

AGENDA

FRANKLIN CITY COUNCIL

MONDAY, August 27, 2018 – CITY HALL COUNCIL CHAMBERS – 207 W. SECOND AVE.

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

Call To Order MAYOR FRANK M. RABIL

PLEASE TURN OFF CELL PHONES MAYOR FRANK M. RABIL

PLEDGE OF ALLEGIANCE

CITIZENS' TIME

AMENDMENTS TO AGENDA

1. CONSENT AGENDA

- A. Minutes: August 13, 2018 Regular Meeting and August 15, 2018 Recessed Meeting
- B. Departmental Reports: July, 2018 (Separate File)

2. PUBLIC HEARING

- A. Planning Commission/City Council Joint Meeting Re: Zoning Ordinance Amendments # 2018 – 12 & # 2018 – 13
- B. Planning Commission Recommendation
- C. Council Action on Planning Commission Recommendation

3. FINANCE

- A. Financial Report: June, 2018 (End-of-Year) – Tracy Gregory, Interim Finance Director
- B. City & School Budget Amendments # 2019 – 01

4. OLD/NEW BUSINESS

- A. Electric Meter Reading Assessment Follow-up – Mark Bly, Director, Franklin Power & Light
- B. City Manager's Report

5. COUNCIL/STAFF REPORTS ON BOARDS/COMMISSIONS6. CLOSED SESSION

Closed Session - I move that the Franklin City Council meet in Closed Session to discuss appointments to boards and commissions and to discuss the performance and evaluation of employees pursuant to Virginia Code Section 2.2 – 3711 (A) (1).

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

- 7. ADJOURNMENT – I move that the August 13th Regular meeting of the Franklin City Council be adjourned.

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.

<u>SUBJECT</u>	<u>TENTATIVE TIME LINE</u>
Planning Commission Joint Work Session	September, 2018

CONSENT AGENDA

- A. Minutes: August 13, 2018 Regular Meeting and August 15, 2018 Recessed Meeting**
- B. Departmental Reports: June, 2018 (Separate File)**

The Franklin City Council convened its Regular meeting on Monday, August 13, 2018 at 7:00 p.m. in the Council Chambers at City Hall. Mayor Rabil called the meeting to order.

Council Members in Attendance: Mayor Frank Rabil, Barry Cheatham, Vice-Mayor; Linwood Johnson, Bobby Cutchins, Wynndolyn Copeland, Benny Burgess and Greg McLemore.

Staff in Attendance: Randy Martin, City Manager; Taylor Williams, City Attorney; Mark Bly, Director of Power and Light; Chief Phil Hardison, Franklin Police Department; Chief Vince Holt, Director of Emergency Services; Dinah Babb, Treasurer; and Brenda Rickman, Commissioner of Revenue.

Others in Attendance: Amanda Jarratt, Executive Director, FSEDI; School Board Chairman Bob Holt, Franklin City Public Schools; Tamera Sterling, Superintendent, Franklin City Public Schools; Corporal Kevin Muse, Franklin Police Department and Teresa Rose-McQuay; Administrative Assistant and Acting Secretary, Recording Minutes.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited by everyone in attendance.

CITIZENS' TIME

No one signed up to speak for Citizens' Time.

AMENDMENTS TO AGENDA

There were no amendments to the agenda.

Consent Agenda

Minutes: July 23, 2018 Regular Meeting

Mayor Rabil asked if there were any corrections to the minutes of the July 23, 2018 Regular meeting. Councilwoman Copeland noted that on page 4 the vote was incorrect in that it was noted that Councilwoman Hilliard was listed and it should be Councilwoman Copeland. Vice-Mayor Cheatham made the motion to adopt the minutes with the necessary correction and Councilman Johnson seconded the motion.

The motion was approved with the vote as follows:

Councilman Johnson, AYE; Councilman Cutchins, AYE; Councilwoman Copeland, AYE; Vice-Mayor Cheatham, AYE; Councilman Burgess, AYE; Councilman McLemore, NAY and Mayor Rabil, AYE.

Minutes: August 6, 2018 Called Meeting

Mayor Rabil asked if there were any corrections to the minutes of the August 6, 2018 Called meeting. Hearing none, Vice-Mayor Cheatham made the motion to adopt the minutes as presented and Councilman Johnson seconded the motion.

The motion was approved with the vote as follows:

Councilman Johnson, AYE; Councilman Cutchins, ABSTAIN; Councilwoman Copeland, AYE; Vice-Mayor Cheatham, AYE; Councilman Burgess, AYE; Councilman McLemore, NAY and Mayor Rabil, AYE.

OLD/NEW BUSINESS

Proposed Uses of FY 18 School Carryover Funding

Mayor Rabil recognized Manager Martin to present the proposed uses of the FY 18 school carryover funding request made by the Franklin City Public Schools. Manager Martin met with Superintendent Sterling on 8/7/18 and received an update on the School Divisions end-of-year financials.

Manager Martin provided observations and guidance to Council regarding the request. The recommendations discussed for Council's consideration were:

- The school division would like to complete as many of these items as possible /practical by or near the start of School after Labor Day. Based upon discussions and assessment, the Manager advised that he thinks it is feasible for several items to be accomplished in the desired timeframe if the Council authorizes an amount sufficient to cover those items.
- Based upon the state funds being received so late in the fiscal year, which did not allow their use, the Council could authorize obligation of those funds which would fund approximately two-thirds of the requested expenditures. This would still leave a safe cushion until the auditor verifies the Division's end-of-year numbers.
- In consideration of the Superintendent's memo from the state, the \$391,211.54 does not revert back to the State; therefore, appropriation of these funds seems advisable.
- If Council is willing to obligate approval of at least the additional state funding of \$391,211.54, this would allow the division to prioritize the items and move forward with a goal of completing those priority items by the opening of school.

The action recommended for Council was to consider at least a portion (suggested not to exceed \$400,000) of the estimated carryover funding for use by the School Division at this time.

Manager Martin recognized Superintendent Sterling to present the school division's request to Council, as well as, answer any questions and obtain feedback necessary on the request.

Superintendent Sterling advised Council of their desire to utilize the surplus in State Aid and other local funding. They are for one-time expenditures to support the instructional, technology, and capital improvement plans.

Superintendent Sterling presented an updated request in two phases based upon the City Manager's recommendation. The phases were broken into top and secondary priorities which were as follows:

Phase I	Amount
Parking Lot – Franklin High School	\$ 60,000.00
Replace Exterior lighting – Franklin High School	\$150,000.00
Security Door – Franklin High School	\$ 50,000.00
Chrome Book Computer – 1.1 Initiative	\$119,000.00
Library Initiative	\$ 21,000.00
Total Phase I	\$400,000.00
Phase II (After the Audit)	
Renovation – Teachers’ Lounges – FHS, JPK & SPM	\$ 70,000.00
School Bus	\$106,000.00
Library Initiative (Conclusion)	\$ 24,000.00
Total Phase I	\$200,000.00
Grand Total	\$600,000.00

Mayor Rabil reiterated that the State funds were disbursed to the schools on June 28, 2018 which prevented them from using them before the end-of-year but the funds were earmarked to be spent in the FY 18 budget and local governments were encouraged to approve carryover of the funds to the FY 19 budget.

Councilman Johnson asked if the new security doors for the high school would work similar to those that are already in use at the other schools.

Ms. Sterling stated that it would be used in the same manner that is already in use.

Councilman Cutchins asked about the status of the old school buses.

Ms. Sterling stated that the old buses are still in the schools’ fleet and they are currently holding on to them due to employing another bus driver because the routes in the Elementary school are too long for the children in Kindergarten through 3rd grade. They currently have 3 in reserve.

Manager Martin clarified that the schools disposal of old equipment is handled in the same fashion as the City.

Mayor Rabil asked if these initiatives would be done before the beginning of school, so as to make sure that they are not causing disruptions for the students?

Ms. Sterling stated that they would be completed by the end of September and they would definitely make sure that the interior items are completed as quickly as possible to ensure that there are little to no interruptions for students or faculty. Ms. Sterling also noted a new initiative concerning hotspots throughout the city to help with the computer initiatives that are already in effect. She commented that she looked forward to bringing that information back to the Council in the near future.

Councilman Burgess asked if the Phase II funds that were requested would be in this cycle once the audit was completed and verified not the upcoming budget cycle.

Manager Martin stated that it is expected to be requested for use in the current budget cycle.

Vice-Mayor Cheatham asked how the outside doors were being secured.

Ms. Sterling stated that they are secured and require a swipe card in order to access the door.

Vice-Mayor Cheatham inquired what would keep a student from opening the door to give anyone access to the school as a scenario.

Currently there is no guarantee that they could not happen; however, all people have been instructed not to open the doors for anyone.

Vice-Mayor Cheatham asked about the cost of adding an alarm to the doors so there is a failsafe to make sure that it does not happen.

Ms. Sterling said that she did not know about that but she would inquire and get back to the Council with that answer.

Attorney Williams affirmed that the funds received from the state were clearly earmarked for the FY 18 budget and the state's intent was for the funds to carryover to FY 19 for use by the schools.

Mayor Rabil concurred that the \$400,000 in funds were not an issue; however, the Council would not be prudent in issuing the entire \$600,000 in funds until the audit has been completed.

