

AGENDA--CITY COUNCIL -- CITY OF MARTINSVILLE, VIRGINIA
Council Chambers – Municipal Building
7:30 pm regular session
Tuesday, June 24, 2014

6:30 Council TOUR YMCA--3 Starling Avenue

7:30pm-Regular Session

Invocation & Pledge to the American Flag—Council Member Stroud

1. Consider approval of Council meeting minutes of April 8, 2014 and April 10, 2014. (2 mins)
2. Hear update regarding Mayors Maker Challenge. (10 mins)
3. Hear presentation from VA First Cities Executive Director Kelly Harris Braxton. (10 mins)
4. Consider setting a public hearing to convey property on Fayette Street parking lot on a request from ICSM medical school. (5 mins)
5. Consider approval of amended ordinance on first reading regarding Electronic Summons System Court Assessment. (10 mins)
6. Consider approval of VRS Resolution regarding employer and member VRS contributions for FY15. (3 mins)
7. Consider approval of VRS Resolution regarding the City's election of their employer contribution rate for VRS contributions beginning July 1, 2014. (3 mins)
8. Consider approval of VRS Resolution regarding the Martinsville City Schools election of their employer contribution rate for VRS contributions beginning July 1, 2014.
9. Hear finance report. (5 mins)
10. Consider approval of consent agenda. (2 mins)
11. Hear staff update on issues related to a duplicate use of the street/road name-Chatham Road. (10 mins)
12. Business from the Floor
This section of the Council meeting provides citizens the opportunity to discuss matters, which are not listed on the printed agenda. In that the Council meetings are broadcast on Martinsville Government Television, the City Council is responsible for the content of the programming. Thus, any person wishing to bring a matter to Council's attention under this Section of the agenda should:
 - (1) come to the podium and state name and address;**
 - (2) state the matter that they wish to discuss and action they would like for Council to take;**
 - (3) limit remarks to five minutes;**
 - (4) refrain from making personal references/accusations of a factually false/malicious nature. Persons who violate these guidelines will be ruled out of order by the presiding officer and will be asked to leave the podium. Persons who refuse to comply with the direction of the presiding officer may be removed from the chambers.**
13. Comments by members of City Council. (5 mins)
14. Comments by City Manager. (5 mins)



City Council Agenda Summary

Meeting Date: June 24, 2014

Item No: 1.

Department: Clerk of Council

Issue: Consider approval of minutes of City Council meetings April 8, 2014 and April 10, 2014.

Summary: None

Attachments: April 8, 2014 minutes
April 10, 2014 minutes

Recommendations: Motion to approve minutes as presented.

April 8, 2014

The regular meeting of the Council of the City of Martinsville, Virginia, was held on April 8, 2014, in Council Chambers, Municipal Building, at 7:30 PM, with Mayor Kim Adkins presiding. Council Members present included: Mayor Kim Adkins, Vice Mayor Gene Teague, Sharon Brooks Hodge, Mark Stroud and Danny Turner. Staff present included: Leon Towarnicki, City Manager, Brenda Prillaman, Eric Monday, Linda Conover, Eddie Cassady, Wayne Knox, Mary Prillaman, Coretha Gravely, Marshall Thomas and Robert Fincher.

Following the invocation by Mayor Adkins and Pledge to the American Flag, the Mayor welcomed everyone to the meeting. Mayor Adkins noted an addendum will be added to the agenda regarding the Fair Housing Resolution and there will not be a report from EDC at tonight's meeting.

Minutes: On a motion by Sharon Brooks Hodge, seconded by Mark Stroud, with a 5-0 vote, Council approved the minutes of January 14, 2014 and January 29, 2014 meetings.

Police Department Citizen of the Year: Each year the Martinsville Police Department presents its "Outstanding Citizen of the year" award to a citizen for outstanding contributions to the community. Employees of the department submit nominations for the award to a Selection committee of 5 members of the department, who review the applications and then present their recommendation to the Chief of Police. Nominees for the award must be someone of good moral character with a good attitude towards law enforcement and must have shown support and/or concern for the police department in its efforts to better serve the citizens. Ralph Lawson and Kathy Lawson of 909 Barrows Mill Road were presented with the joint award this year.

Addendum-Resolution-Fair Housing: Wayne Knox reported that the month of April is designated as Fair Housing Month and as a recipient of Community Development Block Grant funds for the Uptown Commercial Improvement Project, New College Institute and administrators of the Housing Choice Voucher Program, we must perform a service of some sort. Each year as part of that service, we request City Council to pass a resolution declaring this particular month. On a motion by Gene Teague, seconded by Mark Stroud, with the following 5-0 vote, Council approved the following resolution:

WHEREAS, the City of Martinsville strives to promote principles of Equal Housing Opportunity by prohibiting discrimination practices in the sale, rental and financing of housing and in implementing its housing and community development programs in a manner to affirmatively further the purposes of the fair housing laws; and

WHEREAS, the basis for discrimination outlawed by the federal and state fair housing acts are race, color, sex, religion, national origin, handicap, age and familial status; and

WHEREAS, the City of Martinsville believes persons of similar income levels should have available to them a like range of housing opportunities and will work to promote equality and freedom of choice; now, therefore,

BE IT RESOLVED by the Martinsville City Council that, on this 8th day of April, 2014, in recognition of April as Fair Housing Month, it does hereby pledge to work with its citizens in pursuit of the shared goal and responsibility for providing equal housing opportunities for all persons.

Overview of April 7, 2014 Westside City Council Neighborhood meeting and tour: Mayor Adkins gave an overview of citizen concerns expressed at the April 7, 2014 Neighborhood meeting and tour and noted that city staff is currently addressing all issues.

Resolution urging state budget adoption: On a motion by Gene Teague, seconded by Danny Turner, with a 5-0 vote, Council approved the following resolution to be sent to state legislators:

April 8, 2014

**A RESOLUTION OF THE CITY OF MARTINSVILLE
URGING THE VIRGINIA GENERAL ASSEMBLY
TO ACCELERATE BUDGET DELIBERATIONS AND
ADOPT A RESPONSIBLE STATE BUDGET
FOR THE 2014-2016 BIENNIUM IN AN EXPEDITED MANNER**

WHEREAS, the Virginia General Assembly is described as "the oldest continuous law-making body in the New World"; and

WHEREAS, one of the primary responsibilities of the Virginia General Assembly during a legislative session is to enact a balanced budget; and

WHEREAS, the Virginia General Assembly adjourned sine die on Saturday, March 8, 2014 without adopting a budget for the two year biennium beginning July 1, 2014.

WHEREAS, the Governor called a special session of the General Assembly for March 24, 2014, to finish the work on the budget; and

WHEREAS, the General Assembly, as of yet, has been unable to reach a decision on adopting a budget for the 2014-2016 biennium; and

WHEREAS, funding from the state comprises a large portion of revenues needed by local governments to meet state mandated services and other core public services such as health and human services, public safety and public education; and

WHEREAS, local governments rely on the timely passage of the state budget to allocate funding to local government services and make policy decisions for the upcoming fiscal year; and

WHEREAS, each day, delay in passing a budget creates greater uncertainty for business and local leaders across the Commonwealth; and

WHEREAS, the fiscal year for local governments begins on July 1st and local governments like Martinsville, are developing their budgets, which must be adopted before the beginning of the new fiscal year; and

WHEREAS, the residents of the City of Martinsville depend on the City government to provide critical services such as education and public safety; and

WHEREAS, failure to pass a timely budget will result in uncertainty for the City of Martinsville, which receives a significant amount of its annual funding as direct aid from the Commonwealth; now therefore

BE IT RESOLVED BY the City Council of the City of Martinsville, on the 8th day of April, 2014 that we respectfully request the members of the Virginia General Assembly to accelerate budget negotiations and approve a responsible state budget in the most expeditious manner possible; and

BE IT FURTHER RESOLVED that the City Manager is hereby authorized and directed to transmit copies of this Resolution to the Honorable Terence R. McAuliffe, Governor of the Commonwealth of Virginia, the Martinsville Delegation Members, and the Members of the Virginia General Assembly so that they may be apprised of the sense of the Martinsville City Council in this matter.


Kim Adkins
Mayor

Attest:

Brenda Pullaman
Clerk of Council

Consent agenda: On a motion by Gene Teague, seconded by Sharon Brooks Hodge, with a 5-0 vote, Council approved the following consent agenda:

BUDGET ADDITIONS FOR 4/8/2014				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<u>FY14</u>				
<u>General Fund:</u>				
01100908	480410	Donations - Fire Department		40
01321102	505500	Fire Department - Travel & Training Reimbursement/Donation for Travel/Training	40	
01101917	442701	Categorical Other - State - Fire Programs Fund		4,946
01321102	506110	Fire Dept. - State Grant - Fire Programs Funds received over original budget	4,946	
01100908	480420	Misc. Revenue - Donations-Sr. Citizens		850
01714212	506016	Senior Citizens - Program Supplies Donations - Sponsors of Health Fair & Craft Show	850	
01100909	490801	Recovered Costs - Senior Citizens		3,284
01714212	506016	Senior Citizens - Program Supplies	2,346	
01714212	501300	Senior Citizens - Part-time Wages	605	
01714212	502100	Senior Citizens - Social Security	37	
01714212	502110	Senior Citizens - Medicare	9	
01714212	506049	Senior Citizens - Vehicle Fuels	287	
01100909	490104	Bingo & Trip receipts; Transportation Grant - Jan & Feb 2014		1,395
01331108	501300	Advance/Recovered Costs Sheriff/Corrections - Part-time & Temporary Wages	1,030	
01331108	502100	Sheriff/Corrections - Social Security	64	
01331108	502110	Sheriff/Corrections - Medicare	15	
01331108	506008	Sheriff/Corrections - Vehicle Equipment & Maint.	206	
01331110	506200	Sheriff/Annex - Prisoner Allowance	80	
01100909	490104	Reimbursement from Henry County for litter pickup for Feb. 2014		500
01321102	501200	Advanced/Recovered Costs Fire Department - Overtime Wages	464	
01321102	502100	Fire Department - Social Security	29	
01321102	502110	Fire Department - Medicare	7	
01713211	506014	Reimbursement - Gretna Fire Dept. Park Maintenance - Equipment & Supplies	2,856	
		Reimbursement from PHCC - 1/2 cost of ATV		
Total General Fund:			13,871	13,871

April 8, 2014

Business from floor: Gloria Hodge Hylton-402 Second St. commended Council on alert system, requested leaf truck more often and reported overgrown properties to be investigated; Ural Harris-217 Stuart St. electric costs questions and comments; Chad Martin-Axton thanked Council for passing resolution and made comments on the need to get the word out to citizens about the energy audits done by the city.

