



January 25, 2013

TO: SMITHFIELD TOWN COUNCIL

**FROM: PETER M. STEPHENSON, AICP, ICMA-CM
TOWN MANAGER**

**SUBJECT: JANUARY 2013 COMMITTEE MEETINGS WILL BE HELD AT THE SMITHFIELD
CENTER LOCATED AT 220 NORTH CHURCH STREET, SMITHFIELD, VA**

MONDAY, JANUARY 28TH, 2013

4:00 P.M. Police Members: Chapman (CH), Tynes, Gregory

- TAB # 1**
1. Operational Updates – Goals & Objectives for 2013
 2. Ordinance on Adopted Special Events Policy (**Forthcoming**)
 3. Donation to Smithfield Police Department
 4. Public Comments

Immediately following the conclusion of the above meeting:

Water and Sewer Members: Gregory (CH), Smith, Tynes

1. Public Comment
2. Closed Session – Matters Requiring Advice of Legal Counsel

Immediately following the conclusion of the above meeting:

Finance Members: Pack (CH), Gregory, Cook

1. Audit Presentation by Leslie Roberts of Dixon Hughes Goodman
 2. December Financial Statements and Graphs
 3. December Cash Balances
 4. Invoices Over \$10,000 Requiring Council Payment Authorization:
 - a. USbank (Debt Service payment) \$ 53,243.75
 - b. USbancorp (Debt Service – RO Plant) \$ 84,150.83
 - c. Draper Aden Associates \$ 20,118.00
 - d. REW Corporation \$ 16,564.00
 - e. Caldwell Tanks \$ 24,996.41
 5. CIP Review and Update
 6. Audit and Banking Services RFP Update & Information on Investment Banking
 5. Public Comments
- TAB # 2**
- TAB # 3**
- TAB # 4**
- TAB # 5**
- TAB # 6**

TUESDAY, JANUARY 29TH, 2013

4:00 p.m.

Fire and Rescue

Members: Tynes (CH), Pack, Chapman

1. Operational Updates
2. Public Comments

Immediately following the conclusion of the above meeting:

Public Works

Members: Smith (CH), Cook, Tynes

1. Operational Updates
2. Public Comments

Immediately following the conclusion of the above meeting:

Public Buildings & Welfare

Members: Cook (CH), Chapman, Smith

TAB # 7

1. Smithfield 2020 Update by Rick Bodson
2. Smithfield on the Move Update by Gina Ippolito
3. Pinewood Heights Relocation Project – Phase II Update
4. Planning Commission Meeting Scheduled for Tuesday, March 12th 2013 be moved to Monday, March 11th to allow the Smithfield Center to be Rented for Three Day Conference

TAB # 8

5. Extend Expiration of Franchise Agreement with Charter Communication to March 31, 2013
6. Maintenance of Tenant Farm House at Windsor Castle Park
7. Continued Discussion on Boundary Line Adjustment Agreement
8. Public Comments

***** Additional Item Not Listed on Committee but will be on Council's January 2nd Agenda*****

- Approval of January 2nd Town Council Minutes
 - Proclamation for Black History Month
 - Proclamation Recognizing February as "Love our Park" month
 - Accept Recommendations from Nominating Committee for the Expiring BHAR Terms of Laurie Coyne and Russell Parrish (1-31-2013)
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GOALS AND OBJECTIVES FOR 2013

2012 was a very eventful and productive year for the Smithfield Police Department. In March, Steven G. Bowman was named Chief of Police. Shortly thereafter, Chief Bowman and Deputy Chief Alonzo Howell began reorganizing the Department making a number of promotions and hiring new officers to fill the void left when Sheriff Marshall departed the agency to assume command of the Isle of Wight Sheriff's Office. While some were concerned (and, understandably so) that the loss of so many gifted and seasoned supervisors and line officers might be problematic for the uninterrupted provision of quality police service to the Town, the newly formed management team looked upon this situation as an opportunity to mold the Department in a fashion that provides the best in law enforcement and community services utilizing new and innovative ideas advanced by remaining and newly hired personnel. This collaborative approach has served the Department well to ensure the citizens of the Town of Smithfield receive the most professional and cost-effective law enforcement services.

As we build upon our successful year, we look forward to 2013 to continue the proud tradition of serving the Town of Smithfield. We realize that if we are not looking the future, we may be overrun by lost opportunities of the past. With that in mind, we provide our GOALS AND OBJECTIVES FOR 2013.

1) Continue to suppress criminal activity through active police patrol and community involvement.

The Town of Smithfield Police department is truly fortunate to have a group of highly professional and well trained police officers within its ranks. These dedicated men and women strive continuously, through their law enforcement efforts and community involvement to make Smithfield a great place to reside, recreate, and earn a living. These officers are trained to comprehend and readily embrace the concept that there is more to police work than writing summons and making arrests. We have a number of officers that volunteer their time to coach recreational sports, assist and mentor at homework stations and that are active in their local churches. This close working relationship with the public we serve demonstrates a dedication to community while fostering a collaborative working relationship with the citizens.

2) Certificate of Smithfield as a Crime Prevention Community.

The beginning of this year, the Town of Smithfield began the process to be recognized as the smallest town in the Commonwealth to be recognized as a Certified Crime Prevention Community by the Virginia Department of Criminal Justices Services. In 1998, an Executive Order was issued by the Governor's Office that created the New Partnership Commission for Community Safety. This Commission tasked the DCJS with developing the Certified Crime Prevention Community Program with an eye toward promoting "youth, family, and overall community safety". The goal of this program is to certify communities that have undertaken collaborative community and law enforcement initiatives that are tangible in nature. To achieve this certification, a community must successfully implement a minimum of twelve core goals and objectives and seven

optional elements that are designed to “foster the development of community safety and crime prevention taking into consideration the uniqueness of the Town”

Town Council has taken steps to appoint the necessary liaison to the required work group and they, along with the Town Manager remain dedicated and supportive of this very important initiative.

3) The Smithfield Citizen’s Public Safety Academy

The Smithfield Police Department is currently in the development phase of a Smithfield Citizen’s Public Safety Academy. The academy will be designed to enhance the community partnership between the Police Department and the citizens we serve. The mission is to provide law enforcement and crime prevention educational instruction to increase awareness of the law and community policing. The department is excited for this opportunity to educate our citizens and increase crime prevention awareness. The Smithfield Citizen’s Public Safety Academy will be an important part of the town’s new Certified Crime Prevention Community initiative.

4) Increased Training for Our Police Staff

As a professional police department, it is incumbent upon us to maintain the most highly trained staff as possible. With an eye towards constant improvement, this Agency has requested and been granted a slot in the Federal Bureau of Investigation’s National Academy. This rigorous 10 week management program will begin January, 2015. This highly specialized management program is world renowned. The participant will attend at no cost to the Town other than mileage and incidentals as he travels to Quantico, Virginia. We are very excited about this great opportunity.

In addition to the FBI academy, our staff, including our very professional support group will continue to attend specialized training to advance our effort to be the very best Police Department possible.

5) Capital Improvement - Physical Evidence Control Building.

This specific item has been discussed previously and remains, not an elective undertaking but mandatory if we are to maintain our coveted Virginia Law Enforcement Accreditation status. As you may remember, we began our quest to renovate and remodel the building behind the Police Department in an effort to bring it up to defined standards of the Accreditation group. Much work remains to be done-and at significant cost. While an actual Request for Proposal has not been issued for the work, we have had several qualified contractors examine the facility. The approximate cost to accomplish these necessary and mandatory renovations could run as high as \$150,000.00. We desperately need the Town Council and Town Manager’s support to accomplish this objective either by the current direction we travel or by alternative means, such as consideration of another suitable facility.

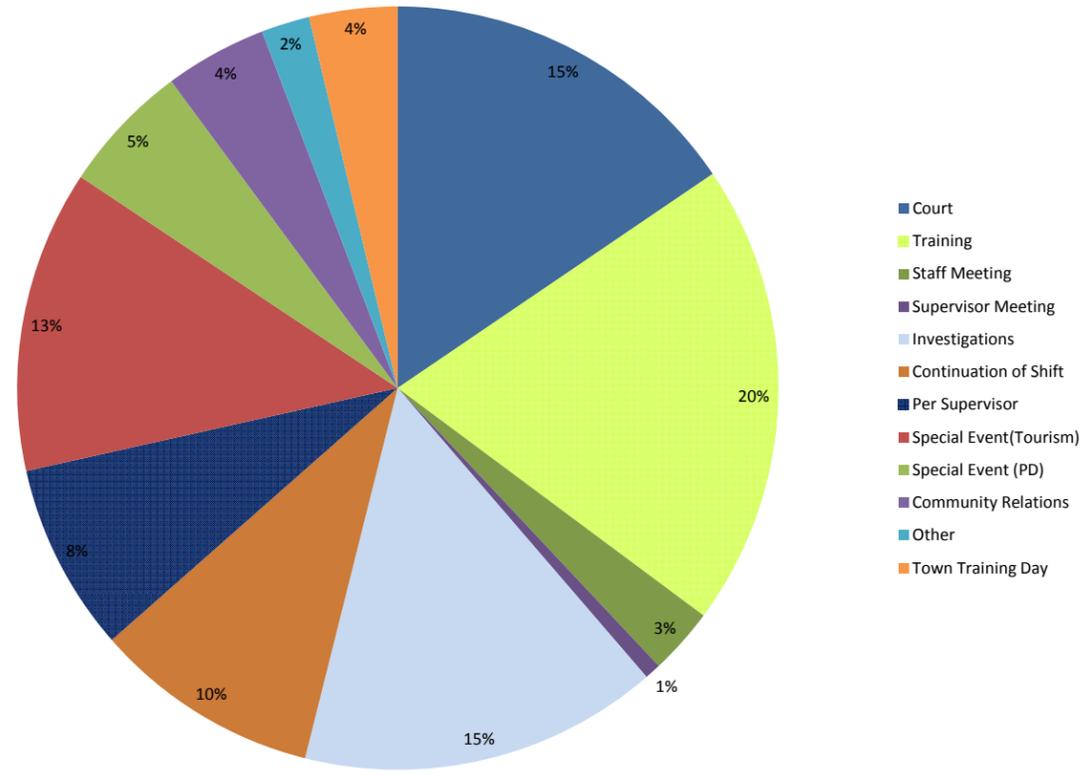
We thank you for the opportunity to provide our goals and objectives for the upcoming year. We know we have an aggressive agenda, but, with the dedicated drive of the professionals at the Smithfield Police Department, we know we can accomplish what we set out to do. We look forward to 2014 and the opportunity to brief you on our successes.

Snap Shot Report (2nd Quarter) End of Quarter

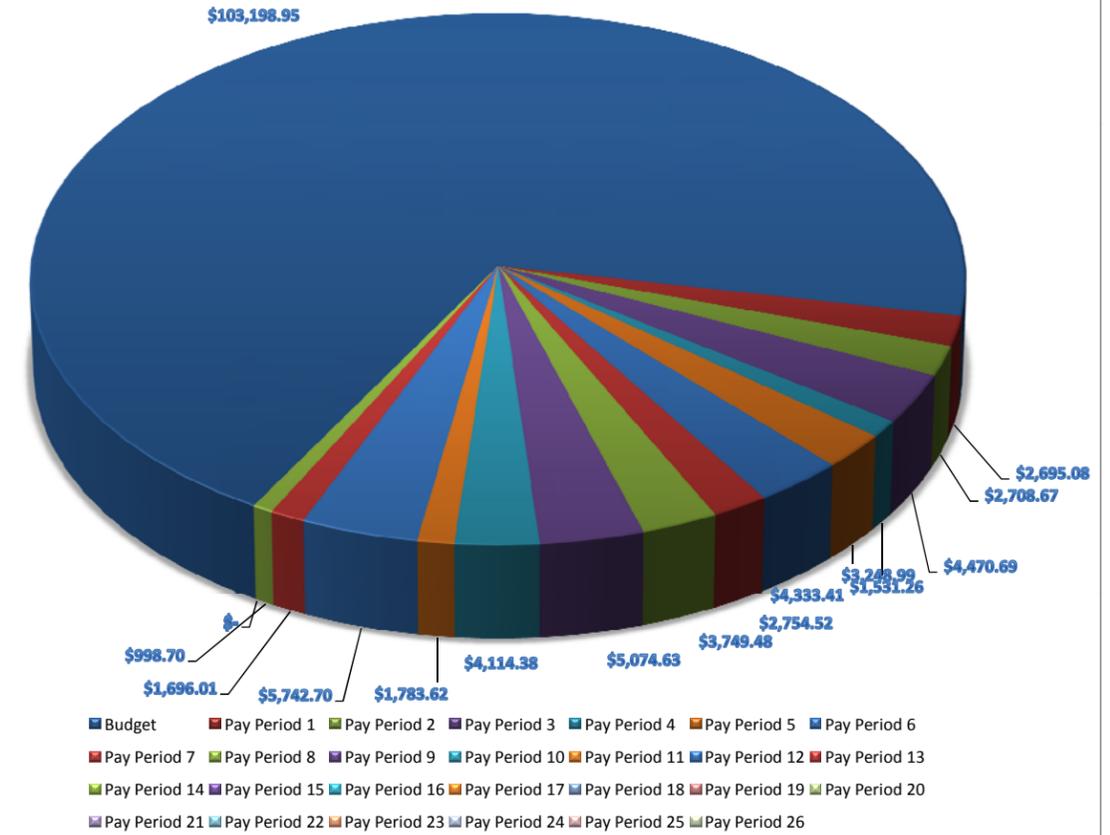
Beginning Budget \$103,198.95

Proposed Expenditure for Quarter \$25,799.73
 Actual Expenditure for Quarter \$23,159.50
 Remaining \$2,640.23

Overtime Classification by Percentage



Overtime Compensation Impact by Pay Period



OT Hours by Pay Period & Classification (Quarterly)

	Oct 7 - Oct 20	Oct 21 - Nov 3	Nov 4 - Nov 17	Nov 18 - Dec 1	Dec 2 - Dec 15	Dec 16 - Dec 29	Dec 30 - Jan 12	
Court	9.5	4	27	19.5	41	15.5	13	129.5
Training	21	31	53	16	71.5	0	0	192.5
Staff Meeting	0	1	1	1	0	30.5	0	33.5
Supervisor Meeting	0	0	0	0	2	0	0	2
Investigations	16.5	33	21	0	18.5	24	11	124
Continuation of Shift	6	12	16.5	0	11.5	2	2	50
Per Supervisor	12.5	17	11	11.5	4	0	5	61
Special Event (Tourism)	24	45	0	0	70.5	0	0	139.5
Special Event (PD)	0	0	0	0	0	1.5	0	1.5
Town Training Day	60	0	0	0	0	0	0	60
Community Relations	0	0	0	0	0	0	0	0
Other	7	1	0	6.5	2	2.5	0	19

Hurricane Sandy - 10/28-10/29/2012 - 38.5 Hours of OT
 Range Qualification - 11/13-11/15 2012 - 53 Hours of OT
 Christmas Parade - 12/8/12 - 70.5 Hours of OT

Town of Smithfield				
General Fund Operating Budget				
	Adopted Budget	Actual as of	Remaining	% of
Description	2012/2013	12/31/12	Budget	budget
Revenue				
General Fund revenues				
General Fund revenues				
Real Estate Tax				
Current RE Tax	1,648,955.00	1,617,569.93	31,385.07	98.10%
Delinquent RE Tax	25,000.00	11,090.07	13,909.93	44.36%
Current RE Penalty	8,000.00	2,306.97	5,693.03	28.84%
Delinquent RE Penalty	2,500.00	1,157.08	1,342.92	46.28%
Current RE Interest	1,900.00	-	1,900.00	0.00%
Delinquent RE Interest	2,800.00	2,580.93	219.07	92.18%
Total Real Estate Taxes	1,689,155.00	1,634,704.98	54,450.02	96.78%
Personal Property Tax				
Current PP Tax	812,000.00	785,535.39	26,464.61	96.74%
Delinquent PP Tax	10,000.00	19,823.55	(9,823.55)	198.24%
Current PP Penalty	10,725.00	4,943.96	5,781.04	46.10%
Delinquent PP Penalty	3,900.00	3,219.15	680.85	82.54%
Current PP Interest	650.00	-	650.00	0.00%
Delinquent PP Interest	1,800.00	1,579.37	220.63	87.74%
Total Personal Property Tax	839,075.00	815,101.42	23,973.58	97.14%
Miscellaneous Receipts Over/Short				
	15.00	43.88	(28.88)	292.53%
Total Over/Short	15.00	43.88	(28.88)	292.53%
Other Taxes				
Franchise Tax	139,245.00	-	139,245.00	0.00%
Cigarette Tax	130,000.00	70,950.40	59,049.60	54.58%
Transient Occupancy Tax	140,000.00	82,968.50	57,031.50	59.26%
Meals Tax-4%	776,000.00	442,485.88	333,514.12	57.02%
Meals Tax-2%-budgeted at 1%	194,000.00	168,254.15	25,745.85	86.73%
Communications Tax	238,000.00	81,441.70	156,558.30	34.22%
Rolling Stock	25.00	13.19	11.81	52.76%
Rental Tax	1,300.00	781.59	518.41	60.12%
Sales Tax	275,000.00	83,799.67	191,200.33	30.47%
Consumption Tax	46,000.00	19,396.03	26,603.97	42.17%
Utility Tax	189,500.00	76,653.62	112,846.38	40.45%
Total Other Local Taxes	2,129,070.00	1,026,744.73	1,102,325.27	48.23%
Licenses, Permits & Privilege Fees				

Town of Smithfield				
General Fund Operating Budget				
Description	Adopted Budget 2012/2013	Actual as of 12/31/12	Remaining Budget	% of budget
Business Licenses	311,000.00	30,068.51	280,931.49	9.67%
Business Licenses Penalty	2,000.00	1,645.37	354.63	82.27%
Business Licenses Interest	1,500.00	147.75	1,352.25	9.85%
Permits & Other Licenses	7,000.00	7,812.80	(812.80)	111.61%
WC Dog Park Registration	1,860.00	401.00	1,459.00	21.56%
Consultant Review Fees	5,000.00	1,350.00	3,650.00	27.00%
Vehicle License Tags	-	3.00	(3.00)	#DIV/0!
Vehicle License	130,000.00	112,055.99	17,944.01	86.20%
Total Licenses, permits and privilege fees	458,360.00	153,484.42	304,875.58	33.49%
<u>Fines & Costs</u>				
Public Defender Fee	-	-	-	#DIV/0!
Fines & Costs	57,000.00	23,398.68	33,601.32	41.05%
Total Fines & Forfeitures	57,000.00	23,398.68	33,601.32	41.05%
<u>From Use of Money and Property</u>				
General Fund Interest	8,000.00	2,485.98	5,514.02	31.07%
Beautification Fund Interest	15.00	84.12	(69.12)	560.80%
Note Proceeds-Farmers (HVAC Loan)	-	80,175.00	(80,175.00)	#DIV/0!
Rentals	9,365.00	11,941.74	(2,576.74)	127.51%
Smithfield Center Rentals	135,000.00	77,954.19	57,045.81	57.74%
Smithfield Center Vendor Programs	3,725.00	700.00	3,025.00	18.79%
Windsor Castle Event Rentals	4,000.00	-	4,000.00	0.00%
Fingerprinting Fees	-	510.00	(510.00)	#DIV/0!
Sale of Equipment	1,000.00	5.00	995.00	0.50%
Sale of Land	-	3,000.00	-	-
Lease of Land	500.00	500.00	-	100.00%
Total revenue from use of money and property	161,605.00	177,356.03	(12,751.03)	109.75%
<u>Miscellaneous Revenue</u>				
Other Revenue	1,500.00	1,881.39	(381.39)	125.43%
Cash Proffer Revenues	-	-	-	#DIV/0!
Obici Foundation Wellness Grant	47,595.00	16,198.00	31,397.00	34.03%
Virginia Municipal Group Safety Grant	2,000.00	3,861.00	(1,861.00)	193.05%
Total Miscellaneous Revenue	51,095.00	21,940.39	29,154.61	42.94%
<u>From Reserves</u>				
Restricted Reserves-Beautification	-	-	-	#DIV/0!
Reserves-Pinewood Escrow	-	7,308.96	(7,308.96)	#DIV/0!
From Operating Reserves	474,086.09	-	474,086.09	0.00%

