

AGENDA

FRANKLIN CITY COUNCIL
MONDAY, FEBRUARY 13, 2017 – CITY HALL COUNCIL CHAMBERS – 207 W. SECOND AVE.

6:30 P.M.

Recessed Meeting from January 31, 2017

Call To Order MAYOR FRANK M. RABIL

Closed Session

I move that the Franklin City Council meet in Closed Session to discuss and consider appointments to boards and commissions pursuant to Virginia Code Section 2.2 – 3711 (A) (1).

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

Adjourn

7:00 P.M.

Regular Meeting

Call To Order MAYOR FRANK M. RABIL

PLEASE TURN OFF CELL PHONES MAYOR FRANK M. RABIL

PLEDGE OF ALLEGIANCE

CITIZENS' TIME

AMENDMENTS TO AGENDA

1. CONSENT AGENDA
 - A. Minutes: January 23, 2017 Regular Meeting and January 31, 2017 Called Meeting
 - B. Proclamation “NEA Read Across America” – March 2, 2017
2. PUBLIC HEARING
 - A. Franklin City School Board Nominations Ward 5 (Continued from January 23, 2017 Council Meeting)
3. FINANCE
 - A. FY 2015 – 2016 CAFR/Audit Presentation - Robin Jones of Credle, Jones & Alga, CPA’s (Separate File)
 - B. Financial Report: December, 2016 (Mid-Year)
 - C. FY 2017 – 2018 Tentative Budget Calendar
4. OLD/NEW BUSINESS
 - A. Franklin City School Board Ward 4 Vacancy Appointment
 - B. FHRA Tax Credit Resolution Request – Phillip Page, Executive Director, FHRA
 - C. City Manager’s Report
5. COUNCIL/STAFF Reports on Boards/Commissions
6. Closed Session

I move that the Franklin City Council meet in closed session to discuss a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community pursuant to Virginia Code Section 2.2 – 3711 (A) (5).

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

7. ADJOURNMENT

UPCOMING ITEMS TO BE SCHEDULED

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

SUBJECT**TENTATIVE TIME LINE**

**Hampton Roads Hazard Mitigation Plan 2017 Update
Commercial Rehabilitation Loan Program**

**February 27, 2017
TBA**

CONSENT AGENDA

- A. Minutes: January 23, 2017 Regular Meeting & January 31, 2017 Called Meeting**
- B. Proclamation “NEA Read Across America” – March 2, 2017
Council Action Recommendation: Adopt Proclamation**

The Franklin City Council held its regular meeting on Monday, January 23, 2016 at 7:00 p.m. in the Council Chambers at City Hall.

Council Members in Attendance: Mayor Frank Rabil, Barry Cheatham, Vice-Mayor; Linwood Johnson, Bill Scarboro, Mary Hilliard, Greg McLemore, Benny Burgess.

Staff in Attendance: Randy Martin, City Manager; Taylor Williams, City Attorney; Russ Pace, Director of Public Works; Chief Vince Holt, Director of Emergency Services; Melissa Rollins, Finance Director; and Jennifer Maynard, Voter Registrar.

Others in Attendance: Officer Brian Snow, Franklin Police Department; Officer Anthony Cissell, Franklin Police Department; Lieutenant Patrick Wilson, Franklin Police Department; Dan Howe, Executive Director, Downtown Franklin Association, Inc.; and 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: December 12, 2016 Regular Meeting

Mayor Rabil asked if there were any corrections to the minutes of the December 12, 2016 Regular meeting. Hearing none, he asked for a motion. Vice-Mayor Cheatham made the motion to approve the December 12, 2016 Regular meeting and Councilwoman Hilliard seconded it.

The motion was approved by a 7 – 0 vote.

Departmental Reports: December, 2016

There were no questions or comments concerning the departmental reports.

Public Hearing: Franklin City School Board Nominations

Mayor Rabil recognized Attorney Williams to review the notice for the School Board Vacancy Nomination public hearing. Attorney Williams also reviewed the qualifications for consideration to be appointed to the Franklin City School Board.

The Public Hearing was opened at 6:10 p.m.

Mr. Lawyer Artis of 401 Harrison Street nominated Mr. Michael Foreman for the Ward 4 School Board seat. Mr. Artis noted that Mr. Foreman has lived in Franklin all his life and referenced his education.

Dr. Alvin Harris of 1100 North High Street nominated Mrs. Mona Murphy and shared her qualifications and reminded the Council that she has previously served on the school board and the city council.

Mr. Bobby Tyler of 108 Queen's Lane nominated Mr. Michael Foreman for the Ward 4 school board citing that his desire is to make a difference in his community.

Ms. Alice Bryant of 501 North High Street nominated Mrs. Mona Murphy noting her dedication and commitment to children. Ms. Bryant also spoke about her willingness to help people.

Ms. Marchelle Williams nominated herself citing her educational background, past teaching experience and her current role as a case manager for the Western Tidewater Community Services Board.

Ms. Joanna McBride of 309 South Main Street nominated Ms. Williams, who is her neighbor, noting that she would be an ideal candidate based on her work with children. Currently Ms. Williams specializes in working with mentally challenged children and adults.

Mayor Rabil asked if there were any other nominations for the school board seats for Wards 4 or 5; upon hearing none he asked for a motion. After Council comments, Councilman McLemore made the motion to accept the nominations for Ward 4 and close the Ward 4 portion of the Public Hearing but continue the Public Hearing to receive Ward 5 nominations to the February 13, 2017 meeting. Councilman Johnson seconded the motion.

The public hearing was closed at 6:41 p.m. for the nominations for Ward 4. The public hearing for the nominations for Ward 5 were continued to the February 13th Council meeting. Currently there are no nominations for Ward 5.

Mayor Rabil thanked everyone for coming out and showing interest in the public schools and for participating in the public hearing. He also thanked those individuals nominated for their willingness to serve in this capacity.

Manager Martin asked for the desire of Council in regards to setting up interviews for the Ward 4 nominees that were presented. It was the consensus of Council to set a Called meeting to conduct interviews for Tuesday, January 31, 2017 beginning at 6:00 p.m. in the Council chambers.

FINANCE**FY 2016 – 2017 CITY BUDGET AMENDMENTS # 2017 – 07**

Mayor Rabil recognized Finance Director Rollins to present FY 2016 – 2017 City Budget Amendment # 2017 – 07.

Director Rollins reported that the City had received donations for the Fire & Rescue department. The donations are as follows:

1. Fund 100 – Enviva Holdings for services rendered to the community. The request is to amend the Fire & Rescue Budget furniture and office equipment line item in the amount of \$5,000.
2. Fund 220 – Camp Family Foundations in the amount of \$12,700 to support the operations of the City’s Police Department and Franklin & Hunterdale (Pass through funding) in the following amounts:
 - A. Franklin Police Department - \$5,000
 - B. Franklin Fire and Rescue - \$5,000
 - C. Hunterdale Fire & Rescue - \$2,700Total: \$12,700
3. Franklin Southampton Charities
 - A. Hunterdale Fire & Rescue - \$5,000
 - B. Franklin Fire & Rescue - \$5,000Total: \$10,000

The required action from City Council is to: (1) Accept the various local grant awards, (2) amend the additional revenue to the FY 16 – 17 budget and (3) appropriate the funds for expenditure as outlined by adopting budget ordinance amendment # 2017 - 07.

The City Council approved the 2016 – 2017 Budget for Smart Beginnings to include a contingent projection of prior year carryover. The projected carryover was \$38,668. The end of year financial reports reflect an actual cash balance carryover of \$33,325 which is a difference of \$5,343. The current year appropriation should be reduced by this amount.

The required action by City Council is to amend the FY 2016 – 2017 Budget by \$5,343 to reflect a reduction in actual carryover from FY 2015 – 2016. This amendment is also included in budget ordinance amendment #2017 – 07.

Councilman Burgess made the motion to amend, accept and appropriate the funds as outlined in City Budget amendment # 2017 – 07. Vice-Mayor Cheatham seconded the motion.

Mayor Rabil asked if there were any questions and hearing none asked for the vote.

The motion was approved by a 7 – 0 vote.

Financial Report: November, 2016

General Fund

Director Rollins presented the November, 2016 Financial Report. She commented that the November, 2016 financial report reflects five months of revenue & expenditures in most cases with estimates where noted. Director Rollins reported that the six month report will be available at the next meeting and expand the financial reporting.

Revenue Highlights

Overall General Property Taxes collected in the amount of \$2.87 million reflects an increase from the prior year collections of \$2.448.

- **Current Real Estate taxes** - \$1.75 million is \$504,000 more than the prior year.
- **Delinquent RE taxes** of \$129,550 are on target with 54% of the budget realized even though collections lag prior year period.
- **Personal Property taxes** at \$833,000 are 55.6% of budget and track similar to the prior year.
- **Penalty and Interest** at \$35,504 is 23% of budget and down from the prior year period due to previous year delinquent collections.
- **Public Service Corporation taxes** reflect zero collections in November. Revenue subsequently received in December 2016 of \$68,168 is 100% of budget.

Councilman Johnson asked Director Rollins if the 54% of delinquent taxes included in the current budget as being collected is of concern.

Director Rollins stated that the report is only year to date and not considered a concern at this time.

Local Tax Revenue realized is 32.9% of Budget.

- Local Sales & Use taxes collected are \$716,789
- Cigarette Taxes collected are \$115,622
- Meals Taxes collected are \$612,823
- Lodging Taxes collected are \$62,520

Revenue Summary

Overall, total current general fund revenue reported at \$8.63 million (38.4% of budget) is a net of \$332,000 more when compared to the \$8.30 mil (35.2 % of budget) realized at 11/30/15.

General Fund Expenditure Highlights

General Fund expenditures overall are in sync with prior year period with \$7.84 million or 34.5% of the budget spent at 11/30/16 compared to \$8.13 million also 35% of the budget spent at 11/30/15.

Enterprise Funds

Airport Fund

Revenue from fuel sales and airport rental fees are on target with budgeted projections with 43% of budget realized. Airport rental and fees are on target with 41% of the budget realized.

Expenditures

- Tree clearing project completed with the City contributing 9% or \$2,116 of the total costs with grants paying the balance
- Expenditures for jet fuel increased from the prior year period. No purchases had been made at 11/30/15.

Water & Sewer Fund

Revenue Analysis

- Revenue from the sale of water and sewer service charges of \$1.41 million at November 30th is tracking on target at 41% of the budget and consistent with prior trends.

