

AGENDA--CITY COUNCIL -- CITY OF MARTINSVILLE, VIRGINIA
Council Chambers – Municipal Building
7:00 pm Closed Session 7:30 pm regular session
Tuesday, May 12, 2015

7:00—Closed Session

- A. A personnel matter 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.

7:30—Regular Session

Invocation & Pledge to the American Flag-Vice Mayor Jennifer Bowles

- 1. Consider approval of Council meeting minutes March 10, 2015, March 20 & 21, 2015, March 24, 2015, April 14, 2015, April 16, 2015, April 22, 2015 and April 23, 2015. (2 mins)
- 2. Presentation of proclamation recognizing National Police Week & Peace Officers Memorial Day. (2 mins)
- 3. Consider setting public hearing for receiving/interviewing citizens interested in appointment for two three year positions beginning July 1, 2015 to the City School Board appointments. (5 mins)
- 4. Consider approval of FY16 budget on second reading. (30 mins)
- 5. 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.
- 6. Comments by members of City Council. (5 minutes)
- 7. Comments by City Manager. (5 minutes)



City Council Agenda Summary

Meeting Date: May 12, 2015

Item No: 1.

Department: Clerk of Council

Issue: Consider approval of minutes of City Council meetings March 10, 2015, March 20 & 21, 2015, March 24, 2015, April 14, 2015, April 16, 2015, April 22, 2015, and April 23, 2015

Summary: None

Attachments: March 10, 2015
March 20 & 21, 2015 Planning Session
March 24, 2015
April 14, 2015
April 16, 2015
April 22, 2015
April 23, 2015

Recommendations: Motion to approve minutes as presented.

March 10, 2015

The regular meeting of the Council of the City of Martinsville, Virginia, was held on March 10, 2015, in Council Chambers, Municipal Building, at 7:30 PM with Mayor Danny Turner presiding. Council Members present included: Vice Mayor Jennifer Bowles, Gene Teague, Sharon Brooks Hodge, and Mark Stroud. Staff present included: Leon Towarnicki, City Manager, Brenda Prillaman, Wayne Knox, Linda Conover, Eric Monday, Lane Shively, and Sean Dunn.

Closed Session: Mayor Turner 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 Mark Stroud, seconded by Sharon Brooks Hodge, with the following 5-0 recorded vote: Turner, aye; Teague, aye; Hodge, aye; Stroud, aye; and Bowles, 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) A personnel matter as authorized by Subsection 1. (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 71. 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 the Session. On a motion by Mark Stroud, seconded by Sharon Brooks Hodge, with the following recorded 5-0 vote: Turner, aye; Teague, aye; Hodge, aye; Stroud, aye; and Bowles, aye, Council returned to Open Session.

Board appointments actions: On a motion by Gene Teague, seconded by Stroud, Council approved the following appointments: (1) Aleen Wilson, 12 Letcher Ct., to a 3 year unexpired term ending 12/31/17 on the Arts & Cultural Committee as the Artisan representative, (2) Carolyn Beale, 105 E. Church St., to a 3 year unexpired term ending 12/31/17 as the citizen representative on the Arts & Cultural Committee, (3) Chauncey Adams, 21 Fayette St., to the Arts & Cultural Committee for a 3 year unexpired term ending 12/31/17. On a motion by Gene Teague, seconded by Jennifer Bowles, Council approved the appointment of Liz Secret, P. O. Box 614, to the Arts & Cultural Committee for a 3 year unexpired term ending 12/31/17 as the MURA representative. On a motion by Mark Stroud, seconded by Jennifer Bowles, Council approved the appointment of Lisa Smith, 803 Banks Rd., to the Southern Area Agency on Aging for a 3 year term ending 2/28/18.

Following the invocation by Council Member Stroud and Pledge to the American Flag, Mayor Turner called the meeting to order and announced that later in the meeting there will be a Skype update from the Martinsville High School team regarding the state championship.

Minutes: On a motion by Jennifer Bowles, seconded by Mark Stroud, with a 5-0 vote, Council approved the November 25, 2014 minutes.

City Garage Report-Vehicle Tracking: Lane Shively provided the following information and briefed Council on details of the system:

GPS / AVL Summary--Global Positioning System or Automatic Vehicle Locating Device

Monitor Assets – Vehicle Maintenance - Safety

City tested GPS tracking on 3 vehicles in August 2014-Meter reader truck & 2 on-call trucks
30 day pilot program

Objective--to determine if improvements could be made:

March 10, 2015

- Save fuel by eliminating wasteful idling (Idling Policy) *****
- Zero miles per gallon/ 1 to 1.5 gallons fuel usage/hr. idling*****
- Speed enforcement
- Inappropriate vehicle use
- Optimizing routes (garbage/bulk collection, meter reading, etc.)
- Reduce emissions/carbon foot print/eliminate unnecessary idling and/or improper driving.

Reporting/Alerts—Excel format*****

- Speeding
- Idling—Fuel mileage (Fuel used during idling)
- Out of area—(Geofence)
- Long Stops
- Odd-Hours

RFP was advertised to solicit information on vendors, services, and cost.

- Six responses received to the RFP.
- Staff has interviewed vendors and created short-list
- Review is still ongoing
- Considering small implementation number initially (10 to 15 units) with evaluation occurring at 90–120 days.
- After trial period decision will be made regarding continuation of program with cost benefit analysis.

Cash Reserve Policies-Refuse & Telecommunications: Finance Director Linda Conover reviewed the proposed cash reserve policies. To help ensure financial stability, timely completion of capital improvements and enable the utilities to meet requirements for large unexpected expenditures, a minimum cash reserve policy should be established. While minimum cash reserves attempt to quantify the minimum amount of cash the utility should keep in reserve, the actual cash reserves may vary substantially above the minimum and is dependent upon several risk factors for the utility. Cash reserve policies and guidelines are established to ensure that enough cash exists for timely payment of bills; both short- and long-term financial health of the individual utilities; stable rates for customers; ability to fund unanticipated cost contingencies; and identifying the amount and timing of future bond issues. Adopting a cash reserve policy meets a significant factor for bond rating agencies. She distributed lengthy documents outlining these two cash reserve policies and focused particular attention to the last page of each document.



City of Martinsville Refuse Cash Policy

Minimum Cash Reserve Calculation

The minimum cash reserve calculation considers the risk "in total" and not each individual category. For example, catastrophic events can occur and the amount may far exceed the amount set aside under "Historical investment in assets".

If certain events occur that results in cash reserves falling below the minimum cash reserve levels, the City Council should take action to restore cash reserves to the minimum levels over the subsequent three years. These actions may include a number of options:

1. Rate Adjustments
2. Cost reductions
3. Issuance of bonds to fund capital improvement programs
4. Modification of the assumptions used to determine the cash reserve levels

Minimum Cash Reserve Calculation

Based on Budget expenditures, the methodology determined minimum cash reserve should be \$607,966 as calculated below:

Recommended MINIMUM Reserves	Percent Allocated	Projected 2014
Operation & Maintenance Less Depreciation Expense	12.5%	\$ 154,750
Historical Rate Base	1.0%	44,367
Current Portion of Debt Service	58.0%	222,369
Five Year Capital Plan - Net of bond proceeds	28.0%	156,400
Recommended MINIMUM Reserves		\$ 607,966

*For simplification, the above calculation can be estimated by taking the total O&M budget and using 134 day working capital lag.