Town of Smithfield				
General Fund Operating Budget				
Description	Adopted Budget 2012/2013	Actual as of 12/31/12	Remaining Budget	% of budget
Total From Reserves	474,086.09	7,308.96	466,777.13	1.54%
<u>Intergovernmental Virginia</u>				
Law Enforcement	161,533.00	80,766.00	80,767.00	50.00%
Litter Control Grant	2,609.00	3,765.00	(1,156.00)	144.31%
Police Block Grants-State	-	-	-	#DIV/0!
Urban Funds-State Match	-	-	-	#DIV/0!
Fire Programs	18,568.00	3,056.00	15,512.00	16.46%
VCA Grant	5,000.00	5,000.00	-	100.00%
DCA Grant (Dam)	25,000.00	-	25,000.00	0.00%
FEMA-VDEM (state portion)	-	3,275.23	(3,275.23)	#DIV/0!
Fuel Refund (state)	7,000.00	8,120.23	(1,120.23)	116.00%
Total State Revenue	219,710.00	103,982.46	115,727.54	47.33%
<u>Intergovernmental Federal</u>				
Federal Grants	5,000.00	7,599.02	(2,599.02)	151.98%
FEMA	-	-	-	#DIV/0!
Urban Fund Partial Use Allocation	-	-	-	#DIV/0!
FEMA-federal portion	-	14,449.56	(14,449.56)	#DIV/0!
Federal Formula	-	-	-	#DIV/0!
Federal Grant-Transportation Enhancement Program	-	-	-	#DIV/0!
Pinewood Heights CDBG Relocation Grant-Phase II	624,720.00	-	624,720.00	0.00%
Federal Fuel Income	8,300.00	1,735.30	6,564.70	20.91%
Total Federal Revenue	638,020.00	23,783.88	614,236.12	3.73%
<u>Other Financing Sources</u>				
<u>Operating Transfers In</u>				
Transfer In for Debt Service	-	-	-	#DIV/0!
Total Operating Transfers In	-	-	-	#DIV/0!
<u>Other Financing Sources</u>				
Capital Lease Acquisition	-	-	-	#DIV/0!
General Obligation Bond-Land Acquisition	-	-	-	#DIV/0!
Insurance Recoveries	-	4,124.42	(4,124.42)	#DIV/0!
Total Other Financing Sources	-	4,124.42	(4,124.42)	#DIV/0!
<u>Contributions</u>				
CHIPS Contributions	5,300.00	2,380.00	2,920.00	44.91%
Ruritan Club Contribution-Ivy Hill Bench	-	1,568.00	(1,568.00)	#DIV/0!
Contributions-Employee Awards	-	500.00	(500.00)	#DIV/0!

Town of Smithfield				
General Fund Operating Budget				
Description	Adopted Budget 2012/2013	Actual as of 12/31/12	Remaining Budget	% of budget
Contributions-IOW County Port Authority Grants	-	3,221.57	(3,221.57)	#DIV/0!
Pinewood Heights Contribution-IOW	-	-	-	#DIV/0!
Contributions South Church Street Improvement Project	-	-	-	#DIV/0!
Total Contributions	5,300.00	7,669.57	(2,369.57)	144.71%
Total General Fund Revenue	6,722,491.09	3,999,643.82	2,725,847.27	59.50%
Less Revenues, Loan Funds, Grants and Contributions related to capital projects				
General Obligation Bond-Land Acquisition	-	-	-	
Cash Proffer Revenues	-	-	-	
Meals Tax (1%) allocated to Special Projects	(194,000.00)	(168,254.15)	(25,745.85)	
South Church Street Improvement Project-Grants	-	-	-	
South Church Street Improvement Project-Contributions	-	-	-	
Beautification Reserves		(7,308.96)	7,308.96	
Pinewood Heights Relocation Project -Grant-\$800,000	624,720.00	-	624,720.00	
Pinewood Heights Relocation Project-Contribution-IOW	-	-		
Total Non-operating Revenues	430,720.00	(175,563.11)	606,283.11	-40.76%
Total General Fund Operating Revenues	7,153,211.09	3,824,080.71	3,332,130.38	53.46%
General Fund Budget Expenses				
Description	Adopted Budget 2012/2013	Actual as of 12/31/12	Remaining Budget	% of budget
GENERAL GOVERNMENT				
<u>Town Council</u>				
Salaries	40,000.00	19,120.00	20,880.00	47.80%
FICA	3,468.00	1,716.99	1,751.01	49.51%
Employee Wellness/Assistance Plan	1,900.00	819.00	1,081.00	43.11%
Legal Fees	30,000.00	15,063.63	14,936.37	50.21%
Election Expense	3,000.00	-	3,000.00	0.00%
Maintenance contracts	600.00	-	600.00	0.00%
Advertising	30,000.00	7,072.93	22,927.07	23.58%
Engineering	-	-	-	#DIV/0!
Professional Services	2,500.00	-	2,500.00	0.00%
Records Management maint & upgrades-scanner & software	3,900.00	995.00	2,905.00	25.51%

Town of Smithfield				
General Fund Operating Budget				
Description	Adopted Budget 2012/2013	Actual as of 12/31/12	Remaining Budget	% of budget
Site Plan Review	5,000.00	-	5,000.00	0.00%
Communications	5,100.00	1,038.18	4,061.82	20.36%
Insurance	27,665.00	13,062.50	14,602.50	47.22%
Supplies	20,000.00	9,323.77	10,676.23	46.62%
Travel & Training	7,000.00	3,863.72	3,136.28	55.20%
Subscriptions/Memberships	9,000.00	8,330.00	670.00	92.56%
Council Approved Items	10,000.00	4,503.19	5,496.81	45.03%
Public Defender Fees	2,000.00	1,560.00	440.00	78.00%
Bank Charges	375.00	300.65	74.35	80.17%
SpecialProjects	1,000.00	1,342.43	(342.43)	134.24%
Smithfield CHIPS program	3,772.00	2,256.00	1,516.00	59.81%
Update Town Charter & Code	2,000.00	1,355.00	645.00	67.75%
Education /Clerk	-	-	-	#DIV/0!
Annual Christmas Parade	325.00	-	325.00	0.00%
Council Approved Hwy	(22,270.00)	-	(22,270.00)	0.00%
Total Town Council	186,335.00	91,722.99	94,612.01	49.22%
<u>Town Manager</u>				
Salaries	201,022.01	89,059.32	111,962.69	44.30%
FICA	16,082.00	6,896.51	9,185.49	42.88%
VSRS	26,320.00	13,087.54	13,232.46	49.72%
Health	34,775.00	17,599.86	17,175.14	50.61%
Auto Expense	500.00	-	500.00	0.00%
Maintenance Contracts	1,400.00	-	1,400.00	0.00%
Communications	15,500.00	6,732.28	8,767.72	43.43%
Insurance	2,725.00	1,386.12	1,338.88	50.87%
Supplies	5,500.00	3,133.22	2,366.78	56.97%
Dues & Subscriptions	2,800.00	2,520.69	279.31	90.02%
Computer & technology expenses	16,000.00	4,605.95	11,394.05	28.79%
Travel & Training	5,000.00	472.84	4,527.16	9.46%
Other	100.00	55.00	45.00	55.00%
TM Allocated to Hwy	(6,450.00)	-	(6,450.00)	0.00%
Total Town Manager	321,274.01	145,549.33	175,724.68	45.30%
<u>Treasurer</u>				
Salaries	248,190.00	109,384.48	138,805.52	44.07%
FICA	19,860.00	8,495.84	11,364.16	42.78%
VSRS	30,885.00	15,301.49	15,583.51	49.54%

Town of Smithfield				
General Fund Operating Budget				
Description	Adopted Budget 2012/2013	Actual as of 12/31/12	Remaining Budget	% of budget
Health	30,650.00	12,668.62	17,981.38	41.33%
Audit	23,250.00	17,650.00	5,600.00	75.91%
Depreciation Software	2,700.00	-	2,700.00	0.00%
Communications	7,800.00	3,968.24	3,831.76	50.87%
Data Processing	18,000.00	10,834.42	7,165.58	60.19%
Service Contracts	17,100.00	15,397.10	1,702.90	90.04%
Insurance	2,350.00	1,194.68	1,155.32	50.84%
Supplies	15,000.00	6,171.12	8,828.88	41.14%
Dues & Subscriptions	2,300.00	1,851.11	448.89	80.48%
Credit Card Processing	1,000.00	678.11	321.89	67.81%
Cigarette Tax Stamps	2,575.00	-	2,575.00	0.00%
Travel & Training	1,500.00	104.64	1,395.36	6.98%
Other	100.00	10.00	90.00	10.00%
Treasurer Alloc to Hwy	(12,195.00)	-	(12,195.00)	0.00%
Total Treasurer	411,065.00	203,709.85	207,355.15	49.56%
PUBLIC SAFETY				
Police Department				
Salaries	1,318,996.00	579,151.55	739,844.45	43.91%
FICA	102,800.00	44,050.55	58,749.45	42.85%
VSRS	151,165.00	72,419.74	78,745.26	47.91%
Health Insurance	189,610.00	83,392.11	106,217.89	43.98%
Pre-employ screening/Emp Medical	2,000.00	-	2,000.00	0.00%
Uniforms	34,000.00	4,685.71	29,314.29	13.78%
Service Contracts	37,000.00	27,231.49	9,768.51	73.60%
Communications	65,000.00	23,589.16	41,410.84	36.29%
Computer & Technology Expenses	10,000.00	3,285.60	6,714.40	32.86%
Insurance	49,000.00	24,730.80	24,269.20	50.47%
Ins. - LODA	10,431.08	8,534.52	1,896.56	81.82%
Materials & Supplies	30,500.00	9,439.13	21,060.87	30.95%
Dues & Subscriptions	4,000.00	2,778.33	1,221.67	69.46%
Equipment	15,000.00	7,395.62	7,604.38	49.30%
Radio & Equipment repairs	3,500.00	1,096.31	2,403.69	31.32%
Vehicle Maintenance	40,000.00	13,278.28	26,721.72	33.20%
Gas	85,000.00	41,262.69	43,737.31	48.54%
Tires	7,500.00	259.00	7,241.00	3.45%
Travel & Training	30,000.00	10,773.83	19,226.17	35.91%
Special Events	500.00	347.71	152.29	69.54%
Crimes Network	-	-	-	#DIV/0!
Police Grants	25,000.00	4,203.52	20,796.48	16.81%

Town of Smithfield				
General Fund Operating Budget				
Description	Adopted Budget 2012/2013	Actual as of 12/31/12	Remaining Budget	% of budget
Investigation expenses	5,000.00	876.88	4,123.12	17.54%
Other	-	322.94	(322.94)	#DIV/0!
Total Police Department	2,216,002.08	963,105.47	1,252,896.61	43.46%
<u>Fire Department</u>				
Fuel Fund & Travel	13,000.00	-	13,000.00	0.00%
State Pass Thru	18,568.00	3,056.00	15,512.00	16.46%
Total Fire Department	31,568.00	3,056.00	28,512.00	9.68%
<u>Contributions-Public Safety</u>				
Rescue Squad - Contrib.	-	-	-	#DIV/0!
Rescue Squad-Salaries (to County) & shared maintenance	-	-	-	#DIV/0!
E911 Dispatch Center	116,075.00	5,902.80	110,172.20	5.09%
Fire Department Rescue Truck	10,000.00	-	10,000.00	0.00%
Total Contributions-Public Safety	126,075.00	5,902.80	120,172.20	4.68%
<u>PARKS, RECREATION & CULTURAL</u>				
<u>Smithfield Center</u>				
Salaries	186,200.00	79,039.68	107,160.32	42.45%
FICA	14,896.00	6,248.72	8,647.28	41.95%
VSRS	17,170.00	8,505.46	8,664.54	49.54%
Health	24,205.00	12,346.06	11,858.94	51.01%
Uniforms	1,200.00	257.95	942.05	21.50%
Contracted Services	23,000.00	11,911.91	11,088.09	51.79%
Retail Sales & Use Tax	500.00	230.78	269.22	46.16%
Utilities	35,000.00	10,869.52	24,130.48	31.06%
Communications	21,500.00	9,375.08	12,124.92	43.61%
Computer & technology expenses	2,500.00	351.96	2,148.04	14.08%
Insurance	4,535.00	2,291.34	2,243.66	50.53%
Kitchen Supplies	4,000.00	943.47	3,056.53	23.59%
Office Supplies/Other Supplies	5,000.00	1,067.14	3,932.86	21.34%
Food Service & Beverage Supplies	6,000.00	3,451.10	2,548.90	57.52%
AV Supplies	1,000.00	310.48	689.52	31.05%
Equipment	-	-	-	#DIV/0!
Repairs & Maintenance	40,000.00	22,109.09	17,890.91	55.27%
Systems Maintenance (HVAC, AV, Generator)	10,000.00	-	10,000.00	0.00%
Hurricane Irene Repairs & Maintenance	-	-	-	#DIV/0!
Landscaping	10,000.00	6,757.66	3,242.34	67.58%

Town of Smithfield				
General Fund Operating Budget				
Description	Adopted Budget 2012/2013	Actual as of 12/31/12	Remaining Budget	% of budget
Travel & Training	2,000.00	1,361.27	638.73	68.06%
Programming Expenses	1,000.00	110.20	889.80	11.02%
Advertising	20,000.00	12,483.19	7,516.81	62.42%
Refund event deposits	3,500.00	2,812.50	687.50	80.36%
Other	-	-	-	#DIV/0!
Credit card processing expense	3,650.00	2,552.23	1,097.77	69.92%
Total Smithfield Center	436,856.00	195,386.79	241,469.21	44.73%
<u>Contributions-Parks, Recreation and Cultural</u>				
Farmers Market	3,000.00	-	3,000.00	0.00%
Hampton Roads Partnership	1,960.00	-	1,960.00	0.00%
Isle of Wight Arts League	10,000.00	10,000.00	-	100.00%
Library	36,000.00	-	36,000.00	0.00%
Total Contributions-Park, Recreation and Cultural	50,960.00	10,000.00	40,960.00	19.62%
<u>Parks & Recreation</u>				
Fishing Pier	600.00	-	600.00	0.00%
Jersey Park Playground	500.00	405.10	94.90	81.02%
Pinewood Playground	500.00	-	500.00	0.00%
Clontz Park	1,000.00	799.61	200.39	79.96%
Windsor Castle	85,000.00	30,719.09	54,280.91	36.14%
Windsor Castle Playground	-	-	-	#DIV/0!
Community Wellness Initiative	23,727.00	7,952.99	15,774.01	33.52%
Virginia Healthy Youth Foundation	-	-	-	#DIV/0!
Cypress Creek-No Wake Zone	-	-	-	#DIV/0!
Waterworks Dam (possible \$50,000)	35,000.00	1,750.00	33,250.00	5.00%
Fireworks	2,000.00	2,000.00	-	100.00%
Total Parks & Recreation	148,327.00	43,626.79	104,700.21	29.41%
<u>COMMUNITY DEVELOPMENT</u>				
Pinewood Heights				
Non-CDBG Contributed Operating Expenses				
<u>Administration</u>				
Precontract/ERR	6,000.00	540.00	5,460.00	9.00%
Management Assistance	24,000.00	3,448.04	20,551.96	14.37%
Monitoring/Closeout	3,000.00	-	3,000.00	0.00%
<u>Permanent Relocation</u>				
Owner Occupied Households	514,020.00	-	514,020.00	0.00%

Town of Smithfield				
General Fund Operating Budget				
Description	Adopted Budget 2012/2013	Actual as of 12/31/12	Remaining Budget	% of budget
Renter Occupied Households	49,400.00	46,064.80	3,335.20	93.25%
Relocation Specialist	15,000.00	4,367.29	10,632.71	29.12%
<u>Acquisition Specialist</u>	15,000.00	-	15,000.00	0.00%
<u>Clearance & Demolition</u>	29,000.00	12,073.84	16,926.16	41.63%
<u>Phase II Planning Grant</u>		-	-	#DIV/0!
Subtotal Non CDBG	655,420.00	66,493.97	588,926.03	10.15%
CDBG Contributed Operating Expenses				
<u>Permanent Relocation</u>				
Owner Occupied Households		-	-	#DIV/0!
Renter Occupied Households		41,526.00	(41,526.00)	#DIV/0!
<u>Clearance & Demolition</u>		-	-	#DIV/0!
<u>Phase II Planning Grant</u>	-	-	-	#DIV/0!
Subtotal CDBG	-	41,526.00	(41,526.00)	#DIV/0!
Total Pinewood Heights Contributions	655,420.00	108,019.97	547,400.03	16.48%
<u>Contributions-Community Development</u>				
APVA Courthouse Contribution	5,000.00	5,000.00	-	100.00%
Chamber of Commerce	6,000.00	6,000.00	-	100.00%
Christian Outreach	6,000.00	-	6,000.00	0.00%
Genieve Shelter	9,000.00	-	9,000.00	0.00%
TRIAD	1,650.00	-	1,650.00	0.00%
Tourism Bureau	209,976.00	3.59	209,972.41	0.00%
Historic Smithfield-20/20 donation	-	-	-	#DIV/0!
Western Tidewater Free Clinic	25,000.00	25,000.00	-	100.00%
YMCA Projects	50,000.00	-	50,000.00	0.00%
Total Contributions-Community Development	312,626.00	36,003.59	276,622.41	11.52%
PUBLIC WORKS				
Planning, Engineering & Public Works				
Salaries	227,230.00	101,924.31	125,305.69	44.86%

Town of Smithfield				
General Fund Operating Budget				
Description	Adopted Budget 2012/2013	Actual as of 12/31/12	Remaining Budget	% of budget
FICA	18,180.00	7,982.07	10,197.93	43.91%
VSRS	33,160.00	14,914.56	18,245.44	44.98%
Health	35,300.00	17,887.99	17,412.01	50.67%
Uniforms	2,000.00	671.50	1,328.50	33.58%
Contractual	8,500.00	4,149.80	4,350.20	48.82%
GIS	-	400.00	(400.00)	#DIV/0!
Recycling-new contract	62,000.00	20,974.00	41,026.00	33.83%
Trash Collection-new contract-2% for CPI	397,000.00	193,226.62	203,773.38	48.67%
Street Lights	5,000.00	634.57	4,365.43	12.69%
Communications	20,000.00	6,453.83	13,546.17	32.27%
Safety Meetings	7,500.00	958.95	6,541.05	12.79%
Insurance	7,575.00	3,836.60	3,738.40	50.65%
Materials & Supplies	6,000.00	1,570.47	4,429.53	26.17%
Repairs & Maintenance	7,000.00	10,100.57	(3,100.57)	144.29%
Hurricane Irene Expenses	-	-	-	#DIV/0!
Gas & Tires	10,500.00	4,709.10	5,790.90	44.85%
Travel & Training	6,000.00	1,892.66	4,107.34	31.54%
Haydens Lane Maintenance	3,500.00	429.35	3,070.65	12.27%
Veterans War Memorial	1,000.00	1,419.75	(419.75)	141.98%
Streetscape improvements-non capital expenses (web)	-	-	-	#DIV/0!
Litter Control Grant	3,078.00	-	3,078.00	0.00%
Dues & Subscriptions-	2,000.00	1,456.00	544.00	72.80%
Other	1,000.00	305.79	694.21	30.58%
Public Works Alloc to Hwy	(6,500.00)	-	(6,500.00)	0.00%
Total Public Works	857,023.00	395,898.49	461,124.51	46.19%
PUBLIC BUILDINGS				
Public Buildings				
Salaries	20,920.00	8,608.58	12,311.42	41.15%
FICA	1,675.00	752.73	922.27	44.94%
Contractual	5,500.00	4,471.64	1,028.36	81.30%
Communications	3,750.00	3,017.75	732.25	80.47%
Utilities	43,000.00	27,568.20	15,431.80	64.11%
Insurance	2,105.00	1,633.46	471.54	77.60%
Materials & Supplies	2,500.00	2,646.98	(146.98)	105.88%
Repairs & Maintenance	30,000.00	6,392.27	23,607.73	21.31%
Hurricane Irene Expenses	-	-	-	#DIV/0!
Rent Expense-Office Space	4,800.00	2,400.00	2,400.00	50.00%
Other	1,000.00	839.82	160.18	83.98%
Alloc Costs to Hwy	(13,750.00)	-	(13,750.00)	0.00%

