



**Franklin City Council Agenda  
May 10, 2021  
Council Chambers  
207 West Second Avenue  
Franklin, Virginia 23851**

**6:00 P.M.  
Work Session**

I move that Franklin City Council go into closed session pursuant to Code Section 2.2-3711-A-8 regarding consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel specifically regarding recent changes to the Code of Virginia related to City employees.

**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**  
**CITIZEN'S TIME**  
**AMENDMENTS TO AGENDA**

**1. CONSENT AGENDA:**

- A. Approval of April 26, 2021 minutes
- B. Public Service Week Resolution #2021-10
- C. National Police Week Resolution #2021-11

**2. FINANCIAL MATTERS**

- A. Public Hearing Plan of Finance- Davenport Resolution #2021-12
- B. Adoption of the FY 22 Budget

**3. OLD/ NEW BUSINESS:**

- A. Destination Marking Organization Resolution #2021-13
- B. City Manager's Report

**4. COUNCIL/STAFF REPORTS ON BOARDS/COMMISSIONS**

**5. CLOSED SESSION**

I move that the City of Franklin, Virginia City Council adjourn into a closed meeting pursuant to Virginia Code Section 2.2-3711-A-1, 1. discussion of appointments to boards and commissions, to discuss the following subject or subjects: Camp Community College, Blackwater Regional Library Board, Beautification Commission, Industrial Development Authority., and;

2.2-3711-A-3, Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body specifically regarding property in Downtown Franklin.

2.2-3711-A-5, Discussion concerning 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 specifically along Pretlow Industrial Park, Armory Drive, and Franklin Regional Airport.

**Motion Upon Returning to Open Session-** I move that the City of Franklin, Virginia City Council adopt the attached closed meeting resolution to certify that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting held on May 10, 2021; (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the City of Franklin, Virginia City Council; and (iii) no action was taken in closed meeting regarding the items discussed.

## **6. ADJOURNMENT**

## MINUTES FROM THE APRIL 26, 2021 REGULAR CITY COUNCIL MEETING

The Franklin City Council held a Regular City Council Meeting on April 26, 2021 at 7:00 p.m. in the City Council Chambers located at 207 West Second Avenue, Franklin, Virginia 23851.

**Council Members in Attendance:** Frank Rabil, Mayor; Bobby Cutchins, Vice-Mayor; Councilwoman Wynndolyn Copeland; Councilman Gregory McLemore; Councilman Ray Smith and Councilman Mark R. Kitchen

**Council Members Arriving Late:** Councilman Linwood Johnson arrived at 7:08 p.m.

**Staff in Attendance:** Amanda Jarratt, City Manager and Leesa Barnes, Executive Assistant, recording minutes

**Other Staff in Attendance:** Steve Patterson, Chief of Franklin City Police Department; Robert Porti, Deputy Chief of Franklin City Police Department; Steve Newsome, Information Technology Specialist; Tracy Spence, Director of Finance; Sarah Rexrode, Director of Social Services; Sammara Green-Bailey, Director of Parks & Recreation; Russ Pace, Director of Publics Work; Brenda Rickman Commissioner of Revenue; Dinah Babb, Treasurer and Vernie Francis, Chief of Emergency Services

### Call to Order

Mayor Frank Rabil called the April 26, 2021 Regular City Council Meeting to order at 7:00 p.m.

### Citizen's Time

#### 1<sup>st</sup> Speaker

**Michael Bradshaw resides at 101 Willis Road, Franklin, Virginia 23851;** Mr. Bradshaw is a graduate from Franklin High school and he expressed concerns with the Parks and Receptions Department being focused on one demographic in the City which was the South side of the City. He wants to see all citizens treated fair and equal.

#### 2<sup>nd</sup> Speaker

**Barbara Edwards, President, Friends of the Library;** Ms. Edwards sent in the following email into the Public Comment Website that was set up due to the COVID-19 pandemic: "Thank you for your continued support of the Franklin Library. It has been a lifeline to so many during this difficult year."

**3<sup>rd</sup> Speaker**

**Kashif Carter;** Mr. Carter sent in the following email:

**“Changing the Narrative - - - right here; right now**

Through open, honest and constructive communications along with coordinated activities that draw upon the rich resources across our community, the aim of our group (“Changing the Narrative”) is to unify our community in striving for an ever-improving future for ALL of its members.

To accomplish this, we seek to *change the narrative* (change how we think and talk about what the TRUTH is, as to the challenges that have been preventing us from reaching our potential as a community; and accordingly, what the solutions can be.)

We recognize that, despite our differences, what we share in common is our capacity for love - - - a love that prevails over our differences and pursues the common good for us all and thus for our entire community and its future.

There are several general areas of concern in communities across America, ours included - - - areas of concern such as food security, race relations, health and mental health, education, employment security, law enforcement, social justice, economic security, as well as *the level of collaboration and coordination* of all resources across the community in addressing the community’s greatest challenges.

In looking ahead to the future well-being of our community, our special interest lies with the children of our community. Indeed, OUR children have been long-neglected in their needs for mental health, academic achievement, values development, “home” security, and the “life skills” that enable a successful navigation of adult life.

And it is we, the adults of our community, who are responsible for this. Thus, it is our ardent hope and effort to change the narrative in our community in a way that minimizes our challenges by exciting the love already available in the hearts of those around up - - - a love that is manifested in the actions we perform, together to make things better for our community.

**Amendments to Agenda**

Mayor Frank Rabil asked if there were any amendments to the agenda.

There were no amendments to the agenda.

**Consent Agenda**

**Approval of April 12, 2021 Minutes**

Mayor Frank Rabil asked if there were any additions or corrections to the minutes from the April 12, 2021 regular City Council meeting.

There being no additions or corrections to the minutes from the April 12, 2021 regular City Council meeting Mayor Rabil asked for a motion of approval.

**Councilman Mark R. Kitchen made a motion to approve the minutes from the April 12, 2021 regular City Council meeting. The motion was seconded by Councilwoman Wynndolyn Copeland.**

**The motion carried the vote by 7-0.**

**Mayor Frank Rabil stated that the motion passed unanimously.**

**Introduction of Tourism Director – Carson Blythe**

City Manager Amanda Jarratt called Carson Blythe to come forward so she could be introduced. Mrs. Blythe is the City of Franklin's new Tourism Director.

**Introduction of Police Department Intern Roasia Knight**

City Manager Amanda Jarratt called Steve Patterson, Chief of Franklin City's Police Department to come forward and introduce his new intern.

Chief Patterson introduced Roasia Knight as the City of Franklin's Police Department's newest intern.

**STOP Inc. Community Action Month Resolution #2021-08**

Mayor Frank Rabil asked Councilwoman Wynndolyn Copeland to read the STOP Inc. Community Action Month Resolution #2021-08.

**Councilman Linwood Johnson made a motion to approve the STOP Inc. Community Action Month Resolution #2021-08. The motion was seconded by Councilman Mark R. Kitchen.**

**The motion carried the vote by 7-0.**

**Mayor Frank Rabil stated that the motion passed unanimously.**

See Attached Resolution:

**Financial Matters**

**Budget Amendment #2021-25**

City Manager Amanda Jarratt asked Tracy Spence to come forward and review the following budget amendment:

The 2020 – 2021 City Budget will be hereby amended to:

1. Appropriate the unassigned fund balance in the amount of \$430,000.00 in order to purchase the Franklin Redevelopment and Housing Authority building and fund associated architectural and engineering costs.
2. Recognize revenues in the amount of \$7,500.00 from the Camp Foundation for a new drug dog for the Franklin Police Department.

Councilman Gregory Mclemore asked if the Budget Amendment #2021-25 actions could be voted on separately.

Director Spence confirmed that the Budget Amendment #2021-25 actions could be voted on separately.

**Budget Amendment #2021-25 – Action 1**

Councilman Ray Smith made a motion to approve to appropriate the unassigned fund balance in the amount of \$430,000.00 to purchase the Franklin Redevelopment and Housing Authority and fund the associated the architectural and engineering costs. The motion was seconded by Councilman Linwood Johnson.

The motion carried the vote by 6-1.

The vote was as follows:

Mayor Frank Rabil	Aye
Vice-Mayor Bobby Cutchins	Aye
Councilman Linwood Johnson	Aye
Councilman Mark R. Kitchen	Aye
Councilwoman Wynndolyn Copeland	Aye
Councilman Ray Smith	Aye
Councilman Gregory McLemore	Nay

**Budget Amendment #2021-25 – Action 2**

Councilman Mark R. Kitchen made a motion to approve to recognize revenues in the amount of \$7,500.00 from the Camp Foundation for a new drug dog for the Franklin Police Department. The motion was seconded by Councilman Linwood Johnson.

The motion carried the vote by 7-0.

Mayor Frank Rabil stated that the motion passed unanimously.

#### Financing Plan of Action Update – Davenport

Mayor Frank Rabil entertained a motion to go into Closed Session to discuss the financing plan of action with Davenport & Co.

Councilman Mark R. Kitchen moved to go into Closed Session Section 2.2-3711-A-6 discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected.

The motion was seconded by Councilwoman Wynndolyn Copeland.

The motion carried the vote by 7-0.

Mayor Frank Rabil stated that the motion passed unanimously.

Motion Upon Returning to Open Session



Councilman Mark R. Kitchen moved that the City of Franklin, Virginia City Council return to open session that no action was taken and only those items set forth in the agenda were discussed.

The motion was seconded by Councilwoman Wynndolyn Copeland.

The motion carried the vote by 7-0.

The motion was as follows:

Mayor Frank Rabil	Aye
Vice-Mayor Bobby Cutchins	Aye
Councilman Linwood Johnson	Aye
Councilman Mark R. Kitchen	Aye
Councilwoman Wynndolyn Copeland	Aye
Councilman Ray Smith	Aye
Councilman Gregory McLemore	Aye

Mayor Frank Rabil stated that the motion passed unanimously.

