

AGENDA--CITY COUNCIL -- CITY OF MARTINSVILLE, VIRGINIA
Council Chambers – Municipal Building
7:00 pm CLOSED SESSION **7:30 pm regular session**
Tuesday, April 23, 2013

7:00--Closed Session

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

7:30—Regular Session

Invocation & Pledge to the American Flag- Vice Mayor Gene Teague

1. [Hear update from recent Neighborhood meeting at Albert Harris School on April 8, 2013.](#) (5 mins)
2. [Consider approval of Council meeting minutes of March 12, 2013.](#) (2 mins)
3. [Presentation of proclamation regarding National Correctional Officers week.](#) (2 mins)
4. [Hear an update and presentation from Piedmont Governor's School regarding citizen survey project.](#) (40 mins)
5. [Conduct a public hearing regarding tax exemption request and consider action.](#) (10 mins)
6. [Hear an update on the Martinsville Mustangs from Jesse Cole of Team Cole & Associates on activities related to 2013 season.](#) (15 mins)
7. [Consider approval of the Anti-Displacement Resolution required by DHCD for the Community Development Block Grant as a part of pre-contract work.](#) (10 mins)
8. [Consider adopting resolution urging maintaining Tax Exempt Status of Municipal Bonds.](#) (10 mins)
9. [Consider setting a public hearing for the FY14 Budget.](#) (5 mins)
10. [Consider approval of consent agenda.](#) (2 mins)
11. [Hear finance report.](#) (10 mins)
12. Business from the Floor
This section of the Council meeting provides citizens the opportunity to discuss matters, which are not listed on the printed agenda. In that the Council meetings are broadcast on Martinsville Government Television, the City Council is responsible for the content of the programming. Thus, any person wishing to bring a matter to Council's attention under this Section of the agenda should:
 - (1) come to the podium and state name and address;**
 - (2) state the matter that they wish to discuss and what action they would like for Council to take;**
 - (3) limit remarks to five minutes;**
 - (4) refrain from making any personal references or accusations of a factually false and/or malicious nature.****Persons who violate these guidelines will be ruled out of order by the presiding officer and will be asked to leave the podium.**
Persons who refuse to comply with the direction of the presiding officer may be removed from the chambers.
13. Comments by members of City Council. (5 minutes)
14. Comments by City Manager. (5 minutes)



City Council Agenda Summary

Meeting Date: April 23, 2013

Item No: 1.

Department: Mayor

Issue: Hear an update from Council's recent Neighborhood meeting, April 8, 2013, held at Albert Harris School.

Summary: Mayor Adkins will give this update

Attachments: [email from Lawrence Mitchell to Mayor Adkins](#)

Recommendations: For information.

From: "lawr.mitch" <mmlawr@zoho.com>
To: <kadkins@ci.martinsville.va.us>,
Cc: <gteague@ci.martinsville.va.us>
Date: 04/11/2013 10:50 AM
Subject: Citizen Complaint

TO: Kim Adkins, Mayor, City of Martinsville
RE: Citizen Complaint
DATE: April 11, 2013

Dear Ms. Adkins,

This complaint is in reference to the April 8th and 9th meeting of the City Council. First, I would like to say how disappointing it was to view the Tuesday meeting on Cable TV and hear how you misrepresented and omitted issues I spoke about at the Albert Harris School.

During your recap of the Albert Harris meeting you mentioned my name. I have no problem with that since I spoke in public. But to not properly characterize what I said is another issue. This is why I am filing an official complaint.

First, at the Tuesday official meeting you mentioned that I was talking about 'down power lines' which was wrong. I specifically said, hanging telephone lines. Councilman Stroud said at the meeting that this was a telephone company complaint. But this is not completely true. Yes, the lines belong to the telephone company, but the poles that they hang on belong to the city.

The other issue was the council's failure to give the name of individuals who represent themselves as community leaders and your council member, Hodge, did not give an adequate answer why these people names are kept confidential. If these people are giving the city council information that represents matters that affect the community at large, these individuals need to be identified to the community. Also, when did Ms. Hodge become the West End community representative?

The other issues was the access of Beaver Street to Fayette Street and Memorial Blvd. These access points need to be improved for the safety of the community. The city should place a meter car counter on the street to record the number of cars that use that street. This will give the city an accurate record of how much traffic travels along that street.

At the corner of Second Street and 'B' Street is a corner of Academy Place. On some rainy days there is a run off coming out of the ground. The Academy Place site was a toxic waste dump area. The city should conduct a test on the run off to see if it is toxic. Or contact the EPA to do a study.

The other issue was the resurfacing of Second Street.

Also, these complaints are not solely my own but issues that are of concerned to the community. Each of these items should be addressed individually and reported back to the community.

Sincerely,

Lawrence Mitchell

cc: Gene Teague, Vice Mayor



City Council Agenda Summary

Meeting Date: April 23, 2013

Item No: 2.

Department: Clerk of Council

Issue: Consider approval of minutes of City Council meeting March 12, 2013.

Summary: None

Attachments: [March 12, 2013](#)

Recommendations: Motion to approve minutes as presented

March 12, 2013

The regular meeting of the Council of the City of Martinsville, Virginia, was held on March 12, 2013, in Council Chambers, Municipal Building, at 7:30 PM, Closed Session beginning at 7:00PM, with Mayor Kim Adkins presiding. Council Members present included: Mayor Kim Adkins, Vice Mayor Gene Teague, Mark Stroud, Danny Turner and Sharon Brooks Hodge. Staff present included: Leon Towarnicki, Interim City Manager, Brenda Prillaman, Linda Conover, Dennis Bowles, Wayne Knox, and Ruth Easley. City Attorney Eric Monday was absent.

Closed Session: Mayor Adkins called the meeting to order and advised Council will go into Closed Session. In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon a motion by Danny Turner, seconded by Sharon Brooks Hodge, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Stroud, aye; Hodge, aye; and Turner, aye, Council convened in Closed Session, for the purpose of discussing the following matters: (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) 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 as authorized by Subsection 29. (C) 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 Mark Stroud, seconded by Danny Turner, with the following recorded 5-0 vote: Adkins, aye; Hodge aye; Teague, aye; Stroud, aye; and Turner, aye, Council returned to Open Session. No action was taken

Regular Session: Following the invocation by Vice Mayor Gene Teague and Pledge to the American Flag, the Mayor welcomed everyone to the meeting and advised City Council will recess and convene as Martinsville Redevelopment & Housing Authority.

