

AGENDA--CITY COUNCIL MEETING
CITY OF MARTINSVILLE, VIRGINIA
Council Chambers – Municipal Building
7:30 p.m. – Tuesday, February 14, 2012

7:00 pm –CLOSED SESSION

Invocation & Pledge to the American flag– Mayor Kim Adkins

1. [Consider approval of minutes of City Council meeting of January 10, 2012 meeting.](#) (2 minutes)
2. [Presentation of proclamation recognizing Dick Hensley.](#) (3 minutes)
3. [Consider approval of modification of Section 125 Cafeteria Plan document.](#) (5 minutes)
4. [Hear an overview of Council’s Neighborhood meeting held February 13, 2012.](#) (3 minutes)
5. [Hear an update from Ray Gibbs on CDC projects and Henry Hotel.](#) (15 minutes)
6. [Hear monthly report from Mark Heath, M-HC Economic Development Corporation.](#) (15 minutes)
7. [Hear auditor’s report FY11 from J. Wesley Clark, CPA, CFE, with Robinson, Farmer, Cox Associates.](#) (10 minutes)
8. [Hear monthly finance report.](#) (10 minutes)
9. [Consider setting a public hearing for March 13, 2012 regarding pawnshops.](#) (3 minutes)
10. [Consider approval of consent agenda.](#)
 - A. Accept and appropriate budget adjustments. (2 minutes)
11. 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 their name and address; (2) state the matter that they wish to discuss and what action they would like for Council to take; (3) limit their remarks to five minutes; and (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.
12. Comments by City Council members. (10 minutes)
13. Comments by City Manager. (10 minutes)
14. 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-Closed Meetings, the following:
 - A. A prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business’ or industry’s interest in locating or expanding its facilities in the community as authorized by Subsection 5.
 - B. A personnel matter as authorized by Subsection 1.
 - C. Discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body.
 - D. Appointments to Boards and Commissions as authorized by Subsection 1.



City Council Agenda Summary

Meeting Date: February 14, 2012

Item No: 1.

Department: Clerk of Council

Issue: Consider approval of City Council meeting minutes of January 10, 2012.

Summary:

Attachments: [January 10, 2012](#)

Recommendations: Motion for approval

January 10, 2012

The regular meeting of the Council of the City of Martinsville, Virginia, was held on January 10, 2012, in Council Chambers, Municipal Building, at 7:30 PM, with Mayor Kim Adkins presiding. Council Members present included: Mayor Kim Adkins, Vice Mayor Kimble Reynolds, Gene Teague, Mark Stroud and Danny Turner. Staff present included: Leon Towarnicki, Interim City Manager, Brenda Prillaman, Eric Monday, Linda Conover, and Mike Rogers.

Following the invocation by Vice Mayor Kimble Reynolds and Pledge to the American Flag, the Mayor welcomed everyone to the meeting.

Mayor Adkins and members of City Council recognized Clarence Monday for his 15 ½ years of service to the City of Martinsville and presented him a Key to the City for serving as City Manager from October 2007 to January 2012. Mr. Teague also thanked Stacie Monday and their son, Chad, for loaning Clarence to the city and thanked Clarence for the forward looking things he has accomplished and the professional job done. Mr. Stroud commented that he appreciated all Mr. Monday has done. Mr. Reynolds thanked Clarence for his efforts in bridging the gap with the city and county.

Minutes: A motion was made by Mark Stroud, seconded by Gene Teague, for approval of minutes of November 22, 2011, December 6, 2011, December 13, 2011, and December 19, 2011 meetings. Council Member Turner asked that the November 22, 2011 minutes be amended to include his discussion comments regarding AMP. Mr. Turner was asked to submit the text to be added for future approval on the November 22, 2011 minutes. Mr. Stroud then rescinded his original motion and Mr. Teague rescinded his second of that motion. A new motion was made by Mark Stroud, seconded by Danny Turner, with a 5-0 vote, to approve the Council minutes of December 6, 2011, December 13, 2011 and December 19, 2011 meetings. Approval of the November 22, 2011 minutes will be considered at the next meeting.

Building Energy Efficiency project: Interim City Manager, Leon Towarnicki, briefed Council on the Building Energy Efficiency project. City Council has already adopted an Ordinance, on first reading, authorizing issuance of the proposed general obligation bond for energy saving capital improvements. Before the Council for consideration at this meeting is an Ordinance, on second reading, that approves Carter Bank & Trust as lender and approving other related documents including a Financing Agreement, Post-Issuance Compliance Procedures, and a single marked page showing minor changes to the Financing Agreement since the last distribution. Council is required to conduct a Public Hearing on the matter prior to second reading of the Ordinance. The energy savings will match the debt service and at the end of the first year, an audit process will measure progress. The lighting retrofit is to begin in February and the balance of the project will occur in March and April. Ted Cole and Paul Jacobson also made comments regarding the financing proposal. Mayor Adkins then opened the public hearing. There were no public comments. Mayor Adkins closed the public hearing. On a motion by Gene Teague, seconded by Danny Turner, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Reynolds, aye; Stroud, aye; and Turner, aye, Council approved the following \$1,250,000 Financing Ordinance on Building Energy Efficiency and related documents with Carter Bank for 15 years at 2.75% interest:

CITY OF MARTINSVILLE, VIRGINIA

AN ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO \$1,250,000 MAXIMUM PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF THE CITY OF MARTINSVILLE, VIRGINIA AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF

Adopted on January 10, 2012 (second reading)

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

Section 1 Definitions

Unless the context shall clearly indicate some other meaning, the following words and terms shall for all purposes of the Ordinance and of any certificate, resolution or other instrument amendatory thereof or supplemental thereto for all purposes of any opinion or instrument or other documents therein or herein mentioned, have the following meanings:

"Act" shall mean the Public Finance Act, Chapter 26, Title 15.2 of the Code of Virginia of 1950, as amended.

"Bank" shall mean Carter Bank & Trust, Martinsville, Virginia.

"Bond" shall mean the City's General Obligation Bond, Series 2012, in the aggregate principal amount of up to \$1,250,000, authorized to be issued hereunder.

"Bondholder" or "Bondholders" shall mean the registered holder or holders of the Bond.

"Bond Counsel" shall mean Sands Anderson PC or another attorney or firm of attorneys nationally recognized on the subject of municipal bonds selected by the City.

"Bond Fund" shall mean the Bond Fund established by Section 6.

"Bond Maturity Date" shall mean February 1, 2027.

"Bond Payment Date" shall mean the first day of each August and February, beginning August 1, 2012, up to and including the Bond Maturity Date.

"Bond Proceeds Fund" shall mean the Bond Proceeds Fund established by Section 4.

"Business Day" shall mean any Monday, Tuesday, Wednesday, Thursday or Friday on which commercial banks generally are open for business in the Commonwealth of Virginia.

"City" shall mean the City of Martinsville, Virginia.

"City Charter" shall mean the City Charter of the City of Martinsville, Virginia, as amended.

"City Manager" shall mean the City Manager or the Interim City Manager.

"Clerk" shall mean the Clerk of the Council or the Deputy Clerk of the Council.

Section 2 Findings and Determinations

The Council hereby finds and determines that (i) the City is in need of funds to be used for the purposes of financing capital improvements, including energy saving improvements to City buildings and facilities, all for municipal purposes (together, the "Project") including payment of costs of issuance of the Bond and interest on the Bond; (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 and otherwise support the activities of the City and the City's municipal purposes; (iii) the most effective, efficient and expedient manner in which to provide such funds to the City is through the issuance of a general obligation Bond, Series 2012, in an aggregate original principal amount not to exceed \$1,250,000 to be issued by the City as further described herein (the "Bond") to be sold to the Bank, which has offered to purchase the same on certain terms and conditions pursuant to the Bank's proposal and the Financing Agreement dated as of January 1, 2012 between the Bank and the City (the "Financing Agreement"); (iv) the issuance of the Bond is within the power of the City to contract debts, borrow money and make and issue evidence of indebtedness; and, (v) the issuance of the Bond is in the best interests of the City and its citizens. The maximum length of time that the Bond will be outstanding is twenty years from the date of issuance of the Bond. The Council further hereby finds and determines that the average probable useful life of the Project financed by the Bond exceeds twenty years and that the Bond is payable and shall mature within the average probable useful life of that portion of the Project.

Section 3 Authorization, Form and Details of the Bond

(a) There is hereby authorized to be issued a general obligation bond of the City in the aggregate principal amount of \$1,250,000 for municipal purposes as described in Section 2 above. The Bond authorized herein shall be designated "General Obligation Bond, Series 2012." The Bond shall be issuable in the principal amount of \$1,250,000 as a fully registered Bond, without coupons, shall be dated the Closing Date, shall be numbered R-1, shall bear interest payable on the Bond Payment Dates at a rate of 2.75% per annum. The Bond shall mature on the Bond Maturity Date. Commencing on August 1, 2012, and continuing on each February 1 and August 1 thereafter, interest on the outstanding principal amount of the Bond shall be due and payable as set forth above, and commencing on February 1, 2013, and continuing on each February 1 thereafter, principal amounts of the Bond shall be due in accordance with the Bank's written proposal to purchase the Bond and the terms of the Financing Agreement until the Bond Maturity Date. The Bond is subject to redemption prior to maturity at the option of the Council at any time, in whole or in part, at a redemption price equal to 100% of the principal amount of the Bond to be redeemed, plus interest accrued to the redemption date.

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"Closing Date" shall mean the date on which the Bond is issued and delivered to the Bondholder.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and applicable regulations, procedures and rulings thereunder.

"Commonwealth" shall mean the Commonwealth of Virginia.

"Council" shall mean the City Council of the City of Martinsville.

"Interest Account" shall mean the Interest Account in the Bond Fund established by Section 6.

"Mayor" shall mean the Mayor or Vice Mayor of the City.

"Outstanding" when used in reference to the Bond shall mean as of a particular date, the Bond authenticated and delivered under this Ordinance except:

- (i) if a Bond is canceled by the City at or before such date;
- (ii) a Bond for the redemption or purchase of which cash or noncallable direct obligations of the United States of America, equal to the redemption or purchase price thereof to the redemption or purchase date, shall have been deposited with the Paying Agent, for which notice of redemption or purchase shall have been given in accordance with the Ordinance;
- (iii) a Bond in lieu of, or in substitution for which, another Bond shall have been authenticated and delivered pursuant to this Ordinance; and
- (iv) if a Bond is deemed paid under the provisions of Section 9, except that such Bond shall be considered Outstanding until the maturity or redemption date thereof only for the purposes of actually being paid.

"Paying Agent" shall mean the City Treasurer acting as Paying Agent for the Bond hereunder or the successors or assigns serving as such hereunder.

"Principal Account" shall mean the Principal Account in the Bond Fund established by Section 6.

"Registrar" shall mean the Paying Agent, or the successors or assigns serving as such hereunder.

The Bond is hereby authorized to be issued under the City Charter and the Act. The Bond shall bear interest from the date on which it is authenticated. Interest on the Bond shall be computed on the basis of 30-day months and a 360-day year.

Principal of, and interest on, the Bond shall be payable in lawful money of the United States of America. Principal of and interest on the Bond shall be payable by check or draft mailed to the registered owner thereof at its address.

The Bond shall be printed, lithographed or typewritten and shall be substantially in the form herein below set forth, with such appropriate variations, omissions and insertions as are permitted or required by this Ordinance, including such variations, insertions and omissions as shall be necessary to issue the Bond under a system of book-entry for recording the ownership and transfer of ownership of rights to receive payments of principal of and interest on the Bond and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

If any principal of, or interest on, the Bond is not paid when due (whether at maturity, by acceleration or call for redemption, or otherwise), then, to the extent permitted by law, the overdue installments of principal shall bear interest until paid at the same rate or rates as set forth in the Bond.

The Bond shall be signed by the facsimile or manual signature of the Mayor. The facsimile of the City's seal shall be printed thereon or manually impressed thereon and attested by the facsimile or manual signature of the Clerk. In case any officer whose signature or facsimile of whose signature shall appear on a Bond shall cease to be such officer before delivery of the Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he remained in office until such delivery. The Bond may bear the facsimile signature of or may be signed by such persons as at the actual time of the execution thereof shall be the proper officers to sign the Bond although on the date of delivery of the Bond such persons may not have been such officers.