<u>Overall Policy Working Capital Days/O&M expenses</u>		
Expenses	\$	1,652,358
Minimum Cash Recommendation		607,966
Expenses/Minimum recommendation		2.72
Days in year		365.00
Days working capital		134

It is important to emphasize this is a recommended minimum cash reserve calculation. Actual cash reserves may vary substantially above the minimum and is dependent on the life cycle of assets, future capital plan, rate setting policies, and debt policies.

The cash reserve calculation should be updated annually as part of the budget process. The discussion with the City Council should include a visual description of the past trends, current position and future projections.



City of Martinsville Telecommunications Cash Policy

Minimum Cash Reserve Calculation

The minimum cash reserve calculation considers the risk "in total" and not each individual category. For example, catastrophic events can occur and the amount may far exceed the amount set aside under "Historical investment in assets".

If certain events occur that results in cash reserves falling below the minimum cash reserve levels, the City Council should take action to restore cash reserves to the minimum levels over the subsequent three years. These actions may include a number of options:

1. Rate Adjustments
2. Cost reductions
3. Issuance of bonds to fund capital improvement programs
4. Modification of the assumptions used to determine the cash reserve levels

Minimum Cash Reserve Calculation

Based on Budget expenditures, the methodology determined minimum cash reserve should be \$215,297 as calculated below:

Recommended MINIMUM Reserves	Percent Allocated	Projected 2014
Operation & Maintenance Less Depreciation Expense	12.5%	\$ 71,027
Historical Rate Base	1.0%	6,879
Current Portion of Debt Service	100.0%	-
Five Year Capital Plan - Net of bond proceeds	28.0%	137,400
Recommended MINIMUM Reserves		\$ 215,297

*For simplification, the above calculation can be estimated by taking the total O&M budget and using 136 day working capital lag.

Expenses	\$	577,459
Minimum Cash Recommendation		215,297
Expenses/Minimum recommendation		2.68
Days in year		365.00
Days working capital		136

It is important to emphasize this is a recommended minimum cash reserve calculation. Actual cash reserves may vary substantially above the minimum and is dependent on the life cycle of assets, future capital plan, rate setting policies, and debt policies.

The cash reserve calculation should be updated annually as part of the budget process. The discussion with the City Council should include a visual description of the past trends, current position and future projections.

March 10, 2015

No action was taken at this meeting, however, Council will consider formal adoption of electric, water, sewer, refuse, and telecommunications cash reserve policies during budget process.

Before going to next agenda item, Mayor Turner advised he had MHS Coach Adkins on the phone and an update was given on the upcoming championship game.

Strategic Planning Session and budget meetings schedule: Mr. Towarnicki reviewed the details regarding the upcoming March 20 and 21, 2015 Strategic Planning Session and other dates and times of budget worksessions.

Approval of consent agenda: On a motion by Gene Teague, seconded by Sharon Brooks Hodge, with a 5-0 vote, Council approved the following consent agenda:

BUDGET ADDITIONS FOR 3/10/15				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY15				
General Fund:				
01100909	490104	Advanced/Recovered Cost		1,755
01311085	506104	Police Department - Non-Capital Equipment Insurance for replacement of in-vehicle laptop computer.	1,755	
01100909	490104	Advance/Recovered Costs		500
01321102	506130	Fire Dept. - Repair & Maint.-Burn Building Reimbursements for training	500	
Total General Fund:			2,255	2,255
CDBG Fund:				
47102926	447047	Categorical Federal - Uptown Revitalization Program		9,067
47823521	506324	Uptown - Commercial Rehab - Façade Improvements Project drawdowns #16 & #17	9,067	
47102926	447063	Categorical Federal - Northside Neighborhood Project		943,904
47835525	505370	Northside Project - Administration	80,000	
47835525	505371	Northside Project - Acquisition	77,276	
47835525	505372	Northside Project - Clearance & Demolition	37,200	
47835525	505373	Northside Project - Owner Occupied Rehabilitation	196,600	
47835525	505374	Northside Project - Investor-owned Rehabilitation	57,600	
47835525	505375	Northside Project - Owner Occupied Reconstruction	299,515	
47835525	505601	Northside Project - Homeownership Creation	48,000	
47835525	505601	Northside Project - Street Improvements	134,963	
47835525	505601	Northside Project - Flood Drainage Facilities	12,750	
Total CDBG Fund:			952,971	952,971

Business from floor: Patrick Wright of Spruce Street commented on a property in Collinsville area of Henry County that needed attention.

Council comments: Stroud-updated on his mother and asked for prayers; Teague-Fast Track event was excellent and City MINET booth was well received; Bowles-Fast Track was a great event and reminded citizens to check list of Board vacancies on city website to become active in government; Turner-reported Fast Track produced a potential new business and he reported on MHS Basketball games.

City Manager comments: Mr. Towarnicki acknowledged city staff, Wayne Knox, Mike Scaffidi, and Karen Roberts for all their work on the MINET booth at Fast Track and he announced the March 17 Statewide Tornado Drill.

There being no further business, the meeting adjourned at 8:30 pm.

Brenda Prillaman
Clerk of Council

Danny Turner
Mayor

March 20 and 21, 2015 Minutes Planning Session

A City Council Strategic Planning Session of the City Council of Martinsville, Virginia, was held March 20 and March 21, 2015 at the West Piedmont Development Center, Martinsville, beginning at 4:00 PM on Friday, March 20, 2015, with Mayor Danny Turner presiding. Council Members present at the Friday, March 20, 2015 session included: Mayor Danny Turner, Vice Mayor Jennifer Bowles, Gene Teague, Mark Stroud, and Sharon Brooks Hodge. Others present March 20, 2015 included City Manager Leon Towarnicki, Brenda Prillaman, Karen Roberts and David Dickerson of Business Results Training. Media present included Mickey Powell of the Martinsville Bulletin.

The Friday, March 20, session topics included: Planning for the success of the city, how we will all work together, obstacles to planning, and revisit our mission and current goals. At the conclusion at 8:30 PM, Council recessed to reconvene the following morning at 8:00 AM on Saturday, March 21, 2015.

In addition to those present for Friday's session, Wayne Knox was present at the Saturday, March 21, 2015. Topics covered Saturday included: review of currently planned activities, what we need to do and in what order, how to measure success, and who is responsible for attaining results.

David Dickerson is to provide Council with all the information collected at the two day session and updated Goals & Initiatives sheets for their review. At the conclusion of Saturday's session at 12:15pm, Council adjourned the planning session.

