

MINUTES
Regular Meeting
Commission on Local Government
10:30 a.m., March 14, 2017
Covington City Council Chambers
333 W. Locust Street
Covington, Virginia 24426

Members Present

Diane M. Linderman, Chair
Kimble Reynolds, Jr., Vice-Chair
Bruce C. Goodson
Victoria L. Hull

Members Absent

R. Michael Amyx

Staff Present

J. David Conmy, Local Government Policy Administrator
Ali Akbor, Senior Public Finance Analyst
Kristen Dahlman, Senior Policy Analyst

Call to Order

Commission on Local Government (CLG) Chair, Ms. Diane M. Linderman, called the regular meeting to order at 10:31 a.m.

I. Administration

A. Approval of Minutes of the Regular Meeting on January 10, 2017

A motion was made by Mr. Reynolds and seconded by Ms. Hull to approve the minutes. The motion was unanimously approved by the members of the Commission present at the meeting.

B. Public Comment Period

Ms. Linderman opened the floor to receive comments from the public. Mr. David Bryant, Jr., Director of Finance and Human Resources of the City of Covington, welcomed the Commission to the City. No one else appeared to testify before the Commission.

C. Presentation of Financial Statement for February 2017

Referencing an internally produced financial statement that encompassed expenditures through the end of February 2017, Mr. Conmy stated that the Commission is trending over budget. Mr. Conmy said that overall he thinks this trend will be going down and is supported by the decrease in such trend from the January Commission

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meeting compared to the current meeting. Mr. Goodson commented that the Commission has been under budget in the past few years, and Mr. Conmy concurred. Ms. Hull also commented that the expenses the CLG budget.

D. Policy Administrator's report

Mr. Conmy shared with the Commissioners that the 2017 General Assembly has concluded. Commission staff produced 109 Legislative Assessment Summaries (LAS) – 61 of those bills were enrolled – and Mr. Akbor produced 24 Fiscal Impact Statements (FIS). Commission staff attended additional meetings with HAC, Senate Finance, et al on local fiscal distress monitoring.

Outside of the General Assembly Session, Commission staff participated in several other activities. Mr. Conmy presented on Interlocal Cooperation at the VACo County' Chairs Institute on February 3. Commission staff and Ms. Linderman conducted an orientation meeting with the newest Commission member, Mr. Amyx, on February 27. Mr. Conmy fielded an inquiry from Congressman Griffith's Division Director, Ms. Michelle Jenkins, on economic growth-sharing agreements and a potential idea for the coalfields region. Mr. Conmy was recently interviewed by Richmond Times Dispatch regarding the budget items on local fiscal distress; they did not use any of Mr. Conmy's comments but did include a quote from the newest Commissioner, Mr. Mike Amyx. At a later date, staff will be meeting with the Auditor of Public Accounts (APA), The Pew Charitable Trusts, the Virginia Association of Counties (VACo), and the Virginia Municipal League (VML) on additional fiscal distress monitoring ideas.

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

1. Petersburg and the potential for state law changes to better monitor fiscal distress
2. The ongoing account of the Augusta County courthouse and its location in the City of Staunton
3. A citizen effort to oust the City of Petersburg Mayor and former Mayor from City council
4. More information on Petersburg's existing fiscal situation
5. The withdrawal of legislation that would have allowed the relocation of the Augusta County courthouse within the corporate limits of the City of Staunton
6. Senator Hanger's Joint Resolution for a two-year study of local government fiscal stress that would involve the CLG
7. Legislation related to local taxes and how those could be incorporated into Senator Hanger's fiscal stress study
8. The introduced budget amendment intended to negate the Charlottesville-Albemarle revenue sharing agreement and the potential implications it could have on other interlocal agreements
9. The withdrawal of the budget amendment intended to negate the Charlottesville-Albemarle revenue sharing agreement
10. The withdrawal of the suit to remove the Mayor and former Mayor of Petersburg from City Council
11. The fate of Senator Hanger's bill for a Senate Joint Resolution for a two-year study of local government fiscal stress

Ms. Hull asked staff about the 2016 CLG Salary Study and whether it was relevant for future purposes. Ms. Dahlman commented that the study should still be relevant for a few years and that staff may need to update inflation estimates and a few other calculations if the issue is brought back again for consideration by the General Assembly. Mr. Conmy stated that staff would be called upon to testify if the General Assembly takes on the issue in the future, per Delegate Poindexter.

II. Fiscal Stress Report for 2014/2015

Mr. Akbor updated the Commission that three cities still have not submitted their Local Government Comparative Reports to the APA: Richmond, Hopewell, and Manassas Park. Mr. Akbor spoke with APA staff and indicated that they are still unclear about when they will be getting information from the localities mentioned earlier. Mr. Akbor indicated that CLG staff will have to wait until the APA has full information from all localities before completing the report.

Mr. Goodson suggested issuing a press release stating that the CLG is ready to release their report but need information from the three localities. Staff indicated that they have already been getting inquiries as to the status of the new report. Mr. Conmy also commented that the APA has limited authority to address localities not in compliance with sending in fiscal records by the established deadlines. Ms. Hull suggested sending a letter to the Mayor and City Council members of the cities instead and giving them a deadline. After additional discussion among the Commissioners and staff, the Commission unanimously agreed to send a letter to certain representatives of the cities, copying any agencies that may use the Fiscal Stress report and citing APA code to get the cities to comply. Mr. Akbor and Mr. Conmy will work on a draft version of the letter and coordinate its approval and transmittal through Ms. Linderman.