The Bond shall bear a certificate of authentication, in the form set forth below, duly executed by the Registrar. The Registrar shall authenticate the Bond with the signature of an authorized officer of the Registrar. Only authenticated Bond shall be entitled to any right or benefit under this Ordinance, and such certificate on the Bond issued hereunder shall be conclusive evidence that the Bond has been duly issued and is secured by the provisions hereof.

The Paying Agent shall act as Registrar and shall maintain Registration Books for the registration and the registration of transfer of the Bond. The City Treasurer is hereby designated and authorized to act as Paying Agent and Registrar hereunder. The transfer of the Bond may be registered only on the books kept for the registration and registration of transfer of the Bond upon surrender thereof to the Registrar together with an assignment duly executed by the

<p>Section 4 <u>Creation of Proceeds Fund</u></p> <p>There is hereby established a trust fund to be designated the "Bond Proceeds Fund, City of Martinsville General Obligation Bond, Series 2012."</p> <p>Section 5 <u>Payments into Proceeds Fund</u></p> <p>(a) All funds received from the proceeds of the sale of the Bond after payment of certain costs of issuance of the Bond shall be deposited into the Proceeds Fund to pay costs of the Project in accordance with the Financing Agreement and applicable law.</p> <p>Section 6 <u>Creation of Bond Fund</u></p> <p>There is hereby established a trust fund to be designated the "Bond Fund, City of Martinsville General Obligation Bond, Series 2012" in which Bond Fund there is hereby established an Interest Account and a Principal Account. As and when received, monies shall be deposited into the Bond Fund, and payments from the Bond Fund shall be made as follows:</p> <p>(i) to the Interest Account in the Bond Fund, subject to credit, if any, for proceeds of the Bond deposited therein, on the Business Day prior to each Bond Payment Date, an amount equal to the amount of interest that will become due on the Bond on the next succeeding Bond Payment Date; and</p> <p>(ii) to the Principal Account in the Bond Fund on the Business Day prior to each Bond Payment Date an amount equal to the principal that is required to be deposited into the Principal Account in order to pay the principal due on the Bond on the next succeeding Bond Payment Date.</p> <p>Section 7 <u>Accounts Within Funds</u></p> <p>Any fund or account created by this Ordinance may contain such accounts or subaccounts as may be necessary for the orderly administration thereof.</p> <p>Section 8 <u>Investment of Funds</u></p> <p>(a) The City shall separately invest and reinvest any monies held in the funds established by this Ordinance in investments which would mature in amounts and at times so that the principal of, premium, if any, and interest on, the Bond can be paid when due at maturity thereof.</p>	<p>(b) Permissible investments include investments in securities that are legal investments under Chapter 45 of Title 2.2 of the Code of Virginia of 1950, as amended (Section 2.2-4500 et seq.) and which are otherwise in compliance with Section 15.2-2619 of the Act.</p> <p>Section 9 <u>Defeasance</u></p> <p>The obligations of the City under this Ordinance and covenants of the City provided for herein shall be fully discharged and satisfied as to the Bond and the Bond shall no longer be deemed to be Outstanding thereunder when the Bond shall have been purchased by the City and canceled or destroyed, when the payment of principal of the Bond, plus interest on such principal to the due date thereof either (a) shall have been made or (b) shall have been provided for by irrevocably depositing with a financial institution acting as escrow agent selected by the Paying Agent for the Bond, money sufficient to make such payment, or direct and general obligations of, or obligations the principal of, and interest on, which are guaranteed by, the United States of America, maturing in such amounts and at such times as will insure the availability of sufficient monies to make such payment.</p> <p>Section 10 <u>General Obligation</u></p> <p>The Council, in accordance with Section 7 of Chapter 11 of the City Charter and Section 15.2-2624 of the Act, is hereafter authorized and required to levy and collect annually, at the same time and in the same manner as other taxes of the City are assessed, levied and collected, a tax upon all taxable property within the City, over and above all other taxes, authorized or limited by law and without limitation as to rate or amount, sufficient to pay when due the principal of and premium, if any and interest on the Bond, to the extent other funds of the City are not lawfully available and appropriated for such purpose.</p> <p>Section 11 <u>Event of Default</u></p> <p>Each of the following shall constitute an event of default hereunder as to any particular Bond:</p> <p>(a) Failure to pay the principal of the Bond when due;</p> <p>(b) Failure to pay interest on the Bond when due;</p> <p>(c) Failure of the City to perform any other covenant or agreement contained in this Ordinance, which failure shall have continued for 60 days after the notice thereof from the Bondholder; provided, however, that if any such failure shall be such that it cannot be cured or corrected within a 60-day period but is, in fact, susceptible of cure or correction, it shall not</p>
<p>constitute an Event of Default if curative or corrective action is instituted within said period and diligently pursued until the failure of performance is cured or corrected;</p> <p>(d) The instituting of any proceeding with the consent of the City for the purpose of effecting composition between the City and its creditors or for the purpose of reducing the claims of creditors pursuant to any federal or state statute; or</p> <p>(e) If the City for any reason shall be rendered incapable of fulfilling its obligations under this Ordinance as to the Bond.</p> <p>Upon the occurrence of an Event of Default, the Bondholder may declare the principal of the Outstanding Bond and all accrued and unpaid interest thereon to be due and payable immediately. This provision is subject to the condition that if, at any time after such declaration and before any such further action has been taken, all arrears of interest on, and principal of, the Bond shall have been paid and all other Events of Default, if any, which shall have occurred have been remedied, then the Bondholder may waive such default and annul such declaration.</p> <p>In case an Event of Default shall occur, subject to the provisions referred to in the preceding paragraph, the Bondholder shall have the right to protect the rights vested in such Bondholder by the Ordinance by such appropriate judicial proceeding as such Bondholder shall determine either by suit in equity or by action at law.</p> <p>Section 12 <u>Enforcement by Bondholders</u></p> <p>The Bondholders may by mandamus or other appropriate proceeding at law or in equity in any court of competent jurisdiction, enforce and compel performance of this Ordinance and every provision and covenant thereof concerning the Bond, including without limiting the generality of the foregoing, the enforcement of the performance of all obligations and duties and requirements to be done or performed by the City by the Ordinance or by the applicable laws of the Commonwealth as to the Bond.</p> <p>Section 13 <u>Modification of Bond Ordinance</u></p> <p>The City may without the consent of the Bondholder make any modification or amendment of this Ordinance required to cure any ambiguity or error herein contained or to make any amendments hereto or to grant to the Bondholder additional rights. The Bondholder shall have the power to authorize any modifications to this Ordinance proposed by the City other than as permitted above; provided that without the consent of the Bondholder affected thereby, no modifications shall be made which will (a) extend the time of payment of principal of, or interest on, a Bond or reduce the principal amount thereof or the rate of interest thereon; (b) give to a Bond any preference over any other bond secured equally and ratably therewith; (c) deprive</p>	<p>the Bondholder of the security afforded by this Ordinance, or (d) reduce the percentage in principal amount of a Bond required to authorize any modification to the Ordinance.</p> <p>Section 14 <u>Application of Proceeds; Sale of Bond</u></p> <p>Proceeds derived from the sale of the Bond together with other monies available therefor shall be used to pay the costs of issuance and other expenses of the City relating to the issuance of the Bond and thereafter any remaining funds to be deposited in the Bond Proceeds Fund shall be used for the purposes specified in Section 2 of this Ordinance and otherwise used in accordance with the provisions of this Ordinance or an opinion of Bond Counsel. Interest accruing on the principal of the Proceeds Fund and any profit realized from it may be transferred to the Bond Fund to be applied to the payment of interest on the Bond during the acquisition, construction, improvement and equipping of the Project.</p> <p>Section 15 <u>No Arbitrage Covenant and Covenants and Designations as to the Code</u></p> <p>The City hereby covenants that it will not use or invest, or permit the use or investment of any proceeds of the Bond in a manner that would cause the Bond to be subjected to treatment under Section 148 of the Code and the regulations adopted thereunder as an "arbitrage bond," and to that end the City shall comply with applicable regulations adopted under said Section 148 of the Code.</p> <p>The City covenants to comply with the Code provisions requiring that any issuance of "governmental bonds," as defined therein, be subject to certain requirements as to rebate and timing and type of payments to be paid for from the proceeds of such bonds, as well as other additional requirements. In order to assure compliance with such Code provisions, the City will enter into a NonArbitrage Certificate and Tax Covenants document, to comply with such requirements and covenants therein that it will not breach the terms thereof.</p> <p>The Council, on behalf of the City, hereby designates such Bond as "qualified tax-exempt obligations" as defined in Section 265(b)(3)(B) of the Code and certifies by this Ordinance that it does not reasonably anticipate the issuance by it or its subordinate entities of more than \$10,000,000 in "qualified tax-exempt obligations" during the calendar year 2012 and will not designate, or permit the designation by any of its subordinate entities, of any of its notes or bonds (or those of its subordinate entities) during the calendar year 2012 which would cause the \$10,000,000 limitation of Section 265(b)(3)(D) of the Code to be violated. Additionally, the Council on behalf of the City designates the Bond as eligible for the "small issuer exception" to the rebate requirements of Section 148(f)(2) and (3) of the Code pursuant to Section 148(f)(D)(vii) of the Code, as the City is a governmental unit with general taxing powers, no bond which is a part of the Bond will be a private activity bond, 95% or more of the net proceeds of the Bond are to be used for local governmental activities of the City, and the aggregate face</p>
<p>amount of all tax-exempt bonds, excluding private activity bonds to be issued by the City during the calendar year 2012 is not reasonably expected to exceed \$5,000,000 increased by the lesser of \$10,000,000 or so much of the aggregate face amount of bonds as are attributable to financing the construction of public school facilities within the meaning of Section 148(f)(D)(vii).</p> <p>The City intends that the adoption of this Ordinance will be a declaration of the City's official intent in accordance with U.S. Treasury Regulation Section 1.150-2 to reimburse Project expenditures made on or after 60 days prior to the date hereof from Bond proceeds. The City intends that funds that have been advanced for Projects costs, or which may be so advanced, may be reimbursed from Bond Proceeds.</p> <p>Section 16 <u>Further Actions Authorized; Approval of Documents</u></p> <p>The Mayor and Clerk of the Council and the City Manager, City Treasurer, City Attorney, Bond Counsel, the City's financial advisor and all other officers, employees and agents of the City are hereby authorized and directed to take any and all such further action and to execute and deliver such other documents, certificates, undertakings, agreements or other instruments as shall be deemed necessary or desirable in order to effectuate delivery of, and payment for the Bond, all in accordance with the Ordinance, including but not limited to the execution and delivery of form 8038-G as determined necessary by bond counsel and a Non-Arbitrage Certificate and Tax Covenants document and the making of any elections such officers, employees and agents deem desirable regarding any provision of the Code or regulations promulgated thereunder. The City Manager is hereby authorized to make any additional designations and irrevocable elections for the issuance of the Bond. The Financing Agreement and the Post-Issuance Compliance Procedures for Tax Exempt Governmental Bonds shall each be in substantially the forms submitted to this meeting, which are hereby approved, with such completions, omissions, insertions, changes and revisions as may be approved by the officer executing them in his sole and absolute discretion, his execution thereof to constitute conclusive evidence of his approval of any such completions, omissions, insertions, changes and revisions.</p> <p>Section 17 <u>Invalidity of Sections</u></p> <p>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.</p>	<p>Section 18 <u>Headings of Sections, Table of Contents</u></p> <p>The headings of the sections of this Ordinance and the Table of Contents appended hereto or to copies hereof shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of such sections of this Ordinance.</p> <p>Section 19 <u>Effectiveness and Filing of Ordinance</u></p> <p>The Council hereby declares that this Ordinance shall become effective upon its passage as provided for in the Act and pursuant to Section 3 of Chapter 3 of the City Charter. A certified copy of this Ordinance shall be filed by the Clerk with the Clerk of the Circuit Court of the City of Martinsville, Virginia. The filing of this Ordinance with the Clerk of the Circuit Court of the City of Martinsville, Virginia shall be deemed to be the filing of an initial resolution or ordinance with such Court for all purposes of the Act.</p>

The Members of the Council voted as follows:

<p><u>Aves</u></p> <p>Kim Adkins, Mayor Kimble Reynolds, Jr. Mark Stroud, Sr. Gene Teague Danny Turner</p> <p><u>Absent</u></p> <p>None</p>	<p><u>Nays</u></p> <p>None</p> <p><u>Abstentions</u></p> <p>None</p>
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Adopted this 10th day of January, 2012.

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 January 10, 2012, 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 10th day of January, 2012.

