



Executive Committee Meeting
Hilton, 501 East Broad St., Richmond
January 27, 2016
10:00 a.m.

Action Agenda

- I. Call to Order
- II. Introductions [Tab 1]
- III. Consideration of Minutes from October 4, 2015 [Tab 2]
- IV. Approval of Financial Report as of December 31, 2015 [Tab 3]
- V. VML Budget Committee Preliminary Recommendations [Tab 4]

Information/Discussion Agenda

- VI. Executive Director's Report [Tab 5]
- VII. Stairway to Success Program [Tab 6]
- VIII. Institute for Local Officials [Tab 7]
- IX. Overview of 2016 VML Day at the Capitol [Tab 8]
- X. Virginia Leadership Academy [Tab 9]
- XI. Staff Report on 2016 General Assembly [Tab 10]
- XII. Staff Report on Amicus Briefs [Tab 11]
- XIII. Staff Report on Federal Issues [Tab 12]
- XIV. Future Meetings (2016):
 - a. May 6/7 Blacksburg (Dinner & Show on 6th; Meeting on 7th)
 - b. August 12/13 Homestead (Training & Dinner on 12th; Meeting on 13th)
 - c. October 9 Virginia Beach (with the conference)
- XV. Items Proposed for Discussion at Future Meetings
- XVI. Other Matters
- XVII. Adjournment

2015 - 2016
VML Executive Committee

Full Name	Position	Title	Local Government	IndivEMail	CellPhone	Spouse
Ron Rordam	President	Mayor	Town of Blacksburg	rrordam@blacksburg.gov	(540) 552-5204	Mrs. Mary Rordam
Robert K. Coiner	President-Elect	Mayor	Town of Gordonsville	bobcoiner@msn.com	(540) 406-1288	Mrs. Jackie Coiner
Katie Sheldon Hammler	Vice President	Council Member	Town of Leesburg	khammler@leesburgva.gov	(571) 228-9515	Mr. Rich Hammler
David Helms	Past President	Mayor	Town of Marion	dhelms@marionva.org	(276) 780-0622	Mrs. Sue Helms
Ceasor T. Johnson	At-Large	Vice Mayor	City of Lynchburg	cearos@aol.com	(434) 401-0753	Mrs. Rosie Spann-Johnson
Patricia P. Woodbury	At-Large	Council Member	City of Newport News	pwoodbury@nngov.com	(757) 969-8789	Mr. Gerard Woodbury
Mimi Milner Elrod	At-Large	Mayor	City of Lexington	mimicobb11@gmail.com	(540) 817-1852	
Edythe F. Kelleher	At-Large	Council Member	Town of Vienna	ekelleher@viennava.gov	(703) 867-5697	Mr. Gary Kelleher
Anita James Price	At-Large	Council Member	City of Roanoke	anitajamesprice@gmail.com	(540) 529-4452	Mr. Charles A Price, Jr.
Guy Odum	At-Large	Council Member	City of Bristol	gpodum2008@bvu.net	(276) 791-0166	Mrs. Becky Odum
Thomas Smigiel	Urban Section	Council Member	City of Norfolk	thomas.smigiel@norfolk.gov	(757) 214-1663	Ms. Shannon Walsh
Christina Luman-Bailey	City Section	Vice Mayor	City of Hopewell	clumanbailey@gmail.com	(804) 691-4522	
Timothy Taylor	Town Section	Mayor	Town of Strasburg	mayor@strasburgva.com	(540) 325-4397	Rhonda G. Taylor



Executive Committee Meeting

Richmond Marriott Downtown
500 East Broad St., Richmond
October 4, 2015

Attending: Bob Coiner, Mimi Elrod, Bill Euille, Katie Sheldon Hammler, David Helms, Mary Hynes, Edythe Kelleher, Christina Luman-Bailey, Anita James Price, Faye Prichard, Ron Rordam, Pat Woodbury. **Staff:** Mark Flynn, Kim Winn. **Guests:** Bill Leighty, Frank Atkinson.

Call to Order. President Euille called the meeting to order at 1:16 p.m.

Presentation on the Go Virginia Initiative. Bill Leighty and Frank Atkinson reviewed the key components of a project designed to enhance economic development opportunities in the Commonwealth.

Additions to Agenda. There were none.

Consideration of Minutes from August 14, 2015. Hynes moved and Rordam seconded a motion to approve the minutes as presented. Motion passed without objection.

Financial Report as of August 31, 2015. Coiner moved and Rordam seconded a motion to approve the financial report as presented. Motion was approved without objection.

Audit. Winn explained that the VML audit showed no significant deficiencies in the VML financial statement or procedures. Coiner moved and Helms seconded a motion to accept the audit as presented. Motion was approved without objection.

Executive Director's Report. Winn reviewed recent VML activities including plans for new trainings and the kick-off of the second annual If I Were Mayor essay contest. She also announced that the Executive Directors from NLC's Region 2 had selected her to serve as their representative on the Steering Committee and NLC Board of Directors.

Legislative/Amicus. Flynn gave a report regarding the development of VML legislative positions during the interim. He also updated the Executive Committee on a recent amicus request, but recommended no action as he did not feel that the issue was one of local government law. At the conclusion of his presentation, Flynn announced that he would be leaving VML to pursue other interests. President Euille and others expressed their appreciation for his years of service to the organization.

Redistricting. The board reviewed a memo outlining recent court activities regarding redistricting in Virginia.

Federal Issues. There was a brief review of federal issues of municipal importance.

Regional Suppers. Winn reviewed the schedule for the upcoming regional suppers that would be focused on the 2016 legislative session.