Brenda Prillaman
Clerk of Council

Danny Turner
Mayor

March 24, 2015

A joint budget worksession between the Council of the City of Martinsville, Virginia and the Martinsville School Board was held at 6:00 pm in Council Chambers, Municipal Building. Council members present included: Mayor Danny Turner, Council Member Gene Teague, Council Member Mark Stroud, and Council Member Sharon Brooks Hodge. Vice Mayor Jennifer Bowles was absent. City staff present included: Leon Towarnicki, City Manager, Wayne Knox, Eric Monday, Brenda Prillaman, Linda Conover and Mary Prillaman.

Mayor Danny Turner called the Council meeting to order and School Board Chairman Robert Williams called the School Board meeting to order.

Issues pertaining to FY16 funding for city schools were discussed. School Superintendent Pam Heath made a formal proposal for Council to consider on behalf of city school board for schools to use the Housing building after the Housing office closes. Council expressed appreciation for the report and asked that the schools provide Council with comparison figures from last year's budget on expenses and revenues. No official action was taken at worksession. At the completion of the worksession, Robert Williams adjourned the School Board meeting and City Council recessed for 10 minutes to then convene their regular scheduled meeting.

The regular meeting of the Council of the City of Martinsville, Virginia, was held on March 24, 2015, in Council Chambers, Municipal Building, and convened at 7:40 PM with Mayor Danny Turner presiding. Council Members present included, Gene Teague, Sharon Brooks Hodge, and Mark Stroud. Vice Mayor Jennifer Bowles was absent. Staff present included: Leon Towarnicki, City Manager, Wayne Knox, Brenda Prillaman, Linda Conover, Sean Dunn and Eric Monday.

Following the invocation by Gene Teague and Pledge to the American Flag, Mayor Turner welcomed everyone to the meeting.

Minutes: On a motion by Mark Stroud, seconded by Sharon Brooks Hodge, with a 4-0 vote, Council approved the minutes of December 9, 2014 and January 5, 2015 meetings.

Mayor Turner reported the Police Accreditation agenda item will be moved to a future meeting.

Proclamation: Mayor Turner turned meeting over to Council Member Sharon Brooks Hodge who presented the proclamation regarding Sexual Assault Awareness Month.

Proclamation: Mayor Turner turned meeting over to Council Member Mark Stroud who presented the proclamation regarding Boys & Girls Club Week.

Proclamation: Mayor Turner presented the proclamation recognizing Child Abuse Prevention Month.

Resolution-Fair Housing: On a motion by Gene Teague, seconded by Mark Stroud, with a 4-0 vote, Council approved the following resolution which is required of recipients of CDBG funds:



March 24, 2015

Approval of consent agenda: On a motion by Gene Teague, seconded by Sharon Brooks Hodge, with a 4-0 vote, Council approved the following consent agenda:

BUDGET ADDITIONS FOR 3/24/15				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY15				
General Fund:				
01103938	462101	Contribution from Fund Balance		16,001
01311085	506079	Police Dept - Federal Asset Forfeitures	16,001	
		Additional funds not captured during re-appropriations process.		
01100909	490104	Advance/Recovered Costs		4,849
01331108	501300	Sheriff/Corrections - Part-time & Temporary Wages	3,570	
01331108	502100	Sheriff/Corrections - Social Security	221	
01331108	502110	Sheriff/Corrections - Medicare	52	
01331108	506008	Sheriff/Corrections - Vehicle Equipment & Maint.	714	
01331110	506200	Sheriff/Annex - Prisoner Allowance	292	
		Reimbursement from Henry County for litter pickup-Nov.,Jan.,Feb.		
01101917	442810	Categorical Other - State - Highway Projects		132,793
01413151	508220	Thorofare Construction - Physical Plant Expansion	132,793	
		Reimbursement - Liberty St Project		
01101917	442402	Categorical Other State - Confiscated Assets - C Atty		270
01221082	506105	Comm Atty - Conf Assets State	270	
01101917	442401	Categorical Other State - Confiscated Assets - Police		600
01311085	506078	Police Dept - Conf Assets State	600	
		Asset Forfeiture Proceeds		
Total General Fund:			154,513	154,513
Water Fund:				
12100909	418104	Water - Reimbursement of Unanticipated Costs		61,630
12541311	508220	Water Filtration Plant - Physical Plant Expansion	61,630	
		Insurance for repairs to Leatherwood Pump Station.		
Total Water Fund:			61,630	61,630

Business from floor: William Eggleston, 1507 Roundabout Rd., commented regarding road repairs needed at Koehler Hill underpass; Patrick Wright, Spruce Street, commented regarding YMCA and social security income.

Council comments: Hodge-thanked staff for research and preparation producing a productive planning session and asked that the EDC report be provided on city website; Teague-comments regarding Mr. Franck's passing; upcoming race weekend is a chance to showcase the community; thanked staff for the good planning session and thanked Mickey from Bulletin for his coverage in the newspaper; Stroud-expressed condolences to Franck family and congratulations to MHS basketball team; Turner-reported city flags at half-staff for Bill Franck; need to address issues with students crossing Commonwealth Blvd. from high school; welcomed race fans; reported signs are being designed to honor MHS basketball team.

City Manager comments: Mr. Towarnicki-pointed out the city staff's good working relationship with schools; a final document will be given to Council with follow up comments from strategic planning session and plan is to put the document online so progress can be tracked; reminded Council of Cyber Security Seminar at NCI.

There being no further business, the meeting adjourned at 8:20 pm.

Brenda Prillaman
Clerk of Council

Danny Turner
Mayor

April 14, 2015

The regular meeting of the Council of the City of Martinsville, Virginia, was held on April 14, 2015, in Council Chambers, Municipal Building, at 7:30 PM, Closed Session beginning at 7:00pm, with Mayor Danny Turner presiding. Council Members present included: Mayor Danny Turner, Vice Mayor Jennifer Bowles, Gene Teague, Sharon Brooks Hodge and Mark Stroud. Staff present included: Leon Towarnicki, City Manager, Brenda Prillaman, Eric Monday, Wayne Knox, Linda Conover, Sean Dunn, Ted Anderson, and Mary Prillaman.

Mayor Turner 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 Mark Stroud, seconded by Sharon Brooks Hodge, with the following 5-0 recorded vote: Turner, aye; Bowles; Teague, aye; Hodge, aye; Stroud, 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, and discussion of the term 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. (B) Discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected as authorized by Subsection 6. (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. 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 the Session. On a motion by Sharon Brooks Hodge, seconded by Mark Stroud, with the following recorded 5-0 vote: Turner, aye; Bowles, aye; Teague, aye; Hodge, aye; Stroud, aye; Council returned to Open Session.

Following the invocation by Council Member Stroud and Pledge to the American Flag, the Mayor announced an addendum item added to the beginning of the agenda.

Minutes: On a motion by Jennifer Bowles, seconded by Sharon Brooks Hodge, with a 5-0 vote, Council approved the minutes of the January 13, 2015 and January 27, 2015 meetings.

ADDENDUM-Proclamation for Talmadge Mitchell: Mayor Turner read the proclamation and Vice Mayor Bowles joined him in the presentation.