Brenda Pullaman

Clerk, City Council of
City of Martinsville, Virginia

VIRGINIA
City of Martinsville Circuit Court
17
11th and 12th Floor
1015A
18th: A. J. ...

(V003419 | 00086-082542)

Human Relations Advisory Committee: Vice Mayor Reynolds thanked the Human Relations Advisory Committee members for their work and advised that he and two other committee members, Phyllis Hairston and Tom Salyer will make a presentation to Council as follows:

<p>Human Relations Advisory Committee Report to City Council</p> <p>Ensuring equity and opportunities for all citizens</p> <p>January 10, 2012</p>	<p>Setting the Stage</p> <ul style="list-style-type: none"> Background on the formation of the Human Relations Advisory Committee Human Relations Committee Activity Formal Recommendation for City Council to Consider 	<p>Background on Formation</p> <ul style="list-style-type: none"> City Council adopts 2010-2011 Strategic Priorities One of these priorities states to "Ensure a government that is efficient, transparent, affordable, inclusive and collaborative." <ul style="list-style-type: none"> Strides have been made. "Ensuring Inclusive" was more of a challenge. Council did formally adopt the National League of Cities Initiative, "Working Toward Inclusive Communities" several years ago. 	<p>Background on Formation</p> <ul style="list-style-type: none"> Fast forward to August 2010: Westside community residents advocates for community center, citing: <ul style="list-style-type: none"> Westside: "It's like the forgotten part of Martinsville." 
<p>Background on Formation</p> <ul style="list-style-type: none"> Meetings hosted by Mayor and Vice Mayor <ul style="list-style-type: none"> September 2, 2010 October 28, 2010 City Council approves forming a Human Relations Advisory Committee <ul style="list-style-type: none"> March 22, 2010 City Council appoints members to the Committee <ul style="list-style-type: none"> April 12, 2010 	<p>Background on Formation</p> <ul style="list-style-type: none"> Committee Members <ul style="list-style-type: none"> Kimble Reynolds Kim Adkins Marie Craddock Ural Harris Tony Jones Chad Martin Rachel Benke Randy Stevens Bonnylee Witt Thomas Salyer Barbara Jackson Phyllis Hairston Keraine Randolph William Randolph Alicia Solomon Sidney Lee 	<p>Background on Formation</p> <ul style="list-style-type: none"> Regular Guests <ul style="list-style-type: none"> Chief of Police Mike Rogers Sheriff Steve Draper City Attorney Eric Monday Rev. Leonard Jones John Martin Joe Martin Crystal Whitaker Ron Morris Janet Staines John Fisher Alicia Lee Rev. Tyler Miller James Proctor 	<p>Background on Formation</p> <ul style="list-style-type: none"> Original Framework (as adopted by Council on March 22, 2011) <ul style="list-style-type: none"> Vision - To create a culture of public decision-making and problem-solving that is forward thinking, accountable and inclusive. Mission - To advance strategies in the City that expand opportunity, reduce poverty and build inclusiveness. Goals <ul style="list-style-type: none"> Ensure open and accountable government that hears and values all voices Develop the civic capacity to address identified City challenges and opportunities Bridge the fault lines of race and class that inhibit community progress and erode civic health Objectives <ul style="list-style-type: none"> Analyze economic, workforce and demographic trends to identify challenges that impede progress for the City and its residents To address these challenges, help City Council develop or suggest responsive public policies at the local, state and/or federal levels; demonstrate effective programs and build institutional and community capacity for progress.
<p>Human Relations Advisory Committee Activity</p> <ul style="list-style-type: none"> Held 8 Meetings <ul style="list-style-type: none"> July 12, 2011 July 26, 2011 August 23, 2011 September 6, 2011 September 20, 2011 March 22, 2010 October 11, 2011 November 1, 2011 November 7, 2011 Visited Greensboro to meet with Greensboro Human Relations Commission and Staff <ul style="list-style-type: none"> August 16, 2011 Toured Martinsville <ul style="list-style-type: none"> September 1, 2011 	<p>Human Relations Advisory Committee Activity</p> <ul style="list-style-type: none"> Based on Strategic Planning Session on September 6, and follow up meetings, revised vision and mission <ul style="list-style-type: none"> Vision - Martinsville will advocate for a culture of public decision and problem-solving that is accountable and inclusive Mission - To ensure equity and opportunities for all 	<p>Formal Recommendation to City Council to Consider</p> <ul style="list-style-type: none"> To advance this vision and mission, bylaws were formally adopted by the Committee for Council consideration. Components of the bylaws are: <ul style="list-style-type: none"> The Creation of the Martinsville Human Rights and Relations Commission Commission membership, responsibilities and pertinent details pertaining to the Commission's operation <ul style="list-style-type: none"> Up to 11 members with two being representatives from the student body of Martinsville High School One member shall be appointed from each voting precinct Every effort will be made to ensure appointments result in a diversity of membership reflecting race, gender, economic class and cultural background One member shall be appointed with the following experiences: education, health care and human services or employment City attorney shall serve as ex-officio, nonvoting member City Manager shall designate a staff person from City Administration to provide staff support 	<p>Formal Recommendation to City Council to Consider</p> <ul style="list-style-type: none"> Components of the bylaws continued: <ul style="list-style-type: none"> Goals <ul style="list-style-type: none"> Develop community capacity to address challenges and opportunities identified by the Commission, in the areas of race, class, government accountability, economic vitality arising from differences. Ensure open and accountable government that hears and values all voices Bridge the fault lines of race and class that inhibit progress and erode community health. 

<p>Formal Recommendation to City Council to Consider</p> <p>To implement goals, three committees are proposed to be formed:</p> <p>1. Equity</p> <ul style="list-style-type: none"> Goal: Develop community capacity to address challenges and opportunities, identified by the Commission, in the areas of race, class, government accountability and responsiveness, and conflicts arising from cultural differences. Offering education and training and/or community discussion and/or speaker series on topics pertaining to equity, inclusiveness, racial reconciliation, poverty reduction. Improving relations and fostering dialogue among various sections of the City. Identifying and dispelling misconceptions and falsehoods among communities within the City. 	<p>Formal Recommendation to City Council to Consider</p> <p>2. Inclusion</p> <ul style="list-style-type: none"> Goal – Ensure open and accountable government that hears and values all voices. Offering and supporting activities that build inclusiveness. Advocating for community strategies geared to poverty reduction (reducing barriers toward prosperity). Educating both government employees and citizens on laws and policies fostering greater transparency in government. 	<p>Formal Recommendation to City Council to Consider</p> <p>3. Resolution</p> <ul style="list-style-type: none"> Goal – Bridge the fault line of race and class that inhibit progress and erode community health. Advocate a “zero tolerance” policy against discrimination, with the ultimate goal of eradicating discrimination within the City. Providing oversight for mediating claims of discrimination. 	<p>Formal Recommendation to City Council to Consider</p> <p>3. Resolution continued...</p> <ul style="list-style-type: none"> In accordance with Code of Virginia, neither this committee or Commission shall have the power of subpoena or to compel testimony. This does not bypass the City Employee Grievance Process. 
<p>Formal Recommendation to City Council to Consider</p> <p>To adopt the proposed Martinsville Human Rights and Relations Commission bylaws, formally creating a Human Rights and Relations Commission and specifying its advisory authority</p> 	<p>BYLAWS OF THE MARTINSVILLE HUMAN RIGHTS AND RELATIONS COMMISSION</p> <p>ARTICLE I CREATION</p> <p>Section 1.1 The Human Rights Commission was created by action of City Council pursuant to powers granted in Chapter 2, Section 3 of the Code of the City of Martinsville, Virginia and Section 13-2-963 and Chapter 39 of Title 2.2 of the Code of Virginia, 1980, as amended. The Commission was created with the vision that “Martinsville will advocate for a culture of public decision-making and problem-solving that is accountable and inclusive” and to advise the City Administration and City Council on matters that will fulfill the mission “to ensure equity and opportunities for all citizens.”</p> <p>ARTICLE II MEMBERSHIP</p> <p>Section 2.1 The Commission shall consist of up to eleven regular members, two of which shall be representatives from the student body of Martinsville High School. All members shall be appointed by the City Council.</p> <p>Section 2.2 One member shall be appointed from each voting precinct in the City. The City Council shall make every effort to ensure that its appointments to the Commission result in a diversity of membership reflecting race, gender, economic class and cultural background. City Council shall also seek to appoint at least one member with experience in the respective fields of education, health care, and human resources or employment. The City Attorney shall be an ex-officio, nonvoting member.</p> <p>Section 2.3 The Commission shall receive staff support from the City Administration, by a person to be designated by the City Manager. This support shall include furnishing information that may be of assistance to the Commission in carrying out its mission.</p> <p>Section 2.4 Each member shall, prior to being vested with voting privileges, complete an appropriate training course in human rights and relations, as determined by the Chairman and the City’s designated person. Initial appointees to the Commission, may however, waive participation of this course.</p>	<p>officers and organization of the Commission prior to such training. No member who has a personal interest in any matter before the Commission shall participate in discussion or voting upon that matter. “Personal interest” shall be defined as a relationship to or knowledge of the matter such that an impartial evaluation of the matter is not possible. In the event that a personal interest is suggested to exist in any member, such member may, if the member desires it to be true under oath, execute a disclosure acknowledging the interest to affirming the member’s impartiality. Such disclosure shall permit that member to participate in discussion of the matter but not to vote upon it.</p> <p>ARTICLE III TERMS OF MEMBERS AND VACANCIES</p> <p>Section 3.1 Terms of the nine regular members shall be four years, but initial appointment shall be staggered whereby five members shall be appointed for an initial term of three years, and four members shall be appointed for a term of three years. Representatives from the student body of Martinsville High School shall be appointed annually and serve on the Commission during the school year.</p> <p>Section 3.2 All regular members shall be eligible to serve two consecutive terms provided they continue to satisfy the basic and respective criteria upon which they were originally appointed. They will be eligible for reappointment to an additional term for a period of one year, unless there are an insufficient number of qualified applicants to fill all vacancies.</p> <p>Section 3.3 Should said term vacancies occur among regular member positions, or when terms expire as provided herein, the Commission as a whole and/or an individual shall be entitled to submit nominations for City Council’s consideration in appointing replacements.</p> <p>ARTICLE IV OFFICES</p> <p>Section 4.1 The officers shall be the Chairperson, the Vice Chairperson and the Recording Secretary. The officers shall be elected for a two-year period. The Chairperson shall serve not more than two consecutive terms. In the event of a vacancy in either office, an election to fill the vacancy shall be held at the next meeting of the Commission or as soon thereafter as practicable.</p> <p>Section 4.2 The Chairperson shall cause an agenda to be prepared for each meeting and shall preside thereat. The Chairperson shall sign correspondence, reports and recommendations on the part of the Commission, and shall</p>	<p>otherwise represent the Commission in its proper relationship with the City Council, the City Administrators, State and Federal agencies, and the public.</p> <p>Section 4.3 The Vice Chairperson shall serve in the absence of the Chairperson.</p> <p>Section 4.4 A Recording Secretary shall be elected by the Commission membership to assist the Chairperson in development and dissemination of the agenda and recording accurate minutes of all meetings. Minutes of each meeting shall be forwarded to Commission members with the next regularly scheduled Commission meeting agenda and to the members of City Council with the next regularly scheduled Council agenda following the monthly meeting of the Commission. With the exception of records pertaining to investigative or confidential allegations of discrimination, all records of the Commission shall be subject to the Virginia Freedom of Information Act; the Recording Secretary shall be the records custodian.</p> <p>ARTICLE V MEETINGS</p> <p>Section 5.1 The Commission shall meet once each month, except December, at a time and day agreed on in advance by the Commission, or at the call of the Chairperson. The Chairperson may cancel any monthly meeting when it is deemed appropriate.</p> <p>Section 5.2 Meetings shall convene at an appointed time, except when members are specifically notified otherwise.</p> <p>ARTICLE VI QUORUM AND ATTENDANCE</p> <p>Section 6.1 No business of the Commission can be conducted at any meeting thereof without the presence of a quorum, consisting of at least four regular members.</p> <p>Section 6.2 Members are expected to attend all regularly scheduled meetings. Any member having missed five regularly scheduled meetings in a calendar year shall be so notified in writing by the Chairperson. In the event the Officers have not demand such absence to be excused, such member shall be presumed to have resigned from the Commission and City Council shall appoint a replacement.</p>
<p>ARTICLE VII GOALS, FUNCTIONS AND COMMITTEES</p> <p>Section 7.1 The goals of the Commission shall be as follows:</p> <ol style="list-style-type: none"> Develop community capacity to address challenges and opportunities, identified by the Commission, in the areas of race, class, government accountability and responsiveness, and conflicts arising from cultural differences. Ensure open and accountable government that hears and values all voices. Bridge the fault line of race and class that inhibit progress and erode community health. <p>Section 7.2 The Commission shall have three standing action subcommittees:</p> <p>The Chairperson shall appoint members to each action subcommittee from the membership of the Commission. The Chairperson shall also appoint each of her committees as deemed necessary. The Chairperson shall require approval by a quorum of the Commission to establish the duration of all of her committees and the individual members appointed to the all her committees.</p> <p>A. Equity Committee</p> <p>Goal: Develop community capacity to address challenges and opportunities, identified by the Commission, in the areas of race, class, government accountability and responsiveness, and conflicts arising from cultural differences.</p> <ol style="list-style-type: none"> Offering education and training and/or community discussion and/or speaker series on topics pertaining to equity, inclusiveness, racial reconciliation, poverty reduction. Improving relations and fostering dialogue among various sections of the City. Identifying and dispelling misconceptions and falsehoods among communities within the City. <p>B. Inclusion Committee</p> <p>Goal: Ensure open and accountable government that hears and values all voices.</p>	<ol style="list-style-type: none"> Offering and supporting activities that build inclusiveness. Advocating for community strategies geared to poverty reduction (reducing barriers toward prosperity). Educating both government employees and citizens on laws and policies fostering greater transparency in government. <p>C. Resolution Committee</p> <p>Goal: Bridge the fault line of race and class that inhibit progress and erode community health.</p> <ol style="list-style-type: none"> Advocate a “zero tolerance” policy against discrimination, with the ultimate goal of eradicating discrimination within the City of Martinsville. Providing oversight for mediating claims of discrimination in the City. <p>This Committee shall respond to charges of discrimination leveled against entities within the City. The Committee shall adopt such procedures and forms as is deemed necessary for the processing of charges, subject to the requirements of the Virginia Administrative Process Act, Code of Virginia Section 2.2-800 et seq., and the guidance of the policies and procedures of the Equal Employment Opportunity Commission, the Virginia Human Rights Council, or other appropriate agencies. The Committee may inquire into any charge of discrimination brought before it, may investigate the facts underlying such charges, and take into consideration the cooperation of the parties involved. If the charges are deemed to have merit, the Committee may recommend mediation services, conducted by an impartial third party. Such mediation services shall be voluntary and confidential. The Committee may also recommend to the Commission that unresolved charges, deemed to have merit, be referred to the Equal Employment Opportunity Commission, to the Virginia Human Rights Council, or to other appropriate agencies, and upon the vote of a majority of the Committee, such a referral may be made.</p> <p>In accordance with the Code of Virginia, neither this Committee nor the Commission shall have the power of subpoena or to compel testimony. This power shall not be available to employees of the City of Martinsville who have served government under the City Employee Grievance Process or who are within the prescribed time limitations for initiating such a grievance.</p> <p>ARTICLE VIII AMENDMENTS</p>	<p>Section 8.1 These bylaws shall become effective when ratified by City Council, and may be amended by a two-thirds vote of the Commission in attendance, provided that a quorum is present and further provided that written notice of proposed amendments are first given to each member not less than ten days prior to the regular or called meeting at which such amendments are to be considered.</p> <p>Section 8.2 Amendments so adopted shall not become effective until duly ratified by City Council.</p>	<p>Section 8.1 These bylaws shall become effective when ratified by City Council, and may be amended by a two-thirds vote of the Commission in attendance, provided that a quorum is present and further provided that written notice of proposed amendments are first given to each member not less than ten days prior to the regular or called meeting at which such amendments are to be considered.</p> <p>Section 8.2 Amendments so adopted shall not become effective until duly ratified by City Council.</p>