Martinsville Redevelopment & Housing Authority updated Section 8 Administrative Plan-public hearing and approve on first reading: Wayne Knox briefed the Authority members with the following information: In order to fully comply with the Title 24 of the Code of Federal Regulations, a complete rewrite of the Administrative Plan for our Section 8 Housing Choice Voucher was conducted with the assistance of representatives of the HUD Office, Richmond. Because this action is a significant amendment to our existing administrative plan, it is necessary that we hold a public hearing and have a required 30-day comment period for any additional public input after the Authority's approval. The Public Hearing was advertised in the Martinsville Bulletin before being held on March 12. MRHA Chairman Kim Adkins opened the public hearing. There were no public comments and MRHA Chairman Kim Adkins closed the public hearing. On a motion by Gene Teague, seconded by Sharon Brooks Hodge, with a 5-0 vote, the Authority approved, on first reading, the amended Administrative Plan and noted the required 30 day comment period for additional input will be held prior to submitting to HUD for final approval. On a motion by Gene Teague, seconded by Mark Stroud, the MRHA adjourned. Martinsville City Council regular meeting then re-convened.

March 12, 2013

Minutes: On a motion by Gene Teague, seconded by Sharon Brooks Hodge, with a 5-0 vote, Council approved the minutes of January 22, 2013, January 30, 2013, February 11, 2013 tour and February 11, 2013 Neighborhood Council meetings.

MHC Economic Development update on retail-Mark Heath presented the following information regarding EDC efforts in retail development:

Small Business Jobs Created

- Since 2006, the Small Business division of the EDC has assisted with the creation of 308 new jobs and a total capital investment of \$13.8 million, of which 78 companies were retail or restaurants
 - One of the most prominent being Rising Sun Bakery, an organically grown business developed through the SmartSTART entrepreneurial training program
- Northwest TruValue Hardware opened a new store in Ridgeway in January 2013
- The EDC has committed \$150,000 to the Philpott Marina to support tourism and retail
- Overall, the EDC's approach to retail development has been a strong Small Business Division and to recruit manufacturing, office, and advanced logistics employment opportunities

Additional recent retail growth:

- CVS (2)
- Chick-Fil-A
- Citi Trends
- Dippers
- Dollar General (2)
- JC's 5 Star Outlet
- Northwest TruValue Hardware
- Pieces
- Virginia Home Inn Restaurant
- Walgreens(2)

WHERE DO WE GO FROM HERE?

The EDC's overall budget has declined by \$160,000 since 2009. Last year the EDC staff, at the board's direction, reviewed all programs and staffing to determine where savings might be realized. The result was to eliminate \$100,000 through a combination of program and staff reductions. Today the EDC operates with a staff of eight, down from its original ten.

Listed below is a table which shows the funding history for the EDC since FY2006: (amounts in thousands)

	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13
Harvest Foundation	\$800.0	\$800.0	\$800.0	\$1,000.0	\$950.0	\$1,000.0	\$1,000.0	\$1,000.0
Henry County	\$500.0	\$500.0	\$500.0	\$500.0	\$475.0	\$460.5	\$460.5	\$460.5
City of Martinsville	\$400.0	\$400.0	\$400.0	\$400.0	\$380.0	\$339.5	\$339.5	\$279.5
C-PEG/Chamber	\$200.0	\$200.0	\$200.0	\$25.0	\$25.0	\$25.0	\$25.0	\$25.0
TOTAL FUNDING	\$1,900.0	\$1,900.0	\$1,900.0	\$1,925.0	\$1,830.0	\$1,825.0	\$1,825.0	\$1,765.0

Shown below is a table which details the FY2013 funding percentage for each partner: (amounts in thousands)

Partner	Funding Amount	% Net Funding
Harvest Foundation	\$1,000.0	56.7%
Henry County	\$460.5	26.1%
City of Martinsville	\$279.5	15.8%
C-PEG/Chamber	\$25.0	1.4%
TOTAL	\$1,765.0	100%

Listed below is a table which shows the true net cost to Henry County by including the product development costs that are funded through the EDC budget: (amounts in thousands)

	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	TOTAL
Henry County Contribution	\$500.0	\$500.0	\$500.0	\$500.0	\$475.0	\$460.5	\$460.5	\$460.5	\$3,856.5
Total Product Development To Henry County	\$0	\$183.6	\$794.6	\$273.9	\$256.7	\$100.0	\$183.3	\$261.7	\$2,053.8
NET COST TO HENRY COUNTY	\$500.0	\$316.4	(\$294.6)	\$226.1	\$218.3	\$360.5	\$277.2	\$198.8	\$1,802.7

Listed below is a table which shows the true net cost to the City of Martinsville by including the product development costs that are funded through the EDC budget: (amounts in thousands)

	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	TOTAL
City of Martinsville Contribution	\$400.0	\$400.0	\$400.0	\$400.0	\$380.0	\$339.5	\$339.5	\$279.5	\$2,938.5
Total Product Development To the City of Martinsville	\$0	\$121.8	\$421.6	\$206.7	\$178.4	\$100.0	\$141.7	\$143.3	\$1,313.5
NET COST TO MARTINSVILLE	\$400.0	\$278.2	(\$21.6)	\$193.3	\$201.6	\$239.5	\$197.8	\$136.2	\$1,625.0

*In FY14, an additional \$150,000 has been committed to Product Development for the new Patriot Centre Shell Building

It is clear the EDC does not currently have the funding capacity to add additional staff, however, the EDC does believe it can make changes within our current organizational structure and do a better job branding and marketing our Small Business and Tourism Divisions to align with overall retail growth initiatives. We believe the data in this document supports the fact the EDC has been and is currently involved in efforts to promote and expand retail. Currently our Small Business and Tourism Divisions are working together to:

- Assist entrepreneurs wanting to start a retail venture through our one-stop-shop approach including Business Plan writing, licensing, zoning, financing, marketing, and incentives (City)
- Supporting existing retail and tourism vendors through Marketing co-op grants (25k combined)
- Existing business site visits
- Continuous entrepreneurial training series on relevant business topics and FAM tours

Additionally, staff has spent considerable time analyzing how we might better package and market our current programs and what new initiatives we might add. The EDC proposes the following steps:

- Create a new 'Retail Portal' on the YesMartinsville.com website that points retail clients to the websites of local brokers/developers and to the Small Business Division services
- Realign Small Business and Tourism staff to work seamlessly with promotions and services that increase 'traffic' in Martinsville-Henry County
- Utilize the findings of the Shop Local Initiative Final Report to target retail areas of need
- Work with Phoenix CDC and the Harvest Foundation to determine any niche market opportunities, such as farm-to-market restaurant concepts
- Assign Lisa Fultz as the EDC point of contact for all retail initiatives, working both with existing, local startup and out of town recruiting as appropriate
- Include Lisa Fultz in public monthly reports to City and County as to how enhanced efforts are proceeding including contacts, leads, hand-offs to local brokers, etc.

