

AGENDA--CITY COUNCIL -- CITY OF MARTINSVILLE, VIRGINIA  
Council Chambers – Municipal Building  
**6:30 pm Closed Session                      7:30 pm regular session**  
**Tuesday, October 13, 2015**

**6:30 pm --Closed Session**

1. Items to be considered in Closed Session, in accordance with the Code of Virginia, Title 2.2, Chapter 37—Freedom of Information Act, Section 2.2-3711(A)—Closed Meetings, the following:
  - a. Appointments to boards and commissions as authorized by Subsection 1.
  - b. Consultation with legal counsel and briefings by staff members, attorneys or consultants pertaining to actual or probable litigation, or other specific legal matters requiring the provision of legal advice by such counsel, as authorized by Subsection 7.

**7:30—Regular Session**

Invocation & Pledge to the American Flag-Council Member Mark Stroud

1. Consider approval of minutes of September 21, 2015 Neighborhood meeting, September 30, 2015 Special meeting and September 22, 2015 Council meeting. (2 mins)
2. Presentation of Proclamation recognizing Extra Mile Day 2015. (2 mins)
3. Hear an update from Amanda Witt of the Martinsville-Henry County Chamber of Commerce regarding activities related to the City/C-PEG Small Business Development Contract (15 mins)
4. Consider approval on first reading of an ordinance reciting the expediency of the issuance of up to \$7,90,000 principal amount of general obligation bonds (10 mins)
5. Consider approval of a resolution regarding reimbursement from financing proceeds, authorizing a public hearing and approving related actions related to potential financing of the meter/lighting replacement project (10 mins)
6. Consider approval of a change in the management contract for the Martinsville Mustangs (10 mins)
7. Hear an update on Council meetings scheduled for the week of October 12<sup>th</sup> (10 mins)
8. Hear Finance Report (15 mins)
9. Consider approval of consent agenda and re-appropriations for FY16. (2 mins)
10. 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 what action they would like for Council to take;**
  - (3) limit remarks to five minutes;**
  - (4) refrain from making any personal references or accusations of a factually false and/or 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.**
7. Comments by members of City Council. (5 minutes)
8. Comments by City Manager. (5 minutes)

**Meeting Date:** October 13, 2015

**Item No:** 1.

**Department:** Clerk of Council

**Issue:** Consider approval of minutes of September 21, 2015 Neighborhood meeting, September 30, 2015 Special meeting and September 22, 2015 Council meeting.

**Summary:** None

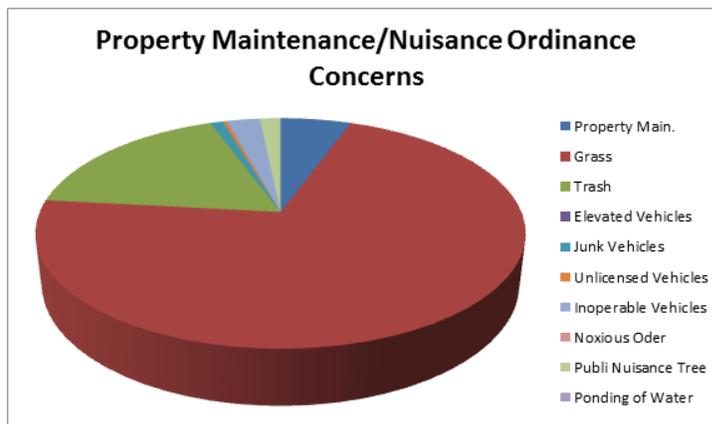
**Attachments:** September 21, 2015 Neighborhood meeting  
September 22, 2015 meeting  
September 30, 2015 Special meeting

**Recommendations:** Motion to approve minutes as presented.

September 21, 2015

Martinsville City Council Neighborhood Meeting for the Druid Hills/Uptown area was held on September 21, 2015 at Forest Hills Presbyterian Church, 725 Beechnut Lane, Martinsville, VA at 7:30 PM, with Mayor Danny Turner presiding and Council members present including: Vice Mayor Jennifer Bowles, Gene Teague, Mark Stroud, and Sharon Brooks Hodge. Staff present: Leon Towarnicki, Wayne Knox, Eric Monday, Karen Roberts, Sean Dunn, Coretha Gravely, Kenneth Draper, and Andy Powers.

Mayor Turner called the meeting to order at 7:35pm. Andy Powers provided an update on the property maintenance report.



Property Maintenance -17  
Grass-217  
Trash-54  
Elevated Vehicles-0  
Junk Vehicles-3  
Unlicensed Vehicles-1  
Inoperable Vehicles-8  
Noxious Odor-0  
Public Nuisance Tree-5  
Ponding of Water-0

**Property Maintenance**

No report

**Demolitions**

This year's demolition list began with 32 structures. We had great success working with owners to submit plans of action to repair or demolish their own structures in a timely manner. The City is moving forward to abate the 17 structures remaining. 7 of these structures need asbestos abatement before the demolition can occur. The public works department will raze and remove 11 of these and a contractor will complete 6.

Council Member Stroud said he thought it was a good idea to get the Police Department involved in property maintenance and he thanked Chief Dunn for his department's participation. Fire Chief Kenneth Draper agreed that having the police department involved in recognizing property maintenance issues has worked very well. Police Chief Dunn thanked them both for the recognition and agreed that the citizens appreciate the combined efforts and how fast the property maintenance issues are recognized and corrected.

September 21, 2015

Coretha Gravely stated that the portable basketball goals are causing a problem, residents are setting them up at the end of the street and the children playing in the street is causing a traffic hazard. City Attorney Monday confirmed that she could contact Public Works to have those basketball goals picked up if the owners do not have them moved.

Mayor Turner outlined the neighborhood tour. Those attending the tour included Mayor Turner, Vice Mayor Bowles, Council Member Sharon Hodge, Council Member Mark Stroud, Council Member Gene Teague, Andy Powers, Leon Towarnicki, Coretha Gravely, and Mickey Powell. The tour visited Spruce Street, Beverly Way, Susan Lane, Meadowview Lane, Auburn Place, Independence Drive, and Valley View Road.

Comments from citizens: No residents attended the meeting.

There being no further business, Mayor Turner adjourned the meeting at 7:45pm.

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Karen Roberts  
Clerk of Council

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Danny Turner  
Mayor

September 22, 2015

The regular meeting of the Council of the City of Martinsville, Virginia was held on September 22, 2015 in Council Chambers, Municipal Building at 7:30pm, Closed Session beginning at 7:00pm with Mayor Danny Turner presiding. Council Members present: Mayor Danny Turner, Vice Mayor Jennifer Bowles, Council Member Gene Teague, Council Member Sharon Hodge and Council Member Mark Stroud. Staff members present included: City Manager Leon Towarnicki, City Attorney Eric Monday, Clerk of Council Karen Roberts, Superintendent of Water Resources Andy Lash, Fire Chief Kenneth Draper, Building Official Ted Anderson, Deputy Building Official Kris Bridges, Police Chief Sean Dunn, Finance Director Linda Conover, Budget Analyst Mary Prillaman, Utilities Director Dennis Bowles, and Assistant City Manager Wayne Knox.

Mayor Turner called the meeting to order and advised Council would go into Closed Session. In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon motion by Council Member Hodge, seconded by Council Member Stroud with the following recorded 5-0 roll-call vote: Council Member Hodge, aye; Mayor Turner, aye; Council Member Stroud, aye; Council Member Teague, aye; Vice Mayor Bowles, aye. Council convened in Closed Session for the purpose of discussing the following matters: A) Appointments to boards and commissions as authorized by Subsection 1. B) Discussion or consideration of the acquisition of real property for a public purpose or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body, as authorized in Subsection 3. C) Consultation with legal counsel and briefings by staff members, attorneys or consultants pertaining to actual or probable litigation, or other specific legal matters requiring the provision of legal advice by such counsel, as authorized by Subsection 7. At the conclusion of the Closed Session, each returning member of Council certified that (1) only public business matters exempt from opening meeting requirements were discussed in said Closed Session and (2) only those business matters identified in the motion convening the Closed Session were heard, discussed, or considered during the Session. On a motion by Council Member Hodge and seconded by Council Member Stroud with the following 5-0 roll-call recorded vote: Stroud, aye; Bowles, aye; Turner, aye; Teague, aye; Hodge, aye; Council returned to Open Session.

Invocation and Pledge to the American Flag – Vice Mayor Jennifer Bowles.

Approval of minutes from September 8, 2015 Council meeting - On a motion by Vice Mayor Bowles, seconded by Council Member Hodge, with a 5-0 vote, Council approved the minutes of the September 8, 2015 meeting.

