



**Franklin City Council Agenda
December 9, 2024
Council Chambers
207 West Second Avenue
Franklin, Virginia 23851**

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

CALL TO ORDER. MAYOR ROBERT L. CUTCHINS

PLEASE TURN OFF CELL PHONES. MAYOR ROBERT L. CUTCHINS

PLEDGE OF ALLEGIANCE

CITIZEN’S TIME (3 MINUTES)

AMENDMENTS TO/APPROVAL OF AGENDA

1. CONSENT AGENDA

- A. Approval of November 25, 2024 Work Session Meeting Minutes
- B. Approval of November 25, 2024 Regular Council Meeting Minutes

2. PUBLIC HEARING

Issuance, Sale, and Award of a General Obligation Note, Series 2024

3. OLD/NEW BUSINESS

Council Comments

4. CITY MANAGER’S REPORT

- A. Ordinance to Provide Personal Property Tax Exemption for Qualified Volunteer Firefighters and Emergency Medical Services Personnel
- B. Resolution Providing for the Issuance, Sale, and Award of a General Obligation Note, Series 2024 of the City of Franklin, Virginia
- C. Resolution Amending the FY 2024-2025 City Operating Budget to Accept and Appropriate the Amount of \$10,000 Received as a Donation from the Franklin Southampton Charities for Use by the Franklin Fire Department and the Hunterdale Volunteer Fire Department
- D. Resolution Amending the FY 2024-2025 City Operating Budget to Accept Grant Revenue in the Amount of \$276.38 from the Carl D. Perkins Career And Technical Education Act, and Appropriate Said Amount for Use by the Franklin City Public School in its FY 2024-2025 Operating Budget
- E. Resolution Amending the FY 2024-2025 City Operating Budget to Accept Grant Revenue in the Amount of \$50,000 from the Wallace Foundation, and Appropriate Said Amount for Use by the Franklin City Public School in its FY 2024-2025 Operating Budget
- F. Resolution Amending the Franklin City Employee Emergency Fund
- G. Resolution Honoring the Life and Legacy of Bishop Stephen D. Willis, Sr.

5. COUNCIL/STAFF REPORTS ON BOARDS/COMMISSIONS

6. ADJOURNMENT

***Agenda subject to change*

City Council Work Session Meeting Minutes November 25, 2024

Call to order

The Franklin City Council held a Work Session Meeting on November 25, 2024 at 6:00 P.M. in the City Council Chambers located at 207 West Second Avenue, Franklin, Virginia 23851.

Council Members in Attendance: Robert “Bobby” Cutchins, Mayor; Wynndolyn Copeland, Vice-Mayor; Councilman Linwood Johnson (6:11 PM); Councilman Mark Kitchen; Councilwoman Jessica Banks; Councilman Gregory McLemore

Council Members Absent: Councilman Ray Smith

Presentation: RFP Results & Capital Planning Update

Mr. Kyle Laux, Senior Vice-President of Davenport & Company, presented the following information.



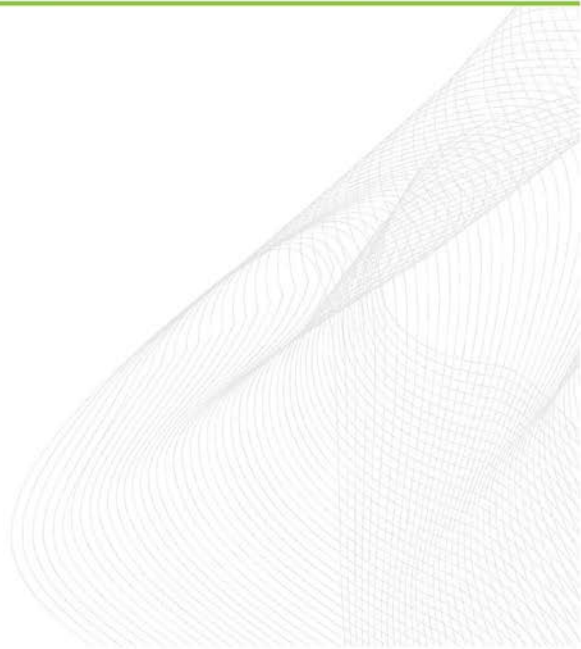
City of Franklin, Virginia

RFP Results & Capital Planning Update



November 25, 2024

Member NYSE | FINRA | SIPC



Background



- Davenport & Company LLC (“Davenport”) has served as Financial Advisor to the City of Franklin (the “City”) for over two decades.
- As independent advisors, we do not recommend particular projects but rather evaluate the affordability of said projects, the impact on the City’s finances, financial policies, credit ratings, etc.
- Since 2022, Davenport has been working closely with City Staff to develop a Multi-Year Plan of Finance to address the City’s Capital Needs, particularly as it pertains to the Courthouse and Armory projects.
 - The first step in the Multi-Year Plan of Finance was securing approximately \$7 million in funding for the Courthouse and Armory Projects; and,
 - The City obtained this \$7 million via the issuance of the Series 2023 Bonds in December of last year.
- The Plan of Finance then contemplated borrowing a second tranche of \$7 million on or about the fall of this year.
- However, as project cost estimates, design specifications, and other capital considerations have continued to evolve, Davenport and have Staff have adapted this plan to meet the City’s new Capital Needs.

Background (cont.)



- While the construction timelines and project costs are not final, the cost estimates for the Courthouse and Armory project have increased from previous estimates, and the City has identified the need for an additional \$1 million of funding for the Public Safety Radio System project.
 - Additionally, the City has now secured a \$2.5 million HUD Grant to offset some of the Armory project costs;
- The City's new Capital Needs, incorporating the updated project costs and HUD grant have been summarized below:

Summary of Capital Needs		Amount
Updated Project Costs		
	Courthouse	\$ 6,100,000
	Armory	10,500,000
	Radio System	1,000,000
A	Total Project Costs	\$ 17,600,000
Funds on Hand		
	Proceeds on Hand from 2023 Bonds	\$ 7,000,000
	HUD Grant Funding for Armory	2,500,000
B	Total Funds on Hand	\$ 9,500,000
C = A - B	Future Borrowing Needs	\$ 8,100,000

- With the change in Capital Needs, Davenport worked with City Staff to develop an updated Plan of Finance, which would allow to City to strategically layer in the Future Borrowing Needs

Updated Plan of Finance



- Since the final construction timeline and cost of the Courthouse and Armory projects are still uncertain, Davenport recommended the City seek an **interim Credit Facility** for the remaining borrowing needs.
- An interim Credit Facility would allow the City to fund the remaining \$8.1 million of Capital Needs on an “as-needed” basis until the projects are completed and final costs are known.
- Further, the Credit Facility would also allow the City to fund the increase in borrowing needs within the same dollars as the previous Plan of Finance;
 - As previously presented to City Council, the City needed to raise approximately \$250,000 in additional revenues per year for four years to fund its Capital Needs; and,
 - Incorporating the Credit Facility, Davenport estimates this figure will remain the same – even with the increase in borrowing needs.
- In October, Davenport distributed a Request for Proposals (“RFP”) for this interim Credit Facility to local, regional, and national lending institutions on behalf of the City.
- Herein, Davenport has summarized the results of this competitive bidding RFP process;
 - Note: City Council is not being asked to take action on the interim Credit Facility tonight. The presentation herein is meant to appraise City Council of the results of the RFP process. City Council will be asked to take action on the interim Credit Facility at a Public Hearing on December 9th.

Summary of Bids Received



- Davenport received five proposals for the interim Credit Facility;
- Webster Bank provided the most favorable proposal for the City’s interim Credit Facility
 - Under the proposal, the 2024 Note would carry a 3.60% interest rate – approximately 1.40% below the planning rate of 5.00%.
 - Further the Credit Facility would be prepayable, without penalty, beginning in November of 2026, and carry no restrictions regarding the investment of the proceeds.
 - Currently, by investing the proceeds in VA SNAP, the City could earn over 4.75% - offsetting some of the borrowing cost.
- Truist Bank also provided a competitive proposal for the interim Credit Facility; however, at this time, we project the Webster Bank option would provide the City with a lower total cost of borrowing.
- On the following page we have provided a summary of the Webster Bank Proposal. A full summary of each proposal received may be found in the appendix of the presentation,

Summary of Top Proposal



Webster Bank	
Series 2024 Note	
Amount:	\$8.3 million or \$14.3 million
Interest Rate:	3.60% (Fixed)
Structure:	BAN (i.e., All Proceeds Drawn at Closing)
Prepayment:	The 2024 Note is not callable until November 1, 2026. On or after November 1, 2026, the Note is prepayable, in whole, without penalty.
Security Type:	General Obligation
Fully Credit Approved?	No – subject to final credit approval by the Bank.
Rate Expiration	December 18, 2024
Final Maturity	November 1, 2027

Recommendation & Rationale



- In the event the City wishes to move forward with the 2024 Note, Davenport’s recommended proposal is the 3.60% fixed-rate BAN option from Webster Bank. This recommendation is based upon the following.
 - The 3.60% proposal from Webster Bank was the lowest prepayable fixed rate received for the BAN option (Note: the capital planning for the Credit Facility assumed a 5.00% rate);
 - While all proceeds will be drawn at closing, the City could invest these proceeds to mitigate the interest costs;
 - Factoring in interest earnings and other borrowing costs, the Webster proposal is projected to have the lowest total cost of borrowing of all prepayable proposals (including the Line of Credit Options); and,
 - The proposal allows for prepayment before final maturity with no penalty.

Next Steps



Date	Task
September 19 th	✓ Davenport distributes Request for Proposals for the Interim Financing to local, regional and national banking institutions.
October 3 rd	✓ RFP responses due back to Davenport for Interim Financing
November 25 th	<p><u>City Council Meeting</u></p> <ul style="list-style-type: none"> ■ Davenport presents Interim Financing RFP results/recommendation to City Council.
December 9 th	<p><u>City Council Meeting</u></p> <ul style="list-style-type: none"> ■ City holds Public Hearing for Interim Financing. ■ City Council considers approval of the Interim Financing and the winning bidder(s).
By December 18 th	Close on Interim Financing.



Appendix A – Detailed Summary of Proposals

Detailed Summary of Proposals Draw Down Line of Credit Option



	Truist				JP Morgan		
	Fixed Rate		Variable Rate		Variable Rate		
Par Amount	\$8,300,000	\$14,300,000	\$8,300,000	\$14,300,000	\$8,300,000	\$14,300,000	
Interest Rate	3.580%		79% of the sum of 1 Month Term SOFR plus 129.1 bps.		116 bps over 80% of one-month adjusted Term SOFR	120 bps over 80% of one-month adjusted Term SOFR	121 bps over 80% of one-month adjusted Term SOFR
Current Rate (Variable)	N/A		4.630%		4.896%	4.936%	4.946%
Tax Status	Tax Exempt (Does not Specify BQ)				Tax Exempt BQ	Tax Exempt NBQ	
Maturity Date	1/15/2028				1/15/2028		
Prepayment Provisions	Prepayable without penalty two years after closing.		The Lender will allow prepayment without any penalty at any time prior to the Maturity Date.		The Facility may be prepaid, in whole or in part, without premium or penalty if paid on any SOFR interest reset date. Any prepayment on any date other than the SOFR interest reset date is subject to breakage costs payable by the Issuer.		
Prepayment Penalty	No penalty after two years.		N/A		Breakage costs if not paid on interest rate reset date		
Lender's Counsel	Williams Mullen				Kutak Rock		
Credit Approval Status	Conditionally approved and final approval can be obtained in 3-5 business days				Should the Issuer request financing substantially on the terms and conditions described in this Term Sheet, the Purchaser's credit decision would be made promptly after receipt of such request and completion of due diligence.		

Detailed Summary of Proposals

BAN Option



	Webster Fixed Rate		Huntington Fixed Rate	
Par Amount	\$8,300,000	\$14,300,000	\$8,300,000	\$14,300,000
Interest Rate	3.600%		3.610%	
Current Rate (Variable)	N/A		N/A	
Tax Status	Tax-Exempt (BQ or NBQ Does not change rate)		Tax-Exempt (Does not Specify BQ)	
Maturity Date	11/1/2027		1/15/2028	
Prepayment Provisions	Closing through 10/31/2026: No Call 11/1/2026 through Maturity: Callable at par		The Note is subject to prepayment anytime without penalty, in whole but not in part, at a price of par plus accrued interest.	
Prepayment Penalty	No prepayment penalty on or after 11/1/2026.		No penalty	
Lender's Counsel	Gilmore & Bell		Not specified	
Credit Approval Status	The Bonds are subject to final credit approval by Webster Bank and the negotiation of mutually acceptable documentation. For due diligence, the Lender will require three (3) most recent audited financial statements, its most recently adopted budget, and any other information that Lender may reasonably require.		The terms set forth herein reflect a proposed, preliminary structure and are subject to Huntington's review and acceptance of documentation.	

Detailed Summary of Proposals

BAN Option (cont.)



	Trust Fixed Rate		JP Morgan Fixed Rate		Capital One Fixed Rate	
Par Amount	\$8,300,000	\$14,300,000	\$8,300,000	\$14,300,000	\$8,300,000	\$14,300,000
Interest Rate	3.390%		3.590%	3.630%	4.610%	4.440%
Current Rate (Variable)	N/A		N/A		N/A	
Tax Status	Tax-Exempt (Does not Specify BQ)		Tax-Exempt BQ	Tax-Exempt NBQ	Tax-Exempt (Does not Specify BQ)	
Maturity Date	1/15/2028		1/15/2028		1/15/2028	
Prepayment Provisions	Prepayment subject to the Lender's standard break-funding terms for fixed rate loans.		*Breakage related to our fixed rate is dependent on JPM's treasury desk at the time of break, as our fixed rates are match funded at the time a rate lock/commitment letter is signed. Unfortunately we don't have a way of telling what a break would be in the future. Per JPM Email identifying prepayment: provide in the proposal		Non-callable	
Prepayment Penalty	Standard break funding terms (approximately a make-whole call)		See above.		Non-callable	
Lender's Counsel	Williams Mullen		Kuzak Rock		None	
Credit Approval Status	Conditionally approved and final approval can be obtained in 3-5 business days		Should the Issuer request financing substantially on the terms and conditions described in this Term Sheet, the Purchaser's credit decision would be made promptly after receipt of such request and completion of due diligence.		This is not a commitment; rather, the funding of this Loan will occur only after, among other things, (i) COFP's internal credit and committee approvals, and (ii) COFP, the Borrower, and their respective counsels are fully satisfied with the terms of the Loan documents and all of the terms and conditions contained herein and in the Loan documents have been met.	



Appendix B – Impact on the City’s Financial Policies

Projected Impact on Debt Service as a % of Expenditures Interim Credit Facility



Projected Debt Service as a Percentage of Expenditures



Note: Assumes General Fund expenditures grow 1% annually from 2025 Adopted Budget levels beginning in 2026. Debt service estimates are preliminary in nature and subject to change.

Projected Impact on Debt as a % of Assessed Value

Interim Credit Facility



Projected Debt as a Percentage of Assessed Value



Note: Assumes 1% annual growth from the 2024 levels beginning in 2025. Debt service estimates are preliminary in nature and subject to change.

DAVENPORT & COMPANY

November 25, 2024

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November 25, 2024

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The value of and income from investments and the cost of borrowing may vary because of changes in interest rates, foreign exchange rates, default rates, prepayment rates, securities/instruments prices, market indexes, operational or financial conditions or companies or other factors. There may be time limitations on the exercise of options or other rights in securities/instruments transactions. Past performance is not necessarily a guide to future performance and estimates of future performance are based on assumptions that may not be realized. Actual events may differ from those assumed and changes to any assumptions may have a material impact on any projections or estimates. Other events not taken into account may occur and may significantly affect the projections or estimates. Certain assumptions may have been made for modeling purposes or to simplify the presentation and/or calculation of any projections or estimates, and Davenport does not represent that any such assumptions will reflect actual future events. Accordingly, there can be no assurance that estimated returns or projections will be realized or that actual returns or performance results will not materially differ from those estimated herein. This material may not be sold or redistributed without the prior written consent of Davenport.

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November 25, 2024

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No further action at this time.

[Presentation: Approval Request for VMEA Battery Energy Storage System Agreement](#)

Mr. Chris Dawson, Consultant with GDS Associates, Inc. presented the following information.



CITY OF FRANKLIN

Approval Request for VMEA Battery Energy Storage System (BESS) Agreement

October 17, 2024

— AGENDA

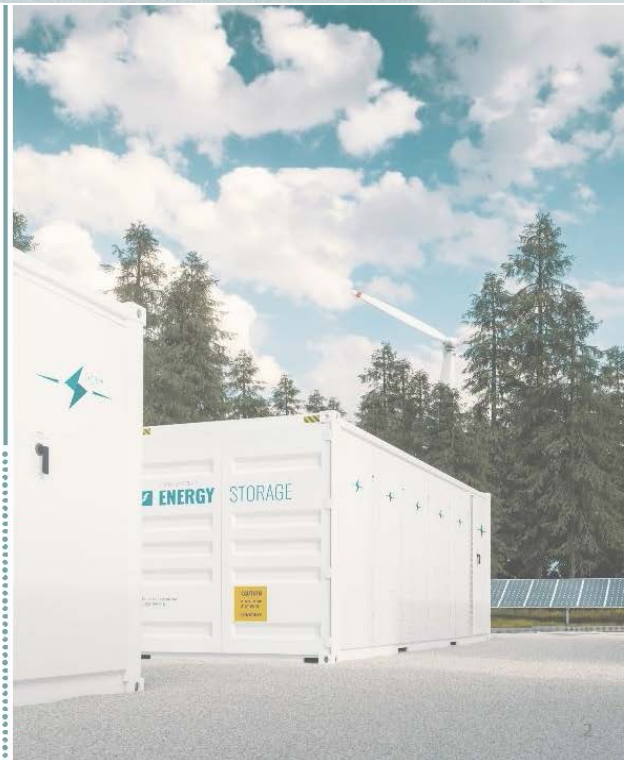
Overview of VMEA

VMEA BESS Process

BESS Benefits

Next Steps / Request Approval

Appendix



PRESENTATION ACRONYMS

BESS	Battery Energy Storage System
COD	Commercial Operation Date
MW / MWh	Megawatt / Megawatt-Hour
PSA	Power Sale Agreement
SEPA	Southeastern Power Administration
VMEA	Virginia Municipal Electric Association #1
VEPCO	Virginia Electric Power Company



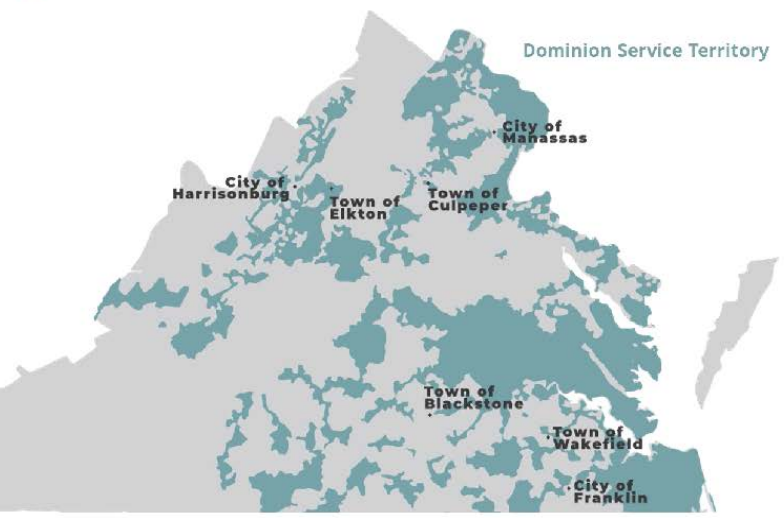
VIRGINIA MUNICIPAL ELECTRIC ASSOCIATION #1 (VMEA)

- ❑ Formed in 1979 as a nonstock non-profit corporation
- ❑ Created by select municipals to gain negotiating leverage with VEPCO (Virginia Electric Power Corporation)
- ❑ Contractually, VMEA provides power supply and transmission services to its members via:
 - 1988 Generation Agreement
 - 2010 VEPCO PSA
 - 2022 Acorn Solar PPA (for Harrisonburg VA)
- ❑ VMEA is governed by its members

