

April 26, 2022 Council Meeting

The regular meeting of the Council of the City of Martinsville, Virginia was held on April 26, 2022 in Council Chambers, Municipal Building, at 7:00 PM with Mayor Kathy Lawson presiding. Other Council Members present included Danny Turner, Chad Martin, Jennifer Bowles and Tammy Pearson. Staff present included City Manager Leon Towarnicki, Assistant City Manager and City Attorney Eric Monday, Clerk of Council Karen Roberts, Public Information Officer Kendall Davis, Commissioner of Revenue Ruth Easley, Building Inspector Kris Bridges, Finance Director Mandy McGhee, Linda Conover Finance Department, and Deputy Police Chief Rob Fincher.

Mayor Lawson called the meeting to order and advised Council would go into Closed Session beginning at 6:30 PM. In accordance with section 2.1-344 (A) Code of Virginia (1950, and as amended) and upon a motion by Vice Mayor Bowles and seconded by Council Member Martin with the following 5-0 recorded vote: Mayor Lawson, aye; Council Member Pearson, aye; Council Member Turner, aye; Vice Mayor Bowles, aye; and Council Member Martin, aye. Council convened in Closed Session to discuss the following matters: (A) Appointments to boards and commissions, as authorized by Subsection 1, and (B) Consultation with legal counsel and briefings by staff members, attorneys or consultant 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 specifically related to reversion. 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 meeting. A motion was made by Bowles; seconded by Turner, with the following 5-0 recorded vote in favor to return to Open Session: Council Member Turner, aye; Council Member Pearson, aye; Vice Mayor Bowles, aye; and Mayor Lawson, aye. Martin returned to the meeting after the vote.

Vice Mayor Bowles made a motion to change the appointee from MURA to West Piedmont Planning District Commission on the Arts and Cultural Committee. Council Member Turner seconded the motion with all Council Members voting in favor. Per City Attorney Monday, it may be necessary to vote on the change again at the next meeting but he will research that further.

Vice Mayor Bowles made a motion to appoint Julian Mei to the Arts and Cultural Committee (Artisan) for a 3-year term ending December 31, 2023; Council Member Martin seconded the motion with all Council Members voting in favor.

Council Member Martin made a motion to appoint Jennifer Reis to the Arts and Cultural Committee (Citizen) for a 3-year term ending December 31, 2023; Council Member Turner seconded the motion with all Council Members voting in favor.

Council Member Pearson made a motion to appoint Kathleen McEvoy to the Arts and Cultural Committee (West Piedmont) for a 3-year term ending December 31, 2022; Vice Mayor

April 26, 2022 Council Meeting

Bowles seconded the motion with all Council Members voting in favor.

Council Member Turner made a motion to reappoint Michael Kirby to the Henry County-Martinsville Joint Social Services Board for a 4-year term ending May 31, 2026; Council Member Martin seconded the motion with all Council Members voting in favor.

Vice Mayor Bowles made a motion to appoint Lydia Martin to the Pittsylvania County Community Action Agency Board for a 3-year term ending August 31, 2023; Council Member Martin seconded the motion with all Council Members voting in favor.

Mayor Lawson made a motion to retain William Hurd with Eckert Seamans to file appropriate actions with the Virginia Supreme Court regarding the constitutionality of the referendum legislation. Council Member Martin seconded the motion. Council Member Pearson expressed her concern, stating that she was distraught that the City has spent over \$800,000 on reversion already and now they are planning to hire another attorney. She does not understand why City Council would fight against its own citizens' right to vote for or against reversion. These are the people Council is representing and she believes they should have a voice. Pearson does not agree with hiring this additional attorney. Council Member Turner said a Virginia Governor once said that no man's life or liberty is safe as long as the Virginia General Assembly is in session. There is nothing truer than this pertaining to Martinsville and the Commonwealth enacting legislation barring Martinsville from growing its boundaries and the opportunity to revert to a town. Council has gone through the legal process in good faith only for the legislature and the legal branch to insert this referendum in the final hour. Council needs to take a stand for what's right; we are the third most distressed government in Virginia. We have done everything that is required only to have a political trick played on us in the eleventh hour. Mayor Lawson said they owe it to the citizens to know if what was done was legal or not, Council followed the process, they followed the letter of the law, Council exceeded the requirements that are in the constitution. They took an oath to uphold the constitution in the state of Virginia and did what was legal. She has heard from many residents who have expressed concern that what the County did was not legal. Lawson would like someone of higher authority to tell Council and Martinsville citizens whether the actions of the County were legal or not. Lawson has no problem following a process as long as that process is legal. Having watched the Senate Committee hearing, all she can do is shake her head. Lawson said they owe it to the citizens who elected them to represent them. This process was started in 2019, this is not something that happened overnight. Council Member Martin said that there have been 70 meetings where residents were given the opportunity to speak their opinion. This is not about Council not listening to the citizens, it's about constitutional issues and making sure that a larger government is not picking on a smaller City. The City has the right to dictate its own day-to-day operations and decisions. Martin said that it is hypocritical for anyone to say the residents aren't being heard when they did not go door to door to meet those residents. He feels that Council's action is the right thing to do and he wants to keep on fighting to make sure everything the City is doing is constitutional

April 26, 2022 Council Meeting

and that no one is overstepping their power. Lawson said if the law had changed for everyone in the state that would be one thing, but it was not and only pinpointed Martinsville. Is that right, is it fair, is that just? She doesn't believe it is so they will let the Supreme Court decide that. Pearson said if she had been on Council in 2019, she would have immediately suggested to let citizens vote on reversion, they have a right to have their voices heard. Lawson disagrees with Pearson's comment that residents have not been heard. Turner said the City has done everything by the book since the reversion process began in 2019. Pearson asked that Martin stop his personal attacks. City Attorney Monday shared that he, Mr. Peepgrass, the City's Trial Council and Mr. Hurd who is the first and former Solicitor General of Virginia and the lawyer who handled all appeals on behalf of the Commonwealth of Virginia before the State Supreme Court, have all reviewed the legislation and agree that it is in violation with the constitution of Virginia. The action was filed in August 2020 under a law that had been in place since 1986 unchanged. The General Assembly chose to change the rules of the game in the eleventh hour and passed special legislation that only applies to Martinsville. You don't do that in a football game, in legislation or any circumstances because it is simply not fair. The General Assembly applied legislation that only applies to Martinsville called special legislation. The constitution of Virginia bars special legislation that interferes with the jurisdiction of the court by telling them that they can't enter the final order on reversion until the referendum has occurred, which creates new election requirements or which deals with the process for dissolving the City. We believe the constitution is very clear that on each of those issues, you cannot pass a special bill that applies to one city or to one person. If legislation can do this to Martinsville then they can do this to anyone. Turner made a motion to call the question; Martin seconded the motion with a 3-2 voice vote: Lawson, aye; Martin, aye; Turner, aye; Pearson, nay; and Bowles, nay. The motion to retain William Hurd was approved by a 3-2 voice vote: Lawson, aye; Martin, aye; Turner, aye; Pearson, nay; and Bowles, nay.

Following the Pledge to the American Flag and invocation by Council Member Martin, Lawson welcomed everyone to the meeting.

