$1,303.49	651.75
238249	2	06/04/2015	\$1,273.29	636.65

[Back](#)

- 1. Registration**
- 1.1 [Agency Information](#)
- 1.2 [Agency Contacts](#)
- 2. Application**
- 2.1 [Application Profile](#)
- 2.2 [Manage Application](#)
- 2.3 [Review Application](#)
- 2.4 [Submit Application](#)
- 2.5 [Mandatory Wear Policy](#)
- 3. Payment**
- 3.1 [Bank Information](#)
- 3.2 [Print Bank Form](#)
- 3.3 [Manage Receipts](#)
- 3.4 [Payment Request](#)
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- 4. Status**
- 4.1 [Current Status](#)
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- 4.3 [Application History](#)
- 5. Personal Information**
- 5.1 [User Profile](#)
- 5.2 [Change Password](#)



BVP HELP DESK
(Toll-Free 1-877-758-3787)

Porti
Thomas
Barker
S. nptk.

BUDGET AMENDMENT 2016-08

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA that the 2015-2016 City Budget is hereby amended as follows:

510	<u>Economic Development Fund</u>			
	REVENUE			
3-510-041050-0100	Use of Fund Balance	32,000	\$178,000	\$146,000
3-510-41050-0900	Transfer from General Fund	\$24,220	\$45,340	\$21,120
3-510-19020	Proceeds from Sale of Real Estate	\$0	\$24,980	<u>\$24,980</u>
	TOTAL			\$192,100
	EXPENDITURES			
4-510-020020-8409	Business Drive Access Road Project	0	\$192,100	<u>\$192,100</u>
	TOTAL			\$192,100

General Fund was not amended see budget sheets

**To supplement the Economic Development Fund with an appropriation needed for additional expenditures anticipated in FY15-16 for capital projects and to amend the budget to reflect the receipt of proceeds from real estate sale.*

Certified copy of resolution adopted by Franklin City Council.

Clerk to the City Council

E Expenditure Account Maintenance

Account: ... Year: Acct Type:
 Desc: ... Chk Acct:
 Fund Type: Cap: Class Id: ... Class Id 2: ...

Activity To Date:		Current Period:	
Encumber:	<input type="text" value=".00"/>	Budgeted:	<input type="text" value="24,220.00"/> Expended: <input type="text" value=".00"/>
Expended:	<input type="text" value="24,220.00"/>	Balance:	<input type="text" value=".00"/> Trans-In: <input type="text" value=".00"/>
Trans-In:	<input type="text" value=".00"/>		Trans-Out: <input type="text" value=".00"/>
Trans-Out:	<input type="text" value=".00"/>	YTD Requested:	<input type="text" value=".00"/> Reimburse: <input type="text" value=".00"/>
Reimburse:	<input type="text" value=".00"/>	Requested Balance:	<input type="text" value=".00"/>
Cancel:	<input type="text" value=".00"/>		
Payable:	<input type="text" value=".00"/>		



Control Balance: 575,828.89 Control Requested Balance: 575,828.89

E Revenue Account Maintenance

Acct: ... Year: Type: Anticipated:
 Desc: ...

	Previous Year	Current Year		
Anticipated:	<input type="text" value=".00"/>	<input type="text" value="45,340.00"/>	Revenue Activity	Cash Activity
Actual Revenue:	<input type="text" value=".00"/>	<input type="text" value="24,220.00"/>	July:	<input type="text" value=".00"/>
Cash Receipts:	<input type="text" value=".00"/>	<input type="text" value=".00"/>	Aug:	<input type="text" value=".00"/>
Cancel:	<input type="text" value=".00"/>	<input type="text" value=".00"/>	Sept:	<input type="text" value=".00"/>
% Realized:	<input type="text" value=".00"/>	<input type="text" value="53.42"/>	Oct:	<input type="text" value=".00"/>
Un-Realized:	<input type="text" value=".00"/>	<input type="text" value="21,120.00"/>	Nov:	<input type="text" value=".00"/>
			Dec:	<input type="text" value=".00"/>
			Jan:	<input type="text" value=".00"/>
			Feb:	<input type="text" value=".00"/>
			March:	<input type="text" value=".00"/>
			April:	<input type="text" value=".00"/>
			May:	<input type="text" value="24,220.00"/>
			June:	<input type="text" value=".00"/>



SOURCES AND USES OF FUNDS

City of Franklin, Virginia
 General Obligation Refunding Bonds, Series 2015
 Final Numbers

Dated Date 10/09/2015
 Delivery Date 10/09/2015

	2015A Tax Exempt Advance Refunding of 2010 GO - General Fund Portion - Ref of 1998A Ref of 1992	2015A Tax Exempt Advance Refunding of 2010 GO - General Fund Portion - Refunding of 2001B Bonds	2015A Tax Exempt Advance Refunding of 2010 GO - Schools Portion - Refunding of 2006 Ref of 2003A	2015A Tax Exempt Current Refunding of 2012B GO - General Fund Portion - New Money	2015B Taxable Refunding of 2010 GO - General Fund Portion - Refunding of 2001B	2015B Taxable Refunding of 2010 GO - Schools Portion - Refunding of 2003A	2015B Taxable Refunding of 2012A GO - General Fund Portion - Refunding of 2001C	2015B Taxable Refunding of 2012A GO - General Fund Portion - Refunding of 2003C	2015B Taxable Refunding of 2012A GO - Schools Portion - Ref of 2010 Ref of 2001B
Proceeds:									
Par Amount	296,000.00	1,089,000.00	191,000.00	1,240,000.00	621,000.00	328,000.00	452,000.00	432,000.00	318,000.00
	296,000.00	1,089,000.00	191,000.00	1,240,000.00	621,000.00	328,000.00	452,000.00	432,000.00	318,000.00

SOURCES AND USES OF FUNDS

City of Franklin, Virginia
 General Obligation Refunding Bonds, Series 2015
 Final Numbers

Sources:	2015B Taxable Refunding of 2012A GO - General Fund Portion - Ref of 2010 Ref of 2001B	Total
Bond Proceeds:		
Par Amount	1,398,000.00	6,365,000.00
	1,398,000.00	6,365,000.00

SOURCES AND USES OF FUNDS

City of Franklin, Virginia
 General Obligation Refunding Bonds, Series 2015
 Final Numbers

	2015A Tax Exempt Advance Refunding of 2010 GO - General Fund Portion - Ref of 1998A Ref of 1992	2015A Tax Exempt Advance Refunding of 2010 GO - General Fund Portion - Refunding of 2001B Bonds	2015A Tax Exempt Advance Refunding of 2010 GO - Schools Portion - Refunding of 2006 Ref of 2003A	2015A Tax Exempt Current Refunding of 2012B GO - General Fund Portion - New Money	2015B Taxable Refunding of 2010 GO - General Fund Portion - Refunding of 2001B	2015B Taxable Refunding of 2010 GO - Schools Portion - Refunding of 2006 Ref of 2003A	2015B Taxable Refunding of 2012A GO - General Fund Portion - Refunding of 2001C	2015B Taxable Refunding of 2012A GO - General Fund Portion - Refunding of 2003C	2015B Taxable Refunding of 2012A GO - Schools Portion - Ref of 2010 Ref of 2001B
Ending Escrow Deposits:									
PV cost of cashflows	289,406.40	1,066,110.01	186,369.60		609,026.25	320,337.07			
Cash Deposit				1,213,167.77			442,574.92	423,420.20	310,508.15
	289,406.40	1,066,110.01	186,369.60	1,213,167.77	609,026.25	320,337.07	442,574.92	423,420.20	310,508.15
Issuance Date Expenses:									
Cost of Issuance	6,278.08	23,097.41	4,051.06	26,300.08	13,171.25	6,956.79	9,586.80	9,162.61	6,744.70
Other Uses of Funds:									
Additional Proceeds	315.52	-207.42	579.34	532.15	-1,197.50	706.14	-161.72	-582.81	747.15
	296,000.00	1,089,000.00	191,000.00	1,240,000.00	621,000.00	328,000.00	452,000.00	432,000.00	318,000.00

SOURCES AND USES OF FUNDS

City of Franklin, Virginia
 General Obligation Refunding Bonds, Series 2015
 Final Numbers

Uses:	2015B Taxable Refunding of 2012A GO - General Fund Portion - Ref of 2010 Ref of 2001B	Total
Refunding Escrow Deposits:		
PV cost of cashflows		2,471,249.34
Cash Deposit	1,367,042.36	3,756,713.40
	<u>1,367,042.36</u>	<u>6,227,962.74</u>
Delivery Date Expenses:		
Cost of Issuance	29,651.22	135,000.00
Other Uses of Funds:		
Additional Proceeds	1,306.42	2,037.26
	<u>1,398,000.00</u>	<u>6,365,000.00</u>

