

June 8, 2010

The regular meeting of the Council of the City of Martinsville, Virginia, was held on June 8, 2010, in Council Chambers, Municipal Building, at 7:30 PM, with Mayor Kathy Lawson presiding. Council Members present included: Mayor Kathy Lawson, Vice Mayor Kimble Reynolds, Gene Teague, Mark Stroud, Sr., and Danny Turner. Staff present included: Clarence Monday, City Manager, Brenda Prillaman, Eric Monday, Leon Towarnicki, Kenneth Draper, Wayne Knox, Mike Rogers, Donna Odell, Linda Conover, Dennis Bowles, Bobby Phillips, Dan Howell, Eddie Cassady, Sharon Echols, Susan McCulloch, Cindy Dickerson, and Ruth Easley.

Prior to the official beginning of the meeting, Vice Mayor Kimble Reynolds made a presentation of the Key to the City to outgoing Mayor Kathy C. Lawson followed by comments from Council members.

Following the invocation by Council Member Gene Teague and Pledge to the American Flag, Mayor Lawson called the meeting to order and welcomed everyone to the meeting.

On a motion by Kimble Reynolds, seconded by Gene Teague, Council approved with a 5-0 vote, the minutes of the May 13, 2009 meeting.

Mayor Lawson noted that item 2 on the printed agenda regarding the Sesquicentennial Committee will be delayed for a later meeting as the group is not ready yet.

Eric Monday, City Attorney, briefed Council regarding the charter amendment and ordinance to move the city elections from May to November. Changes in the state budget now transfer the cost of funding purely local elections to the locality and the cost of a City Council election is \$12,000. A shift to November elections keeps the funding costs with the state and requires both a local ordinance and a charter amendment, which could be introduced in the 2011 General Assembly and, if approved, would become effective July 2, 2011, thus affecting the 2012 Council elections. Council members subject to re-election in 2012 would have their terms extended to January 1, 2013, when the Council members elected in November, 2012 would take office, and when the organizational meeting with Mayoral and Vice-Mayoral elections would occur. The Mayor opened the public hearing and hearing no comments from the public, closed the public hearing. On a motion by Gene Teague, seconded by Danny Turner, with the following 5-0 recorded vote: Mrs. Lawson, aye; Mr. Reynolds, aye; Mr. Stroud, aye; Mr. Teague, aye; and Mr. Turner, aye, Council

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approved the charter amendment and ordinance, on first reading, to move the city election from May to November.

Mayor Lawson called on Susan McCulloch to report on the Historic District. A letter from Alexis Lee was read regarding the Historic District where Ms. Lee made the following three suggestions for establishing a building for the New College on the Baldwin block in the Fayette Street Historic District: suggested naming the campus or complex after Dr. Dana O. Baldwin; suggested the campus or complex have a building that is an African-American Culture Center as the hub of the campus or complex that is to be developed on the Baldwin block of land; suggested that Market Street be re-named after Dr. Dana O. Baldwin. Ms. McCulloch also reported that Fred Martin has advised if the Methodist Church is excluded from the districts, then he wants the Martin properties Uptown also excluded. Mayor Lawson opened the public hearing on the Historic Districts. Comments included: Alexis Lee, 127 Sellers St.—referenced items in letter previously presented at tonight’s meeting and emphasized that having Historic Districts will make our community a model in our country. Dr. Mervyn King--feels developing “donut holes” in the Historic District would be detrimental, comments on Schottland House and other properties he owns that have been restored to historic district compliance. Kim Adkins, Chairman of the Planning Commission read a letter from the Planning Commission regarding Historic Districts:

May 26, 2010--With the impending vote on the disposition of the Local Historic Districts, we, as members of the Martinsville Planning Commission, wish to reiterate our position on this issue. If you may recall, on March 18, 2010 Planning Commission unanimously recommended that all of Martinsville’s Local Historic Districts (Fayette St., E. Church St./Starling Ave. and Martinsville Uptown) contain the same boundary lines as existing State/Federal Historic Districts. During the regular Planning Commission meeting on May 20, 2010, after learning about the proposed boundary line change, we stand by our recommendation that the boundary lines of the 3 proposed local historic districts remain the same as we originally recommended to City Council. We understand this will be discussed for the Uptown (Martinsville District) during City Council’s public hearing on June 8, 2010. While we commend the City Council on its support of the concept of the local historic districts, the Planning Commission feels that its original recommendation reflects proper zoning and planning and is better for the districts and community as a whole than excluding any properties. Respectfully submitted, Members of the Martinsville Planning Commission

