

May 24, 2011

The regular meeting of the Council of the City of Martinsville, Virginia, was held on May 24, 2011, 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, Sr., and Danny Turner. Staff present included: Clarence Monday, City Manager, Brenda Prillaman, Eric Monday, Karen Walker, Kathy Vernon, Molly Shelton, Dennis Bowles, Andy Lash, Tony Turner, Donna Odell, and Ruth Easley.

Following the invocation by Council Member Mark Stroud and Pledge to the American Flag, the Mayor welcomed everyone to the meeting and announced that if a tornado warning is issued during the meeting, the meeting will be suspended and we will go to the basement of the building.

On a motion by Gene Teague, seconded by Kimble Reynolds, with a 5-0 vote, Council approved minutes of April 11 tour and April 11, 2011 Neighborhood meeting.

Mayor Adkins recognized the following city employees who are eligible for Service Awards-April 1 through June 30, 2011:

<b>EMPLOYEE</b>	<b>DEPARTMENT</b>	<b>YEARS OF SERVICE</b>
Robert Turner	Police	25
Roger Blankenship	Traffic Signals	25
Anthony Beal	Fire	20
Charles Anderson	Traffic Signals	15
Clarence Monday	City Manager	15
Mike Martin	Custodian	10
Homer Davis	Water	10
Harvey York	Waste Water Plant	5

Mayor Adkins announced the candidates interested in the school board appointments will be interviewed in closed session tonight. She then opened the public hearing for the purpose of receiving citizens interested in appointment for two three-year positions beginning July 1, 2011 and ending June 30, 2014 to the City's School Board and the following citizens requested consideration: Craig Deitrich, 1227 Lanier Rd., Joan Montgomery, 807 Corn Tassel Trail, Joe Keiper, 1125 Cherokee Trail, and Kathy Lawson, 909 Barrows Mill Rd. Mayor Adkins closed the public hearing.

Mayor Adkins opened the public hearing on FY12 budget. Comments: Dwight Wright, 412 Woodhaven Rd.-concerns with decrease in school funds; Jim Franklin, Blue Ridge Aquaculture, concerns about sewer increase; Dr. Jim Rountree-1221 Mulberry-asked for level funding for schools; Donald Kirby, 1178 Banner St.-concerns with consequences of not funding schools; Malvester Muhammad, 622 Watt-requested Council to fund schools; Kristan Jarrett, 1801 Meadowview-requested schools be funded; Rev. J.C. Richardson, 115 Melody Ct.—he asked if he could be considered for

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Martinsville School Board and he asked for Council to fund schools; Mike Elder, 923 Childress Dr.-comments on insurance and encouraging use of trails; Ural Harris, 217 Stuart-comments against sewer rates & utility rates, sell Henry Hotel, no need for training, EDC budget needs to be cut & need to cut school funding; Tomeka Aikins, 902 Palace Ct.-encouraged more school funding; Jennifer Mosely, 114 Luther St.-more school funding for teachers. Mayor Adkins then closed the public hearing.

Mayor Adkins stated that before Council starts their budget discussions, she wanted to point out that she had started tonight's Council meeting a few minutes early and asked Council to re-open the public hearing on school board candidates. On a motion by Kimble Reynolds, seconded by Gene Teague, with a 5-0 vote, Council agreed to re-open the public hearing for purpose of receiving citizens interested in school board appointments. Mayor Adkins re-opened the public hearing. J. C. Richardson, 115 Melody Ct, declared his interest in being considered for school board appointment. Mayor Adkins then closed the public hearing.

Lengthy budget discussion was had by Council members voicing the sections of the budget they supported and did not support as well as discussion on how much money should be used from the fund balance. Before motions were taken, City Attorney Eric Monday pointed out that Council Member Stroud has signed a disclosure statement declaring his impartiality.

Budget amendments' motions:

On a motion by Gene Teague, seconded by Kimble Reynolds, with a 4-1 vote (Turner voted nay), Council restored the \$39,500 funding to the EDC.

A motion was made by Kimble Reynolds, seconded by Mark Stroud, to level fund the schools. Gene Teague made a substitute motion, seconded by Danny Turner, to give the schools the amount budgeted as well as an extra \$141,750 to put toward helping school employees pay risings costs of health insurance and to execute an agreement with the schools that the appropriation was contingent upon funding of employee insurance at the same level for all city employees and all city schools employees. The substitute motion failed on a 3-2 vote (Adkins, Reynolds, and Stroud voting nay). Mayor Adkins then took the vote on the original motion to level fund the schools which passed with a 3-2 vote (Teague and Turner voting nay).