BUDGET AMENDMENT 2016-19

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA that the 2015-2016 City Budget is hereby amended to appropriate grant carryover to the current year budget:

<u>REVENUE</u>			<u>NEIGHBORHOOD STABILIZATION</u>					
			2015-2016	Amended	Increase			
			Budget	Budget	(Decrease)			
294	33000	100 NSP #1 - Federal Aid	\$ -	\$ 37,443	\$ 37,443			
294	33000	300 NSP #3 - Federal Aid	\$ -	\$ 121,316	\$ 121,316			
TOTAL REVENUE			\$ -	\$ 158,759	\$ 158,759			
EXPENSES - NSP #1								
294	84000	4101 Real Property Acquisition	\$ -	\$ 1,249	\$ 1,249			
294	84000	4201 Construction	\$ -	\$ 1,625	\$ 1,625			
294	84000	4203 Rehab Specialist	\$ -	\$ 2,490	\$ 2,490			
294	84000	4304 Closing Costs	\$ -	\$ 17,575	\$ 17,575			
294	84000	4402 Program Delivery	\$ -	\$ 14,504	\$ 14,504			
				\$ 37,443	\$ 37,443			
EXPENSES - NSP #3								
<u>ADMINISTRATION</u>								
294	84100	3141 Monthly Reporting	\$ -	\$ 578	\$ 578			
294	84100	3142 Acquisition	\$ -	\$ 2,200	\$ 2,200			
294	84100	3143 Rehabilitation	\$ -	\$ 2,200	\$ 2,200			
294	84100	3144 Transfers	\$ -	\$ 2,200	\$ 2,200			
294	84100	3145 Interim Compliance Review	\$ -	\$ 1,800	\$ 1,800			
294	84100	3148 Administrative Closeout	\$ -	\$ 1,594	\$ 1,594			
<u>ACQUISITION</u>								
294	84100	4101 Real Property Acquisition	\$ -	\$ 52,897	\$ 52,897			
294	84100	4102 Program Delivery	\$ -	\$ 8,784	\$ 8,784			
294	84100	4104 Appraisals	\$ -	\$ 500	\$ 500			
<u>HOUSING REHABILITATION</u>								
294	84100	4201 Construction	\$ -	\$ 25,960	\$ 25,960			
294	84100	4203 Rehabilitation Specialist	\$ -	\$ 2,000	\$ 2,000			
<u>HOME OWNERSHIP</u>								
294	84100	4304 Closing Costs	\$ -	\$ 11,106	\$ 11,106			
294	84100	4402 Program Delivery-Homebuyer	\$ -	\$ 5,000	\$ 5,000			
294	84100	4403 Program Delivery-Property Transfer	\$ -	\$ 4,497	\$ 4,497			
TOTAL EXPENSES			\$ -	\$ 158,759	\$ 158,759			

**Neighborhood Stabilization Program Grant (NSP 3) unspent/budgeted funds for unfinished projects; re-appropriation required per DHCD regulations.*

*Certified copy of resolution adopted by
Franklin City Council*

Clerk to the City Council



DEPARTMENT OF FINANCE

June 23, 2016

TO: Randy Martin
City Manager

FROM: Melissa D. Rollins 
Director of Finance

RE: **Budget Amendment – FY 2016-2017 (#2016-20)**

Smart Beginnings #2016-20 (FUND 204)

Attached is a request from Smart Beginnings to appropriate the FY 2016-2017 Budget in the amount of \$148,668 based on the revenue and expenditures as outlined. This is \$18,413 or 11% less than the Agency's previous budget. The budget for Smart Beginnings is not included in the adoption of the City's budget and is usually appropriated at the beginning of each fiscal year. The budget (this year) does include an estimated use of carryover in the amount of \$38,668. In the past, the carryover was later added based on the results of the year-end audit. The estimate as prepared by the Director of Smart Beginnings was based on year-end revenue and expenditures as of June 30, 2016.

The City's financial records as of June 23, 2016 reflect fund balance of approximately \$36,000. According to the Director, additional grant funds are expected prior to year-end.

Finance will review the final financial records and make a determination as to the exact fund balance. If the balance exceeds the budgeted carryover of \$38,668, action will be required to appropriate additional carryover. If the amount is less than the projected amount, action will be required to reduce the carryover and budgeted expenditures accordingly.

Required Action from City Council:

- (1) Authorize the appropriation of funds totaling \$148,668 to the FY 2016-2017 Smart Beginnings Budget.

BUDGET AMENDMENT 2016-20

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA that the 2016-2017 Budget is hereby established and appropriated for Smart Beginnings (Fund 204):

<u>REVENUE</u>			<u>SMART BEGINNINGS</u>		
			2016-2017 Budget	Amended Budget	Increase (Decrease)
204	18990	99 Miscellaneous Income	\$ 45,000		\$ 45,000
204	18990	100 Grant - VECF			\$ -
204	18990	101 Grant - Obici Health Foundation	\$ -		\$ -
204	18990	105 Grant-Franklin Southampton Charities	\$ 43,000		\$ 43,000
204	18990	102 Camp Family Foundation	\$ 10,000		\$ 10,000
204	18990	103 Grant VSQI/DSS Funds	\$ 12,000		\$ 12,000
204	41050	200 Prior year (FY15) Carryover	\$ 38,668	\$ -	\$ 38,668
TOTAL REVENUE			\$ 148,668	\$ -	\$ 148,668

<u>EXPENSES</u>			<u>SMART BEGINNINGS</u>		
204	53110	1101 Salaries & Wages-Regular	\$ 39,668		\$ 39,668
204	53110	1300 Salaries & Wages -Part Time	\$ 51,000		\$ 51,000
204	53110	2100 FICA	\$ 6,936		\$ 6,936
204	53110	2210 Retirement -VRS	\$ 4,356		\$ 4,356
204	53110	2300 Hospitlization	\$ 8,086		\$ 8,086
204	53110	2400 Group Life Insurance - VRS	\$ 472		\$ 472
204	53110	2720 Workmen's Compensation	\$ 150		\$ 150
204	53110	3160 Professional Services	\$ 500		\$ 500
204	53110	3500 Printing & Binding	\$ 800		\$ 800
204	53110	3600 Advertising	\$ 800		\$ 800
204	53110	5210 Postal Services	\$ 300		\$ 300
204	53110	5230 Telecommunications	\$ 800		\$ 800
204	53110	5421 Rental	\$ 5,500		\$ 5,500
204	53110	5550 Travel	\$ 2,500		\$ 2,500
204	53110	5560 Mileage	\$ -		\$ -
204	53110	5810 Dues & Memberships	\$ 500		\$ 500
204	53110	5840 Miscellaneous	\$ 3,000		\$ 3,000
204	53110	6001 Office Supplies	\$ 800		\$ 800
204	53110	6013 Education supplies	\$ 5,000		\$ 5,000
204	53110	6030 Public Awareness	\$ 1,000		\$ 1,000
204	53110	6031 Food Services & Supplies	\$ 1,500		\$ 1,500
204	53110	6032 Special Projects	\$ 15,000		\$ 15,000
TOTAL EXPENSES			\$ 148,668	\$ -	\$ 148,668

*Certified copy of resolution adopted by
Franklin City Council*

Clerk to the City Council

Smart Beginnings WT

Budget Items		FY 17
Salaries:		
1101 Executive Director/Interim Director	\$	39,668
1300 Exe. Asst.	\$	25,000
1300 VQ Coordinator/Tecnnical Assistants	\$	26,000
Benefits:	\$	20,000
3160 Consultants	\$	500
3500 Printing:	\$	800
3600 Advertising	\$	800
5210 Postage:	\$	300
5230 Phone/Telecommunication:	\$	800
5421 Rent/Utilities:	\$	5,500
5550 Travel:	\$	2,500
5810 Dues:	\$	500
5840 MISC	\$	3,000
6001 Office Supplies:	\$	800
6013 Educational Supplies	\$	5,000
6030 Public Awareness	\$	1,000
6031 Food/Meeting Supplies	\$	1,500
6032 Special Projects:	\$	15,000
Total Operating Budget:	\$	148,668
Revenue		
Camp Family Foundations	\$	10,000
F/S Charities	\$	43,000
IP Giving	\$	5,000
Locality Funds (Franklin)	\$	15,000
Locality Funds (Isle of Wight)	\$	-
Locality Funds (Southampton)	\$	25,000
Potential Carryover	\$	38,668
QRIS/DSS Funds	\$	12,000
Total Revenue	\$	148,668



Government Finance Officers Association
203 N. LaSalle Street - Suite 2700
Chicago, IL 60601

Phone (312) 977-9700 Fax (312) 977-4806

June 15, 2016

R. Randy Martin
City Manager
City of Franklin
PO Box 179
Franklin

VA 23851-0179

Dear Mr. Martin:

We are pleased to notify you that your comprehensive annual financial report for the fiscal year ended **June 30, 2015** qualifies for a Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

An award for the Certificate of Achievement has been mailed to:

Melissa D. Rollins
Director of Finance

We hope that you will arrange for a formal presentation of the Certificate and Award of Financial Reporting Achievement, and that appropriate publicity will be given to this notable achievement. A sample news release is enclosed to assist with this effort. In addition, details of recent recipients of the Certificate of Achievement and other information about Certificate Program results are available in the "Awards Program" area of our website, www.gfoa.org.