Jimmy Crigger, Chatham Hts.—serves on Planning Commission and stated he wants Council to think before doing exclusions to the districts and asked that boundaries stay the same as was recommended originally by the Planning Commission. Mayor Lawson then closed the public hearing. The City Attorney was asked to clarify why he recommended that the Methodist Church be excluded and he reported that the church had been asking to be excluded from the beginning talks on the districts and for the two years this discussion has been going on, the Martins did not formally object until

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the last minute. The City Attorney pointed out that Council voted to amend the district on May 11, 2010. On a motion by Gene Teague, seconded by Mark Stroud, with following 4-1 recorded vote: Mrs. Lawson, aye; Mr. Reynolds, aye; Mr. Stroud, aye; Mr. Teague, aye; and Mr. Turner, nay, Council approved the three Historic Districts as previously amended. Mr. Turner pointed out his disapproval was that private property is private property and he indicated Council has no right to do this.

Commissioner of the Revenue, Ruth Easley, briefed Council on 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, 2009. 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 Lawson, the City Commissioner of the Revenue, the City Treasurer, and the Assistant Finance Director to review the application received. Mayor Lawson opened the public hearing. Lynn Ward, Whittle Road, commented on the Artisan Café, Inc. application stressing how their organization enhances cultural opportunities which is in line with Council's goals. Council pointed out that another application may be submitted in November, 2010. Mayor Lawson closed the public hearing and asked for a motion to approve the exemption request. The exemption request died for lack of a motion.

Pursuant to Code of Virginia Section 22.1-29.1, a public hearing is necessary to introduce and consider names of persons interested in appointment to a vacancy on the Martinsville School Board and to receive the views of citizens within the school division. This state code also states that no nominee or applicant whose names have not been considered at the public hearing shall be appointed as a school board member. There is one 3-year position beginning July 1, 2010 and ending June 30, 2013 to the City's School Board. Mayor Lawson opened the public hearing and stated that Bill Manning and Dennis Casey have expressed interest in the appointment. Bill Manning of Knollwood Place spoke to Council requesting consideration. Mayor Lawson closed the public hearing.

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Eric Monday, City Attorney, briefed Council on the proposed dog control ordinances noting that unless affected citizens are willing to step forward, it will be hard to enforce. Mayor Lawson opened the public hearing and hearing no comments, closed the public hearing. On a motion by Kimble Reynolds, seconded by Gene Teague, with a 5-0 vote, Council approved repealing section 5-39 of the City Code in its present form leaving section 13-11 still in existence to address noisy dog issues. A motion was made by Gene Teague, seconded by Kathy Lawson, to adopt changing Subsection 5 of Section 13-11 to add language of 15 minutes time limit and change to Class 4 misdemeanor. After discussion, Council directed the City Attorney to bring back language for Section 13-11 at the June 22 meeting to address the repeat offender, time limits, and class of misdemeanor. The motion was withdrawn as well as the second.

Treasurer Cindy Dickerson briefed Council on the refund requested for cigarette stamps: A cigarette distributor no longer services accounts in the City of Martinsville and is requesting a refund on unused cigarette stamps. The request has been verified by the Commissioner of the Revenue and has been forwarded to the Treasurer for refund. The number of stamps returned was 17,660 @ .20 each less the 5% for a total refund of \$3,355.40. The Code of Virginia authorizes the City Treasurer to issue refunds up to \$2,500.00 without prior authorization of City Council. Because the refund amount is \$3,355.40, the Treasurer is requesting authorization by City Council to issue the refund. There is no issue of interest or penalty involved in the refund. On a motion by Danny Turner, seconded by Kimble Reynolds, with a 5-0 vote, Council authorized the City Treasurer to issue the refund of \$3,355.40.

John Dyches briefed Council on revisions to the City's Water and Sewer Services Terms and Conditions to provide for a senior citizens water service discount. At the May 25, 2010 meeting, Council voted to allow a \$5.00 per month water service discount for senior citizens and this policy is to be implemented through adoption of Article VII, Sec.8-7 and Appendix G additions to the Terms and Conditions. On a motion by Mark Stroud, seconded by Kimble Reynolds, with the following 5-0 recorded vote: Mrs. Lawson, aye; Mr. Reynolds, aye; Mr. Stroud, aye; Mr. Teague, aye; and Mr. Turner, aye, Council approved, on first reading, to adopt the revisions effective July 1, 2010.