Go Green. Go Green Committee Chair Christina Luman-Bailey discussed the recent updates to the program.

Conference. Winn reviewed key activities to be held throughout the Annual Conference.

NLC Endorsement. Winn told the Executive Committee that Ceasor Johnson had applied to be on the NLC Board of Directors. After a brief discussion, Euille moved and James-Price seconded a motion that VML endorse Mr. Johnson's candidacy. The motion passed without objection. Rordam asked that VML consider a formal process for selecting endorsements in the future.

Outgoing Executive Committee Members. The members thanked Mary Hynes and Faye Prichard for their service on the board.

Adjournment. There being no other business to come before the body, the meeting was adjourned at 2:48 p.m.

Respectfully Submitted,

Kimberly A. Winn
Executive Director

Virginia Municipal League
Statement of Revenues and Expenses
For the Six Months Ending 12/31/2015

	Annual Budget	YTD Budget	YTD Actual	YTD Variance
REVENUES				
Membership Dues	\$1,140,000.00	\$1,140,000.00	\$1,119,840.00	(\$20,160.00)
Annual Conference	250,000.00	250,000.00	299,402.23	49,402.23
Workshops/Seminars	35,000.00	17,500.02	8,970.00	(8,530.02)
Advocacy	25,000.00	12,499.98	21,575.00	9,075.02
Investment Income	2,500.00	1,249.98	2,795.39	1,545.41
Publications	80,000.00	40,000.02	38,938.60	(1,061.42)
Insurance Programs	890,000.00	445,000.00	457,500.00	12,500.00
Sponsorships	140,000.00	70,000.02	63,842.88	(6,157.14)
Affiliated Groups	85,000.00	42,499.92	60,727.02	18,227.10
Miscellaneous Income	25,000.00	12,499.98	15,001.20	2,501.22
Total Revenues	2,672,500.00	2,031,249.92	2,088,592.32	57,342.40
EXPENSES				
Compensation and Benefits	1,680,000.00	840,000.00	811,323.83	(28,676.17)
Annual Conference	200,000.00	200,000.00	247,759.28	47,759.28
Workshops/Seminars	38,000.00	19,000.02	15,994.52	(3,005.50)
HR & Financial Services	20,000.00	10,000.02	10,314.34	314.32
Travel	50,000.00	25,000.02	15,923.25	(9,076.77)
Office Supplies & Postage	30,000.00	15,000.00	15,393.16	393.16
Office Maintenance & Equipment	30,000.00	15,000.00	22,794.03	7,794.03
Office Rent	5,000.00	2,500.00	1,500.00	(1,000.00)
Building Repairs & Utilities	35,000.00	17,500.02	23,029.39	5,529.37
Computer Services	45,000.00	22,500.00	31,865.83	9,365.83
Dues & Subscriptions	20,000.00	10,000.02	13,734.07	3,734.05
National League of Cities Dues	32,050.00	32,050.00	22,048.00	(10,002.00)
Insurance Expense	18,000.00	18,000.00	24,732.06	6,732.06
Professional Fees	46,000.00	22,999.98	40,300.37	17,300.39
Advocacy	115,000.00	57,499.98	41,918.49	(15,581.49)
Publications	75,000.00	37,500.00	29,560.49	(7,939.51)
Executive Committee	40,000.00	19,999.98	18,462.42	(1,537.56)
Depreciation Expense	33,000.00			
Miscellaneous	27,000.00	12,499.98	25,087.56	12,587.58
Special Projects	40,000.00	19,999.98	13,258.59	(6,741.39)
Real Estate Tax	7,000.00	3,500.00	3,487.50	(12.50)
Accumulated Leave Earned	55,000.00	0.00	285.88	285.88
Total Expenses	2,641,050.00	1,400,550.00	1,428,773.06	28,223.06
Net Revenue	31,450.00	630,699.92	659,819.26	29,119.34
Checking Account			291,859.15	291,859.15
Invested Reserves			3,843,463.79	3,843,463.79

To: VML Executive Committee
From: VML Budget Committee
Date: January 25, 2016
Re: Recommended Dues Adjustment

As a matter of tradition, VML has discussed whether or not to recommend a dues increase at the first meeting of the year. This gives us the ability to let managers and others know what to budget in terms of VML dues. The actual dues are then calculated once we have the updated budget numbers and distributed to the membership in March. The dues billings are then sent in June.

The VML Budget Committee met via conference call in order to make a recommendation for the 2016 – 2017 budget year. The Committee is recommending a 2% adjustment in VML dues. This amount approximates the rate of inflation and would result in approximately \$21,000 in additional revenue.

The 10 year dues history is as follows:

10-Year Dues History

2005	4 %
2006	4 %
2007	4 %
2008	4 %
2009	0 %
2010	0 %
2011	0 %
2012	3 %
2013	3 %
2014	0 %
2015	0 %
10-Year Average	2.2 %

Dues for VML Executive Committee Localities

Locality	2015-2016		2016-2017	
	Population	Dues	Population	Dues
Blacksburg	43,609	14,836	43,985	15,226
Bristol	17,690	8,527	17,690	8,697
Gordonsville	1,555	845	1,560	862
Hopewell	22,846	9,782	22,846	9,978
Leesburg	47,673	15,825	49,496	16,594
Lexington	7,329	4,774	7,329	4,870
Lynchburg	77,874	23,168	77,874	23,631
Marion	5,905	4,055	5,875	4,121
Newport News	183,362	44,041	183,362	44,922
Norfolk	246,394	56,721	246,394	57,855
Roanoke	99,320	28,836	99,320	29,413
Strasburg	6,511	4,361	6,559	4,473
Vienna	16,370	8,206	16,459	8,392

Finally, the Budget Committee discussed the current dues formula and funding the organization into the future. We are recommending that a sub-committee be established to evaluate the existing dues structure and sources of revenue.



