Town of Farmville

Town Council

March 13, 2024 at 6:00 PM
Council Chamber of the Town Hall
116 North Main Street, Farmville, VA

AGENDA

1. **Call to Order**
2. **Roll Call**
3. **Invocation**
4. **Pledge of Allegiance**
5. **Adoption of Agenda**
6. **Declaration of Personal Interest**
7. **Introduction of Farmville Police Department New Officer, Promotions, and Officer of the Year**
8. **Presentation: Proposed FY2024-2025 Town Budget**
9. **Public Hearings**
10. **Public Comment Period**
    a. Public Comment Sign-Up Sheet
11. **Consent Agenda**
    a. Draft Minutes of the February 7, 2024 Work Session and February 14, 2024 Regular Council Meeting
12. **Finance Report**
    a. February 2024 Finance Report
13. **Old Business**
14. **New Business**
    a. Request Adoption of Resolution No. 2024-03-01, Revised Financial Policies
    b. Request Approval of FY2024-2025 Local Choice Health Insurance Rates
    c. Request Adoption of Resolution No. 2024-03-02, Regional Hazard Mitigation Plan
15. **Town Manager's Report**
16. **Comments by Mayor and Town Council**

Town of Farmville

Agenda Item Summary

MEETING DATE: March 13, 2024

ITEM NUMBER: 10.a. – Public Comment Sign-Up Sheet

BACKGROUND:

RECOMMENDATION:

FISCAL IMPACT:

ATTACHMENTS:
1. Public Comment Sign-Up Sheet

TOWN OF FARMVILLE
Est. 1798

PUBLIC COMMENT PERIOD
(held after PUBLIC HEARINGS)
March 13, 2024
Guests Sign Up Sheet
(Please limit comments to three minutes)

Name	***Address***	***Topic***	***Via***

Town of Farmville

Agenda Item Summary

MEETING DATE: March 13, 2024

ITEM NUMBER: 11.a. – Draft Minutes of the February 7, 2024 Work Session and February 14, 2024 Regular Council Meeting

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BACKGROUND:

RECOMMENDATION: Accept the Consent Agenda as presented.

FISCAL IMPACT:

ATTACHMENTS:
1. 2024-02-07 Work Session-DRAFT
2. 2024-02-14 Regular Council Meeting-DRAFT

REGULAR WORK SESSION OF THE FARMVILLE TOWN COUNCIL HELD ON FEBRUARY 7, 2024

At the regular work session of the Farmville Town Council held on Wednesday, February 7, 2024, at 6:00 PM, in the Council Chamber of the Town Hall, located at 116 North Main Street, Farmville, Virginia, there were present Mayor Brian Vincent, presiding, and Council members Sallie Amos, A.D. "Chuckie" Reid, Dan Dwyer, Tommy Pairet, Adam Yoelin, Donald Hunter and John Hardy.

Staff present were Town Manager Scott Davis, Fire Chief Daniel Clark, Finance Director Julie Moore, Town Attorney Gary Elder, Community Development Director and IT Support Ashley Atkins-Austin, Sergeant B.H. Paulette, Deputy Clerk Jacqueline Vaughan, and Clerk of Council Mary McKay.

Mayor Vincent called the meeting to order.

The Clerk called the roll noting all Council members were present.

ADOPTION OF AGENDA

Mr. Hunter made a motion to adopt the agenda as presented, seconded by Mr. Hardy, and with all in favor stating "aye", the motion passed.

DECLARATION OF PERSONAL INTEREST

There were no declarations of personal interest made.

FINANCE REPORT

Finance Director Julie Moore reported for December 2023, that the revenue to budget is approximately 50%, due to receiving the funding for the ABM project. As this amount has been reported as revenue, a request for a budget amendment will be made at the February 14, 2024, Regular Council meeting. Excluding this amount, the revenue is slightly below as business licenses and other taxes lag behind. The water and sewer funds are below the budgeted amounts as ARPA money is budgeted but the revenue isn't recorded until the end of the year. The transportation fund is below budget due to some buses being budgeted and those reimbursements were only recently received either at the end of January or the beginning of February. There is an increase in revenue compared to the prior year due to the recorded ABM revenue.

Expenses are well below 50% of the budget but the Finance Department and the Library are over budget as Ms. Moore mentioned at the January 2024 meeting. She commented that these two areas will not be over budget at year's end. The expenses compared to prior year are below that but again there are a few departments that are over budget when compared to prior year; the Finance Department with the OpenGov software purchase, the Recreation Department with the installation of the Splash Pad, and ARPA money is being spent from the Water Fund that wasn't spent last year.

Ms. Moore also reported that another resolution will be brought forward at the February Council meeting asking permission to write off some old taxes, specifically $10.09 in real estate taxes that are over 20 years old and $543.23 in personal property taxes that are five years old.

Mayor Vincent expressed appreciation to Ms. Moore for her informative reports.

FINANCIAL REVIEW PRESENTATION BY DAVENPORT & COMPANY

Town Manager Davis introduced Davenport and Company representatives Ted Cole and Ben Wilson who had been asked to provide some insight into the town's financial status. He also mentioned wanting to accomplish being rated by agencies, so Davenport and Company worked up a mock review to share with the Council.

Mr. Cole shared a PowerPoint presentation with Council members and provided information on peer comparatives to show perspective on the Town's financial performance and credit profile. Highlights from the presentation included a review of the following:

Peer Groups

- 1 - City and Town Groups - to provide perspective on how Farmville compares to other similar local governments as it relates to population and general fund budget
- 2 - University Towns/Cities – to have an institutional presence from a college or university when comparing tax bases, other economic factors that a large student population or a tax-exempt entity can skew
- 3 - Other Rated Towns – to see how highly rated towns/cities rank geographically to Peer Group #1

Mr. Cole provided a credit rating overview using Moody's methodology: Economy 30%, Financial Performance 30%, Institutional Framework 10%, and Leverage 30%. An overview of Moody's new methodology was also described including information on an updated rating scorecard, revised notching factors, and other considerations. A weighted score of about 2.72, using the town's most recent data, places the town in the Aa category, where the rating could be on the data-driven part of the rating process.

Ben Wilson provided an overview of the finances, debt, and how the Town looks related to these items. Revenues have exceeded expenditures for the past five years, which is good. The fund balance has grown over the past five years because, again, the revenues have exceeded the expenditures. In the last two years, if you take out the transfers, the revenues still would have exceeded the expenditures, which shows the Town is in good shape. Looking at the fund balance and mainly focusing on the unassigned fund balance, it has grown over the past five years from $688k to $3.9M. The Town has a fund balance policy, which states 10% of the general fund balance must be maintained in unassigned fund balance, and the Town has exceeded that policy.

Mr. Cole continued by offering information on the Town's tax supported debt affordability. From the information provided, it was noted that the decline in existing debt service would provide for future debt affordability within existing resources.

PUBLIC SAFETY RADIO PRESENTATION BY TREY PYLE, PRINCE EDWARD COUNTY DEPUTY EMERGENCY MANAGEMENT COORDINATOR

Prince Edward County Deputy Emergency Management Coordinator Trey Pyle was present to provide information on a proposed regional public safety radio system. A PowerPoint presentation was displayed. Mr. Pyle provided a summary of the proposed project to date.

The coverage issues with the current radio system were reviewed. A countywide UHF P25 Phase 2 Trunked radio system was identified as the best solution for the issues mentioned. The Motorola system was selected because of the infrastructure already in place.

The Prince Edward County Board of Supervisors agreed to a contract in December 2023, contingent on all the partners coming on board with the project. A verbal commitment to join was received from Longwood University and Hampden-Sydney College, and now the Town of Farmville is being sought as the last partner for participation in the project.

Mr. Pyle advised of the tower locations for the proposed system with the main tower being located at Dominion Energy, the second site would be on Douglas Church Road, and the third site to be in Prospect near the convenience site on Highway 460 (Prince Edward Highway).

During the presentation, several Council members posed questions and brief discussions were held.

A description of the type of radio system proposed was provided by Mr. Pyle and the coverage was reviewed.

Prince Edward County Administrator Doug Stanley addressed the Council and provided a figure of $6.3 million for the total project investment. Grant funding is being sought to reduce the overall cost. Prince Edward County's portion of the investment is at 77%, the Town of Farmville would be 20%, Longwood University 2%, and Hampden-Sydney College 1%.

Town Manager Davis clarified the Town's portion of 20% currently would be $1.4 million. He and the Finance Director have figured the Town could potentially pay out of pocket for the town's portion by 2026. He also noted the equipment purchased approximately two years ago for the Police Department and Dispatch would be reprogrammed, and the Town's Fire Department would be helped significantly with the project's completion.

Fire Chief Daniel Clark reported on a traffic incident that happened earlier in the day in front of the Fire Station and the concerted efforts to get resources in with the current radio system.

Mayor Vincent reported there was a verbal consensus from Council members to move forward with the Town participating in the project.

PRESENTATION ON FY2024-2025 PROJECTED REVENUES

Town Manager Davis provided a PowerPoint presentation and highlights of the projected revenues. Department Directors were asked to submit their budgets by January 31, 2024. He and the Finance Director will meet with each Department Director next week to discuss each department's proposed budget. For the upcoming fiscal year, there is $23.7 million being budgeted which is slightly down from the prior year's originally adopted budget due to several factors. A review was made of the significant shifts:

- Street maintenance fund – there is a projected VDOT funding increase of $338,000 to what the Town receives based on our roadways and mileage.
- Water fund is down $784,000 compared to the prior year because in 2024, we budgeted the ARPA funding for the water piece of $1.6 million being spent in FY2024. All of the projects may not be complete, and the funding may need to be carried over to FY2025.
- During FY2024, we have started internally setting aside funds for future capital improvement projects and assets and recognizing these internally designated funds in FY2025 which offsets in the amount of $887,000.
- The Sewer fund will show down compared to the prior year and is due to ARPA funding of $376,000 being spent and so funds of $184,000 are being set aside in the Capital

Improvement Plan. Instead of borrowing, funds will be kept and continue to earn interest on different investments, and then items can be paid for as will allow.

- Transportation fund is down $397,000 compared to FY2024 due to two buses being budgeted and there is $244,000 anticipated to be received from the state as reimbursement. There is also budgeted $74,000 of prior year funds to be used to cover the difference in revenue expenses in the Transportation fund.
- The Airport fund will be down $833,000 compared to the prior year because there aren't major projects for federal funding and only two smaller projects in FY2025.

Projected General Fund revenue versus the original, is slightly up from the prior year by $136,394.82. Projected revenues were also reviewed.

Council member Pairet asked about possible grants towards the regional public safety radio project with the Town Manager reporting that the contract is through Prince Edward County who will be submitting grant applications to lower the overall cost of the project.

Mayor Vincent noted that without the per day ICA funding, the Town is still coming out ahead in regard to its revenue projections.

Council member Hunter asked for last year's budget figure and the projected figure for next year with the Town Manager reporting that currently $23.7 million is being budgeted compared to the prior year adopted of $25.2 million.

UPDATE ON PHASE I RIVERWALK PROJECT

The Town Manager reported on the cost of the original scope of the project for Phase I as $1,074,670, and on receiving a TAP grant, the Town is required to pay a 20% match of $214,934. VDOT has now moved into the design phase of the project and there are some changes to the cost estimates due to some additional hydraulic analysis because the trail is in a flood plain, some additional environmental and archaeological studies to be conducted due to the historic nature of the area and the waterway, additional utility line conflicts, and the need for the project to be Americans with Disabilities (ADA) compliant. With an additional $408,603 funding needed for Phase I, the Town Manager reviewed choices with the Council:

- The Town pays the additional costs of $408,603 out of pocket.
- The Town applies for an additional TAP grant for $408,603, with another 20% match of $81,721.

- The Town stops the project and cuts its losses at $24,000, for work that has already been expended.

Projected overall costs of the project were mentioned. Council members were asked if they wish to continue with the project as a decision will be needed by next week. Mr. Hardy asked if a summary of the phases and costs for each could be sent for review.

DISCUSSION ON PLANNED UNIT DEVELOPMENT ORDINANCE

Town Manager Davis opened the discussion by referencing a goal area created by Council at last year's Council Retreat, specifically Community Development and Land Use, which was to preserve the charm, beauty, and history of Farmville while accommodating growth, encouraging diverse and affordable housing, and promoting an efficient and safe transportation system. A planned unit development (PUD) ordinance is a tool to accomplish this goal. If a PUD ordinance is adopted which would allow someone to create a master plan for a parcel of land, Council still gets to say whether they approve the proposed master plan. A breakdown was provided of the population by generations. It was mentioned that the Town should be building its communities for what other generations and that future also desire other than just for the people who live here now.