City Manager, Clarence Monday, briefed Council on the resolution declaring the City's intention to authorize proposals for financing of capital expenditures and for the City to repay itself from such loan proceeds, including pre-paid and related expenditures. He noted this does not commit the city to any "new" debt. \$225,000 is budgeted in FY11 for purchase of a wastewater project. If adopted, this Resolution authorizes the City to repay itself from such loan proceeds. The Resolution authorizes and directs staff to take such other actions as they may deem necessary or appropriate

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to effectuate the financing and the transactions described in this Resolution, including requesting proposals from financial institutions for the financing and publication of notice of public hearing if deemed necessary. If approved by the City Council in the future, the City may opt to proceed with Phase 2 of the landfill methane recovery project/electric generation project, at an approximate cost of \$2.5M. Following adoption of this Resolution, staff will solicit bids for financing, and council will consider another related Resolution to authorize award of the actual contract for financing. On a motion by Gene Teague, seconded by Danny Turner, with the following 5-0 recorded vote: Mrs. Lawson, aye; Mr. Reynolds, aye; Mr. Stroud, aye; Mr. Teague, aye; and Mr. Turner, aye, Council approved the following resolution:

RESOLUTION OF CITY COUNCIL OF CITY OF MARTINSVILLE, VIRGINIA DECLARING ITS INTENTION TO REIMBURSE ITSELF FROM THE PROCEEDS OF ONE OR MORE TAX-EXEMPT FINANCINGS FOR CERTAIN EXPENDITURES MADE AND/OR TO BE MADE IN CONNECTION WITH CITY OF MARTINSVILLE CAPITAL PROJECTS

WHEREAS, the City of Martinsville (the "Issuer") is a body politic and corporate organized and existing under the laws of the Commonwealth of Virginia; and

WHEREAS, the Issuer has paid beginning no earlier than April 9, 2010 (60 days prior to the date of adoption of this resolution), and will pay, on and after the date hereof, certain expenditures ("Expenditures") for the acquisition, construction, expansion, renovation and equipping of City of Martinsville municipal facilities, specifically landfill improvements (including facilities for electricity generation from landfill gas) and wastewater treatment plant improvements (including an automatic bar screen) (together, the "Project"); and

WHEREAS, the City Council of the Issuer (the "City Council") has determined that those moneys previously advanced no earlier than 60 days prior to the date of adoption of this resolution and to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the Issuer for the Expenditures from the proceeds of one or more issues of tax-exempt financing (the "Obligations").

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL AS FOLLOWS:

Section 1. The City Council hereby declares the Issuer's intent to reimburse the Issuer with the proceeds of the Obligations for the Expenditures with respect to the Project made on and after the date referenced above. The Issuer reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Obligations.

Section 2. Each Expenditure was and will be either (a) of a type properly chargeable to capital account under general federal income tax principles (determined in each case as of the date of the Expenditures), (b) a cost of issuance with respect to the Obligations, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of the Issuer so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the Issuer.

Section 3. The maximum principal amount of the Obligations expected to be issued for the Project is \$2,900,000.

Section 4. The Issuer will make a reimbursement allocation, which is a written allocation by the Issuer that evidences the Issuer's use of proceeds of the Obligations to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. The Issuer recognizes that exceptions are available for certain "preliminary expenditures," costs of issuance, certain *de minimis* amounts, expenditures by "small issuers" (based on the year of issuance and not the year of expenditure) and expenditures for construction projects of at least 5 years.

Section 5. The employees, representatives and agents of the Issuer, including the City Manager, the Finance Director, the Assistant Finance Director, the City Attorney, Sands Anderson PC as bond counsel to the City, and Davenport and Company LLC as Financial Advisor to the City, are authorized and directed to take such other actions as they may deem necessary or appropriate to effectuate the financing and the transactions described in this Resolution, including requesting proposals from financial institutions for the financing and publication of notice of public hearing if deemed necessary.

Section 6. This resolution shall take effect immediately upon its passage.