Expenditure Analysis

- Expenditures in the Fund are \$995,000 or 10.6% less than the prior year; water rehabilitation improvements were made in the prior fiscal year accounting for the variation between years.

Cash Balance

- The cash balance in the Fund at the end of the month is \$1.82 million, a 7.0% increase from the \$1.70 million reported October, 2015, but 10% less than the \$2.0 million reported in the prior year period.

Solid Waste Fund

Revenue Analysis

- Revenue for the Solid Waste Fund is on target with budgeted projections at \$544,000 or 41% and is comparable to prior year period collections of \$541,000.

Expenditure Analysis

- Total expenditures as shown at \$475,557 are nearly \$80,000 or 20% higher than the prior period and represents 31% of the total budget.

Cash Balance

- The cash balance in the Fund at the end of the month is \$422,723.

Electric Fund

Revenue Analysis

- **Revenue** from energy sales at \$4.80 million is on target at 40.3% of budget.
- **Expenditures** associated with the sale of energy (excluding the fuel adjustment) is currently on target at \$3.87 million with 37% of the total budget expended at November 30th.

Councilman McLemore asked if the City is going to be over budget.

Director Rollins stated that the city does not project any over expenditure at this time.

Mayor Rabil asked if there were any other questions or comments.

Councilman Burgess asked if we were still on target with our general fund projections even though it is down in some areas.

Director Rollins stated that when she reports the December, 2016 six month financial report she will have a more concrete projection as to if there are any areas of concern.

Vice-Mayor Cheatham asked if by changing the policy to level billing for the electric fund, the result is having a positive impact on the cash dip that the city experienced in past years in the winter months in the electric fund?

Director Rollins stated that she could not give a definitive answer to that question without further analysis of the next few months experience.

There were no further questions or comments concerning the November, 2016 financial report.

OLD/NEW BUSINESS

Ward 6 Council Seat Special Election Schedule

Mayor Rabil recognized Attorney Williams to report on the special election to fill the vacancy of the Ward 6 Council seat. Attorney Williams reminded Council of the Writ of Special Election that was granted by the Southampton Circuit Court to fill the unexpired term for the Ward 6 City Council seat. A special election has been scheduled for May 2, 2017. Attorney Williams advised any person interested in running for the vacant seat in Ward 6 stop in and see Jennifer Maynard the Voter Registrar.

Attorney Williams stated some requirements and some important dates. They are follows:

1. To be a candidate a person must be qualified to vote for and hold the office sought;
2. To be a candidate a person must be a resident of the Commonwealth for one year immediately preceding the election;
3. To be a candidate a person must be a resident, by March 7, 2017, of the City and of Ward 6 or have an application for change of address on file in the registrar's office;
4. To be on the ballot, a candidate must have at least 125 signatures of qualified voters residing in Ward 6 by March 7, 2017, or have the endorsement of a party and have the party chair certify the candidate on or before March 13, 2017;
5. The last day to register to vote in this Special Election for Ward 6 is Monday, April 10, 2017;
6. The deadline to apply in person for an absentee ballot is April 29, 2017, or to apply by mail or online is April 25, 2017.

City Manager's Report

VDOT Handout

Manager Martin distributed a handout to the Council concerning the VDOT South Quay Bridge (Route 189) Replacement project located outside the city limits in Southampton County/City of Suffolk for public information. Manager Martin stated that it is not in the City of Franklin but it will affect travel for our citizens. He stated that this will be a much needed improvement, but construction is not expected until at least 2020.

HRTPO Appointment Actions

Manager Martin stated that previously the Council had appointed as city representatives to the HRTPO Board Vice-Mayor Cheatham and Manager Martin as voting members. The structure of the board has changed. Manager Martin recommended that the Council appoint Mayor Rabil as alternate voting member and Vice-Mayor Cheatham as the regular voting member and the CAO non-voting member as himself. Manager Martin deferred to Mayor Rabil and Vice-Mayor Cheatham to comment on his report. Mayor Rabil and Vice-Mayor Cheatham had nothing to add.

Mayor Rabil asked for a motion for Manager Martin's recommendation.

Councilman Scarboro made the motion to appoint Mayor Rabil (alternate) and Vice-Mayor Cheatham (regular) as the city's voting members on the HRTPO Board of Directors and Manager Martin as the non-voting member. Councilman Johnson seconded the motion.

Mayor Rabil asked if there were any questions; hearing none Council voted.

The motion was approved by a 7 – 0 vote.

FY 2015 – 2016 City Audit Status Update

Manager Martin updated Council on the final audit for FY 2015 – 2016. He stated that the final audit would be presented by the auditor at an upcoming meeting in February. Manager Martin commented that it is a favorable report for the city's financials.

SPSA Tip Fee Credit

Manager Martin referenced a letter to Mayor Rabil that was included in the agenda. The correspondence was from SPSA regarding the City of Franklin receiving a credit in the amount of \$34,862. The funds were placed toward the city's SPSA account as of January 2, 2017. This credit will be applied to the January bill and the remainder of the credit will be utilized for part of the February bill. Manager Martin added that this credit will boost the solid waste fund cash reserves.

Councilman Johnson asked if the credit was due to the amount of our waste stream.

Manager Martin and Attorney Williams advised that the credit is based on our share of the distribution of a tip fee stabilization fund set aside that is no longer necessary.

Manager Martin stated that the city paid about one percent of the waste fees to SPSA that created this fund and that is what we received; the credit is for fees paid in 2013.

Councilman Burgess asked Manager Martin to give an update on where we with the water/sewer utility study.

Manager Martin stated that the committee has distributed an RFP and received a response for the asset evaluation for the next step. We only received one proposal that both the County Administrator and the City Manager are currently reviewing. Administrator Johnson and City Manager Martin will be giving a summary of the proposal at the upcoming City/County Shared Services Committee meeting on January

25, 2017. The recommendation will be for the current proposal to be evaluated by the subcommittee that Councilman Burgess is on as the Council's representative to decide what the next steps will be.

Councilman Burgess stated that he has been receiving an influx of calls from citizens concerning phones in the City Administration building not being answered and messages not being returned.

Manager Martin commented on possible items that contribute to conditions raising the concern. He stated that he would further evaluate the situation and address the concerns with staff.

COUNCIL/STAFF REPORTS ON BOARDS & COMMISSIONS

Councilman Burgess reported on the Franklin Business Center meeting that was held on January 18, 2017. He informed Council that Randy Betz, who is the board representative for Paul D. Camp Community College, has taken a new job and moved from the area. Councilman Burgess shared that he has been a valuable asset and he will be missed. Whoever takes his position at the college will assume his vacant seat on the Franklin Business Center Advisory Board.

At the meeting, they held elections for officers. Councilman Burgess was selected as the Chairman and Lynn Powell is the Vice-Chairman. They are continuing to discuss the transition with Highground Services moving into their own building creating available space for other businesses in the business center.

Councilman Johnson reported on the Governor's budget meeting attended on January 14, 2017. Some of the topics discussed were: Lunch programs for the schools; raises and Amanda Jarratt gave a wonderful presentation about the economic development program including the Business Center.

Councilman Johnson also thanked the Emergency Services and Police Department for assisting his relative that fell while visiting him. He commented that he would like for the City to be better prepared in the future for weather events that take place.

Vice-Mayor Cheatham reported on the Western Tidewater Regional Jail. Currently the federal inmate count is a little higher than what was budgeted. Vice-Mayor Cheatham advised of some of the programs that the jail currently offers inmates. It is hoped that through these programs it will decrease the chances of inmates returning once they are released.

Vice-Mayor Cheatham also reported on the HRTPO meeting. He reported on some of the current projects. Vice-Mayor Cheatham reported that the HRTPO can only recommend the projects but HRTAC decides whether or not to fund the projects.

Vice-Mayor Cheatham commented on the HRPDC meeting. He reviewed a few of the topics that were touched on including regional data reports.

Councilman McLemore acknowledged former Council member Mona Murphy and Lawyer Artis, the Vice Chair of the Planning Commission for attending the Council meeting.

Mayor Rabil also thanked everyone for attending the meeting. He reported on a meeting that he and Manager Martin attended with the regional Opportunity, Inc. organization concerning their strategic plan

for the next ten years. Overall, the meeting was to make sure that they are working with the communities to offer workforce programs that will be helpful to their clients in the region.

Mayor Rabil reported that there are twelve applicants thus far for the \$60,000 Start Up Franklin grant being offered for new businesses. The application process will close on February 1, 2017.

Mayor Rabil also reported on the various ribbon cuttings for the opening of new businesses. He mentioned the Community Leadership breakfast scheduled for February 11, 2017. Mayor Rabil commented that there are a lot of good things happening here in the City of Franklin.

Mayor Rabil thanked everyone for all their work and time on the boards and commissions. He stated that being on these Boards and Commissions requires a lot of time and commitment from those who participate in them.

Councilwoman Hilliard asked if the Council still received emails concerning the ribbon cutting ceremonies because she had not seen any in a while.

Mayor Rabil stated that if the business is a member of the Chamber we receive notice. He commented that lately he has been receiving phone calls the day before letting him know of a ribbon cutting taking place the next day. He stated that he would send out emails, to the members of Council if he is given enough notice. Manager Martin stated he would also forward any notices he receives.

Mayor Rabil asked for a motion to go into closed session.

Closed Session

Vice-Mayor Cheatham made the motion that the Franklin City Council meet in Closed Session to consider appointments to boards and commissions pursuant to Virginia Code Section 2.2 – 3711 (A) (1). Councilwoman Hilliard seconded the motion.

The motion was approved by a 7 – 0 vote.

The Council entered into closed session at 8:28 p.m.

Mayor Rabil reconvened the open session at 8:34 p.m. and asked for a motion certifying the closed session.

Vice-Mayor Cheatham made a motion certifying that the only matters discussed during the closed session were those lawfully exempted from open meeting requirements and identified in the motion by which the closed session was convened. The motion was seconded by Councilwoman Hilliard.

The motion was approved by a 7 – 0 vote.

Action

A motion was made by Councilman Burgess to reappoint Ms. Phyllis Austin to another four year term on the Western Tidewater Community Services Board and appoint Chief Vice Holt to the Tidewater Emergency Medical Services Board of Directors. Councilman Johnson seconded the motion.

The motion was approved by a 7 – 0 vote.

Adjournment

Vice-Mayor Cheatham made a motion to adjourn the meeting which was seconded by Councilman Burgess.

The motion was approved by a 7 – 0 vote.

Mayor Rabil declared the meeting adjourned at 8:36 p.m.

These Minutes for the January 23, 2017 City Council Regular Meeting were adopted on the 13th day of February, 2017.

