

AGENDA

FRANKLIN CITY COUNCIL

MONDAY, MAY 22, 2017 – CITY HALL COUNCIL CHAMBERS – 207 W. SECOND AVE.

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

- A. Call To Order MAYOR FRANK M. RABIL
- B. Work Session – Joint Work Session with Franklin City School Board
FY 2017 – 2018 School Division Budget Request
- C. ADJOURNMENT MAYOR FRANK M. RABIL

7:00 P.M.**Regular Meeting**

- Call To Order MAYOR FRANK M. RABIL
- PLEASE TURN OFF CELL PHONES MAYOR FRANK M. RABIL

PLEDGE OF ALLEGIANCE

CITIZENS' TIME

AMENDMENTS TO AGENDA

1. CONSENT AGENDA
 - A. Minutes: Minutes: April 17, Called Meeting; April 18, Recessed Meeting; April 20, Recessed Meeting; May 8, 2017 Regular Meeting & May 15, 2017 Called Meeting
 - B. Department Reports: April, 2017 (Separate File)
2. FINANCE
 - A. School Division FY 2017 – 2018 Budget Request
 - B. School Division FY 2016 – 2017 Budget Amendment #2017 – 15
 - C. FY 2016 – 2017 City Budget Amendment # 2017 - 16
3. OLD/NEW BUSINESS
 - A. Wards 1 & 3 School Board Appointments
 - B. City Manager's Report
4. COUNCIL/STAFF REPORTS ON BOARDS/COMMISSIONS
5. CLOSED SESSION - I move that the Franklin City Council meet in Closed Session to discuss and consider the performance, and the evaluation of the City Manager and the City Attorney where the discussion will involve the performance of specific individuals pursuant to Virginia Code Section 2.2 – 3711 (A) (1).
Motion Upon Returning to Open Session- I move that the only matters discussed during the session were those lawfully exempted from open meeting requirements and identified in the motion by which the closed session was convened.
6. ADJOURNMENT

UPCOMING ITEMS TO BE SCHEDULED

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

SUBJECT**TENTATIVE TIME LINE**

Council Budget Work Session (If necessary)
Council Called Meeting to Adopt Budget

May 23, 2017 @ 6:00 p.m.
June 5, 2017 @ 7:00 p.m.

CONSENT AGENDA

- A. Minutes: Minutes: April 17, Called Meeting; April 18, Recessed Meeting; April 20, Recessed Meeting; May 8, 2017 Regular Meeting & May 15, 2017 Called Meeting**
- B. Department Reports: April, 2017 (Separate File)**



May 17, 2017

To: Mayor & Council Members

From: R. Randy Martin

Subject: Budget Work Session Minutes of April 17, 18 & 20 Corrections

The Council discussed the April 17th, 18th & 20th called/recessed meeting minutes on May 8th. No Council action was taken because Councilman McLemore felt changes were necessary. It was suggested that Councilman McLemore put his comments in writing and communicate with Manager Martin on revisions in response to his concern that his comments and questions were not mentioned specifically in the minutes while some other questions and comments were listed.

Councilman McLemore and I discussed the matter and shared thoughts. Councilman McLemore submitted the enclosed written comments as proposed revisions. We did not reach a consensus on the changes, so I am enclosing his comments as he submitted them. I am alternatively recommending as Clerk to Council the enclosed revised minutes be approved. Recognizing the Councilman's accurate comment that a few Council members' questions were listed in the minutes and not others, I have revised the minutes to delete all specific Council member questions and generalized the references to all Council members. Given that this was a work session at which no official action was taken on topics discussed; these revised minutes are more consistent with the past practices and the intent of summary minutes of work sessions in particular.

I sincerely appreciate and respect the feedback and critique and will strive to be consistent on this matter in creating the record of future meetings of this nature.

Action Recommended: Consider approval of minutes for April 17th, 18th & 20th as revised.

[Note: Whether approved for inclusion of Councilman McLemore's comments in those minutes or not, his submitted comments and objection will be noted in the May 8th minutes and in the May 22nd minutes as part of the official record of these regular meetings. Of course other Council members will have the opportunity to include their comments as well.]

Enclosure

Robert Randy Martin

From: Gregory Mclemore <G.mclmore@hotmail.com>
Sent: Thursday, May 11, 2017 1:23 PM
To: Robert Randy Martin
Subject: Minutes revision
Attachments: Minutes revision2.pdf

Minutes revision

Councilman McLemore asked the Chief several questions that seemed to upset the Chief including asking where is the money going to come from to fund the Chiefs request. Councilman McLemore expressed that during the Councilman's tenure of six years; every year the Chief has requested a budget increase. Councilman McLemore asked how many times had the Chiefs officers used their tasters in the last year? The Chief answered 56 times including use against both animals and humans; then the Chief recanted and acknowledged that the 56 times was over a ten year period.

Councilman McLemore asked Mr. Blythe did the City's grand scheme include any renewable energy? Mr. Blythe answered that it did not. Councilman McLemore asked if the City could build its own solar farms to generate renewable energy. Mr. Blythe answered, "the City could but it would be obligated to sell the generated power to Dominion Power", but it could under existing contracts with VMEA.

Councilman McLemore asked the IT director if his recent certification was paid for by the City? The answer was yes. Councilman McLemore expressed that since the City paid for the certification of the IT director he was opposed to granting the IT director an \$8,000.00 per year pay increase. Councilman McLemore confirmed that the IT director was still and would continue to employ outside IT consultants.

In minutes of the three day work session it was not recorded that, The City must seal off the basement of the social services building to prevent a hazardous environment. All records must be preserved and transferred into digital form while keeping mindful of any health concerns.

*{ Comments received from Councilman
McLemore by email 5/14/17.
ABM*

Franklin City Council Called Meeting
City Council Chambers
April 17, 2017 – 6:00 p.m.

The Franklin City Council met in a Called Meeting on Monday, April 17, 2017 at 6 p.m. in the Council Chambers for the purpose of conducting a work session on the proposed FY 2017 – 2018 city budget.

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

Others in Attendance: Randy Martin, City Manager; Taylor Williams, City Attorney; Teresa Rose-McQuay, Administrative Assistant; Dinah Babb, Treasurer; Brenda Rickman, Commissioner of Revenue; Chief Phillip Hardison, Franklin Police Department; Deputy Chief Porti, Franklin Police Department; Chief Holt, Director of Emergency Services; and Deputy Chief Mark Carr. Also present was Bruce Edwards, Communications Manager.

Mayor Rabil called the budget work session to order. The Mayor recognized Manager Martin to make a presentation and lead the work session discussion on the FY 2017 – 2018 proposed budget development process. Manager Martin reminded Council this would be the first of three scheduled work sessions with department and agency staff this week on the budget. The primary focus of these sessions is for Council to receive updates on the budget process and to specifically review departmental budget requests with staff.

