

AGENDA--CITY COUNCIL -- CITY OF MARTINSVILLE, VIRGINIA

Council Chambers – Municipal Building

7:00 pm Closed Session

7:30 pm regular session

Tuesday, September 22, 2015

**7:00—Closed Session**

1. Items to be considered in Closed Session, in accordance with the Code of Virginia, Title 2.2, Chapter 37—Freedom of Information Act, Section 2.2-3711(A)—Closed Meetings, the following:
  - a. Appointments to boards and commissions as authorized by Subsection 1.
  - b. Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body, as authorized in Subsection 3.
  - c. Consultation with legal counsel and briefings by staff members, attorneys or consultants pertaining to actual or probable litigation, or other specific legal matters requiring the provision of legal advice by such counsel, as authorized by Subsection 7.

**7:30—Regular Session**

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

1. Consider approval of minutes from September 8, 2015 Council meeting (2 mins)
2. Hear overview of September 21, 2015 Druid Hills/Uptown area Neighborhood tour and meeting (10 mins)
3. Recognition of Kris Bridges, Deputy Building Official awarded the 2015 Virginia Building and Code Officials Association Award (5 mins)
4. Present a Proclamation honoring the Garden Club of Virginia, recognizing the Martinsville Garden Club, and proclaiming Thursday, October 15, 2015 as “Garden Club of Virginia Day” in Henry County and the City of Martinsville (5 mins)
5. Consider adoption of a Resolution designating October as Virginia Artisan Month and October 2-11, 2015 as American Craft Week (5 mins)
6. Presentation of Proclamation recognizing October, 2015 as Domestic Violence Awareness Month (5 mins)
7. Hear update from 911 Center Director, J.R. Powell on the CodeRed Alert System (15 mins)
8. Hear a report prepared by Davenport & Company, LLC. Regarding an analysis of the City’s debt/debt capacity (10 mins)
9. Consider authorizing & execution of agreement on Water Meter replacement project and to seek financing options (15 mins)
10. Hear finance report (15 mins)
11. Consider approval of consent agenda. (5 mins)
  - A. Re-appropriations for FY16
  - B. Health Department Re-appropriation
12. Business from the Floor

**This section of the Council meeting provides citizens the opportunity to discuss matters, which are not listed on the printed agenda. In that the Council meetings are broadcast on Martinsville Government Television, the City Council is responsible for the content of the programming. Thus, any person wishing to bring a matter to Council’s attention under this Section of the agenda should:**

**(1) come to the podium and state name and address;**

**(2) state the matter that they wish to discuss and what action they would like for Council to take;**

**(3) limit remarks to five minutes;**

**(4) refrain from making any personal references or accusations of a factually false and/or malicious nature.**

**Persons who violate these guidelines will be ruled out of order by the presiding officer and will be asked to leave the podium.**

**Persons who refuse to comply with the direction of the presiding officer may be removed from the chambers.**

13. Comments by members of City Council. (5 minutes)

14. Comments by City Manager. (5 minutes)



## City Council Agenda Summary

**Meeting Date:** September 22, 2015

**Item No:** 1.

**Department:** Clerk of Council

**Issue:** Consider approval of minutes September 8, 2015 Council meeting.

**Summary:** None

**Attachments:** September 8, 2015 meeting

**Recommendations:** Motion to approve minutes as presented.

September 8, 2015

The regular meeting of the Council of the City of Martinsville, Virginia was held on September 8, 2015 in Council Chambers, Municipal Building at 7:30pm, Closed Session beginning at 7:00pm with Mayor Danny Turner presiding. Council members present: Mayor Danny Turner, Vice Mayor Jennifer Bowles, Council Member Gene Teague, Council Member Sharon Hodge and Council Member Mark Stroud. Staff members present included: City Manager Leon Towarnicki, City Attorney Eric Monday, Clerk of Council Karen Roberts, Superintendent of Water Resources Andy Lash, Police Chief Sean Dunn, Assistant City Manager Wayne Knox, Sheriff Steve Draper, Public Works Director Jeff Joyce, and Major Laura Hopkins.

Mayor Turner called the meeting to order and advised Council would go into Closed Session. In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon motion by Council Member Teague, seconded by Council Member Hodge with the following recorded 5-0 roll-call vote: Council Member Hodge, aye; Vice Mayor Bowles, aye; Council Member Stroud, aye; Council Member Teague, aye; Mayor Turner, aye. Council convened in Closed Session for the purpose of discussing the following matters: A) 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 the Closed Session, each returning member of Council certified that (1) only public business matters exempt from opening 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 Vice Mayor Bowles and seconded by Council Member Stroud with the following 5-0 roll-call recorded vote: Stroud, aye; Turner, aye; Teague, aye; Bowles, aye; Hodge, aye; Council returned to Open Session.

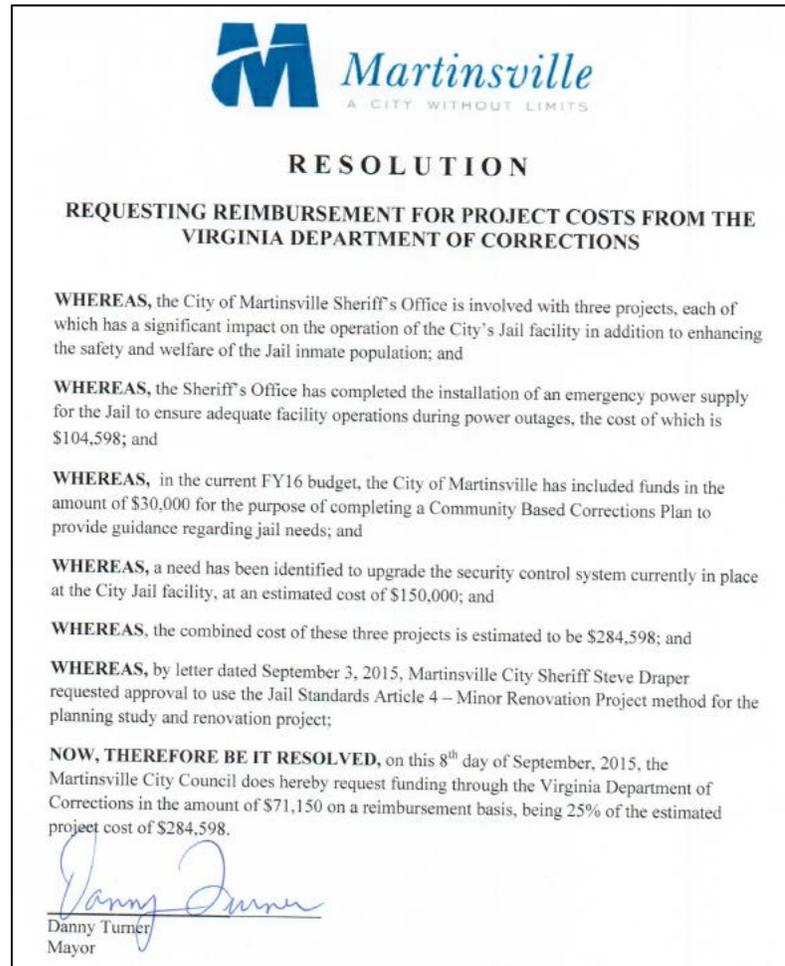
Invocation and Pledge to the American Flag –Council Member Gene Teague.

Approval of minutes from August 25, 2015 Council meeting - On a motion by Council Member Teague, seconded by Council Member Hodge, with a 5-0 vote, Council approved the minutes of the August 25, 2015 meeting.

Consider adoption of a Council Resolution requesting reimbursement from the Virginia Department of Corrections of a share of costs related to certain projects at the City Jail facility Addendum – Sheriff Draper updated Council on projects including the emergency generator power project to the jail which is complete, the

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study on jail space, and the security system upgrade. Council Member Teague made a motion to adopt the Resolution requesting reimbursement for project costs from the Virginia Department of Corrections; Vice Mayor Bowles seconded the motion, all Council Members voted in favor to adopt the resolution.



Sheriff Draper also showed Council Members an article in the Law and Order magazine recognizing the Martinsville City Sheriff's Department for winning the car design contest.

Consider approval of a 5-year extension to the transfer station contract the City has with First Piedmont Corporation- City Manager Towarnicki described the current contract including the tipping fees and provisions that allowed the tipping fee to be modified on an annual basis. At \$60 per ton, the City began to look at other options including recycling, and had discussions with Rockingham County about their landfill along with Pittsylvania & Franklin Counties. After those discussions, First Piedmont was able to lower the tipping rate. With the renewal of the contract and the lower tipping fee, the City will save approximately \$25,000 per year. Other options regarding wastewater sludge could also be more economically feasible. Waste to

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energy was \$60 per ton with guaranteed tonnage but the City could not guarantee that tonnage over the next five years and will discuss again in the future. Council Member Teague asked for confirmation that this will lock in the tipping fee and the operational fee for the next five years. Council Member Stroud commented that the current recycling program is handled very well and asked where we stand on the sludge press. Towarnicki explained that an investigation of processes was done and a viable option was identified but with every project like that there is a price. Jeff Joyce explained the details of the current contract provision, the changes in the new contract, additional changes including yearly rate adjustments, terms of the agreement and operating hours, reduced cost for disposal of municipal solid waste (MSW), and reduced cost for disposal of sludge. Vice Mayor Bowles made a motion to approve the 5 year contract beginning January 1, 2016, Council Member Stroud seconded the motion, all Council Members voted in favor.