Addendum to consider authorizing execution of a contract with Crowder Construction Company for replacement of partially collapsed section of City sewer interceptor line located between the Smith River and Walker Road in Henry County – City Manager Towarnicki

September 22, 2015

reminded Council of the previous meeting discussions on the sewer repair. He stated that the project was bid with Crowder Construction being the lowest bidder after negotiations and modifications. Crowder Construction expects to start repairs mid-October to early November. The material for the wall will be available quicker than anticipated and they will push to have that complete before wetter spring conditions. Emergency bypass pumping will be in place and will be installed at the beginning of the project. Phase 2 would hopefully begin around summer, 2016 and would take approximately 18 months construction time depending on details of design. Phase 3 is the rehabilitation of the concrete pipe and is considered less critical of the three phases. Vice Mayor Bowles made a motion to authorize execution of the contract with Crowder Construction for the sewer repair, Council Member Stroud seconded the motion; all Council Members voted in favor.

Overview of September 21, 2015 Druid Hills/Uptown area Neighborhood tour and meeting – Mayor Turner gave an overview of the Druid Hills/Uptown tour concerns and actions taken.

Recognition of Kris Bridges, Deputy Building Official awarded the 2015 Virginia Building and Code Officials Association Award – Fire Chief Draper thanked Council for recognizing Kris Bridges. Ted Anderson gave a brief history of this very prestigious award and said Mr. Bridges was unaware that he had been nominated. Mr. Bridges has been with the City since 2001. Mr. Anderson listed Mr. Bridges' numerous accomplishments and certifications. Mayor Turner and Vice Mayor Bowles presented the award plaque.

Present a Proclamation honoring the Garden Club of Virginia, recognizing the Martinsville Garden Club, and proclaiming Thursday, October 15, 2015 as "Garden Club of Virginia Day" in Henry County and the City of Martinsville – City Manager Towarnicki described the October 13-15, 2015 event at New College where the local Garden Club will be hosting 47 other Garden Clubs. Ms. Helen Carter and Ms. Sue Rosser came forward to accept the proclamation. Vice Mayor Bowles read the proclamation and it was presented by the Vice Mayor and Mayor Turner. Ms. Rosser invited Council Members to the Garden Club event on October 15<sup>th</sup>. Council Member Stroud thanked the Garden Club for the work they did at the courthouse and other projects they continue to complete.



**PROCLAMATION**  
Establishing October 15, 2015 as  
**"Garden Club of Virginia Day"**  
in Henry County and Martinsville



**WHEREAS**, the Garden Club of Virginia, was founded in 1920 when eight local garden clubs came together to use their collective strength to celebrate the beauty of land, to conserve the gifts of nature and to challenge future generations to build on this heritage; and

**WHEREAS**, the Garden Club of Virginia is an active association of forty-seven garden clubs, whose members collectively form a group of more than 3,300 civic leaders from around the Commonwealth; and

**WHEREAS**, the Garden Club of Virginia values the conservation of our natural resources, the restoration of historic gardens and landscapes, and the education of its members and the general public; and

**WHEREAS**, the Martinsville Garden Club will host the Garden Club of Virginia's Board of Governors Meeting on October 13 -15, 2015 in Martinsville-Henry County, Virginia, bringing hundreds of people to our community; and

**WHEREAS**, observance of this occasion allows the opportunity for our community to extend the appreciation it feels for the valuable contributions made by the Garden Club of Virginia toward the beautification of all our communities of the Commonwealth:

**NOW, THEREFORE, BE IT PROCLAIMED**, on this 22<sup>nd</sup> Day of September, 2015 that the Henry County Board of Supervisors and the Martinsville City Council establish Thursday, October 15, 2015 as "Garden Club of Virginia Day" in Henry County and Martinsville, and welcome members of the various clubs from around the Commonwealth to our community. Furthermore, the Board of Supervisors and City Council extend their highest praise and commendation to the membership of the Garden Club of Virginia for its service to our communities.

*H.G. Vaughn*  
H.G. Vaughn, Chairman  
Henry County Board of Supervisors

*Danny Turner*  
Danny Turner, Mayor  
Martinsville City Council



Consider adoption of a Resolution designating October as Virginia Artisan Month and October 2-11, 2015 as American Craft Week – Wayne Knox explained the resolution and read the proclamation. Vice Mayor Bowles made a motion to adopt the resolution, Council Member Hodge seconded – all Council Members voted in favor



**RESOLUTION**  
By Martinsville City Council  
For  
**ENDORSEMENT OF VIRGINIA ARTISAN MONTH &  
AMERICAN CRAFT WEEK PROCLAMATION**

**WHEREAS**, the culture of the Virginia artisan inspires appreciative audiences for its unique work and distinctive way of life; and,

**WHEREAS**, the production and use of handmade arts and artisan-agricultural goods invoke an intimate lifelong relationship of value and appreciation for the work of highly skilled individuals; and,

**WHEREAS**, Virginia's artisans link past, present and future as they reconcile "meaning" with "making" through traditional practices and innovations; and,

**WHEREAS**, the state of Virginia currently hosts 27 community-connected and developing artisan trails representing 39 counties and 12 cities across the Commonwealth that are strengthening our economy through a connective community Artisan Trail Network; and,

**WHEREAS**, the Virginia's artisan industry, comprises an estimated 4,500 businesses, to include but not limited to individual studios, farms, aquaculture, art venues, market venues and supporting cultural sites in both the private and nonprofit sector; and,

**WHEREAS**, the Smith River Artisan Trail in Martinsville-Henry County, is a part of the statewide Artisan Trail Network, and,

**WHEREAS**, artisans and agricultural artisans contribute significantly to strong local and creative economies; and,

**WHEREAS**, the creative economy is an effective avenue toward entrepreneurial opportunities and the diversification of local economies undergoing transition; and,

**WHEREAS**, artisan education research shows that the arts help to foster discipline, creativity, imagination, self-expression, and problem solving skills while also helping to develop a heightened appreciation of beauty and cross-cultural understanding; and,

**WHEREAS**, many artisan acquired skills are transferrable into Virginia's manufacturing and trade-based workforce; and,

**WHEREAS**, artisans and agricultural artisans are integrated into every aspect of life in Virginia, including strengthening the economy, enriching civic life, driving tourism, and exerting a profound positive influence on the education of our children;

**THEREFORE, BE IT RESOLVED:** The Martinsville City Council hereby expresses its support for the designation of the month of October as Virginia Artisan Month and the week of October 2-11, 2015 as American Craft Week as requested by the Virginia Artisan Center.

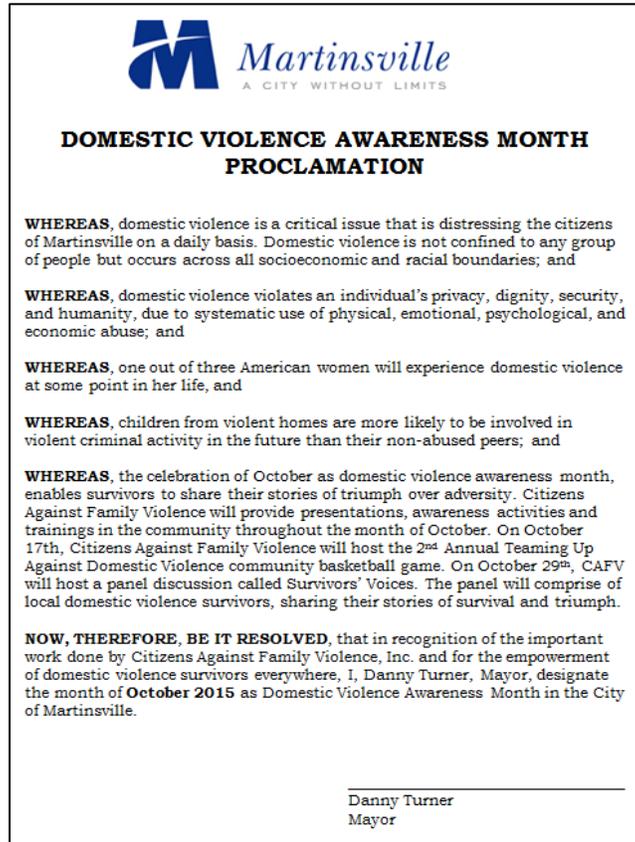
Adopted this 22<sup>nd</sup> day of September, 2015.

*Danny Turner*  
Danny Turner, Mayor

Attest:  
*Karen Roberts*  
Karen Roberts, Clerk of Council

September 22, 2015

Presentation of Proclamation recognizing October, 2015 as Domestic Violence Awareness Month – Mayor Turner read the proclamation and presented it to Julia Scales. Ms. Scales thanked Council for their continued support and invited them to the events at the end of the month. Hodge asked if those events could be televised on the government channel. Towarnicki said he would check into that.



Hear update from 911 Center Director, J.R. Powell on the CodeRed Alert System – Tierra Dillard was present in Mr. Powell's place. Ms. Dillard explained the CodeRed notification system. The system will be used in case of emergencies such as missing adults or children, Public Works notifications of water or power outages, and community notifications. The 911 Center is offering training to City departments on system usage. Vice Mayor Bowles explained that there is a link on the City website where citizens could opt in. Ms. Dillard elaborated that you could register your cell phone, home phone or email online through that link. Council Member Teague commented that registering for the service was simple.