Should the determination be made that retail recruitment is to be a priority requiring additional staff and resources, corresponding cuts would be required from current operations. The chart below shows the current allocations from which any cuts would come:

Category	Percentage	Amount
RECRUITMENT	32.9%	\$582,987
TOURISM	23.5%	\$416,422
PRODUCT DEVELOPMENT	15.5%	\$275,000
SMALL BUSINESS	13.3%	\$235,456
OFFICE OPERATIONS	12.5%	\$222,112
ALL OTHERS	2.4%	\$42,500

March 12, 2013

Staff update on City's procedure handling after hours calls-Utilities Director, Dennis Bowles, presented an overview of the city's call system for handling after-hours/emergency calls pointing out that Answer Connect is currently being used as it was the most cost effective way to outsource the task when it became an issue during the citywide power outage several months back. After Council discussion, staff was directed to take steps to investigate local vendors that could provide the service needed.

Review proposed write off policies- Interim City Manager briefed Council on the background and proposed write off policies for utility bills, general/miscellaneous bills, and business licenses. After lengthy Council discussion, staff was directed to bring back a firm policy to Council to assure that taxpaying citizens are not subsidizing those that are not paying their bills. Council indicated they would like to know the exact amounts of uncollected bills for budget discussions. Mr. Towarnicki advised Council that a policy will be formulated with a clear cut implementation plan for Council approval in the next few weeks.

Consent agenda: On a motion by Gene Teague, seconded by Danny Turner, with a 5-0 vote,

BUDGET ADDITIONS FOR 3/12/13				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY13				
General Fund:				
01101918	443156	Grants - State - VDEQ Environmental Site Assessment		17,800
01812242	503143	Misc Expense - Environmental Evaluations	17,800	
		Grant funding		
01101917	442810	Categorical Other - State - Highway Projects		458
01413151	503140	Thorofare Construction - Prof.Serv. - Utility Relocation	458	
		Reimbursement-Liberty St Project		
01100909	490104	Advance/Recovered Costs		7,010
01331108	501300	Sheriff/Corrections - Part-time & Temporary Wages	5,100	
01331108	502100	Sheriff/Corrections - Social Security	316	
01331108	502110	Sheriff/Corrections - Medicare	74	
01331108	506008	Sheriff/Corrections - Vehicle Equipment & Maint.	1,020	
01331110	506200	Sheriff/Annex - Prisoner Allowance	500	
		Reimbursement from Henry County for litter pickup - Oct 2012-Jan 2013		
01100909	490104	Advance/Recovered Costs		31,131
01127060	503190	Garage - Prof. Service - Bldg/Grnd Maintenance	970	
01127060	506007	Garage - Repair & Maintenance Supplies	3,342	
01413147	506010	Signals - Traffic Signal Maintenance	22,069	
01126055	503320	Info Services - Maint. Service Contracts	4,750	
		Insurance Reimbursement from Derecho expenses		
01100909	490801	Recovered Costs - Senior Citizens		2,293
01714212	506016	Senior Citizens - Program Supplies	2,293	
		Reimbursements from trips and Bingo		
01100908	480420	Donations - Senior Citizens		450
01714212	506016	Senior Citizens - Program Supplies	450	
		Donations for Health Fair		
01102926	436430	Categorical Federal - SCAAP Funds		1,236
1331108	508220	Sheriff - Corrections - Physical Plant Expansion	1,236	
		SCAAP Funding		
Total General Fund:			59,142	59,142
Water Fund:				
12100909	490104	Advance/Recovered Costs		638
12541311	506007	Water Plant - Repairs & Maintenance	638	
		Insurance Reimbursement from Derecho expenses		
Total Water Fund:			638	638
Capital Reserve Fund:				
16100909	490104	Advance/Recovered Costs		7,185
16576366	508055	ADP Equipment - Information Services	7,185	
		Insurance Reimbursement from Derecho expenses		
Total Capital Reserve Fund:			7,185	7,185

Business from floor: Ural Harris, 217 Stuart St.-concerns about utility cutoffs, Commonwealth Crossing expenses, Henry Hotel/Phoenix CDC issues, and need to cut EDC funding; Rick Ward, new director at Blue Regional Library introduced himself to Council; Chad Martin-invited Council to participate in PHCC event regarding safe schools.

March 12, 2013

Council comments: Hodge-surprised there is a not a policy already in place for delinquent accounts that have reached the statute of limitations; Stroud-encouraged citizens to check on neighbors.

Interim City Manager comments: Mr. Towarnicki reminded Council of the capital worksession set for March 20, 2013 at 6pm.

There being no further business, the meeting adjourned at 9:10 pm.

Brenda Prillaman
Clerk of Council

Kim Adkins
Mayor



City Council Agenda Summary

Meeting Date: April 23, 2013

Item No: 3.

Department: City Manager

Issue: Presentation of proclamation regarding National Correctional Officers and Employees Week.

Summary: City Sheriff Steve Draper will be present to accept the proclamation.

Attachments: [Proclamation](#)

Recommendations: Presentation only



Proclamation

National Correctional Officers and Employees Week

WHEREAS, one of the primary goals for the City of Martinsville is to provide its citizens with an effective judicial system that concentrates on quality for all of our citizens; and

WHEREAS, the City of Martinsville's dedicated correctional officers are essential to the success of our judicial process, and our correctional officers' work includes daily exposure to a hostile environment with many of the most dangerous individuals in our society; and

WHEREAS, Correctional Officers contribute daily to the protection of our citizens by housing dangerous felons in a humane environment, often at great risk to the officers' own protection; and

WHEREAS, the City of Martinsville is pleased to join with officials and distinguished correctional officers across America to recognize the achievements of these dedicated individuals. We are indebted to the International Association of Correctional Officers for continuing to emphasize the accomplishments of correctional officers worldwide; now, therefore

FOR THESE SIGNIFICANT REASONS, I, KIM ADKINS, Mayor of the City of Martinsville, Virginia, do hereby proclaim May 5-May 11, 2013,

“NATIONAL CORRECTIONAL OFFICERS AND EMPLOYEES WEEK”

in the City of Martinsville and commend this observance to all of our citizens.

Kim Adkins
Mayor



City Council Agenda Summary

Meeting Date: April 23, 2013

Item No: 4.

Department: City Council

Issue: Hear a presentation from Piedmont Governor's School regarding citizen survey project

Summary: Dr. Nina Huff and her students at Piedmont Governor's Schools will make a presentation regarding the recent citizen survey project.

Attachments: Presentation to be given at the meeting.

Recommendations: For information only.

