Work Session Agenda
Staunton City Council
Electronic Communications Meeting
May 14, 2020
5:30 p.m.

5:30 p.m.		**Mayor's Introductory Remarks**
5:35 p.m.		**Invocation/Moment of Silence—Holmes**
5:40 p.m.	**1.**	**Consideration of Work Session and Regular Meeting Agendas**
5:45 p.m.	**2.**	**FY 2021 Budget Work Session**
6:00 p.m.	**3.**	**Presentation of Community Action Partnership of Staunton, Augusta and Waynesboro FY 2019 Annual Report**
6:15 p.m.	**4.**	**Presentation of Office on Youth FY 2019 Annual Report**
6:30 p.m.	**5. & D**	**Discussion of an Ordinance Repealing Chapter 5.15, Health Clubs and Massage Therapy – Tattoo Parlors, of Title 5, Business Licenses and Regulations, of the Staunton City Code**
6:40 p.m.	**6.**	**Update Concerning COVID-19 Recovery Planning**
7:15 p.m.		**Break**

Regular Meeting Agenda
Staunton City Council
Electronic Communications Meeting
May 14, 2020
7:30 p.m.

Call to Order

Mayor's Introductory Remarks

Pledge of Allegiance

Mayor's Report

Proclamation—Mental Health Month

Additional Items by Members of Council

Approval of Minutes

Budget Work Session of April 16, 2020

Work Session and Regular Meeting of April 23, 2020

Budget Work Session of April 30, 2020

REGULAR MEETING

A. Consideration of an Ordinance to Increase Water User Fee

B. Consideration of an Ordinance to Increase Refuse and Recycling Rates

C. Consideration of an Ordinance to Establish a Budget and Appropriation for Fiscal Year 2021, July 1, 2020—June 30, 2021

D. Consideration of an Ordinance Repealing Chapter 5.15, Health Clubs and Massage Therapy – Tattoo Parlors, of Title 5, Business Licenses and Regulations, of the Staunton City Code

Matters from the City Manager

Matters from the Public

Participating in Matters from the Public

To participate in the **Matters from the Public** portion of the City Council meeting:

- Dial toll free number: **(844) 854-2222**
- When prompted, enter the access code for the meeting: **619358#**
- You will hear the automated word “Muted”
- At that point, you will have been added to the queue to share your comments with Council
- While you are in the queue, you will hear the audio feed of the meeting
- When you hear the automated word “Unmuted,” share your comments with Council
- Participants are reminded that the **Matters from the Public** portion of the meeting is a time for Council simply to listen to your comments

Adjournment

CITY COUNCIL **AGENDA BRIEFING**

Staunton, VA

Meeting Date:	**May 14, 2020**	**City Council**
Item #	**1**	
Ordinance #		
Department:	**City Council**	
Council Vision:	**Responsive, Efficient Government**	
Subject:	**Work Session and Regular Meeting Agendas**	

Background: Consistent with Procedural Memorandum No. 3, attached are draft meeting agendas for City Council's consideration and for approval as Council prefers.

Suggested Motion: I move to approve the Work Session agenda and the Regular Meeting agenda [as presented] [with the following changes: as to the Work Session, the addition/deletion of ___________; as to the Regular Session, the addition/deletion of ___________].

City Manager: Steven L. Rosenberg

Work Session Agenda
Staunton City Council
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<u>REGULAR MEETING</u>

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Adjournment

CITY COUNCIL **AGENDA BRIEFING**

Staunton, VA

Meeting Date:	**May 14, 2020**	**Steven L. Rosenberg** **City Manager** **Leslie Beauregard** **Assistant City Manager** **Phil Trayer** **Chief Finance Officer**
Item #	**2 & C**	
Ordinance #		
Department:	**City Manager** **Finance**	
Council Vision:	**Responsive, Efficient Government**	
Subject:	**Ordinance to Establish a Budget for Fiscal Year 2021, July 1, 2020—June 30, 2021, totaling $114,290,621**	

Background: The City Manager presented the FY2021 budget at the March 26 Council meeting. The original FY2021 Budget Ordinance was also introduced at this meeting. Since the initial budget presentation, the budget has been revised downward in response to the economic and fiscal impacts of the current COVID-19 pandemic. The public hearing was advertised on April 16 in *The News Leader* and conducted at the April 23 Council meeting.

Council held budget discussions on the proposed budget on April 9, April 16, April 23, April 30, May 7, and May 14 for the City and School Proposed Budgets.

The attached, revised FY2021 Budget Ordinance is presented for consideration at the May 14 meeting. Revisions to the proposed FY2021 budget include:

General Fund revenue decrease—($2,900,299):

- ($1,029,750) decrease in property tax revenue by applying delinquency factors to real property and personal property taxes in anticipation of increased delinquencies due to the current pandemic. The real estate tax rate will remain at $0.95/ $100 of assessed value, effective January 1, 2020.
- ($2,542,500) decrease in other local taxes due to a reduction of projected sales, meals, transient occupancy and business license taxes as a result of the pandemic.

- $671,951 increase in other revenues due to transfers of $150,000 and $307,478 from health reserves and the CIP fund as well as increased state support of constitutional officer positions.

General Fund expenditure decreases—($2,900,299):

- ($1,805,590) decrease in the transfer to the Education Fund.
- ($776,724) decrease in wages and related expenses due to the incorporation of the equivalent of 10 furlough days for all employees earning more than $15 per hour, with some exceptions, and freezing of vacancies in seven full time positions.
- ($0) change in the transfer to the Debt Service Fund.
- $274,355 increase in Social Services due to caseload increases within the City.
- ($841,050) decrease in CIP reserve contributions as expenses have been deferred.
- $449,465 increase in operational expenses at the Middle River Regional Jail.
- $189,724 increase primarily associated with state mandated positions within the Commonwealth Attorney's Office.
- $231,102 increase in the Economic Development Department to reflect current obligations under development agreements
- ($621,489) decrease in other non-compensation lines items throughout the budget.

The FY2021 Budget Ordinance:

- Totals $114,290,621 (City Budget = $77,088,521 and School Budget = $37,202,100).

- Provides $12,044,410 in local funding to Staunton City Schools, a $1,805,590 decrease.

- Provides $7,455,130 for all annual debt service payments for all funds.

- Provides $0.00 as a transfer to the City Capital Improvement Fund.

- Maintains the real estate tax of $0.95/$100, effective January 1, 2020.

- Maintains the current personal property tax rate at $2.90, effective January 1, 2020.

- Maintains the current machinery and tools tax rate at $1.24.

- Adds 1 full-time position in the Office of the Clerk of the Circuit Court.

- Provides $943,801 in funding to outside agencies, a decrease of $25,978.

- Provides $3,355,733 in funding for capital equipment for all funds.

- Provides for a 5% water rate increase.

- Provides no sewer rate increase.

- Provides no storm water rate increase.

- Provides for a 10% refuse/recycling rate increase.

Attachment:

Proposed Ordinance.

City Manager Recommendation: Recommend Council adopt the revised FY2021 Budget Ordinance establishing a budget totaling $114,290,621 and an appropriation of 60% of the approved budget or $68,574,373. A subsequent appropriation to address funding for the second half of FY2021 will be scheduled no later than December 15, 2020.

Suggested Motion: I move to adopt an ordinance establishing and approving a budget for the City of Staunton for fiscal year 2021, totaling $114,290,621, and an appropriation of 60% of the approved budget, or $68,574,373, including an appropriation of a General Fund Transfer to the Education Fund totaling $7,226,646, and fixing other tax rates and fees as proposed, advertised and considered for public hearing.

City Manager: Steven L. Rosenberg

DRAFT
5.7.20
10:52 a.m.

Ordinance No. 2020-

AN ORDINANCE ESTABLISHING AND APPROVING A BUDGET FOR THE SCHOOL BOARD OF THE CITY OF STAUNTON, AND FOR THE CITY OF STAUNTON, VIRGINIA, BOTH SEPARATELY AND COLLECTIVELY FOR THE FISCAL YEAR BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021, APPROPRIATING FUNDS AT <u>SIXTY PERCENT (60%)</u> OF SUCH APPROVED BUDGETED AMOUNTS FOR PUBLIC PURPOSES FOR SUCH FISCAL YEAR, SUBJECT TO FUTURE APPROPRIATION AMENDMENT(S); ESTABLISHING A TAX RATE ON TAXABLE PERSONAL PROPERTY, REAL ESTATE AND PROPERTY OF PUBLIC SERVICE CORPORATIONS; ESTABLISHING AND IMPOSING A SERVICE CHARGE ON CERTAIN REAL PROPERTY EXEMPT FROM TAXATION; AND CONTINUING IN EFFECT ALL ORDINANCES OF THE CITY OF STAUNTON, VIRGINIA, RELATING TO TAXES, LICENSES, FEES, SERVICE CHARGES, COSTS AND OTHER CHARGES AND ALL ORDINANCES RELATING TO THE TIME OF PAYMENT THEREOF AND COLLECTION THEREOF, EXCEPT AS HEREIN SPECIFICALLY MODIFIED

Recitals

A. Beginning as early as the fall of the previous year, future budget year fiscal planning involves an extensive process that includes departmental and other reviews and funding requests and individual meetings with representatives of the departments and of other public bodies and public officials funded by or through the City of Staunton.

B. As the budget planning process for fiscal year 2021 was well under way, to such an extent that the City Manager had already formulated a recommended fiscal year 2021 budget, the emergency and disaster circumstances of the global COVID-19 pandemic hit. That pandemic has led to shelter-at-home and business closure orders of the Governor of Virginia, having an unprecedented impact on individuals, businesses, and non-profit organizations, and on state and local government financial and operational aspects.

C. When the City Manager initially presented the recommended fiscal year 2021 budget to Council on March 26, 2020, the City Manager emphasized that the recommended budget would require significant review and changes, given the predicted significant impact that the global COVID-19 pandemic emergency and disaster would have on City revenues, with businesses having to close and individuals sheltering at home, consistent with federal guidelines and actions of the Governor of Virginia.

D. Circumstances were such that Council took various emergency-disaster actions related to the COVID-19 pandemic circumstances, including those reflected in ordinances 2020-04 and 2020-05.

E. In the meantime, the City Manager implemented prudential measures that included hiring and spending freezes and capital project expenditures review, and other measures such as termination of certain part-time employees, to protect the City's fiscal condition in light of evolving circumstances.

F. On April 23, 2020, City Council conducted a public hearing on the budget ordinance based on the City Manager's initial recommended budget and first introduced on March 26, 2020, which public hearing was advertised in *The News Leader*. City Council also encouraged other input on the proposed budget and its members have remained receptive to citizen input even as the process or review and discussion has continued.

G. The City Manager, with the leadership of the chief finance officer of the City, developed further data, and Council has conducted several budget work sessions as part of a careful, systemic review of City finances to position the City to responsibly manage the fiscal and budgetary challenges currently and in the year ahead.

H. The City Manager now has briefed Council several additional times, and Council members have discussed at length the budget implications.

I. In light of all of the considerations and discussions, the City Manager has proposed a fundamentally altered budget recommendation for fiscal year 2021, reflecting reductions from his originally formulated budget of as much as $7,862,905 that, among other things, includes a plan for mandated employee furlough.

J. Council, recognizing the challenging realities created by the consequences of the global COVID-19 pandemic emergency and disaster, concurs with the City Manager and even has committed to reflect in its own future net salary the pay adjustments that align with the furlough that employees will experience.

K. Even with all of these actions, the City Manager and Council believe that unlike in any other years, it is prudent to approve annual budgets for the School Board and for the City yet authorize in this ordinance an appropriation that is a percentage of the annual budgets approved, appreciating that only the act of appropriation authorizes the expenditure of funds and that the City Manager will continue to review further developments and bring to the City Council one or more appropriation ordinances that would amend the appropriation authorized by this ordinance.

L. This matter has been properly advertised, heard, and considered.

M. These recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, as follows:

SECTION 1. The following budget of the School Board of the City of Staunton and of the City of Staunton, separately and collectively, as annexed and reflected and incorporated by reference, totaling **$114,290,621** for the City of Staunton, Virginia for the fiscal year beginning July 1, 2020 and ending June 30, 2021 is hereby proposed, approved and adopted:

(SEE ATTACHED BUDGET(S), incorporated by reference)

SECTION 2. Public revenues of the City of Staunton, Virginia are hereby appropriated for public purposes for the fiscal year beginning July 1, 2020, and ending June 30, 2021, at **sixty percent (60%)** thereof as set forth in the appropriate Section of such budget, with the recognition and stipulation that budget approval is not an appropriation of funds and only those funds as appropriated at such percentage and no more are set aside and may be spent, subject to future appropriation amendment(s) by ordinance as may be adopted by City Council.

SECTION 3.

3.1. The tax rate for all real estate, including real estate owned by public service corporations, subject to tax for the calendar year beginning January 1, 2020, shall be and is fixed at $0.95 per $100.00 of assessed value of such property per year, with assessed values being established through biennial reassessments pursuant to Section 58.1-3253 of the Code of Virginia, as amended, as of January of every odd numbered year.

3.2. All real property and improvements located in the Downtown Service District is subject to an additional tax for the calendar year beginning January 1, 2020, which shall be and is fixed at a rate of $0.15 (fifteen cents) per $100.00 of assessed value of such property for calendar year 2020. Assessed values for the Downtown Service District shall be established through biennial reassessments pursuant to Section 58.1-3253 of the Code of Virginia, as amended, as of January 1 of every odd numbered year.

3.3. These rates shall continue until modified by action of the Council of the City of Staunton, Virginia.

SECTION 4.

4.1. The tax rate for all personal property, including vehicles owned by public service corporations (but excluding machinery and tools, referenced and defined in Section 58.1-3507 of the Code of Virginia, as amended), subject to tax for the calendar year beginning January 1, 2020, shall be fixed at $2.90 per $100.00 of assessed value per year.

4.2. The tax rate for machinery and tools as defined in Section 58.1-3507 of the Code of Virginia, as amended, subject to tax for the calendar year beginning January 1, 2020, shall be and is fixed at $1.24 per $100.00 of assessed value per year.

SECTION 5. For the period of July 1, 2020, through June 30, 2021, certain categories of property exempted from taxation under Section 58.1-3600 et seq. of the Code of Virginia, as amended, shall be assessed and have imposed a fee or service charge based on the assessed value of the real estate and the amount which the City of Staunton expended in the year preceding for police and fire protection and, in the case of faculty and staff housing of an educational institution, the cost of public school education. The categories of property eligible for such assessment, and the method for calculating the assessment, are prescribed in Section 58.1-3400 et seq. of the Code of Virginia, as amended.

SECTION 6. The rate of service charge or fee imposed for property subject to such charge or fee under Section 5 of this ordinance shall be and is fixed and imposed at $0.19 per annum per $100.00 of assessed value and $0.48 per annum per $100.00 of assessed value for faculty and staff housing of an educational institution for the 2020 calendar year. The service charge shall be and is payable in one installment on December 15, 2020. Any service charge not paid when due shall bear interest computed at the rate of 10% per annum from the due date until paid.