Hear a report prepared by Davenport and Company, LLC. regarding an analysis of the City's debt/debt capacity – Towarnicki said he had contacted Davenport because of several large projects that are in the works for the City. Ted Cole explained the findings of the debt study including goals and objectives, peer comparatives and credit rating overview, general fund operations and fund balance, existing debt profile, etc. (Discussion Materials information can be found in the minutes folder).

September 22, 2015

Consider authorizing and execution of agreement on Water Meter replacement project and to seek financing options – City Manager Towarnicki introduced representatives from Johnson Controls and referred to the detailed presentation provided at the previous Council meeting. Towarnicki said he felt that all requested information had been provided and all Council’s questions were answered. He said the next step would be to approve the project and to investigate financing of the project which would be brought back to Council. Johnson Controls would handle the initial meter change out using specialized crews and would utilize local labor and trades personnel. Towarnicki stated that the performance contract on the lighting project within the building was a similar project that needed to be done and savings allowed them to utilize replacements of heating and air system; a project which has basically paid for itself. Council Member Hodge made a motion to authorize execution of the agreement with Johnson Controls, Council Member Stroud seconded the motion, all Council Members voted in favor.

Consider approval of consent agenda and re-appropriations – Linda Conover spoke about the consent agenda, the re-appropriations list and the Health Department re-appropriation. On a motion by Council Member Teague, seconded by Council Member Hodge, with a 5-0 vote, Council approved the following consent agenda and re-appropriations:

BUDGET ADDITIONS FOR 9/22/15				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<b>FY16</b>				
<b>General Fund:</b>				
01100909	490104	Advance/Recovered Costs		3,608
01331108	501300	Sheriff/Corrections - Part-time & Temporary Wages	2,650	
01331108	502100	Sheriff/Corrections - Social Security	164	
01331108	502110	Sheriff/Corrections - Medicare	39	
01331108	506008	Sheriff/Corrections - Vehicle Equipment & Maint.	530	
01331110	506200	Sheriff/Annex - Prisoner Allowance	225	
		Reimbursement from Henry County for litter pickup-July & August		
<b>Total General Fund:</b>			<b>3,608</b>	<b>3,608</b>

RE-APPROPRIATIONS FY15 TO FY16						
DEPARTMENTAL REQUESTS						
ORG CODE	OBJECT	DEPARTMENT	ACCOUNT DESCRIPTION	DEBIT	CREDIT	
<b>GENERAL FUND</b>						
01103938	462101		Contribution From Fund Balance		\$ 566,639	
01217078	506047	Sheriff - Courts	Project Life Saver	\$ 13,077		
01221082	506001	Commonwealth's Attorney	Office Supplies	\$ 7,846		
01221082	506105	Commonwealth's Attorney	State - Confiscated Assets	\$ 4,436		
01221082	506079	Commonwealth's Attorney	Federal - Confiscated Assets	\$ 6,402		
01221082	506118	Commonwealth's Attorney	Local - Confiscated Assets	\$ 129		
01123035	501300	Commissioner of Revenue	Part-time Wages	\$ 913		
01123035	502100	Commissioner of Revenue	Social Security	\$ 60		
01123035	502110	Commissioner of Revenue	Medicare	\$ 15		
01311085	501206	Police	Overtime - DMV Grant	\$ 25,950		
01311085	506008	Police	Vehicle Equip & Maint	\$ 4,897		
01311085	506078	Police	State - Confiscated Assets	\$ 12,849		
01311085	506079	Police	Federal - Confiscated Assets	\$ 88,365		
01311085	506082	Police	Byrne/Jag Grant Program	\$ 4,785		
01311085	506118	Police	Local - Confiscated Assets	\$ 400		
01311085	508165	Police	Construction - Animal Shelter	\$ 314		
01311085	506061	Police	Ammunition	\$ 1,200		
01313090	506100	Transportation Safety Cmt	Misc. Expenses	\$ 570		
01321102	506110	Fire	Fire Programs	\$ 71,587		
01321102	503171	Fire	Labor for Burn building	\$ 1,125		
01321102	506130	Fire	Maintenance for Burn Building	\$ 3,714		
01322105	506114	EMS	Four for Life	\$ 22,653		
01341135	506300	Inspections	Demolition	\$ 82,000		
01413145	503165	Street Maintenance	Prof. Service-Street Resurfacing	\$ 103,084		
01413151	508220	Thoroughfare Construction	Physical Plant Expansion	\$ 80,268		
01431162	506007	City Hall Operations	Repair & Maintenance	\$ 5,000		
01420152	508220	VDDOT Reserve	Physical Plant Expansion	\$ 25,000		
<b>REFUSE FUND</b>						
09103938	462101		Contribution From Fund Balance		\$ 69,000	
09425302	503140	Landfill	Prof. Service - Engineering	\$ 20,000		
09425302	508220	Landfill	Physical Plant Expansion	\$ 49,000		
<b>WATER FUND</b>						
12103938	462101		Contribution From Fund Balance		\$ 200,000	
12543313	508220	Water Maintenance	Physical Plant Expansion	\$ 200,000		
<b>ELECTRIC FUND</b>						
14103938	462101		Contribution From Fund Balance		\$ 399,250	
14561336	505112	Electric Generation	Purchased Power	\$ 319,000		
14561336	503140	Electric Generation	Prof. Service - Engineering	\$ 39,500		
14563338	506007	Electric Maintenance	Substation Maintenance	\$ 40,750		
<b>CAPITAL RESERVE FUND</b>						
16103938	462101		Contribution From Fund Balance		\$ 257,410	
16575365	508085	Vehicles	Sheriff - Jail	\$ 5,100		
16575365	508035	Computer Software/Hardware	Commissioner of Revenue	\$ 8,150		
16576366	508055	Computer Software/Hardware	Information Services	\$ 60,400		
16577367	508085	Physical Plant Expansion	Sheriff - Jail	\$ 23,460		
16577367	508670	Physical Plant Expansion	Garage/Warehouse Complex	\$ 74,000		
16577367	508140	Physical Plant Expansion	City Hall	\$ 81,800		
16577367	508141	Physical Plant Expansion	Senior Center	\$ 4,500		
<b>COBG FUND</b>						
47103938	462101		Contribution From Fund Balance		\$ 918,572	
47823521	506324	Uptown Revitalization	Facade Improvements-Construction	\$ 542		
47835525	505370	Northside Neighborhood	Administration	\$ 65,126		
47835525	505371	Northside Neighborhood	Acquisition	\$ 77,276		
47835525	505372	Northside Neighborhood	Clearance & Demolition	\$ 37,200		
47835525	505373	Northside Neighborhood	Owner Occupied Rehab	\$ 198,200		
47835525	505375	Northside Neighborhood	Owner Occupied Reconstruction	\$ 261,900		
47835525	505601	Northside Neighborhood	Homeownership Creation	\$ 104,600		
47835525	505602	Northside Neighborhood	Street Improvements	\$ 160,978		
47835525	505603	Northside Neighborhood	Flood Drainage Facilities	\$ 12,750		
<b>TOTAL CITY FUNDS:</b>					<b>\$ 2,410,871</b>	
<b>SCHOOL FUNDS</b>						
181003938	410510		Ops/Contrib from Fund Balance		\$ 58,616	
81621310	563000	HARVEST - ELEMENTARY	Purchased Services	\$ 6,000		
81621310	563142	HARVEST - ELEMENTARY	Professional Development	\$ 4,800		
81621310	565503	HARVEST - ELEMENTARY	Travel	\$ 21,000		
81621310	565800	HARVEST - ELEMENTARY	Miscellaneous Expense	\$ 1,570		
81621310	566000	HARVEST - ELEMENTARY	Materials & Supplies	\$ 1,200		
81621310	566013	HARVEST - ELEMENTARY	Instructional Materials	\$ 600		
81631310	563000	HARVEST - SECONDARY	Purchased Services	\$ 4,000		
81631310	563142	HARVEST - SECONDARY	Professional Development	\$ 3,200		
81631310	565503	HARVEST - SECONDARY	Travel	\$ 14,000		
81631310	565800	HARVEST - SECONDARY	Miscellaneous Expense	\$ 1,046		
81631310	566000	HARVEST - SECONDARY	Materials & Supplies	\$ 800		
81631310	566013	HARVEST - SECONDARY	Instructional Materials	\$ 400		
<b>TOTAL SCHOOL FUNDS:</b>					<b>\$ 58,616</b>	
<b>TOTAL RE-APPROPRIATIONS FROM FY14 TO FY15</b>					<b>\$ 2,469,487</b>	

**Health Department Re-appropriation Request for FY16**

Due to the timing of budget requests, the Health Department submitted their FY16 funding request to the City prior to the General Assembly's passage of new legislation in March. The adopted legislation provided an additional \$110,000 in much-needed State-allocated general funds. However, in order to utilize these additional funds, they must be matched at the local level. The increased general funds have caused a match shortage of \$9,648 for the City of Martinsville's share of FY16 funding of the Health Department. At the end of FY15, they currently have left-over grant funds in the amount of \$9,648.66. With Council's consent, these left-over funds would be used to offset the additional local match shortage.