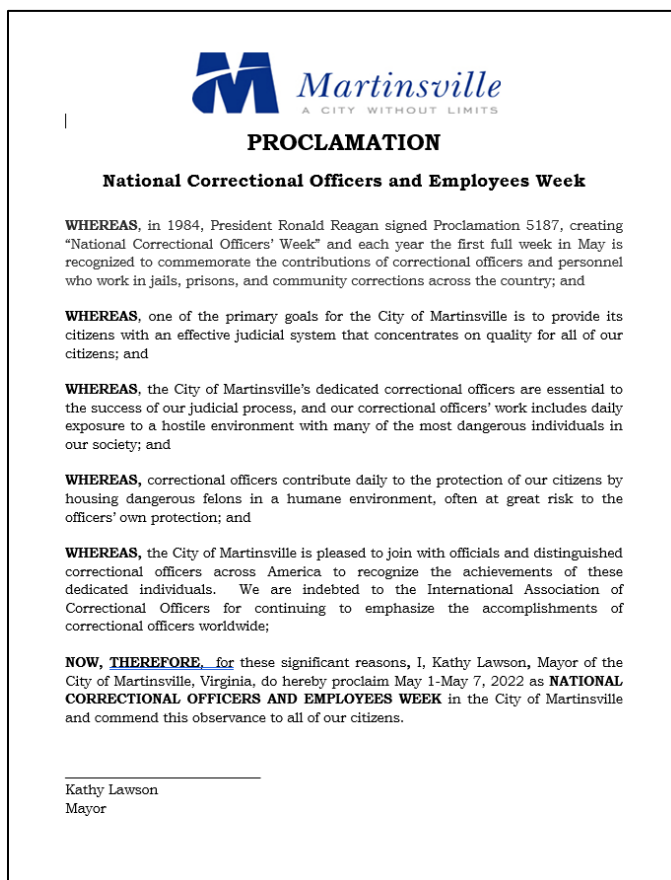
Approve minutes from the April 12, 2022 Council Meeting – Vice Mayor Bowles made a motion to approve the minutes as presented; Council Member Martin seconded the motion with all Council Members voting in favor.

Hear an overview of the April 25, 2022 Southside neighborhood tour and meeting – City Manager Towarnicki summarized the neighborhood tour and meeting conducted in the Southside area including areas visited, property maintenance issues, and abandoned houses which were already being addressed by property maintenance department. Issues were also observed that will be followed up by the Police Department. There were approximately 20 residents in attendance for the meeting, some of who addressed concerns about the condition of several homes, grass not being mowed, speeding, drug concerns, and trash on the streets. All issues will be addressed by the property maintenance department, public works

April 26, 2022 Council Meeting

department or the police department. Village Street residents expressed concern about the condition of the street pavement and about 4-wheelers on the street. Residents also expressed concern about departments closing at the local hospital and asked that a hospital representative attend an upcoming Council meeting with and update on hospital plans. Residents were asked to share opinions about the future of Oak Street Park. Mayor Lawson shared that the next neighborhood meeting will be Monday May 23 in the Westend area.

Read and present a proclamation recognizing the week of May 1 through May 7, 2022 as National Correctional Officers and Employees Week in the City of Martinsville – Council Member Martin read the proclamation which was presented to Lieutenant Jamie Cruise, representative for the Martinsville Sheriff's Department.



Consider recognizing the month of May, 2022 as GBS/CIDP (Guillian-Barre Syndrome) and Chronis Inflammatory Demyelinating Polyneuropathy (CIDP) awareness month - Vice Mayor Bowles read the proclamation which will be mailed to Rick Forney, GBS survivor and liaison for the surrounding area.



Proclamation

RECOGNIZING THE MONTH OF MAY, 2022 AS GBS/CIDP AWARENESS MONTH

WHEREAS, The Month of May, has been designated as "GBS and CIDP Awareness Month" to educate the public and to focus attention on Guillain-Barre Syndrome (GBS) and Chronic Inflammatory Demyelinating Polyneuropathy (CIDP), rare, paralyzing and potentially catastrophic disorders of the peripheral nerves; and

WHEREAS, the cause of GBS and CIDP is unknown. The length of the illness is unpredictable. It is characterized by rapid onset of weakness and often, paralysis of the legs, arms, breathing muscles and face. Usually, months of hospital care are required with patients and families facing an uncertain future, not knowing if and when recovery will occur. Some may face long-term disabilities of varying degrees. GBS or CIDP can develop in any person at any age, regardless of gender or ethnic background; and

WHEREAS, in 1980, the Guillain-Barre Foundation International (now the GBS/CIDP Foundation International), was founded to provide a support network to patients and their families through the national office headquartered in Philadelphia and its 180 chapters with more than 40,000 members throughout the United States, Canada, Asia, Europe, Australia, South America, and South Africa; and

WHEREAS, Rick Forney is the Liaison for the local area chapter serving as the link between patients, physicians, nurses, and families. The Foundation provides educational materials including a comprehensive booklet, "GBS, an Overview for the Layperson," and newsletters as well as funding medical research and conducting symposia; and

WHEREAS, the Foundations Medical Advisory Board includes prominent neurologists active in GBS and CIDP research, leading physicians in rehabilitation medicine, and physicians who, themselves, have had the disorder;

NOW, THEREFORE, I Kathy Lawson, Mayor of the City of Martinsville, Virginia, do hereby proclaim the month of May, 2022 as "GBS/CIDP AWARENESS MONTH" in the City of Martinsville and I encourage all the citizens to recognize the importance of raising awareness of GBS and CIDP.

Kathy Lawson, Mayor

Read and present a proclamation acknowledging May 2022 as Building Safety Month –

Mayor Lawson read the proclamation which was presented to Kris Bridges, Building Inspector. Bridges thanked Council Members and appreciates their support.



Proclamation

RECOGNIZING MAY, 2022 AS BUILDING SAFETY MONTH

WHEREAS, the City of Martinsville is committed to recognizing that our growth and strength depends on the safety and economic value of the homes, buildings and infrastructure that serve our citizens, both in everyday life and in times of disaster, and;

WHEREAS, our confidence in the resilience of these buildings that make up our community is achieved through the devotion of vigilant guardians—building safety and fire prevention officials, architects, engineers, builders, tradespeople, design professionals, laborers, plumbers and others in the construction industry—who work year-round to ensure the safe construction of buildings, and;

WHEREAS, these guardians are dedicated members of the International Code Council, a nonprofit that brings together local, state and federal officials that are experts in the built environment to create and implement the highest-quality codes to protect us in the buildings where we live, learn, work, play, and;

WHEREAS, our nation benefits economically and technologically from using the International Codes that are developed by a national, voluntary consensus codes and standards developing organization, our government is able to avoid the high cost and complexity of developing and maintaining these codes, which are the most widely adopted building safety and fire prevention codes in the world;

WHEREAS, these modern building codes include safeguards to protect the public from hazards such as hurricanes, snowstorms, tornadoes, wildland fires, floods and earthquakes, and;

WHEREAS, Building Safety Month is sponsored by the International Code Council to remind the public about the critical role of our communities' largely unknown protectors of public safety—our local code officials—who assure us of safe, sustainable, energy efficient and livable buildings that are essential to America's prosperity, and;

April 26, 2022 Council Meeting

Hear an update from Taxing Authority Consulting Services (TACS) on efforts related to delinquent tax collections, and approve a resolution authorizing the City Treasurer to employ the services of a private collection attorney to assist with the collection of all delinquent taxes –

City Manager Towarnicki said they've requested that someone from TACS attend to update Council on their services. City Treasurer City Dickerson said the Treasurer's office has been working with TACS since July 2020 and they have collected over \$1million in delinquent taxes which is about 30% of total due in the past 18 months. Jeff Scharf, representative for TACS presented information regarding their efforts to collect delinquent City real estate taxes. Some properties are in court system, others will be taken to court and eventually auctioned to cover past due taxes. No fees are paid by the City, TACS is paid by what is collected from delinquent accounts. The code authorizes to action to collect past due amounts can start on December 31 after their 2nd delinquent year. The most recent delinquencies tend to be the easiest to work with and set up a payment plan. Dickerson explained if looking at personal property itself, that would be \$893,000 for the 5 years collectible. Since this partnership, there have been 13 lawsuits filed on 17 parcels totaling about \$225,000 in taxes. Council Member Martin made a motion to adopt the resolution authorizing the City Treasurer to employ the services of TACS to assist with the collection of all delinquent taxes. Vice Mayor Bowles seconded the motion with all Council Members voting in favor: Lawson, aye; Bowles, aye; Turner, aye; Martin, aye; and Pearson, aye.