## MARTINSVILLE TRANSFER STATION CONTRACT RENEWAL

*City Council Presentation  
Tuesday, September 8, 2015*

### Original Contract Provisions

- Initially starting in January 2005, the current contract term was 11 years ending December 31, 2015.
- First Piedmont Corp. built, owns, and operates the transfer station on the former Martinsville Sanitary Landfill site.
- First Piedmont Corp. leases the land for the station from the City.
- The transfer station receives virtually all waste generated in the City and Henry County.
- First Piedmont Corp. hauls all sludge generated at the Martinsville Wastewater Treatment Plant.

### Changes in the New Contract

#### Adjusted Tipping Fee Schedule

<u>Waste Type</u>	<u>Current Rate</u>	<u>New Rate</u>	<u>Change</u>
Industrial	\$58.74/ton	\$56.49/ton	(\$2.25)
MSW	\$61.65/ton*	\$58.65/ton*	(\$3.00)
Sludge	\$47.13/ton	\$44.78/ton	(\$2.35)

\* Rate includes \$2.00/ton North Carolina tax.

### Additional Changes

- Yearly rate adjustments will be based on the previous 12 month Consumer Price Index-U instead of the Municipal Cost Index.
- The term of this agreement is for five (5) years beginning January 1, 2016 with the option to renegotiate three additional five year term extensions.
- The City retains the option to purchase the facility at a depreciated value at the end of the five year term.
- The City retains the option to use alternative methods for sludge disposal.
- Operating hours and holidays have been adjusted to reflect current practices.

Reduced Cost for Disposal of MSW	Reduced Cost for Disposal of Sludge
<p>Average tonnage of MSW hauled to the transfer station over the past three years is approx. 7,500 tons per year.</p> <p>Current rate at \$61.65/ton vs. New rate at \$58.65/ton</p> <p>7,500 tons/yr. X \$61.65/ton = \$462,375 per year 7,500 tons/yr. X \$58.65/ton = \$439,875 per year</p> <p>Cost Reduction of approximately \$22,500/year</p>	<p>Average tonnage of sludge hauled from the City's waste water treatment plant is approx. 11,000 tons per year.</p> <p>Current rate at \$47.13/ton vs. New rate at \$44.78/ton</p> <p>11,000 tons/yr. X \$47.13/ton = \$518,430 per year 11,000 tons/yr. X \$44.78/ton = \$492,580 per year</p> <p>Cost Reduction of approximately \$25,850/year</p>

Hear an update on FY15 refuse collection and also general information on current policies and procedures – Jeff Joyce explained the refuse collection, dumpster rental and collection, bulk and brush pickup, and recycling programs. Mayor Turner stated that one of the problems he’s seen is that some uptown businesses will put their trash out at the end of the day on Saturday and it could get scattered before pick up the following Monday. City Manager Towarnicki explained that is partly due to cleaning services working in those businesses after hours but the Public Works department tries to identify those businesses and work with them to avoid this from happening. City Manager Towarnicki said that exceptions have been made to assist residents in extenuating circumstances such as storm cleanup or when a freezer full of food stops working. Mayor Turner suggested that residents contact the Sheriff’s Department if they have a fallen tree before contracting someone to clean up the wood; the Sheriff’s Department works with a program through Social Services for residents who burn wood for heat in the colder months. Mr. Joyce also explained the live Christmas tree pickup and bagged leaf collection in addition to the sweeper that does leaf and street cleanup. Code does not allow residents to burn piles of leaves or blow leaves or grass clippings into the street. Vice Mayor Bowles wanted to thank them for working with residents on the bulk trash pickup. Mayor Turner questioned if there was some way to keep animals out of trash. Mr. Joyce said code states that trash should be put out the morning of collection and if residents choose to leave trash out overnight then they should leave it in garbage cans with a lid to prevent animals from getting in the trash. City code also requires that trash cans should be removed from the curb by sundown and they are not allowed to be moved back to the curb until the next scheduled collection day. Council Member Stroud wanted to

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thank Public Works on the ADA curbing and paving on Cleveland Avenue; he stated that the jobs were handled well by all crews. City Manager Towarnicki stated that if it were not for inmate labor assisting the refuse crews, the City would probably need to hire 4-5 additional employees which would drive the costs up significantly. The inmates used on all work crews come through the jail annex and go through an elaborate screening process before they are allowed to assist the Public Work crews; these inmates are good people who made a mistake but they want to work and they work hard. Council Member Hodge expressed that she has mixed feelings and in her opinion the City is taking advantage of incarcerated people. Council Member Stroud responded that these workers volunteer for the work and are paid a nominal fee, he stated that if it weren't for this work opportunity those inmates would be sitting idle.

<h2>City of Martinsville Refuse Collection and Recycling</h2> <p>1</p>	<h3>Refuse Collection and Recycling Programs</h3> <ul style="list-style-type: none"><li>• Residential and commercial solid waste collection</li><li>• 8 yard container rental program</li><li>• Bulk trash and brush collection programs</li><li>• Recycling and reuse program</li><li>• Leaf collection program</li></ul> <p>2</p>
<h3>Refuse Collection</h3> <p>The City has over 6,000 residential and commercial customers.</p> <ul style="list-style-type: none"><li>• Residential collection routes are divided into four areas and are collected Tuesday through Friday each week.</li><li>• Commercial collection occurs six day per week for businesses, schools, health care facilities, and multifamily complexes.</li><li>• Uptown businesses are collected Monday through Friday each week.</li></ul> <p>3</p>	<h3>8 Yard Container Rental Program</h3> <ul style="list-style-type: none"><li>• The City offers 8 yard container (dumpster) rentals for temporary or permanent use to residents and businesses.</li><li>• Servicing the containers can be scheduled on a regular basis or a call-in basis.</li><li>• Customers will be charged a monthly rental fee and a collection fee each time the container is emptied.</li></ul> <p>4</p>

### Bulk and Brush Pickup Programs

- Collection of large, bulky items and bagged leaves is provided for residential customers in the City. Pick ups are scheduled by calling no later than 12 noon of the day before a resident's regular garbage collection day. Call 403-5419 to schedule a pick up.
- Collection of brush and small limbs from regular yard cleaning activities can be scheduled for collection on Mondays once a month in each collection area. Call 403-5411 to schedule a pick up.
- These programs are for residential customers only. Detailed policies for use of these programs can be found on the City's website.

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### Recycling/Reuse Program

Recyclables are collected and marketed from the following operations.

- Drop-off collection center on Market Street
- Bulk trash collection program
- Office and mixed paper collected from City offices.
- Metal cans collected from the Jail and school cafeterias.
- Wood waste collected by various City departments

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Continued:

- Surplus and waste materials from the City Shop and Garage.
- Christmas trees collected and ground into mulch.

Other items such as milled asphalt and broken concrete are reused by the Public Works, Water Resources, and Parks & Recreation departments.

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### Autumn Leaf Collection Program

- The City provides leaf collection of bagged leaves usually beginning in October though December. Bagged leaves/grass clippings can be placed behind the curb or ditch line and will be collected once per week. Residents can schedule collection during other times of the year by calling the bulk collection number (403-5419).
- Residents are reminded that City Code does not allow leaves, brush or grass clipping to be deposited in the streets or right-of-ways.

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Consider approval of consent agenda – On a motion by Council Member Teague, seconded by Council Member Hodge, with a 5-0 vote, Council approved the following consent agenda:

BUDGET ADDITIONS FOR 09/08/15				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<b>FY15</b>				
<b>General Fund:</b>				
01100909	490139	Advanced/Recovered Costs		49,938
01311085	501215	Police Dept. - O/T - CIT Program	8,013	
01311085	505500	Police Dept. - Training	500	
01331108	501215	Sheriff - Corrections - O/T - CIT Program	40,425	
01331108	505540	Sheriff - Corrections - Training	1,000	
		Crisis Intervention Team reimbursements		
01102926	436401	Categorical - Federal - Confiscated Assets - Police		19
01311085	506079	Police - Federal Asset Forfeitures	19	
		Accumulated interest for FY15		
<b>Total General Fund:</b>			<b>49,957</b>	<b>49,957</b>

BUDGET ADDITIONS FOR 9/8/15				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<b>FY16</b>				
<b>General Fund:</b>				
01100904	442401	Local Confiscated Assets - Police Dept		185
01311085	506118	Police Dept - Local Confiscated Assets	185	
01100904	442402	Local Confiscated Assets - Commonwealth's Attorney		185
01221082	506118	Commonwealth's Attorney - Local Confiscated Assets	185	
		Local confiscated funds		
01101917	442401	Categorical Other State - Confiscated Assets - Police		2,949
01311085	506078	Police Dept - Conf Assets State	2,949	
		Proceeds from confiscated vehicle sales		
01100909	490104	Advanced/Recovered Costs		921
01322105	506008	EMS - Vehicle Equipment & Maintenance	921	
		Reimbursement for repairs		
01102926	443200	Categorical Federal - National Endowment for the Arts		25,000
01812242	505660	Misc Development Exp - Piedmont Arts NEA Grant	25,000	
		Federal grant for Piedmont Public Art Garden project		
01100908	480406	Miscellaneous Revenues - Donations/Recreation		450
01711210	506007	Recreation - Equipment & Supplies	450	
		Team Sponsor donations		
1101917	442402	Categorical Other State - Confiscated Assets - C Atty		248
1221082	506105	Comm Atty - Conf Assets State	248	
1101917	442401	Categorical Other State - Confiscated Assets - Police		716
1311085	506078	Police Dept - Conf Assets State	716	
		State Asset Forfeiture Proceeds		
<b>Total General Fund:</b>			<b>30,654</b>	<b>30,654</b>

Business from the Floor – Patrick Wright, 1201 Spruce St – wanted to let Council know that he just returned from Myrtle Beach and when he’s more informed he would give his opinion.