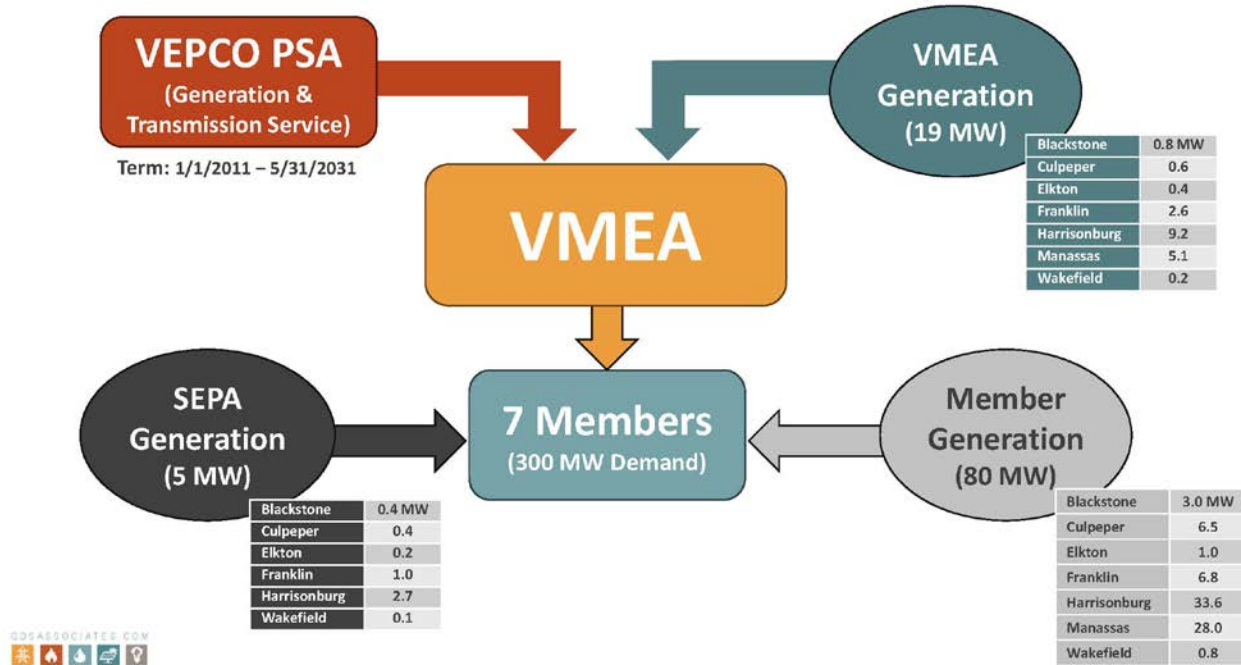


VMEA GOVERNANCE

VMEA Board	Harrisonburg	Brian O'Dell, Board Officer
	Franklin	Zach Wright, Board Officer
	Culpeper	Mike Stover, Board Officer
	Blackstone	Dan Martin
	Elkton	Greg Lunsford
	Wakefield	Lane Chambers
	Manassas	James Bower



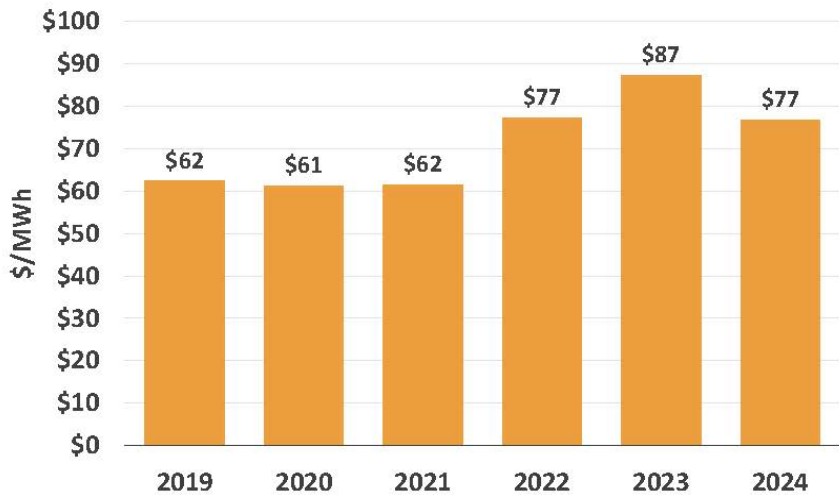
— VMEA ARRANGEMENTS FOR MEMBERS



7

— VMEA'S HISTORICAL POWER COST*

- On a monthly basis, VMEA is billed for power, transmission, and 'VMEA generation' related expenses
- VMEA allocates all of its expenses / costs to the members based on their respective load-ratio-share / pro-rata portion of the total
- VMEA retains no margins and has no overhead related expenses
- Historically, VMEA's average annual power cost have been competitive and stable



*2024 is YTD average cost from January – August 2024



VMEA BESS PROCESS

GDS ASSOCIATES.COM
    

ENERGY STORAGE USES AND BENEFITS

- ❑ BESS technology has rapidly developed to support multiple electric industry use-cases
- ❑ Because of decreasing capital cost and 2022 IRA benefits, more and more electric utilities are pursuing BESS development
- ❑ VMEA has been evaluating potential BESS benefits and cost since 2018

     GDSASSOCIATES.COM

FIGURE 1

The Value of Storage

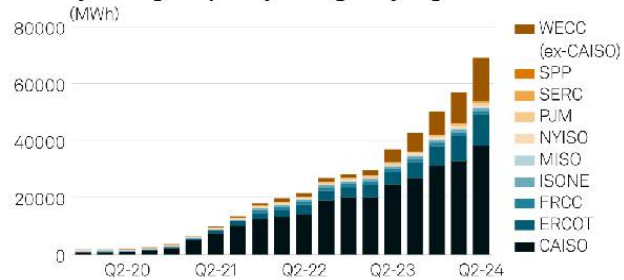


Energy storage technologies have the capacity to benefit each segment of the power system.

© CLEAN ENERGY GROUP

Note: The BESS facility must be recharged from the grid, i.e., it cannot provide long-term power on its own if the overall electric grid system is down.

Battery storage capacity changes by region



Source: Government filings compiled by S&P Global Commodity Insights

VMEA BESS PROJECT: WHAT?

2 BESS Facilities:
7 MW Capacity (Each)
14 MW Capacity (Total)
2-Hour Duration



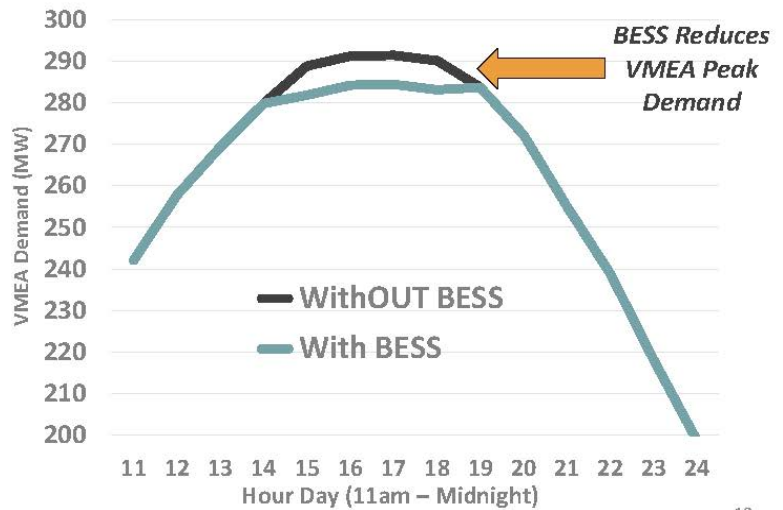
	Allocation (%)	Capacity (kW)
Harrisonburg	48.58%	6,801
Manassas	26.96%	3,774
Franklin	13.62%	1,907
Blackstone	4.44%	622
Culpeper	3.29%	461
Elkton	1.94%	272
Wakefield	1.17%	164
Total	100.00%	14,000

15 Year Agreement with Experienced BESS Vendor

VMEA BESS PROJECT: WHY?

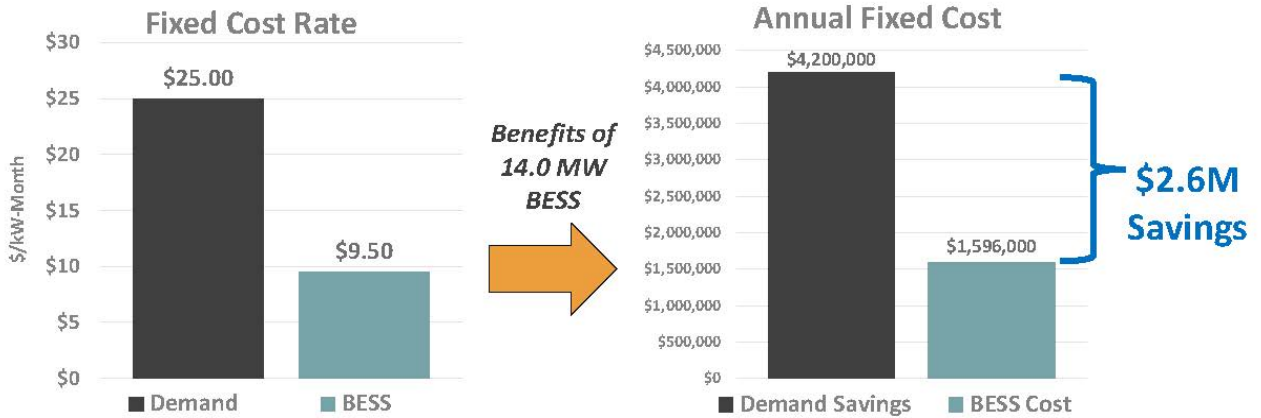
Lower Power Cost by Reducing Peak Demands

- VMEA pays a significant amount of money every month for demand and transmission related expenses
- Demand and transmission expenses are determined, to a large degree, on VMEA's monthly peak demand
- Utilizing the proposed BESS facility will reduce VMEA's monthly peak demands, which leads to lower demand and transmission charges

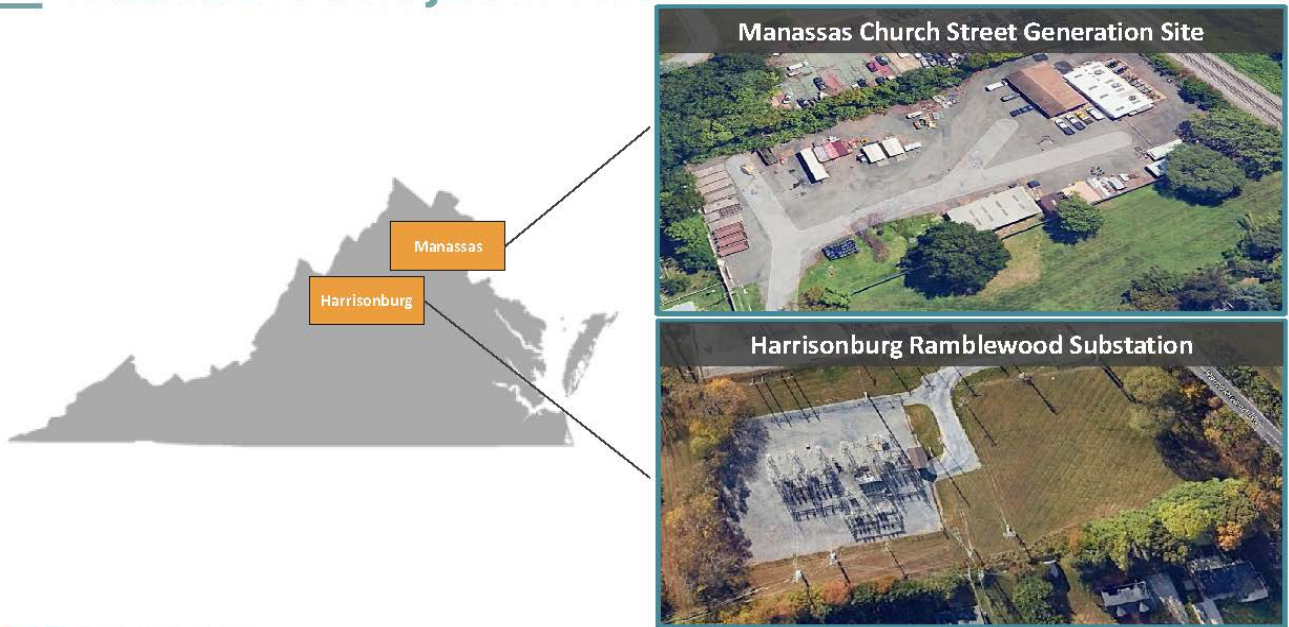


VMEA BESS PROJECT: WHY? [CONTINUED]

Lower Power Cost by Reducing Peak Demands



VMEA BESS PROJECT: WHERE?



VMEA BESS PROJECT: WHEN?



SUMMARY OF RFP PROPOSALS RECEIVED

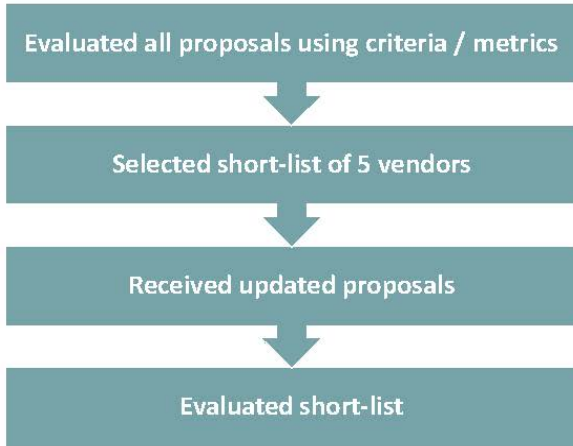
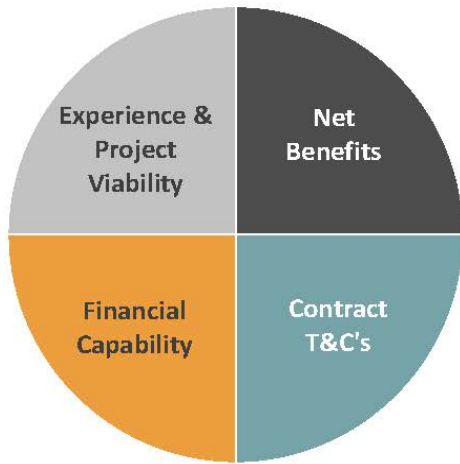
- Issued RFP in March 2024
- 16 Vendors
- 35 Proposals
- Varying Terms and Conditions

The collage includes the following logos:

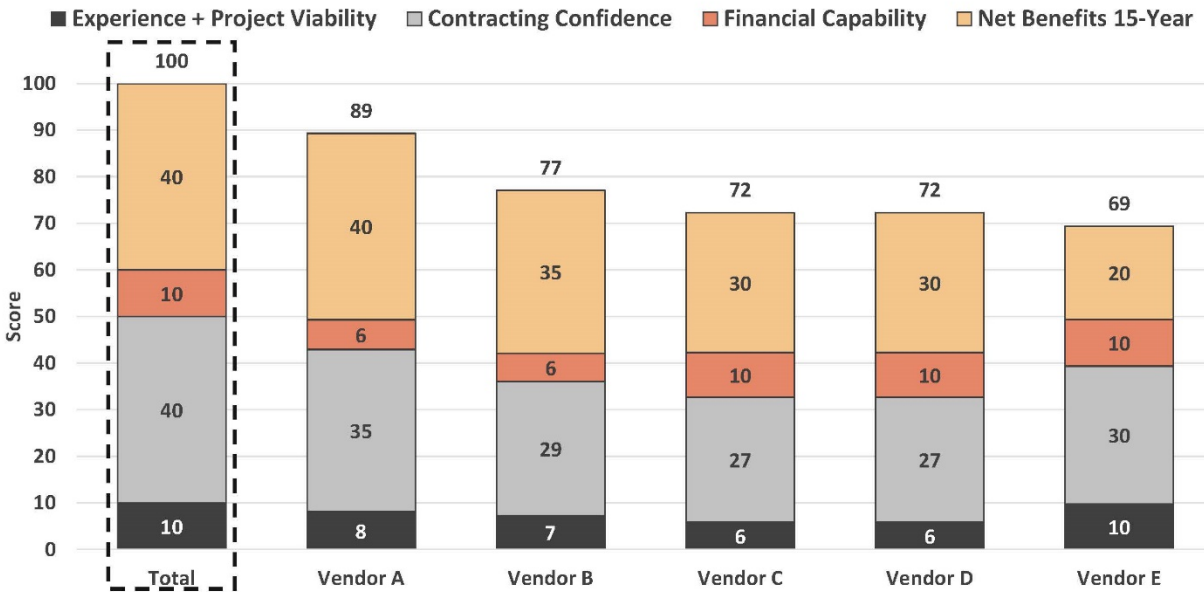
- Solar Energy Solutions
- RenewEnergy Partners
- AMERESCO
- CONVERGENT
- Bluestem Energy Solutions
- RWE
- NEXtera ENERGY
- CITIZENS ENERGY CORPORATION (a non-profit energy company)
- Greenskies
- AEP ONSITE PARTNERS
- LIGHTSHIFT ENERGY
- STRATA CLEAN ENERGY
- CITY LIGHT & POWER
- SIEMENS ENERGY
- CALIBRANT ENERGY
- nexamp
- Luminance (By Brookfield Renewable)

RFP EVALUATION CRITERIA

Goal: Best Balance of Price & Risk



RFP PROPOSAL SCORING FOR SHORT-LIST



— BESS RFP FINALIST & AGREEMENTS

- **VMEA selected RWE as winner of BESS RFP**
 - *Contractual agreement (Tolling Agreement) has been negotiated*
 - *15-year term (starting in 2026)*
- **RWE’s obligations under Tolling Agreement:**
 - *Develop / construct BESS facilities*
 - **complete construction on time or face “delay penalties”**
 - *Lease the BESS facilities to VMEA*
 - *Maintain BESS and guarantee performance*
 - **includes performance requirements and significant liquidated damages for non-performance**
 - *Decommission BESS facilities at end of contract*
- **VMEA’s responsibilities:**
 - *Dispatch / operate BESS and maximize any / all benefits*
 - *Coordinate maintenance with RWE*
 - *Flexibility to terminate if RWE fails to achieve construction milestones OR maintain performance obligations*



FRANKLIN'S EXPECTED BENEFITS

Lower Power Cost by Reducing Peak Demands



NEXT STEPS

- Obtain authorization from all VMEA members' councils to execute VMEA - Member BESS Agreement
 - Allows VMEA to execute BESS Tolling Agreement with RWE
- VMEA Board will then authorize VMEA President to execute RWE BESS Tolling Agreement (and related supporting agreement, such as VMEA land leases)
- VMEA issues 'Notice to Proceed' to RWE
- Finalize / execute all necessary ancillary BESS agreements (Q1 / 2024)



— APPROVAL REQUEST

- Request Council approval / authorization for executing VMEA – Franklin BESS Agreement

APPENDIX: RWE INFORMATION



Distributed Clean Energy for Municipal and Cooperative Utilities

RWE Clean Energy

Distributed Clean Energy

One of the Largest Global Players in Renewables

RWE is a **leading global renewable energy company** with a 125-year corporate history, 20,000 employees in 30 countries, and ~35 GW of operating assets.

CORE BUSINESSES



GROWING GREEN STRATEGY

65 GW Installed Green Capacity by 2030

RWE 25.09.2024 Distributed Clean Energy – Municipal and Cooperative Utilities

FINANCIAL STRENGTH

100 Billion in Assets; Self-Financed; Investment Grade Credit

Building a Clean and Reliable Energy Future in the U.S.

RWE Clean Energy is a **leading energy company** in the United States with more than 15 years in the renewables business and a track record in developing, constructing, and operating renewable energy facilities.