Meeting Date: April 23, 2013
Item No: 5.
Department: City Manager, City Attorney, Commissioner of the Revenue
Issue: Conduct a public hearing required under the exemption ordinance enacted in January 2007 for an organization requesting local tax exemption and consider granting the requested exemption

Summary: Under the provisions of the Exemption Ordinance enacted by council in January 2007, any entity that does not clearly fall into any exemption category granted by the Code of Virginia must request an exemption approval from the city council in the form of an exemption ordinance. In order for the exemption request to be considered by council as part of the annual budget deliberations, the requesting entity must have submitted an exemption application to the Commissioner of the Revenue by November 1, 2012. The Commissioner of the Revenue referred the application received to the City Manager along with a report of the revenue impact that any possible exemption may have. The City Manager appointed a review committee consisting of himself, Mayor Adkins, the City Commissioner of the Revenue, the City Treasurer, and an accountant from the Finance Department to review the application received. Step, Inc. is the only organization that submitted an application for a local exemption designation.

Attachments: [Spreadsheet- Revenue Impact & Review Committee Recommendation](#)
[Exemption Definitions](#)
[Review Criteria](#)
[Draft Sample Ordinance](#)

Recommendation: If exemption is granted, a motion to approve the ordinance, on first reading, specifying exemption designation, with a roll call vote.

Organization	Pers Prop Assessed Value	Rev Impact (Pers Prop)	Rev Impact (Real Estate)	Real Estate Assessed Value	Other City Assistance	Exemption Requested	Exemption Category Requested
Step, Inc.	\$1,382	\$31.79	Does not own real property.		\$0	Real & Personal Property	Other -- Community Action Agency
TOTALS	\$1,382	\$31.79		\$0.00	\$0		

This is not a qualifying statutory exemption. Council could determine that the organization is **benevolent** or **charitable** and exempt by designation.

Exemption Definitions

As Defined by Va. Courts

Benevolent – Philanthropic; humane; having a desire or purpose to do good to men; intended for conferring benefits, rather than for gain or profit. (Manassas Lodge No. 1380, Loyal Order of Moose, Inc. v. County of Prince William, 218 Va. 220, 237 S.E. 2d 102 (1977))

Charitable – Liberal in benefactions to the poor; beneficent. (City of Richmond v. United Givers Fund of Richmond, Henrico & Chesterfield, Inc., 205 Va. 432, 137 S.E. 2d 876 (1964))

NOTE: A charitable organization should be organized and conducted to perform some service of public good or welfare based on the above mentioned court cases.

As Defined by Va. Constitution Article X §6

Educational Exemption – Limited to institution of learning operated not for profit, provided the property is used for literary, scientific, or educational purposes or purposes incidental thereto.

As Defined by Webster's New Collegiate Dictionary

Cultural – Of or relating to enlightenment and excellence of taste acquired by intellectual and aesthetic training; acquaintance with and taste in fine arts, humanities, and broad aspects of science as distinguished from vocational and technical skills.

Educational – The field of study that deals mainly with methods of teaching and learning in schools.

Historical – Of or relating to a branch of knowledge that records and explains past events.

Museum – An institution devoted to the procurement, care, study, and display of objects of lasting interest or value; a place where objects are exhibited.

Patriotic – Befitting or characteristic of a patriot (one who loves his country and zealously supports its authority and interests.)

EXEMPTION CRITERIA TO CONSIDER

Pursuant to Code of Virginia §58.1-3651, the local governing body shall consider the following questions before granting an exemption from local taxation to any nonprofit organizations:

1. Whether the organization is exempt from taxation pursuant to § 501 (c) of the Internal Revenue Code of 1954;
2. Whether a current annual alcoholic beverage license for serving alcoholic beverages has been issued by the Virginia Alcoholic Beverage Control Board to such organization, for use on such property;
3. Whether any director, officer, or employee of the organization is paid compensation in excess of a reasonable allowance for salaries or other compensation for personal services which such director, officer, or employee actually renders;
4. Whether any part of the net earnings of such organization inures to the benefit of any individual, and whether any significant portion of the service provided by such organization is generated by funds received from donations, contributions, or local, state or federal grants. As used in this subsection, donations shall include the providing of personal services or the contribution of in-kind or other material services;
5. Whether the organization provides services for the common good of the public;
6. Whether a substantial part of the activities of the organization involves carrying on propaganda, or otherwise attempting to influence legislation and whether the organization participates in, or intervenes in, any political campaign on behalf of any candidate for public office;
7. The revenue impact to the locality and its taxpayers of exempting the property; and
8. Any other criteria, facts and circumstances that the governing body deems pertinent to the adoption of such ordinance.

ORDINANCE 2013-_____

BE IT ORDAINED by the Council of the City of Martinsville, Virginia, in regular session held on April 23, 2013 and pursuant to Section 58.1-3651 of the Code of Virginia, that Section 21-12 of the City Code be amended to add a subsection **[insert alphabetical listing]** as follows:

[insert alphabetical listing]. Taxation exemption for [name of entity]

After convening a duly advertised public hearing and considering the factors set forth in Code of Virginia § 58.1-3651(B), the City Council of Martinsville Virginia hereby ordains the following:

1. The *[name of entity]*, a nonprofit organization, is hereby classified and designated as a **[(designate which) religious, charitable, patriotic, historical, benevolent, cultural, or public park and playground purposes]** organization within the context of Section 6(a)(6) of Article X of the Constitution of Virginia.
2. *[real and/or personal]* property owned by *[name of entity]*, and used exclusively for educational, benevolent and charitable purposes on a nonprofit basis, as set forth in subsection A. of this section, is hereby determined to be exempt from local *[real and/or personal]* property taxation.
3. Continuance of the exemption shall be contingent on the continued use of the property in accordance with the purpose for which the organization is classified or designated.

Attest:

**Brenda Prillaman,
Clerk of Council**

Date Adopted

Date Effective



City Council Agenda Summary

Meeting Date: April 23, 2013

Item No: 6.

Department: City Manager

Issue: Hear an update on the Martinsville Mustangs from Jesse Cole of Team Cole & Associates on activities related to the 2013 season.

Summary: Jesse Cole of Team Cole & Associates will give an update and answer questions regarding the upcoming 2013 baseball season.

Attachments: None

Recommendations: For information purposes

Meeting Date: April 23, 2013
Item No: 7.
Department: Community Development

Issue: Consider approval of the Anti-Displacement Resolution required by DHCD for the Community Development Block Grant as part of pre-contract work.

Summary: The City of Martinsville is working closely with New College Foundation and the French Connection on pre-contract work for the Community Development Block Grant for New College Expansion. This resolution is part of the required documentation for this work.

The required process involves the approval of the resolution to be completed to follow steps that are in line with federal and state protocol. This same resolution was approved in the Cherry Street CDBG and Martinsville Business District Revitalization CDBG Project as well.

Community Development recommends that City Council approve the resolution, which will enable us to be compliant with DHCD paperwork and move the grant process forward. The NCI Community Development Block Grant – New College Expansion – Building on Baldwin project will be a revitalization catalyst in the Martinsville community

Attachments:

- [Resolution: Martinsville Residential Anti-Displacement Certification \(Appendix 8\)](#)

Recommendations: Motion to approve.



