

**AGENDA**

FRANKLIN CITY COUNCIL

MONDAY, NOVEMBER 25, 2013 – CITY HALL COUNCIL CHAMBERS – 207 W. SECOND AVENUE

**7:00 P.M.****REGULAR MEETING**

CALL TO ORDER. . . . MAYOR RAYSTINE D. JOHNSON-ASHBURN  
PLEASE TURN OFF CELL PHONES . . . MAYOR RAYSTINE D. JOHNSON-ASHBURN  
INVOCATION . . . . . WARD 5  
PLEDGE OF ALLEGIANCE

CITIZENS' TIME: Don Goldberg, Board Member – Western Tidewater Free Clinic

**AMENDMENTS TO AGENDA****1. CONSENT AGENDA**

- A. Minutes from October 21, 2013 Regular City Council Meeting & Minutes from October 28, 2013 (Separate file)
- B. Special Recognition: Barbara Meese, The Children's Center –Resolution
- C. Special Recognition: Effie King, Civic Volunteer - Proclamation
- D. October, 2013 Departmental Reports (separate file)

**2. FINANCE**

- A. Financial Report October, 2013
- B. Police Equipment Capital Budget Transfer

**3. OLD/NEW BUSINESS**

- A. Franklin Redevelopment & Housing Authority Update – Philip Page, Executive Director
- B. Public Hearing: Madison Street Area CDBG Grant
- C. Utility Billing & Collections Policy Recommendations
- D. City Manager's Report
  - VDLP Opt-out Recommendation
  - Regional Library Contract Funding Formula Request

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

5. **CLOSED SESSION** – I move that the Franklin City Council meet in closed session to consider appointments to boards and commissions as permitted by Virginia Code Section 2.2-3711 (A) (1).

**Motion Upon Returning to Open Session:** I move that the only matters discussed during the session were those lawfully exempted from open meeting requirements and identified in the motion by which the closed session was convened.

**6. ADJOURN**

**UPCOMING ITEMS TO BE SCHEDULED...**

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

**SUBJECT****TENTATIVE TIME LINE****Police Department Report (Work Session)****December 16, 2013****Personnel Policies Review Including PTO,  
Health & Disability Insurance****TBA****2014 Council Retreat****TBA**

## **CONSENT AGENDA**

- A. Minutes from October 21, 2013 Regular City Council Meeting & Minutes from October 28, 2013 Regular City Council (Separate File)**
- B. Special Recognition: Barbara Meese, The Children's Center - Resolution**
- C. Special Recognition: Effie King, Civic Volunteer - Proclamation**
- D. October 2013 Departmental Reports (separate file)**

## **Minutes of the October 21, 2013 Called City Council Meeting Related to Council Authority Regarding the School Board and School Issues**

A called meeting of the Franklin City Council was called to order by Mayor Johnson-Ashburn at 6:30 p.m. in the City Council Chambers.

**Council Members in Attendance:** Raystine D. Johnson-Ashburn, Mayor; Barry Cheatham, Vice-Mayor; Greg McLemore, Benny Burgess, Mary Hilliard, and Mona Murphy (Councilman Don Blythe absent).

**Staff in Attendance:** Randy Martin, City Manager

**Other Guests in Attendance:** Attorney Roger C. Wiley of Hefty & Wiley P.C. of Richmond, Virginia

### **CLOSED SESSION**

Councilwoman Murphy moved that the Franklin City Council convene in Closed Session to discuss the following:

- as permitted by Virginia Code Section 2.2-3711 (A) (1), a personnel matter involving the performance of specific individual public officers.
- as permitted by Virginia Code Section 2.2-3711 (A) (7), consultation with legal counsel about the legal relationship between the City Council and the City School Board, and the extent of the City Council's authority concerning school matters.

The motion was seconded by Vice-Mayor Cheatham and passed with a 6-0 vote (Councilman Blythe absent).

Mayor Johnson-Ashburn reconvened the Called Meeting at 7:25 p.m. and announced that the public portion of the meeting would convene at 7:30 p.m.

**Motion Upon Returning to Open Session:** Councilwoman Hilliard moved that the City Council certifies that the Closed Session was concluded and nothing was discussed except the matter or matters (1) specifically identified in the motion to convene in Closed Session and (2) lawfully permitted to be discussed under the provisions of the Virginia Freedom Information Act that were cited in the motion. The motion was seconded by Vice-Mayor Cheatham and passed with a 6-0 vote (Councilman Blythe absent)

### **OPEN SESSION**

The Franklin City Council held a Called Public Meeting on Monday, October 21, 2013, at 7:30 p.m. in the Council Chambers, 207 West Second Avenue.

**Council Members in Attendance:** Raystine D. Johnson-Ashburn, Mayor; Barry Cheatham, Vice-Mayor; Greg McLemore, Benny Burgess, Mary Hilliard, and Mona Murphy (Councilman Don Blythe absent).

**School Board Members in Attendance:** Nancy Godwin, Ward 2 School Board Representative and Dawna Walton, Ward 6 School Board Representative.

**Other Staff in Attendance:** Franklin City Police, Corporal Josh Butts and Leesa Livesay, Acting Secretary, Recording Minutes.

## **CALL TO ORDER**

The City Council Meeting was reconvened by Mayor Johnson-Ashburn at 7:30 p.m.

Mayor Johnson-Ashburn reminded everyone that City Attorney Taylor Williams had previously recused himself from representing Council at this meeting because of a conflict of interest created by the City Charter which stipulates that he represent the City Council and the City School Board.

Randy Martin, City Manager introduced Attorney Roger C. Wiley. Mr. Wiley of Hefty & Wiley P.C. of Richmond, Virginia has served as Charlottesville's full-time City Attorney for fourteen years, followed by decades of municipal experience in a local government-oriented practice. Mr. Wiley also had experience in state government having served five years as Senior Assistant Attorney General and was recommended by VML to assist and advise the City from a legal perspective on the role of City Council as it relates to the City Schools.

Mayor Johnson-Ashburn reminded everyone this meeting was scheduled to end at 8:30 p.m.

Based upon a previous briefing from the City Manager, Mr. Wiley gave a brief overview of his understanding of issues the Franklin City Schools are facing such as underperforming schools; SOL scores low enough to have the State Board of Education put the Franklin City Schools on accreditation warning status for all schools in the division.

Mr. Wiley stated the City Council's authority over the schools is limited by the State Constitution and by statute to appropriating funds to the School Board, with the additional responsibility in the City of appointing School Board members. He was addressed with the hypothetical question "Would Council have the power to remove a member of the School Board because of perceived under-performance?" Mr. Wiley answered probably not; only in instances of malfeasance or the commission of a criminal act, the Council would have the power to petition a Circuit Court to remove someone with a majority vote from Council. The City Council has no direct power or authority over the performance of School System employees or any aspects of school management, but Council or its members can certainly express their opinion.

Before opening the meeting for public comments, Mayor Johnson-Ashburn requested everyone to please keep the proceedings in an orderly manner consistent with Council policy.

## **CITIZEN'S TIME**

Citizen 1

Joe Stutts who resides at 213 Woodland Drive, Franklin; stated in the last four years the Franklin City Schools have taken a downhill slide. In the past, he and his children received a good education from the City of Franklin Schools. He stated the Council has a responsibility to the voters who elected them, the citizens and to the children to urge School Board appointees to extend the finest education possible to the youth of the City.

Citizen 2

Asa Johnson who resides at the Village at Wood's Edge where he is Chairman of the Board is concerned about the low test scores for the last four years and the impact this has on our children, city and businesses.

Citizen 3

Lynn Hubbard-Rabil who resides at 101 Beechwood Drive, Franklin; is the President of Hubbard Peanut Company a major employer of Southampton County. Mrs. Hubbard-Rabil stated after watching three videos of meetings of local School Officials with State Board of Education Officials in her opinion the School Board is hardly to blame for what is occurring but, what has brought the Virginia Department of Education to our doorstep is a flagrant lack of regard locally for the State's operating standards or an even scarier lack of understanding from our local School Leaders. She added the Council may not be allowed to demand resignations but Council can ask for them.

Citizen 4

Edwin Pickup who resides at 208 Southampton Road, Franklin serves as one of the commissioners on the Franklin Redevelopment and Housing Authority Board. Mr. Pickup would like to know what steps the City Council could do to change the way that our children are being taught in the Franklin City Schools. The Franklin City Schools need a radical change and need to start thinking outside the box.

Citizen 5

Diane Tobin a resident of Franklin and a retired teacher; Mrs. Tobin volunteers as a Book Buddy for the Franklin City Schools and challenges other citizens to become involved in volunteering their services.

Citizen 6

David Benton who resides at 132 Wynnwood Drive, Franklin; asked anyone that have children or grandchildren in the Franklin School System to please stand and he noted only six citizens stood. Mr. Benton stated his concern that only six citizens out of the parents of thirteen hundred children that are in the school system chose to attend this meeting. This is the challenge that the City is facing. Mr. Benton also agrees the City needs some change in leadership in our school system.

There being no further citizens who signed up to speak, Mayor Johnson-Ashburn thanked everyone for attending and asked for closing statements from Council.

Councilman Burgess thanked everyone for attending and agrees there are some issues within our school system and stated he will do everything he can to correct this problem.

Vice-Mayor Cheatham also thanked everyone for attending and stated he will push for some action and also encouraged volunteerism.

Councilwoman Murphy thanked everyone for attending and encouraged citizens to become involved in their children's school system. She also added she would like to have more meetings with the School Board.

Councilwoman Hilliard also shares the concern of the parents and teachers and promises to keep current her focus on the problem.

Councilman McLemore thanked everyone for attending and acknowledged that he is told Council is limited in what they can do, but he is not convinced of this. Councilman McLemore also added that he would like the Council to look into alternative programs and come up with a radical plan of action which should start with leadership.

Mayor Johnson-Ashburn recognized members of the School Board and teachers that had attended the meeting by asking them to stand for recognition.

Mayor Johnson-Ashburn announced the Council has scheduled an upcoming Joint Meeting between City Council and the Franklin City School Board that is to be held on Wednesday, October 30, 2013 at 6:30 p.m. with the location to be announced.

Councilman McLemore suggested Council consider asking someone from the State Department of Education to attend the Joint Meeting.

Mayor Johnson-Ashburn thanked everyone for attending and asked for a motion of adjournment.

A motion was made by Vice-Mayor Cheatham to adjourn the meeting. The motion was seconded by Councilwoman Murphy and passed with a 6-0 vote. (Councilman Blythe absent).

**Meeting adjourned at 8:30 p.m.**



## **RESOLUTION OF HONOR AND APPRECIATION TO**

### **BARBARA S. MEASE**

**WHEREAS, Barbara S. Mease has been a children's advocate in Franklin, Suffolk, Southampton County and Isle of Wight County for more than 30 years; and,**

**WHEREAS, Barbara S. Mease has been a leader in providing services that have enhanced the quality of life for children and their families through daycare, education, diagnosis and treatment of child developmental delays and by partnering with the Early Head Start program and most recently the Head Start program; and,**

**WHEREAS, through her vision Barbara S. Mease created the Children's Center and has planned its continued growth through the years with campuses in Franklin, Suffolk and Smithfield to meet the needs of children and provide employment to over 200 people; and,**

**WHEREAS, Barbara S. Mease has assisted children beyond the boundaries of the Children's Center by her support and participation in the Smart Beginnings Western Tidewater program and the Early Childhood Development Commission; and**

**WHEREAS, the Franklin City Council commends Barbara S. Mease for her generous and devoted service to the health, education and welfare of the children of this City and wishes her well in all her future endeavors.**

**NOW, THEREFORE, BE IT RESOLVED, that the Franklin City Council Recognizes and Honors the Exceptional and Dedicated Service of Barbara S. Mease.**

**AND, FURTHER BE IT RESOLVED that a copy of this Resolution be spread upon the minutes of this meeting of the Franklin City Council as visible evidence of the high esteem in which this Council and the citizens of the City of Franklin hold Barbara S. Mease, thereby forever preserving and recording its gratitude.**

**Presented this 25<sup>th</sup> day of November, 2013 by the Members of Franklin City Council.**

**Raystine D. Johnson-Ashburn**

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**Mayor of the City of Franklin, Virginia**



**PROCLAMATION**  
**HONORING THE CIVIC VOLUNTEER EFFORTS OF EFFIE KING**

**WHEREAS**, Effie King has been a long time resident of Franklin, Virginia and a retired educator of the Franklin City Public Schools; and

**WHEREAS**, Effie King, during and after her retirement, has been a dedicated volunteer for various civic organizations and community endeavors including: the Chamber of Commerce; the City Treasurer’s Office; the Martin Luther King, Jr. Recreation Center building fund raising effort; the Presbyterian Church’s first facility in Franklin for Special Needs Children; Southampton Hospital’s East Pavilion Patient Surrogate Program; Camp Food Bank; Baker’s Home donor program; and personally maintains a children’s clothing “Bank” in her own home; and,

**WHEREAS**, Effie King’s has served the City of Franklin as a volunteer election official for the last twelve years; and,

**WHEREAS**, Effie King’s volunteer efforts as an election official include service as the Chief Election Officer for Precinct four and currently as the Assistant Chief for Precinct four with activities including mentoring and training other volunteers; and

**WHEREAS**, the Franklin City Council commends Effie King for all her generosity and devoted volunteer service to the Franklin community and particularly the City of Franklin.