We hope that your example will encourage other government officials in their efforts to achieve and maintain an appropriate standard of excellence in financial reporting.

Sincerely,
Government Finance Officers Association

Stephen J. Gauthier, Director

Technical Services Center

SJG/ds



Government Finance Officers Association
203 N. LaSalle Street - Suite 2700
Chicago, IL 60601

Phone (312) 977-9700 Fax (312) 977-4806

06/15/2016

NEWS RELEASE

For Information contact:
Stephen Gauthier (312) 977-9700

(Chicago)--The Certificate of Achievement for Excellence in Financial Reporting has been awarded to **City of Franklin** by the Government Finance Officers Association of the United States and Canada (GFOA) for its comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

An Award of Financial Reporting Achievement has been awarded to the individual(s), department or agency designated by the government as primarily responsible for preparing the award-winning CAFR. This has been presented to:

Melissa D. Rollins, Director of Finance

The CAFR has been judged by an impartial panel to meet the high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

The GFOA is a nonprofit professional association serving approximately 17,500 government finance professionals with offices in Chicago, IL, and Washington, D.C.



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Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Franklin
Virginia**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

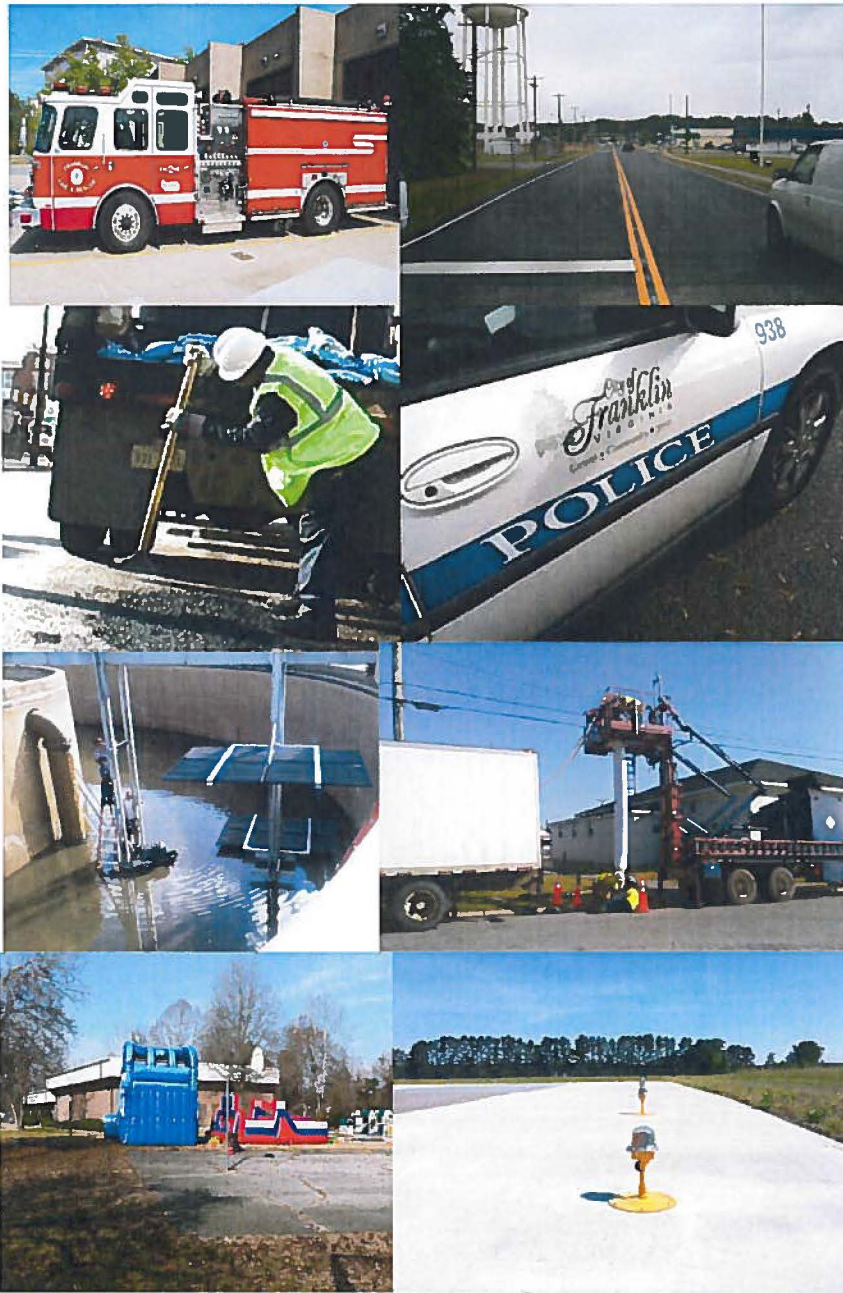
Executive Director/CEO

OLD/NEW BUSINESS

- A. Adopt the City's Five Year CIP FY 2017 - 2021 (continued from 6/20/16)**
- B. Charter Communications Franchise Agreement Renewal Update – R. Randy Martin, City Manager**
- C. FOIA Statutory Changes – H. Taylor Williams, IV, City Attorney**
- D. City Manager's Report**
 - 1. Franklin/Southampton County HRTPO Metropolitan Planning Area (MPA) Membership Update**
 - 2. Hayden Property Closing Update – H. Taylor Williams, IV, City Attorney**

FY 16-17

Five Year Capital Improvement Plan



**Fiscal Year
2016-2017 through
FY 2020-2021**

CAPITAL IMPROVEMENT PROGRAM

Introduction

Capital Improvement Programming is a method of planning for the effective and efficient provision of public facilities, infrastructure improvements, road improvements, major maintenance requirements, and acquisition of property and equipment. Preserving and upgrading these investments, along with planning for future infrastructure needs of the City represents an ongoing challenge, given existing revenue streams and the growth in demand for City services. In past years, the City Council, through its actions, has demonstrated a firm commitment to, and investment in the City's Capital Improvement Plan.

The purpose of this document is not to present a complete and detailed financial plan for each individual project listed on the CIP project list, but rather to outline the estimated cost, timing and anticipated revenue sources available for each of the projects.

A five-year CIP allows the City Council and citizens an opportunity to view both the five-year capital construction and infrastructure maintenance needs of the City and the Franklin Public Schools. The CIP is not a static document which fixes the community improvement projects which the City "must" complete during the next five years. Instead, it should be viewed as a planning document or guide to what the City "believes" it will be able to accomplish in the future. As time passes, changes beyond the City's control may affect the timing and magnitude of the projects listed in the CIP. Therefore, the CIP will be reviewed annually during the budget process and updated as necessary to reflect the changed circumstances that may occur over time. Viewing these needs enables the City to better plan a financing strategy for capital improvements and annual operating requirements. A five-year CIP also allows for programming of multi-year projects. The first year of the *Capital Improvement Program (CIP)* represents the City Manager's proposal to the City Council as the Capital Improvement Budget.

Definition of a Capital Improvement

A capital improvement results in a permanent addition to the City's assets resulting from the nonrecurring expenditure of public funds. This is accomplished through: 1) acquisition of property or easement; 2) construction; 3) renovation or replacement of physical assets of the city which extends the useful life or increases the usefulness or capacity, and 4) studies which are an integral part thereof. Capital improvements are large-scale endeavors in cost, size, and benefit to the community and typically have a service life in excess of five years and cost in excess of \$30,000. This definition differs from capital expenditures, which are requested as part of the operating budget. A capital expenditure is a fixed asset, which will benefit current and future budget years, is of a tangible nature, has a value between \$5,000 and \$30,000, and typically has a service life of 5 years or less. All projects included in the General Fund CIP are classified in six categories: General Government Administration, Public Works, Public Safety, Street Maintenance, Facility Improvements, and Parks & Recreation Improvements. Other funds include: Solid Waste, Water & Sewer, Electric Utility, Airport and Education.