#### Public Hearing – FY22 Budget

City Manager Jarratt stated in accordance with the budget calendar for FY22 the public hearing on the budget is scheduled for this evening. The FY22 budget maintains the City's tax rate of \$1.03 and does not increase any other taxes or fees. Evaluating ways to implement the priorities and needs of a community which can be challenging under normal circumstances, were even more difficult while trying to keep the citizenry and the workforce safe. In an effort to meet the challenges the City of Franklin is currently facing, the entire management team joined together to present a balanced budget that provides essential services to our citizens. The grip that COVID-19 had on the nation, the Commonwealth, and specifically the City of Franklin made the development of priorities different than ever before. City departments held the line in terms of requests and overall submitted flat budgets. The most valuable asset the City of Franklin has are its long term dedicated employees that creatively do more with less each year to maintain City operations. The current budget includes frozen positions and as well as the delay of critical projects. Despite all of this, the City staff has pulled together for the best interest of the citizens. I remain in awe of their commitment to presenting a realistic balanced budget that meets the needs of the City of Franklin citizens and maintains City operations. The entire management team has spent hours analyzing how expenditures can be cut and services maintained. Moving forward City Council will work to identify priorities for the City of Franklin and the services that are considered essential to work toward a sustainable budget.

The City's General Fund has experienced significant challenges over the past several fiscal years. As was shared in previous budget work sessions, the 2021 -2022 budget was balanced utilizing \$195,000.00 from the Water & Sewer Fund \$100,000.00 from Solid Waste Fund, \$510,000.00 in savings from freezing / delaying positions and an additional \$360,600.00 from the Electric Fund above the normal transfer for operations. In prior year, there were valiant and concerted efforts aimed at maintaining the current tax rate. It is acknowledged, however, absent strategic and incremental tax increases paired with growth of the tax base maintaining the levels of services that the citizens of Franklin are accustomed to will not be possible. In cooperation with Davenport and Company, management and the Franklin City Council have worked to stabilize the General Fund and increase the City's unassigned fund balance. In FY19, the unassigned fund balance was in a position to dip below the required 13% policy minimum. Now, due to concerted effort and planning the fund balance is projected to be just over 25%

Management is presenting a structurally balanced budget in the wake of fiscal challenges which are to a great extent, beyond the City's control. The City of Franklin is resilient even faced with what may appear as insurmountable challenges. Management remain optimistic about Franklin's future and knows that as a team we can move the City of Franklin forward.

The proposed General Fund budget is \$26,270,037.00 an increase of \$219,288.00 or .8% above the FY2020-2021 amended budget. During recent years, the City has evaluated programs and services and identified ways to improve efficiency without significantly reducing service levels directly impacting residents and customers. Efficiencies have been achieved across all departments and at this point, in order to maintain essential services, an increase in the revenue stream is necessary. The increases associated with this year's budget includes necessary capital projects and restoration of parks and recreation activities for the City of Franklin's youth.

### **Recommended Tax Rates**

In consideration of the challenging days ahead associated with the negative impact of COVID-19, management recommends the real property tax rate remain the same at \$1.03 per \$100.00 of real property valuation for FY2020-2021. All other tax categories are recommended to remain unchanged.

School Operating Fund

Regarding essential City financial support for the Franklin City Public Schools, the proposed budget includes current year funding of \$4,830,237.00. The City Council for several years held the base funding level and only approved one-time carryover funds resulting from the School Division having unexpected funds in their budget at fiscal year-end. It is also noteworthy that Franklin City Public Schools has had several hundred thousand dollars in excess in instruction each year. The use of restricted fund balance is in accordance with the adopted policy of the City of Franklin whereby approval of carry over funds will only take place upon conclusion of and adoption of the City's audit.

Management will continue to communicate to the school system that carryover funds should be restricted and utilized only for capital items and thus avoid the use of "one-time" or non-recurring operating expenditures. Given the limitations and uncertainties of future City funding described earlier, school system appropriations may likely be similarly limited to any future end-of-year carryover funds which can and will vary dramatically from year to year. With these qualifying comments, management believes the recommended level of school system funding illustrates the continued high priority that the City has for adequately funding the public schools as evidenced by the City's favorable ranking among all Virginia cities in terms of per capita spending on education.

### **Capital Improvements Program**

An additional but integral consideration for analysis concerning all categories of City services is further refinement and ongoing evaluation of the City's multi-year Capital Improvements Program (CIP) planning and funding strategies. Long-term capital needs remain on the horizon however staff successfully worked with Davenport & Company to fund two years of capital improvement projects. Only minimal CIP requests are recommended to be funded in the FY2021-2022 budget.

### **Personnel**

City government's number one asset essential to providing quality service to citizens and customers. This reference is of course to the dedicated City employees that so skillfully serve this community throughout the year. Concerning personnel benefits, some historical review is needed on prior year actions. Included in the budget detail is additional historical salary increase information. In the FY2020-2021 year, the City of Franklin received a 4.9% decrease in insurance premiums. This decrease was shared between the employees and the City of Franklin. In FY2021-2022, the City received a 4% decrease in premiums which again will be shared between the City and the employees. In addition, City Council took the proactive step to increase the insurance contributions by the City to equate to a minimum of 70% to decrease the burden on current employees as well as a tool to recruit new employees. Staff did receive a 2% COLA increase in November of 2020 as a result of steady revenues despite the ongoing COVID-19 pandemic. There is no COLA increase included in the current FY22 budget however, it will be reviewed dependent on revenues in the fall of 2021.

Personnel costs are by far the largest single expenditure category in the City's budget as it is in practically any organization or enterprise. The FY2021-2022 budget recommended total personnel costs is

**MINUTES FROM THE APRIL 26, 2021 REGULAR CITY COUNCIL MEETING**

\$12,268,558.00 which comprises 46.7% of the General Fund budget. While there are several positions frozen in the FY22 budget in the Police Department and Public Works, positions are being restored in the Finance Department, Public Works, Parks and Recreation and the Fire Department. The City of Franklin will return to maintaining its own grounds maintenance crews which comprises the majority of the new employees. In addition, the City of Franklin is adding three new Fire and EMS positions to maintain our current level of service within the Franklin City limits.

Mayor Frank Rabil opened the public hearing for speakers.

Being there were no speakers, Mayor Frank Rabil closed the public hearing and indicated budget adoption was scheduled for May 10, 2021.

**Quarterly Financial Update**

City Manager Amanda Jarratt called Tracy Spence, Director of Finance to come forward and give the following quarterly update on the General Fund for the period ending March 31, 2021:

**General Fund**

**Basis of Reporting**

The report contained provisions for most revenues and expenditure accruals.

- Reflects nine months of revenues and expenditures in most cases (the ninth month has been estimated) – modified accrual basis of accounting.

Financial report presentation is consistent with the department’s objectives to:

- Report timely, relevant, understandable and accurate financial data.
- Promote accountability through monitoring, assessment and reporting.

**General Property Taxes - Overall Budget Comparison - Cash Basis**

Current	\$5,220,818.00
Prior Year	\$4,831,209.00
Net Change \$	\$ 389,609.00
Net Change %	\$ 8.06%

**Local Tax Revenue - Prior Year Comparison - Modified Accrual Basis**

	Meals Taxes	Lodging Taxes	Cigarette Taxes	Sales Taxes	Total
March – 21	\$1,292,793.00	\$126,785.00	\$257,850.00	\$1,531,608.00	\$3,209,036.00
March – 20	\$1,032,498.00	\$ 97,350.00	\$310,499.00	\$1,417,716.00	\$2,858,063.00
Prior Year	\$ 260,295.00	\$ 29,435.00	(\$ 52,649.00)	\$ 113,892.00	\$ 350,973.00
Prior Year	\$ 25.21%	30.24%	( 16.96%)	8.03%	12.28%

**Local Tax Revenue - Budget to Actual Comparison**

At nine months into the fiscal year, all local tax revenue has exceeded targeted projections.

**Local Tax Revenue – Cash Comparison to Prior Year**

In the pandemic, all local revenue cash collections were higher with the exception of cigarette tax collections.

**Revenue & Expenditure Summary – Cash Basis**

General Fund revenue at the end of the period totaled \$18.8 million and represented 75% of budget which is \$1.4 million greater than the prior year. This is primarily attributable to \$349 thousand in real estate tax collections and \$1.25 million in EMS contract revenue.

General Fund expenditures at the end of the period totaled \$17.2 million and represented 67% of the total budget; when compared to the prior year period of \$16.3 million, this is a \$934 thousand increase. This is primarily attributable to \$802 thousand of Council approved COVID related projects.

FY21 Fund Balance appropriated by Council for planned expenditures at December 31<sup>st</sup>: \$986,774.00.

**General Fund Revenue – Prior Year Comparison – Cash Basis**

**General Fund Revenue Total**

FY20. Act. Rev. 3/31/20	FY21 Budgeted Revenue	FY21 Act. Rev. 3/31/21	FY21 Bal/ Excess Deficit	% Realized	Prior Year Variance Good (Bad)
\$17,319,902	\$26,050,749	\$18,755,675	(\$7,295,074)		\$1,435,773

**General Fund Expenditures – Prior Year Comparison – Cash Basis**

**General Fund Expenditure Total**

FY20. Act. Rev. 3/31/20	FY21 Budgeted Revenue	FY21 Act. Rev. 3/31/21	FY21 Bal/ Excess Deficit	% Realized	Prior Year Variance Good (Bad)
\$16,311,711	\$26,050,749	\$17,245,844	\$8,804,906		(\$934,133)

**Enterprise Fund**

Director Spence gave the following update on the Enterprise Fund for the period ending March 31, 2021:

#### **Basis of Reporting**

The report contains provision for revenue and expenditure accruals.

- Results nine months of revenue and expenditures – full accrual basis of accounting.