SECTION 7. The real estate lawfully owned by the County of Augusta lying wholly or partly in the corporate limits of the City of Staunton, Virginia, shall be exempt from the service charge imposed by Section 5 of this ordinance.

SECTION 8. It is the intention of Sections 5, 6 and 7 of this ordinance to conform to and meet all the requirements of Section 58.1-3400 et seq. of the Code of Virginia, as amended, and they shall be read and construed accordingly.

SECTION 9. The annual salary for each member of the Council of the City of Staunton, Virginia, is hereby established as follows and shall remain in effect until formal action is taken to amend this ordinance:

Mayor	$ 11,000
Vice-Mayor	$ 10,000
Council Member	$ 10,000

The following respective annual amounts, however, shall be voluntarily returned pro rata bimonthly as to each such salary by an amount equal to 3.85% of the salary, as already requested by each individual member of Council, to a contra account which then periodically shall be credited to the general fund of the City, with the stipulation that this action does not alter the salaries above as established in this ordinance: Mayor $424; Vice-Mayor $385; and Council Members, $385.

SECTION 10.

10.1. The City Manager is hereby authorized to transfer funds from one line item to another line item within each Fund of such budget, with the exception of the general contingency account.

10.2. Authorization is hereby given to the City Manager to withhold or postpone the expenditure of any funds appropriated by and in this ordinance when it appears to the City Manager that it would be in the best interests of the City for such expenditure to be withheld; but, this provision shall not in any way limit or restrict the right of the Council of the City of Staunton, Virginia, in its sole discretion to the fullest extent permitted by law, to direct immediate disbursement of any appropriated funds when the Council of the City of Staunton, Virginia, is of the opinion that the funds should be expended regardless of the position or action or inaction of the City Manager.

SECTION 11. Any ordinance in conflict with this ordinance is hereby repealed to the extent and only to the extent that such conflict exists. However, all ordinances not in conflict with this ordinance shall continue in effect, including specifically all ordinances of the City of Staunton, Virginia relating to taxes, licenses, fees, service charges, costs and payment and collection thereof continuing in effect except as herein specifically modified.

SECTION 12. If any part of this ordinance is found to be invalid by competent authority, the remaining portions of this ordinance shall continue in effect to the fullest extent permitted by law.

INTRODUCED: March 26, 2020

PUBLIC HEARING ADVERTISE DATE: April 16, 2020

PUBLIC HEARING DATE: April 23, 2020

ADOPTED:

EFFECTIVE DATE: July 1, 2020

____

Carolyn W. Dull, Mayor

ATTEST: ____________________________

Suzanne F. Simmons

Clerk of Council

Ordinance No. 2020-

CITY OF STAUNTON, VIRGINIA
FY 2021 PROPOSED BUDGET

GENERAL FUND

ANTICIPATED REVENUE		BUDGET
General Property Taxes	$	25,360,750
Other Local Taxes		12,964,500
Commonwealth of Virginia		12,598,892
Current Service Charges		1,803,334
Federal Revenue		1,284,973
Recovered Costs		1,161,874
Licenses and Permits		235,400
Use of Money and Property		246,500
Fines and Forfeitures		232,000
Miscellaneous		486,478
Total Revenue	$	56,374,701

APPROPRIATIONS		
Transfer to Education Fund	$	12,044,410
Public Safety		12,043,521
Health and Welfare		7,362,381
Public Works		5,971,764
General Government Administration		6,100,461
Transfer to Debt Service Sinking Fund		4,844,415
Parks, Recreation, Library, and Cultural		3,670,219
Judicial Administration		2,239,756
Community Development		2,088,774
Transfer to the City CIP Fund		-
Educational Agency Contributions		9,000
Total Appropriations	$	56,374,701

DEBT SERVICE SINKING FUND

ANTICIPATED REVENUE		
Transfer from the General Fund	$	4,844,415
Total Revenue	$	4,844,415
APPROPRIATIONS		
Debt	$	4,844,415
Total Appropriations	$	4,844,415

CAPITAL IMPROVEMENTS PROJECT FUND

ANTICIPATED REVENUE		
Transfer from the General Fund		$0
Total Revenue		$0
APPROPRIATIONS		
Capital Improvements		$0
Total Appropriations		$0

BLUE RIDGE COURT SERVICES FUND

ANTICIPATED REVENUE		
Non Capital Grants/ Contributions	$	794,704
Miscellaneous		117,869
Charges for Services		180,400
Total Revenue	$	1,092,973
APPROPRIATIONS		
Operations	$	1,092,973
Total Appropriations	$	1,092,973

WATER FUND

ANTICIPATED REVENUE		
Charges for Service	$	4,636,225
General Revenues		410,585
Total Revenue	$	5,046,810
APPROPRIATIONS		
Operations	$	3,445,715
Debt		1,021,095
Capital		580,000
Total Appropriations	$	5,046,810

SEWER FUND

ANTICIPATED REVENUE		
Charges for Services	$	3,905,000
General Revenues		657,393
Total Revenue	$	4,562,393
APPROPRIATIONS		
Operations	$	2,405,900
Debt		1,411,204
Capital		745,289
Total Appropriations	$	4,562,393

PARKING FUND

ANTICIPATED REVENUE		
Charges for Services	$	445,500
General Revenues		94,620
Total Revenue	$	540,120
APPROPRIATIONS		
Operations	$	323,704
Debt		178,416
Capital		38,000
Total Appropriations	$	540,120

STORMWATER FUND

ANTICIPATED REVENUE		
Charges for Services	$	785,000
General Revenues		507,316
Total Revenue	$	1,292,316
APPROPRIATIONS		
Operations	$	382,416
Capital		909,900
Total Appropriations	$	1,292,316

ENVIRONMENTAL FUND

ANTICIPATED REVENUE		
Charges for Services	$	3,208,643
General Revenues		120,000
Non Capital Grants/ Contributions		6,150
Total Revenue	$	3,334,793
APPROPRIATIONS		
Operations	$	2,697,789
Capital		637,004
Total Appropriations	$	3,334,793

EDUCATION FUND

ANTICIPATED REVENUE		
Commonwealth of Virginia	$	15,984,489
Transfer from the General Fund		12,044,410
Federal Government		2,554,855
Charges for Services		921,986
General Revenues		965,733
Total Revenue	$	32,471,473
APPROPRIATIONS		
Administration and Operation of Schools	$	32,471,473
Total Appropriations	$	32,471,473

CAFETERIA FUND

ANTICIPATED REVENUE

Operating Grants	$	1,257,711
Charges for Service		188,630
General Revenues		25,368
Total Revenue	$	1,471,709

APPROPRIATIONS

Operations	$	1,471,709
Total Appropriations	$	1,471,709

SCHOOL TEXTBOOK FUND

ANTICIPATED REVENUE

Commonwealth of Virginia	$	169,774
General Revenues		107,499
Total Revenue	$	277,273

APPROPRIATIONS

Operations	$	277,273
Total Appropriations	$	277,273

SCHOOL CAPITAL IMPROVEMENTS PROJECT FUND

ANTICIPATED REVENUE

General Revenues	$0
Total Revenue	$0

APPROPRIATIONS

Capital Improvements	$0
Total Appropriations	$0

STATE OPERATED PROGRAMS

ANTICIPATED REVENUE

Operating Grants	$	2,534,011
General Revenues		447,634
Total Revenue	$	2,981,645

APPROPRIATIONS

Operations	$	2,981,645
Total Appropriations	$	2,981,645

Grand Total Revenues	**$**	**114,290,621**
Grand Total Expenditures	**$**	**114,290,621**
Balance		**$0**

CITY COUNCIL **AGENDA BRIEFING**

Staunton, VA

Meeting Date:	**May 14, 2020**	**Staff Member:** **Anna Leavitt**
Item #	**3**	
Ordinance #		
Department:	**Community Action Partnership of Staunton, Augusta, and Waynesboro (CAPSAW)**	
Council Vision:	**Responsive, Efficient Government**	
Subject:	**Community Action Partnership of Staunton, Augusta, and Waynesboro Annual Report FY 2019**	

Background: Anna Leavitt, Director of the Community Action Partnership of Staunton, Augusta, and Waynesboro (CAPSAW), will present an annual report for fiscal year 2019.

Attachments:

CAPSAW Annual Report
Fact Sheet

City Manager's Recommendation: Not applicable.

Suggested Motion: Not applicable.

City Manager: Steven L. Rosenberg

2019 Annual Report

community Action PARTNERSHIP

Helping People. Changing Lives.

Staunton, Augusta, and Waynesboro

community Action PARTNERSHIP

Helping People. Changing Lives.

Staunton, Augusta, and Waynesboro

BOARD OF DIRECTORS

Elzena Anderson
Diane Behrens
Pamela Carter
Wendell Coleman
Sarah Crenshaw
Janet Ewing
Nadine Gergel-Hackett
Betty Jordan
Andrea Kendall
John Lilly
Andrea Oakes
Andrew Parr
Ron Ramsey
Lisa Schwenk
Christiana Shields
Daniel Sullivan
Sue Wright

STAFF

Anna Leavitt, Director
Susan Lendermon, GAWP Coordinator

WHO WE ARE

The Community Action Partnership of Staunton, Augusta, and Waynesboro (CAPSAW) supports local organizations to empower low-income individuals and families, strengthen our community, and create opportunities by providing funding and guidance to programs that address the causes and conditions of poverty.

OUR WORK

CAPSAW funds and supports programs providing services to low- and moderate-income families working towards self-sufficiency. Programs are selected by the Board of Directors through a competitive application process. Once chosen, programs provide quarterly and annual reports. The Board of Directors provides oversight to ensure accountability and encourage high-performing programs to accurately report their impact on families and communities.

OUR IMPACT BY THE NUMBERS 2015 - 2019

$1.4 million
in grant funding awarded for services to

18,000
Staunton, Augusta County, and Waynesboro residents from

14,000
households resulting in

$9.5 million
in income earned, increased savings, benefits obtained, grants provided, and costs avoided.

17,000
volunteer hours provided by service recipients out of nearly 25,000 volunteer hours donated to CAPSAW-funded programs

4,032
residents received case management services, including nearly 3,000 individuals who accessed affordable medical care and behavioral health services

2,701
enrolled in preschool, afterschool, and summer programming

853
seniors and those with disabilities maintained their independence

554
unemployed individuals gained employment and 1,180 increased their income and/or benefits

ANNUAL IMPACT July 1, 2018 - June 30, 2019

Our path to success includes a focus on supporting programs that empower families and address community conditions to create positive change.

$417,000 in grant funding awarded

30 funded programs

$3,038,135 total economic impact

Education

Employment Supports

Housing

Medical Care

Behavioral Health

VOLUNTEERS

17,431 volunteer hours in support of CAPSAW programs in 2019

4,008 hours donated by those served

REACH

4,737 individuals served

1,419 children

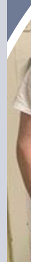
940 people 65+

579 people with disabilities

3,551 families served

1,148 families with children

2,755 low-income families



ANNUAL RESULTS July 1, 2018 - June 30, 2019

$1.3 million
in savings and income acquired by program participants

$1+ million
saved through using reduced-cost and sliding-scale services

793 children accessed childcare, pre-school, after-school, and/or summer programming

1,021 individuals participated in case-management programs receiving reduced-cost legal, mental health, medical, and/or transportation services

1,660 vulnerable people participated in programming to increase their health and well-being

138 families obtained safe and stable housing; 297 received emergency shelter and/or other emergency services

174 adults obtained skills/competencies needed for employment

Photo: Valley Volunteer Income Tax Assistance (VITA) Volunteers and CAPSAW Board Member Janet Ewing (second from left)

CONSOLIDATED FUNDING POOL

- Mixture of federal, state, and local dollars
- Requires quarterly statistical and demographic reporting
- Must meet strict income eligibility guidelines
- Two-year funding cycle
- 2019 funding amounts ranged from $6,000–$40,000

GAWP Coordinator Susan Lendermon at Project GROWS

CONSOLIDATED FUNDING POOL GRANT RECIPIENTS FOR FY 19

- Blue Ridge CASA for Children
- Blue Ridge Court Services
- Blue Ridge Area Food Bank
- Blue Ridge Legal Services
- Boys and Girls Club of Waynesboro, Staunton, and Augusta County
- Brain Injury Connections of the Shenandoah Valley
- Daily Living Center
- Head Start/Early Head Start (Augusta County)
- New Directions Center, Inc.
- Renewing Homes of Greater Augusta
- Salvation Army (Staunton & Waynesboro)
- United Way of Greater Augusta (Volunteer Income Tax Assistance)
- Valley Area Community Support, Inc.
- Valley Children's Advocacy Center
- Valley Hope Counseling Center
- Valley Mission
- Valley Program for Aging Services
- Central Shenandoah Valley Office on Youth
- Staunton-Augusta Family YMCA
- Greater Augusta Wellness Partnership

COMMUNITY SUPPORT GRANTS

- Funding provided by Staunton, Augusta County, and Waynesboro
- One-time reimbursement, based on receipts
- No income eligibility requirements, however must principally impact low- to moderate-income clients
- Maximum request of $2,000
- Applications reviewed as they are received

Photo: Materials at the Talking Book Center

COMMUNITY SUPPORT GRANT RECIPIENTS FOR FY 19

- Arrow Project
- Boys and Girls Club of Waynesboro, Staunton, and Augusta County
- Daily Living Center
- Elk Hill School
- Project GROWS
- Ride With Pride
- Talking Book Center
- Valley Mission
- Valley Career and Technical Center
- Waynesboro Area Refuge Ministry

Staunton, Augusta, and Waynesboro

Photos clockwise from top left: CAPSAW Board Members John Lilly and Ron Ramsey volunteering at Valley Children's Advocacy Center; United Way staff Kristi Williams & CAPSAW Director Anna Leavitt at Valley Program for Aging Services; Horticulture students at Valley Career and Technical Center

Community Action changes people's lives, embodies the spirit of hope, improves communities, and makes America a better place to live. We care about the entire community and we are dedicated to helping people help themselves and each other.

valleycapsaw@gmail.com - 540-292-0017 - 900 Nelson Street, Staunton, VA 24401
waynesboro.va.us/346/CAPSAW

community Action PARTNERSHIP

Helping People. Changing Lives.

Staunton, Augusta, and Waynesboro

BOARD OF DIRECTORS

Elzena Anderson
Diane Behrens
Pamela Carter
Wendell Coleman
Sarah Crenshaw
Janet Ewing
Nadine Gergel-Hackett
Betty Jordan
Andrea Kendall
John Lilly
Andrea Oakes
Andrew Parr
Ron Ramsey
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Christiana Shields
Daniel Sullivan
Sue Wright

STAFF

Anna Leavitt, Director
Susan Lendermon, GAWP Coordinator

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540-292-0017
900 Nelson Street, Staunton, VA 24401
waynesboro.va.us/346/CAPSAW

WHO WE ARE

The Community Action Partnership of Staunton, Augusta, and Waynesboro (CAPSAW) supports local organizations to empower low-income individuals and families, strengthen our community, and create opportunities by providing funding and guidance to programs that address the causes and conditions of poverty.