Guiding Principles

Basic principles are used to help shape the Capital Improvement Program. These principles include, but are not limited to developing a balanced capital plan that funds projects in a variety of program areas which meet the highest priority needs; ensuring the CIP will be the platform for development in the City and business community and preserving the existing tax base. To further guide the CIP decision-making process, projects to be included in the CIP are evaluated on the degree to which they meet the following objectives:

- ✓ Meet a legal obligation or federal or state mandate
- ✓ Outside funding is available through a match of federal or state funding
- ✓ Address health concerns, safety or emergency needs
- ✓ Produce positive community impact and garner broad community support
- ✓ Meet prior commitments
- ✓ Can be funded within the parameters of established debt financial policies

Benefits of Capital Improvement Programming

The principal benefit of Capital Improvement Programming is that it requires the City to plan its capital needs in concert with available financing over a five-year period. This process contributes to a responsible fiscal policy. Other benefits of Capital Improvement Programming include:

- ✓ Fostering a sound and stable financial program over a five-year period given a set of revenue and expenditure assumptions based on current economic trends;
- ✓ Coordinating various City improvements so that informed decisions can be made and joint programs initiated among City departments in an effort to avoid duplication;
- ✓ Enabling private businesses and citizens to have some assurances as to when certain public improvements will be undertaken so they can plan more efficiently and effectively;
- ✓ Focusing on the goals and needs of the community through the provision of new facilities and infrastructure improvements;
- ✓ Evaluating annually the infrastructure needs of the City to provide for the public health and safety of the citizens of the City; and
- ✓ Providing a logical process for assigning priorities to the various projects based on their overall importance to the City in concert with the Comprehensive Plan.

CIP Process & Discussions

The annual CIP process commences during the normal budget proceedings. City departments identify potential CIP projects on a Capital Project Budget Requests form. The Finance Department compiles a listing of all the capital project requests submitted by the various City departments. The list is reviewed by the City staff and projects are prioritized for inclusion in the five-year plan. The City conducts a public hearing on the budget, at which time the recommended CIP is presented. After all public comments have been received and discussion satisfied, the CIP is then adopted. This is normally done in conjunction with the hearing and adoption of the annual operating budget. The first year of the CIP is incorporated into the City Manager's Recommended Budget as the Capital Improvement Budget for the upcoming fiscal year.

This CIP is a document dedicated to a process designed to identify both the capital improvement needs and priorities of the City over a five-year period in conjunction with projected funding levels and the City's vision and principles, largely in concert with the City's Comprehensive Plan. Actual programming of projects is dependent upon the financial resources available. Funding constraints may preempt the actual inclusion of projects in the current CIP but may be listed as priorities for funding should resources become available. While every need is not addressed, the CIP intends to serve as a critical planning tool and a good foundation for future decision making.

Funding Sources

A distinction must be made between the revenue sources available for a CIP project and the method of financing used to provide some of those revenues. For this CIP, the primary revenue sources are: proceeds from general obligation bonds, general fund reserves, federal and state government grants and proceeds from short term lease financing agreements. The term "Unfunded" is used to identify projects that have been placed on the City's radar for possible future funding, but no source has been considered.

General Obligation Bonds

The issuance of bonds is a method used by many localities to fund capital projects. Bond issuances are governed by state laws and regulations. A loan is issued to the City on the basis of credit worthiness by demonstrating the current level of debt, revenue and savings or City reserves in exchange for the promise to repay the loan with interest. The repayment of the bond is usually long-term, 15 or 20 years. Typically, government regulations require that the proceeds from bond issues be expended on one-time capital projects within a certain time frame after the issuance. Bond proceeds have been used to finance numerous City and School projects. The level of debt that the City incurs is governed by City Council approved financial policies.

Contributions from the General Fund (Assigned Fund Balance)

The General Fund receives taxes and fees including real estate and personal property taxes which are collected to support the general operation of the City. Where current financial policies do not dictate a certain percentage of use of estimated General Fund revenues each year for the Capital Budget, a certain amount of funds are allotted based on the availability of prior year unassigned fund balance. In other words, funds that remain unspent from the operating budget from year to year may be used to finance certain capital projects on a "pay as you go" basis. This has enabled the City to pay for certain projects such as annual street paving and maintenance.

Federal and State Government

The federal and state governments provide funding primarily in the arena of state and federal supported grants. In Franklin's case, for example, federal funds (USDA) were used for the purchase of police vehicles and the Federal Aviation Administration to support vast improvements to the City's Airport. It is important to note that funding received from these sources *may* require a local match from the City. State and federal funds support certain highway maintenance and road improvement projects and are utilized to help the City provide the required match for airport improvement projects.

Lease Financing Agreements

Lease financing is a solution that is used when cost effective financing is sought for equipment and other fixed assets. This alternative allows the lessee, in this case, the City of Franklin, to preserve capital and reduce borrowing capacity because it offers (1) 100% financing, (2) favorable tax treatment, (3) low to no closing costs and (4) lower monthly payments than traditional borrowing. This financing alternative is subject to all the local and state laws and regulations. The City has, in past years, utilized lease financing agreements to acquire funding for public safety equipment (fire engine), electric department equipment (bucket truck) and public works equipment (garbage trucks).

Other: User fees generated from various Enterprise Funds are intended to pay for the majority of capital projects within the Electric, Solid Waste and Water & Sewer Funds. Pay as you go (PAYGO) has become a more preferable option than lease arrangements for equipment purchases particularly for Enterprise Fund operations.

Capital Improvement Budget for Fiscal Year 2016-17

The first year of the Capital Improvement Program is identified as the Capital Improvement Budget. The projects outlined herein have been programmed in year 2016-17. The total amount is \$2,732,596 comprised of capital improvements proposed in the following funds:

FY 16-17 Capital Improvement Budget by Fund	
General Fund	\$ 1,092,885
Education	\$ 480,000
Solid Waste	\$ 260,000
Water & Sewer	\$ 748,471
Airport	\$ 151,240
Total CIP Budget	\$ 2,732,596

Funding Source - FY 16-17 Capital Improvement Budget	
Restricted Fund Balance (FY16)	\$ 25,000
School Fund Carryover (FY15)	\$ 480,000
Unassigned Fund Balance	\$ 431,985
General Fund Operating Rev	\$ 644,548
Solid Waste Cash Reserves	\$ 212,793
Solid Waste Operating Rev	\$ 47,207
State & Federal Grants	\$ 142,592
Water & Sewer Cash Reserves	\$ 748,471
TOTAL CIP REVENUE	\$ 2,732,596

- **General Fund Operating Revenue:** The primary source of funds to pay for Capital Improvement Projects included in the current year budget; these projects are usually paid for via local tax revenue generated. (Fiscal Year 2016-17, **\$644,548**)
- **Enterprise Fund Operating & Cash Reserves:** The Capital Improvement Program relies on a number of additional financing sources for particular projects. Their sources include user fees and cash reserves set aside in prior years for funding of future projects. (Fiscal Year 2016-17, **\$1,008,471**)

- **Federal & State Grants:** The city actively pursues Federal & State grants to help reduce the amount that must be bonded. Many grants require matching participation by the City through current revenues. (Fiscal Year 2016-17, **\$142,592**)
- **School Fund Carryover (Fund Balance) - \$480,000** - Restricted balances from reserve funds or unspent bond proceeds. Unrestricted/unencumbered balances used to supplement other revenue sources and reduce the potential debt burden. The City strongly encourages the use of prior year fund balance to fund one-time non-reoccurring expenses.

- **Restricted Fund Balance:** Restricted represents funds received in the current fiscal year that have been set aside "restricted" for use for a specific purpose. (Fiscal Year 2016-17 - **\$25,000**)
- **Unassigned Fund Balance:** A portion of the City's cash reserves that have accumulated over time to fund one time capital project expenditures in accordance with recommended financial policies. (Fiscal Year 2016-17- **\$431,985**)

***FISCAL YEAR 2016-2017
Capital Improvement Budget
\$2,732,596***

- **Street Improvement Projects**

Projects dedicated to convenient public transportation through the widening, re-grading and upgrading of the City's streets, sidewalks and other infrastructure projects; budgeted projects are less in scope than the major transportation/street projects that entail widening of major streets (North High, Hunterdale, Fairview Drive & Bobwhite Lane) and intersection improvements.

- **General Administration**

Projects related to general administration of governmental operations such as voting machine replacement (FY 16-17); other projects have included the financial system software upgrade, PEG channel improvement, and telephone system replacement.

- **Water & Sewer Utility**

Replacement and rehabilitation of water and sewer lines in various locations throughout the City and to maintain compliance with DEQ on the City's water quality and wastewater treatment plant operations.

- **Parks, Recreation & Cultural Projects**

Replacement and construction of recreational and cultural projects that enrich the quality of life for citizens and visitors in the community.

- **Major Transportation/Streets**

Improvements to major City streets to include widening and intersection improvements; projects are unfunded until such time a funding source can be identified.

- **Airport**

Improvements to Airport infrastructure to include Parallel Taxiway Extension to Runway 27 and Tree Clearing near Runway in FY 16-17. Prior year projects include weather station upgrade and runway lighting construction. Projects are reviewed by the Federal Aviation Administration and are primarily federally funded (95%), state funded (3%) and with the City contributing (2%) for most projects.