Business from the Floor – Minister Leonard R. Jones of 701 Starling Ave, Apt 102 – hopes all projects that Council are considering will not raise taxes. He will plan to attend upcoming meetings until the weather gets cold. He expressed concern related to the article in the Martinsville Bulletin regarding minority hiring using tax payer money. He requested that the parade for the Martinsville High School basketball team should be considered again and questioned the signs that were supposed to be posted around the city recognizing the team's championship. Mayor Turner stated that the signs were installed at the City limits.

Comments by members of City Council –

Council Member Stroud received a call from a friend who is looking at investing in properties in Martinsville City and said she was very complimentary of the progress that the City and the Council has made over the years.

Vice Mayor Bowles wanted to acknowledge that the parade for the Martinsville High School basketball team was cancelled because there were some officials who could not attend but that the signs were installed and that the team had received a police escort back into town.

Mayor Turner reminded everyone that there will be a tree dedication for Dr. ChaCha who lost his life in a car accident while doing mission work in Tanzania, Saturday September 26, 2015 at 9:00am. This is a public event for anyone who would like to pay their respects to his family. Turner said he also spoke to a new business owner who plans a ribbon cutting early October.

Comments by City Manager – City Manager Towarnicki reminded the public of the Martinsville-Henry County Outstanding Veteran Award applications being accepted until October 15, 2015. Applications can be obtained through the City website or by visiting the City Manager's office. Towarnicki recognized two long-term retired city employees who had recently passed away - Eddie Ashby was a retired Water Plant supervisor and Jimmy Hopkins was a retired Assistant Public Works Director.

September 22, 2015

There being no further business, Council Member Teague made a motion to adjourn the meeting at 10:00pm, Vice Mayor Bowles seconded the motion, all Council Members voted in favor.

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Karen Roberts  
Clerk of Council

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Danny Turner  
Mayor

September 30, 2015

The special called meeting of the Council of the City of Martinsville, Virginia was held on September 30, 2015 in Council Chambers, Municipal Building at 8:00 am, Closed Session beginning at 8:00 am with Mayor Danny Turner presiding. Council members present: Mayor Danny Turner, Vice Mayor Jennifer Bowles, Council Member Gene Teague, and Council Member Mark Stroud. Staff members present included: City Manager Leon Towarnicki, City Attorney Eric Monday, and Clerk of Council Karen Roberts.

Mayor Turner called the meeting to order and advised Council would go into Closed Session. In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon motion by Council Member Stroud, seconded by Council Member Teague with the following recorded 4-0 roll-call vote: Mayor Turner, aye; Council Member Stroud, aye; Council Member Teague, aye; Vice Mayor Bowles, aye. Council convened in Closed Session for the purpose of discussing the following matters: A) Discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected, as authorized in Subsection 6. B) Consultation with legal counsel and briefings by staff members, attorneys or consultants pertaining to actual or probable litigation, or other specific legal matters requiring the provision of legal advice by such counsel, as authorized by Subsection 7. Council Member Sharon Brooks Hodge joined the Closed Session at 8:03 am.

At the conclusion of the Closed Session, each returning member of Council certified that (1) only public business matters exempt from opening meeting requirements were discussed in said Closed Session and (2) only those business matters identified in the motion convening the Closed Session were heard, discussed, or considered during the Session. On a motion by Council Member Hodge and seconded by Council Member Stroud with the following 5-0 roll-call recorded vote: Stroud, aye; Bowles, aye; Turner, aye; Teague, aye; Hodge, aye; Council returned to Open Session.

Council Member Hodge made a motion to adopt the following Resolution, Vice Mayor Bowles seconded the motion; all members voted in favor.



## RESOLUTION

**WHEREAS**, the City of Martinsville has expressed its support of the Integrative Centers for Science and Medicine's College of Henricopolis School of Medicine medical school project with planned facilities in and around Uptown Martinsville; and

**WHEREAS**, the City's commitment and support of the medical school project has resulted in the recent award of an \$800,000 Tobacco Region Opportunity Fund grant for staffing and site/infrastructure work; and

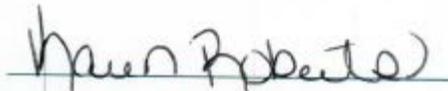
**WHEREAS**, certain planned facility renovation work at the Shackelford Medical Education Building and site located at 62/66 Fayette Street in the City of Martinsville meets the criteria established by the Department of Housing and Community Development for its Industrial Revitalization Fund program; and

**WHEREAS**, ICSM/CHSM desires to proceed in a timely manner with site and facility development, accreditation, and eventual operation as an accredited school of medicine, now therefore:

**BE IT RESOLVED** that the City Council of the City of Martinsville does hereby authorize and direct on behalf of the City of Martinsville, a 2016 Industrial Revitalization Fund (IRF) Grant Application be submitted to the Department of Housing and Community Development on behalf of the Integrative Centers for Science and Medicine's renovation of the Shackelford Medical Education Building project, such grant request to total \$600,000.

This Resolution was read and approved by majority vote of the City Council of the City of Martinsville at its Council meeting held on September 30, 2015, and recognized by the Authorized Signatures below:

  
Signature/Title of Authorized Official

  
Attest: Karen Roberts, Clerk of Council

Council Member Teague made a motion to adjourn the meeting at 8:50 am, Council Member Hodge seconded the motion, all Council Members voted in favor.



## **City Council Agenda Summary**

**Meeting Date:** October 13, 2015

**Item No:** 2.

**Department:** City Council

**Issue:** Presentation of proclamation regarding Extra Mile Day 2015.

**Summary:** The Mayor will read the proclamation which will then be mailed to the Extra Mile Foundation.

**Attachments:** Proclamation

**Recommendations:** Presentation only



*Martinsville*  
A CITY WITHOUT LIMITS



## **Extra Mile Day Proclamation November 1, 2015**

**WHEREAS**, Martinsville, Virginia is a community that acknowledges that a special vibrancy exists within the entire community when its individual citizens collectively “go the extra mile” in personal effort, volunteerism, and service; and

**WHEREAS**, Martinsville, Virginia is a community that encourages its citizens to maximize their personal contribution to the community by giving of themselves wholeheartedly and with total effort, commitment, and conviction to their individual ambitions, family, friends, and community; and

**WHEREAS**, Martinsville, Virginia is a community that chooses to shine a light on and celebrate individuals and organizations within its community who “go the extra mile” in order to make a difference and lift up fellow members of their community; and

**WHEREAS**, Martinsville, Virginia acknowledges the mission of the Extra Mile America Foundation to create 400 Extra Mile cities and states in America and is proud to support “Extra Mile Day” on November 1, 2015;

**NOW THEREFORE**, I, Danny Turner, and City Council of Martinsville, Virginia, do hereby proclaim November 1, 2015 to be Extra Mile Day and urge each individual in our community to take time on this day to not only “go the extra mile” in his or her own life, but to also acknowledge all those around who are inspirational in their efforts and commitment to make their organizations, families, community, country, or world a better place.

---

Danny Turner  
Mayor



## City Council Agenda Summary

**Date:** October 13, 2015

**Item No:** 3.

**Department:** City Manager

**Issue:** Hear an update from Amanda Witt of the M-HC Chamber of Commerce regarding activities related to the City/C-PEG Small Business Development Contract.

**Summary:** Information will be provided regarding activities completed or currently underway related to the City/C-PEG Small Business Development Contract. Additionally, an update will be provided regarding the West Piedmont Business Development Center.

**Attachments:** None

**Recommendations:** No action needed - presented for information purposes only.

**Meeting Date:** October 13, 2015

**Item No:** 4.

**Department:** Finance

**Issue:** Consider approval on first reading of an ordinance reciting the expediency of the issuance of up to \$7,900,000 principal amount of general obligation bonds.

**Summary:** The City is considering financing the acquisition, construction, renovation, and equipping of utility and energy saving improvements to City facilities, including utility meter improvements and street light replacements, all for municipal purposes, such financing to involve either or both the issuance of general obligation bonds or lease purchase financing in the outstanding principal amount not to exceed \$7,900,000. Approval of this ordinance is required for the City to begin the borrowing process.

**Attachments:** Copy of ordinance

**Recommendations:** Motion to approve the ordinance on first reading with roll call vote. This action does not commit the City to any financial obligation. Once financing options are determined, information will be presented to Council at a later date.

