



**Urbanna Town Council  
Monthly Meeting  
AGENDA  
Town Council Chambers  
390 Virginia St., Suite B  
Thursday, October 12, 2023 6:00 PM**

1. Call to Order
2. Roll Call
3. Pledge of Allegiance
4. Approval of Agenda
5. Presentation
  - a. VDOT
6. Minutes
7. Reports
  - a. Town Administrator
  - b. Treasurer's Report
  - c. Pool Committee
  - d. Project Funding Committee
  - e. Water Committee
  - f. Planning Commission
8. Public Comment
9. Public Comment Response Period
10. Old Business
  - a. Referral to Planning Commission for required amendments to Zoning Ordinance and Comprehensive Plan relating to Chesapeake Bay Protection Act
  - b. Discuss proposed amendments to Section 17-4.6 - General Commercial District (B-1) of the Zoning Ordinance of the Town Code
  - c. Discuss proposed amendments to Section 17-5.18 Short Term Rentals of the Zoning Ordinance of the Town Code
11. New Business
  - a. 2021-2022 Audit
  - b. Pool cover
12. Closed Meeting

*Pursuant to Virginia Code section §2.2-3711(A)(1) for the following purpose: Discussion, consideration or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific public officers, appointees or employees of any public body. -Town Administrator search, personnel and staffing matters*
13. Open Meeting
14. Public Comment
15. Announcements
16. Adjourn





**Agenda Item Summary  
October 12, 2023**

**Agenda Item:** 4-Approval of Agenda

**Staff Recommendation:** Approve

**Council Action Requested:** Yes

**Sample Motion(s):**

***Motion to approve agenda as presented***





**Agenda Item Summary  
October 12, 2023**

**Agenda Item: VDOT Presentation**

**Background:** A representative of VDOT will update Council on current and future projects, and will answer questions from Council.





**Agenda Item Summary  
October 12, 2023**

**Agenda Item: Minutes**

**Background:** Draft minutes attached

**Fiscal Impact:** NA

**Staff Recommendation:** Approve

**Council Action Requested:** Yes

**Sample Motion(s):**

*Note: If changes are requested at the meeting, approval of the minutes will be postponed to the next meeting.*

Motion to approve the minutes of the August 10, 2023 and August 24, 2023 meetings.





**Town of Urbanna  
Town Council  
Work Session  
Council Chambers-390 Virginia St. Suite B  
August 10, 2023**

**CALL TO ORDER & ROLL CALL**

**Members of Council**

**Present**

Mayor Bill Goldsmith  
Marjorie Austin  
Larry Chowning  
Alana Courtney  
Merri Hanson  
Beth Justice  
Sandy Sturgill

**Others Present**

Roy Kime-Zoning Administrator  
Martha Rodenburg-Town Clerk  
Michele Hutton-Town Treasurer  
Andrea Erard-Town Attorney  
Members of the public and press

Mayor Goldsmith called the meeting to order at 7:02pm

All present said the Pledge of Allegiance

**APPROVAL OF AGENDA**

**Councilmember Austin made a motion to amend the agenda to remove Closed Meeting from the agenda**

**Councilmember Justice seconded**

**Austin, Chowning, Courtney, Hanson, Justice, Sturgill, and Goldsmith voted yes**

**Motion passed 7-0**

**Councilmember Austin made a motion to approve the agenda as amended**

**Councilmember Chowning seconded**

**Austin, Chowning, Courtney, Hanson, Justice, Sturgill, and Goldsmith voted yes**

**Motion passed 7-0**

**PUBLIC COMMENT & PUBLIC COMMENT RESPONSE**

Tammy Putney spoke regarding

- Adding a second public comment at end of meeting
- Code enforcement
- Request to revisit ordinance allowing residential rentals in B-1
  - Parking could be hindered by this, affecting businesses
- Changes to 167 Cross Street did not get approval by HARB

Mayor Goldsmith responded

- B-1 issue would be addressed during Planning Commission report
- Code enforcement is currently being discussed

Roy Kime responded regarding 167 Cross St., there are exemptions within the ordinance that he can grant approvals, which he did.

## **MATTERS OF TOWN COUNCIL**

### **Planning Commission Report**

Councilmember Austin reported

- Virginia Tourism Strategic Plan has been completed by Laura Messer of the Virginia Tourism Council and a gift was presented to her for her efforts
- Short Term Rentals (STR)
  - Planning Commission continues to work on recommendations for changes
  - Using resources including National League of Cities and neighboring communities
  - Need to clarify enforcement procedures
  - Presented their “Guiding Principles for Short Term Rental Policy”

Discussion took place regarding concerns in regard to STRs, permitting process, and the possible need for other guiding principles.

Councilmember Austin addressed need to revisit ordinance allowing rentals in the Historic District.

Councilmember Hanson responded that issue is being addressed.

Andrea Erard spoke regarding the process for creating/amending ordinances:

- Ordinance is referred from Town Council to Planning Commission for consideration
- Planning Commission can then choose to make a recommendation or not, or suggest changes
- Two public hearings required to take place with Planning Commission, then Town Council to allow public input into the process

Further discussion took place regarding the process for creating and revising ordinances and the need for Council and public input. Staff will write ordinance utilizing Council input.

## **ACTION ITEMS**

### **Oyster Festival Master Plan**

Bruce DeSimone, Chair of the Oyster Festival Foundation, presented the Oyster Festival Master Plan to Council for their approval.

Councilmember Courtney requested the Oyster Festival Foundation make their accounting available for review, and expressed concern regarding the inconvenience to the town.

Discussion took place regarding the purpose of the Oyster Festival, to raise money for local charities, as well as the economic benefits to the community at-large. The event is not an income producer for the Oyster Festival Foundation.

**Councilmember Austin made a motion to approve the 2023 Oyster Festival Master Plan as presented  
Councilmember Sturgill seconded**

Councilmember Chowning asked for and received clarification that the Virginia State Police do not charge for their time working Oyster Festival.

**Austin, Chowning, Courtney, Hanson, Justice, Sturgill, and Goldsmith voted yes**

**Motion passed 7-0**

**66th URBANNA OYSTER FESTIVAL MASTER PLAN**

***November 2nd, November 3rd & 4th, 2023***

DP PROPOSED

PROPOSED

**66th Urbanna Oyster Festival  
November 2nd, 3rd & 4th 2023  
Urbanna, Virginia**

***"The Official Oyster Festival of the Commonwealth of Virginia"***

**MASTER PLAN**

**I. Purpose:**

The purpose of this 2023 Urbanna Oyster Festival Master Plan is to comply with the requirements of Chapter 7.1, Licenses and Business Taxes, of the Urbanna Town Code (1973), as amended. Specifically, Section 7.1-22(b) requires a written Master Plan that addresses non-profit civic status, proof of liability insurance coverage, special licensing procedures, and public safety plans. This Master Plan with addenda is designed to meet the applicable provisions of the Urbanna Town Code (1973), as amended, and the Code of Virginia (1950), as amended, regarding public festivals, and provides the written basis for obtaining approval of the Urbanna Town Council to conduct the 2023 Urbanna Oyster Festival on November 2nd, 3rd, 4th, 2023.

**II. Organization:**

The Urbanna Oyster Festival Foundation is a non-profit organization registered as such under the applicable provisions of the Internal Revenue Service. A copy of the organizational charter is included as Addendum 1.

**III. Festival Dates and Hours:**

Thursday, November 2, 2023	8:00 AM - 6:00 PM
(Setup and School Education Day)	
Friday, November 3, 2023	8:30 AM - 12:00 AM
Saturday, November 4, 2023	8:30 AM - 6:00 PM

**FESTIVAL OFFICIALLY CLOSSES AT 6:00 PM ON SATURDAY,  
NOVEMBER 4, 2023 - NO EXCEPTIONS**

#### **IV. Public Safety (Unified Command Structure)**

The Public Safety Functions of the event will be managed through a Unified Command of the Middlesex County, VA Sheriff's Office, and Town of Urbanna Administrator in his capacity as the Town of Urbanna Emergency Services Coordinator.

An Incident Action Plan will be developed for the event, which will outline the Command and General Staff functions, as well as the deployment of all Fire, Emergency Medical and Law Enforcement resources for the duration of the event.

#### **V. Public Safety (Law Enforcement):**

15.2-1730.1 In counties where no police department has been established and the Sheriff is the Chief Law Enforcement Officer, the Sheriff may enter into agreements with any other governmental entity providing law-enforcement services in the Commonwealth and may furnish and receive inter-jurisdictional law enforcement assistance for all law enforcement purposes, including those described in this Chapter, and for purposes for Chapter 3.2 (44-146.13 et seq.) for Title 44.

Crowd and traffic control will be provided through a joint public safety effort by the Town of Urbanna, the Oyster Festival Foundation, Middlesex County Sheriff's Office, Virginia State Police, The Department of Transportation, and the Virginia Department of Alcoholic Beverage Control. The Sheriff shall exercise 15.2-1730.1 entering agreements with other law enforcement agencies to ensure adequate crowd control, pedestrian safety emergency health care, motor vehicle parking traffic flow, and parade control.

#### **VI. Public Safety (Emergency Services):**

Emergency service functions, to include Emergency Medical Services and Fire Protection, will be managed by the Town of Urbanna, VA, Emergency Service Coordinator. The primary resources required to complete these responsibilities will be provided by the Middlesex Volunteer Rescue Squad and the Middlesex Volunteer Fire Department. Additional Rescue Squad and Fire Department resources from Middlesex County, VA and surrounding jurisdictions will be utilized to supplement the primary resources.

Emergency Medical Aid Stations will be strategically located throughout the Festival Area, and additional Emergency Medical personnel will be moving throughout the Festival Area. Transport Resources will be strategically located throughout the Festival Area, predominantly on the perimeters, as not to cause a hazard to citizens. Patients will be moved from the interior to the Festival Areas on "Gator Type" vehicles and transported to a hospital or

Medivac Landing Area. Medivac Helicopter Landing Area(s) will be located as designated by the Sheriff's office.

**VII. Public Safety (In Town Parking and Vehicle Movement):**

Most unrestricted streets and private properties within the corporate limits of the Town of Urbanna will be available for parking on Friday, November 3, 2023 and until 8:30 AM on Saturday, November 4, 2023.

The following street closures are made pursuant to a resolution passed by the "Town Council" of the Town of Urbanna, and in accordance with the 2023 Urbanna Oyster Festival Permit, as issued by the Virginia Department of Transportation.

On Friday, November 3, 2023, Virginia Street from Cross Street to the Waterfront and from Cross Street to Grace Street, Rappahannock Avenue from Marston Avenue to Virginia Street, and a portion of Prince George Street will be closed to vehicular traffic as required by public safety officials. Notwithstanding the foregoing, various streets and locations may be closed at any time on Friday, November 3, 2023 to insure public and/or pedestrian safety as determined by public safety officials.

On Friday, November 3, 2023 vehicular traffic entering or leaving the town will be prohibited from 5:00 PM to 9:00 PM on the West side (Route 602) and from 6:00 PM to 9:00 PM on the East side (Rosegill) for the Fireman's Parade. During this time, the movement of traffic within the town will be limited. Vehicular traffic, except for parade participants, will be strictly prohibited along the Fireman's parade route.

At 9:00 AM, or earlier if deemed necessary by State Police, on Saturday, November 4, 2023, State Route 227 (Urbanna Road) will be closed to all vehicular traffic, except law enforcement, fire and rescue vehicles, with a police-manned barricade at Molly's Way. Vehicles will be directed to park in the "official" festival parking lots, or they will be allowed to turn around and leave the area.

At 9:00 AM, or earlier if deemed necessary by State Police, on Saturday, November 4, 2023, State Route 602 (Old Virginia Street) will be closed to all vehicular traffic, except law enforcement, fire and rescue vehicles, with a police-manned barricade at Route 1011 (Red Hill Drive). The only exceptions for further entrance past the police barricade will be vehicles that display an "Official 2023 Urbanna Oyster Festival" vehicle permit, issued by the Urbanna Oyster Festival Foundation. The issuance of these permits will be regulated to vehicles for festival sponsors, dignitaries, medical personnel and "parade participants". Vehicles that do not have a permit will be directed to park in the "official" festival parking lots or they will be allowed to turn around and leave the area.

On Saturday, November 4, 2023, beginning at 8:00 AM, Virginia Street from Cross Street to Grace Street, Rappahannock Avenue from Marston Avenue to Virginia Street, and all of Prince George Street will be closed to vehicular traffic, except law enforcement, fire, and rescue vehicles.

On Saturday, November 4, 2023, motor vehicles located within the corporate limits of the Town of Urbanna will not be allowed to leave town, until approximately 8:00 PM or earlier as deemed appropriate by law enforcement.

Vehicular traffic shall include, but not be limited to, all golf carts as defined under Chapter 14, Article 4, Sections 14-38 et seq. of the Town Code (except "official golf carts" defined under S14-45 of the Town Code). All golf carts, except for "official golf carts" operating within the Town of Urbanna boundaries as may be expanded for this event shall be properly licensed under S14-38 et seq. of the Town Code and properly display a Town of Urbanna vehicle license sticker.

**VIII. Public Safety (Outlying Parking Areas):**

On Saturday, November 4, 2023, traffic approaching Urbanna from the east will be directed by Oyster Festival parking concessionaires into "official" parking areas on private property (Rosegill Farm) on the east and west side of State Route 227 (Urbanna Road). Vehicles reaching the Virginia State Police barricade and/or traffic control point will be directed to turn around and will not be allowed to enter the town.

On Saturday, November 4, 2023, traffic approaching Urbanna from the west will be directed by Oyster Festival parking concessionaires into "official" parking areas on private property on the north and south sides of State Route 602 (Old Virginia Street). The "official" parking lots at Lord Mott corner and Knapps Hill, closest to Town will be filled first. After these lots have been filled, as determined by the Virginia State Police, the "official" parking lot at Hewick Plantation may be opened for parking. Vehicles reaching the Virginia State Police barricade and/or traffic control point will be directed to turn around and will not be allowed to enter the town.

**IX. Public Safety (No Parking Areas):**

Pursuant to Resolution of The Urbanna Town Council and Virginia Department of Transportation Parade Permit approval, the following streets are designated "no parking" areas within the corporate limits of the Town of Urbanna between the dates and times indicated to ensure pedestrian safety, expedient movement of fire and rescue vehicles, and safe parade operations:



- A. Between 2:00 AM Friday, November 3, 2023 and 11:00 PM Saturday, November 4, 2023 major “No Parking Tow Away Zones” within the corporate boundaries of the Town of Urbanna shall be prominently marked and shall include;
1. Urbanna Road (State Route 227) from the Urbanna Bridge to the Watling Street (State Route 227 and State Route T1015) intersection, both sides of the street;
  2. Watling Street (State Route 227) from its intersection with Urbanna Road (State Route 227) at the traffic triangle to Cross Street (State Route 227), both sides of the street;
  3. Cross Street (State Route 227 and State Route T1005) from its intersection with Watling Street (State Route 227) all the way past the Marston Avenue (State Route T1006) intersection, both sides of the street;
  4. Prince George Street (State Route T1003) from Cross Street (State Route 227) to Virginia Street (State Route 227), both sides of the street;
  5. Virginia Street (State Route 227), east from Waverly Road (State Route 1010) to Oyster Road (T1002) on the waterfront, both sides of the street;
  6. Marston Avenue (State Route T1006) from Cross Street (State Route T1005) to Rappahannock Avenue (State Route T1001), both sides of the street; Rappahannock Avenue (State Route T1001) south from the Marston Avenue (State Route T1006) intersection to Virginia Street (State Route 227), both sides of the street; Marston Avenue (State Route T1006) east from Cross Street (State Route T1005) to first house on each side of street (excludes Sears house).
  7. Bonner Street (State Route T1020) west from Rappahannock Avenue (State Route T1001) to Linden Avenue (State Route T1021), both sides of the street; Grace Avenue (State Route 1010) from Bonner Street (State Route T1020) to Virginia Street (State Route 227), both sides of the street; Park Street (State Route T1019) from Rappahannock Avenue (State Route T1001) to Linden Avenue (State Route T1021), both sides of the street;
  8. Upton Lane (State Route T1017) in its entirety, both sides of the street. Post Office patron 10-minute parking will be authorized on Friday until the road is

closed by the Sheriff.

9. Hilliard Street in its entirety, both sides of the street.

10. Rappahannock Avenue in its entirety, Cross Street in its entirety, Kent Street in its entirety.

B. Between 2:00 AM and 8:00 PM Saturday, November 4, 2023 there shall be a no parking area from the intersection of Virginia Street (State Route 602) and Lord Mott Road (State Route 615) to the intersection of Virginia Street (State Route 227 and State Route 602) and Waverly Road (State Route 1010) and Red Hill Road (State Route 1011).

C. No parking signs will be placed on State Route 227 and State Route 602 outside the corporate limits of the Town of Urbanna by the Virginia Department of Transportation, Saluda Residency. Tow away zone signs will be placed accordingly.

Additional details of the no parking areas are contained in the VDOT 2023 Oyster Festival Permit. "No Parking" areas will be designated as tow away zones, and towing charges will be at the violator's expense.

**X. Public Safety (Parking Permits and Vehicle Passes):**

Parking permits and vehicle passes are not issued by the Town of Urbanna or the Urbanna Oyster Festival Foundation for passage into or out of Urbanna during the hours that routine vehicle traffic is restricted within the Town of Urbanna.

Also, please see Section VII of this document that also discusses parking permits and vehicle passes.

Parade and other Oyster Festival participants must follow published instructions in order to arrive, park, and meet scheduled activities.

**XI. Parade Permit and Public Safety Agency Approval:**

Pursuant to Section 7.1-22, Urbanna Town Code (1973), as amended, a Virginia Department of Transportation (VDOT) Application For A Parade Permit shall be submitted for approval to the Virginia Department of Transportation, District Resident Engineer for approval of the Friday, November 3, 2023 Fireman's Parade and the Saturday, November 4, 2023, Oyster Festival Parade in order to temporarily close affected streets and restrict parking. A copy of this Master Plan and its addenda shall be submitted to secure the coordination and approval of the Town of

Urbanna Administrator, Middlesex County Sheriff, the Virginia State Police, and the Virginia Department of Transportation. Copies of the Parade Permit applications are attached as addenda to this Master Plan. Final Parade Permit approval is required no later than seven days prior to the event.

**XII. Fireman's Parade (Route and Time):** The Fireman's Parade will begin at 7:00 PM, Friday, November 3, 2023 and commence east on Virginia Street (State Route 602) from the area of the Urbanna Professional Center (State Route 1011) left on Grace Street (State Route 1010), right on Bonner Street (State Route 1019), left on Rappahannock Avenue, right on Marston Avenue, right on Cross Street, right on Virginia Street to a disband area where the parade began, at the Urbanna Professional Center. The Fireman's Parade duration -approximately one (1) hour. The Fireman's Parade will be restricted to sixty-five (65) self-propelled units.

**XIII. The Oyster Festival Parade (Route and Time):**

The Oyster Festival Parade will begin at 2:00 PM, Saturday, November 4, 2023 and will commence east from the staging and formation area at the Waverly Commons Office Building on State Route 602 on Virginia Street, left on Grace Street, right on Bonner Street, left on Rappahannock Avenue, right on Marston Avenue, right on Cross Street, right on Prince George Street, left on Virginia Street to the disband area where the parade began. Oyster Festival Parade duration - approximately one (1) hour or less. Parade route information will be furnished by the Oyster Festival Foundation. The maximum number of parade units will be 80 with the slower marching units in front. Parade units may not stop to perform during the parade, except at the reviewing stand. The Oyster Festival Foundation agrees to provide reasonable funding to the Town of Urbanna for additional police officers. The Oyster Festival Foundation will be responsible for any damage along the parade route and returning the landscaped areas of Virginia Street back to pre-festival condition.

**XIV. Parade (Safety):**

Parade participants are instructed that no objects are to be thrown from any parade vehicle or floats or by any parade marchers. Parade participants will be instructed that no stopping will be allowed along the parade route. Parade officials will be located at critical areas and intersections along parade routes to establish and maintain roadblocks and barriers to keep the parade flowing smoothly at all times and to limit pedestrians from obstructing the parade route. Air cannons, explosive devices, and other objects to create excessive noise are prohibited. No sirens

to be blown if parade stops.

**XV. Virginia Oyster Shucking Contest:**

The Oyster Shucking Contest of the Official Oyster Festival of the Commonwealth of Virginia will be held at 11:00 AM, Saturday, November 4, 2023, at the Firehouse. Duration - approximately one and one-half (1½) hours.

**XVI. Waterfront/Scottish Factor Store:**

The Waterfront will provide opportunities to view the harbor, enjoy entertainment and view many displays. The Town of Urbanna hereby grants the use of portions of the docks designated slips 21, 22, 23, 24, 25 and 26 for the use of in water displays. On Thursday, the waterfront is used to further educate the children of the community about the heritage of the oyster industry. The Scottish Factor Store now houses the Town of Urbanna Visitor Center. Visitors may purchase Town of Urbanna souvenirs and listen to soft entertainment.

**XVII. Sanitation:**

Portable public sanitation facilities and supplies will be provided under contract by a private waste management firm, and the portable bathrooms will be positioned throughout the festival area to optimize utilization by festival participants. Handicapped facilities will be made available and conveniently located. Positioning of the portable sanitary facilities and solid waste dumpsters will be a coordinated effort between the Oyster Festival Foundation staff and the Town of Urbanna. Festival officials will contract for cleanup services and traffic control signs/devices with the Virginia Department of Transportation, Saluda Resident Engineer.

The Oyster Festival Foundation will provide trash cleanup and disposal services throughout the festival in coordination with, and in addition to, Middlesex County, the VDOT and private waste management contracted services. The Urbanna Oyster Festival Foundation, in coordination with the Town of Urbanna, shall obtain the approval of the Middlesex County Administrator for the private waste contractor and the Virginia Department of Transportation to dispose of permitted solid wastes in the Middlesex County solid waste transfer station, if required. The Oyster Festival Foundation shall guarantee to the citizens of the Town of Urbanna that the Town of Urbanna will be returned to pre-festival condition as soon as possible after the conclusion of the event.