***FISCAL YEAR 2017-2021
Capital Improvement Plan
\$67,336,103***

- **Municipal Facilities Upgrades**

Protection of the community's investment in City-owned buildings through renovation, acquisition and construction (HVAC, Back Up Generator, Ceiling Tile Replacements and Painting for FY 16-17); other projects have included roof repairs to various city buildings and HVAC replacement.

- **Education**

Dedicated to providing upgrades to City schools and facilities and transportation needs. For FY 16-17, projects include bus acquisition, transportation vehicles, storage facility and engineering costs associated with major classroom additions at S.P. Morton Elementary School. Prior year projects include roof repairs to each school, track resurfacing, gym roof replacement, major technology improvements (mobile classroom initiative), new buses, bleacher replacement, cafeteria ovens replacement, and other improvements.

- **Public Safety**

Projects are related to the safety of Franklin citizens in the areas of fire and rescue, police and E911 Communications. Projects for FY 16-17 include upgrades to the City's E911 Dispatch center (communication equipment) and vehicle replacement for adequate emergency response. Prior projects include records room improvement, police vehicle acquisition, and fire/rescue medic vehicle replacement.

- **Solid Waste**

Replacement of aging equipment used in solid waste collection. The City has replaced two collection equipment vehicles in the last four years using user fees and cash reserves to replenish aging equipment in accordance to the planned replacement schedule.

- **Electric Utility**

Projects identified that will significantly improve the electrical infrastructure City wide and provide the necessary electrical services for major industrial and commercial business in the City.

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

The chart below summarizes annual capital projects included in the City’s general fund operating budget and funded with operating revenue:

Project name, Operating - GENERAL FUND	Operating	Where Budgeted
Drainage Improvements (Streets)	200,000	Public Works-Streets
Annual Street Paving (Streets)	400,000	Public Works-Streets
Annual Traffic/Signal Improvements	36,000	Public Works-Streets
Total General Fund Operating Budget	636,000	

❖ **Drainage System Improvements**

Improvements and replacements of the City Storm Water Conveyance Systems - The City contracted to perform a citywide drainage study which has been completed with recommendations for system improvements. The monies allotted will allow for system upgrades and replacement of defective appurtenances in accordance with the study. Funds expended on these projects are credited towards the money received from VDOT for maintenance of streets.

❖ **Street Improvements**

Provides for maintenance of the City’s transportation system - These funds are primarily used to resurface city streets. These funds are expended for maintenance only and cannot be used for new construction. Funds expended on these projects are credited towards the money the City receives from VDOT for maintenance of streets.

❖ **Intersection Signal Upgrades**

Provides for the upgrade of controls and signal head upgrades to traffic signals located in the city. Some of the traffic signal controllers located in the city are 20 years old. This technology is outdated and parts are not available. These funds will allow for controllers to be replaced with current technology and help keep the signals from malfunctioning. Also, signal head replacements will help cut down on electrical utility costs by upgrading to LED bulbs.

GENERAL FUND CAPITAL PROJECTS (PAY AS YOU GO) – Capital Improvement Budget - \$936,885

❖ **Voter Machine Replacement**

In 2007, the General Assembly banned the purchase of Direct Recording Equipment (DRE) in which the City previously used. The FY 16-17 budget includes the state contract pricing to upgrade the City’s voting equipment initially acquired in 2005. Nine (9) optical scanning machines along with applicable software, training and service warranties are included in the total cost of \$88,809.85. The equipment will be paid for over a two year period at a cost of \$44,505.

❖ **Vehicle Replacement (Command Vehicle)**

The FY 16-17 operating budget includes \$32,000 to replace the command vehicle for the Fire & Rescue Department. The unit will replace the current vehicle that has been in operation for over 20 years.

❖ Vehicle Replacement (Service Vehicle) (General Fund Portion - \$15,000)

Replacement of an 18 year old vehicle with over 145,000 miles. This is an administrative vehicle used to manage multiple divisions within Public Works. Accordingly, the cost of \$40,000 will be shared with other departments (Solid Waste and Water & Sewer). The vehicle has passed its useful life. Required budget for repair cost is reduced with the replacement of newer equipment.

❖ Radio Console Upgrade

Project entails replacement of all E911 Dispatcher consoles both hardware and software components to provide improved radio communications between Emergency Services departments. The current system is 10-12 years old and is no longer supported with the current Windows environment. The replacement cost is \$175,480.

❖ Skid Steer Loader (General Fund Portion - \$20,000)

Purchase of a new skid steer loader to be utilized in the streets, water & sewer and solid waste divisions. This is a versatile track machine with many attachments that can be used in asphalt repairs, sidewalk repairs, and drainage repairs as well as utility and solid waste functions. The attachments are available to rent on an as needed basis to reduce the cost of having to purchase the attachments. The total cost is shared by the City's Enterprise Funds - \$20,000 Water and Sewer Fund and \$20,000 Solid Waste Fund.

❖ Fairview Drive Improvement

This project will install curb and gutter, drainage improvements, and sidewalk along Fairview Drive in front of the Health Department and Southampton Orthopedic Center. This is a joint project between the City of Franklin and the developer of the Orthopedic Center in which each party pays their portion of the construction cost. This request of \$170,000 will fund the improvements to the city property in front of the Health Department.

SCHOOL FUND CAPITAL PROJECTS (PAY AS YOU GO) – Capital Improvement Budget**❖ School Capital Projects**

It is good financial management practice to pay for one-time capital projects from reserves as opposed to utilizing "carryover" to fund ongoing operational expenses. In the case of the School Fund, \$480,000 in one time carryover funds remaining in FY 15-16 will be used to cover the cost of one time capital projects (Buses, classroom replacements, storage facility, etc. as outlined in the document).

**EXCLUDES APPROPRIATION OF FUND BALANCE (SCHOOL FUND CARRYOVER) FOR
EDUCATION PROJECTS**

Capital Improvement Budget for Fiscal Year 2016-17

The first year of the Capital Improvement Program is identified as the Capital Improvement Budget. The projects outlined herein have been programmed in year 2016-17. The total amount is \$2,252,596 comprised of capital improvements proposed in the following funds:

FY 16-17 Capital Improvement Budget by Fund	
General Fund	\$ 1,092,885
Education	\$ -
Solid Waste	\$ 260,000
Water & Sewer	\$ 748,471
Airport	\$ 151,240
Total CIP Budget	\$ 2,252,596

Funding Source - FY 16-17 Capital Improvement Budget	
Restricted Fund Balance (FY16)	\$ 25,000
School Fund Carryover (FY15)	
Unassigned Fund Balance	\$ 431,985
General Fund Operating Rev	\$ 644,548
Solid Waste Cash Reserves	\$ 212,793
Solid Waste Operating Rev	\$ 47,207
State & Federal Grants	\$ 142,592
Water & Sewer Cash Reserves	\$ 748,471
TOTAL CIP REVENUE	\$ 2,252,596

SOLID WASTE FUND CAPITAL PROJECTS

❖ Equipment Vehicle - \$230,000

The budget includes the cost to replace a 2007 one arm solid waste collection vehicle to comply with a proposed equipment replacement schedule. A portion of the Fund's cash balance reserves will be used to cover the costs.

WATER & SEWER FUND CAPITAL PROJECTS

❖ Sewer System Improvements - \$628,000

Funds for sewer system improvements will be utilized to rehabilitate failing system appurtenances by means of slip lining sewer mains and recoating of sanitary manholes in order to reduce the amount of inflow/infiltration entering the system. Also engineering services for GIS updates and project design will be accomplished using these funds.

❖ Water Line Rehabilitation - \$85,471

Rehabilitation and upgrades to the City Potable Water System. Funds for water system improvements will be utilized to rehabilitate failing system appurtenances by means of replacing old water mains and upgrading existing infrastructure. Also engineering services for GIS updates and project design will be accomplished using these funds.

AIRPORT CAPITAL PROJECTS

❖ Parallel Taxiway Extension - \$120,000

This project is the design phase for the Partial Parallel Taxiway Extension to Runway 27. The existing taxiway to Runway 27 from the terminal area intersects the runway approximately 1,000 feet from the end therefore requiring that aircraft back-taxi for approximately 1,000 feet to have full runway length. The FAA has determined this to be a safety concern and has requested that the airport build a partial parallel taxiway. A Short Form Environmental Assessment was completed in 2013 resulting in a Finding of No Significant Impact. The design phase is the next step in the process of building the parallel taxiway. Funding for the project is 98% Federal and State funded. The city provides a 2.0% local match.

❖ Tree Clearing Project - \$31,240

Over the last 30 years trees have grown to a height that is beginning to encroach the runway approach zones. The first step in removing the trees is to identify the area that needs to be cut via an aerial survey. The cost of the survey is approximately \$31,240.00. Funding for the project will be 80% state funded by the Virginia Department of Aviation and the City local match requirement is 20%.