RWE 25.09.2021 Distributed Clean energy Municipal and Cooperative Utilities

RWE Clean Energy at the Distribution Level – Distributed Clean Energy

DCE designs, develops and constructs energy systems that serve commercial and industrial customers and local utilities across the U.S., accelerating decarbonization efforts **at the distribution level.**

The infographic is divided into two main sections. The top section, titled 'DCE', lists three bullet points: ~114 U.S. Employees, ~250 MW Installed Capacity, and ~1.3 GW in Development. The bottom section, titled 'Benefits', lists three bullet points: Avoids Transmission Congestion, Leverages RWE's Scale, and Distribution Focused Solutions. To the right of the text are two photographs of large, white, rectangular energy storage units installed outdoors.

RWE 25.09.2021 Distributed Clean Energy Municipal and Cooperative Utilities

There was discussion about costs to the city, option of the city producing battery storage on its own, the benefits, and consideration of renewable energy.

Discussion: Property Tax Exemption for Fire & EMS

There was a brief discussion in reference to property tax exemption for fire and ems personnel and the Mayor asked for this matter to come back before the council at the next meeting for consideration.

No further action at this time.

Adjournment

Councilwoman Banks made a motion to adjourn with a second from Councilman Kitchen.

The motion carried the vote 6-0

The vote was as follows:

Ayes: Cutchins, Copeland, Johnson, Kitchen, Banks, McLemore

Nays:

Absent: Smith

Mayor Bobby Cutchins stated the meeting stands adjourned.

Mayor

Deputy Clerk to City Council

Regular City Council Meeting Minutes November 25, 2024

Call to order

The Franklin City Council held its regular City Council meeting on November 25, 2024 at 7:00 p.m. in the City Council Chambers.

Council Members in Attendance: Robert “Bobby” Cutchins, Mayor; Wynndolyn Copeland, Vice-Mayor; Councilman Gregory McLemore; Councilman Mark Kitchen; Councilman Linwood Johnson; Councilwoman Jessica Banks.

Council Members not in Attendance: Councilman Ray Smith

Staff in Attendance: Rosylen Oglesby, City Manager, Kyle Eldridge, City Attorney

Citizen’s Time

Ms. Carolyn Lawrence of 773 Oak Street, Franklin, VA, addressed Council about being harassed by the school system.

Amendments to Agenda

A motion was made by Councilman Johnson and seconded by Vice-Mayor Copeland to approve the agenda.

The motion carried the vote 6-0.

The vote as follows:

Ayes: Johnson, Kitchen, Banks, Copeland, Cutchins, McLemore

Absent: Smith

Consent Agenda

A. Approval of October 28, 2024 regular meeting minutes.

Mayor Robert Cutchins asked if there were any corrections or additions for the October 28, 2024 minutes.

None were heard.

A motion was made by Councilman Kitchen and seconded by Vice-Mayor Copeland to approve the minutes of October 28, 2024.

The motion carried the vote 6-0

The vote was as follows:

Ayes: Johnson, Kitchen, Banks, Copeland, Cutchins, McLemore

Old/New Business

A. Council Comments

Councilman Johnson thanked the City Manager and her staff for the work they are doing in moving the city forward and made comments in reference to the legislative issues on the agenda.

Councilman Kitchen made comments in reference to the work the City Manager is doing and congratulated all who won council seats and the new mayor.

Councilwoman Banks congratulated all as well.

Vice-Mayor Copeland made comments in reference to the home going celebration for the late Bishop Stephen Willis and a resolution she asked the City Manager to prepare.

Councilman Kitchen made further comments congratulating Vice-Mayor Copeland on her promotion to Program Manager at the Department of Corrections.

Councilman Gregory McLemore made comments in reference to addressing the issue brought forth by Ms. Carolyn Lawrence tonight.

There was discussion in reference to Council members talking to their representative on the School Board and then have a closed session to further discuss.

Mayor Bobby Cutchins made comments congratulating all the newly elected members and wished them the best.

City Manager's Report

A. Resolution Endorsing the City's 2025 General Assembly Legislative Package

City Manager presented the following Resolution for adoption.



**RESOLUTION ENDORSING THE CITY’S 2025 GENERAL ASSEMBLY
LEGISLATIVE PACKAGE**

WHEREAS, the Virginia General Assembly deals with a broad range of issues that affect local government both directly and indirectly; and

WHEREAS, the City of Franklin has certain concerns that deal with both Franklin specifically and local governments in general; and

WHEREAS, these concerns need to be made known to Franklin’s General Assembly delegation so that they may be transmitted for consideration by the Legislature.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Franklin, Virginia, that it hereby endorses the positions listed on Exhibit A hereto for inclusion in the Legislative Package for the 2025 General Assembly session.

BE IT FURTHER RESOLVED that the City Manager is directed to provide a copy of this Resolution and the 2025 Legislative Package to each member of the City’s General Assembly delegation.

BE IT FURTHER RESOLVED that the City Manager and/or her designee(s) are hereby authorized and directed to provide necessary input and clarification during the 2025 Virginia General Assembly session and to carry out other activities as needed to assist in attaining the goals and objectives contained in the City’s 2025 Legislative Package.

ADOPTED by the Council of the City of Franklin, Virginia, at a meeting held on November 25, 2024.

VOTE:

Ayes:

Nays:

Abstentions:

Absent for vote:

ADOPTED:

CERTIFIED:

Robert Cutchins, Mayor

Kimberly Turner, Deputy Clerk



Exhibit A

2025 Legislative Package

1. **Support for Public Education** - A General Assembly joint subcommittee addresses recommendations from the 2023 Joint Legislative Audit and Review Commission (JLARC) report on the Standards of Quality (SOQ). JLARC's report recommendations about updating the SOQ in the short and long term included items such as eliminating the support cap and providing additional staff and funding for staff. VML is encouraging the General Assembly to implement expeditiously and fund the JLARC recommendations to more equitably share education costs with local government and ensure students' overall success across the Commonwealth.
 - **Recommendation:** The City's position should be to support the priority. If the General Assembly implements and funds the JLARC recommendations, it could mean a more equitable share of education costs with local governments and provide much-needed support to address school construction and renovation needs in communities, estimated at \$25 billion statewide. The City should oppose any efforts that limit local authority or divert state funds from the public education system.

2. **State Assistance to Local Police Departments (HB 599)** - Almost 70 percent of Virginians live in communities served by police departments. The State created a financial assistance program to local police departments (HB 599) when it imposed an annexation moratorium on cities more than 30 years ago. It has increasingly deemphasized this funding obligation as a priority but has never compromised on the annexation moratorium. Although the *Code of Virginia* sets out a distribution formula for calculating the amounts for eligible localities, in recent years the General Assembly has instead specified in the Appropriations Act that localities' allocations in a given fiscal year are to be based on a standard, across-the-board percentage increase or decrease from the previous fiscal year's allocations. The distribution formula has, in effect, been superseded during those years by the instructions in the Appropriations Act. Funds are distributed to eligible localities in quarterly payments via electronic funds transfers.
 - **Recommendation:** The City should support the calling for the state to honor its commitment to fund public safety as stipulated in the Code of Virginia. For 2025, the City's distribution is \$538,864, according to the Virginia Department of Criminal Justice Services' website.

3. **Land Use Control** - Localities must maintain control of local land use decisions. Neither the state nor the federal government should usurp or pre-empt a locality's authority to make such decisions, nor should they impose requirements that weaken planning and land use functions. This includes all types of housing, including but not limited to short-term rentals.

- o **Recommendation:** The city’s position should be to oppose any regulations that limit local land use decisions. The City should support decisions related to local government authority to promote affordable and mixed-income housing and the required infrastructure to facilitate in-fill development, redevelopment, and mixing of uses, with the mandate fully funded by the state.
4. **Provide adequate funding through the Community Flood Preparedness Fund (CFPF) to meet the flood preparedness and resilience needs** – The Hampton Roads Region has received CFPF funding to assist with the costs of completing vulnerability assessments and develop action-oriented approaches to bolster flood preparedness and increase resilience.
 - o **Recommendation:** The City’s position should be to support the priority. This funding could be tapped into to assist the City with preparing to address flood-related events.
 5. **Develop a state funding program to provide the non-federal match for federal grants to support large-scale flood relief projects** – A substantial amount of federal funds is available for flood mitigation efforts; however, the City is not in a position to access these resources without providing the non-federal local match. Through HRPDC, regional localities request that the state develop a funding program to contribute to the required non-federal share.
 - o **Recommendation:** The City’s position should be to support the priority.



Position Statements

1. **Housing** - support policy decisions that provide housing opportunities for all Hampton Roads residents, support the recommendations and strategies produced by regional housing assessment and support the continuation of funding for the Housing Trust Fund.
2. **Economic Development Site Readiness** - support state funding programs and policies that assist local governments with preparing shovel-ready economic development sites.
3. **Reject Unfunded Mandates** - ask that the General Assembly oppose any proposals that impose new unfunded mandates and fiscal responsibilities on local governments.
4. **Support actions that increase access to affordable and qualified childcare** - the rising cost of childcare is significantly impacting our region’s families. These concerns are shared by military leadership, which has identified affordable childcare as a critical priority.

A motion was made by Vice-Mayor Copeland and seconded by Councilwoman Banks to adopt the Resolution Endorsing the City’s 2025 General Assembly Legislative Package. **Discussion:** Councilman Johnson stated that he liked the resolution as it was presented and it will help the city as well as the citizens.

The motion carried the vote 6-0

The vote was as follows:

Ayes: Johnson, Kitchen, Banks, Copeland, Cutchins, McLemore

Absent: Smith

B. Small Business Saturday Proclamation #2024-21

Councilman McLemore read the following proclamation.



Small Business Saturday Proclamation # 2024-21

WHEREAS, the Government of City of Franklin, Virginia, celebrates our local small businesses and the contributions they make to our local economy and community; and

WHEREAS, according to the United States Small Business Administration, there are more than 33 million small businesses in the United States, small businesses represent 99.7% of firms with paid employees, small businesses are responsible for 62% of net new jobs created since 1995, and small businesses employ 46.8% of the employees in the private sector in the United States; and

WHEREAS, 79% of consumers understand the importance of supporting the small businesses in their community on Small Business Saturday®, 70% report the day makes them want to encourage others to Shop Small®, independently-owned retailers, and 66% report that the day makes them want to Shop Small all year long; and

WHEREAS, 58% of shoppers reported they shopped online with a small business and 55% reported they dined or ordered takeout from a small restaurant, bar, or café on Small Business Saturday in 2023; and

WHEREAS, the City of Franklin supports our local businesses that create jobs, boost our local economy, and preserve our communities; and

WHEREAS, advocacy groups, as well as public and private organizations, across the country have endorsed the Saturday after Thanksgiving as Small Business Saturday.

NOW, THEREFORE, BE IT RESOLVED, Mayor Robert “Bobby” Cutchins, and the members of the City of Franklin Council, urge the residents of our community, and communities across the Country, to support small businesses and merchants on Small Business Saturday and throughout the year.

FURTHER, LET IT BE RESOLVED THAT, I, Robert “Bobby” Cutchins, Mayor of the City of Franklin, Virginia, do hereby proclaim, November 30, 2024, as

SMALL BUSINESS SATURDAY

Signed this 25th day of November 2024.

Robert “Bobby” Cutchins, Mayor
City of Franklin, Virginia

A motion was made by Vice-Mayor Copeland and seconded by Councilman Johnson to approve the Small Business Saturday Proclamation #2024-21.

The motion carried the vote 6-0

The vote was as follows:

Ayes: Johnson, Kitchen, Banks, Copeland, Cutchins, McLemore

Absent: Smith

The proclamation was presented to Mr. Karl Heck, President & CEO of Franklin Southampton Economic Development, Inc., by Mayor Cutchins. Mr. Heck thanked the Council for their support.

Council/Staff Reports on Boards/Commissions

Councilman Johnson provided a report in reference to the Western Tidewater Regional Jail Authority youth facility and options to save funds.

A. Council Appointment: DSS Advisory Board

A motion was made by Councilman Kitchen and seconded by Councilman Johnson to appoint Mr. Kenny Bergin to the Social Services Advisory Board.

The motion carried with a vote: 6-0

The vote was as follows:

Ayes: Johnson, Kitchen, Banks, Copeland, Cutchins, McLemore

Absent: Smith

A motion was made by Councilman McLemore and seconded by Councilman Kitchen for him to fill the vacancy once Councilman Kitchen’s term expires on this Board.

The motion carried with a vote 6-0

The vote was as follows:

Ayes: Johnson, Kitchen, Banks, Copeland, Cutchins, McLemore

Absent: Smith

Adjournment

A motion was made by Councilman Johnson and seconded by Vice-Mayor Copeland to adjourn the November 25, 2024 City Council Meeting at 7:22 p.m.

The motion carried the vote 6-0

The vote was as follows:

Ayes: Johnson, Kitchen, Banks, Copeland, Cutchins, McLemore

Absent: Smith

Mayor Bobby Cutchins stated the meeting stands adjourned.

Mayor

Deputy Clerk to City Council

**RESOLUTION PROVIDING FOR THE ISSUANCE, SALE AND AWARD OF A
GENERAL OBLIGATION NOTE, SERIES 2024 OF THE CITY OF FRANKLIN,
VIRGINIA AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT
THEREOF**

WHEREAS, the City Council (**the “City Council”**) of the City of Franklin, Virginia (**the “City”**) wishes to provide interim financing for the construction, renovation and improvement of City courts facilities, City and community facilities at the former National Guard armory facility and a City public safety radio system project, along with other capital needs of the City (**the “Projects”**) and to pay the costs of issuance therefor; and

WHEREAS, Davenport & Company LLC, the City's financial advisor (**the “Financial Advisor”**), as directed by City staff, and its bond counsel, Sands Anderson PC, have prepared a Request for Proposals (**the “RFP”**) to obtain financing proposals for the interim financing of the Projects;

WHEREAS, the Financial Advisor has received responses to the RFP that reflect attractive terms for the financing of the Projects and after reviewing the responses has recommended that the City Council select the proposal to purchase the City's maximum aggregate principal amount not to exceed \$8,300,000 General Obligation Bond Anticipation Note, Series 2024 (**the “Note”**) to finance the Projects in accordance with the proposal dated October 3, 2024 (**the “Proposal”**) from Webster Bank, National Association (**the “Lender”**) whose approval shall be evidenced conclusively by the execution and delivery of such Proposal, and the City Council desires to accept such Proposal and proceed with the financing reflected therein;

WHEREAS, the City Council held a public hearing, duly noticed, on December 9, 2024 on the issuance of up to \$8,300,000 general obligation notes or bonds of the City in accordance with Section 15.2-2606 of the Public Finance Act of 1991 (**the “Act”**) of the Code of Virginia of 1950, as amended;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FRANKLIN:

1. Issuance of Note. Pursuant to the Constitution and statutes of the Commonwealth of Virginia, including the Act, the City Council hereby authorizes the issuance and sale of general obligation notes or bonds of the City to provide funds for interim financing for the Projects, and to pay related issuance and financing costs incurred in connection with issuing such Note. The City elects to issue the Note pursuant to the Act without regard to any separate requirements of the City Charter.

2. Note Details. The Note shall be issued in an aggregate principal amount not to exceed \$8,300,000 consisting of a single, registered bond or note designated “General Obligation Bond Anticipation Note, Series 2024” numbered N-1, bearing an interest rate not to exceed 3.60% per annum, and maturing no later than December 31, 2027. Subject to the preceding terms, the City Council further authorizes the Financial Advisor to determine the aggregate total of principal and interest payments on the Note, establish an amortization schedule for the Note, all in accordance with the provisions hereof.

3. Payment and Redemption Provisions. The principal of and premium, if any, and interest on the Note shall be payable as set forth in the Note. The principal of the Note shall be subject to optional prepayment or redemption, in whole or in part, by the City, as set forth in the Proposal, provided, that the Note may be prepaid, in whole only, at any time after October 31, 2026 with no prepayment penalty.

4. Execution and Form of Note. The Note shall be substantially in the form of Exhibit A attached hereto, shall be signed by the Mayor or Vice Mayor of the City and the City's seal shall be affixed thereon and attested by the City Clerk. The Note shall be issued as a typewritten bond or note with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by such officers, whose approval shall be evidenced conclusively by the execution and delivery of the Note.

5. Pledge of Full Faith and Credit. The City's full faith and credit are pledged to secure the payment of the principal of, premium, if any, and interest on the Note. Unless other funds are lawfully available and appropriated for timely payment of the Note, the City agrees to levy and collect an annual tax upon all property subject to local taxation in the City sufficient to pay the principal of and premium, if any, and interest on the Note.

6. Preparation of Printed Note. The City shall initially issue the Note in typewritten form. Upon request of the registered owner and upon presentation of the Note at the office of the Registrar (as hereinafter defined), the City shall arrange to have prepared, executed and delivered in exchange as soon as practicable the Note in printed form in an aggregate principal amount equal to the unpaid principal of the Note in typewritten form, in denominations of \$5,000 and multiples thereof (except that one Note may be issued in an odd denomination of not less than \$5,000), of the same form and maturity and registered in such names as requested by the registered owners or their duly authorized attorneys or legal representatives. The printed Note may be executed by manual or facsimile signature of the Mayor or Vice Mayor of the City, the City's seal affixed thereto and attested by the City Clerk; provided, however, that if both such signatures are facsimiles, no Note shall be valid until it has been authenticated by the manual signature of the Registrar and the date of authentication noted thereon. The typewritten Note surrendered in any such exchange shall be canceled.

7. Registration and Transfer of the Note. The City appoints the City Treasurer as paying agent and registrar (**the "Registrar"**) for the Note. Upon surrender of the Note at the office of the Registrar, together with an assignment duly executed by the registered owner or its 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 and deliver in exchange, a new Note or Notes having an equal aggregate principal amount, of the same form and maturity, bearing interest at the same rates and registered in such name as requested by the then registered owner or its 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 or entity 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 installments shall be paid to the person or entity shown as

owner on the registration books on the 1st day of the month on which an interest payment date occurs.

8. Mutilated, Lost or Destroyed Note. If the Note has been mutilated, lost or destroyed, the City shall execute and deliver a new Note of like date and tenor in exchange and substitution for, and upon cancellation of, such mutilated Note or in lieu of and in substitution for such lost or destroyed Note; provided, however, that the City shall so execute and deliver only if the registered owner has paid the reasonable expenses and charges of the City in connection therewith and, in the case of a lost or destroyed Note, (a) has filed with the City evidence satisfactory to the City that such Note was lost or destroyed and (b) has furnished to the City satisfactory indemnity.

9. 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 Note to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations issued pursuant thereto (**the “Code”**), or otherwise cause interest on the Note to be includable in the gross income for Federal income tax purposes of the registered owner thereof under existing law. Without limiting the generality of the foregoing, the City shall comply with any provision of the Tax Compliance Agreement (as defined below) that 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 Note, unless the City receives an opinion of nationally recognized bond counsel that such compliance is not required to prevent interest on the Note from being included in the gross income for federal income tax purposes of the registered owners thereof under existing law. The City shall pay any such required rebate from legally available funds.

10. Tax Compliance Agreement. Such officers of the City as may be requested by the City’s bond counsel are authorized and directed to execute and deliver a nonarbitrage certificate and tax compliance agreement in relation to the Note (**the “Tax Compliance Agreement”**) in the form approved by the Mayor or Vice Mayor of the City or the City Manager, or any of them, in collaboration with the City’s bond counsel, with such completions, omissions, insertions and changes as may be approved by the officers of the City executing such Tax Compliance Agreement, whose approval shall be evidenced conclusively by the execution and delivery thereof.

11. Private Activity Bond Covenant. The City covenants that it shall not permit the proceeds of the Note or the property financed thereby to be used in any manner that would result in (a) 5% or more of such proceeds or the facilities financed 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 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 Note 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.

12. Qualified Tax-Exempt Obligation. The City Council hereby designates the Note as a “qualified tax-exempt obligation” as defined in Section 265(b)(3)(B) of the Code and certifies by this Resolution that it does not reasonably anticipate the issuance by it or its subordinate entities of more than \$10 million in “qualified tax-exempt obligations” during the calendar year 2024 and will not designate, or permit the designation by any of its subordinate entities of, any of its bonds (or those of its subordinate entities) during the calendar year 2024 which would cause the \$10 million limitation of Section 265(b)(3)(D) of the Code to be violated.