Manager Martin discussed the overview and reviewed each of the sections detailed in the Budget work session binder that was previously delivered to Council. Manager Martin also reviewed a detailed PowerPoint which summarized the status of the budget development process for each fund. The highlights of the Overview are as follows with Departmental reviews of each fund occurring over the three planned work sessions:

Water & Sewer Fund

Manager Martin indicated the operating fund for water and sewer has maintained a stable cash balance going into FY 2017 – 2018. There are no proposed changes in Water & Sewer rates. There is an additional funding request for professional services of \$50,000 for the City share of the Franklin/Southampton County Shared Utility Study for the next steps in the process. There is also continued funding for planned water line and sewer system improvements (e.g. wastewater collection system rehabilitation).

Solid Waste Fund

Manager Martin noted that the Solid Waste Fund is maintaining a stable cash balance going into FY 2017 – 2018. There are no proposed changes in the current user fee for solid waste collection services which is \$38 for residential customers; however, after SPSA finalizes its budget the fee will decrease effective after January, 2018. Included is a request for purchase of a new

replacement garbage truck using cash reserve funds (“Pay As You Go”). The truck is in the CIP replacement schedule for a 12 year old collection truck.

Airport Fund

This fund reflects no significant changes in revenue projections or operating costs or any new capital projects proposed for FY 2017 – 2018. The budget request for FY 2017 – 2018 submitted is a decrease in the general fund transfer to \$116,618 to support operations.

Electric Fund

The Electric Fund proposed budget reflects no City increase in the retail rate based upon the expectation that Dominion does not plan a wholesale rate increase effective July 1, 2017. The fuel adjustment rate has changed from \$0.00225 to \$0.00825 effective April 1, 2017. This is a \$6 increase in costs for residential customers based on 1,000 KWH usage effective with subsequent monthly billings. The City’s cash balance policy of \$285,156 is included in the budget for a cash balance replenishment of 2.0% of the total budget excluding the fuel adjustment factor. The Cash balance in the fund shows improvement, however, it remains below policy guidelines.

Public School Fund

The Manager presented information on the School Fund FY 2017 – 2018 proposed Budget request. They are requesting an increase in local funding for \$350,000. The School Board is expected to formally adopt the School Division’s final budget request on April 27, 2017. The City’s tentative budget calendar reflects the City Council considering action on the School’s budget on May 22, 2017.

Debt Service Funds

Manager Martin presented information and reviewed the debts of the city and the schools, as well as, the affected enterprise funds that have outstanding debt.

Department Budget Reviews

Council and Management then began the review process for each department with department heads and staff following the published agenda schedule. The focus was on changes from the prior year budget with emphasis on any projected cost increases or decreases and capital improvement requests.

Department reviews were conducted with the following:

- 1) Brenda Rickman – Commissioner of Revenue
Highlights: Request to hire an internal auditor part-time and reviewed the taxable real estate report.

Commissioner Rickman commented on the tax value estimates and about the part-time auditor position requested in the budget. Commissioner Rickman Commented that the part-time position salary would be paid for partially by the State if approved. Council members made comments and asked questions to which Commissioner Rickman responded.

2) Dinah Babb – Treasurer

Highlights: Treasurer Babb asked to move her part-time Accounting Clerk position to full-time. The position was previously a full-time position and there is enough of a work load to merit the increase particularly the impacts of the software conversion process.

3) Phillip Hardison, Police Chief; Bob Porti, Deputy Police Chief and Bruce Edwards, E – 911 Communications Manager.

Highlights: Capital Equipment – Radio System, Generator – 911 Communications needs to be replaced. Chief is requesting replacement of two vehicles. Have to replace all Taser's due to discontinuing of type we have. Requested more funds in overtime based upon current trend. The Department is still in need of officers due to turnover including retirements. They are also working on training initiative.

Members of Council made comments on the requested changes and asked questions to which staff responded.

The Chief responded to the Council questions.

E – 911 – Request to add one full-time Communicator position. Currently down one full-time and one part-time Communications Officer. Due to stress in this environment; they need the extra person to decrease shifts from 10 – 12 hour shifts to 8 hours. This should reduce necessary overtime.

Animal Control – The basic incinerator unit has been partially rebuilt and they need to finish the upgrade.

4) Vince Holt, Fire Chief and Mark Carr, Deputy Chief

Highlights: Fire Department not having issues with recruitment. Their concern is retention once personnel become certified. Chief reviewed equipment replacement needs and schedule and facility improvement options. Council also discussed delinquent collection policies and asked questions to which the Chief responded.

5) Taylor Williams – City Attorney

Highlights: City Attorney Williams asked for a reduction in Professional Services Fees due to dismissal of litigation. However, it was noted that was subject to an appeal process.

**Franklin City Council Called Meeting
City Council Chambers
April 17, 2017 – 6:00 p.m.**

Recess

After concluding discussions, Mayor Rabil asked for a motion to recess the work session. Vice-Mayor Cheatham made a motion to recess the called work session meeting until 6:00 p.m. May 5, 2015 at the Council Chambers. Councilman Johnson seconded the motion and it was approved by 5 – 0 vote (Councilman Burgess absent).

Mayor Rabil declared the meeting recessed at 9:31 p.m.

These Minutes for April 17, 2017 City Council Called Meeting were adopted on the 22nd day of May, 2017.

Mayor

Clerk to City Council

Franklin City Council Called Meeting
City Council Chambers
April 18, 2017 – 6:00 p.m.

The Franklin City Council met in a Called Meeting on Tuesday, April 18, 2017 at 6 p.m. in the Council Chambers for the purpose of conducting a work session on the proposed FY 2017 – 2018 city budget. The meeting was a continuation of the Called meeting of April 17th that was recessed until this date.

Council Members in Attendance: Frank Rabil; Barry Cheatham, Vice-Mayor; Linwood Johnson, Mary Hilliard, Bill Scarboro and Greg McLemore (Benny Burgess absent). Mayor Rabil and Councilman Johnson both arrived late. Mayor Rabil had advised he was at another meeting and he would arrive shortly after the scheduled start.

Others in Attendance: Randy Martin, City Manager; Jennifer Maynard, Voter Registrar; Gwen Wilson, Interim Director, Social Services; Mark Bly, Director of Power and Light; Donald Goodwin, Director of Community Development and Beth Lewis, Deputy Director of Community Development.

Vice-Mayor Cheatham reconvened the budget work session recessed from April 17, 2017 to order. He recognized Manager Martin to lead the work session discussion on the FY 2017 – 2018 proposed budget development process. Manager Martin reminded Council this was the second of the three scheduled work sessions with department and agency staff this week on the budget. The primary focus of these sessions is for Council to receive updates on the budget process and to specifically review departmental budget requests with staff. The focus continued on significant changes in operating budget from the current year and capital outlay needs.