OUR WORK

CAPSAW funds and supports programs providing services to low- and moderate-income families working towards self-sufficiency. Programs are selected by the Board of Directors through a competitive application process. Once chosen, programs provide quarterly and annual reports. The Board of Directors provides oversight to ensure accountability and encourage high-performing programs to accurately report their impact on families and communities.

Community Action changes people's lives, embodies the spirit of hope, improves communities, and makes America a better place to live. We care about the entire community and we are dedicated to helping people help themselves and each other.

Photos counter-clockwise from top left: CAPSAW Board Members John Lilly and Ron Ramsey volunteering at Valley Children's Advocacy Center; United Way staff Kristi Williams & CAPSAW Director Anna Leavitt at Valley Program for Aging Services; Horticulture students at Valley Career and Technical Center

OUR IMPACT BY THE NUMBERS 2015 - 2019

$1.4 million
in grant funding awarded for services to

18,000
Staunton, Augusta County, and Waynesboro residents from

14,000
households resulting in

$9.5 million
in income earned, increased savings, benefits obtained, grants provided, and costs avoided.

17,000
volunteer hours provided by service recipients out of nearly 25,000 volunteer hours donated to CAPSAW-funded programs

4,032
residents received case management services, including nearly 3,000 individuals who accessed affordable medical care and behavioral health services

2,701
enrolled in preschool, afterschool, and summer programming

853
seniors and those with disabilities maintained their independence

554
unemployed individuals gained employment and 1,180 increased their income and/or benefits

ANNUAL IMPACT July 1, 2018 - June 30, 2019

Our path to success includes a focus on supporting programs that empower families and address community conditions to create positive change.

$417,000
in grant funding awarded

30
funded programs

$3,038,135
total economic impact

Education · Employment Supports · Housing · Medical Care · Behavioral Health

VOLUNTEERS

17,431 volunteer hours in support of CAPSAW programs in 2019

4,008 hours donated by those served

REACH

4,737 individuals served

1,419 children

940 people 65+

579 people with disabilities

3,551 families served

1,148 families with children

2,755 low-income families

Photo: Valley Volunteer Income Tax Assistance (VITA) Volunteers and CAPSAW Board Member Janet Ewing (second from left)

Learn more about our 2019 impact with our full annual report. Available at: www.bit.ly/CAPSAW2020

CITY COUNCIL **AGENDA BRIEFING**

Staunton, VA

Meeting Date:	**May 14, 2020**	**Staff Member:** **Ginny Newman**
Item #	**4**	
Ordinance #		
Department:	**Central Shenandoah Valley Office on Youth**	
Council Vision:	**Responsive, Efficient Government**	
Subject:	**Office on Youth Annual Report FY 2019**	

Background: The Central Shenandoah Valley Office on Youth (OOY) was formed in 1978, with the purpose of crossing government and organizational boundaries to foster collaborative efforts to prevent juvenile delinquency and develop youth programs.

In 2018-2019, OOY staff served 5,083 youth or 31% of all school age youth in the region in a face-to-face encounter. The OOY provided parenting support to 266 parents/guardians and case management to149 juveniles involved with the courts.

The OOY builds the capacity of government agencies/departments and non-profits through a balance of direct service to youth and active support of other government and community agencies.

Ginny Newman, Executive Director of the Central Shenandoah Valley Office on Youth, will present an annual report for fiscal year 2019 and the OOY 2020-2023 Strategic Plan.

Attachments:

FY 2019 Update
Strategic Plan Document

City Manager's Recommendation: Not applicable.

Suggested Motion: Not applicable.

City Manager: Steven L. Rosenberg

Office on Youth Fiscal Year 2019 Annual Report

- Served 5,083 youth or 31% of all public-school youth in the region in a face-to-face contact:
    - Provided diversionary services to 106 juveniles for the 25th District Court Service Unit
    - Served 13 chronically truant youth through the truancy prevention Program, "Check and Connect."
    - Sponsored 12 local high school students to attend the Youth Alcohol & Drug Abuse Prevention Project (YADAPP) youth led leadership conference at Longwood University.
    - Supported 13 Youth in the Youth Corps Summer Employment program.
    - Taught Family Life Education to 4,906 students in local public schools.
- Offered 26 Parenting Support programs, serving 266 parents.

Office On Youth
Central Shenandoah Valley

Vision and Mission Statements

VISION:

A community where all youth reach their highest potential.

MISSION:

The mission of the Central Shenandoah Valley Office on Youth is to promote collaborative efforts among youth and family service agencies to encourage positive youth development in our community.

Office on Youth Strategic Plan 2020 -2023

Program Goals:

- Goal 1: Provide Teens the Skills and Knowledge to Reach Their Highest Potential
- Goal 2: Assure All Families Provide High levels of and Support to Their Children

Organizational Goals:

- Goal 1: To Provide Timely, Responsive Services to the 25th District Juvenile Courts
- Goal 2: To reduce the work load of public funded schools and CSA personnel and Utilize Public Funds more efficiently

Process Goals:

- Goal 1: To Continuously Review and Improve Program Implementation
- Goal 2: Increase Awareness of OOY Programs in the Community and Promote Improved Collaboration.

Strategic Planning Document
Adopted January 2020

Central Shenandoah Valley
Office on Youth

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VISION STATEMENT

A community where all youth reach their highest potential.

MISSION STATEMENT

The mission of the Central Shenandoah Valley Office on Youth (Office on Youth) is to promote collaborative efforts among youth and family service agencies to encourage positive youth development in our community.

POSITIVE YOUTH DEVELOPMENT

The Office on Youth utilizes the Search Institutes' 40 Developmental Assets® framework for youth development that identifies positive supports and strengths children and youth need to thrive.

In 1990, the Search Institute introduced the 40 Developmental Assets®, which is grounded in extensive research in youth development, resiliency, and prevention, the framework identifies:

- The supports, opportunities, and relationships young people need across all aspects of their lives, and
- The personal skills, self-perceptions, and values they need to make good choices, take responsibility for their own lives, and be independent and fulfilled.

When youth have more assets, they are:

- More likely to thrive now and in the future.
- Less likely to engage in a wide range of high-risk behaviors.
- More likely to be resilient in the face of challenges.

Youth and family programs of the Office on Youth are designed to build the 40 Developmental Assets in children and youth.

PROGRAM GOALS

GOAL 1: PROVIDE TEENS THE SKILLS AND KNOWLEDGE NEEDED TO REACH THEIR HIGHEST POTENTIAL.

STRATEGY 1: LIFESKILLS TRAINING

The Office on Youth will teach youth involved in the juvenile justice system the skills they need to avoid delinquent behavior by implementing an evidence-based Botvin LifeSkills program as a detention alternative.

Objective: To decrease youth's verbal and physical aggression, fighting, and other delinquent behavior**.**

STRATEGY 2: TEEN PROJECT

The Office on Youth will teach youth the skills they need to control their emotions and make positive choices to avoid delinquent behavior by offering Teen Project.

Objective: To decrease youth's verbal and physical aggression; fighting; and delinquency as measured by pre/posttests.

STRATEGY 3: CHECK AND CONNECT

The Office on Youth in partnership with Augusta County Schools, Staunton City Schools, Waynesboro City Schools, and the 25th District Juvenile and Domestic Relations Court will provide mentoring to truant youth utilizing the evidence-based program Check and Connect. The Check and Connect program helps youth develop the skills they need to be successful in school as a way to reach their full potential.

Objective: Fifty percent (50%) of youth enrolled in the Check and Connect Program will improve their school attendance after at least six (6) months of participating in the program.

Strategy 4: Family Life Education

The Office on Youth in partnership with the local schools and Health Department seeks to improve the health of children and youth in our community by teaching age-appropriate Family Life Education to students in grades 4 – 10. Family Life Education teaches youth knowledge and skills to help them make positive choices that will help them reach their full potential.

Objective: Students, through a comprehensive family Life curriculum will learn age-appropriate information about 1) human sexuality, 2) developing and understanding their values and attitudes, 3) healthy relationships and interpersonal skills, and 4) how to exercise responsibility regarding sexual relationships, including abstinence, contraception, and risks associated with sexual intercourse.

Strategy 5: Creating Safe Routes to School

The Office on Youth in partnership with Waynesboro City Schools seeks to improve the health of children and youth in our community by encouraging active lifestyles. The Safe Routes to School program encourages youth to develop life-long habits that will build strong minds and bodies to help them reach their full potential.

Objective: Increase the number of youth and children regularly walking or bicycling to school by at least 10% from each school's current baseline in the next 3 years.

GOAL 2: ASSURE ALL FAMILIES PROVIDE HIGH LEVELS OF LOVE AND SUPPORT TO THEIR CHILDREN.

STRATEGY 1: PARENT PROJECT AND LOVING SOLUTIONS

The Office on Youth will help parents develop the skills they need to stabilize their family unit and reduce children's delinquent behavior by offering age appropriate support programs to parents with children ages 05 - 18 whose families are in crisis.

Objective: At least 15% of parents who complete class will report a decrease in family conflict each year.

STRATEGY 2: ACTIVE PARENTING

The Office on Youth will aid parents of children age 5 – 18 develop healthy positive parenting skills to address a range of common childhood struggles.

Objective: Parents will be taught a comprehensive model of parenting that will enable their children to reach their highest potential.

STRATEGY 3: 24/7 DAD PROGRAM

The Office on Youth will teach fathers about the importance they play in their children's lives and aid fathers in developing the skills they need to fulfill their unique role as a dad.

Objective: 24/7 Dad® equips fathers with the self-awareness, compassion, and sense of responsibility that every good parent needs. It focuses on building the man first and the father second.

ORGANIZATIONAL GOALS

GOAL 1: TO PROVIDE TIMELY, RESPONSIVE SERVICES TO THE 25TH DISTRICT COURT

STRATEGY 1: HOME ELECTRONIC MONITORING

Objective: To serve the courts by fulfilling the 25th District Juvenile and Domestic Relations Court orders for electronic monitoring within 48 hours of the order.

STRATEGY 2: PROVIDE DETENTION ALTERNATIVES

Provide in-home monitoring of juvenile offenders for the 25th District Court Services Unit (CSU) via random visits and contacts by an Outreach Worker as defined by the CSU or judge.

Objective: To serve the courts by fulfilling Court Service Unit and Judge mandates for monitoring of juvenile offenders.

STRATEGY 3: CHECK AND CONNECT

Provide truancy prevention and intervention programming to youth by implementing the Check and Connect program.

Objective: To serve the 25th District Juvenile and Domestic Relations Court Service Unit, judges and local school personnel by providing community resources/programming that address truant youth.

Strategy 4: LifeSkills Training

To serve the courts in preventing future juvenile violence and delinquent behaviors by court-involved youth by utilizing the evidenced-based Botvin LifeSkills program.

Objective: Provide community resources/programs to the 25th District Court Service Unit judges and personnel that address juvenile delinquency.

Strategy 5: Parent & Teen Project

Offer Teen Project Class

Objective: Provide community resources/programs to the 25th District Court Service Unit and judges that address juvenile delinquency.

Strategy 7: For Kids Sake

Objective: To serve the courts by offering the For Kids Sake co-parenting class frequently enough that all parents ordered to complete that class can do so within 120 days of their court order.

GOAL 2: TO REDUCE THE WORKLOAD OF PUBLIC FUNDED SCHOOL AND CHILDREN'S SERVICES ACT PERSONNEL AND UTILIZE PUBLIC FUNDS MORE EFFICIENTLY

Strategy 1: Establish Multi-Disciplinary Teams for Truancy.

Objective 1: The number of school personnel required to attend Family Assessment and Planning Team and/or court hearings will be reduced by 25% in the first year of full implementation of Community Multi-Disciplinary teams for Truancy.

Objective 2: The number of truancy petitions made to the 25th District Juvenile and Domestic Relations Court will be reduced by 10% the first year of full implementation of a Community Multi-Disciplinary team that address truancy.

Strategy 2: Provide Training to Teachers and counselors in Family Life Education Content and Pedagogy

The Office on Youth will provide the training and resources necessary for Physical Education teachers to teach Family Life. Allowing the Office on Youth to redirect current funding dedicated to the Family Life Education program to other program areas.

Objective: Teach Physical Education Teachers Family Life Education content and pedagogy needed to teach family life education.

PROCESS GOALS

GOAL 1: TO CONTINUOUSLY REVIEW AND IMPROVE PROGRAM IMPLEMENTATION

STRATEGY 1: CONTINUOUS EVALUATION OF PROGRAMS.

Objective: Improve the impact of current Office on Youth programs.

STRATEGY 2: UTILIZE AN EVIDENCE-BASED FAMILY LIFE CURRICULUM.

Objective: Improve the quality of Family Life Education by utilizing an evidence-based curriculum.

GOAL 2: INCREASE AWARENESS OF OOY PROGRAMS IN THE COMMUNITY AND PROMOTE IMPROVED COLLABORATION

STRATEGY 1: UTILIZE DIFFERENT SOCIAL MEDIA OUTLETS TO PROMOTE THE OOY.

Objective: Improve impact of current programs and community knowledge of the OOY.

CONTACT INFORMATION

Virginia Newman, Director
Joy Stultz. Grant & Resource Manager
Grace DeShong, Division Supervisor

Office on Youth
Rosenwald Community Center
413 Port Republic Rd. - Waynesboro VA 22980
(540) 942-6757

Nelson Street Community Center
900 Nelson St – Staunton VA 24401
(540) 332-3806

Youth Commissioners:

Augusta County:
Lauren Henderson
Michelle Nadeem
Amber Martino
Jonas Fike

City of Staunton:
Erika Bischof
Taylor Flavin
Lori Nicholson
Susan Mace
Grace Melvin
Brenda Mead, City Council Liaison

City of Waynesboro:
Carolyn Alderman
Doug Davis
Kelly Spotlow-Durrett
Peter Van Acker
Brooklyn Fizer

CITY COUNCIL **AGENDA BRIEFING**

Staunton, VA

Meeting Date:	May 14, 2020	City Attorney Doug Guynn
Item #	5 & D	
Ordinance #		
Department:	City Attorney	
Council Vision:	Responsive, Efficient Government	
Subject:	Ordinance Repealing Chapter 5.15, Health Clubs and Massage Therapy – Tattoo Parlors, of Title 5, Business Licenses and Regulations, of the Staunton City Code	

Background: The Staunton City Code includes regulatory provisions in Chapter 5.15 regarding health clubs, massage therapy, and tattoo parlors. Upon review, it was confirmed that these subjects are already extensively regulated by the Virginia Code and by the Virginia Administrative Code. It is recommended that City Council consider repealing City Code Chapter 5.15. Annexed is a proposed draft ordinance to accomplish a repeal.