Mayor Vincent tried to steer the conversation around whether the Planned Unit Development Ordinance tool is something of interest to the Council. Discussion was held by all Council members present.

The Town Manager expressed his need to know if Council members are truly interested in considering a planned unit development ordinance so that the staff doesn't spend time getting feedback from Council and the Planning Commission if there is no interest. A suggestion was made also to have joint meetings with the Planning Commission to receive feedback.

Additional discussion was held, and Council appeared to be in agreement with moving forward with development of an ordinance and receiving feedback at joint meetings.

TOWN MANAGER'S REPORT

The Town Manager advised a report would be provided at the February 14, 2024 Regular Meeting.

COMMENTS BY MAYOR AND TOWN COUNCIL

Mr. Hardy spoke on the need for a new sousaphone by Prince Edward County School and offered his support by donating $100 to the cause.

Mr. Hunter will provide an update at next week's meeting.

Mr. Yoelin asked what a sousaphone is and offered a $100 donation to the cause. He also thanked everyone for their time.

Mrs. Amos asked if the North Street Press Club had reopened.

Mayor Vincent reported that he and the Clerk have started to work on a template to use for requesting Proclamations from the Mayor, and to recognize community members for their contributions to the community. The topic of changing the Regular Council meetings to the same time as the Work Sessions was brought forward for Council's consideration. All were in agreement to change the Regular Meetings to 6:00 PM, instead of the 7:00 PM timeframe, effective March 13, 2024. The mayor also noted that Mr. Reid is on the cover of the current Virginia Municipal League (VML) magazine as he serves as President of the organization.

There being no other business and on a motion by Mr. Hunter, seconded by Mr. Dwyer, with all in favor stating "aye", the meeting adjourned at 8:38 PM.

APPROVED: ATTEST:

Brian R. Vincent, Mayor

Mary H. McKay, Clerk of Council

REGULAR MEETING OF THE FARMVILLE TOWN COUNCIL HELD ON FEBRUARY 14, 2024

At the regular meeting of the Farmville Town Council held on Wednesday, February 14, 2024, at 7:00 PM, in the Council Chamber of the Town Hall, 116 North Main Street, Farmville, Virginia, there were present Mayor Brian Vincent, presiding, and Council members Sallie Amos, A.D. "Chuckie" Reid, Daniel Dwyer, Tommy Pairet, Donald Hunter and John Hardy.

Staff present were Town Manager C. Scott Davis, Chief of Police Andy Ellington, Town Attorney Gary Elder, Finance Director Julie Moore, Public Works Director Robin Atkins, Fire Chief Daniel Clark, Community Development Director and IT Support Ashley Atkins-Austin, Deputy Clerk Jacqueline Vaughan, and Clerk of Council Mary McKay.

Mayor Vincent called the meeting to order and welcomed all guests present and watching online.

The Clerk called the roll, noting Council member Adam Yoelin as absent.

The Lord's Prayer was recited for anyone wishing to join in prayer. Vice-Mayor Reid led the Pledge of Allegiance.

ADOPTION OF AGENDA

A motion was made by Mr. Hunter to adopt the agenda as presented, seconded by Mr. Reid, and with all in favor stating "aye", the motion passed.

DECLARATION OF PERSONAL INTEREST

There were no declarations of personal interest made.

PUBLIC HEARING – RESOLUTION NO. 2024-02-01 - TO AMEND THE TOWN BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2023 AND ENDING JUNE 30, 2024 IN A TOTAL AMOUNT OF $30,454,150. TO RECORD REVENUE AND EXPENDITURES RELATED TO THE USE OF BANK OF AMERICA LEASE PURCHASE FOR THE ABM PROJECT FOR THE FY 2023-2024 BUDGET IN THE AGGREGATE AMOUNT OF $4,896,000.

With no one signed up or wishing to speak, the Public Hearing was closed.

PUBLIC COMMENT PERIOD

Before opening the Public Comment Period, Mayor Vincent provided some introductory remarks concerning the Town's contract with ICA-Farmville. He reported that in September 2023, the Town Council voted in favor of seeking a way to remove itself from an intergovernmental service agreement between the federal government and ICA-Farmville. Since then, there was an extension as ICA sought another agreement, but it was not with the Town. He advised that the Town does not have any projected revenue in its budget next year from the ICA-Farmville facility regarding per day money. He also welcomed all who signed up to speak for the Public Comment Period and offered some general guidelines for receiving comments.

Flor Lopez, 626 E. Broad St. #200, Richmond, VA 23219, was present to address the Council concerning the Farmville Detention Center. Ms. Lopez expressed her appreciation for Mayor Vincent's update about the Town's plans for the upcoming budget to not include funding from the IGSA contract. She stated her understanding that the Town continues to withdraw from the contract. Ms. Lopez concluded by commenting that people's freedom should not be something that a price is placed and hopes that Farmville becomes an ally moving forward to ensure that this facility does not continue to exist in Virginia.

Amber Qureshi, 1200 18th Street NW, Washington, DC 20036, provided in-person remarks concerning the Immigration Detention Facility in Farmville. Ms. Qureshi also submitted a detailed written statement, along with Jesse Franzblau, a Senior Policy Analyst at the National Immigrant Justice Center. She reported on behalf of her colleagues at the National Immigration Project and the individuals their organization serves and expressed solidarity with those who have experienced ICE detention calling on the Town to end their involvement in immigration detention. Ms. Qureshi further reported on documents received through public records requests concerning the short-term contract extension and the attempts by ICA to restructure the contract before the March 29, 2024 expiration.

Gabriella Bustillos, 315 W Third Street, Farmville, VA 23901, was present to provide comments concerning the Immigration Detention Center. Ms. Bustillos spoke of coming together in unity to address a common cause stating immigration is about human rights and freedom.

Ms. Bustillos also read a written comment from Jocelyn Watson of 201 High Street, Farmville, VA, concerning the Immigration Detention Center. Ms. Watson urged the Town Council to let the contract expire and to not renew any more of Farmville's contracts with ICE.

Sarah Gandam, 16280 Aspen Trail Ct., Triangle, VA, was present to address the Council concerning the contract between Farmville and ICE. Ms. Gandam advised she is the daughter of immigrants and the President of the Asian Student Involvement Association of Longwood University. She also stated she was present on behalf of the Free Them All Virginia Coalition and the Virginia Legal Aid Justice Center. She urged the Town Council to vote against renewing the contract with ICE. Ms. Gandam spoke on the facility's disregard for the health and safety of its detainees.

Victoria Somerville, a member of Showing Up for Racial Justice Northern Virginia, provided written comments concerning the Farmville Detention Center Contract. The Clerk read the comments provided by Ms. Somerville.

Danny Cendejas, 626 E. Broad St. #200, Richmond, VA 23219, was present to provide comments concerning the ICA-Farmville. Mr. Cendejas reported he is a member of LA Coltiva and the Free Them All Virginia Coalition, calling on the Town Council to end the contract with ICA and ICE.

Beatriz Batrez, 626 E. Broad St. #200, Richmond, VA 23219, was present to provide comments concerning the Farmville Detention Center. Ms. Batrez also reported she is a member of LA Coltiva and the Free Them All Virginia Coalition and voiced her opposition to detention. Flor Lopez offered a translation as Ms. Batrez spoke.

Howard Armistead, 706 A Hill St., Farmville, VA, was present to address the Council concerning Black History Month. As an AIDS, Ebola and COVID-19 Researcher, Mr. Armistead reported on a book he has written, *Understanding COVID-19: How 500,000 American Lives Could Have Been Saved*. He spoke briefly on five bills introduced in the Virginia General Assembly recently regarding sickle cell anemia disease and referenced a paper he wrote and shared with the Council, "Sickle Cell Disease and Selenium".

With no one else signed up to speak, Mayor Vincent closed the Public Comment Period and returned the meeting to the regular order of business.

CONSENT AGENDA

On motion by Mr. Hunter, seconded by Mr. Hardy, and with all Council members stating "aye", the consent agenda was accepted as presented. The consent agenda includes the draft minutes of the January 10, 2024 Regular Council meeting.

FINANCE REPORT

On motion by Mr. Hardy, seconded by Mr. Reid, and with all Council members stating "aye", the finance report was approved as presented.

BACKGROUND: Finance Director Julie Moore provided a report for January 2024. There was $22,938.11 earned for the ABM Project and this income will go towards future payments on the project. A total of $16,329.46 was earned at the Virginia Investment Pool (VIP), making a total earned so far of $158,987.81 since investing with VIP in April 2023. There was a total earned of $17,866.96 in the sweep accounts with Benchmark Community Bank, for a total earned so far of $149,640.85. The total earned income in January with the money invested at the Local Government Investment Pool (LGIP) was $34,958.70, with a total earned at LGIP of $257,082.21 in fiscal year 2024. The total earned income for January 2024 was $69,155.12, excluding income received for the ABM Project.

PHASE I RIVER WALK PROJECT

Mrs. Amos made a motion to cut losses and stop the project, no longer move forward with any phase of the River Walk Project, seconded by Mr. Hunter, and with a recorded vote of Council members Reid, Dwyer, Pairet, Hunter, Hardy, and Amos voting "yes", the motion passed.

BACKGROUND: Town Manager Davis reported that the Council was provided with a project update at the February 7, 2024 Work Session. As requested by Mr. Hardy, Council members were also provided with the information of the onset of the project and its phases. It was reported if the current phase is exceeding what was projected, it is anticipated future phases will be over projection as well.

Mr. Dwyer asked if the projected estimates for phases two and three factored in current figures or did the estimates allow for inflation. It was thought by the Town Manager that the third phase did not factor in inflation costs as that phase would have an approximate date of 2030 for being built.

REQUEST ADOPTION OF RESOLUTION NO. 2024-02-01, AMEND THE TOWN BUDGET FOR FISCAL YEAR JULY 1, 2023 – JUNE 30, 2024

On motion by Mr. Dwyer, seconded by Mr. Reid, and with a recorded vote of Council members Reid, Dwyer, Pairet, Hunter, Hardy, and Amos voting "yes", the motion passed to adopt Resolution No. 2024-02-01.

RESOLUTION #2024-02-01

BUDGET AMENDMENT

To amend the Town Budget for the fiscal year beginning July 1, 2023 and ending June 30, 2024 in a total amount of $30,454,150. To record revenue and expenditures related to the use of Bank of America Lease Purchase for the ABM Project for the FY 2023-2024 Budget in the aggregate amount of $4,896,000.

THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE TOWN OF FARMVILLE:

That additional revenue and expenditure in the amount of $4,896,000 be added to the FY 2023-2024 Budget so that the amended total of the Town of Farmville's FY 2023-2024 budget shall be $35,350,150; and

BE IT FURTHER RESOLVED THAT $4,896,000 shall be appropriated by the Town of Farmville as follows:

- Lease purchase revenue and expenditure for the ABM Project in the general fund - $1,594,109.46
- Lease purchase revenue and expenditure for the ABM Project in the water fund - $3,301,890.54

1. That this resolution shall be in full force and effect upon its passage.

Approved:

____
Mayor

Attest: ______________________________
Clerk of Council

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I certify that the above resolution was:

Adopted on: ____.

Ayes: ________. Nays: ________. Absent: _________. Abstain: _________.

The Honorable A.D. "Chuckie" Reid __________.

The Honorable Sallie O. Amos __________.

The Honorable Daniel E. Dwyer __________.

The Honorable Tommy Pairet __________.

The Honorable John Hardy __________.

The Honorable Donald L. Hunter __________.

The Honorable Adam Yoelin __________.

BACKGROUND: The Town entered into a Lease Purchase Agreement on December 27, 2023, for an infrastructure improvement project with ABM Building Solutions. The lease purchase revenue and expenditure needed to be added to the Town's fiscal year 2023-2024 budget for the General Fund and Water Fund. Resolution No. 2024-02-01 authorizes the Finance Director to amend the revenue and expenditures for $1,594,109.46 in the General Fund and amend the revenue and expenditures for $3,301,890.54 in the Water Fund for the ABM Project. A Public Hearing was held on February 14, 2024.