Mayor Rabil and Councilman Johnson arrived during the discussion.

Registrar

Manager Martin recognized Voter Registrar Jen Maynard to highlight significant budget items. Registrar Maynard reported that the new election equipment has been used now in four elections. People have been praising the ADA component. The budget includes funding to pay the remainder of the purchase price for the new electoral equipment in July, 2018. The biggest change in the upcoming budget is that in FY 2017 – 2018 there will be four elections in this cycle which will increase operating costs.

Social Services

Manager Martin recognized Interim Director Gwen Wilson to discuss the Social Services department budget. Ms. Wilson discussed the number of vacancies and reasons for those vacancies several of which were in the benefits function. The Department also had an inordinate number of retirees this past year. She explained the state application process and reviewed the programs that are offered.

Interim Director Wilson, Manager Martin and Council then discussed the State provided community profile for Franklin and the significant impact Social Services has on the citizens. Council members asked questions to which staff responded concerning budget requests and service implications.

Power and Light

Manager Martin recognized Power and Light Director Mark Bly to present highlights of his budget request. Director Bly stated the final cost of the fuel adjustment rate is .00826. This is a very slight change from the earlier projection received from Dominion of .00825. Director Bly reported on projected power

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City Council Chambers
April 18, 2017 – 6:00 p.m.

costs. He distributed a handout on the recent history of the Fuel Adjustment rate. He addressed CIP items: SCADA replacement (last upgrade over 10 years ago); limitations and need to upgrade three delivery points/substations and option of a new delivery # 4; fiber monitoring, Residential water heater control, antiquated monitoring system, a real time reduction opportunity for VMEA. Director Bly also updated Council on the LED lighting project and the potential ABM energy efficiency project as well as the operating budget. He also discussed benefits of an Automatic Meter replacement program and the cost of implementing. Council had lengthy discussion on the future capital needs of the department and potential ways to manage rates. Council members offered comments and asked question to which staff responded.

Community Development

Manager Martin recognized Community Development Director Donald Goodwin and Deputy Director Beth Lewis to review their budget requests. Director Goodwin explained the impact of the Solar Farm project in the County and the increasing demands on staff and vehicles. Council instructed Manager Martin to have a budget amendment on the April 24, 2017 authorizing vehicle replacement for Community Development. They talked about the grant application for the Riverwalk project, bike plan – grant cycle, potential project for the Farmer’s Market, etc.

The Council also desired that staff continue to meet other inspection requests in a timely manner even during the period of increased activity level surrounding the solar project. The alternative of outsourcing for assistance was endorsed if necessary to meet demands while being responsive to both the City and County residents and business needs. Council members asked questions to which staff responded.

Recess

After concluding discussions, Mayor Rabil asked for a motion to recess the work session until Thursday, May 8, 2017 at 6:00 p.m. Vice-Mayor Cheatham made a motion to recess the called work session meeting. Councilman Johnson seconded the motion and it was approved by 6 – 0 vote (Councilman Burgess absent).

Mayor Rabil declared the meeting recessed at 9:08 p.m.

These Minutes for April 18, 2017 City Council Called Meeting were adopted on the 8th day of May, 2017.

Mayor

Clerk to City Council

Franklin City Council Called Meeting
City Council Chambers
April 20, 2017 – 6:00 p.m.

The Franklin City Council met in a Called Meeting on Thursday, April 20, 2017 at 6 p.m. in the Council Chambers for the purpose of conducting a work session on the proposed FY 2017 – 2018 city budget. The Called meeting began on April 17th, was recessed to April 18th and recessed again until this date.

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

Others in Attendance: Randy Martin, City Manager; Steve Newsome, Network Administrator; Russ Pace, Director of Public Works; Chad Edwards, Deputy Director of Public Works; Jimmy Gray, Airport Manager; Lin Darden, General Services Superintendent; and Steve Watson, Utilities Superintendent.

Mayor Rabil reconvened the budget work session recessed from April 18, 2017 to order. The Mayor recognized Manager Martin to lead the work session discussion on the FY 2017 – 2018 proposed budget development process. Manager Martin reminded Council this was the last of the three scheduled work sessions with department and agency staff this week on the budget. The primary focus of these sessions is for Council to receive updates on the budget process and to specifically review departmental budget requests with staff focusing on significant changes from the current year budget and capital outlay requests.

Information Technology

Manager Martin recognized Steve Newsome to review the highlights of his budget. Manager Martin commended Mr. Newsome on his new certifications in Network Security. His new credentials have earned him a promotion to Network Administrator. Mr. Newsome talked about the Network Security Goals for the City’s IT operations. Council members asked questions to which staff responded.

Public Works

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

Airport

Director Pace recognized Airport Manager Jimmy Gray to present the Airport portion of the budget. Mr. Gray discussed some of the Capital Projects included in the CIP for the next five years:

- A. Taxiway Project – (FAA security Issue) - \$120,000 completed design phase of project with the cost paid as follows: 90% Federal funds – 8 % State funds – 2 % City funds; actual construction is expected to be funded in a future year.

B. Drainage Project – (360 acres) Dilapidated aging system that will need to be undertaken as a future project as funds become available. City will pursue grant funding for this eligible project.

C. Obstruction Removal – Trees growing into the air space creating an obstruction. City will pursue grant funding for this project as well.

Operating Budget Review – Council members asked questions on the use of the airport. Mr. Gray pointed out that an estimated 60% of the use is by commercial customers. He indicated there were approximately 12,000 movements at the airport last year during the day when they are recorded. After hours use is not included in the totals. Council members posed other questions to which staff responded.

Street Improvements

CIP – Discussed the plan for this year’s rehabilitation of lines for drainage. Council had questions on major drainage issues. Street improvements were discussed specifically plans for next phase priorities for paving. Annual Services Contract (striping on non-planned for pavement) - Armory Drive to Pace Court, North High Street this year. Next year’s plans – Traffic Signal Upgrade (with Power & Light installations) downtown intersections will be the focus. The City expends more total costs than the reimbursements received from VDOT annually.

Equipment Needs

Director Pace discussed the need to replace an aging backhoe that has neared the end of its useful life. Repairs in the last five years have totaled about one third of the replacement cost of \$135,000.

Garage

Director Pace talked about equipment maintenance and an electrical upgrade that is needed in the garage. The power supply is less than adequate for the demand as it has increased in recent years with the advent of technology.

Councilman McLemore left the meeting at 7:30 p.m. during the Garage discussion.

Building Maintenance

Manager Martin and Director Pace discussed with Council the need to do an energy efficient project financing to take care of the significant need rather than trying to take care of it in a piecemeal manner. Analysis thus far indicates the energy savings as being sufficient to fund the

cost of improvements. Council members offered comments and asked questions on various Public Works topics to which staff responded.