Town of Smithfield				
General Fund Operating Budget				
Description	Adopted Budget 2012/2013	Actual as of 12/31/12	Remaining Budget	% of budget
Total Public Buildings	101,500.00	58,331.43	43,168.57	57.47%
OTHER FINANCING USES				
Other Financing Uses				
Transfers to Operating Reserves		1,257,023.74	(1,257,023.74)	#DIV/0!
Transfers to Restricted Reserves-Special Projects (Pinewood)		122,649.11	(122,649.11)	#DIV/0!
Transfers to Restricted Reserves-S Church Street Project	-	-	-	#DIV/0!
Total Transfers from Reserves	-	1,379,672.85	(1,379,672.85)	#DIV/0!
DEBT SERVICE				
Debt Service				
Principal Retirement				
Public Building Acquisition	19,914.00	-	19,914.00	0.00%
HVAC	-	3,660.46	(3,660.46)	#DIV/0!
Line of Credit Retirement-interest	5,000.00	8,425.42	(3,425.42)	168.51%
Interest and fiscal charges				
Public Building Acquisition	33,991.00	16,995.35	16,995.65	50.00%
HVAC	-	775.13	(775.13)	#DIV/0!
Total Debt Service	58,905.00	29,856.36	29,048.64	50.69%
Total General Fund Expenses	5,913,936.09	3,669,842.71	2,244,093.38	62.05%
Less Expenses related to capital projects:				
Legal Fees	-	-	-	
Professional Fees	-	-	-	
Pinewood Heights Relocation Project Expenses	(655,420.00)	(108,019.97)	(547,400.03)	
Pinewood Heights Line of Credit Expenses	(5,000.00)	(8,425.42)	3,425.42	
Total Non-operating Expenses	(660,420.00)	(116,445.39)	(543,974.61)	17.63%
Total General Fund Operating Expenses	5,253,516.09	3,553,397.32	1,700,118.77	67.64%
Net Operating Reserve (+/-)	1,899,695.00	270,683.39	1,632,011.61	14.25%
Net Reserve (+/-)	808,555.00	329,801.11	481,753.89	40.79%

	Adopted Budget 2012/2013	Actual 12/31/2012	Remain Budget	% of Budget
Net Operating Reserves (Deficit)	808,555.00	329,801.11	478,753.89	40.79%
Capital Outlay General Fund				
GENERAL GOVERNMENT				
COMMUNITY DEVELOPMENT				
Pinewood Heights Relocation-CIP				
Non CDBG Capital Acquisition				
Owner Occupied Units	(1,830.00)	(593.00)	(1,237.00)	32.40%
Renter Occupied Units	(322,305.00)	-	(322,305.00)	0.00%
Vacant Lots	-	-	-	#DIV/0!
Appraisal/Legal	(9,620.00)	(1,050.00)	(8,570.00)	10.91%
Subtotal Non CDBG Capital Acquisition	(333,755.00)	(1,643.00)	(332,112.00)	0.49%
CDBG Capital Acquisition-MY2				
Owner Occupied Units	(352,800.00)	(83,000.00)	(269,800.00)	23.53%
Renter Occupied Units	-	-	-	#DIV/0!
Vacant Lots	-	-	-	#DIV/0!
Subtotal CDBG Capital Acquisition	(352,800.00)	(83,000.00)	(269,800.00)	23.53%
Total Pinewood Heights Relocation CIP	(686,555.00)	(84,643.00)	(601,912.00)	12.33%
PARKS, RECREATION AND CULTURAL				
Smithfield Center-HVAC unit	(24,000.00)	(70,924.00)	46,924.00	295.52%
Windsor Castle-Light Tower	-	(1,800.00)	1,800.00	#DIV/0!
Windsor Castle-Station Bridge	-	(5,950.00)	5,950.00	#DIV/0!
Windsor Castle-Playground	-	(6,000.00)	6,000.00	#DIV/0!
PUBLIC SAFETY				
Police				
Police Vehicles	(88,000.00)	(79,305.18)	(8,694.82)	90.12%
Ipads for vehicles		(5,392.00)	5,392.00	#DIV/0!
Copier	(10,000.00)		(10,000.00)	0.00%
Command Vehicle	-	-	-	#DIV/0!
PUBLIC WORKS				
Vehicles and Equipment	-	-	-	#DIV/0!
N/S Church St Streetscape Improvements	-	(75,786.93)	75,786.93	#DIV/0!
PUBLIC BUILDINGS				
Generator	-	-	-	#DIV/0!
Office Space Improvements-furniture, security, landscaping	-	-	-	#DIV/0!
Office Space Improvements-contractor (building only)-defer one year	-	-	-	#DIV/0!

	Adopted Budget 2012/2013	Actual 12/31/2012	Remain Budget	% of Budget
Net Capital Outlay	(808,555.00)	(329,801.11)	(478,753.89)	40.79%
Net Reserves (Deficit) after capital outlay	-	(0.00)	0.00	#DIV/0!

Town of Smithfield				
Sewer Fund Budget				
	Adopted Budget 2012/2013	Balance as of 12/31/12	Remaining Budget	% of budget
Revenue				
Operating Revenues				
Sewer Charges	812,935.00	372,883.09	440,051.91	45.87%
Sewer Compliance Fee	490,425.00	244,879.08	245,545.92	49.93%
VML Safety Grant	-	-	-	#DIV/0!
Miscellaneous Revenue	500.00	593.75	(93.75)	118.75%
Connection fees	23,700.00	25,280.00	(1,580.00)	106.67%
Total Operating Revenue	1,327,560.00	643,635.92	683,924.08	48.48%
Town of Smithfield				
Sewer Fund Budget				
	Adopted Budget 2012/2013	Balance as of 12/31/12	Remaining Budget	% of budget
Expenses				
Operating Expenses				
Salaries	263,165.00	119,375.15	143,789.85	45.36%
FICA	21,055.00	9,206.06	11,848.94	43.72%
VSRS	34,605.00	16,176.76	18,428.24	46.75%
Health	42,920.00	21,595.31	21,324.69	50.32%
Uniforms	2,500.00	1,019.08	1,480.92	40.76%
Audit & Legal Fees	21,625.00	12,915.31	8,709.69	59.72%
HRPDC sewer programs	899.00	1,123.75	(224.75)	125.00%
Maintenance & Repairs	50,000.00	31,818.28	18,181.72	63.64%
Hurricane Irene Expenses	-	-	-	#DIV/0!
VAC Truck Repairs & Maintenance	7,500.00	554.70	6,945.30	7.40%
Data Processing	14,000.00	5,158.87	8,841.13	36.85%
Dues & Subscriptions	150.00	29.00	121.00	19.33%
Utilities	40,000.00	14,620.74	25,379.26	36.55%
SCADA Expenses	3,500.00	1,507.63	1,992.37	43.08%
Telephone	16,500.00	4,699.29	11,800.71	28.48%
Insurance	14,700.00	7,930.82	6,769.18	53.95%
Materials & Supplies	46,000.00	10,758.24	35,241.76	23.39%
Truck Operations	14,000.00	4,174.19	9,825.81	29.82%
Travel & Training	4,000.00	-	4,000.00	0.00%
Contractual	3,250.00	2,304.92	945.08	70.92%
Miscellaneous	600.00	371.50	228.50	61.92%

Bad Debt Expense	2,400.00	-	2,400.00	0.00%
Bank service charges	325.00	-	325.00	0.00%
Total Sewer Fund Operating Expenses before D&A Exp.	603,694.00	265,339.60	338,354.40	43.95%
Operating Income before D&A Expense	723,866.00	378,296.32	345,569.68	52.26%
Depreciation & Amort. Exp.	465,000.00	224,872.38	240,127.62	48.36%
Operating Income (Loss)	258,866.00	153,423.94	105,442.06	59.27%
Nonoperating Revenues (Expenses)				
Pro-rata Share Fees	-	4,000.00	(4,000.00)	#DIV/0!
Availability Fees	61,800.00	65,920.00	(4,120.00)	106.67%
Insurance Reimbursements	-	7,110.00	(7,110.00)	#DIV/0!
Contributed Capital-Smithfield Foods Rev Ln	20,690.00	-	20,690.00	0.00%
Interest Revenue	3,250.00	3,162.72	87.28	97.31%
Interest Expense	(43,475.00)	(22,900.22)	(20,574.78)	52.67%
Total Nonoperating Revenues (Expenses)	42,265.00	57,292.50	(15,027.50)	135.56%
Net Income (loss)	301,131.00	210,716.44	90,414.56	69.98%
WORKING ADJUSTMENTS TO CAFR (FOR INTERNAL USE ONLY)				
Restricted revenues:				
Pro-rata Share Fees	-	(4,000.00)	4,000.00	#DIV/0!
Availability Fees	(61,800.00)	(65,920.00)	4,120.00	106.67%
Contributed Capital-Smithfield Foods Rev Ln	(20,690.00)	-	(20,690.00)	0.00%
Compliance Fee	(490,425.00)	(244,879.08)	(245,545.92)	49.93%
Bad Debt Expense	2,400.00	-	2,400.00	0.00%
Depreciation & Amort. Exp.	465,000.00	224,872.38	240,127.62	48.36%
Additional debt service costs-principal expense	(70,550.00)	(70,550.00)	-	100.00%
Total adjustments to CAFR	(176,065.00)	(160,476.70)	(15,588.30)	91.15%
Working adjusted income	125,066.00	50,239.74	74,826.26	40.17%

	Adopted Budget 2012/2013	Actual 12/31/2012	Remaining Budget	% of Budget
Sewer Fund				
Working adjusted income	125,066.00	50,239.74	74,826.26	40.17%
Sewer SSO Consent Order	(660,000.00)	(363,576.57)	(296,423.43)	55.09%
Construction Standards Update	(4,482.00)	(280.80)	(4,201.20)	6.27%
Sewer Master Plan	-	-	-	#DIV/0!
Rubber tire backhoe	-	-	-	#DIV/0!
Hot box for asphalt	-	-	-	#DIV/0!
Light Tower (1/4)	-	(1,800.00)	1,800.00	#DIV/0!
Sewer Capital Repairs	(100,000.00)	(9,200.00)	(90,800.00)	9.20%
Impeller-Wellington Pump Station	-	(5,410.00)	-	#DIV/0!
Truck	(17,500.00)	-	(17,500.00)	0.00%
Net Capital Outlay	(781,982.00)	(380,267.37)	(407,124.63)	48.63%
Net Reserves (Deficit) after capital outlay	(656,916.00)	(330,027.63)	(332,298.37)	50.24%
Funding from Development Escrow	-	-	-	
Reserves from Sewer Capital Escrow Account	100,000.00	-	100,000.00	0.00%
Funding from Sewer Compliance Fee	660,000.00	363,576.57	296,423.43	55.09%
Draw from operating reserves	-	-	-	#DIV/0!
Funding from Bond Escrow (released from refinance)	-	-	-	
Net Cashflow	103,084.00	33,548.94	64,125.06	32.55%

Town of Smithfield				
Water Fund Budget				
Description	Adopted Budget 2012/2013	Balance as of 12/31/12	Remaining Budget	% of budget
Revenue				
Operating Revenue				
Water Sales	1,552,204.00	704,217.00	847,987.00	45.37%
Debt Service Revenue	403,640.00	201,475.05	202,164.95	49.91%
Miscellaneous	500.00	-	500.00	0.00%
Connection fees	9,900.00	10,560.00	(660.00)	106.67%
Application Fees	5,000.00	2,657.00	2,343.00	53.14%
Total Operating Revenue	1,971,244.00	918,909.05	1,052,334.95	46.62%
Town of Smithfield				
Water Fund Budget				
Description	Adopted Budget 2012/2013	Balance as of 12/31/12	Remaining Budget	% of budget
Expenses				
Salaries	320,265.00	148,752.90	171,512.10	46.45%
FICA	25,621.00	11,471.64	14,149.36	44.77%
VSRS	42,130.00	19,295.53	22,834.47	45.80%
Health	51,230.00	23,129.29	28,100.71	45.15%
Uniforms	3,000.00	1,179.13	1,820.87	39.30%
Contractual	18,475.00	5,824.78	12,650.22	31.53%
Legal & Audit	21,625.00	12,915.31	8,709.69	59.72%
Maintenance & Repairs	21,000.00	6,507.88	14,492.12	30.99%
Hurricane Irene Expenses	-	-	-	#DIV/0!
Water Tank Maintenance	100,000.00	24,996.41	75,003.59	25.00%
Water Cost-purchased from IOW County	-	-	-	#DIV/0!
Engineering	-	-	-	#DIV/0!
Professional Services	1,000.00	-	1,000.00	0.00%
Regional Water Supply Study	2,421.00	1,210.66	1,210.34	50.01%
Data Processing	14,000.00	5,158.87	8,841.13	36.85%
Utilities	10,000.00	241.54	9,758.46	2.42%
Communications	15,045.00	4,812.06	10,232.94	31.98%
Insurance	16,800.00	13,244.07	3,555.93	78.83%
Materials & Supplies	114,400.00	23,806.35	90,593.65	20.81%
Gas and Tires	12,000.00	5,193.84	6,806.16	43.28%
Fuel-Water Equipment	-	-	-	#DIV/0!
Dues & Subscriptions	800.00	458.00	342.00	57.25%
Bank service charges	325.00	-	325.00	0.00%
Travel and Training	5,500.00	634.50	4,865.50	11.54%
Miscellaneous	9,500.00	6,887.35	2,612.65	72.50%
RO Annual costs	501,217.00	176,627.25	324,589.75	35.24%

Bad debt expense	5,300.00	-	5,300.00	0.00%
Total Water Fund Operating Expenses before D&A Exp.	1,311,654.00	492,347.36	819,306.64	37.54%
Operating Income before D&A Expense	659,590.00	426,561.69	233,028.31	64.67%
Depreciation & Amortization Expense	348,000.00	169,609.50	178,390.50	48.74%
Operating Income (Loss)	311,590.00	256,952.19	54,637.81	82.46%
Nonoperating Revenues (Expenses)				
Pro-Rata Share Fees	-	4,000.00	(4,000.00)	#DIV/0!
Availability Fees	40,800.00	43,520.00	(2,720.00)	106.67%
Interest Revenue	5,925.00	3,103.44	2,821.56	52.38%
Interest Expense	(134,915.00)	(15,850.46)	(119,064.54)	11.75%
Total Nonoperating Revenues (Expenses)	(88,190.00)	34,772.98	(122,962.98)	-39.43%
Net Income (Loss)	223,400.00	291,725.17	(68,325.17)	130.58%
WORKING ADJUSTMENTS TO CAFR (FOR INTERNAL USE ONLY)				
Restricted revenues:				
Pro-rata Share Fees	-	(4,000.00)	4,000.00	#DIV/0!
Availability Fees	(40,800.00)	(43,520.00)	2,720.00	106.67%
Bad Debt Expense	5,300.00	-	5,300.00	0.00%
Debt Service Revenue	(403,640.00)	(201,475.05)	(202,164.95)	49.91%
Depreciation & Amort. Exp.	348,000.00	169,609.50	178,390.50	48.74%
Additional debt service costs-principal expense	(311,725.00)	(237,509.26)	(74,215.74)	76.19%
Total adjustments to CAFR	(402,865.00)	(316,894.81)	(85,970.19)	78.66%
Working adjusted income	(179,465.00)	(25,169.64)	(154,295.36)	14.02%

	Adopted Budget 2012/2013	Actual 12/31/2012	Remain Budget	% of Budget
Water Fund				
Net Operating Reserves (Deficit)	(179,465.00)	(25,169.64)	(154,295.36)	14.02%
Construction Standards Update	(4,482.00)	(280.80)	(4,201.20)	6.27%
Truck	(17,500.00)		(17,500.00)	0.00%
Light Tower	-	(1,800.00)	1,800.00	#DIV/0!
Water Treatment/Fluoride PER	-	-	-	#DIV/0!
Net Capital Outlay	(21,982.00)	(2,080.80)	(19,901.20)	9.47%
Net Reserves (Deficit) after capital outlay	(201,447.00)	(27,250.44)	(174,196.56)	13.53%
Operating Reserves	-	-	-	#DIV/0!
VML/VACO Draw Downs	-	-	-	#DIV/0!
Water Development Escrow	-	-	-	#DIV/0!
Water Capital Escrow	-	-	-	#DIV/0!
Additional financing	-	-	-	#DIV/0!
Debt Service fees applied to debt	335,016.55	193,094.91	141,921.64	57.64%
Net Cashflow	133,569.55	165,844.47	(32,274.92)	124.16%

Town of Smithfield				
Highway Fund				
Description	Adopted Budget 2012/2013	Balance as of 12/31/12	Remaining Budget	% of budget
Revenue				
Interest Income	250.00	123.98	126.02	49.59%
Insurance Reimbursement	-	24,002.15	(24,002.15)	#DIV/0!
Revenue - Commwlth of VA	986,456.92	501,759.96	484,696.96	50.86%
Total Highway Fund Revenue	986,706.92	525,886.09	460,820.83	53.30%
Town of Smithfield				
Highway Fund				
Description	Adopted Budget 2012/2013	Balance as of 12/31/12	Remaining Budget	% of budget
Expenses				
Salaries	229,800.00	98,521.27	131,278.73	42.87%
FICA	18,384.00	7,597.84	10,786.16	41.33%
VSRS	28,380.00	13,963.39	14,416.61	49.20%
Health	44,035.00	20,927.60	23,107.40	47.52%
Uniforms	2,785.00	1,379.22	1,405.78	49.52%
Engineering	5,000.00	-	5,000.00	0.00%
Grass	31,400.00	16,163.61	15,236.39	51.48%
Maintenance	358,139.92	119,859.29	238,280.63	33.47%
Asphalt/Paving		9,800.85	(9,800.85)	
Ditching		26,824.29	(26,824.29)	
Traffic Control devices		5,299.98	(5,299.98)	
Other (maintenance)		-	-	
Other (lawnmowers, landscaping, etc)		34,509.19	(34,509.19)	
Structures and Bridges		907.35	(907.35)	
Ice and Snow removal		80.00	(80.00)	
Administrative		345.37	(345.37)	
Hurricane Irene Expenses		-	-	#DIV/0!
Street Lights	75,000.00	42,971.17	32,028.83	57.29%
Insurance	18,350.00	9,235.61	9,114.39	50.33%
VAC Truck Repairs	2,500.00	-	2,500.00	0.00%
Gas and Tires	8,000.00	4,482.41	3,517.59	56.03%
Stormwater (PARS)	-	-	-	#DIV/0!
Stormwater Management Program (town)	-	-	-	#DIV/0!
Stormwater Management Program (regional)	4,286.00	893.00	3,393.00	20.84%
Joint Cost Allocation	6,500.00	-	6,500.00	0.00%
Overhead Allocation	54,665.00	-	54,665.00	0.00%
Total Highway Fund Expense	887,224.92	335,994.41	551,230.51	37.87%
Net Reserves (+/-)	99,482.00	189,891.68	(90,409.68)	190.88%

	Adopted Budget 2012/2013	Actual 12/31/2012	Remain Budget	% of Budget
HIGHWAY				
Net Operating Reserves (Deficit)	99,482.00	189,891.68	(90,409.68)	190.88%
John Rolfe/Battery Park intersection Turn Lane	(95,000.00)	(3,005.00)	(91,995.00)	3.16%
Construction Standards Update	(4,482.00)	(280.80)	(4,201.20)	6.27%
Storm Drain Rehab-Cypress Creek	-	(48,252.15)	48,252.15	#DIV/0!
Hustler X-One 31KAW/60"	-	(7,459.00)	7,459.00	#DIV/0!
Light Tower	-	(1,800.00)	1,800.00	#DIV/0!
Net Capital Outlay	(99,482.00)	(60,796.95)	(38,685.05)	61.11%
Net Reserves (Deficit) after capital outlay	0.00	129,094.73	(129,094.73)	#DIV/0!