Mayor Adkins recognized Dr. Anthony Wade of Greensboro and he presented comments on his work on their Human Rights Commission, staff involved and costs. Mayor Adkins opened public comment period: Carolyn Carr-thinks it is a slippery slope and there is already too much government telling people what to do and this is already being handled at the state level; Vice Mayor Reynolds clarified that a half million dollar commission is not being proposed; Council Member Teague suggested costs for staff support and staff time of city attorney be looked at; City Attorney Monday responded that with the resolution committee, staff time would increase and he emphasized this would have to be done on a professional level requiring professional review on each complaint, also, there is potential of misuse of the commission for frivolous complaints; Naomi Hodge Muse—thinks most complaints could be handled without attorneys and thinks this commission is a wonderful thing; Pam Heath-commented that by approving this, Council would be sending a strong message to the community of reaching out to the community and it will eventually change the culture; Police Chief Mike Rogers—the city police

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department has made giant strides in the black community and feels we have a police force with good people skills and compassion with a zero tolerance for mistreatment of anybody; Tony Millner-does not think this is a “black” thing and the biggest thing he hears are minor complaints such as dogs barking; Chad Martin of Molly Circle-comments on misconceptions about big government (commission to be made up of citizens), training needed (national council and Dr. Wade will offer help for training), and big money (will not be a cost using hired staff members). Mayor Adkins closed the public comment period. Council comments included: need costs on staff time, need City Attorney time cost, need more opportunity for citizen comment, concerns about using volunteers in volatile situation, should take out Resolution Committee altogether, need to concentrate on open government and transparency committee, should be restricted to “inclusion” committee only, what are cost/budgets/bylaws of similar city commissions. For the January 24agenda, there will be consideration of bylaws and consideration of approval of ordinance and public comment period so there will be flexibility. Eric Monday will prepare the summary sheet for this next meeting.

Consent Agenda: On a motion by Gene Teague, seconded by Kimble Reynolds, with a 5-0 vote, Council approved the following consent agenda:

ORG	OBJECT	DESCRIPTION	BUDGET ADDITIONS FOR 1/10/12	
			DEBIT	CREDIT
<u>FY12</u>				
<u>GENERAL FUND</u>				
01100909	490104	Advance/Recovered Costs		200
01331108	501300	Sheriff-Corrections - Part-time wages donation	200	
01100909	490104	Advance/Recovered Costs		1,500
01211070	503127	Circuit Court - General Professional Services donation agreement with Judge Greer	1,500	
01102926	436401	Categorical Federal - Confiscated Assets		1,401
01311085	506078	Police Dept - Federal Asset Forfeitures City's share of Federal Asset Forfeiture	1,401	
01101917	442810	Categorical Other State - Highway Projects		106,504
01413151	503140	Thoroughfare Constr - Prof. Services - Eng & Arch Liberty Street Reimbursement	106,504	
<u>Total General Fund:</u>			<u>109,605</u>	<u>109,605</u>
<u>Refuse Fund:</u>				
09102926	436442	Federal Grant - ARRA - Biomass Energy Grant		495,237
09425302	508220	Landfill - Physical Plant Expansion Landfill Methane Energy Project Reimbursement	495,237	
<u>Total Refuse Fund:</u>			<u>495,237</u>	<u>495,237</u>
<u>Electric Fund</u>				
14102926	436440	Federal Grant - ARRA - Energy Efficiency Grant		84,741
14565340	503140	Electric - General Exp. - Prof. Serv.-Eng & Arch Hydro Plant Efficiency Grant Reimbursement	84,741	
<u>Total Electric Fund:</u>			<u>84,741</u>	<u>84,741</u>
<u>SCHOOL FUND</u>				
18103919	443130	Harvest Foundation Grant		70,000
81621310	561120	Instructional S&W	4,695	
81621310	562100	Social Security	314	
81621310	562150	Medicare	91	
81621310	563000	Purchased Services	35,250	
81621310	565503	Travel	900	
81621310	565800	Misc	750	
81631310	561120	Instructional S&W	3,130	
81631310	562100	Social Security	209	
81631310	562150	Medicare	61	
81631310	563000	Purchased Services	23,500	
81631310	565503	Travel	600	
81631310	565800	Misc	500	
<u>Total School Fund:</u>			<u>70,000</u>	<u>70,000</u>

Leon Towarnicki gave a brief update on the City Hydro, Landfill project, Liberty Street construction, and Lanier Road water line project in response to Council members' questions.

Business from the floor: Chief of Police Mike Rogers reported the Police Department is presently advertising for police officer positions due to vacancies and he also noted that he was very

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pleased with Clarence Monday as his City Manager as he was always prepared. City Attorney Eric Monday reported the taser case against the city was dropped and he also noted that Clarence Monday is a dear friend and he was the fifth city manager he has worked with and it has been a pleasure.

Council comments: Stroud-wished Clarence Monday good luck.

Interim City Manager comments: reminded Council of upcoming ribbon cutting at Depot Street; briefly updated Council on Fiber Optic Internet Program master plan noting proposals have been solicited for developing a business plan and staff will interview firms to proceed in order to allow Council to make a decision on going forward with the program with a Council work session to be scheduled in next few months to make that decision.

Closed Session: In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon a motion by Kimble Reynolds, seconded by Gene Teague, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Reynolds, aye; Stroud, aye; and Turner, 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 and (B) A personnel matter as authorized by Subsection 1.

At the conclusion of Closed Session, each returning member of Council certified that (1) only public business matters exempt from open 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 Session. On a motion by Kimble Reynolds, seconded by Gene Teague, with the following recorded 5-0 vote: Adkins, aye; Reynolds, aye; Teague, aye; Stroud, aye; and Turner, aye, Council returned to Open Session.

Action taken:

On a motion by Kim Adkins, seconded by Gene Teague, with a 5-0 vote, Council appointed Rives Coleman of 603 Mulberry to an unexpired 4 year term ending 9/26/15 on the Industrial Development Authority. On a motion by Gene Teague, seconded by Danny Turner, with a 5-0 vote, Council appointed Mark Stroud of 1204 Oakgrove Avenue to an unexpired 3 year term ending 6/30/13 on the Piedmont Regional Community Services Board. No other action was taken.

There being no further business, the meeting adjourned at 9:45 PM.

Brenda Prillaman
Clerk of Council

Kim Adkins
Mayor



City Council Agenda Summary

Meeting Date: February 14, 2012

Item No: 2.

Department: City Council

Issue: Presentation of proclamation recognizing Dick Hensley.

Summary: City Council will recognize Dick Hensley.

Attachments:

Recommendations:

Meeting Date: February 14, 2012

Item No: 3.

Department: Human Resources

Issue: Consider approval of modification of Section 125 Cafeteria Plan document

Summary:

On January 1, 1988, and last amended May 26, 2009, the City implemented a Section 125 Cafeteria Plan which allowed City and School employees to pay their portion of health care premiums with pre-tax dollars, thereby reducing their taxable income. Subsequent amendments permitted employees to pay for additional voluntary benefits of dental, vision, flexible spending accounts, cancer and intensive care premiums accordingly.

Effective February 14, 2012, the employee benefits package will be expanded to include accident and critical illness voluntary benefits. In order for employees to elect to pay these premiums on the same pre-tax basis, the City's Section 125 Cafeteria Plan Document must be modified to include these provisions.

Attachments: [City of Martinsville and Martinsville City Schools, Cafeteria Plan, Amended and Restated February 14, 2012](#)

Recommendations: Motion to approve.

CITY OF MARTINSVILLE AND MARTINSVILLE CITY SCHOOLS

CAFETERIA PLAN

Effective January 1, 1988

Amended and Restated February 14, 2012

CITY OF MARTINSVILLE AND MARTINSVILLE CITY SCHOOLS

CAFETERIA PLAN

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ARTICLE I – INTRODUCTION

1.1 Purpose of Plan. The purpose of this Plan is to provide employees of the City of Martinsville and Martinsville City Schools a choice between cash and benefits under the Underlying Plans maintained by the City of Martinsville and Martinsville City Schools.

1.2 Cafeteria Plan Status. This Plan is intended to qualify as a “Cafeteria Plan” under Code Section 125 of the Internal Revenue Code of 1986, as amended, and is to be interpreted in a manner consistent with the requirements of Code Section 125.

ARTICLE II – DEFINITIONS AND CONSTRUCTION

2.1 Definition - Whenever used in this Plan, the following words and phrases shall have the meanings set forth below unless the context clearly indicates otherwise:

(1) “Administrator” – The person or persons, or committee as may be appointed from time to time to supervise the administration of the Plan. Any person or persons so appointed shall serve at the pleasure of the Company and may be subject to termination at any time. In the absence of appointment, the Administrator shall be the Company.

