



Executive Committee Meeting  
Gordonsville Town Hall  
112 S. Main St., Gordonsville  
May 6, 2017  
9:00 a.m.

Action Agenda

- I. Call to Order & Introductions
- II. Additions to Agenda
- III. Consideration of Minutes from January 25, 2017 [Tab 1]
- IV. Approval of Financial Report as of March 31, 2017 [Tab 2]
- V. Consideration of 2017 – 2018 Budget [Tab 3]

Information/Discussion Agenda

- VI. Executive Director's Report [Tab 4]
- VII. Staff Report on 2017 General Assembly [Tab 5]
- VIII. Report on Federal Issues [Tab 6]
- IX. Staff Report on Amicus Briefs [Tab 7]
- X. Stairway to Success [Tab 8]
- XI. Go Green Update [Tab 9]
- XII. Future Meetings:
  - a. August 11/12 Virginia Beach
  - b. October 1 Williamsburg (with the conference)
- XIII. Items Proposed for Discussion at August and October Meetings
- XIV. Other Matters
  - a. Executive Director Evaluation
- XV. Adjournment



**Executive Committee Meeting**  
Richmond CenterStage, Donor Lounge  
600 E. Grace St., Richmond, VA 23219  
January 25, 2017

***In attendance:*** Jill Carson, Bob Coiner, Laurie DiRocco, Willie Greene, Ophie Kier, Christina Luman-Bailey, Anita James Price, A.D. “Chuckle” Reid, Ron Rordam, Tommy Smigiel, Gene Teague, and Pat Woodbury ***Staff:*** Michelle Gowdy, Kim Winn

**Call to Order.** President Coiner called the meeting to order at 10:35 a.m.

**Minutes.** Rordam moved and Teague seconded a motion to approve the minutes of October 9, 2017, as presented. Motion approved without objection.

**Financial Report.** Teague moved and Rordam seconded a motion to approve the financial report as presented. Motion approved without objection.

**Preliminary Budget Recommendations.** The Executive Committee considered two specific budget proposals. Following the discussion, Carson moved and Kier seconded a motion to increase member dues by 2% for 2017 - 2018. Motion was approved without objection. Further, Woodbury moved and Price seconded a motion to approve VML’s participation in the National League of Cities Affiliate Program.

**Go Green Recommendations.** Luman-Bailey reviewed some possible changes to the Go Green program. No motion was made.

**ED Report.** Winn reviewed the Executive Director’s report.

**Technology Update.** Winn reviewed the plan for enhancing technology that was developed following an assessment.

**2017 General Assembly.** The Executive Committee reviewed the report regarding legislative activities.

**Amicus Briefs.** The Executive Committee reviewed the report by Gowdy regarding the Arlington County sovereign immunity case.

**Leadership Academy.** A status update on the new Virginia Leadership Academy was presented.

**2017 Regional Suppers.** Winn reviewed dates and locations for the spring 2017 regional suppers.

**VML Day.** The Executive Committee reviewed the plans for VML Day.

**Future Meetings.** Winn reviewed the schedule for upcoming Executive Committee meetings.

**Other Matters.** Executive Committee members spent some time sharing and discussing issues of municipal concern.

**Adjournment.** There being no other business to come before the body, the meeting was adjourned at 12:35 a.m.

Respectfully Submitted,

Kimberly A. Winn  
Executive Director

Virginia Municipal League  
Statement of Revenues and Expenses  
For the Nine Months Ending 3/31/2017

	Annual Budget	YTD Budget	YTD Actual	YTD Variance
<b>REVENUES</b>				
Membership Dues	\$1,187,040.00	\$1,187,040.00	\$1,174,628.00	\$ (12,412.00)
Annual Conference	305,500.00	305,500.00	293,707.50	(11,792.50)
Workshops/Seminars	40,000.00	29,999.97	31,760.00	1,760.03
Advocacy	42,000.00	31,500.00	34,850.00	3,350.00
Investment Income	4,000.00	2,999.97	12,237.27	9,237.30
Publications	72,000.00	54,000.00	41,980.00	(12,020.00)
Insurance Programs	900,000.00	675,000.00	693,750.00	18,750.00
Sponsorships	140,000.00	105,000.03	64,909.59	(40,090.44)
Affiliated Groups	87,000.00	76,375.00	67,904.77	(8,470.23)
Miscellaneous Income	30,000.00	22,500.00	27,202.99	4,702.99
Gain from Disposal of Asset	2,000.00	2,000.00		(2,000.00)
<b>Total Revenues</b>	<b>2,809,540.00</b>	<b>2,491,914.97</b>	<b>2,442,930.12</b>	<b>(48,984.85)</b>
<b>EXPENSES</b>				
Compensation and Benefits	1,710,000.00	1,282,500.00	1,204,725.85	(77,774.15)
Annual Conference	270,500.00	270,500.00	217,357.41	(53,142.59)
Workshops/Seminars	40,000.00	29,999.97	36,175.02	6,175.05
HR & Financial Services	20,000.00	15,000.03	17,955.70	2,955.67
Travel	45,000.00	33,750.00	22,447.01	(11,302.99)
Office Supplies & Postage	30,000.00	22,500.00	16,445.45	(6,054.55)
Office Maintenance & Equipment	20,000.00	15,000.03	25,311.56	10,311.53
Office Rent	3,000.00	1,500.00	2,164.00	664.00
Building Repairs & Utilities	40,000.00	29,999.97	31,530.54	1,530.57
Computer Services	43,000.00	32,249.97	24,864.44	(7,385.53)
Dues & Subscriptions	23,000.00	17,250.03	7,596.11	(9,653.92)
National League of Cities Dues	26,000.00	26,000.00	22,048.00	(3,952.00)
Insurance Expense	25,000.00	25,000.00	14,769.49	(10,230.51)
Professional Fees	50,000.00	37,500.03	34,716.47	(2,783.56)
Advocacy	150,000.00	112,500.00	122,876.07	10,376.07
Publications	76,000.00	56,999.97	41,811.40	(15,188.57)
Executive Committee	37,000.00	27,749.97	18,305.73	(9,444.24)
Depreciation Expense	35,000.00			
Miscellaneous	27,000.00	20,250.00	19,299.37	(950.63)
Special Projects	40,000.00	29,999.97	1,528.91	(28,471.06)
Real Estate Tax	7,000.00	3,500.00	3,487.50	(12.50)
Accumulated Leave Earned	50,000.00	0.00	34,201.73	34,201.73
<b>Total Expenses</b>	<b>2,767,500.00</b>	<b>2,089,749.94</b>	<b>1,919,617.76</b>	<b>(170,132.18)</b>
<b>Net Revenue</b>	<b>42,040.00</b>	<b>402,165.03</b>	<b>523,312.36</b>	<b>121,147.33</b>
Checking Account			303,400.93	303,400.93
Invested Reserves			2,708,839.76	2,708,839.76

# 2017 – 2018 Proposed VML Budget

The following comments are provided for your information in reviewing the proposed budget (attached).