City Manager, Clarence Monday, briefed Council on the proposed budget and amendments to this point noting that what remains is the last opportunity to make amendments. Discussion included: stimulus money for education and the need to be sure taxpayers are not suffering if schools are getting more money; school money can be disbursed quarterly; concerns that schools were closing Clearview and now there is money to re-open Clearview when the schools first indicated they did not have the \$383,000 for Clearview; Council concerns about so many furlough days for city employees; has to be balance with city employees taking a pay cut and school employees possibly getting salary increases and schools need to learn to live within its means; city should have a policy on a certain percentage of available dollars going to

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schools and if available dollars dropped off, then schools would have to absorb in proportion; need for police officers with growing gang problem and growing number of calls for service; funding formula with EDC; tiered furlough days concept should be considered; monitoring of electric costs monthly and consider giving money back to citizens. On a motion by Gene Teague, seconded by Kimble Reynolds, with the following 3-1 vote, Stroud (abstain), Turner (nay), Teague (aye), Lawson (aye), Reynolds (aye) Council approved the following 4-tier plan for graduated furlough savings of \$76,768 for Employees Under the City Manager. Also, a motion was made by Gene Teague, seconded by Kimble Reynolds with the following 3-1 vote, Stroud (abstain), Turner (nay), Teague (aye), Lawson (aye), Reynolds (aye) Council approved the following 4-tier plan for graduated furlough savings for Employees of the Commissioner of the Revenue for \$3,895 and Employees of the Sheriff's Department for \$26,827.

GRADUATED FURLOUGH SAVINGS (4-tier plan) BASED ON ANNUAL SALARY

EMPLOYEES UNDER THE CITY MANAGER

SALARY	ONE DAY SAVINGS	# OF DAYS PROPOSED	TOTAL SAVINGS
\$50,000 & above	9,959	3	29,876
\$35,000 - \$49,999	13,254	2	26,508
\$25,000 - \$34,999	10,469	1	10,469
up to \$24,999	2,566	0	0
TOTALS:	36,247	-	66,852
ORIGINAL BUDGETED SAVINGS:			143,620
DIFFERENCE:			76,768

COMMISSIONER OF THE REVENUE EMPLOYEES

SALARY	ONE DAY SAVINGS	# OF DAYS PROPOSED	TOTAL SAVINGS
\$50,000 & above	275	3	825
\$35,000 - \$49,999	172	2	344
\$25,000 - \$34,999	468	1	468
up to \$24,999	91	0	0
TOTALS:	1,006	-	1,637
ORIGINAL BUDGETED SAVINGS:			5,532
DIFFERENCE:			3,895

SHERIFF'S DEPARTMENT EMPLOYEES

SALARY	ONE DAY SAVINGS	# OF DAYS PROPOSED	TOTAL SAVINGS
\$50,000 & above	809	3	2,426
\$35,000 - \$49,999	1,771	2	3,541
\$25,000 - \$34,999	3,842	1	3,842
up to \$24,999	190	0	0
TOTALS:	6,612	-	9,809
ORIGINAL BUDGETED SAVINGS:			36,636
DIFFERENCE:			26,827

GRAND TOTALS

GRADUATED SAVINGS:	78,298
ORIGINAL BUDGETED SAVINGS:	185,788
DIFFERENCE:	107,489

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A motion was made by Kathy Lawson, seconded by Mark Stroud, with a 5-0 vote, to restore one position in the police department at an approximate cost of \$46,000 plus benefits.

A motion was made by Danny Turner to regularly review electric rates and once we reach \$100,000 mark, to consider giving relief back to citizens. Motion died for lack of a second. Council member Teague pointed out it is already a practice in place to monitor the finances with the monthly finance report and changes can be made at that point. A motion was made by Mark Stroud to use \$42,306 for one fireman. The motion died for lack of a second. The Mayor reported we now have budget adjustments to this point at \$153,489. Donna Odell reported employee health insurance rates will include a 7% increase which will be passed on to employees.

A motion was made by Gene Teague, seconded by Mark Stroud, to adopt, on second reading, the FY11 budget ordinance with amendments with the following 4-1 recorded vote: Mrs. Lawson, aye; Mr. Reynolds, aye; Mr. Stroud, aye; Mr. Teague, aye; and Mr. Turner, nay.