Council comments: Turner-pleased with race weekend turnout; Stroud-pleased with turnout at recent Neighborhood meeting and noted he will check with the Sheriff about cleaning off the playground area; Teague-reported citizen concern about stoplight needs at the intersection of Greyson and Liberty and the need for synchronizing traffic lights on Church St. at CVS and Hooker; Hodge-question concerning car wash drainage which will be followed up on by the city manager.

City Manager comments: reported citizens are again receiving notices about water line insurance and pointed out that is not sponsored by the city; reported a shredding service to be offered by the city is being investigated.

City Manager FY15 Budget Presentation: City Manager Leon Towarnicki provided the following information regarding the FY15 proposed budget for Council consideration:

<p>CITY OF MARTINSVILLE</p> <hr/> <p>FY2015 Proposed Budget April 8, 2014</p> 	<p>Introduction</p> <p>Preparation of the FY2015 budget once again presented many of the same challenges seen in previous years – expenses and requests exceed revenue, no adopted State budget, use of fund balance, and how to fairly allocate limited resources to cover a wide array of needs. Despite the challenges, however, there are many positive things that have and are continuing to occur in Martinsville, as described later.</p> <p>The FY2015 proposed budget maintains the same level of services currently offered to the citizens and businesses of the City of Martinsville. No increases in tax rates, refuse collection fees, or electric rates are proposed, although it is recognized that an electric rate increase will occur in May. A modest increase in water and sewer rates is proposed, funding for high priority capital needs is proposed, and level school and most outside agency funding is also proposed. These and other budget issues will be outlined in more detail throughout this document.</p>
<p>Developing the annual financial plan creates a unique opportunity for Council, City staff, and citizens to review and shape the direction City government is headed. While input is welcome at any time, citizens must realize they are the “stock holders” of this company and the upcoming budget process represents their annual “stock holder’s meeting”. Input from all is critical as we strive to make the most of the available resources that comes to this organization through the broad array of taxes, fees, licenses, and other revenue sources.</p> <p><i>Leon Towarnicki City Manager April 8, 2014</i></p>	<p>FY2014 Highlights</p> <ul style="list-style-type: none">- New College Institute – new construction- Henry Hotel project- High School Renovation Project- Courthouse Project- Fayette CDBG- Growth/Expansion of Fiber/MiNet- Liberty Fair Mall- Liberty Street Widening project- Nuisance Ordinance changes- Continue to explore opportunities – LFG expansion, privatizing services, AMI/AMR
<p>FY 2014 Highlights continued</p> <ul style="list-style-type: none">- Potential transfer of Housing to Danville Redevelopment Housing Authority- WPBDC – Mgmt. now under C-PEG- Business Expansions – Stone Dynamics and Solid Stone Fabrics- Economic development announcements on revenue sharing lots, new shell building- Medical School- Key Personnel changes (Human Resources, Public Works, Assistant City Manager, Police Chief)	<p>FY2015 Proposed Budget</p> <p>Budget Objectives remain constant</p> <ul style="list-style-type: none">- Maintain or improve services- Address capital needs- Expand tax base (commercial, residential, industrial)- Explore opportunities to consolidate, improve efficiency, generate new revenue- Protect existing assets- Consider education and outside agency funding

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Budget Challenges

- Relatively flat revenue.
- Increasing costs due to inflation, fuel prices, insurance, personnel, regulatory issues, costs of “doing business”.
- Lack of an adopted state budget
- Capital needs continue to exceed available funding. Some needs cannot be delayed
- School system request for additional funding

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Budget Challenges

- Aging infrastructure
- Need to maintain adequate fund and asset balances to ensure reserve capacity to handle emergencies.
- January, 2014 electric costs – approximately \$1 million more than anticipated – reduce ability to transfer for other uses
- Recognizing that fund transfers are inevitable, ensure that adequate fund balances are preserved

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Budget Challenges

- Total capital requests submitted by City departments for FY15 budget consideration totals \$3,526,671, with \$1,731,377 being for utilities and \$1,795,294 being general fund/capital reserve. Of this amount, cost of capital assigned as high priority is \$1,337,377 for utilities and \$767,770 for general fund/capital reserve.

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FY2015 Proposed Budget

- The FY2015 proposed budget continues to maintain or improve the level of services as provided in FY2014.
- Staff continues to evaluate options to increase efficiency, reduce costs, combine operations where possible, and outsource/privatize where cost reductions can be achieved while maintaining or enhancing levels of service.

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FY2015 Proposed Budget

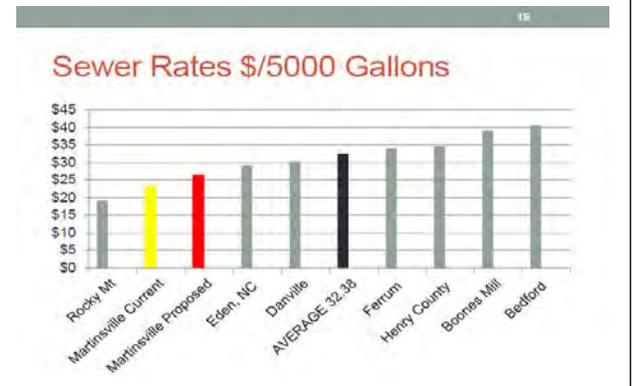
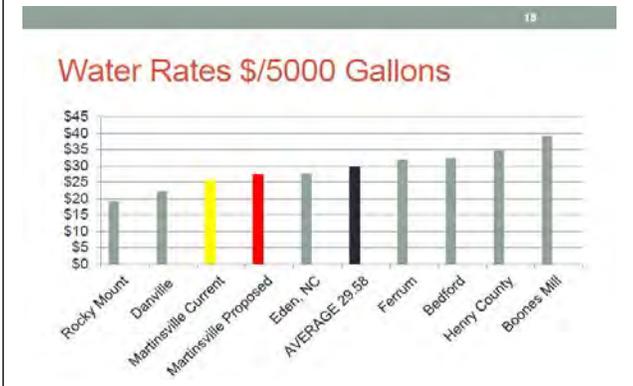
Fees, Rates, and Taxes

- No recommended changes in tax rates or refuse collection fees.
- The budget takes into account the electric rate increase approved by Council effective May 1.
- The budget includes a recommended increase in both water and sewer base rates

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FY2015 Proposed Budget

- An increase in the base water rate from \$22.31 to \$24.10/month (4000 gallon minimum) is recommended.
- An increase in the base sewer rate from \$20.64 to \$23.65 (4000 gallon minimum) is recommended.
- These increases will result in a \$4.80 increase in the monthly water and sewer bill for minimum monthly usage, an 11.2% increase. Martinsville's rates will still be considerably less than the area average.



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FY2015 Proposed Budget

- Recommended level funding for most outside agencies; minor increase for 911, Health Dept., and Extension Office, and funding for one additional outside agency – Dental Clinic, in the amount of \$4,832.
- A School appropriation of \$6,360,531 representing level funding from FY14; \$736,070 less than requested in the School's FY15 budget. Reappropriate unexpended FY14 funds up to \$160,000 for capital/school bus replacements.

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FY2015 Proposed Budget

- An allocation of \$1,094,682 to the Capital Reserve Fund. Of this amount, \$353,987 is required for debt service and the balance of \$740,695 will be assigned to capital purchases on a prioritized basis by the capital review committee. This amount will fund 100% of the high priority needs, and 41% of total capital (non-utility) fund requests of \$1,795,294.