(2) “Code” – The Internal Revenue Code of 1986, as amended from time to time. Reference to any section or subsection of the Code includes reference to any comparable or succeeding provision of any legislation, which amends, supplements, or replaces such section or subsection.

(3) “Company” – The City of Martinsville and Martinsville City Schools.

(4) “Compensation” – Total Compensation paid to a Participant during the Plan Year which would be reportable as taxable wages on the Participant’s Form W-2 for the Plan Year if the Form W-2 was prepared on a Plan Year basis instead of a calendar year basis.

(5) “Effective Date” – January 1, 1988, Amended February 14, 2012.

(6) “Employee” – Any individual employed by the Company working on a full time basis who is eligible for coverage in accordance with Article III.

(7) “Highly Compensated Employee” – A participant who is: (a) an officer; (b) a shareholder owning more than 5% of the voting power or value of all classes of stock of the Company; (c) highly compensated; or (d) a spouse or dependent (within the meaning of Code 152) of an individual who is listed in subsections (a) through (c) above.

(8) “Key Employee” – Any person who is a key employee as defined in Code Section 416(i)(1).

(9) “Participant” – Any individual who participates in the Plan in accordance with Article III.

(10) “Plan” – The Company Cafeteria Plan as set forth herein, together with any and all amendments and supplements hereto.

(11) “Plan Year” – Unless otherwise specified, the period beginning on the Effective Date and ending on December 31 of each year thereafter.

(12) “Underlying Plans” – The following plans sponsored by the Company which provide benefits that may be offered through a plan under Code Section 125:

1. Voluntary Medical
2. Voluntary Dental Plan
3. Voluntary Vision Plan
4. Voluntary Cancer
5. Voluntary Intensive Care
6. Flexible Spending Accounts
7. Health Savings Account
8. Voluntary Accident plan
9. Voluntary Critical Illness plan

2.2 Construction. A pronoun or adjective in the masculine gender includes the feminine gender, and the singular includes the plural, unless the context clearly indicates otherwise.

ARTICLE III - PARTICIPATION

3.1 Commencement of Participation. Each Employee, whose customary employment, excluding overtime work, is at least 40 hours per week, will be eligible to participate in the Plan on the first day of employment.

3.2 Termination of Coverage. A Participant will cease to be a Participant as of the earlier of (a) the date on which the Plan terminates or (b) the date on which he ceases to be an Employee eligible to participate under Section 3.1.

3.3 Reinstatement of Former Participant. A former Participant who is reemployed by the City of Martinsville and Martinsville City Schools will become a participant again if and when he meets the eligibility requirements of Section 3.1 following the date of his reemployment by the Company; provided, that if a former Participant is reemployment by the Company in the same Plan Year as a prior termination of employment, then he may not make contributions for the Plan Year of reemployment under Article IV which is inconsistent with his prior elections for the Plan Year.

3.4 Conditions of Participation. A Participant's receipt of benefits as a Participant in the Plan shall be conditioned upon his agreement to:

- a. Furnish to the Administrator such information as may be reasonable required from time to time on forms prescribed by the Administrator or otherwise;
- b. Observe all Plan rules and regulations;
- c. Consent to inquiries by the Administrator with respect to any physician, hospital, or other provider of medical care or other services involved in a claim under this plan; and
- d. Submit to the Administrator all reports, bills, and other information, which the Administrator may reasonably require to process claims.

ARTICLE IV – OPTIONAL BENEFITS

4.1 Benefit Options. A Participant may choose under this Plan to receive his full Compensation for any Plan Year in cash or to have a portion of it applied by the Company toward the cost of one or more of the Underlying Plans.

4.2 Description of Benefits Other Than Cash. While the election to receive one or more of the optional benefits described in Section 4.1 may be made under this Plan, the benefits will be provided not by this Plan but by each such Underlying Plan. The types and amounts of benefits available under each Underlying Plan, the requirements for participating in such Underlying Plan, and the other terms and conditions of coverage and benefits under such Underlying Plan are as set forth and amended from time to time in the Underlying Plan, and in the group insurance contracts and prepaid health plan contracts that constitute (or are incorporated by reference in) certain of those plans. The benefit descriptions in such plans and contracts, as in effect and amended from time to time, are hereby incorporated by reference into this Plan.

4.3 Election of Optional Benefits in Lieu of Cash. A Participant may elect under this Plan to contribute one or more of the Underlying Plans in accordance with the procedure described in Section 4.4. If a Participant elects to use this Plan to make contributions to pay for the Participant's cost for any Underlying Plan, the participant's Compensation will be reduced, and an amount equal to the reduction will be contributed by the Company as indicated in the participant's election to that Underlying Plan to cover the Participant's share of the cost of such Underlying Plan as determined by the Company.

4.4 Election Procedure. Approximately thirty days prior to the commencement of each Plan Year, the Administrator shall provide one or more written election forms and compensation reduction agreements to each participant and to each other Employee who is expected to become a participant at the beginning of the Plan Year. The election forms shall be effective as of the first day of the Plan Year. Each participant who desires coverage in one or more optional benefits under any Underlying Plan for the Plan Year shall so specify on the appropriate election form or forms and shall agree to a reduction in his Compensation. The amount of the reduction in the Participant's Compensation for the Plan Year for each Underlying Plan that is elected by the Participant which does not involve a reimbursement account shall equal the participant's share of the cost of coverage under such Underlying Plan as indicated on the election form and compensation reduction agreement (which compensation reduction amount shall be adjusted automatically in the event of a change in such cost). Each election form must be completed and returned to the Administrator on or before such date as the Administrator shall specify, which date shall be no later than the beginning of the first pay period for which the Participant's compensation reduction agreement will apply.

4.5 New Participants. As soon as practicable before an Employee becomes a Participant under Section 3.1 or 3.3, the Administrator shall provide the written election forms and Compensation reduction agreements described in Section 4.4 to the Employee. If the Employee desires coverage under one or more Underlying Plans for the balance of the Plan Year, he shall so specify on the election forms and shall agree to a reduction in his Compensation as provided in Section 4.4. The election forms must be completed and returned to the Administrator on or before such date as the

4.6 Administrator shall specify, which date shall be no later than the beginning of the first pay period for which the Participant's Compensation reduction agreements will apply.

4.7. Failure to Elect.

(a) Initial Year. A Participant failing to return a completed election form to the Administrator on or before the specified due date for the initial Plan Year of the Plan, or for the Plan Year in which he became a Participant, shall be deemed to have elected to have the cost of coverage under all Underlying Plans in which he is enrolled to be paid in pre-tax dollars under this Plan, and otherwise to receive his full Compensation in cash.

(b) Subsequent Years. If a Participant fails to return a completed election form to the Administrator on or before the specified due date for any subsequent Plan Year, then, that Participant shall be deemed to have made the same elections as was in effect for him just prior to the end of the preceding Plan Year with respect both to the Underlying Plan coverage applicable for him and his dependents and whether he will use this Plan to have the cost of coverage for Underlying Plan be paid with pre-tax dollars. Such a Participant also shall be deemed to have agreed to a reduction in his Compensation for the subsequent Plan Year equal to the Participant's share of the cost from time to time during such Plan Year of each such optional benefit he is deemed to have elected for such Plan Year.

4.7 Nondiscrimination and Changes by Administrator. This Plan is intended to comply with the non-discrimination requirements of Code Section 125. Under such Code Section, the Plan will be discriminatory if the nontaxable benefits provided to key employees exceed 25% of the aggregate of such benefits provided for all employees under the Plan or the Plan otherwise discriminates in favor of Highly Compensated Individuals as to eligibility to participate or as to contributions or benefits. (See also Section 5.7.) If the Administrator determines, before or during any Plan Year, that the Plan (or any of the Underlying Plans) may fail to satisfy for such Plan Year any nondiscrimination requirement imposed by the Code or any limitation on the benefits of Participants, Highly Compensated Employees, or Key Employees, then the Administrator shall take such action as the Administrator deems appropriate, under rules uniformly applicable to similarly situated participants, to assure compliance with such requirement or limitation. Such action may include, without limitation, a modification of elections by Participants, Highly Compensated Employees or Key Employees with or without the consent of such Employees. In the event the Plan remains discriminatory, benefits provided to Highly Compensated Employees and/or Key Employees will become taxable in accordance with Code Section 125.

4.8 Contribution Election Changes During the Plan Year. Employees may prospectively start, stop, or otherwise change an election to make Health Savings Account contributions through pre-tax salary reductions on a monthly basis at any time during the plan year, subject to IRS formal guidelines and contribution limitations. When a participant becomes ineligible to make Health Savings Account contributions, the permitted election change is a prospective revocation of his or her salary reduction election for health savings account contributions. All other elections made under the Plan (or deemed to be made under section 4.6) shall be irrevocable by the Participant during the Plan Year. Notwithstanding the foregoing, a Participant may revoke a benefit election for the balance of a Plan Year and file a new election if both the revocation and the new election are on account of and consistent with: a change in family status (as described below); a significant cost increase or coverage curtailment in a health plan provided by an independent third party provided (but only to the extent similar coverage is received prospectively under another health plan); or due to such other events that the Administrator determines will permit a change or revocation of an election during a Plan Year under regulations and rulings of the Internal Revenue Service. A change in family status for this purpose includes marriage, divorce, death of a spouse or child, birth or adoption of a child, other

change in the number of dependents; termination or commencement of employment of a spouse, switch from part-time to full-time or employment or full-time to part-time by the employee or spouse, unpaid leave of absence by employee or spouse, and significant change in health coverage of employee

or spouse due to spouse's employment. Any new election under this Section 4.8 shall be effective at such time as the Administrator shall prescribe, but not earlier than the first pay period beginning after the election form is completed and returned to the Administrator.

4.9 Automatic Termination of Election. Elections made under this Plan (or deemed to be made under Section 4.6) shall automatically terminate on the date on which the Participant ceases to be a Participant in the Plan, although coverage or benefits under any Underlying Plan may continue if and only to the extent provided by such plans.

4.10 Maximum Compensation Reductions. The maximum amount of optional benefits and consequential Compensation reductions which may be elected under the Plan by any Participant shall be the costs from time to time of the most expensive benefits available to the Participant under any other Underlying Plans (including the portion of such costs payable with non-elective Company contributions).

4.11 Failure to Pay Premiums. When the Participant ceases to be eligible for coverage, or the required premiums are not paid, the Participant's coverage and benefits under an Underlying Plan will end unless otherwise agreed upon according to the terms and conditions outlined in the Underlying Plan.

4.12 Leave Without Pay. When an employee is on leave without pay, continuation of benefits will be permitted provided the Participant's share of the premium is paid. Should an employee fail to make premium payments, the employee will be notified in writing and may be given an additional fifteen days to make payment in full. If payment is not made after this notice, coverage and benefits will end.

ARTICLE V – USE OF FORFEITURES

5.1 Use of Forfeitures. All procedures concerning the Use of Forfeitures shall be at the discretion of the Company.

ARTICLE VI – ADMINISTRATION OF PLAN

6.1 Plan Administrator. The administration of the Plan shall be under the supervision of the Administrator. It shall be a principal duty of the Administrator to see that the Plan is carried out, in accordance with its terms, for the exclusive benefit of persons entitled to participate in the Plan without discrimination among them. The Administrator will have full power to administer the Plan in all of its details, subject to applicable requirements of law. For this purpose, the Administrator's powers will include, but will not be limited to, the following authority in addition to all other powers provided by this Plan:

- (a) To make and enforce such rules and regulations as it deems necessary or proper for the efficient administration of the Plan, including the establishment of any claims procedures that may be required by applicable provisions of law;
- (b) To construe and interpret the Plan (including, without limitation, any of its terms which are uncertain, doubtful or disputed), its interpretation thereof in good faith to be final and conclusive on all persons claiming benefits under the Plan;
- (c) To decide all questions concerning the Plan and the eligibility of any person to participate in the Plan;
- (d) To compute the amount of benefits which will be payable to any Participant or other person in accordance with the provisions of the Plan, and to determine the person or persons to whom such benefits will be paid;
- (e) To authorize the payment of benefits;
- (f) To require Participants to furnish such certifications and other information as the Administrator deems necessary or desirable to carry out the Plan;
- (g) To appoint such agents, counsel, accountants, consultants and other persons as may be required to assist in administering the Plan; and
- (h) To allocate and delegate its responsibilities under the Plan and to designate other persons to carry out any of its responsibilities under the Plan, with any such allocation, delegation or designation to be in writing.