Ural Harris, 217 Stewart St – requested an explanation of AMP Ohio, an explanation of rates and why the contractor walked off the job. City Manager Towarnicki stated that there was an Electric Utility update due within the next month and it could be explained at that time.

Comments by members of City Council –

Council Member Stroud – sends his condolences to the Ward and Parker Families and those affected by the tragedy at Smith Mountain Lake.

Council Member Hodge – recognized the West End Working Group which has become a non-profit organization and have started renovation on the first of two homes located on 508 and 610 Fayette Street that were donated to them. She thanked Mr. Knox for helping this organization and keeping them going. City Attorney Monday explained that there has been a change in taxation on non-marketable properties and he would discuss this with Assistant City Manager Knox.

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Council Member Teague – requested an update on the Planning Session schedule and the School Board meeting.

Vice Mayor Bowles – would like to wish Council Member Teague a Happy Birthday.

Mayor Turner – asked the City Manager to contact VHL and attempt to have Mel Cartwright, Sr. nominated back to the Hall of Fame. He suggested a memorial for Allison Parker in the Uptown area. He also announced that Tuesday is Nascar Day in Uptown Martinsville and will include a Nascar Chase Driver. Mayor Turner recognized Mamie Nunn of Barrows Mill Road and wished her a Happy 100<sup>th</sup> birthday.

Comments by City Manager – Tuesday, September 15, 2015 is Nascar Day with a media question and answer event in Council Chambers with a Chase driver to be announced beginning at 3:00pm. A key to the City will be presented to the Chase Driver and a short parade will follow beginning around 3:30pm on Church Street. Speedway hotdogs and music will be provided at 37 East Main Street. Regarding strategic planning for FY17, budget numbers are being calculated and he is planning to have a joint session with the school board. Strategic planning over the summer has been difficult to plan with the facilitator's schedule. Within the next two weeks, Council will be provided a summary of what was discussed at the previous strategic meeting. A Neighborhood Tour and Neighborhood Meeting will be held Monday, September 21 at Forest Hills Church beginning at 7:30pm. Outstanding Military Veteran Award nominations are being accepted and forms are available on the Martinsville City website, the Henry County website, the County Administrator's office and in the City Manager's office. The deadline for nominations is October 15, 2015 and the award will be presented Wednesday November 11, 2015

Presentation regarding a possible project involving replacement of City water and electric meters, and conversion of City street lighting to LED lighting – City Manager Towarnicki stated that last November and December Council was presented the possibility of meter replacement and street light replacement. Meetings have been held with Johnson Controls this past year about the possibility of these projects. Whit Blake of Johnson Controls shared a presentation explaining these projects including current challenges and project objectives of water and electric meter replacement. Johnson Controls has done studies of the current water meters. John Gunn confirmed that the older the meter and the increased amount of water

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that flows through it makes the meter more likely to be inaccurate, he stated that commercial meters are typically not as accurate as residential meters. Mr. Blake explained the advantages of the new proposed water meters for residential and commercial locations. Electric meters throughout the City are older and require manual reading; new meters would be more accurate and could be read digitally. Remote disconnect gives the Electric Department the option to disconnect the meter through the system without sending a worker to the residence or business. Mr. Blake continued by explaining the AMI-Flex Net system and how it could detect leakage and provide alarms that could signal hot sockets and possible meter tampering. All information would be stored on a server at City Hall and protected by firewalls. The meters could still be manually read when necessary. City Manager Towarnicki acknowledged that there is a high rate of meter tampering in the City; not only is this stealing from the City but this is a dangerous act. Mr. Blake explained a study which focuses on collectors mounted to water towers; readings would be transmitted by radio frequency then hardwired to transmit information back to the City server on an hourly basis. Mr. Blake explained the benefits of the Meter Data Management system (MDMS). An additional energy conservation issue he suggested was changing the street lights to LED, stoplights would not be affected. Savings for these projects will generate enough savings for a self-funding project. City Manager Towarnicki explained that the municipal building project included digital controls of heating and air, lighting updates to lower wattage has been completed and is doing exactly what it was projected to accomplish in terms of energy savings. Implementing these new meters would require fewer employees which would be included in cost savings. There is also the option where customers can see usage and information online with this new meter program. Mr. Blake shared the O&M savings, capital avoidance and the measurement and verification plan. Council Member Hodge questioned what would happen to the employees if the new system is implemented and asked if positions would be cut. City Manager Towarnicki explained that those employees would be moved to another vacant position if possible. Council Member Hodge asked for the life span of the smaller meters. Mr. Blake and Andy Lash stated that the residential meters would need to be replaced in approximately 20 years. This project brings additional benefits to the City and the residents, the implementation would be well planned and as seamless as possible, adding that there would be community meetings, press releases, door hangers, notification of water outage, etc. to keep

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residents informed. The process of changing the water meter would only take 5-10 minutes and the crews would not leave the location until water is flushed and back on. Council Member Hodge suggested that some residents may have concerns about the signals from the water tower transmitters. Mr. Blake explained that education, information and public relations is important to Johnson Control's and the crews that will be replacing the meters. They are also looking at improvements at the Wastewater plant and treatments there. City Manager Towarnicki confirmed that Johnson Controls would provide complete slides to Council Members and the accuracy of meter testing. Council Member Teague would like to see what would be available to residents online.

 <h2>Helping Martinsville Achieve</h2>  	 <h2>Current Challenges</h2> <ul style="list-style-type: none"><li>▪ Significant non-revenue water at 29.8%</li><li>▪ Cost of real and apparent losses exceeding \$172K annually.</li><li>▪ Inaccurate water &amp; electric meter population.</li><li>▪ Manual reading of water and electric meters is costly with potential for misreads.</li></ul> 
 <h2>Project objectives:</h2> <ul style="list-style-type: none"><li>▪ Replace water meters with new accurate meters</li><li>▪ Replace electric meters with new accurate electric meters</li><li>▪ AMI/AMR to further reduce cost associated with meter reading</li><li>▪ Consider other Energy Conservations Measures (ECM's)</li></ul> 	 <h2>PHASE 1: PROJECT SCOPE</h2> 

**Martinsville**  
A CITY WITHOUT LIMITS

## Water Meters



**SENSUS**

Johnson Controls

**Martinsville**  
A CITY WITHOUT LIMITS

## Water Meters - Residential



- Accuracy 98.5% guaranteed
- 100% lead-free with no moving parts
- iPERL system maintains its accuracy over a 20-year lifetime
- AMI connectivity, diagnostic and alarms

Johnson Controls

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## Water Meters - Commercial

- OMNI™ Compound (C<sup>2</sup>)
- OMNI™ Turbo (T<sup>2</sup>)
- Project includes replacement of the measuring chamber year 10
  - Installation by Martinsville in yr 10



Johnson Controls

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## Electric Meters:



Johnson Controls

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## Electric Meters - Benefits

- **Accuracy**
- Remote disconnect on 5% (370) of the form 2S meters
- AMI connectivity
- Power Quality Monitoring

Johnson Controls

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## AMI - FlexNet



- 20-year battery life (water)
- Stores at a min. 35 days of hourly usage
- Integrated alerts
  - Leak detection (customer side)
  - Reverse flow
  - Hot socket
  - Power outage
  - Meter tamper

Johnson Controls

## Martinsville Propagation

## Martinsville

### Meter Data Management System - (MDMS)

- Logic by Sensus
- Data analytics software
  - Billing interface to validate and export billing information
  - Data Reporting, tracking, and analysis
  - Customizable user roles and menus
  - Highly configurable interface

## Martinsville

### Logic Dashboards

## Martinsville

### Street Lights - LED

## Martinsville

### Street Lights - LED

Quantity	Watts	Type
2116	100 W	Dusk to Dawn
535	200 W	Cobrahead
275	400 W	Cobrahead
104	175 W	Decorative
186	100 W	Post-top

## Martinsville

### Street Lights – LED – key benefits

- Energy Savings
- Reduced Maintenance
- Enhanced Security
- Superior light quality