## Revenue

- Membership Dues. Consists of regular dues, associate dues, and sustaining memberships. As directed, the 2017-2018 budget reflects a 2% dues adjustment. Because of the loss of Petersburg and James City County, the total number is lower than prior years. However, it matches the year-to-date actuals.

### Dues History

2008	4	%
2009	0	%
2010	0	%
2011	0	%
2012	3	%
2013	3	%
2014	0	%
2015	0	%
2016	0	%
2017	2	%
10-Year Average	1.2	%

- Annual Conference. Revenues have been increased to reflect current projections.
- Workshops/Seminars. Includes charges to participants for attending various VML workshops.
- Advocacy. Captures revenues received in relationship to our legislative advocacy (primarily rent from our space that we rent from Fairfax County). There is a corresponding expense category. This line also includes revenues from VML Day at the Capitol.
- Investment Income. This is a self-explanatory category and is projected to remain stable (and very low).
- Publications. Includes revenues related to *Virginia Town & City* and other VML publications. It has been reduced a bit to reflect historical numbers.
- Insurance Program. This is the revenue received from VMLIP pursuant to our agreement.

- Sponsorships. This includes the U.S. Communities purchasing program and the VML/VACo pooled financing program. These revenues are expected to remain constant.
- Affiliated Groups. Includes secretariat fees for VBCOA, VLGMA, MEPAV, VEPGA, AEP, and the Southern Municipal Conference. These revenues are expected to remain constant.
- Miscellaneous. Includes revenues from all other sources and is expected to remain constant.

## Expenses

- Compensation and benefits. Includes all salaries and benefit related expenses (approx. \$1,200,000 for salaries and \$450,000 for benefits). This line includes an overall 3% adjustment for existing employees. However, adjustments are made annually based on merit. We have also been notified of an increase in our health insurance premiums of 15.7% so that adjustment is included here as well. Finally, expenses for our outsourced Fractional CIO are included in this line.

### Staff Salary Adjustments

2008-09	4 %	
2009-10	0 %	
2010-11	0 %	
2011-12	3 %	
2012-13	2 %	
2013-14	0 %	
2014-15	3 %	
2015-16	3 %	plus merit adjustments
2016-17	3 %	

- Annual Conference. Includes all conference related expenses and has been increased to reflect actual expenditures in recent years and expected expenses in Williamsburg.
- Workshops/Seminars. Corresponds to the revenue line of the same name. This has been set to reflect recent expenditures.
- HR & Financial Services. Reflects the agreement between VML and VMLIP for these services. I propose continuing this relationship.
- Travel. Includes all staff travel, including travel for various VML events as well as professional development travel. This number remains stable and we should be sending a greater number of staff members to various trainings and events.
- Office Supplies & Postage. Expected to remain stable.
- Office Equipment. Includes expenses for copiers, postage machines, and other leased equipment.
- Office Rent. Reflects expenses for rental storage space.
- Building Repairs & Utilities. This line is expected to remain stable.
- Computer Services. Includes non-capitalized computer related expenses. This line has been significantly increased as a part of our ongoing technology plan. We have also budgeted for replacing our database system.
- Dues and Subscriptions. Includes various memberships and publications for VML and VML staff.
- National League of Cities. Includes our dues to NLC for the upcoming fiscal year as well as expenses related to the VML-hosted reception at the City Summit. It also includes the dues for the affiliate program which was approved by the Executive Committee at your January meeting.
- Insurance. Reflects expected costs for non-employee related insurance.
- Professional Fees. Includes expenses for professional services (such as legal services). This line is expected to remain stable.
- Advocacy. This is the line that corresponds to the revenue line of the same name. It includes payments to various policy advocates and the costs associated with the VML lobbyists.
- Publications. Corresponds to the revenue line of the same name. It includes expenses relating to publications including *Virginia Town & City*.
- Executive Committee. Includes all expenses related to the Executive Committee meetings and travel.
- Depreciation. Is expected to remain constant.
- Miscellaneous. Is expected to remain constant.
- Special Projects. This is the expense line for funding new initiatives (including the Early Childhood program). It is being reduced by half, primarily so that we can fund technology upgrades.
- Real Estate Tax. Reflects property taxes paid for the property at 13 E. Franklin.
- Accumulated Leave Earned. Includes all cash pay-outs for leave time. Because we have a combined “paid time off” system, we have to compensate employees for all accumulated leave time when they leave VML (whether by retirement, resignation, or termination). In addition to payments when they leave VML employ, employees had previously been allowed to “cash-in” leave time. In order to have a consistently applied policy, I have established an internal limitation of five days per employee per year for this.

## **Capital Expenditures**

Capital expenditures are not reflected in the operations budget and will be funded through current net assets. In 2015, we made significant repairs and upgrades to our building. In 2016 – 2017, we changed out the aging HVAC system. For 2017 – 2018, we are recommending an allocation not to exceed \$40,000 to make improvements to the basement area. Included in this project will be:

- Modernizing and updating our storage areas.
- Consolidating our technical services (phone, server, etc.).
- Development of a break area for employees. Because of the HVAC project, we now have additional room that we are hoping to be able to allocate for this purpose.