**CITY OF MARTINSVILLE, VIRGINIA**

**AN ORDINANCE RECITING THE EXPEDIENCY OF THE ISSUANCE OF UP TO \$7,900,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF THE CITY OF MARTINSVILLE, VIRGINIA, AND SETTING FORTH THE PURPOSE, IN GENERAL TERMS, FOR WHICH THE BONDS ARE TO BE ISSUED, THE MAXIMUM AMOUNT OF THE BONDS TO BE ISSUED AND THE MAXIMUM LENGTH OF TIME SUCH BONDS WILL BE OUTSTANDING**

**Adopted on October 13, 2015 (first reading)**

Be it Ordained by the Council of the City of Martinsville, Virginia:

### **Section 1 - Findings and Determinations**

The City Council ("**City Council**") of the City of Martinsville, Virginia (**the "City"**) proposes to issue bonds for the purpose of assisting in the acquisition, construction, renovation and equipping of utility improvements and energy saving improvements to City facilities, including utility meter improvements and street light replacements, all for municipal purposes (**together, the "Project"**) and hereby finds and determines that: (i) the City is in need of funds to be used by the City for the Project including paying for costs of issuance of the Bonds (defined below) and for payment of interest on the Bonds; (ii) the obtaining of such funds will be for municipal purposes of the City, for the welfare of citizens of the City for purposes which will serve the City and its citizens pursuant to the authority of the City to provide funds for the City's facilities for municipal purposes; (iii) the most effective, efficient and expedient manner in which to provide such funds to the City is through the issuance of general obligation bonds in an original principal amount not to exceed \$7,900,000 to be issued by the City as further described herein (**the "Bonds"**) to be used for the acquisition, construction, renovation and equipping of the Project and for certain costs of issuance of the Bonds; (iv) the issuance of the Bonds is within the power of the City to contract debts, borrow money and make and issue evidence of indebtedness; and, (iv) the issuance of the Bonds is in the best interests of the City and its citizens.

### **Section 2 - Description of the Bonds**

The City Council finds that it is expedient for the City to borrow money and issue the Bonds for the Project in a maximum amount not to exceed SEVEN MILLION NINE HUNDRED THOUSAND DOLLARS (\$7,900,000). The maximum length of time that the Bonds will be outstanding is eighteen years from the date of issuance of the Bonds. The form and details of the Bonds which are proposed to be issued will be more specifically set forth in a City Ordinance to be entitled "AN ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO \$7,900,000 MAXIMUM PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF THE CITY OF MARTINSVILLE, VIRGINIA AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF, which will be introduced before the Council and considered for final passage following a public hearing on the issuance of the Bonds, as required by law.

### **Section 3 - Further Actions Authorized**

The City Manager, Clerk of the Council, City Treasurer, City Attorney, Sands Anderson PC as bond counsel, Davenport & Company LLC as financial advisor to the City and all other officers, employees and agents of the City are hereby authorized and directed to take any and all such further action as shall be deemed necessary or desirable to facilitate consideration of the

issuance of the Bonds. All actions of the City Manager, Clerk of the Council, City Treasurer, City Attorney, bond counsel, the City's financial advisor and all other officers, employees and agents of the City in furtherance of the issuance of the Bonds and the financing of the Project are hereby approved and ratified.

**Section 4 - Invalidity of Sections**

If any section, paragraph, clause or provision of this Ordinance shall be held invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining portions of this Ordinance.

**Section 5 - Headings of Sections**

The headings of the sections of this Ordinance shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of such sections of this Ordinance.

**Section 6 - Effective Date and Filing of Ordinance**

Council hereby declares in the public interest that this Ordinance shall become effective immediately upon its passage. A copy of this Ordinance, certified by the Clerk of the Council, shall be filed with the Clerk of the Circuit Court of the City of Martinsville, Virginia.

The Members of the Council voted as follows on the foregoing Ordinance:

Ayes

Nays

Absent

Abstentions

Adopted this 13th day of October, 2015 (first reading).

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The undersigned Clerk of the City Council of the City of Martinsville, Virginia hereby certifies that the foregoing constitutes a true and correct extract from the minutes of a meeting of the City Council held on October 13, 2015, and of the whole thereof so far as applicable to the matters referred to in such extract. I hereby further certify that such meeting was a regularly called meeting and that, during the consideration of the foregoing Ordinance, a quorum was present.

Dated this 13<sup>th</sup> day of October, 2015.

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Clerk, City Council of  
City of Martinsville, Virginia

**Meeting Date:** October 13, 2015

**Item No:** 5.

**Department:** Finance

**Issue:** Consider approval of a resolution regarding reimbursement from financing proceeds, authorizing a public hearing and approving related actions related to potential financing of the meter/lighting replacement project.

**Summary:** The City is considering financing the acquisition, construction, renovation, and equipping of utility and energy saving improvements to City facilities, including utility meter improvements and street light replacements, all for municipal purposes, such financing to involve either or both the issuance of general obligation bonds or lease purchase financing in the outstanding principal amount not to exceed \$7,900,000. Approval of this resolution is necessary for the City to move ahead with the project

**Attachments:** Resolution

**Recommendations:** Approve resolution. This action does not commit the City to any financial obligation. Once financing options are determined, information will be presented to Council at a later date.



# RESOLUTION

## RESOLUTION REGARDING REIMBURSEMENT FROM FINANCING PROCEEDS, AUTHORIZING PUBLIC HEARING AND APPROVING RELATED ACTIONS RELATED TO POTENTIAL FINANCING

**WHEREAS**, the City Council (**the "City Council"** of the City of Martinsville, Virginia (**the "City"**)) is considering financing the acquisition, construction, renovation and equipping of utility improvements and energy saving improvements to City facilities, including utility meter improvements and street light replacements, all for municipal purposes (**together, the "Project"**), such financing to involve either or both the issuance general obligation bonds or lease purchase financing in the outstanding principal amount not to exceed \$7,900,000 (**together, the "Obligations"**).

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MARTINSVILLE, VIRGINIA:**

1. The City Manager, Finance Director, City Attorney, bond counsel to the City, the City's financial advisor and all other officers, employees and agents of the City are hereby authorized and directed to take such further action deemed necessary or desirable to facilitate consideration of the proposed Obligations, including but not limited to the publication and broadcasting of notice of a public hearing if required by law. All actions of the City Manager, Finance Director, City Attorney, bond counsel, financial advisor and all other officers, employees and agents of the City in furtherance of the issuance of the Obligations, including issuance of one or more request for proposals for financing options are hereby approved and ratified.
2. The City Council hereby declares, in accordance with U.S. Treasury Regulation Section 1.150-2, the City's intent to reimburse the City from the proceeds of the Obligations for expenditures with respect to the Project. The City reasonably expects that it will reimburse the expenditures with the proceeds of the Obligations. The maximum principal amount of obligations outstanding expected to be issued for the Project is \$7,900,000.
3. This Resolution shall take effect immediately.

**CERTIFICATE**

The Members of the Council voted as follows on the foregoing Resolution:

**Ayes**

**Nays**

**Absent**

**Abstentions**

Adopted this 13<sup>th</sup> day of October, 2015.

---

The undersigned Clerk of the City Council of the City of Martinsville, Virginia hereby certifies that the foregoing constitutes a true and correct extract from the minutes of a meeting of the City Council held on October 13, 2015, and of the whole thereof so far as applicable to the matters referred to in such extract. I hereby further certify that such meeting was a regularly called meeting and that, during the consideration of the foregoing Resolution, a quorum was present.

Dated this 13th day of October, 2015.

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Clerk, City Council of  
City of Martinsville, Virginia

**Meeting Date:** October 13, 2015

**Item No:** 6.

**Department:** City Manager

**Issue:** Consider approval of a change in the management contract for the Martinsville Mustangs.

**Summary:** The 2015 baseball season that just ended completed the first year of a 5-year contract for management of the Martinsville Mustangs by Team Cole & Associates. The 5 –year contract extends through the 2019 season.

Team Cole desires to exit the current contract and the Coastal Plain League desires to assume the remaining 4 years of the 5 year contract, under the same terms and conditions agreed to by Team Cole. Transition of management from Team Cole to the CPL is expected to be seamless, with no impact to operations or management of the team. Additionally, Team Cole had committed to contributing \$25,000 to the infield turf project; \$5,000 annually for the duration of the 5 year contract. One of the \$5,000 payments has been made and the CPL will honor the remaining \$20,000 commitment with \$5,000 annual payments for the 4 year contract duration.