Suggested Motion: I move that, upon recommendation of the City Attorney, City Council adopt the proposed ordinance that repeals Chapter 5.15, Health Clubs and Massage Therapy – Tattoo Parlors, of Title 5, Business Licenses and Regulations, of the Staunton City Code.

Ordinance No. 2020 - __

AN ORDINANCE REPEALING CHAPTER 5.15 HEALTH CLUBS AND MASSAGE THERAPY – TATTOO PARLORS, OF TITLE 5, BUSINESS LICENSES AND REGULATIONS, OF THE STAUNTON CITY CODE

Recitals

A. The provisions of Chapter 5.15 of the Staunton City Code purport to regulate health clubs, massage therapy and tattoo parlors within the City;

B. Health clubs already are regulated under the provisions of Sections 59.1-294 *et seq*. of the Virginia Health Club Act of the Code of Virginia;

C. Massage therapists already are regulated under the provisions of Sections 54.1-3000 *et seq*. of the Code of Virginia; Article 5 of Chapter 30 of Title 54.1 of the Code of Virginia; and Sections 90-50-10 *et seq*. of Title 18 of the Virginia Administrative Code;

D. Tattooers and tattoo parlors already are regulated under the provisions of Sections 54.1-700 *et seq*. of the Code of Virginia, and Sections 41-50-10 *et seq*. of Title 18 of the Virginia Administrative Code;

E. The Staunton City Council finds that it is in the interest of the City and its citizens to repeal Chapter 5.15 of the City Code provisions relating to the regulation of health clubs, massage therapy and tattoo parlors, given the already existing state regulatory requirements;

F. This matter has been properly heard and considered; and

G. These recitals are deemed an integral part of this ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Chapter 5.15 of the Staunton City Code is hereby repealed.

In all other respects, the provisions of Title 5, Business Licenses and Regulations, of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

Introduced: _________, 2020
Adopted: ____________, 2020
Effective Date: ___________, 2020

____
Carolyn W. Dull, Mayor

ATTEST:________________________________

Suzanne F. Simmons, Clerk of Council

CITY COUNCIL **AGENDA BRIEFING**

Staunton, VA

Meeting Date:	**May 14, 2020**	**Steve Rosenberg** **City Manager** **Leslie Beauregard** **Assistant City Manager**
Item #	**6**	
Ordinance #		
Department:	**City Manager**	
Council Vision:	**Responsive, Efficient Government**	
Subject:	**Update Concerning COVID-19 Recovery Planning**	

Background: City Manager Steve Rosenberg and Assistant City Manager Leslie Beauregard will update Council concerning the efforts of the City's COVID-19 Stabilization and Recovery Team to plan for the City's "reopening." The update will focus on the organization of the team, the phased approach of the Governor of Virginia to the reopening, and its potential local application in Staunton.

Attachment:

Forward Virginia Blueprint presented by Governor Ralph Northam on May 4, 2020

City Manager's Recommendation: Not applicable.

Suggested Motion: Not applicable.

City Manager: Steven L. Rosenberg

Virginia

FORWARD VIRGINIA BLUEPRINT

Phase I looks like this:

- Safer at home—especially if you are vulnerable
- No social gatherings of more than 10 individuals
- Continued social distancing
- Continued teleworking
- Face coverings recommended in public
- Easing limits on business and faith communities

Phase I: Guidelines for All Businesses

1. Physical distancing
2. Enhanced cleaning and disinfection
3. Enhanced workplace safety

Phase I could last 2-4 weeks or longer.

Phase II looks like this:

- Stay-at-home for vulnerable populations
- No social gatherings of more than **50** individuals
- Continued social distancing
- Continued teleworking
- Face coverings recommended in public
- Further easing business limitations

- Phase 2 could last 2-4 weeks or longer

Phase III: Longer-term

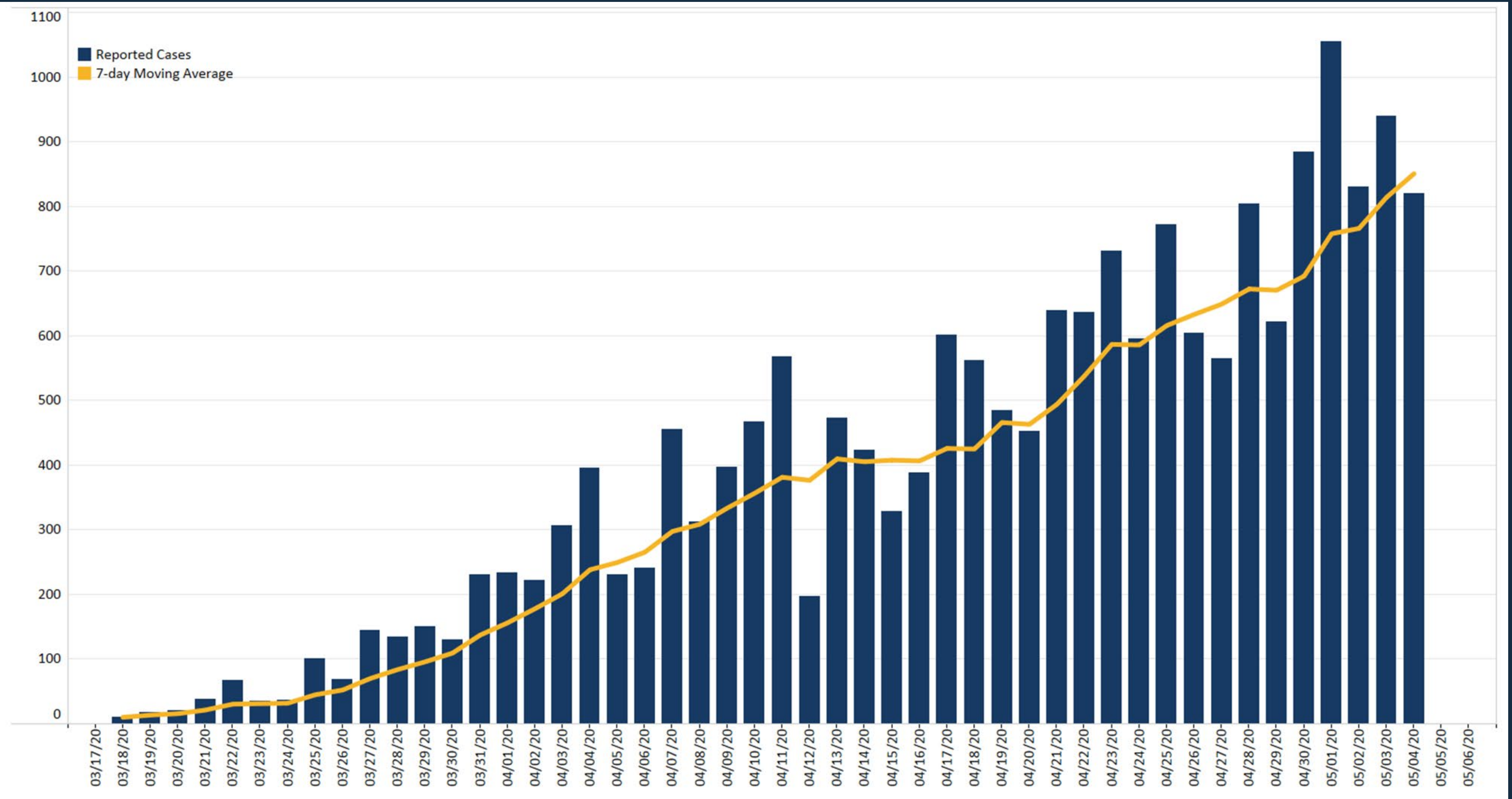
- To move to Phase III, we're looking for no evidence of rebound for a sustained period of time.

- Phase III looks like this:
  - Safer at home for vulnerable populations
  - Remove ban on social gatherings
  - Remove capacity limits in establishments
  - Continue heightened cleaning and disinfection
  - Possible other measures

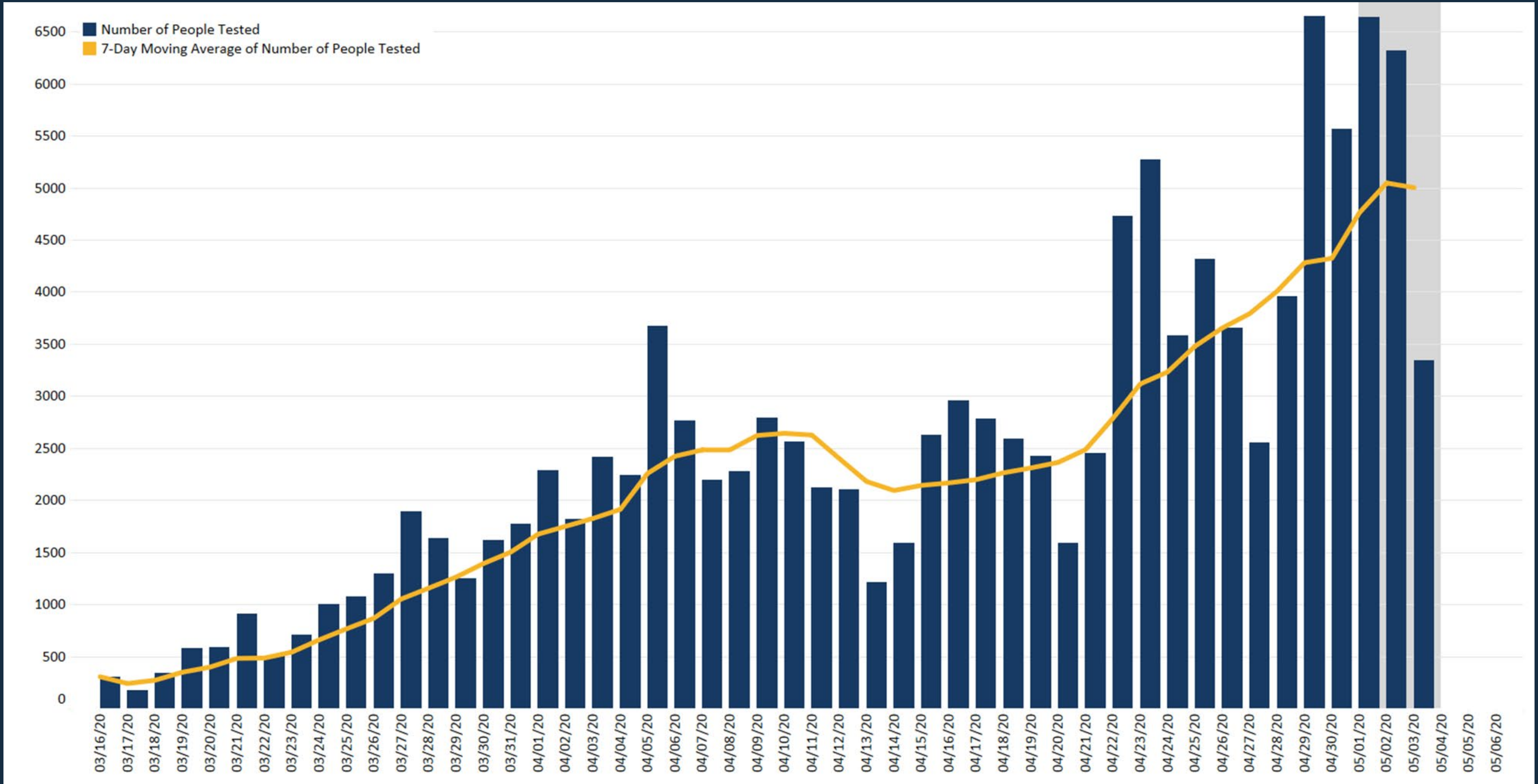
Phase III could be 10-12 weeks away, or more.