RESOLUTION

AUTHORIZING THE TREASURER TO EMPLOY THE SERVICES OF A PRIVATE COLLECTION ATTORNEY TO ASSIST WITH THE COLLECTION OF ALL DELINQUENT TAXES AND TO AUTHORIZE THE IMPOSITION OF A FEE TO COVER THE COST OF RETAINING A PRIVATE COLLECTION ATTORNEY

WHEREAS, pursuant to the City Code, the Treasurer's office is tasked with the duty of collecting all delinquent taxes due; and

WHEREAS, there are certain bills that the Treasurer's office has been unable to collect and the Treasurer's office seeks Council's approval to employ the services of a private collection attorney to assist with the collection of all delinquent taxes and other charges; and

WHEREAS, Section 58.1-3919.1 of the Code of Virginia allows the Treasurer, with approval of the Council to employ the services of a private collection attorney to assist with the collection of all delinquent taxes and other charges; and

WHEREAS, Section 58.1-3958 of the Code of Virginia allows the governing body to impose fees to cover the reasonable attorney's or collection agency's fees actually contracted for, not to exceed 20% of the amount collected and which fees are chargeable against the delinquent taxpayer,

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Martinsville pursuant to Virginia Code Section 58.1-3919.1, that it hereby authorizes the Treasurer to employ the services of a private collection attorney to assist with the collection of all delinquent taxes; and

BE IT FURTHER RESOLVED that the Council of the City of Martinsville pursuant to the authority of Virginia Code Section 58.1-3958 authorizes the Treasurer to add a fee to all delinquent bills to cover the reasonable actual expenses of employing the private collection attorney.

Attest:

Karen Roberts, Clerk of Council

Date Adopted: _____

April 26, 2022 Council Meeting

Conduct a Public Hearing on the 2021 update of the Martinsville-Henry County Solid

Waste Management Plan – City Manager Towarnicki explained that this plan must be updated and approved every 5-years. This plan was made public in various locations for the public to review. Towarnicki explained how trash is separated at the landfill into either municipal waste or industrial waste. The City's recycling site is open to anyone, not just City residents and said that the City also recycles electronics, metal and brush that is picked up with bulk and brush collection. Mayor Lawson opened the floor for the public hearing. No one approached the podium so Lawson closed the public hearing. Vice Mayor Bowles made a motion to adopt the Solid Waste Management Plan update. Council Member Turner seconded the motion with four Council Members voting in favor. Martin abstained due to his employment.

Consider adoption on first reading, Ordinance 2022-3 enacting or amending certain sections of the Code of the City of Martinsville regarding use of electric scooters – City Attorney Monday explained that the City was approached last year by Chris Stockwell, representative of BIRD regarding scooters and how they could benefit tourism in the City. The amendment is required because of the skateboarding ordinance which would affect the use of scooter. Other communities were observed and how the scooters worked in those areas when the scooters get left around the City. A survey was completed and the response was significantly positive with 80% approval rate to get scooters. Stockwell said that scooters could be enjoyed by most anyone of any age. Bird has partnered with large and small cities. 5-8 scooters will be stationed at an individual location and/or at private businesses as approved. These scooters are stand up devices with wheels on front and back and handle bars. The individual businesses would store their scooters on their private property, those would not be on the public right of way. When scooters are not being used, there will be a fleet manager who will pick those up and charge them and who will do any routine maintenance in a warehouse. If a scooter gets misparked, the fleet manager will pick that up also. The scooters are not meant to go great distances, maybe 1.2 miles with a per minute fee. If a rider travels outside of the designated area, the scooter will become inactive until it's returned to the approved zone. If a scooter is abandoned and not returned, the fleet manager will receive a notification. The scooters start to beep when you get close to those boundaries. They anticipate in starting the program with 5-6 private businesses but they hope to expand to other local businesses in the future. Scooters have headlights and are DOT approved. The program starts around 5:00am to operate until around midnight. There will be an age requirement, all riders must be 18 when signing up. The scooters would not be allowed on City trails. Monday summarized the ordinance, specifically the changes and additions being made to accommodate the scooter program. There are additional safety ordinances not included in Council's packet because those are not being changed. The ordinance regarding skateboards, skates, etc. does not change so those will still not be allowed Uptown. Stockwell explained that Bird does encourage users to wear a helmet and will make those available. Vice Mayor Bowles requested that

April 26, 2022 Council Meeting

helmets be provided to the private business offering the scooters; Stockwell said he would look into that and if it would be a liability to the business. Bowles made a motion to adopt the Ordinance on first reading; Pearson seconded the motion with the following 5-0 roll call vote: Vice Mayor Bowles, aye; Council Member Turner, aye; Mayor Lawson, aye; Council Member Pearson, aye; and Council Member Martin, aye.



City of Martinsville, Virginia
Ordinance No. 2022-3

BE IT ORDAINED by the Council of the City of Martinsville, Virginia, in Regular Session held on May 10, 2022, that the Code of the City of Martinsville be enacted or amended, specifically that:

Section 12-68 be amended;

Sections 12-177 & 118, currently reserved, be enacted;

Chapter 12, Article VI, Sections 12-140, 12-142 & 12-155 be amended;

Section 19-22 be amended;

and Section 19-23, currently reserved, be enacted;

all as follows:

Sec. 12-68. - Application of article; definitions.

(a) The provisions of this article regulating the stopping, standing and parking of vehicles in this city shall apply at all times or at such times as specified herein or as indicated on official signs, except when it is necessary to stop a vehicle to avoid conflict with traffic or in compliance with the directions of a police officer or a traffic-control device.

(b) As used in this article, the term "vehicle" shall be construed to include everything encompassed by the term "vehicle," as that term is defined in section 46.2-100 and 46.2-800 of the Code of Virginia, and also scooters and bicycles.

(c) Whenever the term "chief of police" is used in this article, it shall include any acting chief of police or any police officer to whom the chief of police has delegated the responsibility for the duty described.

Sec. 12-117. - Parking on sidewalk, pedestrian crossing or driveway.

(a) It shall be unlawful for any person to park a vehicle on or near a sidewalk or pedestrian crossing in such a way as to block or obstruct the free passage of pedestrians or with any portion of the vehicle on or overhanging any portion of the sidewalk.

(b) It shall be unlawful for any person to park a vehicle, including a bicycle, electric personal assistive mobility device, electric power-assisted bicycle, motorized foot-scooter, or motorized skateboard, in such a manner as to block in whole or in part any driveway or entryway.

Sec. 12-118. - Parking in public rights-of-way.