Financial report presentation is consistent with the department's objectives to:

- Report timely, relevant, understandable and accurate financial data.
- Promote accountability through monitoring, assessment and reporting.

#### **Airport Fund**

##### **Revenue Analysis**

Fuel sales and airport rental fees are below target with 18% of budgeted realized. Total revenues for the fund are at below target with 31% of budget realized.

##### **Expense Analysis**

Expenses in the fund are below target with 37% of budget expended (net of transfers and depreciation). The Airport Fund has a Transfer to General Fund in the amount of \$85,844.00 that has not been made to date due to limited funding.

##### **Cash Balance**

Cash balance in the Airport Fund is (\$37,734.00).

Councilman Gregory McLemore requested to see last year's figures.

Director Spence answered she did not have them available but would get them for Councilman McLemore.

#### **Water & Sewer Operating Fund**

##### **Revenue Analysis**

- Revenue from the sale of water and sewer service charges of \$2.5 million at the end of the period is above target at 78.4% of budget and is \$71 thousand greater than prior year period revenue.

##### **Expense Analysis**

- Expenses in the fund are \$1.2 million and below target at 59.3% (net of transfers, debt service and depreciation).

#### **Water & Sewer Fund – Operating & Capital Cash Balance**

Cash Balance - \$1,914,301.00

**Solid Waste Fund**

**Revenue Analysis**

Revenue for the Solid Waste Fund is slightly above target with revenue at \$1 million or 78% of budget and is comparable to prior year.

**Expense Analysis**

Expenses in the fund at \$578 thousand are below target with 57% of budget expended (net of depreciation, transfers and debt service) and comparable to prior year expenses.

**Cash Balance**

Cash Balance in the Solid Waste Operating & Capital Fund is \$752,950.00.

**Solid Waste Fund – Operating & Capital Cash Balance**

Cash balance - \$752,950.00.

**Electric Fund**

**Revenue Analysis**

- Revenue from energy sales at \$11.3 million is on target at 75% of budget; below is a snapshot of prior year billed service revenue, current year budget, actual and % of budget realized:

FY20 Actual March 31 <sup>st</sup>	FY21 Budget	FY21 Actual March 31 <sup>st</sup>	% Realized
\$11,353,986.00	\$14,999,653.00	\$11,306,927.00	75.4%

**Expense Analysis**

- Expenses associated with the sale of energy for the fiscal year was \$7.2 million and is below budget at 53.3% of the total budget (net of depreciation, transfers and debt service).

**Electric Fund – Operating & Capital Cash Analysis**

Cash in the Electric Fund at \$6,588,468.00 increased by \$555,912.00 from the prior month period.

Policy Evaluation:

- Cash is above minimum policy guideline of \$1.494 million by \$5 million.

Councilman Ray Smith asked what for explanation on the amount of (\$548,406.00) under the line item of Emergency Services Management in the General Fund expenditures chart.

Director Spence replied that she would have to get back to Councilman Ray Smith with an answer.

Councilman McLemore stated that the City had more money this year than last year and asked for an estimate on how much money.

Director Spence replied about a half a million dollars.

#### **Reimbursement Resolution #2021-09**

City Manager Amanda Jarratt stated the Franklin Redevelopment and Housing Authority needs to close on the sale of the Franklin Redevelopment and Housing Authority building in advance of the City of Franklin completing the process to borrow funds for the purchase. The adoption of the Reimbursement Resolution #2021-09 will allow the City of Franklin to proceed with the sale and reimburse the unrestricted fund balance for the incurred expenses upon the completion of the financing. City Manager Jarratt added she confirmed with legal counsel that the resolution does not need to be read in its entirety but will need to be voted on by roll call.

Mayor Frank Rabil entertained a motion to adopt the Reimbursement Resolution #2021-09 and read the first paragraph of the resolution.



Councilman Linwood Johnson made a motion to adopt the Reimbursement Resolution #2021-09. The motion was seconded by Councilwoman Wynndolyn Copeland.

The motion carried the vote by 6-1.

The motion was as follows:

Mayor Frank Rabil	Aye
Vice-Mayor Bobby Cutchins	Aye
Councilman Linwood Johnson	Aye
Councilman Mark R. Kitchen	Aye
Councilwoman Wynndolyn Copeland	Aye
Councilman Ray Smith	Aye
Councilman Gregory McLemore	ABSTAINED

Mayor Frank Rabil stated that the motion carried the vote.

See Attached Resolution:

Old / New Business

Franklin Southampton Economic Development, Inc. Update

City Manager Amanda Jarratt introduced Ashley Covington, Interim President & CEO of Franklin / Southampton Economic Development, Inc. to come forward and give the following update on the Franklin Business Center and Franklin / Southampton Economic Development, Inc. (FSEDI).

- Mrs. Covington updated City Council on hiring the president and CEO of FSEDI. She stated resumes were due Wednesday, April 21, 2021 and interviews are scheduled for May 11, 2021.
- Helping Hands Sitter Service is graduating from the Business Center and will be relocating their business to Main Street.
- Three businesses have been approved to move into the Franklin Business Center.
- Occupancy of the Franklin Business Center is at 82%.
- Franklin Business Center will be doing two commercials on WAVY TV-10 and a spot on the Hampton Roads show in order to bring individuals to the City for day trips.

Councilman Gregory Mclemore asked who would be involved in the interview selection process.

Interim President & CEO Covington answered the interview selection process will be done by the Franklin / Southampton Economic Development Board of Directors as well as an interview committee which consists of Vice-Mayor Robert Cutchins, Dr. Allen Edwards and Meghan Council.

### **City Manager's Report**

City Manager Amanda Jarratt gave the following updates:

#### **General Updates**

- The COVID-19 cases in the City of Franklin are slowing, we currently have 1,126 cases, 56 hospitalizations and 32 deaths. Vaccinations continue to be administered through various avenues within the Western Tidewater Health District. Governor Ralph Northam announced that all individuals in Virginia age 16 and older will be eligible to get the COVID-19 vaccine starting on Sunday, April 18<sup>th</sup>. By pre-registering you help our local health district plan for our area and have a better sense of where we are as a community in reaching the goal line of 70% of the adult population vaccinated. To pre-register, visit <http://vaccinate.virginia.gov> or call 877-VAX-IN-VA.
- Bon Secours and Anthem Blue Cross Blue Shield have still not reached an agreement in regards to the hospital proffer in network. William Johnson, City Manager of Emporia, Virginia has reached out to see if the City of Franklin would consider sending a joint letter from municipalities in the nearby area to both the hospital system and Anthem Blue Cross Blue Shield requesting that they move past this impasse.

Mayor Frank Rabil stated he thought this action should be put into a motion and proceeded to entertain a motion to authorize City Manager Amanda Jarratt to issue a joint letter with the City of Emporia, Virginia to Bon Secours and Anthem Blue Cross Blue Shield.

**Councilwoman Wynndolyn Copeland made a motion to authorize City Manager Amanda Jarratt to issue a joint letter with the City of Emporia, Virginia to Bon Secours and Anthem Blue Cross Blue Shield.**

The motion carried the vote by 7-0.

The motion was as follows:

Mayor Frank Rabil	Aye
Vice-Mayor Bobby Cutchins	Aye
Councilman Linwood Johnson	Aye
Councilman Mark R. Kitchen	Aye
Councilwoman Wynndolyn Copeland	Aye
Councilman Ray Smith	Aye
Councilman Gregory McLemore	Aye

Mayor Frank Rabil stated that the motion passed unanimously.

- In regards to the Utility Relief, the City of Franklin is over 1% liability which would allow the City to pursue the relief from the moratorium on cut-offs, however there have been changes to the state budget language that now allows individuals to use the assistance more than one time while the funds last. If citizens need assistance, they need to apply now while the funds are available.

Councilman Mark R. Kitchen asked if there has ever been any verification that these individuals that are applying for assistance have been affected by the COVID-19 pandemic.

City Manager answered that the individual has to attest to it on the form.

Councilman Mark R. Kitchen asked if there was policy that requires City Council's approval for a fellow Council member to travel regarding City Council business.

City Manager Jarratt answered currently there is not a travel policy for City Council. She added she would be glad to reach out to other local municipalities and legal counsel to see what kind of travel policies were being used.

Councilman Kitchen requested City Manager Jarratt to research a future travel policy.

Councilman Mark R. Kitchen what was the qualifications or restrictions on Neighborhood Block Grant projects.

City Manager Jarratt answered the Virginia Department of Housing and Community Development Department are responsible for the Neighborhood Block Grants and the funds are issued through a competitive process from HUD.

Councilman Kitchen asked how could he get Lakeview Road on the list.

City Manager Jarratt answered the City of Franklin has to apply for a Neighborhood Block Grant Project has a municipality and the neighborhood has to meet the qualifications , including a number of low and moderate income families as well as poor housing conditions.

- Staff participated in the “ground breaking” for the Community Produce Hub to be located at 618 South Street in cooperation with the Foodbank of Southeastern Virginia and the Eastern Shore.
- The City of Franklin is seeking to fill a number of positions across multiple departments. Individuals seeking employment should review the opportunities posted at [www.franklinva.com/employment](http://www.franklinva.com/employment).

#### **Community Events**

- Spring and Summer athletic leagues are posted on the City of Franklin website. All COVID-19 safety procedures will be followed.
- The Franklin Cruise In is scheduled to kick off on Saturday, April 24, 2021 then shifting to the traditional Wednesday evening event until the Grand Finale which is planned for October.
- We Be Jamming is scheduled to being on May 27, 2021 at Barrett’s Landing.
- The City of Franklin Independence Day is scheduled for June 30, 2021 in conjunction with the Franklin Cruise In, Franklin Farmer’s Market and the Franklin Experience.
- The Franklin Farmers Market is scheduled to officially begin on Wednesday afternoons beginning on May 26, 2021 through September 8, 2021 from 4:00 p.m. – 7:00 p.m.