**XVIII. Virginia Department of Health Certification of Temporary Restaurants:**

Pursuant to Section 7.1-22, Urbanna Town Code (1973), as amended, the Urbanna Oyster Festival Foundation shall require all food handlers and concessionaires to have a permit from the Middlesex County Health Department. The Oyster Festival Foundation shall provide each food vendor applicant a copy of the Virginia Department of Public Health Division of Sanitation Services regulations governing the permitting of temporary restaurants as part of the application for Special Business License process. Copies of the 2023 Urbanna Oyster Festival Foundation Concession Rules and Regulations, Special Business License application form, and Virginia Department of Health regulations governing temporary restaurants are included as addenda to this master plan.

**XIX. Communications:**

The Oyster Festival Foundation will maintain a communication capability with key staff personnel of the Oyster Festival through the use of a mobile radio net provided exclusively for the Oyster Festival. The command post will be the established communication during oyster festival operations. The command post will be located on the corner of Rappahannock and Virginia Street.

**XX. Motorized Carts:**

The Oyster Festival Foundation will utilize clearly identifiable golf carts or "street carts" for the transportation of key staff in and around the festival grounds. The carts will be maintained by the Oyster Festival Foundation or at the residence of the authorized festival staff member. Only authorized members of the Oyster Festival staff are allowed to operate the carts, and they remain responsible for the vehicle and its operation. Motorized carts for the handicapped will be permitted in the festival areas as crowd density permits. Golf carts or "street carts" motorized skateboards, scooters, or mopeds, operated by town citizens or festival attendees will not be permitted on any streets that are otherwise closed to motor vehicles. Any law enforcement officer witnessing an unsafe condition involving a motorized cart may terminate the use of the cart by the individual involved for the duration of the Oyster Festival.

**XXI. Musical Entertainment:**

The Oyster Festival Foundation shall provide entertainment during the festival.

**XXII. Town of Urbanna Special Business Licenses:**

Pursuant to Chapter 7, Article IV, Sections 7.1-17 through 7.1-29, both inclusive, Urbanna Town Code (1973), as amended, the Urbanna Oyster Festival Foundation, as the sponsoring organization, shall provide for the application and payment of Special Business Licenses by concessionaires. The Special Business Licenses issued by the Town of Urbanna is comprised of two parts; the first part which is payable to the Town of Urbanna and the second part which is payable to the Urbanna Oyster Festival Foundation as more fully described in the Urbanna Oyster Festival Foundation Concession Application attached hereto as Addendum 3 and incorporated herein by reference. Application forms, to include Special Business License fees, are included as an addendum to this Master Plan. The Special Business Licenses can only be obtained by concessionaires from the Oyster Festival Foundation. Any person or business entity which engages in or conducts any business, calling, profession, or concession in the Town of Urbanna solely or primarily during the Oyster Festival shall qualify for the Special Business License prior to engaging in any business activity. No Special Business License shall be issued to any such person or business entity unless they have entered into a reciprocal agreement with the Urbanna Oyster Festival Foundation to comply with the provisions of this Master Plan and the ordinances and regulations of the Town of Urbanna, the Virginia State Police, the Virginia Department of Health and the Virginia Department of Transportation. Any person or business entity which has obtained a regular Town of Urbanna business license and whose business activities within the Town of Urbanna are not limited to the Urbanna Oyster Festival shall be exempt from obtaining a Special License Permit provided that such person or business entity does not allow unlicensed parties to conduct any business activity ostensibly under the authority of their Urbanna business license during the annual Urbanna Oyster Festival. Notwithstanding the foregoing, all regular Town of Urbanna business licenses issued to a person or business entity engaged as a peddler or itinerant merchant with no definite place of business as defined in Section 7-1.2 of the Town Code shall be null and void during the Urbanna Oyster Festival. Pursuant to Section 7.1-17 of the Urbanna Town Code, any such person or business entity that does not receive remuneration for its activities shall not be required to pay the Town Special Business License fee.

**XXIII. Insurance and Indemnification Agreement:**

Pursuant to Section 7.1-22, Urbanna Town Code (1973), as amended, the following insurance and indemnification agreement

shall be executed between the Town of Urbanna and the Urbanna Oyster Festival Foundation upon approval of the Master Plan by the Urbanna Town Council, but no later than thirty days prior to the date of the Oyster Festival. The duly executed Insurance and Indemnification Agreement shall be included as an Addendum to this Master Plan:

### **INSURANCE AND INDEMNIFICATION AGREEMENT**

This Insurance and Indemnification Agreement is entered into this \_\_\_\_ day of \_\_\_\_\_, 2023 by and between the Town of Urbanna, Virginia, a Virginia municipal corporation, and the Urbanna Oyster Festival Foundation, a Virginia non-stock, not-for-profit corporation.

**WHEREAS**, the Urbanna Oyster Festival Foundation, and not the Town of Urbanna, but with the cooperation and support of the residents, businesses and the governmental authorities of the Town of Urbanna, sponsors an annual event known as the Oyster Festival within the municipal limits of the Town of Urbanna; and

**WHEREAS**, Section 7.1-22(5) of the Urbanna Town Code, 1973, as amended, requires, among other things, that the Urbanna Oyster Festival Foundation execute an Insurance and Indemnification Agreement that provides for an indemnity to the Town of Urbanna and a general liability insurance policy in an amount established by a resolution of the Urbanna Town Council (as herein described) as a condition precedent to holding the annual Oyster Festival; and

**WHEREAS**, it is the intent of the Town of Urbanna that the indemnity given in this Insurance and Indemnification Agreement be limited to those claims (as herein described) not covered by the insurance policy.

**NOW THEREFORE, THE URBANNA OYSTER FESTIVAL FOUNDATION** hereby agrees to save, indemnify and hold harmless the Town of Urbanna, Virginia against all liability claims, demands, losses, damages, judgments or actions of any nature whatsoever arising from acts, omissions, accidents or claims thereof, to persons or property occasioned in connection with the Oyster Festival Foundation and the agents, invitees, employees, volunteers, or others under the general aegis and control of the Urbanna Oyster Festival Foundation in its sponsorship of an annual event known as the Urbanna Oyster Festival (hereinafter "claims") not covered by the insurance policy.

Notwithstanding the foregoing, this indemnification shall be limited to any claim arising from the Oyster Festival (i.e. November 3rd and 4th, 2023) and a period thirty days prior to and thirty days after the Oyster Festival, but alleged to be in

connection therewith, and not otherwise covered by the insurance policy. In addition, this indemnification shall be subject to the following:

- 1) Any defenses the Urbanna Oyster Festival Foundation may have, if any, against the Town of Urbanna, for any claim; and
- 2) In the event that any act or omission by the Town of Urbanna shall cause a lack or failure of the coverage of the claim by the insurance carrier, the Urbanna Oyster Festival Foundation shall not be obliged to indemnify the Town of Urbanna for any claim otherwise covered or provided for by the insurance policy; and
- 3) In the defense of the Town of Urbanna under this indemnity, the Urbanna Oyster Festival Foundation shall have and may exercise all of the same or similar rights, duties, obligations and privileges which accrue to the insurance carrier under the insurance policy, including without limitation any defenses available to the Town of Urbanna as a municipal corporation and political subdivision of the Commonwealth of Virginia.
- 4) Any claims arising from any existing business operation, including any claims arising from the operation of the expanded business area(s) for the consumption of alcoholic beverages, shall be expressly excluded from this indemnity.

The URBANNA OYSTER FESTIVAL FOUNDATION shall provide a general liability policy which covers both bodily injury and property damage with a per occurrence limit of One Million Dollars, Five Million Dollars aggregate, to include products coverage, liquor legal liability endorsement, and personal and advertising injury. Such policy shall be provided by an insurance carrier with an A.M. Best rating of B+ or better.

Said insurance shall insure against any and all liability of the Town of Urbanna with respect to the Urbanna Oyster Festival, in any connection therewith, whether thirty days before, during, or thirty days after the actual event. Any such policy of insurance shall be issued by a company reasonably acceptable to the Town of Urbanna and the Urbanna Oyster Festival Foundation, shall provide the Town Administrator a certificate of such insurance, without demand therefor, dated not more than thirty days prior to the date of the event showing evidence of current insurance as above stipulated with the Town of Urbanna as an additional insured. Such policy shall provide therein that such policy shall not be canceled



or terminated without thirty days prior notice from the insurance company to the Town of Urbanna (the 'insurance policy').

The Executed Insurance and Indemnification Agreement is included as Addendum 5 to this Master Plan.

**XXIV: SERVICE MARK:**

All participants in the Urbanna Oyster Festival under this Master Plan, hereby acknowledge and agree, as a condition to participate in the festival:

1. That the Urbanna Oyster Festival Foundation (the "Foundation") is the sole and exclusive owner of all right, title and interest in and to the Service Mark, i.e. oysters logo and/or the words, "Urbanna Oyster Festival", (the "Mark") and any colorable imitations, designations, counterfeits or copies of the Mark; and
2. That the Mark has become distinctive of the Foundation's services and has become famous under 15 U.S.C. Section 1125; and
3. The Foundation has registered the Mark in the United States Patent and Trademark office (Registration Nos. 2,198,679 and 2,208,800) and any use of the Mark, without the expressed written consent of the Foundation shall constitute an infringement on this Foundation's federally registered service mark in contravention of 15 U.S.C. Section 1114(1)(a).; and
4. Not to engage in any conduct in violation of this Section XXIV; and
5. That if the Foundation determines, in its sole discretion, that a participant has used the Mark without the expressed written authorization or license from the Foundation, then the participant after receiving a demand, whether written or oral, from the Foundation to cease and desist from any further use of the Mark, hereby consents to the following actions:
  - a) The chief law enforcement officer and his deputies or officers may close any activity in violation of this Section XXIV upon written notice from the Foundation; and

- b) The person or entity in violation of this provision of the Master Plan consents to the entry of an ex parte order granting injunctive relief to the Foundation to enjoin any unauthorized use of the Mark; and
- c) The person or entity in violation of this provision of the Master Plan hereby acknowledges that the Foundation is entitled to recover all of the profits earned as a result of the use of the Mark; together with other damages that the Foundation has suffered, which shall be trebled, including but not limited to actual attorney fees.

**XXV: Controlled Consumption of Alcoholic Beverages:**

The Virginia Alcoholic Beverage Control Board ("ABC") has recommended the establishment of controlled areas for the consumption of alcoholic beverages during events such as the Urbanna Oyster Festival ("Expanded Area"). In accordance with that recommendation and to accommodate certain existing businesses operating within the Town of Urbanna, such businesses shall, in addition to complying with any existing laws and regulations in the Commonwealth of Virginia, agree to the following terms and conditions, which must be included and made a part of their application to the ABC for an administrative expansion to their existing license during this event:

1. Provide adequate security within the expanded area to the satisfaction of the appropriate government authorities of the Town of Urbanna and the Urbanna Oyster Festival Foundation; and
2. Provide a general liability insurance policy which covers both bodily injury and property damage with an occurrence limit of One Million Dollars and include products coverage, a liquor legal liability endorsement, and personal and advertising injury. Said policy shall be provided by an insurance carrier with an A.M. Best rating of B+ or better. In addition, the business shall name the Urbanna Oyster Festival Foundation and the Town of Urbanna as an additional insured; and
3. Agree to operate within the hours prescribed by the Urbanna Oyster Festival Foundation and the appropriate governmental authorities of the Town of Urbanna; and

4. Agree to abide by all of the rules and regulations promulgated by the Urbanna Oyster Festival Foundation.

All businesses authorized to operate an Expanded Area hereby acknowledge, as evidenced by their application to the ABC, that this business activity is a privilege agreed to by the Town of Urbanna under this Master Plan and not a right under any existing business license issued by the Town of Urbanna. The failure of any business operating an Expanded Area to comply with one or more of the conditions contained in this Master Plan shall constitute a default under this Master Plan and result in the automatic termination of the privilege to operate an Expanded Area.

**XXVI: Raffles:**

The Urbanna Oyster Festival Foundation (Foundation) has not permitted raffles and other games of chance at the Urbanna Oyster Festival because these activities were thought to conflict with the family-oriented nature of the Urbanna Oyster Festival. However, the Foundation recognizes that some bona fide non-profit organizations utilize raffles as a fundraising tool for the benefit of the community that they serve as part of their non-profit mission. This shall not apply to the Virginia Lottery. Therefore, the Foundation may permit raffles during the Urbanna Oyster Festival for which the Foundation receives an advance application for review and approval, and which includes evidence of the sponsoring organization's tax-exempt status granted by the U.S. Internal Revenue Service as well as evidence of compliance with the Commonwealth of Virginia's charitable gaming regulations, as amended. Approval of such raffle applications shall be at the sole discretion of the Urbanna Oyster Festival Foundation.

**XXVII: Financial Responsibility:**

The Urbanna Oyster Festival Foundation agrees to fully fund any short fall in revenues that would result in any financial loss to the Town of Urbanna.

**XVIII. Addenda:**

1. Urbanna Oyster Festival Foundation Charter.
2. Urbanna Oyster Festival Foundation Concession Rules and Regulations.
3. Urbanna Oyster Festival Foundation Concession Applications.
4. The Virginia Department of Health Guidelines And Checklist For Temporary Food Events, and Application For Temporary Restaurant Permit.
5. Executed Insurance and Indemnification Agreement.
6. Ordinance of the County of Middlesex authorizing the Town of Urbanna to apply its Master Plan to certain portions of Middlesex County during Oyster Festival weekend, Friday, November 3, 2023 and Saturday, November 4, 2023.
7. VDOT Permit Application for Oyster Festival 2023.
8. VDOT Permit for Oyster Festival 2023.

### **Project Funding Committee**

Mayor Goldsmith gave background on the rationale for the proposed appointees to the Project Funding Committee. Councilmember Austin asked for clarification on the motion made on June 22<sup>nd</sup>, establishing the Project Funding Committee, that the Committee would not be able to take out loans without Council approval.

It was established the Committee would not take out loans or spend money to write grants without Council approval.

**Councilmember Austin made a motion to approve the appointments of Marnie Harte, Sarah Jane Wyatt, and Mickey Clay to the Project Funding Committee**

**Councilmember Sturgill seconded**

**Austin, Chowning, Courtney, Hanson, Justice, Sturgill, and Goldsmith voted yes**

**Motion passed 7-0**

### **“Dry Hydrant”-Town Pool**

Mayor Goldsmith gave the background on the motion, explaining David Layman, Middlesex County Emergency Services coordinator, and Ray Burch, Urbanna VFD Chief, approached the Town requesting dry hydrant access to the new pool.

This access would provide extra capacity to the Town’s ability to fight fires. In emergency circumstances, pool water could be used for fire suppression. Since the purpose is for the benefit of Town safety, monies are to be taken from the capital improvement budget of the water system. The timing of the request required a rapid answer from council because the part of pool construction involved was in process. A member-by-member individual opinion was sought by the mayor and provided overwhelming support. He asked for a formal recognition by vote of that contract.

**Councilmember Austin made a motion to officially record the vote to approve the Potential Change Order (PCO) and costs associated with the PCO, in the amount of \$27,097.**

**Councilmember Justice seconded**

Mayor Goldsmith clarified that, since this augmented the water system, it is coming out of the water system budget, not the pool budget.

**Austin, Chowning, Courtney, Hanson, Justice, Sturgill, and Goldsmith voted yes**

**Motion passed 7-0**

### **Public Access Authority (PAA) appointment**

Mayor Goldsmith gave the background on this motion. The Public Access Authority by-laws state the primary seat holder “shall be a member of the appointing governing body or its chief operating officer.”

**Councilmember Austin made a motion to appoint Mayor Goldsmith as primary seat holder on the Public Access Authority until such time as a new Town Administrator has been hired.**

**Councilmember Sturgill seconded**

**Austin, Chowning, Courtney, Hanson, Justice, Sturgill, and Goldsmith voted yes**

**Motion passed 7-0**

### **Minutes**

**Councilmember Austin made a motion to approve the June 8, 2023 minutes as presented**

**Councilmember Hanson seconded**

**Austin, Chowning, Courtney, Hanson, Justice, Sturgill, and Goldsmith voted yes**

**Motion passed 7-0**

### **ANNOUNCEMENTS**

Michele Hutton announced a group of volunteers has met to work on the Christmas Parade, due to the death of the former organizer, Lois Jean Brooks.

- Asking for volunteers
- May change to Saturday
- Group will meet on Wednesday, August 16<sup>th</sup> at 10:00am
- Various activities throughout the day proposed

Roy Kime updated Council on the following projects

- New well
  - Almost complete
  - 72-hour test is required which will involve pumping water during that time
- Pool
  - Concrete to be poured next week

Mayor Goldsmith announced signage regarding golf cart permitting regulations has been ordered

Councilmember Austin reminded all in attendance of the upcoming Farmer's Market and Second Saturday event on Saturday, August 12<sup>th</sup>

**ADJOURN**

**Councilmember Austin made a motion to adjourn**

**Councilmember Sturgill seconded**

**Austin, Chowning, Courtney, Hanson, Justice, Sturgill, and Goldsmith voted yes**

**Motion passed 7-0**

**Meeting adjourned at 8:00pm**

**Submitted by:**

---

**Martha J. Rodenburg**

**Town Clerk**

**Approved by Town Council xx/xx/xxxx**

**Town of Urbana  
Town Council  
Monthly Meeting  
Council Chambers-390 Virginia St. Suite B  
August 24, 2023**

**CALL TO ORDER & ROLL CALL**

Mayor Goldsmith called the meeting to order at 7:01pm

**Present-Members of Council**

Mayor Bill Goldsmith  
Marjorie Austin  
Larry Chowning  
Alana Courtney  
Beth Justice  
Sandy Sturgill

**Absent**

Merri Hanson

**Other Attendees**

Roy Kime-Zoning Administrator  
Andrea Erard-Town Attorney  
Michele Hutton-Town Treasurer  
Martha Rodenburg-Town Clerk

Members of press and public

All stood for the Pledge of Allegiance

**APPROVAL OF AGENDA**

Mayor Goldsmith suggested making a motion to amend the agenda to add, under Old Business, Short Term Rental Ordinance, and under New Business, a referral to the Planning Commission regarding the modification of the Chesapeake Bay Protection Act section of the Comprehensive Plan to bring it into compliance with the current regulations of the Virginia Department of Environmental Quality. After discussion between Council, staff, and the Town Attorney, it was decided to not amend the agenda.

**Councilmember Austin made a motion to approve the agenda as presented**

**Councilmember Justice seconded**

**Austin, Chowning, Courtney, Justice, Sturgill, and Goldsmith voted yes**

**Motion passed 6-0**

**MINUTES**

**Councilmember Austin made a motion to approve the minutes from the June 22, 2023 and July 13, 2023 meetings as presented.**

**Councilmember Hanson seconded**

**Austin, Chowning, Courtney, Hanson, Sturgill, and Goldsmith voted yes**

**Motion passed 6-0**

**REPORTS**

**Town Administrator**

Mayor Goldsmith reported:

- VDOT has been working on drainage issues on Kent St and Cross St

- MPPDC is hiring a shared grant writer to be shared with members of the Commission
  - It is not known at this time what our share of the cost will be
- A link to a survey regarding short term rentals is on our website for gathering public feedback regarding a revision of the current ordinance
- An ad is in place at VML for Town Administrator, with the Town Attorney listed as recipient.
  - Applications will be sent to the Personnel Committee for review
  - Applications will be forwarded to Council with Personnel Committee commentary for consideration
  - One application has been received
- Boundary Line Adjustment paperwork has been filed with the court
  - Capital projects and duties that Garth had open have been redistributed among town staff
  - Staff has done a great job

Councilmember Austin asked why the search was not for an interim Town Administrator as Council had previously discussed, and questioned who would be vetting applicants. Discussion took place regarding having John Anzivino, or someone with his experience, guide the Town through the hiring process.

**Finance Committee**

No report given

**Treasurer's Report**

Michele Hutton presented the July 2023 Treasurer's Report





## Treasurer's Report

The Balances Below, Reflect Bank Statements As Of Month's End.

Account Balance thru <span style="background-color: #e0ffe0;">07/31/2023</span>	Prior Year	Prior Month	Statement Date
	7/31/22	6/30/23	7/31/23
Primis Bank General Operating Bank Account	639,319.37	912,298.93	1,073,536.14
Renter Water Deposits	-16,101.66	-15,201.66	-15,426.66
Net Operating General Bank Account	613,689.21	883,779.55	1,058,050.24
C & F Bank Pool Replacement Account (new 2/28/23)	(Trust) 36,764.91	853,289.61	628,402.98
C&F Bank Historic Trust (new 3/1/2023)	(Trust) 21,333.14	35,815.25	37,006.93
C&F Bank Building Fund (new 6/8/23)	n/a	234,200.00	234,200.00
Primis Bank Water Fund Reserve	114,133.07	114,929.19	115,007.28
Primis Bank General Fund Reserve	94,825.78	95,239.68	95,280.12
Primis Bank Cares Local Recovery	475,302.77	238,706.12	238,868.31
Primis Bank DMV	4,289.45	100.00	1,531.65
Primis Bank USDA Well Replacement-new 10/14/22	n/a	2,505.37	2,506.01
Taber Trust – Account Value	1,361,671.49	877,052.37	877,052.37
Taxes listed below are collected for prior month(s)	<b>7/31/22</b>	<b>6/30/23</b>	<b>7/31/23</b>
Meals Tax collected in July	14,635.00	19,138.02	26,380.45
Lodging Tax collected in July	3,422.19	2,449.60	4,520.69
Cigarette Tax collected in July	1,150.72	1,147.00	1,191.68

**JULY EXPENDITURES:**

- 1<sup>st</sup> Draw on C&F Pool Acc't \$226,336.63. Placed in operating acc't. Check to contractor was cut in August.