It shall be unlawful for any person to park a bicycle, skateboard, electric personal assistive mobility device, electric power-assisted bicycle, motorized foot-scooter, or motorized skateboard in a manner that unreasonably impedes pedestrian or vehicular traffic on a public roadway, shared-use path, or sidewalk. For purposes of the section, parking unreasonably impedes pedestrian traffic on a sidewalk when it leaves a route width of less than four (4) feet.

ARTICLE VI. - BICYCLES, MOPEDS AND SCOOTERS

Sec. 12-140. - Definition, age of operation.

- (a) The term "bicycle" as used in this chapter, shall be deemed to mean any device propelled solely by human power, having pedals, two (2) or more wheels, and a seat height of more than twenty-five (25) inches from the ground when adjusted to its maximum height (a recumbent device shall be deemed a bicycle regardless of a seat height). For purposes of the city code, a bicycle shall be a vehicle when operated on a highway, street or alley.
- (b) For purposes of this chapter, the term "bicycle" shall also include mopeds as defined in Section 46.2-100, of the Code of Virginia, and all sections in this chapter shall apply to both bicycles and mopeds unless otherwise specifically stated. Mopeds are defined as a conveyance that is either (a) a bicycle-like device with pedals and a helper motor (gas or electric powered), which is rated at no more than two (2) brake horsepower and produces speeds up to a maximum of thirty (30) miles per hour or (b) a motorcycle with an engine displacement of fifty (50) cubic centimeters or less and a maximum speed of less than thirty (30) miles per hour.

(c) For purposes of this chapter, the term "bicycle" shall also include scooters, whether motorized or not motorized, as defined in Title 46.2 of the Code of Virginia.

(d) No person under the age of sixteen (16) years shall operate a moped as defined in this chapter, or a bicycle with a helper motor that is classified as a moped, or a scooter, on any highway or public vehicular area of the city.

(Ord. No. 2003-11, 9-9-2003)

Sec. 12-142. - Sale, rental of bicycles and mopeds-information required.

Information regarding the sale or rental of bicycles and mopeds and scooters shall be available to the city treasurer upon request.

(Ord. No. 2003-11, 9-9-2003)

Sec. 12-155. - Impoundment of abandoned or unregistered bicycles and mopeds.

(a) Any unattended bicycle found under such times and circumstances that indicate it has been lost or stolen, or in a manner which in the reasonable professional opinion of a law enforcement officer violates and section of the either this Code or the Code of Virginia, shall be deemed abandoned. If a reasonable attempt to locate the owner or user in the immediate vicinity of the bicycle fails to produce the owner or user, any bicycle so abandoned shall be taken into custody and impounded by the chief or police or any officer of the police department.

(b) No abandoned bicycle or moped shall be released or removed from impoundment except upon satisfactory showing of ownership and in the case of mopeds, display of a city registration certificate and proper display of a tag or number plate by the owner or an agent of the owner.

(c) If an abandoned bicycle or moped is not reclaimed, within thirty (30) days from the date of impounding, the chief of police or his agent shall provide for the public sale of such bicycle or moped.

(d) Any bicycle or moped found and delivered to the police department by a private person which thereafter remains unclaimed for thirty (30) days after the final date of publication as required herein may be given to the finder; however, the location and description of the bicycle or moped shall be published at least once a week for two (2) successive weeks in a newspaper of general circulation in the city. In addition, if there is a decal affixed to the bicycle or moped, the record owner shall be notified directly.

(Ord. No. 2003-11, 9-9-2003; Ord. No. 2006-3, 4-25-2006)

Sec. 12-117. - Parking on sidewalk, pedestrian crossing or driveway.

(a) It shall be unlawful for any person to park a vehicle on or near a sidewalk or pedestrian crossing in such a way as to block or obstruct the free passage of pedestrians or with any portion of the vehicle on or overhanging any portion of the sidewalk.

(b) It shall be unlawful for any person to park a vehicle, including a bicycle, electric personal assistive mobility device, electric power-assisted bicycle, motorized foot-scooter, or motorized skateboard, in such a manner as to block in whole or in part any driveway or entryway.

Sec. 12-118. - Parking in public rights-of-way.

It shall be unlawful for any person to park a bicycle, skateboard, electric personal assistive mobility device, electric power-assisted bicycle, motorized foot-scooter, or motorized skateboard in a manner that unreasonably impedes pedestrian or vehicular traffic on a public roadway, shared-use path, or sidewalk. For purposes of the section, parking unreasonably impedes pedestrian traffic on a sidewalk when it leaves a route width of less than four (4) feet.

Sec. 19-22. - Skating and skateboarding in the city.

(a) It shall be unlawful and a Class 4 misdemeanor for any person over the age of fourteen (14) years to skate on any paved public sidewalk of the city.

(b) It shall be unlawful for any person [to] ride or use rollerskates, rollerblades, skateboards, scooters or similar devices on wheels or runners in any area whatsoever located within the area bounded as follows: beginning at the intersection of Market Streets and Commonwealth Boulevard, thence along Market Street to its conversion to Mulberry Road; thence along Mulberry Road to Oakdale Street, thence along Oakdale Street to East Church Street, thence along East Church and its conversion to Church Streets and including those lots on the north side thereof and Letcher Court and Scuffie Hill Road and their adjoining lots; thence along Clay Street and those adjoining lots on the eastern side thereof to Mineral Street, thence along Mineral Street to Lester Street, thence along Lester Street to Depot Street, thence along Depot Street to its intersection with Liberty Street, thence along Liberty Street to Commonwealth Boulevard, thence along Commonwealth Boulevard to the point of beginning; provided however, that this prohibition shall not apply to on-duty police or other law enforcement officers and other uniformed emergency services personnel.

(c) A violation of subsection (b) shall be subject to a civil penalty of fifty dollars (\$50.00).

(1) Any city officer, or employee of the city who is (a) responsible for the enforcement of any provision of this code, (b) wearing a uniform and (c) carrying identification, may approach and question any person concerning a civil violation of this code and may cause a notice of the violation to be served on any or all persons committing or permitting such violation.

(2) The notice shall state that the person served has been charged with violating this subsection and shall provide that the person may elect to make an appearance in person before or in writing by mail to the treasurer of the city, and admit liability for or plead no contest to the violation and pay the civil penalty, all within the time period fixed in the notice.

(3) If a person charged with a violation does not elect to admit liability or plead no contest the violation shall be tried in the Martinsville general district court upon a warrant in debt or motion for judgment, with the same right of appeal as provided for civil actions at law. In the event the violation exceeds the jurisdictional limits of the general court, the violation shall be tried in the circuit court.

(4) A finding or admission of liability for, or a plea of no contest to, a civil violation shall not be deemed a criminal conviction for any purpose. An admission of liability shall have the same force and effect as a judgment in court.

(Code 1971, § 15-11; Ord. No. 2013-1, 2-12-2013)

Sec. 19-23. - Storing, etc., goods on sidewalk or in gutter.

It shall be unlawful for any person to store, keep or expose for show, sale, or rental any goods, wares, vehicles, or other merchandise or property on public right-of-ways without a license, permit, or franchise issued by the city. Any such merchandise or property encroaching on public rights-of-way without a license, permit, or franchise may be taken into custody and impounded by the chief of police, any officer of the police department, or any employee of the department of public works, and require the payment of a reasonable fee as established by the city manager for such impoundment prior to the return of such merchandise or property.