**NOW, THEREFORE, BE IT PROCLAIMED**, that I as Mayor of the City of Franklin do hereby recognize and honor the Exceptional and Dedicated Volunteer Service of Effie King. I respectfully request all citizens of Franklin to join me in applauding the volunteer efforts of this outstanding citizen.

Proclaimed this 25<sup>th</sup> Day of November 2013.

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Raystine D. Johnson-Ashburn, Mayor

## **FINANCE**

- A. Financial Report October, 2013**
- B. Police Equipment Capital Budget Transfer**



**Monthly Financial Report Summary (Unaudited)  
for the Period Ending Ending October 31, 2013**

**General Fund Revenue Assumptions**

**Accruals:** Local Sales & Use Taxes, Meals Taxes, Lodging Taxes and Ambulance Service Charges. The Financial Report has been modified to adjust for these revenue sources on an accrual basis.

General Fund Revenue Summary

The General Fund is the City’s primary operating fund and is used to account for all resources except those that are required to be accounted for in another fund. With four months of the fiscal year complete, General Fund Revenues are tracking higher than revenue from the prior year period. Overall, General Fund revenue of \$3.98 million at the end of October 31 is 21.08% of budget compared to \$3.70 million or 19.3% of budget at October 31, 2012. An overview of the various local, state and federal sources is as follows:

Property Tax Revenue

- The first quarter of Fiscal Year 2013-2014 reflects a favorable increase in general property tax collections over the prior year period. All current real estate, personal property, and penalties & interest on taxes gained from the first quarter in fiscal year 2012-2013. This is partly due to the timing of the tax bills in the current year (earlier payments from citizens) and more aggressive collections overall.

REVENUE SOURCE	ACTUAL		Prior Year Change	
	10/31/2013	10/31/2012	Dollar and %	
Real Estate Taxes-Current	\$ 223,435	\$ 150,674	\$ 72,761	48%
Real Estate Taxes-Delinquent	78,262	106,701	\$ (28,439)	-27%
Personal Property Taxes-Current	145,988	89,882	\$ 56,106	62%
Personal Property Taxes-Delinquent	4,692	24,381	\$ (19,689)	-81%
Penalties & Interest Taxes	45,278	37,099	\$ 8,179	22%
<b>GENERAL PROPERTY TAX</b>	<b>\$ 497,655</b>	<b>\$ 408,737</b>	<b>\$ 88,918</b>	<b>22%</b>

Local Taxes

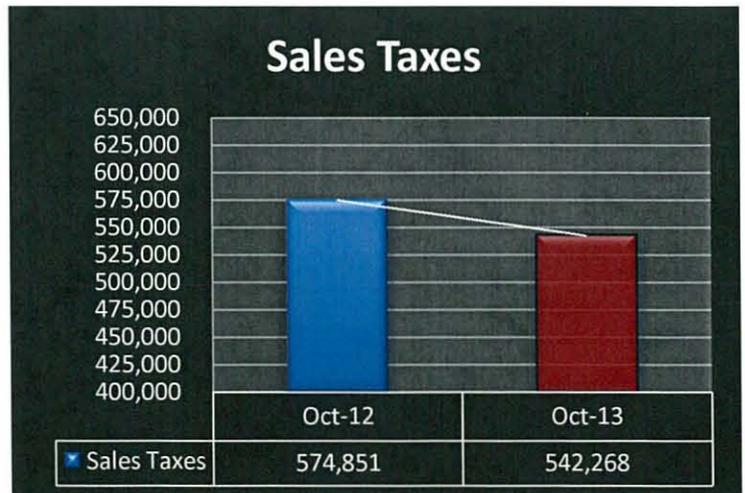
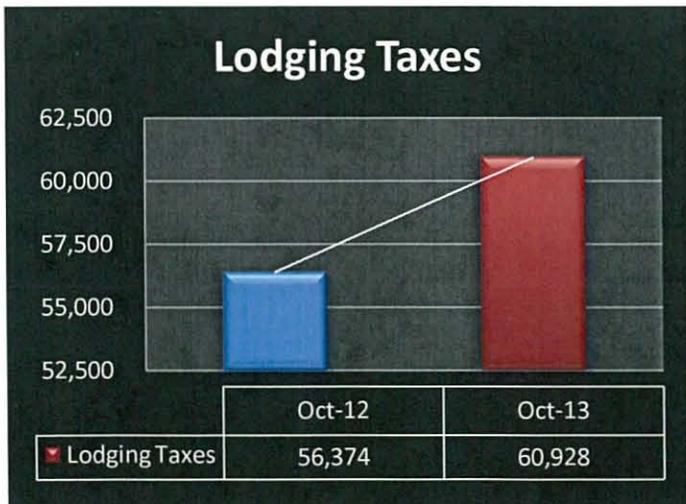
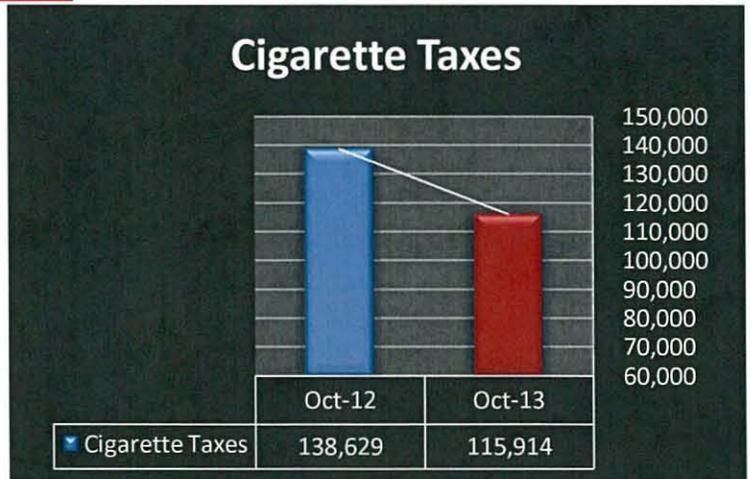
- Taxes indicative of the City’s local economy are tracking slightly less overall than the prior year period. Meals and lodging taxes yield positive gains of 2.10% and 8.0%; revenue from cigarette and sales taxes reflect less favorable trends as shown in table 1 and the accompanying charts.

However, all sources are on target with budgeted projections at greater than 33% of budget. The decline from the prior year in sales taxes is all attributed to sales associated with the month of July; July 2012 sales revenue remitted to the City was \$174,000 compared to \$149,000 received for July 2013 sales. The decline in cigarette tax revenue is due to the tax increase assessed last July on current inventory (due to the rate change) in addition to less stamps purchased by businesses in the current year quarter.

Table 1.

Oct -2012

Oct - 2013





Other Local Revenue

- Revenue from permits, fees and fines reflect an increase in the current accounting period from \$21,551 in October 2012 to over \$70,000 in October 2013 due to the consolidation of planning and inspection services with Southampton County. Fees collected year to date have reached 45% of budget.
- Charges for services reflect the budgeted reduction in the general fund associated with the transitioning to the separate Solid Waste Fund effective July 1, 2013. The general fund will reflect one month of solid waste collections as a result of payments made in the month of July for prior year (June 25th) billing. Effective August 1<sup>st</sup>, all revenue collected for solid waste services was reported in the Solid Waste Fund.
- Charges for services also include the administrative transfer from the City’s Enterprise Funds to the General Fund; the budget and expenditures for FY13-14 increased as a result of accurate cost allocation and service charges for the newly established Solid Waste Fund. Other charges for services include ambulance billing charges (which reflect significant gains due to timely billing of Medicaid claims) and parks & recreation fees which also reflect gains over the prior year period.
- State and Federal Revenue - No major changes from the prior year period; these sources tend to track closely to budget unless unexpected revenue is received.

**General Fund Expenditure Summary**

General Fund expenditures increased overall by \$129,000 or 3% from the prior year period. This is largely due to budgetary changes made in the current fiscal year; year to date expenditures are 27% of budget compared to 28% in the prior fiscal year. Primary decreases and increases in the current fiscal year versus expenditures at October 31, 2012 are as follows:

<u>Category of Expenditure</u>	<u>10/31/2013</u>	<u>10/31/2012</u>	<u>Variance</u>	<u>Primary Reason for Decrease/Increase</u>
Legislative, General & Financial	634,953	601,650	33,303	Information Technology operating expenses
Refuse Collection & Disposal	-	317,559	(317,559)	Transition to Solid Waste Fund
Planning & Beautification	36,983	8,794	28,189	Planning Department - Stormwater Management
Streets	454,412	396,906	57,506	More Operating Expenses in Current Fiscal Year
Buildings and Grounds	423,959	289,268	134,691	Capital Outlay - Roof Replacements
Fire and Rescue	677,493	479,629	197,864	Personnel Cost - Grant funded personnel
	<u>2,227,800</u>	<u>2,093,806</u>	<u>133,994</u>	



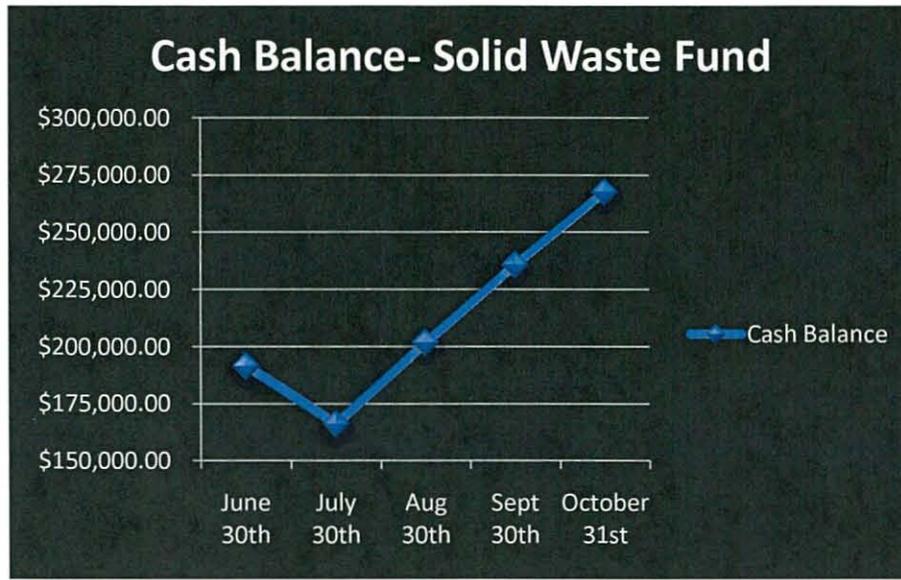
**Water & Sewer Fund Summary**

- The Water & Sewer Fund continues to perform according to budget:
- Revenue collected for water and sewer charges (\$1,012,000) is at 32% of budget and is in line with the prior year period.
- Operating expenses show a decrease of about \$85,000 due to the timing of projects completed primarily in the water division (i.e. waterline rehabilitation).
- After factoring in transfers to the General Fund and debt service, the variance between revenue and expenditures is \$400,229.