Recognition of MHS Bulldogs basketball team: Mayor Turner recognized the MHS Basketball Team for the 2014/15 season accomplishments and winning the VHSL State 2A championship. He reported signs are to be installed at city entrances.

Update on Uptown Grant: Susan McCulloch briefed Council on the recently completed document regarding the Uptown Revitalization grant funded project noting an intern assisted in the compiling the information on the history and before and after photos of the project.

VML 2015 Policy Committees nominations: Mr. Towarnicki briefed Council on VML Policy Committee information. City Council may nominate two individuals to a committee and at least one nominee must be a member of City Council. 2015 Committee assignments include: Community & Economic Development, Environmental Quality, Finance, General Laws, Human Development & Education and Transportation. Past members for VML 2014 Policy Committees were: Community & Economic Development-Kim Adkins, Mayor;

April 14, 2015

Environmental Quality-Eric Monday, City Attorney; Finance-Leon Towarnicki, City Manager; General Laws-Gene Teague, Vice Mayor; Human Development & Education-Mark Stroud, Council Member; Transportation-Sharon Brooks Hodge, Council Member. By consensus, Council directed staff to submit the following nominations to VML for the 2015 Policy Committees:

Community & Economic Development-Sharon Brooks Hodge

Environmental Quality-Jennifer Bowles

Finance-Leon Towarnicki

General Laws-Gene Teague

Human Development & Education-Mark Stroud

Transportation-Eric Monday

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

BUDGET ADDITIONS FOR 4/14/15				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY15				
General Fund:				
01102926	436410	Categorical Federal - Bulletproof Vest Grant		2,230
01217078	506011	Sheriff - Courts - Uniforms & Apparel	2,230	
		Grant funding from Dept. of Justice		
01100909	490104	Advance/Recovered Costs		375
01321102	506130	Fire Dept. - Repair & Maint.-Burn Building	375	
		Reimbursements for training		
01100908	480406	Miscellaneous Revenues - Donations/Recreation		300
01711210	506007	Recreation - Equipment & Supplies	300	
		Team Sponsor donations		
01100909	490104	Advance/Recovered Costs		26,735
01812242	506067	Misc. Exp. - RADAR Transit Program	26,735	
		Reimbursements for fuel		
01100909	490104	Advance/Recovered Costs		1,000
01814243	501300	Planning/Zoning - Part-time & Temporary Wages	1,000	
		Reimbursement from NCI for intern		
01100908	480420	Misc Revenues - Donations/Senior Services		850
01100909	490801	Recovered Costs - Senior Services		785
01714212	506016	Senior Citizens - Program Supplies	850	
01714212	501300	Senior Citizens - Part-time Wages	488	
01714212	502100	Senior Citizens - Social Security	30	
01714212	502110	Senior Citizens - Medicare	7	
01714212	506049	Senior Citizens - Vehicle Fuels	260	
		Health Fair & Sr. Party donations; Transportation Grant Jan. & Feb.		
01100908	480410	Donations - Fire Department		242
01321102	506130	Fire Dept - Travel & Training	150	
01322105	506004	EMS - Emergency Medical Supplies	92	
Total General Fund:			32,517	32,517
Capital Reserve Fund:				
16102926	416508	Categorical Federal - VDEM Hazard Mitigation Grant		5,597
16577367	508107	Physical Plant Expansion - Safety	5,597	
		VDEM Grant for Siren Project		
Total Capital Reserve Fund:			5,597	5,597
Telecommunications Fund:				
11100909	490104	Advance/Recovered Costs		10,154
11315308	505233	Telecom-Outside Customers	10,154	
		Recovered cost of services		
Total Capital Reserve Fund:			10,154	10,154

Business from floor: Patrick Wright of Spruce Street made comments on the city having a subway system; Howard Huff introduced the three local pageant winners who will be representing Martinsville at the Miss Virginia pageant in June.

April 14, 2015

Council comments: Stroud-comments on flowers in front of city hall and the MHS entrance signs; Turner-commented the recent race brought in a large crowd of fans.

City Manager FY16 Proposed Budget presentation: City Manager, Leon Towarnicki, presented the FY16 proposed budget to Council along with the following summary:

 <p>DATE: April 14, 2015 TO: Honorable Mayor and Members of Council FROM: Leon Towarnicki, City Manager SUBJECT: FY16 Budget Discussion</p> <p>As has been stated previously, developing an annual budget for the City is arguably the most important task the management team performs. It requires much time and thought – looking back and reviewing the previous and current budget years to gauge how accurate projections were compared to actuals, how well projects performed, and in some cases what particular elements need to be carried forward into the new budget year. And looking forward – since the annual budget process typically begins around December and January of each year culminating with the adoption of a budget in late May or June for the 12 month period beginning in July, budget work requires looking forward some 15 to 18 months and developing the most accurate revenue and cost projections possible. Fortunately, the annual City audit shows that most of the time the numbers hit pretty close to the mark, and credit for that goes to many – City and Constitutional staff members who administer their respective components of the budget, the financial offices including Finance, Treasurer, Commissioner of the Revenue, and ultimately City Council and citizens who seek information, ask questions, and demand explanations and accountability.</p> <p>FY 2015 Budget – General Comments</p> <p>Before beginning discussions on the FY16 budget, it is important to look at some accomplishments from the past year. In spite of traditionally high unemployment levels and rankings from various news stories and publications that tend to portray Martinsville in an unfavorable light, there have been a number of encouraging</p>	<p>developments that show promise and a positive direction for the community. For some of these, Council and City staff played a key role in moving the project forward, in others, a lesser role, but regardless, the list is significant. You will recognize some of the projects from previous discussions since the timetable spans over multiple years.</p> <ul style="list-style-type: none"> • Completion of the New College Institute Facility on Baldwin Block – The project was completed in FY15, opening in September, 2014. • The Henry Hotel Project – Renovation work is in high gear with an expected completion and opening in late Spring of 2015. The addition of over 20 market rate apartments in the heart of the uptown area, bringing back to life an iconic building has generated a lot of excitement. • Courthouse Project and Fayette CDBG Project – Work has been completed reconstructing the plaza in front of the historic Henry County Courthouse along with two mini-park projects along Fayette Street between the Courthouse and the New College Facility. Street improvements have been completed in front of New College, placing utilities underground and new curb, gutter, and sidewalk has been constructed. New decorative street lights have been placed along the street and extended along Fayette west of the Market Street intersection, along the Fayette business corridor. • Expansion of Telecom – The City's Telecom (M&N) program continues to grow with the customer list expanding. The FY15 budget saw Telecom established with its own budget in the City's accounting system and the FY16 budget has Telecom now as a self-sustaining entity supported by use fees, projected to produce a positive fund balance. In a cooperative arrangement with the school system, substantial funding is being recovered through the E-Rate program resulting in new revenue for the program. • Village of Martinsville, a.k.a. Liberty Mall – Redevelopment of the Mall is nearing completion under ownership by retail property specialist Hal Storey Gibson. Several new stores have opened and appearance of the property has been upgraded with new landscaping, lighting facade work interior store renovations, and a different variety of tenants. • Nuisance Ordinance Changes – In 2014 City staff worked diligently to revise the City's nuisance ordinance to streamline the process of resolving complaints in an effort to be more responsive to citizen concerns. This 	<p>process was completed in FY15 and the improvements to the program have been significant in regarding complaint tracking and the amount of time required to resolve issues.</p> <ul style="list-style-type: none"> • Other Opportunities – City staff continues to explore opportunities to save costs, generate revenue, and improve delivery of services through a variety of projects. A natural gas supplement to the landfill generator has been completed, utilizing maximum output of generation capacity; privatization of certain services continues to be explored as a means to reduce cost and improve service quality; staff is engaged in a review of a possible automated meter reading system, options regarding better and less expensive ways to handle municipal solid waste sludge are being reviewed; and a review regarding conversion of certain City vehicles and equipment from diesel fuel to compressed natural gas are some of the projects. • Transfer of Housing Operations – For many years the City has operated a housing/rental assistance program – initially from within the Municipal Building and in later years at the Housing Office located at Fourth and D Streets. The City currently operates this program for residents of both the City and County. The City has developed a partnership with Danville Redevelopment Housing Authority to transfer this operation effective July 1 in an effort to reduce City costs while continuing to maintain this important program for the community. Additionally, this frees up the Housing Office building for other potential uses. • West Piedmont Business Development Center – Beginning April 1, 2014, management of the WPBDC was transferred over to the Martinsville Henry County Chamber of Commerce's Partnership for Economic Growth through a contractual arrangement on trial basis. That arrangement has proven to be very successful for the City, CPEG, the incubator tenants, and the business community in general. A proposed longer term contract will be presented to Council shortly, continuing that arrangement into the future. • Economic Development Growth – This past year there have been a number of economic development announcements with the creation of new jobs and capital investment in the County. The addition of good paying manufacturing jobs in the community is certainly welcome news. Additionally, after several years of negotiating, an Army Corp of Engineers permit was issued and grading began on the mega-site Commonwealth Crossing Business Center. This is a revenue sharing site that eventually
<p>will result in revenue remaining to the City. Also, in September, 2014, a 95,000 sq ft shell building was completed in the Patriot Centre, also on a revenue sharing site, and is being actively marketed by the MHC EDC.</p> <ul style="list-style-type: none"> • CHSM/TSCM Medical School Project – Efforts are continuing related to development of a medical school by Dr. Noel Boaz. In January, 2015, an \$800,000 Tobacco Region Opportunity Fund grant was awarded to the City for the project and those funds are currently being used to renovate the building at the corner of Fayette and Moss Streets. The project, once completed, has the potential to create a substantial economic impact to the community. <p>Proposed FY2016 Budget – General Discussion</p> <p>Work on the FY16 budget occurred with a number of key objectives in mind – continue to maintain and if possible enhance the current level of service provided to the citizens and businesses of the City; address capital needs in a realistic manner and as much as possible, do the things necessary to preserve, protect, and maintain the City's infrastructure; look at opportunities to foster an environment where businesses will find it attractive to locate here, stay here, and grow/expand here; wherever possible investigate opportunities to consolidate services, improve efficiency, privatize if it makes sense, and enhance the City's revenue potential; and recognize the needs of the City school system as well as the importance of maintaining funding for the many outside organizations and agencies that provide services to the community.</p> <p>On the other hand, there were a number of challenges in developing the FY16 budget – some were unique and specific to this particular year and some are recurring from year to year. Of the many different revenue categories that comprise the City's budget, most of the traditional general fund categories moved slightly up or down but not enough movement to declare a trend was emerging – revenue is essentially flat. Likewise on the expense side, many of the operation and maintenance components of individual budgets are essentially flat compared to FY15, with slight adjustments related to increase in personnel costs. One major expense that will occur in FY16 is payment of the City's obligation of \$1,666,700 to Henry County for the City's share of site development costs at Commonwealth Crossing. This expense has been anticipated for a number of years and has been reflected as a financially committed obligation in the annual audit. The</p>	<p>unassigned fund balance (general fund) in the annual audit also reflects this commitment.</p> <p>As with operating most businesses, the City generally sees adjustments in costs on an annual basis that are simply factors dependent upon a regional, national, and global economy – increase in fuel costs, supplies, insurance, vehicles and equipment, and occasionally additional costs related to compliance with state or federal mandates. Fortunately, again in the FY16 budget, such increases are projected to be fairly low.</p> <p>Uncertainty regarding direction of the State's fiscal policy directly affects the City, and other localities. Early in FY15 as the State's budget projections worsened, the State implemented once again the reduction in State aid policy, sometimes referred to as "Local Aid to the Commonwealth" which called for statewide reductions in local aid totaling \$ 60 million - \$30 million each year in the State's FY15 and FY16 budget years. For FY15, the City returned \$110,184 to the State. Fortunately in late 2014 and early 2015, the State's budget projections improved to the extent the second year of the Local Aid to the Commonwealth obligation was eliminated.