Councilman McLemore asked Ms. Sterling to obtain information on the cost of something other than an alarm to let someone in the office know that the door was opened. He also asked if there were security measures in place to make sure the chrome books and laptops would not be stolen. If the device is damaged in any way, are students responsible for paying for them.

Ms. Sterling stated that all the computers are insured and the students are not responsible for the cost to replace them. Ms. Sterling commented affirmatively that all the computers have sophisticated tracking capabilities to assist in recovery if they are stolen or lost, Mr. Spagh the Coordinator of Technology, can locate it.

Vice-Mayor Cheatham and Councilman McLemore inquired if the computers had filters in place to make sure that the students are not using them inappropriately.

Ms. Sterling affirmed that all the computers have filters in place.

Vice-Mayor Cheatham made the motion to authorize the \$400,000 portion of the estimated FY 18 carryover with consideration of the additional \$200,000 to be delayed until after the completion of the audit. Councilman Johnson seconded the motion.

The motion was approved by a 7 – 0 vote.

Council/Planning Commission Additional Regulatory Changes Discussion

Mayor Rabil recognized Manager Martin to present the Council/Planning Commission Additional Regulatory Changes item on the agenda.

Manager Martin stated that this item included an opportunity for members of Council to offer any additional suggested items for future consideration by the Planning Commission aimed at planning & regulatory ordinance changes to encourage economic investment/growth.

Mayor Rabil opened the floor for Council members to discuss the Council/Planning Commission Additional Regulatory Changes at an upcoming joint meeting scheduled.

Manager Martin stated that the R-2 issue, in which the Council approved the Initiating Resolution # 2018 – 03 at the July 23rd meeting, is scheduled for a joint Planning Commission/Council public hearing on August 27th.

Councilman Johnson asked if the issue of cluster zoning was on the list of topics already for the next Council/Planning Commission work session tentatively scheduled for September.

Mayor Rabil stated that it is on the list.

Councilman McLemore asked if they could discuss with the Planning Commission an ordinance concerning 4-wheelers. He shared with Council that he has had a number of complaints from elderly citizens about the loud noise.

Mayor Rabil stated that is not something that would involve the Planning Commission but he recommended that Councilman McLemore get with Attorney Williams to discuss the matter.

Manager Martin commented that the City could see what police power ordinances other municipalities have in place concerning 4-wheelers, but agreed this was not a Planning Commission item. Manager Martin stated this is likely already covered by state law.

Councilman Johnson inquired about food trucks and limitations.

Manager Martin stated that this is not a planning commission item.

Councilman McLemore brought to Council's attention the issue of people turning the end of Madison Street into a public park by playing corn hole across the circle from one side to the other and blocking the entire street. He also stated that he has asked that they take it to the backyard and they have declined to do so.

Manager Martin stated this is a police power issue also and he has asked Councilman McLemore to let the police know so they can address the issue when it is occurring.

Mayor Rabil noted Councilman McLemore's concern and reminded him to report it to the police.

Councilman McLemore shared that the problem is becoming more frequent and he requested the Police department patrol the area more frequently.

Electric Utility Meter Reading/Billing Assessment Update

Manager Martin reported that Bellwether Management Solutions (BMS) was engaged earlier this year to conduct a meter read audit and site survey project including a billing assessment element in April, 2018. Manager Martin noted the attached letter dated June 13, 2018 stating that BMS had completed the first element of the meter reading audit by reading all 4,663 city meters electronically independent of the City's reading on May 21, 2018. BMS personnel followed City Personnel on their reading route then compared their electronic readings to the City's electronic readings. The letter stated the results reflected in the letter indicated the readings matched.

Manager Martin confirmed that the next step was for BMS staff to physically visit 15% (823 meter locations) and audit meter data, field readings, etc. The Manager distributed data on the field visit which details the results with notes from BMS. Although the City just received the data results today after 2 p.m., Power & Light Director Mark Bly has included a summary of his initial observations and next steps. It is important to note, this manual field analysis was done by BMS during the period 7/23/18 through 8/6/18. This timing allowed BMS to compare their findings in the field for the selected accounts with the City's electronic meter reading efforts which occurred 7/23/18 – 7/24/18 with a few manual reads occurring on 7/25/18. As the BMS notes indicate and Director Bly's email comments further elaborate, city staff is currently analyzing the few highlighted and noted locations with field visits and will share the results once it has been completed. With the comments on exceptions noted, BMS's final comment was that all other reads are typical on usage between BMS's read data and the City's given the lag time between readings.

The next and final step to complete the engagement will be for BMS to compare the billing data to ensure proper coding and billing rates. When that step is complete, the results will be reported as well.

Manager Martin stated that this information is offered as an interim report on BMS findings to date and recognized Director Mark Bly to answer any questions.

Director Bly briefed Council on the 36 account locations that Bellwether encountered where they were unable to obtain a visual reading or the reading was a zero. This was the breakdown of the 36 residences noted by Bellwether:

Issues:	# of Residences
Meters were disconnected	5
Dogs in yard preventing the meter from being read	1
Commercial meter on a residential property	1
Wrong meter for the listed address	1
Unreadable meter displays	<u>28</u>
Total	36

Director Bly described to Council how the sun fading the clear plastic displays caused them to be unreadable and that this was a very common occurrence. Director Bly also stated that there were 5 addresses Bellwether noted during their visual inspection that indicated a lower electric usage than the city's electronic reading. Director Bly explained that in some of these cases it was a result of older slower running electro-mechanical meters. The registers on electro-mechanical meters show dial displays instead of digital ones that can slow down after years of continuous running. Even though this could be a factor; it does not affect the transmitter that sends the actual usage data to Franklin Power & Light for billing purposes.

Manager Martin reiterated that the letter from Bellwether reflected that the readings between them and the City of Franklin matched and the field visits verified the data as accurate with only the few questions that will be addressed by Power & Light with a report back to Council.

After a lengthy discussion between Council members and staff it was agreed that Power and Light would continue to study the information and report back to Council with the details discovered at a future meeting.

Councilwoman Copeland asked how the budget plan process to allow renters to participate was progressing.

Manager Martin briefed that it is almost complete for current budget plan customers to transition, but before it comes to fruition there is a need for some policy changes that need to be brought before Council for consideration and action. He reviewed the recommended policy changes needed to expand the option's availability to more customers.

City Manager's Report

Manager Martin briefly highlighted aspects of his written report:

1. Manager Martin reminded the citizens that although there is a contract between the City and Verizon on the lease of the Fairview property to build a tower; it doesn't mean that they will build it immediately. Verizon customers that are still experiencing problems with their service should continually contact Verizon customer service at 1-800-922-0204.

Mayor Rabil reiterated the importance of contacting Verizon customer service in order to expedite the necessity of building the new tower. Mayor Rabil stated that any Verizon customer who experiences problems needs to call their customer service department at 1-800-922-0204. Mayor Rabil requested staff to publish the Verizon Customer number on the website and the Peg channel as expeditiously as possible. He stated that the necessity for the tower is based on the identified need which is determined by the number of complaints that are received in an area. Mayor Rabil restated the importance of reporting all complaints with Verizon service to Verizon anytime a service issue arises.

2. Manager Martin noted the significant progress that is being made at the Armory Park in the collaborative efforts between city staff and Paul D. Camp Community College in regards to the little league/softball field for use by the College's new softball team.
3. Manager Martin also mentioned the visit of the Virginia Agriculture Secretary to the Farmers' Market on Main on August 8th. Mayor Rabil and Manager Martin welcomed her and her staff and the visit was rewarding and productive.

Councilman McLemore inquired who paid for the repaving at the Armory parking lot.

Manager Martin responded that there has not been any repaving. The public works department used millings from a recent College Drive road repaving project. The millings were used on several city owned properties. The millings were packed.

There were no further questions or comments concerning the City Manager's Report.

COUNCIL/STAFF REPORTS ON BOARDS & COMMISSIONS

Councilman Burgess reported on the meeting of the Shared Services Utility Committee. They are in the process of selecting a law firm to help navigate the legalities of setting up an authority. The committee expects to finalize the process in the upcoming week.

Councilman Burgess reported on the Franklin Downtown Business Climate concerning an article written in the Tidewater News by a former downtown business claiming that the City's downtown area is not a thriving area. Councilman Burgess stated that he did not agree with anything that was written. We have seen growth in downtown in very recent months. All the activities that are going on in the downtown area have brought attention and growth to the area. Councilman Burgess read a list of new businesses that have recently opened in the downtown area and invited the citizens to come down to see the variety of goods and services that are available here in the City of Franklin. He recognized Amanda Jarrett of FSEDI for a letter she sent the newspaper detailing progress.

Vice-Mayor Cheatham reported on the Western Tidewater Regional Jail meeting. He reported that the federal inmates are at 165. Financially the jail broke even this past year. He stated the City of Franklin's usage is at 17% so far this year. He also shared an update on the new electronic visitation via ipad's. They are working very well and are also generating some revenue for the jail. The inmates realize that they can only have this privilege as long as they are following the rules.

Councilman Johnson advised that the jail has a new examination machine that can help inmates be evaluated by doctors without having to transport them to outside facilities unnecessarily. He commented about the interest of seeing how the Medicaid expansion may help with medical expenses that the jail is incurring because the inmates do not have insurance.