**Solid Waste Fund Summary**

- Revenue for the Solid Waste Fund of \$351,503 is recorded for three months beginning with the August 2013 financial report. (Revenue for solid waste services received in July 2013 was for the prior year service period (June 2013) and therefore credited to the City’s General Fund). Consequently, revenue will track behind budget until the end of the fiscal year.
- Operating expenditures as shown at \$208,383 is 24% of the total budget for operating cost and 17.8% of the total budget when factoring in the capital outlay budget.
- After factoring in transfers to the General Fund, total expenditures of \$281,000 represent 20% of the Fund’s total budget;
- As a result of year to date revenue earned and expenditures made, net income for the month is \$70,399; Cash in the Solid Waste Fund at the end of the quarter increased from the prior month by nearly \$32,000.

<u>Month</u>	<u>Cash Balance</u>	<u>Variance</u>
30-Jun	\$191,478.00	
30-Jul	\$166,060.35	(\$25,417.65)
30-Aug	\$201,680.10	\$35,619.75
30-Sep	\$235,700.15	\$34,020.05
31-Oct	\$267,523.00	\$31,822.85
<b>Net Change Since July 1, 2013</b>		<b>\$76,045.00</b>



#### *Airport Fund Summary*

- Fuel sales at Oct 31 were \$57,000, 32% higher than sales reported at October 31, 2012. Revenue is on target with budgeted projections.
- Other local revenue consists primarily of airport rental fees and is consistent with prior period revenue and on target with budget.
- Expenditures as of October 31 are less than October 2012 largely due to a decrease in the amount of fuel purchased.

- Revenue in the Electric Fund is on target with budget and represents four months of billed revenue at \$4.06 million (sale of energy) or roughly 31% of the budget. This is comparable to the same period in FY 2012-2013 in which billed revenue of \$4.16 million was 32% of budget.
- Revenue from other sources of nearly \$99,000 is performing well with 39% of the budget realized as of October 31.
- On the expense side, operating expenses of \$371,000 are comparable to the prior year period at 25% of the total budget. Funds set aside for reserves should remain unspent for the purposes of cash replenishment and future capital outlay. Expenditures for the sale of energy are currently 30% of budget, 14% less than the prior year.

### CASH BALANCE

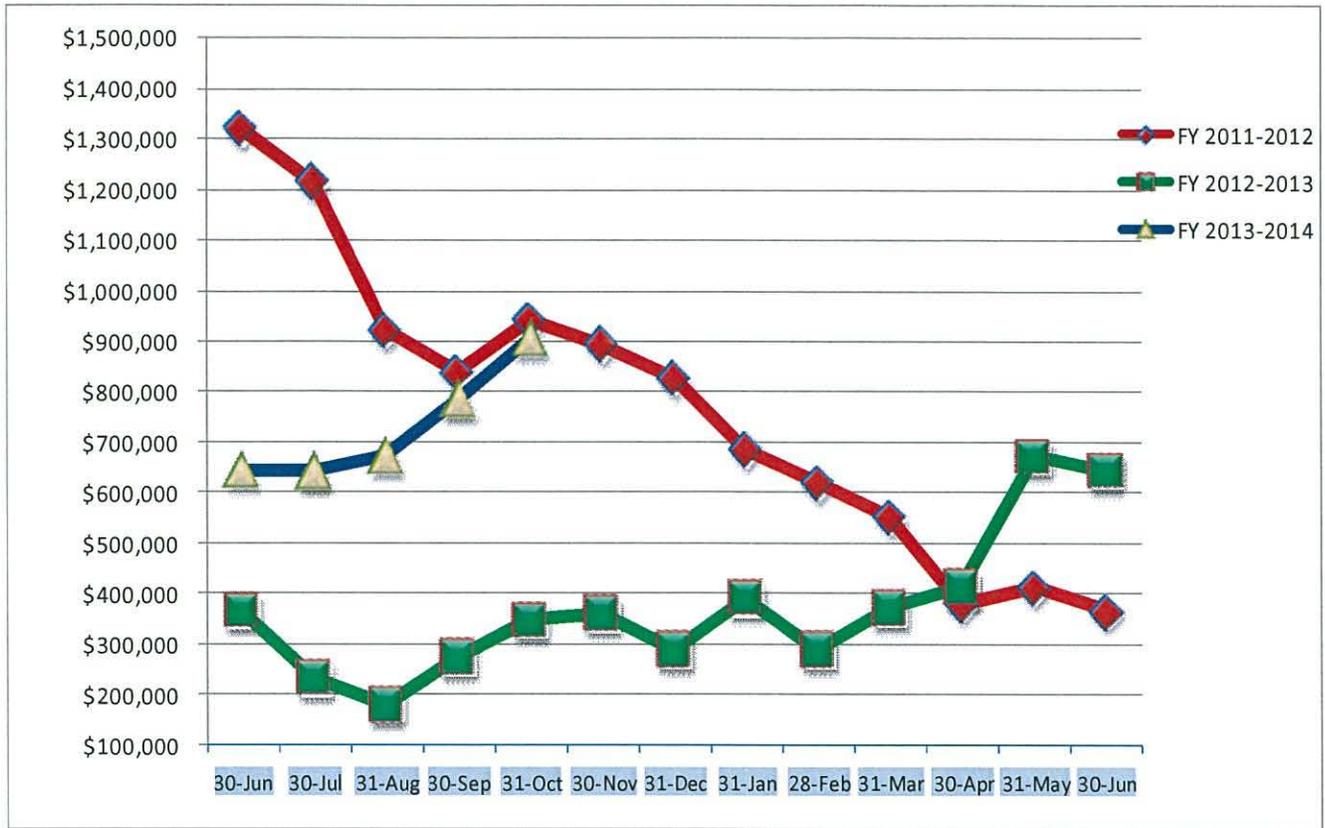
Cash in the Electric Fund at October 31 was \$905,000, a positive gain of \$120,000 from the cash balance reported at September 30. This is a considerable increase (\$558,000) over the cash balance reported in the Fund at the end of October 2012 (\$346,776). While cash from customers and other revenue sources increased by 1.0%, expenses decreased by 4.8% partly due to a reduction in the City's expense to VMEA.

**Prior Year (Table 1)**

Month	FY12-13	Revenue	Expenses	Month to Month Variance	Cash Balance	VMEA PAYMENTS
					\$ 365,374	
July		\$ 1,010,040	\$ (1,143,237)	\$ (133,197)	\$ 232,177	\$ (887,569)
August		\$ 1,281,182	\$ (1,333,420)	\$ (52,238)	\$ 179,939	\$ (1,015,441)
September		\$ 1,289,437	\$ (1,197,113)	\$ 92,324	\$ 272,263	\$ (928,938)
October		\$ 1,170,681	\$ (1,096,168)	\$ 74,513	\$ 346,776	\$ (818,226)

**Current Year (Table 2)**

Month	FY13-14	Revenue	Expenses	Month to Month Variance	Cash Balance	VMEA PAYMENTS
					\$ 643,257	
July		\$ 1,124,201	\$ (1,125,373)	\$ (1,172)	\$ 642,085	\$ (816,474)
August		\$ 1,273,234	\$ (1,242,781)	\$ 30,453	\$ 672,538	\$ (908,442)
September		\$ 1,245,217	\$ (1,133,186)	\$ 112,031	\$ 784,569	\$ (870,736)
October		\$ 1,159,090	\$ (1,038,735)	\$ 120,355	\$ 904,924	\$ (744,689)



	FY11-12	FY12-13	FY13-14
30-Jun	\$ 1,320,285	\$ 365,374	\$ 643,257
30-Jul	\$ 1,215,100	\$ 232,177	\$ 642,085
31-Aug	\$ 922,039	\$ 179,939	\$ 672,538
30-Sep	\$ 839,265	\$ 272,263	\$ 784,569
31-Oct	\$ 941,608	\$ 346,776	\$ 904,924
30-Nov	\$ 893,591	\$ 359,027	
31-Dec	\$ 827,204	\$ 287,190	
31-Jan	\$ 686,342	\$ 389,986	
28-Feb	\$ 620,337	\$ 287,764	

← Near FY 11-12 Level



**Cash Balance Policy Evaluation**

**FY 2013-14** Cash Balance as a Percentage of Annual Revenues (excluding fuel adjustment) at **10/31/13** = \$905,000 or 6.7%.

FY 2014 TOTAL REVENUE	15,051,745
Less Fuel Adjustment	(1,667,809)
Budget Basis for Policy	13,383,936
<b>10% of Annual Revenue</b>	<b>\$ 1,338,394</b>

**FY 2012-13** Cash Balance as a Percentage of Annual Revenues (excluding fuel adjustment) at FYE **10/30/12** = \$346,776 or 2.6%.

**Policy Evaluation:** FY 13-14 reflects good improvement in the Fund’s cash position; estimated cash in the Fund is still below minimum policy level by \$443,000 at Oct 31. However, in comparison to FYE Oct. 31, 2012 cash in the Fund was below minimum policy level by \$984,000, indicative of the favorable gains realized thus far in FY 2013-2014.

Table 3.

**FY 2013-2014 REVENUE BILLED VERSUS PAYMENTS COLLECTED ANALYSIS**

	July	August	September	October	TOTAL
BILLING	\$ 1,313,838	\$ 1,230,838	\$ 1,065,393	\$ 912,746	\$ 4,522,815
TOTAL PAYMENTS*	\$ 1,065,604	\$ 1,233,896	\$ 1,215,170	\$ 1,123,384	\$ 4,638,054
VARIANCE	\$ (248,234)	\$ 3,058	\$ 149,777	\$ 210,638	\$ 115,239

Table 4.

**FY 2012-2013 REVENUE BILLED VERSUS PAYMENTS COLLECTED ANALYSIS**

	July	August	September	October	TOTAL
BILLING	\$ 1,326,194	\$ 1,311,511	\$ 1,031,082	\$ 878,274	\$ 4,547,061
TOTAL PAYMENTS*	\$ 980,728	\$ 1,259,910	\$ 1,253,148	\$ 1,129,249	\$ 4,623,035
VARIANCE	\$ (345,466)	\$ (51,601)	\$ 222,066	\$ 250,975	\$ 75,974

\*Payments applied are for any month, current or past due.

1st Quarter Financial Report  
Period Ending October 31, 2013 (Unaudited)

<b>CITY OF FRANKLIN</b>						
<b>FISCAL YEAR 2013-14</b>						
<b>LOCAL TAX REVENUES</b>						
	<b>2013-2014</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>2012-2013</b>	<b>ACTUAL</b>	<b>BUDGET</b>
<b>REVENUE SOURCE</b>	<b>BUDGET</b>	<b>10/31/2013</b>	<b>%</b>	<b>BUDGET</b>	<b>10/30/2012</b>	<b>%</b>
Real Estate Taxes-Current	\$ 5,150,432	\$ 223,435	4.3%	\$ 5,141,289	\$ 150,674	2.9%
Real Estate Taxes-Delinquent	175,000	78,262	44.7%	175,000	106,701	61.0%
Personal Property Taxes-Current	1,325,000	145,988	11.0%	1,314,394	89,882	6.8%
Personal Property Taxes-Delinquent	70,000	4,692	6.7%	95,000	24,381	25.7%
Machinery & Tools	60,000	8,173	13.6%	60,000	0	0.0%
Penalties & Interest Taxes	120,000	45,278	37.7%	120,000	37,099	30.9%
Public Service Corporation Taxes	66,000	5,850	8.9%	61,000	33,737	55.3%
<b>GENERAL PROPERTY TAX</b>	<b>\$ 6,966,432</b>	<b>\$ 511,678</b>	<b>7.3%</b>	<b>\$ 6,966,683</b>	<b>\$ 442,474</b>	<b>6.4%</b>
<b>Local Sales &amp; Use Tax</b>	<b>\$ 1,725,000</b>	<b>\$ 542,267</b>	<b>31.4%</b>	<b>\$ 1,670,000</b>	<b>\$ 574,851</b>	<b>34.4%</b>
Consumer Utility Tax- Elec. & Water	543,000	\$ 198,066	36.5%	645,000	92,540	14.3%
Business License Tax	930,500	\$ 3,954	0.4%	940,000	6,368	0.7%
Motor Vehicle Licenses	172,000	\$ 23,646	13.7%	167,000	13,608	8.1%
Cigarette Tax	300,000	\$ 115,914	38.6%	262,900	138,629	52.7%
<b>Restaurant Meals Tax</b>	<b>1,250,000</b>	<b>\$ 423,295</b>	<b>33.9%</b>	<b>1,250,000</b>	<b>414,604</b>	<b>33.2%</b>
<b>Lodging Taxes</b>	<b>150,000</b>	<b>\$ 60,928</b>	<b>40.6%</b>	<b>140,000</b>	<b>56,374</b>	<b>40.3%</b>
Bank Stock	55,000	\$ -	0.0%	62,000	-	0.0%
Tax on Recordation & Wills	30,000	\$ 13,889	46.3%	30,000	5,789	19.3%
Right of Way Use Fees	28,000	\$ 6,220	22.2%	30,000	6,310	21.0%
Additional Taxes	-	\$ 1,415	0.0%	-	-	0.0%
<b>OTHER LOCAL TAXES</b>	<b>\$ 5,183,500</b>	<b>\$ 1,389,594</b>	<b>26.8%</b>	<b>\$ 5,196,900</b>	<b>\$ 1,309,073</b>	<b>25.2%</b>
<b>TOTAL TAXES &amp; LICENSES</b>	<b>\$ 12,149,932</b>	<b>\$ 1,901,272</b>	<b>15.6%</b>	<b>\$ 12,163,583</b>	<b>\$ 1,751,547</b>	<b>14.4%</b>
			1			