Notwithstanding the foregoing, any claim which arises under any Underlying Plan or other plan which does not specifically incorporate this Plan's administrative procedures shall not be subject to review under this Plan, and the Administrator's authority under this Section 7.1 shall not extend to any matter as to which an Administrator under any such other plan is empowered to make determinations under such Plan. It is the intention of the Plan to grant the Administrator full discretionary authority to determine eligibility for benefits and to construe the terms of the Plan. Any construction or interpretation of the Plan's provisions or decisions as to benefits under this Plan which is adopted by the Administrator or Committee in good faith shall be binding upon all parties to or beneficiaries of the Plan, subject only to any rights of review by the Administrator or Committee provided by this Plan.

ARTICLE VII – MISCELLANEOUS PROVISIONS

- 7.1 Amendment and Termination of the Plan. The Plan may be amended or terminated by the Company at any time.
- 7.2 Information to be Furnished. Participants shall provide the Company and Administrator with such information and evidence, and shall sign such documents, as may reasonably be requested from time to time for the purpose of administration of the Plan.
- 7.3 Limitation of Rights. Neither the establishment of the Plan nor any amendment thereof, nor the payment of benefits, will be construed as giving to any participant or other person any legal or equitable right against the Administrator or the Company, except as expressly provided herein, and in no event will the terms of employment or service of any Participant be modified or in any way be affected hereby. The Plan shall not be deemed to constitute an employment contract between the Company and Participant, or as a consideration or inducement for the employment of any Participant or Employee. Nothing contained in this Plan shall be deemed to give any Participant or Employee the right to be retained in the service of the Company or to interfere with the right of the Company to discharge any Participant or Employee at any time.
- 7.4 Nonassignability of Rights. The right of any Participant to receive any reimbursement under the Plan shall not be alienable by the Participant by assignment or any other method, and will not be subject to be taken by his creditors by any process whatsoever, and any attempt to cause such right to be so subjected will not be recognized, except to such extent as may be required by law.
- 7.5 Benefits Solely from General Assets. Except to the extent contributions to the Plan are deemed under relevant Department of Labor regulations and other official pronouncements to be plan assets required to be maintained in a trust account, the benefits provided hereunder will be paid solely from the general assets of the Company, and nothing herein will be construed to require the Company or the Administrator to maintain any fund or segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in, any fund, account or asset of the Company from which any payment under the Plan may be made.
- 7.6 No Guarantee of Tax Consequences. Neither the Administrator for the Company makes any commitment or guarantee that any amounts paid to or on behalf of any participant under this Plan will be excludable from income for federal or state tax purposes, or that any other federal or state tax treatment will apply to or be available to any Participant. It shall be the obligation of each Participant to determine whether each payment of benefits is excludable from the Participant's gross income for federal and state income tax purposes, and to notify the Company if the Participant has reason to believe that any such payment is not so excludable.

7.7 Indemnification of Company by Participants. In the event that a Participant receives benefits under this Plan that do not qualify for exclusion from income under Code Section 125 (or under Code Section 105, 129 or any other relevant provision of the Code), and the receipt of such benefit was due to the negligent or intentional act or failure to act by the Participant (or his spouse or Dependent) in applying for or obtaining such benefit, then the participant shall indemnify and reimburse the Company for any taxes and other expenses incurred by the Company due to that nonqualified benefit.

7.8 Governing Law. This Plan shall be construed, administered and enforced according to the laws of the Commonwealth of Virginia, except to the extent preempted by federal law.

IN WITNESS WHEREOF, the City of Martinsville and Martinsville City Schools has caused this Plan to be executed in its name and on its behalf by its officers thereunto duly authorized this _____ day of _____, 2012.

BY: _____

TITLE: _____

(CORPORATE SEAL AND ATTESTATION IS OPTIONAL:)

ATTEST:

Clerk

**CITY OF MARTINSVILLE AND MARTINSVILLE CITY SCHOOLS
FLEXIBLE BENEFIT PLAN**

SUMMARY PLAN DESCRIPTION

PLAN NAME:

CITY OF MARTINSVILLE AND MARTINSVILLE CITY SCHOOLS FLEXIBLE BENEFIT PLAN.

EMPLOYER:

CITY OF MARTINSVILLE AND MARTINSVILLE CITY SCHOOLS
MARTINSVILLE, VIRGINIA

EFFECTIVE DATE:

January 1, 1988
Amended October 1, 1994
Amended February 1, 2001
Amended July 1, 2002
Amended July 1, 2003
Amended July 1, 2009
Amended February 14, 2012

PLAN YEAR:

January 1 through December 31 of each year; City School FSA Plan Year is September 1 thorough August 31.

PARTICIPANTS:

All regular full-time employees of City of Martinsville and Martinsville City Schools may participate.

SALARY REDUCTION:

Each participant may elect to reduce his/her salary for the benefits listed below. The reduction will be made in each Participant's pay. All reductions will be payroll deductions only.

BENEFIT ELECTIONS:

Participants may elect the City of Martinsville and Martinsville City Schools to reduce their salary for the contributions to the following:

1. Voluntary Medical
2. Voluntary Dental
3. Voluntary Vision
4. Voluntary Cancer

5. Voluntary Intensive Care
6. Flexible Spending Account
7. Health Savings Account
8. Voluntary Accident plan
9. Voluntary Critical Illness plan

An employee who elected to reduce their salary at the beginning of the Plan Year or when the employee is eligible for the Plan cannot change their deduction unless there is a change in dependent or employment status or at the beginning of the next year.

The employee's compensation for any purposes besides Federal and State taxes, Social Security and Workers' Compensation will include the salary reduction authorized in the plan as part of gross pay.

City of Martinsville and Martinsville City Schools will continue to make its contribution to the Group Insurance Benefit Plans on a non-taxable basis.

TERMINATION OF EMPLOYMENT:

Upon the participant's termination of employment for any reason whatsoever or upon the participant's failure to meet the definition of full-time employment, all amounts deducted from the Flexible Benefits Program will be forfeited.

City of Martinsville and Martinsville City Schools establishes this plan pursuant to Code Section 125 of the Internal Revenue Code. City of Martinsville and Martinsville City Schools reserves the right to amend or terminate this plan for any reason whatsoever. City of Martinsville and Martinsville City Schools denies any liability for present and future taxes that may apply.

RESOLUTION

The City Council of the City of Martinsville and the Martinsville City School Board hereby adopts City of Martinsville and Martinsville City Schools Cafeteria Plan under Internal Revenue Code section 125, effective January 1, 1988; amended October 1, 1994, amended February 1, 2001, amended July 1, 2002, amended July 1, 2003, amended July 1, 2009, and amended February 14, 2012.

Signature (City Manager)

Signature (School Superintendent)

Date

Date

CITY OF MARTINSVILLE AND MARTINSVILLE CITY SCHOOLS

CAFETERIA PLAN

**Amendment to Plan Document to comply with the
Standards for Privacy of Individually Identifiable health Information
(the “Privacy Standards”)
Issued pursuant to
The Health Insurance Portability and Accountability Act of 1996 (“HIPAA”)**

Effective July 1, 2003

The City of Martinsville and the Martinsville City Schools Plan Document and Summary are hereby amended to comply with HIPAA’s Privacy Standards, as follows:

1. Disclosure of Summary Health Information to the Plan Sponsor

In accordance with the Privacy Standards, the Plan may disclose Summary Health Information to the Plan Sponsor, if the Plan Sponsor request the information for the purpose of (a) obtaining premium bids from health plans for providing health insurance coverage under this Plan or (b) modifying, amending or terminating the Plan.

“Summary Health Information” may be individually identifiable health; information and it summarizes the claims history, claims expenses or the type of claims experienced by individuals in the plan, but it excludes all identifiers that must be removed for the information to be de-identified, except that it may contain geographic information to the extent that it is aggregated by five-digit zip code.

2. Disclosure of Protected Health Information (“PHI”) to the Plan Sponsor for Plan Administration Purposes

In order that the Plan Sponsor may receive and use PHI for Plan Administration purposes, the Plan Sponsor agrees to:

- a. Not use or further disclose PHI other than as permitted or required by the Plan Documents or as Required by Law (as defined in the Privacy Standards);
- b. Ensure that any agents, including a subcontractor, to whom the Plan Sponsor provides PHI received from the Plan agree to the same restrictions and conditions that apply to the Plan Sponsor with respect to such PHI;
- c. Not use or disclose PHI for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Plan Sponsor, except pursuant to an authorization which meets the requirements of the Privacy Standards;
- d. Report to the Plan any PHI use or disclosure that is inconsistent with the uses or disclosures provided for of which the Plan Sponsor becomes aware;
- e. Make available PHI in accordance with Section 164.524 of the Privacy Standards (45 CFR 164.524);

- f. Make available PHI for amendment and incorporate any amendments to PHI in accordance with Section 164.526 of the Privacy Standards (45 CFR 164.526);
- g. Make available the information required to provide an accounting of disclosures in accordance with Section 164.528 of the Privacy Standards (45 CFR 164.528);
- h. Make its internal practices, books and records relating to the US Department of Health and Human Services (HHS), or any other officer or employee of HHS to whom the authority involved has been delegated, for purposes of determining compliance by the Plan with Part 164, Subpart E, of the privacy Standards (45 CFR 164.500 *et seq*);
- i. If feasible, return or destroy all PHI received from the Plan that the Plan Sponsor will maintain in any form and retain no copies of such PHI when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the PHI infeasible; and
- j. Ensure that adequate separation between the Plan and the Plan Sponsor, as required in Section 164.504(f)(2)(iii) of the Privacy Standards (45 CFR 164.504(f)(2)(iii)), is established as follows:
 - i. The following employees or other persons under control of the plan Sponsor shall be given access to the PHI to be disclosed:

Human Resources Director
Human Resources Specialist
Finance Director/Finance Staff

- ii. The access to and use of PHI by the individuals described in subsection (i) above shall be restricted to the Plan Administration functions that the Plan Sponsor performs for the Plan.
- iii. In the event any of the individuals described in subsection (i) above do not comply with the provisions of the Plan Documents relating to use and disclosure of PHI, the Plan Administrator shall impose reasonable sanctions as necessary, in its discretion, to ensure that no further non-compliance occurs. Such sanctions shall be imposed progressively (for example an oral warning, a written warning or termination), if appropriate, and shall be imposed so that they are commensurate with the severity of the violation.

“Plan Administration” activities are limited to activities that would meet the definition of payment or health care operations, but do not include functions to modify, amend or terminate the Plan or solicit bids from prospective issuers. “Plan Administration” functions include quality assurance, claims processing, auditing, monitoring and management of carve-out plans, such as vision and dental. It does not include any employment-related functions or functions in connection with any other benefit or benefit plans.

The Plan shall disclose PHI to the Plan Sponsor only upon receipt of a certification by the Plan Sponsor that (2) the Plan Documents have been amended to incorporate the above provisions and (b) the Plan Sponsor agrees to comply with such provisions.

3. Disclosure of Certain Enrollment Information to the Plan Sponsor

Pursuant to Section 164.504(f)(1)(iii) of the Privacy Standards (45 CFR 164.504(f)(1)(iii)), the Plan may disclose to the Plan Sponsor information on whether an individual is participating in the Plan or is enrolled in or has disenrolled from a health insurance issuer or health maintenance organization offered by the Plan to the Plan Sponsor.

4. Other Disclosures and Uses of PHI

With respect to all other uses and disclosures of PHI, the Plan shall comply with the Privacy Standards.

PLAN SPONSOR

By: _____

Title: _____



City Council Agenda Summary

Meeting Date: February 14, 2012

Item No: 4.

Department: City Council

Issue: Hear an overview of February 13, 2012 Council Neighborhood Meeting.

Summary: Mayor Kim Adkins will give an overview of citizen input received at the February 13, 2012 Northside Neighborhood Meeting.

Attachments:

Recommendations:



City Council Agenda Summary

Meeting Date: February 14, 2012

Item No: 5.

Department: City Council

Issue: Hear update from Ray Gibbs on CDC projects and Henry Hotel.

Summary: Ray Gibbs, President of Phoenix CDC, will give an update and answer questions.

Attachments:

Recommendations:



City Council Agenda Summary

Meeting Date: February 14, 2012

Item No: 6.