13. SNAP Investment Authorization. The City Council has determined to authorize the City Treasurer, if and as necessary, to utilize SNAP in connection with the investment of the proceeds of the Note.

14. Bond Counsel. The City Council hereby confirms the appointment of Sands Anderson PC to serve as Bond Counsel to the City in connection with the issuance of the Note.

15. Other Actions. All other actions of City officials in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Note and the interim financing of the Projects are ratified, approved and confirmed. 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 Note pursuant to this Resolution and the financing of the Projects including, but not limited to a loan agreement, note purchase agreement, escrow agreement and any other agreements.

16. Effectiveness and Filing of Resolution. This Resolution shall become effective immediately upon its passage. After such passage, 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. Any ordinances or resolutions inconsistent herewith previously adopted by the City Council are amended to be consistent with this Resolution.

On motion of _____, seconded by _____, the foregoing Resolution was adopted at a regular meeting of City Council on December 9, 2024. Members of the City Council voted as follows:

YES

NO

ABSTAINED

ABSENT

Adopted this 9th day of December, 2024.

The undersigned City Clerk of the City Council of the City of Franklin, Virginia, hereby certifies that the foregoing constitutes a true and correct copy of an Resolution adopted at a meeting of the City Council of the City of Franklin, held on December 9, 2024. I hereby further certify that such a meeting was a regular meeting, duly called and held, and that during the consideration of the foregoing Resolution, a quorum was present.

City Clerk, City Council of the
City of Franklin, Virginia

CITY OF FRANKLIN, VIRGINIA
\$8,300,000 GENERAL OBLIGATION BOND ANTICIPATION NOTE
SERIES 2024

NOTE PURCHASE AND LOAN AGREEMENT

December __, 2024

City of Franklin, Virginia
207 W. 2nd Avenue
Franklin, Virginia 23851

Ladies and Gentlemen:

Webster Bank, National Association (**the “Lender”**) offers to enter into this agreement (**this “Note Purchase and Loan Agreement”**) with the City of Franklin, Virginia (**the “City”**), providing for the sale by the City and the purchase by the Lender of the City’s General Obligation Bond Anticipation Note, Series 2024 in the principal amount of \$8,300,000 (**the “Note”**). Acceptance of this offer shall be evidenced by the execution and delivery to the Lender of this Note Purchase and Loan Agreement by the Mayor or Vice Mayor of either of whom may act, on behalf of the City. Upon such acceptance, this Note Purchase and Loan Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the City and the Lender.

1. **Purpose of Financing and Security for Note.** The Note will be issued and secured under and pursuant to a resolution adopted by the City Council of the City (**the “City Council”**) on December 9, 2024 (**the “Resolution”**) and Chapter 26, Title 15.2, Code of Virginia of 1950, as amended (**the “Act”**), in order to provide, from proceeds of the Note, interim financing for the construction, renovation and improvement of City courts facilities, City and community facilities at the former National Guard armory facility and a City public safety radio system project, along with other capital needs of the City and related costs of issuance (**the “Projects”**) for the benefit of citizens of the City. The Note shall be secured by the full faith and credit of the City.

2. **Purchase and Terms of The Note.** Upon the terms and conditions and upon the basis of the representations set forth herein, the Lender hereby agrees to loan monies to the City as evidenced by the Lender’s purchase of the Note from the City, and the City hereby agrees to sell to the Lender, the Note at the purchase price of 100% of the aggregate principal amount of the Note (**the “Purchase Price”**). The Note shall be as described in, and shall have the terms and conditions, including but not limited to the payment dates for interest, principal and redemption or prepayment provisions, set forth in the forms of Note attached as **Exhibit A** hereto and incorporated by this reference. The principal of the Note shall bear interest at the rate of 3.60% per annum through the final maturity date of the Note, November 1, 2027. The Note is being issued as a tax-exempt obligation under Section 103 of the Internal Revenue Code of 1986, as amended (**the “Code”**). Interest on the Note shall be paid on the 1st day of each May and November, commencing May 1, 2025, through and including the final maturity date. Principal

shall be due at as set forth in the Note and is subject to optional redemption as set forth below in Section 7 herein.

3. **Representations and Warranties of the City.** The City represents, warrants and agrees as follows:

(a) the City is, and will be at Closing (as defined below), a municipal corporation of the Commonwealth of Virginia (**the “Commonwealth”**) duly chartered by the General Assembly of the Commonwealth, with the power and authority (1) to issue, sell and deliver the Note to the Lender as provided herein and (2) to consummate all transactions contemplated by, and perform its obligations, under this Note Purchase and Loan Agreement, the Note, the Resolution, and a Non-Arbitrage Certificate (**the “Non-Arbitrage Certificate”**) to be executed by the City.

(b) as of the Closing, the City will have full power and authority to irrevocably pledge its full faith and credit to the payment of the principal of, premium, if any, and interest on the Note;

(c) the adoption of the Resolution and the execution and delivery of this Note Purchase and Loan Agreement, the Note and the Non-Arbitrage Certificate (**collectively, the “Documents”**) and compliance with the provisions thereof, under the circumstances contemplated hereby and thereby, do not and will not (1) violate the Constitution or laws of the Commonwealth, including, without limitation, the charter of the City, as applicable, the Act or any other existing law, rule, regulation, order, writ, judgment, injunction, decree, or determination of any court, regulatory agency or other governmental unit by which the City is bound, or (2) conflict with, result in a breach of, or constitute a default under, any existing resolution, the Resolution, indenture of trust or mortgage, loan or credit agreement, or any other existing agreement or instrument to which the City is a party or by which the City may be bound;

(d) The City has, and at the Closing Date will have, duly authorized all actions necessary or appropriate to be taken for the City to (1) enter into, execute and deliver this Note Purchase and Loan Agreement, (2) to issue, sell and secure the Note to the Lender as provided herein, and (3) to consummate and carry out the other transactions contemplated by the Resolution and this Note Purchase and Loan Agreement.

(e) There is no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, public board or body, pending or, to the best knowledge of the City, threatened against the City, affecting the organization and existence of the City or the titles of its officers to their respective offices or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Note or to pay the principal of and interest on the Note, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Note or this Note Purchase and Loan Agreement or contesting in any way the power of the City to issue the Note or to execute and deliver this Note Purchase and Loan Agreement, nor, to the best knowledge of the City, is there any basis therefor.

(f) No further consent, approval, authorization or order of any court or governmental agency or body not already obtained is required for the issuance, delivery or sale

of the Note or, as of the date hereof, the consummation of the other transactions effected or contemplated herein or hereby by the City.

(g) The City is not in violation of any existing law, rule or regulation applicable to it and is not in default under any indenture, mortgage, deed of trust, lien, lease, contract, note, order, judgment, decree or other agreement, instrument or restriction of any kind to which the City is a party or by which it is bound or to which any of its assets are subject, which default would adversely affect the Note, and the execution and delivery by the City of the Note and the compliance with the terms and conditions thereof will not conflict with or result in the breach of or constitute a default under any of the foregoing.

(h) When delivered to and paid for by the Lender in accordance with the terms of this Note Purchase and Loan Agreement, the Note will have been duly authorized, executed and issued.

(i) No suit, action, proceeding or investigation is pending nor, to the knowledge of the City, threatened against or affecting any of the City's properties, or against or affecting the City, before any court or governmental department, commission, board, bureau, agency or instrumentality which involves or would materially affect any of the transactions contemplated hereby or by the Documents, or which, if determined adversely, could have a material adverse effect on (i) the organization or existence of the City, (ii) the execution and delivery by the City of the Documents, (iii) the performance by the City of its obligations under the Documents, (iv) the validity or enforceability of the Documents or the transactions contemplated thereby, (v) the title or authority of any City officials executing the Documents or other documents relating to the transactions contemplated thereby, (vi) any authority or proceeding relating to the execution and delivery of the Documents on behalf of the City.

(j) the City hereby assures the Lender that no material deterioration exists in the financial condition of the City from that reported in fiscal year ending June 30, 2023.

(k) The representations and agreements of the City herein will be true and correct in all material respects as of the Closing.

4. **Closing.** The delivery of the Note (**the "Closing"**) shall be at such place and time as may be agreed to by the City and the Lender (but in no event later than December __, 2024 unless otherwise agreed to in writing by the parties) (**the "Closing Date"**). Upon delivery of the Note to the Lender, the Lender will cause payment to be made as directed by the City, in immediately available funds, the purchase price of the Note. The purchase price of the Note will be applied by the City as set forth in a Closing Memorandum (**the "Closing Memorandum"**) prepared by the City's financial advisor, Davenport & Company LLC (**the "Financial Advisor"**) and approved by the City Manager, to pay certain costs of issuance of the Note and otherwise for payment of the costs of the Projects. The Note shall be delivered on the Closing Date to the Richmond, Virginia, offices of Sands Anderson PC as bond counsel to the City (**"Bond Counsel"**) or such other place as to which the City and the Lender may agree in writing, and Bond Counsel shall forward the Note to the Lender.

5. **Conditions to Closing.** The Lender's obligations hereunder to purchase and pay for the Note shall be subject to the performance by the City of its obligations hereunder and by the City of its obligations under the applicable Documents at or prior to the Closing Date, and to the following additional conditions at the Closing Date:

- (a) Receipt by the Lender of the Note and this Note Purchase and Loan Agreement.
- (c) Receipt by the Lender of a certificate, dated the Closing Date and signed by the Mayor and the City Manager of the City, to the effect that (i) the representations and warranties of the City contained herein are true and correct in all material respects as of the Closing Date as if made on the Closing Date, and (ii) the City has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to the Closing Date.
- (d) Delivery to the Lender of an opinion of the City Attorney, dated the Closing Date, in substantially the form set forth in **Exhibit B** hereto.
- (e) Receipt by the Lender of the approving opinion of Bond Counsel, dated the Closing Date, subject to the usual qualifications, as to the validity and enforceability of the Note against the City and the tax-exempt status of interest thereon.

The Lender reserves the right to waive any of the conditions to its obligations contained in this Note Purchase and Loan Agreement.

If the City shall be unable to perform or fulfill the conditions to the Lender's obligations hereunder, or if the Lender's obligations hereunder shall be terminated for any reason permitted hereby, this Note Purchase and Loan Agreement shall terminate and neither the Lender nor the City shall be under further obligation hereunder.

6. **Fees and Expenses.** The City agrees to cause to be paid the fees and disbursements of the Financial Advisor, of Bond Counsel, and of the City Attorney and disbursements incurred in connection with the issuance and sale of the Note to the Lender, in each case from the proceeds of the Note as set forth in the Closing Memorandum.

7. **Optional Redemption.**

The Note may not be redeemed before November 1, 2026. The Note is subject to redemption prior to its final maturity date, at the option of the City, in whole, on any payment date on or after November 1, 2026, upon thirty (30) days written notice to the Bondholder, at a redemption price equal to 100% of the outstanding principal amount thereof, plus interest accrued to the redemption date.

8. **Representations of Lender.** The Lender represents and warrants that the purchase of the Note is for its individual account and not with a present view for distribution to other purchasers thereof; provided that the Lender intends to sell a 100% participation interest in the Note to an

affiliate on the date hereof at par. The Lender is a national banking association authorized to do business in the Commonwealth. The Lender represents and warrants that it is purchasing the Note at its sole risk based on its evaluation of the credit risks arising therefrom.

9. **Notices.** Any notice or other communication to be given to the City or the Lender under this Note Purchase and Loan Agreement may be given by delivery of the same in writing (a) to the Franklin City Manager's Office, 207 W. 2nd Avenue, Franklin, Virginia 23851 and (b) to the Lender, at Webster Bank, National Association, 360 Lexington Avenue, 5th Floor, New York, New York 10017 (Attn: Public Sector Finance). Any party to this Note Purchase and Loan Agreement may designate additional or different addresses for notice or communications by notice given under this Section to the other party.

10. **Financial Statements.** The City shall furnish to the Lender, (a) annually during the term of the Note, with audited financial statements, including supporting schedules (**the "Audit"**) of the City as soon as available after the City's acceptance thereof, but no later than 360 days after the end of the City's fiscal year, commencing with the fiscal year ending June 30, 2023, and (b) such other financial information as the Lender may reasonably request. Such Audit must be in a form and degree reasonably acceptable to the Lender and prepared in accordance with generally accepted accounting principles. The requirement to provide the Audit to the Lender will be satisfied if and to the extent such information is electronically posted and publicly available on the City's website or on the MSRB's "EMMA" website, and the City provides electronic notice to the Lender with a link to such posting. In the event that the Audit is not available within 360 days of fiscal year end, the City will furnish unaudited financial statements to the Lender in the manner described in this paragraph within such period, and will then supply the Audit immediately upon the availability thereof. The electronic Audit or link may be sent to the following email address (or such other address as the Lender supplies to the City in writing): PublicFinance@WebsterBank.com.

11. **Miscellaneous.** This Note Purchase and Loan Agreement is made solely for the benefit of the City and the Lender (including their successors or assigns) and no other person shall acquire or have any right hereunder or by virtue hereof. All the representations, warranties and agreements contained herein shall remain operative and in full force and effect, regardless of (a) any investigations made by or on behalf of the Lender; (b) delivery of and payment for the Note hereunder; and (c) any termination of this Note Purchase and Loan Agreement. Assignment and re-registration of the Note shall without further action be deemed to assign the Lender's interest under this Note Purchase and Loan Agreement.

12. **Governing Law.** The construction and enforcement of this Note Purchase and Loan Agreement shall be governed by the laws of the Commonwealth of Virginia, without regard for its conflicts of laws provisions.

13. **Execution in Counterparts.** This Note Purchase and Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument, and any of the parties hereto may execute this Note Purchase and Loan Agreement by signing any such counterpart.

14. **Severability.** In case any one or more of the provisions of this Note Purchase and Loan Agreement shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Note Purchase and Loan Agreement, and this Note Purchase and Loan Agreement shall be construed and enforced as if such illegal or invalid provisions had not been contained herein.

[Remainder of this page intentionally left blank.]

Very truly yours,

**WEBSTER BANK, NATIONAL
ASSOCIATION**

By: _____

Title: Managing Director

Confirmed and Accepted
as of the date first above written:

CITY OF FRANKLIN, VIRGINIA

By: _____
Mayor

EXHIBIT A
FORM OF THE NOTE

EXHIBIT B
OPINION OF CITY ATTORNEY

No. N-1

\$8,300,000.00

**UNITED STATES OF AMERICA
COMMONWEALTH OF VIRGINIA, CITY OF FRANKLIN
GENERAL OBLIGATION BOND ANTICIPATION NOTE
SERIES 2024**

Registered Holder: Webster Bank, National Association

Dated: December __, 2024

Interest Rate: 3.60%

Maturity Date: November 1, 2027

Principal Sum: Eight Million Three Hundred Thousand and 00/100 Dollars

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Franklin, Virginia (**hereinafter sometimes referred to as the “City”**), a municipal corporation of the Commonwealth of Virginia, for value received hereby promises to pay to the registered holder (named above), or its assigns or legal representative (**the “Holder”**), on the Maturity Date (specified above), the Principal Sum, subject to prior redemption as described herein, and to pay interest on the unpaid principal balance of this Note from the date hereof until payment of the entire principal, at the annual Interest Rate stated above, payable in installments as set forth on the attached Schedule.

Both principal of and interest on this Note are payable in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts.

Interest is payable on the basis of a 360-day year consisting of twelve 30-day months.

Both principal of and interest on this Note are payable in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts.

Upon a Determination of Taxability (as defined below), the interest rate on this Note shall be automatically adjusted to the Taxable Rate (as defined below) from the Date of Taxability (as defined below). For purposes of this Note, the following terms have the following meanings:

"Date of Taxability" means the earliest date as of which interest on this Note shall have been determined to be includable in the gross income of the Holder pursuant to a Determination of Taxability.

"Determination of Taxability" means and shall be deemed to have occurred on the first to occur of the following:

- (i) on that date when the City files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have in fact occurred;

(ii) on the date when the Holder notifies the City that it has received a written opinion by an attorney or firm of attorneys of recognized standing on the subject of tax-exempt municipal finance to the effect that an Event of Taxability (as defined below) has occurred unless, within 180 days after receipt by the City of such notification from such Holder, the City shall deliver to the Holder (A) a ruling or determination letter issued to or on behalf of the City by the Commissioner or any District Director of Internal Revenue (or any other governmental official exercising the same or a substantially similar function from time to time) or (B) a written opinion by an attorney or firm of attorneys of recognized standing on the subject of tax-exempt municipal finance to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred;

(iii) on the date when the City shall be advised in writing by the Commissioner or any District Director of Internal Revenue (or any other government official or agent exercising the same or a substantially similar function from time to time) that, based upon filings by the City, or upon any review or audit of the City or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

(iv) on that date when the City shall receive notice from the Holder that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of such Holder the interest on this Note due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under subparagraph (iii) or (iv) above unless the City have been afforded the opportunity, at the sole expense of the City, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined; provided further, however, that upon demand from the Holder, the City shall immediately reimburse such Holder for any payments such Holder shall be obligated to make as a result of the Determination of Taxability during any such contest.

"Event of Taxability" means the taking of any action by the City, or the failure to take any action by the City, or the making by the City of any misrepresentation herein or in any certificate required to be given in connection with the issuance, sale or delivery of this Note which has the effect of causing interest paid or payable on this Note to become includable, in whole or in part, in the gross income of the Holder for federal income tax purposes.

"Taxable Rate" means the interest rate per annum that shall provide the Holder with the same after-tax yield that the Holder would have otherwise received had the Determination of Taxability not occurred, taking into account the increased taxable income of the Holder as a result of such Determination of Taxability. The Holder shall provide the City with a written statement explaining the calculation of the taxable rate, which statement shall, in the absence of manifest error, be conclusive and binding on the City.

It is hereby certified, recited and declared that all acts, conditions and things required to have happened, to exist and to have been performed precedent to and in the issuance of this Note

do exist, have happened and have been performed in regular and due time, form and manner as required by law; that this Note does not exceed any constitutional, statutory or charter limitation of indebtedness; and that provision has been made for the payment of the principal of, and interest on, this Note, as provided in the Resolution (as defined below).

This Note is in an original principal amount of \$8,300,000, and is issued under, pursuant to and in compliance with the Constitution and laws of the Commonwealth of Virginia, including Chapter 26, Title 15.2 of the Code of Virginia of 1950, as amended, the same being the Public Finance Act, the City Charter of the City and the Resolution duly adopted by the City Council on December 9, 2024 (**the “Resolution”**).

This Note is transferable only upon the registration books kept at the office of the City Treasurer as Registrar (**the “Registrar”**) by the registered Holder hereof, or by such Holder’s duly authorized attorney, to (i) an affiliate of the registered Holder or (ii) banks, insurance companies or other financial institutions or their affiliates, upon surrender of this Note (together with a written instrument of transfer, satisfactory in form to the Registrar, duly executed by the registered Holder or such Holder’s authorized attorney, which may be the form endorsed hereon) and subject to the limitations and upon payment of the charges, if any, as provided in the Resolution, and thereupon a new Note, in the aggregate principal amount and of the same series, interest rate and maturity as this Note, shall be issued in exchange therefor. The City and the Registrar shall deem and treat the person in whose name this Note is registered as the absolute registered owner Holder hereof for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon and for all other purposes whatsoever. Nothing in this Note shall limit the right of the registered Holder or its assignees to sell or assign participation interests herein to one or more entities listed in (i) or (ii) above.

This Note may not be redeemed before November 1, 2026. This Note is subject to optional redemption prior to the Maturity Date, at the option of the City, in whole only, on any interest payment date on or after November 1, 2026, upon thirty (30) days written notice to the Holder, at a redemption price equal to 100% of the outstanding principal amount hereof, plus interest accrued to the redemption date.

Notice of redemption shall be sent in writing by the Registrar to the registered Holder of this Note at such registered Holder’s address as it appears on the registration books, provided that failure to give such notice, or any defect therein, shall not affect the validity of any proceedings for the redemption of this Note with respect to which no such failure has occurred.