FINANCIAL REPORT AS OF OCTOBER 31, 2013 - 4 Months = 33%						
	2013-2014	ACTUAL	BUDGET	2012-2013	ACTUAL	BUDGET
REVENUE:	BUDGET	10/31/2013	%	BUDGET	10/31/2012	%
Taxes; Licenses	\$ 12,149,932	\$ 1,901,272	15.65%	\$ 12,163,583	\$ 1,751,547	14.40%
Permits, Fees, Fines	155,190	70,264	45.28%	125,225	21,551	17.21%
Use of Money & Property	247,757	137,093	55.33%	251,026	132,554	52.80%
<b>Total Charges for Services</b>	<b>1,316,464</b>	<b>567,652</b>	<b>43.12%</b>	<b>2,625,187</b>	<b>817,512</b>	<b>31.14%</b>
Misc & Recovered Costs	239,312	75,128	31.39%	185,500	52,995	28.57%
Isle of Wight Rev. Sharing	530,000	530,000	100.00%	-	238,835	0.00%
<b>Total State Aid</b>	<b>3,799,462</b>	<b>697,174</b>	<b>18.35%</b>	<b>3,808,404</b>	<b>684,291</b>	<b>17.97%</b>
Federal Aid	467,711	6,056	1.29%	22,966	6,365	27.71%
Proceeds Loans/Bonds	-	-	0.00%	-	-	0.00%
<b>Total Current Revenue</b>	<b>\$ 18,905,828</b>	<b>\$ 3,984,639</b>	<b>21.08%</b>	<b>\$ 19,181,891</b>	<b>\$ 3,705,650</b>	<b>19.32%</b>
<b>EXPENDITURES:</b>						
Operating Expense:						
Legislative, General & Financial	\$ 2,474,769	\$ 634,953	25.66%	\$ 2,122,767	\$ 601,650	28.34%
Elections, Courts, Sheriff	1,089,322	329,996	30.29%	1,068,095	342,455	32.06%
Law Enforcement	3,608,534	1,072,372	29.72%	3,503,791	1,083,754	30.93%
Fire and Rescue	2,136,870	677,493	31.70%	1,496,550	479,629	32.05%
Community Development	371,842	133,941	36.02%	368,392	115,585	31.38%
Streets	2,626,315	454,412	17.30%	1,976,932	396,906	20.08%
Garage	226,527	61,197	27.02%	190,400	59,456	31.23%
Refuse Collection & Disposal	185,000	2,514	0.00%	1,397,709	317,559	22.72%
Buildings and Grounds	1,353,939	423,959	31.31%	963,585	289,268	30.02%
Health	167,198	27,500	16.45%	166,173	27,500	16.55%
Parks and Recreation	600,458	188,793	31.44%	580,227	191,782	33.05%
Library	290,300	71,998	24.80%	283,723	73,580	25.93%
Planning & Beautification	252,876	36,983	14.62%	75,235	8,794	11.69%
Downtown Development	108,707	18,510	17.03%	105,516	18,013	17.07%
<b>Subtotal- Operating Expenses</b>	<b>15,492,657</b>	<b>4,134,621</b>	<b>26.69%</b>	<b>14,299,095</b>	<b>4,005,931</b>	<b>28.02%</b>
			2			

GENERAL FUND CONT'D	2013-2014	ACTUAL	BUDGET	2012-2013	ACTUAL	BUDGET
EXPENDITURES:	BUDGET	10/31/2013	%	BUDGET	10/31/2012	%
Payments to Southampton Co.	\$ 650,000	\$ -	0.00%	\$ 650,000	\$ -	0.00%
Non-Departmental Miscellaneous	40,000	9,760	24.40%	10,322	9,187	89.00%
Non-Departmental Debt Reserve	-	-	0.00%	242,151	-	0.00%
<b>Total Operating Expense</b>	<b>\$ 16,182,657</b>	<b>\$ 4,144,381</b>	<b>25.61%</b>	<b>\$ 15,201,568</b>	<b>\$ 4,015,118</b>	<b>26.41%</b>
Net Operating Income	\$ 2,723,171	\$ (159,742)	-5.87%	\$ 3,980,323	\$ (309,468)	-7.77%
<b>TRANSFERS - IN:</b>						
Transfer from Unappr Surplus	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
Transfer from Electric Fund	1,409,891	469,964	33.33%	1,409,891	469,964	33.33%
Use of Prior Year Fund Balance	643,174	-	0.00%	469,858	-	0.00%
Use of Fund Bal Reserve for Debt	689,386	-	0.00%	876,222	-	0.00%
Transfer W/S Debt Reserve	-	-	0.00%	157,915	52,638	33.33%
Use of Restricted Fund Balance	-	-	0.00%	132,213	-	0.00%
Transfer Electric Debt Reserve	-	-	0.00%	80,175	26,725	33.33%
<b>Total Transfers In</b>	<b>\$ 2,742,451</b>	<b>\$ 469,964</b>	<b>17.14%</b>	<b>\$ 3,126,274</b>	<b>\$ 549,327</b>	<b>17.57%</b>
To General Debt	\$ 498,604	\$ 186,644	37.43%	\$ 543,689	\$ 137,779	25.34%
To School Debt	424,162	-	0.00%	727,579	-	0.00%
To Water Fund	-	-	0.00%	-	-	0.00%
To Electric Fund	-	-	0.00%	-	-	0.00%
To Airport Fund	95,231	-	0.00%	86,897	-	0.00%
To Education Fund	4,847,395	1,621,665	33.45%	4,980,153	1,660,051	33.33%
To Education Fund-Carryover	643,174	-	0.00%	-	-	0.00%
To Social Services Fund	397,338	-	0.00%	454,057	-	0.00%
To Comprehensive Services Act	92,750	-	0.00%	151,584	-	0.00%
To Economic Dev Incubator	78,539	-	0.00%	63,038	-	0.00%
To Economic Dev Joint Fund	125,000	-	0.00%	100,000	\$ -	0.00%
<b>Total Transfers Out</b>	<b>\$ 7,202,193</b>	<b>\$ 1,808,309</b>	<b>25.11%</b>	<b>\$ 7,106,997</b>	<b>\$ 1,797,830</b>	<b>25.30%</b>
Variance (Revenue vs. Expense)	\$ -	\$ (1,498,087)	3	\$ -	\$ (1,557,971)	

<b>WATER AND SEWER FUND</b>						
	<b>2013-2014</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>2012-2013</b>	<b>ACTUAL</b>	<b>BUDGET</b>
<b>REVENUES:</b>	<b>BUDGET</b>	<b>10/31/2013</b>	<b>%</b>	<b>BUDGET</b>	<b>10/31/2012</b>	<b>%</b>
Sale of Water	\$ 1,300,000	\$ 427,542	32.89%	\$ 1,300,000	\$ 437,121	33.62%
Sewer Service Charges	1,750,000	578,319	33.05%	1,750,000	571,935	32.68%
Treatment Fees - Counties	70,000	6,565	9.38%	70,000	27,955	39.94%
Other Revenues	250	212	84.80%	500	(9,000)	-1800.00%
<b>Total Current Revenue</b>	<b>\$ 3,120,250</b>	<b>\$ 1,012,638</b>	<b>32.45%</b>	<b>\$ 3,120,500</b>	<b>\$ 1,028,011</b>	<b>32.94%</b>
<b>EXPENDITURES:</b>						
Operating Expense:						
Water System	\$ 1,361,348	\$ 210,562	15.47%	\$ 1,250,850	\$ 357,273	28.56%
Sewer System	1,093,027	73,512	6.73%	889,814	59,921	6.73%
Treatment Plant	743,603	182,495	24.54%	727,520	174,938	24.05%
<b>Total Operating Expenditures</b>	<b>3,197,978</b>	<b>466,569</b>	<b>14.59%</b>	<b>2,868,184</b>	<b>592,132</b>	<b>20.64%</b>
<b>TRANSFERS:</b>						
GF Transfer - Administrative Services	257,305	85,768	33.33%	346,361	115,454	33.33%
GF Transfer - Payment in Lieu of Taxes	26,460	8,820	33.33%	26,460	8,820	33.33%
GF Transfer - Debt Restructuring	-	-	0.00%	157,915	52,638	33.33%
<b>Total Transfers Out</b>	<b>\$ 283,765</b>	<b>\$ 94,588</b>	<b>33.33%</b>	<b>\$ 530,736</b>	<b>\$ 176,912</b>	<b>33.33%</b>
<i>Net Operating Income</i>	<i>\$ 2,836,485</i>	<i>\$ 451,481</i>	<i>15.92%</i>	<i>\$ 2,589,764</i>	<i>\$ 258,967</i>	<i>10.00%</i>
<b>OTHER FINANCING SOURCES</b>						
Use of Prior Year Fund Balance	\$ 727,617	\$ -	0.00%	\$ -	\$ -	0.00%
Transfer from General Fund	-	-	0.00%	-	-	0.00%
Total Other Financing Sources	727,617	-	-	-	-	-
<b>Total Revenue &amp; Other Sources</b>	<b>3,847,867</b>	<b>1,012,638</b>	<b>26.32%</b>	<b>3,120,500</b>	<b>1,028,011</b>	<b>32.94%</b>
Debt Service	\$ 366,124	\$ 51,252	14.00%	\$ 138,061	\$ 32,841	23.79%
<b>Total Expenditures</b>	<b>\$ 3,847,867</b>	<b>\$ 612,409</b>	<b>15.92%</b>	<b>\$ 3,536,981</b>	<b>\$ 801,885</b>	<b>22.67%</b>
<b>Variance - Revenue vs. Expenses</b>	<b>\$ -</b>	<b>\$ 400,229</b>		<b>\$ -</b>	<b>\$ 226,126</b>	
			4			