III. Assessment of State and Federal Mandates on Local Government

A. Staff Presentation

Ms. Dahlman indicated that per Executive Order 58 (2007), staff is required to coordinate an assessment of new, newly identified, or significantly altered federal and state mandates that have been in effect a minimum of two years. She identified a total of 16 mandates that are due for an assessment for FY 2017-2018, 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. Ms. Dahlman 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.

B. Commission Deliberation and Action

Ms. Hull moved to approve the schedule. Mr. Reynolds seconded the motion, and the Commission unanimously approved. There was no discussion.

IV. 2017 General Assembly Session

A. Staff Updates

Mr. Conmy gave an update for this year's short session. As of the meeting, staff had completed 109 Legislative Action Summaries for bills that had been assigned to DHCD.

B. Fiscal Impact Analyses

Mr. Akbor stated that this year's fiscal impact analyses are complete and that there was an increase in the number of volunteers. A total of 38 volunteers signed up to participate this year, with 18 of them being new to the process this year. The volunteers represented 20 counties, 10 cities, two towns, one school, and four professional organizations. Not all volunteers provided responses when CLG staff asked localities to comment through the volunteer web portal. Mr. Akbor highlighted a few bills of interest that would have had a significant fiscal impact on localities.

Ms. Hull asked if Prince William County actively participated in the volunteer effort for FIS. Mr. Goodson inquired why Botetourt County is listed as a volunteer if they didn't actually respond to any FIS request this year.

Ms. Hull asked if it makes a difference when a fiscal impact statement is submitted to the General Assembly and Governor. Mr. Akbor said that it had a mixed effect on what the General Assembly and Governor do with a bill. He elaborated that sometimes the FIS really matters on how much it impacts a locality and that it may stop a bill from moving forward, but other such statements have had minimal impact to the outcome of a bill.

Ms. Hull suggested that Commission staff should thank the localities that participated and provide additional information on the importance and impact of such participation. Mr. Goodson suggested that CLG staff show a summary of responsive localities for FIS by showing the percentage of responses out of total localities in the Commonwealth. The Commissioners are in agreement that it would be beneficial to see the total amount of participation in the FIS volunteer program.

After additional discussion, it was decided that Commission staff would draft a letter thanking the responsive volunteers. Mr. Akbor and Mr. Conmy will work on a draft letter for review by Ms. Linderman before sending to the respective localities.

C. Bills of Interest

Ms. Dahlman presented a handout that included an overview of bills that are of interest to local governments. This included legislation on issues such as broadband, wireless communication infrastructure, AirBnB and other short-term residential lodging, compensation/benefits, fiscal issues, land use/local issues, and FOIA/COIA/ethics.

Mr. Conmy discussed budget amendments that are of interest to localities. He identified the two percent salary raises for teachers, constitutional officers, and state employees. He indicated that some funding for GO Virginia was cut, but the program still remains intact. Other funding for DHCD such as Virginia Telecommunications Initiative and Enterprise Zone grants had some of their funding restored. Mr. Conmy also highlighted the local fiscal

stress subcommittee budget line item and the budget directive for the Auditor of Public Accounts to develop a fiscal distress early warning detection system.

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

Mr. Conmy stated that the next meeting is scheduled for March 24, 2017, at the Main Street Center in Richmond. The Task Force will be discussing certain legislation to encourage the Governor to sign or veto before the March 27th deadline. Mr. Conmy also indicated that Mr. Eldon James from the Virginia Chapter of the American Planning Association will be presenting on local land fiscal pre-emption or protection.

VI. Annexation Alternatives Study

Mr. Conmy advised that as of now there are no scheduled meetings or conference calls. Mr. Akbor and Mr. Conmy are still working on a database analysis of state mandated services and the local/state breakdown of costs using data collected by the APA.

VII. Commending Resolution for John T. Stirrup

Next, the Commission considered Mr. Stirrup's commending resolution that was distributed to the members prior to the meeting. Mr. Goodson suggested some amendments to the resolution to reflect Mr. Stirrup's role as Chairman when the Commission reviewed several voluntary settlement agreements. Mr. Conmy indicated that he will make changes to the draft resolution and present to the Commission in May for approval.

VIII. Other

Ms. Linderman asked was there any other business for the Commission to discuss. There appeared to be no additional items for consideration.

IX. Schedule of Regular Meetings

Ms. Linderman noted that the next meeting would be held on May 9, 2017, in the Board Room at the Virginia Housing Center in Glen Allen, Virginia.

X. Upcoming Events of Interest

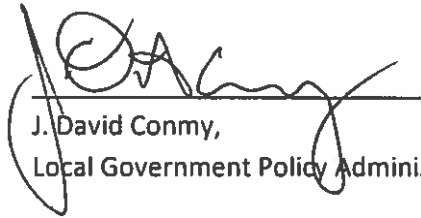
Ms. Linderman reviewed upcoming dates and events of interest for the Commission. The Commission discussed consideration of moving the November regular meeting from November 14, 2017, to November 9, 2017, due to scheduling conflicts. Mr. Conmy indicated that he will investigate moving the meeting to that date and notify the Commission if such date works for staff and whether or not meeting space is available for that date.

XI. Adjournment

Mr. Reynolds made a motion to adjourn the regular meeting, which was seconded by Mr. Goodson. The Commission then unanimously voted to adjourn the meeting at 12:30 p.m.



Diane Linderman,
Chair



J. David Conmy,
Local Government Policy Administrator