<p style="text-align: right;">19</p> <h3>Summary – Capital Requests</h3> <table border="1"> <thead> <tr> <th></th> <th style="text-align: right;"><u>Requested</u></th> <th style="text-align: right;"><u>High Priority</u></th> </tr> </thead> <tbody> <tr> <td>GF/Cap Reserve</td> <td style="text-align: right;">\$ 1,795,294</td> <td style="text-align: right;">\$ 767,770</td> </tr> <tr> <td>Utilities</td> <td style="text-align: right;">\$ 1,731,377</td> <td style="text-align: right;">\$1,337,377</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$ 3,526,671</td> <td style="text-align: right;">\$ 2,105,147</td> </tr> </tbody> </table>		<u>Requested</u>	<u>High Priority</u>	GF/Cap Reserve	\$ 1,795,294	\$ 767,770	Utilities	\$ 1,731,377	\$1,337,377	Total	\$ 3,526,671	\$ 2,105,147	<p style="text-align: right;">20</p> <h3>Capital - Utilities</h3> <ul style="list-style-type: none"> - In the utility funds, \$1,337,377 is included in the respective utility budgets to fund all high priority needs, and 77% of the \$1,731,377 in total utility requests. - Of the total FY15 submitted capital requests of \$3,526,671, \$2,105,147 (59.7%) is being recommended for funding
	<u>Requested</u>	<u>High Priority</u>											
GF/Cap Reserve	\$ 1,795,294	\$ 767,770											
Utilities	\$ 1,731,377	\$1,337,377											
Total	\$ 3,526,671	\$ 2,105,147											
<p style="text-align: right;">21</p> <h3>FY2015 Proposed Budget</h3> <ul style="list-style-type: none"> - Includes a 1% pay increase effective July 1, 2014 to cover the 3rd year of the required 5% VRS contribution. - Includes the full amount of the 1.9% health insurance cost increase - Includes the cost associated with merging the two employee health insurance contribution schedules into one schedule. (employees paying the lower tier will pay at the higher tier, but given an offsetting salary increase). 	<p style="text-align: right;">22</p> <h3>FY2015 Proposed Budget</h3> <ul style="list-style-type: none"> - Based on a recent pay/classification plan review by Human Resources, the City's plan requires a minimum 7% shift to be reflective of market conditions. (current plan hasn't been revised since 2002). The proposed budget includes salary adjustment costs necessary to reestablish the pay for 46 employees at their respective grade minimum. 												
<p style="text-align: right;">23</p> <h3>FY2015 Proposed Budget</h3> <ul style="list-style-type: none"> - MiNet – budget includes capital funding of \$185,000 for MiNet expansion. As infrastructure is developed, there are initial capital costs related to construction that will be recovered over multiple multi-year contracts. The customer list is currently at 65 with another 24 either waiting to be connected or evaluating the system. 	<p style="text-align: right;">24</p> <h3>FY2015 Proposed Budget</h3> <ul style="list-style-type: none"> - Budget is once again balanced by use of fund balance and utility transfers. Use of \$750,000 in General Fund balance is included, along with \$800,000 from Electric, and \$300,000 from Water. - To fully fund the FY15 budget with no use of fund balance, fully funding the School's request and all capital requests, an additional \$4,007,594 is needed. 												
<p style="text-align: right;">25</p> <h3>CDBG/47 Fund</h3> <ul style="list-style-type: none"> - Cherry Street CDBG Project was overspent relative to available grant funding - Staff recommends allocating as a receivable all available CDBG program income, property sales, and other forms of CDBG revenue, and transferring a contribution from the General Fund to cover the balance since the deficit is already accounted for through the annual audits. - Leave fund as a separate fund to provide for transparent accountability related to future grant projects 	<p style="text-align: right;">26</p> <h3>Conclusion</h3> <p>The FY15 budget is balanced with a projected use of utility revenues and fund balances - \$1.85 million from General, Electric, and Water. Assuming a "normal" year, those amounts however, are within a range of what could be returned to fund balance at the end of FY15.</p> <p>It should be noted that the budget as presented is "proposed" and over the coming weeks Council will have an opportunity to shape the FY15 budget as it deems appropriate. Throughout the process, staff will provide support and additional information as needed, and ultimately will take budget that is adopted by Council and implement that plan to the best of its ability.</p>												
<p style="text-align: right;">27</p> <h3>Next Steps</h3> <ul style="list-style-type: none"> - Review the document, request additional information, ask questions, and talk with citizens. - Three work sessions have been set – April 10th for Schools and outside agencies, April 23rd for capital and departments, and April 24 for departments and wrap-up. Additional sessions scheduled as needed. - Consider setting a public hearing for adoption of the budget on first reading at the May 13, 2014 Council meeting. 													

April 8, 2014

There being no further business, the meeting adjourned at 9:30 pm.

Brenda Prillaman
Clerk of Council

Kim Adkins
Mayor

April 10, 2014

A special joint meeting of the Council of the City of Martinsville, Virginia, and Martinsville City School Board was held on April 10, 2014, in Council Chambers, at the Municipal Building, at 6:00PM, to conduct a budget worksession. Council Members present included: Mayor Adkins, Vice Mayor Gene Teague, Sharon Brooks Hodge, Danny Turner, and Mark Stroud. School board present: Robert Williams, Carolyn McCraw and Rives Coleman and Craig Dietrich. Staff present included: Leon Towarnicki, City Manager, Brenda Prillaman, Linda Conover, Eric Monday, Mary Prillaman and Wayne Knox.

City Attorney Eric Monday disclosed that Mayor Adkins and Council Member Stroud have both signed disclosure statements of family association with the city schools and can be impartial in voting.

Mayor Adkins called the Council to order and School Board Chairman Robert Williams called the school board meeting to order noting that a quorum is present. Council agreed no budget actions would be taken until the last worksession. Mayor Adkins turned the meeting over to Robert Williams for school budget presentation.

After brief remarks by Mr. Williams, Superintendent Pam Heath reviewed a powerpoint presentation with Council regarding school budget needs with emphasis on being able to hire additional qualified special education teachers and the school system being in compliance.

Council then heard detailed reports from the following outside agencies as to their budget needs: 911 Communications Center, M-HC Economic Development Corporation, Blue Ridge Regional Library, Social Services, Health Department, The Launch Place, Dental Clinic (Piedmont VA Dental Health Foundation), FAHI, M-HC Historical Museum, and Patrick Henry Community College.

No action was taken at this worksession and there being no further business, Mayor Adkins adjourned the meeting at 10:10 pm.

Brenda Prillaman, Clerk of Council

Kim Adkins, Mayor

Meeting Date: June 24, 2014

Item No: 2.

Department: City Manager

Issue: Hear a report from Matthew Wade, Fab Lab Coordinator at Patrick Henry Community College regarding the Mayors Maker Challenge.

Summary: At the June 10, 2014 Council meeting, Council agreed to participate in the Mayors Maker Challenge. In order to participate in this initiative, one or more of 10 specific actions must be completed during 2014 aimed at supporting the movement, and to later provide information for development of a national report. The 10 specific actions are outlined on page 2 of the attached letter dated May 19, 2014 titled "Take the Mayors Maker Challenge".

As was mentioned at the June 10 Council meeting, a number of the action items are already being done in some fashion locally. Mr. Wade will present information regarding the Fab Lab and how the Lab can complement other efforts to comply with the Challenge requirements.

Attachments: Letter dated May 19, 2014 titled "Take the Mayors Maker Challenge". The 10 specific actions are outlined on page 2 of the letter.

Recommendations: None/no action needed – this item is on Council's agenda for information purposes only.

May 19, 2014

Take the “Mayors Maker Challenge”

Ladies and Gentlemen Mayors:

We write to challenge you to become a “Maker Mayor” and to promote the emerging Maker Movement, as part of a larger strategy to boost American manufacturing, give students the opportunity for hands-on STEM learning, and support more entrepreneurship in local communities. With this letter, we are launching the “Mayors Maker Challenge”, and seeking to recruit dozens of Maker Mayors by June 12, 2014. We commence this Challenge by writing you, because you and your community are already recognized for innovation in manufacturing and support for the Maker Movement.

Manufacturing is making a comeback in communities across America, and innovation is helping drive our economy. Part of the momentum in manufacturing is the “Maker Movement,” which promotes locally-driven efforts to convene inventors with innovative technology tools to drive progress in manufacturing, engineering, industrial design, hardware technology, and education. In recent years, communities across the country have benefitted from the democratization of the tools needed to design and make just about anything. More Americans have access to 21st century tools such as 3D printers and scanners, computer-aided design software, laser cutters, and computer-numerically controlled machine tools. Hundreds of thousands of entrepreneurs, students and families are participating in Maker Faires, and expert Makers and a variety of organizations are promoting new innovations. Companies, libraries, museums, universities, schools, philanthropists and community-based organizations are investing in for-profit and non-profit makerspaces. Labor unions are creating apprenticeship programs in digital manufacturing. Expert Makers are “passing it on” by serving as mentors for young Makers. These grassroots efforts are empowering Americans – young and old – to become the producers of things, not just consumers of things.

As mayors, you can be a part of this exciting Maker Movement, which has the potential to provide great benefits to your communities. *Cities need makers*, because manufacturing and technological innovation are driving economic growth, creating jobs, promoting new collaborations, inspiring youth and reinvigorating STEM education. Cities that seek to thrive in the advanced manufacturing economy of the 21st century need to harness these opportunities.

Likewise, *makers need cities* and the leadership of mayors, to convene stakeholders to support maker innovation, provide makerspaces, tailor education and job training to support makers, support maker approaches in local incubators and accelerators, provide sites for promising technologies to grow into businesses, and help small businesses understand how they can harness local/state/federal/other resources to support growth of their technological and manufacturing enterprises.

Leaders at all levels are noticing the potential of the Maker Movement. In mid-June 2014, the White House is holding its first-ever “White House Maker Faire” to highlight the power of this movement and how it can contribute to advancing American manufacturing, education and entrepreneurship. See www.whitehouse.gov/blog/2014/02/03/announcing-first-white-house-maker-faire. The White House has also put out a call for inventions, projects and products that potentially could be part of the White House Maker Faire. We invite you to reach out to your Maker community to submit their ideas at www.whitehouse.gov/webform/white-house-makerfaire-interest-form.

But we know that that there is much more we can do – and that is why we have joined together to launch the “Mayors Maker Challenge”, which seeks to recruit mayors across America like you, to help build the Maker Movement in your own communities and beyond. Between now and June 12, 2014, we will conduct a one-month campaign to recruit a powerful coalition of mayors to take this challenge and become “Maker Mayors”. To take the Challenge, you must make a public pledge to take one or more of the actions below during 2014 aimed at boosting and supporting the Maker Movement; submit that maker pledge to the Manufacturing Alliance of Communities by June 12; be willing to let us publicize your participation; and work with us to provide a short note on your progress at the end of 2014, so that we can issue a national report on the actions mayors and communities are taking to fulfill their pledges. To take the Challenge, simply fill in the short Mayor’s Maker Pledge online at www.ManufacturingAlliance.us/Challenge.