**REVENUE as of 7/31/2023**

Notes:

- Collected \$3,689.70 in delinquent real estate taxes. (Outstanding \$4,709.94)
- 8 certified letters to delinquent real estate sent
- Collected - Delinquent meal tax penalties \$841.68
- CIG Tax 22/23 budget Jul-Dec \$5,533.88 Jan-Jun \$4,900.81 Total 10,434.69

August 2, 2023 03:53 PM		Town of Urbanna 2024 Revenue Summary by Month									
Range of Accounts: 100-12100-0001 to 100-12100-0001		Start Month: July					Start Year: 2023				
Type: Revenue Activity		Includes Accounts with Zero Activity: N					Year To Date As Of: 08/02/23				
Subtotal CAFR: No											
Account No	Description	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
100-12100-0001	Lodging Tax										
4520.69	4520.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Fund Total</b>		<b>4520.69</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Grand Total	Count: 1	4520.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Range of Accounts: 500-17010-0001 to 500-17010-0001 Start Month: July Start Year: 2023  
 Type: Revenue Activity Includes Accounts with Zero Activity: N Year To Date As Of: 08/01/23  
 Subtotal CAFR: No

Account No	Description	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
500-17010-0001	Water Sales Charges										
6051.18	6051.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Fund Total</b>											
6051.18	6051.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Grand Total</b>	Count: 1										
6051.18	6051.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

**Pool Committee**

Barbara Hartley reported the following:

- Visible progress being made
  - Concrete has been poured
  - Pool house has been framed and wrapped, with windows and roof installed
  - Preparations being made for electrical inspection
- The existing snack shack will be updated and used until a permanent wing can be added
- Consulted with Heisler Construction Company on advance prep work to install a sliding board
- Exploring costs for a pool cover
- Working on plans for staffing and setting up for seasonal operations
- Completion date scheduled for October 2023

Mayor Goldsmith explained, since the project is under budget, and the cost to install a water line for a future slide was under \$5,000, the expense did not require Council approval. He did receive a general consensus of approval from Council prior to authorizing it.

**Water Committee**

Martha Rodenburg reported:

- Water tower passed inspection
- New well testing will take place mid-September

**Project Funding Committee**

Councilmember Sturgill reported:

- Filed for out of cycle grant funds with River Counties Community Foundation
  - The next application window opens beginning of next year
- There is a possible avenue for an existing 501(c)(3) to accept donations which would allow donors greater opportunities for tax write offs when using IRA funds

**PUBLIC COMMENT & PUBLIC COMMENT RESPONSE**

Tammy Putney spoke regarding his concerns about how short-term rental violations are being handled

Council discussed the importance of having Mr. Putney’s questions addressed.

**OLD BUSINESS**

There was no old business

## **NEW BUSINESS**

### **Second Public Comment**

**Councilmember Austin made a motion to approve an additional Public Comment be added to the Work Session and Monthly Meeting agendas prior to the Announcements section of the agenda**

**Councilmember Chowning seconded**

**Austin, Chowning, Courtney, Hanson, Sturgill, and Goldsmith voted yes**

**Motion passed 6-0**

### **Resolution for Public Access Authority**

Mayor Goldsmith explained the PAA by-laws state the primary seat holder “*shall be a member of the appointing governing body or its chief operating officer*”, and by adopting this resolution, there will no longer be a need to draft a yearly resolution appointing the Town Administrator to the PAA.

**Councilmember Chowning made a motion to approve Resolution 2023-RES-006 which names the Town Administrator of Action Town Administrator as the primary seat holder going forward.**

**Councilmember Austin seconded**

Councilmember Austin recommended establishing an appointed alternate if the primary seat holder is unavailable

Councilmember Chowning spoke to the importance of the alternate being abreast of what is going on.

Andrea Erard suggesting voting on the resolution, then making a separate motion appointing the alternate.

**Austin, Chowning, Courtney, Hanson, Sturgill, and Goldsmith voted yes**

**Motion passed 6-0**

**RESOLUTION 2023-RES-006  
RESOLUTION OF APPOINTMENT  
REPRESENTATIVE TO SERVE THE MIDDLE  
PENINSULA CHESAPEKAE BAY PUBLIC ACCESS AUTHORITY  
(MP-PAA)**

**WHEREAS**, THE Middle Peninsula Public Access Authority (MP-PAA) was created by the Virginia General Assembly on April 7, 2002, and ratified by participating localities on June 13, 2003, in recognition of shorelines as high priority natural areas and the need to set aside shorelines and other lands for access by citizens for various types of recreational activities; and

**WHEREAS**, member localities include Counties of Essex, Gloucester, King & Queen, King William, Mathews, Middlesex and the Towns of Tappahannock, Urbanna and West Point; and

**WHEREAS**, the MP-PAA provides for the appointment, by the respective member governing bodies, of a Primary and Alternate Representative from each member locality with such appointment and associated representation starting and ending at the pleasure of the governing body,

**NOW, THEREFORE, BE IT RESOLVED**, the Urbanna Town Council appoints *the Town Administrator or current Acting Town Administrator*, as the Representative, for the Town of Urbanna on the Middle Peninsula Public Access Authority.

Adopted this 24<sup>th</sup> day of August, 2023.

Ms. Austin	Aye✓	Nay	Abstain	Absent
Mr. Chowning	Aye	Nay	Abstain✓	Absent
Ms. Courtney	Aye✓	Nay	Abstain	Absent
Ms. Justice	Aye✓	Nay	Abstain	Absent
Ms. Hanson	Aye	Nay	Abstain	Absent✓
Ms. Sturgill	Aye✓	Nay	Abstain	Absent
Mayor Goldsmith	Aye✓	Nay	Abstain	Absent

AYES: 5 NAYS: 0 ABSTAIN: 1 ABSENT: 1

A TRUE COPY:

TESTE: 

TOWN CLERK

Discussion took place as to the importance of having an alternate and who would best fill the role.

Councilmember Austin made a motion to appoint Larry Chowning as alternate to the MPD-Public Access Authority

Councilmember Courtney seconded

**Austin, Courtney, Hanson, Sturgill, and Goldsmith voted yes**

**Chowning abstained**

**Motion passed 5-0-1**

### **ANNOUNCEMENTS**

Councilmember Austin announced Second Saturday was a success

- Money collected from the 50/50 raffle would be donated to the pool fund
- Stuck on a Name will play at next Second Saturday, sponsored by Jamie Cornett of State Farm

Michele Hutton gave an update on the Christmas Parade

- Committee has been formed
- Will take place Saturday, December 2<sup>nd</sup> at 7pm
- Judging has been moved to Taber Park
- Other activities planned throughout the day

Councilmember Chowning wanted to clarify [Council] agreed to fund the infrastructure for the slide, but not to purchase the slide at this time.

### **ADJOURN**

**Councilmember Austin made a motion to adjourn**

**Councilmember Sturgill seconded**

**Austin, Chowning, Courtney, Hanson, Sturgill, and Goldsmith voted yes**

**Motion passed 6-0**

**Meeting adjourned at 7:44pm**

**Submitted by:**

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**Martha J. Rodenburg**

**Town Clerk**

**Approved by Town Council xx/xx/xxxx**





## **Agenda Item Summary October 12, 2023**

### **Agenda Item: Reports**

**Town Administrator Report**-Mayor Goldsmith, Acting Town Administrator

**Treasurer's Report**-Michele Hutton

**Pool Committee Report**-Barbara Hartley

**Project Funding Committee**-Councilmember Sandy Sturgill

**Water Committee Report**-Roy Kime

**Planning Commission**-Councilmember Merri Hanson







## Treasurer's Report

The Balances Below, Reflect Bank Statements As Of Month's End.

Account Balance thru <b>08/31/2023</b>	Prior Year	Prior Month	Statement Date
	<b>8/31/22</b>	<b>7/30/23</b>	<b>8/31/23</b>
Primis Bank General Operating Bank Account	658,223.65	1,073,536.14	844,802.28
Renter Water Deposits	-16,551.66	-15,426.66	-16,876.66
Net Operating General Bank Account	645,877.97	1,058,050.24	846,151.62
C & F Bank Pool Replacement Account (new 2/28/23)	(Truist) 94,765.68	628,402.98	647,246.95
C&F Bank Historic Trust (new 3/1/2023)	(Truist) 27,003.68	37,006.93	38,033.041
C&F Bank Building Fund (new 6/8/23)	n/a	234,200.00	234,200.00
C & F Bank Pool Fundraising checking (new 8/4/23)	n/a	n/a	250.00
Primis Bank Water Fund Reserve	114,189.82	115,007.28	115,085.42
Primis Bank General Fund Reserve	94,855.79	95,280.12	95,320.58
Primis Bank Cares Local Recovery	475,324.26	238,868.31	239,030.61
Primis Bank DMV	5,817.83	1,531.65	2,971.21
Primis Bank USDA Well Replacement-new 10/14/22	n/a	2,506.01	2,506.65
Taber Trust – Account Value	1,300,340.91	877,052.37	
Taxes listed below are collected for prior month(s)	<b>8/31/22</b>	<b>7/30/23</b>	<b>8/31/23</b>
Meals Tax collected in August	14,992.16	26,380.45	18,916.41
Lodging Tax collected in August	3,213.42	4,520.69	3,970.51
Cigarette Tax collected in August	670.32	1,191.68	759.70

**AUGUST EXPENDITURES:**

**REVENUE as of 8/31/2023**

**Notes:**

- Opened a checking account 8/4/23 at C&F Bank for the Pool Fundraising Committee.









**Agenda Item Summary  
October 12, 2023**

**10a-Information regarding necessary amendments to that portion of the Comprehensive Plan related to the Chesapeake Bay Protection Act and the Zoning Ordinance to comply with the Virginia Department of Environmental Quality regulations**

**Background:** Since the creation of the Town's Comprehensive Plan in December of 2012, there have been a number of changes in the Chesapeake Bay Protection Act (CBPA) law and the regulations of the Virginia Department of Environmental Quality (DEQ.) These changes have not been reflected in the Comprehensive Plan or town ordinances. An attempt was made to redraft the language with the assistance staff of the Middle Peninsula Planning Council in 2019. That attempt did not satisfy the staff of the DEQ when it was submitted for review. Since that time, town staff has worked on a substitute for the portion of the Comprehensive Plan regarding solely the CBPA. The original language of the Plan is attached, followed by the recommended substitute language which has been approved by DEQ staff. In addition, one section of the Town zoning ordinance, Section 17-4.10.11 has to be amended to reflect information that the DEQ now requires on site plan or plan of development submitted for consideration. The new language is in red followed by the balance of the section which will not change.

**Council Action Requested:** Yes

**Sample Motion(s):**

Motion to refer the modification of the Chesapeake Bay Protection Act portion of the Town's Comprehensive Plan to the Planning Commission.





## VI. CHESAPEAKE BAY PRESERVATION ACT

*NOTE: Material in this Chapter is subject to change pending regulations promulgated by the Chesapeake Bay Local Assistance Board, the interpretation of those regulations by the Chesapeake Bay Local Assistance Department (CBLAD), and recommended implementation guidelines from the CBLAD and other state, regional and local agencies.*

The Town is currently in compliance with the Local Chesapeake Bay Act.

The Chesapeake Bay Preservation Area Designation and management Regulations (VR 173-02-00) requires all jurisdictions in Tidewater, Virginia to develop criteria that will provide for the protection of water quality, and that will also accommodate economic development. This will require local government to modify the necessary Comprehensive Plans, Zoning and Subdivision Ordinances to protect the quality of State waters in their jurisdictions. This includes site redevelopment and construction review with respect to maintaining and /or improving and quality of groundwater, storm water run-off, sewage treatment and wetlands and shoreline preservation.

This Act also provides guidelines for the site and development of "Water-dependent Facilities", which includes ports, marinas and other boat docking structures, beaches and other water recreation facilities, fisheries and other marine resource facilities.

### Water Quality Land Use Plan- Town of Urbanna:

Whereas the Chesapeake Bay Act of 1989 requires local governments to incorporate the protection of the quality of state waters into their comprehensive plans consistent with the provisions of the Act, the Town of Urbanna reviewed and revised its Comprehensive Plan for compliance by adopting a Water Quality Land use Plan in November 2005.

PDF





## **VI. Chesapeake Bay Preservation Act**

*NOTE: Material in this Chapter is subject to change pending regulations promulgated by the State Water Control Board, the interpretation of those regulations by the VA Department of Environmental Quality (DEQ), and recommended implementation guidelines from the DEQ and other state, regional and local agencies.*

The Town's local program is currently in compliance with the Chesapeake Bay Preservation Act and Regulations.

The Chesapeake Bay Preservation Area Designation and Management Regulations (9VAC25-830 et. seq) requires all jurisdictions in Tidewater, Virginia to develop criteria that will provide for the protection of water quality, and that will also accommodate economic development. This will require local governments to modify the necessary Comprehensive Plans, Zoning and Subdivision Ordinances to protect the quality of State waters in their jurisdictions. This includes site redevelopment and construction review with respect to maintaining and/or improving the quality of groundwater, storm water run-off, sewage treatment and wetlands and shoreline preservation.

This Act also provides guidelines for the siting and development of "Water-dependent Facilities", which includes ports, marinas and other boat docking structures, beaches and other water recreation facilities, fisheries and other marine resource facilities.

Virginia, Pennsylvania, Maryland, the District of Columbia, and the U.S. Environmental Protection Agency signed the Chesapeake Bay Agreement in 1983 and created the Chesapeake Bay Program to aid in the restoration of the bay its waterways. Virginia passed the Chesapeake Bay Preservation Act (Code of Virginia, §62.144.15:67 et seq) in order to comply with the Chesapeake Bay Agreement. The Town of Urbanna is one of 84 Virginia localities subject to the Act. The Act requires the Town to have a long-range plan to protect and restore the Town's creeks and the Rappahannock River from further degradation. The corresponding regulations (9VAC25-830 et. seq) require the Town to incorporate water quality protections into its local comprehensive plan. This includes establishing goals, policies, and action plans based on the Town's inventory and analysis of the existing environmental conditions, which can serve as a guide for continued development.

Land use within the Town of Urbanna greatly affects the quality of the water in the Town's watershed. Because of its location on the Rappahannock River, Perkins Creek, and Urbanna Creek, the Town's storm drains, culverts, and drainage ditches are connected to the Chesapeake Bay's watershed and ecosystem. Middlesex County has been experiencing moderate growth since the 1980s, which has resulted in increased development within the area. Pollution from increased development and impervious surfaces has caused several species of the Chesapeake Bay watershed to reach critically low numbers.

In addition, the shorelines of the Rappahannock River and Urbanna Creek are experiencing shoreline erosion and/or accretion. Much of the Shoreline of the Rappahannock River and

Urbanna Creek within the Town has been either bulk headed or rip-rapped to combat shoreline erosion.

There is limited fishing in both Perkins Creek and Urbanna Creek for small fish, as shown on Town map Exhibit I, however there are no game fish within the limits of the Town. While the Town has a small oyster bed near the Town marina in Jameson's Cove, which is maintained as an educational asset for local schools, it does not have an active aquaculture industry. Local watermen, who harvest oysters on the beds outside Town limits in-season, offload their harvest at the Town Upton Point marina and sometimes on Perkins Creek. The oysters are then transported, over land, to processing plants outside Town limits.

#### *Resource Protection Areas*

Resource Protection Areas (RPA) are the more sensitive areas of a Chesapeake Bay Preservation Area. These consist of sensitive lands located along the shoreline of the Chesapeake Bay and its tributaries. RPAs include tidal wetlands, tidal shores, nontidal wetlands that are connected to tidal wetlands or perennial streams, and a 100-foot-wide buffer located adjacent to these features and along both sides of any body of water with perennial flow.

The Town contains tidal wetlands and tidal shores that are associated with the Rappahannock River, Perkins Creek, and Urbanna Creek and connected nontidal wetlands that are adjacent to Perkins Creek. A 100-foot-wide buffer has been designated adjacent to the listed features and the shoreline of the Rappahannock River, Perkins Creek, and Urbanna Creek.

#### *Resource Management Areas*

Resource Management Areas (RMA) include land types that if improperly managed could result in significant water quality degradation or diminish the functional land value of the Resource Protection Area. RMAs are an important component of water quality protection because they protect RPAs from the adverse impacts of human activity. A Resource Management Area can also provide additional water quality protection with careful use and development of its land types.

The Town's Chesapeake Bay Preservation Area Overlay District states that a Resource Management Area includes the following:

- 100-year floodplain;
- Non-tidal wetlands not connected by surface flow and contiguous to tidal wetlands, water bodies with perennial flow or other tidal waters;
- Highly erodible and highly permeable soils; and
- Slopes in excess of fifteen (15) percent.

#### *Intensely Developed Areas*

In addition to the RPA and RMA, the Town has designated an Intensely Developed Area (IDA) as an overlay district along the southern shoreline of Urbanna Creek. This IDA includes marinas and boat service facilities as well as the industrial uses of the area. The IDA signifies that it has

few natural features remaining, is almost entirely paved, and is currently served by public sewer and water.

*Chesapeake Bay Preservation Area Overlay District*

The Town has a Chesapeake Bay Preservation Area Overlay District with regulations that protect and enhance water quality through environmentally responsible land use management and practices. The Chesapeake Bay Preservation Areas are shown in the figure below.

EXHIBIT I



### Potential and Existing Sources of Pollution

There are a variety of sources for pollution that can have environmental impacts such as groundwater contamination, poor air quality, and degradation of the aesthetics of the landscape. An important indicator of the health of a watershed is the quality of the water within the local streams and rivers. Although a certain level of pollution due to transportation and development is inevitable, steps must be taken to prevent environmental health hazards and protect the ecological balance of the aquatic ecosystem.

The Town's relatively small size makes the sources of pollution easier to identify. There are two main types of pollution: point source pollution and nonpoint source pollution. Point source pollution can be treated to a single source, such as a leaking underground storage tank, above ground storage tank, or illegal dumping of hazardous wastes. Underground storage tanks can be a major source of groundwater contamination. This is primarily because the tanks are not visible and a leak may easily go undetected until a substantial amount of pollutants have already seeped into the surrounding soil. The main concern for the Town regarding underground storage tanks is the possible corrosion of unprotected concrete tanks due to the acidity of local soils; nearly all land in Town is high risk for concrete. In addition, over 80 percent of the land area poses a moderate risk for corroding unprotected steel. The Town currently has two active underground storage tanks, as indicated on the Town map Exhibit I. One is at URBBY (formerly Bridges Marina) located at 15 Watling Street and the other at the Exxon Station at 20 Cross Street. The Department of Environmental Quality, Underground Storage Tank Program currently monitors both locations.

Nonpoint source pollution comes from a variety of sources, with stormwater runoff carrying a lot of these pollutants. Stormwater runoff carries pollutants that collect on impervious surfaces, such as roadways, sidewalks, and parking lots, into the local waterways. Impervious surfaces do not give the stormwater the chance to be absorbed by the soil. Urban development, including residential development, can produce high levels of nonpoint source pollution such as plant nutrients (nitrogen) and heavy metals. Residential and commercial activities, parking areas, and waterfront activities are the main sources of nonpoint source pollution within the Town.

Strategies to reduce nonpoint source pollution include: minimizing impervious areas of development sites, maintaining open space, preserving indigenous vegetation, and utilizing Best Management Practices (BMPs) that are designed to reduce stormwater runoff and aid in the filtration of harmful pollutants. Educating the public and local businesses about nonpoint source pollution can also be effective for eliminating these sources of pollution.

Eroding soils are also seen as pollution. The Town is located in a flat coastal plain with the only significant slopes along the shoreline of the Rappahannock River, Urbanna Creek and Perkins Creek. Elevations in the Town range from sea level to over 50 feet above sea level. Slopes of 15 percent or greater generally occur around the shorelines of waterways in and around the Town. The majority of slopes within the Town range from 0-2 percent and offer no problems for development activities.

The entire jurisdiction is designated as a Chesapeake Bay Preservation Area.

The Town sold its sewage treatment plant to the Hampton Roads Sanitary District (HRSD), and HRSD operates the treatment plant. After treatment, effluent is currently discharged into Urbanna Creek outside the Town limits. There are plans to discontinue operation of this treatment plant by 2027 and pump the Town's sewage to other HRSD treatment plants, which discharge into the James River. The Town requires all development within the Town to be connected to this system, per Town Code (§174.10.11.C, et seq). Therefore, there is no concern over failing septic systems producing pollution.

### *Physical Constraints to Development*

Development in Resource Protection Areas is limited to water-dependent uses, such as marinas, and piers, or the redevelopment of previously developed areas. Development may be allowed in the Resource Protection Area, with administrative approval from the Town, only if it meets the following requirements:

- It is water dependent;
- Constitutes redevelopment;
- Constitutes development or redevelopment within a designated Intensely Developed Area (IDA);
- Or if the application of the buffer area would result in loss of buildable area on a lot or parcel recorded prior to October 1, 1989.

While there are certain restrictions prohibiting development or land disturbance or vegetation removal within 100 RPA protected zone, there are exceptions for water dependent facilities, redevelopment and certain administratively permitted exceptions. There is no restriction on development in the Resource Management Areas provided the development meets the requirements of the zoning district. Development in the IDA may have the 100-foot buffer area requirements waived, provided that the Town considers the establishment of a buffer area if, in the future, the land uses within the IDA have changed.