#### **Council / Staff Reports on Boards / Commissions**

Councilman Ray Smith recommended Meghan Council to serve on the Franklin Southampton Economic Development Board.

Mayor Frank Rabil stated the recommendations would be handled in Closed Session.

Councilman Gregory McLemore asked if the Race Relations Committee was going to be continued.

Mayor Frank Rabil stated yes there is still work to be done regarding the Race Relations Committee.

Councilman McLemore stated he needed to replace a member of the Race Relations Committee and nominated Jesse Evans.

Councilman Linwood Johnson reported on the Western Tidewater Regional Jail Board meeting. He reported there are 114 DOC inmates out of compliance, hopefully DOC would be moving them soon. The bed count is at 1,070 which is 70% capacity and 208 federal inmates. Operating budget is currently at \$3,714,634.00.

Mayor Rabil announced there would be a Hampton Roads Economic Development Alliance meeting on Thursday, April 29, 2021.

### Closed Session

There being no other items to discuss Mayor Frank Rabil entertained a motion to go into Closed Session.

Councilman Mark R. Kitchen moved that the City of Franklin, Virginia City Council adjourn into a closed meeting pursuant to Virginia Code Section 2.2-3711-A-1, 1. discussion of appointments to boards and commissions, to discuss the following subject or subjects: Blackwater Regional Library Board, Beautification Commission, Industrial Development Authority, and Franklin Southampton Economic Development, Inc., and;

2.2-3711-A-3, Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body specifically regarding property in Downtown Franklin.

2.2-3711-A-5, Discussion concerning 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 specifically along Pretlow Industrial Park, Armory Drive, and Franklin Regional Airport.

The motion was seconded by Councilwoman Wynndolyn Copeland.

The motion carried the vote by 7-0.

Mayor Frank Rabil stated that the motion passed unanimously.

City Council went into closed session at 8:30 p.m.

### Motion Upon Returning to Open Session

Councilman Mark R. Kitchen moved that the City of Franklin, Virginia City Council adopt the attached closed meeting resolution to certify that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting held on April 26, 2021; (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the City of Franklin, Virginia City Council; and (iii) no action was taken in closed meeting regarding the items discussed.

The motion was seconded by Councilwoman Wynndolyn Copeland.

The motion carried the vote by 7-0.

Mayor Frank Rabil stated that the motion passed unanimously.

### Other Action Items

Councilman Ray Smith made a motion to appoint Jesse Evans to serve on the Race Relations Committee. The motion was seconded by Councilman Linwood Johnson.

The motion carried the vote by 6-1.

The motion was as follows:

Mayor Frank Rabil	Aye
Vice-Mayor Bobby Cutchins	Aye
Councilman Linwood Johnson	Aye
Councilman Mark R. Kitchen	Nay
Councilwoman Wynndolyn Copeland	Aye
Councilman Ray Smith	Aye
Councilman Gregory McLemore	Aye

Mayor Frank Rabil stated that the motion carried the vote.

Councilwoman Wynndolyn Copeland made a motion to appoint Meghan Council to serve on the Franklin Southampton Economic Development Board. The motion was seconded by Councilman Linwood Johnson.

The motion carried the vote by 7-0.

The motion was as follows:

Mayor Frank Rabil	Aye
Vice-Mayor Bobby Cutchins	Aye
Councilman Linwood Johnson	Aye
Councilman Mark R. Kitchen	Aye
Councilwoman Wynndolyn Copeland	Aye
Councilman Ray Smith	Aye
Councilman Gregory McLemore	Aye

Mayor Frank Rabil stated that the motion passed unanimously.

Adjournment

MINUTES FROM THE APRIL 26, 2021 REGULAR CITY COUNCIL MEETING

There being no further items to discuss Councilwoman Wynndolyn Copeland made a motion to adjourn the April 26, 2021 regular City Council meeting. The motion was seconded by Councilman Linwood Johnson.

The motion carried the vote by 7-0.

Mayor Frank Rabil stated that the motion passed unanimously.

The April 12, 2021 regular City Council meeting adjourned at 9:07 p.m.

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**Mayor**

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**Clerk to City Council**





## **Resolution 2021-10**

### **Public Service Recognition Week**

**May 2, - May 8, 2021**

**WHEREAS**, during Public Service Recognition Week, we pay tribute to our Federal, State, and City of Franklin employees for their unwavering dedication to civil service. On the front lines in time of prosperity and adversity alike, our world-class workforce remains ready and willing to serve their fellow Americans; and

**WHEREAS**, in recent weeks and months, the City of Franklin's employees have united with unprecedented urgency and resolve to the coronavirus pandemic. Their tireless efforts are ensuring local governments continue to provide necessary services to their constituents, are helping forge productive government-private sector partnerships, and are bolstering our ongoing recovery efforts. Our public health experts, who always play an integral role in protecting the health and wellbeing of our people, have provided critical and timely guidance to our community on how to stay healthy and prevent the spread of the coronavirus. Emergency managers, first responders, and law enforcement are continuing to provide life-saving care, comfort, and support to those in need. Postal workers are delivering essential supplies and communications. Sanitation workers are keeping our communities clean. School teachers and educators are continuing to provide virtual education and support to students. And countless other public servants are diligently and humbly supporting our American way of life during this crisis. Through their dedicated efforts, the community is protected and supported despite the unprecedented challenges we face. As we start to see a promising forecast and eventual recovery – thanks in large part to the extraordinary sacrifices the community has made on behalf of their fellow citizens – we can begin the critical work of reopening our country. We know that our public service employees will play a crucial role in restarting our economy and getting our society fully revitalized, while also protecting valuable lives. Together, we will complete the work of rebuilding and restoring our community; and

**WHEREAS**, this Public Service Recognition Week, we are especially grateful to our devoted public servants. Their experience, expertise, and commitment to service will lift our community up during these difficult times and help ensure a swift recovery. We will forever be indebted to them for their hard work, dedication and courage, always remembering their irreplaceable contributions to our citizens and our community.

**NOW, THEREFORE BE IT RESOLVED**, that the City Council of Franklin declares the week of May 3, through 9, 2020, to be Public Service Recognition Week in Franklin, Virginia, in honor of the men and women whose diligence and professionalism keep our City and citizens safe.

*Given under my hand this 10th day of May 2021.*

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**Frank M. Rabil, Mayor**



**Resolution 2021-11**

**National Police Week**

**May 9, - May 15, 2021**

**WHEREAS**, the United States Congress and President declared May 15, 2021 as Peace Officers Memorial Day and the week in which it falls a Police Week; and

**WHEREAS**, the City of Franklin joins the nation in honoring the memory of those officers who have made the ultimate sacrifice in service to their communities; and

**WHEREAS**, the City of Franklin would like to express its gratitude to the City's law enforcement officers for their contributions in making Franklin a great place to live.

**NOW, THEREFORE**, I, Frank M. Rabil, Mayor of the City of Franklin, Virginia, do hereby proclaim May 9, 2021, through May 15, 2021, AS

**“NATIONAL POLICE OFFICER MEMORIAL WEEK”**

And call upon all residents to express their gratitude to law enforcement officers for their contributions in keeping Franklin safe.

*Signed this 10th day of May 2021.*

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**Frank M. Rabil, Mayor  
City of Franklin, Virginia**



Office of the City Manager  
Amanda C. Jarratt

May 5, 2021

To: Franklin City Council

From: Amanda C. Jarratt, City Manager

Reference: Davenport Plan of Finance

### **Background Information**

As you all are aware construction of the Southampton County Courthouse is set to begin in September of 2021. The time has come to begin the process to borrow funds to pay for the City of Franklin's share of this project. Davenport will provide City Council with a financing strategy that will have the least possible impact on the City budget. In addition, there are several projects identified by staff that need financing as outlined below.

- Southampton County Courthouse Project Not to exceed \$20M- The City of Franklin is responsible for 21.42% of the cost equaling approximately \$4,284,000.00.
- Purchase of Franklin Redevelopment and Housing Authority Office \$383,000- This project will replace the existing Social Services building which has suffered significant and costly building issues over the years.
- \$115,000- purchase of bathroom facilities at Barrett's Landing.
- Excavator Replacement \$288,080 - This project would provide for the replacement of a 1998 excavator which is utilized by the Streets Division. This machine performs grading, excavating, as well as mowing and debris removal. The age of this machine makes us susceptible to breakdowns and difficult in securing parts for repairs.
- Public Works Garage \$66,800- This project would replace two 30 years old oil furnaces and add air conditioning to the Public Works garage. Replace old wiring, receptacles, and panel box. This provides a more effective and efficient heat source by replacing oil units that are well past their life expectancy. This will cut the cost of health oil for this facility and provide a cleaner and healthier environment. This will also be beneficial in cost savings of service calls. Electrical upgrades will bring everything up to current code.
- Health Department \$125,127- This project will replace all original windows, paint interior, and replace ceiling tiles. This will add to the life of the building. This will also make the HVAC more efficient which will be a cost savings. Painting and ceiling tile will make this a clearer, healthier, and safer environment of the customers and employees.
- Leaf Loader Truck \$250,000- This project provides for the replacement of the Leaf Loader Truck in the refuse division. Funds will be utilized to replace a 27-year-old Leaf Loader Truck with 63,702 miles and 7,600 hours that has outlived its usefulness. Parts are getting difficult to find and repair costs for FY20-21 have exceeded \$20,000 in six months.

### **Needed Action**

Conduct the public hearing on the plan of finance and at the conclusion of the public hearing adopt the attached resolutions. In addition, provide staff with the authority to work with Davenport to make a finalize decision on the implementation of the financial plan.