Notes: December 2012

GENERAL FUND

Revenues:

Real Estate

Real estate collections posted through January 24 total \$1,620,349 (98%) of budget. Delinquent notices have been mailed, so hopefully the bulk of the remainder will be collected by early February.

Delinquent RE tax

Delinquent personal property tax collections through January 24 total \$13,224.79 (53%). Prior years were also included on the delinquent real estate notices that just went out.

Current PP Tax

Personal property taxes posted through January 24 total \$787,516 (97%). Delinquent personal property notices have also been processed and should be mailed next week.

Delinquent PP Tax

Some of the delinquent PP collections resulted from supplemental billings at the end of FY2012; however, \$8,278.95 resulted from the collection of 2 delinquent business accounts (\$5,278.95 and \$3,000 respectively). Audit confirmations on delinquent accounts also inspired some taxpayers to make payment. As with real estate, delinquent balances were included on the current PP tax bills. Collections through January 24 total \$20,305 which is more than double what was budgeted.

Franchise Tax

As in previous years, franchise tax will not be collected until the last quarter of the fiscal year.

Meals Tax

Please note that the meals tax contribution for Pinewood was increased as of July 1; however, the budget was adopted at 1% instead of 2% for that line item and will need to be amended. Also, the meals tax payments in July were for June collections so they were still paid at 5% instead of 6%. The increased payments started in August and have made a significant impact. Meals tax are running above projected budget with collections through December at 57% for the 4% portion which is \$70,334 higher than the same time last year. A small part of the increase resulted from payments on the meals tax audit that was completed towards the end of last fiscal year.

Communications Tax

There is a 2 month delay in receipt of communications tax from the state. The December statements reflect collection of the July through October 2012 communications tax.

Sales Tax Collections

Sales tax collections are received from IOW County after they receive the local portion from the state so there is a delay. The December statements reflect sales tax collections for July through October which are slightly lower than the same period last year (-\$4540).

Consumption/Utility Tax

These taxes are collected from DVP, CEC, and Columbia Gas. Revenues in the December statements represent collections for July through November. Consumption/utility tax have been relatively flat over the past few years. To date, however, utility tax is \$6,129 higher than November 2011 and consumption tax is \$1,228.14 higher.

Business Licenses

Business licenses are due on April 15, so the bulk of this revenue will be collected in the spring.

The Treasurer's office with assistance from the Town Attorney has collected \$30,068 through the end of December 2012. This is \$5592 higher than in December 2011. Business licenses are not due until April 15, so the majority of this revenue will be collected in the spring of 2013.

Permits and Other Licenses

This line item has already exceeded budget for the year mainly because of a ROW permit (\$1708.85) and a land disturbance permit (\$1525.27) from VICO Construcion for Harvest Fellowship Baptist Mission Improvements.

Vehicle License Tax

This line item will recognize most of its revenue in November through December as the fee is now included on the PP tax bills that were mailed on November 1. Collections through Janaury 24 total \$113,808 (88%). This is around the same amount collected through December 2011 (\$110,897). We ended last fiscal year with collections of \$132,373 for this line item.

Fines and Costs

Fines and costs represent payments received from the IOW Clerk of Court for July through November and total \$218 less than the same period in FY2012.

General Fund Interest

General fund interest is running lower than budget projections due to drops in the interest rates on the few CD's that we have as well as low cash reserves prior to December.

Note Proceeds-Farmers Bank

Note proceeds from the Farmers Bank for the SC HVAC loan. This was approved after the start of the new fiscal year, so it was not budgeted. We originally budgeted for capital maintenance of the SC HVAC system over a period of years, so that expense line item will need a budget amendment as well.

Rentals

Rent is running higher than budgeted with the addition of the sublet of the old TM office and back collections of utility costs from Smithfield Foods on the Basse's Choice building. This will drop off dramatically now that the Town has sold several of its rental sites.

Other Revenues

This line item is at 125% of budget due to collections of grass cutting reimbursements totaling \$1321. This is unusually high for the town.

VML Safety Grant

The Town received a VML safety grant of \$3,861 which ultimately may be spread across several funds. Budget was based on FY2012 actual.

From Reserves-Pinewood Escrow

This money was set aside in Phase I to pay the 42 month rent and utility suplment required for market rate renters.

Litter Control Grant

Budget was based on FY2012. We received additional funding this year to exceed budget by \$1,156.00

Fire Programs

This is an additional payment from the Department of Fire Programs that they included with last fiscal year. We were unaware of the supplement, however, and did not receive it until July 2012 so it will be included in our financials for this fiscal year. We have applied for 2013 funds which should be distributed by March 15.

FEMA-state and federal portion

This is money received on the small project submissions for Hurricane Irene in August 2011. We still have not received the bulk of reimbursement for the large project (debris cleanup).

Federal Grants

The PD has already received 3 grants this year from traffic safety (\$6163) and local law enforcement (\$1436). Last year's total was \$3369.75 for the year excluding the port security grant (command vehicle).

Pinewood Heights CDBG Relocation Grant-Phase II

The first draw down has been submitted for reimbursement of CDBG funds totaling \$124,526.

Insurance Recoveries

Received \$3,739 from VML for repairs to PW vehicle that hit a deer and \$386 from Mid Century Insurance Co for damage to a street light pole.

Ruritan Club Contributions

The Smithfield Ruritan Club donated \$1568 to the Town for a bench at Ivy Hill Cemetery in honor of Bill Johnston.

Expenses:

ALL DEPARTMENTS

Health

Represents the July through December payments of health (50%) and July through January payment for dental (58%). Both are usually paid at the end of the month preceding coverage, but the medical premiums were not paid until the beginning of January because of reconciliation issues.

Insurance

Have paid the first 2 quarters of the annual VML insurance plan for workers' comp/property/casualty.

Dues/Subscriptions/Memberships

Most annual dues and subscriptions are paid in the first few months of the fiscal year which accounts for the high percentage of expense to date in this line item for most departments.

Town Council

Public Defender Fees

We are occasionally billed by the IOW General District Court for public defender fees. This line item is very difficult to budget as we it is sporadic. Last year we were billed \$480.00 for the year.

Special Projects

\$450 paid to America In Bloom to register Judy Winslow and Gina Ippolito for the AIB dinner and awards. Also paid \$205 to All Virginia for porta-potties for Olden Days and \$106.78 for food (Ringos, Smithfield Ice Cream Parlor) for Olden Days. In September, we paid \$580.65 to All Virginia for porta-potties at Windsor Castle for the scheduled VA Symphony event.

Smithfield CHIPS

Paid \$2256 to VCE-Isle of Wight County for 4-H Camp for children sponsored by CHIPS.

Treasurer

Audit fees

Progress billings from the 2012 fiscal year audit. We should receive one or two more invoices from DHG to equal agreed upon audit contract price of \$46,500.

Service Contracts

One half of the annual maintenance contract for BAI (\$4813) and all of the annual on-line payments contract (also with BAI-\$3750) was due as of the first month in the fiscal year. These are budgeted items; however, I did not receive notice from BAI that the on-line payments contract was increasing from \$3413 to \$3750. The second half of the BAI annual maintenance contract (\$4813) was paid in December which accounts for the majority of the budget for this fiscal year.

Credit Card Processing

This has increased now that we are accepting credit cards in the Treasurer's office as well as online. Most of the activity for the year occurs in November and December, however, so this cost will drop off as the year progresses.

Public Safety

Service Contracts

Includes required annual maintenance fee to Sungard Public Sector Inc for \$19,335.43 which is almost \$1000 higher than last year's cost. Also includes \$4434 to ID Networks for annual software and hardware maintenance on the IDS Criminal Livescan System

Insurance-LODA

This is an additional insurance premium as required by the Line of Duty Act. We actually came in significantly under budget this year because some of the vacant positions in the PD had not been filled at the time that VRS requested a billing census. We alerted them to the fact that additional officers would be hired, but they informed us that they only bill based on actual number of officers at a certain point in time. There will be no supplemental billing during the year for the additional officers.

Smithfield Center

Food Service & Beverage Supplies

This line item has a relatively small budget and there have been no large items posted to date; mostly Tidewater Coffe and spring water. Amy usually does a good job of keeping this line item within budget for the year.

Repairs & Maintenance

Includes \$3489 to Stanley Steemer for deep cleaning carpet, tile, grout, and rugs. Also purchased a Tuscan Colonade Arch for \$1499.00. October expenses included \$2120 to Windsor Fire Extinguisher to flush and rebuild the 6' fire main and rebuild 3" domestic main supply and 3/4" domestic bypass meter. Also spent \$2024.50 with KI for folding tables. There were no significant repairs in November or December.

Landscaping

This line item normally consists of the Center's monthly portion of the Southern Shores contract (\$829.49). There was a purchase from Lancaster Farmers in December, however, totalling \$1333 for pansies.

Travel & Training

Registration and lodging for IACCA Fall Educational Event-Amy Musick

Advertising

Prior months Include \$2500 to the Wedding Wire and \$1841.50 to the Tidewater News. October expenses include \$1390 to Richwood Graphics for CPF523 matte silver 5"x7" picture frame, screen printed 2-color logo, re-draw logo to vector art and burn to CD as well as \$3683 to the Tidewater News for postcards. There were no charges for November. December included charges to Pilot Media (\$399), Smithfield Volunteer Fire Dept (\$85-calendar ad), Smithfield Times (\$484) and the Tidewater News (\$685.94). Although running a little over average budget for half of the year, again Amy is very conscious of the advertising line item.

Refund event deposits

Represents 9 deposit refunds through December.

Credit card processing charges

This line item is running above budget due to the activity on our account. Most of the fees are passed through to the customer, but some are absorbed by the town. The budget was increased this year to reflect actual from last year of \$3600.

Parks & Recreation

Jersey Park Playground

Payment to Gametime for a tube slide exit section.

Clontz Park

Includes Dominion Virginia Power Bills and All Virginia for a porta potty.

Fireworks

The expense for fireworks was billed by IOW in July and has been paid in full for the year.

Community Development

Pinewood Heights

The Town has a contract with Community Planning Partners for Phase II of the Pinewood Project. Monthly invoices will be charged to the budgeted line items as they occur. When market rate renters are relocated, the Town has to supplement their rent for 42 months. The total cost of this assistance for Phase I was moved to the Pinewood Escrow account and disbursements are made each month from that account. The full expense for this assistance was included in the cost of Phase I for reporting purposes, but the actual expense is booked each month as some renters do fall off the map. We had one renter relocate without a forwarding address, so we are currently holding that money in escrow until such time as she either resurfaces within the 42 months or the money reverts back to the Town. Through December we paid moving costs for 3 residents in Phase II for a total cost of \$4600 and relocation costs for 1 homeowner totaling \$76,900. A portion of that expense (\$41,526) will be reimbursed with CDBG funds.

\$11,950 was for demolition related to Phase I not Phase II, but the work was not completed by June 30 so it had to be expensed in FY2013. This expense was included in the total costs for Phase I previously presented to the council in the analysis of costs to date.

Public Works

Repairs & Maintenance

Includes \$3637.92 to Dave's Service Center for repairs made to PW vehicle after it hit a

deer. This money has been reimbursed by VML and is shown in revenue under insurance recoveries. Also, includes \$880.00 to Goodrich and Sons to take down trees off of Cedar Street between parking lots. In November we paid \$850 to AVES for driveway repairs in the River Oaks neighborhood and \$310 to the Blair Brothers for 6 bumper blocks in the Trinity United Methodist Church parking lot. In December we paid \$2500 to New Horizons for work in the Trinity United Methodist Church Public Parking area.

Veterans War Memorial

Paid \$1320.60 to Lancaster Farms for plants.

Public Buildings

Contractual

Includes \$1205 to Windsor Fire Extinguisher service for yearly inspection for the town's public buildings including town hall, public works, and PD. This expense was charged to PB maintenance last year, but contractual is the more appropriate line item. Also includes \$1058 to SimplexGrinnell for intrusion monitoring at Town Hall and the Town Manager's office. Again, this was charged to repairs and maintenance but is now being more appropriately charged to contractual. Note: PB repairs and maintenance is running well below budget through December.

Communications

Includes \$1904 for Fonality annual maintenance of the phone systems. This expense could arguably be charged against contractual as well. I could not find a payment to Fonality in last year's statements.

Utilities

Dominion Power Bill paid in November was unusually large (\$10,098.37) compared to normal bills (\$3500). Wayne Griffin is still working on researching some of the DVP accounts, and I have not had a chance to discuss this with him this month.

Insurance

Insurance premium from VML is running higher than other departments for this line item as there was a premium adjustment after the new fiscal year began for the remodeled PD and TM offices.

Materials & Supplies

Over half of the year's budget was expended in this line item as of July. Includes \$875.75 paid to V.R. Edwards Sheet Metal for 6" galv. Posts with 15"x15"x12" pads and holes (6) and 6" posts with no pads (2). No expense in August and only \$96.36 charged in September and \$610.80 in October for janitorial supplies and a few other miscellaneous items. Charges in November totaled \$746.64 for janitorial supplies (\$100.52), \$431.72 to Farmers Service for spreader, fescue, ;lawn food (TM, Town Hall), painting supplies, stone & rustoleum, and \$214.40 to Lowe's for repairs for shop. Shop supplies have always been charged to WA ,SW, HWY in the past. Will need to discuss with Bill and Peter. December included only \$\$218.73 of expenditures for janitorial supplies. Comarth is tracking these costs by department in spreadsheet format so we can identify how these costs are originating and to determine if they should be charged to departmental supplies instead of public buildings.

Other

Includes \$719.82 paid to Treasurer, IOW County for real estate taxes on town owned buildings that are not tax exempt (rental properties).

Other Financing Uses

Transfers to Operating Reserves

As of the end of December, the Town has collected \$1,257,024 more in revenues than expenses. This total is \$542,551 more than reserves as of December 2011 namely because large project expenditures have dropped off in this fiscal year (South Church Street and Pinewood (increased meals tax and limited expenses to date).

Transfers to Restricted Reserves-Spec Projects

\$122,486 was earmarked as the remainder from meals tax funds collected from July through December that may be applied to Phase II of the Pinewood Heights Relocation Project. This was used in January to close on 2 rental properties.

Debt Service

HVAC-Principal & Interest

This represents payments to Farmers Bank for the loan that was secured to replace HVAC equipment at the Smithfield Center. This loan was not originally budgeted.

Line of Credit Retirement-interest

This line item represents interest paid to the Farmers Bank for line of credit money drawn prior to supplement cash shortfalls before tax season. The line has now been paid off.

Capital:

Community Development

Purchased one owner occupied residence in December.

Smithfield Center

HVAC unit

Originally budgeted for replacement to be done in phases later decided to finance and replace the entire HVAC system this fiscal year. Will need to amend the budget.

Windsor Castle

Light Tower-Xylem

\$7200 item split 4 ways between WC, HWY, WA, SW.

Station Bridge

Hodges & Hodges-inspection & maintenance of station bridge at Windsor Castle Park (need more detail of work done to determine if this is actually capital maintenance).

Playground

\$6000 was paid to Windsor Castle Park Foundation for start up costs for playground. May need to move this expense to contributions.

Police

Police Vehicles

All 3 budgeted police vehicles have now been purchased except for some of the equipment needed for the vehicles.

Ipads

This expense represents a group of ipads to be used in the police vehicles. Was not budgeted but was

included in last year's grant for the command vehicle and should be reimbursed through that grant.

Public Works

Excel Paving

Payment on some of the final work of the projects (tie ins with homeowner properties).

SEWER

Revenues

Sewer Charges

This revenue line item is right at budget if it were equally distributed for the first five months of the fiscal year (42%). November 2011 revenues were at 43%. Consumption is down from last year with usage through November at 97,395,860 gallons compared to 100,227,850 for the same period last year. At the current rate of \$3.50 per 1000, this is equivalent to a \$9,912 decrease but because of the rate change, revenue increased by \$51,391.

Miscellaneous

Sale of 5 Newport News cleanout boxes to All Virginia for \$593.75 exceeds expected miscellaneous revenue for the full year.

Connection fees

We budgeted 15 connection fees for 2013 and we have collected on 15 meters through November. Last year we had a total of 11 meter connect fees.

Expenses

VRS

As explained in the general fund, the VRS payments are below budget because October and November have not yet been paid. We are in the process of activating our online access to process our reports/ payments.

Health Insurance

As noted in the general fund, the insurance expense line item represents payments for July through December which puts us at approximately 50% of budget.

Maintenance and repairs

October included 2 impellers (Moore Creek pump station-\$2214 and Main St pump station-\$3207). These are expensed instead of capitalized since the individual cost is below the \$5000 capital threshold adopted by the Town. Also included \$2096 to REW for the Moonefield Level XMTR replacement and to troubleshoot the Main Street Bubbler. November included \$3456.04 to Excel Paving for adding structure beside old Firestation in alley.

Insurance

Represents 1st and 2nd quarter payments to VML for property/casualty and workers' compensation insurance.

Depreciation and Amortization

This will need to be adjusted once we take action on audit recommendations. We are currently working with the auditors to finalize the 2012 statements. Will give verbal update at meeting.

Nonoperating Revenues (Expenses)

<u>Pro-Rata Share Fees</u>	Received development pro-rata share fees for 5 lots - Lakeside Properties LLC
<u>Availability fees</u>	As with connect fees, we billed for 15 this fiscal year and have already collected availability fees for 15.
<u>Insurance reimbursement</u>	Reimbursement from VML for damage to SCADA antenna (lightning).
<u>Interest Revenue</u>	Total cash balances for all sewer accounts are \$248,211 less than in November 2012. In particular, sewer compliance escrow dropped \$258,168 as costs have finally accelerated for the consent order. Balances were strong at the beginning of the fiscal year, however as escrow balances were higher than anticipated which allowed for higher interest revenue.
<u>Interest Expense</u>	Includes the first semi-annual interest payment on the previously refinanced loan on the old sewer treatment plant (VRA loan).

WORKING ADJUSTMENTS TO CAFR

Debt Service Principal Principal on the VRA loan is paid only once a year, so interest only will be paid in April.

Sewer Capital

Light Tower \$7200 item split 4 ways between WC, HWY, WA, SW.

Sewer Capital repairs Lewis Construction-find and fix-labor & equipment to include trench shoring to repair 8" clay sewer 10' depth, remove & replace existing 6" water main for shoring.

Impeller Purchased for Wellington Pump Station. Will have to come off of capital repairs budget of \$100,000.