Groundwater Withdrawal Permit

Manager Martin briefed Council on the status of groundwater withdrawal permit renewal discussions with DEQ. A draft permit is expected to be available with modifications soon.

Sewer Rehabilitation

CIPP (Cost in Place Pipe) – Director Pace talked about continuing the Rehab project, recently there was a 200,000 gallon per day leak fixed with one repair. Superintendent Watson presented a report detailing the Department’s progress made in rehabilitation of the wastewater system in recent years.

Water & Sewer Technology

Water system SCADA at wells; tanks and pump stations has already been completed and is operating efficiently.

Public Works installed updated technology at pump stations (sewer SCADA system), as well as, at the Wastewater Treatment Plant recently.

Wastewater Treatment Permit

Consent Order – Standard operating procedures have been updated to complete corrective action plan (CAP) requirements. Superintendent Watson updated Council on the progress and plans to address issues identified by DEQ as detailed in the order. It was noted that the DEQ inspection which resulted in the order occurred almost two years ago and the City had addressed most of the necessary repairs shortly after the inspection.

River Trash Project Possibility

Trash boom idea – The Riverkeeper Organization has indicated to the Mayor that they are willing to pay for the cost of the “boom” if the City will accept the responsibility for its operation. Director Pace indicated staff would study and report back. Since he had received the initial contact on this item, Mayor Rabil explained the purpose as trying to reduce the trash getting into the river. The Mayor had forwarded the information to the Manager for staff assessment.

Parks and Recreation

Manager Martin discussed the possibility of partnering w/ the YMCA to staff lifeguards at the city pool and discussed some of the CIP projects including: Armory Park Playground, IP Trail potential option as a future park site with connecting trail sections in future to Barrett's Landing, the boat ramp site and possibly the Pinpoint property. There was a discussion about the city participating with the Paul D Camp Community College in their baseball field project upgrade or when the softball program is added. This would be a win-win for the College and the City as the City currently utilizes the college softball facility.

Since he had been involved in the initial discussions with affected landowners, Mayor Rabil commented on the recreational value of the river park and walkway idea and the discussion included a review of options for potentially relocating the Farmers' Market in the future to a more high profile location. Council members offered comments and asked questions to which staff responded.

Library

Council discussed an idea of providing in the budget for a Summer Reading program in the approximate amount of \$6,000 utilizing savings in the city's share of the Regional Library budget. The idea that has been discussed by the City members of the Library Board with the City Manager is to provide staff with the funds to do a program at the King Center as a pilot project.

DFA

Manager Martin recommended Council consider an earmark of \$10,000 for Farmer's Market operations in the spring of 2018. The Mayor also further commented on the potential advantages of a business plans for the Farmer's Market and potential connectivity to the River Walk project. The Mayor who chairs the Business Friendly Committee commented as the Council liaison to the committee. Members of Council asked questions to which staff responded.

Liability Insurance

Manager Martin reported that there was no increase in the City's liability insurance for next year. He credited the City's safety program and the staff as the City's experience mod had improved significantly in the last couple of years.

Health Insurance

Manager Martin recommended changes in the City's employee health insurance plan offering this year. The city's renewal effective July 1st would change from Key Advantage 250 to Key Advantage 500 and continue with Key Advantage 1000. There is less of an increase in city cost and an actual reduction in cost to affected employees by doing this KA 250 to KA 500

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deductible change. He also recommended sharing the premium increase of 10.3% between the City and the employees as a cost control method given the size of the increase. He stated that the Council would need to decide on these changes at the April 24th meeting to meet the provider's deadline of April 30th for notification of the City's plan renewal intentions. Council members discussed and asked questions to which staff responded. Council by consensus also asked for additional information on the impact on cost to employees to be provided at the April 24th meeting.

School Fund

Manager Martin discussed his likely recommendation on the requested funding increase as well as the possibility of future potential Finance Department resource sharing. The Manager indicated that based upon the Council's indicated desire for Management to hold rates and fees at current year levels, it would be very difficult to recommend an increase in School funding. It was noted that the city had increased the school's base funding by \$150,000 for the last two budget cycles.

Council members commented on the School Budget request and their desire to give the School Board a timely response. Council members asked questions to which staff responded on the topic of School division funding.

Adjourn

After concluding discussions, Mayor Rabil asked for a motion to adjourn the work session. Vice-Mayor Cheatham made a motion to adjourn the called work session meeting. Councilman Johnson seconded the motion and it was approved by 5 – 0 vote (Councilman McLemore and Councilman Burgess absent).

Manager Martin thanked the members of Council and staff for their efforts to make the work sessions productive. He advised that he had received sufficient feedback from Council to prepare the recommended budget. Upon delivery to Council, he stood prepared to have additional work sessions to finalize the budget plan for FY 2017 - 2018

Mayor Rabil thanked everyone involved as well and declared the meeting adjourned at 9:15 p.m.

These Minutes for April 20, 2017 City Council Called Meeting were adopted on the 8th day of May, 2017.

Mayor

Clerk to City Council

The Franklin City Council held its regular meeting on Monday, May 8, 2017 at 7:00 p.m. in the Council Chambers at City Hall.

Council Members in Attendance: Mayor Frank Rabil, Linwood Johnson, Bobby Cutchins, Mary Hilliard, Greg McLemore, and Benny Burgess (Barry Cheatham absent).

Staff in Attendance: Randy Martin, City Manager; Taylor Williams, City Attorney; Mark Bly, Director of Power and Light; Russ Pace, Director of Public Works; Chief Vince Holt, Director of Emergency Services; Dinah Babb, Treasurer; and Brenda Rickman, Commissioner of Revenue.

Others in Attendance: Sergeant Scott Halverson, Franklin Police Department and Teresa Rose-McQuay; Administrative Assistant, Recording Minutes.

Mayor Rabil informed everyone in attendance that Vice-Mayor Cheatham was recuperating from back surgery and would not be able to attend this Council meeting.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited by everyone in attendance.

Special Recognition: Donald William “Bill” Scarboro

Mayor Rabil gave all the members of the Council the opportunity to comment to Mr. Scarboro. After all the members of Council made their remarks; Mayor Rabil recognized Mr. Bill Scarboro and presented him with a plaque for his service to the City of Franklin as the Interim Ward 6 representative to the Franklin City Council which the Mayor read aloud.

Mr. Scarboro gave parting comments and recognized Council for all their hard work. Mr. Scarboro spoke of all the time and preparation that goes into the preparation for Council meetings and all the time involved. Mr. Scarboro thanked everyone for the experience that he obtained during his tenure.