On a motion by Mark Stroud, seconded by Gene Teague, with a 4-1 vote (Turner voting nay), Council agreed that city government employees health insurance be

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supplemented by \$149,000 from the fund balance which equals ½ of the \$75.00 increase per employee.

On a motion by Danny Turner, seconded by Kimble Reynolds, with a 5-0 vote, Council agreed to cut the planner position for Community Development.

Danny Turner made a motion, seconded by Kim Adkins, to eliminate all sewer rate increases. Gene Teague made a substitute motion, seconded by Kimble Reynolds, to lower the sewer increase to 5% instead of the 15% proposed and to add a \$1 senior discount. Mayor Adkins asked for vote on the substitute motion which passed with a 4-1 vote (Turner voting nay). No vote was taken on original motion since the substitute motion passed.

On a motion by Gene Teague, seconded by Kimble Reynolds, with a 5-0 vote, Council agreed to direct the city manager to come back to Council with an additional \$400,000 in cuts or revenues in order to keep the use of fund balance around \$800,000.

On a motion by Gene Teague, seconded by Danny Turner, with a 5-0 vote, Council agreed to add back \$855 to funding for Longwood Small Business Development Center.

Kimble Reynolds made a motion to cut the \$15,500 incubator plan and then withdrew the motion.

On a motion by Gene Teague, seconded by Kimble Reynolds, with the following 4-1 recorded vote: Adkins, aye; Teague, aye; Reynolds, aye; Stroud, aye; and Turner, Nay, Council approved the following FY12 Budget ordinance, on first reading, with amendments made at this meeting:

**CITY OF MARTINSVILLE, VIRGINIA-ORDINANCE NO. 2011- The Budget for Fiscal 2011-2012**

**BE IT ORDAINED** by the Council of the City of Martinsville, Virginia, in regular session assembled June 14 , 2011, that the following sums of money be and hereby are appropriated—by specified Fund—for the City’s fiscal year ending June 30, 2012, from the following Fund sources of estimated revenue:

Pursuant to § 15.2-2506 of the Code of Virginia notice is hereby given of a Public Hearing on the proposed budget for the City of Martinsville, Virginia, for its fiscal year ending June 30, 2012. Martinsville City Council will conduct the public hearing at City Hall, 55 West Church Street, on Tuesday May 24, 2011, beginning at 7:30 p.m., or as soon thereafter as practicable. The amounts listed below, except for school funds, are recommendations from the City Manager. The Public Hearing is being conducted to allow citizens of the community an opportunity to comment regarding the proposed budget. Following the public hearing, City Council may take action to approve the recommended budget or modify the amounts as they deem appropriate.

**SUMMARY STATEMENT OF BUDGET ESTIMATES, 2011-2012**

	Projected Fund Balance 06/30/11	Projected Revenues FY11-12	Budgeted Exp/ Transfers	Depreciation	Projected Fund Balance 06/30/12	Net (Decrease) Increase
<b>General Fund</b>	<b>\$1,797,729</b>	<b>\$28,115,289</b>	<b>\$28,115,289</b>		<b>\$ 1,797,729</b>	<b>0</b>
Electric	\$5,153,679	\$17,450,729	\$18,606,754	\$ 525,000	\$ 4,522,654	(631,025)
Water	\$ 277,607	\$ 3,148,095	\$ 3,413,095	\$ 265,000	\$ 277,607	0
Sewer	\$ (5,395)	\$ 3,963,012	\$ 4,538,012	\$ 575,000	\$ (5,395)	0
Refuse	\$1,727,345	\$ 1,684,346	\$ 1,784,346	\$ 100,000	\$ 1,727,345	0
<b>TOTAL UTILITY FUNDS</b>	<b>\$7,153,236</b>	<b>\$26,246,182</b>	<b>\$28,342,207</b>	<b>\$1,465,000</b>	<b>\$ 6,522,211</b>	<b>(631,025)</b>

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Schools	\$1,838,113	\$21,131,386	\$ 21,131,386	\$1,838,113	0
Cafeteria	\$ 579,813	\$ 1,319,661	\$ 1,319,661	\$ 579,813	0
School Grants	\$ 27,733	0	0	\$ 27,733	0
<b>TOTAL SCHOOL FUNDS</b>	<b>\$2,445,659</b>	<b>\$22,451,047</b>	<b>\$ 22,451,047</b>	<b>\$2,445,659</b>	<b>0</b>
Capital Reserve	\$ 390,072	\$ 810,612	\$ 810,612	\$ 390,072	0
Meals Tax \$	704,186	\$1,388,475	\$1,388,475	\$ 704,186	0
<b>TOTAL CAPITAL FUNDS</b>	<b>\$1,094,258</b>	<b>\$2,199,087</b>	<b>\$2,199,087</b>	<b>\$ 1,094,258</b>	<b>0</b>
CDBG	\$(194,550)	31,110	\$ 160,314	\$(323,754)	\$(129,204)
Housing Choice	\$ 84,467	\$2,117,364	\$2,208,730	\$( 6,899)	\$( 91,366)
<b>TOTAL SP REV FUNDS</b>	<b>\$(110,083)</b>	<b>\$2,148,474</b>	<b>\$2,369,044</b>	<b>\$(330,653)</b>	<b>\$(220,570)</b>
<b>TOTAL ALL FUNDS</b>	<b>\$12,380,799</b>	<b>\$81,160,079</b>	<b>\$83,476,674</b>	<b>\$1,465,000</b>	<b>\$ (851,595)</b>