</p> <p>A continued emphasis was placed on funding capital needs in the FY16 budget since reduced funding from previous years continues to have a compounding effect by adding more and more capital needs to future years. Additionally, some capital items simply cannot be ignored or delayed, and must be done. And again in the FY16 budget, capital needs in the utilities or enterprise funds are included in the respective fund budgets before consideration of availability of funds for transfer occurs. The utilities have traditionally provided significant transfers to the City's general fund and it is imperative that these operations be provided with sufficient resources to operate efficiently. Also for FY16, available resources through the enterprise funds were compared against recently discussed cash reserve policies and efforts made to remain within those guidelines.</p> <p>Regarding education funding, the Martinsville City School system has requested an increase in local funding for FY16 of \$328,936, from \$6,735,531 in FY15 to \$7,064,467, plus an additional \$160,000 for capital/school bus replacements. The requested increase includes \$97,000 in E-Rate program costs to the School System, and the remaining \$231,930 (less the capital request) represents a 3.4% increase over FY15 funding. In FY15 Council approved the request to re-appropriate up to \$160,000 from unexpended FY14 funds for school bus</p>	<p>Proposed FY16 Budget – What's Included</p> <p>The proposed FY16 budget includes maintaining the same levels of service as provided in the FY15 budget and as previously noted, staff continues to explore ways to reduce costs, increase efficiency, combine/consolidate operations, and to privatize where practical.</p> <p>There are no recommended changes in tax rates, refuse collection fees, or water/sewer rates. During Council's recent strategic planning meeting in March, 2015, there was no support expressed for a possible tax increase. Refuse collection fees were increased in the FY14 budget, taking into account increasing costs related to disposal, collection costs, and costs associated with long-term maintenance of the City's closed landfill. The proposed FY16 budget does include a recommended 3% increase in electric rates.</p> <p>The proposed FY16 budget does not project transfers from either water or sewer since current asset balances are below the minimum amount recommended in the recently reviewed cash reserve policies by approximately \$1.4 million. The proposed FY16 budget returns to water/sewer net assets approximately \$900,000 which is a substantial movement toward returning to the minimum recommended cash reserve levels. Given the aging water and sewer infrastructure and the estimated \$25 to \$30 million Smith River sewer interceptor project, it is unlikely transfers from water or sewer will be available in FY17, and possibly even beyond. Although not being recommended in the FY16 budget, a sewer rate increase appears inevitable as a component of the interceptor project financing and once costs and project planning are fully developed, that information will be presented to Council at a later date.</p> <p>City water and sewer rates have traditionally been low compared to regional averages for two main reasons. Most water and sewer infrastructure was put in place and paid for years ago, consequently these two utilities carry practically no debt – water has none and sewer has very little, and ongoing costs are related mostly to operational expenses. Also, for many years the City was fortunate to have a number of "wet" industries that used such high amounts of water and sewer that rates could be kept well below market rates due to the revenue generated from such high-volume users.</p> <p>The proposed budget also includes funding for outside agencies and most are recommended for level funding. Of the 5 large outside agencies, the EDC and Health Center are being recommended for level funding, there's a slight increase</p>
<p>for both the Library and Social Services, and an increase of \$77,773 for 911 which includes operational increases and the City's share of the local match for a grant to replace call processing equipment. No new outside agencies are being recommended for funding and two agencies, The Launch Place and the Dental Clinic, are being removed from the funding list (did not submit funding requests).</p> <p>Also included in the proposed budget is funding for the Martinsville City School System of \$6,832,537, representing level funding from FY15 of \$6,735,531 plus an additional \$97,000 to cover school-related E-rate program costs. Additionally, it is recommended that unexpended FY15 funds up to \$160,000 be re-appropriated to FY16 for school bus replacements.</p> <p>Regarding capital needs, City and Constitutional offices submitted a total of \$4,874,032 in capital requests for FY16 budget consideration. Of that amount \$2,713,500 is in utilities (refuse, telecom/M&N, water, sewer, electric) and \$2,433,500 of that amount has been identified as high priority. The remaining amount of \$2,160,532 is general fund capital, and of that amount \$1,961,997 has been identified as high priority. The proposed FY16 budget includes funding for high priority capital totaling \$3,608,179, or 74% of the total FY16 capital requests.</p> <p>Funded capital includes:</p> <ul style="list-style-type: none"> • Police – in car cameras and mobile data terminal equipment, replace 3 cars, radio system upgrades (5 yr program) • Fire – rescue equipment, self-contained breathing apparatus equipment, replace ambulance (majority of cost to be grant-covered) • Sheriff – replacement of walk-in cooler, one vehicle, planning study for jail needs • Public Works – salt spreaders, mowing equipment, dump truck, pickup • Parks & Rec – pave basketball courts at Wilson Park & Southside • Engineering – update aerial mapping • Commissioner of the Revenue – 2nd half costs of assessment program • Information Services – Annual computer replacements • City Municipal Bldg. – replace roof, seal parking lots • Warehouse – upgrade electric service, security system • Refuse – replace pickup, first half of rear loader, required installation of groundwater monitoring wells at landfill • Telecom – replacement of switches, wiring, server, related equipment 	<ul style="list-style-type: none"> • Water – distribution system review, tank painting, replace flocculato dismantle Bethel Lane tank, rebuild Leatherwood Pump Station (some cost covered by insurance), replace water line Indian Trail, first half of filter rebuilds, replace service truck, meter replacement project • Sewer – replace primary pump, paint line silo, aerator floats, paint clarifier pontoon barge for lagoon, first half of chlorine contact renovation, sewer inspection camera, sewer jet truck/trailer, contract sewer repairs/replacement, rehab lines on Spencer, Dunlap, High Streets • Electric – trash rate at hydro, granite repair of hydro dam (2 yr project), in annual substitution maintenance, replace substation regulators, replace pickup, replace station transformers and new line projects <p>The proposed budget includes a 2% cost of living pay adjustment for employee effective July 1, matching the salary adjustment provided for state employees, an also includes the remaining 2% of the 5% Virginia Retirement System obligation. Additionally, the 12.4% health insurance premium increase for the City's health insurance plan is being covered.</p> <p>FY16 Proposed Budget – Balancing</p> <p>As in previous years, the proposed FY16 Budget is balanced by a significant use of transfers from the utilities as well as use of general fund balance. As noted previously, due to asset balances of the water and sewer funds being below the recommended cash reserve policy minimums, no transfers from these two fund were utilized.</p> <p>As staff reviewed budget requests, made initial changes (reductions or rescheduling projects/expenses to later years), and allocated available transfer from electric, refuse, telecom, and the general fund, a significant shortfall of over \$750,000 still existed and ultimately that gap was closed through further reductions to the general fund budget, reductions in capital reserve funding, an lastly a reduction in requested school funding back to the FY15 level plus a slight increase to cover E-Rate expenses.</p> <p>Typically the enterprise operations (electric, water, sewer, refuse, and most recently telecom) operate in such a manner as to generate a "profit," or revenue in excess of expenditures. That revenue is used to fund capital needs within that particular fund and to generate a fund or net asset balance to cover future needs</p>	<p>For many years the asset balances (fund balances) of the enterprise funds have served as source of transfers to the City's general fund, since typically all of the revenue sources attributed solely to the general fund are insufficient to fully cover costs associated with the variety of operations funded through the general fund. Unfortunately over time with general fund revenue remaining relatively flat while general fund expenditures have increased, the funding shortfall gap has widened placing increasing pressure on the enterprise funds, and unfortunately that trend continues into FY16.</p> <p>The proposed FY16 general fund budget balances by a projected use of general fund balance of \$3,166,700, \$1,666,700 of which has been earmarked or committed in the City's annual audit specifically for that purpose. Additionally, transfers of \$1,943,315 from refuse, \$2,309,804 from electric, and \$97,000 from telecom are proposed. The capital budget is covered by the meals fund (\$492,664), the capital reserve fund (\$250,000), and electric (\$788,351).</p> <p>In the FY16 general fund budget, the difference between proposed expenditures and normal sources of general fund revenue exceeds \$7.5 million. Backing out the City's \$1.7 million commitment for CDBG already allocated leaves a gap of approximately \$5.8 million that is covered by transfers from electric, refuse, telecom, and fund balance. That level of transfer reduces estimated asset and fund balances in electric, refuse, and the general fund to near minimum levels, and is unsustainable into the future. Looking ahead to FY17, the transfer pool available will be largely predicated on how FY15 concludes, and typically through a conservative budgeting approach, there is substantial savings, or return to fund/asset balances at year's end. That information will be more accurately determined as the FY15 audit is prepared later this year. Given past history, it is a reasonably safe assumption, however, that \$3.8 million will not be returned nor available for transfer in FY17, and beyond. Consequently, it is anticipated that FY17 will see the need for significant budget reductions, increases in revenue, or combinations of both.</p>