**RESOLUTION #2021-12**

**CITY OF FRANKLIN, VIRGINIA**

**A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF GENERAL  
OBLIGATION AND REFUNDING BONDS OF THE CITY OF FRANKLIN, VIRGINIA,  
PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF**

**Adopted on May \_\_, 2021**

**WHEREAS**, the City Council (**the “City Council”**) of the City of Franklin, Virginia (**the “City”**) has received a plan of financing from the City’s Financial Advisor, Davenport & Company LLC (**the “Financial Advisor”**) and determined under such plan to issue its general obligation bonds to (a) finance the construction and permanent financing of a courthouse and other capital needs of the City, including, but not limited to capital improvements to City Department of Social Services facilities and City park facilities (**together, the “Projects”**), (b) restructure and refinance all or a portion of the City's outstanding General Obligation Refunding Bond, Series 2013 (**the “Refunded Bonds”**), and (c) to pay costs incurred in issuing such general obligation bonds;

**WHEREAS**, the City Council has determined that (i) the City is in need of funds to be used by the City for financing the Projects, for restructuring the Refunded Bonds to achieve cash flow relief for the City, for costs of issuance of the Bonds (as defined below) and for the payment of interest on the Bonds, (ii) the obtaining of such funds will be for municipal purposes of the City for the welfare of citizens of the City for purposes which will serve the City and its citizens, (iii) the most effective, efficient and expedient manner in which to provide such funds to finance the Projects and refund, refinance and restructure the Refunded Bonds is by the issuance of the Bonds in the maximum principal amount of up to \$6,500,000 related to the Projects and up to \$2,000,000 related to the refunding of the Refunded Bonds, the issuance of such Bonds being within the power of the City to contract debts, borrow money and make and issue evidence of indebtedness, and (iv) the issuance of the Bonds is in the best interests of the City and its citizens;

**WHEREAS**, pursuant to Section 15.2-2606 *et seq.* of the Public Finance Act of 1991, Title 15.2, Chapter 26 of the Code of Virginia of 1950, as amended (**the “Public Finance Act”**), the City is authorized to issue bonds to finance the Projects after a duly noticed public hearing has been held thereon under the provisions of the Public Finance Act, and such public hearing has been held on the date hereof;

**WHEREAS**, pursuant to Section 15.2-2643 *et seq.* of the Public Finance Act, the City is authorized to issue bonds to refund, refinance and restructure the Refunded Bonds;

**WHEREAS**, the City’s administration and the Financial Advisor have recommended to the City Council that the City issue and sell general obligation bonds based on the recommendation of the Financial Advisor;

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA:**

**1. Issuance of Bonds.** Pursuant to the Constitution and statutes of the Commonwealth of Virginia, including the Public Finance Act and the City Charter, there shall be issued and sold (a) general obligation bonds of the City in the maximum aggregate principal amount of \$6,500,000 to provide funds to finance the Projects and pay the costs of issuing such general obligation bonds and (b) taxable general obligation refunding bonds of the City in the maximum aggregate principal amount of \$2,000,000 to provide funds to refund, refinance and restructure the Refunded Bonds and pay the costs of issuing such taxable general obligation refunding bonds.

## 2. Bond Details.

(a) The general obligation bonds shall be issued in one or more series, shall be designated "General Obligation Bonds, Series 2021A" (**the "New Money Bonds"**) or such other designation as may be determined by the Mayor or the City Manager (**hereinafter the Mayor or City Manager shall be referred to as the "City Representative"**), shall be in registered form in denominations of \$5,000 and integral multiples thereof, shall be dated such date as determined by the City Representative and shall be numbered RA-1 upward. Subject to Section 8, the issuance and sale of the Bonds are authorized on terms as shall be satisfactory to the City Representative; provided, however, that the Bonds (a) shall have a "true" or "Canadian" interest cost not to exceed 5.0% (taking into account any original issue discount or premium) and (b) shall have a final maturity no later than December 31, 2052.

(b) The taxable general obligation refunding bonds shall be issued in one or more series, shall be designated "General Obligation Refunding Bonds, Series 2021B (Taxable)" (**the "Refunding Bonds," and, together with the New Money Bonds, the "Bonds"**) or such other designation as may be determined by the City Representative, shall be in registered form in denominations of \$5,000 and integral multiples thereof, shall be dated such date as determined by the City Representative and shall be numbered RB-1 upward. Subject to Section 8, the issuance and sale of the Bonds are authorized on terms as shall be satisfactory to the City Representative; provided, however, that the Bonds (a) shall have a "true" or "Canadian" interest cost not to exceed 5.0% (taking into account any original issue discount or premium) and (b) shall have a final maturity no later than December 31, 2039.

(c) Each Bond shall bear interest from its dated date at such rate as shall be determined at the time of sale, calculated on the basis of a 360-day year of twelve 30-day months, and payable semiannually on dates determined by the City Representative. Principal shall be payable to the registered owners upon surrender of Bonds as they become due at the office of the Registrar (as hereinafter defined). Interest shall be payable by check or draft mailed to the registered owners at their addresses as they appear on the registration books kept by the Registrar on the date prior to each interest payment date (**the "Record Date"**) that shall be determined by the City Representative. If any interest payment date is not a business day, such payment shall be made on the next succeeding business day with the same effect as if made on the interest payment date and no additional interest shall accrue. Principal and interest shall be payable in lawful money of the United States of America.

(d) Initially, one Bond certificate for each maturity of each series shall be issued to and registered in the name of The Depository Trust Company, New York, New York (**"DTC"**), or its nominee. The City has heretofore entered into a Blanket Letter of Representations relating to a book-entry system to be maintained by DTC with respect to the Bonds. "Securities Depository" shall mean DTC or any other securities depository for the Bonds appointed pursuant to this Section.

(e) In the event that (1) the Securities Depository determines not to continue to act as the securities depository for the Bonds by giving notice to the Registrar, and the City discharges its responsibilities hereunder, or (2) the City in its sole discretion determines (i) that beneficial owners of Bonds shall be able to obtain certificated Bonds or (ii) to select a new Securities Depository, then its chief financial officer shall, at the direction of the City, attempt to locate another qualified securities depository to serve as Securities Depository and authenticate and deliver certificated Bonds to the new Securities Depository or its nominee, or authenticate and delivered certificated Bonds to the beneficial owners or to the Securities Depository participants on behalf of beneficial owners substantially in the form provided for in Section 5; provided, however, that such form shall provide for interest on the Bonds to be payable (A) from the date of the Bonds if they are authenticated prior to the first interest payment date, or (B) otherwise from the interest payment date that is or immediately precedes the date on which the Bonds are authenticated (unless payment of interest thereon is in default, in which case interest on such Bonds shall be payable from the date to which interest has been paid). In delivering certificated Bonds, the chief financial officer shall be entitled to rely on the records of the Securities Depository as to the beneficial owners or the records of the Securities Depository participants acting on behalf of beneficial owners. Such certificated Bonds will then be registrable, transferable and exchangeable as set forth in Section 7.

(f) So long as there is a Securities Depository for the Bonds (1) it or its nominee shall be the registered owner of the Bonds, (2) notwithstanding anything to the contrary in this Resolution, determinations of persons entitled to payment of principal and interest, transfers of ownership and exchanges and receipt of notices shall be the responsibility of the Securities Depository and shall be effected pursuant to rules and procedures established by such Securities Depository, (3) the Registrar and the City shall not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Securities Depository, its participants or persons acting through such participants, (4) references in this Resolution to registered owners of the Bonds shall mean such Securities Depository or its nominee and shall not mean the beneficial owners of the Bonds and (5) in the event of any inconsistency between the provisions of this Resolution and the provisions of the above-referenced Blanket Letter of Representations such provisions of the Blanket Letter of Representations, except to the extent set forth in this paragraph and the next preceding paragraph, shall control.

**3. Redemption Provisions.** The Bonds may be subject to redemption prior to maturity at the option of the City on or after dates, if any, and at such prices as shall be determined by the City Representative, provided that the redemption premium, if any, shall not exceed 2.0%.

Any term bonds may be subject to mandatory sinking fund redemption upon terms determined by the City Representative.

If less than all of any series of the Bonds are called for redemption, the maturities of the Bonds to be redeemed shall be selected by the City Representative, in such manner as he may determine to be in the best interest of the City. If less than all of any maturity is called for redemption, the Bonds within such maturity to be redeemed shall be selected by the Securities Depository pursuant to its rules and procedures or, if the book-entry system is discontinued, shall be selected by the Registrar by lot in such manner as the Registrar in its discretion may determine. In either case, (a) the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some integral multiple thereof and (b) in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds that is obtained by dividing the principal amount of such Bond by \$5,000. The City shall cause notice of the call for redemption identifying the Bonds or portions thereof to be redeemed to be sent by electronic or facsimile transmission, registered or certified mail or overnight express delivery, not less than 30 nor more than 60 days prior to the redemption date, to the registered owner of the Bonds. The City shall not be responsible for mailing notice of redemption to anyone other than DTC or another qualified securities depository or its nominee unless no qualified securities depository is the registered owner of the Bonds. If no qualified securities depository is the registered owner of the Bonds, notice of redemption shall be mailed to the registered owners of the Bonds. If a portion of a Bond is called for redemption, a new Bond in principal amount equal to the unredeemed portion thereof will be issued to the registered owner upon the surrender thereof.

In the case of an optional redemption, the notice may state that (1) it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, no later than the redemption date or (2) the City retains the right to rescind such notice on or prior to the scheduled redemption date (**in either case, a “Conditional Redemption”**), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described herein. Any Conditional Redemption may be rescinded at any time. The City shall give prompt notice of such rescission to the affected Bondholders. Any Bonds subject to Conditional Redemption where redemption has been rescinded shall remain outstanding, and the rescission shall not constitute an event of default. Further, in the case of a Conditional Redemption, the failure of the City to make funds available on or before the redemption date shall not constitute an event of default, and the City shall give immediate notice to all organizations registered with the Securities and Exchange Commission as securities depositories or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

**4. Execution and Authentication.** The Bonds shall be signed by the manual or facsimile signatures of the Mayor or Vice Mayor and the City’s seal shall be affixed thereto and shall be attested by the manual or facsimile signature of the City Clerk; provided, however, that if all of such signatures are facsimiles, no Bond shall be valid until it has been authenticated by the manual signature of the Registrar or if a bank has been appointed registrar pursuant to Section 7, an authorized officer or employee of such bank, and the date of authentication noted thereon.