## **Net Assets**

Checking (as of 3/31/2017) = \$303,400.93

Invested Reserve (as of 3/31/2017) = \$2,708,839.76



	Audited Actuals 2014 - 2015	Audited Actuals 2015 - 2016	Budgeted 2016 - 2017	YTD	Proposed 2017 - 2018	Comments
<b>Revenues</b>						
Membership Dues	1,153,232	1,152,003	1,187,040	\$1,139,959	1,140,000	2% adjustment; minus James City Co. & Petersburg
Annual Conference	278,005	301,239	305,500	293,708	300,000	
Workshops & Seminars	40,053	24,720	40,000	31,760	40,000	
Advocacy	26,095	25,075	42,000	34,850	40,000	
Investment Income	3,208	8,740	4,000	12,237	8,000	
Publications	72,262	52,710	72,000	41,980	50,000	
Insurance Program	896,702	900,121	900,000	693,750	900,000	
Sponsorships	141,915	132,308	140,000	64,910	130,000	
Affiliated Groups	87,340	90,585	87,000	67,905	85,000	
Miscellaneous	29,124	31,608	30,000	27,203	30,000	
Gain on Disposal of Property & Equipment	2,866	-1,617	2,000	N/A	2,000	
	<b>2,730,802</b>	<b>2,717,492</b>	<b>2,809,540</b>	<b>2,408,261</b>	<b>2,725,000</b>	
<b>Expenditures</b>						
Compensation & Benefits	1,606,174	1,592,794	1,710,000	1,204,726	1,710,000	Includes 3% adjustment + Fractional CIO
Annual Conference	195,568	266,193	270,500	217,357	250,000	
Workshops & Seminars	45,598	31,722	40,000	36,175	35,000	
HR & Financial Services	15,566	18,189	20,000	17,956	20,000	
Travel	35,510	34,382	45,000	22,447	45,000	5 staff attending SML Staff Workshop!
Office Supplies & Postage	29,533	28,962	30,000	16,445	30,000	
Office Equipment	11,186	27,835	20,000	25,312	45,000	Move copier from "Computer Services"
Office Rent	3,000	3,000	3,000	2,164	3,000	
Building Repairs & Utilities	41,185	37,470	40,000	31,531	40,000	
Computer Services	35,695	46,306	43,000	24,864	60,000	Includes database replacement
Dues & Subscriptions	18,310	23,313	23,000	7,596	20,000	
National League of Cities	22,048	25,944	26,000	22,048	50,000	Affiliate Program +Reception
Insurance Expense	10,884	24,732	25,000	14,769	15,000	
Professional Fees	42,335	50,662	50,000	34,716	40,000	
Advocacy	106,994	117,091	150,000	122,876	127,000	
Publications	75,032	75,458	76,000	41,811	76,000	
Executive Committee	35,458	38,087	37,000	18,306	37,000	
Depreciation Expense	37,258	49,383	35,000	N/A	40,000	
Miscellaneous	26,117	37,413	27,000	19,299	25,000	
Special Projects	26,400	26,984	40,000	1,529	20,000	Cut by half
Real Estate Tax	6,975	6,975	7,000	3,488	7,000	
Accumulated Leave Earned	43,038	-20,030	50,000	34,202	30,000	
	<b>2,469,864</b>	<b>2,542,865</b>	<b>2,767,500</b>	<b>1,919,618</b>	<b>2,725,000</b>	

Net	260,938	174,627	42,040	488,643	0
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To: Executive Committee  
From: Kim Winn, Executive Director  
Date: April 27, 2017  
Re: ED Report

Rather than repeat the information in the evaluation memo, I thought I would take the opportunity with this report to focus on some of our future implementation plans. The following is a few of the key steps that we plan to take in the near future with regard to each of our goals.

## **VML Strategic Vision & Goals**

### ***Building Relationships***

- **Business Community.** At both the state and federal level, we keep hearing that “tax reform” is going to be on the table in the near future. In order to make sure that we are at the table, we are developing a game plan for building relationships with members of the business community. We have taken a few small steps in this direction, but we are working on a proposal with broader reach.
- **Gubernatorial Forum.** As soon as we know the general election candidates for Governor, we plan to invite them to participate in a gubernatorial forum at our annual conference. We have already had some communication with a couple of the campaigns, and so far they seem willing to work with us.

### ***Communications***

- **Database Project.** This project is very exciting and it will impact nearly all aspects of our organization. First, we want to be the primary place that people come for information about local government in Virginia. In addition, the new database will give us the opportunity to customize our communications without maintaining a lot of different lists like we do now.
- **Social Media.** Our “target audience” is local officials from 18 to 98. We need to make sure that our communications include the traditional print publications and email. In addition, we will be exploring ways that the various types of social media can be used to communicate our message and enable us to reach a broader audience.

### ***Engagement***

- **Regional Outreach.** The regional suppers continue to be a terrific way for us to encourage member engagement. In addition, I have been trying to schedule local tours while we are on the road. This helps us to keep up with the needs of our membership while facilitating regional discussions.

- **Policy Process.** One of the primary ways that local officials engage with us is through our policy and legislative committees. We plan to do an assessment of our policy process and our policy documents to see if we can identify ways in which we can make this process even more effective.

### ***Finance***

- **In-House Accounting.** We are working to bring our payroll and other accounting services in-house. Because we currently contract with VMLIP, this will both enhance our technical capabilities and save us money.
- **Team Building.** Our staff members are our greatest asset and we are going to be very intentional in the coming months in our efforts to build positive working relationships. We will be undertaking some team building this summer. In addition, we are looking for ways for our staff to work together in teams and get together on a social level.

To: Executive Committee

From: Michelle Gowdy

Date: April 18, 2017

Re: General Assembly 2017

Gov. Terry McAuliffe prevailed on all his vetoed bills this year. His opponents could not muster the necessary two-thirds majority vote in the House and Senate, giving the governor an unblemished record with all of his vetoes having been sustained since the 2014 legislative session.

The General Assembly rejected recommendations of the Governor in whole or in part, to 20 bills and rejected 13 budget amendments in whole or in part. These bills will now return to the Governor who will have 30 days (May 5) to either sign or veto the legislation. Bills not acted upon within the 30 days become law without the Governor's signature.