Here are key “Maker Moves” that you can take in 2014 to be part of the Mayors Maker Challenge:

- 1.) ***Maker Roundtable:*** Host a roundtable in your community that convenes partners and helps catalyze public and private commitments that will strengthen the local Maker movement.
- 2.) ***Maker Faire:*** Help celebrate the ingenuity and creativity of local Makers by holding or participating in a Maker Faire event, which convenes stakeholders to promote innovative technology ideas. See www.MakerFaire.com.
- 3.) ***Maker Liaison:*** Designate a Maker liaison in the mayor’s office or economic development department.
- 4.) ***Makerspaces:*** Host or help in the creation or growth of maker spaces in local incubators, accelerators, educational institutions, under-utilized buildings, and/or design-production districts, which can broaden access to tools needed for design, prototyping, manufacturing, and the growth of small business enterprises that are building new manufacturing and innovation technologies.
- 5.) ***Maker Manual:*** Issue a “Maker Manual” to explain the importance of the Maker Movement in your community, and to identify resources and incentives at local, regional, state and national levels that can support makers and small businesses seeking to grow their technology and manufacturing innovations.
- 6.) ***Make a Strategy for Education, Training & Workforce Development:*** Commit to working with your school district, libraries, museums, after-school providers, community colleges and universities, workforce investment boards, and job training organizations to give more students access to age-appropriate makerspaces and mentorship, and focus more education and training programs on the emerging fields of advanced manufacturing and technology innovation.
- 7.) ***Maker Business Development:*** Upgrade your economic and business development programs, incentives and services to provide support to manufacturing entrepreneurs and small businesses.
- 8.) ***Maker Best Practices:*** Lead or participate in local efforts to identify, document and share “promising practices” in manufacturing and technological innovation so that others in your community and beyond can learn from local experimentation.
- 9.) ***Maker Support in Struggling Neighborhoods:*** Support initiatives to engage and support students, entrepreneurs and small businesses in under-served neighborhoods.
- 10.) ***Make It Even Better:*** Your community may have even more innovative strategies for promoting the Maker Movement. Make that part of your Challenge pledge and share the strategy with others!

The White House will host a national conference call of mayors from across America on Monday, May 19 at 2PM Eastern to explain the Mayors Maker Challenge and encourage you to be a part of this endeavor. To participate in that conference call, send an email with your contact information to [Randy J Paris@ostp.eop.gov](mailto:Randy_J_Paris@ostp.eop.gov).

American cities have tremendous opportunity now to boost the expansion of manufacturing, technological innovation, education, job creation, and community revitalization. One great way to do that is to support the emerging Maker Movement in your own community and beyond. We challenge you to become a "Maker Mayor" in the coming month.

Please contact Matt Ward at Challenge@StrategiesDC.com with any questions. On behalf of all of the undersigned mayors below, thank you for your leadership on these issues and for rising to the challenge.

Sincerely,



Dayne Walling
Flint, MI
Chair, Manufacturing Alliance of Communities

On behalf of

Tom Beehan
Oak Ridge, TN

Denny Doyle
Beaverton, OR

Sly James
Kansas City, MO

Bill Peduto
Pittsburgh, PA

Virg Bernero
Lansing, MI

Mike Duggan
Detroit, MI

Frank Janakovic
Johnstown, PA

Jean Quan
Oakland, CA

Holly Brinda
Elyria, OH

Greg Fischer
Louisville, KY

Edwin Lee
San Francisco, CA

Mike Rawlings
Dallas, TX

Roy Buol
Dubuque, IA

Eric Garcetti
Los Angeles, CA

Nancy McFarlane
Raleigh, NC

Madeline Rogero
Knoxville, TN

Thomas J. Coyne
Brook Park, OH

Vincent Gray
Washington, DC

Larry Morrissey
Rockford, IL

Jennifer Selin
Morgantown, WV

John Cranley
Cincinnati, OH

Charlie Hales
Portland, OR

Mark Olson
Fayetteville, NY

Marty Walsh
Boston, MA



City Council Agenda Summary

Meeting Date: June 24, 2014

Item No: 3.

Department: City Manager

Issue: Hear a presentation from Kelly Harris-Braxton, Virginia First Cities Executive Director.

Summary: Kelly Harris-Braxton, Executive Director of Virginia First Cities, will present information regarding VFC and how membership in the organization benefits the City of Martinsville and other cities of the Commonwealth.

Virginia First Cities is the state advocacy coalition comprised of 13 of the state's oldest and most historic cities - the core communities of the Commonwealth. Cities include Charlottesville, Roanoke, Lynchburg, Staunton, Winchester, Richmond, Portsmouth, Petersburg, Hopewell, Hampton, Norfolk, Newport News, and Martinsville. Virginia First Cities advocates for increased support and better policies from the state while sharing best practices among members

Attachments: None

Recommendations: None/no action needed – this item is on Council’s agenda for information purposes only.

Meeting Date: June 24, 2014

Item No: 4.

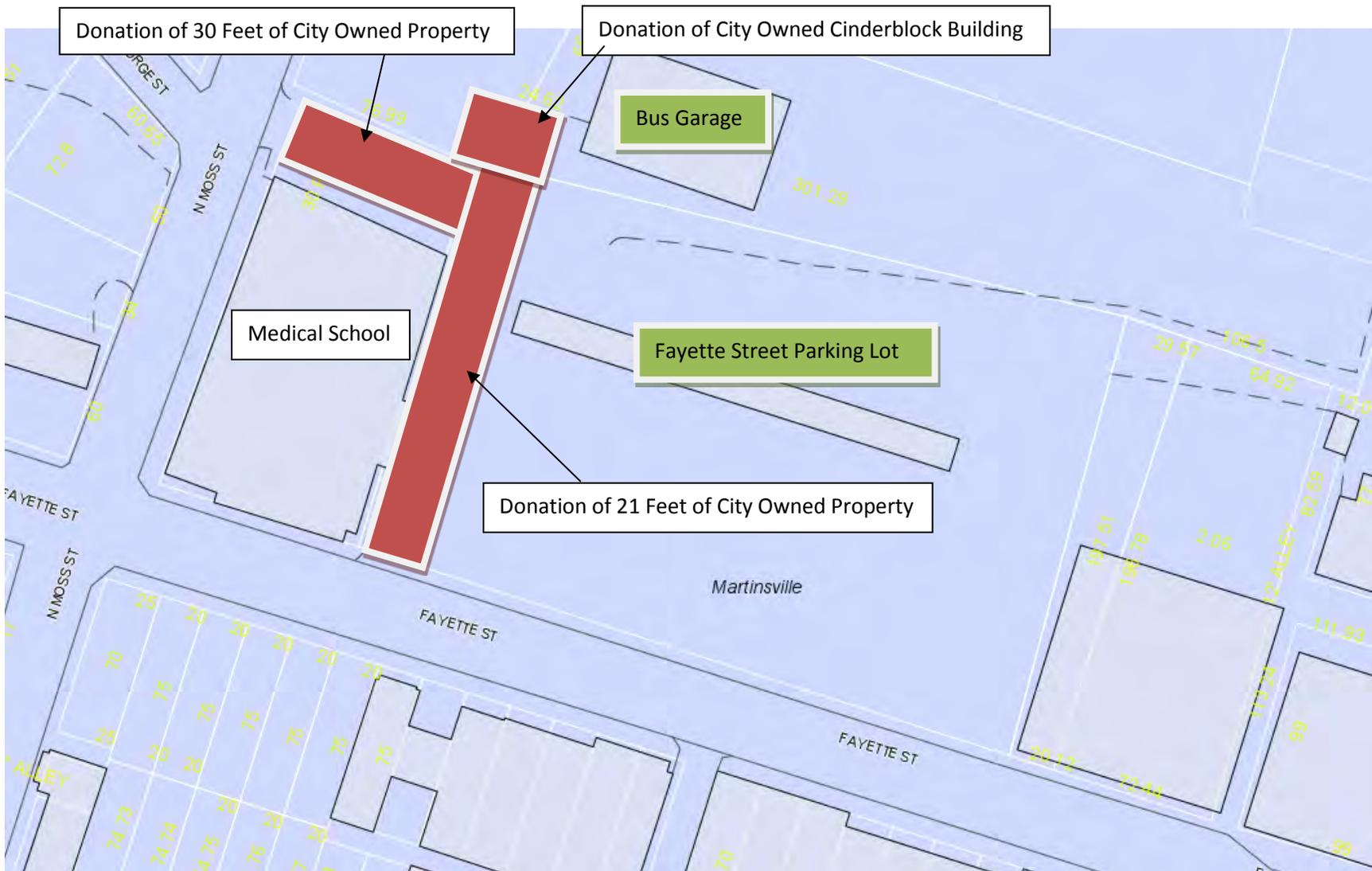
Department: City Manager

Issue: Consider setting a public hearing on a request from Dr. Noel Boaz of Integrative Centers for Science & Medicine, for the City to convey portions of the City-owned parking lot on the north side of Fayette Street between Jones and Moss Streets, to ICSM for future development.

Summary: At the April 22, 2014 Council meeting, Dr. Boaz presented an update on progress related to the continuing development of the ICSM medical school project. ICSM is currently moving ahead with plans to renovate the building at 62 - 66 Fayette Street, located at the corner of Fayette and Moss Streets and at the April 22nd Council meeting, a request was made of the City to convey portions of the City-owned parking lot to ICSM to be used for the project. The specific requests are for approximately 21 feet of property along the east side of the building, property at the rear (north) of the building currently serving as a driveway into the property, and the small masonry building also at the rear of the ICSM building.