To: VML Executive Committee
From: Kim Winn, Executive Director
Date: January 25, 2016
Re: ED Report

By way of summary, the last two years have been focused on evaluating VML programs and making upgrades to our financial processes. In addition, we made a special effort with regard to our events. These are important face-to-face interactions with our members and should be of the highest quality possible. We brought on a professional conference/marketing coordinator and I think we all noticed the impact on our events such as VML Day at the Capitol and the Annual Conference.

In addition, the 324 Places project laid the groundwork for the future of our training opportunities. The webinars proved to be a great success and we plan to continue such distance learning in the future.

Below is a summary of our planned activities based on the strategic goals set by the Executive Committee in 2014 and reaffirmed in 2015.

Building Relationships

Relationships are the critical foundation upon which successful organizations must be built. VML is committed to forming and maintaining relationships in order to provide excellent service to the membership and to promote the principles of good government.

- VML will develop and maintain strong working relationships with members of the General Assembly, the State Administration, and the Federal Delegation.
- VML will facilitate networking among the membership and between VML and local government officials.
- VML will build and maintain partnerships with peer associations, the business community, and other groups with mutual interests.
- The VML Executive Committee will promote and implement principles of ethical and effective leadership throughout the organization.

The VML staff and I spend a great deal of time collaborating with other associations and working groups on key issues. Most recently, work with the Virginia School Boards Association and the Virginia School Superintendents Association has grown stronger as we work toward common goals. We also made a special outreach to build a stronger relationship with the state Chamber.

VML has a terrific working relationship with the Administration and a great deal of respect from members of the General Assembly. Of particular note is the development of a stronger relationship with Speaker Howell. After we hosted a dinner with him at the conference in Roanoke (where he was a keynote speaker), we have continued to keep the lines of communication open. Most recently, President Rordam and I traveled to his office in Fredericksburg to discuss the upcoming session. Finally, I think our VML Day at the Capitol has become a critical event for delegates and senators to attend and we are looking forward to another great turnout this year.

On a personal note, I have been selected to serve as the Region II representative on the Executive Directors' steering committee and the National League of Cities Board of Directors. I was notified recently that I have also been selected to serve on the NLC Board Finance Committee. I am pleased that my colleagues have entrusted me with these responsibilities and I am looking forward to the experience that I will gain in working with an organization much larger than our own.

Communications

Timely and substantive communication is critical to the overall mission of VML. As such we are committed to establishing both print and electronic communications to achieve the research, training, and advocacy goals of the organization.

- VML will develop a comprehensive communications strategy in order to tell the local government story and to establish VML as the primary information hub for local government officials.
- VML will explore and maximize ways to use communications in order to promote the legislative agenda of the organization.
- VML will develop a comprehensive marketing strategy in order to build stronger relationships with the business community and to provide appropriate avenues for businesses to offer their services to the VML membership.
- VML will work to educate and assist the membership in learning to tell their story in a manner that effectively demonstrates the community building accomplished by local governments.

The VML communications plan has been developed and is attached to this memo. Over the next year, we will be evaluating and updating our various means of communication. The website and the database will be a focus in the coming year as well.

We have developed a marketing strategy that seeks to find new ways to engage existing partners while enhancing relationships with new partners. This marks the switchover to a calendar year system for our business partners and others.

See the communications plan at the end of this memo for more details in this area.

Engagement

Developing and maintaining an engaged membership is vital to both the short and long term success of VML. We will actively seek ways to engage our membership and to support citizen engagement in our local governments.

- VML will evaluate new ways to demonstrate the value of membership in VML along with the value of being an active participant in the association and our conferences.
- VML will work to identify ways to improve citizen engagement, including ways to enhance the civics knowledge of Virginia's students.
- VML will identify and implement programs to encourage the membership to play a more active role in advocacy at both the state and federal level.

I hope that you all noticed the efforts to enhance the overall experience for our Annual Conference attendees. We received many positive comments regarding both the substance of the event and the networking opportunities. We have resurrected the idea of a formal conference planning committee, chaired by the President-elect. The Committee has been selected and will be meeting soon to work on the details for this year's event. I am still working through updates to existing contracts in order to bring them into compliance with our new format.

In the fall, I appointed a "Training Development Team." I asked this group of staff members to work together to develop a more comprehensive training/certification program for VML. I have asked Joe Lerch of our staff to manage the implementation of the new Virginia Leadership Academy (formerly VEOLA). A description of the program is included in another tab below.

The second year of the If I Were Mayor essay contest resulted in over 1,000 entries. Again, Governor McAuliffe will be presenting the awards on VML Day, making for a terrific memory for these young people.

President Rordam has formed a Federal Advisory Council which will have municipal representatives from each of the congressional districts. We are hoping to host an event in Washington sometime in the spring.

Finally, the new early childhood education program, Stairway to Success, is off the ground. You will see a flyer in a tab below describing this program.

Finance

In order to evaluate existing programs and plan for the future of the organization, VML must maintain a strong financial position. VML is committed to maintaining and modernizing accurate and appropriate financial systems.

- VML will evaluate existing programs, seek efficiencies, and make recommendations for staffing changes in order to accomplish the strategic goals of the organization.
- VML will seek strategic partnerships, where possible, in order to enhance our ability to provide top quality programming and services for the membership.
- VML will enhance financial reporting and modernize financial systems where appropriate.

