

**MINUTES**  
**Annexation Study**  
**Stakeholder Meeting**  
**1:00 p.m., June 7, 2017**  
**Virginia Housing Center**  
**4224 Cox Road Glen Allen, VA 23060**

**Stakeholders Present**

Diane M. Linderman, Co-Chair  
Mike Amyx, CLG Commissioner  
David Blount, TJPDC  
Kelly Harris-Braxton, VA First Cities  
Joe Lerch, VACo  
John Moeser  
Jim Regimbal, VA First Cities  
Jeff Sharp, DLS

**Stakeholders Absent**

C. Richard Cranwell  
Chad Funkhouser  
Michelle Gowdy, VML  
Kurt Hodgen, City of Harrisonburg  
Stephen King, Rockingham County  
Kimball Payne, VML  
Kimble Reynolds, Co-Chair  
Brian Thrower, City of Emporia  
Dave Whittington, Greensville County

**Stakeholders Present via Conference Call**

Carter Glass

**DHCD Policy Office/CLG Staff Present**

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

**I. Call to Order**

Commission on Local Government (CLG) Chairman, Diane Linderman, called the meeting to order.

**II. Administration**

**A. Approval of the Minutes**

A motion to approve the minutes was made by Ms. Harris Braxton, seconded by Mr. Blount, and unanimously passed.

**B. Discussion of Future Meetings and Deadline of Study**

Ms. Linderman discussed that Ms. Vickie Hull is stepping down as Co-Chair and Ms.

Linderman will still remain one of the Co-Chairs. Mr. Kimble Reynolds will serve as the other Co-Chair. Ms. Linderman also noted that this and future study meetings would be open to all members of the Commission, which meant that they would be considered public meetings. Despite their status as public meetings, she emphasized that no official business of the Commission would be acted upon during these meetings. Mr. Conmy discussed keeping quarterly meetings as agreed upon last year by the stakeholders.

**C. Goals for Today's Meeting**

Mr. Conmy outlined the goals for the meeting: (1) review discussions from prior meetings (2) review and discuss the updated fiscal analysis (3) discuss scholarly articles of interest. Mr. Conmy also announced the group would be dividing into two subcommittees for the second part of the meeting. One subcommittee will review topics related to local structures and the other will review fiscal topics for localities.

**III. Staff updates**

**A. Recap of Previous Meetings & Review of Articles and Topics of Interest**

Mr. Conmy also gave an overview of topics discussed at previous meetings including a history of annexation in the Commonwealth of Virginia, inter-local agreements, and transition options. Furthermore, the stakeholders have reviewed previous studies on annexation and inter-local collaboration. At the most recent meeting in October, the stakeholders reviewed and discussed the initial fiscal analysis conducted by staff on the state and local share of mandated costs, fiscal stress, and other related indicators.

Mr. Conmy and Ms. Dahlman gave an overview of articles of interest and offered further discussion for the stakeholders to deliberate on including incentives for agreements, regionalism, and other concepts.

**B. Update on Commission Staff Analysis of Cost of State-Mandated Services**

Mr. Akbor and Mr. Conmy presented the stakeholders with an update on the fiscal analysis. The analysis was presented through scatter plots showing a relationship between fiscal stress and other factors including local shares of spending for state mandates, the Local Composite Index (LCI), and others. Mr. Regimbal commented that the graphs appeared to show a strong relationship between local revenue effort, expenditures, and fiscal stress. Mr. Akbor commented that the LCI calculation appeared to not be working in favor of at least 27 percent of the localities, however; Mr. Regimbal commented that the majority of localities are benefitting from the current LCI.

**IV. Stakeholder Deliberation**

Ms. Linderman and Mr. Conmy then split the stakeholder group into two subcommittees, which met for the remainder of the meeting time. The subcommittee on structures discussed examining different tools for localities and how to adjust those tools to make it easier for localities to collaborate on services. The subcommittee on fiscal issues discussed a review of the issues contributing to local fiscal stress, ways to alleviate such issues, current funding formulas from the state, and realizing efficiencies in delivering state mandated public services from local governments.

**V. Next Meeting Interim Tasks**

The next meeting will be held in September and staff will reach out to the stakeholders to determine the next date.

**VI. Adjournment**

Ms. Linderman called the meeting adjourned at 4:00 p.m.

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J. David Conmy  
Local Government Policy Administrator

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Diane Linderman  
Co-Chair