CITY OF FRANKLIN, VA – PROPOSED CAPITAL IMPROVEMENT PROGRAM FY 2016-17 TO FY 2020-21

<i>Project Description</i>		<i>Anticipated Revenue Source</i>	<i>FY 15-16 7/1/15 6/30/16</i>	<i>TOTAL FY 16/17 Proposed</i>	<i>FY 17/18 Request</i>	<i>FY 18/19 Request</i>	<i>FY 19/20 Request</i>	<i>FY 20/21 Request</i>	<i>Unfunded</i>	<i>5-Year CIP Cost FY 16/17-20/21</i>
GENERAL GOVERNMENT										
1	Voter Machine Replacement	Fund Balance		44,405	44,405				44,405	88,810
	TOTAL GENERAL GOVERNMENT			44,405	44,405				44,405	88,810
PUBLIC SAFETY										
2	Vehicle Replacement	Fund Balance		32,000						32,000
3	Station 1 Improvement Preliminary Design Year 1	Local			20,000	500,000			520,000	520,000
4	Engine 3 Replacement	Borrowing				\$450,000			450,000	450,000
5	Ladder 1 Replacement	Borrowing					1,250,000		1,250,000	1,250,000
6	Medic 2 Replacement	Grant			250,000				250,000	250,000
7	Police Vehicle Replacement	Local			50,000	50,000	50,000	50,000	200,000	200,000
8	E911 Communications Console Replacement	Local		175,480		450,000			450,000	625,480
9	Public Safety Building Improvement-Engineering Study	Local			50,000				50,000	50,000
	TOTAL PUBLIC SAFETY			207,480	370,000	1,450,000	1,300,000	50,000	3,170,000	3,377,480
PUBLIC WORKS										
10	Drainage System Improvements	Local	200,558	200,000	120,000	120,000	120,000	120,000	480,000	680,000
11	Street Improvements	Local	644,292	400,000	400,000	400,000	400,000	400,000	1,600,000	2,000,000
12	Traffic Signal Upgrades	Local	36,000	36,000	36,000	36,000	36,000	36,000	144,000	180,000
13	Skid Steer Machine *	Fund Balance		20,000						20,000
14	Vehicle Replacement (Streets Division) *	Local		15,000						15,000
15	City Buildings HVAC Replacement – City Hall, Police/Courts, EMS Facility, Business Center	Financing**			1,090,000				1,090,000	1,090,000
16	Ceiling Tile Replacement & Painting (City Hall, Police/Courts, EMS Facility, Health Dept., DSS	Financing**			135,064				135,064	135,064

CITY OF FRANKLIN, VA – PROPOSED CAPITAL IMPROVEMENT PROGRAM FY 2016-17 TO FY 2020-21

	<i>Project Description</i>	<i>Anticipated Revenue Source</i>	<i>FY 15-16 7/1/15 6/30/16</i>	<i>TOTAL FY 16/17 Proposed</i>	<i>FY 17/18 Request</i>	<i>FY 18/19 Request</i>	<i>FY 19/20 Request</i>	<i>FY 20/21 Request</i>	<i>Unfunded</i>	<i>5-Year CIP Cost FY 16/17-20/21</i>
PUBLIC WORKS CONTINUE										
17	Generator Acquisition-City Hall	Financing**			220,000				220,000	220,000
18	Backhoe	Local			130,000				130,000	130,000
<i>Transportation Safety/Street Projects</i>										
18	Intersection Improvements Per Comp Plan				220,000	220,000	220,000	220,000	880,000	880,000
19	North High Street Widening				3,200,000	3,200,000	3,200,000	3,200,000	12,800,000	12,800,000
20	Hunterdale Road Widening				3,600,000	3,600,000	3,600,000	3,600,000	14,400,000	14,400,000
21	Fairview Drive Widening	Fund Balance FY 16-17		170,000	1,200,000	1,200,000	1,200,000	1,200,000	4,800,000	4,970,000
22	Bobwhite Lane Connector to High Street				1,600,000	1,600,000	1,600,000	1,600,000	6,400,000	6,400,000
	TOTAL PUBLIC WORKS			841,000	11,951,064	10,376,000	10,376,000	10,376,000	43,079,064	43,920,064
COMMUNITY DEVELOPMENT										
23	Gateway Enhancement	Local, State & Grant Funds			40,000	40,000	75,000	75,000	230,000	230,000
	TOTAL COMMUNITY DEVELOPMENT				40,000	40,000	75,000	75,000	230,000	230,000
PARKS & RECREATION										
24	Playground Equipment at College Drive, Armory, Dr. MLK, Jr. Community Center and Bruce Street Parks				50,000	50,000	50,000	50,000	200,000	200,000
25	Resurface Basketball Courts – College Park							100,000	100,000	100,000
26	Hayden Sports Complex Lighting							150,000	150,000	150,000
27	Paul D. Camp Community College Athletic Complex					100,000	1,500,000	500,000	2,100,000	2,100,000
28	National Guard Armory Basketball Court Rehabilitation						92,000		92,000	92,000
	TOTAL PARKS & RECREATION				50,000	150,000	1,642,000	800,000	2,642,000	2,642,000

* Total cost of the project exceeds \$30,000; a portion of the cost is shared by other funds.
 **Total Projects = \$1,445,064 – Projects listed are bundled for a proposed Energy Solutions project whereby the savings realized from various energy efficiencies in lighting, heating and cooling will cover the costs.

CITY OF FRANKLIN, VA – PROPOSED CAPITAL IMPROVEMENT PROGRAM FY 2016-17 TO FY 2020-21

	<i>Project Description</i>	<i>Anticipated Revenue Source</i>	<i>FY 15-16 7/1/15 6/30/16</i>	<i>TOTAL FY 16/17 Proposed</i>	<i>FY 17/18 Request</i>	<i>FY 18/19 Request</i>	<i>FY 19/20 Request</i>	<i>FY 20/21 Request</i>	<i>Unfunded</i>	<i>5-Year CIP Cost FY 16/17-20/21</i>
SOLID WASTE FUND										
29	Collection Truck Replacement	User Fees	161,014	230,000						230,000
30	Equipment - Skid Steer & Service Vehicle	User Fees		30,000						30,000
	TOTAL SOLID WASTE FUND		161,014	260,000						260,000
ELECTRIC FUND										
30	Reconduct to Delivery 2 from Dominion's Station				510,000				510,000	510,000
31	New Circuit out of Delivery 3				100,000	150,000			250,000	250,000
32	Delivery 4					2,304,000			2,304,000	2,304,000
	TOTAL ELECTRIC FUND				610,000	2,454,000			3,064,000	3,064,000
WATER & SEWER FUND										
33	Skid Steer & Service Vehicle	User Fees		35,000						35,000
34	Sewer System Rehabilitation	User Fees	445,753	628,000	184,000	184,000	184,000	184,000	736,000	1,364,000
	Major Rehab Sewer System Projects								9,644,835	9,644,835
35	Enhancement Replacement – Sewer Cleaning Truck	User Fees						124,800	124,800	124,800
36	Water System Improvements	User Fees	672,297	85,471						85,471
37	Hunterdale Generator	User Fees			30,000	30,000	30,000	30,000	120,000	120,000
38	Pretlow Generator	User Fees			30,000	30,000	30,000	30,000	120,000	120,000
39	SCADA System for Well						100,000		100,000	100,000
	TOTAL WATER & SEWER FUND		1,118,050	748,471	244,000	244,000	344,000	368,800	10,845,635	11,594,106
AIRPORT FUND										
40	Design Cost – Parallel Taxiway	Fed, State, & Local		120,000						120,000
41	Tree Clearing	State & Local		31,240						31,240
	TOTAL AIRPORT FUND			151,240						151,240

	<i>Project Description</i>	<i>Anticipated Revenue Source</i>	<i>FY 15-16 7/1/15 6/30/16</i>	<i>TOTAL FY 16/17 Request</i>	<i>FY 17/18 Request</i>	<i>FY 18/19 Request</i>	<i>FY 19/20 Request</i>	<i>FY 20/21 Request</i>	<i>Unfunded</i>	<i>5-Year CIP Cost FY 16/17-20/21</i>
EDUCATION FUND										
42	S.P. Morton-Architectural/Engineering	Reserves		125,000	50,000	25,000			75,000	200,000
43	S. P. Morton-Classroom Replacement (32)			0	1,230,643				1,230,643	1,230,643
44	Bus Replacement	Reserves		195,000	194,000	80,000	80,000		354,000	549,000
45	Division Vehicles	Reserves		60,000						60,000
46	Storage Facility	Reserves		100,000						100,000
	TOTAL EDUCATION			480,000	1,474,643	105,000	80,000		1,659,643	2,139,643
	TOTAL ALL FUNDS (in millions)			\$2.73	\$14.78	\$14.81	\$13.81	\$11.66	64,730,474	\$67,336,103



June 23, 2016

To: Mayor & Council Members

From: R. Randy Martin

Subject: Charter Communications Request to Renew Cable Franchise Agreement

Background

Franklin City Council adopted a Franchise ordinance on April 22, 1996 known as the “Franklin Community Antenna Television Franchise Ordinance”. The original grantee was Insight Communications Company, L. P. which was a locally owned cable company. It was a 15 year franchise which expired April 21, 2011. The franchise was nonexclusive and covered the entire area of the city and had several provisions addressing other conditions. The franchise allowed assignment.