I continue to monitor and evaluate VML programs and policies. Of particular concern was the nearly \$300,000 liability that we faced as a result of our accumulated leave policy. This policy allowed employees to bank up to 90 days (675 hours); allowed employees to go over the 675 hours throughout the year (the cap was only imposed on July 1); and, allowed employees to cash in hours by request.

As discussed previously, we are doing a two-step phase-in for the new policy (employees were given more than a year to implement). First, as of January 1, there is a hard cap of 675 hours and employees will no longer accrue leave time once they reach the cap. Next, as of July 1, the cap will be lowered to 60 days (450 hours).

As a result of these changes and two long-term employees leaving, our liability is approximately \$198,000. I have also imposed a 5-day annual limit on the leave that an employee can give back for cash.

This marked the first year that our audit lines matched our budget lines. In addition, the new chart of accounts sets up the system following the budget lines as well. This makes for much better internal tracking along with better reporting to the Executive Committee.



2016 Communications Plan

Virginia Municipal League

Mission Statement

"The Virginia Municipal League is a statewide, nonprofit, nonpartisan association of city, town and county governments established in 1905 to improve and assist local governments through legislative advocacy, research, education and other services."

Vision Statement

VML shall:

- Work to build strong relationships among local, state, and federal officials;
- Serve as a communications hub for local governments;
- Facilitate the engagement of our members with the organization and facilitate the engagement of citizens with their local governments; and
- Maintain a financially stable organization that is staffed to serve the needs of the membership.

Positioning Statement

VML – The first source for all things affecting local government.

Communications Goals

Timely and substantive communication is critical to the overall mission of VML. As such we are committed to establishing both print and electronic communications to achieve the research, training, and advocacy goals of the organization.

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Audience segments

Primary

Local government officials and employees

Legislators (state and federal)

Municipal Business Associates

Partnering non-profit organizations with shared goals

Schools

Secondary

General Public

Communications Channels

Events (face to face)

Electronic communications (e-mail)

Town & City magazine

Website

Social media

News media

Handbooks and Other Publications

eNews/e-mail communications

Primary audience: local officials

Secondary audiences: state and federal officials, partnering associations, MBA members

Primary objectives

To become the primary source for timely, accurate news affecting local government; To provide the latest breaking updates on legislative issues; To promote VML training and networking events.

Action steps

- 1) Overhaul e-News and all other e-alerts to improve design, layout, and user engagement.
- 2) Increase open rates and click-through rates.
- 3) Expand subscriber base through targeted promotions to specific audiences.
- 4) Conduct annual readers' survey to determine usefulness of current content and what new content is wanted.

Virginia Town & City magazine

Audiences:

local officials, state legislators, state agencies, MBAs, affiliated organizations, other non-profit partners.

Primary objectives:

to provide a high quality, monthly magazine featuring in-depth articles that inform and educate our audiences on a breadth of local government issues; to highlight best practices and “how to” features that can be employed in many municipalities.

Action steps:

1. Produce 10 issues of a 32-page magazine each year.
2. Engage experts in local, state and federal govt. to write articles on latest developments affecting localities.
3. Increase content submissions from localities and grow readership by highlighting more individual localities in each issue.
4. Use magazine to effectively promote VML events, trainings and advocacy efforts. Incorporate more content promoting member benefits, MBA benefits, and cross-promotion of eNews and social media.

www.vml.org

Audience: local, state and federal officials, MBAs, students, general public, media

Primary objective: to provide the most comprehensive online resource for local government issues, advocacy, training and events.

Action steps:

1. Launch newly designed website.
2. Keep existing documents and content updated daily. Post new resources weekly.
3. Train all staff to upload and update content in their areas.
4. Streamline our technology to seamlessly integrate database and other software services with website so that vml.org becomes one-stop-shop for local government info.
5. Develop the comprehensive online directory of city, town and county governments searchable by many criteria. Evaluate the merits of providing a printed version of the directory to members.
6. Promote the website in all other communications as the destination for event registration, advocacy tools, training resources, VML publications/manuals, and other detailed info.
7. Increase page views and sessions by including more links to other content on each page.

Social Media

Audience: local, state and federal officials, legislators, media.

Primary objectives: to further advocacy efforts; to promote member engagement; to promote VML sponsored events.

Action steps:

1. Develop VML social media policies guide for staff.
2. Launch VML twitter presence to extend our reach to legislators and to provide members with action alerts throughout the session.
3. Employ twitter to cover VML events, including VML Day at Capitol and Annual Conference.
4. Employ Facebook to promote member engagement. Communicate to members about events, breaking news, online resources and links and to celebrate their successes.
5. Promote our social media presence in all e-mail communications and on vml.org.
6. Encourage staff to post to twitter and Facebook regularly. Key staff should aim for a minimum of one post per week.
7. Research other social media outlets that may be useful to League's target audiences.

VML Events

Audience: local, state and federal officials, legislators, media.

Primary objective: Maximize face-to-face communications and member engagement to provide top-notch training, education and advocacy. Events should cover the latest development in local govt., provide actionable information, provide one-of-a-kind networking opportunities in a fun and energetic atmosphere.

Action steps for pre-event promotion:

1. Develop a communication plan for each major event in consult with event staff.
2. Employ email campaigns, website, social media and print magazine to promote events and webinars.
3. Track events and webinar promotions to measure response, including open rates, click throughs, retweets, etc.

News Media

Audience: local, state and federal officials, legislators, general public.

Objective 1. To establish VML as the most qualified, credible source for the press on local government issues.