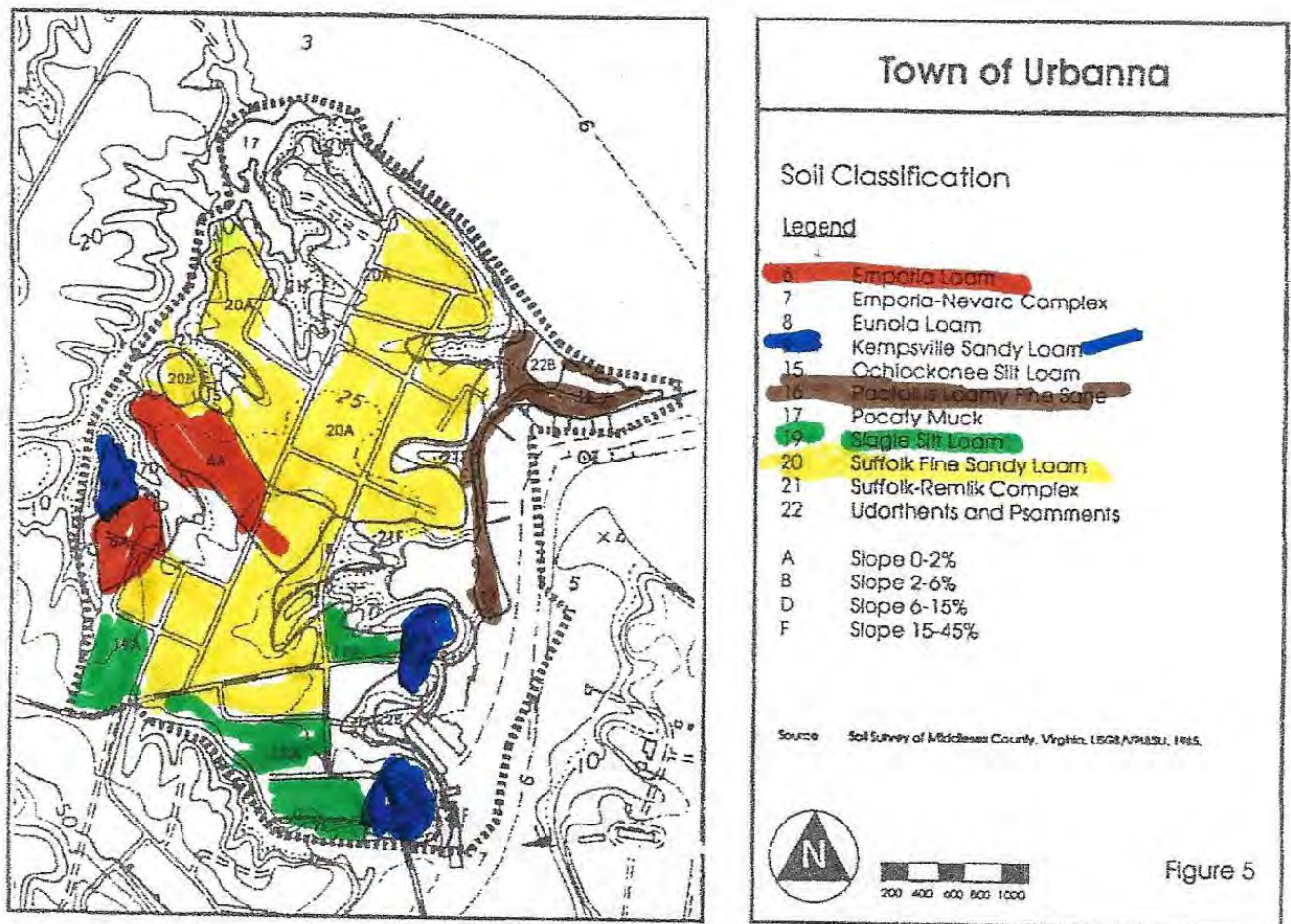
Development is restricted from the floodway and discouraged from the floodplain. Sensitive soils create a development constraint. The Town's Chesapeake Bay Preservation Area Overlay District included highly erodible and highly permeable soils as part of the Resource Management Area. The Virginia Tech Geographic Information System (VirGIS) laboratory mapped areas of Middlesex County that met the parameters for highly erodible and permeable soils as specified in the regulations.

High erodible soils are those in which have a high potential for eroding and causing sediments to enter waterways. The potential for eroding is due in part to the steepness and length of slope which act together to increase the speed of water running down slope. The faster the runoff down the slope, the more soil particles are washed off the slope. Soil structure, texture, percentage of organic material, the infiltration rate and the permeability of the soil are characteristics that help to define a soils erodibility. Eroding soils contributes to water pollution by increasing the amount of sediment in the water.

Highly permeable soils are those soil which are susceptible to pollutant leaching and therefore have a high potential for groundwater pollution. The ability of water to move down through the soil depends in large part on the water holding capacity of the soil. Capacity of a soil to hold water is determined by the structure, texture, percentage of organic matter and permeability of a soil. Soil permeability is particularly important in the design and construction of septic drain fields as the effluent from the septic system will move quickly through the soil into the groundwater system without proper filtration. However, other pollutants such as pesticides, heavy metals, organic wastes and road salts can also move quickly through highly permeable soils and contribute to the contamination of groundwater.

Within the Town, there are areas that are both high erodible and highly permeable and areas that are either highly permeable or highly erodible. Approximately 13 percent of the Town is characterized by soils that are both highly permeable and highly erodible. More than 49 percent of the Town is characterized by soils which are highly permeable, while over 6 percent of the soil are highly erodible. Overall, 68 percent of the Town is characterized by sensitive soils.

### EXHIBIT II





Shoreline erosion is another development constraint. The erosion of the shoreline can affect growth by removing land area from the Town. As the shorelines along Urbanna Creek and Perkins Creek continue to develop, the rate of erosion may increase if the proper steps are not taken to prevent the disturbance of the vegetation along the shoreline. Some hardening of the creek shoreline has occurred, but hardening techniques tend to exacerbate the erosion downstream. The implementation of the Town's Chesapeake Bay Preservation Area Overlay District should help to preserve the existing vegetation along the creek's shoreline. With erosion occurring, it will be particularly important for the full 100-foot buffer area to remain intact, not only to provide a filter for the water running off the property, but to protect the property from further erosion. In addition, development may be constrained by:

- Steep slopes
- Flat grades that don't drain well
- Mature forest vegetation

The Town of Urbanna is, therefore, committed to the following policies:

The Town will continue to identify physical constraints to development. It will continue to enforce its Chesapeake Bay Preservation Area Overlay District to protect sensitive natural features including, but not limited to, tidal wetlands, tidal shores, nontidal wetlands, highly erodible soils including steep slopes, highly permeable soils, and perennial streams.

The Town will protect the potable water supply by identifying and addressing threats to groundwater resources from existing and potential pollution sources and encouraging water conservation.

The Town will achieve this goal by the following actions:

- Continue to inspect and ensure the maintenance of BMP facilities within the Town, in accordance with §17-4.10.11(d) of the Town's Chesapeake Bay Preservation Area Overlay District.
- Participate with Middlesex County Health Department to identify any malfunctioning or abandoned septic systems and investigate remediation or removal options including removal of them during redevelopment.
- Work with the State Water Control board to identify and remedy any existing sources of pollution within the Town such as abandoned underground storage tanks and above ground storage tanks and to identify those underground storage tanks risk of corroding.
- Collaborate with applicable state agencies to remove any illegal dumping and pursue stringent enforcement of applicable federal and state laws as necessary.
- Participate with the Department of Health to identify operations not adhering to the regulations outlined in Code of Virginia §32.1-246 related to marina operations. The Town will work to recognize ways of addressing the appropriate density of docks and piers such as investigating the possibility of adopting Marine Resources Commission guidelines for marina and boat dock facilities.

- Consider possibilities of providing public information workshops for citizens to demonstrate the proper application of pesticides and fertilizers for home lawns and gardens. These workshops will help to reduce the over-application of the substances which are one element of nonpoint source pollution.
- Promote Water resource conservation

The Town will address the relationship of land use to commercial and recreational fisheries and other aquatic resources by:

- Enforcement of zoning ordinances such as the Chesapeake Bay Preservation Area Overlay District.
- Reduction of nonpoint sources of pollution from impervious surfaces adjacent to the River and Urbanna and Perkins Creeks.
- Institution of programs in public education, wildlife habitat preservation, and pollution prevention.
- Participate with the Department of Health to identify operations not adhering to the regulations outlined in Code of Virginia §32.1-246 related to marina operations. The Town will work to recognize ways of addressing the appropriate density of docks and piers such as investigating the possibility of adopting Marine Resources Commission guidelines for marina and boat dock facilities.

The Town will manage the process of siting docks and piers as a water-dependent use in the RPA and of IDAs. Since the Town is built out, it is anticipated the development of docks and piers would be undertaken as a redevelopment project. The Town will achieve this goal by the following actions:

- Enforcement of zoning ordinances such as the Chesapeake Bay Preservation Area Overlay District.
- Limit water-dependent uses to those with proven economic justification.
- Avoidance of development on sensitive natural features such as steep slopes.
- Reduction of nonpoint sources of pollution from impervious surfaces adjacent to the River and Urbanna and Perkins Creeks.
- Institution of programs in public education, wildlife habitat preservation, and pollution prevention.

The Town will maintain public and private access to waterfront areas and manage the effect on the water quality by:

- Enforcement of zoning ordinances such as the Chesapeake Bay Preservation Area Overlay District.
- Avoidance of development on sensitive natural features such as steep slopes.
- Reduction of nonpoint sources of pollution from impervious surfaces adjacent to the River.
- Institution of programs in public education, wildlife habitat preservation, and pollution prevention.



The Town will mitigate the impacts of land use and its associated pollution upon water quality by:

- Enforcement of zoning ordinances such as the Chesapeake Bay Preservation Area Overlay District.
- Amend CBPOD to reflect the calculated average land cover for the Town while making other programmatic changes as necessary.
- Minimizing impervious cover is an integral part of the Town's stormwater quality management program. The Town Planning Commission will investigate economically feasible and practical ways to reduce the impervious cover for development within the Town. Such as investigation may include the following options: establishment of maximum parking space size and number of parking spaces for zoning categories; requiring pervious paving in low traffic areas, reducing the amount of impervious cover allowed based on the zoning category; and requiring open space based on the zoning category.
- Avoidance of development on sensitive natural features such as steep slopes.
- Reduction of nonpoint sources of pollution from impervious surfaces adjacent to the River.
- Institution of programs in public education, wildlife habitat preservation, and pollution prevention.
- Continued enforcement of the Floodplain Ordinance in order to protect floodplains within the Town from improper development as well as to protect the health, welfare, economic and real estate interests of Town residents.
- Reducing nonpoint source pollution generated by development by preserving as much existing vegetation on site as possible while accommodating the desired land use.
- Investigate ways of addressing existing shoreline erosion problems along the Rappahannock River and Urbanna Creek and work with appropriate state agencies to determine appropriate policies regarding shoreline erosion control.

The Town will support water quality improvement through reduction of existing pollution sources and redevelopment on Intensely Developed Areas and other areas targeted for redevelopment by:

- Enforcement of zoning ordinances such as the Chesapeake Bay Preservation Area Overlay District.
- Avoidance of development on sensitive natural features such as steep slopes.
- Reduction of nonpoint sources of pollution from impervious surfaces adjacent to the River.
- Institution of programs in public education, wildlife habitat preservation, and pollution prevention.



**17-4.10.11 Plan of Development Process**

**A. Purpose and Intent**

~~The purpose of the plan of development process is to provide for a review process ensures that development and redevelopment complies with the provisions of this Article and that protects the quality of state waters.~~

The purpose of the plan of development process is to provide for a review process that ensures that development and redevelopment complies with the provisions of this Article and that protects the quality of state waters.

1. Any final site plan, plan of development, plat, plot, or final subdivision plans for all lands within CBPAs shall include the following information:

- a. Delineation of the RPA boundary.
- b. Delineation of required buffer areas;
- c. Delineation of RMA wetlands;
- d. Delineation of RMA boundary;
- e. Plat or plan note providing that no land disturbance or vegetation removal is allowed in the buffer area without review and approval by the Zoning Administrator.
- f. Plat or plan note of the permissibility of only water dependent facilities or redevelopment in Resource Protection Areas, including the 100-foot wide buffer area.
- i. Plat or plan depiction indicating the buildable area. All subdivision plats shall include a notation that setbacks and yards shown hereon are based on current district requirements at the time of approval but shall not take precedence over any subsequently adopted setback requirements related to any rezoning action or district regulation amendments.
- j. Any additional requirements specified in the subsections below.

**B. Applicability**

A plan of development shall be required for any development or redevelopment exceeding 2,500 square feet of land disturbance in the Resource Protection Area (RPA) or Resource Management Area (RMA). A plan of development shall be approved prior to any development preparation activities onsite, such as clearing and grading of the site and the issuance of a Zoning and Building Permit, to assure compliance of all applicable requirements of the Zoning Ordinance.

**C. Submission and Review Requirements.**

- 1. For all individual single-family dwellings in the RPA and alt development in the RMA, the plan of development shall consist of the following plans and studies:
  - a. A water quality impact assessment in accordance with the provisions of

Section 17-4.10.12 of this Zoning Ordinance.

- b. An erosion and sedimentation control plan in accordance with the provisions of Middlesex County Erosion and Sedimentation Control Ordinance.
  - c. A valid Wetlands Permit for any activities specified as requiring a permit in the provisions of Middlesex County Wetlands Ordinance.
2. For all development or redevelopment other than individual single-family dwellings in the RPA, the plan of development shall consist of the plans and studies:
- a. A water quality impact assessment in accordance with the provisions of Section 17-4.10.12 of this Zoning Ordinance;



- b. An environmental site assessment in accordance with the provisions of Section 17-4.10.D of this Zoning Ordinance;
  - c. A landscaping plan in accordance with the provisions of Section 17-4.10.11.E of this Zoning Ordinance;
  - d. A stormwater management plan in accordance with the provisions of Section 17-4.10.11.F of this Zoning Ordinance;
  - e. An erosion and sediment control plan in accordance with the provisions of Middlesex County Erosion and Sedimentation Control Ordinance.
  - f. A valid Wetlands Permit for any activities specified as requiring a permit in the provisions of Middlesex County Wetlands Ordinance.
3. Three (3) copies of all plans of development shall be submitted to the Zoning Administrator for review. All information required by Section 17-4.10.11.C of this Zoning Ordinance must be submitted for an application to be considered complete.

D. Environmental Site Assessment.

- 1. The environmental site assessment shall be drawn to scale and clearly delineate the following environmental features:
  - a. Tidal wetlands;
  - b. Tidal shores;
  - c. Nontidal wetlands connected by surface flow and contiguous to tidal wetlands or water bodies with perennial flow;
  - d. A 100 foot buffer located adjacent to and landward of the components listed in subsections a. through c. above, and along both sides of any water body with perennial flow; and
  - e. Other sensitive environmental features as determined by Zoning

Administrator.

2. Wetlands delineations shall be performed consistent with the procedures specified in the Federal Manual for Identifying and Delineating Jurisdictional Wetlands, 1986.
3. The environmental site assessment shall delineate the geographic extent of the Resource Protection Area on the specific site or parcel as required under Section 17-4.10.2 of the Zoning Ordinance.
4. The environmental site assessment shall be certified as complete and accurate by a professional engineer or a certified land surveyor. The Zoning Administrator may waive this requirement when the proposed use or development would result in less than 5,000 square feet of disturbed area.

E. landscaping Plan.

1. The landscaping plan shall be drawn to scale and clearly delineate the location, size and description of existing and proposed plant material. The plan shall include the following information:
  - a. All existing trees on the site four (4) inches or greater diameter at breast height (DBH) shall be shown on the landscaping plan, or where there are groups of trees, said stands may be outlined instead. The specific number of trees four (4) inches or greater DBH to be preserved outside of the building envelope shall be indicated on the plan. Trees and other woody vegetation proposed to be removed to create the desired construction footprint shall be clearly delineated on the landscaping plan.
  - b. Any required RPA buffer area shall be clearly delineated and any plant material to be added to establish or supplement the buffer area, as required by this Article, shall be shown on the landscaping plan.
  - c. Within the buffer area, trees and other woody vegetation to be removed for sight lines, vistas, access paths, and best management practices, as provided for in Section 17-4.10.10 of this Zoning Ordinance, shall be shown on the plan. Vegetation required by this ordinance to replace any



existing trees within the buffer area shall also be depicted on the landscaping plan.

- d. Trees and other woody vegetation to be removed for shoreline stabilization projects and any replacement vegetation required by this Article shall be shown on the landscaping plan.
  - e. The plan shall depict grade changes or other work adjacent to trees which would affect them adversely. Specifications shall be provided as to how grade, drainage, and aeration would be maintained around trees to be preserved.
  - f. The landscaping plan will include specifications for the protection of existing trees and other vegetation during clearing, grading, and all phases of construction.
  - g. If the proposed development is a change in use from agricultural or silvicultural to some other use, the plan must demonstrate the re- establishment of vegetation in the buffer area.
2. Plant Specifications.
    - a. All plant materials necessary to supplement the buffer area or vegetated areas outside the construction footprint shall be installed according to standard planting practices and procedures.
    - b. All supplementary or replacement plant materials shall be living and in a healthy condition. Plant materials shall conform to the standards of the most recent edition of the American Standard for Nursery Stock, published by the American Association of Nurserymen.
    - c. Where areas to be preserved, as designated on an approved landscaping plan, are encroached, replacement of existing trees and other vegetation will be achieved at a two (2) planted trees to one (1) removed. All trees planted as replacement vegetation shall be mature, well-branched and a minimum of four (4) feet in height (excluding root mass) at planting.
  3. Maintenance.

- a. The applicant shall be responsible *for* the maintenance, repair and replacement of all vegetation as may be required by the provisions of the Zoning Ordinance.
- b. In buffer areas and areas outside the construction footprint, plant material shall be tended and maintained in a healthy growing condition and free from refuse and debris. Unhealthy, dying, or dead plant materials shall be replaced during the next planting season, as required by the provisions of the Zoning Ordinance.

F. Stormwater Management Plan.

- 1. The stormwater management plan shall be drawn to scale and clearly delineate following information:
  - a. Location and design of all planned stormwater control devices and BMPs;
  - b. Procedures for implementing non-structural stormwater control practices and techniques;
  - c. Pre- and post-development nonpoint source pollutant loadings with supporting documentation of all utilized coefficients and calculations;
  - d. For facilities, verification of structural soundness, including a Professional Engineer or Class 111B Surveyor Certification;
- 2. All engineering calculations must be performed in accordance with the procedures outlined in the current edition of the Virginia Stormwater Management Handbook
- 3. The plan shall establish a schedule *for* inspection and maintenance of stormwater management facilities that includes all maintenance requirements and persons responsible for performing maintenance. If the designated maintenance responsibility is with a party other than the Town of Urbanna then a maintenance agreement shall be executed between the responsible party and the Town of Urbanna.



## G. Installation and Bonding Requirements.

1. Where buffer areas, landscaping, stormwater management facilities or other specifications of an approved plan are required, no certificate of occupancy shall be issued until the installation of required plant material or facilities is completed in accordance with the approved site plan.
2. When the occupancy of a structure is desired prior to the completion of the required landscaping, stormwater management facilities, or other specifications of an approved plan, a certificate of occupancy may be issued only if the applicant provides to the Town of Urbanna a form of surety satisfactory to the Zoning Administrator in an amount equal to the remaining plant materials, related materials, or installation costs of the required landscaping or facilities and/or maintenance costs for any required stormwater management facilities.
3. AU required landscaping shall be installed and approved by the first planting season following issuance of a certificate of occupancy or the surety may be forfeited to the Town of Urbanna.
4. All required stormwater management facilities or other specifications shall be installed and approved within eighteen (18) months of project commencement. Should the applicant fail, after proper notice, to initiate, complete or maintain appropriate actions required by the approved plan, the surety may be forfeited to the Town of Urbanna. The Town of Urbanna may collect from the applicant the amount by which the reasonable cost of required actions exceeds the amount of the surety held.
5. After all required action of the approved site plan have been completed, the applicant must submit a written request for final inspection. If the requirements of the approved plan have been completed to the satisfaction of the Zoning Administrator, such unexpended portion of the surety held shall be refunded to the applicant or terminated within sixty (60) days following receipt of the applicant's request for final inspection.

## H. Plan of Development Approval.

The Zoning Administrator shall approve, approve subject to conditions or disapprove all plans of development. The Zoning Administrator shall return notification of plan review



results to the applicant, including recommended conditions or modifications. In the event that the results and/or recommended conditions or modifications are acceptable to the applicant, the plan shall be so modified, if required, and approved.

i. Denial of Plan, Appeal of Conditions or Modifications.

In the event the final plan or any component of the plan of development process is disapproved or recommended conditions or modifications are unacceptable to the applicant, the applicant may appeal such administrative decision to the Board of Zoning Appeals. In granting or denying an appeal, the Board of Zoning Appeals must find such plan to be in accordance with all applicable ordinances and include necessary elements to mitigate any detrimental impact on water quality and upon adjacent property and the surrounding area, or such plan meets the purpose and intent of the performance standards in this Article. If the Board of Zoning Appeals finds that the applicant's plan does not meet the above stated criteria, they shall deny approval of the plan.

**1.7-4.1.0.12 Water Quality Impact Assessment**

A. Purpose and Intent

The purpose of the water quality impact assessment is to:

1. Identify the impacts of proposed land disturbance, development or redevelopment on water quality and lands in RPAs and other environmentally sensitive lands;
2. Ensure that, where land disturbance, development or redevelopment does take place within RPAs and other sensitive lands, it will occur on those portions of a site and in a manner that will be least disruptive to the natural functions of RPAs and other sensitive lands;
4. Protect individuals from investing funds for improvements proposed for location on lands unsuited for such development because of high ground water, erosion, or vulnerability to flood and storm damage;
5. Provide for administrative relief from terms of the Zoning Ordinance when warranted and in accordance with the requirements contained herein; and



## Agenda Item Summary October 12, 2023

### 10b-Information regarding a proposed amendment to provisions of Section 17-4.6 the General Commercial District (B-1)

#### Background:

**Where we are:** On May 25, 2023, Town Council passed Ordinance 23-01, which was an amendment to Section 17-4.6.2, Permitted Uses in B-1 by adding item (21) which had previously been Reserved. The intent of the modification was to allow by right the construction or conversion of a limited number of apartments or condominiums. Concern had been widely expressed that the supply of long-term rental housing was substantially limited in town and this was affecting local businesses in their attempts to attract workers, and full-time residence who could not buy single family houses due to the cost and lack of supply. The ordinance was also useful to satisfy one of the conditions of the sale of the old town hall but that was not the primary purpose. The primary purpose was to increase the supply of long-term rental housing. Even if this ordinance is repealed, the status of the old town hall's uses would not change because they began their alterations to two apartments in that building when Ordinance 23-01 was in effect.

Several members of the Planning Commission and Town Council have suggested that the decisions leading to the passage of Ordinance 23-01 be reconsidered because of the potential impact of replacing retail businesses with apartments or condominiums in the B-1 commercial district. The concern was the conversion of retail or commercial space to apartments would limit the future attractiveness of the area to visitors both short term and long term. Proposals have been made to allow the conversion of spaces to apartments not 'associated' with a permitted retail activity but only with a special use permit. There is a draft proposal following that is designed to produce that result. First the proposal would eliminate the "use by right" created by Ordinance 23-01 as Section 17-4.6.2 (21) and amend Section 17-4.6.3 (1) by permitting, if approved by a special use permit, an apartment or apartments within but not "associated" a office, business or commercial building so long as the commercial use is continued in the building. This would allow a mixed use of the property if a special use permit was obtained by the owner. The changes to the ordinance are high lighted in red.