Department: City Council

Issue: Hear an update from the Martinsville-Henry County Economic Development Corporation.

Summary: Mark Heath of the EDC will give this update and answer any questions.

Attachments: None

Recommendations: No action required



City Council Agenda Summary

Meeting Date: February 14, 2012

Item No: 7.

Department: Finance

Issue: Hear a report from Robinson, Farmer, Cox Associates on FY11 Audit.

Summary:

J. Wesley Clark, CPA, AFE, with Robinson, Farmer, Cox Associates will be at your meeting to report on the FY11 Audit.

Attachments:

Recommendations:

Meeting Date: February 14, 2012
Item No: 8.
Department: Finance
Issue: Monthly Financial Report

Summary:

FY11 –Combined Balance Sheet, Fund Balance

The annual audit has been completed. Anticipate review with Council in early February. The combined fund balance increased by \$1,125,000 over year-end FY10.

- \$523,000 less depreciation than budgeted
- Incomplete projects (funds re-appropriated in FY12)
- FY11 Real Estate taxes – received 97.92% of budget
- FY11 Pers Prop, M&T, Bus Equip taxes – received 105% of budget
- Infusion of grant funding, i.e. Harvest Foundation
- Conservative efforts throughout all City Departments

FY12 – Revenues & Expenditures, Combined Balance Sheet

With the first half of FY12 now complete, the current combined fund balance as of December 31, 2011 is \$13,926,269, a decrease of \$728,374 from year-end FY11. Exclusive of School and Special Revenue funds, actual revenues were \$1,414,156 greater than anticipated through this period.

- 1st Half Real Estate Taxes – received 98.45% of budget
- Meals Taxes – received 50% of budget
- Cigarette Taxes – received 68.5% of budget
- Unanticipated revenues and infusion of grant funding

Actual expenditures were \$615,226 greater than anticipated, due to \$849,135 in open purchase orders.

Attachments: [Council – eoy fb 2011;](#)
[Council – comb bal sheet fy11 –final;](#)
[Council – Rev-Exp – 1-24-12;](#)
[Council – comb bal sheet fy12 – 2nd qtr](#)

Recommendations: Motion to approve monthly financial report

**City of Martinsville
Combined Balance Sheet
Operating
6/30/2011
FY2011**

FUND	TOTAL ASSETS*	LIABILITIES &RESERVES	CURRENT FUND BALANCE	June 30, 2010 FUND BALANCE	DIFFERENCE + or (-)
GENERAL FUND	\$ 6,950,786	\$ (3,819,911)	\$ 3,130,874	\$ 2,244,242	\$ 886,632
MEALS TAX	\$ 728,470	\$ (1,504)	\$ 726,966	\$ 658,657	\$ 68,309
SCHOOL CAFETERIA	\$ 724,004	\$ (34,041)	\$ 689,963	\$ 654,813	\$ 35,150
REFUSE COLLECTION FUND	\$ 8,328,948	\$ (6,624,248)	\$ 1,704,700	\$ 1,424,434	\$ 280,266
WATER FUND	\$ 728,957	\$ (343,279)	\$ 385,678	\$ 248,698	\$ 136,980
SEWER FUND	\$ 1,056,687	\$ (777,727)	\$ 278,960	\$ 210,685	\$ 68,275
ELECTRIC FUND	\$ 6,597,570	\$ (1,576,034)	\$ 5,021,535	\$ 5,318,732	\$ (297,197)
CAPITAL RESERVE FUND	\$ 591,418	\$ (121,607)	\$ 469,811	\$ 512,860	\$ (43,049)
SCHOOL FUND	\$ 3,658,852	\$ (1,404,774)	\$ 2,254,078	\$ 2,063,809	\$ 190,269
SCHOOL FEDERAL PROGRAMS	\$ 230,474	\$ (207,870)	\$ 22,605	\$ 27,736	\$ (5,131)
CDBG FUND	\$ (467,216)	\$ (120,755)	\$ (587,971)	\$ (435,573)	\$ (152,398)
HOUSING CHOICE	\$ 170,632	\$ (8,648)	\$ 161,984	\$ 204,590	\$ (42,606)
TOTAL	\$ 29,299,582	\$ (15,040,399)	\$ 14,259,184	\$ 13,133,683	\$ 1,125,501

*Does not include fixed assets.

Totals may not crossfoot due to rounding.

2/9/2012 12:16

**City of Martinsville
 Combined Balance Sheet
 Operating
 12/31/2011 (for 1/24/12)
 FY2012**

FUND	TOTAL ASSETS*	LIABILITIES &RESERVES	CURRENT FUND BALANCE	June 30, 2011 FUND BALANCE	DIFFERENCE + or (-)
GENERAL FUND	\$ 9,761,050	\$ (6,517,506)	\$ 3,243,544	\$ 3,130,879	\$ 112,665
MEALS TAX	\$ 526,885	\$ -	\$ 526,885	\$ 726,965	\$ (200,080)
SCHOOL CAFETERIA	\$ 547,662	\$ -	\$ 547,662	\$ 689,963	\$ (142,301)
REFUSE COLLECTION FUND	\$ 8,055,272	\$ (6,461,301)	\$ 1,593,971	\$ 1,649,584	\$ (55,613)
WATER FUND	\$ 810,396	\$ (251,935)	\$ 558,461	\$ 343,030	\$ 215,431
SEWER FUND	\$ 1,217,825	\$ (588,656)	\$ 629,169	\$ 207,474	\$ 421,695
ELECTRIC FUND	\$ 6,562,987	\$ (1,522,145)	\$ 5,040,842	\$ 5,589,779	\$ (548,937)
CAPITAL RESERVE FUND	\$ 434,573	\$ -	\$ 434,573	\$ 469,809	\$ (35,236)
SCHOOL FUND	\$ 2,259,233	\$ (295,403)	\$ 1,963,830	\$ 2,260,541	\$ (296,711)
SCHOOL FEDERAL PROGRAMS	\$ (159,400)	\$ (71)	\$ (159,471)	\$ 22,607	\$ (182,078)
CDBG FUND	\$ (480,206)	\$ (122,445)	\$ (602,652)	\$ (587,971)	\$ (14,681)
HOUSING CHOICE	\$ 159,072	\$ 383	\$ 159,455	\$ 161,983	\$ (2,528)
TOTAL	\$ 29,695,348	\$ (15,759,079)	\$ 13,936,269	\$ 14,664,643	\$ (728,374)

*Does not include fixed assets.

Totals may not crossfoot due to rounding.

2/9/2012 12:16

CITY OF MARTINSVILLE FUND BALANCE 06/30/2011

(1/19/12)

	<u>Audited Fund</u> <u>Balance</u> <u>06/30/10</u>	<u>Actual</u> <u>Revenues</u> <u>FY11</u>	<u>Actual</u> <u>Expenditures</u> <u>FY11</u>	<u>Fund</u> <u>Balance</u> <u>06/30/11</u>	<u>Net</u> <u>(Decrease)</u> <u>Increase</u>
GENERAL	2,244,242	28,812,952	27,926,320	3,130,874	886,632
MEALS TAX	658,657	1,409,442	1,341,133	726,966	68,309
CAPITAL RESERVE	512,860	1,313,781	1,356,830	469,811	(43,049)
TOTAL CAPITAL FUNDS	1,171,517	2,723,223	2,697,963	1,196,777	25,260
				0	
REFUSE	1,424,434	1,662,681	1,382,415	1,704,700	280,266
WATER	248,698	3,090,420	2,953,440	385,678	136,980
SEWER	210,685	3,638,159	3,569,884	278,960	68,275
ELECTRIC	5,318,732	17,551,031	17,848,228	5,021,535	(297,197)
TOTAL UTILITY FUNDS	7,202,549	25,942,291	25,753,967	7,390,873	188,324
				0	
CAFETERIA	654,813	1,491,299	1,456,149	689,963	35,150
SCHOOLS	2,063,809	20,629,928	20,439,659	2,254,078	190,269
SCHOOL GRANTS	27,736	2,454,415	2,459,546	22,605	(5,131)
TOTAL SCHOOL FUNDS	2,746,358	24,575,641	24,355,354	2,966,646	220,288
				0	
CDBG	(435,573)	41,137	193,535	(587,971)	(152,398)
HOUSING CHOICE	204,590	2,108,856	2,151,461	161,985	(42,605)
TOTAL SP REV FUNDS	(230,983)	2,149,992	2,344,996	(425,986)	(195,003)
TOTAL ALL FUNDS	13,133,683	84,204,100	83,078,600	14,259,183	1,125,500

Notes

- (1) Revenues and Expenditures do not contain contributions to or from Fund Balance
- (2) Expenses in Enterprise Funds contain Capitalized Expenses and Depreciation

2/9/2012 12:16

City of Martinsville
Consolidated Revenues and Expenditures
FY12 - December 31, 2011

(prepared for 1/24/12 meeting)

	<i>Budget</i>	<i>Anticipated</i>	<i>Actual YTD</i>	<i>Remaining Balance</i>	<i>Difference Ant vs Actual</i>
General Fund					
Revenues	\$ 29,583,812	\$ 12,630,063	\$ 13,450,034	\$ 16,133,778	106.5%
Expenditures	<u>29,583,812</u>	<u>14,085,888</u>	<u>13,337,365</u>	<u>16,246,447</u>	94.7%
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ (1,455,825)</u>	<u>\$ 112,670</u>	<u>\$ (112,670)</u>	

	<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	\$ 1,388,475	\$ 659,526	\$ 694,436	\$ 694,039	105.3%
Expenditures	<u>1,388,475</u>	<u>894,517</u>	<u>894,517</u>	<u>493,958</u>	100.0%
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ (234,991)</u>	<u>\$ (200,081)</u>	<u>\$ 200,081</u>	
Capital Reserve					
Revenues	\$ 909,594	\$ 376,026	\$ 376,026	\$ 533,568	100.0%
Expenditures	<u>909,594</u>	<u>466,212</u>	<u>647,547</u>	<u>262,047</u>	138.9%
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ (90,186)</u>	<u>\$ (271,521)</u>	<u>\$ 271,521</u>	
TOTAL CAPITAL FUNDS:	<u>\$ -</u>	<u>\$ (325,177)</u>	<u>\$ (471,602)</u>	<u>\$ 471,602</u>	

	<i>Budget</i>	<i>Anticipated</i>	<i>Actual YTD</i>	<i>Remaining Balance</i>	<i>Difference Ant vs Actual</i>
Refuse Fund					
Revenues	\$ 2,123,801	\$ 1,478,361	\$ 1,277,385	\$ 846,416	86.4%
Expenditures	<u>2,123,801</u>	<u>1,070,213</u>	<u>1,406,324</u>	<u>717,477</u>	131.4%
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ 408,148</u>	<u>\$ (128,938)</u>	<u>\$ 128,938</u>	
Water Fund					
Revenues	\$ 3,459,711	\$ 1,573,508	\$ 1,632,070	\$ 1,827,641	103.7%
Expenditures	<u>3,459,711</u>	<u>1,623,398</u>	<u>1,487,000</u>	<u>1,972,711</u>	91.6%
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ (49,890)</u>	<u>\$ 145,070</u>	<u>\$ (145,070)</u>	
Sewer Fund					
Revenues	\$ 4,538,012	\$ 1,844,228	\$ 2,145,449	\$ 2,392,563	116.3%
Expenditures	<u>4,538,012</u>	<u>2,106,461</u>	<u>1,810,217</u>	<u>2,727,795</u>	85.9%
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ (262,233)</u>	<u>\$ 335,233</u>	<u>\$ (335,233)</u>	
Electric Fund					
Revenues	\$ 18,846,154	\$ 8,728,768	\$ 9,129,235	\$ 9,716,919	104.6%
Expenditures	<u>18,846,154</u>	<u>8,139,837</u>	<u>9,418,783</u>	<u>9,427,371</u>	115.7%
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ 588,931</u>	<u>\$ (289,548)</u>	<u>\$ 289,548</u>	
TOTAL UTILITY FUNDS:	<u>\$ -</u>	<u>\$ 684,956</u>	<u>\$ 61,817</u>	<u>\$ (61,817)</u>	