Mayor

Clerk to City Council

Council Members in Attendance: Frank Rabil, Mayor; Barry Cheatham, Vice-Mayor; Benny Burgess, Linwood Johnson, Mary Hilliard, Bill Scarboro and Greg McLemore.

The Franklin City Council held a called meeting on Tuesday, January 31, 2017 at 6:00 p.m. in the Council Chambers at City Hall to interview nominees for appointment to the Franklin City School Board to fill a vacancy in the Ward 4 seat. The nominations were received at a public hearing held on January 23, 2017 and were as follows:

Mrs. Mona Murphy
Mr. Michael Foreman
Ms. Marchelle Williams

Mayor Rabil opened the called meeting, reviewed the process for filling the vacancy and asked for a motion to go into closed session.

CLOSED SESSION

Councilman Scarboro moved that the Franklin City Council meet in closed session to consider, discuss and interview nominated candidates for appointment to the Ward 4 seat vacancy on the Franklin City School Board pursuant to Virginia Code 2.2 – 3711 (A)(1). Vice-Mayor Cheatham seconded the motion.

The motion was approved by a 7 – 0 vote.

The City Council entered Closed Session at 6:10 P.M.

Mayor Rabil reconvened the open session at 8:25 p.m. and asked for a motion certifying the closed session. Vice-Mayor Cheatham made a motion that the only matters discussed during the closed session were those lawfully exempted from open meeting requirements and identified in the motion by which the closed session was convened. Councilwoman Hilliard seconded the motion.

The motion was approved by a 7 – 0 vote.

Recess

Mayor Rabil recommended that Council continue the discussion on the Ward 4 vacancy school board appointment at a closed session meeting on Monday, February 13, 2017 at 6:00 p.m. prior to the regularly scheduled meeting. Mayor Rabil then declared this meeting recessed.

The meeting was recessed at 8:27 p.m.

These Minutes for January 31, 2017 Called Council Meeting were adopted on the 13th day of February, 2017.

Mayor

Clerk to City Council

NEA's Read Across America



WHEREAS, the citizens of Franklin, Virginia stand firmly committed to promoting reading as the catalyst for our students' future academic success, their preparation for America's jobs of the future, and their ability to compete in a global economy; and

WHEREAS, The Children's Center has provided significant leadership in the area of community involvement in the education of our youth, grounded in the principle that educational investment is key to the community's well-being and long-term quality of life; and

WHEREAS, "NEA's Read Across America," a national celebration of Dr. Seuss's 113th birthday on **March 2, 2017**, promotes reading and adult involvement in the education of our community's students;

THEREFORE, BE IT RESOLVED, that the **Franklin City Council** calls on the citizens of Franklin, Virginia to assure that every child is in a safe place reading together with a caring adult on **March 2, 2017**;

AND, BE IT FURTHER RESOLVED, that this body enthusiastically endorses "NEA's Read Across America" and recommits our community to engage in programs and activities to make America's children the best readers in the world.

PROCLAIMED, this 13th day of February, 2017.

A handwritten signature in black ink, appearing to read "Frank M. Rabil", is written over a horizontal line.

Frank M. Rabil, Mayor



PUBLIC HEARING

**A. Franklin City School Board Nominations Ward 5 (Continued from
January 23, 2017 Council Meeting)**



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

January 24, 2017

From: H. Taylor Williams, IV

To: Members of City Council

Re: Public Hearing to receive public comment and nominations for School Board

City Council has continued the Public Hearing held January 23, 2017 to Monday, February 13, 2017, as the date for the Public Hearing to receive public comment and nominations of persons to serve as representative of Ward 5 on the Franklin City School Board. The required Notice of Public Hearing was advertised in the Tidewater News on Wednesday, January 11, 2017. The Ward 5 seat is vacant due to resignation. To be considered for appointment nominations must be received during this Public Hearing. The list of qualifications to be considered as a representative on the school board are:

1. A person must be nominated at the public hearing on February 13. A person can be nominated by anyone, including a person nominating himself or herself.
2. No person can be considered to serve on school board if he/she is not nominated in the public hearing on February 13, 2017.
3. A person can be nominated to represent the ward in which he or she is a resident. Those former representatives of the school board who recently resigned can be nominated to serve on school board.
4. A person being nominated to represent a ward must be a bona fide resident of that ward.
5. To serve on the school board a person must be qualified to vote and be a registered voter.
6. No city officer, nor the deputy clerk of any such officer, can be appointed to serve on the school board.
7. No member of city council can be appointed to the school board.
8. No employee of the school board can be appointed to the school board.
9. The following persons related to any member of the City Council cannot serve on the school board: no father, mother, brother, sister, spouse, son, daughter, son-in-law, daughter-in-law, sister-in-law or brother-in-law of a member of the governing body may, during his term be appointed to the school board.

10. These appointments to serve on Franklin City School Board are to fill a vacancy and as such the appointment is not for a regular 3-year term. The appointments will be to fill the unexpired term of the representative of the vacant ward. The appointment for Ward 5 will expire June 30, 2018. The appointment process occurs in May of every year for the terms that expire on June 30 of that year. Persons appointed to fill the vacancies on school board now can be reappointed for the regular 3 year term if the person is nominated again in a public hearing and is approved by City Council. The new 3 year regular term will begin on July 1 of the year of appointment.
11. No person nominated to serve on school board and appointed by the City Council can begin to serve until he or she first goes to the Circuit Court Clerk's Office in Courtland to be sworn in to office by the clerk of court.

H. Taylor Williams, IV
City Attorney

NOTICE OF PUBLIC HEARING FOR NOMINATION OF PERSONS TO THE FRANKLIN CITY SCHOOL BOARD

The Franklin City Council will conduct a Public Hearing at its regular meeting to be held on Monday, January 23, 2017 at 7:00 p.m. at the Franklin City Hall at 207 West Second Avenue, Franklin, Virginia 23851 for the purpose of receiving nominations for persons interested in serving on the Franklin City School Board and to receive comments on any nominee. Nominations will be to fill existing vacancies in Wards 4 and 5. Any person appointed to fill a vacancy will only serve until the current term expires. Persons appointed will be eligible for reappointment for full terms when the current term expires. Any person desiring to nominate individuals to serve on the Franklin City School Board should attend the Public Hearing date of January 23 and make such nomination as he or she desires. A resume may be presented to Council at that time. No nominee or applicant whose name has not been considered at this Public Hearing shall be appointed as a school board member. The public hearing is to be held at a public facility to be accessible to persons with disabilities. Any persons with questions concerning the accessibility of the facility or those who have need for reasonable accommodations should contact Teresa Rose-McQuay at (757) 562-8508. Persons needing interpreter services for the deaf must notify Mrs. McQuay at least seven (7) days in advance of the hearing.

Franklin City Council
R. Randy Martin, Clerk

FINANCE

- A. FY 2015 – 2016 CAFR/Audit Presentation - Robin Jones of Credle, Jones & Alga, CPA's (Separate File)**
- B. Financial Report: December, 2016 (Mid-Year)**
- C. FY 2017 – 2018 Tentative Budget Calendar**



*Office of the City Manager
R. Randy Martin*

To: Mayor & Council Members
From: R. Randy Martin, City Manager
Subject: FY 2015 – 2016 CAFR/AUDIT Update

Copies of the FY 2015 – 2016 Comprehensive Annual Financial Report (CAFR) containing the results of the City's required Independent Auditor assessment have been separately distributed to Council for review. Ms. Robin Jones of Credle, Jones, & Alga, CPA's will attend the Council meeting on 2/13/17 to present the audit results. This is the initial year of the city's contract for auditing services with Credle, Jones, & Alga, CPA's. The first year of an auditing engagement typically is more extensive and time consuming than subsequent years, but the auditors completed the required filings within the extended time period authorized by the state. This was achieved despite delays in the auditor receiving required information from the School Division in the period from July through November, 2016. These information items were not new requirements in terms of information typically requested by the auditors and should have been readily available from School Division staff.

I am pleased to report that since November, 2016, the School Division has been most responsive in providing requested information which allowed the auditors to perform and meet their obligations.

The auditors will comment on their efforts and observations reflected in the audit, but I am most pleased with the outcome as the city staff and particularly the Finance Department once again was able to avoid any new findings in the audit. Thanks to the City Council supplemental appropriation in November, 2016 of \$494,643.00 in prior year school carryover funding, the School Division avoided a finding for exceeding their appropriation. Without the appropriation this would have been a finding, but their spending exceeded available revenues regardless and created a cash deficit in the fund as noted in the CAFR of \$235,547.00. The auditor did include follow up comments on the prior year audit findings as required with updates on the corrective actions being taken by the School Board to address recommended internal control policy changes and amendments since last year. As Council has been previously advised, the School Division is committed to addressing the recommendations.

One of the recommendations to improve communication between the City and School Division, since the prior year audit, was to involve the School Division in pre-audit and audit exit conference meetings. I can report that this was accomplished with School Division personnel involved in both meetings this year.

The auditors will also provide the city the standard Management Letter containing recommendations that do not rise to the level as a finding, but which are an opportunity for strengthening internal controls and operating efficiency. I expect the final letter to be received and made available to Council prior to or at Monday's meeting. The auditors reviewed their Management Letter comments in draft form with staff concerning city operations and school division operations at the audit exit conference.

As evidence of the benefits of improved City and School Division communications, I have received and will distribute with the auditor's Management Letter city and school division staff responses to the draft Management Letter comments received from the auditors. This rapid response is most timely and much improved over prior year processes. I congratulate City Finance Director Melissa Rollins and School Division Interim Superintendent Kelvin Edwards and Interim Finance Officer Sheila Minor for coordinating these responses consistent with standard operating procedures for such matters.

Attached is an overview of significant highlights of the CAFR from Director Rollins. As noted, the CAFR/Audit has once again been submitted to the Government Finance Officers Association (GFOA) for consideration of their annual award for excellence in financial reporting. We are hopeful the city will again be recognized for this achievement. Ms. Rollins and the Finance Department are to be commended for making this a priority. All City Departments should also be recognized for their contributions to another good fiscal outcome in FY 2015 – 2016 aimed at achieving city financial goals. I appreciate the City Council's support for the city's efforts in financial management policies and compliance.

Enclosures



February 9, 2017

TO: R. Randy Martin, City Manager

FROM: Melissa D. Rollins, Director of Finance 

RE: City of Franklin Comprehensive Annual Financial Report (CAFR) 6/30/16

The audit firm of Creedle, Jones & Alga is scheduled to be present on Monday, February 13th to present the City's Comprehensive Annual Financial Report (CAFR) for the period ending June 30, 2016.