Certification of Special Election Results – Robert L. “Bobby” Cutchins

Mayor Rabil recognized Manager Martin to report on the certification of the Special Election results from the May 2, 2017 Special Election for Ward 6 Council Representative. Manager Martin shared that the results of the Special Election certified by the Electoral Board were as follows:

Robert L. Cutchins – 50

Write-ins – 11 (All 11 write-ins were valid, name; Antwan Hatch)

City Attorney Williams stated that Mr. Cutchins was sworn in on May 4, 2017 and has met all the requirements to fill the Ward 6 Council seat as Ward 6 Representative. Councilman Cutchins was elected to fill the balance of the unexpired term created when Mayor Rabil was elected to the Mayor’s position and he resigned the Ward 6 Council seat.

Mayor Rabil handed Mr. Cutchins a certificate from the Electoral Board and asked him to take his seat on Council.

Councilman Cutchins stated that he accepted the responsibility and challenges that were given to him by the people of his ward and thanked everyone for their support. He stated that he wanted to see the City of Franklin strive for success.

After his comments all Council members made remarks and welcomed Councilman Cutchins to the Franklin City Council.

CITIZENS' TIME

No one signed up to speak at Citizens' Time.

AMENDMENTS TO AGENDA

There were no amendments to the agenda.

Consent Agenda

Minutes: April 17th, 18th and 20th, 2017 Called & Recessed Meetings

Mayor Rabil asked if there were any corrections to the minutes of the April 17, 2017 Called meeting. Councilman McLemore stated that he did not feel that the minutes reflected all the comments that he and Councilman Scarborough made. Councilman McLemore made a motion to amend the called minutes of the April 17, 2017 meeting. Councilman Burgess commented that because there were no specifics as to what changes should be made to the minutes, Council should not vote on any changes until those specifics are put in writing. Mayor Rabil and Council agreed that Councilman McLemore and Manager Martin get together and discuss the desired changes and resubmit the called & recessed meeting minutes of April 17, 18 & 20 on the next agenda.

Minutes: April 24, 2017 Regular Meeting

Mayor Rabil asked if there were any correction to the minutes of the April 24, 2017 Regular meeting. Hearing none, he asked for a motion. Councilman Johnson made the motion to approve the April 24, 2017 Regular meeting minutes and Councilwoman Hilliard seconded it. Mayor Rabil asked if there were any comments or questions on the April 24, 2017 minutes; hearing none Council voted.

The motion was approved with the vote as follows:

Mayor Rabil, AYE; Councilman Johnson, AYE; Councilman Cutchins, ABSTAIN; Councilwoman Hilliard, AYE; Councilman McLemore, ABSTAIN; and Councilman Burgess, AYE (Vice- Mayor Cheatham absent).

National Police Week Resolution

Mayor Rabil recognized Councilwoman Hilliard who read the National Police Week Resolution aloud. Councilman Burgess made the motion to adopt the National Police Week Resolution and Councilman Johnson seconded it. Mayor Rabil asked if there were any comments or questions; hearing none Council voted.

The vote was approved by a 6 – 0 vote (Vice-Mayor Cheatham absent).

Public Hearing: Wards 1 & 3 Franklin City School Board Nominations

Mayor Rabil opened the Public Hearing to receive nominations for the Wards 1 & 3 seats on the Franklin City School Board. The term of these two board seats expire June 30, 2017.

The Public Hearing was opened at 7:30 p.m.

Mr. Bob Holt of 826 Clay Street nominated Mrs. Becky Jester for reappointment to the Ward 1 seat for the Franklin City School Board. Mr. Holt stated her qualifications and reported that she has been a valuable asset during her brief tenure.

Ms. Amy Branch of 109 Langston Court nominated Dr. Andrea Hall-Leonard for reappointment to the Ward 3 seat for the Franklin City Board. Ms. Branch stated Dr. Hall –Leonard’s qualifications and why she feels she should be reappointed to the Ward 3 seat.

Dr. Andrea Hall-Leonard came forward and thanked Ms. Branch for her nomination and Council for allowing her to serve in the previous term.

Mayor Rabil asked if there were any more nominations. Upon hearing none this Public Hearing was closed.

The public hearing was closed at 7:37 p.m.**Public Hearing: Cover 3 Foundation Personal Property Tax Exemption Request****The Public Hearing was opened at 7:39 p.m.**

Mr. Will Holt an attorney of Kaufman & Canoles spoke to the Council on behalf of the Cover 3 Foundation. Mr. Holt gave a brief overview of the Cover 3 Foundation and what they do in the communities. The Cover 3 Foundation is a charitable and benevolent organization that has made a request to be exempt from the payment of personal property taxes on specified equipment used by the organization pursuant to Virginia Code Section 58.1 – 3651. The foundation does a great work in not only the Franklin area where they are based but in surrounding areas all the way to Richmond, VA. Mr. Holt distributed to Council photos of the vehicles that are used for the business.

Mayor Rabil asked if there were any other persons wishing to speak. Upon hearing none this Public Hearing was closed.

The public hearing was closed at 7:44 p.m.

Councilman McLemore made the motion to adopt the resolution for exemption from Personal Property Taxes for a Nonprofit Organization and Councilman Johnson seconded it.

Mayor Rabil asked if there any other questions or comments. Hearing none, Council voted.

The motion was approved by a 7 – 0 vote.

After discussion among the Council members it was decided by consensus that since the School Board seat nominees were interviewed in November, 2016 there was no need to go through the entire process again. Manager Martin stated that the reappointment could be put on the May 22, 2017 agenda for the

Council to take action. Council was in agreement with Manager Martin's suggestion and the action item will be added to the May 22, 2017 agenda.

FINANCE

City Manager's Proposed FY 2017 – 2018 Budget

Mayor Rabil recognized City Manager Martin to present the FY 2017 – 2018 City Manager's proposed budget. Manager Martin commended the Council for their many hours of budget review and discussion thus far concerning the FY 2017 – 2018 budget process. Manager Martin gave an overview Powerpoint presentation on the FY 2017 – 2018 budget proposal.

When the process started there was a variance of expenditure requests over projected revenue by \$3,814,276.

In order to close the gap there is a total of \$989,477 in Revenue increases. There is no proposed change in the Real Estate Tax rate. There were also \$2,824,799 total proposed expenditure reductions in order to present a balanced budget to Council. The total recommended General Fund portion of the budget is \$23,209,056 in expenditures and revenues including transfers to other funds.

General Fund

In the General Fund – Personnel Costs there are 1.5 FTE new positions being added to the FY 17 – 18 Budget. There is a 10.3% increase in the health insurance premiums in which the city is paying 5.3% and the employees will pay the other 5%. There is no change in VRS rates and no COLA increase in salaries.

Here are the highlights for the Enterprise Funds:

Water & Sewer Fund

- There is no change in the City's Water & sewer rates recommended.
 - The last increase in water & sewer rates became effective in July 2016; which was the first increase in 8 years.
 - City Water & Sewer rates remain below median statewide utility system rates.
 - The proposed budget decreased from \$3.71 million to \$3.37 million .

