

MINUTES
Regular Meeting
Commission on Local Government
10:00 a.m., March 8, 2016
Main Street Centre
12th Floor South Conference Room
600 E. Main Street
Richmond, Virginia

Members Present

Victoria L. Hull, Chairman
Diane M. Linderman, Vice-Chairman
Bruce C. Goodson
John T. Stirrup, Jr.

Members Absent

Staff Present

Elizabeth Rafferty, Policy and Legislative Director
J. David Conmy, Local Government Policy Administrator
Ali Akbor, Senior Public Finance Analyst
Kyle Flanders, Policy Analyst
Kristen Dahlman, Administrative Assistant

Call to Order

Commission Chairwoman Vickie Hull called the meeting to order at 10:00 a.m. on March 8, 2016, in the 12th Floor North Conference Room at the Main Street Centre Richmond, Virginia.

I. Administration

A. Approval of Minutes of the Regular Meeting on January 12, 2016

Mr. Goodson made a motion to approve the minutes. Such motion was seconded by Mr. Stirrup, and the Commission unanimously approved the minutes.

B. Public Comment Period

The Chair opened the floor to receive comments from the public. No person appeared to testify before the Commission during the public comment period.

C. Presentation of Financial Statement for January 2016

Referencing an internally produced financial statement that encompassed expenditures through the end of January 2016, representing 58% of the fiscal year, Mr. Conmy stated that fiscal year-to-date expenditures were 48% of the total allocated amount. This represented 47% and 58% of the allocated personnel and non-personnel amounts, respectively.

D. Policy Manager's Report

Mr. Conmy informed the Commission of several ongoing personnel matters impacting the staffing of the Commission. First, he introduced Kristen Dahlman, Administrative Assistant for the Agency's Administration Division, who had agreed to fill in for the Program Support Specialist position recently vacated by Barbara Johnson. On that same topic, Mr. Conmy indicated that the vacant Program Support Specialist position had been advertised with an application deadline of March 4th. Finally, Mr. Conmy noted that the vacant Senior Policy Analyst position had also been advertised with an application deadline of March 14th.

Mr. Conmy provided the Commission with an update on the vacant Commissioner position. He mentioned that he had been in contact with the Secretary of the Commonwealth's Office on several occasions regarding the vacancy. Mr. Conmy indicated that he suspected the vacancy would be filled by the May Commission meeting.

Mr. Conmy provided a summary of recent and upcoming staff activities. He noted that he presented the recently adopted Consolidation Incentives Study to the Senate Finance Subcommittee on Education on February 4th. Several other staff members attended VML Day, VACo County Government Day, and the VAPDC Conference. Mr. Conmy also gave a presentation on intergovernmental relations at the VACo County Chairs Institute on February 12th. Finally, Mr. Conmy mentioned that he and one other DHCD staff member will be attending the Community Progress Leadership Institute in Cambridge, Massachusetts, from March 15th through the 18th.

Mr. Conmy then reviewed several news articles of interest with the Commission, including:

- Various articles on specific local government projects and issues including:
 - a. The City of Richmond's Bus Rapid Transit program,
 - b. Cash proffer adjustments in Chesapeake,
 - c. Eminent domain in the Town of Culpeper,
 - d. Debt per capita in Virginia's localities,
 - e. Personnel matters in the City of Richmond,
 - f. Personnel matters in Montgomery County,
 - g. A federal political corruption case in Norfolk,
 - h. A study on Best Performing Cities,
 - i. Economic Development in Virginia Beach,
 - j. Virginia Beach City Hall, and
 - k. Several articles about various local government senior management retirements and hires.
- Several articles on various pieces of General Assembly legislation including:
 - a. Recording local government closed sessions,
 - b. AirBNB,
 - c. The Bristol Virginia Utilities (BVU) Board,
 - d. Elected chiefs of police,
 - e. Local landfill issues,
 - f. Educational funding, and
 - g. Minimum wage limits
- And articles on several new state programs including the proposed GO Virginia program and the funding of the Virginia Department of Housing and Community Development's (DHCD) Natural Disaster Resiliency Competition (NDRC) application.