A big victory for localities was the wireless bill (SB1282 and HB2196) that started this year in the same posture as in 2016 – preempting all local authority, taking property in our Rights of Way and requiring use of public property for a nominal fee. After hours of negotiations, VML supported a bill that only applies to co-location of small cell facilities and contains provisions that allow localities to exercise some control over the location of the infrastructure. Already a workgroup has convened to begin discussions about new wireless support structures and access to the rights of way so this fight is not over. In addition, the FCC has released a Notice of Proposed Rulemaking that may have significant effects on local authority over wireless facilities and support structures.

Short Term Rentals were also subject to much of VML's time over the Session. There was only one bill filed, but attempts to replace it with a really bad bill for localities were numerous! The bill in the end solidifies local authority to regulate short term rentals and provides for registration, which should assist localities in collecting Transient Occupancy Taxes. VML has compiled a toolkit and is asking all localities to review their ordinances in light of this legislation. There will be attempts by the Short Term Rental Industry to amend this bill, specifically to ask for the collection of the local tax at the State level with no ability of the locality to audit. Localities need to demonstrate the ability to manage these operations at the local level.

## **Budget**

Amendments to legislation, particularly the Budget Bill, offer a much different tale from the vetoes. Of the multiple budget amendments McAuliffe submitted, about half prevailed and most of those were technical or administrative in nature. Policy amendments like the one to restore language providing authority to the governor to expand Medicaid pursuant to Obamacare failed

as did spending cuts to the Jamestown-Yorktown Commemoration 2019 and spending restorations for items like solar energy development.

Budget amendments of interest to local governments enjoyed mixed success. The legislature rejected the \$442,500 to reimburse selected local and regional jails for providing mental health assessments within 72 hours of the completion of an initial mental health screening. But, the \$655,000 proposed for the Department of Elections to educate voters and to replace expired federal funding for agency operations did prevail.

The Budget Bill (HB 1500) will be returned to Gov. McAuliffe, and will take effect upon his signature. As of today, it is not yet signed.

### **Child day program amendments rejected – May 5<sup>th</sup> is the deadline for Gov. action**

The Senate accepted, but the House rejected, the Governor's amendments to SB 1239 (Hanger) which address various child-based programs, including day care centers operated by religious organizations, after-school programs offered by public and private schools, as well local parks and recreation programs. The bill will now return to the Governor, who can decide whether to sign it, let it go into effect without his signature, or veto it.

Local parks and recreation agencies were not pleased with the bill as it came out of a General Assembly conference committee in the final hours of the Session, and were not satisfied with the Governor's amendments to the bill because it did not address their concerns with state social services reporting requirements and potential oversight. If the Governor vetoes the bill, the DSS oversight provisions will go away. If he allows the bill to become law, there is time for further work on items addressed by the bill because it was passed with a delayed enactment date of July 1, 2018, and included enactment clauses that made some of the provisions contingent upon state funding and approval of state regulations.

### **Bike Lanes**

HB2023 provides that cities and towns that receive highway maintenance payments from the Commonwealth based on moving-lane miles of highway will not have payments reduced if moving-lane miles of highway are converted to bicycle-only lanes. This is provided that the number of moving-lane miles is not more than 50 moving-lane miles or three percent of the municipality's total number of moving-lane miles, whichever is less.

### **Broadband**

HB2108 (Byron) Broadband bill that is now in the hands of the Governor. This bill has been diluted and is no longer as troubling. The Governor had originally threatened to veto this bill.

## **Cat and Dog Licensure**

HB 1477 gives localities the option to provide for a lifetime dog or cat license and also sets the maximum fee charge of \$50.00. The bill in its original form would also have required microchipping the pet in order to obtain the license, however, in disagreement between the House and Senate, that provision was stricken. The bill is local option only and does not require any locality to change its current method for licensing of family pets.

## **Civil Noise Penalties**

SB926 (Petersen) allows a locality the ability to authorize the Chief Law Enforcement Officer to enforce civil penalties for noise ordinance violations.

## **Community Service Boards**

HB1549 and SB1005 add new services to the list of those mandated services to be provided by community services boards. Same-day mental health screening services will be required by July 1, 2019. By July 1 of 2021, the list of mandated services will again be expanded to include crisis services for individuals with mental health or substance use disorders, outpatient mental health and substance abuse services, psychiatric rehabilitation services and other programs.

## **Conflict of Interest Act**

HB1854 was the Conflict of Interest Act bill which had 28 proposals from the Conflict of Interest and Ethics Advisory Council. The Governor's recommendation was to add a paragraph regarding legislators' personal interest in contracts with state or local government agencies and the required disclosures. Not surprisingly, this was rejected by both the House and the Senate.

## **Elections**

SB1304 confirmed the statutory authority of cities and towns to move its local elections to November without amending their charter. There were a few localities this year that brought charter amendments only dealing with this issue and it is very confusing to the General Assembly. VML suggests not bringing a proposed amendment to a charter solely for this issue.

SB1585 is the party id bill that was defeated in the General Assembly this year. This bill will continue to resurface and VML will continue to oppose.

## **Eminent Domain**

SB927 provides that an authorized condemnor in a "quick-take" condemnation proceeding shall institute such proceedings within 180 days of the recordation of a certificate terminating the interest of the owner of the property.

## **Fire Programs Fund**

HB1532 increases funding for the Fire Programs Fund. The bill had a delayed effective date of January 1, 2018. The Governor proposed and the General Assembly agreed to a reenactment clause meaning the General Assembly will have to take up the issue again in the 2018 Session.

## **Freedom of Information Act**

HB1539 was a Freedom of Information Act bill regarding records of public bodies. The Governor's recommendation was adopted regarding the definition of "working papers" which will now read: "*Further, information publicly available or not otherwise subject to an exclusion under this chapter or other provision of law that has been aggregated, combined, or changed in format without substantive analysis or revision shall not be deemed working papers.*"

HB1587 relates to the Uniform Statewide Building Code and will no longer allow for the dissemination of single-family residential dwelling engineering or construction drawings unless the owner or applicant makes the request.

HB2146 directs the FOIA Council to create an online public comment form that every locality with a population of more than 250 must provide a link to on their website. The comments will go to the FOIA Council and they will provide copies to the localities.

SB1102 was a bill regarding the release of records in unattended deaths after the investigations were completed. The original bill required release of the police records to immediate family where the immediate family member was not going to be charged in connection with the death. All parties agreed to two minor amendments that clarify things in the bill. The Governor recommended only releasing a summary of the police record; this was rejected by the House and Senate. The Governor has until May 5<sup>th</sup> to act on this bill.