Attest:

Karen Roberts, Clerk of Council

Hear information related to possible use of ARPA funds for Uptown renewal - City Attorney

Monday prefaced the presentation by saying these are suggestions, no decisions will be made on the allocation of those funds at tonight's meeting. A survey was available on the website for

April 26, 2022 Council Meeting

citizen input. Kendall Davis, Public Information Officer detailed the survey including the options for residents to choose from in how the funds could be used. Those options were determined by what residents had requested at the public hearing. The survey received 109 responses for recommended usage along with 81 open ended responses with details on what they wanted to see. Monday shared suggestions for ARPA funding for Uptown, however, \$750,000 would be out of City Council's control. Towarnicki explained that \$15.4million with approximately \$8million of ARPA funds are still available. Mayor Lawson said there was a misconception that the Uptown group had asked for the money, Staff actually asked Ms. Deacon to present a budget for what they would do if they received some of the ARPA money. As a City, we know we need to invest in ourselves. Vice Mayor Bowles clarified that staff recommendations do not necessarily represent Council recommendations. The idea for the utility waiver for new or existing businesses comes from a town in Indiana which received national coverage and had great success. Lawson likes the recommendation on the utility waiver and the staff's recommendation on committees. Bowles asked for a list of all businesses Uptown that are open so Council can view demographics. Lawson asked for a defined footprint of the enterprise zone for residents to review. Bowles asked about conflict of interest with Council Members, specifically if they own an Uptown business. Towarnicki explained that the City has offered utility incentives in the past for new Uptown businesses. Pearson questioned the committee structure, requesting that Council consider a committee with more than one citizen and to look at it from a wholistic point. Pearson questioned why more ARPA money couldn't be applied to the infrastructure issues. Council Member Turner made a motion to allot \$500,000 to the demolition list, Vice Mayor Bowles seconded the motion. There are 10 demolition properties bid out with only \$15,000 in demo funds allocated in the current budget. All Council Members voted in favor.



SUGGESTIONS: ARPA FUNDING FOR UPTOWN MARTINSVILLE

"Uptown" is the same footprint as the Enterprise Zone & Arts and Cultural District, recognizing the central importance of Uptown to regional economic development and revitalization.

\$4.5 Million from ARPA funds will be allocated to Uptown:

- \$1M for property acquisition
- \$0.75M for development of a public attraction (park, other)
- \$0.5M for streetscape improvement
- \$0.5M for support of Uptown Partnership
- \$0.25M for Chamber/CPEG façade improvement program (Note, continued existing support for Chamber/CPEG @ \$60K/yr. plus all revenue from the Incubator, is in the general budget)
- \$0.25M for Uptown property maintenance enforcement
- \$0.25M for Uptown marketing
- \$1M in utility waiver grant incentives for existing or new businesses

Utility Waiver Grants would be administered by a committee of five, consisting of two Council members, one from a list of three submitted by Uptown Partners, one from a list of three submitted by Chamber/CPEG, and one at-large appointment taken from citizen applicants. |

Community Development, Uptown Partners and Chamber/CPEG shall each independently review Utility Waiver Grant applications and shall make a recommendation as to viability & advisability; only applicants with approval from all 3 shall be considered by the committee. Applications must include a comprehensive business plan, and an estimate of the positive economic impact on Martinsville. For-profit businesses, non-profits, and private developers are all eligible. All proposals must be complete by 12/31/2026.

American Rescue Plan Act Funding Survey

MARCH 24-APRIL 8, 2022

Survey Summary

- A survey was conducted at the request of City Council to collect citizen input on how the American Rescue Plan Act (ARPA) funds should be used.
- The survey opened on March 24th and concluded on April 8th.
- Participants were required to list their address to confirm their residential status before completing the survey.
- 122 total responses were collected.

Suggested Uses

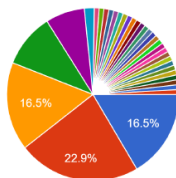
Five suggested uses were included on the survey based on feedback received during public input hearing.

Uptown revitalization was not included due to amount feedback at hearing supporting revitalization.

"Other" option was added on March 25th for people who did not want to select from the 5 options.

Results: 109 responses

Affordable Housing- 25
Homeless Shelter/Recovery- 18
Relief for Small Businesses- 18
Rebranding Campaign- 11
Minority Business Support- 8
Other Responses: 29
Infrastructure
Youth Development Facilities
Uptown Revitalization



- Homeless Shelter/Recovery
- Affordable Housing
- Direct Financial Relief for Small Busin...
- A Rebranding Campaign
- Minority Business Support

Open Responses

Many responses echoed the votes in the "suggested uses" and a number of open responses do not qualify for ARPA funding. 81 open responses were submitted.

Notable and detailed responses included:

- Grant funding for the Boys and Girls Club of the Blue Ridge to find a permanent location.
- Demolition and rehabilitation projects along Church and Fayette Streets.
- Affordable high speed internet.
- New city building phone system.
- Underground electrical system.
- Investment in area childcare.
- Development of a city attraction, i.e. entertainment venue or family activities to attract visitors.

Consider a request by the Virginia Municipal League to submit nominations for membership on the VML 2022 Policy Committees – City Manager Towarnicki detailed the previous VML policy committee representatives. There are five committees this year with Council Member Pearson serving on Community and Economic Development, City Manager Towarnicki serving on Finance, City Attorney Monday serving on General Laws, Vice Mayor

April 26, 2022 Council Meeting

Bowles serving on Human Development and Education, Mayor Lawson and Council Member Martin both serving on Infrastructure.

Mayor Lawson called a 5-minute recess.

Hear a presentation of the proposed FY23 City budget – City Manager Towarnicki presented a PowerPoint on the proposed FY23 budget including FY22 highlights, objectives, budget challenges, federal funding, revenue general fund sources, revenue analysis, utilities-cash reserve, expense analysis, budget allocations, proposed budget, etc. Vice Mayor Bowles asked for a total revenue that will be brought in with the 7% refuse increase. Bowles made a motion to set the FY23 budget public hearing for May 10, 2022. Martin seconded the motion with all Council Members voting in favor.

City of Martinsville

FY 2022-2023 Proposed Budget

April 26, 2022



Introduction

The proposed FY23 budget is a recommended financial plan for the City of Martinsville for the period from July 1, 2022 through June 30, 2023, and is the culmination of a process that began in late 2021 with the completion of the FY21 audit.

Developing the budget requires that both revenue and expenditures be projected for an approximate 15 - 18 month period and much can happen within that timeframe. The process is challenging and as we've seen in the development of prior budgets, we see many of the same key issues over and over again:

- Budget requests exceeding available resources
- Uncertainty regarding State fiscal policies
- Best and effective use of fund and reserve balances
- How best to allocate limited resources to cover a wide array of needs
- Balancing adjustments to taxes, rates, and fees to adequately cover expenses with needs and what citizens can afford

In March of 2021, the United States Congress approved the \$1.9 trillion American Rescue Plan Act with significant funding earmarked for states and localities. It was later determined that a total of \$13,463,451 in ARPA funding was allocated to the City with half coming in June of 2021, and the remainder 12 months later, in June, 2022. That funding has to be committed to specific uses by December, 2024, and expended by December, 2026. In addition to ARPA funding, there is ongoing discussion at the federal level regarding additional funding programs geared toward infrastructure, broadband, and other needs.

Stall has presented information on several occasions at recent Council meetings regarding possible uses of ARPA funds and Council has voted to approve funding for several projects including improvements to Southside Park, city-wide park improvements, improvements to Hooker Field, funding for stormwater management projects, assistance with affordable housing projects, and upgrades to equipment used in the broadcast of Martinsville's government television channel, MGTV.