Attachments: Map showing the approximate areas requested to be donated. A larger, more detailed map will be available at the Public Hearing.

Recommendations: Motion to set the Public Hearing for the July 8, 2014 meeting.



Conveyance of Properties on Fayette/Moss Streets to ICSM Medical School



City Council Agenda Summary

Date: June 24, 2014

Item No: 5.

Department: City Attorney

Issue: Consider approval on first reading of amended ordinance regarding electronic summons court assessment

Summary: The 2014 General Assembly passed legislation allowing localities to assess \$5.00 on every criminal and traffic case, to fund software, hardware, and associated equipment costs for the implementation and maintenance of an electronic summons system. This assessment has been requested by the Circuit Court Clerk and the Police Department.

Attachments: Amended ordinance (see new subsection "c")

Recommendations: Motion to approve on first reading with a roll call vote.

CITY OF MARTINSVILLE, VIRGINIA

ORDINANCE NO. 2014-1

ELECTRONIC SUMMONS SYSTEM COURT ASSESSMENT

BE IT ORDAINED by the Council of the City of Martinsville, Virginia, in regular session assembled on July 8, 2014, that section 1-15 of the Code of the City of Martinsville, be amended as follows:

Sec. 1-15. Special court costs assessments.

(a) *Law library.*

- (1) Two dollars (\$2.00) shall be assessed, as part of the costs incident to each civil action filed in both the courts of record and the courts not of record in the city, pursuant to section 42.1-70 of the Code of Virginia. Such assessment shall be collected by the clerk of the court in which the action is filed and such collections shall be remitted, at the end of each month, to the city treasurer, to be deposited and held by such treasurer subject to disbursements authorized by the city council or its agent for the acquisition of law books and law periodicals for the establishment, use and maintenance of a law library, which library shall be open for the use of the public, and for such other purposes as are allowed by section 42.1-70 of the Code of Virginia.
- (2) The assessment provided for in this section shall be in addition to all other costs prescribed by law, but shall not apply to any action in which the commonwealth or any political subdivision thereof or the federal government is a party and in which the costs are assessed against the commonwealth or any political subdivision thereof or the federal government.

(b) *Jail and court-related facilities; construction, maintenance, etc.*

- (1) The sum of two dollars (\$2.00) be, and it hereby is, assessed as part of the costs in each civil action filed in the general district court of the city, the juvenile and domestic relations district court of the city, and the circuit court of the city, and in each criminal and traffic case in said general district court, juvenile and domestic relations district court or said circuit court in which the defendant is charged with a violation of any statute or ordinance, which assessment shall be collected by the clerk of the court in which the action is filed and remitted to the city treasurer and held by such treasurer subject to disbursement by the council for the construction, renovation or maintenance of courthouse or jail and court-related facilities and to defray increases in the cost of heating, cooling, electricity and ordinary maintenance.

- (2) The assessment provided for herein shall be in addition to any other fees prescribed by law.

(c) Electronic summons system

- (1) The sum of five dollars (\$5.00) is hereby assessed as part of the costs in each criminal or traffic case in the juvenile and domestic relations court, general district court and circuit court of the city, in which the defendant is charged with a violation of any statute or ordinance. The assessment shall be collected by the clerk of the court in which the action is filed, remitted to the city treasurer, and held by the city treasurer subject to disbursements by the city council to any local law-enforcement agency solely to fund software, hardware, and associated equipment costs for the implementation and maintenance of an electronic summons system.
- (2) The assessment provided for herein shall be in addition to any other fees prescribed by law.

(Statutory authority for subsection c: Code of Virginia § 17.1-279.1)

(Code 1971, § 1-8; Ord. No. 92-12, 7-28-92; Ord. No. 98-1, 1-13-98, Ord.14-1, 7-8-14)

* * * * *

Attest:

Brenda Prillaman, Clerk of Council

Date Adopted

Date Effective



City Council Agenda Summary

Meeting Date: June 24, 2014

Item No: 6.

Department: City Manager

Issue: Consider adoption of a resolution regarding employer and member Virginia Retirement System contributions for FY15.

Summary: The adoption of the attached resolution is required by VRS and confirms the City's decision to require full-time VRS-covered employees to provide a 1% employee contribution to VRS, offset by a 1% pay increase to employees effective July 1, 2014. Two years ago it was decided to implement the required 5% VRS employee contribution by phasing in 1% increments over a 5 year period, and FY15 will be the third year of the implementation schedule.

Attachments: Resolution for Council's approval.

Recommendations: Motion to adopt the resolution.

Member Contributions by Salary Reduction for Counties, Cities, Towns, and Other Political Subdivisions

(In accordance with Chapter 822 of the 2012 Acts of Assembly (SB497))

Resolution

WHEREAS, the City of Martinsville [Political Subdivision Name] 55223 [employer code] employees who are Virginia Retirement System members who commence or recommence employment on or after July 1, 2012, shall be required to contribute five percent of their creditable compensation by salary reduction pursuant to Internal Revenue Code § 414(h) on a pre-tax basis upon commencing or recommencing employment; and

WHEREAS, the City of Martinsville [Political Subdivision Name] employees who are Virginia Retirement System members and in service on June 30, 2012, shall be required to contribute five percent of their creditable compensation by salary reduction pursuant to Internal Revenue Code § 414(h) on a pre-tax basis no later than July 1, 2016; and

WHEREAS, such employees in service on June 30, 2012, shall contribute a minimum of an additional one percent of their creditable compensation beginning on each July 1 of 2012, 2013, 2014, 2015, and 2016, or until the employees' contributions equal five percent of creditable compensation; and

WHEREAS, the City of Martinsville [Political Subdivision Name] may elect to require such employees in service on June 30, 2012, to contribute more than an additional one percent each year, in whole percentages, until the employees' contributions equal five percent of creditable compensation; and

WHEREAS, the second enactment clause of Chapter 822 of the 2012 Acts of Assembly (SB497) requires an increase in total creditable compensation, effective July 1, 2014, to each such employee in service on June 30, 2014, to offset the cost of the member contributions, such increase in total creditable compensation to be equal to the percentage increase of the member contribution paid by such pursuant to this resolution (For example, if the member contribution paid by the employee increases from two to three percent pursuant to this resolution, the employee must receive a one percent increase in creditable compensation.)

BE IT THEREFORE RESOLVED, that the City of Martinsville [Political Subdivision Name] does hereby certify to the Virginia Retirement System Board of Trustees that it shall effect the implementation of the member contribution requirements of Chapter 822 of the 2012 Acts of Assembly (SB497) according to the following schedule for the fiscal year beginning July 1, 2014:

PLAN 1	Percent
Employer Paid Member Contribution	2 %
Employee Paid Member Contribution	3 %
Total	5%

PLAN 2	Percent
Employer Paid Member Contribution	2 %
Employee Paid Member Contribution	3 %
Total	5%

(Note: Each column must add up to 5 percent.); and

BE IT FURTHER RESOLVED, that such contributions, although designated as member contributions, are to be made by the City of Martinsville [Political Subdivision Name] in lieu of member contributions; and

BE IT FURTHER RESOLVED, that pick up member contributions shall be paid from the same source of funds as used in paying the wages to affected employees; and

BE IT FURTHER RESOLVED, that member contributions made by the City of Martinsville [Political Subdivision Name] under the pick up arrangement shall be treated for all purposes other than income taxation, including but not limited to VRS benefits, in the same manner and to the same extent as member contributions made prior to the pick up arrangement; and

BE IT FURTHER RESOLVED, that nothing herein shall be construed so as to permit or extend an option to VRS members to receive the pick up contributions made by the City of Martinsville [Political Subdivision Name] directly instead of having them paid to VRS; and

BE IT FURTHER RESOLVED, that notwithstanding any contractual or other provisions, the wages of each member of VRS who is an employee of the City of Martinsville [Political Subdivision Name] shall be reduced by the amount of member contributions picked up by the City of Martinsville [Political Subdivision Name] on behalf of such employee pursuant to the foregoing resolutions; and

BE IT FURTHER RESOLVED, that no salary increases provided solely to offset the cost of required member contributions to the Virginia Retirement System under § 51.1-144 of the Code of Virginia will be used to certify that any salary increases required by the Appropriation Act have been provided.

NOW, THEREFORE, the officers are hereby authorized and directed in the name of the City of Martinsville [Political Subdivision Name] to carry out the provisions of this resolution, and said officers are authorized and directed to pay over to the Treasurer of Virginia from time to time such sums as are due to be paid by the City of Martinsville [Political Subdivision Name] for this purpose.

Governing Body Chairman

CERTIFICATE

I, _____, [Title, e.g. Clerk, Secretary] of the _____ [Political Subdivision Name], certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the _____ [Political Subdivision Name] held at _____, Virginia at _____ o'clock on _____, 2014. Given under my hand and seal of the _____ [Political Subdivision Name] this _____ day of _____, 2014.

Clerk

This resolution must be passed prior to July 1, 2014 and received by VRS no later than July 10, 2014.



City Council Agenda Summary

Meeting Date: June 24, 2014

Item No: 7.

Department: City Manager

Issue: Consider adoption of a resolution regarding the City's election of their employer contribution rate for Virginia Retirement System contributions beginning July 1, 2014.

Summary: The adoption of the attached resolution is required by VRS and in accordance with the 2014 Appropriation Act Item 467(I), and confirms the City's agreement to pay the VRS contribution rate of 18.87% as certified by the VRS Board of Trustees for the FY2015-2016 biennium.

Attachments: Resolution for Council's approval.

Recommendations: Motion to adopt the resolution.