Section 17-4.6. General Commercial District (B-1).

Section 17-4.6.1. Purpose of the District

The purpose of this district is to provide sufficient space in appropriate locations for a wide variety of retail shopping, commercial, automotive, and miscellaneous recreational and service activities, generally serving the Town, a wide area of the County, and the traveling public. These commercial uses are generally located along major thoroughfares or near development centers where a general mixture of commercial and service activity now exists or is planned, but which uses are not characterized by extensive warehousing, frequent heavy trucking activity, or the nuisance factors of dust, odor, and noise, associated with manufacturing.

Section 17-4.6.2. Permitted Uses.

A building or land shall be used only for the following purposes:

- (1) Any principal permitted use permitted by right in the R-1 zoning district. Dwellings are subject to the same lot area and yard space requirements as in the R-1 district.
- (2) Arts, cultural, and historic institutions, including museums and tourist information and orientation facilities.
- (3) Retail automobile or truck parts sales, but not wholesale and not auto salvage or wreckage.
- (4) Bakeries, provided that the majority of products produced on the premises are sold at retail on the premises.
- (5) Banks and other financial institutions.
- (6) Barber or beauty parlors.
- (7) Bed and breakfast facility.
- (8) Bicycle sales and repair shops.



- (9) Catering or delicatessen business.
- (10) Churches and Sunday Schools, rectories, parish houses, convents and monasteries, Temples, and synagogue.
- (11) Drive-in automatic banking or vending machine station. Groups of three or more vending machines shall be contained in a building.
- (12) Employment service or agency.
- (13) Frozen food lockers for individual or family use.
- (14) Funeral home or undertaking establishment.
- (15) Hospital or clinic.
- (16) Hotel, motel, inn, lodge, or tourist home having less than five (5) rooms for use by transient boarders.
- (17) Janitorial service establishment.
- (18) Laundries, laundromats or dry-cleaning establishments with floor area not exceeding 2,500 square feet.
- (19) Lawn mower, yard and garden equipment, rental and sales and service but no service or repair permitted.
- (20) Libraries.
- (21) ~~A structure, or combination of structures, which contain no more than 6 residential apartments or condominium dwelling units per lot. This use by right can be in combination with any other permitted use by right in the B-1 district or as a stand-alone use. Reserved.~~
- (22) Nurseries for growing and sale of plants, trees and shrubs and related material.
- (23) Offices, general, business or professional; manufactured or mobile home for temporary (not to exceed 120 days) office use by approved special use permit only.
- (24) Parking lots parking spaces and parking areas.

(25) Pet shop or dog beauty parlor, provided that any work rooms, cages, pens or kennels be maintained within a completely enclosed, soundproof building and that such shop or parlor be operated in such a way as to produce no objectionable noise or odors outside its walls.

(26) Printing, publishing, and engraving establishments, photographic processing or blueprinting with floor area not exceeding 2,500 square feet.

(27) Radio and television stations and studios or recording studios, but not towers more than 125 feet in height.

(28) Rental of household items, tools and appliances.

(29) Repair shops with floor area not exceeding 2,500 square feet.

(30) Reserved.

(31) Security service office or station.

(32) Shopping Centers.

(33) Stores or shops for the conduct of retail business, including sale of accessories, antiques, appliances, art or art supplies, beverages (alcoholic or otherwise), books, carpets, clothing, drugs, fabrics, flowers, food, furniture, hardware, jewelry, office supplies and stationery, shoes, paint, wallpaper, sporting goods, and similar stores and shops.

(34) Studios or shops for artist, photographers, writers, teachers, jewelers, weavers or other crafts, sculptors or musicians.

(35) Telephone station or booth, including drive-in or talk-from-car stations.

(36) Temporary stands, or outdoor areas or temporary truck parking, for sale of produce, Christmas trees, and other seasonal items.

(37) Video rental and sales

(38) Accessory buildings and uses, including accessory storage of supplies and merchandise normally carried in stock or used in connection with a permitted use, subject to applicable district regulations.

(39) Massage Therapy practiced by a graduate of a training program certified by the State Board of Education.

Section 17-4.6.3. Uses Permitted by Special Use Permit.

The following uses may be permitted by special use permit approved by the Town Council following report by the Planning Commission in accordance with the procedures, guides and standards of Article 9.

~~(1) An apartment or apartments may be constructed or converted within a building in the B-1 district only after a special use permit has been obtained. No space customarily used for retail or commercial use may be converted to apartments. Once the retail or commercial use in the building is vacated, for 12 months or more and is no longer on going, the special use permit shall expire by its terms. A single-family dwelling, duplex or multi-family dwelling on a case-by-case basis in association with permitted office, business or commercial use in the same building or on the same premises shall be permitted.~~

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- (2) Billiard parlors or pool rooms, bowling alleys, dance halls, electronic game centers, miniature golf, or similar recreational establishments, indoor or outdoor.
- (3) Carnivals or fairgrounds.
- (4) Nursery schools, kindergartens, child care centers, day nurseries or day care centers.
- (5) Outdoor sales areas or flea Markets.
- (6) Public or governmental buildings and uses, including governmental offices, schools, fire stations (volunteer or otherwise), parks, parkways, and playgrounds.
- (7) Public utilities or public service or transportation uses, buildings, (including bus stations), generating, purification or treatment plants, water storage tanks, pumping or regulator stations, telephone exchange, substations and major transmission lines.
- (8) Radio, television or other communication tower more than 125 feet in height and all satellite receiving dishes.
- (9) Recreational uses or facilities for a private membership, such as clubs and lodges, golf courses, game courts, swimming pools, archery range, fishing or boating lakes, picnic grounds, or similar activities, and accessory facilities, including sale of food, beverages, bait, incidentals,

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- (10) Automobile service station, so long as bulk storage of inflammable liquids is underground
- (11) Automobile or truck sales (new or used) including service, and repair, body or fender repair, auto salvage or wreckage, and car or truck sales or rental storage lot. Storage of equipment or materials or damaged vehicles shall be inside a completely enclosed building. Storage of auto salvage or wreckage is prohibited.
- (12) Automobile or truck parts sales, wholesale or retail, but not auto salvage or wreckage.
- (13) Bakeries, including retail and wholesale sales incidental to these uses.
- (14) Boat and boat trailer sales and storage.
- (15) Bottling works, dyeing and cleaning works, linen service, or laundry, furniture refinishing, plumbing, electrical and heating shop, painting shop, upholstering shop not involving furniture manufacture, shoe repair, tin smithing shop, appliance repairs, and general service and repair establishments, similar in character to those listed in this item, but provided that no outside storage of material is permitted except as provided in this section.
- (16) Car-wash or automobile laundry, automatic, or attended, or self-service.
- (17) Exterminating establishment.
- (18) Farm supply and service establishments, implement sales, rental and service, feed and seed store, including custom milling of grain and feed, fertilizer storage in bags or bulk storage of liquid or dry fertilizer in tanks or in a completely enclosed building.
- (19) Garages, parking, storage, or repair.
- (20) Green houses, commercial, wholesale or retail.
- (21) Hotel, motel, inn, motor lodge, or tourist home, having less than five (5) rooms available for rent or lease.
- (22) Institutions, educational or philanthropic, including museums, libraries and art galleries.
- (24) Laundries, laundromats or dry-cleaning establishments, having less than 2,500 square feet of space.

- (25) Lawn mower, yard and garden equipment, rental, sales and service, and repair. All damaged machines and small engines for repair must be stored in an enclosed building.
- (26) Lumber, building supply and plumbing and electrical supply, with storage enclosed and screened.
- (27) Monument sales establishments with incidental processing to order, but not including the shaping of headstones.
- (28) Motorcycle or off-road vehicle sales, service and repair. All damaged machines for repair must be stored in an enclosed building.
- (29) Muffler sales and installation.
- (30) Plumbing and electrical supply sales.
- (31) Printing, publishing, and engraving establishments, photocopying, photographic processing or blueprinting.
- (32) Private club, lodge, meeting or assembly hall, or fraternal organization or sorority, game courts, swimming pools, archery ranges, health club or fitness center.
- (33) Rental or sale of luggage racks, trailers, pick-up truck cabs, campers and travel trailers, but not including truck trailer bodies.
- (34) Repair shops with floor areas exceeding 2,500 square feet.
- (35) Retail or wholesale sales and service incidental to a permitted manufacturing, processing, storing or distributing use.
- (36) Sign fabricating and painting shop.
- (37) Taxidermists.
- (38) Tire sales, service and installation.
- (39) Veterinary hospital or clinic for small pets, livestock, and

other animals, provided that such hospital or clinic and any treatment rooms, cages, pens, or kennels, be maintained within a completely enclosed, soundproof building, and that such hospital or clinic be operated in such a way as to not be a nuisance.

(40) Movie Theaters.

(41) Restaurants





**Agenda Item Summary  
October 12, 2023**

**10c- Information relating to amendments to the Short-Term Rental Ordinance in the Town Code**

**Background:** Several members of the Planning Commission and Town Council have heard concerns about the way short-term rentals are being handled under the current ordinance. Concern has been expressed as to the total number of short-term rentals that should be allowed in town to preserve the residential and commercial integrities of neighborhoods. Concern has also been expressed that the conversion of potentially long-term rentals to short-term rentals will adversely affect the availability of affordable rentals for those hoping to become full time residents of the Town. A voluntary survey was conducted of Town residents and others and as a result of that survey and other input a proposed amendment to the short-term ordinance has been developed. The current short-term rental is the first attachment followed by the proposed amendment. The changes to Section 17-5.18 are so significant that changes highlighted in red would be confusing so that was not attempted. . The proposal would limit the total number of short-term rentals in the Town, create a waiting list for applicants, add additional regulations and increase the fine for violations.



processing and storage will be used, transported and disposed of in appropriate fashions. (Code 1973, § 17-5.17)

**Section. 17-5.18 Short-term rentals.**

(1) A short-term rental shall only be allowed where:

- a. The dwelling unit is used and managed by the owner as his/her primary residence, which means that he/she resides there for at least one hundred eighty-five days during each year or is a second home where the owner has a local representative or agent who will provide property management services on the owner's behalf. Any short-term rental unit operating on the date of the enactment of this ordinance shall be exempt from Section (1) a. of this ordinance. When applicable, this exemption shall be issued to the owner of record and shall not be transferrable.
- b. The number of adult (18 years old or older) guests residing in a short-term rental unit shall not exceed the number of permanent bed spaces in the unit. Children under 18 years of age may be accommodated using cots or sleeper sofas in common areas and shall not exceed a maximum of four (4) children.
- c. A short-term rental that is equipped with a swimming pool shall comply with the provisions of the Virginia Department of Health regulations contained in the Code of Virginia; 12 VAC 5-460.
- d. Any property utilized as a short term rental shall provide adequate off street parking for its guests. A minimum of one parking space per bedroom is required. If such parking cannot be provided on-site, the owner must submit a parking plan indicating how the parking requirement will be met. Such plan shall be reviewed and approved by the zoning administrator. No on-street parking shall be part of the plan;
- e. A short term rental shall have no more than two (2) rental contracts during any consecutive seven (7) day period and shall be limited to operating in one structure per property.
- f. A short-term rental shall comply with Article VI of Chapter 7 of the Town Code pertaining to the payment of Lodging Tax.
- g. To the extent permissible under state law, interconnected smoke detectors (which may be wireless), a fire extinguisher and, where natural gas or propane is present, carbon monoxide detectors shall be installed in each short term rental;
- h. A short-term rental shall comply with requirements of the Virginia Uniform Statewide Building Code, as determined by the Building Official;
- i. There shall be posted in a conspicuous place within the dwelling a summary provided by the zoning administrator of the Town Code sections pertaining to noise, open fires, fireworks, along with copies of the approved parking plan, solid waste



pickup schedule and rules, and emergency telephone numbers;

j. There shall be no outdoor amplified sound after 10:00 P.M. or before 10:00 A.M.;

(2) The following shall be filed with the zoning administrator with any application for a short-term rental permit:

a. Contact information for the owner of the short-term rental.

1. Proof of the applicant's ownership of the property that is the subject of the application.

2. If the property is a second home, the owner is to provide the contact information for their local representative or agent who will be responsible for the property in the owner's absence.

b. A floor plan of the short-term rental which identifies the location and number of bedrooms in the dwelling and the location of the items required in subsection (1) g of this section.

c. The owner or operator shall provide proof of liability insurance applicable to the rental activity at registration and renewal of at least one million dollars (\$1,000,000.00) underwritten by insurers acceptable to the town;

d. The owner or operator must provide the name and telephone number of a responsible person, who may be the owner, operator or an agent of the owner or operator, who is available to be contacted and to address conditions occurring at the short term rental who is capable of responding within thirty (30) minutes.

e. A permit fee in the amount of \$25.00.

(3) Use of a short-term rental shall require a permit issued by the zoning administrator. The owner of the short-term rental shall operate the same under all conditions of the issued permit, and subject to the following:

a. The owner of a short-term rental shall certify, in writing, compliance with the provisions of subsection (1) a through i of this section.

b. The owner of a short-term rental must obtain a business license from the Town Treasurer prior to operation of the short-term rental. The business license must remain current and active while operating.

c. The owner of a short-term rental must maintain a registry showing the names, addresses and telephone numbers of all short-term rental occupants. The owner must allow the zoning administrator and his/her designee to inspect such registry upon reasonable advance notice, to verify that the short-term rental is being operated in accordance with the provisions of this section and all conditions of the permit.



- d. A short-term rental permit shall be valid for one year from the date of issuance. It is the responsibility of the owner to renew the permit prior to expiration, by submitting an updated application as required in section (2) above.
- e. The payment of all real property taxes assessed against the short-term rental property must be current prior to the issuance of a short-term rental permit.
- f. A short-term rental permit requires the owner to agree to abide by all requirements of this zoning ordinance, and all other applicable federal, state and local laws.
- g. The permit may be revoked by the zoning administrator as set forth below; an applicant, or related owner whose short-term rental has been revoked pursuant to this paragraph, shall not be eligible to receive any new Short-term rental permit for one year:
  - 1. In the event that there are two or more violations recorded by the Town within a one year period; o r
  - 2. For failure to comply with the regulations set forth in this section, and any permit conditions; or
  - 3. For refusal to cooperate with the Town in a complaint investigation, including allowing the zoning administrator or his/her designee to enter the dwelling unit upon reasonable advance notice.
  - 4. Failure of an owner required to register a short-term rental with the Town shall result in a penalty in the amount of \$250.00 plus attorney's fees and court costs. Unless and until the owner pays the penalty and registers such property, he/she may not continue to offer such property for short-term rental.
  - 5. Upon repeated violations of this section, as it relates to a specific short-term rental property, an owner may be prohibited from registering and offering such property for short-term rental.

## **ARTICLE VI. PARKING AND LOADING FACILITIES**

### **Section 17-6.1. Intent.**

It is the intent of this Article to insure that adequate parking and loading spaces are provided within the Town of Urbanna when a building or structure is erected, substantially altered or undergoes a change in use or zoning. The provisions of this Article do not apply to existing buildings or structures unless there is a substantial change in its use.  
(Code 1973, § 17-6.1)

## Revised format for new STR ordinance

### I. Definition

- (a) A short-term rental (STR) is defined as a lodging house or room that is suitable or intended for occupancy for dwelling, sleeping or lodging purposes for a period of thirty (30) consecutive days or less, in exchange for a charge and /or fee for occupancy.

### II. Eligibility

(a) The owner or owner's agent must apply for and obtain a short-term rental permit to operate a short-term rental within Urbanna.

(b) The total number of STRs allowed to operate, for a 12 month period from June 1 to May 31 each year or from the date of initial permit until May 31, within the Town of Urbanna ( R-1, R-2, B-1, B-2) shall be limited to 15.

(c) All those property owners holding a current STR permit and in compliance, as of October 1, 2023, are grandfathered within the STR limit. As long they keep their STR permit current on an annual basis they may continue to operate. As soon as they fail to keep their permit current, they will be removed from the limit list of current permits and be required to reapply if the wish to operate a STR. Additionally, STR permit becomes void on the sale or transfer of the property.

(d) Once the maximum number of STR permits have been issued, a list (STR limit list) of all additional persons interested in applying for an STR permit shall be maintained in chronological order of date submitted. When an opening occurs, the next potential applicant on the STR limit list shall be contacted and offered an opportunity to apply for an STR permit. If that person elects not to apply for an STR permit at that time, their name shall be removed from the list.

(e) All persons, naturally born, or family trusts or personal LLCs of residents of the Town of Urbanna who wish to operate an STR within the R-1 district may apply for a STR permit. If space is available within the maximum number of STR permits the may apply for an STR permit without the need of a Special Use Permit.

(f) All persons, naturally born, or family trusts or personal LLCs of residents of the Town of Urbanna who wish to operate an STR on their property in the R-2, B-1 or B-2 districts may apply for a STR permit. If space is available within the maximum number of STR permits that entity may apply for an STR permit but before issuance of the STR permit also must apply for a Special Use Permit, which must be granted before the STR permit application will be processed. No space formerly used for commercial or retail use may be converted to an STR.

(g) An STR permit shall be valid for 12 months from the date of issue unless it is surrendered by the permit holder or terminated for cause before that date. The STR permit holder may apply for a subsequent STR permit prior to the expiration date of their STR permit and a renewal shall be granted if the applicant has submitted regularly requires monthly usage reports and has had rentals on which he has paid lodging tax for at least 3 months of the 12 month period.

### III. Restrictions

(a) No STR permit may be issued for a boat, recreational vehicle or trailer or boatel.

(b) No sign advertising the property as a STR is allowed. The name of the property may be on the sign but no other information. The size of the sign must conform the sign ordinance found in this Chapter 17.

(c) The applicant for an STR permit grants the Town the right to inspect for compliance with this ordinance prior to and after the STR permit is issued.

(d) The number of adult (18 years old or older) guest residing in an STR unit shall not exceed the number of permanent bed space in the unit. Children under 18 years of age may be accommodated using cots or sleeper sofas in common areas.

(e) A STR that is equipped with a swimming pool shall comply with the provisions of the Virginia department of Health regulations contained in the Code of Virginia; 12 VAC 5-460.

(f) Any property utilized as an STR shall provide adequate off-street parking for its guests. A minimum of one parking space per bedroom is required. If such parking cannot be provided on-site, the owner must submit a parking plan indicating how the parking requirement will be met. Such plan shall be reviewed and approved by the zoning administrator. No on-street parking shall be part of the plan; No over-night parking of recreational vehicles or trailers owned by STR guests is permitted either on the STR property or adjacent streets.

(g) A STR shall have no more than two (2) rental contracts during any consecutive seven (7) day period and shall be limited to operating in one structure per property.

(h) A STR shall comply with Article VI of Chapter 7 of the Town Code pertaining to the payment of Lodging Tax and submit monthly reports of occupancy to the Town Treasurer along with tax lodging tax if due.

(i) To the extent permissible under state law, interconnected smoke detectors (which may be wireless), a fire extinguisher, and where natural gases or propane is present, carbon monoxide detectors shall be installed in each STR;

(j) An STR shall comply with requirements of the Virginia Uniform Statewide Building Code, as determined by the Building Official;

(k) There shall be posted in a conspicuous place within the dwelling a summary provided by the zoning administrator of the Town Code sections pertaining to noise, open fires, fireworks, along with copies of the approved parking plan, solid waste pickup schedule and rules, and emergency telephone numbers;

(l) There shall be no outdoor amplified sound after 10:00 PM or before 10:00 AM

#### IV. Application

(1) The Following shall be filed with the zoning administrator with any application for a STR permit:

- a. Contact information for the owner of the STR.
  1. Proof of the applicant's ownership of the property that is the subject of the application.
  2. If the property is a second home or business location, the owner is to provide the contact information for their local representative or agent who will be responsible for the property in the owner's absence.
- b. A floor plan of the STR which identifies the location and number of bedrooms on the dwelling.
- c. A signed list to be provide to the applicant certifying that the property has and will continue to be in compliance with the restrictions enumerated in Section III – Restrictions, immediately above.
- d. The owner or operator shall provide proof of liability insurance applicable to the rental activity at registration and renewal of at least one million dollars (\$1,00,000.00) underwritten by insurers acceptable to the town;
- e. The owner or operator must provide the name and telephone number of a responsible person, who may be the owner, operator or an agent of the owner or operator, who is available to be contacted and to address conditions occurring at the short-term rental who is capable of responding within thirty (30) minutes.
- f. A permit fee in the amount of \$150.00

(2) Use of a STR shall require a permit issued by the zoning administrator. The owner of the short-term rental shall operate the same under all conditions of the issued permit, and subject to the following:

- a. The owner of a STR shall certify, in writing, compliance with the provisions of this ordinance. The owner of a STR obtain a business license from the Town Treasure prior to operation of the short-term rental. The business license must remain current and active while operating.
- b. The owner of a STR must maintain a registry showing the names, addresses and telephone numbers of all short-term rental occupants. The owner must allow the zoning administrator and his/her designee to inspect such registry upon reasonable

advance notice, to verify that the short-term rental is being operated in accordance with the provisions of this section and all conditions of the permit.

d. A short-term rental permit shall be valid for one year from the date of issuance. It is the responsibility of the owner to renew the permit prior to expiration, by submitting an updated application.

e. The payment of all property taxes against the short-term rental property must be current prior to the issuance or renewal of a short-term rental permit.

g. A short-term rental permit requires the owner to agree to abide by all requirements of this zoning ordinance, and all other applicable federal, state and local laws.

h. The permit may be revoked by the zoning administrator as set forth below; an applicant, or related owner whose short-term rental has been revoked pursuant to this paragraph, shall not be eligible to receive any new short-term rental permit for one year:

#### V. Enforcement and Penalties

(1) Failure of an owner required to register with the Town and obtain a current permit to operate an STR shall result in a penalty in the amount of \$250.00 per day plus attorney's fees and court costs from the date of notice that the property is not in compliance. Proof of advertisement for availability of the STR is sufficient evidence of owner's intent to operate.

(2) The permit may be revoked by the zoning administrator as set forth below:

(a) For failure to comply with the regulations set forth in this section, and any permit conditions;

(b) In the event there are two or more violations recorded by the Town within a one-year period without put adequate remediation as determined by the zoning administrator

(c) or refusal to cooperate with the Town in a complaint investigation, including allowing the zoning administrator or his/her designee to enter the dwelling unit upon reasonable advance notice.