Efforts are also underway to define a public process for uses of other funding in the Uptown Martinsville area.

As stated in previous years, funding is not unlimited – the City has finite resources and there simply aren't enough funds available to fully fund every budget request, but there is adequate funding to cover most of what everyone needs. Striking that balance year after year is what our budgeting process has been about and through it all, the City has managed to remain fiscally sound.

The annual budget is the City's financial plan and is the opportunity to blend Council's vision for the future with what the citizens of Martinsville want and expect, and ultimately with the allocation of resources to turn that plan into reality. The budget process is a unique opportunity for Council, City staff, and citizens to review and shape the direction City government is headed.

As we move through the FY23 budget process, input is essential as efforts are made to create the best financial plan possible to continue moving the City of Martinsville forward into 2023 and beyond.

Loan Towarnicki
City Manager
April 26, 2022

FY23 Proposed Budget

General Discussion

Revenue and Expenses



FY22 Highlights

As discussion begins on the FY23 budget, here's some highlights of what has occurred and continues to occur in FY22

- Through a Brownfield Assistance Fund grant, cleanup of the American site on Aaron Street has been completed and Landmark has plans to start work on an approximate \$10M senior living complex at that site this spring.
- Pine Hall Road CDBG application was approved with work expected to begin this spring.
- Redevelopment of the Chief Tassel Building in Uptown Martinsville has been completed.
- Strong redevelopment interest in American Plant 10 in Uptown Martinsville (corner of Lester & Depot)
- City acquired former BB&T building Uptown for redevelopment

FY22 Highlights

- The City has executed a development agreement for reuse of the former grocery store building at the corner of Fayette & Moss Streets.
- 5-Points Housing Project on West Church underway
- Abundant local employment opportunities.
- Local transit system continues with strong usage; the Virginia Breeze system is operational.
- Economic Development – Press Glass is operational; Crown Holdings construction underway; shell building in Patriot Center recently sold, CCBC continues to attract interest
- \$3M EDA grant for Jones Creek Interceptor Repairs
- \$1.5M FEMA grant for flood control at Nationwide facilities

FY22 Highlights

- Martinsville Mustangs begins 2022 season under new management
- Continued successful partnership with YMCA for management of City parks & recreation programs.
- Strong local economy, strong housing/real estate market
- Extensive use of grant funds to facilitate progress on local projects
- Telecom/MiNet growth continues with planned expansion of wireless to the home and requests for service.
- WPBDC – Incubator management continues successfully under C-PEG; incubator remains at or close to capacity
- Use of ARPA funds approved for much needed projects including Southside Park, Hooker Field, and neighborhood parks.

Objectives

Basic Year To Year Budget Objectives Remain Constant

- Maintain core services
- Address critical capital needs; protect existing assets
- Expand tax base
- Explore opportunities to consolidate, improve efficiency, generate new revenue
- Consider Council priorities in allocating resources
- Ensure City remains competitive in regional workforce market

FY23 Budget Challenges

- Lack of significant & sustained revenue growth
- Increasing costs due to inflation, insurance, mandates, regulatory issues, costs of simply "doing business," difficulty filling vacancies.
- Capital needs continue to exceed available funding
- School & outside agency funding
- Increased costs for jail operations, transport & housing
- Personnel issues – need to remain competitive with pay, benefits in order to attract/retain employees.
- State not fully funding its commitments

FY23 Budget Challenges

- Aging infrastructure
- Adherence to policy requirement to maintain fund and asset balances to ensure reserve capacity to handle emergencies - recognizing that fund transfers are inevitable, ensure that reserve balances are preserved. Adoption of utility cash reserve and fund balance policies establishes guidelines on ability to transfer funds to ensure the City remains fiscally sound.
- Water/sewer debt-service requirements
- Limited ability to increase rates, fees, etc., and overall decreased ability to transfer from enterprise funds

Budget Challenges - Capital

- Capital requests submitted by City departments for FY23 budget consideration totals \$7,529,000 with \$5,233,557 requested for utilities and \$2,295,443 requested for general fund/capital reserve.
- Utilities cover capital internally however the Capital Fund (16 Fund) is consistently underfunded. Outside of other transfers, the Capital Fund's primary source of funding is available Meals Tax funds after debt service is covered.

Federal Funding

- There continues to be considerable discussion at the federal level regarding stimulus and infrastructure plans that could potentially funnel significant dollars to the state and local levels. As discussed at previous Council meetings, the City is receiving \$15,463,451 in American Rescue Plan Act funds and recommendations have been made for possible use of those funds, including use as "lost pandemic-related revenue." As noted later in this budget presentation, ARPA funds are being used in the FY23 budget.
- As additional information is made available regarding other potential funding, staff will continue to monitor and determine next steps.

Revenue –General Comments

What resources are available for the FY23 Budget?

- Traditional sources – taxes, fees, state funding?
- Fund Balance use & required minimum?
- Cash reserve policies & required minimums?
- Utility budgets balance internally through ability to adjust rates; General Fund budget has historically relied on utility transfers or use of fund balance, to balance.
- COVID-19/Federal funding/ARPA – how much & what can it be used for?

Revenue GF Sources

General Fund Revenue

FY23 General Fund revenue before transfers is projected to be **\$30,540,346**. (FY22 is \$28,975,888), from taxes, fees, recovered costs, grants, and state funding, (5.4% increase)

Revenue Analysis

Unassigned Fund Balance- GF

- Audited EOY FY21 unassigned FB is \$7,574,286
- FY23 proposed GF budget is **\$37,406,307**. 10% reserve policy requirement is \$3,740,630.
- Available unassigned FB of \$7,574,286 less FY23 reserve requirement of \$3,740,630, leaves available **GF FB transfer of \$3,833,656 to maintain 10% reserve.**

Revenue Analysis

Utilities – Cash Reserve Policies

	EOY20 Audited	EOY21 Audited	Cash Reserve Policy
Electric	\$2,505,507	\$1,253,201	\$4,446,737
Water	\$2,628,150	\$3,309,153	\$1,945,107
Sewer	\$1,740,360	\$1,982,557	\$1,775,216
Refuse	\$4,712,005	\$3,004,087	\$670,196
Total	\$11,586,022	\$9,548,998	\$8,837,256

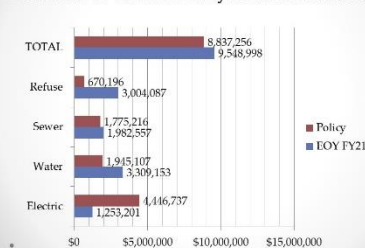
Revenue Analysis

Available Transfer From Utilities to GF

- No FY23 transfer from Electric, Water, Sewer, Refuse, or Telecom is proposed.
- Electric is significantly under the recommended reserve requirement and is expected to remain so for the near future.
- Water/Sewer must continue to maintain cash reserve requirements in addition to a required revenue/expense ratio related to VRA financing of debt service.
- Refuse cash reserve (audited) includes required funding to comply with post-closure monitoring costs. Costs are expected to decline in the future.