April 14, 2015

On a motion by Jennifer Bowles, seconded by Mark Stroud, with a 5-0 vote, Council agreed to set the public hearing on the FY16 Budget for April 28, 2015 and for consideration of approval of FY16 Budget Ordinance on first reading at the same meeting. Mayor Turner asked the City Manager to check on possibility of the City getting out of the contract to pay the amount owed for Commonwealth Crossing. Council Member Hodge asked that the proposed rate increase be given in a dollar amount so citizens would better understand the impact on their monthly bill.

There being no further business, the meeting adjourned at 9:05 pm.

Brenda Prillaman
Clerk of Council

Danny Turner
Mayor

April 16, 2015

A special meeting of the Council of the City of Martinsville, Virginia, was held on April 16, 2015, in Council Chambers, Municipal Building, at 6:00PM, to conduct a budget worksession with Mayor Turner presiding. Council Members present included: Mayor Turner, Vice Mayor Jennifer Bowles, Gene Teague, Sharon Brooks Hodge, and Mark Stroud. Staff present included: Leon Towarnicki, City Manager, Brenda Prillaman, Wayne Knox, Linda Conover, Kenneth Draper, Sean Dunn, Dennis Bowles, Andy Lash, Jeff Joyce, Mike Scaffidi, Lane Shively, and Mary Prillaman. Eric Monday was present for first 30 minutes of the meeting.

Mayor Turner opened the meeting.

Disclosures: City Attorney, Eric Monday, reported disclosures have been signed by Vice Mayor Bowles and Mark Stroud stating they can vote impartially. Mr. Stroud is a retiree of the city sheriff's office and his spouse works for city schools. Ms. Bowles is in negotiations with city schools for potential employment in athletics.

Mandated Agency funding: Representatives from each of the five mandated agencies, MHC Economic Development Corporation, 911 Center, Health Department, Social Services, and Library, made presentations to Council regarding their budget requests.

Patrick Henry Community College representative, Jack Hanbury, made comments regarding their budget request.

Sheriff: Sheriff Steve Draper briefed Council on the budget request for his department.

Capital expenditures: A presentation was given by Draper Aden regarding the city's Asset Management program. There was lengthy Council discussion regarding capital expenditures and future needs of city departments. No actions taken.

There being no further business, the meeting adjourned at 9:50 pm.

Brenda Prillaman, Clerk of Council

Danny Turner, Mayor

April 22, 2015

A special meeting of the Council of the City of Martinsville, Virginia, was held on April 22, 2015, in Council Chambers, Municipal Building, at 6:00PM, to conduct a budget worksession with Mayor Turner presiding. Council Members present included: Mayor Turner, Vice Mayor Bowles, Gene Teague, Sharon Brooks Hodge, and Mark Stroud. Staff present included: Leon Towarnicki, City Manager, Brenda Prillaman, Linda Conover, Wayne Knox, Kenneth Draper, Clay Gravely, Ruth Easley, Cindy Dickerson, Dennis Bowles, Durwin Joyce, Jeff Joyce, Mike Scaffidi, Sean Dunn, Andy Lash, Dave Brahmstadt, Bobby Phillips, Mary Prillaman, and Ted Anderson.

Mayor Danny Turner opened the meeting and asked for a moment of silence for the Dr. ChaCha family due to his death.

M-HC Historical Society: Steve Rucker presented information to Council regarding the organization's need for funding.

Departments Presentations:

Clay Gravely, Commonwealth Attorney, and Joyce Moran of the Southern VA Child Advocacy Center presented information to Council regarding need for funding. The following City Departments then made presentations on their budget needs: Electric, Refuse, Telecommunications, Police, Fire, Public Works, Human Resources, Community Development, MIS, and Finance.

Actions: Council discussed topics for the Thursday, April 23, 2015 budget worksession at 6PM including an acceptable use of fund balance and amount to be transferred from enterprise funds.

There being no further business, the meeting adjourned at 9:55 pm.

Brenda Prillaman, Clerk of Council

Danny Turner, Mayor

April 23, 2015

A special meeting of the Council of the City of Martinsville, Virginia, was held on April 23, 2015, in Council Chambers, Municipal Building, at 6:00PM, to conduct a budget worksession with Mayor Turner presiding. Council Members present included: Mayor Turner, Vice Mayor Jennifer Bowles, Gene Teague, Sharon Brooks Hodge and Mark Stroud. Staff present included: Leon Towarnicki, City Manager, Brenda Prillaman, Linda Conover, Sean Dunn, Mary Prillaman, and Wayne Knox.

Mayor Danny Turner opened the meeting.

Finance Director, Linda Conover, reviewed history of fund balance figures and the projected FY15 fund balance. There was lengthy Council discussion regarding infrastructure needs, justification of raising rates, comfortable level for use of fund balance, utility transfer amounts, employee raises, Human Resources classification study request, Human Resources consulting service request, funding of MHC Economic Development Corporation, Assets Management study, and MINET fiber build funds.

Mayor Turner asked for Council's pleasure on Historical Society funding request. Hodge and Turner both said no to funding request from the Historical Society and Teague stated he supports the City Manager's proposed budget.

A motion was made by Gene Teague, seconded by Sharon Brooks Hodge to remove \$37,500 classification study amount from proposed budget and motion passed with a 5-0 vote.

A motion was made by Gene Teague, seconded by Sharon Brooks Hodge to remove \$15,000 HR consulting service amount from proposed budget and motion passed with a 4-1 vote (Stroud voted nay).

A motion was made by Sharon Brooks Hodge, seconded by Danny Turner, to remove \$185,000 MINET fiber build amount from proposed budget.

A substitute motion was made by Gene Teague to hear information from Mr. Scaffidi regarding the fiber build out before cutting. The substitute motion passed on a 3-2 vote (Hodge voted nay and Turner voted nay).

A motion was made by Gene Teague, seconded by Mark Stroud, to direct the City Manager to come back with a revised budget with \$300,000 in cuts.

April 23, 2015

A substitute motion was made by Danny Turner, seconded by Sharon Brooks Hodge, to have City Manager cut budget \$550,000 to eliminate the 3% electric rate increase.

A vote was taken on the original motion to cut \$300,000 which passed with a 3-2 vote. (Hodge voted nay and Turner voted nay).

There being no further business, the meeting adjourned at 8:15 pm.

Brenda Prillaman, Clerk of Council

Danny Turner, Mayor



City Council Agenda Summary

Meeting Date: May 12, 2015

Item No: 2.

Department: City Council

Issue: Presentation of proclamation regarding National Police Week 2015 and Peace Officers' Memorial Day.

Summary: Martinsville City Police Department representatives will be present to accept the proclamation.

Attachments: none

Recommendations: For information.