Action steps:

1. Work with leadership staff to develop key messages to be shared with media.
2. Provide a timely response to all media inquiries (even to decline comment) and maintain a positive relationship with the press.

Objective 2. To secure media coverage of VML events, including VML Day, If I were Mayor, Achievement Awards and Annual Conference.

Action steps:

1. Identify target markets and outlets throughout the state based on the communities and people being honored or involved.
2. Target beat reporters associated with topic.
3. Send press releases with targeted pitch. Follow up with phone calls.

Other publications

Audience: local, state and federal officials, legislators, general public.

Primary objective: To provide print and/or online resources on topics affecting local government, including COIA/FOIA handbook, elected officials' handbook, other manuals, white papers, legislative program, and all other printed/online materials.

Action steps:

1. Survey membership to determine which online and printed resources they find most useful.
2. Conduct an internal audit of all print and online materials published annually. Audit should assess:
 - What publications to continue producing.
 - Which publications to provide as online only downloads and which to print and mail.
 - If any fee should be charged for certain publications.
3. Develop a cohesive brand for all materials based on audit review.
4. Cross-promote VML publications in other communications.
5. Develop new publications as needed to address new issues affecting local government.
6. Develop new publications that highlight the benefits of membership, such as a wall calendar, member directory, or other promotional materials.

Measuring results

The effectiveness of League communications and promotions will be measured by:

- Online surveys of our membership
- Formal evaluation from event participants
- Direct feedback from members



STAIRWAY TO SUCCESS

SUPPORTING EARLY CHILDHOOD EDUCATION

Get ready...

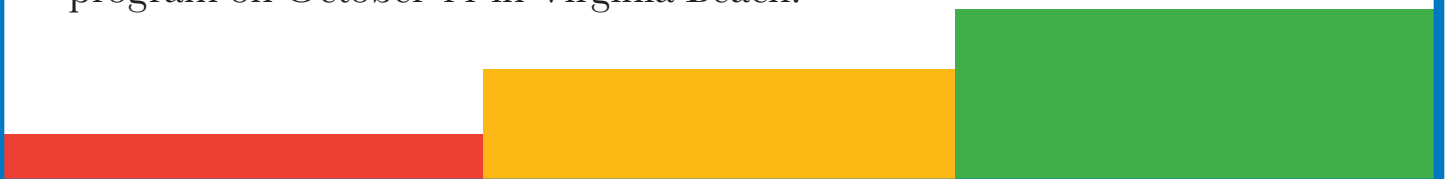
For VML's new initiative encouraging local government participation in early childhood learning and in so doing, give our young people a leg up in this competitive world.

Get set ...

Join in a friendly competition designed to promote the goal of a qualified, trained and educated workforce through the implementation of specific policies and practical actions.

Go!

More information will be distributed later this spring. Eligible participants include cities, towns and counties, but partnerships with other local government and regional agencies and with the private sector are encouraged. Participants will receive points for a range of activities and will be recognized at VML's awards program on October 11 in Virginia Beach.





To: VML Executive Committee

From: Anita Yearwood, CMP, CGMP
Conference and Marketing Coordinator

Date: January 21, 2016

Re: **2016 Institute for Local Officials**

The 2016 Institute for Local Officials will be held July 22-23, 2016 at the Hilton Richmond Downtown in Richmond, Virginia. This event replaces what was previously known as the Newly Elected Officials Conference.

This event is open to newly elected officials and veterans alike. Topics to be discussed will touch on the fundamentals of serving as a council member, including information on making the most of meetings, budgeting, the Freedom of Information Act, the Conflicts of Interest Act, interacting with constituents, dealing with media and public officials liability. Participants will also visit the VA state capitol.

Attendees will earn 10 of the 40 hours required to achieve Level One (Local Government Basics) certification in the Virginia Leadership Academy.

Cost: \$175 for Members and \$75 for Guests

Hotel accommodations are available at the group rate of \$121/night.

For questions or more information, please contact Anita Yearwood, CMP, CGMP at (804)523-8534 or ayearwood@vml.org.



To: VML Executive Committee
From: Anita Yearwood, CMP, CGMP
Conference and Marketing Coordinator
Date: January 21, 2016
Re: **VML Day at the Capitol**

The lobbying staff is busy working bills and putting together the legislative bulletin for VML Day at the Capitol and preparing for the webinar tomorrow. Everyone else is focused on details for the event itself. **The program's agenda is enclosed.**

We have had such a positive response again this year. The participant breakdown is as follows:

Registrations: 200
Essay Contest: 30
Legislators: 55
Others: 40
Staff: 22 (includes VML and VMLIP)
Total: 347

"Other" breakdown:

Speakers

Governor Terry McAuliffe
Anne Holton, Secretary of Education
William "Bill" Howell, Speaker of the House of Delegates
Brian Cannon, Executive Director, OneVirginia21

Lt. Governor Ralph Northam

Governor's Cabinet

Todd Haymore, Secretary of Agriculture and Forestry
Brian Moran, Secretary of Public Safety
Molly Ward, Secretary of Natural Resources
Paul Reagan, Chief of Staff
Suzette Denslow, Deputy Chief of Staff