SUMMARY STATEMENT OF ADOPTED BUDGET, 2010-2011

	<u>Revenues</u>	<u>Expenditures/ Transfers</u>
General Fund	\$27,507,098	\$28,146,650
Electric	\$17,456,566	\$17,986,104
Water	\$ 3,121,495	\$ 3,508,967
Sewer	\$ 3,804,512	\$ 4,343,008
Refuse	<u>\$ 2,002,000</u>	<u>\$ 2,103,444</u>
TOTAL UTILITY FUNDS	\$26,384,573	\$27,941,523
Schools	\$20,165,934	\$ 20,165,934
Cafeteria	\$ 1,130,987	\$ 1,130,987
School Grants	<u>0</u>	<u>0</u>
TOTAL SCHOOL FUNDS	\$21,296,921	\$ 21,296,921
Capital Reserve	\$ 742,472	\$ 742,472
Meals Tax	<u>\$1,342,260</u>	<u>\$1,342,260</u>
TOTAL CAPITAL FUNDS	\$2,084,732	\$2,084,732
CDBG	\$ 36,327	\$ 87,823
Housing Choice	<u>\$1,895,079</u>	<u>\$2,245,794</u>
TOTAL SP REV FUNDS	\$1,931,406	\$2,333,617
<u>TOTAL ALL FUNDS</u>	<u>\$79,204,730</u>	<u>\$81,803,443</u>

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

Power Cost Adjustment:

PCA Multiplier	.0068
Average Increase	7.13%

Water Rates:

For Service Within City Limits:	
First 4,000 gals/month:	
¾" meter	\$19.81
1" meter	\$32.37

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1 ½" meter	\$67.85
2" meter	\$117.64
3" meter	\$259.98
4" meter	\$459.05
6" meter	\$1,028.08
Next 2,000 gals/month	\$3.19 per 1000 gals
Next 100,000 gals/month	\$2.94 per 1000 gals
Next 100,000 gals/month	\$2.43 per 1000 gals
Over 206,000 gals/month	\$2.10 per 1000 gals
For Service Outside City Limits:	
First 4,000 gals/month:	
¾" meter	\$26.00
1" meter	\$42.48
1 ½" meter	\$89.02
2" meter	\$154.35
3" meter	\$341.10
4" meter	\$602.29
6" meter	\$1,348.86
Next 2,000 gals/month	\$4.18 per 1000 gals
Next 100,000 gals/month	\$3.86 per 1000 gals
Next 100,000 gals/month	\$3.19 per 1000 gals
Over 206,000 gals/month	\$2.75 per 1000 gals

Human Resources Director, Donna Odell, briefed Council on the resolution regarding VRS contribution. Legislation enacted during the 2010 session gives local governments the option of 1) either having employees hired after July 1, 2010 pay the required 5 percent member contribution to the Virginia Retirement System, or 2) electing for the employer to pay any whole portion of the required 5 percent member contribution for employers hired after July 1, 2010. Human Resources recommends that the city pay all of the 5%. On a motion by Gene Teague, seconded by Kathy Lawson, with a 4-1 vote (Turner voting nay), Council approved the following resolution acknowledging that the City of Martinsville elects to pick up the 5 percent VRS member contribution:

Resolution by City Council

Authorization to Pick-up the Employee's Contribution to VRS Under § 414(h) of the Internal Revenue Code For Plan 2 Employees

WHEREAS, the Virginia General Assembly, in its 2010 session passed legislation creating a separate retirement plan for employees hired on or after July 1, 2010 (hereafter referred to as "Plan 2 Employees"). The legislation stipulates that Plan 2 Employees will pay their 5 percent member contribution and that, absent other action by the employer, such contribution will be paid through salary reduction according to Internal Revenue Code § 414 (h) on a pre-tax basis; and

WHEREAS, the legislation allows certain employers, including the City of Martinsville, to pick-up and pay all or a portion of the member contributions on behalf of its Plan 2 Employees as an additional benefit not paid as salary; and

WHEREAS, the election to pick-up and pay all or a portion of the member contributions on behalf of its Plan 2 Employees as an additional benefit not paid as salary shall, once made, remain in effect for the applicable fiscal year (July 1 - June 30) and shall continue in effect beyond the end of such fiscal year absent a subsequent resolution changing the way the 5 percent member contribution is paid; and