It is the responsibility of management to prepare and present financial statements in accordance with generally accepted accounting principles in addition to maintaining an internal control structure that permits presentation of financial statements that are free from material misstatements. While recommendations have been made to the City on areas for strengthening internal controls and operational efficiency, we are pleased to report that the City has received an unmodified or "clean" opinion from the auditing firm. No material weaknesses or significant deficiencies were identified [Schedule of Findings and Questioned Costs – page 142]. The auditors have also expressed an opinion on the City's financial statements and financial position as referenced in the Independent Auditor's Report [pages 1-2 of the CAFR].

The following sections of the report provide a general overview of the contents of the audit. Readers are encouraged to read these documents in addition to the enclosed statements.

- Transmittal Letter – pages xiv-xxi of the document – provides an overview of the City's economic outlook, significant financial policies such as fund balance, accomplishments and initiatives during the fiscal year and information on the City's budgetary and internal control structure.
- Management Discussion & Analysis – pages 4-14 of the document provides an overall review of the City's financial activities and performance for the fiscal year.

We believe that the City's CAFR meets the criteria set forth under GFOA's standards for excellence in financial reporting and the report has been submitted to GFOA for consideration of the Certificate of Achievement for Excellence in Financial Report for the 5th consecutive year. Suggestions from GFOA based on the 2015 CAFR were implemented in 2016 with applicable responses provided on the previous year comments as required.

Attached, please find highlights of general financial information for your immediate reference relative to fund balance of the General Fund.

Fund Balance Analysis

- Total fund balance decreased by \$306,600 based on expenditures including transfers and other financing revenues exceeding revenue and other financing sources at June 30th as shown below.
- The Unassigned fund balance increased by \$366,602 or 7% to \$5.49 million; the City's projected fund balance was \$5.41 mil.

Summary of Changes in General Fund Unassigned Fund Balance

Unassigned Fund balance at June 30, 2015		\$	5,123,487
Revenues & other financing sources:	\$	22,975,616	
Expenditures & other financing uses:	\$	23,282,216	
Net Change in Fund Balance		-306,600	
Decrease in reservations (Restricted, Committed and Assigned)	\$	673,202	
Increase in Unassigned Fund Balance		\$	<u>366,602</u>
Unassigned Fund Balance at June 30, 2016		\$	5,490,089



HIGHLIGHTS
Ending December 31, 2016

Based on Unaudited Financial Data

Basis of Reporting

- The information enclosed in the City's Financial Report for the period ending December 31, 2016
- The report contains provisions for **most** revenue and expenditure accruals.
 - Reflects 6 months of revenue & expenditures in most cases (where noted, the 6th month has been estimated)
- Financial Report presentation is consistent with department's objectives to:
 - Report timely, relevant, understandable and accurate financial data
 - Promote accountability through monitoring, assessment and reporting

Revenue Highlights – Tax Collections

❑ Overall General Property Taxes collected of \$4.32 is near FY 16 collections of \$4.36 mil. There are five major sources included in General Property Taxes:

- ❑ Real Estate taxes (Current & Delinquent)
- ❑ Personal Property (Current & Delinquent)
- ❑ Penalty and Interest on Taxes
- ❑ Public Service Corporation taxes
- ❑ Machinery & Tools Taxes

Revenue Highlights – Tax Collections

- ❑ **Current Real Estate taxes*** - \$2.62 million is 33,000 or 1.2% less than the prior year.
Delinquent RE taxes* of \$156,000 are on target with 65% of the budget realized even though collections lag prior year period
- ❑ **Personal Property taxes*** at \$1.38 mil are 92% of budget and 7.0% higher than prior period collections of \$1.28 million.
- ❑ **Penalty and Interest** at \$57,343 is 37% of budget and down from prior year period collections of \$71,227
- ❑ **Public Service Corporation taxes*** - \$68,168 is 101% of budget.

*Revenue source is anticipated to meet or exceed budgeted projections as of 12/31/16 – projections will be revised at the end of the 3rd quarter

General Property Taxes- Overall BUDGET COMPARISON

REVENUE SOURCE	BUDGET	Current Year	%	BUDGET	Prior Year	%
Real Estate Taxes-Current	\$ 5,447,115	\$ 2,656,322	48.8%	\$ 5,456,874	\$ 2,656,034	48.7%
Real Estate Taxes-Delinquent	240,000	156,024	65.0%	190,000	241,971	127.4%
Personal Property Taxes-Current	1,500,000	1,380,051	92.0%	1,450,000	1,288,895	88.9%
Personal Property Taxes-Delinquent	45,000	21,927	48.7%	65,000	19,812	30.5%
Machinery & Tools	23,578	20,095	85.2%	23,577	19,402	82.3%
Penalties & Interest Taxes	155,000	57,343	37.0%	145,000	71,227	49.1%
Public Service Corporation Taxes	61,818	68,614	111.0%	66,863	67,087	100.3%
GENERAL PROPERTY TAX	\$ 7,472,511	\$ 4,360,376	58.4%	\$ 7,397,314	\$ 4,364,428	59.0%

Current	\$ 4,360,376
Prior Year	\$ 4,364,428
Net Change \$	-4,052
Net Change %	.09%

Local Tax Revenue (Budget per Actual Comparison)

	FY 16-17 Budget	12/30/2016	% of Budget Realized
Local Sales & Use*	\$ 1,823,000	\$ 874,019	47.9%
Cigarette Taxes	\$ 345,000	\$ 158,481	45.9%
Meals Taxes*	\$ 1,420,000	\$ 743,185	52.3%
Lodging Taxes*	<u>\$ 130,000</u>	<u>\$ 71,402</u>	<u>54.9%</u>
Total Local Tax Revenue	\$ 3,718,000	\$ 1,847,087	49.7%

*revenue source include a one month projection based on prior history -
business licenses tax is tracked beginning March

Local Tax Revenue (Prior Year Comparison)

	Meals Taxes	Lodging Taxes	Cigarette Taxes	Sales Taxes	Total
Dec-15	741,750	74,709	193,233	887,600	1,897,292
Dec-16	743,185	71,402	158,481	874,019	1,847,087
Prior Year \$	1,435	(3,307)	(34,752)	(13,581)	(50,205)
Prior Year %	0.19%	-4.43%	-17.98%	-1.53%	-2.65%
% of Budget	52%	55%	46%	48%	

At six (6) months into the fiscal year, it is projected that each source will meet targeted projections; projection will be revised at the end of the 3rd quarter

Other Revenue Sources

- **Permits & other licenses** - \$100,328
 - City share— 36%
 - County share-64%
- **Community Development - Shared Services Recovered cost** – 50% of total budget realized
- Sale of **EZ pass** – A quantity of 100 were purchased to sell on July 1, 2016; 72 have been sold at December 31st
- IOW County **Revenue Sharing** - \$680,000 of the \$710,000 budgeted has been received.
 - True Up payment of \$29K was received in April in the prior year
- **Ambulance Service** Revenue – down from prior year and requires additional analysis as to factors contributing to the decline

Revenue Summary

- Overall, total current general fund revenue reported at **\$11.48 mil** (51.0% of budget) is a net **\$148,000 less** when compared to the **\$11.62 mil** (52.1% of budget) realized at 12/31/15.

Summary of Major Net Revenue Decrease

Revenue Source	Amount
Property Taxes Combined	-38,000
Permits and Other Licenses	+26,000
Cigarette Taxes	-\$34,000
Meal taxes	+11,000
Misc. Revenue (property sale) – one time source in FY16	-40,000
Ambulance billing charges	-36,000
State Categorical Aid – Highway Rev Sharing payments increased	+28,000
State & Federal Grants – One time source FY 16	-70,000
Other various increases and decreases (net)	+8,000
Net Increase	(\$148,000)



GENERAL FUND EXPENDITURES

For the period ending December 31, 2016



General Fund Expenditure Highlights

- Expenditures that will require Supplemental Appropriations
 - Juvenile Detention
 - Non Departmental for Payment of Credit Card Fees – Absorbed by City

General Fund Expenditure Highlights

- General Fund expenditures overall are in sync with prior year period with \$9.78 mil or 43% of the budget spent at 12/31/16 compared to \$9.76 mil or 42% of the budget spent at 12/31/15. **Primary variances (increases & decreases) are shown below:**

Account Description	Prior Year	Curent Year	% of budget	Prior Year Variance	NOTES
TRANSFERS*****	2,675,627	2,914,670	41.6%	239,043	Transfer to DSS in current year
POLICE ***	1,359,247	1,516,722	50.2%	157,475	FT and OT Salaries and wages
ACCOUNTING *****	122,029	173,389	51.3%	51,360	Professional Services, salaries, main serv contracts
DISTRICT COURT SERVICE ***	12,057	52,280	90.3%	40,223	Junenile detention care
CITY ATTORNEY *****	70,573	99,157	52.0%	28,584	Professional services
RECREATION****	182,701	203,460	54.3%	20,759	PT salaries and rec supplies
CITY TREASURER *****	125,925	146,224	48.5%	20,299	Salaries & Fringes
BUILDING MAINTENANCE-GENERAL *****	304,792	320,825	48.0%	16,033	higher salaries, more contractual services and repairs, less utiity bill
INSURANCE *****	76,441	88,908	49.9%	12,467	retiree health costs
EMERGENCY MANAGEMENT SERVICES ***	1,121,572	1,107,351	47.5%	-14,221	library
**CITY COUNCIL **	100,323	79,951	42.0%	-20,372	timing of payments to agencies
MANAGEMENT SERVICES & HR*****	73,619	45,329	32.6%	-28,290	Personnel vacancy
BUILDING INSP & CODE ENFORCEMENT***	255,473	225,774	44.2%	-29,699	Personnel vacancy in the 1st quarter
E - 911 *****	355,256	308,909	48.0%	-46,347	Less PSAP grant-slightly higher salaries and OT
INFORMATION TECHNOLOGY*****	163,056	68,976	25.5%	-94,080	capital expenditures in prior year
PUBLIC WORKS-STREET MAINTENANCE****	1,154,964	785,416	38.0%	-369,548	paving project prior year



ENTERPRISE FUNDS

For the period ending December 31, 2016

Based on Unaudited Financial Data

Airport Fund

- Revenue
 - Fuel sales and airport rental fees are on target with budgeted projections – 49.4% of budget realized.
 - Airport rental and fees are on target with 51.5% of the budget realized.
- Expenditures
 - Expenditures in the fund are higher primarily as the result of jet fuel purchases in the current year. No purchases had been made for jet fuel in the prior year period ending December 2015.
- Cash balance in the Airport Fund is a negative \$101,138; while a general fund transfer is due to the fund of \$133,249, the fund should be monitored on an ongoing basis relative to revenue, expenditures and cash position

Water & Sewer Fund

- **Revenue Analysis**

- Revenue from the sale of water and sewer service charges of \$1.68 mil at December 31 tracking on target at 48.9% of budget.