**5. Bond Form.** The Bonds shall be in substantially in the form of Exhibit A attached hereto with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the officers signing the Bonds, whose approval shall be evidenced conclusively by the execution and delivery of the Bonds.



**6. Pledge of Full Faith and Credit.** The full faith and credit of the City are irrevocably pledged for the payment of principal of and premium, if any, and interest on the Bonds. Unless other funds are lawfully available and appropriated for timely payment of the Bonds, the City Council shall levy and collect an annual ad valorem tax, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, on all locally taxable property in the City sufficient to pay when due the principal of and premium, if any, and interest on the Bonds.

**7. Registration, Transfer and Owners of Bonds.** The Bonds shall be issued in registered form without coupons, payable to the registered holders or registered assigns. The City may in its discretion appoint at any time a qualified bank or trust company as paying agent and registrar for the Bonds (**the "Registrar"**). The Registrar shall maintain registration books for the registration and registration of transfers of Bonds. Upon presentation and surrender of any Bonds at the office of the Registrar, at its corporate trust office if the Registrar is a bank or trust company, together with an assignment duly executed by the registered owner or his duly authorized attorney or legal representative in such form as shall be satisfactory to the Registrar, the City shall execute, and the Registrar shall authenticate, if required by Section 4, and deliver in exchange, a new Bond or Bonds having an equal aggregate principal amount, in authorized denominations, of the same form and maturity, bearing interest at the same rate, and registered in names as requested by the then registered owner or his duly authorized attorney or legal representative. Any such exchange shall be at the expense of the City, except that the Registrar may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Registrar shall treat the registered owner as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as owner on the registration books on the Record Date.

**8. Sale of Bonds and Bond Purchase Agreement.** If the City Representative determines that it is in the best interest of the City to sell any Bonds in a competitive sale, then the City Representative is authorized and directed to cause an official notice of bond sale to be issued and accept a qualifying bid or qualifying bids for the purchase of the Bonds which results in the lowest "true" or "Canadian" interest cost to the City, and the Bonds shall bear interest at such rate or rates and shall be sold at such price or prices as may be set forth in the bid(s) accepted by the City Representative. If the City Representative determines that it is in the best interest of the City to sell any Bonds in a negotiated sale, then the City Representative is hereby authorized to enter into a bond purchase agreement or bond purchase agreements with an underwriter or group of underwriters with demonstrated experience in underwriting municipal securities to be selected by the City Representative. The City Representative is authorized and directed to approve such optional or mandatory redemption provisions for the Bonds as the City Representative may determine to be in the best interest of the City. Notwithstanding anything to the contrary herein, by 5:00 p.m. on the date prior to the sale date of any Bonds identified in the official notice of sale for the Bonds, if any, if either no underwriter or only one underwriter has advised of its intention to bid on the Bonds, the City Representative, after consultation with the City's financial advisor and the City's bond counsel, is authorized to remove such series or maturities of Bonds from the bidding process and to pursue a negotiated sale for such series or maturities of Bonds. The

approval of the final terms and conditions of the Bonds subject to the foregoing parameters shall be evidenced conclusively by the execution and delivery of the Bonds in accordance with paragraph 11 of this Resolution. The City Representative shall then, based on the recommendation of the City's Financial Advisor (a) determine the principal amount of the Bonds, subject to the limitations set forth in Section 1, (b) determine the interest rates of the Bonds, maturity schedule of the Bonds, and the price to be paid for the Bonds, subject to the limitations set forth in Section 2 and herein, (c) determine the redemption provisions of the Bonds, subject to the limitations set forth in Section 3, and (d) determine the dated date, the principal and interest payment dates and the Record Date of the Bonds, and whether municipal bond insurance is appropriate to secure the same, all as the City Representative determines to be in the best interests of the City.

If a negotiated sale of the Bonds is pursued, then following the determination of the terms of the Bonds and their sale, the City Representative, is authorized to execute and deliver a bond purchase agreement reflecting the final terms of the Bonds (**the "Bond Purchase Agreement"**). The Bond Purchase Agreement shall be substantially in the form presented to this meeting with such completions, omissions, insertions and change that are not inconsistent with this Resolution, the execution thereof by the City Representative, to constitute conclusive evidence of his or her approval of the Bond Purchase Agreement. The actions of the City Representative, in selling the Bonds shall be conclusive, and no further action with respect to the sale and issuance of the Bonds shall be necessary on the part of the City Council.

Alternatively, the City may, upon the direction of the City Representative, sell the Bonds through a private placement with a bank or other lender, provided however, that the rate on such a private placement of the New Money Bonds shall not exceed 2.86% per annum and the rate on such a private placement of the Refunding Bonds shall not exceed 3.44% per annum. If the City Representative selects a private placement for one or more series of the Bonds, such Bonds shall be issued as a direct obligation delivered to such purchaser and not as a "book-entry" obligation as described in Section 2 hereof. The City officials are authorized and directed to execute and deliver all agreements, certificates and other instruments considered necessary or desirable in connection with the issuance, sale and delivery of the Bond via a private direct bank loan, and any documentation relating thereto, which may include a loan agreement, a bond purchase agreement or similar agreement and any other agreements and to make modifications thereof, including but not limited to the dated date, interest payment dates, maturity, redemption terms and such other provisions as such officials shall deem necessary or convenient, whose determination shall be conclusively evidenced by the execution thereof.

**9. Official Statement.** The draft of a Preliminary Official Statement describing the Bonds, copies of which will have been provided to the members of the City Council in advance of approval hereof, is approved as the form of the Preliminary Official Statement by which the Bonds will be offered for sale, with such completions, omissions, insertions and changes not inconsistent with this Resolution as the City Representative may consider appropriate. The City Representative is authorized and directed to execute an Official Statement in final form (**the "Official Statement"**) and deliver it to the purchasers of the Bonds. The Official Statement shall be in substantially the form of the Preliminary Official Statement submitted to this meeting, with such completions, omissions, insertions and other changes as may be approved by the City Representative, the execution thereof by the City Representative, to constitute conclusive evidence of his or her approval of any such completions, omissions, insertions and changes. The City shall

arrange for the delivery of a reasonable number of copies of the final Official Statement, within seven business days after the Bonds have been sold, for delivery to each potential investor requesting a copy of the Official Statement and to each person to whom Bonds are initially sold.

**10. Official Statement Deemed Final.** The City Representative, is authorized, on behalf of the City, to deem the Preliminary Official Statement and the Official Statement in final form, each to be final as of its date within the meaning of Rule 15c2-12 (**the “Rule”**) of the Securities and Exchange Commission (**the “SEC”**), except for the omission in the Preliminary Official Statement of certain pricing and other information permitted to be omitted pursuant to the Rule. The distribution of the Preliminary Official Statement and the Official Statement in final form shall be conclusive evidence that each has been deemed final as of its date by the City, except for the omission in the Preliminary Official Statement of such pricing and other information permitted to be omitted pursuant to the Rule.

**11. Preparation and Delivery of Bonds.** After the Bonds have been sold, the Mayor, the City Manager and the City Clerk are authorized and directed to take all proper steps to have the Bonds prepared and executed in accordance with their terms and to deliver the Bonds to the purchaser(s) thereof upon payment therefor.

**12. [intentionally omitted].**

**13. Further Use of Bond Proceeds.** The City Treasurer is authorized and directed to use the proceeds of the Bonds to pay (i) the fees and costs incurred in issuing the Bonds and (ii) costs of financing the Projects. The City Treasurer is further authorized and directed to take all such further action as may be necessary or desirable in connection with the financing of the Projects.

**14. Arbitrage Covenants.** The City covenants that it shall not take or omit to take any action the taking or omission of which will cause the New Money Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (**the “Code”**), and regulations issued pursuant thereto, or otherwise cause interest on the New Money Bonds to be includable in the gross income of the registered owners thereof under existing law. Without limiting the generality of the foregoing, the City shall comply with any provision of law which may require the City at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the New Money Bonds, unless the City receives an opinion of nationally recognized bond counsel that such compliance is not required to prevent interest on the New Money Bonds from being includable in the gross income of the registered owners thereof under existing law. The City shall pay any such required rebate from its legally available funds.

**15. Non-Arbitrage Certificate and Elections.** Such officers of the City as may be requested are authorized and directed to execute an appropriate certificate setting forth the expected use and investment of the proceeds of the New Money Bonds in order to show that such expected use and investment will not violate the provisions of Section 148 of the Code, and any elections such officers deem desirable regarding rebate of earnings to the United States for purposes of complying with Section 148 of the Code. Such certificate and elections shall be in such form as may be requested by bond counsel for the City.

**16. Limitation on Private Use.** The City covenants that it shall not permit the proceeds of the New Money Bonds or the facilities financed or refinanced with the proceeds of the New Money Bonds to be used in any manner that would result in (a) 5% or more of such proceeds or the facilities financed or refinanced with such proceeds being used in a trade or business carried on by any person other than a governmental unit, as provided in Section 141(b) of the Code, (b) 5% or more of such proceeds or the facilities financed or refinanced with such proceeds being used with respect to any output facility (other than a facility for the furnishing of water), within the meaning of Section 141(b)(4) of the Code, or (c) 5% or more of such proceeds being used directly or indirectly to make or finance loans to any persons other than a governmental unit, as provided in Section 141(c) of the Code; provided, however, that if the City receives an opinion of nationally recognized bond counsel that any such covenants need not be complied with to prevent the interest on the New Money Bonds from being includable in the gross income for federal income tax purposes of the registered owners thereof under existing law, the City need not comply with such covenants.