## **Housing Crisis Extension**

HB1697 (Marshall) extends the time for approval of various land use permits in order to address the housing crisis went to a conference committee. The time for various land use approvals was extended through July 1, 2020.

## **Mental Health and Public Safety**

SB1063 outlines procedures for death investigations, makes it clear that the Inspector General can be called upon for assistance, and requires that final reports be submitted to the Governor, as well as the General Assembly Leadership.

HB1784 and SB940 require that the Department of Behavioral Health and Developmental Services review the availability of forensic discharge planning services in local and regional jails. They will then work with stakeholders to develop a comprehensive plan for the provision of forensic discharge planning services for inmates with serious mental illness.



## **Procurement**

HB2017 authorizes localities to waive bid and performance bonds for nontransportation-related construction contracts. The bill that passed the General Assembly allowed bid bonds to be waived for a Current Class A Contractor if there was a written determination by the locality, less than 10 nontransportation-related construction contracts per year with a waiver and the contract was in excess of \$100,000 but less than \$300,000. For performance bonds, the amounts were the same. The bill that all parties agreed upon no longer has the “nontransportation-related” restriction.

## **Restitution/Fines Type Bills Tinkered With**

SB854 applies to unpaid court fines. The bill allows for longer time periods before creating payment plans, as well as provides a code section that outlines deferred or installment payment agreements. The bill is very technical in nature, so be aware of all the timeline and look for the Executive Secretary of the Supreme Court to promulgate a form that will help assess the defendant’s ability to pay.

SB1284 deals with Court-ordered restitution, enforcement and non-compliance. The requires the court or the clerk to complete a restitution form at the time of sentencing, provides for docketing a judgment if unpaid, and requires local circuit court clerks to submit quarterly reports to the attorney for the Commonwealth and probation agencies. The bill also amends Code Sections §19.2-354 and §19.2-358 to remove the option to fine a person for nonpayment, leaving only the ability to imprison someone for noncompliance.

SB1285 deals with restitution and probation. Under the bill, a convicted person whois required to pay restitution also must be placed on indefinite probation. The legislation adds guidance on how to end or amend probation and restitution as well. The legislature rejected several amendments submitted by Governor McAuliffe, who may now sign it, let it go into effect without his signature, or veto it.

## **Running Bamboo**

SB964 authorizes localities to adopt an ordinance requiring proper upkeep of running bamboo and prohibiting the spreading of running bamboo along with penalties. VML has had several calls about this issue.

## **Standard for Water and Sewer Connection Fees**

SB1569 (Reeves) is a bill that would have changed the sewer and water connection fee standard from “fair and reasonable” to “practical and equitable.” This bill was voted down on the House floor Thursday afternoon. Thank you to everyone who contacted their House members!

## Stormwater

HB1774 directs the Commonwealth Center for Recurrent Flooding Resiliency to convene a work group to consider alternative methods of stormwater management in rural Tidewater localities. The work group is to report by January 2018 and delays from July 1, 2017 to July 1, 2018 the effective date of the new stormwater laws enacted during the 2016 Session of the General Assembly.

## Some bills will be back again next session

Some issues of note that you will continue to hear about in upcoming years include:

1. Mental Health / Jails
2. Online Check Books / Financial Accountability
3. Mandated Public Comment at Public Meetings
4. Mandated Documentation of Closed Session
5. Virtual Schools, Charter Schools and Parental Educational Savings Accounts
6. Stormwater Quality
7. Potentially the Child Day Program Bill – the Governor has until May 5<sup>th</sup> to take action
8. Regulation of Photogrammetry (GIS)
9. Party identification for candidates for local office

Some statistics on the session follow on the last page; please understand that the Governor has several bills on his desk for consideration and has until May 5<sup>th</sup> to act.

## 2017 SESSION

### SESSION STATISTICS

[House Committee Statistics](#) | [Senate Committee Statistics](#)

Type	<a href="#">Introduced</a>	<a href="#">Passed House</a>	<a href="#">Passed Senate</a>	<a href="#">Passed</a>	<a href="#">Cont'd from last session</a>	<a href="#">Failed</a>	<a href="#">Pending</a>	<a href="#">Approved</a>	<a href="#">Vetoed</a>
H.B.	1086	586	523	515	115	686	0	479	26
H.J.R.	551	449	443	443	3	111	0	3	0
H.R.	210	208	0	208	1	3	0	0	0
S.B.	813	365	468	365	105	553	0	340	14
S.J.R.	232	179	185	178	18	72	0	2	0
S.R.	67	0	64	64	0	3	0	0	0
Totals	2959	1787	1683	1773	242	1428	0	824	40



Cities • Towns • Counties

The newsletter of the Virginia Municipal League



## FEDERAL ADVOCACY UPDATE

### **Advocating for marketplace fairness >**

**VML's Federal Advisory Council urges localities to take action**

For more than a decade, local businesses have been put at a competitive disadvantage by following the law and collecting sales tax at the time of purchase, while remote online retailers are not required to do so.

[template resolution](#)

### **Fight the cuts >**

**NLC sends letter to Congress, asks localities to sign on**

In the wake of the White House's budget proposal, the National League of Cities has written an urgent letter to Congress. More than 500 city officials have already signed the action letter below asking Congress to stand with cities this budget season.

[add your signature](#)

### **Does your representative support municipal bonds? >**

Help us protect municipal bonds by growing the Congressional Municipal-Finance Caucus.

#### **VML Federal Advisory Council**

**Rosemary Wilson, Chair**  
Councilmember, Virginia Beach

**Mary Katherine Greenlaw**  
Mayor, Fredericksburg

**Patricia Woodbury**  
Councilwoman, Newport News

**Jasmine Gore**  
Councilor, Hopewell

**Mike Signer**  
Mayor, Charlottesville

**Bob Coiner**  
Mayor, Gordonsville

**John Chapman**  
Councilmember, Alexandria

**Susan Anderson**  
Councilmember, Blacksburg

**Doug McCollum**  
Councilmember, Purcellville

**Laurie DiRocco**  
Mayor, Vienna

Honorable....