<b>ELECTRIC FUND</b>	<b>2013-2014</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>2012-2013</b>	<b>ACTUAL</b>	<b>BUDGET</b>
<b>REVENUES:</b>	<b>BUDGET</b>	<b>10/31/2013</b>	<b>%</b>	<b>BUDGET</b>	<b>10/31/2012</b>	<b>%</b>
Sale of Energy	\$ 13,126,639	\$ 4,061,160	30.94%	\$ 13,080,084	\$ 4,169,479	31.88%
Sale of Energy Fuel Adj	1,667,809	509,978	30.58%	1,346,515	421,705	31.32%
Other Revenue	257,297	98,961	38.46%	236,000	79,097	33.52%
Proceeds Loan/Bonds	-	374	0.00%	-	-	0.00%
<b>Total Current Revenue</b>	<b>\$ 15,051,745</b>	<b>\$ 4,670,473</b>	<b>31.03%</b>	<b>\$ 14,662,599</b>	<b>\$ 4,670,281</b>	<b>31.85%</b>
<b>EXPENDITURES:</b>						
Energy for Resale (a)	\$ 8,891,025	\$ 2,646,313	29.76%	\$ 9,095,800	\$ 3,017,855	33.18%
Energy for Resale Fuel Adj (a)	1,683,110	590,266	35.07%	1,359,260	441,430	32.48%
Other Expenses	1,471,551	370,635	25.19%	1,490,553	371,141	24.90%
Capital Outlay	297,000	31,444	10.59%	377,304	29,170	7.73%
Reserve for Capital Expenditures	250,000	-	0.00%	154,675	-	0.00%
Reserve for Cash Replenishment	323,908	-	0.00%	266,667	-	0.00%
<b>Total Operating Expenses</b>	<b>\$ 12,916,594</b>	<b>\$ 3,638,658</b>	<b>28.17%</b>	<b>\$ 12,744,259</b>	<b>\$ 3,859,596</b>	<b>30.28%</b>
<i>Net Operating Income</i>	<i>\$ 2,135,151</i>	<i>\$ 1,031,815</i>	<i>48.33%</i>	<i>\$ 1,918,340</i>	<i>\$ 810,685</i>	<i>42.26%</i>
<b>OTHER FINANCING SOURCES:</b>						
Use of Prior Year Fund Balance	\$ -	\$ -	0.00%	\$ 59,059	\$ -	0.00%
<b>TRANSFERS:</b>						
GF Transfer-Council Approved	\$ 1,409,891	\$ 469,964	33.33%	\$ 1,409,891	\$ 469,964	33.33%
GF Transfer - Administrative Services	388,960	129,653	33.33%	325,945	108,648	33.33%
GF Transfer - Payment in Lieu of Taxes	59,282	19,761	33.33%	59,282	19,761	33.33%
GF Transfer - Debt Restructuring	-	-		80,175	26,725	
<b>Total Transfers (Out)</b>	<b>\$ 1,858,133</b>	<b>\$ 619,378</b>	<b>33.33%</b>	<b>\$ 1,875,293</b>	<b>\$ 625,098</b>	<b>33.33%</b>
Debt Service	\$ 277,018	\$ 54,378	19.63%	\$ 102,106	\$ 21,403	20.96%
<b>Total Expenses</b>	<b>\$ 15,051,745</b>	<b>\$ 4,312,414</b>		<b>\$ 14,721,658</b>	<b>\$ 4,506,097</b>	
<b>Variance - Revenue versus Expenses</b>	<b>\$ -</b>	<b>\$ 358,059</b>		<b>\$ -</b>	<b>\$ 164,184</b>	
			5			
<i>(a) Operating expenses for energy for resale and fuel adjustment costs reflect the October payment for the September 2013 Invoice billed in September but paid in October Financial statements reflect four months of billed revenue and four months of expenditures to more accurately reflect the Fund's cash position.</i>						

<b>AIRPORT FUND</b>	<b>2013-2014</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>2012-13</b>	<b>ACTUAL</b>	<b>BUDGET</b>
<b>REVENUE:</b>	<b>BUDGET</b>	<b>10/31/2013</b>	<b>%</b>	<b>BUDGET</b>	<b>10/31/2012</b>	<b>%</b>
Fuel Sales	\$ 177,232	\$ 56,877	32.09%	\$ 177,232	\$ 43,088	24.31%
Other Revenue	64,700	23,121	35.74%	64,700	23,120	35.73%
State Grants	14,142	-	0.00%	35,043	-	0.00%
Federal Grants	352,828	2,722	0.00%	511,359	16,061	0.00%
<b>Total Current Revenue</b>	<b>\$ 608,902</b>	<b>\$ 82,720</b>	<b>13.59%</b>	<b>\$ 788,334</b>	<b>\$ 82,269</b>	<b>10.44%</b>
<b>EXPENDITURES:</b>						
Operating Expenses	\$ 308,710	\$ 84,530	27.38%	\$ 307,607	\$ 105,897	34.43%
Capital Outlay	\$ 391,398	\$ 20,000	0.00%	\$ 571,431	\$ 20,000	3.50%
<b>Total Operating Expenses</b>	<b>\$ 700,108</b>	<b>\$ 104,530</b>	<b>14.93%</b>	<b>\$ 879,038</b>	<b>\$ 125,897</b>	<b>14.32%</b>
<b>Net Operating Income</b>	<b>\$ (91,206)</b>	<b>\$ (21,810)</b>	<b>23.91%</b>	<b>\$ (90,704)</b>	<b>\$ (43,628)</b>	<b>48.10%</b>
<b>TRANSFERS:</b>						
Use of Prior Year Funds	\$ -	\$ -	0.00%	\$ 6,029	\$ -	0.00%
Transfer from Other Funds	\$ 95,231	\$ -	0.00%	\$ 86,897	\$ -	0.00%
<b>Total Revenue</b>	<b>\$ 704,133</b>	<b>\$ 82,720</b>		<b>\$ 881,260</b>	<b>\$ 82,269</b>	
Transfer to Other Funds	\$ 17,833	\$ 5,945	33.34%	\$ 2,222	\$ 741	33.35%
<b>Net Transfers To/From</b>						
Debt Service	\$ -	\$ -	0.00%	\$ -	\$ -	0.00%
<b>Total Expenses</b>	<b>\$ 717,941</b>	<b>\$ 110,475</b>		<b>\$ 881,260</b>	<b>\$ 126,638</b>	
<b>NET INCOME(LOSS)</b>		<b>\$ (27,755)</b>			<b>\$ (44,369)</b>	
			6			

<b>SOLID WASTE FUND</b>	<b>2013-2014</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>2012-13</b>	<b>ACTUAL</b>	<b>BUDGET</b>
<b>REVENUE:</b>	<b>BUDGET</b>	<b>10/31/2013</b>	<b>%</b>	<b>BUDGET</b>	<b>10/31/2012</b>	<b>%</b>
Waste Collection & Disposal Fees	\$ 1,390,831	\$ 351,503	25.27%			
Miscellaneous Revenue	500	-	0.00%			
<b>Total Current Revenue</b>	<b>\$ 1,391,331</b>	<b>\$ 351,503</b>	<b>25.26%</b>			
<b>EXPENDITURES:</b>						
Operating Expenses	\$ 890,942	\$ 208,383	23.39%			
Capital Outlay	\$ 274,171	\$ -	0.00%			
<b>Total Operating Expenses</b>	<b>\$ 1,165,113</b>	<b>\$ 208,383</b>	<b>17.89%</b>			
Net Operating Income	\$ 226,218	\$ 143,120	63.27%			
<b>TRANSFERS:</b>						
Transfer from Other Funds	\$ -	\$ -	0.00%			
Total Revenue	\$ 1,391,331	\$ 351,503				
Transfer to General Fund	\$ 198,162	\$ 72,721	36.70%			
Net Transfers To/From						
Debt Service	\$ 28,056	\$ -	0.00%			
<b>Total Expenses</b>	<b>\$ 1,391,331</b>	<b>\$ 281,104</b>	<b>20.20%</b>			
<b>NET INCOME(LOSS)</b>		<b>\$ 70,399</b>				
			7			

CITY OF FRANKLIN  
 FISCAL YEAR 2013-14  
 CASH BALANCES - OCTOBER 2013

FUND	CURRENT YEAR	PRIOR YEAR
General Fund	\$ 4,588,683	\$ 3,846,443
Fund SNAP Proceeds	\$ 914,477	\$ -
<b>Total General Fund</b>	<b>\$ 5,503,160</b>	<b>\$ 3,846,443</b>
Water & Sewer Fund	\$ 1,956,520	1,267,689
Fund SNAP Proceeds	\$ 372,682	\$ -
<b>Total Water &amp; Sewer Fund</b>	<b>\$ 2,329,202</b>	<b>\$ 1,267,689</b>
Electric Fund	\$ 904,924	346,775
Fund SNAP Proceeds	\$ 582,604	\$ -
<b>Total Electric Fund</b>	<b>\$ 1,487,528</b>	<b>\$ 346,775</b>
Solid Waste Fund	\$ 267,523	\$ -
Airport Fund	\$ (111,111)	(104,311)
<b>TOTAL CASH FOR OPERATIONS</b>	<b>\$ 7,606,539</b>	<b>\$ 5,356,596</b>
<b>TOTAL CASH FOR CAPITAL PROJECTS</b>	<b>\$ 1,869,763</b>	<b>\$ -</b>
<b>TOTAL CASH</b>	<b>\$ 9,476,302</b>	<b>\$ 5,356,596</b>



November 20, 2013

To: Randy Martin  
City Manager

From: Melissa D. Rollins   
Director of Finance

Re: FY 2013-2014 Budget Amendment

**Budget Amendment Request #2014-11 –**

The attached is a request to transfer \$79,924 from the Public Works Capital Outlay to the Police Department Budget to cover the cost of acquiring equipment for four police vehicles. The funds available in Public Works are from the roof repair and replacement project which came in under budget.

**REQUIRED ACTION FROM CITY COUNCIL**

Authorize the transfer of \$79,924 from the Public Works Budget – Capital Outlay to the Police Department budget – Police Vehicles to cover the cost of equipment for the vehicles.

## BUDGET AMENDMENT 2014-11

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA that the 2013-2014 General Fund Budget is hereby amended to recognize the transfer of funds in excess of \$10,000 from one expenditure to another in the General Fund.

2013-2014 Budget	Amended Budget	Increase (Decrease)
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<u>EXPENSES</u>	<u>GENERAL FUND</u>					
100 43200 8400	Building Maintenance Capital -Roof Repairs	\$	364,600	\$	284,676	\$ (79,924)
100 31100 8105	Police Vehicles	\$	172,650	\$	252,574	\$ 79,924
<b>TOTAL EXPENSES</b>						<u>\$ -</u>

*\*To transfer funds from Public Works - Capital Outlay Roof Repairs and Replacements to Police Department budget for the acquisition of equipment for vehicles.*

*Certified copy of resolution adopted by  
Franklin City Council*

\_\_\_\_\_  
*Clerk to the City Council*

## **OLD/NEW BUSINESS**

- A. Franklin Redevelopment & Housing Authority Update – Philip Page, Executive Director**
- B. Public Hearing: Madison Street Area CDBG Grant**
- C. Utility Billing & Collections Policy Recommendations**
- D. City Manager’s Report**
  - **VDLP Opt-out Recommendation**
  - **Regional Library Contract Funding Formula Request**



**DEPARTMENT OF COMMUNITY DEVELOPMENT  
PLANNING - BUILDING INSPECTIONS – ZONING**

To: R. Randy Martin, City Manager

From: Donald E. Goodwin, CBO, CFM, Director of Community Development

Date: 11/20/2013

CC: City Council Members

Re: **Madison Street Area Planning Grant - Public Hearing**

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This Public Hearing is a required action by City Council as one of the City's tasks to obtain full funding of the \$30,000 Planning Grant from the Virginia Department of Housing and Community Development. The purpose of the hearing is to review the City's past performance in using Community Development Block Grant (CDBG) funds and solicit public input on local community development and housing needs for the purpose of preparing an application for future CDBG funding from the Virginia Department of Housing and Community Development.

Please let me know if you have any questions.

**Notice of Public Hearing  
City of Franklin, Virginia**

The City of Franklin will hold a public hearing on Monday, November 25, 2013, at 7:00 p.m. at City Hall, located at 207 West Second Avenue in Franklin. The purpose of the hearing is to review the City's past performance in using Community Development Block Grant (CDBG) funds and solicit public input on local community development and housing needs for the purpose of preparing an application for future CDBG funding from the Virginia Department of Housing and Community Development.

Information on the amount of available funding, eligible project activities, the requirements to benefit low-to-moderate income persons and general program guidelines will be discussed at the public hearing. Citizens will be given the opportunity to comment on the City of Franklin's past use of CDBG funds. All interested citizens are encouraged to attend and participate in the hearing. For additional information, contact Donald Goodwin, Community Development Director at 207 West Second Avenue, Franklin, Virginia 23851, or call (757) 562-8580.

Comments and grievances can be submitted in writing to Donald Goodwin at P.O. Box 179, Franklin, VA 23851 or by phone at (757) 562-8580 until Monday, November 18, 2013.

If you plan to attend and have any special needs requirements, please call the number listed above.

## **FRANKLIN PUBLIC HEARING NOVEMBER 25, 2013, 7:00PM**

This public hearing is being held to solicit public input on local community development and housing needs in relation to Community Development Block Grant Funding for a project in the Franklin, Virginia.