DATA METRICS

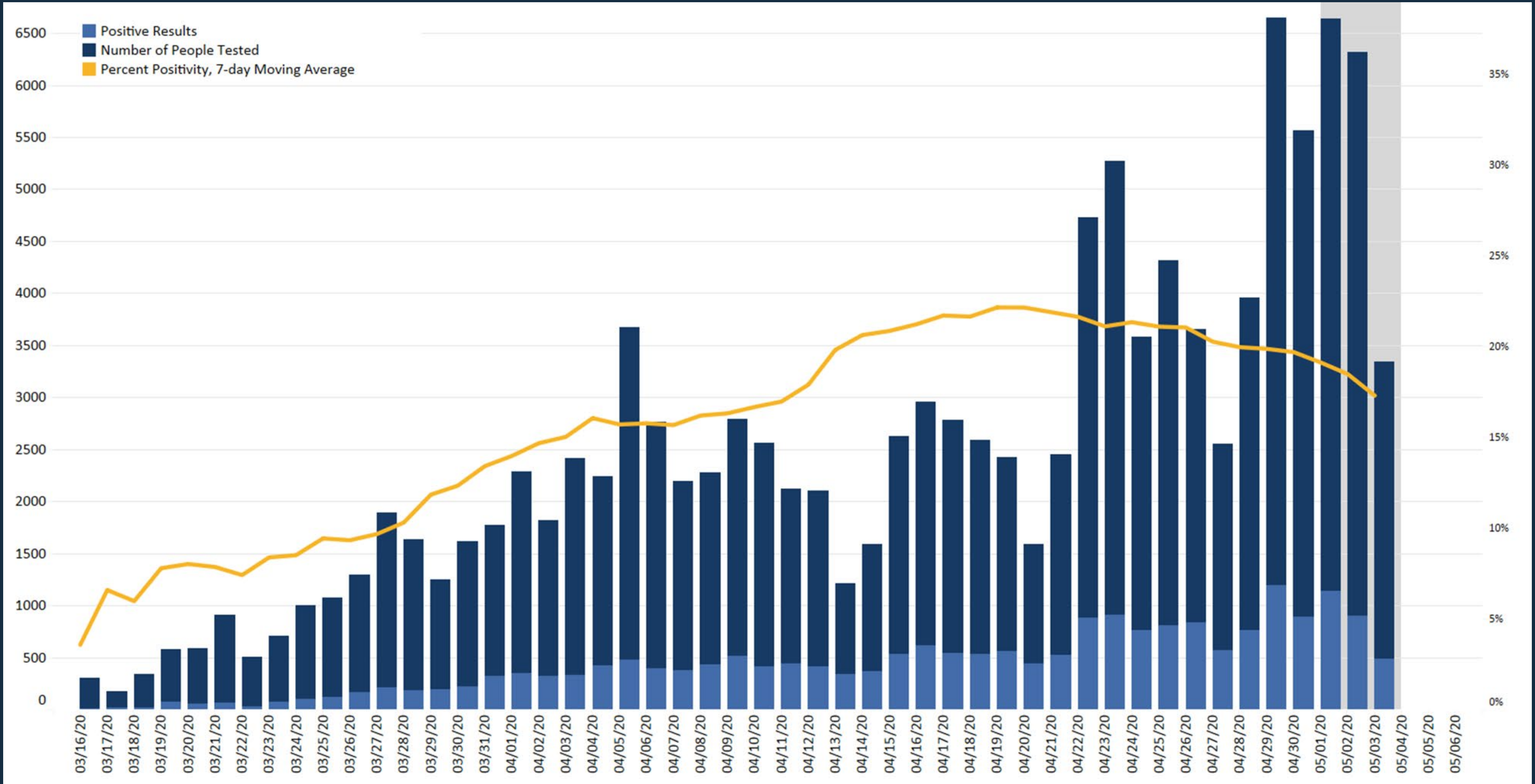
Cases by Date Reported



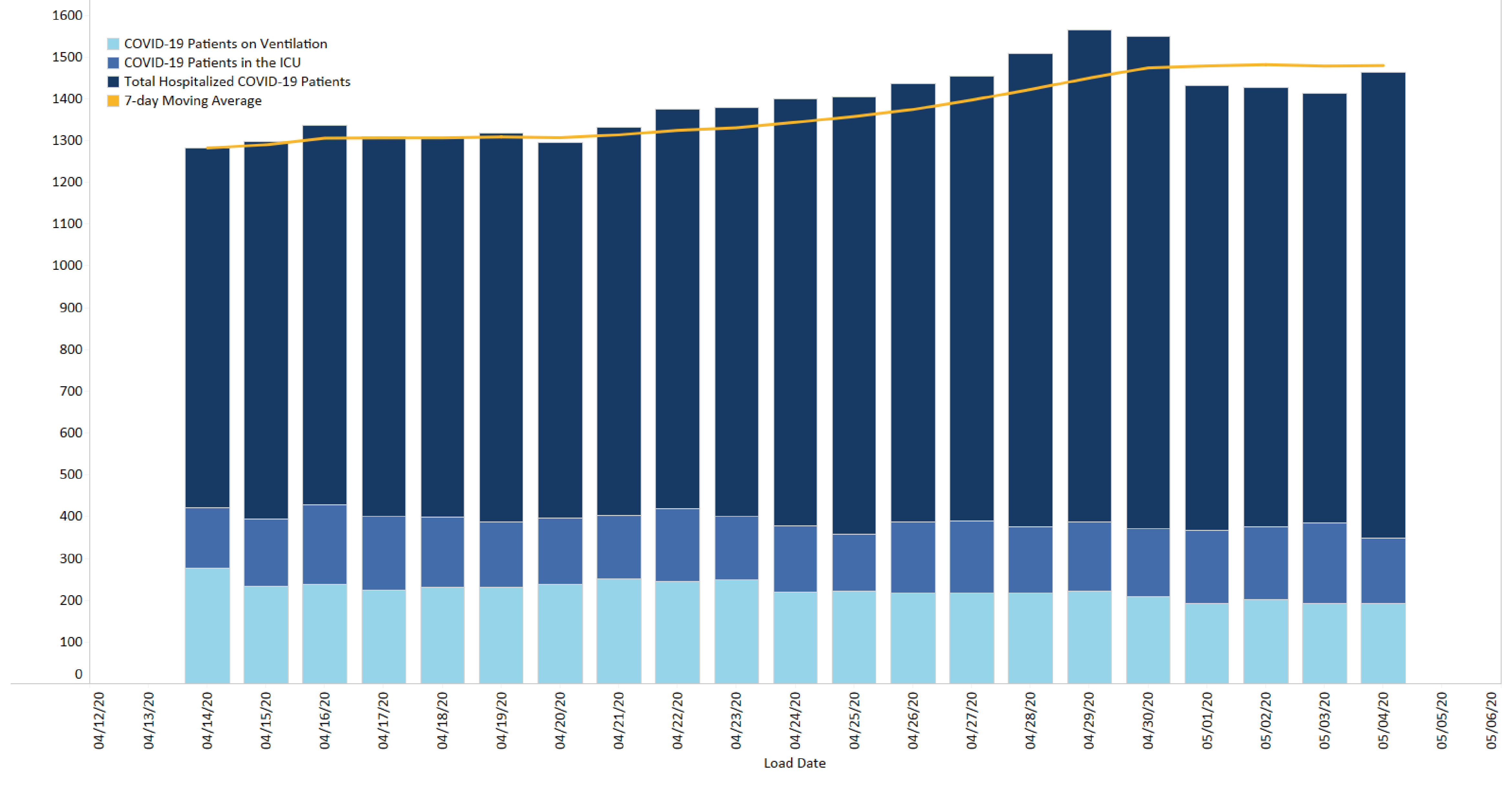
Number of People Tested Per Day, by lab report



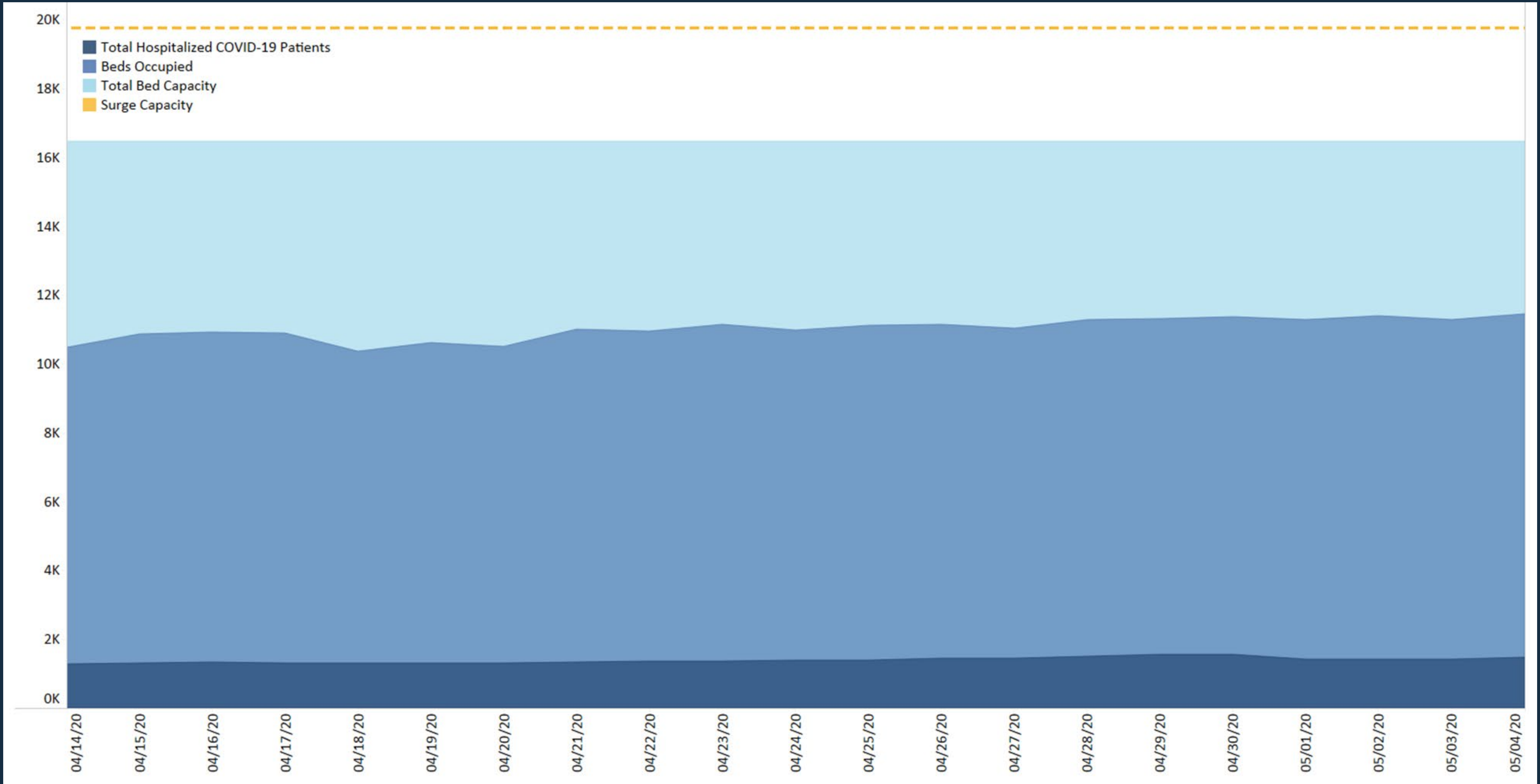
Positive Tests



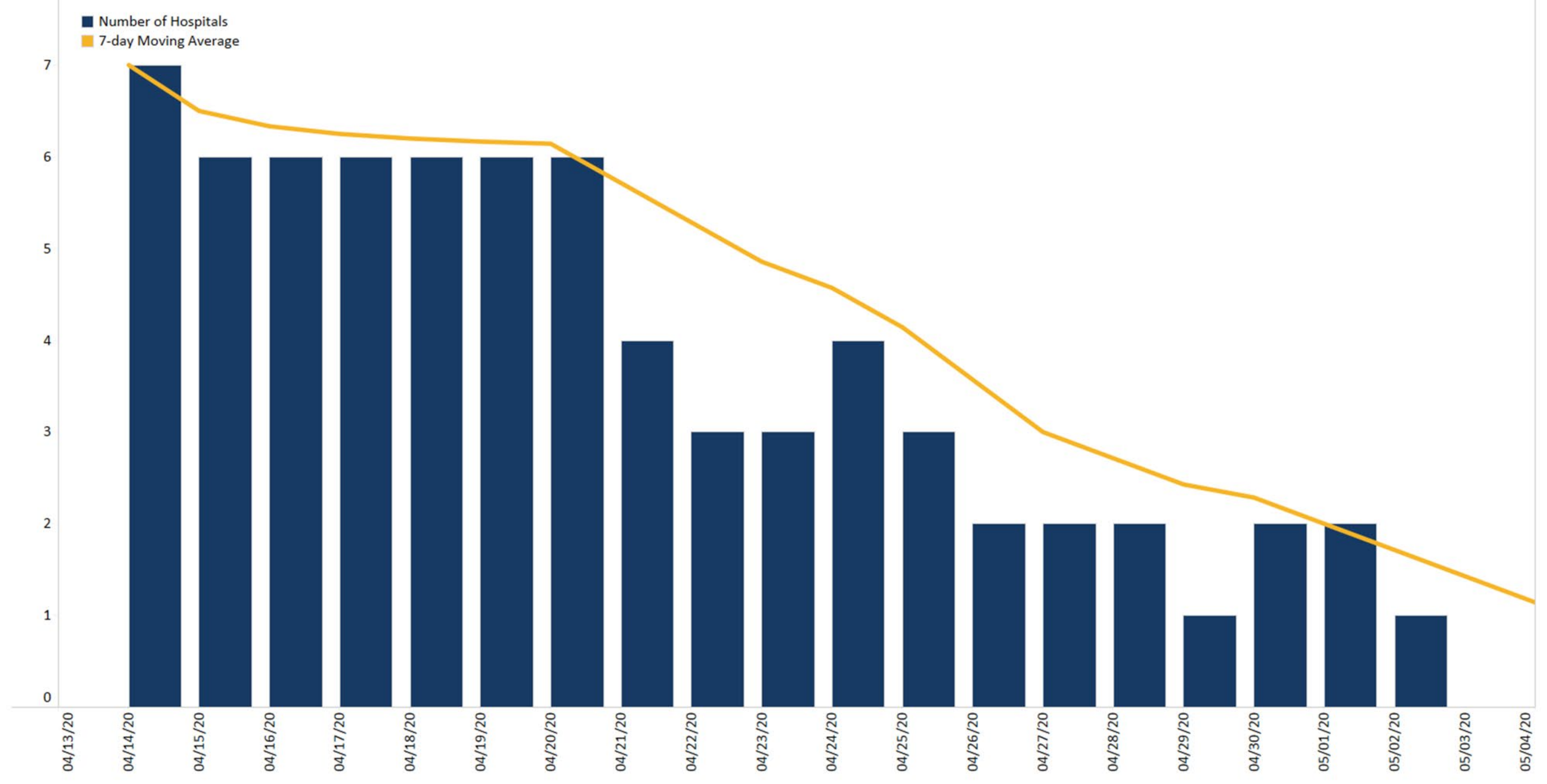
Hospital Patients Treated for COVID-19



Hospital Bed Capacity



Hospitals Reporting PPE Difficulty



CITY OF STAUNTON, VIRGINIA

Proclamation

Mental Health Month
May, 2020

WHEREAS, mental health is part of overall health; and

WHEREAS, mental health sustains individual's thought processes, relationships, productivity, and ability to adapt to change; and

WHEREAS, one in five adults experience a mental illness, and one in twenty-five adults live with a serious mental illness; and

WHEREAS, roughly one in five youth ages 13 to 18 live with a mental health condition – half develop the condition by age 14; and

WHEREAS, early identification and treatment can make a difference in successful management of mental illness and recovery; and

WHEREAS, it is important to maintain mental health and to recognize the symptoms of mental illness and seek help when it is needed; and

WHEREAS, every citizen and community can help end the silence and stigma surrounding mental illness; and

WHEREAS, through public education and civic activities, Virginia remains engaged in the promise to address the challenges facing people with mental illness; and

WHEREAS, Mental Health Awareness Month is an opportunity to increase public understanding of the importance of mental health and to promote the identification and treatment of mental illness.

NOW, THEREFORE, I, Carolyn W. Dull, Mayor of the City of Staunton, on behalf of Council of the City of Staunton, Virginia, do hereby proclaim May 2020 as Mental Health Month in the City of Staunton and call upon the citizens, government agencies, public and private institutions, businesses and schools to recommit our community to increasing awareness and understanding of mental health, the steps our citizens can take to protect their mental health, and the need for appropriate and accessible services.

Adopted this 14th day of May, 2020.

____

CAROLYN W. DULL, MAYOR

ATTEST: ______________________________

CLERK OF COUNCIL

City Council
ELECTRONIC BUDGET WORK SESSION
April 16, 2020
5:30 p.m.

Clerk indicates that she believes all available members of Council have announced their audio presence.

Mayor Dull called the meeting to order: As Mayor, I call this electronic communications meeting of the Staunton City Council to order. I note that this meeting is being convened with City Council members using the Zoom platform, broadcast over the City's cable channel, and streamed live on the City's website so that members of the public may hear our meeting. The meeting is also being recorded.

Mayor Dull asked the Clerk of Council to call the roll for confirmation of those Council members present for today's special-emergency meeting.

Clerk of Council Call the Roll of Council Members Present:

Mayor Dull	aye	Dr. Harrington	aye
Vice Mayor Kier	aye	Ms. Mead	aye
Ms. Oakes	aye	Dr. Curren	aye
Mr. Holmes	aye		

City Manager Identifies City Officials Present:

Mayor Dull asked Steve Rosenberg, City Manager, to identify his location and those City officials or colleagues, if any, present with him at that location and the participation of anyone else during today's meeting by Zoom or telephone.