Solid Waste Fund

- There was a \$1.42 million decrease in revenues and expenditures from the FY 2016 – 2017 budget. It does include the use of cash reserves and user fees in the combined amount of \$165,000 to replace a rear loader collection truck.
- No change is recommended in the Solid Waste collection rates proposed until SPSA finalizes their FY 2017 - 2018 budget and the current Use & Support Agreement expires (January 25, 2018.)

Airport Fund

- Revenue and expenditures in the Airport Fund are \$248,445 which is a decrease of \$158,196 from the FY 2016 – 2017 budget.
- Two new Capital projects are being considered for the Capital Improvements Program (CIP) budget if federal and state funding is obtained.
- The General Fund Transfer decreased from \$133,240 to \$117,445 for FY 2017 - 2018

Electric Fund

- There is an overall increase of \$162,815 in the FY 2017 – 2018 budget
- There is an increase of \$790,922 in energy cost resulting from the Dominion Fuel Adjustment rate increase that became effective April, 2017.
- There was a \$597,039 decrease in operating expenses for energy for resale which partially offset the fuel adjustment increase.
- There is no City rate increase proposed for FY 2017 – 2018.

Economic Development

- Revenue and expenditures are \$313,025 which is an increase of \$8,330 for FY 2017 – 2018.
- The City General Fund transfer remains unchanged.

Social Services Fund

- City's local match requirement projected to increase a total of \$30,148 for the FY 2017 – 2018 budget.
- Net change in total budget from all sources from the FY 2016 – 2017 budget is \$81,877 more in the FY 2017 – 2018 budget. DSS employee COLA increase effective August 1, 2017 is the biggest change impacting the budget. These employees were the only City staff that did not receive an increase on December 1, 2016.

School Fund

The recommended School Fund budget is \$16,849,176 which includes level base local funding appropriation of \$4.987 million. The state funding projected is an increase for the schools over the current fiscal year.

In summation, Manager Martin reiterated to Council that the final proposed budget is balanced. Manager Martin thanked Council, Interim Finance Director Tracy Gregory and city staff for their roles in the budget process thus far.

Mayor Rabil asked if anyone had any questions or comments concerning the budget presentation.

Mayor Rabil reminded Council about the proposed budget work scheduled for May 15, 2017 at 6:00 at City Hall at which time the Council would further discuss the proposed budget and conduct a public hearing on the budget at 7:00 p.m.

OLD/NEW BUSINESS

City Manager's Report

Manager Martin stated that unless there were any other questions for him; he had nothing further to report.

COUNCIL/STAFF REPORTS ON BOARDS & COMMISSIONS

Mayor Rabil reported that the recent Cruise In and the Farmers' Market events were very well attended and reminded everyone that these are weekly events. He invited people to come out and take part. He also announced that the first of the summer concert series We Be Jammin would be starting on Thursday, May 18, 2017 with Island Boy taking the stage.

Councilman Burgess thanked Commissioner Rickman and members of her staff for going out and meeting with the vendors at the Farmers' Market and making sure that everyone had their licenses and were operating according to the requirements. Staff even assisted people to get their permit at the site.

Closed Session

There was no closed session needed for this meeting.

Adjournment

Councilwoman Hilliard made a motion to adjourn the meeting which was seconded by Councilman Johnson. The motion was approved by a 6 – 0 vote (Vice-Mayor Cheatham absent).

Mayor Rabil declared the meeting adjourned at 8:15 p.m.

These Minutes for the May 8, 2017 City Council Meeting were adopted on the 22nd day of May, 2017.

Mayor

Clerk to City Council

**Franklin City Council
Called Meeting
May 15, 2017 – 6:00 p.m.**

The Franklin City Council met in a Called Meeting on Monday, May 22, 2017 at 6 p.m. in the Council Chambers at City Hall. The purposes of the meeting were to: 1) conduct a work session on the proposed FY 2017 – 2018 City Budget and 2) hold a Public Hearing on the proposed FY 2017 – 2018 Budget and Tax Rates.

Council Members in Attendance: Frank Rabil, Mayor; Barry Cheatham, Vice-Mayor; Benny Burgess, Linwood Johnson, Mary Hilliard, and Bobby Cutchins (Greg McLemore absent).

Others in Attendance: Randy Martin, City Manager; and Taylor Williams, City Attorney.

Work Session:

The Mayor recognized City Manager Martin to lead the proposed budget review discussion. Manager Martin recommended Council discuss the School Division budget request since the tentative budget calendar called for Council to decide on the school's budget on May 22, 2017 as requested by the School Division so that the Division can make contract decisions in a timely manner. Manager Martin gave background then the Council discussed the School Division's request.

After lengthy discussion involving all members of Council it was a consensus that the Manager contact the Interim Superintendent and issue an invitation for the School Board to meet jointly with the Council at 6:00 p.m. on May 22, 2017 to discuss the Division's budget for FY 2017 – 2018 prior to the regular Council meeting at 7:00 p.m.

Agencies & Organizations

Manager Martin reminded Council that in earlier work sessions, it was a consensus that Council would further review other agencies & organizations budget requests at a future work session. The Manager advised that the proposed budget basically level funded only the current agencies & organizations that had received funding in FY 2016 – 2017. The council discussed the Hampton Roads Planning District Commission proposal for funding support on a per capita basis from HRPDC member communities to support the Roanoke River Basin Association efforts to protect water quality in Lake Gaston. The Mayor informed Council of the HRPDC support and regional implications for water supply. Manager Martin advised that the City's share of \$247.00 was included in the proposed budget for consideration.

The Council also discussed a request from Opportunity, Inc. for per capita support from member communities. The City's share would be \$2,123.00 to support workforce development activities of the organization. As the Council representative to the Opp, Inc., board, Mayor Rabil described the activities and benefits of the organization and the impact of the funding on leveraging federal/state resources. Manager Martin advised that this request was not included in the

**Franklin City Council
Called Meeting
May 15, 2017 – 6:00 p.m.**

proposed budget but could be added if Council desired before action. It was a consensus of Council to include the funding for consideration contingent upon determining what other communities were doing regarding the request.

Manager Martin next advised Council of the recommended budget for the Downtown Franklin Association. The proposed budget level funded DFA at the amended FY 2016 – 2017 amount. Council members discussed the progress of downtown and the activity level of DFA. Manager Martin advised the proposed budget recommended \$10,000 of the allocation be earmarked for support of the spring 2018 Farmers' Market efforts by DFA. The Business Friendly Committee had requested Council consider a budget appropriation to support the Farmers' Market for next year. Mayor Rabil discussed the request and recommendation and how the Farmers' Market was operating this year and potential plans for the future to manage the facility and potential funding sources such as grants. City funds could potentially be used to leverage grant resources.