Program Background: The Community Development Block Grant (CDBG) program is a federal program created by the Housing and Community Development Act of 1974. In Virginia, the Department of Housing and Community Development (DHCD) administers the program. The program provides funding for local governments to address and meet community development needs, particularly of low-and-moderate-income persons. The stated goal of the CDBG program is to: (1) improve the economic and physical environment in Virginia's communities through implementation of activities which primarily benefit low and moderate income persons, (2) prevent or eliminate slums and blighting conditions, or (3) meet urgent needs which threaten the welfare of citizens.

The Virginia Department of Housing and Community Development anticipates a total of approximately \$15,349,830 being available for 2014 Community Improvement Grants with approximately \$9,799,830 available for Competitive Grants. There are 286 eligible towns, cities, and counties in Virginia. Typically, 50-60 communities will submit applications and 10-15 of these will receive funding. A wide range of activities can be pursued with CDBG funds. The five primary project types under the Competitive CIG program are:

1. Comprehensive Community Development
2. Housing
3. Economic Development
4. Community Facility
5. Community Service Facility

### Franklin's Past Use of CDBG funds:

In previous years, the City has utilized CDBG funds to implement Oldtown/Cobbtown Housing Comprehensive Community Development Project, Franklin Business Incubator, Housing Need Assessment Planning Grant, and Bruce Street Comprehensive Community Development Project.

The City anticipates submitting an application in March 2014 for a grant up to \$1,400,000 in grant funds for the Madison Street Neighborhood Revitalization Project. The City is working closely with residents, business owners, property owners and other interested parties on the scope and character of the project. The first public meeting about the project planning was held on June 11, 2013 at the New Hope Baptist Church. Project Management Team meetings have since been held on June 11, 2013, July 10, 2013, and November 22, 2013. The Facilitated Planning Session with DHCD and the Project Team was held on September 13, 2013. The final proposed improvement project will be presented to the Franklin City Council at their regularly scheduled meeting on March 10, 2014 in conjunction with a second public hearing. Upon approval of City Council, the application will be submitted to DHCD around March 27, 2014.

Displacement Regulations: Any residential displacement or relocation resulting from the implementation of a CDBG project must comply with Federal Guidelines as set forth in the

"Uniform Relocation Assistance and Real Properties Acquisition Policies Act." The Act seeks to minimize displacement of people from their homes and requires the offering of advisory services and financial compensation to those impacted. The City anticipates absolutely no displacement, since proposed project activities is housing rehabilitation and infrastructure improvements.

#### PUBLIC INPUT REQUIREMENTS:

Any citizen comment on:

1. General local housing and community development needs
2. The City's past use of CDBG funds over the last five years
3. The City's proposed CDBG project

Oral and written comments will be accepted. Information related to the City's past and proposed use of CDBG funds is available to the public prior to and following application submission. The City will maintain files demonstrating the public hearings were properly advertised, a list of citizens attending the hearings, and written and/or recorded minutes of the hearings. For additional information on the CDBG program, please contact Donald Goodwin, Community Development Director, P.O. Box 179, Franklin, VA 23851 or by email at [dgoodwin@franklinva.com](mailto:dgoodwin@franklinva.com), or by phone at (757) 562-8580.



November 19, 2013

TO: Randy Martin  
City Manager

FROM: Melissa D. Rollins   
Director of Finance

**RE: Utility Billing & Collections Policy Revisions**

During the November 4, 2013 City Council Work Session, proposed policy changes to the City's Utility Billing and Collections Policy were discussed and reviewed by staff and City Council in preparation for official action to adopt the revisions as recommended by the policy review committee.

Attached for Council's consideration and approval is a summary of the proposed policy changes (Powerpoint - Attachment A), the Proposed Administrative Policy for Utility Billing and Collections (Attachment B) and the Revised Residential Service Application (Attachment C). The implementation schedule of the primary changes is included in Attachment A.

The policy committee comprised of Melissa Rollins, Director of Finance, Randy Martin, City Manager, Dinah Babb, Treasurer, Joyce Johnson, Utility Billing Supervisor, Russ Pace, Director of Public Works, Steve Watson, Water & Sewer Supervisor, and Mark Bly, Director of Power & Light, highly recommends that City Council approve the recommendations as summarized.

**Recommended Action by City Council**

Adopt the Revisions to the City's Utility Billing & Collection Policy.



Attachment B

207 West Second Avenue  
Franklin, Virginia 23851  
757-562-8518  
Fax: 757-516-8481

**Administrative Policy - Utility Service  
Terms and Conditions of Service**

Date: December 12, 1994 ~ Revision Dates: October 28, 2002 ~ November 26, 2013

<b>Application for Service</b>	<b>Deposits</b>	<b>Payments for Service</b>
<b>Discontinuance of Service</b>	<b>Reconnection of Services</b>	<b>Meter Tampering</b>

**I. APPLICATION FOR SERVICE**

**A.** Application for service is made in writing at the Utility Services Office. Application must be made in person and picture identification must be presented before an application can be approved. Upon completion of the written application the applicant is assigned a credit rating based on a credit history obtained from one of the following:

1. By reference to City utility records;
2. By information from credit rating agencies;
3. By written statements reflecting credit experience with previous utilities.

The credit rating determines if a security deposit is required. When a deposit is required, the regulations as outlined in Section II determine the amount of the deposit.

**B.** An application by an Applicant-tenant must reflect the full name(s), previous name(s) and aliases and social security number(s) of person(s) liable to property owner. The Applicant-tenant must present at time of application written evidence (lease) that permission has been granted by the owner to occupy the premises.

**C.** Service is denied when one of the conditions below applies:

1. The Applicant has an outstanding balance owned from a previous utility account in the applicant's name or spouse's name.
2. The Applicant is a prospective tenant but presents no written evidence that grants authority to occupy the property.
3. The Applicant is unable to pay the required deposit or supply a letter of good credit standing from a utility company with whom they have maintained good credit.

- D. *New Account Set-Up Fee*** - A set up fee is required for each utility service established electric, water & sewer, garbage). Reconnection services will be performed Monday to Friday during normal business hours. Request for service received after 2:00 p.m. may not be performed until the next business day.

## **II. DEPOSITS**

Franklin City Code Section 8-16 authorizes Franklin Utility Billing to require a security deposit as a guarantee of payment for utility services to be used by a residential or business customers. The deposit covers potential losses resulting from a customer's failure to pay Utility bills.

### **A. When Are Deposits Required:**

1. For all new Utility accounts unless the applicant for services supplies a letter of credit from their immediately preceding Utility supplier verifying that the customer met good payment requirements. Good payment record is defined as not having incurred penalties/late fees, returned check fees and not having services disconnected for non-payment during the most recent (12 months for residential and 36 months for commercial services).
2. On an existing account if services have been disconnected for non-payment of the utility account ~~twice~~ **once** in a twelve month period.
3. From all customers whom have had two (2) checks returned for insufficient funds during the previous twelve months.
4. From all customers, on whose premises the City's meter, wires or other apparatus have in any manner been tampered with or damaged in such a way as to prevent a meter from recording the amount of utility service supplied; the cash deposit shall be reasonable as to ensure payment for repairs in the event of future tampering or damage.

### **B. Deposits Amounts:**

Residential – (See Attached Fee Schedule)

Basis for Deposit: The deposit is based on an average two months of residential electric service.

Commercial - Deposit based on two months' facilities estimated usage. When the customer can show that the circumstances have changed so that the consumption of electricity will be considerably more or less than the consumption of the most recent occupant, the Director of Finance or his/her designee shall establish a deposit for said facility utilizing information available.

Water & Sewer Customers Only – (See Attached Fee Schedule)

Basis for Deposit: The deposit is based on an average of two months of residential water and sewer service.

All deposits must be made in the form of cash, debit card, credit card, money order, certified check **or surety bond** and is due in full prior to connection of services.

**C. Deposit Refunds:**

1. ~~Deposits will remain on all active accounts (i.e. deposits are non-refundable until the account becomes inactive).~~ Deposits will be refunded on active accounts, upon customer request, after five years of good standing with the City (i.e. no disconnections or late fees).
2. For **inactive** accounts, when service is terminated by the Customer or the City, the Customer's deposit will be applied to any outstanding charges for utility service, for any damages to City equipment, or for **any other payment owed to the city (i.e. delinquent taxes)** after which the deposit or the credit balance thereof will be paid to the Customer. Deposits are returned at the address on file within 45 days after the account is finalized.

**D. Transfer/Return of Deposits.**

1. In the event services are transferred from one service location to another inside the City of Franklin, the deposit is transferred to the new location.
2. If services are transferred from a location outside the City (i.e. Southampton, Suffolk, or Isle of Wight County), a new account is established and any deposit on the account from the old location will be applied towards any balance due on that account. Any credit balance remaining after the account is closed will be returned to the customer within 45 days. Any account balances due from the customer to the City from the old location will be combined with the first bill for services at the new location.

**III. PAYMENTS FOR SERVICE**

- A.** The City renders bills to the Customer during the first week of each month. Bills are due and payable upon presentation and become past due at the close of business on the 20th day of the month. The bill due date is shown on the bill and payment must be received by the 20th of the month to avoid a late penalty charge.
  - a. An administrative fee will be charged for duplicating or reprinting bills once they have been mailed.
- B.** A late payment charge of 1 1/2 percent per month, but not less than \$2.00, is imposed on all past due balances on the City's books, on the 21<sup>st</sup> day of the month in addition to a late fee. If services are disconnected as a result of non-payment, a reconnection fee will be assessed.
- C.** Bills are payable at the Office of the Treasurer. Payments must be made without regard to any counterclaim. The following forms of payments are accepted: Cash, credit card, debit card, money order, check, automatic bank draft. An after-hours secured drop box is also available.
- D.** The City reserves the right to apply any payment or payments made by a Customer in whole or in part to any utility account due the City by the Customer.
- E. Return Check Fee.** The Customer is charged a service charge for each check received by the City upon which the City is initially unable to collect. Upon receipt of a bad check, the Treasurer reserves the right to refuse acceptance of personal checks for future services.

- F. Payments made as a condition of the reconnection of utility service are made at the Treasurer's Office in cash or by debit or credit card, money order, certified check or cashier's check. No personal checks will be accepted. Field representatives of the City are not permitted to accept payments.

#### IV. REQUEST FOR AN EXTENSION

A utility bill is payable when received and is past due after the due date. If not paid by the end of the month, an account is subject to disconnection. If a customer is unable to make payment by the end of the month, an extension may be requested by calling Utility Billing or by appearing in person to the Utility Billing Department. Requests for an extension must be made prior to the end of the month. An extension request is limited as follows:

- (1) No more than one extension is allowed during a calendar year period.**
- (2) No extensions are granted on accounts more than 30 days past due or on terminated accounts.**
- (3) No extension can be for more 30 days.**

#### V. DISCONTINUANCE OF A UTILITY SERVICE

- A. The City reserves the right to discontinue a utility service to a Customer at any time without notice upon the occurrence of any one or more of the following events:
  - 1. Whenever the City has reasonable cause to believe that the Customer is receiving a utility service without paying therefore, or its meters, wires, or other apparatus have in any manner been tampered with, damaged, or appear to be damaged, in such a way as to prevent the meter from recording the amount of utility service supplied to the Customer.
  - 2. Whenever, in the opinion of the City, the condition of the Customer's wiring, equipment, appliance or appurtenance is either unsafe or unsuitable for receiving utility service, or when the Customer's use of a utility service or equipment interferes with or may be detrimental to the supply of a utility service by the City to any other Customer.
  - 3. Where electricity is being furnished over a line which is not owned or leased by the City and such line, in the opinion of the City, is either not in a safe and suitable condition or is inadequate to receive electricity.
  - 4. Whenever the Customer has denied a City representative access to the City's meter, wires or other apparatus installed on the Customer's premises.
  - 5. Whenever, in the opinion of the City, it is necessary to prevent fraud upon the City.
  
- B. The City reserves the right to discontinue furnishing a utility service to a Customer, after 10 days' notice by mail, upon the occurrence of either one or both of the following events:
  - 1. Nonpayment of a past due bill, regardless of any amount of money on deposit with the City.