Mr. Rosenberg stated he was participating in the meeting using the Zoom platform from his residence in Staunton. He noted there was no one else present with him at that location. Also members of staff participating using the Zoom platform were:

Suzanne F. Simmons, Clerk of Council
Leslie Beauregard, Assistant City Manager
Douglas L. Guynn, City Attorney
Phil Trayer, Chief Finance Officer
Jon Venn, Chief Human Resources Officer

Background Statement:

Mayor Dull stated "Please let me mention that in calling this meeting, notice, reasonable under the circumstances, of this meeting has been given to the public contemporaneously with the notice by memorandum provided to members of Council. This meeting has also been publicized over the course of the past week on the City's website and Facebook page. Access to this meeting has been provided to the public by audio feed on the City's cable channel and the City's website. During this budget work session, as in the past, there will be no opportunity for public comment. Public comment concerning the budget may be made during the public hearing on the budget scheduled for Thursday, April 23, at 7:30 p.m. or by sending an email to the Clerk of Council at simmonssf@ci.staunton.va.us , no later than Thursday, April 30.

Also, let me highlight and have reflected in the meeting minutes that this meeting is being conducted by Zoom, given the catastrophic nature of the declared emergency and disaster related to the Covid-19 outbreak, which as part of the total circumstances, makes it impracticable or unsafe to assemble a quorum in a single location. The meeting is being held consistent with City Council Ordinance 2020-04 regarding continuity of government, a copy of which can be found online at: : www.staunton.va.us/cogord2020-04."

Nature of the Electronic Meeting:

Mayor Dull stated "Given that we are conducting this meeting by Zoom – with the meeting being live streamed on the City's website and broadcast over the cable system as it occurs – I believe it merits reminder of a few special requests as we undertake this meeting in this unique format. First, I emphasize the request that each speaker speak loudly and slowly and self-identify each and every time when speaking, so that it will be clear who is speaking before your remarks are made. Second, please pause after each speaker to allow a brief interval between that speaker and another speaker. Third, if for any reason a participant cannot clearly hear the speaker or must leave the meeting before it is adjourned, please let us know. Fourth, all votes will be taken by roll call and recorded in the minutes. Fifth, I ask that if any member of City Council has to leave the meeting for any period of time, to please interject and make an announcement so that the Clerk may take note of attendance in the minutes; I ask that you also announce your return so it also may be reflected in the meeting minutes. Finally, I ask for everyone's patience, because without being in the same room, it is likely that a speaker may not realize that another speaker is continuing. Again, we may unintentionally step on each other's words, so it's fine if we need to have the speaker repeat or clarify. We'll take whatever time is necessary so that everyone is clear about what is being said and by whom. I will now take questions from Council members and participants if you have any questions about the process.

Council members did not have any questions.

Mr. Rosenberg stated staff last met with Council on April 9, 2020 as a body and at that time details were provided regarding efforts to rework the budget, in light of the pandemic, for FY 2021, but also to adjust for the current fiscal year FY 2020. He noted in the week since, Phil Trayer, Chief Finance Officer, and Leslie Beauregard, Assistant City Manager, had met with him and continued to make progress in their efforts to address both fiscal years. He stated Mr. Trayer was prepared to share with Council a presentation to report to Council on that progress. Mr. Rosenberg stated he would like to inform the public that the PowerPoint presentation that would be displayed on Council members screens during the presentation was also available to the public online presently at www.ci.staunton.va.us/budget .

Mr. Trayer stated at tonight's meeting he planned to provide more detail on the path to balance the FY 2020 and 2021 budgets.

Mr. Trayer stated he would begin with FY 2020 where he hoped to provide clarity to both what has been done and what is in process.

As a reminder, Mr. Trayer stated the projected funding gap remained at $2.6 million. This came about as a result of projected revenue shortfalls during the period of March through June, 2020.

Sales Tax – projected to be just 60% of the same time last year
Meals Tax – just 33% of the same time last year.
Transient Occupancy Tax – just 25% of the same time last year
Real Estate Delinquency Factor – projected to be 5% on the $13.5 million collections that is scheduled to come in on June 20, 2020.

Mr. Trayer stated in response, the City Manager immediately froze vacant positions with limited exceptions, eliminated all unnecessary non-compensation expenditures, and had deferred CIP project funding.

Mr. Trayer stated Slide 3 focused on the actions that the City Manager had already taken and quantified the impact. Those 10-line items – salaries, part-time, benefits, insurance, professional services, training, maintenance, equipment, utilities, and fuel – added up to $1.5 million. He noted this came about by reviewing each line in each department and was a summation of savings from hundreds of different lines that make up the budget. Mr. Trayer stated the $1.5 million was impactful and was a direct result of the City Manager's decision of 3 weeks ago.

Mr. Trayer stated Slide 4 quantifies Action items 3-5:

- Deferral of CIP Projects – this calls for a Budget amendment to be introduced and approved by Council of $1.4 million which will be moved from the CIP fund into the General Fund.

Projects affected include:
- Jail Expansion $500,000
- Police Radio Replacement - $400,000
- Debt Service Reserve for the high school project - $500,000
- Delayed Summer Park Programs – projected savings of $45,000, delayed until 07/01/20
- Involuntary Termination of 64 Part-Time Positions - $75,000 in savings

Mr. Trayer stated that was how staff planned to address the FY 2020 and what they were in the process currently.

Slide 5:

Staff begins to address the FY 2021 Projected $4.2 million GAP and includes Sales Tax, Meals Tax, Transient Occupancy Tax, and Real Estate Tax Collection are the driving force behind the shortfall. In response, the City has:

- Eliminated a projected 2% salary increase, to be effective January 1, 2021, = $183,000
- Reduction of Local Transfer to Schools per traditional revenue sharing formula = $1,695,000
- Deferral of FY21 CIP Expenses = $941,000
- Reduction in other line items (Non-Compensation and Part-Time Labor) = $434,341
- Reductions due to personnel actions = $944,409

Slide 6:

Mr. Trayer stated proposed personnel actions included:

Option A, and one of three options, and was generally recommended, begins with the concept of applying 10 furlough days to all employees and leaving all open positions frozen through FY 2021.

Mr. Trayer stated as staff was vetting Option A, the number of open patrol officers within the Police Department immediately jumped off the page. Currently the department has 4 open positions in that area which accounts for 11% of their patrol officers. Because of those openings, Mr. Trayer stated staff felt that applying 10 furlough days to that group of employees would impact public safety. He noted Chief Williams agreed. As a result, furlough days are being eliminated for Police Patrol Officers. The 10 furlough days would be applied to the remainder of the Police Department.

Secondly, when reviewing the Fire and EMS personnel, it was noticed that on a percentage basis, those employee's pay would be disproportionately impacted versus every other employee group. The reason for this is how the Fire and EMS shifts are scheduled, which are 24 hours at a time. To adjust for that, the number of furlough shifts had been reduced for Fire and EMS down to 4 in order to bring equity to those employees. The Fire Chief and Captains would have 10 furlough days applied.

Finally, employees who earn $15 an hour or less, which equates to $31,200 per year, would have their furlough days waived.

Slide 7:

Mr. Trayer provided a summary of Option A. This included the 10 furlough days being applied and reducing the employee groups mentioned above.

The open positions included 4 patrol officers, an E911 position, and Communications Manager opening of one-half year with a reduction due to consultant expenses, a traffic maintenance worker, and 2 street equipment operators.

Mr. Trayer stated all told personnel reductions totaled $944,000 as a result of Option A.

Slide 8:

Option B:

Mr. Trayer stated Option B calls for graduated pay reductions to be effective July 1, 2020 and included:

- Employees at or below a living wage of $15 per hour – no reduction
- Employees above $15 per hour and below page grade 21 – 5% reduction
- Employees at or above page grade 21 – 7.5% reduction

Mr. Trayer stated pay increases would be restored, if possible, to FY 2020 levels by July 1, 2021 in time for the FY2022 fiscal year.

Option C:

Mr. Trayer stated Option C calls for layoffs of up to 5% of the workforce, effective July 1, 2020, up to 17 fully benefitted positions would equate to $892,500.

Option C includes savings associated with vacant positions and staffing would be restored as conditions warranted.

Slide 9:

Mr. Trayer stated staff is recommending Option A. He noted it allowed for the greatest flexibility in reacting to the economy. He stated furlough days could be added or reduced as the year unfolded.

As positions become vacant under Option A, they would be frozen with limited exceptions as approved by the City Manager.

Mr. Trayer stated by freezing those positions, it would allow for a natural contraction of departmental structure and would allow the City to adjust to additional potential revenue shortfalls as the year unfolds.

Slide 10:

Mr. Trayer stated the FY 2021 original budget had 3 rate adjustments built into it:

- Real Estate Tax increase of $0.02 which would equate to $410,322. This is part of the traditional revenue agreement with the Schools and is equivalent up to three teachers.
- Water Fund – 5% increase in fees equal to $156,725. Building rate structure to support future CIP projects – most notably the North River pipeline project.
- Environmental Fund – 10% increase in Refuse Rates, equal to $234,000. Building a rate structure to support future CIP projects and sustain recycling program.

Slide 11:

Mr. Trayer noted this involved the revised budget calendar. He noted there is a joint Work Session with the School Board scheduled for April 23, 2020, at 5:30 p.m. along with a Regular meeting at 7:30 p.m. He noted there is another Work Session scheduled for April 30, 2020, at 5:30 p.m., May 7, 2020, at 5:30 p.m., May 14, 2020, at 5:30 p.m., and final consideration of the budget at 7:30 p.m. on May 14, 2020.

Mr. Trayer noted per State code, the City needs to have a budget approved for the School Board no later than May 15, 2020.

Mr. Trayer stated it is staff's intent to have a complete budget ready for approval for both the City and the Schools by May 14, 2020 and would be asking for a 50% appropriation at that time followed by an additional appropriation request in the late Fall.

Mr. Rosenberg stated one point that Mr. Trayer would like Council members to know is that there is a $400,000 cushion in FY 2020 and had achieved a cost savings of $400,000 in the City's favor by the moves that would be made. He noted if revenues are not as favorable as projected, there was room to absorb the additional loss of revenues.

Mr. Trayer stated whatever was not spent would go into the Fund Balance and could not be spent without specific Council action.

Mr. Rosenberg noted Mr. Trayer had reviewed with Council a calendar and the plan was to revise the budget based on what was presented at tonight's meeting. He noted staff would move forward in preparation of a revised budget with an assumption that there would be no increase in the real estate tax rate. Mr. Rosenberg stated staff would be looking for another $205,000 worth of savings that could be achieved in order to account for that loss of the additional revenue. He stated there would be an equal reduction in funds to the School Board.

Mr. Rosenberg stated staff intended, in the revised budget prepared, to maintain the increases in the water user fees and the refuse rates. He stated public hearings would be held on the budget, including the real estate tax rate, the water user fees, and refuse rates on April 23, 2020. After the public hearings are held, further guidance from Council would be invited. Mr. Rosenberg stated staff would move forward in their work to revise the budget assuming no increase in the real estate tax rate, but increases in the other rates. He noted that would not preclude a change in any of those assumptions. Mr. Rosenberg stated after the public hearings, Council determines that it wishes to eliminate the increases in the water user fees or the refuse rates, that issue could be addressed. Similarly, if Council determines to proceed with the increase in the real estate tax rate, that could be changed. He stated time was of such essence, staff, in moving forward with revisions to the budget, that at that time staff would assume certain outcomes and proceed on that basis. Mr. Rosenberg stated for the City portion of the budget, staff would be in a position to complete no later than Thursday, April 30, 2020. Staff will circulate and publicize that meeting widely. He noted at that work session staff would be able to share further detail with Council regarding the revised budget on the City side. The School's portion of the budget is largely dependent on detail not yet received from the State and not expected to be received until April 30, 2020 at the earliest. Consequently, the City is not in a position to commit to completion of the School's portion of the budget before Monday, May 4, 2020. Another budget work session is scheduled for May 7, 2020 where the entire budget will be able to be reviewed. Guidance will have been received from Council regarding the tax rate, the water user fee and refuse rates as well as all information regarding the School's portion. Mr. Rosenberg noted the final budget is scheduled for Council's consideration on May 14, 2020 where further adjustments and refinements could be made.

5:54 p.m. – Mayor Dull was disconnected from meeting. She was reconnected by phone at 5:58 p.m.

Mayor Dull asked Council members if they had any questions.

Vice Mayor Kier asked for clarification regarding the $400,000 cushion that was mentioned and if it were being assigned anywhere yet or put aside. Mr. Trayer stated that money has not been assigned anywhere.

Ms. Oakes asked if Council were not to approve the increase in the water fund and the environmental fund for this budget, could that $400,000 cushion be used there. Mr. Trayer stated that money could be transferred with Council action. He noted money could be transferred from the General Fund over to those two funds if Council wished. She asked where that $400,000 was potentially being used. Mr. Trayer stated if the revenue projections fell further, it would be a source a revenue and be transferred there. He noted there is not a specific expense per se equating to that. Mr. Trayer stated if the money ends up not being spent, it will reside in the General Fund. During FY 2020, the money will help supplement revenue projections.

Mr. Rosenberg stated there is such uncertainty in the current environment, that Mr. Trayer has done the best that he could at that point using sources available to him to estimate the revenues to be received in the remaining quarter. He noted those figures would not be available until the end of April when staff receives the report on March sales, transient occupancy, and meals taxes. Mr. Rosenberg stated staff had been conservative and undertook to make reductions in expenditures for the remainder of the fiscal year as much as possible guarding against missing the mark on the revenue projections.

Ms. Oakes asked if the real estate tax were to be increased, she clarified that amount would total $410,322. Mr. Trayer stated that was correct and was currently in the original FY 2020 budget. He noted if Council were not to enact a real estate tax increase, staff would adjust for it accordingly.

Ms. Oakes asked, if the 5% increase on the water fund was not approved for this year, would it be 7.5% next year. Mr. Trayer stated that was correct. He noted that would need to be adjusted upwards for several years, but was hoping to gradually build up the rates rather than having one large rate increase coming to citizens. He further explained that FY 2022 would possibly be a 7.5% increase as would FY 2023 if the proposed 5% increase were not approved.

Ms. Oakes asked what would happen if the 10% environmental fund increase was not approved for this year. Mr. Trayer stated rates would have to be adjusted in subsequent years. He noted that would possibly involve a 15% increase.

Mr. Holmes stated if the real estate tax increase was not enacted, would there be a $200,000 difference if the water and sewer and refuse rates were increased. Mr. Trayer stated refuse was $234,000, water is $156,000, and $0.02 in the real estate tax equates to approximately $410,000. He noted that was a revenue share line item on which the Schools and the City would split that 50/50. Mr. Holmes clarified that there was a possibility that the real estate tax might not need to be raised. Mr. Trayer noted that would be adjusted accordingly.