Vice-Mayor Cheatham stated that medical expenses are one of the largest expenses that the jail incurs.

Mayor Rabil reminded everyone to come out and enjoy the summer activities downtown; We be jamming, the farmers market and cruise in held on Wednesday and Thursday. Mayor Rabil recognized National Health Care Center week and the bags presented to the Council tonight from the Southeastern Virginia Health System for state's support of their mission in Franklin. Mayor Rabil recognized Ms. Amanda Jarratt, for her appointment to the Virginia Rural Committee. Everyone in attendance applauded Ms. Jarratt for her appointment.

Councilman Johnson reported on the Hayden High School reunion and updated Council on the new Hayden Village Center opening in the fall of 2018.

Closed Session

Councilwoman Copeland made the motion that the Franklin City Council meet in Closed Session to discuss appointments to boards and commissions; to discuss the performance and evaluation of employees; and, to discuss a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business or industry's interest in locating or expanding its facilities in the community pursuant to Virginia Code Section 2.2 – 3711 (A) (1) & (5).

Councilman Johnson seconded the motion.

The motion was approved by a 7 – 0 vote.

The Council entered into closed session at 8:32 p.m.

Mayor Rabil reconvened the open session at 9:49 p.m. and asked for a motion certifying the closed session.

Councilman Burgess made a motion certifying that the only matters discussed during the closed session were those lawfully exempted from open meeting requirements and identified in the motion by which the closed session was convened. The motion was seconded by Vice-Mayor Cheatham.

The motion was approved by a 7 – 0 vote.

Recess

Mayor Rabil declared the meeting recessed at 9:50 p.m. until Wednesday, August 15, 2018 at 7:00 p.m. in the Council Chambers.

These Minutes for the August 13, 2018 City Council Regular Meeting were adopted on the 27th day of August, 2018.

Mayor

Clerk to City Council

**Franklin City Council
Continued Regular Meeting
August 15, 2018 – 7:00 p.m.**

The Franklin City Council met on Wednesday, August 15, 2018 in the Council Chambers at 7:00 p.m. The Regular meeting continued from August 13, 2018 was for the Franklin City Council to meet in Closed Session to discuss the performance and evaluation of employees pursuant to Virginia Code Section 2.2 – 3711 (A) (1).

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

Others in Attendance: Randy Martin, City Manager

Mayor Rabil reconvened the Regular Meeting recessed from August 13, 2018 and called it to order.

Councilwoman Copeland made the motion to meet in Closed Session to discuss the performance and evaluation of employees pursuant to Virginia Code Section 2.2 – 3711 (A) (1). Vice-Mayor Cheatham seconded the motion.

The motion was approved by a 6 – 0 vote (Councilman Johnson absent).

Mayor Rabil announced the need to relocate the meeting discussion to the upstairs city hall conference room. Manager Martin posted on the door that the meeting was moved upstairs

The Council went into Closed Session at 7:01 p.m.

Councilman Johnson arrived and entered the Closed Session at 7:02 p.m.

Mayor Rabil reconvened the open session at 8:53 p.m. and asked for a motion certifying the Closed Session.

Councilwoman Copeland made the motion 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. Vice-Mayor Cheatham seconded the motion.

The motion was approved by a 7 – 0 vote.

ADJOURNMENT

There being no further business scheduled for this regular meeting, Mayor Rabil thanked the Council members for their time and asked for a motion to adjourn. Vice-Mayor Cheatham made a motion to adjourn which was seconded by Councilman Johnson.

The motion was approved by a 7 – 0 vote.

Mayor Rabil declared the meeting adjourned at 8:55 p.m.

These Minutes for August 15, 2018 City Council Called Meeting were adopted on the 27th day of August, 2018.

Mayor

Clerk to City Council

PUBLIC HEARING

- A. Planning Commission/City Council Joint Meeting Re: Zoning Ordinance Amendments # 2018 – 12 & # 2018 - 13**
- B. Planning Commission Recommendation**
- C. Council Action on Planning Commission Recommendation**

NOTICE OF PUBLIC HEARING

Notice is hereby given in accordance with Virginia Code Section 15.2-2204 that the City of Franklin City Council and the City of Franklin Planning Commission will hold a joint public hearing on Monday, August 27, 2018 at 7:00 P. M. at the City Hall Council Chambers located at 207 West Second Avenue, Franklin, Virginia to consider proposed amendments to the City of Franklin Zoning Ordinance summarized as follows: (1) That Section 8.2 Permitted principal uses of Article VIII R-2 GENERAL RESIDENCE DISTRICT USE REGULATIONS of the City of Franklin Zoning Ordinance is hereby amended by the amendment of Subsection (a) to read as follows: (a) One and Two-Family detached dwelling units and (2) that the text of Article XXI: Flood Plain Regulations of the Zoning Ordinance be amended to add Section 4.3 Elevation and Construction Standards E. Accessory Structures of Chapter IV District Provisions; replace M in Chapter VI Variances and renumber M to N and amend Chapter VII Glossary, A. Appurtenant or accessory structure definition as recommended by the Federal Emergency Management Agency, Region III of the Department of Homeland Security to read as follows: Section 4.3- Elevation and Construction Standards E. Accessory Structures 1. Accessory structures in the SFHA shall comply with the elevation requirements and other requirements of Article IV, Section 4.3.B or, if not elevated or dry floodproofed, shall: a. Not be used for human habitation; b. Be limited to no more than 600 square feet in total floor area; c. Be usable only for parking of vehicles or limited storage; d. Be constructed flood damage resistant materials below the base flood elevation; e. Be constructed and placed to offer the minimum resistance to the flow of flood waters; f. Be anchored to prevent flotation; g. Have electrical service and mechanical equipment elevated to or above the base flood elevation; h. Shall be provided with flood openings which meet the following criteria: There shall be a minimum of two flood openings on different sides of each enclosed area; if a building has more than one enclosure below the lowest floor, each such enclosure shall have flood openings on exterior walls. The total net area of all flood openings shall be at least 1 square inch for each square foot of enclosed area (non-engineered flood openings), or the flood openings shall be engineered flood openings that are designed and certified by a licensed professional engineer to automatically allow entry and exit of floodwaters; the certification requirement may be satisfied by an individual certification or an Evaluation Report issued by the ICC Evaluation Service, Inc. The bottom of each flood opening shall be 1 foot or less above the higher of the interior floor or grade, or the exterior grade, immediately below the opening. Any louvers, screens or other covers for the flood openings shall allow the automatic flow of floodwaters into and out of the enclosed area. Chapter VI-Variances, M. No variance shall be granted for an accessory structure exceeding 600 square feet in total floor area. Chapter VII Glossary, A. Appurtenant or accessory structure— A non-residential structure which is on the same parcel of property as the principal structure and the use of which is incidental to the use of the principal structure. Accessory structures are not to exceed 600 square feet in total floor area.

The public hearing is to be held at a public facility designed to be accessible to persons with disabilities. Any persons with questions concerning the accessibility of the facility or those who have need for reasonable accommodations should contact Teresa Rose-McQuay at (757) 562-8508. Persons needing interpreter services for the deaf must notify Ms. McQuay at least seven (7) days in advance of the hearing.

Franklin Planning Commission
Donald E. Goodwin, Secretary

Franklin City Council
R. Randy Martin, Clerk

Please run in Tidewater Newslegals on
Wednesdays August 15 and 22, 2018.



**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: August 21, 2018

CC: City Council Members
Planning Commission Members

RE: Proposed Zoning Ordinance Text Amendments

Please be advised that the planning commission at its last two work sessions have continued to review the provisions of the zoning to insure that the City has the tools necessary to implement the Comp Plan's recommendations and City Councils vision for removing development barriers and sustain managed growth. The Commission is currently proposing two text amendments to the zoning ordinance. They include new provisions for the floodplain ordinance and allowing two family detached dwellings in the R-2 zoning district.