(3)

An applicant, or related owner whose short-term rental has been revoked pursuant to this paragraph, shall not be eligible to receive any new short-term rental permit for one year

(4) The STR permit holder may be fined \$250.00 for each such violation. Unless and until the owner pays the penalty, the owner may not operate the STR.





**Agenda Item Summary  
October 12, 2023**

**Agenda Item: 11b-2021-2022 audit**

**Background:** For Council review





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# Town of Urbanna, Virginia

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## Annual Financial Report

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For the Year Ended June 30,  
2022

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Davis and Associates Certified Public Accountants, PLLC

10440 Little Patuxent Parkway  
Suite 300  
Columbia, Maryland 21044

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Town of Urbanna, Virginia

Financial Report

Fiscal Year Ended June 30, 2022

Town of Urbanna, Virginia

Financial Report  
Year Ended June 30, 2022

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**Town of Urbanna, Virginia**

Financial Report

Year Ended June 30, 2022

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**TOWN OF URBANNA, VIRGINIA**  
**DIRECTORY OF PRINCIPAL OFFICIALS**

**Town Council**

---

Barbara Hartley, Mayor  
Majorie Austin  
Larry Chowning  
Steven S. Hollberg  
William "Bill" Goldsmith  
Merri Hanson  
Bill Smith

**Official**

---

Garth Wheeler, Administrator

**Independent Auditor's Report**

**The Honorable Governing Body  
Town of Urbanna, Virginia**

**Opinions**

We have audited the accompanying financial statements of the governmental activities and business-type activities of the Town of Urbanna, Virginia ("The Town"), as of and for the year ended June 30, 2022, and the related notes to the financial statements which collectively comprise The Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities of the Town of Urbanna, Virginia, as of June 30, 2022, and the respective changes in financial position and cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Urbanna, Virginia, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Urbanna, Virginia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Urbanna, Virginia's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Urbanna, Virginia's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



## Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Urbanna, Virginia's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Davis & Associates*

Clarksville, Maryland  
May 23, 2023

**Town of Urbanna, Virginia**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**

The Management's Discussion and Analysis of the financial performance of the Town of Urbanna, Virginia (the "Town") provides an overall review of the Town's financial activities for the fiscal year ended June 30, 2022. The intent of this discussion and analysis is to look at the Town's financial performance as a whole. Readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the Town's financial performance.

**Financial Highlights**

Net position at June 30, 2022, for the Governmental and Business Type activities, was \$2,578,901 and \$964,877 respectively.

**Overview of the Financial Statements**

This annual report consists of two parts – management's discussion and analysis and the basic financial statements consisting of a *Statement of Net Position*; *Statement of Revenues, Expenses, and Changes in Net Position*; *Statement of Cash Flows*; and related footnotes. The Statement of Net Position represents the financial position of the Town and provides information about the activities of the Town, including all short-term and long-term financial resources and obligations. The Town's financial statements present two kinds of statements, each with a different snapshot of the Town's finances. The government-wide financial statements provide both long-term and short-term information about the Town's overall financial status. Both perspectives allow the user to address relevant questions, broaden the basis of comparison and enhance the Town's accountability.

**Government-Wide Financial Statements**

*Government-wide financial statements* are designed to provide readers with a broad overview of the Town's finances in a manner similar to a private-sector business. The *Statement of Net Position* (Exhibit 1) presents information on all Town assets and liabilities with the difference between the two reported as *net position*. Over time increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating. However, other non-financial factors will need to be considered, such as changes in the Town's property tax base and condition of the Town's infrastructure. The *Statement of Activities* (Exhibit 2) presents information identifying how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of when cash is received or paid.

In the ***Statement of Net Position*** (Exhibit 1) and the ***Statement of Activities*** (Exhibit 2), the Town is divided into the following:

Governmental activities - The Town's basic municipal services are reported here and include general government, public safety, building and grounds, highways and streets, community development, public health, and cultural and recreation. These activities are mainly supported by taxes and intergovernmental revenue.

Business-type activities - The Town charges user fees to customers to help offset all or most of the cost of the services provided. The business-type activities of the Town reported in this section include Water and Sewer Utility.

## Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the Taber Trust fund which are considered to be major funds. Data from the other governmental funds, the Historical Trust fund and the Grant's fund are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report. The Town adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

- **Proprietary Funds**

**Proprietary Funds** – The Town maintains proprietary funds to account for enterprise fund operations that report the same functions as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its water and sewer operations. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the fund.

## **Notes to the Financial Statements**

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the Town's progress in funding its obligations to provide pension benefits to its employees.

### **Government-Wide Financial Statements Analysis**

Net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred outflows of the Town of Urbanna exceeded liabilities and deferred inflows by \$3,543,778 as of June 30, 2022. The Town's net position decreased by \$12,854 for the fiscal year ended June 30, 2022.

Several particular aspects of the Town's financial operations positively influenced the total unrestricted governmental net position:

- Continued diligence in the collection of property taxes – \$265,383.
- Strong performance in charges for services - \$426,027.
- Surplus in the Net Pension Liability - \$(319,655).
- Meals tax of \$144,224 held steady from the prior year.
- Cost of garbage collection increased by 50 % to \$90,000.
- Town Offices relocated from 45 Cross Street to 390 B Virginia Street, requiring one-time expenditures for moving, construction, computer, and telephone system upgrades, all of which were expensed, not capitalized.
- Established new DMV Select Service for residence.
- The Town is not carrying any long-term debt.

**STATEMENT OF NET POSITION (Exhibit 1) – For the Fiscal Year Ended June 30, 2022, and 2021**

	2022			2021		
	Primary Government		Total	Primary Government		Total
	Governmental Activities	Business Type Activities		Governmental Activities	Business Type Activities	
<b>ASSETS</b>						
Cash and cash equivalents	\$ 599,578	\$ 673,542	\$ 1,273,121	615,969	\$ 389,331	\$ 1,005,299
Due to/from	-	96,171	96,171	-	-	-
Restricted assets:						
Temporarily restricted:						
Cash and cash equivalents	1,152,430	-	1,152,430	1,463,131	-	1,463,131
Capital assets (net of accumulated depreciation):						
Land	228,324	251,000	479,324	228,324	251,000	479,324
Other capital assets	318,843	10,802	329,645	318,843	10,802	329,645
Total assets	\$ 2,299,175	\$ 1,031,515	\$ 3,330,690	\$ 2,626,266	\$ 651,132	\$ 3,277,399
Deferred Outflow of Resources:						
Total Deferred Outflow of Resources	\$ -	-	-	31,849	-	31,849
Total Assets and Deferred Outflow of Resources	\$ 2,299,175	1,031,515	3,330,690	2,658,115	651,132	3,309,248
<b>LIABILITIES</b>						
Accounts payable and accrued liabilities	\$ (46,867)	\$ 50,536	\$ 3,669	(43,874)	\$ 46,241	\$ 2,367
Utility deposits	-	16,102	16,102	-	14,537	14,537
Long-term liabilities:						
Net Pension Liability	(319,655)	-	(319,655)	(264,288)	-	(264,288)
Total liabilities	\$ (366,522)	\$ 66,638	\$ (299,885)	\$ (308,162)	\$ 60,778	\$ (247,384)
Deferred Inflow of Resources:						
Total Deferred Inflow of Resources	\$ 86,797	-	86,797	-	-	-
Total Liabilities and Deferred Inflow of Resources	\$ (279,725)	66,638	(213,088)	(308,162)	60,778	(247,384)
<b>NET POSITION</b>						
Net investment in capital assets	\$ 866,822	\$ 261,802	\$ 1,128,624	843,304	\$ 261,802	\$ 1,105,106
Unrestricted (deficit)	1,712,079	703,075	2,415,154	2,122,973	328,553	2,451,526
Total net position	\$ 2,578,901	\$ 964,877	\$ 3,543,778	\$ 2,966,277	\$ 590,355	\$ 3,556,632

**STATEMENT OF ACTIVITIES (Exhibit 2) – For the Fiscal Year Ended June 30, 2022, and 2021**

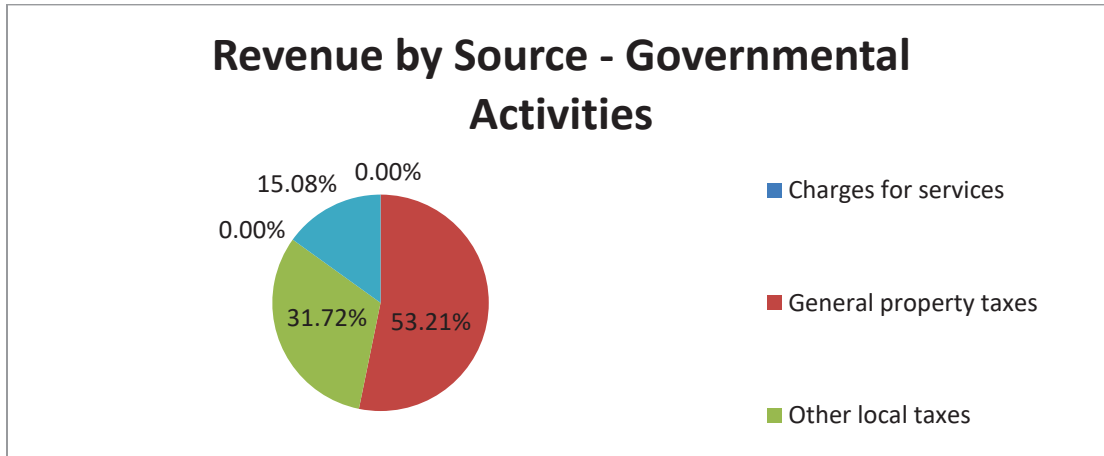
**Statement of Activities**

**Change in Net Position**

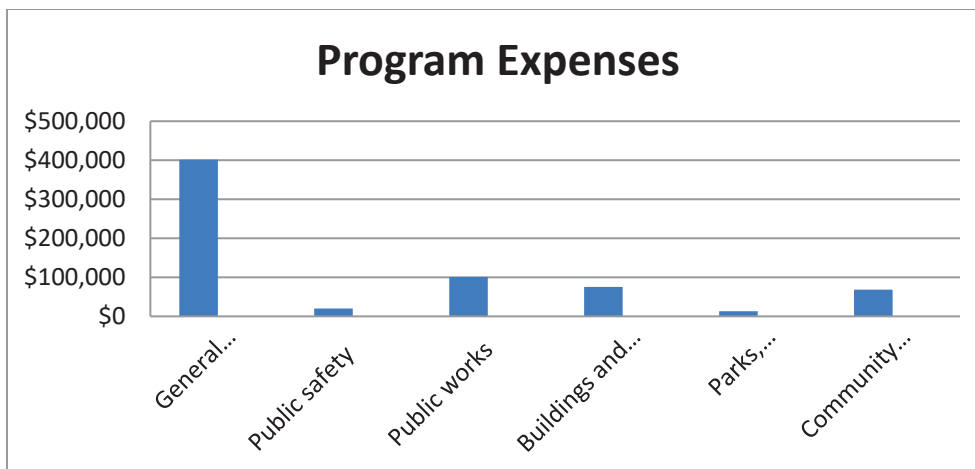
**For Fiscal Years Ending June 30, 2022 and 2021**

	Governmental Activities		Business - Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ -	\$ -	\$ 426,027	\$ 392,212	\$ 426,027	\$ 392,212
General revenues:						
General property taxes	265,383	271,589	-	-	265,383	271,589
Other local taxes	158,198	100,594	-	-	158,198	100,594
Restaurant and food taxes	144,225	125,174	-	-	144,225	125,174
Unrestricted revenues from the use of money and property	-	-	-	-	-	-
Miscellaneous	75,190	51,529	-	-	75,190	51,529
Total revenues	<u>\$ 642,997</u>	<u>\$ 548,886</u>	<u>\$ 426,027</u>	<u>\$ 392,212</u>	<u>\$ 1,069,024</u>	<u>\$ 941,098</u>
<b>Expenses:</b>						
General government	\$ 401,296	\$ 184,614	\$ -	\$ -	\$ 401,296	\$ 184,614
Public safety	20,200	17,003	-	-	20,200	17,003
Public works	100,892	111,599	-	-	100,892	111,599
Buildings and grounds	75,465	74,647	-	-	75,465	74,647
Parks, recreation and cultural	13,296	1,131	-	-	13,296	1,131
Community development	68,636	38,423	-	-	68,636	38,423
Enterprise funds	-	-	279,872	280,386	279,872	280,386
Total expenses	<u>\$ 679,786</u>	<u>\$ 427,418</u>	<u>\$ 279,872</u>	<u>\$ 280,386</u>	<u>\$ 959,658</u>	<u>\$ 707,803</u>
Increase (decrease) in net position before transfers	\$ (36,789)	\$ 121,468	\$ 146,155	\$ 111,826	\$ 109,366	\$ 233,295
Transfers	-	-	-	-	-	-
Increase (decrease) in net position	<u>\$ (36,789)</u>	<u>\$ 121,468</u>	<u>\$ 146,155</u>	<u>\$ 111,826</u>	<u>\$ 109,366</u>	<u>\$ 233,295</u>
Net position - beginning, as adjusted	2,615,689	2,844,808	818,722	478,528	3,434,411	3,323,336
Net position - ending	<u>\$ 2,578,901</u>	<u>\$ 2,966,277</u>	<u>\$ 964,878</u>	<u>\$ 590,355</u>	<u>\$ 3,543,778</u>	<u>\$ 3,556,632</u>

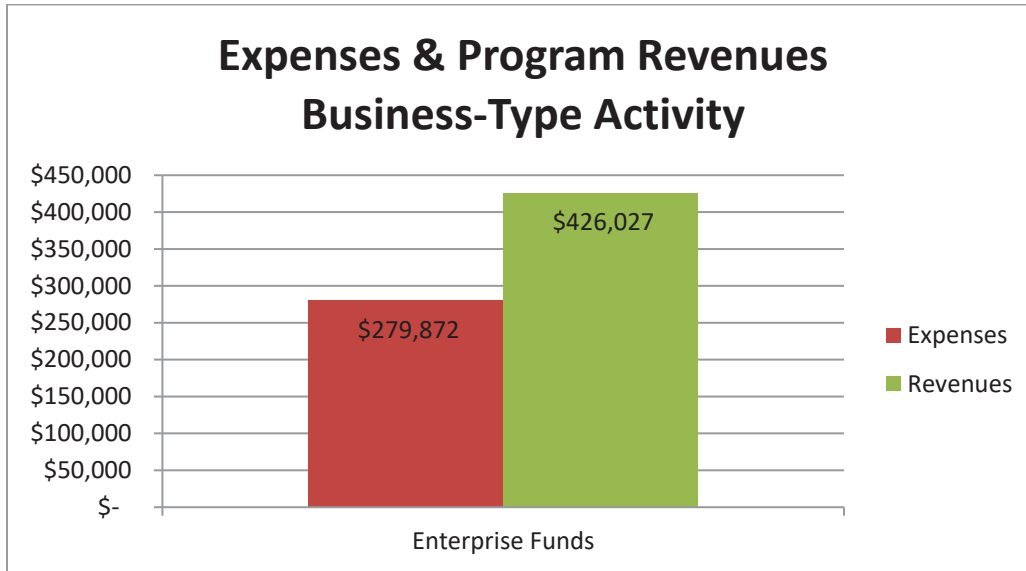
## Primary Government Revenues



## Primary Government Expenses



## Business Type Activities - Revenues and Expenses



### **Economic Factors and Future Outlook**

Presently, the Town is not aware of any significant changes in conditions that would have a significant effect on administrative expenses in the near future.

### **Contacting Town's Financial Management**

This financial report is designed to provide citizens, taxpayers, investors, and creditors with a general overview of the Town's finances and to reflect the Town's accountability for the monies it receives. The Town may be contacted at Town of Urbanna, Virginia - P.O. Box 179, Urbanna, Virginia 23175.







June 30, 2022

## Statement of Net Position

	<u>Primary Government</u>		<u>Total</u>
	<u>Governmental Activities</u>	<u>Type Activities</u>	
<b>ASSETS</b>			
Cash and cash equivalents	\$ 599,578	\$ 673,542	\$ 1,273,121
Due to/from	-	96,171	96,171
Restricted assets:			
Temporarily restricted:			
Cash and cash equivalents	1,152,430	-	1,152,430
Capital assets (net of accumulated depreciation):			
Land	228,324	251,000	479,324
Other capital assets	318,843	10,802	329,645
Total assets	<u>\$ 2,299,175</u>	<u>\$ 1,031,515</u>	<u>\$ 3,330,690</u>
Deferred Outflow of Resources:			
Total Deferred Outflow of Resources	\$ -	-	-
Total Assets and Deferred Outflow of Resources	<u>\$ 2,299,175</u>	<u>1,031,515</u>	<u>3,330,690</u>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	\$ (46,867)	\$ 50,536	\$ 3,669
Unreconciled overdraft	-	-	-
Utility deposits	-	16,102	16,102
Long-term liabilities:			
Net Pension Liability	(319,655)	-	(319,655)
Total liabilities	<u>\$ (366,522)</u>	<u>\$ 66,638</u>	<u>\$ (299,885)</u>
Deferred Inflow of Resources:			
Total Deferred Inflow of Resources	\$ 86,797	-	86,797
Total Liabilities and Deferred Inflow of Resources	<u>\$ (279,725)</u>	<u>66,638</u>	<u>(213,088)</u>
<b>NET POSITION</b>			
Net investment in capital assets	\$ 866,822	\$ 261,802	\$ 1,128,624
Unrestricted (deficit)	1,712,079	703,075	2,415,154
Total net position	<u>\$ 2,578,901</u>	<u>\$ 964,877</u>	<u>\$ 3,543,778</u>

The accompanying notes to the financial statements are an integral part of this statement

Year Ended June 30, 2022  
Statement of Activities

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes Primary Government		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmen tal Activities	Business- Type Activities	Total
<b>PRIMARY GOVERNMENT:</b>							
Governmental activities:							
General government							
administration:	\$ 405,419	\$ 4,122	\$ -	\$ -	\$ (401,296)	\$ -	\$ (401,296)
Public safety	20,200	-	-	-	(20,200)	-	(20,200)
Public works	100,892	-	-	-	(100,892)	-	(100,892)
Buildings and grounds	75,465	-	-	-	(75,465)	-	(75,465)
Parks, recreation, and cultural	13,296	-	-	-	(13,296)	-	(13,296)
Community development	68,636	-	-	-	(68,636)	-	(68,636)
Total governmental activities	\$ 683,908	\$ 4,122	\$ -	\$ -	\$ (679,786)	\$ -	\$ (679,786)
Business-type activities:							
Water	\$ 200,456	\$ 344,300	\$ -	\$ -	\$ -	\$ 143,844	\$ 143,844
Uptons Point	79,416	81,727	-	-	-	2,311	2,311
Total business-type activities	\$ 279,872	\$ 426,027	\$ -	\$ -	\$ -	\$ 146,155	\$ 146,155
Total primary government	\$ 963,780	\$ 430,149	\$ -	\$ -	\$ (679,786)	\$ 146,155	\$ (533,631)
General revenues:							
General property taxes					\$ 265,383	\$ -	\$ 265,383
Other local taxes					302,423	-	302,423
licenses					4,122	-	4,122
Miscellaneous					71,068	-	71,068
Total general revenues and transfers					\$ 642,997	\$ -	\$ 642,997
Changes in net position					(36,789)	146,155	109,366
Net position - beginning, as adjusted					2,615,689	818,722	3,434,411
Net position - ending					\$ 2,578,901	\$ 964,877	\$ 3,543,778

The accompanying notes to the financial statements are an integral part of this statement



June 30, 2022  
 Balance Sheet  
 Governmental Funds

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	<u>General</u>	<u>Permanen t Fund Taber Trust</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 467,164	\$ -	\$ 132,414	\$ 599,578
Due to/From 100 Fund	(96,171)	-	-	(96,171)
Restricted Assets				
Cash and cash equivalents	-	1,152,430	-	1,152,430
Total assets	<u>\$ 370,994</u>	<u>\$ 1,152,430</u>	<u>\$ 132,414</u>	<u>\$ 1,655,838</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 10,807	\$ 5,150	\$ 600	\$ 16,557
Accrued liabilities	<u>(63,425)</u>	<u>-</u>	<u>(9,375)</u>	<u>(72,800)</u>
Total liabilities	<u>\$ (52,617)</u>	<u>\$ 5,150</u>	<u>\$ (8,775)</u>	<u>\$ (56,242)</u>
Fund balances:				
Nonspendable:				
Corpus of historical trust fund	\$ -	\$ 1,152,430	\$ 132,414	\$ 1,284,844
Restricted:				
Residential benefit	-	-	-	-
Debt Service	-	-	-	-
Unassigned	<u>423,610</u>	<u>(5,150)</u>	<u>8,774</u>	<u>427,234</u>
Total fund balances	<u>\$ 423,610</u>	<u>\$ 1,147,280</u>	<u>\$ 141,188</u>	<u>\$ 1,712,079</u>
Total liabilities and fund balances	<u>\$ 370,994</u>	<u>\$ 1,152,430</u>	<u>\$ 132,414</u>	<u>\$ 1,655,838</u>

The accompanying notes to the financial statements are an integral part of this statement

June 30, 2022

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

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Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances per Exhibit 3 – Balance Sheet – Governmental Funds	\$		1,712,079
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:			
Land	\$	228,324	
Depreciable capital assets, net of accumulated depreciation		318,843	
Total capital assets			<u>547,167</u>
Deferred outflows of resources			
Deferred outflows of resources related to pensions are applicable to future periods and, are not reported in funds			<u>-</u>
Net Pension Liability			
Net Pension Liability			<u>319,655</u>
Net position of governmental activities	\$		<u><u>2,578,901</u></u>