Residential Anti-Displacement and Relocation Assistance Plan Certification City of Martinsville

The *City of Martinsville* will replace all occupied and vacant occupiable low/moderate-income dwelling units demolished or converted to a use other than as low/moderate income dwelling unit as a direct result of activities assisted with funds provided under the *Housing and Community Development Act of 1974*, as amended. All replacement housing will be provided within three (3) years of the commencement of the demolition or rehabilitation relating to conversion.

Before obligating or expending funds that will directly result in such demolition or conversion, the *City of Martinsville* will make public and advise the state that it is undertaking such an activity and will submit to the state, in writing, information that identifies:

1. A description of the proposed assisted activity;
2. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than as low/moderate-income dwelling units as a direct result of the assisted activity;
3. A time schedule for the commencement and completion of the demolition or conversion;
4. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;
5. The source of funding and a time schedule for the provision of replacement dwelling units;
6. The basis for concluding that each replacement dwelling unit will remain a low/moderate-income dwelling unit for at least 10 years from the date of initial occupancy; and
7. Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units is consistent with the housing needs of low- and moderate- income households in the jurisdiction.

The *City of Martinsville* will provide relocation assistance to each low/moderate – income household displace by the demolition of housing or by the direct result of assisted activities. Such assistance shall be that provided under Section 104 (d) of the *Housing and Community Development Act of 1974*, as amended, or the *Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970*, as amended.

The *City of Martinsville* FY 13 New College Institute Expansion – Building on Baldwin’s project activities as planned will not cause any displacement from or conversion of

occupiable structures. The City of Martinsville will work with the grant management staff, engineers, project area residents, and the Department of Housing and Community Development to insure that any changes in project activities do not cause any displacement from or conversion of occupiable structures.

In all cases, an occupiable structure will be defined as a dwelling that meets local building codes or a dwelling that can be rehabilitated to meet code for \$25,000 or less.

Signature of Authorized Official

April 23, 2013

Date Adopted

Attest:

Clerk of Council

Meeting Date: April 23, 2013

Item No: 8.

Department: Electric

Issue: Consider adopting resolution urging maintaining Tax Exempt Status of Municipal Bonds

Summary: Congress and the Administration are considering eliminating or altering the ability of state and local governments to issue tax-exempt financing in the form of municipal bonds. This form of financing is critical to providing infrastructure for our community and throughout the nation. Tax-exempt municipal bonds fund public utility projects such as construction of power generation facilities, improvements to public water and sewer infrastructure, public schools, roads etc.

Some potential threats to tax-exempt financing include:

- Changing the tax-exempt status of municipal bond interest (including taxing the interest earned by certain classes of taxpayers);
- Issuing municipal bonds as tax-credit bonds, instead of tax-exempt bonds;
- Replacing the muni-tax exemption with a direct subsidy to the issuer;
- Narrowing the scope of projects eligible for tax-exempt financing; or
- Changing overall tax rates or tax treatment of investment income (could make tax-exempt investments less attractive).

American Municipal Power Inc. along with Blue Ridge Power Agency encourages the passage of a resolution by City Council in support of maintaining tax-exempt municipal bonds.

Attachments: [Resolution](#)
[Cover letter-Griffith](#)
[Cover letter-Warner](#)
[Cover letter-Kaine](#)
[Cover letter-President](#)

Recommendations: Motion to adopt resolution and authorize staff to forward resolution to federal elected officials.



RESOLUTION
IN SUPPORT OF TAX-EXEMPT FINANCING
OF THE MARTINSVILLE CITY COUNCIL

Whereas, tax-exempt bonds are the basic tool used by states, cities, counties, towns, universities, school districts, and other governmental entities to fund public purpose projects necessary to provide needed infrastructure and services; and

Whereas, municipal bonds are celebrating a century of success as essential financing mechanisms that have been exempt from federal taxation since 1913; and

Whereas, today, three-quarters of the infrastructure investment in the U.S. is financed by state and local government bonds, including roads, bridges, sewers, hospitals, libraries, schools, town halls, police stations, electric and gas infrastructure for public power utilities, and other government purpose investments made by state and local governments; and

Whereas, every year, on average, public power utilities nationwide make \$15 billion in new investments financed with municipal bonds for power generation, distribution, transmission, reliability, demand control, efficiency, and emissions controls – all of which are needed to deliver safe, affordable, and reliable electricity to customers; and

Whereas, the ability of these governmental entities to issue tax-exempt bonds so that they are attractive to investors is essential to the daily life of hundreds of millions of Americans; and

Whereas, pressure to reduce the federal budget deficit has resulted in an ongoing review by Congress and the Administration of nearly all federal tax and spending programs, including tax-exempt financing; and

Whereas, contrary to the perception that tax-exempt bonds only benefit high net-worth individuals, more than half of all municipal bond interest paid to individuals is earned by those with income of less than \$250,000; and

Whereas, proposals to tax the interest on municipal bonds for some taxpayers would also likely alter the ability of state and local governments to access cost-effective financing, jeopardizing essential infrastructure projects nationwide that would benefit all citizens, not just those in the higher-income brackets; and

Whereas, tax credit and direct payment bonds would offer a poor substitute for traditional tax-exempt financing because they lack certainty and do not generally appeal to traditional municipal bond investors, including those who participate in the market through mutual funds; and

Whereas, reductions in the availability of tax-exempt financing to municipal governments, or increases in their cost of issuing tax-exempt bonds, would impose significant fiscal injury on these local governments and seriously impair their ability to maintain essential safety and services for their citizens; and

Whereas, the loss of tax exempt financing would likely force local governments to significantly increase income taxes and utility rates, and therefore impose serious negative financial hardships on lower- and middle-class families in municipal electric communities.

Now, therefore, be it resolved, that the City of Martinsville urges the Administration and the Congress of the United States to reject efforts to tax the interest on municipal bonds or otherwise alter the federal tax treatment or fundamental structure of municipal bonds.

Be it further resolved, that a copy of this resolution shall be sent to our U.S. congressional delegation and the Administration.

Authorized Official

April 23, 2013
Date Adopted

Attest:

Clerk of Council



April 23, 2013

Representative H. Morgan Griffith
U.S. House of Representatives
1108 Longworth HOB
Washington, D.C. 20515

Dear Congressman Griffith:

On behalf of the City of Martinsville Council, I am forwarding to you the enclosed Resolution in support of tax-exempt financing, which was passed by City Council, City of Martinsville, Virginia, on April 23, 2013, by a vote of _____

The ability of state and local governments to issue tax-exempt financing in the form of municipal bonds is critical to providing essential infrastructure throughout the nation, including that developed by public power utilities in the form of power generation facilities, distribution and transmission lines and equipment, emission control and efficiency improvements, etc.