### Project Financial Highlights

- Project Total: \$7,579,693
  - One Time Contribution: \$475,000
  - Adjusted Financed Amount: \$7,104,693
- Term: 15 Years
- Construction Period: 12 Months
- Interest rate: 3.00%
- Total Savings: \$9,474,031
  - Water Meters 12.5 yr payback
  - Electric Meters 11 yr payback
  - AMI 13 yr payback
  - Street Lights 13 yr payback



### Project Business Case

		Measured Savings			Non-measured Savings			Total Savings	Loan Payment	Performance Management	Balance	
		Utility Savings	Meter Benefit	Total	Meter Benefit	Operational Savings	Capital Avoidance					Total
Construction Years	Year 0	\$ 10,924	\$ 7,410	\$ 18,334	\$ 6,085	\$ -	\$ -	\$ 6,085	\$ 24,419	\$ -	\$ -	\$ 24,419
	Year 1	\$ 135,015	\$ 91,592	\$ 226,607	\$ 75,211	\$ 111,026	\$ 154,500	\$ 340,736	\$ 567,344	\$ 547,058	\$ 20,285	\$ -
	Year 2	\$ 139,065	\$ 94,340	\$ 233,405	\$ 77,467	\$ 114,357	\$ 159,135	\$ 350,959	\$ 584,364	\$ 563,147	\$ 21,217	\$ -
	Year 3	\$ 143,237	\$ 97,170	\$ 240,408	\$ 79,791	\$ 117,787	\$ 163,909	\$ 361,487	\$ 601,695	\$ 560,574	\$ 41,121	\$ -
	Year 4	\$ 147,534	\$ 100,085	\$ 247,620	\$ 82,185	\$ 121,321	\$ 168,826	\$ 372,332	\$ 619,592	\$ 578,790	\$ 41,161	\$ -
	Year 5	\$ 151,960	\$ 103,088	\$ 255,048	\$ 84,650	\$ 124,960	\$ 173,891	\$ 383,502	\$ 638,550	\$ 625,877	\$ 12,673	\$ -
	Year 6	\$ 156,519	\$ 106,181	\$ 262,700	\$ 87,190	\$ 128,709	\$ 179,108	\$ 395,007	\$ 657,707	\$ 623,382	\$ 34,325	\$ -
	Year 7	\$ 161,215	\$ 109,366	\$ 270,581	\$ 89,805	\$ 132,571	\$ 184,481	\$ 406,857	\$ 677,438	\$ 617,254	\$ 60,184	\$ -
Performance Years	Year 8	\$ 166,051	\$ 112,647	\$ 278,698	\$ 92,500	\$ 136,540	\$ 190,016	\$ 419,063	\$ 697,761	\$ 651,434	\$ 46,328	\$ -
	Year 9	\$ 171,023	\$ 116,026	\$ 287,050	\$ 95,275	\$ 140,644	\$ 195,716	\$ 431,635	\$ 718,694	\$ 704,431	\$ 14,263	\$ -
	Year 10	\$ 176,164	\$ 119,507	\$ 295,671	\$ 98,133	\$ 144,863	\$ 201,587	\$ 444,584	\$ 740,235	\$ 730,135	\$ 10,119	\$ -
	Year 11	\$ 181,449	\$ 123,093	\$ 304,541	\$ 101,077	\$ 149,209	\$ -	\$ 250,286	\$ 594,827	\$ 539,695	\$ 15,132	\$ -
	Year 12	\$ 186,892	\$ 126,785	\$ 313,677	\$ 104,109	\$ 153,686	\$ -	\$ 257,795	\$ 571,472	\$ 555,886	\$ 15,586	\$ -
	Year 13	\$ 192,499	\$ 130,899	\$ 323,398	\$ 107,232	\$ 158,296	\$ -	\$ 265,528	\$ 588,616	\$ 572,363	\$ 16,054	\$ -
	Year 14	\$ 198,274	\$ 134,507	\$ 332,780	\$ 110,449	\$ 163,045	\$ -	\$ 273,494	\$ 606,275	\$ 584,694	\$ 16,535	\$ 5,046
	Year 15	\$ 204,222	\$ 138,542	\$ 342,764	\$ 113,763	\$ 167,836	\$ -	\$ 281,699	\$ 624,463	\$ 584,694	\$ 17,031	\$ 22,738
	Total	\$ 2,522,054	\$ 1,710,929	\$ 4,232,983	\$ 1,404,920	\$ 2,064,959	\$ 1,771,169	\$ 5,241,048	\$ 9,474,031	\$ 8,939,614	\$ 482,214	\$ 52,200



### Project Benefits – O&M Savings

O&M Component	Quantity	Annual Benefit
Salary and benefits	2	\$62,294
Vehicle, including fuel and maintenance	2	\$19,506
Uniforms, boots and radio	2	\$2,000
Meter repair and replacement	-	\$17,074
Handheld devices	-	\$3,120
<b>Total</b>		<b>\$103,994</b>



### Project Benefits – Capital Avoidance

Capital Avoidance	Years	Annual Benefit
Water Meters	10	\$100,000
Electric Meters	10	\$25,000
Street Lights	10	\$25,000
<b>Total</b>		<b>\$150,000</b>



### Measurement & Verification Plan

FIM	M&V Option	Measurement activity	Frequency/ When
Street lighting upgrades	A	Pre and Post kW reading at fixtures	One time pre and post
Small water meters	A	Accuracy pre and post testing – sent out to lab	Year 7
Large water meter	A	Accuracy pre and post testing – replace on site	Yr 3, Yr 6 Replace Yr 10
Polyphase Electric meter	A	Accuracy of the meter – pre and post	Yr. 4, Yr. 8
Billing rate revision	NM	Verify billing rate	One time



### Installation & Community Outreach

- Experienced Partners
  - US Bronco
  - HD Supply
- Billing
- Public Relations
  - Community educational meetings
  - Door hangers during installation
  - WaterWise education materials



**M Martinsville**  
A CITY WITHOUT LIMITS

### Next Steps...

- City council update – *September*
- Financing solicitation – *September/October*
- Scope review – *July / August*
- Contract review – *September*
- Contract execution – *September*
- Community outreach plan – *Nov./Dec.*
- Construction / Implementation plan workshop – *January*
- Phase II – Wastewater Treatment Plant

**Johnson Controls**

**M Martinsville**  
A CITY WITHOUT LIMITS

### Proven project partner - JCI

**100 Projects – Over 1 Million Meters**

**Johnson Controls**

City Manager Towarnicki said this topic would be added to an upcoming agenda to discuss funding and if Council would like to proceed with the project.

There being no further business, a motion was made by Vice Mayor Bowles to adjourn the meeting at 9:45pm, the motion was seconded by Council Member Hodge; all Council Members voted in favor.

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Karen Roberts  
Clerk of Council

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Danny Turner  
Mayor



## **City Council Agenda Summary**

**Meeting Date:** September 22, 2015

**Item No:** 2.

**Department:** City Council

**Issue:** Hear an overview of the September 21, 2015 Druid Hills/Uptown area Neighborhood Tour and Meeting.

**Summary:** Mayor Turner will give this update.

**Attachments:** None

**Recommendations:** No action required

**Date:** September 22, 2015

**Item No:** 3.

**Department:** City Manager

**Issue:** Recognize City Deputy Building Official, Kris Bridges on his selection by the Virginia Building and Code Officials Association for receipt of the Jack. A. Proctor Meritorious Service Award for Building Officials.

**Summary:** At the annual Virginia Building and Code Officials Association Conference held earlier this month, City Deputy Building Official Kris Bridges was selected to receive the prestigious Jack A. Proctor Meritorious Service Award for Building Officials.

The award is presented annually at the VBCOA conference and recognizes outstanding service, professionalism, and achievement among code officials. Mr. Bridges has been with the City since 2001 and is frequently cited for his thorough knowledge of the building codes and willingness to assist in developing solutions regarding code compliance issues.

**Attachments:** None.

**Recommendations:** No Council action needed.

**Date:** September 22, 2015

**Item No:** 4.

**Department:** City Manager

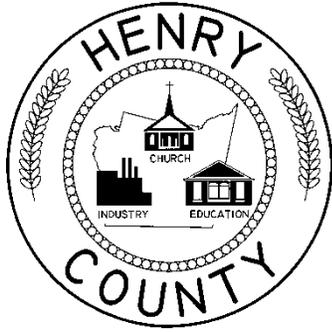
**Issue:** Present a proclamation honoring the Garden Club of Virginia, recognizing the Martinsville Garden Club, and proclaiming Thursday, October 15, 2015 as “Garden Club of Virginia Day” in Henry County and the City of Martinsville.

**Summary:** The Martinsville Garden Club will be hosting The Garden Club of Virginia Board of Governors which consists of the Executive Committee and the presidents of the 47 Garden Clubs across the State of Virginia, for meetings to be held at NCI on October 13, 14, and 15. A presentation of the Courthouse project will be made by the GCV Restoration Committee on October 15.

Henry County and the City of Martinsville will be presenting a joint Proclamation to members of the Martinsville Garden Club in recognition of the work done by their organization, and will also proclaim Thursday, October 15, 2015, as Garden Club of Virginia Day in Henry County and Martinsville.