THIS NOTE IS A GENERAL OBLIGATION OF THE CITY, THE PAYMENT OF WHICH THE CITY'S FULL FAITH AND CREDIT ARE IRREVOCABLY PLEDGED. THE CITY COUNCIL IS AUTHORIZED AND REQUIRED TO LEVY AND COLLECT, ANNUALLY AT THE SAME TIME AND IN THE SAME MANNER AS OTHER TAXES OF THE CITY ARE ASSESSED, LEVIED AND COLLECTED, A TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY, OVER AND ABOVE ALL OTHER TAXES AUTHORIZED OR LIMITED BY LAW AND WITHOUT LIMITATION AS TO RATE OR AMOUNT, SUFFICIENT TO PAY WHEN DUE THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON THIS NOTE, TO THE EXTENT OTHER FUNDS OF THE CITY ARE NOT LAWFULLY AVAILABLE AND APPROPRIATED FOR SUCH PURPOSE.

Reference is hereby made to the Resolution and to all of the provisions thereof to which any Holder of this Note by his acceptance hereof hereby assents, for definitions of terms; the description of and nature and extent of the security for this Note; the conditions upon which the Resolution may be amended or supplemented without the consent of the Holder of this Note and upon which it may be amended only with the consent of the Holder of this Note affected thereby; the rights and remedies of the Holder hereof with respect hereto; the rights, duties and obligations of the City; the provisions discharging the Resolution as to this Note and for the other terms and provisions of the Resolution.

IN WITNESS WHEREOF, the City of Franklin, Virginia, by its City Council has caused this Note to be signed by the Mayor and attested by the Clerk of said City, by their manual or facsimile signatures, and its seal to be impressed or imprinted hereon, and this Note to be dated as set forth above.

Mayor, City of Franklin, Virginia

(SEAL)

Attest:

City Clerk
City of Franklin, Virginia

CERTIFICATE OF AUTHENTICATION

This Note is the Note described in the within-mentioned Resolution.

REGISTRAR

By: _____
Treasurer, City of Franklin, Virginia

DATE OF AUTHENTICATION:

December __, 2024

[FORM OF ASSIGNMENT]

For value received, the undersigned hereby sells, assigns, and transfers unto

Please insert social security number or other tax identification number of assignee:

[_____]

Name and address of assignee, including zip code: _____

_____ the within-mentioned Note and hereby irrevocably constitutes and appoints _____ attorney-in-fact, to transfer the same on the registration books thereof maintained in the office of the within-mentioned Registrar with the full power of substitution in the premises.

DATED: _____

NOTE: The signature to this assignment must correspond with the name of the registered holder that is written on the face of the within Note in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

SCHEDULE



City Manager's Report
Submitted by: Vernie Francis, Chief of Emergency Management Services
Item Number: 4A
December 9, 2024

Title: Personal Property Tax Exemptions
Volunteer Firefighters and Emergency Medical Services Personnel

Issue:

- Adoption of an Ordinance to Provide Personal Property Tax Exemptions for Qualified Volunteer Firefighters and Emergency Medical Services Personnel.

Background:

- The Code of Virginia §58.1-3506 (A)(15) allows local government to establish a separate classification for the purposes of levying personal property taxes on certain motor vehicles owned or leased by volunteer firefighters and emergency medical services personnel.
- By establishing a separate classification, local government may provide personal property tax exemption for volunteer firefighters and emergency medical services personnel.

Discussion:

- Several volunteer firefighters within the city limits have requested that the City Council consider granting a personal property tax exemption. This exemption would give volunteers a tax break on one vehicle registered solely in their name. Staff members noted that this could encourage more people to volunteer.
- Each year, volunteers must provide the Commissioner of Revenue with certification from the Chief of Emergency Management Services, confirming that they are active volunteers and identifying the motor vehicle they own or lease. Volunteers must submit the certification by January 31 of each year.
- Additionally, the City currently exempts the license fee for one vehicle for active members of the City's Volunteer Fire Department, as specified in §17-32.1 regarding the issuance of license fees for active and honorary members of the Volunteer Fire Department.
- Currently, the projected loss of revenue to the General Fund is approximately \$8,000.00.

Financial impact:

- The General Fund will receive less revenue based on the value of the assessed vehicles.

Recommended Action:

- Approval of the ordinance.

Next Steps Following Council Action:

- The City Manager will work with the appropriate staff to make the necessary changes.

Attachments:

- Ordinance


City Manager



An Ordinance to Provide Personal Property Tax Exemptions for Qualified Volunteer Firefighters and Emergency Medical Services Personnel

THE COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA, ORDAINS AS FOLLOWS:

WHEREAS, the City Council of Franklin, Virginia (the “Council”) recognizes the invaluable contributions of volunteer firefighters and emergency medical services personnel to the safety and welfare of the community and wishes to provide financial relief to those individuals in recognition of their service;

WHEREAS, the Council, pursuant to Section 58.1-3506(A)(15) of the *Code of Virginia*, wishes to establish a separate classification for the purposes of levying personal property taxes on certain motor vehicles owned or leased by volunteer firefighters and emergency medical services personnel; and

WHEREAS, the Council seeks to amend its code by creating a new section, § 27-153, to establish a personal property tax exemption for eligible volunteer firefighters and emergency medical services personnel, thereby recognizing their contributions and providing them with financial relief;

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

§ 27-153 Classification for taxation of one motor vehicle owned or leased by volunteer fire department member or emergency medical services personnel.

[Added __-__-2024 by Ord. No. 2024-__]

(a) One motor vehicle owned and regularly used by a volunteer fire department member or a person who meets the definition of “emergency medical services personnel” in § 32.1-111.1 (collectively “volunteer emergency responder” or “volunteer”) is declared to be a separate class of property and shall constitute a classification for local taxation separate from other classifications of tangible personal property in this Chapter 27. To qualify for this classification, the volunteer shall:

(1) provide proof that he is the owner or lessor of the motor vehicle, and if a lessor of the vehicle, that the volunteer is obligated by the terms of the lease to pay tangible personal property tax on the motor vehicle;

(2) furnish the commissioner of revenue with a certification by the chief or head of the volunteer organization, that the volunteer is an individual who meets the definition of “emergency medical services personnel” in § 32.1-111.1 or is a member of a volunteer fire department who regularly responds to calls or regularly performs other duties for the volunteer organization; and

(3) specifically identify the motor vehicle owned or leased by the volunteer.

(b) The certification shall be submitted by January 31 of each year to the commissioner of revenue; however, the commissioner of revenue shall be authorized, in his discretion, and for good cause shown and without fault on the part of the member, to accept a certification after the January 31 deadline. A replacement vehicle may be certified and classified pursuant to this subsection when the vehicle certified as of the immediately prior January date is transferred during the tax year.

(c) The tax rate for such motor vehicles shall be set as part of the city’s adoption of its budget and setting of its annual tax rates.

BE IT FURTHER ORDAINED AND ENACTED, that this ordinance shall become effective on _____.

Certified copy of the ordinance adopted by the Franklin City Council at its regular meeting held on _____, 2024.

VOTE:

Ayes:

Nays:

Abstentions:

Absent for vote:

ADOPTED:

Robert Cutchins, Mayor

CERTIFIED:

Kimberly Turner, Deputy Clerk



City Manager's Report
Submitted by: Constance Bonds, Director of Finance
Item Number: 4B
December 9, 2024

Title: Issuance, Sale and Award of a General Obligation Note, Series 2024

Issue:

- Adoption of a Resolution Providing For The Issuance, Sale And Award Of A General Obligation Note, Series 2024 Of The City Of Franklin, Virginia.

Background:

- The City of Franklin is issuing General Obligation Notes in the approximate amount not to exceed \$8.1 million.
- The borrowing was conducted in two phases to ensure that the only the necessary funds are borrowed as the projects progressed. This is the second phase.

Discussion:

- Back in 2023, the City Council approved the issuance of bonds/notes to start two capital projects – the Courthouse and the Armory. The Radio System Project was added later.
- The proceeds of the Notes will be utilized to continue to finance the renovation of the Courthouse, the demolition and rebuilding of the Armory, and Radio System for Public Safety.

Financial impact:

- The approval of the General Obligation Notes will increase the City's debt by the said amount. Interest generated will cover the initial payments of the loan; however, further increases to certain General Fund revenues will be required to cover further loan payments.

Recommended Action:


- Approval of the resolution.

Next Steps Following Council Action:

- The City Manager will work with the appropriate staff to make the necessary changes.

Attachments:

- Resolution
- Series 2024 supporting documentation


City Manager

**RESOLUTION PROVIDING FOR THE ISSUANCE, SALE AND AWARD OF A
GENERAL OBLIGATION NOTE, SERIES 2024 OF THE CITY OF FRANKLIN,
VIRGINIA AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT
THEREOF**

WHEREAS, the City Council (**the “City Council”**) of the City of Franklin, Virginia (**the “City”**) wishes to provide interim financing for the construction, renovation and improvement of City courts facilities, City and community facilities at the former National Guard armory facility and a City public safety radio system project, along with other capital needs of the City (**the “Projects”**) and to pay the costs of issuance therefor; and

WHEREAS, Davenport & Company LLC, the City's financial advisor (**the “Financial Advisor”**), as directed by City staff, and its bond counsel, Sands Anderson PC, have prepared a Request for Proposals (**the “RFP”**) to obtain financing proposals for the interim financing of the Projects;

WHEREAS, the Financial Advisor has received responses to the RFP that reflect attractive terms for the financing of the Projects and after reviewing the responses has recommended that the City Council select the proposal to purchase the City's maximum aggregate principal amount not to exceed \$8,300,000 General Obligation Bond Anticipation Note, Series 2024 (**the “Note”**) to finance the Projects in accordance with the proposal dated October 3, 2024 (**the “Proposal”**) from Webster Bank, National Association (**the “Lender”**) whose approval shall be evidenced conclusively by the execution and delivery of such Proposal, and the City Council desires to accept such Proposal and proceed with the financing reflected therein;

WHEREAS, the City Council held a public hearing, duly noticed, on December 9, 2024 on the issuance of up to \$8,300,000 general obligation notes or bonds of the City in accordance with Section 15.2-2606 of the Public Finance Act of 1991 (**the “Act”**) of the Code of Virginia of 1950, as amended;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FRANKLIN:

1. Issuance of Note. Pursuant to the Constitution and statutes of the Commonwealth of Virginia, including the Act, the City Council hereby authorizes the issuance and sale of general obligation notes or bonds of the City to provide funds for interim financing for the Projects, and to pay related issuance and financing costs incurred in connection with issuing such Note. The City elects to issue the Note pursuant to the Act without regard to any separate requirements of the City Charter.

2. Note Details. The Note shall be issued in an aggregate principal amount not to exceed \$8,300,000 consisting of a single, registered bond or note designated “General Obligation Bond Anticipation Note, Series 2024” numbered N-1, bearing an interest rate not to exceed 3.60% per annum, and maturing no later than December 31, 2027. Subject to the preceding terms, the City Council further authorizes the Financial Advisor to determine the aggregate total of principal and interest payments on the Note, establish an amortization schedule for the Note, all in accordance with the provisions hereof.

3. Payment and Redemption Provisions. The principal of and premium, if any, and interest on the Note shall be payable as set forth in the Note. The principal of the Note shall be subject to optional prepayment or redemption, in whole or in part, by the City, as set forth in the Proposal, provided, that the Note may be prepaid, in whole only, at any time after October 31, 2026 with no prepayment penalty.

4. Execution and Form of Note. The Note shall be substantially in the form of Exhibit A attached hereto, shall be signed by the Mayor or Vice Mayor of the City and the City's seal shall be affixed thereon and attested by the City Clerk. The Note shall be issued as a typewritten bond or note with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by such officers, whose approval shall be evidenced conclusively by the execution and delivery of the Note.

5. Pledge of Full Faith and Credit. The City's full faith and credit are pledged to secure the payment of the principal of, premium, if any, and interest on the Note. Unless other funds are lawfully available and appropriated for timely payment of the Note, the City agrees to levy and collect an annual tax upon all property subject to local taxation in the City sufficient to pay the principal of and premium, if any, and interest on the Note.

6. Preparation of Printed Note. The City shall initially issue the Note in typewritten form. Upon request of the registered owner and upon presentation of the Note at the office of the Registrar (as hereinafter defined), the City shall arrange to have prepared, executed and delivered in exchange as soon as practicable the Note in printed form in an aggregate principal amount equal to the unpaid principal of the Note in typewritten form, in denominations of \$5,000 and multiples thereof (except that one Note may be issued in an odd denomination of not less than \$5,000), of the same form and maturity and registered in such names as requested by the registered owners or their duly authorized attorneys or legal representatives. The printed Note may be executed by manual or facsimile signature of the Mayor or Vice Mayor of the City, the City's seal affixed thereto and attested by the City Clerk; provided, however, that if both such signatures are facsimiles, no Note shall be valid until it has been authenticated by the manual signature of the Registrar and the date of authentication noted thereon. The typewritten Note surrendered in any such exchange shall be canceled.

7. Registration and Transfer of the Note. The City appoints the City Treasurer as paying agent and registrar (**the "Registrar"**) for the Note. Upon surrender of the Note at the office of the Registrar, together with an assignment duly executed by the registered owner or its 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 and deliver in exchange, a new Note or Notes having an equal aggregate principal amount, of the same form and maturity, bearing interest at the same rates and registered in such name as requested by the then registered owner or its 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 or entity 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 installments shall be paid to the person or entity shown as

owner on the registration books on the 1st day of the month on which an interest payment date occurs.

8. Mutilated, Lost or Destroyed Note. If the Note has been mutilated, lost or destroyed, the City shall execute and deliver a new Note of like date and tenor in exchange and substitution for, and upon cancellation of, such mutilated Note or in lieu of and in substitution for such lost or destroyed Note; provided, however, that the City shall so execute and deliver only if the registered owner has paid the reasonable expenses and charges of the City in connection therewith and, in the case of a lost or destroyed Note, (a) has filed with the City evidence satisfactory to the City that such Note was lost or destroyed and (b) has furnished to the City satisfactory indemnity.

9. 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 Note to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations issued pursuant thereto (**the “Code”**), or otherwise cause interest on the Note to be includable in the gross income for Federal income tax purposes of the registered owner thereof under existing law. Without limiting the generality of the foregoing, the City shall comply with any provision of the Tax Compliance Agreement (as defined below) that 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 Note, unless the City receives an opinion of nationally recognized bond counsel that such compliance is not required to prevent interest on the Note from being included in the gross income for federal income tax purposes of the registered owners thereof under existing law. The City shall pay any such required rebate from legally available funds.

10. Tax Compliance Agreement. Such officers of the City as may be requested by the City’s bond counsel are authorized and directed to execute and deliver a nonarbitrage certificate and tax compliance agreement in relation to the Note (**the “Tax Compliance Agreement”**) in the form approved by the Mayor or Vice Mayor of the City or the City Manager, or any of them, in collaboration with the City’s bond counsel, with such completions, omissions, insertions and changes as may be approved by the officers of the City executing such Tax Compliance Agreement, whose approval shall be evidenced conclusively by the execution and delivery thereof.

11. Private Activity Bond Covenant. The City covenants that it shall not permit the proceeds of the Note or the property financed thereby to be used in any manner that would result in (a) 5% or more of such proceeds or the facilities financed 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 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 Note 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.

12. Qualified Tax-Exempt Obligation. The City Council hereby designates the Note as a “qualified tax-exempt obligation” as defined in Section 265(b)(3)(B) of the Code and certifies by this Resolution that it does not reasonably anticipate the issuance by it or its subordinate entities of more than \$10 million in “qualified tax-exempt obligations” during the calendar year 2024 and will not designate, or permit the designation by any of its subordinate entities of, any of its bonds (or those of its subordinate entities) during the calendar year 2024 which would cause the \$10 million limitation of Section 265(b)(3)(D) of the Code to be violated.

13. SNAP Investment Authorization. The City Council has determined to authorize the City Treasurer, if and as necessary, to utilize SNAP in connection with the investment of the proceeds of the Note.

14. Bond Counsel. The City Council hereby confirms the appointment of Sands Anderson PC to serve as Bond Counsel to the City in connection with the issuance of the Note.

15. Other Actions. All other actions of City officials in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Note and the interim financing of the Projects are ratified, approved and confirmed. 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 Note pursuant to this Resolution and the financing of the Projects including, but not limited to a loan agreement, note purchase agreement, escrow agreement and any other agreements.

16. Effectiveness and Filing of Resolution. This Resolution shall become effective immediately upon its passage. After such passage, 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. Any ordinances or resolutions inconsistent herewith previously adopted by the City Council are amended to be consistent with this Resolution.

On motion of _____, seconded by _____, the foregoing Resolution was adopted at a regular meeting of City Council on December 9, 2024. Members of the City Council voted as follows:

YES

NO

ABSTAINED

ABSENT

Adopted this 9th day of December, 2024.

The undersigned City Clerk of the City Council of the City of Franklin, Virginia, hereby certifies that the foregoing constitutes a true and correct copy of an Resolution adopted at a meeting of the City Council of the City of Franklin, held on December 9, 2024. I hereby further certify that such a meeting was a regular meeting, duly called and held, and that during the consideration of the foregoing Resolution, a quorum was present.

City Clerk, City Council of the
City of Franklin, Virginia

CITY OF FRANKLIN, VIRGINIA
\$8,300,000 GENERAL OBLIGATION BOND ANTICIPATION NOTE
SERIES 2024

NOTE PURCHASE AND LOAN AGREEMENT

December __, 2024

City of Franklin, Virginia
207 W. 2nd Avenue
Franklin, Virginia 23851

Ladies and Gentlemen:

Webster Bank, National Association (**the “Lender”**) offers to enter into this agreement (**this “Note Purchase and Loan Agreement”**) with the City of Franklin, Virginia (**the “City”**), providing for the sale by the City and the purchase by the Lender of the City’s General Obligation Bond Anticipation Note, Series 2024 in the principal amount of \$8,300,000 (**the “Note”**). Acceptance of this offer shall be evidenced by the execution and delivery to the Lender of this Note Purchase and Loan Agreement by the Mayor or Vice Mayor of either of whom may act, on behalf of the City. Upon such acceptance, this Note Purchase and Loan Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the City and the Lender.

1. **Purpose of Financing and Security for Note.** The Note will be issued and secured under and pursuant to a resolution adopted by the City Council of the City (**the “City Council”**) on December 9, 2024 (**the “Resolution”**) and Chapter 26, Title 15.2, Code of Virginia of 1950, as amended (**the “Act”**), in order to provide, from proceeds of the Note, interim financing for the construction, renovation and improvement of City courts facilities, City and community facilities at the former National Guard armory facility and a City public safety radio system project, along with other capital needs of the City and related costs of issuance (**the “Projects”**) for the benefit of citizens of the City. The Note shall be secured by the full faith and credit of the City.

2. **Purchase and Terms of The Note.** Upon the terms and conditions and upon the basis of the representations set forth herein, the Lender hereby agrees to loan monies to the City as evidenced by the Lender’s purchase of the Note from the City, and the City hereby agrees to sell to the Lender, the Note at the purchase price of 100% of the aggregate principal amount of the Note (**the “Purchase Price”**). The Note shall be as described in, and shall have the terms and conditions, including but not limited to the payment dates for interest, principal and redemption or prepayment provisions, set forth in the forms of Note attached as **Exhibit A** hereto and incorporated by this reference. The principal of the Note shall bear interest at the rate of 3.60% per annum through the final maturity date of the Note, November 1, 2027. The Note is being issued as a tax-exempt obligation under Section 103 of the Internal Revenue Code of 1986, as amended (**the “Code”**). Interest on the Note shall be paid on the 1st day of each May and November, commencing May 1, 2025, through and including the final maturity date. Principal

shall be due at as set forth in the Note and is subject to optional redemption as set forth below in Section 7 herein.

3. **Representations and Warranties of the City.** The City represents, warrants and agrees as follows:

(a) the City is, and will be at Closing (as defined below), a municipal corporation of the Commonwealth of Virginia (**the “Commonwealth”**) duly chartered by the General Assembly of the Commonwealth, with the power and authority (1) to issue, sell and deliver the Note to the Lender as provided herein and (2) to consummate all transactions contemplated by, and perform its obligations, under this Note Purchase and Loan Agreement, the Note, the Resolution, and a Non-Arbitrage Certificate (**the “Non-Arbitrage Certificate”**) to be executed by the City.