WATER

Revenues

Water Charges Like sewer, water revenue is right at budget if it were equally distributed through the year. November 2011 revenues were at 47% of budget. Consumption is down from last year with usage through November at 128,910,557 gallons compared to 135,059,598 for the same period last year. At the current rate of \$4.85 per 1000, this is equivalent to a \$29,823 decrease. The Gatling Pointe accounts for IOW County skew the accuracy of this calculation, however, and combined with the fact that the rate increased from \$2.55 to \$4.85 per \$1,000, revenues actually increased \$271,554 over the same period last year.

Connection fees As with sewer, we budgeted 15 connection fees for 2013 and we have collected on 15 meters through November. Last year was a total of 12 meter connect fees for water (1 more than sewer).

Expenses

VRS As explained in the notes for general fund and sewer, the VRS payments are below budget because October and November premiums have not yet been paid.

Health Insurance Insurance expense represents premiums for July through December.

Insurance Represents 1st and 2nd quarter payment to VML for property/casualty and workers' compensation insurance. This is running higher than projected budget because of an endorsement adjustment of \$1288.49 for the RO plant and an elevation in the 2013 water premium allocation arising from insurance coverage for the RO plant that was not necessary in previous years. We estimated premiums during the budget workshops because we did not yet have the actual billing for FY2013.

Dues & Subscriptions Most dues and subscriptions for all funds are paid at the beginning of the fiscal year. Even though this is a small amount of money, this line item is reflecting a large % of its total budget for the year.

Miscellaneous Includes 1st and 2nd quarterly payment to VDH-Waterworks Technical Assistance Fund. This is billed annually and is based on the number of water customers in the town's system. The rate for this billing increased significantly from \$2.05 per connection last year to \$2.95 this year.

Depreciation and Amortization This will need to be adjusted once we take action on audit recommendations.

Nonoperating Revenues (Expenses)

Pro-Rata Share Fees Received development pro-rata share fees for 5 lots - Lakeside Properties LLC

Availability fees As with connect fees, we billed for 15 this fiscal year and have already collected on 15 through Nov.

Interest Expense Represents 1st semi-annual payment of the two VML-VACO loans less accrued interest from year end 2012 and the first payment of the VRA loan. This number appears low because so much interest is accrued for the first payments at prior year end. Adjustment will be made in June to accrue for next fiscal year's portion of the payment which will bring the expense in line with budget.

WORKING ADJUSTMENTS TO CAFR

Debt Service Principal Includes principal on the old VRA loan (water portion) and principal on the two VML-VACO loans for the RO plant and waterline improvements. One of the VML loans has one principal payment and two interest payments for the year. The other includes two principal and two interest payments, so the second payment for that loan will be the final principal payment for the year.

Water Capital

Light Tower \$7200 item split 4 ways between WC, HWY, WA, SW.

HIGHWAY

Revenues

Insurance Reimbursement Reimbursement for storm water damage caused by flooding on 8/25/12.

Expenses

Health Insurance Insurance premiums represent payments for health through December and dental through January.

Grass Cutting Grass cutting is seasonal and is running approximately 7% lower than December 2011.

Street Light Expense Now that S Church Street street lights have been added to the Town's account, street light expense has increased by about \$1500 per month.

Highway Capital

Storm Drain Rehab-Cypress Creek Repairs performed by Lewis Construction-storm related which is offset by the \$24,000 insurance reimbursement from VML.

Hustler X-One 31KAW/60" Zero turn mower purchased from Farmers Service.

Light Tower \$7200 item split 4 ways between WC, HWY, WA, SW.

CASH BALANCES AS OF DECEMBER 31, 2012					
ACCOUNT NAME	BANK NAME	ACCOUNT BALANCE	Current Month INTERCO. TRANSFERS	Year end Interco. Transfers	ADJUSTED BALANCES
Water	Farmers Bank	776,660.88	(433,781.33)	(205,048.58)	137,830.97
Water-Debt Service	Farmers Bank	1,376,199.26	66,680.93		1,442,880.19
Water Capital Escrow (availability fees)	TowneBank	234,191.40	19,040.00		253,231.40
Water Development Escrow	TowneBank	70,190.06	4,000.00	-	74,190.06
Subtotal Water		2,457,241.60	(344,060.40)	(205,048.58)	1,908,132.62
Sewer	Farmers Bank	212,272.72	84,589.16	(325,174.54)	(28,312.66)
Sewer Development Escrow	TowneBank	322,003.38	4,000.00		326,003.38
Sewer Capital Escrow (availability fees)	TowneBank	739,861.51	28,840.00		768,701.51
Sewer Compliance	Farmers Bank	133,910.74	81,046.12		214,956.86
Subtotal Sewer		1,408,048.35	198,475.28	(325,174.54)	1,281,349.09
Highway	Farmers Bank	142,323.62	-	-	142,323.62
General Fund	Farmers Bank	2,623,703.48	22,936.01	530,223.12	3,176,862.61
Payroll	Farmers Bank	64,240.94			64,240.94
Money Market-General Fund	TowneBank	2,171.40			2,171.40
Business Super Now-General Fund	Farmers Bank	32,943.10	-		32,943.10
Money Market-General Fund	Farmers Bank	287,267.68			287,267.68
General Fund Capital Escrow Account	TowneBank	50,847.95	-		50,847.95
Certificate of Deposit	Farmers Bank	525,489.72	-		525,489.72
Certificate of Deposit-Police Dept	Farmers Bank	36,451.32			36,451.32
Special Project Account (Pinewood)	Farmers Bank	19,883.40	122,649.11	-	142,532.51
Pinewood Heights Escrow	Farmers Bank	36,087.74			36,087.74
S. Church Street Account	TowneBank	42,552.88	-		42,552.88
Subtotal General Fund		3,721,639.61	145,585.12	530,223.12	4,397,447.85
Beautification Fund	Farmers Bank	7,815.11			7,815.11
Money Market-Beautification	Farmers Bank	61,051.05			61,051.05
		68,866.16			68,866.16
		-			-

TOTAL ALL FUNDS		7,798,119.34	(0.00)	-	7,798,119.34
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Town of Smithfield, Virginia
Attn: Ms. Ellen Mings
PO Box 246
Smithfield, Virginia 23431

Phone (757) 365-4200 Fax (757) 365-4286

RE: Virginia Association Of Counties Finance Program Series 2005A

FOR DEBT SERVICE PAYMENT DUE: 1/20/2013

INTEREST: \$53,243.75

PRINCIPAL:

TOTAL PAYMENT DUE: \$53,243.75

paid out of water debt service fund.

PAYMENT INSTRUCTIONS

WIRE INSTRUCTIONS: 1/20/2013
U.S. Bank N.A. (091000022)
U.S. Bank Trust N.A. A/C 180121167365
REF: 790154000
ATTN: Sandra Swenson
651-466-6178

CHECK INSTRUCTIONS: 1/20/2013
US Bank
CM-9705
PO BOX 70870
St.Paul, MN 55170-9705
Reference: Sandra Swenson

VENDOR # _____

ACCOUNT # _____

DEPT HEAD ed _____

TOWN MANAGER _____



GOVERNMENT LEASING AND FINANCE, INC.
1310 MADRID ST, SUITE 107
MARSHALL, MN 56258



INVOICE NUMBER 218284347

DATE DUE

2/1/2013

TOTAL DUE

\$84,150.83

CHECK HERE IF ADDRESS CORRECTION IS NEEDED
COMPLETE INFORMATION ON REVERSE SIDE



000000726 1 MB 0.404 106481921355588 P
TOWN OF SMITHFIELD
310 INSTITUTE STREET
PO BOX 246
SMITHFIELD, VA 23431-0246

PLEASE REFERENCE INVOICE # ON YOUR CHECK

PLEASE RETURN THIS PORTION WITH REMITTANCE PAYABLE TO:



GOVERNMENT LEASING AND FINANCE, INC.
PO BOX 959067
ST LOUIS, MO 63195-9067

959067 218284347 008415083



GOVERNMENT LEASING AND FINANCE, INC.
1310 MADRID ST, SUITE 107
MARSHALL, MN 56258
800-328-5371
EFCUSTOMERSUPPORT@USBANK.COM

DATE OF INVOICE 12/18/2012

INVOICE NUMBER 218284347

Customer Credit Account Number 1177029

DATE DUE

2/1/2013

TOTAL DUE

\$84,150.83

PAGE 1 OF 1

FOR INVOICE INQUIRIES, PLEASE CONTACT US AT 800-328-5371

CONTRACT NUMBER	DESCRIPTION	CONTRACT PAYMENT	MISC./LATE CHARGES	SALES/USE TAX	TOTAL DUE
077-0018806-001	WATER PLANT CONST CONTRACT PAYMENT 2/1/2013	84,150.83	0.00	0.00	84,150.83

A LATE CHARGE WILL BE ASSESSED IF PAYMENT IS NOT RECEIVED BY DUE DATE

VENDOR # _____
ACCOUNT # _____
DEPT HEAD ed
TOWN MANAGER _____

Town of Smithfield, Virginia
Annual Engineering Services Contract
Project Billing For Period Beginning December 1, 2012 to December 31, 2012

INDEPENDENT PROJECTS	Fee Basis	% Complete	Amount Earned	Previous Amount Billed	Amount Due This Invoice
<i>Consent Order/SSD Private Property I/I Abatement Program (HR04103-57RI)</i>					
Program Assistance	Lump Sum	94.10%	\$ 23,525.00	\$ 22,225.00	\$1,300.00
<i>Consent Order/SSO General Rehabilitation Plan (HR04103-60RI)</i>					
Plan Development	Lump Sum	58.80%	\$ 102,900.00	\$ 102,095.00	\$805.00
<i>Consent Order/SSO MOM Program Full Hydraulic Model Phase 2 (HR04103-61RI)</i>					
Model Development	Lump Sum	96.16%	\$ 110,584.00	\$ 105,570.00	\$5,014.00
<i>Consent Order / SSES Minton Way Pump Station Basin (HR04103-65RI)</i>					
CCTV Inspection Services	Lump Sum	90.30%	\$31,605.00	\$27,720.00	\$3,885.00
<i>Consent Order / Capacity Assessment (HR04103-66RI)</i>					
Level of Service Determination	Lump Sum	16.80%	\$5,880.00	\$4,606.00	\$1,274.00
<i>Consent Order / Additional Locality-HRSD Coordination (HR04103-67RI)</i>					
Locality/HRSD Coordination	Lump Sum	31.20%	\$24,960.00	\$17,120.00	\$7,840.00

VENDOR # _____

ACCOUNT # 004-42070-7017

DEPT HEAD W.F. 76

TOWN MANAGER _____

TOTALS **\$20,118.00**



Draper Aden Associates

Town of Smithfield, Virginia
Annual Engineering Services Contract
Project Billing For Period Beginning December 1, 2012 to December 31, 2012

<i>GENERAL REVIEW SERVICES (HR04103-57RI)</i> Private Property I/I Abatement Program	Billing Period (2012)	Fee Basis	Fee	% Complete	Amount Earned	Prior Invoice Amount	Amount Due
<i>Project Labor</i>							
Program Assistance	December	Lump Sum	\$25,000.00	94.10%	\$23,525.00	\$22,225.00	\$1,300.00
Project Totals			\$25,000.00	94.10%	\$23,525.00	\$22,225.00	\$1,300.00

TOTAL = \$1,300.00

Town of Smithfield, Virginia
Annual Engineering Services Contract
Project Billing For Period Beginning December 1, 2012 to December 31, 2012

<i>GENERAL REVIEW SERVICES (HR04103-60RI)</i> Consent Order / SSO Rehabilitation Plan	Billing Period (2012)	Fee Basis	Fee	% Complete	Amount Earned	Prior Invoice Amount	Amount Due
Project Labor							
Plan Development	December	Lump Sum	\$175,000.00	58.80%	\$102,900.00	\$102,095.00	\$805.00
Project Totals			\$175,000.00	58.80%	\$102,900.00	\$102,095.00	\$805.00

TOTAL = \$805.00

Town of Smithfield, Virginia
Annual Engineering Services Contract
Project Billing For Period Beginning December 1, 2012 to December 31, 2012

<i>GENERAL REVIEW SERVICES (HR04103-61R1)</i>	Billing Period	Fee Basis	Fee	% Complete	Amount Earned	Prior Invoice Amount	Amount Due
Consent Order / SSO MOM Program Full Hydraulic Model Phase 2	(2012)						
<i>Project Labor</i>							
Plan Development	December	Lump Sum	\$115,000.00	96.16%	\$110,584.00	\$105,570.00	\$5,014.00
	Project Totals		\$115,000.00	96.16%	\$110,584.00	\$105,570.00	\$5,014.00

TOTAL = \$5,014.00

Town of Smithfield, Virginia
Annual Engineering Services Contract
Project Billing For Period Beginning December 1, 2012 to December 31, 2012

<i>GENERAL REVIEW SERVICES (HR04103-65R1)</i>	Billing Period	Fee Basis	Fee	% Complete	Amount Earned	Prior Invoice Amount	Amount Due
Consent Order / SSES Minton Way Pump Station Basin	(2012)						
<i>Project Labor</i>							
CCTV Inspection Services	December	Lump Sum	\$35,000.00	90.30%	\$31,605.00	\$27,720.00	\$3,885.00
	Project Totals		\$35,000.00	90.30%	\$31,605.00	\$27,720.00	\$3,885.00

TOTAL = \$3,885.00



Town of Smithfield, Virginia
Annual Engineering Services Contract
Project Billing For Period Beginning December 1, 2012 to December 31, 2012

<i>GENERAL REVIEW SERVICES (HR04103-66RI)</i> Consent Order / Capacity Assessment	Billing Period (2012)	Fee Basis	Fee	% Complete	Amount Earned	Prior Invoice Amount	Amount Due
<i>Project Labor</i>							
Level of Service Determination	December	Lump Sum	\$35,000.00	16.80%	\$5,880.00	\$4,606.00	\$1,274.00
Project Totals			\$35,000.00	16.80%	\$5,880.00	\$4,606.00	\$1,274.00

TOTAL = \$1,274.00

Town of Smithfield, Virginia
Annual Engineering Services Contract
Project Billing For Period Beginning December 1, 2012 to December 31, 2012

<i>GENERAL REVIEW SERVICES (HR04103-67RI)</i> Consent Order / Additional Locality-HRSD Coordination	Billing Period (2012)	Fee Basis	Fee	% Complete	Amount Earned	Prior Invoice Amount	Amount Due
<i>Project Labor</i>							
Locality - HRSD Coordination	December	Lump Sum	\$80,000.00	31.20%	\$24,960.00	\$17,120.00	\$7,840.00
Project Totals			\$80,000.00	31.20%	\$24,960.00	\$17,120.00	\$7,840.00

TOTAL = \$7,840.00



Draper Aden Associates

Engineering • Surveying • Environmental Services

Progress Report

To: Ms. Sonja Eubank
Company: Town of Smithfield
From: Andy Snyder
Project Name: Annual Engineering Services Contract – December 2012 Invoices
Project Number: HR04103-57RI, HR04103-60RI, HR04103-61RI, HR04103-65RI,
HR04103-66RI, HR04103-67RI
Date: January 14, 2012
cc: Bill Hopkins, Scott Schiller

Recent Activities:

1. HR04103-57RI – Continued coordination with HRSD and their consultant regarding an information request pertaining to preliminary peak flow estimates and other related data.
2. HR04103-60RI – Continued development of portions of the rehabilitation plan in order to clarify the necessary approach for meeting regional requirements and ensure the Town's ability to meet Consent Order related deadlines.
3. HR04103-61RI – Continued field survey work and the logging of collected information into a GIS database for eventual incorporation into the Town's full hydraulic model.
4. HR04103-65RI – Continued to review the coding information provided by the CCTV investigation work.
5. HR04103-66RI – Coordinated with HRSD and their consultants regarding the initial capacity assessment performed on the Town's infrastructure. Assisted the Town with regional discussions and decisions pertaining to a regional level of service determination. Began coordination with HRSD regarding followup information required based on the initial capacity assessment.
6. HR04103-67RI – Attended capacity team meetings and assisted the Town with general regional coordination efforts.

Upcoming Tasks:

1. HR04103-57RI – Attend future Private Property I/I Abatement Program meetings, respond to future information requests, and coordinate with the region as necessary.
2. HR04103-60RI – Continue development of the rehabilitation plan.
3. HR04103-61RI – Complete field survey work and GIS data entry for incorporation into the Town's full hydraulic model and begin development of final portions of the model.
4. HR04103-65RI – Complete a review of the coding information and summarize identified defects as necessary for incorporation into the Rehabilitation Plan.
5. HR04103-66RI – Assist the Town as necessary with requests pertaining to previous and upcoming capacity assessments. Coordinate with the region as necessary with regard to level of service determination.
6. HR04103-67RI – Attend upcoming capacity team meetings and assist the Town with general regional coordination efforts.

\\Hmp-files\projects\HR04\100\HR04103\HR04103-02\WORK\Billing File\2012 Invoice Files\December 2012 Invoices\December 2012 Progress Report 1-10-13.doc

11020 Fishing Point Drive, Suite 110 • Newport News, VA • 23606 • (757) 599-9800 • Fax: (757) 599-3601 • [draaden.com](http://www.draaden.com)

Blacksburg • Charlottesville • Richmond

Scope Changes:

1. N/A

Budget Status/Percent Complete

1. HR04103-57RI – 94.10%
2. HR04103-60RI – 58.80%
3. HR04103-61RI – 96.16%
4. HR04103-65RI – 90.30%
5. HR04103-66RI – 16.80%
6. HR04103-67RI – 31.20%

Schedule Status/Deliverable Status

1. HR04103-57RI – On schedule based on VDEQ deadlines.
2. HR04103-60RI – On schedule based on VDEQ deadlines.
3. HR04103-61RI – On schedule.
4. HR04103-65RI – On schedule.
5. HR04103-66RI – On schedule based on VDEQ deadlines.
6. HR04103-67RI – On schedule based on VDEQ deadlines.

Input needed from client "What we are waiting on:"

1. None

Issues you should be aware of/ any other issues:

1. None

REW Corporation
3708 Adams Street
Suite E
Portsmouth VA 23703
757-686-0800
License: 2701 033089A

Contract Invoice

Invoice#: 361-12-1-1
Date: 12/19/2012

Billed To: Town of Smithfield
P.O. Box 246
Smithfield VA 23430

Project: Waterplant Flowmeters Diagnost

Due Date: 01/19/2013

Terms: Net 30 Days

Order#

Description	Amount
Invoice Labor and materials for the installation of key numbers in the following flow transmitters: Concentrate Flow, FIT140, FIT240, FIT305, and FIT650	6,200.00

Notes:

R.O

VENDOR # _____
ACCOUNT # 005-42060-7028
DEPT HEAD W. S. J.
TOWN MANAGER _____

A service charge of 18 % per annum will be charged on all amounts overdue on regular statement dates.

Thank you for your business and prompt payment!

Non-Taxable Amount:	6,200.00
Taxable Amount:	0.00
Sales Tax:	0.00
Amount Due	6,200.00

ful
VMR

REW Corporation
3708 Adams Street
Suite E
Portsmouth VA 23703
757-686-0800
License: 2701 033089A

Contract Invoice

Invoice#: 982-11-9-1
Date: 12/20/2012

Billed To: Town of Smithfield
P.O. Box 246
Smithfield VA 23430

Project: Replace Ant. & Cable Church St

Due Date: 01/20/2013

Terms: Net 30 Days

Order# Jessie Snead

Description	Amount
Invoice This invoice includes the labor and material for the replacement of the antenna and cable at the Church St. tank per Jessie Snead.	4,853.00

Notes:

*Radio/Snead
w/rt + SWR
Concentric*

VENDOR # _____
ACCOUNT # 004-42000-7017
DEPT HEAD 11-5-76
TOWN MANAGER _____

A service charge of 18 % per annum will be charged on all amounts overdue on regular statement dates.