Yet, Congress and the Administration are considering various proposals that would eliminate or alter this vital form of public financing, which has been exempt from federal taxation for 100 years. Some potential current threats to tax-exempt financing include:

- Changing the tax-exempt status of municipal bond interest (including taxing the interest earned by certain classes of taxpayers);
- Issuing municipal bonds as tax-credit bonds, instead of tax-exempt bonds;
- Replacing the muni-tax exemption with a direct subsidy to the issuer;
- Narrowing the scope of projects eligible for tax-exempt financing; or
- Changing overall tax rates or tax treatment of investment income (could make tax-exempt investments less attractive).

All of the above actions would only increase costs for communities by making publicly issued debt less attractive to investors. Without those investors and a robust municipal bond market, communities will likely be priced out of the corporate bond market and thus may not be able to obtain financing for critical public infrastructure.

While we understand and appreciate efforts to reduce the federal budget deficit and reform the federal tax code, we urge you to reject changes to this stable, cost-effective, and essential public financing tool. Our community needs tax-exempt financing to remain viable for our future.

Sincerely,

Kim Adkins
Mayor
City of Martinsville



April 23, 2013

Senator Mark Warner
U.S. Senate
475 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Warner:

On behalf of the City of Martinsville Council, I am forwarding to you the enclosed Resolution in support of tax-exempt financing, which was passed by City Council, City of Martinsville, Virginia, on April 23, 2013, by a vote of _____

The ability of state and local governments to issue tax-exempt financing in the form of municipal bonds is critical to providing essential infrastructure throughout the nation, including that developed by public power utilities in the form of power generation facilities, distribution and transmission lines and equipment, emission control and efficiency improvements, etc.

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While we understand and appreciate efforts to reduce the federal budget deficit and reform the federal tax code, we urge you to reject changes to this stable, cost-effective, and essential public financing tool. Our community needs tax-exempt financing to remain viable for our future.

Sincerely,

Kim Adkins
Mayor
City of Martinsville



April 23, 2013

Senator Tim Kaine
U.S. Senate
B40C Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Kaine:

On behalf of the City of Martinsville Council, I am forwarding to you the enclosed Resolution in support of tax-exempt financing, which was passed by City Council, City of Martinsville, Virginia, on April 23, 2013, by a vote of _____

The ability of state and local governments to issue tax-exempt financing in the form of municipal bonds is critical to providing essential infrastructure throughout the nation, including that developed by public power utilities in the form of power generation facilities, distribution and transmission lines and equipment, emission control and efficiency improvements, etc.

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While we understand and appreciate efforts to reduce the federal budget deficit and reform the federal tax code, we urge you to reject changes to this stable, cost-effective, and essential public financing tool. Our community needs tax-exempt financing to remain viable for our future.

Sincerely,

Kim Adkins
Mayor
City of Martinsville



April 23, 2013

President Barack Obama
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Obama:

On behalf of the City of Martinsville Council, I am forwarding to you the enclosed Resolution in support of tax-exempt financing, which was passed by City Council, City of Martinsville, Virginia, on April 23, 2013, by a vote of _____

The ability of state and local governments to issue tax-exempt financing in the form of municipal bonds is critical to providing essential infrastructure throughout the nation, including that developed by public power utilities in the form of power generation facilities, distribution and transmission lines and equipment, emission control and efficiency improvements, etc.

Yet, Congress and the Administration are considering various proposals that would eliminate or alter this vital form of public financing, which has been exempt from federal taxation for 100 years. Some potential current threats to tax-exempt financing include:

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All of the above actions would only increase costs for communities by making publicly issued debt less attractive to investors. Without those investors and a robust municipal bond market, communities will likely be priced out of the corporate bond market and thus may not be able to obtain financing for critical public infrastructure.

While we understand and appreciate efforts to reduce the federal budget deficit and reform the federal tax code, we urge you to reject changes to this stable, cost-effective, and essential public financing tool. Our community needs tax-exempt financing to remain viable for our future.

Sincerely,

Kim Adkins
Mayor
City of Martinsville



City Council Agenda Summary

Meeting Date: April 23, 2013

Item No: 9.

Department: City Manager

Issue: Consider setting a Public Hearing on the FY14 Budget

Summary: At the Council budget presentation on April 11, two possible dates - May 14 or May 28, 2013 were discussed for the Public Hearing and approval on first reading of the City's FY14 Budget.

There is adequate time to properly advertise the Hearing for either date if a decision is made at the April 23rd Council meeting.

Attachments: None

Recommendations: Set a Public Hearing for approval on first reading of the City's FY14 budget for either May 14 or May 28, 2013.



City Council Agenda Summary

Meeting Date: April 23, 2013
Item No: 10.
Department: Finance
Issue: Consider approval of consent agenda.

Summary:

The attachments amend the FY13 Budgets with appropriations in the following funds:

FY13:

General Fund: \$460,565 – State & Local Reimbursements; Donation.

Attachments: [Consent Agenda - 4-23-13.xls](#)

Recommendations: Motion to approve

BUDGET ADDITIONS FOR 4/23/13

ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<u>FY13</u>				
<u>General Fund:</u>				
01101917	442810	Categorical Other - State - Highway Projects		446,822
01413151	503193	Thorofare Construction - Prof.Serv. -Inspections/Fees Reimbursement-Liberty St Project	446,822	
01101918	443402	State Grant - Stormwater Mgmt Plan Study		11,731
01413149	503162	Street Construction - Stormwater Mgmt Study	11,550	
01413149	503163	Street Construction - Stormwater Study/Advertising Reimbursement from DCR for Stormwater Study	181	
01100909	490104	Advance/Recovered Costs		1,762
01331108	501300	Sheriff/Corrections - Part-time & Temporary Wages	1,280	
01331108	502100	Sheriff/Corrections - Social Security	79	
01331108	502110	Sheriff/Corrections - Medicare	19	
01331108	506008	Sheriff/Corrections - Vehicle Equipment & Maint.	256	
01331110	506200	Sheriff/Annex - Prisoner Allowance Reimbursement from Henry County for litter pickup - January 2013	128	
01100908	480410	Donations/Fire Department		250
01321102	505500	Fire Department - Travel Donation from citizen	250	
Total General Fund:			460,565	460,565

Meeting Date: April 23, 2013
Item No: 11.
Department: Finance
Issue: Hear Monthly Financial Report
Summary:

FY13 – Revenues & Expenditures through March 31, 2013; Combined Balance Sheet; Projected Fund Balance

Exclusive of School and Special Revenue funds, actual revenues were \$41,457,992, representing 101.8% of the anticipated \$40,716,143 through the third quarter, ending March 31st. Presenting eight months, Local Sales/Use Taxes collected through March 31st are ahead of anticipated by \$48,554, for total receipts of \$753,420. Utility revenues were mixed with Water Fund and Sewer Fund receipts being greater than anticipated, and Refuse Fund and Electric Fund receipts being less than anticipated, although not by large amounts.