2. Failure to comply with the City's ordinances, administrative policies or terms and conditions of any agreements governing the provision of utility service to Customers
  3. Whenever requested or ordered to do so by a public authority having legal authority to do so.
- C.** The City reserves the right to discontinue furnishing a utility service under any of the above conditions irrespective of any claims a Customer has pending against the City, or any amounts of money the Customer has on deposit with the City.
- D.** Notice of discontinuance is considered given to a Customer when copy of such notice is posted in the U. S. mail addressed to the Customer's last post office address shown on the records of the City.
- E.** Whenever the supply of a utility service is discontinued in accordance with this policy, the City is not liable for any damages, direct or indirect, that may result from such discontinuance.
- F.** Utility service disconnections are made Mondays through Thursdays during normal business hours unless such a weekday precedes a City holiday.

## **VI. RECONNECTION OF A UTILITY SERVICE**

- A.** When a utility service is discontinued for any of the reasons stated in Section IV above, the City has a reasonable period of time in which to reconnect the Customer's service after the conditions causing discontinuance have been corrected.
- B.** When a utility service is discontinued for nonpayment of a past due utility bill, **all amounts due at the time of payment** must be paid in full before a utility service is restored in addition to the reconnection fee. No personal checks will be accepted.
- C.** When a utility service has been discontinued by the City at the request or order of any public authority having authority to do so (as prescribed in Section V-B-3), the Customer's service is not reconnected until authorization to do so has been obtained from said public authority.
- D.** Hours of Reconnection & Fees:
1. If services are reconnected Monday through Friday during the hours of 8:30 a.m. to 4:00 p.m (except holidays), a standard reconnection fee will apply.
  2. If service are reconnected **Monday through Friday, after 4:00 p.m. until 8:00 p. m.** (except holidays), an after-hours service fee will apply *in addition to the standard reconnection fee.* **Field representatives of the City are not permitted to accept payments.**
  3. If utility service is disconnected for non-payment, the customer should be present at the service location in order to have services restored; a second trip charge will be assessed if any Utility Department makes two trips out to the service

location to reconnect services unless the customer signs a waiver of liability.

## **VII. METER TAMPERING**

**IT IS UNLAWFUL FOR ANY PERSON TO REMOVE, TAMPER WITH, OR DAMAGE ANY METER (WATER OR ELECTRIC), POLE, TRANSFORMER OR OTHER APPARATUS OR EQUIPMENT BELONGING TO OR USED BY THE CITY OF FRANKLIN IN CONNECTION WITH ITS UTILITY SYSTEMS AS DEFINED IN THE CODE OF VIRGINIA. VIOLATORS CAN BE PROSECUTED WITH A FELONY OFFENSE.**

When, in the City's opinion, its meter, wires or other apparatus have been tampered with or reconnected without authority in order to obtain utility service without paying therefore, the City will conduct an investigation to determine whether utility service was obtained improperly and, if so, the amount of same. If it is determined that utility service was obtained improperly, the City will only reconnect the utility service on the following conditions:

1. The Customer must pay all delinquent utility bills.
2. The Customer must pay to the City an amount estimated by the City to be sufficient to cover the utility service used but not recorded by a meter and not previously paid for.
3. The Customer must pay an investigation fee for the investigation of whether and how the Customer obtained utility service without payment therefore and the amount thereof;
4. The Customer must make or pay for any changes in wiring or equipment that the City feels necessary for the protection of its utility system.



**UTILITY FEE SCHEDULE  
FISCAL YEAR 2013-2014**

Fees	Current	Proposed
New Account Installation-Electric		\$10.00
New Account Installation – Water & Sewer	20.00 (administrative fee)	\$10.00
New Account Installation – Refuse Collection		\$10.00
Deposit – Residential Gas Heat	\$200	\$450 (Gas or Electric)
Deposit – Residential Electric Heat	\$400	
Deposit – Commercial	Average 2 months of usage at facility	Average 2 months of usage at facility
Late Fee if Not Paid on the 20 <sup>th</sup>	\$50.00 (Cut off list)	\$15.00
Business Hours /Standard Reconnection Fee	\$50.00	\$75.00
After Hours Reconnection Fee	\$75.00	\$100.00 (\$75+\$25)
2 <sup>nd</sup> Trip Charge	\$0.00	\$50.00
Meter Tampering Investigation	\$100.00	\$250.00
Return Check Charge	\$35.00	\$35.00
Reprinting of Bill	\$0.00	\$5.00



# CITY OF FRANKLIN

## Application for Utility Services

Attachment – C  
Revised Nov. 19, 2013

### Requirements for services:

- ~ Installation fee for each service requested
- ~ Lease agreement from landlord
- ~ Picture identification from all persons on lease
- ~ Credit letter from previous utility service if (requesting deposit waiver)

Primary Applicant Information:	Secondary/Customer Information
Full Name: _____	Full Name: _____
SSN/Driver's License# _____	SSN/Driver's License# _____
Service Address: _____	Service Address: _____
Mailing Address: _____	Mailing Address: _____
Phone: _____ Email _____	Phone: _____ Email: _____
Employer: _____	Employer: _____
Work #: _____ Cell# _____	Work#: _____ Cell # _____
Emergency Contact: _____	Emergency Contact: _____
<b>(NOT LIVING WITH YOU)</b>	<b>(NOT LIVING WITH YOU)</b>
Address: _____	Address: _____
City, State, Zip: _____	City, State, Zip _____
Phone: _____ Relationship: _____	Phone: _____ Relationship: _____

Type of Heat: \_\_\_\_\_ Effective Date of Service \_\_\_\_\_  
 Previous Electrical Service: Name of Company \_\_\_\_\_ Credit Letter: (YES)\_\_\_\_ (NO)\_\_\_\_  
 Do you Lease? (YES)\_\_\_\_ (NO)\_\_\_\_ **(ATTACH COPY OF LEASE/PROOF OF OWNERSHIP)**  
 If Lease – Property Owner's Name: \_\_\_\_\_ Phone#: \_\_\_\_\_

SERVICE TYPE  Business  Residential  
 Electric  Water Only  Water & Sewer  Refuse

Application for services after 2:00 P.M. **may** not get processed until the next business day.

***For connections, all electric breakers and/or water valves must be turned off. An adult must be at the residence prior to connection of services unless the waiver on reverse side is signed. A 2<sup>nd</sup> trip charge applies to connect services in the event services are not connected during the 1<sup>st</sup> trip as requested by the customer.***

The undersigned having completed this application hereby certifies to the accuracy and truth of the information contained herein. The applicant hereby authorizes the City of Franklin to verify the correctness of this information and obtain other information required to evaluate this application. The undersigned fully understands that withholding or giving false information can be cause for termination of service by the City and result in being charged for criminal offense as provided by state law. I understand that if the City finds that I have an outstanding utility account from prior service, the City will discontinue service at this location. I have read both sides of the application, understand and agree to adhere to all of the City's billing procedures, do hereby authorize requested utility service to be established in my name at the above address and agree to pay for such service until terminated at my request.

Applicant Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
 Secondary Customer Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**For Office Use Only:** Acct. Number: \_\_\_\_\_ Service Num: \_\_\_\_\_  
 \_\_\_\_\_ Picture IDs \_\_\_\_\_ Lease \_\_\_\_\_ SSN(s) \_\_\_\_\_ Create Customer Acct

**Create Work order requests:**  
 \_\_\_\_\_ Electric \_\_\_\_\_ Water \_\_\_\_\_ Garbage \_\_\_\_\_ Can Number

**Deposit Information:** Is a deposit required: \_\_\_ Yes \_\_\_ No Amt. Required \$ \_\_\_\_\_ Installation Fee(s) \$ \_\_\_\_\_

**Credit Report:** \_\_\_ Approved \_\_\_ Disapproved **Credit letter:** \_\_\_ Yes \_\_\_ No \_\_\_\_\_ CSR Initials

## UTILITY BILLING PROCEDURES

All fees and procedures are subject to change as established by the Franklin City Council. All Social Security numbers provided herein will be used for the sole purpose of complying with the State of Virginia's Set-Off Debt Collection Act (section 58.1-520 et seq). The City's authority to request social security numbers as part of the City's Utility Application derives from the Code of Virginia section 58.1-521, Code of Virginia Section 2.2-3808 (A)(2)(i)(ii) and the Federal Privacy Act of 1974 section 7(b). The disclosure of your Social Security Number as a part of the Utility Application process is voluntary. No applicant for utility services will be denied the provision of utilities because of their refusal to disclose his/her social security number. If the applicant does not provide a Social Security number, two (2) other forms of identification will be required. Acceptable forms of identification are:

Passport, T-Number (from Valid State Issued Driver's License)

City bills are mailed during the first week of the month. If you do not receive your bill by the third working day after the billing date you should contact Utility Billing Customer Service to find out the amount of your bill so it can be paid by the due date. If you do not pay by the due date, a penalty of \$1.50 or 2% of the bill amount (whichever is greater) will be assessed. If the bill is not paid in full 10 days after the due date, a delinquent charge of \$15 will added to the account and services will be DISCONNECTED WITHOUT FURTHER NOTICE.

Once a service notice to disconnect has been processed, a reconnection fee of \$75.00 will be charged to the account. Prior to reconnection, all fees must be paid to the Treasurer. An after hour's fee of \$25.00 will be assessed for services restored after 4:00 p.m. A \$35.00 fee is assessed on all returned checks. No personal checks will be accepted to reconnect services due to non-payment. No payments can be accepted by field representatives. A \$5.00 fee will be charged for reprinting invoices once they have been mailed.

**Deposits.** All deposits are **non-refundable as long as the account is active refundable, upon customer request, after five years of good standing with the City (i.e. no late fees or disconnections).** If a balance is owed upon final termination of utility services by the City or by the Customer, or when the account becomes inactive, any deposit on file shall be applied to the balance owed.

**Delinquent Collections.** The City reserves the right to pursue various collection tools on all unpaid delinquent accounts to include, but not limited to Debt Set Off and court ordered judgments/garnishments.

**Moving.** In the event a customer moves, it is his or her responsibility to make arrangements with the City to get a final meter reading. This is the FINAL BILL. The deposit (if any), will be applied to the final bill and any credit remaining on the account will be returned to the customer within 45 days after the account is finalized. If a customer moves from one place of service to another service area and a balance is owed from the previous service area (same account number applies), the balance will be transferred to the new location. If it is discovered that a customer failed to pay the remaining billed amount on any former service, the new service is subject to immediate disconnection.

**Method of Payment.** Payments can be mailed to the City Treasurer's Office, 207 West 2<sup>nd</sup> Avenue, Franklin, VA 23851, paid in person by cash, money order, check, credit or debit card during the hours of 8:30 a.m. to 5:00 p.m., or placed in the night depository, which is provided for convenience outside the City Hall in the main parking lot. (Always enclose your remittance with your payment to ensure your account is properly credited). If you choose a method of payment through your banking institution, remember that payments will NOT be credited to the account until they have been received by the Treasurer's office.

**METER TAMPERING: IT IS UNLAWFUL FOR ANY PERSON TO REMOVE, TAMPER WITH, OR DAMAGE ANY METER (WATER OR ELECTRIC), POLE, TRANSFORMER OR OTHER APPARATUS OR EQUIPMENT BELONGING TO OR USED BY THE CITY OF FRANKLIN IN CONNECTION WITH ITS UTILITY SYSTEMS AS DEFINED IN THE CODE OF VIRGINIA. VIOLATORS CAN BE PROSECUTED WITH A FELONY OFFENSE, Virginia Code 18.2-163.**

**Contact Information:** If you have questions or problems with your **Electrical Service** contact: (757) 562-8568

If you have problems with your **Water Service** contact: (757) 562-8564.