Mr. Rosenberg noted one of the more important points associated with that issue is that without a tax rate increase there would be an equal reduction in revenue to both the City and the Schools of approximately $200,000 each.

Dr. Curren clarified that all planned Capital expenditures had currently been put on hold. Mr. Trayer stated CIP projects that had not yet begun had been frozen and reserve funding would be pulled back that had been built into the FY 2021 General Fund budget. He noted that amounted to $941,000 and included fire truck replacement reserves, ineligible street paving repairs, funding sources for major repairs to City buildings, acquisition of major equipment, new sidewalk projects, replacement projects for concrete sidewalks to brick, matching funds for VDOT street construction, and an annual share of the Blue Ridge Community College capital building fund.

Dr. Curren asked if there would be any effect on planned expenditures to develop the Staunton Crossing property. Mr. Trayer stated today the RFP had been pulled back. The contractor, who was the low bidder, had been unable to get their license in a timely manner. Mr. Trayer stated a delay of approximately 60-90 days to reevaluate current economic conditions and how they evolve, and if everything appeared to be stabilizing, then the City would be in the position to rebid that project and to proceed.

Ms. Mead asked Mr. Trayer if he had built a cushion into the FY 2021 budget similar to the $400,000 cushion in the event that projections on revenue fall short. Mr. Trayer stated he had not. He noted FY 2021 was particularly challenging from the beginning and was even before the pandemic struck. On the City's side, he noted there was $1.6 million worth of additional budgetary adjustments that were not within the FY 2020 budget. Most notably, Middle River Regional Jail of $449,000 – operational expenses, $233,000 for VRS adjustments, the loss of grant funding of $100,000+. He noted there were new constitutional officer positions mandated by the State. Mr. Trayer stated the revised budget did not have a cushion in it and the revenue projections were very close to revenue projections provided by outside sources for the City of Staunton. As a safeguard, Mr. Trayer stated staff is recommending a 50% appropriation at the May 14, 2020 Council meeting. A subsequent appropriation for the remainder of the year would occur in November or December and the basis of that would be how the economy was developing.

Ms. Mead asked what assumptions for the FY 2021 budget had been made as far as reinstating parking fees or increasing fees for programs in Parks and Recreation. Mr. Trayer stated it was the intent to proceed with the current services that the City is providing and would remain with the revised budget.

Dr. Harrington clarified if the School Superintendent and School Board had been notified that Council was contemplating not raising the proposed $0.02 real estate tax rate. Mr. Trayer stated they had been notified.

Dr. Harrington stated he had a question regarding CIP projects. He noted it had been discussed in a previous conversation proceeding with several projects since a substantial portion of them was paid for by external sources and asked for a review of what projects might proceed. Mr. Trayer stated it is hoped that the Staunton Crossing demolition would proceed. He noted approximately $400,000 in federal funding had been received and there is roughly $2.5 million remaining for that project. Regarding the Gypsy Hill Park Stream Restoration Project, Mr. Trayer stated there are already appropriations of $982,000. He noted there are some new grant possibilities being pursued. For the Central Avenue Streetscape Project, Mr. Trayer noted there is a substantial amount of grant funding for that and the City's portion is approximately $400,000.

Mr. Rosenberg noted there is also a project at the water treatment plant that would advance as well.

Mr. Trayer stated there are some corrosion problems within the water treatment facility and plans are proceeding to address that corrosion. He noted that would come out of the Water Fund for which there is adequate funding.

Dr. Harrington noted a previous conversation mentioned the possibility of including City Council members in the notion of a furlough if Option A were adopted. He asked if there was interest in including City Council in that plan as well. Mr. Trayer stated he would let City Council comment.

Mr. Rosenberg stated that issue had not been looked at in depth, but if it were Council's sense that they would like to have that explored further, staff could do so.

Dr. Harrington noted there were possible legality issues involved and would wait to hear further if it were possible. If it is possible, Dr. Harrington stated a consensus could be taken from Council members.

Mayor Dull questioned if the furlough days would be left to department heads to schedule their staff in order to make sure there is coverage. Mr. Trayer noted it was envisioned to involve one day per month from July, 2020 through April, 2021 and then add or subtract depending upon the economic conditions.

Mayor Dull clarified that recreational programs could begin on July 1, 2020. She noted she had concerns about swimming pools and how there is no social distancing for them.

Mayor Dull questioned if the CIP project was proceeding on the pumping station at Gardner Spring. Mr. Trayer stated the design portion was proceeding. Phase 2 of the design would occur in FY 2021 and actual construction beginning in FY 2022. She asked if that would proceed. Mr. Trayer stated it would. He noted there was some debt service dropping off after FY 2021.

Mayor Dull asked Council members if they had further thoughts or questions.

Vice Mayor Kier stated he appreciated the work and efforts that had been put into adjusting the budget.

Ms. Oakes asked if the proposed furlough days would affect health insurance. Mr. Trayer stated it would have no effect.

Ms. Oakes stated she was in agreement to furlough days for City Council members.

Ms. Oakes clarified that the real estate tax increase revenue would be split between the City and Schools.

Ms. Oakes asked Mr. Rosenberg if the dog park was still open. Mr. Rosenberg stated it was and there were currently no plans to change the operation at the present time, but would continue to be monitored by City and Parks and Recreation staff.

Mr. Holmes asked Mr. Trayer when the City would have an indication on the economic situation. Mr. Trayer stated he had spoken with Maggie Ragon, Commissioner of Revenue, prior to the meeting. He noted she'd received some fast food items which looked like they were in good shape for March. Mr. Trayer stated staff would not have a look at a full month until after a budget is adopted. He noted a real look would come on May 21, 2020, a week after the budget is adopted. Mr. Trayer stated the School budget needed to be adopted no later than May 15, 2020 according to state code.

Dr. Curren stated he was grateful to Mr. Trayer and Mr. Rosenberg for quickly putting together the budget cuts. He noted the situation changes week to week and is unprecedented.

Ms. Mead asked if there was any further guidance from the State as to Federal budget impacts that may affect the City. Mr. Trayer stated staff is expecting some quantification to occur within the next week or so. He stated the Schools had received notifications of receiving $674,000 from the stimulus package. Mr. Trayer noted nothing is final until the veto session on April 22, 2020.

Dr. Harrington shared news that he received from Anne Cundy from the Central Shenandoah District Planning Commission. He noted a proposal had been accepted by the Department of Rail and Public Transportation for the Afton Express project that City Council previously approved. He noted; however, all of the money associated with that project was up in the air now. If the project proceeds at a later date, then all six localities that bought in would need to vote again.

Dr. Harrington stated the term “involuntary terminations”, used regarding City employees being let go, had an ugly connotation to it. He noted that was a category of separation that was necessary in order to maximize a former employee’s opportunity to receive maximum unemployment benefits. Dr. Harrington stated the City wanted to separate those employees in a way that maximized their opportunity to get assistance elsewhere.

Mayor Dull stated she agreed with Dr. Harrington on his comment regarding “involuntary terminations” and how that was advantageous to those employees. She thanked staff for their work on the budget. She noted she agreed with the idea of not raising real estate tax at this time and hoped that it could be in a way that would have the least adverse effect as possible. Mayor Dull stated there may be some services that might not be able to continue or continue in the way that the City had been providing them. She noted there might be some areas where the City can save some expenses by not providing them in the same way.

Mr. Holmes asked if the terminated employees would qualify for COBRA insurance. Mr. Venn stated none of the part-time employees had health insurance with the City.

Mr. Rosenberg expressed his thanks to members of Council for their patience as staff works through the unprecedented scenario. He noted staff would continue to update Council and the public as quickly as possible as the City moves forward.

The work session adjourned at 6:29 p.m.

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Suzanne F. Simmons, Clerk of Council

City Council
WORK SESSION
Electronic Communications Meeting
April 23, 2020
5:30 p.m.

Clerk indicates that she believes all available members of Council have announced their audio presence.

Mayor Dull called the meeting to order: As Mayor, I call this electronic communications meeting of the Staunton City Council to order. I note that this meeting is being convened with City Council members using the Zoom platform, broadcast over the City's cable channel, and streamed live on the City's website so that members of the public may hear our meeting. The meeting is also being recorded.

Mayor Dull asked the Clerk of Council to call the roll for confirmation of those Council members present for today's special-emergency meeting.

Clerk of Council Call the Roll of Council Members Present:

Mayor Dull	aye	Dr. Harrington	aye
Vice Mayor Kier	aye	Ms. Mead	aye
Ms. Oakes	aye	Dr. Curren	aye
Mr. Holmes	aye		

City Manager Identifies City Officials Present:

Mayor Dull asked Steve Rosenberg, City Manager, to identify his location and those City officials or colleagues, if any, present with him at that location and the participation of anyone else during today's meeting by Zoom or telephone.

Mr. Rosenberg stated he was participating in the meeting from his residence in Staunton. He noted there was no one else present with him at that location. Also participating in the meeting on the Zoom platform were:

Suzanne F. Simmons, Clerk of Council
Leslie Beauregard, Assistant City Manager
Douglas L. Guynn, City Attorney
Phil Trayer, Chief Finance Officer
Billy Vaughn, Director of Community Development, Economic Development
Jon Venn, Chief Human Resources Officer

School Board members Present: Chair Robert Boyle, William Lobb, Natasha McCurdy, Christine Poulson, Kenneth Venable, and Amy Wratchford. Additionally, Dr. Garett Smith and SCS Budget Director Brad Wegner.

Mr. Rosenberg stated there would also be representatives of various parties who have matters before Council that evening and would join the meeting during the Work Session. They included:

Tim Davey, Timmons Group
Pamela Mason Wagner, Arcardia Project
Tom Wagner, Arcardia Project
Michael Barnes, consultant on Arcardia Project
Mark LaRosa, Augusta Health
Mary Mannix, Augusta Health

Background Statement:

Mayor Dull stated "Please let me mention that notice, reasonable under the circumstances, of the electronic communications nature of this meeting has been given to the public contemporaneously with the notice provided to members of City Council. This meeting has also been publicized over the course of the past week on the City's website and Facebook page. Access to this meeting has been provided to the public by audio feed on the City's cable channel and the City's website. During this work session, as in the past, there will be no opportunity for public comment. Public comment will be received during Council's regular meeting, which will begin at 7:30 p.m. Instructions for public comment can be found on agenda for the regular meeting and on Council's website at: www.ci.staunton.va.us/government/city-council .

Also, let me highlight and have reflected in the meeting minutes that this meeting is being conducted by Zoom, given the catastrophic nature of the declared emergency and disaster related to the Covid-19 outbreak, which as part of the total circumstances, makes it impracticable or unsafe to assemble a quorum in a single location. The meeting is being held consistent with City Council Ordinance 2020-04 regarding continuity of government, a copy of which can be found online at: : www.staunton.va.us/cogord2020-04."

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Council members or participants did not have any questions.

The invocation/moment of silence was given by Dr. Harrington.

1. Consideration of Work Session and Regular Meeting Agendas

Consistent with Procedural Memorandum No. 3, the agendas were presented for Council consideration.

Ms. Mead moved to approve the Work Session agenda along with the Regular Meeting agenda as presented.

The motion was seconded by Dr. Harrington and carried unanimously as follows:

Vice Mayor Kier	aye	Dr. Curren	aye
Ms. Oakes	aye	Mayor Dull	aye
Dr. Harrington	aye	Mr. Holmes	aye
Ms. Mead	aye		

Chair Boyle called to order the April 23, 2020 meeting of the Staunton School Board.

2. Budget Work Session – Discussion of Fiscal Year 2021 School Board Budget

Steve Rosenberg, City Manager, stated School Board members were present for the meeting. Dr. Smith, Mr. Wegner, Phil Trayer, CFO for both the City and Schools, would share with Council a presentation about their revised plans for the FY 2021 budget.

Dr. Smith stated the School's budget had been approved on March 9, 2020, but then the Governor ordered schools to close on March 13, 2020. He noted the School Board had been working on initiatives relating to equity. Dr. Smith's overview included:

- Community feeding
- Bridging the digital divide
- Continuity of learning plan
- School outreach
- Sports
- Graduation
- Virtual summer school
- Operations / High School construction process
- Start of 2020-2021 school year – possible scenarios

Mr. Wegner gave a PowerPoint presentation on the FY 2021 budget, the remainder of the FY 2020 budget and how those have been impacted. The overview included:

For FY 2020:

- Reductions in state funding, particularly sales tax revenue
- Savings due to reduced activity
- Vacant positions are frozen
- Implementing essential expenditures only policy

For FY 2021:

- Removal of proposed 2% pay raise, expansion of pre-school programs, additional funding for at-risk programs
- 12-14% reduction in appropriations from the City
- Eliminating new spending – including pay raise for employees
- Hiring freeze for new positions
- Selective cuts in non-compensation line items in the budget

Mr. Wegner reviewed how carry over funds and how they are typically deposited into the subsequent year's Capital Improvement accounts. He noted some savings would be realized this year and would be able to be used in the FY 2021 Operating Budget in order to make up for revenue shortfalls. Mr. Wegner stated the Schools had received approximately 73% of their budgeted sales tax revenue leaving them with an outstanding, yet to be received, amount of $973,000. He noted they are waiting on further guidance regarding Federal reimbursements.

Regarding the Federal CARES Act stimulus funding, the Schools had received an estimation from the Virginia Department of Education that those funds would be approximately $674,000. Mr. Wegner reviewed the City's General Fund appropriation and would reduce the School's appropriation by $1.7-$1.9 million.

Dr. Smith stated they are expecting a large spike in homeless students. Regardless of where a student lives, the School would have to pick them up, bring them to school, and transport that student home. He noted a delayed start is possible for the start of the school year. As far as athletics and extracurricular activities, Dr. Smith stated that is still unknown.

Mayor Dull asked Council members if they had any questions.

Vice Mayor Kier did not have any questions. He thanked the School Board for being prepared and passing out computers to students.

Dr. Curren asked for clarification regarding homeless students and providing transportation regardless of where they lived. Dr. Smith explained the McKinney-Vento Homeless Assistance Act which is a law to protect homeless families.

Ms. Mead did not have any questions.

Ms. Oakes asked for clarification regarding the $674,000 funding from the Federal CARES Act. She questioned what would happen if construction on the high school project would need to be halted. Dr. Smith stated it would delay phasing timelines and would cost more money as it would take longer to build. He noted the project had been accelerated due to students and staff not being in the building. Dr. Smith stated halting the project would not yield any savings and there was a contract with the builder.

Mr. Holmes did not have any questions.

Dr. Harrington asked for clarification regarding the possible money savings and the reduction of tuition assistance. Dr. Smith noted when staff would like to take a course at the university level, the School would pay $500 towards that to reduce the cost for employees. He noted they are considering not being able to do that temporarily next year and reinstate the following year if possible.

Mayor Dull asked what was the Schools projection for expenditure savings. Mr. Wegner stated they are constantly reviewing that, but it could range from $500,000 - $1 million.