WHEREAS, employee contributions that are picked-up as an additional benefit not paid as salary are not considered wages for purposes of VA Code § 51.1-700 et seq. nor shall they be considered salary for purposes of VA Code § 51.1-100 et seq.; and WHEREAS, the City of Martinsville desires to pick-up and pay its Plan 2 Employees' member contributions to VRS as an additional benefit not paid as salary in an amount equal to (5%) of creditable compensation; and WHEREAS, VRS tracks such picked-up member contributions and is prepared to treat such contributions as employee contributions for all purposes of VRS. NOW, THEREFORE, IT IS HEREBY RESOLVED that effective the first day of July, 2010, the City of Martinsville shall pick-up member contributions of its Plan 2 Employees to VRS as an additional benefit not paid as salary in an amount equal to (5%) of creditable compensation subject to the terms and conditions described above; and it is further RESOLVED that such contributions, although designated as member contributions, are to be made by the City of Martinsville in lieu of member contributions; and it is further RESOLVED that nothing herein shall be construed so as to permit or extend an option to VRS members to receive the picked-up contributions made by the City of Martinsville directly instead of having them paid to VRS.

The Virginia General Assembly, in its 2010 session passed legislation creating a separate retirement plan for employees hired on or after July 1, 2010 (hereafter referred to as "Plan 2" employees). The legislation amended VA Code § 51.1-144 to provide that Plan 2 employees will pay their 5 percent member contribution and that, absent other action by the employer, such contribution will be paid through salary reduction according to Internal Revenue Code § 414(h). Internal Revenue Code § 414(h) provides that a governmental employer may "pick-up" mandatory employee contributions and thereby cause the contributions to be made on a pre-tax basis. The formal written action required by Internal Revenue Code § 414(h) to effect the pick-up has been taken by the General Assembly with the Governor's signature.

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The legislation also permits each county, city, town, local public school board or other local employer to pick-up, in whole or in part (in 1 percent increments), the 5 percent member contribution as an additional benefit not paid as salary. The employer's optional payment of the 5 percent member contribution may be phased in over a period approved by the VRS Board not to exceed 6 years and may only be made on a uniform basis for all its Plan 2 employees. The formal written action required by Internal Revenue Code § 414(h) to effect the pick-up using the alternatives permitted by the legislation must be taken by the governing body of the specific employing entity and must be effective only on a prospective basis.

X This is to acknowledge that the City of Martinsville elects to pick-up all of the 5 percent member contributions as approved by the Council of the City of Martinsville, Virginia. **Adopted by the City Council in regular session assembled in Martinsville, Virginia this 8th day of June, 2010.**

On a motion by Gene Teague, seconded by Danny Turner, with a 5-0 vote Council approved both consent agendas, Part A and Part B, as follows:

BUDGET ADDITIONS FOR 06/08/10				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY10				
GENERAL FUND				
01100906	461407	Charges for Services - Mustangs/Sponsorships		100
01725422	505508	Mustangs - Meals	100	
01100909	490134	Recovered Costs - Recreation & Parks		2,250
01720420	506014	Hooker Field - Field Materials & Supplies	250	
01711210	506007	Parks & Recreation - Equipment & Supplies	200	
01725422	506700	Mustangs - Souvenir Expense	1,800	
		appropriate funds		
Total General Fund:			2,350	2,350
SCHOOL FUND:				
18102926	418297	Categorical Federal - NASA Program		125,000
66501100	561120	MMS - Summer SEMAA - Instructional S&W	6,000	
66501100	562100	MMS - Summer SEMAA - Social Security	372	
66501100	562150	MMS - Summer SEMAA - Medicare	87	
65001100	561120	MMS - Secondary - Classroom Instruction - S&W	60,000	
65001100	562100	MMS - Secondary - Classroom Instruction - Social Sec	3,720	
65001100	562150	MMS - Secondary - Classroom Instruction - Medicare	870	
65001100	562210	MMS - Secondary - Classroom Instruction - Retirement	8,748	
65001100	562300	MMS - Secondary - Classroom Instruction - Med Insur	3,780	
65001100	562400	MMS - Secondary - Classroom Instruction - State Life	345	
65001100	562520	MMS - Secondary - Classroom Instruction - LT Disability	70	
65001050	565503	MMS - Secondary - NASA Program - Travel	10,000	
65001050	566001	MMS - Secondary - NASA Program - General Supplies	10,500	
65001050	566013	MMS - Secondary - NASA Program - Instructional Mat.	10,508	
65001050	566014	MMS - Secondary - NASA Program - Other Supplies	10,000	
		Appropriation of NASA Program funds		
18102926	418298	Categorical Federal - Prime Time/21st Century Grant		55,164
85001029	563140	Prime Time Learning Project - Contracted Services	50,000	
85001029	566001	Prime Time Learning Project - General Supplies	1,900	
85001029	566014	Prime Time Learning Project - Other Operating Supplies	3,264	
		Appropriation of Prime Time - 21st Century Grant funds		
18103908	418286	Miscellaneous Revenues - E-Rate Reimbursement		53,758
85001040	563144	Division-Wide Technology - Data & Technology Support	23,758	
85001040	566013	Division-Wide Technology - Materials & Supplies	30,000	
		Appropriation of E-Rate Revenues		
Total School Fund:			233,922	233,922