**Attachments:** Joint Martinsville and Henry County Proclamation

**Recommendations:** No Council action needed. Representatives of the Martinsville Garden Club will be present to accept the Proclamation.



## PROCLAMATION

### Establishing October 15, 2015 as "Garden Club of Virginia Day"

in Henry County and Martinsville



**WHEREAS**, the Garden Club of Virginia, was founded in 1920 when eight local gardens clubs came together to use their collective strength to celebrate the beauty of land, to conserve the gifts of nature and to challenge future generations to build on this heritage; and

**WHEREAS**, the Garden Club of Virginia is an active association of forty-seven garden clubs, whose members collectively form a group of more than 3,300 civic leaders from around the Commonwealth; and

**WHEREAS**, the Garden Club of Virginia values the conservation of our natural resources, the restoration of historic gardens and landscapes, and the education of its members and the general public; and

**WHEREAS**, the Martinsville Garden Club will host the Garden Club of Virginia's Board of Governors Meeting on October 13 -15, 2015 in Martinsville-Henry County, Virginia, bringing hundreds of people to our community; and

**WHEREAS**, observance of this occasion allows the opportunity for our community to extend the appreciation it feels for the valuable contributions made by the Garden Club of Virginia toward the beautification of our all communities of the Commonwealth:

**NOW, THEREFORE, BE IT PROCLAIMED**, on this 22<sup>nd</sup> Day of September, 2015 that the Henry County Board of Supervisors and the Martinsville City Council establish Thursday, October 15, 2015 as "Garden Club of Virginia Day" in Henry County and Martinsville, and welcome members of the various clubs from around the Commonwealth to our community. Furthermore, the Board of Supervisors and City Council extend their highest praise and commendation to the membership of the Garden Club of Virginia for its service to our communities.

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H.G. Vaughn, Chairman  
Henry County Board of Supervisors

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Danny Turner, Mayor  
Martinsville City Council



## City Council Agenda Summary

**Meeting Date:** September 22, 2015

**Item No:** 5.

**Department:** Community Development

**Issue:** Consider adoption of a resolution designating October as Virginia Artisan Month and October 2-11, 2015 as American Craft Week.

**Summary:** The Artisan Center of Virginia (ACV) has partnered with organizations, business owners, artisans, craftsmen, and agri-artisans to establish the Smith River Artisan Trail in Martinsville and Henry County. The ACV has asked the City of Martinsville to endorse its proclamation designating October as Virginia Artisan Month and the week October 2-11 as American Craft Week.

**Attachments:** Resolution

**Recommendations:** Staff recommends that Council adopt the resolution.



## **RESOLUTION**

**By Martinsville City Council**

**For**

### **ENDORSEMENT OF VIRGINIA ARTISAN MONTH & AMERICAN CRAFT WEEK PROCLAMATION**

**WHEREAS**, the culture of the Virginia artisan inspires appreciative audiences for its unique work and distinctive way of life; and,

**WHEREAS**, the production and use of handmade arts and artisan-agricultural goods invoke an intimate lifelong relationship of value and appreciation for the work of highly skilled individuals; and,

**WHEREAS**, Virginia's artisans link past, present and future as they reconcile "meaning" with "making" through traditional practices and innovations; and,

**WHEREAS**, the state of Virginia currently hosts 27 community-connected and developing artisan trails representing 39 counties and 12 cities across the Commonwealth that are strengthening our economy through a connective community Artisan Trail Network; and,

**WHEREAS**, the Virginia's artisan industry, comprises an estimated 4,500 businesses, to include but not limited to individual studios, farms, aquaculture, art venues, market venues and supporting cultural sites in both the private and nonprofit sector; and,

**WHEREAS**, the Smith River Artisan Trail in Martinsville-Henry County, is a part of the statewide Artisan Trail Network, and,

**WHEREAS**, artisans and agricultural artisans contribute significantly to strong local and creative economies; and,

**WHEREAS**, the creative economy is an effective avenue toward entrepreneurial opportunities and the diversification of local economies undergoing transition; and,

**WHEREAS**, artisan education research shows that the arts help to foster discipline, creativity, imagination, self-expression, and problem solving skills while also helping to develop a heightened appreciation of beauty and cross-cultural understanding; and,

**WHEREAS**, many artisan acquired skills are transferrable into Virginia's manufacturing and trade-based workforce; and,

**WHEREAS**, artisans and agricultural artisans are integrated into every aspect of life in Virginia, including strengthening the economy, enriching civic life, driving tourism, and exerting a profound positive influence on the education of our children;

**THEREFORE, BE IT RESOLVED:** The Martinsville City Council hereby expresses its support for the designation of the month of October as Virginia Artisan Month and the week of October 2-11, 2015 as American Craft Week as requested by the Virginia Artisan Center.

Adopted this 22<sup>nd</sup> day of September, 2015.

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Danny Turner, Mayor

Attest:

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Karen Roberts, Clerk of Council



## **City Council Agenda Summary**

**Meeting Date:** September 22, 2015

**Item No:** 6.

**Department:** City Council

**Issue:** Presentation of proclamation recognizing October, 2015 as Domestic Violence Awareness Month.

**Summary:** Julia Scales, Citizens Against Family Violence Advocate will be present to accept the proclamation.

**Attachments:** Proclamation

**Recommendations:** Presentation only.



## **DOMESTIC VIOLENCE AWARENESS MONTH PROCLAMATION**

**WHEREAS**, domestic violence is a critical issue that is distressing the citizens of Martinsville on a daily basis. Domestic violence is not confined to any group of people but occurs across all socioeconomic and racial boundaries; and

**WHEREAS**, domestic violence violates an individual's privacy, dignity, security, and humanity, due to systematic use of physical, emotional, psychological, and economic abuse; and

**WHEREAS**, one out of three American women will experience domestic violence at some point in her life, and

**WHEREAS**, children from violent homes are more likely to be involved in violent criminal activity in the future than their non-abused peers; and

**WHEREAS**, the celebration of October as domestic violence awareness month, enables survivors to share their stories of triumph over adversity. Citizens Against Family Violence will provide presentations, awareness activities and trainings in the community throughout the month of October. On October 17th, Citizens Against Family Violence will host the 2<sup>nd</sup> Annual Teaming Up Against Domestic Violence community basketball game. On October 29<sup>th</sup>, CAFV will host a panel discussion called Survivors' Voices. The panel will comprise of local domestic violence survivors, sharing their stories of survival and triumph.

**NOW, THEREFORE, BE IT RESOLVED**, that in recognition of the important work done by Citizens Against Family Violence, Inc. and for the empowerment of domestic violence survivors everywhere, I, Danny Turner, Mayor, designate the month of **October 2015** as Domestic Violence Awareness Month in the City of Martinsville.

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Danny Turner  
Mayor



## City Council Agenda Summary

**Date:** September 22, 2015

**Item No:** 7.

**Department:** City Manager

**Issue:** Hear an update from 911 Center Director, J. R. Powell on the CodeRed Alert System.

**Summary:** The Martinsville-Henry County 911 Center recently implemented a Citizens Notification System called CodeRED. This system offers several features that can keep citizens of Martinsville or Henry County informed of emergency situations, weather warnings (tornado, thunder storm, flash flood), and is also a tool for officials to provide communications regarding a wide array of situations.

**Attachments:** None.

**Recommendations:** Presented for information purposes. No Council action needed.

**Date:** September 22, 2015

**Item No:** 8.

**Department:** City Manager

**Issue:** Hear a report prepared by Davenport & Company, LLC, regarding an analysis of the City's debt/debt capacity.

**Summary:** In conjunction with several significant projects moving toward an approval/implementation stage, City staff requested the City's financial advisor, Davenport & Company, LLC, to conduct an analysis of the City's current debt as well as the impact several pending projects could potentially have on the City's debt structure.

Representatives from Davenport & Company will attend the Council meeting to review the results of their analysis, and to answer questions Council may have.

**Attachments:** None. The report will be provided to Council prior to the meeting.

**Recommendations:** No Council action needed. The report is being presented for information purposes as Council moves forward with deliberations on a number of significant projects that will have City financial/budgetary implications.

**Date:** September 22, 2015

**Item No:** 9.

**Department:** City Manager

**Issue:** Consider authorizing staff to execute a performance contract with Johnson Controls covering details related to implementation of a project for the replacement of City water and electric meters, and conversion of City street lighting to LED.

**Summary:** At the September 8 Council meeting, information was presented by Johnson Controls summarizing the results of efforts to develop a performance project for the replacement of City water and electric meters, and conversion of City street lighting to LED. The presentation outlined details of an approximate \$7.5 million project, potentially funded by energy savings, additional revenue resulting from more accurate metering infrastructure, internal savings, and allocation of resources that would have been regularly committed for normal meter and lighting repairs/replacement. Some key advantages to City customers through an automated meter reading system were outlined including ability to quickly detect leaks and the ability of utility account holders to access account information.

Project financing was developed around an estimated 3% interest rate. If Council approves execution of the performance contract, the next step in the process would be to review financing options and to secure project financing. Action by City Council will be required at a later date once financing details are determined.