**Consolidated Revenues and Expenditures
FY12 - December 31, 2011**

	<i>Budget</i>		<i>Actual YTD</i>		<i>Remaining Balance</i>	<i>Difference Budg vs Actual</i>
Cafeteria						
Revenues	\$	1,319,661	\$	452,345	\$ 867,316	34.3%
Expenditures		<u>1,319,661</u>		<u>594,646</u>	<u>725,015</u>	45.1%
Excess (deficiency) of revenues over expenditures	\$	<u>-</u>	\$	<u>(142,301)</u>	\$ <u>142,301</u>	
Schools						
Revenues	\$	21,014,020	\$	8,883,699	\$ 12,130,321	42.3%
Expenditures		<u>21,014,020</u>		<u>9,249,055</u>	<u>11,764,965</u>	44.0%
Excess (deficiency) of revenues over expenditures	\$	<u>-</u>	\$	<u>(365,357)</u>	\$ <u>365,357</u>	
Federal Programs						
Revenues	\$	-	\$	1,168,940	\$ (1,168,940)	
Expenditures		<u>-</u>		<u>1,351,016</u>	<u>(1,351,016)</u>	
Excess (deficiency) of revenues over expenditures	\$	<u>-</u>	\$	<u>(182,076)</u>	\$ <u>(537,849)</u>	
TOTAL SCHOOL FUNDS:	\$	-	\$	-	\$ (689,734)	\$ (30,191)

	<i>Budget</i>		<i>Actual YTD</i>		<i>Remaining Balance</i>
Special Revenue Funds					
CDBG Fund					
Revenues	\$	160,980	\$	30,580	\$ 130,400
Expenditures		<u>160,980</u>		<u>45,260</u>	<u>115,720</u>
Excess (deficiency) of revenues over expenditures	\$	<u>-</u>	\$	<u>(14,680)</u>	\$ <u>14,680</u>
Housing Choice Fund					
Revenues	\$	2,252,130	\$	991,864	\$ 1,260,266
Expenditures		<u>2,252,130</u>		<u>994,393</u>	<u>1,257,737</u>
Excess (deficiency) of revenues over expenditures	\$	<u>-</u>	\$	<u>(2,529)</u>	\$ <u>2,529</u>
TOTAL SPECIAL REVENUE FUNDS:	\$	-	\$	(17,209)	\$ 17,209

	<i>Budget</i>	<i>Anticipated</i>	<i>Actual YTD</i>	<i>Remaining Balance</i>	<i>Difference Ant vs Actual</i>	
GRAND TOTALS:						
<i>(excluding Schools & Special Revenues)</i>						
Revenues:	\$	60,849,559	\$ 27,290,480	\$ 28,704,636	\$ 32,144,923	105.2%
Expenditures		<u>60,849,559</u>	<u>28,386,526</u>	<u>29,001,752</u>	<u>31,847,807</u>	102.2%
Excess (deficiency) of revenues over expenditures	\$	<u>-</u>	<u>(1,096,046)</u>	<u>(297,116)</u>	\$ <u>297,116</u>	

Local Sales/Use Taxes	\$	1,900,000	\$ 741,000	\$ 730,191	\$ 1,169,809	98.5%
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SUMMARY: For the first half of FY12, actual Revenues were \$1,414,156 greater than anticipated through this period, exclusive of the School Funds and Special Revenue Funds. Actual Expenditures were \$615,226 greater than anticipated for the same period. Overall, including all funds, Revenues were \$40,232,064; Expenditures were \$41,236,122, exceeding Revenues by \$1,004,058.

Notes: The Budget amount includes the Contribution from Fund Balance, which is required in order to balance the budget; however the Revenue amount does not reflect any actual Fund Balance contribution.

Meeting Date: February 14, 2012
Item No: 9.
Department: Community Development

Issue: Consider setting a public hearing for March 13, 2012 regarding amendments to the Zoning Ordinance related to pawnshops.

Summary: At present, the City of Martinsville allows pawnshops as a use permitted by right in the C-1A, C-2, C-3, M-1 and M-2 Districts. Planning Commission submitted a recommendation in July to remove pawnshops as a use permitted by right, which would have banned them from operating in the City. City Council reviewed the amendment and sent it back to the Planning Commission with a suggestion to look at regulating pawnshops through a special use permit. Planning Commission took that suggestion and began to work on conditions for a special use permit. After several work sessions, the Planning Commission has finalized their recommendation on this issue. The new recommendation would remove pawnshops as a use permitted by right in the C-1A, C-2, C-3, M-1, and M-2 Districts and would add pawnshops as a use permitted by special use permit in the C-1, C-1A, C-2, C-3, M-1, and M-2 Districts. It should be noted that the C-1 Commercial District currently does not allow pawnshops as a use permitted by right. However, to establish uniformity in the commercial districts; it is included in the recommendation to add pawnshops as a use permitted by special use permit.

Planning Commission held a duly advertised public hearing on October 4, 2011. No one spoke for or against the issue during the public hearing. Planning Commission voted unanimously (4-0) to send this amendment to City Council for their consideration.

City staff recommends amending the Zoning Ordinance to remove pawnshops as a use permitted by right and to include it as a use permitted by special use permit.

Attachments: [Planning Commission Letter](#)
[Proposed Amendment to the Zoning Ordinance](#)

Recommendations: Set the public hearing for March 13, 2012 to allow time for required advertisements.

PROPOSED AMENDMENTS – ZONING ORDINANCE

(Strikethrough indicates deletion; *italicized bold* indicates addition)

SECTION XII: COMMERCIAL DISTRICTS

A. C-1 Neighborhood Commercial District

C. Uses permitted by special use permit in the C-1 District.

7. Pawnshops, subject to the following conditions:

- a. Establishment must maintain and file a daily report, as specified by the Code of Virginia Sec. 54.1-4009, electronically with local law enforcement;*
- b. All of the items collected must be contained within the confines of the actual pawnshop;*
- c. An approved anti-crime security system must be installed to safeguard the premises;*
- d. Establishment shall not be located within 1000 feet of a similar establishment;*
- e. Establishment must be located at least 1000 feet from churches, schools, playgrounds;*
- f. Establishment cannot open for business prior to 10:00 a.m. and must close by 9:00 p.m.*

E. C-1A Intermediate Commercial District.

F. Uses permitted by right in the C-1A District.

61. ~~Pawnshops~~ or second hand stores

G. Uses permitted by special use permit in the C-1A District.

7. Pawnshops, subject to the following conditions:

- a. Establishment must maintain and file a daily report, as specified by the Code of Virginia Sec. 54.1-4009, electronically with local law enforcement;*
- b. All of the items collected must be contained within the confines of the actual pawnshop;*
- c. An approved anti-crime security system must be installed to safeguard the premises;*
- d. Establishment shall not be located within 1000 feet of a similar establishment;*
- e. Establishment must be located at least 1000 feet from churches, schools, playgrounds;*
- f. Establishment cannot open for business prior to 10:00 a.m. and must close by 9:00 p.m.*

I. C-2 Central Business District.

J. Uses permitted by right in the C-2 District.

61. ~~Pawnshops~~ or second hand stores

K. Uses permitted by special use permit in the C-2 District.

7. Pawnshops, subject to the following conditions:

a. Establishment must maintain and file a daily report, as specified by the Code of Virginia Sec. 54.1-4009, electronically with local law enforcement;

b. All of the items collected must be contained within the confines of the actual pawnshop;

c. An approved anti-crime security system must be installed to safeguard the premises;

d. Establishment shall not be located within 1000 feet of a similar establishment;

e. Establishment must be located at least 1000 feet from churches, schools, playgrounds;

f. Establishment cannot open for business prior to 10:00 a.m. and must close by 9:00 p.m.

M. C-3 General Commercial District.

N. Uses permitted by right in the C-3 District.

58. ~~Pawnshops~~ or second hand stores

O. Uses permitted by special use permit in the C-3 District.

7. Pawnshops, subject to the following conditions:

a. Establishment must maintain and file a daily report, as specified by the Code of Virginia Sec. 54.1-4009, electronically with local law enforcement;

b. All of the items collected must be contained within the confines of the actual pawnshop;

c. An approved anti-crime security system must be installed to safeguard the premises;

d. Establishment shall not be located within 1000 feet of a similar establishment;

e. Establishment must be located at least 1000 feet from churches, schools, playgrounds;

f. Establishment cannot open for business prior to 10:00 a.m. and must close by 9:00 p.m.

SECTION XIII: BUSINESS AND MANUFACTURING DISTRICTS

E. M-1 Light Manufacturing District.

F. Uses permitted by right in the M-1 Light Manufacturing District.

57. ~~Pawnshops~~ or second hand stores.

G. Uses permitted by special use permit in the M-1 District.

7. Pawnshops, subject to the following conditions:

a. Establishment must maintain and file a daily report, as specified by the Code of Virginia Sec. 54.1-4009, electronically with local law enforcement;

b. All of the items collected must be contained within the confines of the actual pawnshop;

c. An approved anti-crime security system must be installed to safeguard the premises;

d. Establishment shall not be located within 1000 feet of a similar establishment;

e. Establishment must be located at least 1000 feet from churches, schools, playgrounds;

f. Establishment cannot open for business prior to 10:00 a.m. and must close by 9:00 p.m.

I. M-2 Heavy Manufacturing District.

J. Uses permitted by right in the M-2 Heavy Manufacturing District.

All uses are allowed in the M-2 District with exception of the following:

25. Pawnshops

K. Uses permitted by special use permit in the M-2 District.

4. Pawnshops, subject to the following conditions:

a. Establishment must maintain and file a daily report, as specified by the Code of Virginia Sec. 54.1-4009, electronically with local law enforcement;

b. All of the items collected must be contained within the confines of the actual pawnshop;

c. An approved anti-crime security system must be installed to safeguard the premises;

d. Establishment shall not be located within 1000 feet of a similar establishment;

e. Establishment must be located at least 1000 feet from churches, schools, playgrounds;

f. Establishment cannot open for business prior to 10:00 a.m. and must close by 9:00 p.m.



October 27, 2011

Mayor Kim Adkins
Members of City Council
City of Martinsville
P. O. Box 1112
Martinsville, VA 24114

RE: Amendment to the Zoning Ordinance (Pawnshops)

Dear Mayor and City Council Members:

The Planning Commission, at its meeting on October 4, 2011, conducted a duly advertised Public Hearing on a request by the City of Martinsville, for a proposed amendment to the Martinsville Zoning Ordinance related to pawnshops.

At the public hearing, it was noted that this request would remove pawnshops as a use permitted by right in the C-1A, C-2, C-3, M-1, and M-2 Districts and would add pawnshops as a use permitted by special use permit in the C-1, C-1A, C-2, C-3, M-1, and M-2 Districts. There were no public comments voiced at the public hearing.

Following evidence heard at the public hearing, the Planning Commission voted unanimously (4-0) to recommend the proposed amendment to City Council. The Planning Commission respectfully submits the recommendation for reconsideration.

Yours Truly,

Barbara Cousin, Secretary

Wayne D. P. Knox

Director of Community Development

WDPK

Cc: Timothy D. Martin, Chairperson
Barbara Cousin, Secretary

Meeting Date: February 14, 2012
Item No: 10.
Department: Finance
Issue: Consider approval of consent agenda.

Summary:

The attachments amend the FY12 Budgets with appropriations in the following funds:

FY12:

General Fund: \$15,070 – reimbursement for Safe Routes to School; Senior Services donations, fees, grant funding.

Electric Fund: \$157,349 – reimbursement from Federal Efficiency Grant

Attachments: [Spreadsheet](#)

Recommendations: Motion to approve

BUDGET ADDITIONS FOR 2/14/12

ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<u>FY12</u>				
<u>GENERAL FUND</u>				
01102926	443157	Categorical Federal - Safe Routes to School		9,538
01413146	503140	Street Marking - Prof. Services - Engineering Reimbursement	9,538	
01100909	490801	Recovered Costs - Senior Citizens		3,638
01714212	501300	Senior Citizens - Part-time Wages	2,260	
01714212	502100	Senior Citizens - Social Security	140	
01714212	502110	Senior citizens - Medicare	33	
01714212	506049	Senior Citizens - Vehicle Fuel Transporation Grant & Class Fees	1,205	
01100908	480420	Miscellaneous - Donations/Sr. Citizens		1,894
01714212	506016	Senior Citizens - Program Supplies Donations for Holiday Tea & Disease Prevention Program	1,894	
Total General Fund:			15,070	15,070
<u>Electric Fund</u>				
14102926	436440	Federal Grant - ARRA - Energy Efficiency Grant		157,349
14565340	503140	Electric - General Exp. - Prof. Serv.-Eng & Arch Hydro Plant Efficiency Grant Reimbursement	157,349	
Total Electric Fund:			157,349	157,349