Employer Contribution Rates for Counties, Cities,
Towns, School Divisions and Other Political Subdivisions
(In accordance with the 2014 Appropriation Act Item 467(I))

Resolution

BE IT RESOLVED, that the CITY OF MARTINSVILLE - 55223 does hereby acknowledge that its contribution rates effective July 1, 2014 shall be based on the higher of a) the contribution rate in effect for FY 2012, or b) eighty percent of the results of the June 30, 2013 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2014-16 biennium (the "Alternate Rate") provided that, at its option, the contribution rate may be based on the employer contribution rates certified by the Virginia Retirement System Board of Trustees pursuant to Virginia Code § 51.1-145(I) resulting from the June 30, 2013 actuarial value of assets and liabilities (the "Certified Rate"); and

BE IT ALSO RESOLVED, that the CITY OF MARTINSVILLE – 55223 does hereby certify to the Virginia Retirement System Board of Trustees that it elects to pay the following contribution rate effective July 1, 2014:

(Check only one box)

The Certified Rate of 18.87% The Alternate Rate of _____%; and

BE IT ALSO RESOLVED, that the CITY OF MARTINSVILLE – 55223 does hereby certify to the Virginia Retirement System Board of Trustees that it has reviewed and understands the information provided by the Virginia Retirement System outlining the potential future fiscal implications of any election made under the provisions of this resolution; and

NOW, THEREFORE, the officers of the CITY OF MARTINSVILLE – 55223 are hereby authorized and directed in the name of the CITY OF MARTINSVILLE to carry out the provisions of this resolution, and said officers of the CITY OF MARTINSVILLE are authorized and directed to pay over to the Treasurer of Virginia from time to time such sums as are due to be paid by the CITY OF MARTINSVILLE for this purpose.

Governing Body Chairman

CERTIFICATE

I, _____, Clerk of the City of Martinsville, certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the City of Martinsville held at _____, Virginia at _____ o'clock on _____, 2014. Given under my hand and seal of the City of Martinsville this _____ day of _____, 2014.

Clerk

**This resolution must be passed prior to July 1, 2014 and
received by VRS no later than July 10, 2014.**



City Council Agenda Summary

Meeting Date: June 24, 2014

Item No: 8.

Department: City Manager

Issue: Consider adoption of a concurrence resolution regarding the Martinsville City Public School's election of their employer contribution rate for Virginia Retirement System contributions beginning July 1, 2014.

Summary: The adoption of the attached resolution is required by VRS and in accordance with the 2014 Appropriation Act Item 468H, and concurs with the Martinsville City Public School's election to pay the VRS contribution rate of 26.03% as certified by the VRS Board of Trustees for the FY2015-2016 biennium.

Attachments: Resolution for Council's approval.

Recommendations: Motion to adopt the resolution.

Local Governing Body Concurrence with School Division Electing to Pay the VRS Board-Certified Rate

(In accordance with the 2014 Appropriation Act Item 468(H))

RESOLUTION

BE IT RESOLVED, that the City of Martinsville - 55223 does hereby acknowledge that the Martinsville City Public Schools has made the election for its contribution rate to be based on the employer contribution rates certified by the Virginia Retirement System Board of Trustees pursuant to Virginia Code § 51.1-145(I) resulting from the June 30, 2013 actuarial value of assets and liabilities (the "Certified Rate"); and

BE IT ALSO RESOLVED, that the City of Martinsville - 55223 does hereby certify to the Virginia Retirement System Board of Trustees that it concurs with the election of the Martinsville City Public Schools to pay the Certified Rate, as required by Item 468(H) of the 2014 Appropriation Act; and

NOW, THEREFORE, the officers of the City of Martinsville - 55223 are hereby authorized and directed in the name of the City of Martinsville to execute any required contract to carry out the provisions of this resolution. In execution of any such contract which may be required, the seal of the City of Martinsville, as appropriate, shall be affixed and attested by the clerk.

Governing Body Chairman

CERTIFICATE

I, Brenda Prillaman, Clerk of the City of Martinsville, certify that the foregoing is a true and correct copy of a resolution passed by the City of Martinsville and ratified by the City of Martinsville at a lawfully organized meeting of the City of Martinsville held at Martinsville, Virginia at o'clock on , 2014. Given under my hand and seal of the City of Martinsville this day of , 2014.

Clerk

Employer Contribution Rates for Counties, Cities, Towns, School
Divisions and Other Political Subdivisions
(In accordance with the 2014 Appropriation Act Item 468H)

RESOLUTION

BE IT RESOLVED, that the **Martinsville City Public Schools (55623)** does hereby acknowledge that its contribution rates effective July 1, 2014 shall be based on the higher of a) the contribution rate in effect for FY 2014, or b) eighty percent of the results of the June 30, 2013 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2014-16 biennium (the "Alternate Rate") provided that, at its option, the contribution rate may be based on the employer contribution rates certified by the Virginia Retirement System Board of Trustees pursuant to Virginia Code § 51.1-145 (l) resulting from the June 30, 2013 actuarial value of assets and liabilities (the "Certified Rate"); and

BE IT RESOLVED, that the **Martinsville City Public Schools (55623)** does hereby certify to the Virginia Retirement System Board of Trustees that it elects to pay the following contribution rate effective July 1, 2014:

(Check only one box)

- The Certified Rate of 26.03 % The Alternate Rate of 20.82%; and

BE IT RESOLVED, that the **Martinsville City Public Schools (55623)** does hereby certify to the Virginia Retirement System Board of Trustees that it has reviewed and understands the information provided by the Virginia Retirement System outlining the potential future fiscal implications of any election made under the provisions of this resolution; and

NOW, THEREFORE, the officers of **Martinsville City Public Schools (55623)** are hereby authorized and directed in the name of **Martinsville City Public Schools** to carry out the provisions of this resolution, and said officers of the **Martinsville City Public Schools** are authorized and directed to pay over to the Treasurer of Virginia from time to time such sums as are due to be paid by the **Martinsville City Public Schools** for this purpose.



Robert A. Williams, Chairman
Martinsville City Public Schools

CERTIFICATE

I, Janie C. Fulcher, Clerk of the **Martinsville City School Board**, certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the **Martinsville City School Board** held at Martinsville, Virginia at 6:00 P. M. o'clock on June 9, 2014. Given under my hand and seal of the **Martinsville City Public Schools** this 9th day of June, 2014.



Janie C. Fulcher
Janie C. Fulcher, Clerk

Meeting Date: June 24, 2014
Item No: 9.
Department: Finance
Issue: Hear Financial Report
Summary:

FY14 – Revenues & Expenditures through May 31, 2014; Combined Balance Sheet; Projected Fund Balance

Exclusive of School and Special Revenue funds, actual revenues were \$53,296,968, representing 104.5% of the anticipated \$51,014,853 through the month ending May 31st. Receiving ten months proceeds, Local Sales/Use Taxes collected through May 31st are ahead of anticipated by \$52,202, for total receipts of \$1,648,202. Utility revenues were mixed with Refuse Fund's receipts being greater than anticipated, and Water, Sewer, and Electric Funds' receipts being a slightly less than anticipated. MINet/Fiber Optic Fund's revenues were better than expected, which includes three quarters of transfers from other funds.

Actual expenditures were \$56,519,371, which is greater than the anticipated amount by \$109.4%. The "actual" figures include all outstanding encumbrances of \$1,265,585.

As of May 31st, the current total combined Fund Balance and Net Position is \$17,998,598, a decrease from FY13 of \$3,127,679. Available cash-on-hand May 31st for City Funds was \$13,846,159.

As presented during the FY15 budget process, the year-end Fund Balance and Net Position is projected to be \$17,972,217 – a decrease from FY13 year-end of \$3,154,060. Exclusive of Utility Funds and based upon this projection, the unassigned Fund Balance would be \$4,734,574, 14.27% of the budgeted General Fund expenditures for FY14.

Attachment: Revenues & Expenditures
Combined Balance Sheet
Projected Fund Balance

Recommendations: Motion to approve financial report.

City of Martinsville
Consolidated Revenues and Expenditures
FY14 - May 31, 2014

(prepared for 6/24/14 meeting)

	<i>Budget</i>	<i>Anticipated</i>	<i>Actual YTD</i>	<i>Remaining Balance</i>	<i>Difference Ant vs. Actual</i>
General Fund					
Revenues	\$ 31,380,200	\$ 23,983,020	\$ 25,983,997	\$ 5,396,203	108.3%
Expenditures	33,193,423	25,891,629	26,810,632	6,382,791	103.5%
Excess (deficiency) of revenues over expenditures	\$ (1,813,223)	\$ (1,908,609)	\$ (826,635)		
	(Fund Bal contrib)				

	<i>Budget</i>	<i>Anticipated</i>	<i>Actual YTD</i>	<i>Remaining Balance</i>	<i>Difference Ant vs. Actual</i>
Capital Funds					
Meals Tax					
Revenues	\$ 1,900,250	\$ 1,567,212	\$ 1,627,173	\$ 273,077	103.8%
Expenditures	3,636,297	3,421,531	3,421,531	214,766	100.0%
Excess (deficiency) of revenues over expenditures	\$ (1,736,047)	\$ (1,854,319)	\$ (1,794,358)		
Capital Reserve					
Revenues	\$ 781,189	\$ 589,487	\$ 609,772	\$ 171,417	103.4%
Expenditures	1,387,445	1,227,412	1,227,412	160,033	100.0%
Excess (deficiency) of revenues over expenditures	\$ (606,256)	\$ (637,925)	\$ (617,641)		
TOTAL CAPITAL FUNDS:	\$ (2,342,303)	\$ (2,492,244)	\$ (2,411,999)		
	(Fund Bal contrib)				