Although city records for the period are inconclusive, the franchise was assigned to Charter Communications sometime in 2001. The franchise had provisions, like all such agreements during the period, providing for the payment of a percentage of the annual gross receipts fees from subscribers of the service.

Effective January 1, 2007, federal and state regulatory changes eliminated local authority to collect revenues on gross receipts of the franchise replacing it with the current method whereby fees are collected by the State Department of Taxation as part of the Communications Sales & Use Tax. This action greatly changed the landscape in the local regulation of cable providers and negated provisions of franchises which conflicted.

As noted, the City franchise agreement expired in 2011. Charter Communications indicated a desire to renew the franchise, but the matter was not further pursued at the time. In 2014, Charter advised the City that negotiations were underway with Time Warner Cable for a merger.

In April, 2015, Charter announced the merger agreement was terminated. In summer, 2015, Charter representatives again indicated their desire to renew the City’s franchise. Other than preliminary discussions, little progress has been made until recently due to the city

administration's focus on other more pressing priorities. This is driven in part because Charter and the City obviously have been operating since 2011 without any identified issues without a franchise agreement in place. Nonetheless, Charter has been persistent in desiring renewal.

Next Steps

The City Attorney, who did much of the research on the background, and I are now fully engaged in pursuing the matter and expect to come to Council in the near term with a recommendation on next steps to address the Charter Communications request. In evaluating the proposed franchise agreement, we have engaged Isle of Wight County officials as they completed a franchise renewal in 2011 that is very comprehensive and helpful to our evaluation efforts.

No action is requested at this time, with a more comprehensive update forthcoming upon completion of further negotiations and research.



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

June 22, 2016

From: H. Taylor Williams, IV, City Attorney

To: Members of City Council

Re: New legislative requirement enacted under HB 818 regarding
Virginia Freedom of Information Act

In the most recent legislative assembly, HB 818 was enacted to amend in part Va. Code Section 2.2-3704.1 and to enact new Section 2.2-3704.2. Both of these enactments impact every locality placing some additional responsibilities of the localities. Section 2.2-3704.1 was amended to require each local public body to provide a link on the home page of its website to a “plain English” written and non technical, readily understandable language using words of common everyday usage explaining the rights of a requester and the procedures to obtain public records from the local public body.

Section 2.2-3704.2 requires that the local public body appoint a FOIA officer and provide contact information for the officer. The officer’s responsibility is to serve as a point of contact for members of the public in requesting public records and to coordinate the public body’s response and compliance with the FOIA chapter.

Section 2.2-3704.2 (D) further provides that the term “local public bodies” shall include constitutional officers, which in the City’s case would include the Treasurer and the Commissioner of the Revenue.

A proposed Rights and Responsibilities statement for the City of Franklin is included for review. If adopted the statement would be added to the home page of the City’s website. The statement as drafted does not include a reference to the Treasurer’s Office or the Commissioner of Revenue’s Office. If the Treasurer and/or the Commissioner desired to have a website it would be proper to put a FOIA Rights and Responsibilities statement on their respective websites. Absent creating websites for these constitutional offices it would be recommended the proposed statement be revised to include contact information for a FOIA officer in each constitutional office and put it on the City’s website.

Respectfully submitted,
H. Taylor Williams, IV
City Attorney

Rights & Responsibilities:

The Rights of Requesters and the Responsibilities of the City of Franklin, Virginia

Under the Virginia Freedom of Information Act

The Virginia Freedom of Information Act (FOIA), located § 2.2-3700 et seq. of the Code of Virginia, guarantees citizens of the Commonwealth and representatives of the media access to public records held by public bodies, public officials, and public employees.

A public record is any writing or recording -- regardless of whether it is a paper record, an electronic file, an audio or video recording, or any other format -- that is prepared or owned by, or in the possession of a public body or its officers, employees or agents in the transaction of public business. All public records are presumed to be open, and may only be withheld if a specific, statutory exemption applies.

The policy of FOIA states that the purpose of FOIA is to promote an increased awareness by all persons of governmental activities. In furthering this policy, FOIA requires that the law be interpreted liberally, in favor of access, and that any exemption allowing public records to be withheld must be interpreted narrowly.

Your FOIA Rights

- You have the right to request to inspect **or** receive copies of public records, or both.
- You have the right to request that any charges for the requested records be estimated in advance.
- If you believe that your FOIA rights have been violated, you may file a petition in district or circuit court to compel compliance with FOIA. Alternatively, you may contact the FOIA Council for a nonbinding advisory opinion.

Making a Request for records from the City of Franklin, Virginia

- You may request records by U.S. Mail, fax, e-mail, in person, or over the phone. FOIA does not require that your request be in writing, nor do you need to specifically state that you are requesting records under FOIA.

- From a practical perspective, it may be helpful to both you and the person receiving your request to put your request in writing. This allows you to create a record of your request. It also gives us a clear statement of what records you are requesting, so that there is no misunderstanding over a verbal request. However, we cannot refuse to respond to your FOIA request if you elect to not put it in writing.
- Your request must identify the records you are seeking with "reasonable specificity." This is a common-sense standard. It does not refer to or limit the volume or number of records that you are requesting; instead, it requires that you be specific enough so that we can identify and locate the records that you are seeking.
- Your request must ask for existing records or documents. FOIA gives you a right to inspect or copy **records**; it does not apply to a situation where you are asking general questions about the work of the City of Franklin, Virginia, nor does it require the City of Franklin, Virginia, to create a record that does not exist.
- You may choose to receive electronic records in any format used by the City of Franklin, Virginia, in the regular course of business.
 - For example, if you are requesting records maintained in an Excel database, you may elect to receive those records electronically, via e-mail or on a computer disk, or to receive a printed copy of those records
- If we have questions about your request, please cooperate with staff's efforts to clarify the type of records that you are seeking, or to attempt to reach a reasonable agreement about a response to a large request. Making a FOIA request is not an adversarial process, but we may need to discuss your request with you to ensure that we understand what records you are seeking.

To request records from the City of Franklin, Virginia, you may direct your request to H. Taylor Williams, IV, City Attorney. He can be reached at H. Taylor Williams, IV, 207 West 2nd Ave., Franklin, Virginia, 23851; 1-757-562-8505; twilliams@franklinva.com. You may also contact him with questions you have concerning requesting records from the City of Franklin, Virginia. In addition, the Freedom of Information Advisory Council is available to answer any questions you may have about FOIA. The Council may be contacted by e-mail at foiacouncil@dls.virginia.gov, or by phone at (804) 225-3056 or [toll free] 1-866-448-4100.

The City of Franklin, Virginia Responsibilities in Responding to Your Request

- The City of Franklin, Virginia, must respond to your request within five working days of receiving it. "Day One" is considered the day after your request is received. The five-day period does not include weekends or holidays.
- The reason behind your request for public records from City of Franklin, Virginia, is irrelevant, and you do not have to state why you want the records before we respond to your request. FOIA does, however, allow the City of Franklin, Virginia, to require you to provide your name and legal address.
- FOIA requires that the City of Franklin, Virginia, make one of the following responses to your request within the five-day time period:
 - 1) We provide you with the records that you have requested in their entirety.
 - 2) We withhold all of the records that you have requested, because all of the records are subject to a specific statutory exemption. If all of the records are being withheld, we must send you a response in writing. That writing must identify the volume and subject matter of the records being withheld, and state the specific section of the Code of Virginia that allows us to withhold the records.
 - 3) We provide some of the records that you have requested, but withhold other records. We cannot withhold an entire record if only a portion of it is subject to an exemption. In that instance, we may redact the portion of the record that may be withheld, and must provide you with the remainder of the record. We must provide you with a written response stating the specific section of the Code of Virginia that allows portions of the requested records to be withheld.
 - 4) We inform you in writing that the requested records cannot be found or do not exist (we do not have the records you want). However, if we know that another public body has the requested records, we must include contact information for the other public body in our response to you.
 - 5) If it is practically impossible for the City of Franklin, Virginia to respond to your request within the five-day period, we must state this in writing, explaining the conditions that make the response impossible. This will allow us seven additional working days to respond to your request, giving us a total of 12 working days to respond to your request.
- If you make a request for a very large number of records, and we feel that we cannot provide the records to you within 12 working days without disrupting our other organizational responsibilities, we may petition the court for additional time to respond to your request. However, FOIA requires that we make a reasonable effort to reach an agreement with you concerning the production of the records before we go to court to ask for more time.