1. Ordinance amendment to allow two family detached dwellings as a principle permitted use in the R-2 zoning district.
2. Ordinance amendment to the floodplain ordinance to allow accessory structures with certain considerations as allowed by FEMA and the Flood Insurance Program

STAFF RECOMMENDATION:

- 1. Planning Commission adopt resolution # 2018-04 and # 2018-05 recommending approval for Councils consideration.**
- 2. City Council adopt ordinance # 2018- 12 and # 2018 -13 to be effective from the date of adoption.**



RESOLUTION PC NO: # 2018 - 05

**A RESOLUTION TO AMEND APPENDIX D THE CITY OF FRANKLIN ZONING
ORDINANCE ARTICLE XXI: FLOOD PLAIN REGULATIONS TO ADD
SECTION 4.3 E ACCESSORY STRUCTURES**

WHEREAS, the Planning Commission of the City of Franklin, finds that the public necessity, convenience, general welfare and good zoning practice require that Article XXI FLOOD PLAIN REGULATIONS to add Section 4.3 E. Accessory Structures in Chapter IV District Provisions; replace M in Chapter VI and renumber M to N and amend Chapter VII Glossary A. Appurtenant or accessory structure definition as recommended by the Federal Emergency Management Agency, Region III of the Department of Homeland Security; and

WHEREAS, the Planning Commission held a duly advertise joint public hearing with City Council at their August 27, 2018 meeting; and

WHEREAS, of those present, the Planning Commission voted unanimously to forward this amendment to the Zoning Ordinance to City Council with a favorable recommendation; and

NOW THEREFORE BE IT RESOLVED that the Planning Commission of the City of Franklin does hereby recommend that the text of the Zoning Ordinance be amended to add Section 4.3 Elevation and Construction Standards E. Accessory Structures of Chapter IV District Provisions; replace M in Chapter VI Variances and renumber M to N and amend Chapter VII Glossary, A. Appurtenant or accessory structure definition as recommended by the Federal Emergency Management Agency, Region III of the Department of Homeland Security to read as follows:

Section 4.3- Elevation and Construction Standards

E. Accessory Structures

1. Accessory structures in the SFHA shall comply with the elevation requirements and other requirements of Article IV, Section 4.3.B or, if not elevated or dry floodproofed, shall:
 - a. Not be used for human habitation;
 - b. Be limited to no more than 600 square feet in total floor area;

- c. Be usable only for parking of vehicles or limited storage;
- d. Be constructed flood damage resistant materials below the base flood elevation;
- e. Be constructed and placed to offer the minimum resistance to the flow of flood waters;
- f. Be anchored to prevent flotation;
- g. Have electrical service and mechanical equipment elevated to or above the base flood elevation;
- h. Shall be provided with flood openings which meet the following criteria:
 - (1) There shall be a minimum of two flood openings on different sides of each enclosed area; if a building has more than one enclosure below the lowest floor, each such enclosure shall have flood openings on exterior walls.
 - (2) The total net area of all flood openings shall be at least 1 square inch for each square foot of enclosed area (non-engineered flood openings), or the flood openings shall be engineered flood openings that are designed and certified by a licensed professional engineer to automatically allow entry and exit of floodwaters; the certification requirement may be satisfied by an individual certification or an Evaluation Report issued by the ICC Evaluation Service, Inc.
 - (3) The bottom of each flood opening shall be 1 foot or less above the higher of the interior floor or grade, or the exterior grade, immediately below the opening.
 - (4) Any louvers, screens or other covers for the flood openings shall allow the automatic flow of floodwaters into and out of the enclosed area.

Chapter VI- Variances

- M. No variance shall be granted for an accessory structure exceeding 600 square feet in total floor area

Chapter VII Glossary

- A. Appurtenant or accessory structure - A non-residential structure which is on the same parcel of property as the principal structure and the use of which is incidental to the use of the principal structure. Accessory structures are not to exceed 600 square feet in total floor area.

Certified copy of a resolution adopted by the planning commission at its joint meeting with city council held on August 27, 2018.

Planning Commission



RESOLUTION NO: # 2018 - 04

A RESOLUTION TO AMEND APPENDIX D OF THE CITY OF FRANKLIN ZONING ORDINANCE ARTICLE VIII, R-2 GENERAL RESIDENCE ZONING DISTRICT SECTION 8.2 (a) TO READ AS FOLLOWS

WHEREAS, the Planning Commission of the City of Franklin, finds that the public necessity, convenience, general welfare and good zoning practice require that the text of Article VII of the Zoning Ordinance be amended; and

WHEREAS, the Planning Commission held a duly advertise joint public hearing with City Council at their August 27, 2018 meeting; and

WHEREAS, of those present, the Planning Commission voted unanimously to forward this amendment to the Zoning Ordinance to City Council with a favorable recommendation; and

NOW THEREFORE BE IT RESOLVED that the Planning Commission of the City of Franklin does hereby recommend that Section 8.2 Permitted principal uses of Article VIII R-2 GENERAL RESIDENCE DISTRICT USE REGULATIONS of the City of Franklin Zoning Ordinance is hereby amended to read as follows:

(a) One and Two-Family detached dwelling units

Certified copy of a resolution adopted by the planning commission at its joint meeting with city council held on August 27, 2018.

Planning Commission

ORDINANCE # 2018 -12

THE CITY COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA DOES ORDAIN AS FOLLOWS:

TO AMEND APPENDIX D OF THE CITY OF FRANKLIN ZONING ORDINANCE ARTICLE VIII, R-2 GENERAL RESIDENCE ZONING DISTRICT SECTION 8.2 (a) TO READ AS FOLLOWS

(a) One and Two-Family detached dwelling units

Certified copy of a resolution adopted by the City Council at its regular meeting held on August 27, 2018.

Clerk to City Council

ORDINANCE # 2018 – 13

THE CITY COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA DOES ORDAIN AS FOLLOWS:

TO AMEND APPENDIX D THE CITY OF FRANKLIN ZONING ORDINANCE ARTICLE XXI: FLOOD PLAIN REGULATIONS TO ADD SECTION 4.3 E ACCESSORY STRUCTURES TO READ AS FOLLOWS:

Section 4.3- Elevation and Construction Standards

E. Accessory Structures

1. Accessory structures in the SFHA shall comply with the elevation requirements and other requirements of Article IV, Section 4.3.B or, if not elevated or dry floodproofed, shall:
 - a. Not be used for human habitation;
 - b. Be limited to no more than 600 square feet in total floor area;
 - c. Be usable only for parking of vehicles or limited storage;
 - d. Be constructed flood damage resistant materials below the base flood elevation;
 - e. Be constructed and placed to offer the minimum resistance to the flow of flood waters;
 - f. Be anchored to prevent flotation;
 - g. Have electrical service and mechanical equipment elevated to or above the base flood elevation;
 - h. Shall be provided with flood openings which meet the following criteria:
 - (1) There shall be a minimum of two flood openings on different sides of each enclosed area; if a building has more than one enclosure below the lowest floor, each such enclosure shall have flood openings on exterior walls.

- (2) The total net area of all flood openings shall be at least 1 square inch for each square foot of enclosed area (non-engineered flood openings), or the flood openings shall be engineered flood openings that are designed and certified by a licensed professional engineer to automatically allow entry and exit of floodwaters; the certification requirement may be satisfied by an individual certification or an Evaluation Report issued by the ICC Evaluation Service, Inc.
- (3) The bottom of each flood opening shall be 1 foot or less above the higher of the interior floor or grade, or the exterior grade, immediately below the opening.
- (4) Any louvers, screens or other covers for the flood openings shall allow the automatic flow of floodwaters into and out of the enclosed area.

Chapter VI- Variances

- M. No variance shall be granted for an accessory structure exceeding 600 square feet in total floor area

Chapter VII Glossary

- A. Appurtenant or accessory structure - A non-residential structure which is on the same parcel of property as the principal structure and the use of which is incidental to the use of the principal structure. Accessory structures are not to exceed 600 square feet in total floor area.

Certified copy of an ordinance adopted by the Franklin City Council at its regular meeting held on August 27, 2018.

Clerk to City Council

FINANCE

- A. Financial Report: June, 2018 (End-of-Year) – Tracy Gregory,
Interim Finance Director**
- B. City & School Budget Amendments # 2019 – 01**



HIGHLIGHTS – GENERAL FUND
For the period ending June 30, 2018

Based on Unaudited Financial Data

Basis of Reporting

- The information enclosed is the City's Financial Report for the General Fund for the period ending June 30, 2018.
- The report contains provisions for revenue and expenditure accruals.
 - Reflects 12 months of revenue & expenditures – modified accrual basis of accounting.
- Financial Report presentation is consistent with the department's objectives to:
 - Report timely, relevant, understandable and accurate financial data
 - Promote accountability through monitoring, assessment and reporting.

Revenue Highlights – Tax Collections

- ❑ Overall General Property Taxes collections of \$7.36m is up from FY17 collections of \$7.22m. There are five major sources included in General Property Taxes:
 - ❑ Real Estate Taxes (Current & Delinquent)
 - ❑ Personal Property Taxes (Current & Delinquent)
 - ❑ Penalty and Interest on Taxes
 - ❑ Public Service Corporation Taxes
 - ❑ Machinery & Tools Taxes

Revenue Highlights – Tax Collections

- ❑ Current Real Estate taxes of \$5.19mil are at 95.7% of budget and 1.26% higher than prior year period collections of \$5.12mil.
- ❑ Delinquent RE taxes of \$265k are at 120.7% of budget and 17.72% higher than prior year period collections of \$226k.
- ❑ Current Personal Property taxes of \$1.62mil are at 104.3% of budget and 1.19% higher than prior year period collections of \$1.6mil.
- ❑ Delinquent Personal Property taxes of \$50.3k are at 111.9% of budget and 56.6% higher than prior year period collections of \$32.1k.
- ❑ Penalties and Interest of \$142k are at 108.9% of budget and 4.02% lower than prior year period collections of \$147k.
- ❑ Public Service Corporation taxes of \$75k are at 108.9% of budget.