REQUEST APPROVAL OF THE PLANNING COMMISSION 2023 ANNUAL REPORT

On motion by Mr. Reid, seconded by Mr. Hardy, and with a recorded vote of Council members Dwyer, Pairet, Hunter, Hardy, Amos, and Reid voting "yes", the motion passed to approve the Planning Commission 2023 Annual Report.

BACKGROUND: Section 15.2-2221 of the Code of Virginia states that the local planning commission shall: *"5. Make recommendations and an annual report to the governing body concerning the operation of the commission and the status of planning within its jurisdiction."*

REQUEST APPROVAL OF THE 2023 BOARD OF ZONING APPEALS ANNUAL REPORT

On motion by Mr. Pairet, seconded by Mr. Hunter, and with a recorded vote of Council members Pairet, Hunter, Hardy, Amos, Reid, and Dwyer voting "yes", the motion passed to approve the 2023 Board of Zoning Appeals Annual Report.

BACKGROUND: Section 15.2-2308 of the Code of Virginia states: "*C. …The board shall keep a full public record of its proceedings and shall submit a report of its activities to the governing body or bodies at least once each year."*

REQUEST ADOPTION OF RESOLUTION NO. 2024-02-02, AUTHORIZING THE FINANCE DIRECTOR TO WRITE OFF $553.32 IN REAL ESTATE AND PERSONAL PROPERTY TAXES INCLUDING PENALTIES AND INTEREST

On motion by Mr. Hardy, seconded by Mr. Hunter, and with a recorded vote of Council members Hunter, Hardy, Amos, Reid, Dwyer, and Pairet voting "yes", the motion passed to adopt Resolution No. 2024-02-02.

Resolution No. 2024-02-02

Authorization for the Finance Director to write-off $553.32 in Real Estate and Personal Property Taxes including penalties and interest as presented to Council.

WHEREAS, the Farmville Town Council, at its Work Session on February 7, 2024, discussed the write-off of delinquent real estate and personal property taxes; and

WHEREAS, authorization for the Finance Director to write-off $553.32 in Real Estate and Personal Property Taxes including penalties and interest as presented to Council; and

WHEREAS, the combined total for the uncollectible Real Estate and Personal Property Taxes are $553.32; and

WHEREAS, it has been verified that the Real Estate and Personal Property Taxes are uncollectible.

BE IT RESOLVED BY THE COUNCIL OF THE TOWN OF FARMVILLE:

1. Authorization for the Finance Director to write-off $10.09 in Real Estate Taxes including penalties and interest, and $543.23 in Personal Property Taxes including penalties and interest, as presented to Council.
2. That this Resolution shall be in full force and effect upon its approval.

Approved: ______________________________
Mayor

Attest: ______________________________
Clerk of Council

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I certify that the above resolution was:

Adopted on ____.

Ayes: ________. Nays: ________. Absent: _________. Abstain: _________.

The Honorable A.D. "Chuckie" Reid: __________.

The Honorable Sallie O. Amos __________.

The Honorable Daniel E. Dwyer __________.

The Honorable Tommy Pairet __________.

The Honorable John F. Hardy __________.

The Honorable Donald L. Hunter __________.

The Honorable Adam Yoelin __________.

BACKGROUND: At the February 7, 2024 Work Session, the Finance Director reported on the Real Estate and Personal Property Taxes that must be written off. These consist of Real Estate taxes that need to be written off from TACS (Taxing Authority Consulting Services), which are past the statute of limitations to collect. Resolution No. 2024-02-02 authorizes the Finance Director to write off $10.09 in Real Estate Taxes including penalties and interest, and $543.23 in Personal Property Taxes including penalties and interest.

TOWN MANAGER'S REPORT

Town Manager Davis provided an update:

- The traffic signal light at North and West Third Street is currently working on a set time loop system until ordered equipment is received and can be installed.
- ABM Building Solutions should start some of the projects at the end of this week or next week on water conservation projects and two-three roof jobs on some of the buildings.
- There is a preliminary water and sewer asset management assessment from Hurt & Proffitt. A lot of information is missing as to the age of some of the infrastructure, type of piping, etc. and Council probably soon will be asked to add work to the original agreement. As previously reported, the initial cost was very low compared to what was estimated. Some of the information may be known in-house, but most likely will need Hurt & Proffitt to physically look at the infrastructure to provide the information.
- Town Council gifted $350,000 to the Industrial Development Authority (IDA) to assist the Farmville Downtown Partnership (FDP) with their goal of getting an Industrial Revitalization Fund (IRF) grant from the state. IDA still has those funds, as FDP has not found out whether they were awarded the IRF grant. The information has been submitted and reviewed but an announcement hasn't been made from the Governor's office that an award has been made.

- The proposed FY25 budget may not be presented at the March 7, 2024 Work Session but in the near future, possibly at Council's Regular Meeting in March and will still be on schedule for the end of the fiscal year June 30, 2024. Meetings with department directors were held this week to review their submitted budgets and capital improvements.
- The Town Manager reported he will be heading to the Virginia Local Government Manager's Conference for the rest of the week.
- A reminder was made that Monday, February 19, 2024, is the President's Day holiday and town offices will be closed for the day.

COMMENTS BY THE MAYOR AND TOWN COUNCIL

Mr. Hunter reported on a couple of bills in crossover now that may need to be watched, one of which concerns what the state is paying for the local facilities to hold their prisoners when they are out of compliance. There is support from the Virginia Municipal League (VML) and the Virginia Association of Counties (VACO). Mr. Hunter advised the approximate cost to hold an inmate at Piedmont Regional Jail is $75 a day and the state isn't giving $22 currently. He further explained there will be a problem as it will indirectly affect the town in the future so he thinks we should watch and offer some support as well.

Mayor Vincent provided a monthly update:

- Attended Department of Wildlife Resources meetings this past month.
- He and the Town Manager met for a *Farmville Herald* photo shoot and interview for the upcoming *Progress* magazine.
- Attended VML Local Government Day in Richmond and visited with representatives to lobby on behalf of bills we want to support.
- Attended the Business After Hours at Green Front Furniture.
- Attended the first 2024 Fireworks After Dark Meeting.
- Attended the Small Cities Council Kickoff meeting for the National League of Cities this past week and discussed topics including affordable housing and recruitment of small businesses and town revenue for small localities.
- A reminder was made that the Farmville Citizens Police Academy is still accepting applications.

- A shout out was offered to the Farmville Downtown Partnership for their Façade Improvement Grants for local businesses to improve their storefronts.

Mayor Vincent concluded by mentioning that a status of the ICA facility had been provided. He expressed appreciation for the engagement in local government and the decorum which everyone held. A welcome was offered to all.

On motion by Mr. Hunter, seconded by Mr. Pairet, and with all in favor stating "aye", the meeting adjourned at 7:53 PM.

APPROVED: ATTEST:

______________________________ ______________________________

Brian R. Vincent, Mayor Mary H. McKay, Clerk of Council

Town of Farmville

Agenda Item Summary

MEETING DATE: March 13, 2024

ITEM NUMBER: 12.a. – February 2024 Finance Report

BACKGROUND: Finance Director Julie Moore will present the February Finance Report.

RECOMMENDATION: Accept the Finance Report as presented.

FISCAL IMPACT:

ATTACHMENTS:
1. Finance Report - February 2024
2. Variable Revenue Chart - February 2024
3. Rescue Squad 2023-2024-Feb 24-1
4. Rescue Squad 2023-2024-YTD-Feb 24-2

TOWN OF FARMVILLE
FINANCE REPORT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE MONTH OF FEBRUARY 2024

FUND NUMBER	FUND TITLE	BALANCE 02/01/2024	NET CHANGE	BALANCE 02/29/2023
	UNRESTRICTED FUNDS			
10	GENERAL FUND	$ 1,991,893.41	$ 472,118.60	$ 2,464,012.01
15	ST MAINT FUND	846,531.64	(109,299.07)	737,232.57
40	WATER FUND	2,056,148.98	(8,943.87)	2,047,205.11
42	SEWER FUND	3,413,266.43	(20,047.66)	3,393,218.77
44	TRANSPORTATION FUND	1,080,946.06	(58,659.49)	1,022,286.57
45	AIRPORT FUND	75,850.37	(30,958.49)	44,891.88
TOTAL	UNRESTRICTED FUNDS	9,464,636.89	244,210.02	9,708,846.91
	RESTRICTED FUNDS			
10	ARPA-COVID FUNDS	5,417,682.66	(124,268.65)	5,293,414.01
10	ENHANCED 911-WIRELESS	461,412.21	11,421.15	472,833.36
10	E911-RESERVE	133,117.81	15.82	133,133.63
10	SET ASIDE ACCOUNT	2,477,276.21	319,749.89	2,797,026.10
10	E-CITATION	28,741.14	754.43	29,495.57
10	MEDICAL COMPENSATION	285,439.82	(26,218.53)	259,221.29
10	BOA - LEASE PURCHASE	1,597,094.06	(395,973.65)	1,201,120.41
40	BOA - LEASE PURCHASE	3,308,072.55	(820,161.27)	2,487,911.28
70	NARCOTICS FUND	11,247.56	960.34	12,207.90
70	TASK FORCE	2,148.45	649.76	2,798.21
TOTAL	RESTRICTED FUNDS	13,722,232.47	(1,033,070.71)	12,689,161.76
TOTAL ALL FUNDS		$ 23,186,869.36	$ (788,860.69)	$ 22,398,008.67

UNRESTRICTED FUNDS - ACCOUNTED FOR AS FOLLOWS:

PETTY CASH	$ 2,500.00
VIP ACCT - GOLF SALE PROCEEDS	952,244.19
VIP ACCTS - UNRESTRICTED	2,099,195.84
LGIP ACCT - UNRESTRICTED	1,221,571.82
CHECKING ACCT-BENCHMARK-AIRPORT	274,005.43
CHECKING ACCOUNT-BENCHMARK-UNRESTRICTED	5,159,329.63
TOTAL UNRESTRICTED FUNDS	$ 9,708,846.91

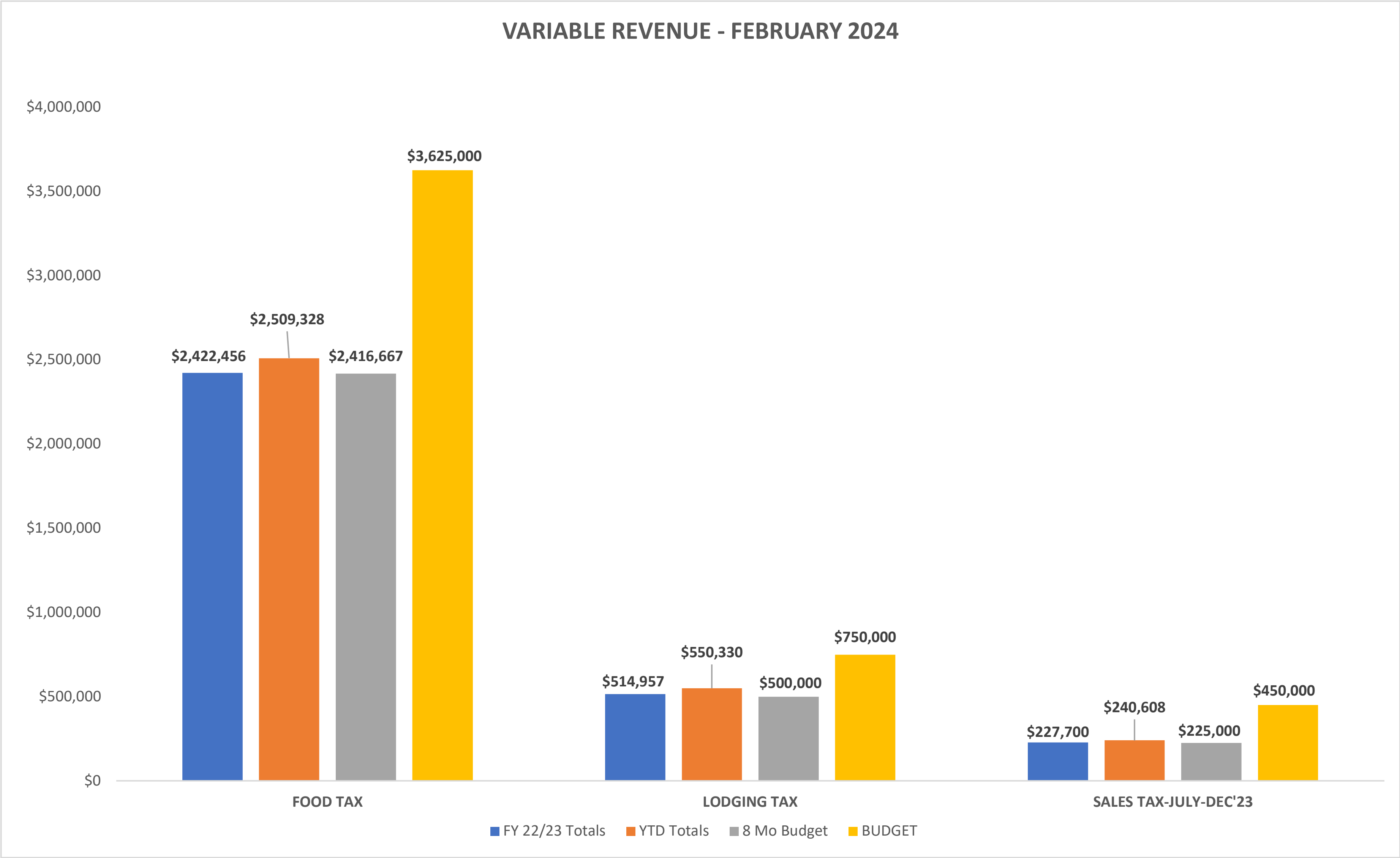
RESTRICTED FUNDS - ACCOUNTED FOR AS FOLLOWS:

LGIP ACCT - ARPA -COVID FUNDS	$	5,293,414.01
MONEY MARKET - BENCHMARK - 911 WIRELESS		157,953.85
VIP ACCT - WIRELESS		314,879.51
INTEREST CHECKING-BENCHMARK-E911 RESERVE		133,133.63
INTEREST CHECKING-BENCHMARK-SET ASIDE ACCOUNT		1,349,896.31
LGIP ACCT - SET ASIDE ACCOUNT		1,014,400.20
VIP ACCT - SET ASIDE ACCOUNT		432,729.59
INTEREST CHECKING-FARMERS BANK-E-CITATION ACCOUNT		29,495.57
INTEREST CHECKING-BENCHARK-MEDICAL COMPENSATION		259,221.29
VIP ACCT - BOA - LEASE PURCHASE		3,689,031.69
INTEREST CHECKING-BENCHMARK - NARCOTICS FUND-STATE		12,207.90
INTEREST CHECKING-BENCHMARK-TASK FORCE		2,798.21
TOTAL RESTRICTED FUNDS	$	12,689,161.76

RESPECTFULLY SUBMITTED:

Julie A. Moore

Julie A. Moore, CPA, CFE, CGFM



VARIABLE REVENUE - FEBRUARY 2024
$4,000,000
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
$2,422,456
$2,509,328
$2,416,667
$3,625,000
$514,957
$550,330
$500,000
$750,000
$227,700
$240,608
$225,000
$450,000
FOOD TAX
LODGING TAX
SALES TAX-JULY-DEC'23
FY 22/23 Totals
YTD Totals
8 Mo Budget
BUDGET

FEBRUARY MONTHLY COST-RESCUE SQUAD

2024

DATE	VEHICLE	DESCRIPTION OF SERVICE	Man Hours	LABOR COST	MATERIAL COST	EQUIPMENT COST	FUEL COST
2-Feb	Rescue 3	new batteries	4	$107.21	$332.76		
27-Feb	Rescue 13	Oil change serviced, replaced filters & hood shocks	4	$89.76	$340.73		
27-Feb	Rescue 12	Oil Change	4	$110.93	$155.66		
28-Feb	Rescue 14	Oil change, serviced replaced air filter	2	$44.88	$141.33		
27-Feb	Rescue 11	Oil change, service	2	$44.88	$73.93		
		Fuel Cost					$2,543.63

Total Labor Cost	$397.66
Total Material Cost	$1,044.41
Total Equipment Cost	$0.00
Total Fuel Cost	$2,543.63
Total February	$3,985.70
YTD Total	$33,161.71

Year-to-Date Costs - Rescue Squad
July - June 2024

2023-2024

	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Total
Labor	1,239.65	1,182.76	920.77	378.05	507.63	112.25	64.88	397.66	0.00	0.00	0.00	0.00	**$4,803.66**
Materials	4,902.21	813.09	2,922.80	131.67	1,611.04	20.00	0.00	1,044.41	0.00	0.00	0.00	0.00	**$11,445.22**
Equipment	310.00	310.00	310.00	310.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**$1,240.00**
Fuel	2,028.25	2,312.09	1,993.70	1,816.51	1,645.40	1,775.80	1,557.45	2,543.63	0.00	0.00	0.00	0.00	**$15,672.83**
	$8,480.11	$4,617.94	$6,147.27	$2,636.23	$3,764.07	$1,908.05	$1,622.33	$3,985.70	$0.00	$0.00	$0.00	$0.00	**$33,161.71**

Town of Farmville

Agenda Item Summary

MEETING DATE: March 13, 2024

ITEM NUMBER: 14.a. – Request Adoption of Resolution No. 2024-03-01, Revised Financial Policies

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BACKGROUND: The Town is committed to continuous improvement and maximizing its financial health. Revising the Town's current financial policies allows us to optimize resource allocation, streamline processes, and enhance its overall financial efficiency.

This topic was discussed at the March 6, 2024, Work Session. It was recommended to proceed with the Resolution to approve the revised financial policies.

RECOMMENDATION: Adopt Resolution No. 2024-03-01

FISCAL IMPACT:

ATTACHMENTS:
1. Resolution No 2024-03-01
2. Farmville Policies Updated and New

Resolution No. 2024-03-01

Approving the revised Financial Policies.

BE IT RESOLVED BY THE COUNCIL OF THE TOWN OF FARMVILLE:

1. The Town Manager and Finance Director are hereby authorized to implement the revised Financial Policies as provided in the attached document**.**

2. That this Resolution shall be in full force and effect upon its approval.

Approved: ____________________________
Mayor

Attest: _____________________________
Clerk of Council

****

I certify that the above resolution was:

Adopted on ____.

Ayes: ________. Nays: ________. Absent: _________. Abstain: _________.

The Honorable A.D. "Chuckie" Reid __________.

The Honorable Sallie O. Amos __________.

The Honorable Daniel E. Dwyer __________.

The Honorable Tommy Pairet __________.

The Honorable John F. Hardy __________.

The Honorable Donald L. Hunter __________.

The Honorable Adam Yoelin __________.

ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

Section 1. PURPOSE

This policy is to document the Accounting, Auditing, and Financial Reporting process of the Town of Farmville ("Town"). The purpose of this policy is to establish organizational standards in which the Town will maintain a system of accounting procedures, financial control, and reporting for all operations and funds to provide an effective means of ensuring that financial integrity is not compromised and to ensure that the Town's finances are well managed and fiscally sound.

Section 2. POLICY

A. The **ACCOUNTING PRACTICES** of the Town shall conform to Generally Accepted Accounting Principles (GAAP) for local governments as established by the Governmental Accounting Standards Board (GASB) and of the recommended standards as set forth by the Government Finance Officers Association (GFOA) to provide for and enhance the financial stability of the Town.
   1. **BASIS OF ACCOUNTING**: The Director of Finance will establish and maintain a system of fund accounting and shall measure the financial position and results of operations using the modified accrual basis of accounting for governmental funds and the accrual basis of accounting for proprietary and fiduciary funds.
   2. **ACCOUNTS RECEIVABLE**: Generally, the Town is able to collect receivables, most of which relate to taxes and utility payments, during the ordinary course of operations. Procedures are established to address any potential material outstanding receivables to ensure that the Town takes all necessary and possible steps to collect receipts owed to the locality.
   3. **INVENTORY REPORTING**: The Town uses the consumption method of inventory reporting on the average cost basis.
   4. **MANAGEMENT DECISION ON ACCOUNTING ISSUES**: The Director of Finance shall have the authority to make procedural decisions with respect to specific accounting treatments, such as interpretation of accounting principles, design of the general ledger and chart of accounts, and items of a similar nature. However, in certain special or unique situations, a review by the Town Council may be necessary. Council will be made aware of any issue that:
      i. Involves identified weaknesses in the separation of duties.
      ii. Creates controversy among those responsible for audit oversight or between said individuals and the independent auditors.
      iii. Is or will be material to the financial statements.
      iv. Involves significant uncertainty or volatility that could materially affect an estimate.
      v. Is or will be a matter of public interest or exposure.
      vi. Must be reported to an external body, and those responsible for audit oversight are unclear or undecided on its presentation.
      vii. Applies a new accounting standard for the first time.

ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

viii. Relates to the application of a standard in a way that is not consistent with general practice or in a way that is different from how it has been applied in past years.
ix. Relates to critical controls over financial information being designed or redesigned or that may have failed or are otherwise being addressed by the Town.

B. The annual **AUDIT** shall be conducted by an independent auditor in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the Specification for Audits of Counties, Cities, and Towns issued by the Auditor of Public Accounts of the Commonwealth of Virginia and as directed in the Code of Virginia §15.2-2511.

C. The Finance Department shall develop and maintain an ongoing system of **FINANCIAL REPORTING** to meet the information needs of the government, authorities, and regulatory agencies. In addition, the Town Council, Town Manager, Department Heads, and the public shall have access to reports to allow them to monitor, regulate, and use as a basis for future financial decisions.
1. **ANNUAL COMPREHENSIVE FINANCIAL REPORT**: The Town shall prepare and publish a Comprehensive Annual Financial Report (ACFR) in conjunction with the annual independent audit. The Town shall prepare the ACFR in conformity with GAAP and the Government Finance Officers Association (GFOA) program requirements. Annually, the Town shall submit its ACFR to the GFOA to determine its eligibility to receive the GFOA's "Certificate of Achievement for Excellence in Financial Reporting."
2. **ANNUAL BUDGET DOCUMENT**: The Town shall prepare and publish an annual budget document in accordance with the policies contained within this document. This budget shall measure the annual funding and forecast the financial position of the Town annually. This document shall be prepared in conformity with the GFOA program requirements. Annually, the Town shall submit this budget to the GFOA to determine its eligibility to receive the GFOA's "Distinguished Budget Presentation Award."
3. **FINANCIAL REPORTING TO TOWN COUNCIL**: On a monthly basis, the Finance Department shall prepare and present financial reports to the Town Council for all Town operating funds. Such reports will enable the Town Council to be constantly informed of the financial status of the Town.
4. **EXTERNAL FINANCIAL REPORTING**: The Town shall adhere to all reporting requirements to the Virginia Auditor of Public Accounts within the specified time frame. Additionally, all external reports required by regulatory agencies shall be completed and filed as prescribed by state and federal law.

Section 3. OBJECTIVES

A. The primary objectives of the Accounting, Auditing, and Financial Reporting Policy shall be as follows:

ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

1. To establish a system of financial monitoring and control for all operations and funds to maintain legal compliance and sound financial administration.
2. To ensure that the Town maintains regulatory compliance with all internal and external reporting requirements.
3. To provide Town officials with the necessary resources to make well-informed and prudent financial decisions.

Section 4. PROCEDURES

A. Town Council:
   1. Approve Accounting, Auditing, and Financial Reporting Policy.
   2. Regularly review deliverables that are generated in compliance with this policy.

B. Town Staff:
   1. Ensure the Town maintains compliance with the Accounting, Auditing, and Financial Reporting Policy.
   2. Monitor the accuracy and reliability of accounting controls, financial functions, assets (capital and controlled equipment), operational protocols, and compliance with applicable laws and regulations.
   3. Assist independent auditors in annual financial audits by providing required documentation.
   4. The Town Manager is authorized to adjust this policy in response to evolving governmental practices where necessary.

CAPITAL ASSET MANAGEMENT

Section 1. PURPOSE

This policy is to document the Capital Asset Management procedures of the Town of Farmville ("Town"). The purpose of this policy is to provide guidelines to complete a comprehensive process that allocates limited resources in capital investment and to ensure that capital assets are accounted for in conformance with generally accepted accounting principles. The primary objective of this policy is to establish criteria to systematically identify, plan, schedule, finance, track, and monitor capital projects to ensure cost-effectiveness and consistent application throughout funds.