Dear \_\_\_\_\_:

On behalf of the Federal Advisory Council for the Virginia Municipal League, I want to invite you to a reception in honor of the Virginia Congressional Delegation. This will be a terrific opportunity for the VML Federal Advisory Council and Executive Committee to meet with our representatives and senators. The entire delegation, along with their chiefs of staff, have been invited.

The reception will be held on Wednesday, May 17, 2017, from 4:00 – 6:00 pm. Prior to the reception, the Federal Advisory Council will be meeting at the new NLC building for a federal update and brief meeting.

The full schedule for the day is as follows:

**Wednesday, May 17**

- 1:00 Arrive at the NLC offices (660 N. Capitol St., NW)
- 1:15 Tour the new NLC building
- 2:00 Federal Advisory Council Meeting
  - Briefing from NLC Legislative Staff
  - Discussion of VML Federal Priorities
- 3:30 Conclude meeting and load bus for Capitol Visitors Center
- 4:00 Reception in the Capitol Visitors Center (SVC 203-202)
- 6:00 Conclude Reception/Bus returns to NLC offices

***NLC Reception.*** We have timed our meeting and reception in D.C. to coincide with NLC's Infrastructure Advocacy week. NLC has invited us to participate in their reception which will be held the same evening from 5:30 to 8:00 pm (Rayburn 2167). Those attending this reception will need to grab a cab or Uber to return to your vehicles.

***Parking Information.*** You have the option of parking at the NLC building, although it's a relatively small lot (only 60 spaces). To enter the parking garage, you will turn left at the corner of North Capitol Street, NW and G Street, NW. The parking garage will be on the left hand side of the road after turning the corner. The garage is open until 9pm and they ONLY accept credit cards.

The parking garage is managed by Colonial Parking and the rates are:

- One Hour: \$13
- All Day Max: \$22

There are other garages in the area, including a big, 24/7 lot at Union Station. The [Colonial Parking website](#) has good maps and more information about the garages they

manage in the area. You might also consider [ParkingPanda](#), which lets you reserve spots in parking garages to guarantee parking in the city.

Please RSVP to VML's Executive Director, Kim Winn, at [kwinn@vml.org](mailto:kwinn@vml.org) or (804) 523-8521. We have to provide the Capitol Police with a complete listing of individuals attending so please send your reply no later than May 10, 2017. Individuals not on the list will not be allowed to attend the reception in the Capitol Visitors Center.

Sincerely,

Rosemary Wilson  
Councilwoman, Virginia Beach  
Chair, Federal Advisory Council

# Advocating for Marketplace Fairness

## VML's Federal Advisory Council urges localities to take action

FOR MORE THAN A DECADE, local businesses have been put at a competitive disadvantage by following the law and collecting sales tax at the time of purchase, while remote online retailers are not required to do so.

In an op-ed to the *Roanoke Times* published in January, Roanoke Councilmembers wrote, "Congress' failure to act makes our local businesses less competitive while large Internet retailers grab larger shares of retail purchases each year. While this legislation is stalled, state and local governments across the country have lost billions that could have been used to repair infrastructure and provide other crucial services. In effect, Congress's inaction has taken funds that could be invested in our lo-

cal communities and, instead, provided them to increase profits for large, out of state, Internet retailers."

Based on these core principles, the Roanoke City Council sent a resolution to their congressional delegation in January urging them to level the playing field for local brick-and-mortar businesses by supporting online sales tax fairness today. A template of their resolution is provided (below) for use by other localities.

VML's Federal Advisory Council supports Roanoke's message to Congress and encourages other localities to adopt and send similar resolutions to their representatives in Congress.

### Sample resolution for your locality

IN THE COUNCIL OF THE CITY/TOWN/COUNTY OF XXXXX

A RESOLUTION urging the United States Congress to enact legislation that will enable State and Local governments to collect revenues due to local government that are essential to the expansion of our local and regional economy, creation of thousands of new jobs, enhancement of the quality of life within our communities, and preservation of limited State and Local revenue sources.

WHEREAS, many State and Local governments rely on the collection of sales and use taxes to support funding to improve needed infrastructure improvements, strengthen local small businesses, create jobs for their citizens, and fund essential services;

WHEREAS, local small businesses confront expanded competition from the explosion of Internet sales by remote sellers who are unwilling to collect and remit properly assessed sales taxes to State and Local governments;

WHEREAS, national studies reveal that State and Local governments lose approximately \$30 Billion each year from uncollected sales taxes from transactions involving remote Internet retailers;

WHEREAS, local businesses estimate that the [City/County of XXXX] has lost millions of uncollected sales and use taxes from remote online sales;

WHEREAS, State and Local associations, including the Government Finance Officers Association, the National League of Cities, the National Association of Counties, the United States Conference of Mayors, and the National Governors Association, along with partners in the retail community, worked together for years to develop a fair and easy system to collect and remit these sales taxes structured on a system of collection based on the purchaser's location;

WHEREAS, through this collaborative effort, we believe that an effective and efficient response in eliminating the competitive disadvantage faced by our local small business retailers appeared in 2013 when the Marketplace Fairness Act passed in the United States Senate through a bi-partisan effort and would have established a fair system for the collection of existing taxes owed to State and Local government, and address the pressing need to level the playing field among remote Internet sellers and local "bricks and mortar" retailers;

WHEREAS, following the passage of the Marketplace Fairness Act by the United States Senate in 2013, the United States House of Representatives did not vote on the Marketplace Fairness Act or any alternative to address this critical economic development issue, and this inaction by the House of Representatives caused the United States Senate to reintroduce the Marketplace Fairness Act in 2015;

WHEREAS, the continued inability of Congress to reach a consensus has resulted in an increase in the [STATE] state sales tax [from 5.0% to 5.3% and] has placed significant and challenging limitations on localities; and

WHEREAS, 2017 is now the opportunity for the 115th Congress to demonstrate real political courage and break this unwarranted and unjustified stalemate by moving the Marketplace Fairness Act or other legislation to collect and remit sales taxes structured on a system of collection based on the purchaser's location through the United States Senate and United States House of Representatives during its 2017 session in order to protect localities and level the playing field between local retailers and remote Internet sellers.