Thank you for your business and prompt payment!

Non-Taxable Amount:	4,853.00
Taxable Amount:	0.00
Sales Tax:	0.00
Amount Due	4,853.00

REW Corporation
3708 Adams Street
Suite E
Portsmouth VA 23703
757-686-0800
License: 2701 033089A

Contract Invoice

Invoice#: 361-12-2-1
Date: 01/02/2013

Billed To: Town of Smithfield
P.O. Box 246
Smithfield VA 23430

Project: ASC for Mech, Elec. & Utility
P.O. Box 246
Smithfield VA 23431

Due Date: 02/02/2013

Terms: Net 30 Days

Order#

Description	Amount
Invoice	5,511.00
Labor and materials to replace the antenna and cable at Wilson Road per Jesse Snead.	
Labor: \$2,041	
Materials: \$3,470	

Notes:

*Radio/Seeds
w/te + Seal
Antenna cable*

*004-42070-7017
w. f. f.*

A service charge of 18 % per annum will be charged on all amounts overdue on regular statement dates.

Thank you for your business and prompt payment!

Non-Taxable Amount:	5,511.00
Taxable Amount:	0.00
Sales Tax:	0.00
Amount Due	5,511.00



Invoice Date 1/2/2013
 Invoice Number 100226
 Service Order Number 0000246

INVOICE - SERVICE

S
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WO7652
 TOWN OF SMITHFIELD
 PO BOX 246

 SMITHFIELD VA 23431

J
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T
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TOWN OF SMITHFIELD

NET DUE \$2,727.76

SLS #	TERMS	PURCHASE ORDER
100	NET 30	
DESCRIPTION		
QUARTERLY INVOICE		
BATTERY PARK ROAD TANK		
500,000 GALLON 151'HWL PED		

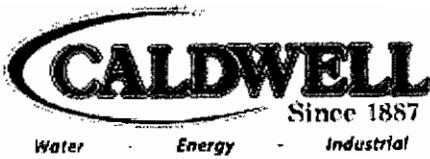
VENDOR # _____
 ACCOUNT # _____
 DEPT HEAD W. S. J.
 TOWN MANAGER _____

TOTAL	PAYMENT	NET DUE
\$2,727.76		\$2,727.76

CUSTOMER COPY

THANK YOU FOR YOUR BUSINESS!

4000 TOWER ROAD, LOUISVILLE KY 40219 / P O BOX 35770, LOUISVILLE KY 40232 / (502) 964-3361 / (502) 966-8732 FAX



Invoice Date 1/2/2013
 Invoice Number 100223
 Service Order Number 0000243

INVOICE - SERVICE

S O L D T O	WO7649 TOWN OF SMITHFIELD PO BOX 246 SMITHFIELD VA 23431	J O B S I T E	TOWN OF SMITHFIELD
--------------------------------	---	---------------------------------	--------------------

NET DUE \$6,510.43

SLS #	TERMS	PURCHASE ORDER
100	NET 30	

DESCRIPTION

QUARTERLY INVOICE
 70,000 GALLON DE 100'HWL
 CARY STREET ELEVATED TANK

TOTAL	PAYMENT	NET DUE
\$6,510.43		\$6,510.43

CUSTOMER COPY

THANK YOU FOR YOUR BUSINESS!

4000 TOWER ROAD, LOUISVILLE KY 40219 / P O BOX 35770, LOUISVILLE KY 40232 / (502) 964-3361 / (502) 966-8732 FAX



Invoice Date 1/2/2013
 Invoice Number 100224
 Service Order Number 0000244

INVOICE - SERVICE

S O L D T O	WO7650 TOWN OF SMITHFIELD PO BOX 246 SMITHFIELD VA 23431	J O B S I T E	TOWN OF SMITHFIELD
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NET DUE \$8,105.64

SLS #	TERMS	PURCHASE ORDER
100	NET 30	

DESCRIPTION

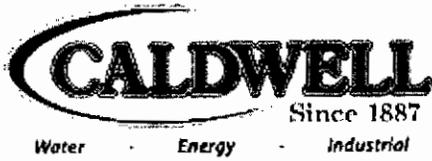
QUARTELY INVOICE
 WILSON ROAD TANK
 150,000 GASLLON 130' HWL

TOTAL	PAYMENT	NET DUE
\$8,105.64		\$8,105.64

CUSTOMER COPY

THANK YOU FOR YOUR BUSINESS!

4000 TOWER ROAD, LOUISVILLE KY 40219 / P O BOX 35770, LOUISVILLE KY 40232 / (502) 964-3361 / (502) 966-8732 FAX



Invoice Date 1/2/2013
 Invoice Number 100225
 Service Order Number 0000245

INVOICE - SERVICE

S O L D T O	WO7651 TOWN OF SMITHFIELD PO BOX 246 SMITHFIELD VA 23431	J O B S I T E	TOWN OF SMITHFIELD
--------------------------------	---	---------------------------------	--------------------

NET DUE \$7,652.58

SLS #	TERMS	PURCHASE ORDER
100	NET 30	

DESCRIPTION

QUARTERLY INVOICE
 CHURCH STREET TANK
 400,000 GALLON 123'HWL PED

TOTAL	PAYMENT	NET DUE
\$7,652.58		\$7,652.58

CUSTOMER COPY

THANK YOU FOR YOUR BUSINESS!

4000 TOWER ROAD, LOUISVILLE KY 40219 / P O BOX 35770, LOUISVILLE KY 40232 / (502) 964-3361 / (502) 966-8732 FAX

THE TOWN OF SMITHFIELD, VIRGINIA
 CAPITAL IMPROVEMENTS PROGRAM (CIP) PROJECT SUMMARY: FISCAL YEARS 2013-2018

01/24/2013

Project Number	PROJECT DESCRIPTION	Council Priority	FY 2013-2014	FY 2014-2015	FY 2015-2016	FY 2016-2017	FY 2017-2018	TC ADOPTED Estimated Project Total
----------------	---------------------	------------------	--------------	--------------	--------------	--------------	--------------	------------------------------------

Project Numbers in bold have notes on next page

GENERAL FUND:

1 A	Pinewood Heights Subdivision Relocation (Grant Project)	M/CO	688,340	419,015	419,015			1,526,370
1 B	YMCA Expansion *	M/CO	50,000	50,000	50,000	50,000	50,000	250,000
1 C	Police Vehicles and Equipment	C	101,700	101,700	101,700	101,700	101,700	508,500
1 D	Public Works Vehicles and Equipment	C	5,000	25,000	5,000	5,000	5,000	45,000
1 E	Public Works Work Order System	C	6,250					6,250
1 F	Public Works Security Gate	C	2,625					2,625
1 G	Public Buildings Improvements	C	157,000					157,000
1 H	Geographic Information System and Mapping Program	D	12,000					12,000
1 I	Computer Equipment Technology Plan and Upgrades	D	507,650	22,000				529,650
1 J	Smithfield Center Upgrades	D		10,000	75,000			85,000
1 K	James / Washington Street Property Improvements	D	5,000					5,000
1 L	Smithfield Volunteer Fire Department Rescue Truck	C	10,000	10,000				20,000
Subtotal			1,545,565	637,715	650,715	156,700	156,700	\$ 3,147,395

2 A	GENERAL FUND: PUBLIC PARK IMPROVEMENTS (Clontz Park, Tot Lots, Waterworks Lake)		25,000	50,000				75,000
2 B	WINDSOR CASTLE PARK:							
2 C	Playground Area							-
2 D	Maintenance - Outbuildings							-
2 E	Public Restrooms			200,000.00				200,000
2 F	Community Garden							-
Subtotal			25,000	250,000	0	0	0	\$ 275,000.00

HIGHWAY FUND:

3 A	Public Works Vehicles and Equipment	C	20,000	40,000	20,000	20,000	20,000	120,000
3 B	Public Works Security Gate	C	2,625					2,625
3 C	Entrance Corridor Beautification Program - Sign Replacement	D	5,000	5,000	5,000	5,000	5,000	25,000
3 D	Battery Park Road Widening - Proffers	D					4,000,000	4,000,000
3 E	Public Works Work Order System	C	6,250					6,250
3 F	Great Springs Road	D		100,000				100,000
3 G	South Church Street Sidewalk /Trail Linkage (Bridge to Battery Park Road)	D			1,200,000			1,200,000
Subtotal			33,875	145,000	1,225,000	25,000	4,025,000	\$ 5,453,875

WATER FUND:

4 A	Municipal Water Storage Tank and Supply - RO Treatment Plant	M/CO			50,200	50,200	50,200	150,600
4 B	Water System Improvements - Hydrants and Tie Ins	C	50,000	50,000	50,000	50,000	50,000	250,000
4 C	Security Gate (Water Treatment Plant AND 1/4 of Shop)	C	11,625					11,625
4 D	Water and Sewer Master Plan	C	56,250					56,250
4 E	Utility Meters & Miscellaneous Utility Equipment	D	25,000	10,000	10,000	10,000	10,000	65,000
4 F	Public Works Work Order System	C	6,250					6,250
4 G	Public Works Vehicles & Equipment	C	20,000	40,000	20,000	20,000	20,000	120,000
Subtotal			169,125	100,000	130,200	130,200	130,200	\$ 659,725

SEWER FUND:

5 A	Sanitary Sewer Overflow Consent Order	M/CO	325,000	325,000	675,000	475,000	325,000	2,125,000
5 B	Public Works Work Order System	C	6,250					6,250
5 C	Public Works Security Gate	C	2,625					2,625
5 D	Water and Sewer Master Plan	C	56,250					56,250
5 E	Public Works Vehicles & Equipment	C	20,000	40,000	20,000	20,000	20,000	120,000
5 F	Pump Station Upgrades - (Crescent, Cyrpress Creek, Main Street)	C	100,000		100,000		100,000	300,000
5 G	Pump Station Upgrades - SE Quadrant (Cost Share w/ Developer)	D		370,000				370,000
Subtotal			510,125	735,000	795,000	495,000	445,000	\$ 2,980,125

Total CIP Projects			2,283,690	1,867,715	2,800,915	806,900	4,756,900	\$ 12,516,120
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01/25/2013

LEGEND: COUNCIL PRIORITIZATION
 M/CO = Mandated or Committed
 C = Critical
 D = Desirable
 DEF = Deferred

*YMCA EXPANSION
 Initial Ten Year Commitment Ends FY 2010 - 2011
 Second Ten Year Commitment Begins FY 2011 - 2012

Treasurer's Office

***Statement of Investment Policy
and Procedures***

PBC



Revised January, 2004

Treasurer's Office

Statement of Investment Policy and Procedures

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Treasurer's Office

Statement of Investment Policy and Procedures

Purpose

The purpose of this policy is to set forth the investment and operational policies for the management of the public funds of ("the County"). These policies have been adopted by, and can be changed only by, the Treasurer ("the Treasurer").

These policies are designed to ensure the prudent management of public funds, the availability of operating and capital funds when needed, and an investment return competitive with comparable funds and financial market indices.

It shall be the policy of the Treasurer that all investments and investment practices meet or exceed all statutes and guidelines governing the investment of public funds in Virginia and the guidelines established by the State Treasury Board and the Governmental Accounting Standards Board (GASB).

Scope of the Investment Policy

This investment policy is a comprehensive one that governs the overall administration and investment management of those funds held in the County's investment portfolio. This policy shall apply to such funds from the time of receipt until the time the funds ultimately leave the County's accounts. These funds include, but are not limited to, all operating funds, debt service funds, and capital project funds (the "County Portfolio").

Except for cash in certain restricted and special funds, the Treasurer will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

The guidance set forth herein is to be strictly followed by all those responsible for any aspect of the management or administration of these funds.

Investment Objectives

The County's Portfolio shall be managed to accomplish the following hierarchy of objectives:

1 - Preservation of Principal - The single most important objective of the County's investment program is the preservation of principal of those funds within the portfolio.

2 - Maintenance of Liquidity - The portfolio shall be managed in such a manner that assures that funds are available as needed to meet those immediate and/or future operating requirements of the County, including but not limited to payroll, accounts payable, capital projects, debt service and any other payments.

3 - Maximize Return - The portfolio shall be managed in such a fashion as to maximize the return on investments within the context and parameters set forth by objectives 1 and 2 above.

Delegation of Authority

The Treasurer is an elected official provided for by the Constitution of the Commonwealth of Virginia who is charged with collecting, safeguarding and disbursing public funds. Therefore, the Treasurer shall have responsibility for the operation of the investment program. The Treasurer shall establish written procedures for the operation of the investment program consistent with this investment policy. Procedures should include references to safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, collateral/depository agreement agreements and banking services contracts. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer. The Treasurer may employ an Investment Manager to assist in managing some or all of the County's Portfolio. Such Investment Manager must be registered under the Investment Advisors Act of 1940.

Standard of Prudence

The standard of prudence to be applied to the investment of the County's Portfolio shall be the "Prudent Investor" rule that states:

"Investments shall be made with judgment and care, under circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

The Treasurer and other County employees and officials involved in the investment process acting in accordance with the Code of Virginia, this policy and any other written procedures pertaining to the administration and management of the County's Portfolio and who exercise the proper due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that any negative deviations are reported in a timely fashion to the County Treasurer and that reasonable and prudent action is taken to control and prevent any further adverse developments. Furthermore, in accordance with Section 2.2-4410 et seq. of the Code of Virginia, the Treasurer shall not be liable for loss of public money due to the default, failure or insolvency of a depository.

Ethics and Conflict of Interest

The State and Local Government Conflict of Interests Act governs officers and employees, including those involved in the County's investment process. Specifically, Code of Virginia Section 2.2-3103 (5) and (6) of the Act provide that no officer or employee shall:

- 1) accept any money, loan, gift, favor, service, or business or professional opportunity that reasonably tends to influence him in the performance of his official duties; or
- 2) accept any business or professional opportunity when he knows there is a reasonable likelihood that the opportunity is being afforded to influence him in the performance of his official duties.

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with who business in conducted on behalf of the Treasurer.

Authorized Investments

In accordance with Sections 2.2-4501 through 2.2-4510 of the Code of Virginia and other applicable law, including regulations promulgated by the Treasury Board of Virginia, the County shall be permitted to invest in any of the following securities.

- A) **U.S. Government Obligations.** The following securities issued by the Unites States Government or its Agencies;
- 1) Stocks, bonds, treasury notes and other evidences of indebtedness of the United States, including:
 - a) the guaranteed portion of any loan guaranteed by the Small Business Administration,
 - b) any agency of the United States government, and
 - c) those unconditionally guaranteed as to the payment of principal and interest by the United States;
 - 2) bonds of the District of Columbia;
 - 3) bonds and notes of the Federal National Mortgage Association and the Federal Home Loan Banks;
 - 4) bonds, debentures or other similar obligations of federal land banks, federal intermediate credit banks, or banks of cooperatives, issued pursuant to acts of Congress; and
 - 5) obligations issued by the United States Postal Service when principal and interest thereon is guaranteed by the government of the United States.

U.S. Government obligations shall be limited to a maximum maturity of five (5) years at the time of purchase.

- B) **Repurchase Agreements.** Contracts for the present purchase and subsequent resale at a specified time in the future of specific securities at specified prices at a price differential representing the interest income to be earned by the County. Such contracts shall be invested in only if the following conditions are met:
- 1) the repurchase agreement has a term to maturity of no greater than ninety (90) days;
 - 2) the contract is fully secured by deliverable U.S. Government obligations as described in (A) above (without limit to maturity), having a market value at all times of at least one hundred two percent (102%) of the amount of the contract;
 - 3) a master repurchase agreement or specific written, repurchase agreement governs the transaction;
 - 4) the securities are held free and clear of any lien by a independent third party custodian acting solely as agent for the County, provided such third party is not the seller under the repurchase agreement and is a qualified public depository as defined in Section 2.2-4400 et seq. of the Code of Virginia;

- 5) a perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq. in such securities is created for the benefit of the City;
 - 6) for repurchase agreements with terms to maturity of greater than one (1) day, the County will value the collateral securities continuously and require that if additional collateral is required then that collateral must be delivered within one business day (if a collateral deficiency is not corrected within this time frame, the collateral securities will be liquidated.);
 - 7) the counterparty is a:
 - a) primary government securities dealers who report daily to the Federal Reserve Bank of New York, or
 - b) a bank, savings and loan association or diversified securities broker-dealer having \$5 billion in assets and \$500 million in capital and subject to regulation of capital standards by any state or federal regulatory agency; and
 - 8) the counterparty meets the following criteria:
 - a) have long-term credit rating of at least “AA” by Standard & Poor’s or “Aa” by Moody’s Investors Services,
 - b) have been in operation for at least 5 years, and
 - c) be reputable among market participants.
- C) **Commercial paper.** Unsecured short-term debt of U.S. corporations may be purchased if the following conditions are met:
- 1) the maturity is no greater than two hundred-seventy days (270) days;
 - 2) no more than thirty-five percent (35%) of the total funds available for investment (based on book value on the date of acquisition) may be invested in commercial paper;
 - 3) the amount invested in any single issuing corporation will not exceed five percent (5%) of the total funds available for investment (based on book value on the date of acquisition);
 - 4) the issuing corporation, or its guarantor, has a net worth of at least \$50 million;
 - 5) the net income of the issuing corporation, or its guarantor, has averaged \$3 million per year for the previous five years; and
 - 6) the issuing corporation, or its guarantor, has a short-term debt rating of no less than “A-1” (or its equivalent) by at least two of the following; Moody’s Investors Service, Standard & Poor’s, Fitch Investor’s Service and Duff and Phelps.
- D) **Bankers’ acceptances** issued by a domestic bank or a federally chartered domestic office of a foreign bank, which are eligible for purchase by the Federal Reserve System may be purchased if the following conditions are met:
- 1) the maturity is no greater than two hundred-seventy days (270) days;
 - 2) the short-term paper of which is rated not lower than P-1 by Moody's Investors Services and A-1 Standard & Poor's Corporation; and
 - 3) the amount invested in any single bank will not exceed five percent (5%) of the total funds available for investment (based on book value on the date of acquisition).
- E) **Corporate Notes** issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States which meets the following requirements:
- 1) the maturity is no greater than five (5) years at the time of purchase;
 - 2) has a minimum “Aa” long term debt rating by Moody’s Investors Service and a minimum “AA” long term debt rating by Standard & Poor’s; and

- 3) the amount invested in any single issuing corporation will not exceed five percent (5%) of the total funds available for investment (based on book value on the date of acquisition).
- F) **Municipal Obligations.** Bonds, notes and other evidences of indebtedness of the Commonwealth of Virginia, or of any county, city, town, district, authority or public body of the Commonwealth of Virginia upon which there is no default that meet the following criteria;
- 1) have a final maturity on the date of investment not to exceed five (5) years.
 - 2) rated in either of the two highest rating categories by a nationally recognized rating agency; and
- G) **Negotiable Certificates of Deposit and Bank Deposit Notes** of domestic banks and domestic offices of foreign banks with:
- 1) a rating of at least A-1 by Standard & Poor's and P-1 by Moody's Investor Service, Inc., for maturities of one year or less;
 - 2) and a rating of at least "AA" by Standard & Poor's and "Aa" by Moody's Investor Service for maturities over one year and not exceeding five years.
- H) **State Pool.** The pooled investment fund (known as the Virginia Local Government Investment Pool or "LGIP") as provided for in Section 2.2-4600 et seq. of the Code of Virginia.
- I) **Registered Investment Companies (Mutual Funds.)** Shares in open-end investment funds provided such funds are registered under the Federal Investment Company Act of 1940, invest exclusively in the securities permitted under this investment policy, provided that the fund is rated "AAM" or "AAM-G" or better by Standard & Poor's Corporation, or equivalent by other rating agencies. The fund must also be properly registered for sale under the Securities Act (Section 13.1-501 et seq.) of the Code of Virginia.