Section 2. POLICY

A. The Town will prepare, adopt, and update a five (5) year Capital Improvement Plan (CIP) at least annually. The CIP will identify and set priorities for all significant capital assets to be acquired, replaced, constructed, or rehabilitated by the Town. The first year of each adopted five-year CIP will be included in the budget for the coming fiscal year.

B. The Town will adhere to the following threshold when accounting for capital assets:
   1. Capitalization of individual assets that cost $5,000 or more and have an estimated useful (depreciable) life of at least two (2) years.
   2. Assets acquired with debt proceeds may be capitalized regardless of cost.
   3. Individual assets that cost less than $5,000 but that operate as part of a network system may be capitalized in the aggregate, using the group method, if the estimated average useful life of the individual asset is at least two (2) years. (A network is determined to be where individual components may be below $5,000 but are interdependent, and the overriding value to the Town is on the entire network and not the individual assets.)

C. The Town will adhere to the following ranges in setting estimated useful lives for depreciating assets:

1.	Land	No Depreciation
2.	Land Improvements	20 – 30 years
3.	Buildings & Improvements	7 – 40 years
4.	Machinery & Equipment	3 – 30 years
5.	Infrastructure	20 – 50 years

D. In accordance with generally accepted accounting principles, the Town will value its capital assets at historical cost. Historical cost includes the cost or estimated cost at the time of acquisition, freight charges, installation and site preparation charges, and any subsequent additions or improvements, excluding repairs. If a capital asset is donated to the Town, the asset will be valued based on the fair market value at the time the asset is donated.

E. For internal control purposes, the Town may maintain an inventory listing of certain assets (controlled equipment) that do not meet the established capitalization amounts. Controlled

CAPITAL ASSET MANAGEMENT

equipment includes items that should be specifically accounted for and inventoried periodically due to the equipment's high resale value and the potential risk of theft. Controlled equipment may include computers, construction equipment, and other office equipment. Each Department Head is responsible for all controlled equipment within their areas of responsibility.

F. As part of the financial audit, the Finance Department shall submit a capital asset report to the Town's independent auditor annually. This report will include the following information:
   1. Asset Number
   2. Asset Description
   3. Date of acquisition
   4. Acquisition cost
   5. Estimated useful life
   6. Annual depreciation
   7. Accumulated depreciation

G. The Town will use the Straight-Line Method as its basic or standard approach to depreciate capital assets. The Modified Approach, which does not require depreciation, may be used on infrastructure assets whenever applicable and approved by the Town's independent auditor.

H. The following criteria are the basis for distinguishing costs as either a capital expense or as a repair and maintenance expense:
   1. With respect to improvements on non-infrastructure and infrastructure capital assets, under the Basic Approach, costs should be capitalized if the useful life of the asset is substantially extended or if the cost substantially increases the capacity or efficiency of the assets. Otherwise, the cost should be expensed as repair and maintenance.
   2. With respect to improvements on infrastructure capital assets under the Modified Approach, costs should be capitalized if expenditures substantially increase the capacity or efficiency of an infrastructure. Otherwise, costs, including those that preserve the useful life of an infrastructure asset, are expensed.

I. To the extent possible, improvement projects and major equipment purchases will be funded on a "pay-as-you-go" basis from existing or foreseeable revenue sources. Fund balances above established reserve requirements may be used for one-time expenditures such as capital equipment or financing of capital improvements.

J. Disposal and/or transfer of Town assets will be performed in accordance with applicable Town policies and procedures.

CAPITAL ASSET MANAGEMENT

Section 3. OBJECTIVES

A. The primary objectives of the Capital Asset Management Policy shall be as follows:
   1. To operate and maintain the Town's physical assets to protect public investment and ensure maximum useful life.
   2. To seek to match the useful life of projects with the maturity of the debt when considering debt financing.
   3. To develop a replacement program for the capital assets in association with other financial policies to plan for large expenditures and to minimize deferred maintenance costs.
   4. To allow project planning to consider longer-range needs and goals, as well as, enabling the Town to evaluate funding options while gaining a consensus on project priorities.

Section 4. PROCEDURES

A. Town Council:
   1. Approve Capital Asset Management Policy.
   2. Manage capital assets by reviewing the annual budget process and the Annual Comprehensive Financial Report (ACFR).

B. Town Staff:
   1. Manage capital assets through operational procedures.
   2. Submit a capital asset report to the Town's independent auditor annually.
   3. Review capital assets acquisition and repair needs during the annual budget process.
   4. Maintain an inventory of the listing of controlled equipment.
   5. Dispose of and/or transfer of Town capital assets in accordance with policies and procedures.
   6. The Town Manager is authorized to adjust this policy where necessary.

DEBT MANAGEMENT

Section 1. PURPOSE

This policy documents general guidance for issuing and managing all debt of the Town of Farmville ("Town"). The primary objective of this policy is to establish criteria that will protect the town's financial integrity while providing a funding mechanism to meet its capital needs. The town's standard is to borrow only for capital improvements that cannot be funded on a pay-as-you-go basis. The Town will not issue long-term debt to finance current operations.

Section 2. POLICY

A. The Town will follow any state or federal law, by-law, or covenant that sets debt limits. In addition, the Town Council will evaluate acceptable debt service levels and develop public policy on fund debt limits since issuing debt will commit the Town's revenues several years into the future. Best practices and standards of the Commonwealth of Virginia Public Finance Act of 1991, the Government Accounting Standards Board (GASB), the Government Finance Officers Association (GFOA), and the Town Charter will also be followed.

B. The Town will confine long-term borrowing to capital improvement needs that cannot be financed from current revenue sources.

C. The Town may use short-term debt for bond anticipation and tax anticipation purposes only with a maturity of one year or less. Short-term debt may include inter-fund loans, which will be repaid to the source fund within a specified period.

D. The maturity of any debt will not exceed the expected useful life of the project for which the debt is issued.

E. The Town Council shall be committed to addressing the indebtedness the Town can reasonably expect to incur without jeopardizing its financial position and operational capabilities. The council will adopt a maximum annual debt service payment level of no more than 13% of approved expenditures/expenses per fund. It will seek to maintain debt service within those limits. In establishing its target maximum debt service percentages, the Town will consider the strength of its long-term capital plan. If the long-term capital plan is nonexistent or ineffective, a lower maximum percentage may be necessary to offset future unpredictable capital losses.

F. The ratio of General Fund-supported long-term debt to real estate assessed value should be maintained at or below 3%.

G. The General Fund commits to achieving a minimum 50% amortization of total long-term debt within ten years.

H. The Town Council may undertake refinancing of outstanding debt if it allows the Town to realize significant debt service savings without lengthening the term of the refinanced debt. In addition, the benefits of replacing such debt must outweigh the costs associated with the new issuance.

DEBT MANAGEMENT

I. General obligation debt may be used for enterprise activities.

Section 3. OBJECTIVES

A. The primary objectives of the Debt Management Policy shall be as follows:
   1. To provide guidelines in the decision-making and budgetary process.
   2. To enhance the quality of decisions.
   3. To show a commitment to long-range financial planning.
   4. To improve credit quality amongst rating agencies, capital markets, and constituents.

Section 4. PROCEDURES

A. Town Council:
   1. Approve Debt Management Policy.
   2. Approve resolutions issuing debt parameters, including borrowing limitations and debt structure.

B. Town Staff:
   1. Select an outside consultant and bond counsel to assist in issuing bonds and other debt.
   2. Ensure that debt is issued through the competitive bidding process unless otherwise instructed by the Town Council.
   3. Ensure that investments in bond proceeds shall always comply with the Town's Investment Policy and relevant debt covenants, with consideration of potential arbitrage.
   4. Follow a full disclosure policy on every financial report and bond prospectus.
   5. Maintain a records retention policy for bond documents and records associated with using bond proceeds and interest earnings.
   6. Ensure post-issuance compliance.

GENERAL FUND CASH RESERVES

Section 1. PURPOSE

This policy is to document the General Fund Cash Reserves objectives of the Town of Farmville ("Town"). The Town's goal is to maintain a prudent level of financial resources to guard its constituents against service disruption in the event of unexpected temporary revenue shortfalls and unpredicted one-time expenditures and to provide sufficient cash flow to avoid the need for short-term borrowing. The General Fund cash reserves are accumulated and maintained to provide stability and flexibility to respond to unexpected adversity and/or opportunities. In addition, this policy intends to document the appropriate reserve level to protect the town's creditworthiness.

Section 2. POLICY

A. The Town will maintain a minimum Undesignated/Unreserved General Fund Reserve sufficient to provide financial resources for the Town in the event of an emergency or the loss of a significant revenue source. Therefore, the Town has set the minimum Undesignated/Unreserved Balance for the General Fund at an amount equal to 10.0% of the General Fund operational budget each year to mitigate the impacts of unanticipated revenue shortfalls and provide a buffer for unexpected expenditure requirements.

B. In recognition of its fiduciary role in the management of all Town funds entrusted to its care, it shall be the policy of the Town Council, in accordance with the Code of Virginia §15.2-2505, that the use of reserves shall be drawn upon only as absolutely necessary and any use thereof should be limited to 1) unanticipated revenue shortfalls, 2) non-recurring expenditures, or 3) providing liquidity in emergency situations. Fund balances shall not be used for routine or recurring annual operating expenditures.

C. Should the Town require the use of General Reserve funds that would reduce the funds below the policy threshold for one of the purposes noted above, the Town will put an action plan on replenishing the used reserves back to the policy level.

D. The minimum Undesignated/Unreserved General Fund Reserve funds will be assessed once the Town's Annual Comprehensive Financial Report (ACFR) becomes available for each fiscal year.

E. It is the responsibility of the Town Manager to make recommendations to the Town Council for the use of reserves. A majority vote of the Town Council will be required to use reserves.

Section 3. OBJECTIVES

A. The primary objectives of the General Fund Cash Reserves Policy shall be as follows:

GENERAL FUND CASH RESERVES

1. **Reserve for cash flow:** This reserve addresses liquidity. A reserve for cash flow is needed to address the imbalance of monthly income compared to monthly expenditures if expenditures exceed income.
2. **Reserve for emergencies:** This reserve addresses emergency or disaster in which there is extreme peril to the safety of a person and/or property within the Town limits caused by such conditions as air pollution, fire, flood, storm, epidemic, riot, earthquake, or other conditions as set forth by Town Council.
3. **Reserve for economic stabilization:** This reserve addresses the stabilization of the delivery of Town services during operation budget deficits resulting in conditions such as drastic and unanticipated economic downturns or unanticipated spikes in operating costs.

Section 4. PROCEDURES

A. Town Council:
   1. Approve General Fund Cash Reserves Policy.
   2. Approve the use of any reserves.

B. Town Staff:
   1. Propose revisions to the General Fund Cash Reserves Policy.
   2. Ensure the Town complies with the General Fund Cash Reserves Policy.
   3. Recommend the use of any reserves.
   4. Report results from the use of any reserves.

FUND BALANCE POLICY

Section 1. PURPOSE

This Fund Balance Policy outlines the principles and guidelines governing the Town's Fund Balance management. The Fund Balance is the difference between Town assets and liabilities, providing a foundation for working capital and unforeseen emergencies. The primary aim of this policy is to establish a stable financial environment for the Town's operations, ensuring consistent service delivery while maintaining fiscal responsibility.

Section 2. POLICY

A. At the close of each fiscal year, the portion of the Fund Balance not in spendable form will be designated as Nonspendable Fund Balance on the financial statements.

B. The Fund Balance subject to legal restrictions as per GASB #54 will be reported as a "restricted" fund balance at the end of each fiscal year. Additionally, funds with legal restrictions will be categorized as "restricted."

C. The Town will, before the close of each fiscal year, report the "committed" fund balance for long-term receivables, such as advances and similar accounts. Town Council approval is required to allocate and approve "committed" fund balance. Additionally, funds encumbered by enabling legislation will be categorized as "committed."

D. Fund Balance assigned by the Finance Director will be reported as the "assigned" fund balance at the close of each fiscal year.

E. General Fund unassigned equity will not be used as a standard practice to finance current operations.

F. The Town will establish and maintain a minimum 'unassigned' fund balance at 10% of the General Fund budget, with a desired goal of 12%. Any excess amount may be considered for one-time capital expenditures or to maintain a "rainy day" fund.