Manager Martin then reminded Council of the previous brief work session discussion regarding the library and a proposal discussed by the City's Appointees to the library Board. The Board members and Regional Library staff had discussed with the City Manager an idea aimed at positively impacting city youth. The concept was to develop a summer reading program staffed by the library that would be held at the Martin Luther King, Jr. Community Center. The proposal included in the budget is for approximately \$6,000 in city funds to be allocated for this purpose if the Library Board and Council agree on the program. Council members support the intent, but suggestions were made that the school division needed to be engaged to give input. With limited resources available in the community, the members of Council wanted to ensure services were not duplicated. It was noted that the school division had indicated that summer school programs were being modified in reaction to budget changes for the next fiscal year which could have an impact on the need for the proposed library initiative. This initiative is being viewed as a pilot program to be evaluated for its effectiveness if it is pursued.

Recess

Mayor Rabil declared the work session in recess at 6:58 p.m. so Council could convene the Public Hearing on the proposed budget and tax rates.

Public Hearing

FY Proposed City Budget & Tax Rates

Mayor Rabil reconvened the meeting at 7:00 p.m. to call to order the advertised Public Hearing on the FY 2017 – 2018 proposed budget and tax rates.

Council Members in Attendance: Frank Rabil, Mayor; Barry Cheatham, Vice-Mayor; Benny Burgess, Linwood Johnson, Mary Hilliard, and Bobby Cutchins (Greg McLemore absent).

**Franklin City Council
Called Meeting
May 15, 2017 – 6:00 p.m.**

Others in Attendance: Randy Martin, City Manager; and Taylor Williams, City Attorney; Brenda Rickman, Commissioner of Revenue; Dinah Babb, Treasurer; Fire Chief Vince Holt and Stephen Faleski, Tidewater News Reporter.

Mayor Rabil asked for public comments on the proposed budget. Hearing none, Mayor Rabil closed the public hearing.

The City Manager reviewed the remaining schedule for consideration of the City Budget. The Council is scheduled to consider the School Division budget requests on May 22, 2017 at the regular Council meeting and to tentatively add a called Meeting for Tuesday, May 23, 2017 at 6:00 p.m. in the Council Chambers if necessary after Monday's meeting to further discuss the proposed budget.

Manager Martin noted that final action on the proposed budget is slated for 7:00 p.m. on June 5, 2017 in a called meeting. Mayor Rabil felt the Council should adhere to that schedule since that date was established when the budget calendar was originally approved months ago.

Work Session:

Mayor Rabil reconvened the work session portion of the called meeting.

The Council then reviewed the remainder of the proposed agency & organizations budget allocations. Mayor Rabil noted that the ongoing status of the Riverkeeper program was in question with the expected retirement of Director Jeff Turner. The \$1,500 allocation may be able to be redirected when this occurs.

Mayor Rabil commented on the need to increase the Western Tidewater Free Clinic allocation up to a total of approximately \$5,000. Council members commented positively on the organization and the Franklin residents benefiting from the facility. It was observed that the Riverkeeper funding could be shifted here to cover a portion of the desired increase.

There were no other suggested changes to the Agencies & Organizations allocations.

CIP

Manager Martin then reviewed with Council the highlights of the recommended Capital Outlay items listed in the Capital Improvement Program (CIP). Discussion ensued on several of the items funded and those not funded. Specifically, Council was interested in the options for cooperating with cellular telephone companies to improve service and address communication tower needs. The Communications Monopole concept needs to be further evaluated with a cost benefit analysis if it is to be pursued.

The Public Works, Parks & Recreation, Electric Utility and Emergency Services Capital needs were reviewed. Manager Martin reminded Council the energy efficiency related needs would be finalized and presented for consideration in the months ahead in the form of a debt instrument funded by energy savings in the existing budget appropriations.

**Franklin City Council
Called Meeting
May 15, 2017 – 6:00 p.m.**

Parks & Recreation Department Funding

Manager Martin advised Council of the recommendation to provide \$30,000 for consideration of a Shared Service opportunity with Southampton County. This is a placeholder allocation in the event that the City and County agree on a project to use the funds for recreation. This was discussed at the Shared Services Committee meeting and the County is also considering it. Mayor Rabil then described the idea discussed by the Committee to partner with the Cypress Cove Golf Course to allow City and County schools to use their facility and for City and County residents to access the facility at a reduced rate. He commented on the current use by the Schools and the First Tee program and its history with the golf course and Schools. This is an opportunity to broaden the beneficiaries of Parks & Recreation services at low cost to the city and county by partnering with the golf course. Of course this is not a proposal and all three parties would have to agree to the details of the arrangement before it would be official. It was noted that the City's tennis courts had deteriorated and the tennis courts at the course were in good condition. The use of the courts might be a possibility as they had been used in the past.

Revenue Generation

It was noted that much of the discussion is typically focused on expenditures, but revenue enhancement opportunities should also be discussed. It was suggested that this topic during goal sessions into the new fiscal year include revenue generation. Council discussed possibilities to generate growth such as expanding natural gas availability. Discussion ensued on a pending request from Columbia Gas to get a franchise in the city. This is expected to come to Council in the months ahead. City Attorney Williams and Manager Martin commented on discussions of expanding service within the city. It was a consensus that a retreat format on the revenue enhancement options be considered in the new year.

ADJOURNMENT

Mayor Rabil then asked for a motion to adjourn. Vice-Mayor Cheatham made the motion to adjourn and Councilman Johnson seconded it. The motion was approved by a 6 – 0 vote (Councilman McLemore absent).

Mayor Rabil thanked all present for their efforts on the budget. He recognized the Manager for presenting a budget proposal consistent with the Council's desires expressed in earlier work sessions. He then declared the meeting adjourned at 8:00 p.m.

These Minutes for May 15, 2017 City Council Called Meeting were adopted on the 22nd day of May, 2017.

Mayor

Clerk to City Council

FINANCE

- A. School Division FY 2017 – 2018 Budget Request**
- B. School Division FY 2016 – 2017 Budget Amendment #2017 – 15**
- C. FY 2016 – 2017 City Budget Amendment # 2017 - 16**



May 15, 2017

To: Mayor & Council Members
From: R. Randy Martin
Subject: School Division FY 2017 – 2018 Budget Request

Council agreed to consider early action on the School Division's FY 2017 – 2018 budget request to accommodate the School Board's need to make employee contractual decisions as early as possible. When the calendar was adopted, May 22nd was established as the date for Council action.

As detailed in the proposed budget document, the Interim Superintendent on behalf of the School Division had requested a local appropriation increase of \$350,000 for FY 2017 – 2018. The Council and the School Board held a joint work session to discuss the request at which Council feedback was not supportive of an increase in funding. The School Board has since been meeting in an effort to modify and lower their budget request. The School Board is scheduled to meet Thursday, May 18th to finalize an adjusted budget request to Council presumably to achieve level funding.