**Attachments:** Contract with the CPL for management of the Martinsville Mustangs through the 2019 baseball season.

**Recommendations:** Staff recommends approval of the contract.

**THIS CONTRACT**, made and entered into this the \_\_\_\_\_ day of \_\_\_\_\_, 2015 and between the City of Martinsville, Virginia, a municipal corporation created and existing under and by virtue of the laws of the State of Virginia (hereinafter referred to as “City”), party of the first part, and the Coastal Plain League, Holly Springs, North Carolina, (“Contractor”) party of the second part;

**WITNESSETH:**

**THAT, WHEREAS** the City entered a 5 year management contract of the Martinsville Mustangs for the 2015 through the 2019 seasons with Team Cole & Associates, Gastonia, North Carolina; and,

**WHEREAS**, Team Cole & Associates desires to exit said contract and the Coastal Plain League desires to assume the responsibilities and obligations of that same contract;

**NOW, THEREFORE**, for and in consideration of the mutual and respective covenants and agreements contained herein and made with respect to the performance of the services by the Contractor, the parties to this Agreement hereby agree as follows:

1. Term and Renewals – The term of this Agreement shall cover the 2016 - 2019 baseball seasons, specifically commencing with the date of execution of this Agreement and ending August 31, 2019. An option to renew beyond the 2019 baseball season may be considered subject to (1) mutual agreement by both parties to the renewal, including any changes to conditions of the contract; and (2) approval of continued funding by the City of Martinsville if needed.
2. Agreement Protections for the City – Under the terms of this Agreement, the Contractor will not have the opportunity to move the team to another location. The Contractor will be responsible for reimbursing the City for amounts paid under this Agreement if Contractor’s responsibilities under Section 8 are breached.
3. Compensation – The City shall compensate the Contractor under the terms of this Agreement a total of \$30,000 for the 2016 season; \$25,000 for the 2017 season; \$10,000 for the 2018 season; and no City compensation (\$0) for the 2019 season. Payments of the respective seasonal amounts will be on a mutually agreed upon schedule.
4. Sale of Team – If the City sells the team while under contract with the Coastal Plain League on or before August 31, 2017, CPL will receive 30% of the net gain in value after the City’s initial \$80,000 investment in the team is recovered; between September 1, 2017 and August 31, 2018, CPL will receive 35% of the net gain in value after the City’s investment is recovered; and between September 1, 2018 and August 31, 2019, CPL will

receive 40% of the net gain in value after the City's investment is recovered. The CPL shall enjoy a right of first refusal in any contemplated sale of the team.

5. Use of Facility – Use of Hooker Field under this Agreement shall be for Martinsville Mustangs' baseball and scheduling of Mustangs' games and postseason play will take precedence over other events at the facility. Contractor is permitted to use the facility for events/activities to help defray team costs subject to (1) approval of any such events through the City's Special Event application process, (2) approval by the City to ensure no conflicts with other facility usages, and (3) approval by the City to ensure the event(s) will not damage the field or facilities. It should be noted that Martinsville High School, Patrick Henry Community College, and the local American Legion team currently use Hooker Field for their home games and in some cases, practices. The City currently has a contract for tournaments scheduled at Hooker Field with the National Club Baseball Association and retains the right to seek and/or schedule similar and/or other events throughout the duration of this contract. The CPL shall assume sole and exclusive responsibility for any injury, loss or liability suffered by any third party which arises from or is related to a Mustangs game or event, and shall hold the City harmless from any claims made as a result of such injury, loss or liability. Any insurance against such claims shall be the exclusive responsibility of the CPL.
  
6. This Agreement shall be interpreted and governed under the laws of the Commonwealth of Virginia. In the event any portion of it is found to be unenforceable, such portion shall be severable and the remainder shall continue in full force and effect. In the event of any disagreement between the parties as to enforcement or interpretation of this Agreement, the parties shall first attempt to resolve their dispute through mediation. Any litigation arising from this Agreement shall be venued in Martinsville, Virginia.
  
7. Under this Agreement, the City will:
  - A. Provide maintenance of the facility, including but not limited to mowing; turf maintenance/care; preparation of the field for Mustangs home games; maintenance of the sprinkler system; maintenance of field lighting; scoreboard; painting when done as normal maintenance; maintenance of heating, cooling, plumbing, and electrical systems in the clubhouse, restrooms, and concession buildings; maintenance and cleanup of dugouts, and any other usual and customary maintenance that would be considered as regular facility maintenance.

- B. Provide and make available use of the various buildings located at the Hooker Field facility. The original locker room building is used during the spring and fall by Patrick Henry Community College. Space at the facility will be made available for office use to the extent of facilities currently available on-site.
- C. Provide City utilities for the facility – water, sewer, electric, refuse collection, telephone, and Internet.
- D. Maintain insurance on the facility
- E. Continue to provide use of parking facilities currently used for Mustangs' games.
- F. Provide the existing inventory of team uniforms for use during the 2014 (and future) seasons. If the contract is terminated/not renewed at a future date, the contractor will return to the City a similar inventory of uniforms.
- G. Allow the Contractor to represent the City at League meetings, to the extent those discussions involve issues relate to management of the team.

8. Under this Agreement, the Contractor will:

- A. Agree to operate the Martinsville Mustangs baseball team as a team affiliated with the Coastal Plain League, in accordance with all CPL requirements.
- B. Hire all game day and related staff as necessary including but not limited to the general manager, coaching staff, concession workers, ticket personnel, ushers, announcers, press box personnel as needed to meet CPL requirements, and other personnel as needed.
- C. Be responsible for payment of all fees related to operation of the team including but not limited to league dues and umpire fees, providing the annual letter of credit, handle team travel arrangements and related expenses, meal costs, arrangement of housing for players and/or staff, purchasing/providing game day supplies including bats, balls, uniforms, playing equipment, purchase of concession and souvenir supplies, clean up of concession and/or game related trash and debris from the seating and surrounding areas; tickets, marketing, advertising, promotions, etc.
- D. Provide and maintain general liability insurance coverage related to any events (including games) held, sponsored, or organized by the contractor at the facility. The City shall be furnished a COI and the City shall be endorsed to the insurance policy as

an additional insured prior to any such events.

- E. Be responsible for all permits (ABC, Health, Business License, etc.) and/or licensing requirements related to operation of the Martinsville Mustangs.
- F. Have the opportunity to rebrand, change logos currently in use, change uniforms, offer new/different merchandise, etc. The City will be allowed input in any such changes.
- G. Communicate with the City any issues from League meetings or related sources, issues related to the Hooker Field facility as they pertain to operation of the Martinsville Mustangs baseball team.
- H. Provide 4 annual payments of \$5,000 by April 1 of 2016, 2017, 2018, and 2019 (\$20,000 total) to fulfill the commitment made by Team Cole & Associates for a share of costs related to the infield turf project.

**IN WITNESS WHEREOF**, the said City of Martinsville, party of the first part, has caused Agreement to be executed in its name by its City Manager; and the said Coastal Plain League, party of the second part, has caused this Agreement to be executed in its name by its League Commissioner this the day and year first above written.

**CITY OF MARTINSVILLE, VIRGINIA**

**COASTAL PLAIN LEAGUE**

BY: \_\_\_\_\_  
City Manager

\_\_\_\_\_  
Commissioner

**Meeting Date:** October 13, 2015

**Item No:** 7.

**Department:** City Manager

**Issue:** Hear an update on Council meetings scheduled for the week of October 12th.

**Summary:** The week of October 12 has a number of Council meetings scheduled as follows:

Tuesday, October 13, 2015; 7:30 pm regular Council meeting with a closed session beginning at 6:30 pm.

Wednesday, October 14, 2015; 7 pm meeting to hear presentations from Fayette Area Historical Initiative (FAHI) and All Care Family Services regarding proposals submitted for possible reuse of the former Housing Office located at 605 Fourth Street, and to hear public input/questions regarding the proposals (Council Chambers)

Friday, October 16, 2015; 4 pm – 8 pm; strategic planning session. First session (4 pm until 6 pm) will be a joint Council/School Board session regarding education; followed by a review and wrap up of discussion from the March planning session. (To be held in the training room at West Piedmont Business Development Center, 22 E. Church Street)

Saturday, October 17, 2015; 8 am until 12 noon; cover remaining strategic priorities of public safety; recreation & culture, and self-image. (WPBDC training room)

**Attachments:** None

**Recommendations:** For information purposes.

**Meeting Date:** Oct. 10, 2015  
**Item No:** 8.  
**Department:** Finance  
**Issue:** Financial Report

**Summary:**

**FY15 – As of 6/30/15 - Revenues & Expenditures; Combined Balance Sheet; Projected Fund Balance – Prior to Final Audit**

Exclusive of School and Special Revenue funds, actual revenues were \$61,445,172, representing 98.8% of the budget through June 30, 2015. Recording 12 month of proceeds, Local Sales & Use Taxes collected through June 30th were greater than budgeted by \$21,102, for total receipts of \$1,921,102. Overall, Utility revenues averaged 97% of budgeted, and utility expenditures averaged 85.1%.

Actual expenditures at year-end were \$60,092,017, which represents 89.1% of the overall budget of \$67,406,121. Re-appropriation requests for these funds are \$2,590,280, of which \$1,492,299 was approved at Council's meeting of September 22nd. Taking that into account, year-end expenses for these funds would have been \$62,682,297 if all projects had been completed and all grants/donations spent, reflecting a 92.9% expenditure rate.

As of June 30, the total Combined Fund Balance and Net Position was \$18,092,162, a decrease from FY14 year-end of \$1,539,066.