Year Ended June 30, 2022

## Statement of Revenues, Expenditures and Changes in Fund Balances

## Governmental Funds

	General	Permanent Fund Taber Trust Fund	Other Government al Funds	Total
<b>REVENUES</b>				
General property taxes	\$ 265,383	\$ -	\$ -	\$ 265,383
Other local taxes	302,423	-	-	302,423
Permits, privilege fees, and regulatory licenses	4,122	-	-	4,122
Miscellaneous	71,068	-	-	71,068
Total revenues	<u>\$ 642,997</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 642,997</u>
<b>EXPENDITURES</b>				
Current:				
General government administration	\$ 373,570	\$ -	\$ -	\$ 373,570
Public safety	-	20,200	-	20,200
Public works	100,892	-	-	100,892
Buildings and grounds	75,465	-	-	75,465
Parks, recreation, and cultural	3,296	10,000	-	13,296
Community development	68,636	-	-	68,636
Total expenditures	<u>\$ 621,859</u>	<u>\$ 30,200</u>	<u>\$ -</u>	<u>\$ 652,059</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 21,138</u>	<u>\$ (30,200)</u>	<u>\$ -</u>	<u>\$ (9,062)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from debt issuance	\$ -	\$ -	\$ -	-
Transfers in	-	30,200	-	30,200
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ 30,200</u>	<u>\$ -</u>	<u>\$ 30,200</u>
Net change in fund balances	\$ 21,138	\$ -	\$ -	\$ 21,138
Fund balances - beginning, as adjusted	<u>402,472</u>	<u>\$ 1,147,280</u>	<u>\$ 141,188</u>	<u>\$ 1,690,940</u>
Fund balances - ending	<u>\$ 423,610</u>	<u>\$ 1,147,280</u>	<u>\$ 141,188</u>	<u>\$ 1,712,079</u>

Year Ended June 30, 2022

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of  
Governmental Funds to the Statement of Activities

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Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances – total governmental funds (Exhibit 5)	\$	21,138
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the capital outlays exceeded depreciation in the current period.	(58,373)
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Some expenses and other adjustments reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	447
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Change in net position of governmental activities	\$ <u>(36,789)</u>
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June 30, 2022

Statement of Net Position

Proprietary Fund

	<b>Business-Type Activities</b>		
	<b>Water Fund</b>	<b>Uptons Point Fund</b>	<b>Total Funds</b>
<b>ASSETS</b>			
Current assets:			
Cash	\$ 671,653	\$ 1,889	\$ 673,542
Due To/From	27,953	68,218	96,171
Total current assets	<u>\$ 699,606</u>	<u>\$ 70,107</u>	<u>\$ 769,713</u>
Noncurrent assets:			
Capital assets:			
Land	\$ 251,000	-	\$ 251,000
Other capital assets	1,632,962	-	1,632,962
Less accumulated depreciation	(1,622,160)	-	(1,622,160)
Total capital assets	<u>\$ 261,802</u>	<u>\$ -</u>	<u>\$ 261,802</u>
Total noncurrent assets	<u>\$ 261,802</u>	<u>\$ -</u>	<u>\$ 261,802</u>
Total assets	<u>\$ 961,408</u>	<u>\$ 70,107</u>	<u>\$ 1,031,515</u>
Deferred Outflow of Resources:			
Total Deferred Outflow of Resources	\$ -	\$ -	\$ -
Total Assets and Deferred Outflow of Resources	<u>\$ 961,408</u>	<u>\$ 70,107</u>	<u>\$ 1,031,515</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 49,447	\$ 1,089	\$ 50,536
Utility deposits	16,102	-	16,102
Total current liabilities	<u>\$ 65,549</u>	<u>\$ 1,089</u>	<u>\$ 66,638</u>
Noncurrent liabilities:			
Long-term liabilities	\$ -	\$ -	\$ -
Total noncurrent liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>\$ 65,549</u>	<u>\$ 1,089</u>	<u>\$ 66,638</u>
Deferred Inflow of Resources:			
Total Deferred Inflow of Resources	\$ -	\$ -	\$ -
Total Liabilities and Deferred Inflow of Resources	<u>\$ 65,549</u>	<u>\$ 1,089</u>	<u>\$ 66,638</u>
<b>NET POSITION</b>			
Net investment in capital assets	\$ 261,802	-	\$ 261,802
Unrestricted	634,057	69,018	703,075
Total net position	<u>\$ 895,859</u>	<u>\$ 69,018</u>	<u>\$ 964,877</u>

The accompanying notes to the financial statements are an integral part of this statement

Year Ended June 30, 2022  
Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Fund

	<u>Business-Type Activities</u>		
	<u>Water Fund</u>	<u>Uptons Point Fund</u>	<u>Total Funds</u>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 344,300	\$ 81,727	\$ 426,027
Total operating revenues	<u>\$ 344,300</u>	<u>\$ 81,727</u>	<u>\$ 426,027</u>
<b>OPERATING EXPENSES</b>			
Personnel services	\$ -	\$ -	\$ -
Fringe benefits	-	-	-
Contractual services	-	-	-
Other charges	200,456	79,416	279,872
Materials and supplies	-	-	-
Depreciation	-	-	-
Total operating expenses	<u>\$ 200,456</u>	<u>\$ 79,416</u>	<u>\$ 279,872</u>
Operating income (loss)	<u>\$ 143,844</u>	<u>\$ 2,311</u>	<u>\$ 146,155</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Total nonoperating revenues (expenses)	\$ -	\$ -	\$ -
Income before contributions and transfers	<u>\$ 143,844</u>	<u>\$ 2,311</u>	<u>\$ 146,155</u>
<b>Transfers In</b>	\$ -	\$ -	\$ -
<b>Transfers Out</b>	-	-	-
Change in net position	\$ 143,844	\$ 2,311	\$ 146,155
Total net position - beginning	<u>752,015</u>	<u>66,707</u>	<u>818,722</u>
Total net position - ending	<u>\$ 895,859</u>	<u>\$ 69,018</u>	<u>\$ 964,877</u>

Year Ended June 30, 2022  
Statement of Cash Flows  
Proprietary Fund

	<u>Business-Type Activities</u>		
	<u>Water Fund</u>	<u>Upton's Point Fund</u>	<u>Total Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 344,300	\$ 81,727	\$ 426,027
Payments to employees and on behalf of employees	-	-	-
Payments to suppliers	<u>(200,456)</u>	<u>(79,416)</u>	<u>(279,872)</u>
Net cash provided (used) by operating activities	<u>\$ 143,844</u>	<u>\$ 2,311</u>	<u>\$ 146,155</u>
<b>CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Increase (decrease) in due to other funds	\$ -	\$ -	\$ -
Adjustments to Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided (used) by noncapital and related financing activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Principal payments on debt	\$ -	\$ -	\$ -
Net cash provided (used) by capital and related financing activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net increase (decrease) in cash and cash equivalents	\$ 143,844	\$ 2,311	\$ 146,155
Cash and cash equivalents - beginning	<u>527,809</u>	<u>(423)</u>	<u>527,387</u>
Cash and cash equivalents - ending	<u>\$ 671,653</u>	<u>\$ 1,889</u>	<u>\$ 673,542</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</b>			
Operating income (loss)	\$ 143,844	\$ 2,311	\$ 146,155
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	\$ -	\$ -	\$ -
Changes in operating accounts			
Accounts receivable	-	-	-
Accounts payable and accrued liabilities	-	-	-
Customer deposits	<u>-</u>	<u>-</u>	<u>-</u>
Total adjustments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net cash provided (used) by operating activities	<u>\$ 143,844</u>	<u>\$ 2,311</u>	<u>\$ 146,155</u>

## NOTES TO THE PRINCIPAL FINANCIAL STATEMENTS

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Narrative Profile

The Town of Urbanna (the “Town”), located in Middlesex County, Virginia, approximately 45 miles from Williamsburg, Virginia, was incorporated in 1902. The town has a population of 476 and a land area of .42 square miles.

The Town is governed under the Council-Manager form of government. The Town government engages in wide ranges of municipal services including general government administration, public safety, public works, park and recreation, cultural and community development. Judicial administration, education, fire, library, health and welfare services are provided by Middlesex County.

The financial statements of the Town of Urbanna, Virginia have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units promulgated by the Governmental Accounting Standards Board (GASB). The more significant of the government’s accounting policies are described below.

#### **A. Financial Reporting Entity**

Management’s Discussion and Analysis: GASB Statement No. 34 requires that financial statements be accompanied by a narrative introduction and analytical overview of the government’s financial activities in the form of “Management’s Discussion and Analysis” (MD&A). This analysis is similar to the analysis the private sector provides in their annual reports.

Government-Wide Financial Statements: The reporting model includes financial statements prepared using full accrual accounting for all of the government’s activities. This approach includes not just current assets and liabilities (such as cash and accounts payable) but also capital assets and long-term liabilities (such as buildings and infrastructure, including bridges and roads, and general obligation debt). Accrual accounting also reports all of the revenues and costs of providing services each year, not just those received or paid in the current year or soon thereafter.

Statement of Net Position: The Statement of Net Position is designed to display the financial position of the primary government (government and business-type activities) and its discretely presented component units. Governments report all capital assets, including infrastructure, in the government-wide Statement of Net Position and report depreciation expense – the cost of “using up” capital assets – in the Statement of Activities. The net position of a government will be broken down into three categories: 1) Net investment in capital assets; 2) restricted; and 3) unrestricted.

Statement of Activities: The government-wide Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the government’s functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

Fund Financial Statements: Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Budgetary Comparison Schedules: Demonstrating compliance with the adopted budget is an important component of a government’s accountability to the public. Many citizens participate in the process of establishing the annual operating budgets of state and local governments, and have a keen interest in following the actual financial progress of their governments over the course of the year. The Town and many other governments revise their original budgets over the course of the year for a variety of reasons. The budgetary comparison schedules present the government’s original budget to the current comparison of final budget and actual results for its major funds.

**A. Financial Reporting Entity (continued)**

Accounting principles generally accepted in the United States require financial statements to present the primary government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. The Town has no component units that meet the requirements for blending. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide statements to emphasize they are legally separate from the primary government. The Town does not have any discretely presented component units.

**B. Government-Wide and Fund Financial Statements**

The basic financial statements include both government-wide and fund financial statements. The focus is on both the Town as a whole and the fund financial statements, including the major individual funds of the governmental and business-type categories, as well as fiduciary funds (by category) and the component units, if applicable. Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business type. In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reflected on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. Each presentation provides valuable information that can be analyzed and compared (between years and between governments) to enhance the usefulness of the information. The Town generally first uses restricted assets for expenses incurred for which both restricted and unrestricted assets are available. The Town may defer the use of restricted assets based on a review of the specific transaction.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (public safety, public works, community development, etc.) that are otherwise being supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants, and contributions. The program and revenues must be directly associated with the function (public safety, public works, community development, etc.) or a business-type activity. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues. The Town does not allocate indirect expenses. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. Internal service charges, if applicable, are eliminated and the net income or loss from internal service activities is allocated to the various functional expense categories based on the internal charges to each function. In the fund financial statements, financial transactions and accounts of the Town are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The fund statements are presented on a current financial resource measurement focus and modified accrual basis of accounting. This is the manner in which these funds are normally



**B. Government-Wide and Fund Financial Statements (continued)**

budgeted. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented that briefly explains the adjustment necessary to reconcile the fund financial statements to the governmental column of the government-wide financial statements.

Proprietary fund operating revenues consist of charges for services and related revenues. Non-operating revenues consist of contributions, grants, investment earnings and other revenues not directly derived from the providing of services.

The Town applies all GASB pronouncements as well as the Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements.

The following is a brief description of the specific funds used by the Town in FY 2022.

1. *Governmental Funds* – Governmental Funds account for and report the expendable financial resources, other than those accounted for and reported in Proprietary and Fiduciary Funds. The Governmental Funds utilize the modified accrual basis of accounting where the measurement focus is upon determination of financial position and changes in financial position, rather than upon net income determination as would apply to a commercial enterprise. The individual Governmental Funds are:

*General Fund* – The General Fund accounts for and reports all revenues and expenditures of the Town which are not accounted for and reported in the other funds. Revenues are primarily derived from general property taxes, other local taxes, licenses and permits, and revenues from other governmental units. The General Fund is considered a major fund for financial reporting purposes.

*Permanent Funds* – Permanent Funds are used to account for resources that are legally restricted to the extent that only the earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government of its citizenry. Permanent Funds include the following funds:

*Taber Trust Fund* – The income generated from this fund can only be used for recreational and charitable purposes. To date the funds are primarily used to cover expenses of the pool and contributions to the library, fire and rescue squads. This fund is reported as a major fund of the Town.

*Historic Trust Fund* – The income generated from this fund is used to promote, enhance or maintain the historic character of the Town. This fund is reported as a non-major fund of the Town.

2. *Enterprise Funds* – Enterprise Funds account for the financing of services to the general public where all or most of the operating expenses involved are recorded in the form of charges to users of such services. Enterprise Funds consist of the Water Fund and the Upton's Point Fund.

**C. Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total position.

1. *Governmental Funds* – Governmental funds utilize the modified accrual basis of accounting under which revenues and related assets are recorded when measurable and available to finance operations during the year. Accordingly, real and personal property taxes are recorded as revenues and receivables when billed, net of allowances for uncollectible amounts, except that property taxes not collected within 45 days after year-end are reflected as deferred revenues. Sales and utility taxes, which are collected by the State or utilities and subsequently remitted to the Town, are recognized as revenues and receivables upon collection by the State or utility, which is generally in the month preceding receipt by the Town. Licenses, permits, fines and rents are recorded as revenues when received. Intergovernmental revenues, consisting primarily of State and other grants for the purpose of funding specific expenditures, are recognized when measurable and available or at the time of the specific expenditure.

Expenditures, other than interest on long-term debt, are recorded as the related fund liabilities are incurred. Principal and interest on long-term debt are recognized when due, except for amounts due on July 1, which are accrued.

2. *Proprietary Funds* – The accrual basis of accounting is used for the Enterprise Fund. Under the accrual method, revenues are recognized in the accounting period in which they are earned, while expenses are recognized in the accounting period in which the related liability is incurred.

**D. Budgets and Budgetary Accounting**

The following procedures are used by the Town in establishing the budgetary data reflected in the financial statements:

1. Prior to May 1, the Town Manager submits to the Town Council a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating and capital budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain citizen comments.
3. Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution.
4. The Appropriations Resolution places legal restrictions on expenditures at the department or category level. The appropriation for each department or category can be revised only by the Town Council. The Town Administrator is authorized to transfer budgeted amounts within departments.
5. Formal budgetary integration is employed as a management control device during the year for all funds.
6. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued**

**D.            Budgets and Budgetary Accounting (continued)**

- 7. Appropriations lapse on June 30 for all Town funds unless they are carried forward by a resolution of Town Council.
- 8. All budgetary data presented in the accompanying financial statements reflect budget reviews as of June 30.

**E.            Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, cash and cash equivalents include all cash on hand and in banks, certificates of deposit, and highly liquid investments with maturities of three months or less.

**F.            Receivables and Payables**

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**G.            Capital Assets**

Capital outlays are recorded as expenditures of the governmental funds of the Town, and as assets in the government-wide financial statements.

Property, plant and equipment purchases are stated at cost or estimated cost. Donated property is recorded at the prevailing market value at date of donation. Depreciation is recorded on capital assets on a government-wide basis or in the Proprietary Funds using the straight-line method and the following estimated useful lives:

Buildings and improvements	33.5 years
Water system	25 years
Office and other equipment	5–25 years
Vehicles	5 years

**H.            Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 1                      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued**

**I.                      Allowance for Uncollectible Amounts**

The Town calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance for uncollectible taxes is \$1,090.30 at June 30, 2022.

**J.                      Compensated Absences**

The Town accrues compensated absences (annual and sick leave benefits) when vested. The amounts include all balances earned by employees, which would be paid upon employee terminations, resignations or retirements.

An estimate of ten percent of the liability has been classified as current in the government-wide financial statements.

**K.                      Fund Equity**

Beginning with fiscal year 2011, the Town implemented GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- *Nonspendable fund balance* – amounts that are not in spendable form (such as inventory and prepaids) or are required to be maintained intact (corpus of a permanent fund);
- *Restricted fund balance* – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation;
- *Committed fund balance* – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- *Assigned fund balance* – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- *Unassigned fund balance* – amounts that are available for any purpose; positive amounts are only reported in the general fund.

When fund balance resources are available for a specific purpose in more than one classification, it is the Town's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

Town Council establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by Town Council through adoption or amendment of the budget as intended for specific purpose (such as the purchase of capital assets, construction, debt service, or for other purposes).

**NOTE 2            PROPERTY TAXES RECEIVABLE**

Property is assessed at its value on January 1. Property taxes attach as an enforceable lien on property as of January 1. Taxes are payable December 5<sup>th</sup>. The Town bills and collects its own property taxes.

**NOTE 3            DEPOSITS AND INVESTMENTS**

Deposits

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the “Act”) Section 2.2-4400 et. seq. of the Code of Virginia. Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial Institutions may choose between two collateralization methodologies and, depending upon that choice, will pledge collateral that ranges in amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

Investments

Statutes authorize the Town to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, “prime quality” commercial paper and certain corporate notes, banker’s acceptances, repurchase agreements and the State Treasurer’s Local Government Investment Pool (LGIP). The Town had no investments at June 30, 2022.

**NOTE 4            INTERFUND BALANCES AND ACTIVITY**

There were no interfund receivables, payables or related activity as of June 30, 2022.

**NOTE 5            DUE FROM OTHER GOVERNMENTAL UNITS**

There were no amounts due from other governments at June 30, 2022.

**NOTE 6            DEFERRED REVENUE**

There were no deferred revenue amounts at June 30, 2022.

**NOTE 7 CAPITAL ASSETS**

The following is a summary of changes in capital assets during the fiscal year:

	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 228,324	\$ -	\$ -	\$ 228,324
Total capital assets not being depreciated	<u>\$ 228,324</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 228,324</u>
Capital assets being depreciated:				
Buildings and improvements	\$ 1,070,437	\$ -	\$ -	\$ 1,070,437
Office and other equipment	<u>303,068</u>	<u>-</u>	<u>-</u>	<u>303,068</u>
Total capital assets being depreciated	<u>\$ 1,373,505</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,373,505</u>
Less accumulated depreciation for:				
Buildings and improvements	\$ 756,023	\$ 52,120	\$ -	\$ 808,143
Office and other equipment	<u>240,265</u>	<u>6,253</u>	<u>-</u>	<u>246,519</u>
Total accumulated depreciation	<u>\$ 996,289</u>	<u>\$ 58,373</u>	<u>\$ -</u>	<u>\$ 1,054,662</u>
Total capital assets being depreciated, net	<u>\$ 377,216</u>	<u>\$ (58,373)</u>	<u>\$ -</u>	<u>\$ 318,843</u>
Governmental activities capital assets, net	<u><u>\$ 605,540</u></u>	<u><u>\$ (58,373)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 547,167</u></u>

Depreciation expense has been allocated as follows:

General government administration	\$ 15,120
Public works	41,231
Parks, recreation and cultural	<u>2,023</u>
Total depreciation expense	<u><u>\$ 58,373</u></u>

**NOTE 7 CAPITAL ASSETS continued**

	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Business-type activities:</b>				
Capital assets not being depreciated:				
Land	\$ 251,000	\$ -	\$ -	\$ 251,000
Total capital assets not being depreciated	<u>\$ 251,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 251,000</u>
Capital assets being depreciated:				
Water system	\$ 1,493,801	\$ -	\$ -	\$ 1,493,801
Vehicles	25,865	-	-	25,865
Office and other equipment	<u>113,296</u>	<u>-</u>	<u>-</u>	<u>113,296</u>
Total capital assets being depreciated	<u>\$ 1,632,962</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,632,962</u>
Less accumulated depreciation for:				
Water system	\$ 1,493,801	\$ -	\$ -	\$ 1,493,801
Vehicles	25,865	-	-	25,865
Office and other equipment	<u>100,567</u>	<u>1,927</u>	<u>-</u>	<u>102,494</u>
Total accumulated depreciation	<u>\$ 1,620,233</u>	<u>\$ 1,927</u>	<u>\$ -</u>	<u>\$ 1,622,160</u>
Total capital assets being depreciated, net	<u>\$ 12,729</u>	<u>\$ (1,927)</u>	<u>\$ -</u>	<u>\$ 10,802</u>
Business-type activities capital assets, net	<u><u>\$ 263,729</u></u>	<u><u>\$ (1,927)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 261,802</u></u>
Depreciation expense has been allocated as follows:				
Total depreciation expense		<u><u>\$ 1,927</u></u>		

**NOTE 8 LONG-TERM OBLIGATIONS**

The following is a summary of long-term obligations for the fiscal year ended June 30, 2022:

**Incurred by Town**

Net pension liability	\$ <u>(319,655)</u>
Total governmental obligations	\$ <u><u>(319,655)</u></u>

**NOTE 9 CLAIMS, JUDGMENTS AND COMPENSATED ABSENCES**

In accordance with GASB Statement 16, *Accounting and Financial Reporting for Claims, Judgments and Compensated Absences*, the Town has accrued the liability arising from outstanding claims and judgments and compensated absences. Town employees earn vacation and sick leave based upon length of service. The Town has no outstanding accrued vacation pay.

**NOTE 10 DEFINED BENEFIT PENSION PLAN**

**Plan Description**

Name of Plan: Virginia Retirement System (VRS)  
Identification of Plan: Agent and Cost-Sharing, Multiple-Employer Defined Benefit Pension Plan  
Administering Entity: Virginia Retirement System (System)

All full-time, salaried permanent employees of the Town, (the “Political Subdivision”) are automatically covered by the VRS Retirement Plan upon employment. This multi-employer agent plan is administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the *Code of Virginia*, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

The System administers three different benefit structures for covered employees – Plan 1, Plan 2, and Hybrid. Each of these benefit structures has a different eligibility criteria. The specific information for each plan and the eligibility for covered groups within each plan are available at:

<https://www.varetire.org/retirement-plans/defined-benefit/plan1>

<https://www.varetire.org/retirement-plans/defined-benefit/plan2>

<https://www.varetirement.org/hybrid.html>

The System issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for VRS. A copy of the most recent report may be obtained from the VRS website at <http://www.varetire.org/Pdf/Publications/2021-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.



**NOTE 10            DEFINED BENEFIT PENSION PLAN - continued**

**Employees Covered by Benefit Terms**

As of the June 30, 2019, actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	<u>Town</u>
Inactive members or their beneficiaries currently receiving benefits.	6
Inactive Members	
Vested	3
Non-vested	3
LTD	0
Active elsewhere in VRS	<u>3</u>
Total Inactive Members	9
Active Members	<u>2</u>
Total	<u><u>17</u></u>

**Contributions**

Contributions The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement.