General Property Taxes- Overall BUDGET COMPARISON-Cash Basis

REVENUE SOURCE	2017-2018	ACTUAL	BUDGET	2016-2017	ACTUAL	BUDGET
	BUDGET	Current Year	%	BUDGET	Prior Year	%
Real Estate Taxes-Current	\$ 5,421,074	\$ 5,187,296	95.7%	\$ 5,447,115	\$ 5,122,817	94.0%
Real Estate Taxes-Delinquent	220,000	265,576	120.7%	240,000	225,600	94.0%
Personal Property Taxes-Current	1,551,897	1,618,443	104.3%	1,500,000	1,599,397	106.6%
Personal Property Taxes-Delinquent	45,000	50,334	111.9%	45,000	32,142	71.4%
Machinery & Tools	21,050	20,024	95.1%	23,578	20,114	85.3%
Penalties & Interest Taxes	130,000	141,517	108.9%	155,000	147,442	95.1%
Public Service Corporation Taxes	68,614	74,698	108.9%	68,000	68,614	100.9%
GENERAL PROPERTY TAX	\$ 7,457,635	\$ 7,357,888	98.7%	\$ 7,478,693	\$ 7,216,126	96.5%

Current	\$ 7,357,887
Prior Year	\$ 7,216,126
Net Change \$	141,761
Net Change %	1.96%

Local Tax Revenue - (Prior Year Comparison) – Modified Accrual Basis

	Meals Taxes	Lodging Taxes	Cigarette Taxes	Sales Taxes	Total
Jun-18	1,522,481	170,060	298,773	1,854,694	3,846,008
Jun-17	1,498,567	141,318	316,662	1,799,419	3,755,966
Prior Year \$	23,914	28,742	(17,889)	55,275	90,042
Prior Year %	1.60%	20.34%	-5.65%	3.07%	2.40%

At the end of the fiscal year, it is projected that the Local Tax Revenue sources will exceed budget by \$73,008.

Local Tax Revenue (Budget per Actual Comparison)-(Modified Accrual Basis)

Benchmark – 100%

	FY 17-18 Budget	6/30/2018	% of Budget Realized
Local Sales & Use*	\$ 1,873,000	\$ 1,854,694	99.0%
Cigarette Taxes	\$ 330,000	\$ 298,773	90.5%
Meals Taxes*	\$ 1,440,000	\$ 1,522,481	105.7%
Lodging Taxes*	<u>\$ 130,000</u>	<u>\$ 170,060</u>	<u>130.8%</u>
Total Local Tax Revenue	\$ 3,773,000	\$ 3,846,008	101.9%

*prepared on modified accrual basis

At the end of the fiscal year, local sales tax revenue and cigarette tax revenue will not meet targeted projections; however, the total for all local tax revenue sources exceeded budget by \$73,008.

Revenue & Expenditure Summary – Modified Accrual Basis

- General Fund **revenue** at the end of the period totaled \$22.4 mil and represented 97.73% of budget; when compared to the prior year period of \$22.4 mil, there is no difference.
- General Fund **expenditures** at the end of the period totaled \$23.5 mil and represented 96.58% of the total budget; when compared to the prior year period of \$22.6 mil, this is a \$900k increase.
- Projected General Fund loss for FY18: \$1.1 mil.
- FY18 Fund Balance Appropriated by Council for planned expenditures: \$1.38 mil.

General Fund Revenue – Prior Year Comparison – Modified Accrual Basis

Account Description	Prior Year Revenue	Budgeted	YTD Rev/Expd	Balance/Excess/Deficit	% Realized	Prior Year Variance Good (Bad)
REAL PROPERTY TAXES	5,385,183	5,641,074	5,452,871	(188,203)	96.66%	67,689
PUBLIC SERVICE CORPORATION TAXES	68,614	68,614	74,698	6,084	108.87%	6,084
PERSONAL PROPERTY TAXES	1,629,725	1,596,897	1,668,777	71,880	104.50%	39,051
MACHINERY & TOOLS TAXES	20,114	21,050	20,024	(1,026)	95.13%	(89)
PENALTIES AND INTEREST	146,344	130,000	141,517	11,517	108.86%	(4,828)
OTHER LOCAL TAXES	1,799,419	1,873,000	1,854,694	(18,306)	99.02%	55,275
UTILITY TAXES	565,161	516,000	576,175	60,175	111.66%	11,014
BUSINESS LICENSE TAXES	957,711	950,000	972,179	22,179	102.33%	14,469
BUSINESS LICENSE TAXES - PENALTY	1,421	1,000	825	(175)	82.55%	(595)
MOTOR VEHICLE LICENSES	160,399	172,000	161,082	(10,918)	93.65%	683
MOTOR VEHICLE LICENSES - PENALTY	25,106	26,000	25,941	(59)	99.77%	835
BANK STOCK TAXES	56,930	56,200	59,759	3,559	106.33%	2,830
TAXES ON RECORDATION AND WILLS	49,729	46,000	42,272	(3,728)	91.90%	(7,457)
CIGARETTE TAXES	316,662	330,000	298,773	(31,227)	90.54%	(17,889)
LODGING TAXES	141,318	130,000	170,060	40,060	130.82%	28,742
MEALS TAX	1,498,567	1,440,000	1,522,481	82,481	105.73%	23,914
PROBATE TAXES	5,001	3,100	3,769	669	121.60%	(1,232)
PERMITS AND OTHER LICENSES	532,781	547,604	20,857	(526,748)	3.81%	(511,924)
FINES AND FORFEITURES	34,508	37,000	29,209	(7,791)	78.94%	(5,299)
REVENUE FROM USE OF MONEY	959	600	1,459	859	243.24%	500
REVENUE FROM USE OF PROPERTY	231,423	224,847	249,575	24,728	111.00%	18,153
CHARGES FOR CURRENT SERVICES	9,242	9,500	14,443	4,943	152.03%	5,201
CHARGES FOR OTHER PROTECTION	358,528	428,051	490,790	62,739	114.66%	132,262
MISC BILLING SERVICES	5,823	-	2,382	2,382	-	(3,441)
CHG FOR SANITATION & WASTE REMOVAL	11,289	9,900	11,553	1,653	116.70%	264
CHARGES FOR ADMIN-FUNDS	964,868	961,720	961,720	-	100.00%	(3,148)
RECREATIONAL FEES	6,525	7,500	7,817	317	104.22%	1,292
MISCELLANEOUS	1,249,488	1,321,596	1,468,738	147,142	111.13%	219,249
RECOVERED COSTS	243,605	404,400	471,088	66,688	116.49%	227,484
NON-CATEGORICAL AID STATE	1,628,216	1,643,897	1,609,101	(34,796)	97.88%	(19,115)
SHARED EXPENSES	185,672	188,804	189,188	384	100.20%	3,517
CATEGORICAL AID - STATE	2,491,589	2,372,187	2,081,777	(290,410)	87.76%	(409,812)
CATEGORICAL AID -FEDERAL GOVERNMENT	21,995	72,715	72,103	(612)	99.16%	50,108
TRANSFERS FROM ENTERPRISE FUNDS	1,603,196	1,689,927	1,689,927	-	100.00%	86,731
General Fund Revenue Subtotal	22,407,109	22,921,183	22,417,626	(503,557)		10,518
APPROPRIATED FUND BALANCE BY COUNCIL	-	1,382,979	-	NA		-
General Fund Revenue Total	22,407,109	24,304,162	22,417,626			10,518