G. The Town Council, when necessary, may utilize fund balances that temporarily reduce Unassigned Fund Balance below the 10% minimum for declared fiscal emergencies or other purposes to protect or enhance the long-term fiscal security of the Town. In such cases, the Town Council will adopt a plan to restore the Unassigned Fund Balance to the target level within 24 to 36 months. If restoration within this timeframe poses severe hardship to the Town, the Town Council will establish a different but appropriate time.

Section 3. OBJECTIVES

The primary objectives of this Fund Balance Policy are as follows:

1. Ensure the stability and continuity of Town operations.
2. Safeguard fiscal responsibility in providing quality services to residents.
3. Establish a framework for consistent financial management and operations.

FUND BALANCE POLICY

Section 4. PROCEDURES

A. The Town Council will approve and monitor compliance with this Fund Balance Policy and maintain budgetary control during the budget adoption and the ongoing operating budget process.

B. Town Staff will propose revisions to the Fund Balance Policy, report on the status of Fund Balance components, and assist in the Town Council's decision-making regarding fund allocations and approvals.

C. The Town Manager is authorized to adjust this policy in response to evolving financial practices.

INTERNAL CONTROL AND RISK MANAGEMENT

Section 1. PURPOSE

This policy is to document the Internal Control and Risk Management procedures of the Town of Farmville ("Town"). This policy aims to provide measures to manage internal and external factors that may affect the achievement of the Town's objectives – whether they are strategic, operational, or financial. The town's risk management focuses on identifying threats and opportunities, while internal control helps counter threats and take advantage of opportunities. The primary objective of this policy is to establish criteria to effectively pursue an integrated, organization-wide approach to managing the accuracy and reliability of accounting controls, financial functions, assets (capital and controlled equipment), operational protocols, and compliance with applicable laws and regulations.

Section 2. POLICY

A. The Town will maintain internal controls that will be responsive, reflect sound governmental practices, and remain relevant over time while evolving to meet the specific needs of the community.

B. The Town will maintain a controlled environment which will provide a foundation of discipline and structure, specifically cultivating factors of ethical values and competence (quality) of personnel, direction provided by the Council, and effectiveness of management.

C. The Town will maintain a risk assessment environment that will identify and analyze risks associated with achieving organizational goals, including risks related to the changing regulatory and operating environment, as a basis for determining how such risks should be mitigated and managed.

D. The Town will maintain control activities to ensure management directives are carried out, and any actions needed to address risks to achieving objectives are taken.

E. The Town will maintain information and communication systems that identify, capture, and report operational, financial, and compliance-related information in a form and timeframe that enables staff to carry out responsibilities.

F. The Town will maintain monitoring processes that assess the adequacy and quality of the internal control system's performance and ensure that deficiencies in internal controls are appropriately reported.

Section 3. OBJECTIVES

A. The primary objectives of the Internal Control and Risk Management Policy shall be as follows:

INTERNAL CONTROL AND RISK MANAGEMENT

1. The Finance Department will issue internal control procedures based on the published standards of the Governmental Accounting Standards Board (GASB) and upon deficiencies identified through the Town's independent auditors and/or Town staff. The Finance Department will ensure that a reasonable faith effort is made to implement all independent auditor recommendations on internal control. The Finance Department will regularly review and monitor procedures and compliance with federal and state regulatory requirements on internal controls and financial reporting.
2. Each Department Head is responsible for ensuring that internal control procedures are followed in their respective departments.
3. Written internal control procedures will be maintained in the Finance Department for all functions involving the handling of cash and securities.
4. The organizational plan will separate functional responsibilities via defined segregation of duties procedures. Internal controls will be in place to ensure that financial transactions are processed through two or more employees and will contain built-in safeguards that require transactions to travel through multiple approval processes before the transaction is complete.
5. Transactions will be recorded to permit the preparation of financial statements in conformance to statutory requirements and accounting principles generally accepted in the United States and will maintain accountability for assets.
6. The Town will have an annual financial audit conducted by an independent public accounting firm according to the standards set forth by GASB and the Commonwealth of Virginia Auditor of Public Accounts (APA).

Section 4. PROCEDURES

A. Town Council:
   1. Approve Internal Control and Risk Management Policy.
   2. Manage Internal Control and Risk Management by reviewing the Annual Comprehensive Financial Report (ACFR).

B. Town Staff:
   1. Establish and maintain Segregation of Duties in operations.
   2. Maintain written documentation of Internal Control procedures.
   3. Identify and conduct Risk Assessments annually.
   4. Monitor the accuracy and reliability of accounting controls, financial functions, assets (capital and controlled equipment), operational protocols, and compliance with applicable laws and regulations.
   5. Assist independent auditors in conducting the annual financial audit by providing documentation on Fraud Risk Inquiries, Segregation of Duties Evaluations, Workflow Rules, Application IT Controls ICQ, and General IT Controls ICQ Reports.
   6. The Town Manager is authorized to adjust this policy in response to evolving governmental practices where necessary.

INVESTMENTS

Section 1. PURPOSE

This policy documents the Investment Strategy objectives of the Town of Farmville ("Town") and defines the allowable investments and restrictions that the Town must follow.

Section 2. POLICY

A. In recognition of its fiduciary role in the management of all Town funds entrusted to its care, it shall be the policy of the Town Council that all funds be invested with the care, skill, prudence, and diligence to ensure that sound investments are made to protect the Town's financial position and provide for ample returns on the investments.

B. It is the responsibility of the Town Finance Director to manage the investment program of the Town such that the Town meets or exceeds all statutes and guidelines governing the deposit and investment of public funds in Virginia, including the Investment Code of Virginia and the guidelines established by the State Treasury Board and the Governmental Accounting Standards Board (GASB). In addition, the Town will comply with all provisions relating to investments and deposits included in any Bond Indenture, Financing Agreement, or similar document.

Section 3. OBJECTIVES

A. The primary objectives of the investment strategy, listed in priority order, shall be as follows:
   1. **Safety –** the principal's safety is the investment program's foremost objective.
   2. **Liquidity –** the investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.
   3. **Yield (Return on Investment) –** the investment portfolio shall be designed to attain a market rate of return throughout the budgetary and economic cycles, considering the investment risk constraints and liquidity needs.

Section 4. ALLOWABLE INVESTMENTS

A. The following investment types are approved for use by the Town Council and Director of Finance in the investment of public funds, provided that the provisions of any Bond Indenture, Financing Agreement, or similar document are also satisfied:
   1. U.S. Treasury Bills, Notes, Bonds, and other direct obligations of the United States Government.
   2. U.S. Government agencies and instrumentality obligations that have a liquid market with a readily determinable market value.
   3. Certificates of deposit or other deposits of financial institutions located within the Commonwealth and state-chartered banks under Commonwealth supervision, provided such deposits are insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized as provided by the Virginia Security for Public Deposits Act.

INVESTMENTS

4. U.S. dollar-denominated Banker's acceptances issued by a domestic bank, provided that Moody's Investor Services rate such financial institutions and state-chartered banks as P-1 or better and by Standard & Poor's as A-1 or better.
5. Taxable obligations of the Commonwealth of Virginia and its local governments and public bodies, provided such obligations have a debt rating of at least "AA" or equivalent by Moody's and/or Standard & Poor's.
6. Repurchase agreements executed through Federal Reserve Member banks or Primary Dealers in U.S. Government Securities and collateralized by Treasury or Agency obligations, the market value of which is at least 102% of the purchase price of the repurchase agreement.
7. The Commonwealth of Virginia Treasury Department's Local Government Investment Pool ("LGIP"), the Virginia State Non-Arbitrage Program, and Virginia Investment Pool ("VIP").

Section 5. DEPOSITS

All Town deposits must be insured under the Federal Deposit Insurance Corporation (FDIC) or collateralized under the Virginia Security for Public Deposits Act, Section 2.2-4400 et seq. of the Code of Virginia.

Section 6. MATURITY RESTRICTIONS

A. It is recognized that, before the maturity date, the market value of securities in the Town's portfolio may fluctuate due to changes in market conditions. In accordance with the Town's primary investment objectives of liquidity and preservation of principal, every effort should be made to manage investment maturities to precede or coincide with the expected need for funds.

B. Accordingly, the requirements established by the Code of Virginia and State Treasury Board guidelines are further restricted as follows:
   1. Funds shall always be invested in keeping with the seasonal pattern of the Town's cash balances, as well as any other unique factors or needs, to assure the availability of funds on a timely and liquid basis. Cash flow projections will be monitored and updated on an ongoing basis by the Director of Finance and communicated to the Town Council on an as-needed basis.
   2. The portfolio must be invested in securities maturing within one (1) year. If an investment may be redeemed by the Town, or by a Trustee on behalf of the Town, for its intended purpose without penalty within one (1) year, such investment shall be deemed in compliance with this maturity restriction.
   3. Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding one (1) year if the maturities of such investments coincide as nearly as practicable with the expected use of funds.

INVESTMENTS

Section 7. PROHIBITED SECURITIES

Any security not explicitly authorized in this investment policy is expressly prohibited.

Section 8. ADDITIONAL REQUIREMENTS

A. All securities purchased for the Town shall be held by the Town's Finance Director or a custodian. If held by a custodian, the securities must be in the Town's name or the custodian's nominee's name and identifiable on the custodian's books as belonging to the Town. Further, if held by a custodian, the custodian must be a third party, not a counterparty (buyer, issuer, or seller) to the transaction. This requirement does not apply to excess checking account funds invested overnight in a bank "sweep" repurchase agreement or similar vehicle authorized under this policy.

B. The town's policy requires dual approvals for any cash transfers. The individuals authorized to approve funds transfer or otherwise conduct investment transactions shall be the Town Manager and Finance Director. In the absence of the Town Manager or Finance Director, the second approval will be from the Deputy Finance Director. The Town Council shall explicitly approve any change in these positions.

C. Town Council must approve any modifications to this Investment Policy.

LONG-TERM FINANCIAL PLANNING

Section 1. PURPOSE

This policy documents the Long-Term Financial Planning objectives of the Town of Farmville ("Town"). This policy aims to serve as the Town's long-term growth and operating blueprint to ensure the Town's ongoing financial sustainability spans beyond the current budget cycle. The primary objectives of this policy are to establish a framework to guide the Town in planning and decision-making and to create a purposeful approach to aligning short-term actions with long-term financial strategies. This policy is intended to assess the implications of today's decisions on future budgets with respect to changes in economic conditions.

Section 2. POLICY

A. The Town will maintain long-term fiscal solvency by identifying significant future expenses, liabilities, problems, and resources not included or recognized in the annual budget. The Town will highlight critical areas which have or are expected to have, an impact on the financial condition of the Town over the next three (3) years. Specific goals and objectives will be developed for each structural deficiency.

B. The Town shall engage in long-term financial planning to align financial capacity with service objectives by financing ongoing operating expenditure requirements and, whenever possible, capital infrastructure from ongoing sustainable revenue sources using a pay-as-you-go methodology.

C. Reserve Funds are critical to the Town's long-term financial plan. These funds are used to provide for one-time or short-term requirements, provide for future replacement or acquisition of capital assets if possible, and to provide flexibility to manage debt. Building of Reserve Funds shall primarily be accomplished through:
   a. Allocation of Operating Surplus:
      i. Any General Fund operating surplus over $50,000 at the end of the fiscal year will be transferred to the Unrestricted General Fund Reserve Account. Any General Fund operating deficits will be funded from the Unrestricted General Fund Reserve Account.
      ii. Any Enterprise Funds (water, sewer, transportation, and airport) operating surplus over $50,000 at the end of the fiscal year will be transferred to the Unrestricted Enterprise Fund Reserve Account. Any Enterprise Fund operating deficits will be funded from the Unrestricted Enterprise Fund Reserve Account.
   b. Operating Budget Allocation to Reserve Funds:
      i. The contribution to each respective Reserve Fund will continue after each annual budget cycle to sustain asset management strategies.

LONG-TERM FINANCIAL PLANNING

D. The Town shall ensure ongoing expenditure requirements are satisfied by ongoing revenue sources such as user fees, taxation, and grants. The Town Council will establish fees and taxation to yield the target proportions essential to service delivery and sustainability. The council will consider operating and capital costs when establishing fees and taxation.

E. The Town shall ensure long-term financial sustainability through the preparation and annual review of a five (5) year Capital Improvement Plan (CIP), which will identify asset replacement needs and infrastructure capital work plans versus corresponding revenue generation and/or funding gap.