Bank Deposits

Certificates of deposit and other evidences of deposit in any national banking association, Federal Savings and Loan Association or Federal Savings Bank located in Virginia and any bank, trust company or savings institutions organized under Virginia law are permitted by Section 2.2-4401 et seq. of the Code of Virginia. The County will maintain bank deposits meeting the following requirements:

- 1) the maturity is no greater than one (1) year at the time of purchase;
- 2) certificates of deposit will be placed directly with depository institutions (no third parties or money brokers will be used);
- 3) deposits will be secured in accordance with the Virginia Security for Public Deposits Act, (Section 2.2-4400 et seq.) of the Code of Virginia that requires:
 - a) collateralization on all deposits of County funds in excess of the amount protected by federal deposit insurance, and
 - b) collateralization with (i) U.S. Government obligations and securities unconditionally guaranteed as to the payment of principal and interest by the United States, or any Agency thereof, or (ii) municipal bonds of the Commonwealth of Virginia or any political subdivision of the Commonwealth of Virginia that meets the minimum criteria established in this Policy for direct investment.

Portfolio Diversification

The County's Portfolio shall be diversified by security type and institution. The maximum percentage of the portfolio (book value at the date of acquisition) permitted in each eligible security is as follows:

U.S. Government Obligations	100% maximum
Registered Money Market Mutual Funds	100% maximum
State of Virginia LGIP	100% maximum
Repurchase Agreements	50% maximum
Bankers' Acceptances	40% maximum
Commercial Paper	35% maximum
Negotiable Certificates of Deposit/Bank Notes	20% maximum
Municipal Obligations	20% maximum
Corporate Notes	15% maximum
Bank Deposits	25% maximum

The County's Portfolio will be further diversified to limit the exposure to any one issuer. No more than 5% of the County's Portfolio will be invested in the securities of any single issuer with following exceptions

U.S. Treasury	100% maximum
Each Money Market Mutual Fund	50% maximum
Each Federal Agency	35% maximum
Each Repurchase Agreement Counterparty	25% maximum

Maximum Maturity

Maintenance of adequate liquidity to meet the cash flow needs of the County is essential. Accordingly, the portfolio will be structured in a manner that ensures sufficient cash is available to meet anticipated liquidity needs. Selection of investment maturities must be consistent with the cash requirements of the County in order to avoid the forced sale of securities prior to maturity.

For purposes of this Investment Policy, assets of the County shall be segregated into three categories based on expected liquidity needs and purposes — short-term operating funds, the core portfolio and bond proceeds.

Short-Term Operating Funds. Assets categorized as short-term funds will be invested in permitted investments maturing in twelve (12) months or less. The average weighted maturity of the short-term assets will not exceed 180 days. Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio will be continuously invested in readily available funds such as the LGIP, money market mutual funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

Core Portfolio. The operating fund core portfolio will be invested in permitted investments with a stated maturity of no more than 5 years from the date of purchase. To control the volatility of the core portfolio, the Treasurer will determine a duration target, not to exceed three years.

Bond Proceeds. Proceeds from the sale of bonds will be invested in compliance with the specific requirements of the bond covenants without further restriction as to the maximum term to maturity of securities purchased. However, in no case will bond proceeds be invested in securities with a term to maturity that exceeds the expected disbursement date of those funds.

Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding five (5) years if the maturity of such investment is made to coincide as nearly as practicable with the expected use of funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the Board of Supervisors.

Prohibited Investments and Investment Practices

The County is prohibited from:

- 1) Investment in reverse repurchase agreements;
- 2) Short sales (selling a specific security before it has been legally purchased);
- 3) Borrowing funds for the sole purpose of reinvesting the proceeds of such borrowing;
- 4) Investment in complex derivatives such as range notes, dual index notes, inverse floating rate notes and leveraged notes, or notes linked to lagging indices or to long-term indices.
- 5) Investing in any security not specifically permitted by this Policy.

Olde Towne Medical Center Endowment Fund

The Olde Towne Medical Center Endowment Fund (“Endowment Fund”) was established to generate annual income to supplement the Medical Center’s operating revenue. Spending from the Endowment Fund may be restricted and will be determined annually by the Board of Directors of the Olde Towne Medical Center. To ensure adequate liquidity to meet operating obligations, at least \$50,000 of the Endowment Fund will be invested in accordance with the Short-Term Operating Fund guidelines listed above.

The remainder of the Endowment Fund may be invested in Authorized Investments without regard to maturity as long as the effective duration of the Endowment Fund does not exceed 7 years. In addition to the Authorized Investments contained herein, up to 20% of the Endowment Fund may be invested in stock mutual funds that mirror the price and yield performance of the S & P 500 Index or the Wilshire 5000 Index.

Selection, Approval of Brokers, Qualified Financial Institutions

The County Treasurer and/or the County’s Investment Manager shall maintain a list of financial institutions and broker/dealers that are approved for investment purposes (“Qualified Institutions”). Only firms meeting the following requirements will be eligible to serve as Qualified Institutions:

- 1) “primary” dealers and regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule);

- 2) capital of no less than \$10,000,000;
- 3) registered as a dealer under the Securities Exchange Act of 1934;
- 4) member of the National Association of Dealers (NASD);
- 5) registered to sell securities in Virginia; and
- 6) the firm and assigned broker have been engaged in the business of effecting transactions in U.S. government and agency obligations for at least five (5) consecutive years.

All brokers, dealers and other financial institutions deemed to be Qualified Institutions shall be provided with current copies of the County's Investment Policy. A current audited financial statement is required to be on file for each financial institution and broker/dealer with which the County transacts business.

Competitive Selection of Investment Instruments

It will be the policy of the County to transact all securities purchase/sales only with Qualified Institutions through a formal and competitive process requiring the solicitation and evaluation of at least three bids/offers. The County will accept the offer which (a) the highest rate of return within the maturity required; and (b) optimizes the investment objective of the overall portfolio. When selling a security, the County will select the bid that generates the highest sale price.

Primary fixed price federal agency offerings may be purchased from the list of Qualified Institutions without competitive solicitation if it is determined that no agency obligations meeting the County's requirements are available in the secondary market at a higher yield.

Investment of Bond Proceeds

The County intends to comply with all applicable sections of the Internal Revenue Code of 1986, Arbitrage Rebate Regulations and bond covenants with regard to the investment of bond proceeds. Accounting records will be maintained in a form and for a period of time sufficient to document compliance with these regulations.

Sinking fund investments will be limited to those securities authorized by Section 2.2-4500 et seq. of the Code of Virginia.

Safekeeping and Custody

All investment securities purchased by the County or held as collateral on deposits or investments shall be held in third-party safekeeping at a qualified public depository who may not otherwise be a counterparty to the investment transaction. (A qualified public depository is defined under Virginia law as a national banking association, federal savings and loan association or federal savings bank located in Virginia and any bank, trust company or savings institution organized under Virginia law that receives or holds public deposits which are secured pursuant to Section 2.2-4400 et. seq. of the Code of Virginia.)

All securities in the County's Portfolio shall be held in the name of the County and will be free and clear of any lien. Further, all investment transactions will be conducted on a delivery-vs.-payment basis. The depository shall issue a safekeeping receipt to the County listing the specific instrument, rate, maturity and other pertinent information. On a monthly basis, the depository will also provide reports that list all securities held for the County, the book value of holdings and the market value as of month-end.

Appropriate County officials and representatives of the depository responsible for, or in any manner involved with, the safekeeping and custody process of the County shall be bonded in such a fashion as to protect the County from losses from malfeasance and misfeasance.

Performance Standards

The investment portfolio shall be designed and managed with the objective of obtaining a market rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and cash flow needs of the County. Short-term funds and other funds that must maintain a high degree of liquidity will be compared to the return on the three-month U. S. Treasury Bill. Medium term investments and other funds that have a longer-term investment horizon will be compared to an index of U. S. Treasury securities having a similar duration or other appropriate benchmark.

Reporting

The Treasurer or Investment Manager shall prepare an investment report not less than monthly. This report shall include: (i) a listing of the existing portfolio in terms of investment securities, amortized book value, maturity date, yield-on-cost, market value and other features deemed relevant and (ii) a listing of all transactions executed during the month.

The Treasurer or Investment Manager shall prepare a “Quarterly Investment Report” that summarizes (i) recent market conditions, economic developments and anticipated investment conditions, (ii) the investment strategies employed in the most recent quarter, (iii) a description of all securities held in investment portfolios at month-end, (iv) the total rate of return for the quarter and year-to-date versus appropriate benchmarks, and (v) any areas of policy concern warranting possible revisions to current or planned investment strategies. The market values presented in these reports will be consistent with accounting guidelines in GASB Statement 31 pertaining to the valuation of investments and the treatment of unrealized gains/losses.

The quarterly report will also include a statement that the investment of the County Portfolio is in compliance with this Policy and any applicable bond resolutions.

Investment Policy Adoption

This policy is adopted by the Treasurer of James County this _____ day of January, 2004.

Approved by

M. Ann Davis, MGT
Treasurer of

Town Of Warrenton



Investment Policy **(Revised August 2003)**

TOWN OF WARRENTON INVESTMENT POLICY

SCOPE

This investment policy applies to all financial assets of the Town of Warrenton. These funds are accounted for in the Town's annual financial report and include:

- General Fund
- Capital Projects Fund
- Water and Sewer Fund
- Cemetery Fund
- Agency Fund
- Any new fund created by the Director of Finance and Personnel, unless specifically exempted by the Town Council.

This investment policy applies to all transactions involving the financial assets and related activity of all these funds.

OBJECTIVES

SAFETY - The investment manager has a fiduciary responsibility regarding the public funds managed, therefore safety, or the preservation of capital, shall be the primary objective.

LIQUIDITY - Maintenance of sufficient liquidity to meet operating cash requirements is essential to the Town of Warrenton's investment policy.

RETURN - The Town of Warrenton seeks to attain market rates of return on its investments, consistent with constraints imposed by its safety objectives, cash flow considerations and laws of the Commonwealth that restrict placement of certain public funds. The Town's investment manager is encouraged to represent the Town's best interest in seeking to remove constraints to the efficient investment of its funds.

All participants in the investment process shall seek to act responsibly as custodians of the public trust. The investment manager shall avoid any transaction that might impair public confidence in the Town's effectiveness.

DELEGATION OF AUTHORITY

Responsibility for the overall financial management of the Town of Warrenton rests with the Director of Finance and Personnel, subject to the direction and control of the Town Manager. It is the responsibility of the Director of Finance and Personnel to initiate and support cash management and investment policies and procedures.

It is within the Director of Finance and Personnel's authority to delegate the operation of the investment program.

PRUDENCE

Investments shall be made with judgment and care under prevailing circumstances which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment considering the probable safety of their capital as it relates to the probable income to be derived.

The standard of prudence to be used by the investment manager shall be the "prudent person" and shall be applied in managing an overall portfolio. Investment officials acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual investment vehicle's performance, provided that deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

ETHICS AND CONFLICTS OF INTEREST

Employees involved in the investment program shall refrain from personal business activity that could conflict with proper execution of the investment program, or that could impair their ability to make impartial investment decisions.

Employees shall disclose to the Town Manager any material financial interests in financial institutions that conduct business with the Town of Warrenton and shall further disclose any large personal financial/investment positions that could be related to performance of the Town's portfolio.

Employees shall subordinate their personal investment transactions to those of the Town of Warrenton, particularly regarding timing of purchases and sales.

MONITORING AND ADJUSTING THE PORTFOLIO

In accordance with the Town's investment objectives to earn a safe and liquid average market rate of return on all funds invested, the investment official will take a passive investment posture.

Due to the size of the Town's investment portfolio, the expertise of its investment manager and past practice, it is impractical to aggressively manage its investment portfolio. Accordingly, a buy and hold approach will govern the investment program:

INTERNAL CONTROLS

The execution of all investments shall be carried out by an investment officer upon approval by the Finance Director.

Compliance with the Code of the Town of Warrenton, this Investment Policy and generally accepted accounting practices, play a significant role in the annual audit function conducted by an Independent Certified Public Accounting Firm.

The study and evaluation of internal control is a valuable part of the annual audit, with the management letter issued by the auditors bringing to light any significant weaknesses in the current system of internal accounting controls.

The Director of Finance and Personnel shall evaluate continually the need to change or strengthen internal controls currently in place.

AUTHORIZED INVESTMENTS

Authorized investments for public funds are limited to those set forth in Chapter 18, Section 2.1-328 of the Code of Virginia.

Investment vehicles for the Town of Warrenton shall be further restricted in consideration of the size of the portfolio and the absence of professional investment personnel.

The Town of Warrenton may invest any and all funds belonging to it or in its control in the following:

1. Obligations of the Commonwealth of Virginia. Stocks, bonds, notes and other evidences of indebtedness of the Commonwealth, and those unconditionally guaranteed as to the payment of principal and interest by the Commonwealth of Virginia.
2. Obligations of the United States. - Stocks, bonds, notes and other evidences of indebtedness of the United States, its agencies or government sponsored corporation. These securities can be held directly or in the form of a registered money market or mutual fund provided that the portfolio of the fund is limited to such evidences of indebtedness.
3. Certificates of deposit and time deposits of Virginia banks and savings institutions federally insured to the maximum extent possible and collateralized under the Virginia Security for Public Deposits Act, Section 2.1-361 of the Code of Virginia.
4. Overnight, term or open Repurchase agreements collateralized by U.S. Treasury/Agency Securities. The collateral for overnight or one day repurchase agreements is required to be at least 100% of the value of the repurchase agreement.

5. "Prime Quality" commercial paper, with a maturity of 270 days or less, issued by corporations organized under the laws of the United States, with a rating no lower than P-1 by Moody's Investor Service AND A-1 by Standard and Poor's Corporation.
6. Commonwealth of Virginia Local Government Investment Pool (LGIP). - Convenience and cost effectiveness are primary advantages in using the LGIP as an investment vehicle.

INVESTMENT DIVERSIFICATION

The Town of Warrenton shall diversify its investments by type and issuer consistent with the following guidelines:

1. The portfolio will be diversified with no more than five percent of its value invested in the securities of any single issuer. This limitation shall not apply to securities of the Commonwealth of Virginia, the U.S. Government, insured certificates of deposit and the Commonwealth of Virginia Local Government Investment Pool.
2. The maximum percentage of the portfolio permitted in each eligible security type is as follows:

Commonwealth of Virginia Securities	50%
U.S. Government Securities	50%
Certificates of Deposit	75%
Repurchase Agreements	50%
Commercial Paper	25%
Virginia LGIP	100%

REPORTING

Periodic reporting of portfolio position and investment performance results will add an element of accountability and discipline to the Town of Warrenton's Investment Program.

The investment officer shall prepare and incorporate into the monthly council financial report an accounting of investment activity for the month then ended. The report will show the details of the portfolio's position at month end and will include current yield, investment income, investment income compared to prior years as well as current budget projections.



A Pinewood Heights Management Team Meeting was held on January 8th, 2013 at 4:00 p.m. at the Smithfield Center located at 220 North Church Street. Management Team Members present were: Mr. Peter Stephenson, Town Manager, Ms. Lesley Greer King, Town Clerk; Ms. Ellen Minga, Town Treasurer; Mr. William T Hopkins, III, Director of Planning, Engineering and Public Works; Mr. William Saunders, Planner/GIS Coordinator; Mr. T. Carter Williams, Mayor; Mrs. Denise N. Tynes, Council Member; Mr. Brian Reagan and Mr. Michael Dodson of Community Planning Partners; and Ms. Elizabeth Boehringer, Department of Housing and community Development. Sparkplugs present were: Ms. Helena Urquhart, Ms. Phyllis Townsend, and Ms. Cynthia Diggs. Others in attendance was Ms. Helen Sommer and Mr. Jim Bergdoll of Habitat for Humanity.

I. Welcome & Administrative Announcement: Mr. Reagan stated that for those that do not know he will be leaving Community Planning Partners at the end of this month. January 25th will be his last day. He explained that he will be getting married in April and his fiancé lives outside of Washington D.C. and has accepted a position as a Housing Program Director for Loudun County. He stated that it is a sad day for him as this is one of the projects that he does not want to walk away from. From day one this has been a long road but an absolute rewarding one. Mr. Michael Dodson is present and will be taking over the project. Mr. Dodson has been with Community Planning Partners for six and a half years. He has had a lot of experience with acquisition and relocation projects. Mr. Reagan stated that there are a few new faces here so he wanted to start off with introductions. Everyone present introduced themselves.

II. Reminder of Multi-Year 1 Products: Mr. Reagan reported on what our products are as far for the first half of Phase II. Multi-Year 1 includes the acquisition/relocation of six owner-occupied, the acquisition/relocation of two market rate renter-occupied, and acquisition/relocation of two Section 8 renter-occupied households.

III. Current Progress: In terms of current progress both Section 8 renter-occupied households at 42 and 43 Carver Avenue have been relocated. The town will be closing on these two properties this coming Friday. As of this Friday the town will have closed on a total of three properties. Mr. Reagan stated that he would like to go ahead and request that the utilities be disconnected at 41 and 42 Carver on Friday so that we can start the demolition process. One owner-occupied relocation has been completed and her new home is absolutely beautiful. There are two more owners that have started the acquisition process. They are located at 44 and 45 Carver Avenue. The appraisals have been completed

and the Town Manager's office sent out the offer to purchase letters yesterday. Mr. Reagan explained that if everyone recalls from the last meeting the owner at 44 Carver Avenue we thought might be a little bit controversial because there had been some resistance from the owner. He continued to explain that after he and Ms. Wiggins met face to face with the owner in November they are working with Ms. Wiggins on some financial issues that need to be taken care of. Mr. Reagan stated that 45 Carver Avenue the individual does have a mortgage on the property but it is not too tough at all so 45 Carver may end up going before 44 Carver Avenue. Ms. Wiggins will continue over the next few months working with these two households to improve their credits and getting them in a mortgage. Mr. Reagan stated that he should be here back next week on whether 44 and 45 Carver accept the offers made by the town. The next two properties 46 and 47 Carver are also owner-occupied properties. Mr. Reagan stated that he has done some research and neither of these owner-occupied units have mortgages. Mr. Hopkins asked about 40 Carver Avenue. Mr. Reagan stated that we are going to do 40 Carver Avenue last because the same owner owns 39 and 40 Carver. So we will finish multi-year 1 with 40 Carver so that we can begin multi-year 2 with 39 Carver Avenue. This is due to the number of Section 8 properties allowed in the two different portions of Phase II. Mr. Saunders asked if the town is waiting for funds to come available since we are not moving forward with 46 and 47 Carver while 44 and 45 Carver Avenue's financial issues are resolved. Mr. Reagan stated that is correct.