As directed at Monday's Council meeting, I advised the Interim Superintendent Tuesday of the council's desire that the School Board join Council in a joint called work session at 6:00 p.m. on Monday, May 22nd to discuss their budget prior to Council considering action during the regular meeting which follows at 7:00 p.m.

Action Recommended: Consider Council action to approve the School Board Budget local appropriation for FY 2017 – 2018. The Proposed City budget recommends level funding in the local appropriation budget in the amount of \$4,987,395.00.

BUDGET AMENDMENT 2017-15

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA that the FY2016-17 City Budget is hereby amended to authorize the School's supplemental appropriations of State and local revenues and to appropriate the additional revenues for expenditure:

		#250 - School Operating Fund	BUDGET FY 16-17	Amended Budget	Increase/ Decrease
Revenue					
24000	0202	State School Basic Aid	\$ 8,167,666	\$ 8,623,766	\$ 456,100
24040	0252	State Technology Funds	\$ -	\$ 112,400	\$ 112,400
		Total Revenue Amendment			\$ 568,500
Expenditure					
60000	0001	Instruction	\$ 9,367,126	\$ 9,697,126	\$ 330,000
60000	0002	Admin., Attend., & Health	\$ 1,184,487	\$ 1,230,387	\$ 45,900
60000	0003	Transportation	\$ 458,777	\$ 533,777	\$ 75,000
60000	0004	Operations and Maintenance	\$ 1,497,896	\$ 1,690,496	\$ 192,600
60000	0011	Technology	\$ 870,100	\$ 795,100	\$ (75,000)
		Total Expenditure Amendment			\$ 568,500
		#252 - School Cafeteria Fund			
Revenue					
33010	1000	Federal School Food Services	\$ 792,339	\$ 902,339	\$ 110,000
		Total Revenue Amendment			\$ 110,000
Expenditure					
62000	8101	Equipment Assistance Grant	\$ -	\$ 54,200	\$ 54,200
62000	2000	Food Costs	\$ -	\$ 55,800	\$ 55,800
		Total Expenditure Amendment			\$ 110,000
		#254 - School Textbook Fund			
Revenue					
41050	0001	Use of Fund Balance	\$ -	\$ 50,000	\$ 50,000
		Total Revenue Amendment			\$ 50,000
Expenditure					
61000	7254	Instruction-Textbooks	\$ -	\$ 50,000	\$ 50,000
		Total Expenditure Amendment			\$ 50,000

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

Clerk to the City


Agenda
Franklin City Council
May 22, 2017



Franklin City Public Schools

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

TO: Mr. Randy Martin, City Manger

FROM: Mr. Kelvin M. Edwards Sr., Interim Superintendent 

RE: FY 2017 Supplemental Appropriation Request for Additional State Revenue

DATE: May 17, 2017

In preparation for year end, the School Finance Department has been reviewing anticipated revenues and expenditures to ensure that the revenue received by the Division will adequately cover Division expenditures. Likewise, we have also reviewed the current year appropriation to ensure that the anticipated revenue is budgeted and that sufficient appropriation exists to cover necessary expenditures.

We are happy to report that the Division expects the revenues to be received by the state and our current City appropriation will be sufficient to meet our needs for the current fiscal year. As you are aware, this was not the case in the last fiscal year and have been taking a number of measures to help prevent that situation in the current and future fiscal years.

The current amount of appropriation, however, must be adjusted to reflect the additional revenue to be received by FCPS and appropriate those funds accordingly. At their May 4 meeting, the School Board approved a request to amend the FY16-17 budget by \$728,500 for all school funds in an effort to appropriate revenue anticipated to be received from the Commonwealth and to appropriate textbook fund expenditures that were not included in the original FY16-17 budget. Likewise, we are expecting additional revenue in the cafeteria fund and must have appropriation authority to spend these funds, as the Virginia Department of Education does not allow us to carry a fund balance in excess of three months' operating expenditures.

The School Division requests City Council's approval of this appropriation. This request does not require additional local funds, therefore the local transfer to schools will be unaffected by approval of this appropriation request. We request that the school appropriation be increased by a total of \$728,500. The amendments should be to the following revenue and expenditure accounts:

Revenue

252-3-33010-1000	Federal School Food Services	\$110,000
254-3-41050-0001	Use of Fund Balance	50,000
250-3-24000-0202	State School Basic Aid	456,100
250-3-24000-0252	State Technology Funds	112,400

Expenditures

252-4-62000-8101	Equipment Assistance Grant	\$54,200
252-4-62000-2000	Food Costs	55,800
254-4-61000-7254	Instruction- Textbooks	50,000
250-4-60000-0001	Instruction	330,000
250-4-60000-0002	Admin., Attend., & Health	45,900
250-4-60000-0003	Transportation	75,000
250-4-60000-0004	Operations and Maintenance	192,600
250-4-60000-0011	Technology	(75,000)

Please add this appropriation to the next City Council meeting agenda. As always, my staff and I are available if you have any questions.

cc: Tracy Gregory, Franklin City Interim Finance Director
Sheila S. Minor, Interim Director of Finance, FCPS

BUDGET AMENDMENT 2017-16

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA that the 2016-2017 City Budget is hereby amended to authorize the budget transfer exceeding \$20,000 to cover expenditure for vehicle replacement in Electric Fund:

		2016-2017 BUDGET	AMENDED BUDGET	INCREASE (DECREASE)
505	<u>ELECTRIC FUND</u>			
	EXPENDITURES			
20020-8105	Automotive	\$0	\$35,000	\$35,000
20020-8600	Reserve for Capital Expenditures	\$81,884	\$46,884	(35,000)
	TOTAL			<u>\$0</u>

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

Clerk to the City Council

OLD/NEW BUSINESS

- A. Wards 1 & 3 School Board Appointments**
- B. City Manager's Report**



May 17, 2017

To: Mayor & Council Members

From: R. Randy Martin

Subject: School Board Appointments Wards 1 & 3

At the May 8th meeting, Council received nominations for appointments to fill soon to be expired term vacancies to occur on June 30, 2017 for School Board Ward 1 & 3 seats. Both nominees are eligible for reappointment. Since the Council interviewed and filled both vacancies in the fall of 2016, Council elected to consider appointments at the May 22nd meeting without interviewing the same candidates again.

Action Recommended: Appoint Rebecca Jester to the Ward 1 School Board seat effective July 1, 2017 for a term ending June 30, 2020. Appoint Dr. Andrea Hall-Leonard to the Ward 3 School Board seat effective July 1, 2017 for a term ending June 30, 2020.

COUNCIL/STAFF REPORTS ON BOARDS & COMMISSIONS