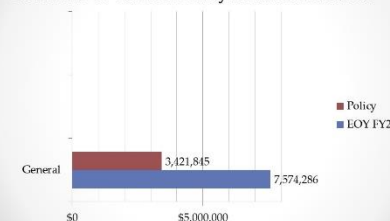
Utilities – Cash Reserves

EOY FY21 vs Current Policy Recommendation



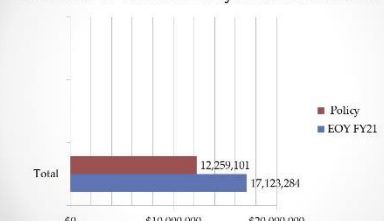
General Fund - Unassigned

EOY FY21 vs Current Policy Recommendation



Total All Funds

EOY FY21 vs Current Policy Recommendation



Expense Analysis

What are the City's priorities?

- How should funds be allocated for education, public safety, economic/business development, capital, etc.?
- Any changes in services or personnel?
- Major projects?
- Financing obligations and debt service?
- Mandates?
- How to allocate available resources efficiently, fairly, and adequately?**

FY23 Proposed Budget

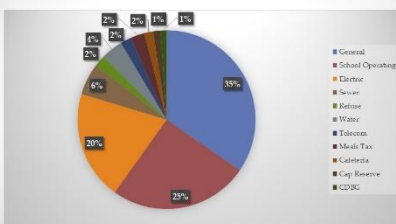
Budget Details
What's Included?
Taxes, Rates, Fees
General Fund
Enterprise Funds



FY23 Proposed Budget

Fund	Original FY2022	Revised FY2022	Proposed FY2022	Changes FY2022 to FY2023
General	31,218,451	35,545,411	37,106,307	3,187,853
Mobile Tax	2,472,720	2,472,720	2,722,721	250,001
Capital Reserve	989,079	1,507,093	1,450,799	561,720
Refuse	2,764,837	2,932,337	2,271,965	(692,872)
Water	4,670,263	4,753,420	4,255,275	(414,988)
Sewer	5,369,687	5,452,160	6,216,981	847,344
Electric	20,833,990	21,962,353	21,356,352	(606,001)
Cable/Telecom	1,737,007	1,737,007	2,239,140	502,133
School Operating	23,340,713	23,978,640	27,404,205	4,063,492
Telecommunications	2,377,707	2,377,707	2,195,242	(182,465)
CDBG	22,132	1,223,443	1,183,320	(1,161,188)
Totals	98,696,539	103,962,291	108,757,787	10,060,248

FY23 Budget Allocations



FY23 Proposed Budget

- The proposed FY23 budget is \$108,757,787, an increase of \$10,060,248 over the approved FY22 original budget.
- Debt is well-managed. Existing debt service costs are covered either through project savings (AMI/Lighting and Building Energy Projects) or through fees and rates.
- Budget maintains reserves in all utilities but Electric, and 10% in GF. Expenditure additions will necessitate additional revenue, reductions in proposed budget, or additional use of FB/reserves.

FY23 Overall Budget Drivers

- Salary & Benefits
- 16.1% increase in health insurance
- VRS (6.5%) , State Life
- Cost to house inmates at other facilities
- Outside Agencies
- Inflation impact on fuel, materials, supplies
- Projects & capital needs

FY23 Proposed Budget

General Fund

FY23 Proposed General Fund Budget is \$37,406,307 compared to the FY22 General Fund budget of \$34,218,454, and the FY22 revised budget of \$35,545,411.

The General Fund budget balances with a projected use of fund balance of \$3,865,961; and use of \$3,000,000 of ARPA funds; no proposed transfer from Electric, Water, Sewer, Telecom, or Refuse. Available GF fund transfer to maintain 10% reserve is \$3,833,655; an additional \$3M is necessary. Anticipate a return to FB of approximately \$1.5 M at EOY22.

*

*25

FY23 Proposed Budget

Taxes, Rates, and Fees

- No recommended tax rate increases.
- Includes a 7% increase in all refuse collection fees. (rates were last adjusted in July, 2013)
- No other increases recommended effective July 1
- Includes utilizing the anticipated increase in personal property tax revenue resulting from higher assessments

*

*29

FY23 Proposed Budget

School Funding, TROF Grant Repayment

- Recommended funding for Schools at \$6,170,397 which is FY21 level funding of \$6,045,015 minus the Telecom e-rate contribution/adjustment of \$99,624, plus \$225,000 addition to offset 16.1% health insurance increase for approximately 204 School employees.
- Includes final year 5 (of 5) repayment of TROF grant in amount of \$156,000.

*

*30

FY23 Proposed Budget

- Continues the use of cost allocation analysis to recover expenses incurred by General Fund operations in support of the operation of City utilities (Electric, Water, Sewer, Refuse, Telecom). FY23 GF budget includes \$789,608 in cost allocation revenue. This amount is included as part of utility operational costs in the respective funds.

*

*31

FY23 Proposed Budget

Outside Agencies

- Recommended level funding for most outside agencies; 911 increases 2.5% from \$497,503 to \$510,101; 12.0% increase in Social Services funding from \$489,257 to \$548,056; 19.8% reduction in funding for the Health Department from \$165,654 to \$132,907; EDC level at \$100,000; and level Library funding \$295,308. Continues small business/Uptown development at \$60,000; UP at \$30,000 and \$39,000 for Mustangs management.
- Includes one new request of \$10K for Sports Authority; HC has included \$20K in their budget

*

*32

FY23 Proposed Budget

Personnel & Services

- 5% COLA for City employees & constitutionals; increase in health insurance costs (16.1%), VRS (6.5%); other market adjustments in PD, Fire, Sheriff, Electric, Garage, and others. Pay plan adjustment of 9% to address compression results in approximately 40 employees with additional adjustments up to 4%.
- Includes 3 personnel additions – one in Street Marking & Signs; 2 in Refuse Collection; reduction of 2 positions in PD (one sworn/one civilian); one in Senior Services as programs are eliminated and SS provides transportation-only services
- There are still a number of vacant/unfilled positions.

*

*33

FY23 Proposed Budget

Ambulance Transport Services

- In July, 2021, Council approved Fire/EMS to proceed with ambulance transport services of discharged hospital patients. City purchased an ambulance and brought additional staff on board. Operation currently averages around 13 transports per week and at anticipated billing rates, revenue (estimated at \$168K) will exceed costs (\$104K).
- Operation continues to be closely monitored and if transport numbers decline and/or actual billing receipts do not support program costs, City can terminate the program. There is added benefit to the City by having additional staff & equipment available for City needs.

*

*34

FY23 Proposed Budget

Capital (equipment, vehicles, projects, etc.)

- Funding of Capital Reserve (16 Fund) in the amount of \$1,450,799 is proposed; of this amount, \$361,349 is required for debt service and the balance of \$1,089,450 will be assigned to capital purchases on a prioritized basis by the capital review committee.
- This amount funds 47% of the capital (non-enterprise) fund requests of \$2,295,443. Capital is funded through Meals Tax revenue after school and capital debt is covered.

*

*35

Capital – Enterprise Funds

Capital (equipment, vehicles, projects, etc.)

- In the enterprise (utility) funds, \$1,464,306 is included in the respective fund budgets to address capital and equipment needs. Included in the enterprise funds are Refuse (09), Telecom* (11), Water (12), Sewer (13), and Electric (14).

* Through the City's annual audit process, Telecom is not identified as a separate enterprise fund although for internal City budgeting and tracking purposes it is considered and programmed as such. Telecom is a component of the General Fund.

*

*36

FY23 Proposed Budget

Refuse (09)

- Proposed budget includes a collection fee increase of 7% across all refuse collection fees.
- FY23 includes funding for all full-time staff on collection trucks, increase in disposal costs, and moving costs and operation of the landfill generator to electric as a peaking unit. Capital includes year 1 of 2 cost (\$175K) of replacing '05 front loader truck.