F. The Town shall actively seek additional sustainable revenues from the state and federal governments to bridge the infrastructure funding for capital renewal and/or replacement projects that would otherwise be unaffordable.

G. Long-term debt financing shall only be considered for new, non-recurring infrastructure rehabilitation/replacement requirements, for tangible capital assets unable to be expensed with current funding streams, and for projects where the cost of deferring expenditures exceeds debt-servicing costs.

Section 3. OBJECTIVES

A. The primary objectives of the Long-Term Financial Planning Policy shall be as follows:
   1. Ensure long-term structural soundness and continuous improvement in the Town's financial position.
   2. Maintain and/or improve the Town's service level standards.
   3. Ensure that the Town achieves full cost recovery, when possible, for providing services.

Section 4. PROCEDURES

A. Town Council:
   1. Approve Long-Term Financial Planning Policy.
   2. Monitor compliance with the Long-Term Financial Planning Policy by maintaining budgetary control throughout the budget adoption and ongoing operating budget process.

B. Town Staff:
   1. Propose revisions to the Long-Term Financial Planning Policy.
   2. Identify significant future expenses, liabilities, problems, and resources not included or recognized in the annual budget and develop specific goals and objectives to manage each structural deficiency.
   3. Prepare an annual review of a five (5) year Capital Improvement Plan (CIP).
   4. Actively seek additional sustainable revenues from the state and federal governments.

LONG-TERM FINANCIAL PLANNING

5. Recommend when long-term debt financing should be considered.
6. The Town Manager is authorized to adjust this policy in response to evolving governmental practices where necessary.

OPERATING AND CAPITAL BUDGET PROCESS

Section 1. PURPOSE

This policy is to document the Operating and Capital Budget process of the Town of Farmville ("Town"). This policy aims to promote efficiency and effectiveness in the management and operation of all town programs by utilizing available financial resources by adopting a balanced annual operating budget for the fiscal year. All elected officials, Town management, department heads, and employees are responsible for exercising good stewardship in managing public funds and resources according to State statutes, Town policies, and approved budgets. The primary objective of this policy is to provide accountability to the Town's citizens by carefully accounting for public funds, managing funds wisely, and planning for the provision of services. The operating and capital budgets are developed on an annual basis, with the capital budget based upon a five-year capital improvement plan and are intended to provide conceptual standards for financial decision-making, enhance consistency in financial decisions, and establish parameters for administration to use in directing the daily financial operations of the Town.

Section 2. POLICY

A. The Town's budget shall conform to all the laws of the Commonwealth of Virginia related to the adoption, amendment, and control of the budget. In addition, all policies outlined in this document are designed to provide for and enhance the financial stability of the Town.

B. The Town will exercise budgetary control by adhering to the Code of Virginia §15.2-2503 requirement to adopt an annual balanced budget by formal resolution for the following funds:
   1. General Fund, in which a balanced budget is achieved when the amounts available from taxation and other sources, including amounts carried over from prior fiscal years, equals the total appropriations for expenditures and reserves.
   2. Enterprise Funds, in which a balanced budget is achieved when the amounts available from fees, charges, and investment earnings, including amounts carried over from prior fiscal years, equals the total appropriations for expenditures and reserves.

C. The Town will maintain a budgetary control system to ensure adherence to the budget and use a budget/encumbrance control system to ensure proper budgetary control.

D. The budget shall delineate the funding sources for each year's expenditures. Any one-time revenues or use of unassigned fund balances will be used for one-time, non-recurring expenditures such as capital assets, equipment, special studies, debt reduction, and reserve contributions, except for the General Fund. In the General Fund, no unassigned fund balance will be used to fund current operations. Restricted or committed fund balances may only be used for stated purposes.

OPERATING AND CAPITAL BUDGET PROCESS

E. The Town shall account for the General Fund using the modified accrual basis of accounting, under which revenue is recognized in the accounting period it becomes available and measurable, while expenditures are recognized in the accounting period in which they are incurred. The Town shall account for the Enterprise Funds using the full accrual basis of accounting, under which revenues are recorded when earned, and expenses are recorded when incurred. Because the appropriated budget is used as the basis for control and comparison of budgeted and actual amounts, the basis for preparing the budget is the same as the basis of accounting.

F. Public involvement shall be encouraged in the annual budget decision-making process through public hearings, public outreach, and disseminating accessible information. Public participation efforts will allow the Town to improve performance by identifying public needs, priorities, and service delivery expectations. Increased public involvement will allow the Town to be more responsive to community needs, thereby increasing the value that the public receives from Town government.

G. **Budget Adoption**:

1. Before the commencement of the annual budget process, the Director of Finance, in consultation with the Town Manager, shall develop recommended budget parameters and the budget calendar. Budget parameters will include allowable increases in operating budgets, projected wage increases, targets for borrowing in accordance with the Town's debt and capital improvement budget policies, anticipated changes in revenue sources or tax base growth, and other factors.

2. Certain elements of budgets common across departments shall be calculated and/or monitored on a centralized basis to ensure comparability and budgetary control, i.e., Town incurred utility charges, liability insurance, salaries, and benefits.

3. The Director of Finance shall be responsible for coordination and initial review of department budget submissions. Following initial review, the Director of Finance will work with the Town Manager, to develop a budget. In accordance with the Code of Virginia §15.2-2508, meetings will be held with departments to review their budget requests prior to finalizing the budget.

4. The budget, consisting of the Town Manager's recommendations on department requests, shall be submitted to Town Council for its consideration and in accordance with Code of Virginia §15.2- 2504, shall include:
   i. A brief budget message that shall outline significant highlights of proposed budget requests per fund for the fiscal year shall set forth the reasons for any significant changes in expenditure and revenue items from the previous fiscal year, and shall explain any major change in financial policy;

OPERATING AND CAPITAL BUDGET PROCESS

ii. Synopsis of the budget showing a summary of all revenues and expenditures for each department of each fund;
iii. Fund graphs and budget summaries;
iv. Revenue summary including actual, budgeted, and proposed;
v. Departmental expenditure summary including mission, description, goals, financial summary, services, and significant program impacts by the department;
vi. Line-item detail for each department by fund;
vii. Debt service;
viii. Capital Improvement Program (CIP) including summary and line item detail;
ix. Position classification and pay scale data.

5. The budget review process will include Town Council participation in the development of each segment through budget work sessions and will allow for citizen participation through public hearings on the proposed budget. In accordance with Code of Virginia §15.2- 2506, required notice of the hearings will be published in the official newspaper of the Town and shall include:
   i. The time and location where copies of the budget are available for public inspection,
   ii. The time and location, not less than two (2) weeks after such publication, for a public hearing on the proposed budget, and
   iii. A complete synopsis of all revenue and operating expenses by fund.

6. After the public hearing, the Council may adopt the budget with or without amendments. In amending the proposed budget, it may add or increase programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law or for debt service, provided that no amendment to the proposed budget shall increase expenditures to an amount greater than the estimated income (including the use of available Fund Balance).

7. The Town Council shall adopt the proposed budget on or before the 20th day of the last month of the fiscal year currently ending. If it fails to adopt the proposed budget by this date, the amounts appropriated for operations for the current fiscal year will be deemed adopted for the ensuing fiscal year on a month-to-month basis, with all items in it pro-rated accordingly, until such time as Council adopts a budget for the ensuing fiscal year. Adoption of the budget will constitute appropriation of the amounts specified therein as expenditures from the funds indicated and will constitute a levy of the property tax therein proposed.

8. A copy of the adopted budget will be filed in the Town Municipal Offices and will also be available on the Town's website.

Operating and Capital Budget Process

H. **Budget Amendments**:

1. In accordance with Code of Virginia §15.2-2507, the Town may amend the adopted budget for supplemental appropriations and emergency appropriations. The Town Council may authorize supplemental appropriations for the year if the Town Manager certifies that there are available revenues and/or fund balance in excess of those estimated in the budget.

2. It is the policy of the Town to amend a fund's budget for roll-overs, re-appropriations, emergencies, federal and state mandates, or other circumstances that could not be anticipated, and only if sufficient funds are available; a budget may not be amended simply because additional revenues become available.

3. In the event of a public emergency affecting life, health, property or the public peace, Council may make emergency appropriations and to the extent that there are no available unappropriated revenues to meet such situations, Town Council may, by such ordinance, authorize the issuance of emergency notes, which may be renewed as necessary.

4. By statute, any budget amendment that exceeds one (1) percent of the total expenditures shown in the currently adopted budget must first publish a notice of a public hearing stating the governing body's intent to amend the budget, including a brief synopsis of the proposed amendment at least seven (7) days prior to the meeting date. After providing that public hearing during such meeting, the Town Council may adopt the proposed budget amendment.

5. It is the policy of the Town that any transfers between line-item expenditures within a department can be approved by the Town Manager. The Town Council must approve any transfers of expenditure accounts between departments or funds.

I. **Budget Monitoring**:

1. The Annual Budget, being an intricate part of maintaining the financial stability of the Town and acting as the Financial Plan directing the Town in both long-range planning and everyday operations, it is essential that timely reports are generated to inform Town Council and management staff of the Town's financial progress. The Finance Department will submit to the Town Council, Town Manager, and Department Heads on a monthly basis an overview report of budget to actual, both revenue and expense for all Funds and/or Departments. Any significant changes will be described in detail with any necessary recommended corrective action. Should Finance realize a financial problem exists or trends warrant closer analysis, the Director of Finance is required to inform the Town Council and the Town Manager as soon as a situation is detected.

Section 3. OBJECTIVES

A. The primary objectives of the Operating and Capital Budget Process shall be as follows:
   1. To conform to all the laws of the Commonwealth of Virginia as they relate to the adoption, amendment, and control of the budget.
   2. To establish budget priorities to underline organizational goals and community vision to provide direction.
   3. To determine short- and long-term capital needs that are essential to Town operations.
   4. To ensure sound revenue and resource forecasting based upon qualitative and quantitative methods for conservative and realistic estimates.
   5. To ensure that spending follows a plan, supports organizational objectives, stays within preset limits, and does not exceed available funds.

Section 4. PROCEDURES

A. Town Council:
   1. Approve Operating and Capital Budget Process Policy.
   2. Manage the operating and capital budget process by maintaining budgetary control throughout the budget adoption and ongoing operating budget process, ensuring that the town adheres to the requirements of the Code of Virginia and town policies.

B. Town Staff:
   1. Coordinate department and capital budget requests, including explanations and justifications of specific requests.
   2. Coordinate and evaluate revenue estimations, expenditure estimations, and financial impacts of budget requests.
   3. Ensure compliance with applicable budgetary statutes.
   4. Administer policies and procedures regarding the annual budget process and the ongoing daily operations of the budget.
   5. Prepare monthly financial reports that monitor financial results.
   6. The Town Manager is authorized to adjust this policy in response to evolving governmental practices where necessary.

PROCUREMENT

Section 1. PURPOSE

This policy documents the Procurement and General Purchasing guidelines of the Town of Farmville ("Town"). The Town's goal is to facilitate the procurement of goods and services that meet the community's needs at the lowest possible cost consistent with the quality needed for the proper operation of the various departments. All purchases should be handled in a manner that creates the most excellent ultimate value per dollar expended.

Section 2. POLICY

A. Town Council has appointed the Town Manager and/or his designee to serve as the principal public purchasing official for the Town and shall be responsible for the procurement of goods, services, insurance, and construction in accordance with the Town of Farmville Procurement Ordinance. The ordinance set forth by the Town follows the competitive procurement statutes established in § 2.2.4300 B & C of the Virginia Public Procurement Act.

B. Purchasing procedures shall adhere to the following guidelines:

1. **Purchases under $5,000.00** should be done solely by the Department Head, or designee. This amount applies to the total of all items purchased on an invoice. Every effort should be made to ensure that the purchase is made competitively.

2. **Purchases equal to $5,000.00 but less than $25,000.00 – purchases in this group are normally completed by the Department Head or designee** and should be made by obtaining a minimum of three verbal or telephone quotations. A bid sheet containing the three quotations, information on the three solicited vendors, and the information on the item to be purchased should be documented and submitted with the purchase requisition.

3. **Purchases equal to $25,001.00 but less than $50,000.00 - Purchases in this group are normally completed by the Department Head** or designee with the Buyer's assistance if required. For purchases of this type, a description of the item/service shall be faxed or e-mailed to at least three (3) possible vendors. The vendors must have an adequate response time to return the quotation. A purchase requisition must be completed, including the information on the selected vendor and the item/service to be purchased. All quotes shall be submitted to the Finance Department/Buyer to process the required requisition and purchase order.