**Attachments:** None

**Recommendations:** Staff recommends proceeding with the project, Council authorization to execute the Performance Contract, and approval to proceed with determining project financing.

**Meeting Date:** Sept. 22, 2015

**Item No:** 10.

**Department:** Finance

**Issue:** Financial Report

**Summary:**

**FY15 – As of 6/30/15 - Revenues & Expenditures; Combined Balance Sheet; Projected Fund Balance – Prior to Final Audit**

Exclusive of School and Special Revenue funds, actual revenues were \$61,427,187, representing 98.8% of anticipated year-end figures through June 30, 2015. Recording 12 month of proceeds, Local Sales & Use Taxes collected through June 30th were greater than anticipated by \$21,102, for total receipts of \$1,921,102. Overall, Utility revenues averaged 97.04% of anticipated, with only the Refuse Fund exceeding its budgeted revenues by \$49,173.

Actual expenditures at year-end were \$60,635,087, which represents 90% of the overall budget of \$67,406,121. Re-appropriation requests for these funds are \$1,492,299. Taking that into account, year-end expenses for these funds would have been \$62,127,386 if all projects had been completed and all grants/donations spent, reflecting a 92.17% expenditure rate.

As of June 30, the total Combined Fund Balance and Net Position was \$17,997,854, a decrease from FY14 year-end of \$1,633,374.

The available cash-on-hand for all City Funds was \$17,710,595, an 8.4% increase over the same time period last year.

It is important to remember that the final audit process will begin September 28<sup>th</sup>, and there are still adjustments to be made. The numbers reported tonight are not the final financial reports for FY15. Amendments should be expected, although major variances are not anticipated at this time. Final audited reports will be presented to Council when all adjustments are made and reviewed for accuracy by staff.

**Attachment:**

Consolidated Revenues and Expenditures FY15 YE 9-16-15

Combined Balance Sheet FY15 YE 9-16-15

Projected Fund Balance FY15 YE 9-16-15

**Recommendations:** Motion to approve financial report.

**City of Martinsville**  
**Consolidated Revenues and Expenditures**  
**FY15 - June 30, 2015 (prelim)**

	<i>Budget</i>	<i>Anticipated</i>	<i>Actual YTD</i>	<i>Remaining Balance</i>	<i>Difference Ant vs. Actual</i>
<b>General Fund</b>					
Revenues	\$ 29,341,561	\$ 29,365,372	\$ 29,449,286	\$ (107,725)	100.3%
Expenditures	<u>31,297,879</u>	<u>31,297,879</u>	<u>30,053,907</u>	1,243,972	96.0%
Excess (deficiency) of revenues over expenditures	<u>\$ (1,956,318)</u>	<u>\$ (1,932,507)</u>	<u>\$ (604,621)</u>		
	(Fund Bal contrib)				
<b>Capital Funds</b>					
<b>Meals Tax</b>					
Revenues	\$ 2,066,792	\$ 2,066,865	\$ 2,031,887	\$ 34,905	98.3%
Expenditures	<u>2,224,415</u>	<u>2,224,415</u>	<u>2,198,094</u>	26,321	98.8%
Excess (deficiency) of revenues over expenditures	<u>\$ (157,623)</u>	<u>\$ (157,550)</u>	<u>\$ (166,207)</u>		
<b>Capital Reserve</b>					
Revenues	\$ 2,090,029	\$ 2,090,088	\$ 2,090,088	\$ (59)	100.0%
Expenditures	<u>2,230,652</u>	<u>2,230,652</u>	<u>1,943,254</u>	287,398	87.1%
Excess (deficiency) of revenues over expenditures	<u>\$ (140,623)</u>	<u>\$ (140,564)</u>	<u>\$ 146,834</u>		
<b>TOTAL CAPITAL FUNDS:</b>	<u>\$ (298,246)</u>	<u>\$ (298,114)</u>	<u>\$ (19,373)</u>		
	(Fund Bal contrib)				
<b>Utility Funds</b>					
<b>Refuse Fund</b>					
Revenues	\$ 2,154,507	\$ 2,154,507	\$ 2,203,680	\$ (49,173)	102.3%
Expenditures	<u>2,560,135</u>	<u>2,560,135</u>	<u>1,702,933</u>	857,202	66.5%
Excess (deficiency) of revenues over expenditures	<u>\$ (405,628)</u>	<u>\$ (405,628)</u>	<u>\$ 500,747</u>		
<b>Telecommunications Fund</b>					
Revenues	\$ 859,960	\$ 859,960	\$ 771,016	\$ 88,944	89.7%
Expenditures	<u>871,808</u>	<u>871,808</u>	<u>726,895</u>	144,913	83.4%
Excess (deficiency) of revenues over expenditures	<u>\$ (11,848)</u>	<u>\$ (11,848)</u>	<u>\$ 44,121</u>		
<b>Water Fund</b>					
Revenues	\$ 3,359,130	\$ 3,359,130	\$ 3,297,246	\$ 61,884	98.2%
Expenditures	<u>4,090,272</u>	<u>4,090,272</u>	<u>3,018,987</u>	1,071,285	73.8%
Excess (deficiency) of revenues over expenditures	<u>\$ (731,142)</u>	<u>\$ (731,142)</u>	<u>\$ 278,259</u>		
<b>Sewer Fund</b>					
Revenues	\$ 4,010,012	\$ 4,010,012	\$ 3,953,123	\$ 56,889	98.6%
Expenditures	<u>4,448,450</u>	<u>4,448,450</u>	<u>3,968,768</u>	479,682	89.2%
Excess (deficiency) of revenues over expenditures	<u>\$ (438,438)</u>	<u>\$ (438,438)</u>	<u>\$ (15,645)</u>		
<b>Electric Fund</b>					
Revenues	\$ 18,268,308	\$ 18,286,564	\$ 17,630,862	\$ 637,446	96.4%
Expenditures	<u>19,682,510</u>	<u>19,682,510</u>	<u>17,022,250</u>	2,660,260	86.5%
Excess (deficiency) of revenues over expenditures	<u>\$ (1,414,202)</u>	<u>\$ (1,395,946)</u>	<u>\$ 608,612</u>		
<b>TOTAL UTILITY FUNDS:</b>	<u>\$ (2,989,410)</u>	<u>\$ (2,971,154)</u>	<u>\$ 1,371,973</u>		
	(Fund Bal contrib)				

**Consolidated Revenues and Expenditures  
FY15 - June 30, 2015 (prelim)**

	<i>Budget</i>		<i>Actual YTD</i>	<i>Remaining Balance</i>	<i>Difference Budg vs. Actual</i>
<b>Cafeteria</b>					
Revenues	\$ 1,506,882	\$	\$ 1,615,983	\$ (109,101)	107.2%
Expenditures	<u>1,526,882</u>		<u>1,450,006</u>	76,876	95.0%
Excess (deficiency) of revenues over expenditures	<u>\$ (20,000)</u>	\$	<u>\$ 165,977</u>		
<b>Schools</b>					
Revenues	\$ 22,703,598	\$	\$ 22,538,666	\$ 164,932	99.3%
Expenditures	<u>22,899,604</u>		<u>22,354,849</u>	544,756	97.6%
Excess (deficiency) of revenues over expenditures	<u>\$ (196,006)</u>	\$	<u>\$ 183,818</u>		
<b>Federal Programs</b>					
Revenues	\$ 3,457,998	\$	\$ 2,463,914	\$ 994,084	71.3%
Expenditures	<u>3,457,998</u>		<u>2,541,050</u>	916,948	73.5%
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	\$	<u>\$ (77,136)</u>		
<b>TOTAL SCHOOL FUNDS:</b>	<u>\$ (216,006)</u>	\$	<u>\$ -</u>	<u>\$ 272,659</u>	
	(fund bal contrib)				
<b>Special Revenue Funds</b>					
<b>CDBG Fund</b>					
Revenues (includes new Northside)	\$ 1,165,168		\$ 169,009	\$ 996,159	14.5%
Expenditures	<u>1,138,402</u>		<u>198,272</u>	940,130	17.4%
Excess (deficiency) of revenues over expenditures	<u>\$ 26,766</u>		<u>\$ (29,263)</u>		
<b>Housing Choice Fund</b>					
Revenues	\$ 1,944,525		\$ 1,327,307	\$ 617,218	68.3%
Expenditures	<u>1,944,450</u>		<u>1,669,592</u>	274,858	85.9%
Excess (deficiency) of revenues over expenditures	<u>\$ 75</u>		<u>\$ (342,285)</u>		
<b>TOTAL SPECIAL REVENUE FUNDS:</b>	<u>\$ 26,841</u>		<u>\$ (371,548)</u>		
<b>GRAND TOTALS:</b>					
<i>(excluding Schools &amp; Special Revenues)</i>					
<b>Revenues:</b>	\$ 62,150,299	<u><i>Anticipated</i></u>	\$ 62,192,498	\$ 723,112	98.8%
<b>Expenditures</b>	<u>67,406,121</u>	<u>67,406,121</u>	<u>60,635,087</u>	6,771,034	90.0%
Excess (deficiency) of revenues over expenditures	<u>\$ (5,255,822)</u>	<u>(5,213,623)</u>	<u>\$ 792,100</u>		
<b>Local Sales/Use Taxes</b>	\$ 1,900,000	\$	\$ 1,900,000	\$ (21,102)	101.1%

