

MINUTES
Regular Meeting
Commission on Local Government
10:00 a.m., January 9, 2018
Main Street Centre

Members Present

Kimble Reynolds, Jr., Chair
R. Michael Amyx, Vice-Chair
Victoria L. Hull
Diane M. Linderman

Members Absent

Staff Present

J. David Conmy, Local Government Policy Administrator
Ali Akbor, Senior Public Finance Analyst
Kristen Dahlman, Senior Policy Analyst
Lindsay Barker, Program Support Specialist

Call to Order

The Commission on Local Government (CLG) Chair, Ms. Diane Linderman, called the meeting to order at 10:11 a.m.

I. Election of Officers for 2018

The floor was opened for nominations for the election of officers for 2018. Ms. Victoria Hull nominated Mr. Kimble Reynolds for Chair, and the Commission unanimously elected Mr. Reynolds as Chair for 2018. Ms. Linderman nominated Mr. Michael Amyx for Vice-Chair, and the Commission unanimously elected Mr. Amyx as Vice-Chair for 2018.

II. Administration

A. Approval of Minutes of the Regular Meeting on November 9, 2017

Ms. Linderman moved to approve the minutes, as written. The motion was seconded by Ms. Hull and approved.

B. Public Comment Period

Mr. Reynolds opened the floor to receive comments from the public in attendance. No comments from the public were received; the public comment period was then closed.

C. Presentation of Financial Statement for December 2017

Based on discussion held previously by the Commission, Mr. David Conmy indicated that staff will be presenting a mid-year and fiscal year-end financial report. He noted that December marks the half way point of the fiscal year and the Commission had currently expended 53.6% of its total budget.

D. Policy Administrator's report

Mr. Conmy then shared his Policy Administrator's report with the Commission. He stated that Mr. William Shelton, Director of the Department of Housing and Community Development (DHCD), did not seek reappointment as Director for Governor Northam's administration and that Chief Deputy Director, Erik Johnston, was appointed as the new Director of DHCD. He also noted that staff has reached out to the Secretary of the Commonwealth's office but has not received an update on the vacant Commissioner appointment. The CLG staff has been asked by the Virginia Chapter of the American Planning Association to submit a proposal for a session on fiscal stress for their 2018 summer conference. Also, in an effort for more collaboration, Mr. Conmy indicated that staff from the CLG have been attending the Virginia Association of Planning District Commission Executive Director's meeting as an agency liaison. Finally, Mr. Conmy reviewed several news articles of interest with the Commission.

III. Fiscal Stress Report for 2014/2015

A. Staff Report

Mr. Ali Akbor presented the final version of the Fiscal Stress Report for 2014/2015. He stated that this report reflects Fiscal Year 2015 data for all localities except for Hopewell, which utilizes their Fiscal Year 2014 revenue figures due to their lack of filing with the Auditor of Public Accounts (APA). Mr. Akbor assured the Commission that utilizing this data does not have a significant impact on the scoring and noted that the rankings of localities does not change much annually; any erratic change in ranking would cause staff to investigate those matters more closely to ensure there were no errors in the data. Mr. Akbor presented some key findings of the report to include: that cities have a higher fiscal stress than counties, approximately half of the localities in the Commonwealth are experiencing above average or high fiscal stress, and that since FY2014 only ten localities improved their stress category while four have declined.

B. Commission Deliberation and Action

After discussion, the Commission had a few minor suggested edits to the report. Ms. Linderman moved to approve the report with amendments, which was properly seconded by Mr. Amyx and unanimously approved by the Commission. The Commissioners were concerned with the lack of timely responses from localities and asks that staff continue to work with outstanding localities going forward.