Actual expenditures were \$49,574,259, which is less than the anticipated amount by \$900,803. The “actual” figures include all outstanding encumbrances of \$1,665,926.

As of the end of the FY13 third quarter, the current total combined fund balance for FY13 is \$21,053,946, a decrease over FY12 of \$5,718,575. The unadjusted available cash-on-hand March 31st for City Funds was \$9.3 million.

From estimates prepared during the FY14 budget process, the projected fund balance, including all Utility Funds, for FY13 is \$16,136,456 – a decrease from FY12 year-end of \$10,636,065. Based upon this projection, the unassigned Fund Balance would be \$2,796,762 for non-utility funds and \$9,014,641 for utility funds, for a total of \$11,811,403.

Attachment:

[Revenue & Expense Report - 4-23-13.xls](#)

[Combined Balance Sheet FY13 - 4-23-13.xls](#)

[FY13 Projected Fund Balance for 4-23-13.xls](#)

Recommendations: Motion to approve monthly financial report

City of Martinsville
Consolidated Revenues and Expenditures
FY13 - March 31, 2012

(prepared for 4/23/13 meeting)

	<i>Budget</i>	<i>Anticipated</i>	<i>Actual YTD</i>	<i>Remaining Balance</i>	<i>Difference Ant vs. Actual</i>
General Fund					
Revenues	\$ 29,107,368	\$ 18,823,484	\$ 19,243,706	\$ 9,863,662	102.2%
Expenditures	<u>30,984,737</u>	<u>23,137,182</u>	<u>22,874,143</u>	8,110,594	98.9%
Excess (deficiency) of revenues over expenditures	<u>\$ (1,877,369)</u>	<u>\$ (4,313,698)</u>	<u>\$ (3,630,437)</u>		
	<small>(Fund Bal contrib)</small>				

	<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	\$ 1,893,250	\$ 1,307,286	\$ 1,317,862	\$ 575,388	100.8%
Expenditures	<u>10,624,666</u>	<u>6,675,217</u>	<u>6,675,217</u>	3,949,449	100.0%
Excess (deficiency) of revenues over expenditures	<u>\$ (8,731,416)</u>	<u>\$ (5,367,931)</u>	<u>\$ (5,357,355)</u>		
Capital Reserve					
Revenues	\$ 1,046,608	\$ 877,396	\$ 892,348	\$ 154,260	101.7%
Expenditures	<u>2,228,913</u>	<u>1,946,847</u>	<u>1,946,847</u>	282,066	100.0%
Excess (deficiency) of revenues over expenditures	<u>\$ (1,182,305)</u>	<u>\$ (1,069,451)</u>	<u>\$ (1,054,499)</u>		
TOTAL CAPITAL FUNDS:	<u>\$ (9,913,721)</u>	<u>\$ (6,437,382)</u>	<u>\$ (6,411,854)</u>		
	<small>(Fund Bal contrib)</small>				

	<i>Budget</i>	<i>Anticipated</i>	<i>Actual YTD</i>	<i>Remaining Balance</i>	<i>Difference Ant vs. Actual</i>
Refuse Fund					
Revenues	\$ 1,814,000	\$ 1,387,300	\$ 1,361,622	\$ 452,378	98.1%
Expenditures	<u>1,979,117</u>	<u>1,613,931</u>	<u>1,530,893</u>	448,224	94.9%
Excess (deficiency) of revenues over expenditures	<u>\$ (165,117)</u>	<u>\$ (226,631)</u>	<u>\$ (169,271)</u>		
Water Fund					
Revenues	\$ 3,104,198	\$ 2,326,920	\$ 2,493,469	\$ 610,729	107.2%
Expenditures	<u>3,462,198</u>	<u>2,287,811</u>	<u>2,155,471</u>	1,306,727	94.2%
Excess (deficiency) of revenues over expenditures	<u>\$ (358,000)</u>	<u>\$ 39,109</u>	<u>\$ 337,998</u>		
Sewer Fund					
Revenues	\$ 3,760,612	\$ 2,819,709	\$ 3,041,295	\$ 719,317	107.9%
Expenditures	<u>4,310,612</u>	<u>2,714,490</u>	<u>2,618,035</u>	1,692,577	96.4%
Excess (deficiency) of revenues over expenditures	<u>\$ (550,000)</u>	<u>\$ 105,219</u>	<u>\$ 423,261</u>		
Electric Fund					
Revenues	\$ 17,571,805	\$ 13,174,048	\$ 13,107,690	\$ 4,464,115	99.5%
Expenditures	<u>18,427,138</u>	<u>12,099,584</u>	<u>11,773,653</u>	6,653,486	97.3%
Excess (deficiency) of revenues over expenditures	<u>\$ (855,333)</u>	<u>\$ 1,074,464</u>	<u>\$ 1,334,037</u>		
TOTAL UTILITY FUNDS:	<u>\$ (1,928,450)</u>	<u>\$ 992,161</u>	<u>\$ 1,926,024</u>		
	<small>(Fund Bal contrib)</small>				

**Consolidated Revenues and Expenditures
FY13 - March 31, 2012**

	<i>Budget</i>		<i>Actual YTD</i>	<i>Remaining Balance</i>	<i>Difference Budg vs. Actual</i>
Cafeteria					
Revenues	\$ 1,312,838	\$	\$ 944,815	\$ 368,023	72.0%
Expenditures	<u>1,357,598</u>		<u>1,027,693</u>	329,905	75.7%
Excess (deficiency) of revenues over expenditures	<u>\$ (44,760)</u>	\$	<u>\$ (82,878)</u>		
Schools					
Revenues	\$ 20,259,185	\$	\$ 14,709,333	\$ 5,549,852	72.6%
Expenditures	<u>20,367,483</u>		<u>13,704,165</u>	6,663,318	67.3%
Excess (deficiency) of revenues over expenditures	<u>\$ (108,298)</u>	\$	<u>\$ 1,005,167</u>		
Federal Programs					
Revenues	\$ 2,150,421	\$	\$ 1,504,234	\$ 646,187	70.0%
Expenditures	<u>2,150,421</u>		<u>1,627,696</u>	522,725	75.7%
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	\$	<u>\$ (123,463)</u>		
TOTAL SCHOOL FUNDS:	<u>\$ (153,058)</u>	\$ -	<u>\$ 798,826</u>		
	<small>(fund bal contrib)</small>				
Special Revenue Funds					
CDBG Fund					
Revenues	\$ 55,855		\$ 188,606	\$ (132,751)	
Expenditures	<u>212,907</u>		<u>106,899</u>	106,008	
Excess (deficiency) of revenues over expenditures	<u>\$ (157,052)</u>		<u>\$ 81,707</u>		
Housing Choice Fund					
Revenues	\$ 1,973,200		\$ 1,226,424	\$ 746,776	
Expenditures	<u>2,251,903</u>		<u>1,393,480</u>	858,423	
Excess (deficiency) of revenues over expenditures	<u>\$ (278,703)</u>		<u>\$ (167,056)</u>		
TOTAL SPECIAL REVENUE FUNDS:	<u>\$ (435,755)</u>		<u>\$ (85,348)</u>		
GRAND TOTALS:					
<i>(excluding Schools & Special Revenues)</i>					
Revenues:	\$ 58,297,841	40,716,143	\$ 41,457,992	\$ 16,839,849	101.8%
Expenditures	<u>72,017,381</u>	<u>50,475,062</u>	<u>49,574,259</u>	22,443,122	98.2%
Excess (deficiency) of revenues over expenditures	<u>\$ (13,719,540)</u>	<u>(9,758,919)</u>	<u>\$ (8,116,267)</u>		
Local Sales/Use Taxes	\$ 1,900,000	\$ 1,225,500	\$ 1,274,054	\$ 625,946	104.0%