The available cash-on-hand for all City Funds was \$17,775,055, an 8% increase over the same time period last year.

The final audit process began September 28<sup>th</sup>, so it is important to remember there are still some adjustments to be made. The numbers reported tonight are not the final financial reports for FY15. Amendments should be expected, although major variances are not anticipated at this time. Final audited reports will be presented to Council when all adjustments are made and reviewed for accuracy by staff.

**Attachment:**

Consolidated Revenues and Expenditures – FY15 10-7-15  
Combined Balance Sheet FY15 YE 10-7-15  
Projected Fund Balance FY15 – YE 10-7-15

**Recommendations:** Motion to approve financial report.

**City of Martinsville**  
**Consolidated Revenues and Expenditures**  
**FY15 - June 30, 2015 (prelim)**

	<i>Budget</i>	<i>Anticipated</i>	<i>Actual YTD</i>	<i>Remaining Balance</i>	<i>Difference Ant vs. Actual</i>
<b>General Fund</b>					
Revenues	\$ 29,341,561	\$ 29,365,372	\$ 29,467,271	\$ (125,710)	100.3%
Expenditures	<u>31,297,879</u>	<u>31,297,879</u>	<u>29,363,224</u>	1,934,655	93.8%
Excess (deficiency) of revenues over expenditures	<u>\$ (1,956,318)</u>	<u>\$ (1,932,507)</u>	<u>\$ 104,047</u>		
	(Fund Bal contrib)				
<b>Capital Funds</b>					
<b>Meals Tax</b>					
Revenues	\$ 2,066,792	\$ 2,066,865	\$ 2,031,887	\$ 34,905	98.3%
Expenditures	<u>2,224,415</u>	<u>2,224,415</u>	<u>2,198,094</u>	26,321	98.8%
Excess (deficiency) of revenues over expenditures	<u>\$ (157,623)</u>	<u>\$ (157,550)</u>	<u>\$ (166,207)</u>		
<b>Capital Reserve</b>					
Revenues	\$ 2,090,029	\$ 2,090,088	\$ 2,090,088	\$ (59)	100.0%
Expenditures	<u>2,230,652</u>	<u>2,230,652</u>	<u>1,852,461</u>	378,191	83.0%
Excess (deficiency) of revenues over expenditures	<u>\$ (140,623)</u>	<u>\$ (140,564)</u>	<u>\$ 237,627</u>		
<b>TOTAL CAPITAL FUNDS:</b>	<u>\$ (298,246)</u>	<u>\$ (298,114)</u>	<u>\$ 71,420</u>		
	(Fund Bal contrib)				
<b>Utility Funds</b>					
<b>Refuse Fund</b>					
Revenues	\$ 2,154,507	\$ 2,154,507	\$ 2,199,089	\$ (44,582)	102.1%
Expenditures	<u>2,560,135</u>	<u>2,560,135</u>	<u>1,709,327</u>	850,808	66.8%
Excess (deficiency) of revenues over expenditures	<u>\$ (405,628)</u>	<u>\$ (405,628)</u>	<u>\$ 489,762</u>		
<b>Telecommunications Fund</b>					
Revenues	\$ 859,960	\$ 859,960	\$ 771,016	\$ 88,944	89.7%
Expenditures	<u>871,808</u>	<u>871,808</u>	<u>956,115</u>	(84,307)	109.7%
Excess (deficiency) of revenues over expenditures	<u>\$ (11,848)</u>	<u>\$ (11,848)</u>	<u>\$ (185,099)</u>		
<b>Water Fund</b>					
Revenues	\$ 3,359,130	\$ 3,359,130	\$ 3,301,837	\$ 57,293	98.3%
Expenditures	<u>4,090,272</u>	<u>4,090,272</u>	<u>3,015,630</u>	1,074,642	73.7%
Excess (deficiency) of revenues over expenditures	<u>\$ (731,142)</u>	<u>\$ (731,142)</u>	<u>\$ 286,206</u>		
<b>Sewer Fund</b>					
Revenues	\$ 4,010,012	\$ 4,010,012	\$ 3,953,123	\$ 56,889	98.6%
Expenditures	<u>4,448,450</u>	<u>4,448,450</u>	<u>3,963,175</u>	485,275	89.1%
Excess (deficiency) of revenues over expenditures	<u>\$ (438,438)</u>	<u>\$ (438,438)</u>	<u>\$ (10,053)</u>		
<b>Electric Fund</b>					
Revenues	\$ 18,268,308	\$ 18,268,308	\$ 17,630,862	\$ 637,446	96.5%
Expenditures	<u>19,682,510</u>	<u>19,682,510</u>	<u>17,033,991</u>	2,648,519	86.5%
Excess (deficiency) of revenues over expenditures	<u>\$ (1,414,202)</u>	<u>\$ (1,414,202)</u>	<u>\$ 596,871</u>		
<b>TOTAL UTILITY FUNDS:</b>	<u>\$ (2,989,410)</u>	<u>\$ (2,989,410)</u>	<u>\$ 1,362,787</u>		
	(Fund Bal contrib)				

**Consolidated Revenues and Expenditures  
FY15 - June 30, 2015 (prelim)**

	<i>Budget</i>		<i>Actual YTD</i>	<i>Remaining Balance</i>	<i>Difference Budg vs. Actual</i>
<b>Cafeteria</b>					
Revenues	\$ 1,506,882	\$	\$ 1,615,983	\$ (109,101)	107.2%
Expenditures	<u>1,526,882</u>		<u>1,450,006</u>	76,876	95.0%
Excess (deficiency) of revenues over expenditures	<u>\$ (20,000)</u>	\$	<u>\$ 165,977</u>		
<b>Schools</b>					
Revenues	\$ 22,703,598	\$	\$ 22,354,912	\$ 348,686	98.5%
Expenditures	<u>22,899,604</u>		<u>22,354,912</u>	544,692	97.6%
Excess (deficiency) of revenues over expenditures	<u>\$ (196,006)</u>	\$	<u>\$ -</u>		
<b>Federal Programs</b>					
Revenues	\$ 3,457,998	\$	\$ 2,456,665	\$ 1,001,333	71.0%
Expenditures	<u>3,457,998</u>		<u>2,540,986</u>	917,012	73.5%
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	\$	<u>\$ (84,321)</u>		
<b>TOTAL SCHOOL FUNDS:</b>	<u>\$ (216,006)</u>	\$	<u>\$ 81,656</u>		
	(fund bal contrib)				
<b>Special Revenue Funds</b>					
<b>CDBG Fund</b>					
Revenues (includes new Northside)	\$ 1,165,168		\$ 169,009	\$ 996,159	14.5%
Expenditures	<u>1,138,402</u>		<u>198,272</u>	940,130	17.4%
Excess (deficiency) of revenues over expenditures	<u>\$ 26,766</u>		<u>\$ (29,263)</u>		
<b>Housing Choice Fund</b>					
Revenues	\$ 1,944,525		\$ 1,327,307	\$ 617,218	68.3%
Expenditures	<u>1,944,450</u>		<u>1,669,592</u>	274,858	85.9%
Excess (deficiency) of revenues over expenditures	<u>\$ 75</u>		<u>\$ (342,285)</u>		
<b>TOTAL SPECIAL REVENUE FUNDS:</b>	<u>\$ 26,841</u>		<u>\$ (371,548)</u>		
<b>GRAND TOTALS:</b>					
<i>(excluding Schools &amp; Special Revenues)</i>					
<b>Revenues:</b>	\$ 62,150,299	<u>Anticipated</u>	\$ 62,174,242	\$ 705,127	98.8%
<b>Expenditures</b>	<u>67,406,121</u>	<u>67,406,121</u>	<u>60,092,017</u>	7,314,104	89.1%
<b>Excess (deficiency) of revenues over expenditures</b>	<u>\$ (5,255,822)</u>	<u>(5,231,879)</u>	<u>\$ 1,353,156</u>		
<b>Local Sales/Use Taxes</b>	\$ 1,900,000	\$	\$ 1,921,102	\$ (21,102)	101.1%

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

**City of Martinsville  
Combined Balance Sheet  
FY15 - 6/30/15**

Through 6/30/15 (prelim)