NOW, THEREFORE, be it resolved by the Council of the City of XXXXX, Virginia that:

1. City Council urges Senate Majority Leader Mitch McConnell, [Senator XXXX, Senator XXXX], and all United States Senators to reintroduce the Marketplace Fairness Act into the United States Senate during its 2017 session.

2. City Council urges Speaker Paul Ryan, Chairman Bob Goodlatte, [Congressman XXXX], and all Members of the House of Representatives to act on the Marketplace Fairness Act or other legislation to collect and remit sales taxes structured on a system of collection based upon the purchaser's location in the House Judiciary Committee.

3. City Council urges the United States Senate and the United States House of Representatives to hold votes to pass the Marketplace Fairness Act or other legislation to collect and remit sales taxes structured on a system of collection based upon the purchaser's location during the 2017 session and send the clear and unequivocal message to States and Localities that the United States Congress supports small business women and men who create jobs, produce revenues to support essential infrastructure improvements, and create a stronger and more resilient economy for the benefit of all Americans.

4. City Council directs the City Clerk to provide attested copies of this Resolution to The Honorable Paul Ryan, Speaker of the United States House of Representatives, The Honorable Bob Goodlatte, Chairman of the House Judiciary Committee, [The Honorable XXXX, Congressman of the XX District], The Honorable Mitch McConnell, Senate Majority Leader of the United States Senate, [The Honorable XXXX], United States Senator, and [The Honorable XXXX], United States Senator.

You can download this resolution template at [www.vml.org/advocacy/federal-advocacy](http://www.vml.org/advocacy/federal-advocacy).

# National League of Cities sends letter to Congress

## NLC asks localities to sign on and urge lawmakers to fight proposed budget cuts

**I**N THE WAKE of the White House's budget proposal, the National League of Cities has written an urgent letter to Congress. More than 500 city officials have already signed the action letter below asking Congress to stand with cities this budget season. You can add your name to NLC's letter and send your own letter to your members of Congress.

Block Grants (CDBG), which finance projects to revitalize communities, provide affordable housing and drive the nation's economy forward.

- Reductions in **EPA** funding that could cut back more than two dozen programs that allow city leaders to protect their resources, prepare for increasing natural disasters and promote healthy and stronger communities.

- **FEMA** cuts that reduce available funding for disaster assistance to cities.

- Elimination of the economic development grants from the **Department of Commerce**.

- Elimination of **COPS** grants that support law enforcement officers and make our communities safer places to live.

- And any other cuts that would inhibit the role cities play in growing America's economy.

There is a long history of federal-local partnerships when it comes to moving America forward. Budget proposals we've seen so far not only alarm us, as the nation's local leaders, but jeopardize this historic relationship.

Cities need Congress to design a budget proposal that puts cities first. Cities need Congress to stand with cities.

Sincerely,

**The Nation's Cities**

### Councilmembers of these Virginia localities have signed on!

**Charlottesville**  
**Hopewell**  
**Norfolk**  
**Portsmouth**  
**Roanoke**

To add your name to the letter, go to the National League of Cities website, [www.nlc.org](http://www.nlc.org).

Follow the latest developments on twitter #FightTheCuts.



Members of Congress:

We are the nation's cities — bold and strong together. We are the engines of the economy and the bedrock of the nation. We are home to creative centers, industrial powerhouses, academic hubs and the hundreds of millions of Americans who are your constituents. And now, we need you to stand with cities to fight the cuts that would devastate cities across the board.

As the nation's local elected officials, we urgently ask you to stand with cities as we enter the budget process. Administration proposals to cut billions in domestic funding from programs, which cities use to grow and prosper, will flat line the progress we have made. We need you to join us in protecting the programs that matter most to cities.

Cities cannot make up for:

- Cuts to **HUD** that would eviscerate critical programs that support local governments, like Community Development

To: Executive Committee

From: Michelle Gowdy

Date: April 20, 2017

Re: Request for Amicus Brief

Below is the request in detail for an Amicus Brief on a case regarding Virginia Code Section §58.1-3965(A) dealing with notices prior to a Decree of Sale for distressed property. The Local Government Attorneys have asked VML and VACo to meet on April 28<sup>th</sup> to discuss this request. I have had some informal discussions about the issue and there are mixed opinions thus far.

This is an issue that could affect all localities in the way that notices are provided for informing property owners and any other interested parties that judicial proceedings will begin. It also could affect the Court's ability to allow amended pleadings. The other argument is whether advance notice to the creditor is necessary or is listing them as a defendant sufficient. This is an issue that could affect any locality that sells tax delinquent property.

As stated above, I am attending a meeting on April 28<sup>th</sup> regarding this request and therefore to provide a written opinion now is premature. I would like to present my opinion at the Executive Committee meeting once I have gathered additional facts.

#### **OFFICIAL REQUEST**

We are counsel to the City of Fredericksburg, which filed suit (in five similar cases) to subject certain real estate to sale to satisfy its liens which arose from delinquent taxes and special assessments. The landowners in all of the cases have been granted an appeal before the Supreme Court of Virginia, which has consolidated the five cases for argument.

The assignments of error are three-fold, and are virtually identical in each of the cases. They are:

1. The trial court erred in entering the Decree of Sale because the City failed to comply with the notice requirements set forth in Virginia Code § 58.1-3965(A).
2. The trial court erred in appointing special commissioners and entering the Decree because there exists a "dispute as to title or value" on the face of the pleadings and because the objections raised by [appellants] constitute good cause for the trial court to refer the case to a commissioner in chancery for hearing and report, as permitted by Virginia Code § 58.1-3969.
3. The trial court erred in misconstruing the language of Virginia Code § 58.1-3969, thus foreclosing [appellants] from developing the record as to value and preventing them from seeking relief via redemption.



We believe that the issue presented by the first assignment of error is one of general concern to all persons filing, or contemplating the filing, of a lawsuit in Virginia's state courts. The landowners' argument is that because the City did not mail pre-filing notice to the trustee of the deed of trust on the property to be sold (but did amend the pleadings once filed, pursuant to Rule 1:8 of the Rules of the Supreme Court of Virginia, to include the trustee as a party defendant), that the trial court lacked subject matter jurisdiction based upon the premise of *coram non iudice*, and that the solution is to file a completely new lawsuit.