**17. Continuing Disclosure Agreement.** The Mayor, the City Manager, or the Finance Director of the City, and such officer or officers of the City as either may designate, any of whom may act, are hereby authorized and directed to execute a continuing disclosure agreement setting forth the reports and notices to be filed by the City and containing such covenants as may be necessary to assist the purchaser of the Bonds in complying with the provisions of the Rule promulgated by the SEC. Such continuing disclosure agreement shall be substantially in the form presented to this meeting, with such completions, omissions, insertions and changes that are not inconsistent with this Resolution.

**18. Other Actions.** All other actions of officers of the City in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Bonds including but not limited to changes in the payment dates, maturity dates, obtaining ratings and determination of escrow agent are approved and confirmed. The officers of the City are authorized and directed to execute and deliver all certificates and instruments and to take all such further action as may be considered necessary or desirable in connection with the issuance, sale and delivery of the Bonds and the refunding of the Refunded Bonds.

**19. Effectiveness and Filing of Resolution.** The Council hereby declares that this Resolution shall become effective upon its passage as provided for in the Act. A certified copy of this Resolution shall be filed by the Clerk with the Clerk of the Circuit Court of the County of Southampton, Virginia. The filing of this Resolution with the Clerk of the Circuit Court of the County of Southampton, Virginia shall be deemed to be the filing of an initial resolution or ordinance with such Court for all purposes of the Act.

The Members of the Council voted as follows:

Ayes

Nays

Absent

Abstentions

Adopted this \_\_\_ day of May, 2021.

The undersigned City Clerk of the City of Franklin, Virginia hereby certifies that the foregoing constitutes a true and correct extract from the minutes of a meeting of the City Council held on May \_\_, 2021, and of the whole thereof so far as applicable to the matters referred to in such extract. I hereby further certify that such meeting was a regularly called meeting and that, during the consideration of the foregoing Resolution, a quorum was present and action was taken in an open meeting.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

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City Clerk  
City of Franklin, Virginia

**EXHIBIT A**

Unless this bond is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the issuer or its agent for registration of transfer, exchange, or payment, and any bond is registered in the name of Cede & Co., or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

**REGISTERED**  
No. R[A][B]-\_\_

**REGISTERED**  
\$ \_\_\_\_\_

**UNITED STATES OF AMERICA**  
**COMMONWEALTH OF VIRGINIA**  
**CITY OF FRANKLIN**

**General Obligation [Refunding] Bonds, Series 2021[A][B (Taxable)]**

<b>INTEREST RATE</b>	<b>MATURITY DATE</b>	<b>DATED DATE</b>	<b>CUSIP</b>
_____%	_____, ____	_____, 2021	_____

**REGISTERED OWNER: CEDE & CO.**

**PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS**

The City of Franklin, Virginia (**the “City”**), for value received, promises to pay, upon surrender hereof, to the registered owner hereof, or registered assigns or legal representative, the principal sum stated above on the maturity date stated above, subject to prior redemption as hereinafter provided, and to pay interest hereon from its date semiannually on each \_\_\_\_\_ and \_\_\_\_\_, beginning on \_\_\_\_\_, \_\_\_\_\_, at the annual rate stated above, calculated on the basis of a 360-day year of twelve 30-day months. Principal and interest are payable in lawful money of the United States of America by \_\_\_\_\_, who has been appointed paying agent and registrar for the bonds, or at such bank or trust company as may be appointed as successor paying agent and registrar by the City (**the “Registrar”**).

Notwithstanding any other provision hereof, this bond is subject to a book-entry system maintained by The Depository Trust Company (“DTC”), and the payment of principal and interest, the providing of notices and other matters shall be made as described in the City’s Blanket Letter of Representation to DTC.

This bond is one of an issue of up to \$ \_\_\_\_\_ General Obligation [Refunding] Bonds, Series 2021[A][B (Taxable)], of like date and tenor, except as to number, denomination, rate of interest, privilege of redemption and maturity, and is issued pursuant to the Constitution and statutes of the Commonwealth of Virginia, including the Public Finance Act and the City Charter. This bond is issued pursuant to a Resolution adopted by the City Council on May \_\_, 2021, to [finance capital projects in the City, including a new courthouse and other City projects][refund the City's outstanding General Obligation Refunding Bond, Series 2013] and to pay the costs of issuing the bonds.

Bonds maturing on or before \_\_\_\_\_, \_\_\_\_, are not subject to redemption prior to maturity. Bonds maturing on or after \_\_\_\_\_, \_\_\_\_, are subject to redemption prior to maturity at the option of the City on or after \_\_\_\_\_, \_\_\_\_, in whole or in part (in integrals of \$5,000) at any time, upon payment of \_\_\_\_\_% of the principal amount of bonds to be redeemed plus interest accrued and unpaid to the date fixed for redemption.

If less than all of the bonds are called for redemption, the bonds to be redeemed shall be selected by the Mayor or City Manager of the City in such manner as he may determine to be in the best interest of the City. If less than all the bonds of a particular maturity are called for redemption, the bonds within such maturity to be redeemed shall be selected by DTC or any successor securities depository pursuant to its rules and procedures or, if the book-entry system is discontinued, shall be selected by the Registrar by lot in such manner as the Registrar in its discretion may determine. In either case, (a) the portion of any bond to be redeemed shall be in the principal amount of \$5,000 or some integral multiple thereof and (b) in selecting bonds for redemption, each bond shall be considered as representing that number of bonds that is obtained by dividing the principal amount of such bond by \$5,000. The City shall cause notice of the call for redemption identifying the bonds or portions thereof to be redeemed to be sent by electronic or facsimile transmission, registered or certified mail or overnight express delivery, not less than 30 nor more than 60 days prior to the redemption date, to DTC, or its nominee, as the registered owner of the bonds. If a portion of this bond is called for redemption, a new bond in principal amount of the unredeemed portion hereof shall be issued to the registered owner upon surrender hereof.

The City may give a notice of redemption prior to a deposit of redemption moneys if such notice states that the redemption is to be funded with the proceeds of a refunding bond issue and is conditioned on the deposit of such proceeds. Provided that moneys are deposited on or before the redemption date, such notice shall be effective when given. If such proceeds are not available on the redemption date, such bonds will continue to bear interest until paid at the same rate they would have borne had they not been called for redemption. On presentation and surrender of the bonds called for redemption at the place or places of payment, such bonds shall be paid and redeemed.

The full faith and credit of the City are irrevocably pledged for the payment of principal of and premium, if any, and interest on this bond. Unless other funds are lawfully available and appropriated for timely payment of this bond, the City Council shall levy and collect an annual ad valorem tax, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, on all taxable property within the City sufficient to pay when due the principal of and premium, if any, and interest on this bond.

The Registrar shall treat the registered owner of this bond as the person exclusively entitled to payment of principal of and premium, if any, and interest on this bond and the exercise of all rights and powers of the owner, except that interest payments shall be made to the person shown as the owner on the registration books on the 15<sup>th</sup> date of the month preceding each interest payment date.

All acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to and in the issuance of this bond have happened, exist and have been performed, and, together with all other indebtedness of the City, is within every debt and other limit prescribed by the Constitution and statutes of the Commonwealth of Virginia.

**IN WITNESS WHEREOF**, the City of Franklin, Virginia, has caused this bond to be to be signed by its Mayor or Vice Mayor, its seal to be affixed hereto and attested by its City Clerk, and this bond to be dated the date first above written.

(SEAL)

\_\_\_\_\_  
Mayor, City of Franklin, Virginia

ATTEST:

\_\_\_\_\_  
City Clerk, City of Franklin, Virginia

### **CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Bonds described in the within-mentioned Resolution.

**REGISTRAR -** \_\_\_\_\_

**By:** \_\_\_\_\_

**DATE OF AUTHENTICATION:**

\_\_\_\_\_, 2021



ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

\_\_\_\_\_  
(Please print or type name and address, including postal zip code, of Transferee)

PLEASE INSERT SOCIAL SECURITY OR OTHER  
IDENTIFYING NUMBER OF TRANSFEREE:

\_\_\_\_\_  
: :  
: :  
: :  
\_\_\_\_\_

the within bond and all rights thereunder, hereby irrevocably constituting and appointing  
\_\_\_\_\_  
Attorney, to transfer said bond on the books kept for the registration thereof, with full power of  
substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed

\_\_\_\_\_  
NOTICE: Signature(s) must be guaranteed  
by an Eligible Guarantor Institution such  
as a Commercial Bank, Trust Company,  
Securities Broker/Dealer, Credit Union  
or Savings Association who is a member  
of a medallion program approved by The  
Securities Transfer Association, Inc.

\_\_\_\_\_  
(Signature of Registered Owner)

NOTICE: The signature above must  
correspond with the name of the  
registered owner as it appears on the  
front of this bond in every particular,  
without alteration or enlargement or any  
change whatsoever.



*Office of the City Manager  
Amanda C. Jarratt*

May 4, 2021

To: Franklin City Council

From: Amanda C. Jarratt, City Manager

Reference: FY 22 Budget Public Adoption

**Background Information**

In accordance with the budget calendar for FY 22 the public hearing on the budget is scheduled for adoption this evening. The FY 22 budget maintains the City's tax rate of \$1.03 and does not increase any other taxes or fees. Evaluating ways to implement the priorities and needs of a community which can be challenging under normal circumstances, were even more difficult while trying to keep the citizenry and the workforce safe. In an effort to meet the challenges the City of Franklin is currently facing, the entire management team joined together to present a balanced budget that provides essential services to our citizens. The grip that COVID-19 had on the nation, the Commonwealth, and specifically the City of Franklin made the development of priorities different than ever before. City departments held the line in terms of requests and overall submitted flat budgets. The most valuable asset the City of Franklin has are its long-term dedicated employees that creatively do more with less each year to maintain City operations. The current budget includes frozen positions and as well as the delay of critical projects. Despite all of this, City staff has pulled together for the best interest of the citizens. I remain in awe of their commitment to presenting a realistic balanced budget that meets the needs of the City of Franklin citizens and maintains City operations. The entire management team has spent hours analyzing how expenditures can be cut and services maintained. Moving forward City Council will work to identify priorities for the City of Franklin and the services that are considered essential to work toward a sustainable balanced budget.