Aides & Staff: 29
Spouse: 1

2016 VML DAY



AT THE CAPITOL

Wednesday, Jan. 27, 2016

**Library of Virginia
800 East Broad Street
Richmond, VA 23219**

Agenda

- 3 p.m. Welcome and Introductions**
The Honorable Ron Rordam, VML President,
Mayor of Blacksburg
- Keynote Address**
The Honorable Terry McAuliffe, Governor of Virginia
- If I Were Mayor Awards Presentations**
- 4 p.m. Brian Cannon, Executive Director**
OneVirginia2021
- 4:30 p.m. The Honorable Ann Holton**
Secretary of Education, Commonwealth of Virginia
- 5 p.m. The Honorable Bill Howell**
Speaker of the House, Virginia House of Delegates
- Closing Remarks**
The Honorable Ron Rordam, VML President,
Mayor of Blacksburg
- 5:30 p.m. Reception**
Library Foyer
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To: VML Executive Committee

From: Joe Lerch, VML Director of Environmental Policy

Date: January 22, 2016

Re: Revised Member Training Program - Virginia Leadership Academy (VLA)

VML staff has been working in recent months to revise our existing training program known as VEOLA (Virginia Elected Officials Leadership Academy). The result of these efforts is a rebranded and revitalized program now known as the Virginia Leadership Academy (VLA). Attached is a two-page outline that describes the framework for both training and certification. The revised program was designed to provide necessary basics in local governance as well as preparing elected leaders for coming economic and societal trends as identified in VML's 324 Places Initiative. More importantly however is the emphasis on engagement in VML functions such as attending the annual conference, VML Day at the Capitol, and serving on a VML committee. Here are some highlights of how the new certification program will work:

- Every VML member is automatically enrolled in the program and their completion of credits will be maintained in a simple to use database for easy tracking of certification status;
- The program is broken down into three successive levels. At each level members must earn a combination of mandatory and optional credits before they are allowed to start completing the necessary credits at the next level;
- The Newly Elected Officials (NEO) conference has been renamed the Institute for Local Officials (ILO) and it will be offered yearly. Attendance will be a mandatory requirement for completion at the first level (Local Government Basics);
- Attendance at both the annual conference and VML Day at the Capitol is mandatory for completion at the second level (Advanced Training); and
- The topics of the 324 Places Initiative will be explored in greater depth in specific courses offered at the second level;
- Level Three (Governance, Leadership and Advocacy) encourages the active engagement of members to represent both their communities and VML in an advocacy role at the state and federal level; and
- The program has been purposely designed so that members will need a minimum of one to two years to complete each successive level. While certification is the ultimate goal of participants, the underlying value is in greater ongoing participation in VML.

In terms of delivering training opportunities to complete the coursework and actions necessary for certification, staff will be preparing a schedule of both face-to-face training as well as long distance options through webinars and online modules. Additionally, face-to-face training will include regional venues across the state to provide ample opportunities for completing coursework. To deliver the instruction VML will employ a combination of staff and outside policy and topic area specialists.

Staff will be busy over the next several months developing (1) the website platform both the VLA and ILO; (2) coursework for the beginning level; and (3) logistics for training. We are excited about this opportunity to provide what we think we be a valuable resource, as well as a meaningful experience, for our members.

Virginia Leadership Academy (VLA)

The Virginia Leadership Academy (VLA) is a certification program for VML elected and appointed members. The purpose of the VLA is to provide an interactive curriculum of specialized instruction that will develop the knowledge and enhance the leadership abilities of those who serve the cities, towns and counties of Virginia.

There are three levels of achievement in the VLA that when completed (in succession) results in certification:

Level One: Local Government Basics

This level provides a primer on the governance and operations of municipalities in Virginia. Upon completion members will have learned the legal, fiscal, and administrative basics of local government. A minimum of 40 credits, some required others optional, must be obtained before moving on to the next level.

Mandatory Coursework:

- Institute for Local Government (ILO) - all-day instructional conference, offered yearly, that provides the necessary basics for Virginia local government officials (10 credits).
- Freedom of Information Act (FOIA) (5 credits)
- Conflict of Interests Act (COIA) (5 credits)
- Paying for municipal services: Revenue & Budgeting (5 credits)

Optional Coursework:

- Comprehensive Planning, Capital Improvement Programs, and Zoning (5 credits)
- Enacting laws and ordinances (5 credits)
- Effective public meetings (5 credits)
- Public Safety and Emergency Management (5 credits)
- Public Works and Utilities (5 credits)
- Mandates to provide K-12 education (5 credits)
- Mandates to provide human services – Children Services Act (CSA) (5 credits)
- Urban maintained roads (5 credits)

Level Two: Advanced Training

Upon completion of local government basics members will be engaged and challenged to learn about, and prepare for, important economic and societal trends localities will need to address as identified in VML's 324 Places Initiative. Additionally members will be required to take an active role in advocating for policies and laws to create a healthy and prosperous relationship between state and local government. A minimum of 40 credits, some required others optional, must be obtained before moving on to the next level.

Mandatory Coursework/Actions:

- Attendance at VML Annual Conference (10 credits)
- Attendance at VML Day at the Capitol (includes participation in webinar) (5 credits)
- Economic Development (5 credits)
- Workforce Development (5 credits)

Optional Coursework/Actions:

- Transportation & Mobility (5 credits)
- Education (5 credits)
- Community Image/Reputation (5 credits)
- Public Engagement/Purpose (5 credits)
- Aging Infrastructure (5 credits)
- Sustainability/Resiliency (5 credits)
- Risk Management (5 credits)
- Responding to VML Legislative Action Alerts (minimum of 5) (5 credits)

Level Three: Governance, Leadership and Advocacy

This level involves a combination of training and active participation in VML, the National League of Cities, and/or other regional, state, and national organizations for local governments. This level provides greater flexibility to members by allowing them to create a stylized curriculum tailored to their interests in serving their localities and communities of interest. A minimum of 40 credits, some required others optional.