(b) as of the Closing, the City will have full power and authority to irrevocably pledge its full faith and credit to the payment of the principal of, premium, if any, and interest on the Note;

(c) the adoption of the Resolution and the execution and delivery of this Note Purchase and Loan Agreement, the Note and the Non-Arbitrage Certificate (**collectively, the “Documents”**) and compliance with the provisions thereof, under the circumstances contemplated hereby and thereby, do not and will not (1) violate the Constitution or laws of the Commonwealth, including, without limitation, the charter of the City, as applicable, the Act or any other existing law, rule, regulation, order, writ, judgment, injunction, decree, or determination of any court, regulatory agency or other governmental unit by which the City is bound, or (2) conflict with, result in a breach of, or constitute a default under, any existing resolution, the Resolution, indenture of trust or mortgage, loan or credit agreement, or any other existing agreement or instrument to which the City is a party or by which the City may be bound;

(d) The City has, and at the Closing Date will have, duly authorized all actions necessary or appropriate to be taken for the City to (1) enter into, execute and deliver this Note Purchase and Loan Agreement, (2) to issue, sell and secure the Note to the Lender as provided herein, and (3) to consummate and carry out the other transactions contemplated by the Resolution and this Note Purchase and Loan Agreement.

(e) There is no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, public board or body, pending or, to the best knowledge of the City, threatened against the City, affecting the organization and existence of the City or the titles of its officers to their respective offices or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Note or to pay the principal of and interest on the Note, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Note or this Note Purchase and Loan Agreement or contesting in any way the power of the City to issue the Note or to execute and deliver this Note Purchase and Loan Agreement, nor, to the best knowledge of the City, is there any basis therefor.

(f) No further consent, approval, authorization or order of any court or governmental agency or body not already obtained is required for the issuance, delivery or sale

of the Note or, as of the date hereof, the consummation of the other transactions effected or contemplated herein or hereby by the City.

(g) The City is not in violation of any existing law, rule or regulation applicable to it and is not in default under any indenture, mortgage, deed of trust, lien, lease, contract, note, order, judgment, decree or other agreement, instrument or restriction of any kind to which the City is a party or by which it is bound or to which any of its assets are subject, which default would adversely affect the Note, and the execution and delivery by the City of the Note and the compliance with the terms and conditions thereof will not conflict with or result in the breach of or constitute a default under any of the foregoing.

(h) When delivered to and paid for by the Lender in accordance with the terms of this Note Purchase and Loan Agreement, the Note will have been duly authorized, executed and issued.

(i) No suit, action, proceeding or investigation is pending nor, to the knowledge of the City, threatened against or affecting any of the City's properties, or against or affecting the City, before any court or governmental department, commission, board, bureau, agency or instrumentality which involves or would materially affect any of the transactions contemplated hereby or by the Documents, or which, if determined adversely, could have a material adverse effect on (i) the organization or existence of the City, (ii) the execution and delivery by the City of the Documents, (iii) the performance by the City of its obligations under the Documents, (iv) the validity or enforceability of the Documents or the transactions contemplated thereby, (v) the title or authority of any City officials executing the Documents or other documents relating to the transactions contemplated thereby, (vi) any authority or proceeding relating to the execution and delivery of the Documents on behalf of the City.

(j) the City hereby assures the Lender that no material deterioration exists in the financial condition of the City from that reported in fiscal year ending June 30, 2023.

(k) The representations and agreements of the City herein will be true and correct in all material respects as of the Closing.

4. **Closing.** The delivery of the Note (**the "Closing"**) shall be at such place and time as may be agreed to by the City and the Lender (but in no event later than December __, 2024 unless otherwise agreed to in writing by the parties) (**the "Closing Date"**). Upon delivery of the Note to the Lender, the Lender will cause payment to be made as directed by the City, in immediately available funds, the purchase price of the Note. The purchase price of the Note will be applied by the City as set forth in a Closing Memorandum (**the "Closing Memorandum"**) prepared by the City's financial advisor, Davenport & Company LLC (**the "Financial Advisor"**) and approved by the City Manager, to pay certain costs of issuance of the Note and otherwise for payment of the costs of the Projects. The Note shall be delivered on the Closing Date to the Richmond, Virginia, offices of Sands Anderson PC as bond counsel to the City (**"Bond Counsel"**) or such other place as to which the City and the Lender may agree in writing, and Bond Counsel shall forward the Note to the Lender.

5. **Conditions to Closing.** The Lender's obligations hereunder to purchase and pay for the Note shall be subject to the performance by the City of its obligations hereunder and by the City of its obligations under the applicable Documents at or prior to the Closing Date, and to the following additional conditions at the Closing Date:

- (a) Receipt by the Lender of the Note and this Note Purchase and Loan Agreement.
- (c) Receipt by the Lender of a certificate, dated the Closing Date and signed by the Mayor and the City Manager of the City, to the effect that (i) the representations and warranties of the City contained herein are true and correct in all material respects as of the Closing Date as if made on the Closing Date, and (ii) the City has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to the Closing Date.
- (d) Delivery to the Lender of an opinion of the City Attorney, dated the Closing Date, in substantially the form set forth in **Exhibit B** hereto.
- (e) Receipt by the Lender of the approving opinion of Bond Counsel, dated the Closing Date, subject to the usual qualifications, as to the validity and enforceability of the Note against the City and the tax-exempt status of interest thereon.

The Lender reserves the right to waive any of the conditions to its obligations contained in this Note Purchase and Loan Agreement.

If the City shall be unable to perform or fulfill the conditions to the Lender's obligations hereunder, or if the Lender's obligations hereunder shall be terminated for any reason permitted hereby, this Note Purchase and Loan Agreement shall terminate and neither the Lender nor the City shall be under further obligation hereunder.

6. **Fees and Expenses.** The City agrees to cause to be paid the fees and disbursements of the Financial Advisor, of Bond Counsel, and of the City Attorney and disbursements incurred in connection with the issuance and sale of the Note to the Lender, in each case from the proceeds of the Note as set forth in the Closing Memorandum.

7. **Optional Redemption.**

The Note may not be redeemed before November 1, 2026. The Note is subject to redemption prior to its final maturity date, at the option of the City, in whole, on any payment date on or after November 1, 2026, upon thirty (30) days written notice to the Bondholder, at a redemption price equal to 100% of the outstanding principal amount thereof, plus interest accrued to the redemption date.

8. **Representations of Lender.** The Lender represents and warrants that the purchase of the Note is for its individual account and not with a present view for distribution to other purchasers thereof; provided that the Lender intends to sell a 100% participation interest in the Note to an

affiliate on the date hereof at par. The Lender is a national banking association authorized to do business in the Commonwealth. The Lender represents and warrants that it is purchasing the Note at its sole risk based on its evaluation of the credit risks arising therefrom.

9. **Notices.** Any notice or other communication to be given to the City or the Lender under this Note Purchase and Loan Agreement may be given by delivery of the same in writing (a) to the Franklin City Manager's Office, 207 W. 2nd Avenue, Franklin, Virginia 23851 and (b) to the Lender, at Webster Bank, National Association, 360 Lexington Avenue, 5th Floor, New York, New York 10017 (Attn: Public Sector Finance). Any party to this Note Purchase and Loan Agreement may designate additional or different addresses for notice or communications by notice given under this Section to the other party.

10. **Financial Statements.** The City shall furnish to the Lender, (a) annually during the term of the Note, with audited financial statements, including supporting schedules (**the "Audit"**) of the City as soon as available after the City's acceptance thereof, but no later than 360 days after the end of the City's fiscal year, commencing with the fiscal year ending June 30, 2023, and (b) such other financial information as the Lender may reasonably request. Such Audit must be in a form and degree reasonably acceptable to the Lender and prepared in accordance with generally accepted accounting principles. The requirement to provide the Audit to the Lender will be satisfied if and to the extent such information is electronically posted and publicly available on the City's website or on the MSRB's "EMMA" website, and the City provides electronic notice to the Lender with a link to such posting. In the event that the Audit is not available within 360 days of fiscal year end, the City will furnish unaudited financial statements to the Lender in the manner described in this paragraph within such period, and will then supply the Audit immediately upon the availability thereof. The electronic Audit or link may be sent to the following email address (or such other address as the Lender supplies to the City in writing): PublicFinance@WebsterBank.com.

11. **Miscellaneous.** This Note Purchase and Loan Agreement is made solely for the benefit of the City and the Lender (including their successors or assigns) and no other person shall acquire or have any right hereunder or by virtue hereof. All the representations, warranties and agreements contained herein shall remain operative and in full force and effect, regardless of (a) any investigations made by or on behalf of the Lender; (b) delivery of and payment for the Note hereunder; and (c) any termination of this Note Purchase and Loan Agreement. Assignment and re-registration of the Note shall without further action be deemed to assign the Lender's interest under this Note Purchase and Loan Agreement.

12. **Governing Law.** The construction and enforcement of this Note Purchase and Loan Agreement shall be governed by the laws of the Commonwealth of Virginia, without regard for its conflicts of laws provisions.

13. **Execution in Counterparts.** This Note Purchase and Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument, and any of the parties hereto may execute this Note Purchase and Loan Agreement by signing any such counterpart.

14. **Severability.** In case any one or more of the provisions of this Note Purchase and Loan Agreement shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Note Purchase and Loan Agreement, and this Note Purchase and Loan Agreement shall be construed and enforced as if such illegal or invalid provisions had not been contained herein.

[Remainder of this page intentionally left blank.]

Very truly yours,

**WEBSTER BANK, NATIONAL
ASSOCIATION**

By: _____

Title: Managing Director

Confirmed and Accepted
as of the date first above written:

CITY OF FRANKLIN, VIRGINIA

By: _____
Mayor

EXHIBIT A
FORM OF THE NOTE

EXHIBIT B
OPINION OF CITY ATTORNEY

No. N-1

\$8,300,000.00

**UNITED STATES OF AMERICA
COMMONWEALTH OF VIRGINIA, CITY OF FRANKLIN
GENERAL OBLIGATION BOND ANTICIPATION NOTE
SERIES 2024**

Registered Holder: Webster Bank, National Association

Dated: December __, 2024

Interest Rate: 3.60%

Maturity Date: November 1, 2027

Principal Sum: Eight Million Three Hundred Thousand and 00/100 Dollars

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Franklin, Virginia (**hereinafter sometimes referred to as the “City”**), a municipal corporation of the Commonwealth of Virginia, for value received hereby promises to pay to the registered holder (named above), or its assigns or legal representative (**the “Holder”**), on the Maturity Date (specified above), the Principal Sum, subject to prior redemption as described herein, and to pay interest on the unpaid principal balance of this Note from the date hereof until payment of the entire principal, at the annual Interest Rate stated above, payable in installments as set forth on the attached Schedule.

Both principal of and interest on this Note are payable in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts.

Interest is payable on the basis of a 360-day year consisting of twelve 30-day months.

Both principal of and interest on this Note are payable in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts.

Upon a Determination of Taxability (as defined below), the interest rate on this Note shall be automatically adjusted to the Taxable Rate (as defined below) from the Date of Taxability (as defined below). For purposes of this Note, the following terms have the following meanings:

"Date of Taxability" means the earliest date as of which interest on this Note shall have been determined to be includable in the gross income of the Holder pursuant to a Determination of Taxability.

"Determination of Taxability" means and shall be deemed to have occurred on the first to occur of the following:

- (i) on that date when the City files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have in fact occurred;

(ii) on the date when the Holder notifies the City that it has received a written opinion by an attorney or firm of attorneys of recognized standing on the subject of tax-exempt municipal finance to the effect that an Event of Taxability (as defined below) has occurred unless, within 180 days after receipt by the City of such notification from such Holder, the City shall deliver to the Holder (A) a ruling or determination letter issued to or on behalf of the City by the Commissioner or any District Director of Internal Revenue (or any other governmental official exercising the same or a substantially similar function from time to time) or (B) a written opinion by an attorney or firm of attorneys of recognized standing on the subject of tax-exempt municipal finance to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred;

(iii) on the date when the City shall be advised in writing by the Commissioner or any District Director of Internal Revenue (or any other government official or agent exercising the same or a substantially similar function from time to time) that, based upon filings by the City, or upon any review or audit of the City or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

(iv) on that date when the City shall receive notice from the Holder that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of such Holder the interest on this Note due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under subparagraph (iii) or (iv) above unless the City have been afforded the opportunity, at the sole expense of the City, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined; provided further, however, that upon demand from the Holder, the City shall immediately reimburse such Holder for any payments such Holder shall be obligated to make as a result of the Determination of Taxability during any such contest.

"Event of Taxability" means the taking of any action by the City, or the failure to take any action by the City, or the making by the City of any misrepresentation herein or in any certificate required to be given in connection with the issuance, sale or delivery of this Note which has the effect of causing interest paid or payable on this Note to become includable, in whole or in part, in the gross income of the Holder for federal income tax purposes.

"Taxable Rate" means the interest rate per annum that shall provide the Holder with the same after-tax yield that the Holder would have otherwise received had the Determination of Taxability not occurred, taking into account the increased taxable income of the Holder as a result of such Determination of Taxability. The Holder shall provide the City with a written statement explaining the calculation of the taxable rate, which statement shall, in the absence of manifest error, be conclusive and binding on the City.

It is hereby certified, recited and declared that all acts, conditions and things required to have happened, to exist and to have been performed precedent to and in the issuance of this Note

do exist, have happened and have been performed in regular and due time, form and manner as required by law; that this Note does not exceed any constitutional, statutory or charter limitation of indebtedness; and that provision has been made for the payment of the principal of, and interest on, this Note, as provided in the Resolution (as defined below).

This Note is in an original principal amount of \$8,300,000, and is issued under, pursuant to and in compliance with the Constitution and laws of the Commonwealth of Virginia, including Chapter 26, Title 15.2 of the Code of Virginia of 1950, as amended, the same being the Public Finance Act, the City Charter of the City and the Resolution duly adopted by the City Council on December 9, 2024 (**the “Resolution”**).

This Note is transferable only upon the registration books kept at the office of the City Treasurer as Registrar (**the “Registrar”**) by the registered Holder hereof, or by such Holder’s duly authorized attorney, to (i) an affiliate of the registered Holder or (ii) banks, insurance companies or other financial institutions or their affiliates, upon surrender of this Note (together with a written instrument of transfer, satisfactory in form to the Registrar, duly executed by the registered Holder or such Holder’s authorized attorney, which may be the form endorsed hereon) and subject to the limitations and upon payment of the charges, if any, as provided in the Resolution, and thereupon a new Note, in the aggregate principal amount and of the same series, interest rate and maturity as this Note, shall be issued in exchange therefor. The City and the Registrar shall deem and treat the person in whose name this Note is registered as the absolute registered owner Holder hereof for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon and for all other purposes whatsoever. Nothing in this Note shall limit the right of the registered Holder or its assignees to sell or assign participation interests herein to one or more entities listed in (i) or (ii) above.

This Note may not be redeemed before November 1, 2026. This Note is subject to optional redemption prior to the Maturity Date, at the option of the City, in whole only, on any interest payment date on or after November 1, 2026, upon thirty (30) days written notice to the Holder, at a redemption price equal to 100% of the outstanding principal amount hereof, plus interest accrued to the redemption date.

Notice of redemption shall be sent in writing by the Registrar to the registered Holder of this Note at such registered Holder’s address as it appears on the registration books, provided that failure to give such notice, or any defect therein, shall not affect the validity of any proceedings for the redemption of this Note with respect to which no such failure has occurred.

THIS NOTE IS A GENERAL OBLIGATION OF THE CITY, THE PAYMENT OF WHICH THE CITY'S FULL FAITH AND CREDIT ARE IRREVOCABLY PLEDGED. THE CITY COUNCIL IS AUTHORIZED AND REQUIRED TO LEVY AND COLLECT, ANNUALLY AT THE SAME TIME AND IN THE SAME MANNER AS OTHER TAXES OF THE CITY ARE ASSESSED, LEVIED AND COLLECTED, A TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY, OVER AND ABOVE ALL OTHER TAXES AUTHORIZED OR LIMITED BY LAW AND WITHOUT LIMITATION AS TO RATE OR AMOUNT, SUFFICIENT TO PAY WHEN DUE THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON THIS NOTE, TO THE EXTENT OTHER FUNDS OF THE CITY ARE NOT LAWFULLY AVAILABLE AND APPROPRIATED FOR SUCH PURPOSE.

Reference is hereby made to the Resolution and to all of the provisions thereof to which any Holder of this Note by his acceptance hereof hereby assents, for definitions of terms; the description of and nature and extent of the security for this Note; the conditions upon which the Resolution may be amended or supplemented without the consent of the Holder of this Note and upon which it may be amended only with the consent of the Holder of this Note affected thereby; the rights and remedies of the Holder hereof with respect hereto; the rights, duties and obligations of the City; the provisions discharging the Resolution as to this Note and for the other terms and provisions of the Resolution.

IN WITNESS WHEREOF, the City of Franklin, Virginia, by its City Council has caused this Note to be signed by the Mayor and attested by the Clerk of said City, by their manual or facsimile signatures, and its seal to be impressed or imprinted hereon, and this Note to be dated as set forth above.

Mayor, City of Franklin, Virginia

(SEAL)

Attest:

City Clerk
City of Franklin, Virginia

CERTIFICATE OF AUTHENTICATION

This Note is the Note described in the within-mentioned Resolution.

REGISTRAR

By: _____
Treasurer, City of Franklin, Virginia

DATE OF AUTHENTICATION:

December __, 2024

[FORM OF ASSIGNMENT]

For value received, the undersigned hereby sells, assigns, and transfers unto

Please insert social security number or other tax identification number of assignee:

[_____]

Name and address of assignee, including zip code: _____

_____ the within-mentioned Note and hereby irrevocably constitutes and appoints _____ attorney-in-fact, to transfer the same on the registration books thereof maintained in the office of the within-mentioned Registrar with the full power of substitution in the premises.

DATED: _____

NOTE: The signature to this assignment must correspond with the name of the registered holder that is written on the face of the within Note in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

SCHEDULE



City Manager's Report
Submitted by: Constance Bonds, Director of Finance
Item Number: 4C
December 9, 2024

Title: Budget Amendment – Franklin Southampton Charities Grant

Issue:

- Adoption of a resolution amending the FY 2024 – 2025 City Operating Budget to accept and appropriate the amount of \$10,000 received as a donation from the Franklin Southampton Charities for use by the Franklin Fire Department and the Hunterdale Volunteer Fire Department.

Background:

- The Franklin Southampton Charities Foundation, established in 2000 in Virginia, sources its assets from the Southampton Memorial Hospital Endowment Fund and the sale of the hospital to Franklin Hospital Corporation. It aims to support nonprofit organizations in its service area by providing funding and promoting community leadership.
- Funding priorities focus on programs that benefit youth and older people, enhance educational skills, provide job training, and foster community cooperation. The foundation prioritizes projects that address diverse community needs, assist underserved individuals, encourage additional funding, promote collaboration across jurisdictions, and ensure significant community impact with clear evaluation methods.

Discussion:

- The Franklin Southampton Charities Foundation awarded the Franklin Fire Department and the Hunterdale Volunteer Fire Department \$5,000 each, for a total of \$10,000.
- Each department is required to report back on the use of the funds prior to April 1.

Financial impact:

- The FY 2024 – 2025 City Operating Budget will increase by said amount.

Recommended Action:

- Approval of the resolution.

Next Steps Following Council Action:

- The City Manager will work with the appropriate staff to make the necessary changes.