	<i>Budget</i>	<i>Anticipated</i>	<i>Actual YTD</i>	<i>Remaining Balance</i>	<i>Difference Ant vs. Actual</i>
Refuse Fund					
Revenues	\$ 1,877,628	\$ 1,660,210	\$ 1,956,374	\$ (78,746)	117.8%
Expenditures	2,177,764	1,622,331	1,672,844	504,920	103.1%
Excess (deficiency) of revenues over expenditures	\$ (300,136)	\$ 37,879	\$ 283,529		
MINet/Fiber Optic Fund					
Revenues	\$ 206,996	\$ 453,693	\$ 502,716	\$ (295,720)	110.8%
Expenditures	577,459	558,455	709,462	(132,003)	127.0%
Excess (deficiency) of revenues over expenditures	\$ (370,463)	\$ (104,762)	\$ (206,746)		
Water Fund					
Revenues	\$ 3,306,040	\$ 3,041,917	\$ 3,016,920	\$ 289,120	99.2%
Expenditures	3,831,629	2,567,429	2,523,469	1,308,160	98.3%
Excess (deficiency) of revenues over expenditures	\$ (525,589)	\$ 474,488	\$ 493,451		
Sewer Fund					
Revenues	\$ 4,010,012	\$ 3,688,701	\$ 3,643,695	\$ 366,317	98.8%
Expenditures	4,841,109	3,383,811	3,591,697	1,249,412	106.1%
Excess (deficiency) of revenues over expenditures	\$ (831,097)	\$ 304,890	\$ 51,998		
Electric Fund					
Revenues	\$ 17,442,745	\$ 16,030,613	\$ 15,956,322	\$ 1,486,423	99.5%
Expenditures	18,898,550	13,002,075	16,562,323	2,336,227	127.4%
Excess (deficiency) of revenues over expenditures	\$ (1,455,805)	\$ 3,028,538	\$ (606,001)		
TOTAL UTILITY FUNDS:	\$ (3,112,627)	\$ 3,845,795	\$ 222,977		
	(Fund Bal contrib)				

**Consolidated Revenues and Expenditures
FY14 - May 31, 2014**

	<i>Budget</i>		<i>Actual YTD</i>	<i>Remaining Balance</i>	<i>Difference Budg vs. Actual</i>
Cafeteria					
Revenues	\$ 1,370,150	\$	\$ 1,294,106	\$ 76,044	94.4%
Expenditures	<u>1,701,710</u>		<u>1,448,285</u>	253,425	85.1%
Excess (deficiency) of revenues over expenditures	<u>\$ (331,560)</u>	\$	<u>\$ (154,179)</u>		
Schools					
Revenues	\$ 21,773,763	\$	\$ 17,756,313	\$ 4,017,450	81.5%
Expenditures	<u>21,855,891</u>		<u>18,012,262</u>	3,843,629	82.4%
Excess (deficiency) of revenues over expenditures	<u>\$ (82,128)</u>	\$	<u>\$ (255,948)</u>		
Federal Programs					
Revenues	\$ 2,390,492	\$	\$ 1,279,365	\$ 1,111,127	53.5%
Expenditures	<u>2,390,492</u>		<u>1,404,340</u>	986,152	58.7%
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	\$	<u>\$ (124,975)</u>		
TOTAL SCHOOL FUNDS:	<u>\$ (413,688)</u>	\$	<u>\$ (535,103)</u>		
	<small>(fund bal contrib)</small>				
Special Revenue Funds					
CDBG Fund					
Revenues	\$ 755,289		\$ 1,101,181	\$ (345,892)	145.8%
Expenditures	<u>755,289</u>		<u>1,154,127</u>	(398,838)	152.8%
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>		<u>\$ (52,945)</u>		
Housing Choice Fund					
Revenues	\$ 2,013,343		\$ 1,897,248	\$ 116,095	94.2%
Expenditures	<u>2,025,343</u>		<u>1,591,645</u>	433,698	78.6%
Excess (deficiency) of revenues over expenditures	<u>\$ (12,000)</u>		<u>\$ 305,603</u>		
TOTAL SPECIAL REVENUE FUNDS:	<u>\$ (12,000)</u>		<u>\$ 252,657</u>		
GRAND TOTALS:					
<i>(excluding Schools & Special Revenues)</i>					
Revenues:	\$ 60,905,060	<i>Anticipated</i> 51,014,853	\$ 53,296,968	\$ 7,608,092	104.5%
Expenditures	<u>68,543,676</u>	<u>51,674,673</u>	<u>56,519,371</u>	12,024,305	109.4%
Excess (deficiency) of revenues over expenditures	<u>\$ (7,638,616)</u>	<u>(659,820)</u>	<u>\$ (3,222,403)</u>		
Local Sales/Use Taxes	\$ 1,900,000	\$ 1,596,000	\$ 1,648,202	\$ 251,798	103.3%

The Budgeted Revenue amounts do not include any contributions from Fund Balance.

City of Martinsville
Combined Balance Sheet
05/31/14
FY2014

As prepared for 6/24/14 meeting

FUND	TOTAL ASSETS*	LIABILITIES &RESERVES	CURRENT FUND BAL & NET POSITION	JUNE 30, 2013 FUND BAL & NET POSITION	DIFFERENCE FROM FY13
GENERAL FUND	\$ 11,526,435	\$ (4,663,426)	\$ 6,863,009	\$ 7,229,188	\$ (366,179)
MEALS TAX	\$ 784,843	\$ (342,413)	\$ 442,431	\$ 2,236,789	\$ (1,794,358)
SCHOOL CAFETERIA	\$ 779,349	\$ -	\$ 779,349	\$ 933,528	\$ (154,179)
REFUSE COLLECTION FUND	\$ 9,624,596	\$ (7,353,141)	\$ 2,271,455	\$ 2,295,374	\$ (23,919)
MINET/FIBER OPTIC SYSTEM	\$ (191,318)	\$ (7,457)	\$ (198,775)	\$ -	\$ (198,775)
WATER FUND	\$ 5,550,098	\$ (4,544,837)	\$ 1,005,261	\$ 748,827	\$ 256,434
SEWER FUND	\$ 4,640,077	\$ (3,495,970)	\$ 1,144,107	\$ 1,153,990	\$ (9,883)
ELECTRIC FUND	\$ 14,878,985	\$ (9,242,617)	\$ 5,636,368	\$ 6,268,839	\$ (632,471)
CAPITAL RESERVE FUND	\$ 361,284	\$ -	\$ 361,284	\$ 834,098	\$ (472,814)
SCHOOL FUND	\$ (86,168)	\$ (31,603)	\$ (117,772)	\$ -	\$ (117,772)
SCHOOL FEDERAL PROGRAMS	\$ (118,190)	\$ (71)	\$ (118,261)	\$ 6,714	\$ (124,975)
CDBG FUND	\$ (267,120)	\$ (120,150)	\$ (387,270)	\$ (592,879)	\$ 205,609
HOUSING CHOICE	\$ 318,151	\$ (740)	\$ 317,411	\$ 11,809	\$ 305,602

TOTAL	\$ 47,801,022	\$ (29,802,425)	\$ 17,998,598	\$ 21,126,277	\$ (3,127,679)
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Re-appropriations

\$ (3,217,179)

Adjusted Total:

\$ 17,909,098

*Re-appropriations for FY13 include \$104,816 for Capital Fund Energy Efficiency Project and \$1,736,047 for Meals Tax Fund H.S. Renovation Project, leaving \$1,376,316 for other projects and grants.

RESERVED FUNDS

INSURANCE TRUST FUND	\$ 438,783	\$ -	\$ 438,783	\$ 340,524	\$ 98,259
INMATE TRUST FUND	\$ 98,434	\$ -	\$ 98,434	\$ 82,597	\$ 15,837

Fiduciary Agency Funds:

05-SVRFA	\$ 90,148	\$ (309)	\$ 89,840	\$ 85,447	\$ 4,393
06-Dan River ASAP	\$ 237,579	\$ -	\$ 237,579	\$ 235,584	\$ 1,995
08-WPBDC	\$ 8,393	\$ -	\$ 8,393	\$ 91,285	\$ (82,892)
15-PRCJTA	\$ 523,617	\$ -	\$ 523,617	\$ 506,975	\$ 16,642
30-BRRL	\$ 321,770	\$ -	\$ 321,770	\$ 207,370	\$ 114,400
TOTALS:	\$ 1,181,508	\$ (309)	\$ 1,181,199	\$ 1,126,661	\$ 54,538

CITY OF MARTINSVILLE

PROJECTED FUND BALANCE 06/30/2014

(5/13/14 Projected for Budget Process)

	<u>Audited Fund</u> <u>Balance & Net</u> <u>Position</u> <u>06/30/13</u>	<u>Projected</u> <u>Revenues</u> <u>FY14</u>	<u>Projected</u> <u>Expenditures</u> <u>FY14</u>	<u>Budgeted</u> <u>Depreciation</u>	<u>Projected</u> <u>Fund</u> <u>Balance & Net</u> <u>Position</u> <u>06/30/14</u>	<u>Net</u> <u>(Decrease)</u> <u>Increase</u>
GENERAL	7,229,188	31,308,473	31,666,052		6,871,609 0	(357,579)
MEALS TAX	2,236,789	2,028,497	3,636,297		628,989	(1,607,800)
CAPITAL RESERVE	834,098	781,439	1,346,312		269,225	(564,873)
TOTAL CAPITAL FUNDS	3,070,887	2,809,936	4,982,609		898,214	(2,172,673)
REFUSE	2,295,374	2,102,350	2,098,489	150,000	2,449,235	153,861
MINET/FIBER OPTIC	0	615,481	696,154	0	(80,673)	(80,673)
WATER	748,827	3,315,045	3,550,950	250,000	762,922	14,095
SEWER	1,153,990	4,020,385	4,638,848	400,000	935,527	(218,463)
ELECTRIC	6,268,839	17,816,772	18,621,618	400,000	5,863,993	(404,846)
TOTAL UTILITY FUNDS (net position)	10,467,030	27,870,033	29,606,059	1,200,000	9,931,004	(536,026)
CAFETERIA	933,528	1,370,150	1,701,710		601,968	(331,560)
SCHOOLS	0	21,836,548	21,836,548		0	0
SCHOOL GRANTS	6,714	2,390,492	2,390,492		6,714	0
TOTAL SCHOOL FUNDS	940,242	25,597,190	25,928,750		608,682	(331,560)
CDBG*	(592,879)	1,238,228	1,065,934		(420,585)	172,294
HOUSING CHOICE	11,809	1,948,011	1,876,527		83,293	71,484
TOTAL SP REV FUNDS	(581,070)	3,186,239	2,942,461		(337,292)	243,778
TOTAL ALL FUNDS	21,126,277	90,771,871	95,125,931		17,972,217	(3,154,060)

*adjusted revenues to accommodate estimated revisions in account receivables.