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

**City of Martinsville
Combined Balance Sheet
06/30/2013 (thru 03/31/13)
FY2013**

FUND	TOTAL ASSETS*	LIABILITIES &RESERVES	CURRENT FUND BAL & NET ASSETS	JUNE 30, 2012 FUND BAL & NET ASSETS	DIFFERENCE FROM FY12
GENERAL FUND	\$ 10,508,754	\$ (5,729,518)	\$ 4,779,236	\$ 7,374,295	\$ (2,595,059)
MEALS TAX	\$ 4,201,089	\$ -	\$ 4,201,089	\$ 9,519,913	\$ (5,318,824)
SCHOOL CAFETERIA	\$ 777,188	\$ -	\$ 777,188	\$ 860,250	\$ (83,062)
REFUSE COLLECTION FUND	\$ 9,309,941	\$ (7,158,555)	\$ 2,151,386	\$ 2,163,379	\$ (11,993)
WATER FUND	\$ 5,392,598	\$ (4,428,267)	\$ 964,331	\$ 496,654	\$ 467,677
SEWER FUND	\$ 4,727,633	\$ (3,480,963)	\$ 1,246,670	\$ 813,954	\$ 432,716
ELECTRIC FUND	\$ 14,843,578	\$ (8,647,736)	\$ 6,195,842	\$ 4,584,420	\$ 1,611,422
CAPITAL RESERVE FUND	\$ 552,120	\$ (348,768)	\$ 203,352	\$ 1,239,637	\$ (1,036,285)
SCHOOL FUND	\$ 1,143,084	\$ (119,439)	\$ 1,023,645	\$ -	\$ 1,023,645
SCHOOL FEDERAL PROGRAMS	\$ (100,331)	\$ (71)	\$ (100,402)	\$ 23,061	\$ (123,463)
CDBG FUND	\$ (371,292)	\$ (130,105)	\$ (501,397)	\$ (583,104)	\$ 81,707
HOUSING CHOICE	\$ 113,005	\$ -	\$ 113,005	\$ 280,062	\$ (167,057)
TOTAL	\$ 51,097,366	\$ (30,043,421)	\$ 21,053,946	\$ 26,772,521	\$ (5,718,575)
Re-appropriations (approved 10/9/12)				\$ (11,247,457)	
Adjusted Total:				\$ 15,525,064	

*Re-appropriations for FY12 include \$768,824 for Capital Fund Energy Efficiency Project and \$8,731,416 for Meals Tax Fund H.S. Renovation Project, leaving \$1,747,217 for other projects.

RESERVED FUND

INSURANCE TRUST FUND	\$ 427,742	\$ -	\$ 427,742	\$ 467,908	\$ (40,166)
INMATE TRUST FUND	\$ 108,785	\$ -	\$ 108,785	\$ 97,340	\$ 11,444

*Does not include fixed assets.

Totals may not crossfoot due to rounding.

CITY OF MARTINSVILLE
PROJECTED FUND BALANCE 06/30/2013

(04/15/13)

	<u>Audited Fund</u> <u>Balance</u> <u>06/30/12</u>	<u>Anticipated</u> <u>Revenues</u> <u>FY13</u>	<u>Anticipated</u> <u>Expenditures</u> <u>FY13</u>	<u>Budgeted</u> <u>Depreciation</u>	<u>Projected</u> <u>Fund</u> <u>Balance</u> <u>06/30/13</u>	<u>Net</u> <u>(Decrease)</u> <u>Increase</u>
GENERAL	7,374,295	29,835,933	31,026,419		6,183,809	(1,190,486)
MEALS TAX	9,519,913	1,905,950	10,624,666		801,197	(8,718,716)
CAPITAL RESERVE	1,239,637	1,025,188	2,226,938		37,887	(1,201,750)
TOTAL CAPITAL FUNDS	10,759,550	2,931,138	12,851,604		839,084	(9,920,466)
REFUSE	2,163,379	1,780,123	2,023,468	150,000	2,070,034	(93,345)
WATER	496,654	3,305,786	3,332,259	250,000	720,181	223,527
SEWER	813,954	4,034,212	4,003,115	400,000	1,245,051	431,097
ELECTRIC	4,584,420	17,272,382	17,277,427	400,000	4,979,375	394,955
TOTAL UTILITY FUNDS	8,058,407	26,392,503	26,636,269	1,200,000	9,014,641	956,234
CAFETERIA	860,250	1,312,838	1,357,598		815,490	(44,760)
SCHOOLS	0	20,499,258	20,607,556		(108,298)	(108,298)
SCHOOL GRANTS	23,061	2,150,421	2,150,421		23,061	0
TOTAL SCHOOL FUNDS	883,311	23,962,517	24,115,575		730,253	(153,058)
CDBG	(583,104)	217,392	261,862		(627,574)	(44,470)
HOUSING CHOICE	280,062	1,942,197	2,226,017		(3,758)	(283,820)
TOTAL SP REV FUNDS	(303,042)	2,159,589	2,487,879		(631,332)	(328,290)
TOTAL ALL FUNDS	26,772,521	85,281,680	97,117,745	1,200,000	16,136,456	(10,636,065)

Fund Balance Summary:

	Total Funds:	Total by Category:
Non-spendable:		795,619
Inventory	792,569	
Prepaid Items	3,050	
Restricted:		0
(none)		
Committed to:		2,536,251
CCBC	1,666,700	
PART	31,000	
Cafeteria Fund	815,490	
School Grants Fund	23,061	
Assigned to:		993,183
Thoroughfare Constr	154,099	
Capital Reserve Fund	37,887	
Meals Tax Fund	801,197	
Unassigned:		11,811,403
Non-utility Funds:	2,796,762	
Utility Funds:	9,014,641	
Totals:	16,136,456	16,136,456