- **Expenditure Analysis**

- Expenditures in the Fund are \$1.31 mil and nearly 5% more than the prior year; expenditures in the current year for sewer system and waste water treatment plant costs have exceeded the prior year
 - A portion of the additional costs are associated with Hurricane Matthew related expenditures – the city's project work sheet for FEMA is \$103,000 for water and sewer related costs and is slated for *potential* federal reimbursement to the City at 75%.

- **Cash Balance**

- The cash balance in the Fund at the end of the month is \$1.70 million, a 6.3% decrease from the \$1.82 million reported November 2016 and 20% less than the \$2.13 mil reported in the prior year period. [Planned use of fund balance to fund capital improvements].

Solid Waste Fund

- **Revenue Analysis**

- Revenue for the Solid Waste Fund is on target with budgeted projections at \$644,000 or nearly 49% and is comparable to the prior year period collections of \$647,280

- **Expenditure Analysis**

- Total expenditures as shown at \$591,304 are nearly \$30,000 or 5.3% higher than the prior period expenses and represents 39% of the total budget.
 - FT wages and benefits (hiring of vacancies)
 - Tipping fees higher in the current year
 - One time equipment purchase in current year

Solid Waste Fund – Cash Balance

Cash balance at December 31st - \$411,298

	<u>Month</u>	FY 15-16	FY 16-17
	June	\$489,888	\$409,400
	July	\$500,732	\$410,551
	August	\$516,372	\$425,486
	September	\$516,226	\$420,154
	October	\$523,758	\$416,155
	November	\$576,078	\$422,723
	December	\$526,270	\$411,298
	January	\$505,773	
	February	\$553,646	
	March	\$394,249	
	April	\$428,223	
	May	\$428,088	
	June	\$409,400	

Cash in the fund dropped 2.7% from the prior month and nearly 22% from December 2015 as anticipated due to the “Pay as You Go” alternative to purchase capital equipment in the prior year

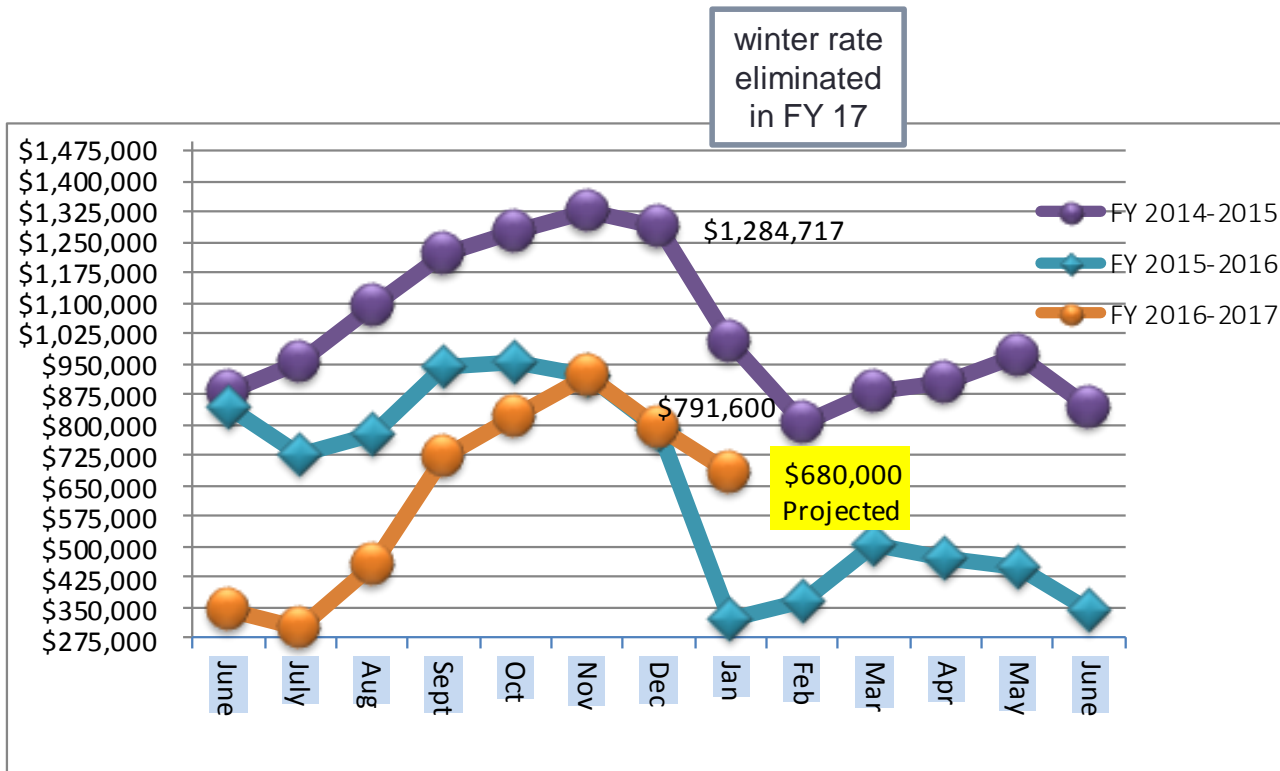
Electric Fund – Revenue Analysis

- **Revenue** from energy sales at \$7.51 mil is on target at 49.0% of budget; below is a snapshot of prior year billed service revenue, current year budget, actual and % of budget realized

Account Description	Prior Revenue	Anicipated	YTD Revenue	% Realized
Sale of Electricity -Fuel Adj	578,545	315,911	153,390.00	48.6%
Sale of Electric Energy-Residential	3,435,335	8,426,042	4,130,688.00	49.0%
Sale of Electricity-Commercial	2,761,123	6,221,368	3,125,725.00	50.2%
Cycle & Save	-60,205	-121,000	-59,424.00	49.1%

- **Expenditures** associated with the sale of energy (excluding fuel adjustment) at \$4.91 mil is currently on target with 46.7% of the total budget expended. This is higher than the prior year period of \$4.34 million, about 44% of the budget. The cost of services in December 2016 were \$322,000 or 45% higher than December 2015.

ELECTRIC FUND CASH ANALYSIS



Policy Evaluation:
Cash is below minimum policy guideline of \$1.494 million by \$571,000.

Cash in the Electric Fund at \$791,600 decreased by \$131,000 or 14% from the prior month period cash of \$922,617

FY 2016-17 Cash Balance as a Percentage of Annual Revenues (excluding fuel adjustment) at **FYE 11/30/16** = **\$922,616** or 6.1%.

ELECTRIC FUND CASH ANALYSIS

	FY 2014-2015	FY 2015-2016	FY 2016-2017	Prior Year Change
June	\$ 882,030	\$ 842,112	\$ 343,323	
July	\$ 957,000	\$ 724,794	\$ 296,983	\$ (427,811)
Aug	\$ 1,095,099	\$ 774,246	\$ 453,148	\$ (321,098)
Oct	\$ 1,273,878	\$ 956,592	\$ 822,659	\$ (133,933)
Nov	\$ 1,327,621	\$ 919,275	\$ 922,616	\$ 3,341
Dec	\$ 1,284,717	\$ 788,629	\$ 791,600	\$ 2,971
Jan	\$ 1,004,954	\$ 322,369	\$ 680,000	
Feb	\$ 805,356	\$ 366,352		
Mar	\$ 881,641	\$ 502,204		
Apr	\$ 906,867	\$ 474,040		
May	\$ 968,713	\$ 448,880		
June	\$ 842,112	\$ 343,323		



A decline in cash is anticipated in January 2017 (estimated at \$680K). January VMEA expenditures alone will be \$322K more than the December 2016 charges.

Cash balance of \$791,600 is comparable to the prior year period but trending less than two years prior when cash in the fund had reached \$1.28 million.

ELECTRIC FUND BILLED VERSUS PAYMENT ANALYSIS

FY 2016-2017 REVENUE BILLED VERSUS PAYMENTS COLLECTED ANALYSIS

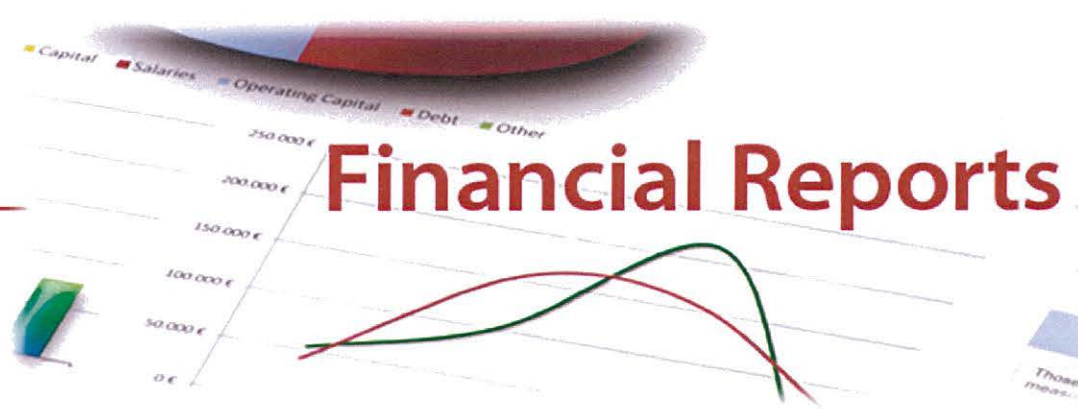
	July	Aug	Sept	Oct	Nov	Dec	Total
ADJUSTED BILLING	\$ 1,331,565.63	\$ 1,368,230.33	\$ 1,182,707.53	\$ 921,613.12	\$ 1,245,028.67	\$ 1,321,069.00	\$ 7,370,214.28
TOTAL PAYMENTS**	\$ 1,027,103.65	\$ 1,270,296.21	\$ 1,328,762.17	\$ 1,214,391.35	\$ 995,069.16	\$ 1,055,151.00	\$ 6,890,773.54
Variance (collected over billed)	\$ (304,461.98)	\$ (97,934.12)	\$ 146,054.64	\$ 292,778.23	\$ (249,959.51)	\$ (265,918.00)	\$ (479,440.74)