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

**City of Martinsville  
Combined Balance Sheet  
FY15 - 6/30/15**

Through 6/30/15 (prelim)

FUND	TOTAL ASSETS*	LIABILITIES &RESERVES	CURRENT FUND BAL & NET POSITION	JUNE 30, 2014 FUND BAL & NET POSITION	DIFFERENCE FROM FY14
GENERAL FUND	\$ 11,730,704	\$ (4,537,103)	\$ 7,193,601	\$ 7,798,221	\$ (604,620)
MEALS TAX	\$ 825,849	\$ -	\$ 825,849	\$ 992,056	\$ (166,207)
SCHOOL CAFETERIA	\$ 1,026,734	\$ (61,163)	\$ 965,571	\$ 799,593	\$ 165,978
REFUSE COLLECTION FUND	\$ 9,493,687	\$ (7,375,595)	\$ 2,118,092	\$ 2,982,021	\$ (863,929)
TELECOMMUNICATIONS	\$ (51,152)	\$ (71,487)	\$ (122,639)	\$ (166,760)	\$ 44,121
WATER FUND	\$ 5,726,808	\$ (4,790,001)	\$ 936,807	\$ 821,173	\$ 115,634
SEWER FUND	\$ 4,003,132	\$ (3,585,089)	\$ 418,043	\$ 513,129	\$ (95,086)
ELECTRIC FUND	\$ 15,353,264	\$ (10,395,725)	\$ 4,957,539	\$ 5,068,770	\$ (111,231)
CAPITAL RESERVE FUND	\$ 741,457	\$ (134,786)	\$ 606,672	\$ 459,838	\$ 146,834
SCHOOL FUND	\$ 2,164,406	\$ (1,980,588)	\$ 183,818	\$ -	\$ 183,818
SCHOOL FEDERAL PROGRAMS	\$ 35,977	\$ (121,566)	\$ (85,590)	\$ (8,454)	\$ (77,136)
CDBG FUND	\$ 97,719	\$ (150,749)	\$ (53,031)	\$ (23,767)	\$ (29,264)
HOUSING CHOICE	\$ 53,448	\$ (325)	\$ 53,122	\$ 395,408	\$ (342,286)
<b>TOTAL</b>	<b>\$ 51,202,033</b>	<b>\$ (33,204,179)</b>	<b>\$ 17,997,854</b>	<b>\$ 19,631,228</b>	<b>\$ (1,633,374)</b>

**RESERVED FUNDS**

INSURANCE TRUST FUND	\$ 266,878	\$ -	\$ 266,878	\$ 448,745	\$ (181,867)
INMATE TRUST FUND	\$ 135,469	\$ (128)	\$ 135,341	\$ 97,089	\$ 38,252

**Fiduciary Agency Funds:**

05-SVRFA	\$ 19,100	\$ (10,658)	\$ 8,442	\$ 53,951	\$ (45,509)
06-Dan River ASAP	\$ 470,734	\$ (223,368)	\$ 247,366	\$ 236,601	\$ 10,765
15-PRCJTA	\$ 438,660	\$ (8,381)	\$ 430,279	\$ 493,591	\$ (63,312)
30-BRRL	\$ 233,187	\$ (28,936)	\$ 204,251	\$ 199,255	\$ 4,996
<b>TOTALS:</b>	<b>\$ 1,161,681</b>	<b>\$ (271,343)</b>	<b>\$ 890,338</b>	<b>\$ 983,398</b>	<b>\$ (93,060)</b>

**CITY OF MARTINSVILLE**  
**PROJECTED FUND BALANCE 06/30/2015**

Unaudited - 9/16/15

	Audited Fund Balance & Net Position 06/30/14	projected Actual Revenues FY15	projected Actual Expenditures FY15	included in exp Budgeted Depreciation	Projected Fund Balance & Net Position 06/30/15	Net (Decrease) Increase
<b>GENERAL</b>	<b>7,798,221</b>	<b>29,449,286</b>	<b>30,053,907</b>		<b>7,193,600</b>	<b>(604,621)</b>
MEALS TAX	992,056	2,031,887	2,198,094		825,849	(166,207)
CAPITAL RESERVE	459,838	2,090,088	1,943,254		606,672	146,834
<b>TOTAL CAPITAL FUNDS</b>	<b>1,451,894</b>	<b>4,121,975</b>	<b>4,141,348</b>		<b>1,432,521</b>	<b>(19,373)</b>
REFUSE	2,982,021	2,203,680	3,067,609	0	2,118,092	(863,929)
TELECOMMUNICATIONS	(166,760)	771,016	726,895		(122,639)	44,121
WATER	821,173	3,297,246	3,181,612	0	936,807	115,634
SEWER	513,129	3,953,123	4,048,209	0	418,043	(95,086)
ELECTRIC	5,068,770	17,630,862	17,742,092	0	4,957,540	(111,230)
<b>TOTAL UTILITY FUNDS</b>	<b>9,218,333</b>	<b>27,855,927</b>	<b>28,766,418</b>	<b>0</b>	<b>8,307,842</b>	<b>(910,491)</b>
CAFETERIA	799,593	1,615,983	1,450,006		965,570	165,977
SCHOOLS	0	22,538,666	22,354,849		183,817	183,817
SCHOOL GRANTS	(8,454)	2,463,914	2,541,050		(85,590)	(77,136)
<b>TOTAL SCHOOL FUNDS</b>	<b>791,139</b>	<b>26,618,563</b>	<b>26,345,905</b>		<b>1,063,797</b>	<b>272,658</b>
CDBG	(23,767)	169,009	198,272		(53,030)	(29,263)
HOUSING CHOICE	395,408	1,327,307	1,669,592		53,123	(342,285)
<b>TOTAL SP REV FUNDS</b>	<b>371,641</b>	<b>1,496,316</b>	<b>1,867,864</b>		<b>93</b>	<b>(371,548)</b>
<b>TOTAL ALL FUNDS</b>	<b>19,631,228</b>	<b>89,542,067</b>	<b>91,175,442</b>	<b>0</b>	<b>17,997,854</b>	<b>(1,633,374)</b>

## Fund Balance Summary

	<u>Total Funds:</u>	<u>Total Category:</u>
<u>Non-spendable:</u>		1,184,170
Inventory	1,178,039	
Prepaid Items - Gen Fund	6,131	
<u>Restricted:</u>		0
Capital Proj - Meals Tax Fund	0	
Capital Reserve Fund Project	0	
<u>Committed to:</u>		2,628,528
CCBC	1,666,700	
PART	28,725	
Housing Choice	53,123	
Cafeteria Fund	965,570	
School Grants Fund	-85,590	
<u>Assigned to:</u>		1,432,521
Capital Reserve Fund	606,672	
Meals Tax Fund	825,849	
 <u>Unassigned:</u>		 12,752,635
Non-utility Funds:	4,444,793	
Utility Funds:	8,307,842	
<b>Totals:</b>	<b>17,997,854</b>	<b>17,997,854</b>

### Unassigned Comparison to Policy

	Fund balance Recommended	Variance to Policy
Non Utility Funds	3,051,327	1,393,466
Utility Funds	6,747,395	1,560,447
<b>Total</b>	<b>9,798,722</b>	<b>2,953,913</b>

**Additional Committed:**

**Re-appropriations (if approved):**

**Non-utility:**

General Fund:	566,639
Capital Reserve Fund:	257,410
CDGB Fund:	918,572
School Operating Fund:	58,616
	1,801,237

**Utility:**

Refuse Fund:	69,000
Water Fund:	200,000
Electric Fund:	399,250
	668,250

### Unassigned Comparison to Policy - after Re-approp

	Recommended	Variance
Non-Utility Funds	3,051,327	407,771
Utility Funds	6,747,395	892,197
<b>Total</b>	<b>9,798,722</b>	<b>1,299,969</b>

**Meeting Date:** September 22, 2015

**Item No:** 11.

**Department:** Finance

**Issue:** Appropriation Approvals

**Summary:**

**Item #1 –**

The attachment amends the FY16 Budget with appropriations in the following funds:

General Fund: \$ 3,608 – Reimbursement

**Item #2 –**

Re-appropriation of Funds from FY15 to FY16 Budget by fund as follows:

General Fund:	\$ 566,639
Refuse Fund:	\$ 69,000
Water Fund:	\$ 200,000
Electric Fund:	\$ 399,250
Capital Reserve Fund:	\$ 257,410
CDBG Fund:	\$ 918,572
School Fund:	\$ 58,616
<u>Total Requests:</u>	<u>\$2,469,487</u>

**Item #3 –**

Consent for Health Department to re-appropriation remaining grant funding from FY15 in FY16 as matching funds.