FUND	TOTAL ASSETS*	LIABILITIES &RESERVES	CURRENT FUND BAL & NET POSITION	JUNE 30, 2014 FUND BAL & NET POSITION	DIFFERENCE FROM FY14
GENERAL FUND	\$ 11,663,493	\$ (4,423,917)	\$ 7,239,576	\$ 7,798,221	\$ (558,645)
MEALS TAX	\$ 825,849	\$ -	\$ 825,849	\$ 992,056	\$ (166,207)
SCHOOL CAFETERIA	\$ 1,026,734	\$ (61,163)	\$ 965,571	\$ 799,593	\$ 165,978
REFUSE COLLECTION FUND	\$ 9,481,703	\$ (7,368,202)	\$ 2,113,501	\$ 2,982,021	\$ (868,520)
TELECOMMUNICATIONS	\$ (297,083)	\$ (54,776)	\$ (351,859)	\$ (166,760)	\$ (185,099)
WATER FUND	\$ 5,731,399	\$ (4,786,644)	\$ 944,755	\$ 821,173	\$ 123,582
SEWER FUND	\$ 4,003,132	\$ (3,585,089)	\$ 418,043	\$ 513,129	\$ (95,086)
ELECTRIC FUND	\$ 15,338,246	\$ (10,395,995)	\$ 4,942,252	\$ 5,068,770	\$ (126,518)
CAPITAL RESERVE FUND	\$ 741,457	\$ (43,993)	\$ 697,465	\$ 459,838	\$ 237,627
SCHOOL FUND	\$ 2,308,030	\$ (1,918,336)	\$ 389,693	\$ -	\$ 389,693
SCHOOL FEDERAL PROGRAMS	\$ 28,792	\$ (121,566)	\$ (92,775)	\$ (8,454)	\$ (84,321)
CDBG FUND	\$ 97,719	\$ (150,749)	\$ (53,031)	\$ (23,767)	\$ (29,264)
HOUSING CHOICE	\$ 53,448	\$ (325)	\$ 53,122	\$ 395,408	\$ (342,286)
<b>TOTAL</b>	<b>\$ 51,002,918</b>	<b>\$ (32,910,756)</b>	<b>\$ 18,092,162</b>	<b>\$ 19,631,228</b>	<b>\$ (1,539,066)</b>

**RESERVED FUNDS**

INSURANCE TRUST FUND	\$ 266,878	\$ -	\$ 266,878	\$ 448,745	\$ (181,867)
INMATE TRUST FUND	\$ 135,469	\$ -	\$ 135,469	\$ 97,089	\$ 38,380

**Fiduciary Agency Funds:**

05-SVRFA	\$ 19,100	\$ (10,658)	\$ 8,442	\$ 53,951	\$ (45,509)
06-Dan River ASAP	\$ 470,734	\$ (223,368)	\$ 247,366	\$ 236,601	\$ 10,765
15-PRCJTA	\$ 438,660	\$ (8,381)	\$ 430,279	\$ 493,591	\$ (63,312)
30-BRRL	\$ 236,731	\$ (28,936)	\$ 207,795	\$ 199,255	\$ 8,540
<b>TOTALS:</b>	<b>\$ 1,165,224</b>	<b>\$ (271,343)</b>	<b>\$ 893,881</b>	<b>\$ 983,398</b>	<b>\$ (89,517)</b>

**CITY OF MARTINSVILLE**  
**PROJECTED FUND BALANCE 06/30/2015**

Unaudited - 10/07/15

	Audited Fund Balance & Net Position 06/30/14	projected Actual Revenues FY15	projected Actual Expenditures FY15	included in exp Budgeted Depreciation	Projected Fund Balance & Net Position 06/30/15	Net (Decrease) Increase
<b>GENERAL</b>	<b>7,798,221</b>	<b>29,467,271</b>	<b>29,636,224</b>		<b>7,629,268</b>	<b>(168,953)</b>
MEALS TAX	992,056	2,031,887	2,198,094		825,849	(166,207)
CAPITAL RESERVE	459,838	2,090,088	1,852,461		697,465	237,627
<b>TOTAL CAPITAL FUNDS</b>	<b>1,451,894</b>	<b>4,121,975</b>	<b>4,050,555</b>		<b>1,523,314</b>	<b>71,420</b>
REFUSE	2,982,021	2,199,089	3,067,609	0	2,113,501	(868,520)
TELECOMMUNICATIONS	(166,760)	771,016	956,115		(351,859)	(185,099)
WATER	821,173	3,301,837	3,178,254	0	944,756	123,583
SEWER	513,129	3,953,123	4,048,209	0	418,043	(95,086)
ELECTRIC	5,068,770	17,630,862	17,757,380	0	4,942,252	(126,518)
<b>TOTAL UTILITY FUNDS</b>	<b>9,218,333</b>	<b>27,855,927</b>	<b>29,007,567</b>	<b>0</b>	<b>8,066,693</b>	<b>(1,151,640)</b>
CAFETERIA	799,593	1,615,983	1,450,006		965,570	165,977
SCHOOLS	0	22,354,912	22,354,912		(0)	(0)
SCHOOL GRANTS	(8,454)	2,456,665	2,540,986		(92,775)	(84,321)
<b>TOTAL SCHOOL FUNDS</b>	<b>791,139</b>	<b>26,427,560</b>	<b>26,345,905</b>		<b>872,794</b>	<b>81,655</b>
CDBG	(23,767)	169,009	198,272		(53,030)	(29,263)
HOUSING CHOICE	395,408	1,327,307	1,669,592		53,123	(342,285)
<b>TOTAL SP REV FUNDS</b>	<b>371,641</b>	<b>1,496,316</b>	<b>1,867,864</b>		<b>93</b>	<b>(371,548)</b>
<b>TOTAL ALL FUNDS</b>	<b>19,631,228</b>	<b>89,369,049</b>	<b>90,908,115</b>	<b>0</b>	<b>18,092,162</b>	<b>(1,539,066)</b>

## Fund Balance Summary

	<u>Total Funds:</u>	<u>Total Category:</u>
<u>Non-spendable:</u>		1,184,170
Inventory	1,178,039	
Prepaid Items - Gen Fund	6,131	
<u>Restricted:</u>		0
Capital Proj - Meals Tax Fund	0	
Capital Reserve Fund Project	0	
<u>Committed to:</u>		2,621,343
CCBC	1,666,700	
PART	28,725	
Housing Choice	53,123	
Cafeteria Fund	965,570	
School Grants Fund	-92,775	
<u>Assigned to:</u>		1,523,314
Capital Reserve Fund	697,465	
Meals Tax Fund	825,849	
 <u>Unassigned:</u>		 12,763,335
Non-utility Funds:	4,696,643	
Utility Funds:	8,066,693	
<b>Totals:</b>	<b>18,092,162</b>	<b>18,092,162</b>

### Unassigned Comparison to Policy

	Fund balance Recommended	Variance to Policy
Non Utility Funds	3,051,327	1,645,316
Utility Funds	6,747,395	1,319,298
<b>Total</b>	<b>9,798,722</b>	<b>2,964,613</b>

Additional Committed:  
Re-appropriations (if approved):

<u>Non-utility:</u>	
General Fund:	596,639
Capital Reserve Fund:	348,203
CDGB Fund:	918,572
School Operating Fund:	58,616
	1,922,030
 <u>Utility:</u>	
Refuse Fund:	69,000
Water Fund:	200,000
Electric Fund:	399,250
	668,250

### Unassigned Comparison to Policy - after Re-approp

	Recommended	Variance
Non-Utility Funds	3,051,327	276,714
Utility Funds	6,747,395	651,048
<b>Total</b>	<b>9,798,722</b>	<b>927,762</b>

**City Council  
Agenda Summary**



**Meeting Date:** October 13, 2015

**Item No:** 9.

**Department:** Finance

**Issue:** Appropriation Approvals

**Summary:**

**Item #1 –**

The attachment amends the FY16 Budget with appropriations in the following funds:

General Fund: \$ 400 – Donations

**Item #2 –**

Re-appropriation of Funds from FY15 to FY16 Budget by fund as follows:

General Fund: \$ 30,000

Capital Reserve Fund: \$ 90,793

Total Requests: \$ 120.793

**Attachments:**

Consent Agenda 10-13-15

Re-appropriations for FY16 10-13-15

**Recommendations:** Approve

BUDGET ADDITIONS FOR 10/13/15

<u>ORG</u>	<u>OBJECT</u>	<u>DESCRIPTION</u>	<u>DEBIT</u>	<u>CREDIT</u>
<b><u>FY16</u></b>				
<b><u>General Fund:</u></b>				
01100908	480406	Miscellaneous Revenues - Donations/Recreation		400
01711210	506007	Recreation - Equipment & Supplies Team Sponsor donations	400	
<b><u>Total General Fund:</u></b>			<b>400</b>	<b>400</b>

**DEPARTMENTAL REQUESTS**

ORG CODE	OBJECT	DEPARTMENT	ACCOUNT DESCRIPTION	DEBIT	CREDIT	
<b>GENERAL FUND</b>						
01103938	462101		Contribution From Fund Balance		\$ 30,000	
01122022	502300	Employee Serv/Devel	Group Medical Insurance	\$ 30,000		Transfer in July - HSA contribution coverage
<b>CAPITAL RESERVE FUND</b>						
16103938	462101		Contribution From Fund Balance		\$ 90,793	
16575365	508110	Vehicles	Street Maintenance	\$ 77,003		Incomplete Project - New vehicle rec'd in July
16575365	508075	Vehicles	Police	\$ 13,790		Incomplete Project - Speed trailers rec'd in July
<b>TOTAL CITY FUNDS:</b>					<b>\$ 120,793</b>	