YTD Billing in the current year at \$7.37 mil is \$623K or 9.2% higher than the prior year billing at \$6.74 mil; payments through the current period at \$6.8 mil have not increased accordingly; payments as of Dec 2016 are similar to collections at Dec 2015

Outstanding payments from Fuel Assistance = \$173K

FY 2015-2016 REVENUE BILLED VERSUS PAYMENTS COLLECTED ANALYSIS

	July	Aug	Sept	Oct	Nov	Dec	Total
ADJUSTED BILLING	\$ 1,320,443.35	\$ 1,256,178.96	\$ 1,104,759.75	\$ 969,500.53	\$ 989,526.40	\$ 1,106,431.00	\$ 6,746,839.99
TOTAL PAYMENTS**	\$ 1,185,914.31	\$ 1,292,899.51	\$ 1,243,163.11	\$ 1,151,101.61	\$ 973,281.82	\$ 988,029.00	\$ 6,834,389.36
Variance (collected over billed)	\$ (134,529.04)	\$ 36,720.55	\$ 138,403.36	\$ 181,601.08	\$ (16,244.58)	\$ (118,402.00)	\$ 87,549.37



Ending December 31, 2016
Summarized Reports by Fund

GENERAL FUND FINANCIAL REPORT FOR THE PERIOD ENDING DECEMBER 31, 2016 (Unaudited)

Account Id	Account Description	Prior Revenue	Anticipated	YTD Revenue	Balance/Excess/ Deficit	% Realized	Prior Year Variance
100-3-11010-	REAL ESTATE TAXES-CURRENT (adjusted for accrual)	2,656,034	5,447,115	2,622,322	-2,824,793	48.1%	-33,712
	DELINQUENT REAL ESTATE TAXES	241,971	240,000	156,024	-83,976	65.0%	-85,947
100-3-11020-	PUBLIC SERVICE CORPORATION TAXES	67,087	68,000	68,614	614	100.9%	1,527
100-3-11031-	PROPERTY TAXES-CURRENT (adjusted for accrual)	1,288,895	1,500,000	1,380,051	-119,949	92.0%	91,156
	DELINQUENT-PERSONAL PROPERTY TAXES	19,812	45,000	21,927	-23,073	48.7%	2,115
100-3-11040-	MACHINERY & TOOLS TAXES	19,402	23,578	20,095	-3,483	85.2%	693
100-3-11060-	PENALTIES AND INTEREST	71,227	155,000	57,343	-97,657	37.0%	-13,884
100-3-12010-	LOCAL SALES AND USE TAXES	887,600	1,823,000	874,019	-948,981	47.9%	-13,581
100-3-12020-	UTILITY TAXES	279,891	516,000	242,986	-273,014	47.1%	-36,905
100-3-12030-	BUSINESS LICENSE TAXES	4,827	950,000	2,373	-947,627	0.2%	-2,454
100-3-12035-	BUSINESS LICENSE TAXES -PENALTY	156	500	979	479	195.8%	823
100-3-12050-	MOTOR VEHICLE LICENSES	108,887	160,000	113,473	-46,527	70.9%	4,586
100-3-12055-	MOTOR VEHICLE LICENSES-PENALTY	4,002	23,000	5,650	-17,350	24.6%	1,648
100-3-12060-	BANK STOCK TAXES	0	65,000	0	-65,000	0.0%	0
100-3-12070-	TAXES ON RECORDATION AND WILLS	6,568	46,000	36,323	-9,677	79.0%	29,755
100-3-12080-	CIGARETTE TAXES	193,233	345,000	158,481	-186,519	45.9%	-34,752
100-3-12100-	LODGING TAXES	74,709	130,000	71,402	-58,598	54.9%	-3,307
100-3-12110-	MEALS TAX	741,750	1,420,000	743,185	-676,815	52.3%	1,435
100-3-12180-	PROBATE TAXES	2,286	2,500	1,327	-1,173	53.1%	-959
100-3-13010-	ANIMAL LICENSES	535	4,000	485	-3,515	12.1%	-50
100-3-13030-	PERMITS AND OTHER LICENSES	74,314	161,220	100,328	-60,892	62.2%	26,014
100-3-14010-	FINES AND FORFEITURES	12,212	40,250	13,083	-27,167	32.5%	871
100-3-15010-	REVENUE FROM USE OF MONEY	1,452	3,250	298	-2,952	9.2%	-1,154
100-3-15020-	REVENUE FROM USE OF PROPERTY	149,669	240,796	142,655	-98,141	59.2%	-7,014
100-3-16010-	CHARGES FOR CURRENT SERVICES	4,479	9,600	2,097	-7,503	21.8%	-2,382
100-3-16040-	CHARGES FOR OTHER PROTECTION -AMBULANCE	185,166	453,051	148,440	-304,611	32.8%	-36,726
100-3-16060-	CHARGES FOR OTHER PROTECTIONS	4,684	17,150	3,841	-13,309	22.4%	-843
100-3-16070-	MISC BILLING SERVICES	1,047	0	8,096	8,096	0.0%	7,049
100-3-16080-	CHG FOR SANITATION & WASTE REMOVAL	3,745	6,150	7,603	1,453	123.6%	3,858
100-3-16095-	CHARGES FOR ADMIN-FUNDS	469,913	964,866	482,434	-482,432	50.0%	12,521
100-3-16130-	RECREATIONAL FEES	2,084	8,150	2,711	-5,439	33.3%	627
100-3-18990-	MISCELLANEOUS	949,056	1,226,232	906,733	-319,499	73.9%	-42,323
100-3-19020-	RECOVERED COSTS	88,924	295,000	70,867	-224,133	24.0%	-18,057
100-3-22010-	NON-CATEGORICAL AID STATE	1,041,977	1,668,897	1,037,922	-630,975	62.2%	-4,055
100-3-23030-	SHARED EXPENSES-COMM. OF REVENUE	32,391	79,876	32,585	-47,291	40.8%	194
100-3-23040-	SHARED EXPENSES-TREASURER	27,872	72,896	27,594	-45,302	37.9%	-278
100-3-23060-	SHARED EXPENSES-REGISTRAR	0	34,723	0	-34,723	0.0%	0
100-3-24040-	CATEGORICAL AID - STATE	1,118,169	2,138,437	1,107,470	-1,030,967	51.8%	-10,699
100-3-33010-	CATEGORICAL AID -FEDERAL GOVERNMENT	39,661	22,595	5,400	-17,195	23.9%	-34,261
100-3-41050-	FUNDS TRANSFERS	773,800	2,368,489	801,598	-1,566,891	33.8%	27,798
	General Fund Revenue Total	11,649,487	22,490,321	11,478,816	-11,296,505	51.0%	-170,671

Account Id	Account Description	Prior Expense	Budgeted	YTD Expended	Balance/Excess/ Deficit	% Expended	Prior Year Variance
100-4-11010-	**CITY COUNCIL **	100,323	190,518	79,951	-110,567	42.0%	-20,372
100-4-12110-	CITY MANAGER *****	91,689	209,138	95,112	-114,026	45.5%	3,423
100-4-12210-	CITY ATTORNEY *****	70,573	190,580	99,157	-91,423	52.0%	28,584
100-4-12220-	MANAGEMENT SERVICES & HR*****	73,619	138,854	45,329	-93,525	32.6%	-28,290
100-4-12310-	COMMISSIONER OF THE REVENUE *****	125,768	264,809	129,837	-134,972	49.0%	4,069
100-4-12320-	REAL ESTATE ASSESSOR *****	22,098	61,525	23,696	-37,829	38.5%	1,598
100-4-12410-	CITY TREASURER *****	125,925	301,342	146,224	-155,118	48.5%	20,299
100-4-12430-	ACCOUNTING *****	122,029	337,711	173,389	-164,322	51.3%	51,360
100-4-12470-	PURCHASING & GENERAL SERVICES****	41,558	90,279	44,774	-45,505	49.6%	3,216
100-4-12535-	UTILITY COLLECTIONS & BILLING *****	113,830	246,308	117,423	-128,885	47.7%	3,593
100-4-12550-	INSURANCE *****	76,441	178,159	88,908	-89,251	49.9%	12,467
100-4-12560-	INFORMATION TECHNOLOGY*****	163,056	270,021	68,976	-201,045	25.5%	-94,080
100-4-13100-	BOARD OF ELECTIONS *****	53,404	114,638	53,173	-61,465	46.4%	-231
100-4-21100-	CIRCUIT COURT **	-	9,036	0	-9,036	0.0%	0
100-4-21200-	GENERAL DISTRICT COURT ***	7,997	18,091	8,234	-9,857	45.5%	237
100-4-21600-	CLERK OF CIRCUIT COURT ***	-	50,089	0	-50,089	0.0%	0
100-4-21700-	SHERIFF'S OFFICE ***	-	132,877	0	-132,877	0.0%	0
100-4-21910-	DISTRICT COURT SERVICE ***	12,057	57,882	52,280	-5,602	90.3%	40,223
100-4-22100-	COMMONWEALTH'S ATTORNEY ***	-	61,855	0	-61,855	0.0%	0
100-4-23000-	WESTERN TIDEWATER REGIONAL JAIL**	461,045	921,980	460,990	-460,990	50.0%	-55
100-4-31100-	POLICE ***	1,359,247	3,023,600	1,516,722	-1,506,878	50.2%	157,475
100-4-31130-	E - 911 *****	355,256	642,947	308,909	-334,038	48.0%	-46,347
100-4-32100-	EMERGENCY MANAGEMENT SERVICES ***	1,121,572	2,329,950	1,107,351	-1,222,599	47.5%	-14,221
100-4-34100-	BUILDING INSP & CODE ENFORCEMENT***	255,473	510,362	225,774	-284,588	44.2%	-29,699
100-4-35100-	ANIMAL CONTROL*****	46,093	105,308	43,587	-61,721	41.4%	-2,506
100-4-41200-	PUBLIC WORKS-STREET MAINTENANCE****	1,154,964	2,067,338	785,416	-1,281,922	38.0%	-369,548
100-4-41330-	PUBLIC WORKS-SNOW REMOVAL****	0	16,500	0	-16,500	0.0%	0
100-4-41500-	PUBLIC WORKS-GARAGE****	108,757	233,442	117,766	-115,676	50.4%	9,009
100-4-43200-	BUILDING MAINTENANCE-GENERAL *****	304,792	667,722	320,825	-346,897	48.0%	16,033
100-4-43400-	BUILDING MAINTENANCE-ARMORY***	19,567	48,586	17,777	-30,809	36.6%	-1,790
100-4-43600-	BUILDING MAINTENANCE-CITY HALL****	93,061	204,035	90,873	-113,162	44.5%	-2,188
100-4-43700-	BLDG MAINTENANCE-SOC SERVICES****	31,318	80,676	39,809	-40,867	49.3%	8,491
100-4-43800-	BUILDING MAINTENANCE-HEALTH DEPT***	9,668	34,533	10,181	-24,352	29.5%	513
100-4-51200-	HEALTH DEPARTMENT*****	55,000	110,000	55,000	-55,000	50.0%	0
100-4-52200-	MENTAL HEALTH*****	0	35,198	0	-35,198	0.0%	0
100-4-71300-	RECREATION*****	182,701	374,601	203,460	-171,141	54.3%	20,759
100-4-71400-	CEMETERIES*****	20,400	40,500	20,808	-19,692	51.4%	408
100-4-71500-	SENIOR CITIZENS TITLE III ***	0	6,659	0	-6,659	0.0%	0
100-4-71600-	SENIOR CITIZENS NUTRITION ***	16,421	45,679	23,277	-22,402	51.0%	6,856
100-4-73100-	LIBRARY*****	140,666	304,725	148,294	-156,431	48.7%	7,628
100-4-81100-	PLANNING AND ZONING****	91,232	200,933	86,374	-114,559	43.0%	-4,858
100-4-81300-	BEAUTIFICATION COMMISSION ****	3,281	19,528	2,917	-16,611	14.9%	-364
100-4-81600-	DOWNTOWN DEVELOPMENT *****	31,169	100,230	33,436	-66,794	33.4%	2,267
100-4-91300-	PAYMENTS TO SOUTHAMPTON COUNTY ***	0	700,000	0	-700,000	0.0%	0
100-4-91500-	NON-DEPARTMENT MISCELLANEOUS***	23,104	22,000	27,854	5,854	126.6%	4,750
100-4-93100-	TRANSFERS*****	2,675,627	7,004,577	2,914,670	-4,089,907	41.6%	239,043
General Fund Expenditure Total		9,760,781	22,775,321	9,788,533	-12,986,788	43.0%	27,752