Mandatory Coursework/Actions:

- Two consecutive years of serving on a VML (or VACo is dual member locality) committee (executive, legislative or policy) OR Two consecutive years of serving on NLC (or similar national municipal NGO) (10 credits)
- Advanced Economic Development – case studies (5 credits)
- The Art of Negotiation (5 credits)

Optional Coursework/Actions:

- Conflict Resolution: Mediation Basics (5 points)
- Representing VML in state-mediated stakeholder process (5 points)
- Write article for publication in VML magazine (5 points)
- Two consecutive years of serving on regional or state governance board – examples include but are not limited to regional MPO, gubernatorial appointments, and regional waste, water, transit or similar public authorities (10 points)
- Panelist/Presenter at VML, VACo, NLC or similar local government annual conference (5 points)
- Crafting and implementation of a new (or improved) local service delivery program through cooperation of local governing council or regional public service authority (5 points)
- Completion of leadership/governance certification program offered by state university or similar educational institution (example would be UVA Sorensen Institute for Political Leadership) (10 points)

2016 GENERAL ASSEMBLY REPORT

as of January 21, 2016

HB757 (Bell, RB) – requires public comment on every agenda item; it was agreed that the parties would work together to ensure that it didn't affect advertised public hearings. Also requires an agenda to be posted 7 days prior to the meeting, we think that there is consensus on 3 days with a caveat that other items may be added if needed. A proposed revision was provided to the patron for his comments.

HB812/SB416 (Peace, Vogel) (Identical bills) & HB1268 (Taylor) (better for localities) – AIR BnB, there are 3 bills relating to AIR BnB's being considered. VML has significant concerns that if SC812/SB416 pass as written that localities will be harmed. The legislation proposed states that local zoning will be preempted and the local Commissioners of the Revenue will have no authority to audit the books to ensure that taxes and business license rules are being complied with. Furthermore, localities will not even be told which houses or persons are operating AIR BnB's. VML is working with the Patrons, the Governor's Policy Office, VACO and the Hospitality Industry in an effort to ensure that localities do not lose their ability to control local zoning and collect the appropriate taxes. There is a need to discuss this matter with anyone in the General Assembly who will support the locality's ability to maintain local zoning authority and the Commissioners right to collect the appropriate taxes. HB1268 was offered by the Industry representatives and is better, but still preempts local zoning and caps the tax rate for localities on these properties. I met with the Patron for the second time on Thursday and received a revision, but it still preempts local zoning and does not address any of the localities needs for information or enforcement.

HB770/SB549 (Gilbert, Obenshain) (Identical Bills) - Proffers. These bills are problematic for localities and action is needed to get the General Assembly members to at the very least encourage meaningful negotiations on these matters. The bills propose to limit residential and mixed use including residential proffers offsite to include only transportation, schools and public safety. Localities would like to include water and sewer, parks and libraries in this part of the bill. It also removes the ability of localities to accept proffers related to both exterior and interior materials or architectural standards of residential dwellings. This precludes proffers of noise attenuation, flood proofing, etc. The bills also purport to limit proffers to only things that are "specifically and uniquely attributable" to the development which is a very specific definition. VML has proposed "directly attributable" as the standard. The last piece of this legislation states that the court can tell the locality that they have to rezone the property if the developer prevails; the counter proposal from local government is that the locality will reconsider the matter, which is consistent with current practice. The bill will be heard Tuesday on the Senate side and action is needed immediately. UPDATE – there is discussion that the patron may agree to postpone the bill, but that is not confirmed at this time.

HB61, HB308, HB800 (Morris) - FOIA, misdemeanor violations, penalty / required use of government email / audio recording of closed meeting. VACO and VML visited Morris' office and put the Delegate on notice that we would not be supporting any of his FOIA bills. It is our position is that the current FOIA penalties are sufficient (civil), the use of government email is best practice but not always practicable or affordable and that recording closed session proposal will have a chilling effect.

HB280, HB281, HB282 (Marshall) – FOIA, site plans, exclusion pursuant to nondisclosure agreement, building permits, FOIA exclusion pursuant to nondisclosure agreement. VACO and VML visited Marshall's office to try and better understand these bills, he was not available and we will visit again. Our goal is to understand what situation he is trying to fix and assist him by massaging these bills.

HB817, HB818, HB819 (LeMunyon) – record exclusions, rule of redaction, designation of an officer, public access to certain audio and video recordings. VACO and VML visited LeMunyon's office and expressed tentative support of HB817 and opposition of HB818 and HB819. Designation of an officer could be burdensome for some localities and the regional jails are going to spearhead opposition of HB819.

HB808 (John J. Bell) – requires that the state use LED lights on outdoor lighting fixtures, the language could potentially include localities. VACO and VML are working with the patron to specify only the state and not localities.

HB910/SB597 (Taylor, Cosgrove) (identical bills) – allows appeals of taxes to go to a jury trial. This bill was defeated in the House subcommittee, but will come up again in the Senate. VML is working with the Commissioners of the Revenue to defeat it in the Senate as well.

HB887/SB586 (Albo, Ruff) (identical bills) – precludes construction management for certain types of contracts. This bill is not favorable to local government or higher education. VML is working with the Higher Education contingency in an effort to defeat this bill.

These are the highlights of this week, there are many others that I am tracking. If you have any other bills of concern, please feel free to contact me.

To: VML Executive Committee

From: Michelle Gowdy

Date: January 22, 2016

Subject: Request for Amicus Brief

There has been a request from a VML member asking that VML file a Brief Amicus Curiae in support of an appeal to the Supreme Court of Virginia challenging the constitutionality of a statute enacted last year in which the General Assembly limited the frequency of biennial review proceedings in the State Corporation Commission (SCC) for Utilities along with some other things. The challenge is being brought by the Virginia Committee for Fair Utility Rates.