**Attachments:**

Consent Agenda 9-22-15

Re-appropriations for FY16 9-22-15

Health Department Re-appropriation 9-22-15

**Recommendations:** Approve

**BUDGET ADDITIONS FOR 9/22/15**

<b>ORG</b>	<b>OBJECT</b>	<b>DESCRIPTION</b>	<b>DEBIT</b>	<b>CREDIT</b>
<b><u>FY16</u></b>				
<b><u>General Fund:</u></b>				
01100909	490104	Advance/Recovered Costs		3,608
01331108	501300	Sheriff/Corrections - Part-time & Temporary Wages	2,650	
01331108	502100	Sheriff/Corrections - Social Security	164	
01331108	502110	Sheriff/Corrections - Medicare	39	
01331108	506008	Sheriff/Corrections - Vehicle Equipment & Maint.	530	
01331110	506200	Sheriff/Annex - Prisoner Allowance	225	
		Reimbursement from Henry County for litter pickup-July & August		
<b>Total General Fund:</b>			<b>3,608</b>	<b>3,608</b>

**DEPARTMENTAL REQUESTS**

ORG CODE	OBJECT	DEPARTMENT	ACCOUNT DESCRIPTION	DEBIT	CREDIT	
<b>GENERAL FUND</b>						
01103938	462101		Contribution From Fund Balance		\$ 566,639	
01217078	506047	Sheriff - Courts	Project Life Saver	\$ 13,077		rollover of prior years' appropriated donations
01221082	506001	Commonwealth's Attorney	Office Supplies	\$ 7,846		additional comp board funds received late in the year
01221082	506105	Commonwealth's Attorney	State - Confiscated Assets	\$ 4,436		forfeiture funds - carry-over
01221082	506079	Commonwealth's Attorney	Federal - Confiscated Assets	\$ 6,402		forfeiture funds - carry-over
01221082	506118	Commonwealth's Attorney	Local - Confiscated Assets	\$ 129		forfeiture funds - carry-over
01123035	501300	Commissioner of Revenue	Part-time Wages	\$ 913		rollover of NCI intern funding
01123035	502100	Commissioner of Revenue	Social Security	\$ 60		rollover of NCI intern funding
01123035	502110	Commissioner of Revenue	Medicare	\$ 15		rollover of NCI intern funding
01311085	501206	Police	Overtime - DMV Grant	\$ 25,950		grant funding
01311085	506008	Police	Vehicle Equip & Maint	\$ 4,897		incomplete project - slide-in unit/animal control
01311085	506078	Police	State - Confiscated Assets	\$ 12,849		forfeiture funds - carry-over
01311085	506079	Police	Federal - Confiscated Assets	\$ 88,365		forfeiture funds - carry-over
01311085	506082	Police	Byrne/Jag Grant Program	\$ 4,785		grant funding
01311085	506118	Police	Local - Confiscated Assets	\$ 400		forfeiture funds - carry-over
01311085	508165	Police	Construction - Animal Shelter	\$ 314		donated funds
01311085	506061	Police	Ammunition	\$ 1,200		incomplete order
01313090	506100	Transportation Safety Cmt	Misc. Expenses	\$ 570		funding for high school anti-drunk driving campaign
01321102	506110	Fire	Fire Programs	\$ 71,587		grant funding
01321102	503171	Fire	Labor for Burn building	\$ 1,125		unspent reimbursements carried forward
01321102	506130	Fire	Maintenance for Burn Building	\$ 3,714		unspent reimbursements carried forward
01322105	506114	EMS	Four for Life	\$ 22,653		grant funding
01341135	506300	Inspections	Demolition	\$ 82,000		continuing program to clean-up more properties
01413145	503185	Street Maintenance	Prof.Service-Street Resurfacing	\$ 103,084		continuing program - paving
01413151	508220	Thorofare Construction	Physical Plant Expansion	\$ 80,268		incomplete project - paving/uptown/sidewalks
01431162	506007	City Hall Operations	Repair & Maintenance	\$ 5,000		emergency repairs - storm drainage system
01420152	508220	VDOT Reserve	Physical Plant Expansion	\$ 25,000		incomplete project - uptown crosswalks
<b>REFUSE FUND</b>						
09103938	462101		Contribution From Fund Balance		\$ 69,000	
09425302	503140	Landfill	Prof. Service - Engineering	\$ 20,000		additional engineering & testing - comply w/DEQ requirements
09425302	508220	Landfill	Physical Plant Expansion	\$ 49,000		additional monitoring wells & active gas extraction system (DEQ req'd)
<b>WATER FUND</b>						
12103938	462101		Contribution From Fund Balance		\$ 200,000	
12543313	508220	Water Maintenance	Physical Plant Expansion	\$ 200,000		incomplete project - water meter replacement
<b>ELECTRIC FUND</b>						
14103938	462101		Contribution From Fund Balance		\$ 399,250	
14561336	505112	Electric Generation	Purchased Power	\$ 319,000		
14561336	503140	Electric Generation	Prof. Service - Engineering	\$ 39,500		Hydro dam - relicensing expense
14563338	506007	Electric Maintenance	Substation Maintenance	\$ 40,750		replacement of generator @ shop
<b>CAPITAL RESERVE FUND</b>						
16103938	462101		Contribution From Fund Balance		\$ 257,410	
16575365	508085	Vehicles	Sheriff - Jail	\$ 5,100		Incomplete Project - New vehicle and equipment
16575365	508035	Computer Software/Hardwar	Commissioner of Revenue	\$ 8,150		Incomplete Project - balance of 1st half new software
16576366	508055	Computer Software/Hardwar	Information Services	\$ 60,400		additional hardware needs
16577367	508085	Physical Plant Expansion	Sheriff - Jail	\$ 23,460		Incomplete Project - emergency generator & floor repairs

16577367	508670	Physical Plant Expansion	Garage/Warehouse Complex	\$	74,000	incomplete project - Paving of parking lots
16577367	508140	Physical Plant Expansion	City Hall	\$	81,800	Incomplete project - City Hall roof
16577367	508141	Physical Plant Expansion	Senior Center	\$	4,500	incomplete project - Senior center renovations

**CDBG FUND**

47103938	462101		Contribution From Fund Balance		\$	918,572	
47823521	506324	Uptown Revitalization	Façade Improvements-Construction	\$	542		Continuing Grant-funded project
47835525	505370	Northside Neighborhood	Administration	\$	65,126		Continuing Grant-funded project
47835525	505371	Northside Neighborhood	Acquisition	\$	77,276		Continuing Grant-funded project
47835525	505372	Northside Neighborhood	Clearance & Demolition	\$	37,200		Continuing Grant-funded project
47835525	505373	Northside Neighborhood	Owner Occupied Rehab	\$	198,200		Continuing Grant-funded project
47835525	505375	Northside Neighborhood	Owner Occupied Reconstruction	\$	261,900		Continuing Grant-funded project
47835525	505601	Northside Neighborhood	Homeownership Creation	\$	104,600		Continuing Grant-funded project
47835525	505602	Northside Neighborhood	Street Improvements	\$	160,978		Continuing Grant-funded project
47835525	505603	Northside Neighborhood	Flood Drainage Facilities	\$	12,750		Continuing Grant-funded project

**TOTAL CITY FUNDS:** **\$ 2,410,871**

**SCHOOL FUNDS**

18100938	410510		Ops/Contrib from Fund Balance		\$	58,616	
81621310	563000	HARVEST - ELEMENTARY	Purchased Services	\$	6,000		grant funding
81621310	563142	HARVEST - ELEMENTARY	Professional Development	\$	4,800		grant funding
81621310	565503	HARVEST - ELEMENTARY	Travel	\$	21,000		grant funding
81621310	565800	HARVEST - ELEMENTARY	Miscellaneous Expense	\$	1,570		grant funding
81621310	566000	HARVEST - ELEMENTARY	Materials & Supplies	\$	1,200		grant funding
81621310	566013	HARVEST - ELEMENTARY	Instructional Materials	\$	600		grant funding
81631310	563000	HARVEST - SECONDARY	Purchased Services	\$	4,000		grant funding
81631310	563142	HARVEST - SECONDARY	Professional Development	\$	3,200		grant funding
81631310	565503	HARVEST - SECONDARY	Travel	\$	14,000		grant funding
81631310	565800	HARVEST - SECONDARY	Miscellaneous Expense	\$	1,046		grant funding
81631310	566000	HARVEST - SECONDARY	Materials & Supplies	\$	800		grant funding
81631310	566013	HARVEST - SECONDARY	Instructional Materials	\$	400		grant funding

**TOTAL SCHOOL FUNDS:** **\$ 58,616 \$ 58,616**

**TOTAL RE-APPROPRIATIONS FROM FY14 TO FY15** **\$ 2,469,487**

## **Health Department Re-appropriation Request for FY16**

Due to the timing of budget requests, the Health Department submitted their FY16 funding request to the City prior to the General Assembly's passage of new legislation in March. The adopted legislation provided an additional \$110,000 in much-needed State-allocated general funds. However, in order to utilize these additional funds, they must be matched at the local level. The increased general funds have caused a match shortage of \$9,648 for the City of Martinsville's share of FY16 funding of the Health Department. At the end of FY15, they currently have left-over grant funds in the amount of \$9,648.66. With Council's consent, these left-over funds would be used to offset the additional local match shortage.