AIRPORT FUND FINANCIAL REPORT (for the period ending December 31, 2016)

Account Id	Account Description	Prior Revenue	Anticipated	Current Revenue	YTD Revenue	Balance/Excess/ Deficit	% Realized	Prior Year Variance
504-3-16190-0208	Airport Rental & Fees	26,642	60,000.00	5,208.00	29,640.00	-30,360.00	49.4%	2,998.00
504-3-16190-0212	Sale of Jet Fuel	16,846	33,750.00	3,621.00	16,517.00	-17,233.00	48.9%	-329.00
504-3-16190-0214	Sale of Aviation Gas	12,484	33,750.00	2,052.00	18,288.00	-15,462.00	54.2%	5,804.00
504-3-16190-8041	Miscellaneous Revenue	245	500.00	32	48.00	-452.00	9.6%	-197.00
504-3-24040-0415	Maintenance Program	0	3,000.00	0	0	-3,000.00	0.0%	0.00
504-3-24040-0421	Airport Improvements	950	9,600.00	0	0	-9,600.00	0.0%	-950.00
504-3-24040-0424	Tree Clearance Grant	0	24,992.00	1,943	22,555	-2,437.00	90.2%	22,555.00
504-3-33010-0420	Airport Improvements FAA	49,731	108,000.00	10,009	10,009	-97,991.00	9.3%	-39,722.00
504-3-41050-0100	Transfer From General Fund	0	133,249.00	0	0	-133,249.00	0.0%	0.00
	Airport Fund Revenue Total	106,898.00	406,841.00	22,865.00	97,057.00	-309,784.00	23.9%	-9,841.00

Account Id	Account Description	Prior Expense	Anticipated	Current Expense	YTD Expense	Balance/Excess/ Deficit	% Realized	Prior Year Variance
504-4-20010-	**AIRPORT SERVICE**	99,560	219,090.00	13,048.00	114,960.00	-104,130.00	52.5%	15,400.00
504-4-20020-	***CAPITAL OUTLAY***	55,257	151,240.00	0	25,765	-125,475.00	17.0%	-29,492.00
504-4-93100-	**TRANSFERS**	10,375	36,511.00	3,042.58	18,256.00	-18,255.00	50.0%	7,881.00
	Airport Fund Expenditure Total	165,192.00	406,841.00	16,090.58	158,981.00	-247,860.00	39.1%	-6,211.00

	Prior Year	Current Year	Variance \$	Variance %
Total Revenue	106,898.00	97,057.00	-9,841.00	-9.2%
Total Expense	165,192.00	158,981.00	-6,211.00	-3.8%
Excess/Deficit of Expenses Over Revenue	-58,294.00	-61,924.00	-3,630.00	6.2%
Cash Balance in Fund	(101,138.00)	(111,705.00)	-10,567.00	10.4%

SOLID WASTE FUND FINANCIAL REPORT (for the period December 31, 2016)

Account Id	Account Description	Prior Revenue	Anticipated	Current Revenue	YTD Revenue	Balance/Excess / Deficit	% Realized	Prior Year Variance
502-3-16080-0001	Waste Collection & Disposal Fees	647,280	1,318,079.00	102,637.00	644,826.00	-775,889.96	48.9%	-2,454
502-3-16080-0002	Sale of Containers	0	0.00	0	58.00	58.00	0.0%	58
502-3-16080-0004	Administrative Garbage Service Fee	2,890	4,000.00	300.00	2,160.00	-2,140.00	54.0%	-730
502-3-41050-0200	Prior Year Carry over	0	212,793.00	0	0	-212,793.00	0.0%	0
Solid Waste Fund Revenue Total		650,170.00	1,534,872.00	102,937.00	647,044.00	-990,764.96	42.2%	-3,126

Account Id	Account Description	Prior Expense	Budgeted	Current Expense	YTD Expended	Balance/Excess / Deficit	% Expended	Prior Year Variance
502-4-42300-	**SOLID WASTE**	419,576	1,222,380.00	78,956.66	441,377.00	872,298.29	36.1%	21,801
502-4-93100-	**TRANSFERS**	135,449	293,405.00	24,450.42	146,703.00	171,152.94	50.0%	11,254
502-4-95101-	**DEBT SERVICE**	6,494	19,087.00	0	3,224.00	15,863.00	16.9%	-3,270
Solid Waste Fund Expenditure Total		561,519.00	1,534,872.00	103,407.08	591,304.00	1,059,314.23	39%	29,785

	Prior Year	Current Year	Variance	
Total Revenue	650,170.00	647,044.00	-3,126.00	-0.5%
Total Expense	561,519.00	591,304.00	29,785.00	5.3%
Excess/Deficit of Expenses Over Revenue	88,651.00	55,740.00		
Prior Month Cash Balance		422,723.00		
Cash Balance in Fund	526,270.00	411,298.00	(114,972.00)	-21.8%

WATER & SEWER FUND FINANCIAL REPORT (for the period ending December 31, 2016)

Account Id	Account Description	Prior Revenue	Anticipated	Current Revenue	YTD Revenue	Balance/Excess/ Deficit	% Realized	Prior Year Variance
501-3-16190-1101	Sale of Water	614,370	1,430,000.00	112,108.00	699,541.00	-730,459.00	48.9%	85,171.00
501-3-16190-1103	Sewer Service Charge	809,341	1,925,000.00	151,477.00	925,419.00	-999,581.00	48.1%	116,078.00
501-3-16190-1105	Water Connection Fees	0	0.00	0	7,000.00	7,000.00	0.0%	7,000.00
501-3-16190-1106	Sewer Connection Fees	8,000	0.00	0	4,500.00	4,500.00	0.0%	-3,500.00
501-3-16190-1107	Administrative Connection Fee	3,700	5,000.00	340.00	2,540.00	-2,460.00	50.8%	-1,160.00
501-3-16190-1118	Sewer Charge - Isle of Wight County	26,501	55,000.00	3,155.00	31,777.00	-23,223.00	57.8%	5,276.00
501-3-16190-1124	Sewer Charge Edgehill - Southampton	13,822	33,000.00	1,743.00	16,059.00	-16,941.00	48.7%	2,237.00
501-3-16190-1503	Interest SNAP	210	0.00	90.00	397.00	397.00	0.0%	187.00
501-3-16190-8081	Miscellaneous Revenue	0	250.00	0	0	-250.00	0.0%	0.00
501-3-41050-0200	Prior Year Budget Carryover	0	268,897.00	0	0	-268,897.00	0.0%	0.00
Water & Sewer Fund Revenue Total		1,475,944.00	3,717,147.00	268,913.00	1,687,233.00	-2,029,914.00	45.4%	211,289.00

Account Id	Account Description	Prior Expense	Budgeted	Current Expended	YTD Expended	Balance/Excess/ Deficit	% Expended	Prior Year Variance
501-4-44112-	**WATER SERVICE**	618,183	1,258,232.00	94,313.00	448,175.00	-810,057.00	35.6%	-170,008.00
501-4-44113-	SEWER SERVICE *****	94,427	920,301.00	50,933.00	203,448.00	-716,853.00	22.1%	109,021.00
501-4-44120-	WASTE WATER TREATMENT PLANT *****	314,905	742,739.00	143,054.00	412,930.00	-329,809.00	55.6%	98,025.00
501-4-93100-	TRANSFERS *****	186,064	428,828.00	35,736.00	214,414.00	-214,414.00	50.0%	28,350.00
501-4-95101-	DEBT SERVICE *****	43,804	367,047.00	0	39,927.00	-327,120.00	10.9%	-3,877.00
Water & Sewer Fund Expenditure Total		1,257,383.00	3,717,147.00	324,036.00	1,318,894.00	-2,398,253.00	35.5%	61,511.00

	Prior Year	Current Year	Variance	
Total Revenue	1,475,944.00	1,687,233.00	211,289.00	14.3%
Total Expense	1,257,383.00	1,318,894.00	61,511.00	4.9%
Excess/Deficit of Expenses Over Revenue	218,561.00	368,339.00		
Prior Month Cash Balance		1,822,818.00		
Cash Balance in Fund	2,137,984.00	1,707,079.00	(430,905.00)	-20.2%

ELECTRIC FUND FINANCIAL REPORT (for the period December 31, 2016)

