

May 1, 2012

A budget worksession of the Council of the City of Martinsville, Virginia, was held on May 1, 2012, in Council Chambers, Municipal Building, at 4:00 PM, with Mayor Kim Adkins presiding. Council Members present included: Mayor Adkins, Vice Mayor Kimble Reynolds, Gene Teague, Mark Stroud, Sr., and Danny Turner. Staff present included: Leon Towarnicki, Interim City Manager, Brenda Prillaman, and Linda Conover. School representatives were also present including Pam Heath, Travis Clemons, Jerry Epling, Bill Manning, Carolyn McCraw, Robert Williams and Lynda Pulliam and other staff members.

Mayor Adkins called the meeting to order and noted a change in agenda that the closed session will be held at the end of the meeting. Kathy Rogers of Piedmont Arts Association spoke briefly to Council regarding funding for the organization asking for level funding. Leon Towarnicki reported that the budget presented listed overstated revenue by \$230,000 which increases the gap of revenue to expenses. Discussion topics included VRS contribution, meals tax increases, rate increases, and fund balance usage.

School Board Chairman Bill Manning called the School Board to order and Pam Heath presented information to Council regarding the schools' budget request of level funding. No action was taken on school funding.

Council discussed funding for outside agencies and budget information was requested from several agencies for Council review.

Mr. Towarnicki reported on city capital needs and obligation to Commonwealth Crossing. He also pointed out to Council the need for a financial consultant to look at the city's financial trends and project those out several years so Council will have information needed to move forward. Council agreed to have administration do the RFP for a long term financial planning consultant to minimize future challenges and to add that cost to the FY13 budget. Council directed Mr. Towarnicki to come back to next budget worksession with a \$1.5 million list of budget reduction options to lower the amount to be used from fund balance to balance the FY13 budget.

Closed session: In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon a motion by Mark Stroud, 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) Discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors,

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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. (B) 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. 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 Gene Teague, seconded by Danny Turner, with the following recorded 5-0 vote: Adkins, aye; Reynolds, aye; Teague, aye; Stroud, aye; and Turner, aye, Council returned to Open Session. No action was taken.

The meeting adjourned at 6:45 pm.

Brenda Prillaman, Clerk of Council

Kim Adkins, Mayor