The Town’s contractually required contribution rate for the year ended June 30, 2022 was 6.75% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019.

When combined with employee contributions, this rate was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Town were \$7,703 and \$7,700 for the years ended June 30, 2022 and June 30, 2021, respectively.

**Net Pension Liability**

The net pension liability is calculated separately for each employer and represents that particular employer’s total pension liability determined in accordance with GASB Statement No. 68, less that employer’s fiduciary net position. For political subdivisions, the net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2020, rolled forward to the measurement date of June 30, 2021.

**Actuarial Assumptions**

The total pension liability for General Employees in the Political Subdivision’s Retirement Plan was based on an actuarial valuation as of June 30, 2020, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021.

**NOTE 10            DEFINED BENEFIT PENSION PLAN - continued**

Inflation	2.50%
General Employees – Salary increases, including inflation	3.50 – 5.35%
Investment rate of return	6.75%, net of pension plan investment expense, including inflation*

\*Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 6.75%. However, since the difference was minimal, and a more conservative 6.75% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 6.75% to simplify preparation of pension liabilities.

Mortality rates:

Largest 10 – (Non 10 Largest) – Hazardous Duty; 45% of deaths are assumed to be service related.

Pre-Retirement:

RP-2014 Employee Rates to age 80, Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2022; males 95% of rates; females 105% of rates.

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2021; males set forward 1 year, 1.0% increase compounded from ages 70 to 90; females set forward 3 years.

Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2021; males set forward 2 years; unisex using 100% male.

All Others (Non 10 Largest) – Non-Hazardous Duty: 45% of deaths are assumed to be service related.

Pre-Retirement:

RP-2014 Employee Rates to age 80, Healthy Annuitant Rates at ages 81 and older projected with scale BB to 2022; males 95% of rates; females 105% of rates.

Post-Retirement:

RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2021; males set forward 1 year, 1.0% increase compounded from ages 70 to 90; females set forward 3 years.

Post-Disablement:

RP-2014 Disability Mortality Rates projected with scale BB to 2021; males set forward 2 years; unisex using 100% male.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

**NOTE 10            DEFINED BENEFIT PENSION PLAN - continued**

All Others (Non 10 Largest) – Non-Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to a more current mortality table – RP-2014 projected to 2021
Retirement Rates	Lowered rates at older ages and changed final retirement from 70-75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increase rate from 14% to 15%
Discount Rate	Decrease rate from 7.00% to 6.75%

All Others (Non 10 Largest) – Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to a more current mortality table – RP-2014 projected to 2021
Retirement Rates	Increased age 50 rates, and lowered rates at older ages
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Adjusted rates to better fit experience
Salary Scale	No change
Line of Duty Disability	Decrease rate from 60% to 45%
Discount Rate	Decrease rate from 7.00% to 6.75%

**Long-Term Expected Rate of Return**

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long- Term Expected Real Rate of Return	Weighted Average Long-Term Expected Real Rate of Return
Public Equity	34.00%	4.65 %	1.58 %
Fixed Income	15.00%	0.46 %	0.07 %
Credit Strategies	14.00%	5.38 %	0.75 %
Real Assets	14.00%	5.01 %	0.70 %
Private Equity	14.00%	8.34 %	1.17 %
MAPS - Multi-Asset Public Strategies	6.00%	3.04 %	0.18 %
PIP - Private Investment Partnership	3.00%	6.49 %	0.19 %
Total	100.00%		4.64%
	Inflation		2.50%
	*Expected arithmetic nominal return		7.14%

**NOTE 10                      DEFINED BENEFIT PENSION PLAN - continued**

\*The above allocation provides a one-year return of 7.14%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.11%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation. More recent capital market assumptions compiled for the FY2021 actuarial valuations, provide a median return of 6.81%.

**Discount Rate**

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; political subdivisions were also provided with an opportunity to use an alternate employer contribution rate. For the year ended June 30, 2021, the alternate rate was the employer contribution rate used in FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2017, actuarial valuations, whichever was greater. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

**Changes in Net Pension Liability**

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Total pension liability	\$ 785,797	\$ 1,093,819	\$ (308,022)
Service cost	11,737	-	11,737
Interest	51,443	-	51,443
Changes in benefit terms	-	-	-
Changes in assumptions	-	-	-
Difference between expected and actual experience	6,967	-	6,967
Contributions - employer	-	717	(717)
Contributions - employee	-	5,756	(5,756)
Net investment income	-	20,691	(20,691)
Benefit payments, including refunds of employee contributions	(47,366)	(47,366)	-
Administrative expense	-	(727)	727
Other changes	-	(24)	24
Net change in total pension liability	22,781	(20,953)	43,734
Balance at June 30, 2020	\$ 808,578	\$ 1,072,866	\$ (264,288)

**NOTE 10            DEFINED BENEFIT PENSION PLAN - continued**

**Sensitivity of the Political Subdivision’s Proportionate Share of the Net Pension Liability to Changes in the Changes in the Discount Rate**

The following presents the political subdivision’s and school division’s proportionate share of the net pension liability using the discount rate of 6.75%, as well as what the political subdivision’s and school division’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
Net Pension Liability (Asset)	\$ <u>(177,524)</u>	\$ <u>(264,288)</u>	\$ <u>(337,765)</u>

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2022, the Town recognized pension expense of \$7,203 at June 30, 2022, the Town’s deferred outflows of resources were \$31,849.

Deferred outflows of resources related to pensions resulting from contributions, subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

<u>Year Ended June 30</u>	
2022	\$ 337
2023	10,120
2024	11,043
2025	10,349
2026	-
Thereafter	-

**Pension Plan Data**

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2019 Comprehensive Annual Financial Report (CAFR). A copy of the 2019 VRS CAFR may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2021-annual-report.pdf>, or by writing to the System’s Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

**NOTE 11            CONTINGENT LIABILITIES**

As of June 30, 2022, there were no matters of litigation involving the Town that would materially affect the Town’s financial position should any court decisions on pending matters not be favorable to the Town.

**NOTE 12            SURETY BONDS**

	<u>Amount</u>
Virginia Department of Risk Management:	
Town Administrator	\$ 50,000
Blanket bond - all employees	50,000

**NOTE 13 EXPENDITURES IN EXCESS OF APPROPRIATIONS**

There were no expenditures in excess of appropriations.

**NOTE 14 DEFICIT NET POSITION**

At June 30, 2022, no funds had a deficit balance.

**NOTE 15 ADJUSTMENTS TO BEGINNING BALANCES**

Fund	<u>Net Position</u> Governmental Activities	<u>Net Position</u> Business Type Activities
Beginning net position/fund balances as previously reported, 6/30/21	\$ 2,844,808	\$ 478,528
Correction of capital assets and depreciation	<u>(229,119)</u>	<u>340,194</u>
Beginning net position/fund balances as restated, 7/1/22	\$ <u><u>2,615,689</u></u>	\$ <u><u>818,722</u></u>

**NOTE 16 SUBSEQUENT EVENTS**

Events or transactions sometimes occur subsequent to the balance-sheet date, but prior to the issuance of the financial statement that have a material effect on the financial statements and therefore require adjustment or disclosure in the statements. In accordance with AU Section 560 – the entity is required to disclose those events – that if not disclosed – would cause the financial statements to be misleading. Subsequent events are evaluated through May 23, 2023, the date which the financial statements were available.

**REQUIRED SUPPLEMENTARY INFORMATION**

**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION**

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Presented budgets were prepared in accordance with accounting principles generally accepted in the United States of America.

Year Ended June 30, 2022

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual  
General Fund

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
General property taxes	\$ 263,300	\$ 263,300	\$ 265,383	\$ 2,083
Other local taxes	206,050	206,050	302,423	96,373
Permits, privilege fees, and regulatory licenses	2,200	2,200	4,122	1,922
Miscellaneous	52,000	52,000	71,068	19,068
Intergovernmental revenues	-	-	-	-
Total revenues	<u>\$ 523,550</u>	<u>\$ 523,550</u>	<u>\$ 642,997</u>	<u>\$ 119,447</u>
<b>EXPENDITURES</b>				
Current:				
General government administration	\$ 274,838	\$ 274,838	\$ 373,570	\$ (98,732)
Public safety	17,000	17,000	-	17,000
Public works	84,500	84,500	100,892	(16,392)
Buildings and grounds	51,635	51,635	75,465	(23,830)
Parks, recreation, and cultural	20,312	20,312	3,296	17,016
Community development	75,265	75,265	68,636	6,629
Total expenditures	<u>\$ 523,550</u>	<u>\$ 523,550</u>	<u>\$ 621,859</u>	<u>\$ (98,309)</u>
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ 21,138	\$ 21,138
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	\$ -	\$ -	\$ -	\$ -
Transfers in	-	-	-	-
Total other financing sources and uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances	\$ -	\$ -	\$ 21,138	\$ 21,138
Fund balances - beginning	-	-	402,472	402,472
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 423,610</u>	<u>\$ 423,610</u>





Year Ended June 30, 2022  
 Schedule of Revenues – Budget and Actual  
 General Fund

Fund, Major and Minor Revenue Source	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Real property taxes	\$ 250,000	\$ 253,331	\$ 3,331
Real property taxes - delinquent	1,500	1,122	(378)
Public service corporation taxes	3,200	1,558	(1,642)
Personal property taxes	8,000	8,476	476
Personal property taxes - delinquent	100	193	93
Penalties	250	133	(117)
Interest	250	570	320
Total general property taxes	<u>\$ 263,300</u>	<u>\$ 265,383</u>	<u>\$ 2,083</u>
State sales tax	\$ 21,000	\$ 22,945	\$ 1,945
Consumer utility tax	2,500	5,071	2,571
Business license tax	7,500	27,913	20,413
	-	3,582	3,582
Motor vehicle license tax	6,500	9,084	2,584
Bank franchise tax	30,000	55,838	25,838
Lodging tax	5,000	19,573	14,573
Lodging - Occupancy Tax Escrow	-	-	-
Meals tax	120,000	144,225	24,225
Meals tax penalty	100	-	(100)
Oyster Festival meals tax	10,000	11,601	1,601
Oyster Festival meals tax penalty	50	-	(50)
Communication sales tax	3,400	2,591	(809)
Total other local taxes	<u>\$ 206,050</u>	<u>\$ 302,423</u>	<u>\$ 96,373</u>
Total tax	<u>\$ 469,350</u>	<u>\$ 567,806</u>	<u>\$ 98,456</u>
Permits, privilege fees, and regulatory licenses:			
Zoning and subdivision permits	\$ 100	\$ 1,147	\$ 1,047
Golf carts	500	1,775	1,275
Interest earned from banks	400	-	(400)
Rental of property	1,200	1,200	-
Total permits, privilege fees, and regulatory licenses	<u>\$ 2,200</u>	<u>\$ 4,122</u>	<u>\$ -</u>
Miscellaneous Revenue:			
Visitor Center donations	\$ -	\$ 599	\$ 599
Visitor Center merchandise donations	-	743	743
OF Foundation Reimbursement	24,700	-	(24,700)
Trolley sponsorship and donations	4,500	-	(4,500)
Miscellaneous revenue	500	45,912	45,412
Cats Meow	300	1,490	1,190
PPTRA (Tax Relief)	6,000	5,995	(5)
Litter control grant	1,000	1,329	329
Fire program funds	15,000	15,000	-
Total Miscellaneous	<u>\$ 52,000</u>	<u>\$ 71,068</u>	<u>\$ -</u>
Total other fees	<u>\$ 54,200</u>	<u>\$ 75,190</u>	<u>\$ -</u>
Total revenue from local sources	<u>\$ 523,550</u>	<u>\$ 642,997</u>	<u>\$ 119,447</u>
Total General Fund	<u>\$ 523,550</u>	<u>\$ 642,997</u>	<u>\$ 119,447</u>

Year Ended June 30, 2022  
 Schedule of Expenditures – Budget and Actual  
 General Fund

Fund, Major and Minor Revenue Source	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>General Fund:</b>				
General government administration:				
Town Council	\$ 11,000	\$ 11,000	\$ 10,542	\$ 458
Town Treasurer	47,515	47,515	73,184	(25,669)
Town Administrator	65,080	65,080	65,516	(436)
Professional services	48,150	48,150	80,134	(31,984)
General administration	<u>103,093</u>	<u>103,093</u>	<u>144,194</u>	<u>(41,101)</u>
Total general government administration	<u>\$ 274,838</u>	<u>\$ 274,838</u>	<u>\$ 373,570</u>	<u>\$ (98,732)</u>
Public safety:				
Public safety:	<u>\$ 17,000</u>	<u>\$ 17,000</u>	<u>\$ -</u>	<u>\$ 17,000</u>
Total public safety	<u>\$ 17,000</u>	<u>\$ 17,000</u>	<u>\$ -</u>	<u>\$ 17,000</u>
Public works:				
Refuse collection	\$ 60,000	\$ 60,000	\$ 90,500	\$ (30,500)
Maintenance and grounds	<u>24,500</u>	<u>24,500</u>	<u>10,392</u>	<u>14,108</u>
Total public works	<u>\$ 84,500</u>	<u>\$ 84,500</u>	<u>\$ 100,892</u>	<u>\$ (16,392)</u>
Buildings and grounds:				
Administration	\$ 20,835	\$ 20,835	\$ 23,979	\$ (3,144)
Buildings and grounds	<u>30,800</u>	<u>30,800</u>	<u>51,486</u>	<u>(20,686)</u>
Total building and grounds	<u>\$ 51,635</u>	<u>\$ 51,635</u>	<u>\$ 75,465</u>	<u>\$ (23,830)</u>
Parks, recreation and cultural:				
Administration	\$ -	\$ -	\$ -	\$ -
Regional Pool	<u>20,312</u>	<u>20,312</u>	<u>3,296</u>	<u>17,016</u>
Total parks, recreation and cultural	<u>\$ 20,312</u>	<u>\$ 20,312</u>	<u>\$ 3,296</u>	<u>\$ 17,016</u>
Community development:				
Planning and community development	\$ 21,750	\$ 21,750	\$ 20,281	\$ 1,469
Oyster fest	24,700	24,700	22,627	2,073
Trolley	9,500	9,500	-	9,500
Visitor's center	<u>19,315</u>	<u>19,315</u>	<u>25,727</u>	<u>(6,412)</u>
Total planning and community development	<u>\$ 75,265</u>	<u>\$ 75,265</u>	<u>\$ 68,636</u>	<u>\$ 6,629</u>
Funds Transfers				
Transfer to Marina	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Transfers	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total General Fund	<u>\$ 523,550</u>	<u>\$ 523,550</u>	<u>\$ 621,859</u>	<u>\$ (98,309)</u>



**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

**To the Honorable Governing Body  
Town of Urbanna, Virginia**

We have audited the accompanying financial statements of the Town of Urbanna, Virginia, as of and for the year ended June 30, 2022, and have issued our report thereon dated May 23, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, and have issued our report thereon dated May 23, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town of Urbanna, Virginia's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Town of Urbanna, Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Urbanna, Virginia's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Town of Urbanna, Virginia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Davis & Associates*

Clarksville, Maryland  
May 23, 2023





**Agenda Item Summary  
October 12, 2023**

**Agenda Item: Pool Cover**

**Background: The Pool contract was negotiated with the bare necessities. One of the items left out was a pool cover. We have been fortunate in that the project has stayed on budget. Going forward, pool maintenance will be decreased and safety increased with a pool cover.**

**Fiscal Impact: \$21,505.00**

**Staff Recommendation: approve**

**Council Action Requested Approve the purchase of a pool cover.**

**Sample Motion(s): Move to approve the purchase of a pool cover for the new pool for the amount of \$21,505.00.**





# J.A. HEISLER CONTRACTING CO., INC.

John A. Heisler, V  
President  
(804) 355-2616  
Fax (804) 359-8518  
www.jaheisler.com

3201 Lanvale Avenue  
Richmond, Virginia 23230

August 31, 2023

Town of Urbanna

Attn: Mr. Roy Kime

Re: Taber Park Pool Project – PCO #4 – Pool Cover

Mr. Kime,

This Potential Change Order (PCO) is to furnish and install a cover for the pool per the attached quote.

**Cost Breakdown:**

Paddock Pools	\$20,098.00
<u>Overhead and Profit (7%)</u>	<u>\$1,407.00</u>
Total	\$21,505.00

**Schedule Impacts:** None.

If you have any questions, please feel free to contact me at (804) 314-9237.

Respectfully,  
John A. “Jack” Heisler, V  
President

Approved: \_\_\_\_\_ Date: \_\_\_\_\_

**Change Request**

**To:** John A. "Jack" Heisler, V  
J.A. HEISLER CONTRACTING CO  
3201 LANVALE AVENUE  
RICHMOND, VA 23230  
Ph: (804)355-2616 Fax: (804)359-8518

**Number:** 08  
**Date:** 8/31/23  
**Job:** 2.01959 URBANNA TABER PARK  
**Phone:**

**Description:** Add a Pool Cover

We are pleased to offer the following specifications and pricing to make the following changes:

Please find attached below all costs associated to install a pool cover for the Urbanna Taber pool , as requested.

The total amount to provide this work is ..... \$20,098.00

**PADDOCK appreciates your response to this Change Request no later than 9/8/2023.**

If you have any questions, please contact me at (301)424-0790.

Submitted by: John Sipahi  
PADDOCK SWIMMING POOL COMPANY

Approved by: \_\_\_\_\_  
Date: \_\_\_\_\_

Item	Description	Takeoff Qty	Labor		Material		Subcontract	Equipment	Other	Total
			Unit Cost	Amount	Unit Cost	Amount	Amount	Name	Amount	Amount
13900.000	09 DECK AND SAFETY EQUIPMENT									
13900.160	Pool Covers									
PC-01	Pool Cover, Meyco, Price per quote	1.00 ea	4,320.00 /ea	<u>4,320</u>	11,658.20 /ea	<u>11,658</u>	-	-	<u>355</u>	<u>16,333</u>
	Pool Covers			4,320		11,658			355	16,333
	72.00 Labor hours									
	<b>09 DECK AND SAFETY EQUIPMENT</b>			<b>4,320</b>		<b>11,658</b>	<b>0</b>	<b>0</b>	<b>355</b>	<b>16,333</b>
	72.00 Labor hours									

Estimate Totals

Description	Amount	Totals	Hours	Rate
Labor Amount	4,320		72 hrs	
Matl & Equip Amount	11,658			
Sub Amount				
Equip Rental Amount				
Freight / Other Amount	<u>355</u>			
<b>Estimated Cost</b>	<b>16,333</b>	<b>16,333</b>		
Sales Tax, Matl & Equip	699			6.000 %
Sales Tax, Equip Rental				6.000 %
<b>Estimated Taxes</b>	<b>699</b>	<b>17,032</b>		
Mark-Up, Overhead & Profit	<u>3,066</u>			18.000 %
<b>Mark-Up</b>	<b>3,066</b>	<b>20,098</b>		
<b>Total</b>		<b>20,098</b>		

QUOTE #: 2274224-A



1225 Walt Whitman Rd  
 Melville, NY 11747  
 7601 Highway 221  
 Moore, SC 29369  
 Phone 800-446-3926  
 631-421-9800  
 Fax 631-421-8621  
 www.MeycoCovers.com  
 Sales@MeycoCovers.com

QUOTE #: 2274224-A

Order Date: 8/25/2023  
 Ship Date: 8/25/2023  
 PO/Job Name: TABER PARK  
 Terms: Net 30 Days  
 Deposit Required: \$6,366.87

**THIS IS A QUOTE**

Bill to Account Number : MDPADD

Ship to:

Pool Owner Info:

PADDOCK SWIMMING POOL COMPANY 15120 C SOUTHLAWN LANE  ROCKVILLE, MD 20850 USA	PADDOCK SWIMMING POOL COMPANY 15120 C SOUTHLAWN LANE  ROCKVILLE MD 20850	Pool Owner: TABER PARK  URBANNA VA
--	---	---

jshaffer@paddockpools.com

FOB: MOORE,SC	Ship Via: BEST WAY	Phone: 301/424-0790 Fax: 30124-556
---------------	--------------------	------------------------------------

Version: A

<b>Meyco Custom Pool Cover</b>	Straps 96+/-	<b>MeycoLite</b> Mesh Style Color GREEN
Pool : 42'X75'+10'X22'6"	Overlap 18"	
Cover: 45'X78'+10'X25'6"	Spacing 3'X3'	

	Details	Net Price
Cover Shape:	RECTANGLE Including Extensions (Total Sq Ft= 3,770)	10,782.20
Basic Hardware:	DECK FLANGES (96+/- @\$2.00ea)	192.00
	SCREW TYPE ANCHORS-(BRASS) (96+/- @\$0.00ea)	0.00
	HEAVY DUTY STAINLESS STEEL SPRING (96+/- @\$4.00ea)	384.00
	SPRING COVER FOR HD SPRING (96+/- @\$0.00ea)	0.00
	MEASURE CHARGE (1.00 @250.00ea)	250.00
Padding Options:	SPECIAL CHAFFING TREATMENT (1@\$50.00ea)	50.00
<b>Subtotal for Meyco Custom Pool Cover ( Net Price):</b>		<b>\$11,658.20</b>

**\*\*\*Important Comments\*\*\***

PRICE IS ROUGH  
 pool to be measured when the order is placed  
 all obstructions are assumed to be removable.

**Pricing Summary for Version: A**

	Net Price
	\$11,658.20
<b>Subtotal (Net Price)</b>	\$11,658.20
<b>Est. Frt(COD is Add'l)</b>	\$ 354.75
<b>Tax (Additional)(6.00%)</b>	\$ 720.78
<b>Total Order</b>	<b>\$12,733.73</b>

NOTE: 'Est. Frt' costs do not include drop shipments, residential delivery or certain LTL shipments. The actual invoiced freight may be higher than is estimated on this quote.

Please sign to order this version: A

ACCT No: MDPADD

QUOTE #: 2274224-A

Pool Owner: TABER PARK

Track and view all jobs at [www.MeycoCovers.com](http://www.MeycoCovers.com) Quote good for up to 60 Days

8/28/2023

5:49:30P

Page 1 of 1