*

*37

FY23 Proposed Budget

Telecommunications (11)*

- The projected FY23 Telecom budget is \$2,195,242 and includes \$74,732 under a cost allocation analysis going back as revenue to the GF. \$397,899 is included in capital for a continuation of system upgrades, expansion to additional customers, and wired/wireless-to-home project.
- A business plan has been developed for the residential expansion project. The Clark Road project is planned as a residential pilot project and experienced delays due to supply chain issues regarding certain equipment, but is expected to begin shortly. The results of the pilot project will be used as data for the business plan. It is anticipated that grant funding sources will be investigated for FTTH expansion.

* Telecom is listed as a separate (11) fund to simplify internal accounting but is actually a component of the General Fund

*

*38

FY23 Proposed Budget

Water (12)

- Reservoir project has been completed
- Water/Sewer construction crew continues to make infrastructure repairs at substantial savings over contract costs.
- Grant application has been submitted for reservoir generator (20% local match)
- \$104,000 in capital for various projects
- Possible requirement to determine usage of lead pipe in water system.

*

*39

FY23 Proposed Budget

Sewer (13)

- The Sewer budget includes capital funding (\$127,207) to replace a pump and convert to a sodium hypochlorite tank/feed system.
- Budget includes \$500K for 20% EDA Grant match for Jones Creek project.
- Annual debt service for the interceptor rehab project is included at \$634,336.
- Long term project being investigated is in regard to sludge process at waste water plant and reduction of disposal costs.

*

*40

Water/Sewer Projects

YEAR	STREET (s)	WATER	SEWER	STATUS
2017-2019	LAKEMONT CT	1400		
2022-2023	FOREST ST FTL	1750		INCLUDE LATERALS
2022-2023	ALBURN PL	1300		ON HOLD PIPE ORDERED
2022-2023	VENNA AVE/EDWARDS	5000		GALVANIZED, ON BID SHAPE
2022-2023	FOREST ST FTL	1750		INCLUDE LATERALS
2023-2024	BARETON	1000		
2023-2024	ASSIN	2000		
2021-2025	ARMY	700		
2021-2025	LAKEVIEW TR	1300		
2021-2025	D ST	300		
2025-2026	COEN TASSEL	3600		

*

*41

FY23 Proposed Budget

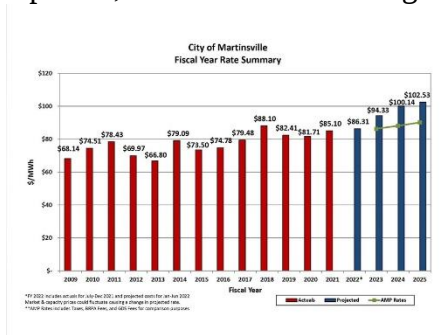
Electric (14)

- No proposed electric rate increase effective July 1
- Electric budget capital (\$660,200) year 2 of 2 funding a 55 foot bucket truck and 1 of 2 on second truck; station transformers; line replacements, increased costs for flood insurance, tree trimming, generator fuel, dam repairs
- FY23 Electric budget is \$21,356,332 and the purchased power item is \$16,068,000, the largest single line item expense in the City's budget, and represents 75.2% of the Electric budget.
- Battery storage project is starting up; may be delays on solar due to supply chain issues; possible long term projects - investigate an alternate electric feed to City; work at hydroplant (dredge & replace turbines)

*

*42

April 26, 2022 Council Meeting



Comments and Conclusion

The FY23 budget continues the practice of the enterprise operations balancing internally, utility fund transfers when available to help balance in the GF, and use of FB as available, all while attempting to keep policy-directed minimum balances and reserves intact.

That process, however, is getting increasingly difficult while attempting to maintain reserves, without increasing revenue, reducing services, or combinations. Of particular importance is the fact that the FY23 General Fund budget contains a funding gap between revenue and expenses of \$6,865,961, and that gap is closed by use of fund balance and ARPA funds.

Comments and Conclusions

The budget as presented is proposed, and over the coming weeks Council will have an opportunity to make changes as it deems appropriate. Throughout the process, staff will provide support and additional information as needed, and ultimately will take the budget adopted by Council and implement that plan to the best of its ability.

Comments and Conclusion

As always, our department staff, constitutional offices, and schools put significant effort into the budget process and much credit and thanks goes to them for their efforts. As in previous years, the budget requests were found to be reasonable and needed, and Council will have an opportunity through the upcoming work sessions to ask questions.

As always a special thanks goes to Linda Conover and Mandy McGhee of the Finance Department for their work throughout this process.

Next Steps

- Review the budget details, request additional information, ask questions, and talk with citizens.
- Three work sessions have been scheduled – April 27 for Schools, City departments, and capital; May 3 for City departments, constitutions, outside agencies; and May 4 for follow up, and additional discussion as may be needed.
- Consider setting a public hearing on the FY23 Budget for Council's May 10, 2022 meeting.

Business from the Floor – Julian Mei, 207 Thomas Heights questioned when he would be able to ride his scooter in the City. City Attorney Monday confirmed that the changes to the ordinance would go into effect in 10 days.

Eileen Baker of 908 Hazelwood Lane is shocked at the lack of childcare in the area for working parents. When she moved back to the area, she called every church uptown and could not find anyone offering after school services and the YMCA is no longer offering after school child care. Some daycares are only offering infant care and are not taking in older children. Childcare is a big need in the area. The Boys and Girls Club is the only other option for her where her children are currently on the waiting list. Baker feels that this would be an important investment of ARPA funds. Council Member Martin recommended that United Way may have additional funds to contribute to child care.

Comments by City Council – Council Member Pearson invited everyone to attend Martinsville's Historical Garden tour on April 27. Pearson thanked residents for attending the Southside tour. Council Member Turner will be attending the ribbon cutting Thursday at 2:00pm at the historical Chief Tassel building. Vice Mayor Bowles is excited to revamp the neighborhood meetings and looks forward to the West-end meeting. She received a requested from a citizen asking when Council discusses affordable housing it should also focus on affordable rentals. The Penn-Shank Memorial Scholarship has been extended to Friday for Martinsville High School students. Bowles invited residents to the Martinsville-Henry County SPCA wellness clinic on second and fourth Tuesdays and encourages residents to adopt their pets. Congratulations Keisha Hughes who has moved into the Plaza Suites; Hughes will be providing makeup and braiding services. Bowles invites residents to check out the new updated alleyway behind the Ground Floor. Mayor Lawson wished a happy belated birthday to Council Member Pearson. Lawson shared that last Saturday was a successful hazardous waste day with

April 26, 2022 Council Meeting

the next one scheduled for October. Lawson welcomed Deputy Police Chief Fincher back, she said she is glad he is doing well. The Peace Officer Memorial event will be May 11 at 11:00am at the Henry County Administration building. Lawson directed residents to a post on the City's website about a small business workshop. The drug takeback will be Saturday from 10:00am-2:00pm at the Martinsville Fire Department. The Community Fellowship Church will be offering a Mother's Day oil change on May 7 by appointment only. Lawson offered prayers for a Magna Vista family for the loss of their child.

Comments by the City Manager – City Manager Towarnicki said that the drug takeback will only be accepting pills, no chemo drugs or liquids. The burning ban ends Saturday.

There being no further business, Bowles made a motion to adjourn the meeting at 10:30pm.

Karen Roberts, Clerk of Council

Kathy Lawson, Mayor