For questions related to billing please contact **Utility Customer Service** at: (757) 562-8518

**WAIVER:**

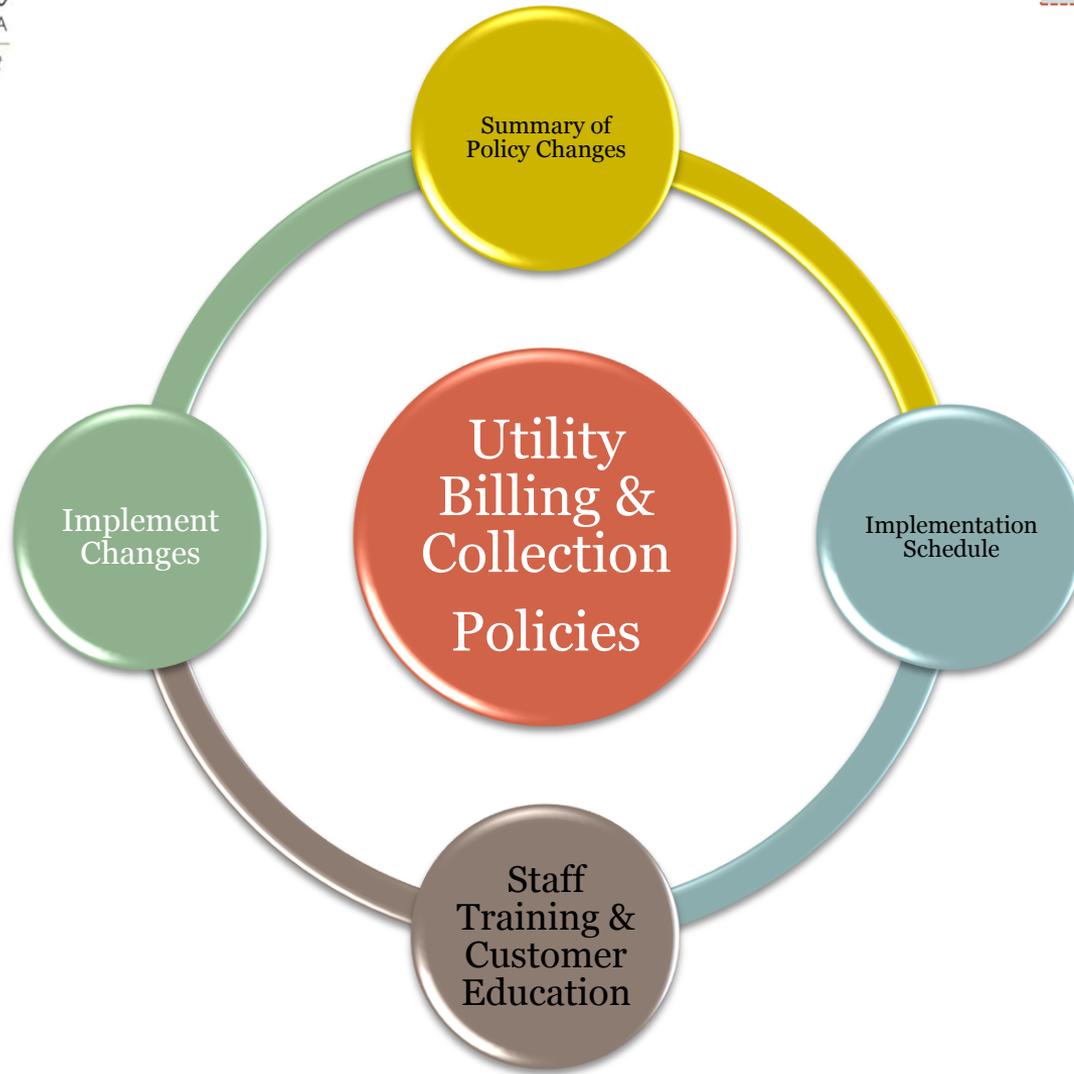
*Before any connections can be made, all electric breakers and/or water valves must be turned off. Connections will be made Monday-Friday, 830am – 430pm. An adult must be at the residence prior to connection of services unless this waiver is signed. In the event we are unable to make connections at the time of the first visit as requested by the customer, a 2<sup>nd</sup> trip charge of \$50.00 will apply to connect services.*

*THE APPLICANT WAIVES ANY LIABILITY AND AGREES TO HOLD HARMLESS THE CITY, IT'S EMPLOYEES, OFFICERS AND COUNCIL MEMBERS FOR ANY AND ALL DAMAGES TO PROPETY AT THE SERVICE LOCATION CAUSED BY A FAILURE TO TURN OFF ELECTRIC BREAKERS OR WATER VALVES.*

**APPLICANT SIGNATURE** \_\_\_\_\_

**DATE** \_\_\_\_\_

**Utility Billing Representative** \_\_\_\_\_ (Initial)





# Summary of Proposed Policy Changes

# Administrative & Reconnection Fees

3

- Eliminates a \$20 “meter fee” required to have any type of service installed
- Implements a \$10 “administrative fee” for EACH type of service installed (\$10 electric, \$10 Water & Sewer, \$10 Garbage)
- Implements a late payment fee of \$15.00 on accounts not paid by the due date
  - 1.5% or \$2.00 penalty still applies (whichever is greater)
- Eliminates the \$50 administrative fee for names appearing on “cut off” list
- Implements a \$75 reconnection fee on accounts disconnected as a result of non-payment
- Implements a \$25.00 after hours fee on all accounts reconnected between 4:00 - 8:00 p.m.

# Deposits

4

- ~~Increases minimum credit score threshold from 600 to 650 when considering account deposits~~
- Eliminates two types of deposit - \$400 for electric and \$200 for other energy source
  - One deposit of \$450
  - Increases the current deposit requirement by either \$50 or \$250
  - The majority of city customers impacted have electric heat
- Implements a \$100 deposit for water & sewer accounts only
- Eliminates payment of deposit in two installments
  - Deposit must be paid in full prior to service installation – cash, credit or debt card or cashier's check accepted
- Revises deposit requirements
  - Deposits will be required on existing accounts if disconnected ~~twice~~ once in a 12 month period
  - Deposit will be required on accounts where two insufficient checks have been presented for payment
- Eliminates return of the deposit for accounts still active
  - ~~New Accounts - Deposits will remain on all active accounts~~ be refunded after five years on all new accounts in good standing (no disconnections or late fees in a five year period).
  - Existing Accounts – Effective January 1, 2014, no deposit refunds will be permissible on existing accounts under the current policy; existing customers will be eligible for a refund after a five year period if the account is in good standing (no disconnections or late fees in a five year period).
  - Deposits on inactive accounts will be applied to final bill and returned to the customer if no other funds are owed to the City
  - NO INTEREST WILL BE APPLIED TO DEPOSITS RETURNED

# Other Policy Changes

5

- ~~Eliminates~~ **Reduces** the Number of Extensions Granted
  - ~~No~~ **One** extension granted beyond the 10 days permitted for paying late and the subsequent cut-off notice **in a calendar year period (January 1 through December 31<sup>st</sup>).**
- Eliminates the Medical Condition Policy as a part of the Utility Billing & Collection Administrative policies
- Eliminates any reconnections after 8:00 p.m.
  - Changed from 9:00 p.m.
- Implements a \$50.00 administrative “**2<sup>nd</sup> trip charge**” for reconnection of any utility service (**Fee includes the after hour service charge of \$25**)
- Applies credit of administrative fees to other Enterprise Funds (to be determined)
- **Account Transfers-**
  - In City Transfers – deposits and/or account balances are transferred to new service location
  - Out of City Transfers – the old account is closed, any deposit after applying to bill is returned; outstanding balances owed are transferred to the new account at the next billing cycle

# Timeline for Policy Implementation To Be Determined

6

Action	Implementation/Effective Date
<del>Credit Score Rating for New Accounts</del>	
<del>Elimination of Reducing</del> Extensions to one in a calendar year	1/1/2014
New Deposit Requirements on New Accounts	1/1/2014
New Account Installation Fees	1/1/2014
Application of Late Fee	January Billing for February 20 <sup>th</sup> Due Date
Application of Reconnect & other fees	January Billing for February 20 <sup>th</sup> Due Date
New Residential Credit Application	1/1/2014
Requirement to Pay All <del>Current and Account Balances</del> Past Due <del>After the Due Date</del> prior to Reconnect	January Billing for February 20 <sup>th</sup> Due Date
<del>No</del> Return on Deposits <del>While Account is Active</del> <del>after</del> 5 years without disconnection of service or late fee	1/1/2014

# Training Staff & Educating Customers

7

- **Staff Training Work session – December 2014**
  - Utility Billing & Customer Service, Treasurer Office Staff, Applicable Public Works & Electric Department Employees
- **Customer Education on Policy Changes**
  - Informational Flyer on Approved Policy Changes
  - New Customer Information Flyer or Brochure
  - Verbal education when applicable to begin upon Council approval of changes



**November 20, 2013**

**To:** Mayor & City Council Members  
**From:** R. Randy Martin  
**Subject:** City Manager's Report, November 25, 2013

**1. VDLP Recommendation:**

At the City Council Meeting on November 25, 2013, I will give an update on the status of the State's actions related to changes in the retirement system for new hires beginning January 1, 2014. At that time, new hires will be enrolled in the new Hybrid Retirement Plan offered by VRS consistent with legislation enacted during the last session of the General Assembly. One element of the change is that the City has the option of opting out of VRS for the Virginia Local Disability Program (VLDP). There are a number of other providers including a VML sponsored plan offering competition for providing this benefit. VRS requires, however, that local governments make a decision by December 2<sup>nd</sup> or whether they will choose another provider or stay with VRS. If a community does not opt out of the current VRS Plan, the community is locked into the VRS plan going forward.

To date, more than 175 public entities and school divisions in Virginia have elected to opt out of the VRS plan for VLDP for new hires after January 1, 2014. In response, VRS recently lowered their rate by 25%. Most within the Hampton Roads region have already opted out. Enclosed is a draft resolution that allows the City to opt out. I will be prepared to make a recommendation at the Council Meeting on whether the City should opt out by adopting the Irrevocable Resolution.

**2. Regional Library Contract Cost Sharing Formula:**

At the last regular meeting on October 28<sup>th</sup>, the Council approved an updated contract with the Blackwater Regional Library. All other participating communities had already approved the updated contract. The updated contract did not substantively change the terms of the original contract. Specifically, the update did not alter the cost sharing formula.

During discussions with Regional Library Officials, Vice-Mayor Cheatham suggested a modification to the cost sharing formula be considered. He suggested that the last three (3) years population and circulation figures, as detailed in the contract, be averaged in the formula in lieu of the current formula's use of only the most recent one year data.

The suggestion was made to help avoid significant variations in the budget allocation between members in a single year.

The contract provides that the current cost sharing formula shall remain in effect until modified by the participating localities. The procedure requires that all the localities must agree on any change with the change becoming “effective on the first day of the next – following July or such other date as is determined by agreement of all participating localities.”

If the Council is so inclined, I recommend Council authorize me to make the formal request in writing to the other four jurisdictions for their consideration.

Attachment:



## RESOLUTION

### Irrevocable Election Not to Participate in Virginia Local Disability Program

**WHEREAS**, by enacting Chapter 11.1 of Title 51.1 of the *Code of Virginia*, the Virginia General Assembly has established the Virginia Local Disability program (“VLDP”) for the payment of short-term and long-term disability benefits for certain participants in the hybrid retirement program described in Virginia Code Section 51.1-169; and

**WHEREAS**, for purposes of VLDP administration, an employer with VLDP-eligible employees may make an irrevocable election on or before December 2, 2013, requesting that its eligible employees not participate in VLDP as of the VLDP effective date of January 1, 2014, because it has or will establish, and continue to maintain, comparable employer-paid disability coverage for such employees that meets or exceeds the coverage set out in Chapter 11.1 of Title 51.1 of the *Code of Virginia*, with the exception of long term care coverage, by January 1, 2014; and

**WHEREAS**, it is the intent of the City of Franklin, S-5232, to make this irrevocable election to request that its eligible employees not participate in VLDP;

**NOW, THEREFORE IT IS HEREBY RESOLVED** that the City of Franklin irrevocably elects not to participate in VLDP because it has or will establish, and continue to maintain, comparable employer-paid disability coverage for such employees; and it is further

**RESOLVED** that, as an integral part of making this irrevocable election, The City of Franklin certifies that it has or will establish, and continue to maintain, comparable employer-paid disability coverage for such employees.

Adopted in City of Franklin, Virginia this \_\_\_\_\_ Day of \_\_\_\_\_ 2013.

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Authorized Signature

Title

# **COUNCIL/STAFF REPORTS ON BOARDS AND COMMISSIONS**