IV. Fiscal Stress Report 2015/2016

A. Staff Update

Mr. Akbor indicated that based on the delay of the 2014/2015 Fiscal Stress Report due to delinquent localities and the need for the report by other state agencies, staff recommended a new process going forward. He elaborated that staff would continue to make an effort to assemble the data and have the report ready for the Commission's consideration during their January meeting. However, staff would allow for a six month extension of the report to July to account for any localities that were delinquent in submitting their financial information to the APA by the November 30th deadline but had done so since the January Commission meeting had transpired. If the data is still not available by July, then the report will be issued utilizing the prior year's data. This recommendation is from the basis that utilizing a localities data from a prior year does not have a significant effect on the rankings contained in report, which Mr. Akbor had demonstrated during the discussion of the 2014/2015 Fiscal Stress Report. After some additional discussion, the Commission endorsed this internal policy going forward.

V. 2018 General Assembly Session

A. Staff Update

Mr. Conmy gave an update about the 2018 General Assembly session by providing key dates. Mr. Akbor provided an overview of the process for Fiscal Impact Statements (FIS) and that the volunteers were already reviewing several bills to determine if there was any fiscal impact to localities. Ms. Kristen Dahlman and Mr. Conmy reviewed pre-filed legislation that would be of interest to the Commission based on impact to localities. Mr. Conmy then provided an update and highlights on the former Governor, Terry McAuliffe's, final budget.

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

A. Staff Update

Mr. Conmy stated that he had reached out to the contact person for Governor Northam's transition team; but, as of the meeting date, he had not received a response. He added that staff will continue to monitor the status including whether or not legislation is filed to extend sunset date of Task Force. The Task Force is currently due to sunset on July 1, 2018.

VII. Annexation Alternative's Study

A. Staff Update

Mr. Conmy stated that the last meeting of the Annexation Stakeholder group was held in Richmond on December 11, 2017. Staff has begun to draft the report with intent to share the draft report with the

stakeholders for review in the spring and then present a draft version including stakeholder feedback to the Commission in the summer. This would allow the Commission to hold another set of public hearings for additional comment before a final report would be considered for adoption at the November Commission meeting and submitted to the General Assembly in December. Staff presented a handout of the recommendations as discussed by the stakeholder group for final input on the recommendations and if there were any priorities among the recommendations presented.

B. Commission Deliberation

Ms. Linderman and Mr. Reynolds facilitated a discussion of the recommendation topics and examples of what those recommendations could look like. Overall, the Commission agreed with the topics. After Mr. Conmy shared some additional context and reasons for the recommendations, Ms. Hull stressed that the information he just shared would be very important to provide sufficient context and background for the recommendations. Mr. Amyx also emphasized that point, especially given that many of the state officials who were around at the time of the beginning of the temporary annexation moratorium in 1987 are no longer in office. The Commission also directed staff to produce a draft report for their consideration before the next stakeholder meeting. Mr. Conmy suggested that, based upon that change, staff could likely have a draft report for the Commission's consideration at their May meeting. Then, based on additional refinement by the Commission, staff would present the draft report to the stakeholders for a final meeting to consider additional revisions. This would likely occur sometime in late May or early June. Afterwards, the Commission would likely hold one or two public hearings on the report before considering the report for final adoption during their November meeting.

VIII. Update to Commission on Local Government Regulations

Mr. Conmy stated that the public participation guidelines were approved by the Governor's office on December 19, 2017, and will be submitted to the registrar's office by staff. The Organization and Regulations of Procedure are still at the Governor's office for review.

IX. Other

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

X. Schedule of Regular Meetings

Mr. Reynolds noted that the next meeting of the Commission would be held Tuesday, March 13th at 10:00 a.m. at the Main Street Centre 12th Floor North Conference Room.

XI. Upcoming Events of Interest

Mr. Reynolds reviewed upcoming dates and events of interest for the Commission.

XII. Adjournment

By consensus of the Commission, Mr. Reynolds called the meeting adjourned at 1:13 a.m.

Kimble Reynolds, Jr.,
Chair

J. David Conmy,
Local Government Policy Administrator

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