Here is a brief summary of the facts. In 2015, SB1349 was passed that prohibits the SCC from reviewing and setting base rates for Dominion and APCo from now until 2022. The net effect is that the rates are frozen during this time.

During the rate case by Dominion last year, the sole dissenter in the SCC opined that SB1349 was unconstitutional because the legislature set out a "prohibition" to set rates rather than a set of criteria in determining rates.

There was an appeal of the case by the Virginia Commission for Fair Utility Rates which the SCC refused to hear. The constitutionality was not argued in this appeal request.

Questions exist as to whether or not an appeal to the Supreme Court is appropriate because the issue was not raised during the appeals process. SB1349 was legislation that is forward looking and the rate case was backwards looking (based upon past rates), so there is controversy over whether or not the SCC should have mentioned the constitutionality of SB1349.

Last year, VML took no position on SB1349 during the General Assembly which is important to note. If VML were inclined to weigh in on this issue now, I expect that there will be a lot of rhetoric as to why we didn't take a position on the bill. I would recommend that VML monitor this litigation, but not file a brief at this time.

The posture of the litigation is such that there is a strong argument that the Supreme Court will not take up the matter because the SCC case was backwards looking. In addition, if the Court were inclined to take up the matter and find the legislation to be unconstitutional most likely the SCC will review the rates again. There is no guarantee that the rates for our member jurisdictions and their residents would be reduced. VML historically (to the best of my knowledge) has filed briefs when there was an issue that was specific to local government; that is not the case here. In a brief conversation with VACO, they will not be filing a brief either but will continue to monitor the matter. The Attorney General has agreed to defend the law and was quoted this week saying "Herring spokesman Michael Kelly said the attorney general opposed the law on policy grounds, but said it passes constitutional muster. "

January 22, 2016

To: VML Executive Committee

From: Janet Areson

Subject: Federal Update

ACA excise tax delayed. The National League of Cities (NLC) reports that local governments got a wished-for delay in a proposed tax under the Affordable Care Act (ACA) that would be applied to certain employer-sponsored health care plans. The spending and tax cut package passed by Congress late last year included a two-year delay of the 40 percent excise tax on employer-sponsored health insurance plans that was to go into effect January 2018. The new launch date is January 2020.

This excise tax would be applied to employer plans that exceed a statutory dollar threshold -- \$10,200 for individuals and \$27,500 for couples/families. It is estimated the tax would raise \$87 billion over a 10 year period to help subsidize people's premiums within the ACA.

Delegates to the NLC annual conference last fall approved a resolution calling for the repeal of this excise tax. NLC believes that such a tax on public employer plans would hinder local and state government ability to offer competitive health benefits to employees and would put additional pressure on local budgets.

Internet tax preemption and sales tax possibility. While neither the Commonwealth nor Virginia local governments have ever imposed taxes on Internet access, the possibility would completely go away if proponents of a permanent ban get their wish this year.

Supporters of a long-term or even permanent ban on state and local taxes of Internet access are confident that they will prevail in an effort to impose an indefinite ban. A conference report on a customs bill that includes this ban is expected to move soon in the U.S. Senate.

The ban on state and local taxation of Internet access goes back to 1998 and has been renewed and revised several times over the years.

There may be an upside though. Some proponents of Internet sales tax authority see this proposal as way to move their agenda of allowing states increased authority to collect taxes from on-line purchases that their citizens make from retailers located outside their state. Senator Dick Durbin (D-IL) is leading the charge in the Senate to tie these two proposals together.

Onerous pension reporting requirements removed. The Omnibus spending and tax cut package approved by Congress late last year went forward without a controversial measure that would force state and local governments to meet certain federally-established pension

reporting requirements in order to maintain their right to issue tax-free municipal bonds. The National League of Cities has long opposed this proposal, which luckily was stripped from the final measure before its passage.

EPA solicits comments on storm water reg updates. NLC reports that The U.S. Environmental Protection Agency is seeking comments on its Phase II storm after regulations regarding procedures to be used for providing coverage to small municipal separate storm sewer systems (MS4s) underground permits.

The purpose of the NPDES Stormwater Proposed MSR General Permit Remand Rules is to fix certain deficiencies in the permitting process found by the Ninth Circuit Court of Appeals. The deficiencies concerned the lack of permitting authority review and the lack of public participation in the permitting process.

The rule making applies to operators of a “regulated small MS4” of which 94 percent are permitted under state general permit. There are 6,380 small MS4s covered by General permits nationwide.

Public comments will be accepted through March 21.

Asset forfeiture program falls short. In late December the U.S. Department of Justice informed local law enforcement agencies across the country that payouts under the federal “equitable sharing” program were being suspended due to a shortfall in the program’s fund caused by a budget recession that was larger than usual.

The equitable sharing program is a legal tool that allows federal, state, and local law enforcement agencies to seize assets that are suspected to have been derived from, or used to facilitate criminal activity. Congress initiated the program in the 1980s.

According to NLC, the Department of Justice is looking for ways to maintain the program and expects to resume payments in 2016 as additional funds come into the forfeiture fund.

In addition to budget shortfalls, Congress is considering legislation to limit DOJ’s ability to transfer property and funding to state and local law enforcement agencies through this program. NLC supports program reform but opposes legislation to limit local law enforcement’s ability to participate in the program and calls on Congress to continue the program while safeguarding individual rights and reform incentives for potential misconduct.