4. **Purchases equal to $50,000.00 and over** - Purchases in the group are normally completed by the Finance Department/Buyer with assistance from the Department Heads or designee. Purchases of this type shall be accomplished by using formal sealed bids/proposals. Detailed specifications (complete or in draft form) shall be submitted to the Finance Department/Buyer. Any special terms and conditions should also be included. The Finance Department/Buyer shall complete the bid process: add general terms and conditions, advertise in the local newspaper(s), prepare and mail the bid packages, receive bids, open bids, and forward the bidding schedule and packages to the appropriate department. The

PROCUREMENT

Department Head, or designated individual, shall thoroughly review all bids/proposals to make the bid award to the best responsive and responsible bidder.

5. **Purchases subject to appropriation** – No goods, services, insurance, or construction shall be procured unless they are attached to a specific line item included in an annual budget adopted by the Town, and funds are appropriated for said activity.

6. **Documentation of proposals** – Written specifications shall be developed and published to procure all goods, services, insurance, and construction. A common deadline for the submittal of all proposals for the procurement of goods, services, insurance, and construction shall be developed and published. A copy of all written proposal documentation shall be submitted to the Town Manager.

7. **Notification of award of contract** – Bidders who are not awarded a contract shall be notified within two weeks of the execution of terms with a successful bidder.

8. **Council members excluded from bidding** – No current member of the Town Council shall knowingly have a personal interest in any work to be conducted under the provisions of this policy. Furthermore, no member of the Town Council shall be eligible to perform work under the provisions of this policy within one year of the expiration of his or her term.

C. The purchasing policy and procedures manual shall provide a step-by-step guide to the Town's procurement methods and practices. The understanding and cooperation of all employees in adhering to this guide is essential for the Town to obtain the maximum value for each tax and utility dollar spent.

Section 3. OBJECTIVES

A. The primary objectives of the Procurement Policy shall be as follows:
    1. Obtain high-quality goods and services at reasonable cost.
    2. Procurement procedures are to be conducted fairly and impartially to avoid any impropriety or appearance of impropriety.
    3. All qualified vendors can access public business, and no offeror is arbitrarily or capriciously excluded.
    4. Completion is to be sought to the maximum feasible degree.
    5. Procurement procedures involve openness and administrative efficiency.
    6. Rules governing contract award are to be made clear in advance of the competition.
    7. Procurement specification should reflect the need of the purchasing body rather than being drawn to favor a particular vendor.
    8. Purchasers and vendors freely exchange information concerning what is sought to be procured and what is offered.

PROCUREMENT

Section 4. PROCEDURES

A. Town Council:
   1. Approve Purchasing Ordinance

B. Town Staff:
   1. Propose revisions to the Purchasing Ordinance and/or Policy Manual
   2. Ensure the Town follows the Purchasing Ordinance and Policy Manual

Town of Farmville

Agenda Item Summary

MEETING DATE: March 13, 2024

ITEM NUMBER: 14.b. – Request Approval of FY2024-2025 Local Choice Health Insurance Rates

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BACKGROUND: Verbal report by the Town Manager.

The proposed rates were discussed at the March 6, 2024, Work Session.

RECOMMENDATION: Approve FY2024-2025 Local Choice Health Insurance Rates

FISCAL IMPACT:

ATTACHMENTS:
1. TLC Rate Pages-Extracted

THE LOCAL CHOICE HEALTH CARE PROGRAM

TOWN OF FARMVILLE

GROUP # T69913

RATES EFFECTIVE 07/01/24 - 06/30/25

RATES WITH COMPREHENSIVE DENTAL

ACTIVE EMPLOYEES	SINGLE	DUAL	FAMILY
Key Advantage Expanded	$1,012	$1,872	$2,732
* Key Advantage 250	$921	$1,704	$2,487
* Key Advantage 500	$850	$1,573	$2,295
Key Advantage 1000	$810	$1,499	$2,187
High Deductible Health Plan	$668	$1,236	$1,804
RETIREES NOT ELIGIBLE FOR MEDICARE			
Key Advantage Expanded	$1,012	$1,872	$2,732
* Key Advantage 250	$921	$1,704	$2,487
* Key Advantage 500	$850	$1,573	$2,295
Key Advantage 1000	$810	$1,499	$2,187
High Deductible Health Plan	$668	$1,236	$1,804

RATES WITH PREVENTIVE DENTAL ONLY

ACTIVE EMPLOYEES	SINGLE	DUAL	FAMILY
Key Advantage Expanded	$995	$1,841	$2,687
* Key Advantage 250	$904	$1,672	$2,441
* Key Advantage 500	$833	$1,541	$2,249
Key Advantage 1000	$793	$1,467	$2,141
High Deductible Health Plan	$651	$1,204	$1,758
RETIREES NOT ELIGIBLE FOR MEDICARE			
Key Advantage Expanded	$995	$1,841	$2,687
* Key Advantage 250	$904	$1,672	$2,441
* Key Advantage 500	$833	$1,541	$2,249
Key Advantage 1000	$793	$1,467	$2,141
High Deductible Health Plan	$651	$1,204	$1,758

*** Benefit Plans Currently Offered**

COVERAGE UNDER ALL THE LOCAL CHOICE PLANS IS APPLICABLE TO THE FOLLOWING :

- Active Employees and their Dependents
- Retirees not eligible for Medicare and their Dependents not eligible for Medicare, and/or Dependents of Medicare eligible Retirees who are not Medicare eligible.

IF COVERAGE IS OFFERED TO MEDICARE ELIGIBLE RETIREES AND THEIR MEDICARE ELIGIBLE DEPENDENTS, it must be obtained through one of our Medicare Supplemental Contracts which require participation in both Parts A and B of Medicare to receive maximum benefits.

THE PCORI FEE is the responsibility of the group and payment should be submitted directly to HHS; therefore, this fee is not included in the rates.

THE LOCAL CHOICE HEALTH CARE PROGRAM

TOWN OF FARMVILLE

GROUP # T69913

COBRA RATES EFFECTIVE 07/01/24 - 06/30/25

COBRA RATES WITH COMPREHENSIVE DENTAL

ACTIVE EMPLOYEES	SINGLE	DUAL	FAMILY
Key Advantage Expanded	$1,032.24	$1,909.44	$2,786.64
* Key Advantage 250	$939.42	$1,738.08	$2,536.74
* Key Advantage 500	$867.00	$1,604.46	$2,340.90
Key Advantage 1000	$826.20	$1,528.98	$2,230.74
High Deductible Health Plan	$681.36	$1,260.72	$1,840.08
RETIREES NOT ELIGIBLE FOR MEDICARE			
Key Advantage Expanded	$1,032.24	$1,909.44	$2,786.64
* Key Advantage 250	$939.42	$1,738.08	$2,536.74
* Key Advantage 500	$867.00	$1,604.46	$2,340.90
Key Advantage 1000	$826.20	$1,528.98	$2,230.74
High Deductible Health Plan	$681.36	$1,260.72	$1,840.08

COBRA RATES WITH PREVENTIVE DENTAL ONLY

ACTIVE EMPLOYEES	SINGLE	DUAL	FAMILY
Key Advantage Expanded	$1,014.90	$1,877.82	$2,740.74
* Key Advantage 250	$922.08	$1,705.44	$2,489.82
* Key Advantage 500	$849.66	$1,571.82	$2,293.98
Key Advantage 1000	$808.86	$1,496.34	$2,183.82
High Deductible Health Plan	$664.02	$1,228.08	$1,793.16
RETIREES NOT ELIGIBLE FOR MEDICARE			
Key Advantage Expanded	$1,014.90	$1,877.82	$2,740.74
* Key Advantage 250	$922.08	$1,705.44	$2,489.82
* Key Advantage 500	$849.66	$1,571.82	$2,293.98
Key Advantage 1000	$808.86	$1,496.34	$2,183.82
High Deductible Health Plan	$664.02	$1,228.08	$1,793.16

*** Benefit Plans Currently Offered**

COVERAGE UNDER ALL THE LOCAL CHOICE PLANS IS APPLICABLE TO THE FOLLOWING :

- Active Employees and their Dependents
- Retirees not eligible for Medicare and their Dependents not eligible for Medicare, and/or Dependents of Medicare eligible Retirees who are not Medicare eligible.

IF COVERAGE IS OFFERED TO MEDICARE ELIGIBLE RETIREES AND THEIR MEDICARE ELIGIBLE DEPENDENTS, it must be obtained through one of our Medicare Supplemental Contracts which require participation in both Parts A and B of Medicare to receive maximum benefits.

THE PCORI FEE is the responsibility of the group and payment should be submitted directly to HHS; therefore, this fee is not included in the rates.

Town of Farmville

Agenda Item Summary

MEETING DATE: March 13, 2024

ITEM NUMBER: 14.c. – Request Adoption of Resolution No. 2024-03-02, Regional Hazard Mitigation Plan

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BACKGROUND: Federal Requirements, specifically the Disaster Mitigation Act of 2000, require that state and local governments develop and adopt a Hazard Mitigation Plan in order to be eligible for federal mitigation grant funding. Per those requirements, the Plan must be updated every five years. Having a FEMA-approved plan is required for localities to be eligible for funding under pots of money including the Hazard Mitigation Grant program (which is available when a presidential disaster declaration affects our area), Building Resilient Infrastructure in Communities (formerly Pre-Disaster Mitigation, available annually), and Flood Mitigation Assistance (also available annually). Farmville is covered under the CRC's Regional Hazard Mitigation Plan, which covers all seven counties and incorporated towns (except Pamplin) in Planning District 14. The previous update was completed in 2018. We were a little behind schedule, but the completion of the current update will get all of the covered localities. FEMA has granted the current update Approval Pending Adoption. Once all of the covered localities adopt the Plan, FEMA will issue final approval. You will notice in the resolution that the Town is adopting the Plan "as applicable to the Town," meaning the Town is only bound to the parts of the Plan that pertain specifically to the Town.

RECOMMENDATION: Adopt Resolution No. 2024-03-02

FISCAL IMPACT:

ATTACHMENTS:
1. Resolution No. 2024-03-02

RESOLUTION NO. 2024-03-02

TO ADOPT COMMONWEALTH REGIONAL COUNCIL REGIONAL HAZARD MITIGATION PLAN

WHEREAS, the Town of Farmville is vulnerable to an array of hazards that can cause loss of life and damage to public and private property; and

WHEREAS, the Town desires to seek ways to mitigate situations that may aggravate such circumstances, and the development and implementation of a hazard mitigation plan can result in actions that reduce the long-term risk to life and property from hazards; and

WHEREAS, the Town is covered under a regional hazard mitigation plan that outlines ways to protect its citizens and property from the effects of hazards, in accordance with Section 322 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act; and

WHEREAS, that plan must be reviewed and updated every five years for the Town to remain in compliance with Section 322 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, and to remain eligible for certain types of federal assistance in the event of a disaster affecting the Town; and

WHEREAS, the Commonwealth Regional Council (CRC) has undertaken an update of the regional hazard mitigation plan, which includes Farmville, with input from the appropriate local and state officials; and

WHEREAS, citizens have been afforded an opportunity to comment and provide input in the Plan and the actions in the Plan; and

WHEREAS, the Virginia Department of Emergency Management and the Federal Emergency Management Agency have reviewed the updated hazard mitigation plan for legislative compliance and have approved the plan pending the completion of local adoption procedures.

NOW, THEREFORE BE IT RESOLVED that the Town Council for the Town of Farmville hereby adopts the updated CRC Regional Hazard Mitigation Plan, as applicable to the Town, and agrees to take such official actions as reasonably necessary, and as available resources allow, to carry out the proposed actions in the plan.

Approved: ___________________________
Mayor

Attest: ____________________________
Clerk of Council

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I certify that the above resolution was:

Adopted on ____.

Ayes: ________. Nays: ________. Absent: _________. Abstain: _________.

The Honorable A.D. "Chuckie" Reid __________.

The Honorable Sallie O. Amos __________.

The Honorable Daniel E. Dwyer __________.

The Honorable Tommy Pairet __________.

The Honorable John F. Hardy __________.

The Honorable Donald L. Hunter __________.

The Honorable Adam Yoelin __________.