Costs

- A public body may make reasonable charges not to exceed its actual cost incurred in accessing, duplicating, supplying, or searching for the requested records. No public body shall impose any extraneous, intermediary, or surplus fees or expenses to recoup the general costs associated with creating or maintaining records or transacting the general business of the public body. Any duplicating fee charged by a public body shall not exceed the actual cost of duplication. All charges for the supplying of requested records shall be estimated in advance at the request of the citizen as set forth in subsection F of § 2.2-3704 of the Code of Virginia.
- You may have to pay for the records that you request from the City of Franklin, Virginia. FOIA allows us to charge for the actual costs of responding to FOIA requests. This would include items like staff time spent searching for the requested records, copying costs, or any other costs directly related to supplying the requested records. It cannot include general overhead costs.
- If we estimate that it will cost more than \$200 to respond to your request, we may require you to pay a deposit, not to exceed the amount of the estimate, before proceeding with your request. The five days that we have to respond to your request does not include the time between when we ask for a deposit and when you respond.
- You may request that we estimate in advance the charges for supplying the records that you have requested. This will allow you to know about any costs upfront, or give you the opportunity to modify your request in an attempt to lower the estimated costs.
- If you owe us money from a previous FOIA request that has remained unpaid for more than 30 days, the City of Franklin, Virginia may require payment of the past-due bill before it will respond to your new FOIA request.

Types of records

The following is a general description of the types of records held by the City of Franklin, Virginia:

- Personnel records concerning employees and officials of the City of Franklin, Virginia.
- Records of contracts which the City of Franklin, Virginia, has entered into
- Records of meeting minutes

- Financial records such as budgets and audits

If you are unsure whether the City of Franklin, Virginia, has the record(s) you seek, please contact H. Taylor Williams, IV, directly at 1-757-562-8505 or twilliams@franklinva.com.

Commonly used exemptions

The Code of Virginia allows any public body to withhold certain records from public disclosure. The City of Franklin, Virginia, commonly withholds records subject to the following exemptions:

- Personnel records (§ 2.2-3705.1 (1) of the Code of Virginia)
- Records subject to attorney-client privilege (§ 2.2-3705.1 (2)) or attorney work product (§ 2.2-3705.1 (3))
- Vendor proprietary information (§ 2.2-3705.1 (6))
- Records relating to the negotiation and award of a contract, prior to a contract being awarded (§ 2.2-3705.1 (12))
- Records related to criminal law enforcement records (2.2-3706 (A)(2))
- Records retained for City of Franklin where disclosure is prohibited by law (2.2-3705.3, 2.2-3705.5 and 2.2-3705.7)

Policy regarding the use of exemptions

- The general policy of the City of Franklin, Virginia, is to invoke the personnel records exemption in those instances where it applies in order to protect the privacy of employees and officials of the City of Franklin, Virginia.
- The general policy of the City of Franklin, Virginia, is to invoke the contract negotiations exemption whenever it applies in order to protect the City of Franklin, Virginia's, bargaining position and negotiating strategy.



City Manager's Report

Franklin/Southampton County HRTPO Metropolitan Planning Area (MPA) Membership Update

The following are excerpts of a summary report prepared by Mike Johnson, Southampton County Administrator with input from HRTPO staff. As noted, he and I have had meetings with state and federal transportation officials and HRTPO staff to address this situation. Tonight, both Mike Johnson and I are briefing the elected officials of the County and City respectively before future action is considered by both bodies and by the HRTPO Board of Directors.

“ As you may recall, legislation approved by the General Assembly in 2013 established the Hampton Roads Transportation Fund (HRTF) and imposed an additional 2.1% sales tax on wholesale distributors of motor fuels and an additional 0.7% sales tax in all localities that are members of the Hampton Roads Planning District Commission, with the exception of Gloucester and Surry Counties, starting July 1 of that year.

These special revenues are paid into the state treasury and credited to the HRTF, and along with any interest earned on them are used solely for new construction projects on new or existing roads, bridges, and tunnels in the member localities. Priority is given to those projects that are expected to provide the greatest impact on reducing congestion for the greater number of citizens residing within Planning District 23 (HRPDC). *All candidate projects are first identified and recommended by the Hampton Roads Transportation Planning Organization (HRTPO) before they can be considered for funding with revenues from the HRTF.*

The HRTF is now managed by the Hampton Roads Transportation Accountability Commission (HRTAC), subsequently created by the legislature in 2014. HRTAC is responsible for allocating the new regional money to transportation projects identified by the HRTPO. While the 2014 legislation provided Southampton County and the City of Franklin with full voting rights on the HRTAC, neither community has ever been a member of the HRTPO, leaving us with no real voice on identification and prioritization of candidate projects. This has been a bit of a conundrum over the past 3 years. The HRTPO initially sought to address the issue by entering into a Memorandum of Agreement (MOA) with Franklin and Southampton County in 2013, which provided that:

1. Effective July 1, 2013, the HRTPO would establish “**Fund set-asides**” for the City of Franklin and Southampton County, comprised of those portions of HB2313 revenues collected in our respective localities, and reserve them for projects in Franklin and Southampton County;
2. Effective July 1, 2013, the City of Franklin and Southampton County would be entitled to one vote on actions of the HRTPO involving the allocation of funds for any project to be funded in whole or in part with HB2313 Revenues from the Fund set-asides;
3. The representatives from the City of Franklin and Southampton County would be invited to attend all meetings of the HRTPO in which any allocation of HB2313 Funds were to be discussed or otherwise considered and would be provided with all information and communications relating to the allocations that are provided to HRTPO members; and
4. For those meetings in which allocations of funds from the “Fund set-asides” are to be discussed or subjected to a vote, our representatives would be provided with all information and communications relating to the projects that are provided to the HRTPO members, and would be allowed to participate in discussions relating to the projects.

However, with the subsequent legislative changes in 2014 that created HRTAC, the HRTPO no longer has the ability to control HRTF funds and is powerless to create the “Fund set-asides.”

Over the past several months, Mr. Randy Martin, Franklin City Manager, and I have been working with Mr. Robert Crum, HRTPO Executive Director, and Ms. Camelia Ravanbakht, PhD, HRTPO Deputy Executive Director, to develop a concept that will remedy this issue.

The concept we’ve collaboratively developed, with input from state and federal officials, includes the following elements:

- Portions of the City of the Franklin and Southampton County that are situated east of Rt. 258 can be added to the Hampton Roads Metropolitan Planning Area (MPA), **providing the City and County with full voting rights on the HRTPO.** Transportation projects located within the expanded MPA would then be eligible to compete for funding with other regional projects. Transportation projects in the City and County that remain outside the MPA (west of Rt. 258) will retain access to other traditional state revenue streams, including rural transportation funds, and remain in scoring Category D (safety/economic development) for projects submitted for funding under HB 2;

- This approach would provide Southampton County and the City of Franklin full voting rights on the HRTPO Board on all HRTPO matters, along with voting rights on the Transportation Technical Advisory Committee (TTAC) and Citizen Transportation Advisory Committee (CTAC).
- Amend the current MOA to provide for a one-time fund set-aside equivalent to revenues paid into the HRTF by Franklin and Southampton County in FY 2014, plus interest, (approximately \$2 million), which can be made exclusively available (no competition) to the City and County for a project or project(s) along the Rt. 258 corridor; and
- Amend the current MOA to provide a commitment by the HRTPO to conduct a Rt. 58 Corridor Feasibility Study at its expense all the way to the Greenville County line sometime over the next 4 years. The HRTPO will closely collaborate and coordinate with VDOT to initiate and complete this feasibility study.

I expect this concept to be considered, and hopefully endorsed along with the amendments to the MOA, by the HRTPO at its next regular meeting on July 21st. As your appointed representative, I'm sure Mr. Porter is interested in your thoughts and comments so that he may relay them to the HRTPO at this meeting. If endorsed by the HRTPO, I intend to present a proposed "Amended and Restated MOA" for your consideration on July 25th."

As stated by Mr. Johnson in the closing paragraph to the County Supervisors, we expect the HRTPO Board of Directors to consider action on this concept at their July meeting. Vice Mayor Cheatham as the city's representative to the HRTPO will represent Council at that meeting. I will attend as well and advocate the city's interests along with the Vice Mayor.

In like manner to the County, if the HRTPO approves the matter on July 21st I will include the "Amended and Restated MOA" on the July 25th Council agenda for action. No action is requested at this meeting.

R. Randy Martin
City Manager

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