II. **Presentation of Commending Resolution to John Kines**

At this time, Ms. Hull presented a commending resolution to Mr. John G Kines, Jr. Ms. Hull read

the resolution as it was adopted at the Commission's Regular Meeting on January 12, 2016. Mr. Kines thanked the Commissioners and staff and provided additional remarks. Ms. Linderman, Mr. Goodson, Mr. Stirrup, and Mr. Conmy also provided commending remarks.

III. Fiscal Stress Report for 2013/2014

Mr. Akbor presented the Fiscal Stress Report for 2013/2014. He opened by providing background information related to the fiscal stress index, explaining that the index illustrates a locality's ability to generate local revenues from its existing tax base relative to the other localities in the State. Mr. Akbor then presented the findings within the report. Mr. Akbor also indicated that some of the formatting for this year's report had changed, especially in the Executive Summary section in order to make it more user-friendly. He mentioned that he plans to make future formatting changes to the report for next year.

Mr. Akbor responded to a series of questions and comments from the Commission. He mentioned that staff has been discussing the idea of creating a new report to complement information contained in the Fiscal Stress Report. Mr. Akbor indicated there is more information available regarding local expenses that could complement the existing report, which is more concentrated on local revenues. There was general discussion regarding this proposal with additional follow-up questions from the Commission. Ms. Hull asked that Mr. Conmy and Mr. Akbor provide the Commission with a more detailed proposal with several potential examples at the next Commission meeting, and the rest of the Commission agreed by consensus.

Ms. Linderman made a motion to approve the 2013/2014 Fiscal Stress Report. Such motion was seconded by Mr. Goodson and unanimously adopted by the Commission.

IV. Assessment of State and Federal Mandates on Local Government

Mr. Conmy indicated that per Executive Order 58 (2007), staff is required to coordinate an assessment of federal and state mandates that have been in effect for a minimum of two years.

He identified a total of 16 mandates that are due for an assessment for FY 2016-2017, and reached out to each responsible State agency to request their preferred dates for conducting their assessments. The Virginia Municipal League (VML) and VACo were also asked if they had any additional mandates to add to the schedule; no additional mandate assessments were requested. Mr. Conmy directed the commissioners to the schedule and indicated that upon their approval of the schedule, staff would forward the schedule to the Secretary of Commerce and Trade and the Governor for approval.

Mr. Conmy also noted that one mandate assessment from the previous period had not been conducted and that the agency administering the assessment had requested to administer the assessment during the upcoming scheduled period, specifically from July 1, 2016, to September 30, 2016. The mandate was identified as SVDA.DVS001: Real Property Tax Exemption for Disabled Veterans and Surviving Spouses. By consensus, the Commission determined that such assessment would not be added to the proposed schedule because its assessment had already been identified in the previously adopted schedule; however, they directed staff to mention such an administrative change in the minutes.

Mr. Stirrup made a motion, which was seconded by Mr. Goodson, to approve the assessment schedule. Such motion was unanimously adopted by the Commission.

V. 2016 General Assembly Session

A. Fiscal Impact Analysis Process

Mr. Akbor provided two handouts to the Commission containing information on the bills reviewed by the Commission for Fiscal Impact Statements (FIS) and a scorecard of local responses by bill assignment. He indicated that a total of 18 bills had been reviewed for FIS's and provided additional commentary on some of the bills while also answering more detailed questions on the subject matter of the bills.

In response to the scorecard of local responses, there were questions on the local volunteer

recruitment process and discussion on ways to improve the local response rate for the upcoming General Assembly Session. By consensus, the Commission directed staff to add a discussion item to the September 13th meeting agenda on the topic of ways to improve the local volunteer participation rate for the next General Assembly Session.