BUDGET ADDITIONS FOR 06/08/10				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY10				
CAPITAL FUND				
16101917	443700	Categorical Other State - Tobacco Funds		590,000
16582373	509184	Tobacco Funds - Faneuil	590,000	
		appropriate funds		
Total General Fund:			590,000	590,000

Business from the floor: Eural Harris, Stuart St., commented on his concerns with utility costs, asked Council to watch the school budget, need to continue looking at merging, and does not think hospital should get a discount on electric charges.

Comments by Council members: Turner-encouraged attendance at Mustang games. Stroud-budget process was difficult this year and comments on the Gulf oil spill issue. Reynolds-commented on how it has been good to watch the transformation

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on Council's Goals & Initiatives and the impact Mayor Lawson has had on the change. Lawson-thanked everyone for the reception, she has a real concern with the schools closing a school for savings and then they decide they aren't closing the school, she encouraged Council to look at those numbers in next year's school budget, comments on EDC funding not equitable for city and county and funding formula needs to be reviewed.

Comments by City Manager: Mr. Monday pointed that city administration knows that Council works a lot of hours and he also thanked Mayor Lawson and commended her for her leadership.

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: Mrs. Lawson, aye; Mr. Reynolds, aye; Mr. Stroud, aye; Mr. Teague, aye; and Mr. Turner, aye, Council convened in Closed Session, for the purpose of discussing the following matter: (A) Appointments to Boards and Commissions 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 said Session. On a motion by Gene Teague, seconded by Mark Stroud, with the following 5-0 recorded vote: Mrs. Lawson, aye; Mr. Reynolds, aye; Mr. Stroud, aye; Mr. Teague, aye; and Mr. Turner, aye, Council returned to Open Session.

On a motion by Danny Turner, seconded by Stroud, with a 5-0 vote, Council appointed Eric Monday, 1015 Mulberry Rd., to a 4 year term ending 5/31/14 on the Henry-Martinsville Social Services Board. On a motion by Kimble Reynolds, seconded by Mark Stroud, with a 5-0 vote, Council appointed James C. Richardson, 115 Melody Ct., to a 3 year term ending 6/30/13 on the Piedmont Regional Community Services Board. On a motion by Gene Teague, seconded by Kimble Reynolds, with a 5-0 vote, Council made the following appointments to the Planning Commission: Tim Martin, 913 Mulberry, 4 year term ending 6/30/14, Jimmy Crigger, 1410 Chatham Rd., 4 year term ending 6/30/14, Will Pearson, 719 Indian Trail, 4 year term ending 6/30/14, and Monroe Ridenhour, 1231 Mulberry, to fill an unexpired term ending 6/30/12. On a motion by Kathy Lawson, seconded by Gene Teague, with a 5-0 vote, Council appointed Eddie White, 1725 Meadowview Lane, to another 4 year term ending

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6/30/14 on the Patrick Henry Community College Board. On a motion by Mark Stroud, seconded by Kimble Reynolds, with a 4-0 vote (Mayor Lawson abstained), Council agreed to appoint Kathy Lawson, 909 Barrows Mill Rd., to the 3 year term as a citizen member of the West Piedmont Planning District Commission Board.

There being no further business, Mayor Lawson adjourned the meeting at 11:21 pm.

Clarence C. Monday
Clerk of Council

Kathy C. Lawson
Mayor