Account Id	Account Description	Prior Revenue	Anicipated	Current Revenue	YTD Revenue	Balance/Excess/ Deficit	% Realized	Prior Year Variance
505-3-16190-1200	Sale of Electricity -Fuel Adj	578,545	315,911	25,048.00	153,390.00	-162,521.00	48.6%	-425,155.00
505-3-16190-1201	Sale of Electric Energy-Residential	3,435,335	8,426,042	793,515.00	4,130,688.00	-4,295,354.00	49.0%	695,353.00
505-3-16190-1202	Sale of Electricity-Commercial	2,761,123	6,221,368	487,635.00	3,125,725.00	-3,095,643.00	50.2%	364,602.00
505-3-16190-1203	Cycle & Save	-60,205	-121,000	-9,361.00	-59,424.00	61,576.00	49.1%	781.00
505-3-16190-1204	Administrative Connection Fee	7,940	18,000	620.00	4,730.00	-13,270.00	26.3%	-3,210.00
505-3-16190-1205	Pole Attachment Fees	0	77,908	0.00	0.00	-77,908.00	0.0%	0.00
505-3-16190-1207	Cut-On Fees and Penalties	79,642	150,000	13,182.94	75,568.00	-74,432.00	50.4%	-4,074.00
505-3-16190-1210	Charges for Street Lights (A)	76,020	152,040	12,670.00	76,020.00	-76,020.00	50.0%	0.00
505-3-16190-1503	Interest SNAP	231	0	12.74	51.00	51.00	0.0%	-180.00
505-3-16190-6001	Sale Of Equipment	426	3,000	0	0	-3,000.00	0.0%	-426.00
505-3-16190-8040	Sale Of Electric Supplies	1,161	4,000	0	5,463	1,463.00	136.6%	4,302.00
505-3-16190-8041	Miscellaneous Revenue	3,671	10,000	12.50	1,838.00	-8,162.00	18.4%	-1,833.00
505-3-16190-8042	Sale of Surge Protectors	2,585	3,500	420.00	2,505.00	-995.00	71.6%	-80.00
Electric Fund Revenue Total		6,886,474.00	15,260,769.00	1,323,755.18	7,516,554.00	-7,744,215.00	49.3%	630,080.00

(A) Accounting change effective July 1 2016; removes the charges for street lights from residential sale of energy; this was previously a monthly journal entry credit to line item 1201.

Account Id	Account Description	Prior Expense	Budgeted	Current Expended	YTD Expended	Balance/Excess/ Deficit	% Expended	Prior Year Variance
505-4-20010-	ELECTRIC SERVICES****	5,670,242	12,406,235	1,007,928.00	5,758,278.00	-6,647,957.00	46.4%	88,036.00
505-4-20020-	ELECTRIC CAPITAL OUTLAY *****	128,904	684,027	21,182.00	76,308.00	-607,719.00	11.2%	-52,596.00
505-4-20050-	TRANSFERS *****	954,694	1,895,062	157,921.00	947,530.00	-947,532.00	50.0%	-7,164.00
505-4-95101-	DEBT SERVICE *****	48,456	275,445	2,300	48,695.00	-226,750.00	17.7%	239.00
Electric Fund Expenditure Total		6,802,296.00	15,260,769.00	1,189,331.00	6,830,811.00	-8,429,958.00	44.8%	28,515.00

	Prior Year	Current Year	Variance	
Total Revenue	6,886,474.00	7,516,554.00	630,080.00	9.1%
Total Expense	6,802,296.00	6,830,811.00	28,515.00	0.4%
Excess/Deficit of Expenses <i>Under</i> Over Revenue	84,178.00	685,743.00	601,565.00	
Cash Balance in Fund	788,629.00	791,600.00	2,971.00	0.4%
Prior Month Cash for Current Year		922,617.00		
Prior Month Change \$		(131,017.00)		
Prior Month Change %		-14.2%		



FISCAL YEAR 2017-2018 TENTATIVE BUDGET CALENDAR

<u>Date Subject to Change</u>	<u>Day</u>	<u>Action Item</u>
January 2, 2017	Monday	<ul style="list-style-type: none"> FY 2017-2018 Budget Requests Forms For Agencies Posted on City Webpage
January 23, 2017	Monday	<ul style="list-style-type: none"> Training with Departments on Budget Prep
January 27, 2017	Monday	<ul style="list-style-type: none"> FY 2017-2018 Budget Requests Due from Agencies & Organizations
February 27, 2017	Monday	<ul style="list-style-type: none"> FY 2017-2018 Proposed Department Budgets Requests Due to City Manager
March 3, 2017	Friday	<ul style="list-style-type: none"> FY 2016-2017 School Board Budget Submitted to City Manager
March 1-15, 2017	Monday	<ul style="list-style-type: none"> Management Budget Meetings with Dept. Directors
March 16, 2017	Thursday	<ul style="list-style-type: none"> School Board Conducts Public Hearing on Proposed FY 2017-2018 Budget
March 20, 2017*	Monday	<ul style="list-style-type: none"> School Board Presents Proposed Budget to City Council (Confirm with School Board)
March 27, 2016*	Monday	<ul style="list-style-type: none"> 6:00 P.M. Agencies & Organizations Budget Presentations
TBD	TBD	<ul style="list-style-type: none"> Joint Budget Work session with School Board (Confirm with School Board)
April 10, 2017*	Monday	<ul style="list-style-type: none"> 7:00 P.M. - City Manager Presents Overview of Consolidated Budget Requests to City Council
April 17, 2017	Monday	<ul style="list-style-type: none"> 6:00 P.M. - Budget Work session #1 with City Manager/Council Commissioner, Treasurer, Police, Fire & Rescue, City Attorney, City Administration (City Council, City Manager & Human Resources)
April 18, 2017	Tuesday	<ul style="list-style-type: none"> 6:00 P.M. - Budget Work session #2 with City Manager/Council Registrar, Social Services, Inspections & Community Development, Power & Light, Finance & Utility Billing
April 20, 2017	Thursday	<ul style="list-style-type: none"> 6:00 P.M. - Budget Work session #3 with City Manager/Council Information Technology, Parks & Recreation & Public Works
April 24, 2017*	Monday	<ul style="list-style-type: none"> City Manager Presents Highlights/Updates to the FY 2017-2018 Recommended Budget
May 1, 2017	Monday	<ul style="list-style-type: none"> Budget Work session with City Council
May 7, 2017	Sunday	<ul style="list-style-type: none"> Release Advertisement for Public Hearing
May 15, 2017	Monday	<ul style="list-style-type: none"> 6:00 P.M. - Tentative Budget Work session (as necessary) 7:00 P.M. - Public Hearing(s) on the FY 2016-2017 Proposed Budget
May 22, 2017*	Monday	<ul style="list-style-type: none"> City Council Considers action on School Board Budget
June 5, 2017	Monday	<ul style="list-style-type: none"> City Council Considers Action on FY 2017-2018 Budget, Sets Tax Rates and Adopt Budget Resolutions

*Denotes Regularly Scheduled City Council Meeting

OLD/NEW BUSINESS

- A. Franklin City School Board Ward 4 Vacancy Appointment**
- B. FHRA Tax Credit Resolution Request – Phillip Page, Executive Director, FRHA**
- C. City Manager’s Report**

From: Philip Page [mailto:PPage@franklinva.org]
Sent: Tuesday, February 07, 2017 2:54 PM
To: Robert Randy Martin
Cc: Taylor Williams
Subject: Resolution for The Estates at Bank Street

Good Afternoon,

This email follows our conversations regarding the development of The Estates at Bank Street, a 24 home single family subdivision to be built in Franklin. In order to fund a quality development, FRHA is seeking housing tax credits from the Virginia Housing Development Authority (VHDA). The application for tax credits requires that FRHA create two separate legal entities that will be used for development. Before FRHA creates these entities, we need to request approval from City Council at your Feb. 13th meeting. Additional information is listed below. Please let me know if you have any questions on this action or on the entire development.

The separate legal entities will be named The Estates of Bank Street as in the attached Resolution. The entities will be controlled by FRHA and, indirectly by City Council via its appointment of members to the FRHA Board.

FRHA has applied for tax credit from VHDA in the past and received approval by City Council in both Feb. of 2013 and 2015.

The Resolution was drafted by FRHA Counsel and is being submitted, via this email, to Mr. Williams for his review.

Thanks again for your support of our request to Council on Feb. 13th.

Philip Page, Jr.
Executive Director
Franklin Redevelopment and Housing Authority
100 East Fourth Ave Franklin, VA 23851
757.562.0384 (p) 757.562.0267 (f)

CONFIDENTIALITY NOTICE

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A RESOLUTION APPROVING THE PARTICIPATION OF THE FRANKLIN REDEVELOPMENT AND HOUSING AUTHORITY IN ENTITIES RELATING TO THE NEW CONSTRUCTION ACTIVITIES ON LAND KNOWN AS OR TO BE KNOWN AS THE ESTATES AT BANK STREET

WHEREAS, the Board of Commissioners of the Franklin Redevelopment and Housing Authority (“FRHA”) has determined that it is appropriate to construct certain improvements on certain parcels of land known as or to be known as The Estates at Bank Street in the 500 block of Bank Street in the City of Franklin, Virginia (the “Project”); and

WHEREAS, the participation of the Authority in one or more transactions using low-income housing tax credits to support the Project necessitates the creation of such limited liability companies, limited partnerships and other entities as may be desirable to facilitate the use of low income housing tax credits under Section 42 of the Internal Revenue Code; and

WHEREAS, pursuant to subsection 12 of Section 36-19 of the Virginia Housing Authorities Law, Chapter 1, Title 36, Code of Virginia of 1950, as amended, FRHA is authorized to form corporations, partnerships, joint ventures, trusts, or any other legal entity or combination thereof, with the approval of the local governing body; and

WHEREAS, on February 9, 2017, the Board of Commissioners of FRHA adopted a Resolution authorizing the establishment of such limited liability companies, limited partnerships and other entities as may be necessary or desirable to facilitate the use of low income housing tax credits to help finance the Project, subject to the approval of the Council of the City of Franklin.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Franklin, Virginia:

1. That the formation of such limited liability companies, limited partnerships and other entities as may be desirable to facilitate the participation of FRHA in one or more transactions using low income housing tax credits under Section 42 of the Internal Revenue Code to help finance the Project is hereby authorized and approved.

2. That this Resolution shall be in effect from and after the date of its adoption.

Adopted this 13th day of February, 2017 by the City Council of Franklin, Virginia

APPROVED:

ATTEST:

MAYOR

CLERK OF COUNCIL

COUNCIL/STAFF REPORTS ON BOARDS & COMMISSIONS