Attachments:

- Resolution
- Award Letter



City Manager



BUDGET AMENDMENT 2025-5

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA that the 2024-2025 City Budget is hereby amended to:

1. *Recognize grant revenue from Franklin Southampton Charities for the Franklin Fire Department and Hunterdale Fire Department and to appropriate such revenue for use.*

		2024-2025 BUDGET	AMENDED BUDGET	INCREASE (DECREASE)
220 FOUNDATION GRANT FUND				
REVENUE				
220-3-18990-3001	Franklin/Southampton Charities	\$ -	\$ 10,000	\$ 10,000.00
				<u>\$ 10,000.00</u>
EXPENDITURES				
220-4-32100-8117	Fire Prevention - Other Grants	-	5,000	5,000
220-4-91450-4009	Hunterdale Volunteer Fire Dept	\$ -	\$ 5,000	\$ 5,000.00
				<u>\$ 10,000.00</u>

Certified copy of resolution adopted by Franklin City Council

Deputy Clerk to the City Council

Franklin Southampton Charities

Post Office Box 276 • 403½ North Main Street • Franklin, Virginia 23851
Phone: 757/569-1611 • Fax: 757/569-1615 • email: fsc@franklinsouthamptoncharities.com

July 16, 2024

Ms. Darlene Burcham
City Manager-Interim
City of Franklin
207 W. 2nd Avenue
Franklin, VA 23851

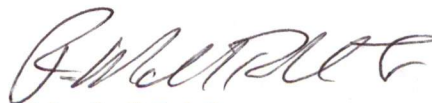
Dear Ms. Burcham:

I am pleased to enclose a grant check in the amount of \$10,000, to be distributed to each of the 2 Fire and Rescue Units as follows. The Board of Directors of Franklin Southampton Charities is happy to be able to support this worthy program.

Franklin Fire Department	\$5,000
Hunterdale Fire Department	\$5,000

Please remember that we are asking for a report on the usage of these funds prior to April 1 of next year. If you have any questions, please do not hesitate to contact our office.

Sincerely,



Marshall Rabil
Chair, Grants Committee

Enclosures

FSC



City Manager's Report
Submitted by Dr. Carlton Carter, Superintendent-Franklin Public Schools
Item Number: 4D
December 9, 2024

Title: Strengthening Career and Technical Education for the 21st Century Act (Perkins V)

Issue:

- Adoption of a resolution amending the FY 2024 -2025 City Operating Budget to accept grant revenue in the amount of \$276.38 from the Carl D. Perkins Career and Technical Education Act, and appropriate said amount for use by the Franklin City Public School in its FY 2024-2025 Operating Budget.

Background:

- The Strengthening Career and Technical Education for the 21st Century Act (Perkins V) is a federally funded program designed to enhance students' academic knowledge, technical skills, and employability skills in secondary and postsecondary education. This program focuses on those who enroll in career and technical education programs and related fields of study.
- The grant award period runs from July 1, 2024, to June 30, 2025. All funds must be spent or obligated by June 30, 2025.

Discussion:

- On June 20, 2024, the Virginia Department of Education (VDOE) received the estimated state allocations for the Strengthening Career and Technical Education for the 21st Century Act (Perkins V) for the school year 2024-2025. The Franklin Public Schools (FPS) was awarded \$54,644.41.
- On August 28, 2024, VDOE published an updated estimate of the state allocations for the Perkins V Grant. FPS received an adjustment to its original allocation, bringing the new amount to \$54,920.79, which is an increase of \$276.38.

Financial impact:

- The Franklin Public Schools FY 2025 Adopted Budget will increase by the appropriation of the said amount.

Recommended Action:

- Adoption of Resolution

Next Steps Following Council Action:

- The City Manager will work with the necessary staff to implement the changes.

Attachments:

- Resolution
- Memorandum from Dr. Carlton Carter, Division Superintendent



City Manager



BUDGET AMENDMENT 2025-6

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA that the 2024-2025 City Budget is hereby amended to:

1. *Recognize grant revenue from the Carl D. Perkins Career and Technical Education Act for the Franklin City Public School Board and to appropriate such revenue for use.*

		2024-2025 BUDGET	AMENDED BUDGET	INCREASE (DECREASE)
220 FOUNDATION GRANT FUND				
REVENUE				
250-3-33010-0230	Carl Perkins Revenue	\$54,644.41	\$54,920.79	\$ 276.38
				\$
EXPENDITURES				
250-4-60000-0009	Franklin City Public Schools	-		274.38
		\$ -	\$	\$
				\$

Certified copy of resolution adopted by Franklin City Council

Deputy Clerk to the City Council




FRANKLIN CITY PUBLIC SCHOOLS

OFFICE OF THE
SUPERINTENDENT

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

MEMORANDUM

TO: Rosylen Oglesby
Franklin City Manager

FROM: Dr. Carlton Carter 
Division Superintendent

DATE: October 18, 2024

RE: Notice of Budget Adjustments

BA013

This FY25 amendment is to record the FY25 Carl Perkins allocation

<i>Accounting Use Only</i>	<i>School Account</i>	<i>Amount</i>	<i>City Account</i>
Carl Perkins Revenue Increase	32-	276.38	250-3-33010-0230
Carl Perkins Expense Increase	32-	276.38	250-4-60000-0009

Franklin City Public Schools is an equal educational opportunity school system. The School Board of the City of Franklin also adheres to the principles of equal opportunity in employment and, therefore, prohibits discrimination in terms and conditions of employment on the basis of race, sex, national origin, color, religion or disability.



Tracy Morrison <tmorrison@fcpsva.org>

24-25 Perkins Grant

1 message

Gina Stewart <gstewart@fcpsva.org>
To: Tracy Morrison <tmorrison@fcpsva.org>

Thu, Oct 3, 2024 at 4:21 PM

I just saw that our Perkins allocation increased slightly. The increase is \$276.38. We will need to notify the SB and City.

<https://www.doe.virginia.gov/home/showpublisheddocument/57122/638606927873639343>

--
Gina Stewart
Accounts Specialist
Franklin City Public Schools
207 W. 2nd Avenue, Franklin, VA 23851
Phone: 757-304-5431
Fax: 757-516-1010

CURRENT BUDGET

ACTUAL BUDGET

ADJ NEEDED

54,644.41

54,920.79

276.38

FRANKLIN CITY PUBLIC SCHOOLS
 FD-FUNC-C/C----- EXPENDITURES SUMMARY REPORT
 for Fiscal Year 2025 (FISCAL YEAR 2025)
 Posted Only Figures
 Executed By: tmorrison

Page: 3
 Date: 10/07/24
 Time: 10:07:38

Code	Description	Appropriations	Outstanding Encumbrances	Expenditures For SEPTEMBER	Expenditures Year-to-Date	Available Balance	Percent Used
FD 32 CARL PERKINS 2024-2025							
FUNC 61103 INSTRUCTION-VOCATIONAL							
32-3	-3 -61103-1120-0000-000-000 CTSO ADVISORS	\$ 6,500.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 6,500.00	0.00
32-3	-3 -61103-1150-0000-000-000 WORK BASED LEARNING COORDINATOR	\$ 15,000.00	\$ 0.00	\$ 1,250.00	\$ 3,750.00	\$ 11,250.00	25.00
32-3	-3 -61103-2100-0000-000-000 FICA	\$ 1,415.25	\$ 0.00	\$ 95.62	\$ 286.86	\$ 1,128.39	20.27
32-3	-3 -61103-3000-0000-000-000 PROFESSIONAL DEVELOPMENT	\$ 2,100.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,100.00	0.00
32-3	-3 -61103-3001-0000-000-000 ASSESSMENTS	\$ 12,182.23	\$ 6,406.05	\$ 0.00	\$ 0.00	\$ 5,776.18	52.59
32-3	-3 -61103-3002-0000-000-000 CTSO COMPETITIONS	\$ 2,500.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,500.00	0.00
32-3	-3 -61103-3003-0000-000-000 COLLEGE TOURS	\$ 2,000.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,000.00	0.00
32-3	-3 -61103-3004-0000-000-000 DUAL ENROLLMENT	\$ 1,500.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,500.00	0.00
32-3	-3 -61103-5500-0000-000-000 TRAVEL REIMBURSEMENT	\$ 250.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 250.00	0.00
32-3	-3 -61103-8200-0000-000-000 CAPITAL OUTLAY-ADDITIONS	\$ 11,196.93	\$ 0.00	\$ 0.00	\$ 0.00	\$ 11,196.93	0.00
3	SECONDARY	\$ 54,644.41	\$ 6,406.05	\$ 1,345.62	\$ 4,036.86	\$ 44,201.50	19.11
3	INSTRUCTION-VOCATIONAL	\$ 54,644.41	\$ 6,406.05	\$ 1,345.62	\$ 4,036.86	\$ 44,201.50	19.11
32	CARL PERKINS 2024-2025	\$ 54,644.41	\$ 6,406.05	\$ 1,345.62	\$ 4,036.86	\$ 44,201.50	19.11

LEA D.	SCHOOL DIVISION	Age 5 - 17 Children in Poverty	70% of Entitlement Allocated Based on Poverty	Age 5 - 17 Enrollment	30% of Entitlement Allocated Based on Enrollment	SY 2024 - 2025 Total Entitlements (Revised)
116	MARTINSVILLE CITY	712	\$70,205.34	2585	\$12,624.56	\$83,255.11
117	NEWPORT NEWS CITY	7143	\$704,321.29	29809	\$145,580.46	\$854,337.38
118	NORFOLK CITY	7662	\$755,496.25	31915	\$155,865.69	\$916,117.23
119	NORTON CITY	160	\$15,776.48	594	\$2,900.96	\$18,773.57
120	PETERSBURG CITY	1768	\$174,330.12	5138	\$25,092.84	\$200,422.70
121	PORTSMOUTH CITY	3515	\$346,589.57	15593	\$76,152.71	\$424,965.51
122	RADFORD CITY	216	\$21,298.25	1435	\$7,008.22	\$28,463.98
123	RICHMOND CITY	7598	\$749,185.66	25599	\$125,019.76	\$878,655.96
124	ROANOKE CITY	3940	\$388,495.85	15511	\$75,752.24	\$466,653.93
126	STAUNTON CITY	556	\$54,823.27	3441	\$16,805.07	\$72,022.71
127	SUFFOLK CITY	2138	\$210,813.23	16950	\$82,779.99	\$295,272.58
128	VIRGINIA BEACH CITY	8419	\$830,138.72	72389	\$353,531.61	\$1,190,530.57
130	WAYNESBORO CITY	648	\$63,894.75	3726	\$18,196.95	\$82,538.85
131	WILLIAMSBURG CITY	1149	\$113,294.86	13115	\$64,050.71	\$178,423.59
132	WINCHESTER CITY	871	\$85,883.22	4462	\$21,791.41	\$108,251.74
135	FRANKLIN CITY	479	\$47,230.84	1518	\$7,413.57	\$54,920.79
136	CHESAPEAKE CITY	4321	\$426,063.60	45138	\$220,443.85	\$650,378.26
139	SALEM CITY	417	\$41,117.45	3605	\$17,606.01	\$59,064.11
142	POQUOSON CITY	120	\$11,832.36	2270	\$11,086.17	\$23,070.56
143	MANASSAS CITY	1007	\$99,293.23	7794	\$38,064.14	\$138,140.06
144	MANASSAS PARK CITY	335	\$33,032.01	2929	\$14,304.58	\$47,611.68
202	COLONIAL BEACH	115	\$11,339.35	485	\$2,368.63	\$13,779.61
207	WEST POINT	61	\$6,014.78	630	\$3,076.78	\$9,145.89
	TOTALS	160,010	\$15,847,574.14	1,378,325	\$6,791,817.51	\$22,639,391.65

**CTEMS SCHEDULE 18 (Continued from previous page)
Administration/Administrative Equipment Funds and Budget Summary Worksheet**

2024-2025 Plan

SUMMARY BUDGET WORKSHEET (A summary of the budget worksheets relevant to plan objectives that includes line items under the broad expenditures.)	
Expenditure Categories <small>See Appendix C for Object Code Definitions</small>	Amount
1000 - Personal Services	19,860.00
2000 - Employee Benefits	1,519.29
3000 - Purchased Services	18,902.02
4000 - Internal Services	0.00
5000 - Indirect Costs and Other Charges	250.00
6000 - Materials and Supplies (THIS IS NOT ALLOWED for Perkins funds.)	NOT ALLOWED
8000 - Capital Outlay/Equipment	14,389.48
TOTAL	54,920.79
<small>Expenditure Category Budget is calculated from the CTEMS Schedule 17 Budget and CTEMS Schedule 18 Administration/Administrative Equipment Funds and Budget Summary Worksheet (Federal)</small>	



City Manager's Report

Submitted by Dr. Carlton Carter, Superintendent-Franklin Public Schools

Item Number: 4E

December 9, 2024

Title: Wallace Foundation Grant

Issue:

- Adoption of a resolution amending the FY 2024 -2025 City Operating Budget to accept grant revenue in the amount of \$50,000 from the Wallace Foundation, and appropriate said amount for use by the Franklin City Public School in its FY 2024-2025 Operating Budget.

Background:

- The Wallace Foundation originated from the charitable endeavors of DeWitt and Lila Acheson Wallace, who established Reader's Digest in 1922. Following the deaths of the Wallaces in the 1980s, several family foundations consolidated, leading to the creation of The Wallace Foundation as a unified national philanthropy in 2002.
- The foundation aims to contribute significantly to various arts, education, and youth initiatives.

Discussion:

- On September 6, 2024, Franklin Public Schools (FPS) received notification of approval for a \$50,000 grant from the foundation.
- This funding will support FPS in principal development efforts through consulting, idea sharing, and evaluating existing pipelines based on the Wallace Foundation's Principal Pipeline Learning Community concept.

Financial impact:

- The Franklin Public Schools FY 2025 Adopted Budget will increase by the appropriation of the said amount.

Recommended Action:

- Adoption of Resolution

Next Steps Following Council Action:

- The City Manager will work with the necessary staff to implement the changes.

Attachments:

- Resolution
- Memorandum from Dr. Carlton Carter, Division Superintendent
- Grant Agreement


City Manager



FRANKLIN CITY PUBLIC SCHOOLS

OFFICE OF THE
SUPERINTENDENT

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

MEMORANDUM

TO: Rosylen Oglesby
Franklin City Manager

FROM: Dr. Carlton Carter *C. Carter*
Division Superintendent

DATE: October 4, 2024

RE: Notice of Budget Adjustments

BA012

This FY25 amendment is to record the Wallace Foundation Allocation

<i>Accounting Use Only</i>	<i>School Account</i>	<i>Amount</i>	<i>City Account</i>
Wallace Foundation Revenue Increase	83-	50,000.00	Please assign
Wallace Foundation Expense Increase	83-	50,000.00	Please assign



The Wallace Foundation
140 Broadway, 49th Floor
New York, NY 10005

(212) 251-9700
wallacefoundation.org

September 6, 2024

Carlton Carter
Superintendent
Franklin City Public Schools
207 West 2nd Avenue
Franklin, VA 23851

Dear Dr. Carter:

I am pleased to advise you that The Wallace Foundation (“Wallace,” “we” or “our”) has approved a \$50,000 grant (the “Grant”) to Franklin City Public Schools (“you” or “your”).

Purpose of the Grant: To participate in the Rural District Learning Community.
Term: July 15, 2024 – July 30, 2025
Grant ID#: 20240281

Our approach is to work collaboratively with others both to create benefits for the people these organizations serve directly and to develop new knowledge and insights to catalyze broad impact. We seek to establish and maintain strong, effective partnerships with grantees. I look forward to working in partnership with you and ask that you please feel free to contact me at any time at:

Phone Number: (212) 251-9719
Email: rfloyd-cooper@wallacefoundation.org

The enclosed Grant Agreement for your review and signature includes:

- General Terms and Conditions of the Grant; and
- Appendix A (Scope of Work): Specific information about the amount and timing of payments, and requirements for deliverables and reports.

Please review this Grant Agreement, have an authorized individual sign where prompted by DocuSign and in Section 3 of the Terms and Conditions, check the representation that applies to your organization under the New York Non-profit Revitalization Act, also as prompted by DocuSign. If you have any questions, please contact Grants Associate Deanna Chernovetsky at dchernovetsky@wallacefoundation.org.

Sincerely,

Signed by:

F443427287EC488
Rotunda Floyd-Cooper
Vice President, Education Leadership

**THE WALLACE FOUNDATION
GENERAL TERMS AND CONDITIONS OF THE GRANT**

Grantee: Franklin City Public Schools
Grant Amount: \$50,000
Purpose of the Grant: To participate in the Rural District Learning Community.
Term: July 15, 2024 – July 30, 2025
Grant ID#: 20240281

1. Use and Management of Grant Funds

- (a) The scope of work for the Grant are in the attached Appendix A. The Grant is to be used as agreed-upon and represented in these General Terms and Conditions of the Grant, including any and all appendices and exhibits thereto (collectively, the “Agreement”), and may not be used in any other way or for any other purpose without Wallace’s prior written approval. The Grant will support the work described in Appendix A (“Project”).
- (b) In all cases it is expected that Grant funds will be used exclusively to further your public charitable purposes consistent with your tax-exempt status.
- (c) The Grant funds are to be invested in U.S. Treasury Bills or an FDIC-insured certificate of deposit, checking or savings account or a money market mutual fund that is registered under the Investment Company Act of 1940 (Section 270.2a-7) until such time as the funds are expended to meet the purposes of the Grant, unless otherwise mutually agreed to in writing by you and Wallace. Any income earned by the Grant funds prior to expenditure may be used only for the projects and activities covered by this Agreement. You agree to include and specifically identify in your financial reports to Wallace any income earned by the Grant funds.
- (d) You agree to maintain a record of all expenditures of Grant funds for a period extending at least three (3) years following the expenditure by you of all Grant funds received from Wallace and to permit Wallace or its representatives reasonable access during regular business hours to such financial records for the purpose of making such financial audits, verifications or other evaluations as Wallace deems necessary or appropriate, including the right to make copies of such information.

2. Representations and Warranties

- (a) Organization status
 - (i) You represent that your official name is “Franklin City Public Schools”; that you are recognized by the Internal Revenue Service (“IRS”) as a tax exempt organization because you are a governmental entity; that you are not a private foundation or a supporting organization; that such tax status remains in effect; and there is no issue presently pending by the IRS that

could result in any change in your tax status. Your acceptance of any advances under this Agreement shall be deemed to constitute a reaffirmation of each and every representation by you in this Agreement.

- (ii) You represent that the execution and delivery of this Agreement and the performance of your obligations hereunder will not violate the terms of your certificate of authority, or government charter or status, and that this agreement constitutes a valid, legal and binding obligation by you, enforceable in accordance with its terms.

- (b) **Compliance with anti-lobbying regulations**
Because the Code places certain restrictions on the use of grants made by private foundations such as Wallace, you agree that no portion of this Grant may be used for lobbying or to attempt to influence legislation (within the meaning of section 4945 (d)(1) of the Code) or the outcome of any specific public election, or for voter registration within the meaning of section 4945(d)(2) of the Code.

- (c) **Compliance with anti-terrorism regulations**
You agree to abide by United States laws, statutes and regulations prohibiting the financing of terrorism and restricting U.S. persons from dealing with any individuals, entities or groups subject to sanctions by the U.S. Treasury Department's Office of Foreign Assets Control. You will not promote, support or engage in violence, terrorism, or the destruction of any State, nor will you make subgrants or other payments to any entity that engages in such activities.

3. Withholding Payment and Termination or Expiration of Grant

Wallace reserves the right to withhold payment or terminate this Agreement under any of the following circumstances:

- (a) You fail to comply with the terms and conditions of this Agreement.

- (b) Any representations or warranties by you shall be or become untrue, and such failure or misrepresentation has not been corrected within thirty (30) days of receiving written notice from Wallace describing such failure. In such event Wallace shall provide a written notice of cancellation specifying a date of cancellation of not less than thirty (30) days from the date of such cancellation notice.

- (c) Significant changes in the organization's leadership or key project staff occur that may threaten the implementation of the Program.

- (d) You become unable for any reason to carry out the purpose of the Grant.

In the event of termination of this Agreement, or upon expiration of the Grant, your previously approved expenditures and obligations incurred in good faith prior to the effective date of termination or expiration date, as the case may be, shall be considered

authorized expenses under this Agreement. All other Grant funds must be returned to Wallace within ten (10) business days of the effective date of termination or expiration, as the case may be, unless Wallace agrees, in writing, that the Grant funds may be used to support other work.

Notwithstanding any termination of this Agreement you shall remain obligated to comply with the remaining provisions of the Agreement.