The landowners' argument is premised on language in the third paragraph of Virginia Code § 58.1-3965(A), requiring pre-filing notice be sent to the property owner, the property's address (if different from that of the owner), and, "if [the] trustee, mortgagee, or lien creditor is not otherwise made a party defendant under § 58.1-3967," to any trustee, mortgagee, or other lien creditor, and the landowners argued at the writ stage of this case that the requirements for tax sales, being statutory in nature, must be strictly followed, and that rules permitting liberal amendment of pleadings could not save an asserted jurisdictional defect.

The landowners have never clearly said whether under their view, jurisdiction would be proper had the trustee been made a party defendant at the outset, rather than being made party upon amendment, but the landowners seem to argue that pre-filing notice must be sent to trustees, perhaps discounting the statutory language which allows pre-filing notice to a trustee or inclusion of them as a party defendant. However, they did indicate at one point in the trial court that perhaps the inclusion of the trustee upon initial filing would have been sufficient. The landowners' argument could have a significant impact on application of Rule 1:8, and amendment of pleadings to add parties after an initial filing.

The fundamental impact of any adverse determination by the Supreme Court ruling on the first assignment of error will serve to significantly limit a Court's ability to permit amendments to pleadings which have in the past been liberally granted to ensure all proper parties were before the court. Such a limitation on amendments will frustrate plaintiff's cases and further delay any justice sought by requiring unnecessary dismissals and refile of pleadings. In worst-case scenarios, courts may dismiss cases without leave to refile. Such possibility represents a stark departure from well-established principles of Virginia law.

We believe that the issues presented by the second and third assignments of error are of concern to any governmental entity seeking to sell real estate to satisfy liens arising from delinquent tax or other assessments. The landowners presented no evidence about the value of the property to the trial court, and their argument was that the property was "substantially overvalued" by the City, and that a lower value should be determined by a commissioner in chancery, apparently to give the landowners a right of redemption at that lower value. The right of statutory redemption does not so provide, however. Further, the assignment of error, if granted, considerably expands the likelihood that tax sale cases will be referred to a commissioner in chancery, thereby increasing the timeframe for resolution by 6 to 12 months and increasing the likely costs on each case by an estimated \$2,000.

We would welcome the support of parties amici curiae, and, pursuant to Rule 5:30 of the Rules of the Supreme Court of Virginia, consent to your filing an amicus brief if you wish, although the Rules further require you to seek the consent of the landowners, and finally ask for the Court to allow you to file such a brief. An amicus brief supporting the City must be filed no later than the deadline for the City's brief on the merits, which is estimated to be May 19, 2017.

The cases on appeal with their record numbers in the Court are:

161540 - CELEBRATE VIRGINIA SOUTH, LLC, ET AL. v. CITY OF FREDERICKSBURG

161541 - CVAS PROPERTIES, LLC, ET AL. v. CITY OF FREDERICKSBURG

161542 - CVAS 2, LLC, ET AL. v. CITY OF FREDERICKSBURG

161543 - CVAS PARKWAY, LLC, ET AL. v. CITY OF FREDERICKSBURG

161544 - CELEBRATE VIRGINIA SOUTH, LLC, ET AL. v. CITY OF FREDERICKSBURG



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KIMBERLY A. WINN

**MAGAZINE**

VIRGINIA TOWN & CITY

TO: VML Executive Committee

FROM: Mary Jo Fields, Director of Research

SUBJ: Stairway to Success Program

DATE: April 21, 2017

The Stairway to Success Program will proceed for 2017 using basically the same format as in 2016. I would suggest some minor changes to the program which reflect the experience from last year.

The first change proposed is to eliminate the different levels, since all participants last year easily met the highest, or gold level.

The second change proposed is to emphasize in written materials that the challenge relates to pre-school, not kindergarten or elementary programs.

Attached for reference is the application form from last year. The plan is to distribute the information on the program upon approval of the Executive Committee. In addition, information on the program could be included in the May issue of *Virginia Town & City*.

P.O. Box 12164  
RICHMOND, VIRGINIA 23241

13 EAST FRANKLIN STREET  
RICHMOND, VIRGINIA 23219

804/649-8471  
FAX 804/343-3758  
[www.vml.org](http://www.vml.org)



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KIMBERLY A. WINN

**MAGAZINE**

VIRGINIA TOWN & CITY

TO: VML Executive Committee  
FROM: Mary Jo Fields, Director of Research  
SUBJ: Go Green Virginia Awards Program  
DATE: April 21, 2017

The Go Green Advisory Committee is nearing completion of the update of this year's Challenge. The committee met in person and via conference call on March 17 in Hopewell, and discussed several potential changes, and established a subcommittee to develop revisions to be considered at the committee's next meeting. In advance of the subcommittee meeting, Mike Polychrones, Larry Land and I then developed a list of potential changes to the challenge. The subcommittee met April 10, primarily by conference call, and made additional changes. The redraft of the Challenge will be taken up by the full advisory committee at its May 5 meeting at Williams Mullen in Richmond.

As a reminder, the Challenge is made up of a number of categories related to different topical areas (Community Involvement, Resiliency, Land Use etc.). Within each category, participants can earn credits for particular actions. The subcommittee is proposing that two new items be added to each category. The first would be called a Partnership/Collaboration Action Credit, and would recognize partnerships with the private, multi-, non-profit, or university/college sectors. The second would be called Implementation and Sustained Action Credit and would allow participants to receive credit for actions that took place in the past, but that require effort to sustain on an on-going basis. A good example is a concerted electronics recycling program, which requires significant resources to maintain on a year-to-year basis.

Finally, several additions and changes will be suggested for the Water Quality, Supply and Funding category. Once the advisory committee meets and makes the final decisions on the changes to the challenge, the website will need to be reset so that the 2017 challenge can proceed.

Finally, Resilient Virginia is having a conference on August 1-2 at the Metro Richmond Convention Center, and has offered Go Green Virginia the complimentary use of meeting room space on August 2 for a forum. This meeting would be in lieu of the regional forums that have been held in past years.

P.O. Box 12164  
RICHMOND, VIRGINIA 23241

13 EAST FRANKLIN STREET  
RICHMOND, VIRGINIA 23219

804/649-8471  
FAX 804/343-3758  
www.vml.org