Year-End Fund Balance Summary:

	Total Funds:	Total by Category:
Non-spendable:		926,470
Inventory (elec/water)	921,470	
Prepaid Items - Gen Fund	5,000	
Restricted:		0
	0	
Committed to:		2,320,132
CCBC	1,666,700	
PART	44,750	
Housing Choice	0	
Cafeteria Fund	601,968	
School Grants Fund	6,714	
Assigned to:		898,214
Capital Reserve Fund	269,225	
Meals Tax Fund	628,989	
Unassigned:		13,827,401
Non-utility Funds:	4,817,867	
Utility Funds (net position):	9,009,534	
Totals:	17,972,217	17,972,217

City of Martinsville - Fund Balance/Net Position Change

for 6/24/14 meeting

		FINAL FY2013	PROJECTED FY2014	CHANGE FROM FY2013 TO FY2014
Unassigned	Non Utility	\$3,939,302	\$4,734,574	\$795,272
	Utility (net position)	\$10,467,030	\$9,009,534	-\$1,457,496
Restricted	Capital Projects	\$2,274,054	\$0	-\$2,274,054
Assigned	Capital Reserve	\$294,028	\$269,225	-\$24,803
	Meals Tax	\$24,848	\$628,989	\$604,141
	Thoroughfare Construction	\$154,099	\$0	-\$154,099
Committed	Commonwealth Crossing	\$1,666,700	\$1,666,700	\$0
	PART	\$31,415	\$44,750	\$13,335
	Housing	\$11,809	\$83,293	\$71,484
	Cafeteria Fund	\$933,528	\$601,968	-\$331,560
	School Grants Fund	\$6,714	\$6,714	\$0
SUBTOTAL CASH & EQUIVALENTS/POSITIONS		\$19,803,527	\$17,045,747	-\$2,757,780
Non Spendable	Inventory (elec/water)	\$838,216	\$921,470	\$83,254
	Prepaid Items	\$484,531	\$5,000	-\$479,531
FUND BALANCE SUMMARY		\$21,126,274	\$17,972,217	-\$3,154,057



City Council Agenda Summary

Meeting Date: June 24, 2014
Item No: 10.
Department: Finance
Issue: Consider approval of consent agenda.

Summary:

The attachments amend the FY14 Budget with appropriations in the following funds:

FY14:

General Fund: \$9,641 – Donations, Reimbursements, Grants

Attachments: Spreadsheet

Recommendations: Motion to approve

BUDGET ADDITIONS FOR 6/24/2014

ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<u>FY14</u>				
<u>General Fund:</u>				
01100908	480410	Miscellaneous Revenue - Donations/Fire Dept.		100
01322105	505500	EMS - Travel/Training Donation	100	
01100909	490104	Advanced/Recovered Costs		100
01321102	506130	Fire Dept - Repair/Maint - Burn Building Reimbursements for training/use of facility	100	
01100909	490104	Advance/Recovered Costs		6,000
01221082	501300	Commonwealth's Attorney - Part-time/Temporary Wages	3,000	
01123035	501300	Comm. of Revenue - Part-time/Temporary Wages Funds from NCI for summer interns	3,000	
01100908	480420	Misc. Revenue - Donations-Sr. Citizens		50
01714212	506016	Senior Citizens - Program Supplies Donations - Sponsors of Health Fair & Craft Show	50	
01100909	490801	Recovered Costs - Senior Citizens		3,391
01714212	506016	Senior Citizens - Program Supplies	1,210	
01714212	501300	Senior Citizens - Part-time Wages	1,387	
01714212	502100	Senior Citizens - Social Security	86	
01714212	502110	Senior Citizens - Medicare	20	
01714212	506049	Senior Citizens - Vehicle Fuels Bingo & Trip receipts; Transportation Grant - March, April, May 2014	688	
Total General Fund:			9,641	9,641



City Council Agenda Summary

Meeting Date: June 24, 2014

Item No: 11.

Department: City Manager

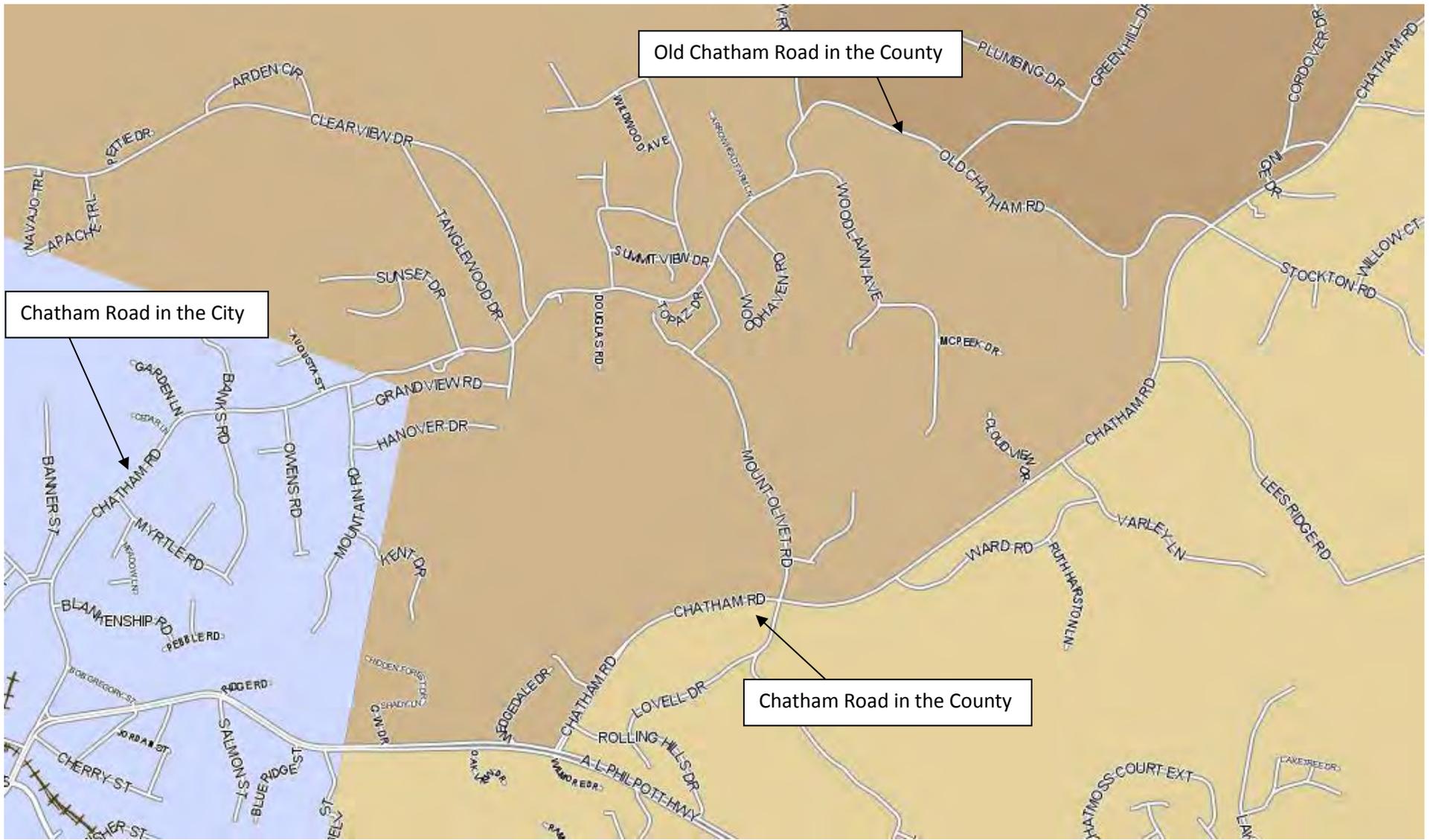
Issue: Hear a staff update on issues related to a duplicate use of the street/road name - Chatham Road.

Summary: Staff was recently made aware of occasional difficulty and confusion regarding efforts to physically locate property for mail delivery and 911 services arising from the fact that the street/road name of Chatham Road is used for new Route 57 in the County and Route 457 (old or original Chatham Road) in the City.

Information available in the City's engineering office indicates the in-City section of Chatham Road (now designated as Route 457, but previously Route 57) has historically been named Chatham Road. When Route 57 was reconstructed to its present location, the Chatham Road name was also assigned to the new location as well. The original section of what is now Route 457 in the County is designated as Old Chatham Road.

Attachments: Map showing the streets in question.

Recommendations: None – this issue is being presented for information purposes only. Staff is referring the matter to the Planning Commission for review and a recommendation.



Chatham Road/ Old Chatham Road Designations