B. Bills of Interest

Next, Mr. Conmy, Mr. Flanders and Ms. Rafferty provided the Commission with a summary of bills of interest from the 2016 Session. Mr. Conmy indicated that staff had reviewed a total of 101 bills for Legislative Assessment Summaries (LAS) and that staff was currently preparing a variety of bills for Enrolled Bill Review (EBR).

Mr. Conmy also highlighted several bills that would have a direct impact on the Commission. Most of the bills had either failed or been tabled, but two remaining bills had been signed by the Governor: HB945 (Wilt) and SB309 (Hanger/Vogel). Mr. Conmy indicated that copies of these bills had been included in the Commissioner's packets. The bills are identical to each other and extend the annexation moratorium until 2024. They also direct the Commission to conduct a study on (1) the structure of cities and counties and (2) the impact of annexation upon localities. Through the study directive, the Commission shall consider alternatives to the existing moratorium on annexation by cities. The Commission would need to report its findings by December 1, 2018, and is directed to consult with and seek input from the Virginia Municipal League (VML), the Virginia Association of Counties (VACo), and the localities directly affected by the existing annexation moratorium. There was discussion about the study, and the Commission directed staff to prepare a plan for discussion at the May 10th meeting on topics including a timeline, potential stakeholders, a meeting schedule, potential travel, various resources, and other matters that would assist the study. Ms. Hull also requested that the Commissioners submit thoughts and ideas for preparing the report to Mr. Conmy in the interim.

C. Budget

Mr. Conmy discussed several items of interest to localities that were included in the budget that is currently on the Governor's desk. He highlighted potential changes to the seizure of local fines and forfeitures, 599 funding, jail per diems for state responsible inmates, K-12 funding, stormwater, the GO Virginia initiative, and several other items of interest.

VI. Governor's Task Force for Local Government Mandate Review

Mr. Conmy indicated that the Task Force meeting has been scheduled for March 24, 2016, at the Main Street Centre in downtown Richmond (600 E. Main St.) in the 12th Floor North Conference Room. He mentioned that a draft agenda is being formulated, and that it will include discussion on high profile bills, preparation and organization of the mandates catalog, and the mandates assessment process.

VII. Commending Resolution for Ms. Barbara Johnson

Next, the Commission considered Ms. Johnson's commending resolution that was distributed to the members prior to the meeting. Mr. Stirrup moved for approval of the draft resolution, and such motion was seconded by Mr. Goodson and was unanimously adopted.

Mr. Conmy indicated that he would invite Ms. Johnson to the Commission's May meeting for presentation of the resolution.

VIII. Other

Ms. Hull asked if there was any other business for the Commission to discuss. No one brought up any additional business items.

IX. Schedule of Regular Meetings

Ms. Hull noted that the next meeting of the Commission would be held on May 10, 2016, at the Virginia Housing Center in Henrico Room 3.

There was also discussion among the Commission members to consider using the Main Street Centre for the January and March Commission meetings in the future due to its convenient location during the General Assembly Session for Commissioners who are involved with legislative activities.

X. Upcoming Events of Interest

Ms. Hull reviewed upcoming dates and events of interest for the Commission, including VML's 111th Annual Conference in Virginia Beach and VACo's 82nd Annual Conference in Bath County.

Mr. Conmy also mentioned that the Department of Housing and Community Developments annual Governors Housing Conference will be held in Roanoke on November 16th through the 18th.

Several Commissioners also had questions on any reporting requirements for invitations to various local government interest group meetings, such as the VACo and VML conferences. Mr. Conmy indicated he would look into the matter and provide the Commission with the requested information soon.

XI. Adjournment

By consensus of the Commission, Ms. Hull called the meeting adjourned at 11:57 a.m.

Victoria L. Hull
Chair

J. David Conmy
Local Government Policy Administrator