IV. Habitat Property Update: The Town Manager introduced Ms. Helen Sommer and Mr. Jim Bergdoll of Habitat for Humanity. He explained that several years ago we had plans to proceed with some duplexes on the Washington/James Street property. With the economy taking its toll everyone kind of backed away from it. He continued to explain that back in the first phase we did have a meeting with the neighborhood to see if we had any one that was qualified or interested in the program. There was not that much interest in the first phase. In 2009 the town had approved a special use permit to potentially have two duplexes built on Washington Street. A map was handed out to show the location of the two proposed duplexes. Yesterday Mr. Hopkins, Mr. Saunders and I got together and reviewed the special use permit to see what the town could do with the zoning requirements to perhaps get started with Habitat for Humanity on one duplex. The unit would face Washington Street and the parking would be in the rear. The Town Manager stated that Habitat is in a position where the town can move forward. The Town Manager explained that if we just proceed with one duplex at this time the town does not have to relocate the storm drain that was put in for the Children's Center. Mr. Reagan asked if the Habitat for Humanity program was for first time homeowners only. Ms. Sommer stated that it is supposed to be first time homeowners or for a person that has not owned a home in three years. Mayor Williams asked Ms. Sommer to go over briefly the criteria for someone to move into one of these homes if they qualify. Ms. Sommer explained that Habitat for Humanity helps low to moderate income families with home ownership. There are basically three criteria's. One is the housing needs. She explained that being part of this relocation project does establish a housing need. The second would be the ability to pay a mortgage. Habitat for Humanity builds houses with materials and volunteers and sells the home just for cost with a zero percent interest mortgage or a zero equivalent mortgage. The third criteria is the willingness to partner. Along with the Habitat for Humanity program comes financial education piece, budgeting financial management, credit improvement, homeowner training and civic involvement. The down payment requirement is \$500 and there is also a sweat equity requirement of

250 to 400 hours on this home or other habitat projects. There would be one lien against the house for the actual cost. There may be a second lien if there is closing cost assistance available. The difference between the first two and the market price there may be a third equity lien which a family earns that equity as they live in a house and pay their mortgage. Ms. Sommer stated that the zero interest rate is not as big a deal as it was a while back but obviously makes things a lot more affordable for families. The Habitat for Humanity project would give community organizations, churches, etc an opportunity to come out and help build under the supervision of Habitat who has a builders risk Class A contractor's license. Mayor Williams asked who goes after finding a potential family. The Town Manager stated that the next thing would probably be to have a community meeting to explain the Habitat for Humanity program and see if there is an interest from the Pinewood Heights neighborhood. It would be not only for Phase II but folks that would be in the next Phase as well. Ms. Sommer stated that they had originally met with Phase I residents but nothing worked out. Mayor Williams stated that Phase I of this project was not embraced then the way that it is now. Mayor Williams asked if we are able to skip over a few houses if someone further down the line qualifies. Mr. Reagan stated that if the town decides to hold a neighborhood meeting it should include all of the remaining Pinewood Heights residents. Mayor Williams stated that at this time we should concentrate on Phase II residents. There is money that has been made available through Habitat for Humanity since 2006 and the donors want to see this money used. Mr. Reagan stated that he knows that we want to target Pinewood Heights but would this be beneficial to make this a Town of Smithfield project. Mrs. Tynes stated that our position as a council right now is to put the residents of Pinewood Heights as a priority. If for some reason we cannot find anyone in Pinewood Heights that qualifies we could extend it outside the Pinewood Heights neighborhood so we do not lose this opportunity. Mr. Reagan explained that Phase II is very owner oriented whereas Phase I was seventy-five percent renter occupied. Phase III will have a lot more renter occupied than Phase II as well. Mr. Reagan explained that in multi-year 1 of Phase II there are two market rate renters that we could target first. Ms. Sommer stated that she would provide the town with Habitat for Humanity applications so that they can start looking immediately. Mayor Williams suggested targeting the two market rate renters in Phase II to see if they are interested and qualify before calling another neighborhood meeting. Mr. Reagan stated that they would contact the renters at 40 Carver, 48 Carver and 111 Carver Avenue to see if there is any interest before moving into the next phase of the project.

V. Interim Compliance Review with DHCD – February 20 – 21: Mr. Reagan stated that initially a compliance review was scheduled here in Smithfield with Ms. Boehringer of the Department of Housing and Community Development (DHCD) for February 20th and 21st. However with Mr. Reagan's departure on January 25th he has asked Ms. Boehringer to have an earlier scheduled compliance review of records in his office before his last day. Mr. Reagan stated that he stopped the Town Clerks office and picked up the necessary paper work to complete the records portion of the compliance review. The only thing remaining will be the financial check list. This Friday Ms. Boehringer will be meeting Mr. Reagan and Mr. Dodson to go over the files to make sure they are being handled according to DHCD requirements. Mr. Reagan stated that as part of the compliance review it is required by DHCD that inspections be done on the majority of the units that residents are being relocated to. So after this meeting Mr. Reagan, Mr.

Dodson and Ms. Boehringer will be making a stop at Ms. Urquhart's home that she was recently relocated to. Ms. Boehringer will schedule a new date to come down and review the financial files.

VI. Financial Status of Project: The town will be submitting a drawdown request for \$125,000 to DHCD in the near future. The Town Treasurer stated that it is ready to go she is just waiting on the bank statement.

VII. Future Meeting: Mr. Reagan stated that meetings continue to be scheduled for the 2nd Tuesday every other month. The next meeting is on March 12th @ 4:00 p.m. The Town Manager stated that the Smithfield Center is booked on March 12th so staff would like for the Management Team to consider moving March's meeting to Monday, March 11th @ 4:00 p.m. All present were okay with the meeting date change.

VIII. Comments or Questions: The Town Manager stated that we look forward to working with Mr. Dodson and appreciate all of Mr. Reagan's hard work on the project. Mr. Reagan stated that slowly but surely with the help of Town Council, town staff and all the ones that have helped along the way this has been and continues to be a very rewarding project.

Meeting adjourned at 4:38 p.m.

MONTHLY PROGRESS REPORT FOR JANUARY 2013

Locality: Town of Smithfield

Contract #: 11-10 MY1

Prepared by: Brian P. Reagan, AICP

Project Name: Pinewood Heights Phase II Contract Completion Date: 03/ 20/2014

Date: 01/ 15/2013

FINANCIALS

CDBG Contract Amount: \$624,720 Leverage Amount: \$826,755
CDBG Amount Expended: \$124,526 Leverage Amount Expended: \$0

CUMLATIVE CONSTRUCTION PROGRESS

{INSERT PROJECT SPECIFIC PRODUCTS HERE}

ADMINISTRATIVE ACTIVITY

Management Plan: Is project on schedule as shown in PMP? Yes No If no, update will be furnished by: ____/____/____

When was the last Management Team meeting? 01/08/2013 Next meeting? 03/12/2013

Budget: Is project proceeding within the approved budget? Yes No If no, revision will be furnished by: ____/____/____

Technical Assistance Required? Yes No If yes, in what area(s)?

Status: Project activities that will occur in the next 30 days include the demolition of 41/42 Carver, which were closed on by the Town on Friday, January 11th. The Town will continue to work with the owner-occupants of 44 and 45 Carver in clearing credit and mortgage issues.

Are problems anticipated? None other than facilitating the acquisition and relocation of current and future owner-occupied households.

Other comments: Interim Compliance Review (Grant Management portion) was successfully completed with no findings on Friday, January 11th with E. Boehringer of DHCD. The financial portion will take place in Smithfield on Thursday, February 21st with E. Boehringer of DHCD.

Project Specific Products:

Owner-Occupied Acquisition (Goal=6)

Owner Occupied Homes

1) 41 Carver 2) 44 Carver 3) 45 Carver 4) 46 Carver 5) 47 Carver 6) 51 Carver

Preliminary Acquisition Letters Sent 3

1) 41 Carver 2) 44 Carver 3) 45 Carver

Appraisals Completed 3

1) 41 Carver 2) 44 Carver 3) 45 Carver

Review Appraisals Completed 3

1) 41 Carver 2) 44 Carver 3) 45 Carver

Offer to Purchase Letters Sent 3

1) 41 Carver 2) 44 Carver 3) 45 Carver

Offers Accepted 1

1) 41 Carver

Properties Closed On 1

1) 41 Carver

Tenant-Occupied Acquisition (Goal=4)

Tenant Occupied Homes

1) 42 Carver 2) 43 Carver 3) 48 Carver 4) 40 Carver

Preliminary Acquisition Letters Sent 2

1) 42 Carver 2) 43 Carver

Appraisals Completed 2

1) 42 Carver 2) 43 Carver

Review Appraisals Completed 2

1) 42 Carver 2) 43 Carver

Offer to Purchase Letters Sent 2

1) 42 Carver 2) 43 Carver

Offers Accepted 2

1) 42 Carver 2) 43 Carver

Properties Closed On 2

1) 42 Carver 2) 43 Carver

Owner-Occupied Relocation (Goal=6)

Owner Occupied Homes

1) 41 Carver 2) 44 Carver 3) 45 Carver 4) 46 Carver 5) 47 Carver 6) 51 Carver

Household Surveys Completed 3

1) 41 Carver 2) 44 Carver 3) 45 Carver

Income Verifications Completed 3

1) 41 Carver 2) 44 Carver 3) 45 Carver

Eligibility of Relocation Letters Sent 1

1) 41 Carver

Comparable Units Found and Inspected 1

1) 41 Carver

Households Relocated 1

1) 41 Carver

Market-Rate, Renter-Occupied Relocation (Goal=2)

Market-Rate Occupied Homes

1) 48 Carver 2) 40 Carver

Household Surveys Completed 0

Income Verifications Completed 0

Eligibility of Relocation Letters Sent 0

Comparable Units Found and Inspected 0

Households Relocated 0

Section 8, Renter-Occupied Relocation (Goal=2)

Section 8 Occupied Homes

1) 42 Carver 2) 43 Carver

Household Surveys Completed 2

1) 42 Carver 2) 43 Carver

Income Verifications Completed 2

1) 42 Carver 2) 43 Carver

Eligibility of Relocation Letters Sent 2

1) 42 Carver 2) 43 Carver

Comparable Units Found and Inspected 2

1) 42 Carver 2) 43 Carver

Households Relocated 2

1) 42 Carver 2) 43 Carver

Demolition (Goal=10)

Units to be Demolished

1) 40 Carver 2) 41 Carver 3) 42 Carver 4) 43 Carver 5) 44 Carver 6) 45 Carver

7) 46 Carver 8) 47 Carver 9) 48 Carver 10) 51 Carver

Units that have been Demolished 0

PROJECT STATUS MAP

Pinewood Heights Phase II Redevelopment Project
Multi-Year 1
Town of Smithfield, Virginia

LEGEND

--- PHASE II BOUNDARY

STATUS:

-  PRELIM ACQ LETTER SENT/RECEIVED
-  APPRAISAL COMPLETE
-  OFFER TO PURCHASE ACCEPTED
-  OFFER TO PURCHASE DECLINED
-  RELOCATION COMPLETE
-  PROPERTIES TO BE ACQUIRED IN MY2

- O OWNER OCCUPIED
- R RENTER OCCUPIED
- 8 SECTION 8 TENANT



December 17, 2012

COMMUNITY PLANNING PARTNERS, INC.



Robert F. McDonnell
Governor

James S. Cheng
Secretary of Commerce
and Trade

COMMONWEALTH of VIRGINIA

William C. Shelton
Director

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

January 17, 2013

Mr. Peter M. Stephenson, AICP, ICMA-CM
Town Manager
Town of Smithfield
Post Office Box 246
Smithfield, Virginia 23431

RE: Community Development Block Grant
Pinewood Heights Redevelopment Project
Interim Compliance Review

Dear Mr.  Stephenson:

On January 8 and 11, 2013, Elizabeth Boehringer, Community Development Specialist, of the Virginia Department of Housing and Community Development (DHCD), conducted the Interim Compliance Review (ICR) of the above referenced Community Development Block Grant (CDBG). The compliance review was rescheduled from its original dates of February 20 and 21, 2013 at the Town's request. The ICR consisted of a detailed inspection of all files and materials related to the Town's management of this project to date. What follows is a summary of what DHCD staff observed during this review.

PROJECT STATUS AND ACTIVITIES

The Community Improvement Grant (CIG) #11-10 is intended to improve the living conditions of 10 households, of which nine are LMI households, through the provision of acquisition and permanent relocation assistance. The \$624,720 grant was awarded on March 21, 2012, but, at the Town's request, the CDBG agreement was not signed by the Town until July 2, 2012. This extension was necessary due to the Town's need to conduct local hearings over the project budget and the proposed increase in the dedicated meals tax rate to provide local funds for this project. The Town has committed to provide \$826,755.00 in non-CDBG funds toward the project. The grant is scheduled to expire on March 20, 2014. If the Town completes the acquisition of ten (10) lots and the relocation of ten (10) households by September 20, 2013, DHCD will offer an additional \$375,280 for MY-II of this project, which will be an eighteen (18) month contract.

Partners for Better Communities



www.dhcd.virginia.gov

At the time of the compliance review, the status of the required activities, per this contract, are as follows:

1. Acquisition of nine (9) owner-occupied building units, of which six (6) will be done with CDBG funds in MY-1. **41 Carver Avenue has been acquired with the process of utility disconnection starting on January 11, 2013. This unit will be demolished once the acquisition of 42 Carver Avenue, the other side of the duplex, is completed. Written offers to purchase 44 and 45 Carver Avenue were mailed on January 7, 2013. Appraisals for 46 and 47 Carver Avenue will commence once the 90-day notice has been issued for 44 and 45 Carver Avenue.**
2. Acquisition of seven (7) tenant-occupied building units, of which four (4) will be done with local funds in MY-1. **The closings on 42 and 43 Carver Avenue were held on Friday, January 11, 2013. Afterwards the utilities can be disconnected. The demolition of 43 Carver Avenue will take place once 44 Carver Avenue, the other side of the duplex, is acquired. 48 Carver Avenue activities will commence once the 90-day notice has been issued for 44 and 45 Carver Avenue. 40 Carver Avenue will be acquired last because the property owner also owns 39 Carver Avenue which will be the first unit to be acquired under the MY-2 contract.**
3. Permanent relocation assistance for nine (9) owner households, of which four (4) will be done with CDBG funds and two (2) will be done with local funds in MY-1. **The owner-occupied household at 41 Carver Avenue has been relocated. The households in 44 and 45 Carver Avenue will be the next ones to be relocated. It should be noted that relocating the household at 45 Carver Avenue is considered the most complicated one in the project and may take more time than typical.**
4. Permanent relocation assistance for three (3) market-rate tenant households, of which two (2) will be done with local funds in MY-1. **No activity to date.**
5. Permanent relocation assistance for four (4) Section 8 households, of which two (2) will be done with local funds in MY-1. **The Section 8 tenants at 42 and 43 Carver Avenue have been relocated. The former was done with County Section 8 funds and the latter with HOME/STOP assistance resulting in homeownership creation.**
6. Demolition of sixteen (16) substandard building units, of which ten (10) will be done with local funds during MY-1. **The disconnection of utilities at 41 and 42 Carver Avenue has been initiated. Based upon experience from Phase I of the project, it can take up to a month for the utility companies to complete this activity.**

7. Clearance of all junk, debris, weeds, inoperable vehicles and dilapidated structures from the project area. **Significant improvement in this area has been accomplished since the start of the Pinewood Heights project. This will continue as additional duplexes are demolished.**

BENEFITS STATUS

The CDBG Agreement requires that 10 households, of which nine are low- and moderate-income households (LMI), receive acquisition and relocation assistance. As of the date of the compliance review, one owner-occupied and two tenant-occupied households have been relocated. As a result, six LMI persons have been served by this project to date. Due to the unfortunate death of a household member, it is anticipated that 29 and not 30 individuals will be beneficiaries. The National Objective of benefiting at least 51% LMI persons should be met.

FINANCIAL MANAGEMENT

As of the date of the ICR, the Town had submitted no drawdown requests. However, one has been prepared for approximately \$125,000 and was mailed on January 11, 2013. This draw will represent about 20% of the grant award. The supporting documentation will be submitted along with the request. DHCD expects the Town to submit draw down requests on a regular basis now that acquisition and relocation activities are underway. It should be noted that all CDBG funds are being expended on owner-occupied acquisition and relocation activities with permanent relocation costs being split up 54% CDBG and 46% Town funds.

A total of \$828,755 in leverage funds is committed to this project. DHCD understands that approximately \$300,000 in non-CDBG funds have been expended as of the compliance review. This will be verified at the financial review scheduled for February 21, 2013. Based upon past performance by the Town no problems are anticipated.

COMPLIANCE STATUS

Lesley Greer, Town Clerk, is responsible for the grant files. They were very well organized and appeared to include all necessary project documentation. Brian Reagan has done an excellent job of tracking and monitoring project activities, resulting in an exceptionally smooth compliance review. An inspection of the replacement housing at 318 East Drive was conducted and it was found to be decent, safe, and sanitary. The following table lists the regulatory topics reviewed during the compliance review and the result of that review.

Area Reviewed	Finding	Concern	Unresolved Issues	Compliance
Project Management				1/11/13
Files and Contracts				1/11/13
Citizens Participation/Complaints				1/11/13
Equal Opportunity Compliance/Fair Housing				1/11/13
Benefits				1/11/13
Acquisition				1/11/13
Relocation				1/11/13
Inspections				1/8/13

CONCLUSION

The Town of Smithfield and its numerous partners are to be commended for its commitment to improving the lives of the residents of the Pinewood Heights project area despite the project's long and tumultuous start. No findings or concerns were identified during the compliance review. This compliance review is considered closed and no response is required.

We appreciate the assistance that Brian Reagan provided DHCD staff during the review. Please extend our thanks to him. Should you have any questions regarding this review, please contact your Community Development Specialist, Elizabeth Boehringer, at 804-371-7065.

Sincerely,



Denise H. Ambrose
Associate Director

Enclosure

cc: Ellen Minga, Town of Smithfield
Lesley Greer, Town of Smithfield
Brian Reagan, Community Planning Partners, Inc.
Michael Paul Dobson, Community Planning Partners, Inc.
Elizabeth Boehringer, DHCD

Peter Stephenson

From: Corrin Jr, Jim E [jim.corrin@chartercom.com]
Sent: Sunday, January 13, 2013 4:57 PM
To: Peter Stephenson
Subject: Town of Smithfield Franchise Extension Agreement (Feb 8, 2013)
Attachments: Smithfield, VA Franchise Extension Agreement.doc; ATT00001.txt; ATT00002.htm

Happy New Year Peter – Hope your 2013 is off to a good start. I’m re-sending this extension agreement. I’ve revised the expiration date to 3/31 to give us a little more time. Hope this is OK with you. Please sign and return to the address below. Charter will sign and I’ll return the original document to you. In the meantime, I will submit a revised draft agreement to you. Thanks.

Jim

From: Corrin Jr, Jim E
Sent: Monday, November 19, 2012 11:44 AM
To: Peter Stephenson
Subject: Town of Smithfield Franchise Extension Agreement (Feb 8, 2013)

Peter – Please see attachment for the Town’s review and signature. Please return to the address below. Charter will sign and I’ll return the original document to you. In the meantime, I will submit a revised draft agreement to you. Any questions please let me know. Thank you and happy holidays.

Jim



Jim Corrin
Director of Government Relations
2 Digital Place
Simpsonville, SC 29681
864.254.7409

FRANCHISE EXTENSION AGREEMENT

WHEREAS, Charter Communications VI l/k/a Charter Communications (“Charter”) currently holds a cable franchise (“Franchise”) with the Town of Smithfield, Virginia (“Town”), granted by Ordinance on March 4, 1997; and

WHEREAS, Charter’s Franchise with the Town is scheduled to expire on December 9, 2012; and

WHEREAS, Charter and the Town have been engaged in informal renewal negotiations in accordance with Section 626(h) of Title VI of the Communications Act of 1934, as amended; and

WHEREAS, the parties continue to reserve all rights under the formal procedures of Section 626 of Title VI of the Communications Act of 1934, as amended, and do not waive any rights related thereto; and

WHEREAS, the amount of time required to conclude negotiations and allow for public review will extend beyond the initial expiration date; and

WHEREAS, it is in the public interest to extend the current Franchise for an additional period of time so that cable service to the public will not be interrupted.

NOW, THEREFORE, the Franchise shall be extended through March 31, 2013.

PASSED AND APPROVED this ____ day of _____, 2013.

Town of Smithfield, Virginia

By: _____

Name: _____

Title: _____

ACCEPTED this ____ day of _____, 2013

Charter Communications VI l/k/a Charter
Communications

By: _____

Name: Robert E. Quicksilver

Title: Executive Vice President, Chief Admin Officer