General Fund Expenditures – Prior Year Comparison – Modified Accrual Basis

Department	Prior Year Expenditures	Budgeted	YTD Expenditures	Balance/Excess/Deficit	% Expended	Prior Year Variance Good (Bad)
CITY COUNCIL **	149,708	167,626	152,519	15,107	90.99%	2,811
CITY MANAGER *****	198,565	217,303	205,138	12,165	94.40%	6,573
CITY ATTORNEY *****	195,070	162,248	169,181	-6,933	104.27%	(25,889)
MANAGEMENT SERVICES & HR*****	98,242	176,148	99,704	76,445	56.60%	1,462
COMMISSIONER OF THE REVENUE *****	260,227	274,795	267,058	7,737	97.18%	6,831
REAL ESTATE ASSESSOR *****	59,165	122,405	116,569	5,836	95.23%	57,405
CITY TREASURER *****	286,282	339,921	315,233	24,688	92.74%	28,951
ACCOUNTING *****	328,306	374,861	374,619	242	99.94%	46,313
PURCHASING & GENERAL SERVICES****	86,249	74,794	59,346	15,448	79.35%	(26,903)
UTILITY COLLECTIONS & BILLING *****	244,047	256,793	249,797	6,996	97.28%	5,750
INSURANCE *****	190,731	195,232	174,979	20,253	89.63%	(15,752)
INFORMATION TECHNOLOGY*****	182,064	341,330	207,440	133,890	60.77%	25,376
BOARD OF ELECTIONS *****	115,785	176,400	168,420	7,980	95.48%	52,635
CIRCUIT COURT ***	9,036	7,662	7,662	0	100.00%	(1,374)
GENERAL DISTRICT COURT ***	14,477	18,091	15,334	2,757	84.76%	856
CLERK OF CIRCUIT COURT ***	50,089	57,283	57,283	0	100.00%	7,194
SHERIFF'S OFFICE ***	132,877	136,692	136,691	1	100.00%	3,814
DISTRICT COURT SERVICE ***	86,834	70,070	68,989	1,081	98.46%	(17,845)
COMMONWEALTH'S ATTORNEY ***	63,855	58,605	58,605	0	100.00%	(5,250)
WESTERN TIDEWATER REGIONAL JAIL**	921,980	921,980	921,983	-3	100.00%	3
POLICE ***	2,905,744	3,262,156	3,253,513	8,643	99.74%	347,769
E - 911 *****	616,959	999,117	721,874	277,243	72.25%	104,916
EMERGENCY MANAGEMENT SERVICES ***	2,317,544	2,364,011	2,329,440	34,571	98.54%	11,896
BUILDING INSP & CODE ENFORCEMENT***	512,203	518,173	530,505	-12,332	102.38%	18,303
ANIMAL CONTROL*****	89,017	121,604	72,532	49,072	59.65%	(16,484)
PUBLIC WORKS-STREET MAINTENANCE****	2,188,841	2,057,025	1,881,428	175,597	91.46%	(307,413)
PUBLIC WORKS-SNOW REMOVAL****	18,722	13,000	13,843	-843	106.48%	(4,879)
PUBLIC WORKS-GARAGE****	231,137	234,602	234,044	558	99.76%	2,907
BUILDING MAINTENANCE-GENERAL*****	694,913	686,304	682,781	3,523	99.49%	(12,133)
BUILDING MAINTENANCE-ARMORY***	37,189	0	29,644	-29,644	-	(7,546)
BUILDING MAINTENANCE-CITY HALL****	194,743	200,796	225,162	-24,366	112.13%	30,419
BLDG MAINTENANCE-SOC SERVICES****	82,711	83,244	86,459	-3,215	103.86%	3,748
BUILDING MAINTENANCE-HEALTH DEPT***	27,256	34,716	25,194	9,522	72.57%	(2,062)
HEALTH DEPARTMENT*****	110,000	110,000	110,000	0	100.00%	0
MENTAL HEALTH*****	35,198	36,958	36,958	0	100.00%	1,760
RECREATION*****	385,350	388,927	389,662	-735	100.19%	4,311
CEMETERIES*****	42,263	42,448	42,751	-303	100.71%	489
SENIOR CITIZENS TITLE III ***	0	6,659	0	6,659	0.00%	-
SENIOR CITIZENS NUTRITION ***	46,145	45,489	50,013	-4,524	109.94%	3,868
LIBRARY*****	298,986	304,103	300,123	3,980	98.69%	1,137
PLANNING AND ZONING****	216,967	305,356	268,294	37,062	87.86%	51,327
BEAUTIFICATION COMMISSION ****	9,173	21,867	8,615	13,252	39.40%	(558)
DOWNTOWN DEVELOPMENT *****	107,921	110,000	104,403	5,597	94.91%	(3,519)
PAYMENTS TO SOUTHAMPTON COUNTY ***	651,192	700,000	729,149	-29,149	104.16%	77,957
NON-DEPARTMENT MISCELLANEOUS***	60,475	55,000	69,854	-14,854	127.01%	9,379
TRANSFERS*****	7,040,324	7,470,655	7,468,123	2,532	99.97%	427,799
General Fund Expenditure Total	22,594,559	24,322,449	23,490,913	831,536		896,354



ENTERPRISE FUNDS

For the period ending June 30, 2018

Based on Unaudited Financial Data

Basis of Reporting

- The information enclosed is the City's Financial Report for the Enterprise Funds for the period ending June 30, 2018.
- The report contains provisions for revenue and expenditure accruals.
 - Reflects 12 months of revenue & expenditures – full accrual basis of accounting.
- Financial Report presentation is consistent with the department's objectives to:
 - Report timely, relevant, understandable and accurate financial data
 - Promote accountability through monitoring, assessment and reporting.

Airport Fund

- **Revenue Analysis**
 - Fuel sales and airport rental fees are above target with 106% of budgeted realized.
- **Expense Analysis**
 - Expenses in the fund are below target with 99% of budget expended (net of capital outlay, depreciation and transfers).
- **Cash Balance**
 - Cash balance in the Airport Fund is \$(5,893).

Water & Sewer Fund

- **Revenue Analysis**

- Revenue from the sale of water and sewer service charges of \$3.44mil at the end of the period is on target at 100% of budget.

- **Expense Analysis**

- Expenses in the fund are \$1.7mil and comparable to the prior year (net of capital outlay, depreciation, debt service and transfers). Expenses in the water division, the sewer division and the wastewater division are comparable to the prior year (net of capital outlay, debt service and transfers).

Water & Sewer Fund – Cash Balance

Cash balance - \$1,375,767

	Month	FY 16-17	FY 17-18
	June	\$1,523,478	\$ 1,595,381
	July	\$1,524,862	\$ 1,652,123
	August	\$1,625,513	\$ 1,518,399
	September	\$1,738,716	\$ 1,588,063
	October	\$1,702,317	\$ 1,586,500
	November	\$1,822,818	\$ 1,695,279
	December	\$1,707,079	\$ 1,802,144
	January	\$1,442,096	\$ 1,475,022
	February	\$1,565,794	\$ 1,416,362
	March	\$1,628,651	\$ 1,457,412
	April	\$1,669,486	\$ 1,529,505
	May	\$1,783,565	\$ 1,391,374
	June	\$1,595,381	\$ 1,375,767

Solid Waste Fund

- **Revenue Analysis**

- Revenue for the Solid Waste Fund is slightly below target with revenue at \$1.3mil or 96.8% of budget and is below the prior year period collections of \$1.37mil.

- **Expense Analysis**

- Expenses in the fund at \$767k are below target with 86.37% of budget expended (net of capital outlay, depreciation, debt service and transfers) and is below the prior year period expenses of \$848k (net of capital outlay, depreciation, debt service and transfers).

Solid Waste Fund – Cash Balance

Cash balance - \$211,529

	Month	FY 16-17	FY 17-18
	June	\$409,400	\$240,652
	July	\$410,551	\$271,649
	August	\$425,486	\$265,937
	September	\$420,154	\$275,027
	October	\$416,155	\$274,940
	November	\$422,723	\$265,379
	December	\$411,298	\$257,988
	January	\$418,851	\$255,839
	February	\$445,948	\$132,974
	March	\$252,699	\$142,195
	April	\$260,852	\$164,243
	May	\$246,169	\$180,101
	June	\$240,652	\$211,529

Electric Fund

- **Revenue Analysis**

- Revenue from energy sales at \$15.38 mil is above target at 101.5% of budget; below is a snapshot of prior year billed service revenue, current year budget, actual and % of budget realized:

Account Description	FY17 June 30	FY18 Budget	FY18 June 30	% Realized
Sale of Electricity -Fuel Adj	\$ 452,307	\$ 1,104,300	\$ 1,246,350	112.9%
Sale of Electric Energy-Residential	7,692,539	7,998,896	8,194,296	102.4%
Sale of Electricity-Commercial	5,984,140	6,165,246	6,056,411	98.2%
Cycle & Save	(119,524)	(119,129)	(118,840)	99.8%
	<u>\$ 14,009,461</u>	<u>\$ 15,149,313</u>	<u>\$ 15,378,218</u>	<u>101.5%</u>

- **Expense Analysis**

- Expenses associated with the sale of energy for the fiscal year was \$11.4 mil and was below budget at 90.3% of the total budget (net of capital outlay, depreciation, debt service and transfers). This is lower than the prior year period of \$11.6 mil primarily due to the VMEA Transmission Peak Shaving True-Up credit in September 2017 of \$544k.