**Tax Rates**

- Real Estate: \$1.01816 per \$100 assessed value
- Personal Property: \$2.30 per \$100 assessed value
- Machinery & Tools: \$1.85 per \$100 assessed value

**Proposed Sewer Rates:**

For Service Within and Outside City Limits:

- First 4,000 gals of metered water usage: \$19.87
- Next 2,999,000 gals/month \$2.99 per 1000 gals
- Next 7,000,000 gals/month \$2.59 per 1000 gals
- Over 10,000,000 gals/month \$2.19 per 1000 gals

BE IT FURTHER ORDAINED by said Council that this Ordinance shall be effective on and after July 1, 2011.

On a motion by Gene Teague, seconded by Kimble Reynolds, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Reynolds, aye; Stroud, aye; and Turner, aye, Council approved on second reading for a special use permit for Piedmont Community Services to construct an Intermediate Care Facility on property located at 1603 Church St. Ext. (Tax Map 35(02)B 01 02.

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 5/24/11	
			DEBIT	CREDIT
<b>FY11</b>				
<b>GENERAL FUND</b>				
01101917	490110	Categorical Other State - Nat'l Guard Armory		2,389
01715213	506007	Armory - Repairs & Maintenance (100 % reimbursement on stone for motor pool parking)	2,389	
01101916	434703	Categorical Shared Exp State - Clerk Circuit Ct - Add'l Allow		10,539
01216076	503320	Clerk of Circuit Court - Maint. Service Contracts	7,539	
01913250	503305	General Expense - Document Imaging Additional Allowance from Comp Board	3,000	
01101917	442401	Categorical Other State - Confiscated Assets - Police		1,313
01311085	506078	Police Dept - State Asset Forfeitures Forfeited Asset Proceeds	1,313	
01101917	442402	Categorical Other State - Confiscated Assets - Com Atty		455
01221082	506105	Commonwealth's Attorney - State Asset Forfeitures Forfeited Asset Proceeds	455	
01100908	480410	Donations/Fire Department		300
01322105	506049	EMS - Vehicle Fuels appropriation of donation	300	
<b>Total General Fund:</b>			14,995	14,995

Business from the floor: Pam Heath thanked Council for their support of the schools; Ural Harris, 217 Stuart St.-concerns with AMP and closed sessions; Danny Turner, questioned why the Power Advisory Committee went into closed session; City Attorney Eric Monday pointed out since this was proprietary information provided by AMP, it had to be done in closed session in order to obtain the information needed to

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study the project and City Manager Clarence Monday pointed out the city government is not trying to hide anything; Mike Elder, 923 Childress Dr. asked to read a letter to enter into minutes and since it contained material about his grievances with local law enforcement, the Mayor asked that Mr. Elder sit down and ruled the letter will not be entered in the minutes.

Comments from City Council: Turner-reminded citizens of Memorial Day activities; Stroud-grateful budget discussions have not been contentious.

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 Danny Turner, 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, (B) Consultation with legal counsel and briefings by staff members, attorneys or consultants pertaining to actual or probable litigation, or other specific legal matters requiring the provision of legal advice by such counsel, as authorized by Subsection 7, (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 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.

Action taken on Board appointments: On a motion by Danny Turner, seconded by Kimble Reynolds, with a 5-0 vote, Barbara Jackman, 1004 Morningside Lane was appointed for an unspecified term to the Human Relations Advisory Comm. On a motion by Kim Adkins, seconded by Kimble Reynolds, with a 5-0 vote, Pam Heath, 217 Arrowhead Trail, was appointed for an unspecified term to the Human Relations Advisory Comm. On a motion by Kim Adkins, seconded by Mark Stroud, with a 5-0 vote, Brenell Thomas, 101 Crescent St. #B4, was appointed to the Henry-Martinsville Social Services Board for a 4 year term ending 5/31/15.

There being no further business, Mayor Adkins adjourned the meeting at 11:40 pm.

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Clarence C. Monday, Clerk of Council

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Kim E. Adkins, Mayor