4. Publications, Presentations and Materials

(a) If during the term of the Grant you create publications or other public materials related to the scope of this Grant, including but not limited to reports, webinars, articles produced for newsletters, email blasts or other in-house periodicals (hereinafter collectively referred to as “Products”), you shall retain the copyright to all such Products. However, you hereby grant, transfer and assign to Wallace a non-exclusive, royalty-free license to use, reproduce, excerpt, summarize, copy and distribute for non-commercial purposes any and all such Products for the full term of copyright, in all countries, in all languages and in all media now known or hereafter developed. You shall send Wallace an electronic version, in WORD and PDF format, of all such Products.

(b) In addition, in the course of performing the work outlined in Appendix A, you may create conferences, lectures, panel discussions, webinars, or podcasts featuring Wallace-commissioned research or other Wallace Products (hereinafter collectively referred to as “Presentations”). You agree to provide Wallace the opportunity to review and comment on your recommended topics and speakers for all Presentations. These recommendations will be shared with Wallace with sufficient time to enable Wallace to suggest alternative or additional topics and speakers for your consideration, provided that such suggestions are received in a timely manner to meet your planning deadlines.

5. Reports

To provide an opportunity to reflect on the funded Project, its accomplishments, challenges, progress and lessons learned, Wallace requires narrative and financial reports on the outcome of the work supported by this Grant. Wallace is interested in your critical analysis of the progress made compared to your original goals (a plan vs. performance analysis), your reflections about what worked and what did not and why, and your observations about future directions your organization might take as a result of your funded work. Reporting requirements are included in Appendix A.

6. Participation in Studies and Evaluations

To support our shared goal to test ideas and practices that we can learn from and share broadly with the sector, many grants require studies, evaluations or other efforts to elicit lessons and observations from grant-funded activities. These studies and evaluations result in public reports that are widely disseminated.

As partners in knowledge development, you agree to cooperate fully with Wallace and its designees, including cooperating with data collection activities.

7. Participation in Grantee Meetings, Learning Communities and Advisory Boards

- (a) You understand and acknowledge that Wallace asks all its grantees to: attend periodic meetings with other grantees and experts to facilitate the exchange of ideas; share experiences and documentation that contribute to Wallace's understanding of your work; advise about issues that may be relevant to the sector in which you are working; and provide data and information that may be useful to Wallace's creation of certain knowledge products. In furtherance of these efforts, you agree to attend such meetings and provide such information as Wallace may reasonably request. You are authorized to use Wallace Grant funds to defray reasonable and necessary expenses incurred in connection with the activities described in this paragraph.
- (b) You agree to give Wallace advance written notice of all major meetings to be held in connection with the work related to the Grant, and to work with Wallace to schedule such meetings so its staff can attend.
- (c) If in carrying out the terms of the Grant you create an advisory board, you agree that, at Wallace's request, a member of our staff will serve ex-officio.

8. Public Announcements and Acknowledgement

- (a) Wallace reserves the right to announce the Grant publicly in a manner and at a time of its choosing. You may make your own announcement, subject to Wallace's right to approve the release and time before it is issued.
- (b) Acknowledgment of the Grant should include: a general acknowledgment of "The Wallace Foundation" among your list of annual funders on your website and all appropriate print and electronic programs, publications, and public announcements for the Grant period; and specific acknowledgment of Wallace's support of the Grant activities on all related electronic and printed materials including but not limited to your website, e-announcements and e-newsletters, books, posters, brochures, press releases, and in public announcements (both in person and online) referring to the Grant activities. Prominence of acknowledgment should be commensurate with the level of Wallace's support relative to other funding sources.
- (c) Wallace typically includes a link on www.wallacefoundation.org to the grantee's website. Wallace's website contains hundreds of free resources and you may want to consider a link from your site to Wallace's website.
- (d) Neither party shall use the logo of the other without the prior written permission of the other.

9. Miscellaneous

- (a) This Agreement shall be governed by and construed in accordance with the laws of the State of New York, and may not be modified except by written agreement executed by both parties. A waiver of any breach shall not be construed as a waiver of any subsequent breach.
- (b) No third party beneficiary rights are created by virtue of this Agreement.
- (c) This Agreement sets forth the entire agreement between the parties and supersedes all prior written or oral representations or understandings between the parties, all of which are merged herein.
- (d) Notwithstanding any provision of law or regulations to the contrary, you expressly agree that Wallace and its successors and assigns shall have the right and judicial standing to enforce any and all provisions of this Agreement, irrespective and separate and apart from, any rights which the Attorney General of the State of New York or the Commonwealth of Virginia may possess under law.

Signatures

Each signatory below represents and warrants that he or she has been duly authorized and has legal capacity to execute and deliver this Agreement, making it binding on his or her organization.

For The Wallace Foundation

DocuSigned by:


 208909ED1B8D4E7

 Will Miller
 President

9/6/2024

 Date

ACCEPTED AND AGREED:
Franklin City Public Schools

DocuSigned by:

 4A4DA31F533247C

 By: Signature

9/7/2024

 Date

Name: Carlton Carter

Title: Superintendent

APPENDIX A

Grantee: Franklin City Public Schools
Grant Amount: \$50,000
Term: July 15, 2024 through July 30, 2026
Grant ID#: 20240281

Wallace's mission is to help all communities build a more vibrant and just future by fostering advances in the arts, education leadership, and youth development. We seek to catalyze broad impact by supporting the development, testing and sharing of new solutions and effective practices.

Our approach is to work collaboratively with others both to create benefits for the people these organizations serve and to develop new knowledge and insights to catalyze broad impact. We seek to establish and maintain strong, effective partnerships with grantees. We have learned from our grantees that our approach means your experience working with Wallace may be similar to your experience with other foundations in some respects, and different in others. Here is what you can expect in working with Wallace:

- The key to successful partnerships is a mutual commitment to open, candid, ongoing and respectful communications. We commit to be clear and timely in communicating our goals, strategies and expectations. In turn, we ask that you share with us what's working well, if something isn't working as expected, and what you are learning. We take seriously our own accountability as a foundation to use philanthropic resources wisely, which means regularly assessing whether the work we are funding is creating hoped-for results and benefits.
- To support our shared goal to test ideas and practices that we can learn from and share broadly with the sector, many grants require studies, evaluations or other efforts to elicit lessons and observations from grant-funded activities. These studies and evaluations result in public reports that are widely disseminated. As partners in knowledge development, you agree to cooperate fully with Wallace and its designees, including cooperating with data collection activities.
- To support shared learning, we may ask grantees to participate in learning communities with other grantees and experts to discuss experiences and challenges in the work, exchange ideas, share expertise, and advise members of the community on issues that may be relevant to your work. In turn, we commit to organize these convenings so that you will find them a valuable use of your time.

A. Initiative strategy and purpose

Wallace Foundation will support the principal development efforts for rural communities. This effort will be based on our Principal Pipeline Learning Community, which since 2019 has provided 84 medium, large, and very large districts with consulting, idea-sharing meetings, and other services to help them assess their existing pipelines and plan improvements to them. Vanderbilt University researchers studied this community and found that many of the

participating districts changed several of their pipeline domains. The research also found that a superintendent's commitment to the effort as well as the work's alignment to a district's strategic plan were crucial to making and sustaining progress.

A Rural District Learning Community

Each participating district will work with a consultant knowledgeable about comprehensive, aligned pipelines. The rural pipeline consultant would help the teams use the Pipeline Self Study guide—a product of the pipeline initiative—to assess their pipelines, pinpoint domains they could improve quickly and longer term, and develop an improvement plan. The teams will also identify district staff and partners from universities and state agencies who could help enact the plans. Throughout the project, district leaders will collaborate with key stakeholders, including boards of education, to devise ways to incorporate the changes into future district strategic planning.

B. Project Goals

Together with a determined district partnership team, you will identify goals for this project that will undergird the main approach of this work and enable you to prioritize the activities in your work plan (July 15, 2024-July 30, 2025). These goals that you define will be captured in your work plan. A second updated work plan will be developed to reflect any shifts in implementation strategy for this work in year two

C. Project Key Actions

Throughout the initiative, districts and their partners will employ the five key actions listed below to guide the work, collaborating with all the partners in the ecosystem. District partnership teams will engage with the Wallace Program team, participate in the research studies, and share their challenges, opportunities, pitfalls and back-steps during this process. Confidentiality and anonymity will be maintained throughout.

1. **Key Action One:** Developing and sustaining deep partnerships with internal and external stakeholders and organizations.
2. **Key Action Two:** Visioning and strategic planning.
3. **Key Action Three:** Leverage Principal Pipeline Self-Study Guide
4. **Key Action Four:** Begin efforts to implement relevant components of the principal pipeline that help translate the vision into reality.
5. **Key Action Five:** Engaging in continuous improvement.

D. Publications and Presentations

Wallace must be informed with sufficient notice if the grantee intends to issue a publication or make a presentation about work related to this grant. Wallace reserves the right to review and comment on drafts prior to publication or presentation.

E. Participation in Research and Data Requirements

A study would document what the districts choose to do, why, and how. We hope to learn both if and how rural districts in general can use the pipeline approach; what in the existing evidence is relevant to them; and how they adapt it to their circumstances. This may require periodic interviews with key stakeholders within the district planning team and will be coordinated with

support from the assigned rural pipeline consultant. In any research produced from the project, names of districts, and local communities participating in this project will not be linked to specific findings in any public report, without expressed permission of district leaders. Researchers will provide districts opportunities to review, for accuracy and confidentiality, all research reports before they are published.

F. Professional Learning Community Convening

Though dates have not yet been determined, participating districts will have the opportunity to engage across districts in a professional learning community for key members of the defined district partnership teams. The participation of all district Superintendents for this PLC is required and will be scheduled in collaboration with participating districts.

G. Deliverables, Budget, Progress and Financial Reports

Budget/Report/Deliverable	Due Date (uploaded in GMS system)
Draft workplan and budget	October 30, 2024
Final workplan (Year 1)	December 1, 2024
Self-Study Guide Reflection	January 15, 2025
Interim Financial Report	February 27, 2025
Interim Progress Report 1	June 30, 2025
Workplan Update (Year 2)	December 30, 2025
Interim Progress Report 2	March 30, 2026
Final Financial Report	September 15, 2026

H. Responsibility for Legal Review

The Wallace Foundation expects that all grantees of the Rural District Learning Community will comply with applicable federal, state and local anti-discrimination and equal opportunity laws and that no portion of the grant funds will be used to in any way discriminate against, deny benefits to, deny employment to, or exclude from participating any persons (except where expressly permitted by law) on the grounds of race, color, national origin, religion, age, disability, marital status, sexual orientation, gender, legal citizenship or any other characteristic protected by law.

I. Freedom of Information Act (FOIA) Reporting Requirements

All grantees are asked to notify their assigned Wallace contact and consultant of any Freedom of Information Act (FOIA) requests received for response that are (1) specifically for documents related to the Wallace grant award, or (2) requests for materials related to your Wallace grant award. Notification of all requests should be shared with Wallace contact(s) within fifteen (15) days of any request.

J. Changes to the Grant

You must make a request, in writing, to your Wallace staff contact prior to making any changes to the Grant, including but not limited to:

- Reallocation of spending between budget categories cumulating to 10% or more of the budget most recently approved by Wallace

- Change in the scope of work or strategy
- To add, delete or change a deliverable, or to change its timing
- To substantially change the level of involvement of a staff member or members considered key to the project

If the approved budget includes indirect costs, such costs will be identified in a separate budget line. Indirect costs are shared costs that are not directly attributable to the project itself, such as rent, utilities, information technology, supplies, and allocated charges for administrative departments (e.g., accounting, human resources, development). The indirect rate should be applied to actual expenditures for each grant payment period.

If you expect to have unexpended funds at the end of the grant term, at least three months prior to the term end you should have a discussion with your Wallace staff contact. A request to use the unexpended funds should identify the amount of remaining funds and a proposed plan for spending down.

K. Payment Schedule

Within thirty (30) days of Wallace’s receipt of this grant agreement signed by you, Wallace will send you a check in the amount of \$50,000.

**Appendix A: Scope of Work
For The Wallace Foundation**

<p>Signed by:</p>  <p><small>F443427207EG400</small></p> <p>Rotunda Floyd-Cooper Vice President, Education Leadership</p>	<p>9/6/2024</p> <hr/> <p>Date</p>
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**ACCEPTED AND AGREED:
Franklin City Public Schools**

<p>DocuSigned by:</p> <p>By: </p> <p><small>4A4DA31F633247C</small></p> <p>Signature</p> <p>Name: Carlton Carter</p> <p>Title: Superintendent</p>	<p>9/7/2024</p> <hr/> <p>Date</p>
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City Manager's Report
Submitted by: Camara Jacobs, Human Resources Director
Item Number: 4F
December 9, 2024

Title: Franklin City Employee Emergency Fund

Issue:

- Adoption Of A Resolution Amending The Franklin City Employee Emergency Fund

Background:

- The City of Franklin has received substantial donations from community partners who wish to establish an emergency fund for city employees, known as the Franklin City Employee Emergency Fund.
- This Fund aims to assist employees facing emergency financial needs due to tragedies, disasters, or other significant life events. Eligible employees can apply for a loan or grant for assistance based on a qualifying event.
- No public funds from the City were used to create this fund.
- The resolution establishing the fund was amended on August 11, 1975, and again on May 12, 1997.

Discussion:

- In the current resolution, employees of the City and members of the immediate families of present or former City employees facing emergency financial need due to a tragedy, disaster, or other extreme life events are eligible to apply for assistance.
- However, due to the limited amount of funds available, staff requests the removal of the phrase "or members of the immediate families of present or former employees of the City." The Fund currently has approximately \$11,800.
- By removing this phrase, we can extend the lifespan of the Fund while still maintaining the original intent of the donation.

Financial impact:

- N/A

Recommended Action:

- Adoption of Resolution.

Next Steps Following Council Action:

- The City Manager will implement the changes with the appropriate staff.

Attachments:

- Resolution


City Manager



RESOLUTION AMENDING THE FRANKLIN CITY EMPLOYEE EMERGENCY FUND

WHEREAS, the Franklin City Employee Emergency Fund was established to provide assistance to City employees and their immediate families; and

WHEREAS, the rules and regulations governing the Fund were previously amended by City Council on October 13, 1969, August 11, 1975, and May 12, 1997; and

WHEREAS, the City Council has determined that eligibility for assistance from the Fund should be limited to current employees of the City of Franklin and their immediate families;

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

1. Amendment to Eligibility:

All references to former employees of the City of Franklin and their immediate families are hereby removed from the rules and regulations governing the Franklin City Employee Emergency Fund.

2. Continuity of Rules:

Except as amended herein, all other provisions of the Franklin City Emergency Fund's rules and regulations shall remain in full force and effect.

VOTE:

Ayes:

Nays:

Abstentions:

Absent for vote:

ADOPTED:

Robert Cutchins, Mayor

CERTIFIED:

Kimberly Turner, Deputy Clerk

RESOLUTION

WHEREAS, certain parties have donated sizable gifts to the City of Franklin, Virginia and it being the desire of the donors of these gifts that the City establish a "Franklin City Employee Emergency Fund" and that the donations so made to the city be used to commence the Fund; and,

WHEREAS, this fund was amended on October 13, 1969 and on August 11, 1975; and,

WHEREAS, the donors express the desire that the City Council establish appropriate rules and regulations to govern and administer the aforesaid Fund; and,

WHEREAS, it is the desire and intention of the City Council of the City of Franklin, Virginia that an Advisory Board be created to advise the City Manager concerning the establishment of rules and regulations for the granting of assistance to employees of the City determined under said rules and regulations to be worthy and in need of such assistance; and,

WHEREAS, all of the funds received for said purpose have come from private donations and that no public funds of the City have been or will be used for the establishment of said Fund.

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

1. That there is hereby established the "Franklin City Employees Emergency Fund", to which all donations made to the City and designated for the Fund will be received and accepted by the City of Franklin, Virginia, and used and administered by the City in accordance with the applicable rules and regulations governing the operations of said Fund.

2. That an Advisory Board for the administration of said Fund is hereby appointed, the same to consist of those persons employed by the City of Franklin, Virginia holding the following respective jobs:

Director of Finance, Director of Public Works, Director of Social Services, Director of Utilities, Chief of Police, Fire Chief and a representative of the Personnel Department appointed by the City Manager.

The Director of Finance is hereby appointed as the Chairman of the Advisory Board and the representative of the Personnel Department is hereby appointed as Secretary of the Advisory Board.

3. All funds received by the City and earmarked for the use of said Fund shall be received and checked out by the City Treasurer, and in order for any sum to be checked out of or paid from said Fund, there must be a Voucher presented to the City Treasurer, said Voucher to be signed by the City Manager.

4. The City Manager of the City of Franklin, Virginia shall make all final decisions as to whom a loan or grant from the aforesaid Fund will be made, he being advised on all applications for loans or grants from said Fund by the Advisory Board as to whether the application, in their opinion, is meritorious or not.

5. The Advisory Board and the City Manager shall give consideration to all applications for loans or grants from said Fund, such applicants to be employees of the City or members of the immediate families of present or former employees of the City. In their deliberation the said City Manager and the Advisory Board shall consider, among other things, the need as well as other means of the applicant or member of his/her immediate family and his or her condition with respect to whether the application is made because of sickness, accident, disability, fire, death in the family and any other similar contingency motivating the application.

6. The City Manager shall report to the City Council at least semi-annually, how the fund shall have been managed, operated, and used.

ADOPTED:

5/12/97



City Manager's Report
Submitted by: A'Risha Jones, Tourism Manager
Item Number: 4G
December 9, 2024

Title: Honoring the Life and Legacy of Bishop Stephen D. Willis, Sr.

Issue:

- Approval of the resolution honoring the life and legacy of Bishop Stephen D. Willis, Sr.

Background:

- Bishop Stephen D. Willis, Sr. was a revered spiritual leader and a cornerstone of the Hampton Roads Christian Community. He passionately advocated social justice, business, and spiritual empowerment. Renowned for his faith-building sermons, he tirelessly worked to uplift the underserved in Hampton Roads and beyond. Under his leadership, his church became a sanctuary of hope, healing, and unity.
- Bishop Willis passed away on November 24, 2024.

Discussion:

- At the City Council meeting on November 26, Vice Mayor Wynndolyn Copeland, with the consensus of the City Council, requested a resolution commemorating the life and legacy of Bishop Stephen D. Willis, Sr.

Financial impact:

- N/A.

Recommended Action:

- Approval of the resolution.

Next Steps Following Council Action:

- The family will receive a copy of the resolution.

Attachments:

- Resolution



City Manager



Resolution 2024-26

**Resolution
Honoring the Life and Legacy of Bishop Stephen D. Willis, Sr.**

WHEREAS, Bishop Stephen D. Willis, Sr. was a revered spiritual leader who dedicated his life to faith, service, and community engagement; and

WHEREAS, he passed away peacefully on November 24, 2024, at the age of 90, surrounded by his beloved family and friends; and

WHEREAS, throughout his life, Bishop Willis was known for his unwavering compassion and commitment to outreach ministry, positively impacting individuals from all walks of life; and

WHEREAS, he was a passionate advocate for social justice, spiritual empowerment, and economic development, guiding many to achieve their full potential; and

WHEREAS, Bishop Willis led his congregation with wise counsel, offering mentorship to young ministers and support to various local charities; and

WHEREAS, he built a lasting legacy of love and faith through his marriage to Carolyn Williams, a partnership that inspired many and enriched the lives of their family and community; and

WHEREAS, his dedication to uplifting the underserved and spreading messages of hope resonated deeply within the Hampton Roads community and beyond;

NOW, THEREFORE, BE IT RESOLVED, that we, the City Council of Franklin, Virginia, honor the life and legacy of Bishop Stephen D. Willis, Sr. for his profound impact on individuals and communities, and we commit to upholding his values of compassion, service, and empowerment; and

BE IT FURTHER RESOLVED, that we extend our deepest condolences to his family and loved ones, recognizing the immense loss felt by all who were touched by his spirit; and

BE IT FINALLY RESOLVED that we celebrate his memory by continuing to strive for love, understanding, and service in our own lives, ensuring that his legacy lives on through our actions.

Adopted this 9th day of December 2024.

Attest:

Mayor, City Council

Deputy Clerk, City Council