ELECTRIC FUND CASH ANALYSIS

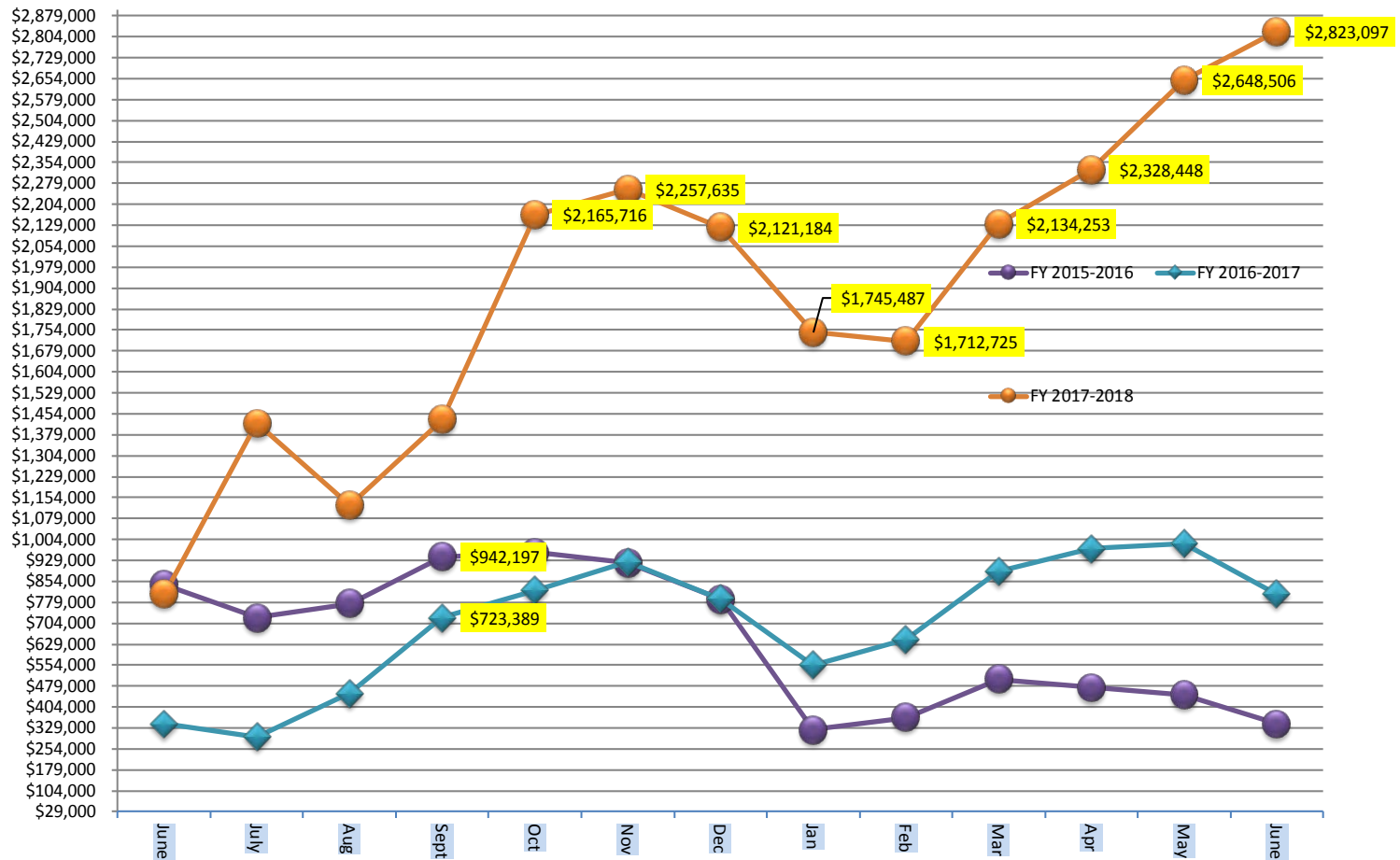
	FY 2012-2013	FY 2013-2014	FY 2014-2015	FY 2015-2016	FY 2016-2017	FY 2017-2018
6/30	\$ 365,374	\$ 643,257	\$ 882,030	\$ 842,112	\$ 343,328	\$ 807,485
7/31	\$ 232,177	\$ 642,085	\$ 957,000	\$ 724,794	\$ 276,984	\$ 1,421,109
8/31	\$ 179,939	\$ 672,538	\$ 1,095,099	\$ 774,246	\$ 453,148	\$ 1,127,645
9/30	\$ 272,263	\$ 784,569	\$ 1,220,000	\$ 942,197	\$ 729,003	\$ 1,431,729
10/31	\$ 346,776	\$ 904,924	\$ 1,273,878	\$ 956,592	\$ 822,659	\$ 2,165,716
11/30	\$ 359,027	\$ 876,767	\$ 1,327,621	\$ 919,275	\$ 922,617	\$ 2,257,635
12/31	\$ 287,190	\$ 733,859	\$ 1,284,717	\$ 788,629	\$ 791,600	\$ 2,121,184
1/31	\$ 389,986	\$ 438,344	\$ 1,004,954	\$ 322,369	\$ 554,258	\$ 1,745,487
2/28	\$ 287,764	\$ 559,511	\$ 805,356	\$ 366,352	\$ 644,526	\$ 1,712,725
3/31	\$ 370,727	\$ 803,846	\$ 881,641	\$ 502,204	\$ 888,414	\$ 2,134,253
4/30	\$ 412,409	\$ 751,999	\$ 906,867	\$ 474,040	\$ 970,688	\$ 2,328,448
5/31	\$ 672,007	\$ 908,047	\$ 968,713	\$ 448,880	\$ 990,559	\$ 2,648,506
6/30	\$ 643,257	\$ 882,157	\$ 842,112	\$ 343,328	\$ 807,485	\$ 2,823,097

Cash in the Electric Fund at \$2,823,097 increased by \$174,591 from the prior month period.

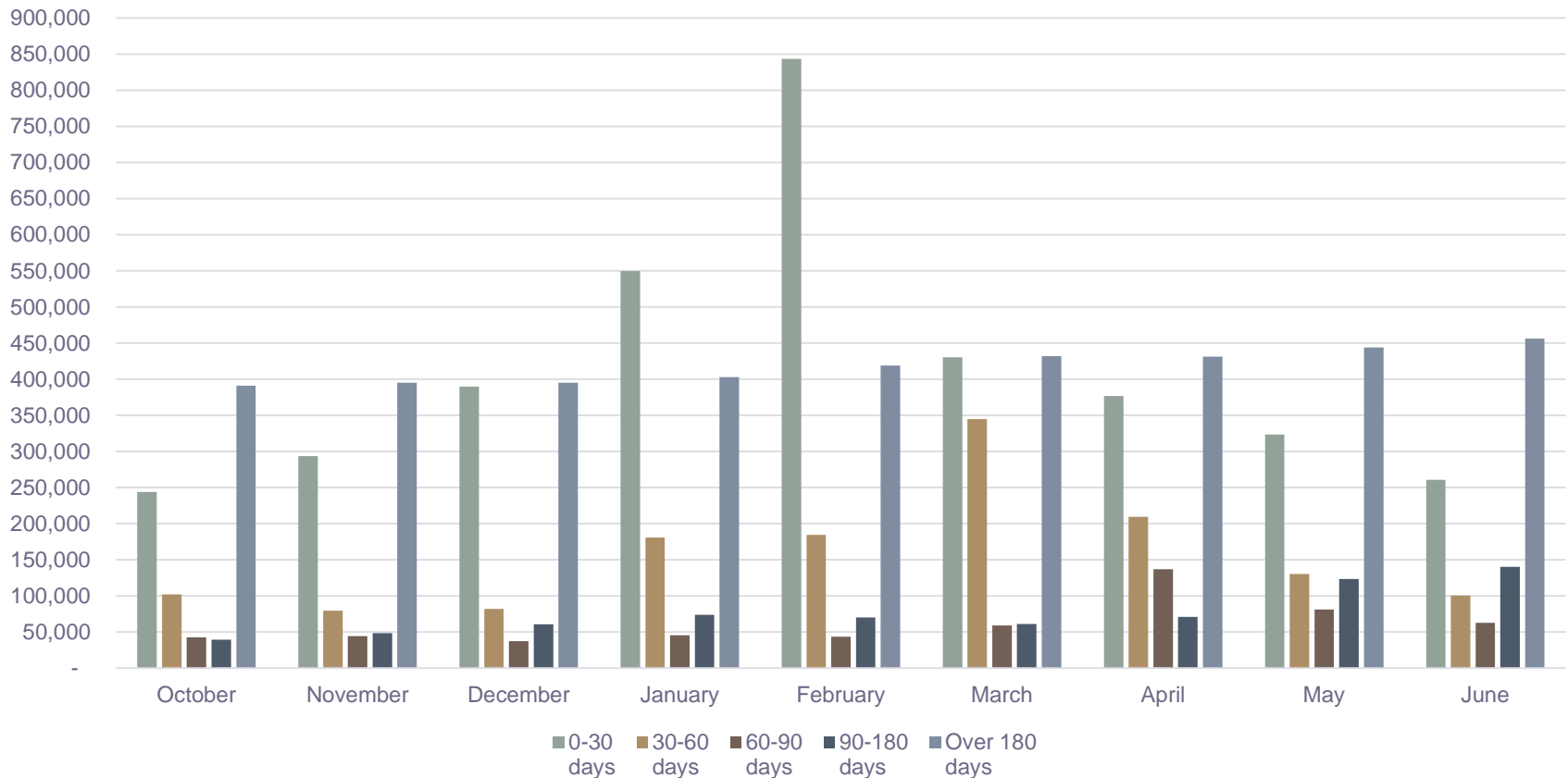
Policy Evaluation:

Cash is above minimum policy guideline of \$1.494 million by \$1.329 million.

ELECTRIC FUND CASH ANALYSIS



Electric Accounts Receivable Aged Report Chart



As illustrated above, it is taking longer for the City to collect on the Electric's accounts receivable. There are more receivables in the "90-180" group & "over 180" group post January.



CITY OF FRANKLIN, VA
Finance Department

Memo

To: R. Randy Martin, City Manager
From: Tracy Gregory, CPA, Interim Director of Finance
Date: August 21, 2018
Re: FY19 Budget Amendment, 2019-1

Please find attached the above-referenced budget amendment for presentation at the August 27th Council meeting.