The City's General Fund has experienced significant challenges over the past several fiscal years. As was shared in previous budget work sessions, the 2021-2022 budget was balanced utilizing \$195,000 from the Water & Sewer Fund \$100,000 from Solid Waste Fund, \$510,000 in savings from freezing/delaying positions, and an additional \$360,600 from the Electric Fund above the normal transfer for operations. In prior years, there were valiant and concerted efforts aimed at maintaining the current tax rate. It is acknowledged, however, absent strategic and incremental tax increases paired with growth of the tax base maintaining the levels of services that the citizens of Franklin are accustomed to will not be possible. In cooperation with Davenport and Company, management and the Franklin City Council have worked to stabilize the General Fund and increase the City's unassigned fund balance. In FY 19, the unassigned fund balance was in a position to dip below the required 15% policy minimum. Now, due to concerted effort and planning the fund balance is projected to be just over 25%.

Management is presenting a structurally balanced budget in the wake of fiscal challenges which are to a great extent, beyond the City's control. The City of Franklin is resilient even faced with what may appear as insurmountable challenges. Management remains optimistic about Franklin's future and knows that as a team we can move the City of Franklin forward.

The Proposed General Fund budget is \$26,270,037, an increase of \$219,288 or .8% above the FY 2020-2021 amended budget. During recent years, the City has evaluated programs and services and identified ways to improve efficiency without significantly reducing service levels directly impacting residents and customers. Efficiencies have been achieved across all departments and at this point, in order to maintain essential services, an increase in the revenue stream is necessary. The increases associated with this year's budget includes necessary capital projects and restoration of parks and recreation activities for the City of Franklin's youth.

## RECOMMENDED TAX RATES

In consideration of the challenging days ahead associated with the negative impact of COVID-19, management recommends the real property tax rate remain the same at \$1.03 per \$100.00 of real property valuation for FY 2021-2022. All other tax categories are recommended to remain unchanged.

## SCHOOL OPERATING FUND

Regarding essential City financial support for the Franklin City Public Schools, the proposed budget includes current year funding of \$4,830,237. The City Council for several years held the base funding level and only approved one-time carryover funds resulting from the School Division having unexpected funds in their budget at fiscal year-end. It is also noteworthy that Franklin City Public Schools has had several hundred thousand dollars in excess in instruction each year. The use of restricted fund balance is in accordance with the adopted policy of the City of Franklin whereby approval of carry over funds will only take place upon conclusion of and adoption of the City's audit.

Management will continue to communicate to the school system that carryover funds should be restricted and utilized only for capital items and thus avoid the use of "one-time" or non-recurring funds (carryover) for recurring operating expenditures. Given the limitations and uncertainties of future City funding described earlier, school system appropriations may likely be similarly limited to any future end-of-year carryover funds which can and will vary dramatically from year to year. With these qualifying comments, management believes the recommended level of school system funding illustrates the continued high priority that the City has for adequately funding the public schools as evidenced by the City's favorable ranking among all Virginia cities in terms of per capita spending on education.

## CAPITAL IMPROVEMENTS PROGRAM

An additional but integral consideration for analysis concerning all categories of City services is further refinement and ongoing evaluation of the City's multi-year Capital Improvements Program (CIP) planning and funding strategies. Long-term capital needs remain on the horizon however staff successfully worked with Davenport & Company to fund two years of capital improvement projects. Only minimal CIP requests are recommended to be funded in the FY 2021-2022 budget.

## PERSONNEL

Comments in this message thus far have not addressed City government's number one asset essential to providing quality service to citizens and customers. This reference is of course to the dedicated City employees that so skillfully serve this community throughout the year. Concerning personnel benefits, some historical review is needed on prior year actions. Included in the budget detail is additional historical salary increase information. In the FY 2020-2021 year, the City of Franklin received a 4.9% decrease in insurance premiums. This decrease was shared between the employees and the City of Franklin. In FY2021-2022, the City received a 4% decrease in premiums which again will be shared between the City and the employees. In addition, City Council took the proactive step to increase the insurance contributions by the City to equate to a minimum of 70% to decrease the burden on current employees as well as a tool to recruit new employees. Staff did receive a 2% COLA increase in November of 2020 as a result of

steady revenues despite the ongoing COVID-19 pandemic. There is no COLA increase included in the current FY 22 budget however, it will be reviewed dependent on revenues in the fall of 2021.

Personnel costs are by far the largest single expenditure category in the City's budget as it is in practically any organization or enterprise. The FY 2021-2022 budget recommended total personnel costs is \$12,268,558 which comprises 46.7% of the General Fund budget. While there are several positions frozen in the FY 22 budget in the Police Department and Public Works, positions are being restored in the Finance Department, Public Works, Parks and Recreation and the Fire Department. The City of Franklin will return to maintaining its own grounds maintenance crews which comprises the majority of the new employees. In addition, the City of Franklin is adding three new Fire and EMS positions to maintain our current level of service within the Franklin City limits.

**Needed Action**

Adopt the FY 22 budget as presented.



*Office of the City Manager  
Amanda C. Jarratt*

April 20, 2021

To: Franklin City Council

From: Amanda C. Jarratt, City Manager

Reference: Destination Marketing Organization

**Background Information**

As one of the key first steps for the establishment of the City of Franklin's Tourism Department Franklin City Council needs to adopt a resolution to establish itself as an independent Destination Marketing Organization. Please see the attached memo from Carson Blythe Tourism Director describing the process.

**Needed Action**

Adopt the attached DMO resolution as presented.



## MEMORANDUM

**TO: AMANDA C. JARRETT  
CITY MANAGER**

**FROM: CARSON BLYTHE,  
DIRECTOR OF TOURISM**

**DATE: APRIL 29, 2021**

**RE: VA. DESTINATION MARKETING ORGANIZATION RESOLUTION**

In efforts to create a thriving tourism department for the City of Franklin, a resolution regarding the application to become the area Destination Marketing Organization (DMO) has been written. Currently, Franklin Southampton Economic Development Inc. serves as the area DMO. However, in agreement with the City Manager and Sandra Tanner, VTC Senior Destination Development Specialist, a decision has been made that it would be in the best interest of the City to apply for a separate DMO designation.

A **Destination Marketing Organization** is an organization that promotes a location as an attractive travel destination. DMO's primarily exist to provide information to leisure travelers.

Acquiring the DMO designation would create a valuable platform for the successful creation and development of the tourism department. It will also provide a wide variety of opportunities that benefit the City of Franklin specifically. It is my request that the City Council approve this resolution.

If you have any questions, please do not hesitate to contact me at 757-562-8506.

Thank you for your time and consideration in this matter.

Carson S. Blythe

[csblythe@franklinva.com](mailto:csblythe@franklinva.com)  
757-562-8506



**RESOLUTION #2021-13**

**VIRGINIA DESTINATION MARKETING ORGANIZATION**

**May 10, 2021**

**WHEREAS**, the City of Franklin wishes to increase tourism opportunities;

**WHEREAS**, the State of Virginia's Tourism Corporation coordinates marketing activities solely with Destination Marketing Organizations within the state to market the Commonwealth as a premier travel destination;

**WHEREAS**, the advantage of being a Destination Marketing Organization within the State of Virginia would allow for partner opportunities and grant applications;

**WHEREAS**, increasing tourism to the City of Franklin would serve to increase local business, in turn increasing tax revenue to the City and surrounding area;

**NOW, THEREFORE, BE IT RESOLVED** by the Franklin City Council this 10<sup>th</sup> day of May, 2021:

*The City of Franklin will petition Virginia Tourism Corporation (VTC) to recognize the City as a Destination Marketing Organization (DMO).*

**BE IT STILL FURTHER RESOLVED** that the Director of Tourism, or their designee be, and hereby is authorized and directed to act as chief liaison for the DMO.

***Given under my hand this 10th day of May 2021.***

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**Frank M. Rabil, Mayor**



*Office of the City Manager  
Amanda C. Jarratt*

May 4, 2021

To: Franklin City Council

From: Amanda C. Jarratt, City Manager

Reference: City Manager's Report

### **General Updates**

- The COVID-19 cases in the City of Franklin are slowing. Vaccinations continue to be administered through various avenues within the Western Tidewater Health District and other venues.
- The City of Franklin is seeking to fill a number of positions across multiple departments. Individuals seeking employment should review the opportunities posted at [www.franklinva.com/employment](http://www.franklinva.com/employment).
- COVID-19 Municipal Relief Fund payments are available for accounts that are 30 days past due. These payments are for water, sewer and electric usage only. It will not pay for garbage usage, late fees, penalties, nor taxes. An application is needed for each payment. Payments are NOT guaranteed. They will be made on a first come, first serve basis and until the fund is depleted.

### **Community Events**

- Spring and Summer athletic leagues are posted on the City of Franklin website. All COVID-19 safety procedures will be followed.
- The Franklin Cruise In is held every Wednesday evening in Downtown Franklin.
- We Be Jamming is scheduled to begin on May 27<sup>th</sup> at Barrett's Landing.
- The City of Franklin Independence Day is scheduled for June 30<sup>th</sup> in conjunction with the Franklin Cruise In, Franklin Farmers Market, and The Franklin Experience.
- The Franklin Farmers Market is scheduled to officially to begin on Wednesday afternoons beginning on May 26<sup>th</sup> through September 8<sup>th</sup> from 4:00 PM-7:00 PM.