PROCLAMATION

NATIONAL POLICE WEEK 2015

And

PEACE OFFICERS' MEMORIAL DAY

WHEREAS, the Congress and President of the United States have designated May 15 as Peace Officers' Memorial Day, and the week in which it falls as National Police Week; and

Whereas, the men and women of the Police Department and the Sheriff's Department of the City of Martinsville are instrumental in creating peace of mind to all the citizenry through their many efforts to enhance public safety; and

Whereas, it is incumbent on all our citizens to recognize, know and understand the duties, responsibilities, hazards, dedication, and sacrifices of the men and women of the Police Department and the Sheriff's Department of the City of Martinsville, and it is also incumbent upon each law enforcement officer to serve the people by safeguarding life and property, by protecting against violence and disorder, and by protecting the innocent against deception and the weak against oppression; and

Whereas, the Police and Sheriff Departments of the City of Martinsville are professional organizations that remain abreast in the latest scientific applications of criminalistics;

Whereas, I call upon all citizens of the City of Martinsville to observe May 15th as Peace Officers' Memorial Day to honor those men and women who, through their dedicated service and courageous deeds, have lost their lives or been disabled in the performance of their duties. I especially want to recognize Martinsville Policeman George F. Carter, who lost his life in the performance of his duty on June 14, 1919 while he was attempting to apprehend gamblers. I would also like to recognize Martinsville Police Officer Jonathan Bowling who lost his life on January 26, 2005 while fighting in Iraq during Operation Iraqi Freedom.

Now, therefore, I, Danny Turner, Mayor of Martinsville, call upon all citizens of the City of Martinsville and upon all patriotic, civic and educational organizations to observe the week of May 10 through May 16, 2015, as National Police Week with appropriate ceremonies in which all our people may join in recognizing the women and men, both past and present, who by their faithful and loyal service and devotion to their charge have rendered a dedicated service to our community and the citizens within it, and in performing these duties have established an enduring reputation for preserving the rights and security of all the citizens of Martinsville.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Martinsville to be affixed.

Danny Turner
Mayor

Meeting Date: May 12, 2015

Item No: 3.

Department: City Manager

Issue: Consider setting a public hearing for May 26, 2015 for the purpose of receiving/interviewing citizens interested in appointments for two 3-year positions beginning July 1, 2015 and ending June 30, 2018 to the City's School Board.

Summary: Only those citizens interviewed by Council or whose names were brought up during the Public Hearing can be considered for appointment and appointments cannot be made until seven days after the Public Hearing. This item will be on Council's June 9, 2015 agenda for appointments.

Attachments: Martinsville School Board current listing 2015

Recommendations: Set the public hearing for May 26, 2015 and interview applicants in closed session at the May 26, 2015 Council meeting.

SCHOOL BOARD

SCHOOL BOARD – The School Board is declared a body corporate. In its corporate capacity, it is vested with all the powers and charged with all the duties, obligations, and responsibilities upon school boards by law. It may sue, be sued, contract, be contracted with, and in accordance with the provisions of this title, purchase, take, hold, lease, and convey school property both real and personal. The School Board has the following powers and duties: 1 – to make rules for the governance of the schools within its jurisdiction; 2 – to determine the curriculum, methods of teaching, methods of administration and governance, and the length of the school term; 3 – to employ and dismiss teachers upon the recommendation of the superintendent; 4 – to suspend or expel pupils when necessary; 5 – to establish such schools as are necessary in the judgment of the Board to so constitute a complete and efficient system; 6 – to control and manage funds made available to the Board for the purpose of conducting free public schools; 7 – examine all claims for payment and authorize payment; and 8 – to submit annually to City Council a budget request.

The Board consists of five members serving **three-year** terms appointed by City Council. **School Board members can serve a maximum of three 3-year consecutive terms.**

Meetings are held on the second Monday of each month.

Contact: Ms. Pam Heath, Superintendent, 403-5700 P. O. Box 5548, Martinsville, VA 24115.

NAME ADDRESS	INITIAL APPOINTMENT	TERM EXPIRES	FULL TERM
Rives Coleman, 603 Mulberry Rd.	6/25/13	06/30/16	1
Craig B. Dietrich, 1227 Lanier Rd. (reappointed 6/10/14)	06/14/11	06/30/17	2
Victor Correa, 1242 Sam Lions Trail	06/10/14	06/30/17	1
Carolyn McCraw, 1724 Meadowview Lane (638-2160 H)	06/09/09	06/30/15	2
Robert Williams, 1017 Country Club Drive	06/21/06	06/30/15	3

6/20/14

9

Note: If a Board or Commission does not specify number of terms a person can serve, then the number of terms defaults to three terms per a policy adopted by City Council Dec.11, 1990. (per city attorney 4/26/11) Two exceptions (1) if no one is interested (2) no one qualified has applied, then the person holding the position can serve another term if Council chooses.



City Council Agenda Summary

Meeting Date: May 12, 2015

Item No: 4.

Department: City Attorney

Issue: Consider approval of FY16 Budget Ordinance on second reading.

Summary: Attached is the summary of the 2015-16 Budget in ordinance form

Attachments: 2015 Budget Ordinance

Recommendations: Consider approval on second reading with a motion and a roll call vote.

CITY OF MARTINSVILLE, VIRGINIA
ORDINANCE No. 2015-U-
The Budget for Fiscal 2015-2016

BE IT ORDAINED by the Council of the City of Martinsville, Virginia, in regular session assembled May 12, 2015, that the following sums of money be and hereby are appropriated – by specified Fund – for the City’s fiscal year ending June 30, 2016, from the following Fund sources of estimated revenue:

SUMMARY STATEMENT OF BUDGET ESTIMATES
2015-2016

Fund	Projected Revenues	Budgeted Expenditures	Changes in Fund Balance
General	\$ 30,521,179	\$ 33,687,879	\$(3,166,700)
Meals Tax	\$ 2,066,792	\$ 2,066,792	-
Capital Reserve	\$ 1,507,580	\$ 1,757,580	\$ (250,000)
Refuse	\$ 2,229,000	\$ 4,163,315	\$(1,934,315)
Telecommunications	\$ 1,561,671	\$ 1,260,716	\$ 300,955
Water	\$ 3,303,500	\$ 2,725,410	\$ 578,090
Sewer	\$ 4,027,512	\$ 3,693,877	\$ 333,635
Electric	\$ 18,800,095	\$ 21,020,263	\$ (2,220,168)
Cafeteria*	\$ 1,550,290	\$ 1,550,290	-
Schools**	\$ 23,339,156	\$ 23,339,156	-
CDBG	\$ 17,292	\$ 200	\$ 17,092
Housing	\$ 0	\$ 5,348	\$ (5,348)
Totals	\$ 88,924,067	\$ 95,270,826	\$ (6,346,759)

*Cafeteria – Estimated; actual unavailable at time of publication.
**Schools – As adopted by School Board.

Tax Rates (unchanged):

Real Estate: \$1.0621 per \$100 assessed value
Personal Property: \$2.30 per \$100 assessed value
Machinery & Tools: \$1.85 per \$100 assessed value

Proposed for Electric:

Average Increase 3%

BE IT FURTHER ORDAINED by the Council that this Ordinance shall be effective on and after July 1, 2015.

* * * * *

Attest:

Brenda Prillaman, Clerk of Council

Date Adopted

Date Effective