BUDGET AMENDMENT 2019-1

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA that the 2018-2019 City Budget is hereby amended to:

1. *reallocate revenue budget within General Fund to agree to projected actual;*
2. *recognize additional revenues from the River Gage Grant and appropriate revenue for use;*
3. *carry forward unspent appropriation within School Operating Fund to purchase a bus and two vans that were delivered after June 2018;*
4. *recognize additional revenues from Donations & Special Gifts for the School Operating Fund and appropriate revenue for use;*
5. *carry forward unspent appropriation within School Fund representing FY18 surplus in State Aid to spend on one-time capital expenditures; and*
6. *carry forward unspent appropriation within Water & Sewer Fund to purchase a trailer that was delivered after June 2018.*

		2018-2019	AMENDED	INCREASE
		BUDGET	BUDGET	(DECREASE)
100	<u>GENERAL FUND</u>			
	REVENUE			
16095-0505	Charge for Admin Svc-Elect Fund	\$547,133	\$556,250	\$9,117
41050-0003	Transfer from Electric Fund	1,448,510	1,439,393	(9,117)
18990-0099	Miscellaneous - Other	0	150	150
19020-0009	Misc Recoveries-River Gage	37,400	38,150	750
				\$900
	EXPENDITURES			
32100-9002	River Gage Grant	\$44,880	\$45,780	\$900
				\$900
250	<u>SCHOOL OPERATING</u>			
	REVENUE			
41050-1000	Prior Year Budget Carryover	\$0	\$138,402	\$138,402
18990-1800	Donations and Special Gifts	0	29,500	29,500
				\$167,902
	EXPENDITURES			
60000-0003	Pupil Transportation	\$518,055	\$656,457	\$138,402
60000-0001	Instruction	9,617,597	9,647,097	29,500
				\$167,902

251	<u>SCHOOL CAPITAL</u>			
	REVENUE			
41050-1000	Prior Year Budget Carryover	\$0	\$400,000	\$400,000
				\$400,000
	EXPENDITURES			
61000-7400	Other Capital Expenses	\$0	\$400,000	\$400,000
				\$400,000
501	<u>WATER & SEWER FUND</u>			
	REVENUE			
41050-0050	Appropriated Fund Balance	\$122,837	\$152,351	\$29,514
				\$29,514
	EXPENSES			
44113-8121	Trailer	\$0	\$29,514	\$29,514
				\$29,514

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


Clerk to the City Council



Franklin City Public Schools

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

Memo

To: Randy Martin, City Manager
From: Tamara Sterling, Division Superintendent 
Date: August 24, 2018
Re: Budget Amendments

The Franklin City School Division is requesting the following FY 2018-2019 budget amendments for the utilization of prior year budget carryover funding:


EXPENSE ACCOUNT FROM	ACCOUNT DESCRIPTION	EXPENSE ACCOUNT TO	ACCOUNT DESCRIPTION	AMOUNT
250-3-41050-1000	Prior Year Budget Carryover	250-4-60000-0003	Pupil Transportation	\$138,402.00
251-3-41050-1000	Prior Year Budget Carryover	251-4-61000-7400	Other Capital Expenses	\$400,000.00
			Total	\$538,402.00



FRANKLIN CITY PUBLIC SCHOOLS

207 West Second Avenue
Franklin, Virginia 23851-1713
(757) 569-8111 • Fax (757) 569-8078

Memo

To: Randy Martin, City Manager
From: Tamara Sterling, Division Superintendent 
Date: August 24, 2018
Re: Changes in Appropriations

The Franklin City School Division is requesting the following change in appropriation. The Franklin City School Board approved of this change on Thursday, July 26, 2018.

REVENUE NUMBER	ACCOUNT DESCRIPTION	INCREASE OF	ACCOUNT DESCRIPTION	EXPENSE NUMBER
250-3-18990-1800	Donations and Special Gifts	\$29,500.00	Instruction	250-4-60000-0001

OLD/NEW BUSINESS

- A. Electric Meter Reading Assessment Follow-up – Mark Bly, Director,
Franklin Power & Light**
- B. City Manager’s Report**



*Office Of The City Manager
R. Randy Martin*

August 21, 2018

To: Mayor & Council Members
From: R. Randy Martin, City Manager
Subject: Electric Utility Meter Reading Assessment Follow-up Report

Power & Light Director Mark Bly will be at the meeting to review the staff's findings on the few "red highlighted" accounts included in the August 13th report to Council. The staff has reviewed each item and enclosed a follow-up report for information.

Enclosure

Action Recommended: None necessary, receive report.

Picture	BMS Read Date	Location Id	Property Location	Franklin Read	BMS Meter Read	Demand R	Read Diff	OLD Serial Num	NEW Serial Num
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1	7/27/2018 8:54	4621	319 FOREST PINE ROAD #A	20153	10286		9867	15545037	15545037
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The "Franklin Read" information was entered manually by BMS as Edmunds was unable to provide BMS with the information electronically. The picture taken by BMS shows reading as 10286, our billing system also shows the reading used for billing is 10286. This was an error by BMS.

2	7/26/2018 10:57	1772	33475 CARVER ROAD (MAIN)	24826	24065		761	23275088	23275088
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The picture is very difficult to read but with experience reading a clock dial meter you can see that the reading is actually 24965 which is 139kWh difference which would be inline with the lag time between the Franklin Read and the BMS Read. Reading FP&L took on 8/14 is 25966 which is 1140 kWh usage since 7/26

3	7/27/2018 7:48	6631	108 FOREST PINE ROAD #A	47229	74329		-27100	34466973	34466973
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Obvious BMS misread, their picture shows a reading of 47329, NOT 74329, looks like numbers were transposed. FP&L read meter on 8/14 at 47992.

No Pic	8/6/2018 14:34	4855	7103 HOLY NECK ROAD	28581	32488		-3907	35489606	35489606
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This is a commercial account, peanut company. No issues with usage. FP&L read on 8/14 with reading 33093.

4	7/27/2018 10:07	2116	312 CLAY STREET #A	0	61545		-61545	35944853	35944853
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This meter sent no reading to the system so it shows a zero reading. Manually read by BMS on the 14th. Work order was issued on 7/27 to change meter for zero reading. The work order was not completed until 7/30 at which time the reading was 62628.

5	7/27/2018 11:19	2077	604 CLAY STREET	04584	5028		-444	52540736	52540736
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FP&L found very old and neglected heat pump and saw the condensate line clogged. Window unit in use upstairs as well. Usage is correct. Notified customer and discussed.

No Pic	8/2/2018 13:21	6238	1416 CLAY STREET	23333	23068		265	56627221	56627221
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Old dial meter, ERT reading is correct. Read by ERT on 8/14 has reading of 24856.

No Pic	7/23/2018 10:09	1	201 S MAIN STREET	36423	36306		117	70531968	70531968
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BMS read meter on 7/23, FPL read meter the day after, 7/24. No issues.

6	7/27/2018 10:11	140	314 CLAY STREET	82995	82060		935	87395308	87395308
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Old dial meter, ERT reading is correct. Read by ERT on 8/14 has reading of 83428.

No Pic	7/24/2018 13:16	4014	565 LAUREL STREET	38537	38537	0	34934479	3469379	
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BMS reported incorrect meter at this location. Their reading matches our reading. The serial number was entered incorrectly in billing system. Corrected. The ERT number, which is what reads the meter, is correct so all readings given to billing system are correct.



*Office Of The City Manager
R. Randy Martin*

August 21, 2018

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

The following constitutes the City Manager's report for the August 27th regular meeting:

- 1) At the last meeting, Councilman McLemore commented on concerns about his neighbors blocking traffic in the cul-de-sac at the end of Madison Street. City Code and state law adequately address this, so no additional tools are needed to be adopted in terms of police power regulations. Citizens who observe such activities should report it to the Police Department when it is occurring and they will respond appropriately.
- 2) Enclosed is a VML memo requesting Council to designate the city's official voting delegate at the upcoming annual meeting. Councilman Johnson is the only member who has indicated a desire or plans to attend. If desired, Council can authorize Councilman Johnson as the voting delegate.

Action Recommended: Authorize a voting delegate as desired.



TO: Key Official
FROM: Michelle Gowdy, Executive Director
DATE: August 14, 2018
RE: Voting at the Business Meeting

The Virginia Municipal League (VML) Annual Business meeting will take place during the VML Conference on Tuesday, October 2 at 3:30 pm, in the Hampton Convention Center.

The rules for voting by member localities during the Business Session are set out in Article IV, Section 6 of the League Constitution:

"Representatives. The mayor or board chairman, as the case may be, of each active member shall be deemed to be its official representative for the purpose of voting upon matters considered by an annual or special meeting of the League. In lieu of the mayor or board chairman, the governing body of a member may designate another official of the member to vote on behalf of the member. Such designation shall be in writing filed with the Executive Director or such other person acting as Secretary of the meeting prior to any vote. In the absence of the mayor or board chairman or other officers designated by the governing body as above specified at a vote taking, a majority of the elected and appointed officials present and registered at the meeting may file with the Executive Director or Secretary of the meeting in writing designating one of the member's officials present to vote in behalf of the member, and said filing to be in advance of the taking of any vote in which such person casts a vote."

VML's principle is that each locality that attends should be entitled to vote at the business meeting. Voting may not be by proxy. Please use the following link [Business Meeting Certification of Voting Delegate and Alternate Form](#) to complete the *Certification of Voting Delegate and Alternate Delegate* form no later than Friday September 21 to certify your locality's voting delegate. If you are not sure who will be present at the Business Meeting, credentials may be certified at the registration desk during the Conference or prior to the start of the business meeting. This voting certification does not exclude others from your locality from participating in discussions during the Business Meeting, however, each member locality has only one vote at the business meeting.

Prior to the business meeting, voting delegates should pick up a voting flag. The voting delegate may pick up the flag Tuesday, October 2, from 12:30 – 3:30 p.m. in the hallway outside Ballrooms D-G, the location of the business meeting. If a vote is contested or is not unanimous, the voting delegate will hold up the flag at the time the vote is taken. The goal is that each locality attending the business meeting can participate in the voting process.

COUNCIL/STAFF REPORTS ON BOARDS & COMMISSIONS