Ms. Oakes asked if there were any planned lay-offs at that point. Dr. Smith stated they had reviewed every possible scenario and were prepared for worst case scenarios. He noted it was their goal to keep everyone employed and that it was vital to the economy of Staunton as the School Board is the largest employer in the City.

Mayor Dull thanked School Board members and staff for their participation and work.

3. Discussion of Application to the Virginia Department of Housing and Community Development for a Virginia Industrial Revitalization Fund Grant/Arcadia Project

Dr. Harrington stated he would need to recuse himself from the discussion and subsequent vote as he serves as a member of the Board of the Arcardia Project.

Billy Vaughn, Director of Economic Development, stated this agenda item was for a request by the Arcardia Project for the City to apply for an Industrial Revitalization Fund (IRF) grant in the amount of $600,000 from the Virginia Department of Housing and Community Development (DHCD).

Mr. Vaughn stated the purpose of the grant application, in conjunction with other funding sources, is to obtain adequate funding to renovate and transform the former Dixie Theater into a cultural center. He noted the total project costs are around $2 million.

Mr. Vaughn stated the IRF program requires a 1:1 match of grant funds requested. The local match requirement will be satisfied by The Arcadia Project. Therefore, a funding commitment from the City is neither required nor requested for the grant application or the project.

A budget outline follows:

Sources of Funding	Amount of Funds	Status of Funds
Industrial Revitalization Fund Grant	$600,000	Apply May 15
Grants from Private Foundations	$600,000	Ongoing
Private Donations	$600,000	Ongoing
Portion of building acquisition debt settlement eligible to be used as match for IRF Grant	$260,000	Completed 2019
TOTAL	**$2,060,000**	

Projected Expenditures Cost/Activity Category	Amount	Explanation
Acquisition/Debt Settlement	$260,000	Actual debt settlement was $350,000; however only $260,000 can be used to match the IRF Grant
Clearance/Abatement/Demo	$48,000	Based on Bids
Building Construction/Renovation	$1,552,000	Based on Bids
Other: Equipment/Fixtures + Installation	$200,000	Estimated
TOTAL	**$2,060,000**	

The IRF grant program guidelines require that the local governing body adopt a resolution, approving the grant application. A proposed resolution is attached.

Mr. Vaughn stated Pamela Mason Wagner, Executive Director, The Arcadia Project, and Tom Wagner were available to provide further details on the project itself. They presented a PowerPoint presentation to Council members. Mr. Wagner stated they are requesting $600,000 from the DHCD. He noted the agreement is between the state and the Arcardia Project requiring no funds or staff time from the City, only a willingness to submit the grant on their behalf.

Mr. Wagner stated their research included a survey that showed great interest centered on four key areas: film, food, technology, and music. Programming would include music events, specialty film series, classes, and a conference center for small and medium-sized businesses.

Mr. Wagner stated Atlantic Union Bank had agreed to an 80% write-down of the debt. They raised $70,000 which represented their portion and as of July, 2019, the Arcardia Project owns both buildings debt-free.

Ms. Wagner stated they are asking City Council to vote and make the Arcardia Project Staunton's 2020 submission to the Industrial Revitalization Fund. She noted Michael Barnes, consultant, was also present to answer questions.

Mayor Dull asked Council members if they had any questions.

Mr. Holmes asked if this project would include the building housing an old bowling alley. Ms. Wagner stated the original plan was to renovate that building first, but after reviewing the survey results, it was decided to renovate the Dixie Theater building first. Mr. Holmes asked if the concerts would involve mostly local musicians or outside performers. Ms. Wagner stated they were open to both. It was noted the event space was limited to approximately 120 patrons and would limit to some degree the kind of talent that they could bring in.

Ms. Oakes clarified this was a matching grant, but asked if other funds had been raised. Ms. Wagner stated they were in the process of raising the funds, applying for grants, and accepting donations locally and nationwide. Ms. Oakes asked for the amount of the matching grant. Ms.

Wagner stated they are raising $600,000 from local/private donors, $600,000 from the Foundation, and $600,000 from the IRF. Ms. Oakes clarified that it was a 100% matching grant. Mr. Wagner reiterated that the bank forgave 80% of the existing debt. Ms. Oakes clarified that the state had committed to the funding regardless of the Covid-19 crisis. Ms. Wagner stated that was their understanding. Mr. Barnes stated it was their understanding that the money had already been appropriated by the state and is available. He noted that it is a competitive grant and would have to see how they faired against other localities that were applying.

Ms. Mead did not have any questions.

Dr. Curren did not have any questions.

Vice Mayor Kier did not have any questions.

Mr. Rosenberg stated he would present this item at the Regular meeting.

This will be Item E on the Regular meeting agenda.

4. <u>Update on the Staunton Crossing Economic Development Business Plan</u>

Mr. Rosenberg stated this item was on the agenda in response to a previous request from Council to provide a quarterly update concerning progress with the Staunton Crossing development. He noted Mr. Vaughn would present the item along with Tim Davey from the Timmons Group.

Mr. Vaughn stated he would update Council on the four items outlined in the agenda briefing. He noted staff met earlier in the week with Holtzman Oil representatives at the Staunton Crossing site. They are proposing to build a 7-11 convenience store and gas pumps and plans are to break ground in approximately two weeks.

Mr. Vaughn updated Council on the following:

- <u>Site Demolition</u> – Last week the City posted a notice to rescind the Intent to Award to the Kentucky company due in part to budgetary and fiscal constraints as well as the company's delay and inability to obtain a license to do business in the State of Virginia. He noted it had been over four months. He noted the City may be rebidding the project in 30-60 days, but depended heavily on the City's financial status at that time. Of the total budget of $2.5 million, about 20% of the project is being funded by a Virginia Economic Development partnership Brownfield grant that would help deal with the environmental issues on site. Mr. Vaughn stated he had reached out to a state representative to request an extension of the use of the funds. The current deadline is November, 2020. He noted staff is in the process of drafting an official request. Effective April 24, 2020, the Clerk of the Works for the demolition would be laid off since the project is being delayed.

Vice Mayor Kier asked for clarification regarding the second lowest bidder. Mr. Vaughn directed that question to Mr. Trayer. Mr. Trayer stated since it had been a large time lag between the bid opening and until today, and the contractor was unable to obtain a license, the City would proceed with trying to rebid the project. He noted there was a disparity of over $700,000 between those two bids. Mr. Trayer stated they hoping that with the current economic conditions and with the fact that there was a $700,000 difference in bids, that subsequent RFP's may produce lower bids. He stated they are anticipating the economy to pick up on the next 60 days and would be ready for a quick RFP which would take 30 days at the most.

Ms. Oakes asked why the Kentucky firm was unable to obtain a Virginia license. Mr. Trayer stated they had not received anything official from the state, but only knew that it had taken an extended period of time.

- Crossing Way Road Extension – The Virginia Department of Transportation (VDOT) SMART SCALE-funded project involves the design and construction of a new 4,000 linear-foot spine road connecting Richmond Avenue to Valley Center Drive. When completed, the $8.78 million road project will make the property fully accessible and provide another step towards being ready for development. Mr. Vaughn stated the design had been approved by VDOT and the project is still on track to move forward. The next step is for right-of-way acquisition.

Mr. Davey joined the conversation and updated Council on the following:

He noted the State has recently rolled out a program where 460 pieces of property were evaluated across Virginia to determine how ready they were to recruit and attract economic development. Mr. Davey noted the City of Staunton was at the leading edge of a number of years ago. He stated Staunton Crossing is currently at a Tier 2 level and a path had been identified to advance it to a Tier 3 and a Tier 4.

- Site Characterization Program – The Virginia Economic Development Partnership has completed a statewide Enhanced Site Characterization and Assessment Study. This project, which was funded by the Virginia General Assembly and included an assessment of Staunton Crossing, will be instrumental in facilitating more informed investments in site development by local, regional, and state participants.

Marketing Plan - The Staunton Crossing Business Development Plan provides a roadmap for the park that ensures expansive and sustainable growth in the short-term, with an eye to long-term opportunities. The proposed Marketing Plan will identify value propositions and drive the message for the park's development.

Mayor Dull asked Council members if they had any questions.

Ms. Oakes questioned, under normal circumstances, how long would it take for a development to reach a Tier 4 level. Mr. Davey stated from purchasing the land, doing research, zoning the land, and getting plans approved, it could take 4-5 years. He explained the definition of a Tier 4 level. He noted it was an investment and should not be considered as an expense.

Vice Mayor Kier asked for a possible time frame to start work on the spine road. Mr. Vaughn stated is would be approximately one year when actual construction would start.

5. Discussion of Augusta Health Initiative-Imaging Center

Leslie Beauregard, Assistant City Manager, stated in recent meetings with city officials, including Mayor Carolyn Dull, City Manager Steve Rosenberg and the Economic Development Director Billy Vaughn, Augusta Health has requested the city's support and cooperation in connection with two hospital initiatives. This particular briefing preliminarily introduces one initiative: an imaging center. She noted the 340B Drug Pricing Program would be the next agenda item to be discussed.

Ms. Beauregard stated Augusta Health has applied to the Virginia Department of Health for a certificate of public need for new imaging facilities to be included as a part of a new outpatient pavilion on its campus in Fishersville, in Augusta County. The application proposes one MRI scanner and one CT scanner, to improve level of service to Augusta Health's service area. Augusta Health has requested that City Council adopt a resolution expressing its support for the application.

Last week City staff learned that there is a potentially competing proposal from Sentara RMH Medical Center for a center to be located on Community Way in Staunton (former site of Ryan's Steakhouse), that will also include one MRI and one CT scanner. Staff is in the process of seeking further information from Sentara on its proposal, and the staff recommendation for now was to continue the review. Once that review is complete, staff will return to City Council with additional information and give both providers the opportunity to present their proposals. A discussion with the Virginia Department of Health provided information on the timeline and given as well this information, there is time to have a more complete review and return the matter to Council likely in May with both proposals.

Ms. Beauregard stated she had informed Augusta Health representatives that they would not be doing a formal presentation on this item in order to allow staff more time to explore the second proposal and that a presentation would be made available in the next several weeks.

Mayor Dull asked Council members if they had any questions.

Dr. Harrington asked if either installation would involve the receipt of tax revenue by the localities in which they were established. Ms. Beauregard stated she believed they would be tax-exempt, but would investigate it further.

Vice Mayor Kier did not have any questions.

Dr. Curren did not have any questions.

Ms. Mead did not have any questions.

Ms. Oakes clarified that the site for Augusta Health would be located in Fishersville and the site that Sentara RMH was considering would be located in the city of Staunton. Ms. Beauregard stated that was correct. Ms. Oakes stated she would hold any other questions until staff provided further information.

Mr. Holmes asked if the City was currently receiving tax revenue off of the Community Way property. Ms. Beauregard stated the City was receiving tax revenue from that property.

Ms. Mead clarified that the City was receiving real estate tax from that property.

Mayor Dull stated Council would wait to hear about the other proposal at an upcoming Council meeting in May.

6. <u>Discussion of Augusta Health Initiative-340B Drug Pricing Program</u>

Ms. Beauregard stated this was the second initiative that she mentioned in her opening comments previously regarding a 340B Drug Pricing Program.

Augusta Health has requested the city's support of its participation in the federal government's 340B Drug Pricing Program which makes outpatient drugs available to covered entities at significantly reduced prices. Ms. Beauregard stated there was a memorandum of understanding (MOU) that had been presented to Council for their review and would be presented at the Regular agenda.

Ms. Beauregard stated Mark LaRosa, Augusta Health's vice president of business development and chief strategy officer, was present on the Zoom platform to speak to Council.

Mr. LaRosa stated the 340B Drug Pricing Program was a way for the hospital to help reduce the costs of drugs in the community. He noted it is a federal program that is available to hospitals and Augusta Health met the criteria for that.

Mr. LaRosa introduced John Katsianis, Chief Financial Officer, to join the meeting. Mr. Katsianis stated the 340B program dated back to 1992 and required pharmaceutical manufacturers to provide discounts on the cost of drugs to hospitals that serve a large number of uninsured and under-insured, and medically underserved populations. With the enactment of Medicaid expansion in the state, the enrollment went up dramatically in the state and within the area. Mr. Katsianis explained that hospitals are required to have a financial assistance policy. He noted the MUO that the hospital is asking for Council's consideration is required in order for the hospital to file the 304B and to be approved for the program. Mr. Katsianis noted that MUO states that the hospital provides services to citizens in Staunton and was their desire and commitment to continue to offer financial assistance for those that require it and that this was an acknowledgement by the City that it accepted the commitment. He stated this would allow the hospital to purchase pharmaceutical drugs for bigger discounts which are then made available for citizens that qualify for them. He stated the hospital had plans to submit the information before the end of April in order to hopefully get a qualification date of July 1, 2020, but no later than October 1, 2020.

Mayor Dull asked Council members if they had any questions.

Dr. Harrington did not have any questions.

Mr. Holmes asked for clarification on who qualified for the program. Mr. Katsianis stated coverage for financial assistance would be anyone who had earnings that are below 400% of the federal poverty level. He noted it was driven by income and family size.

Ms. Oakes did not have any questions. She stated she would support the program.

Ms. Mead asked for examples of medications that would be provided and the type of discount as a result. Mr. Katsianis stated the ballpark discount for drugs that qualify was approximately 30% off of its usual price from the pharmaceutical manufacturer. He noted it would mainly apply to outpatient services drugs.

Dr. Curren did not have any questions. He stated he would support the program.

Vice Mayor Kier did not have any questions.

This will be Item F on the Regular meeting agenda.

The work session adjourned at 7:01 p.m.

Suzanne F. Simmons
Clerk of Council

REGULAR MEETING OF STAUNTON CITY COUNCIL
Thursday, April 23, 2020
7:30 p.m.
Electronic Communications Meeting

PRESENT:	**Mayor Carolyn W. Dull**
	Ophie A. Kier, Vice Mayor
	James L. Harrington
	R. Terry Holmes
	Erik D. Curren
	Andrea Oakes
	Brenda O. Mead
ALSO PRESENT:	**Steven Rosenberg, City Manager**
	Leslie Beauregard, Assistant City Manager
	Douglas Guynn, City Attorney
	Suzanne F. Simmons, Clerk of Council

Clerk indicates that she believes all available members of Council have announced their audio/video presence.

Mayor Dull	aye	Dr. Harrington	aye
Ms. Oakes	aye	Ms. Mead	aye
Mr. Holmes	aye	Dr. Curren	aye

<u>Mayor Dull called the meeting to order</u>: As Mayor, I call this electronic communications meeting of the Staunton City Council to order. I note that this meeting is being convened with City Council members using the Zoom platform, broadcast over the City's cable channel, and streamed lived on the City's website so that members of the public may hear our meeting. The meeting is also being recorded.

Mayor Dull asked the Clerk of Council to call the roll for confirmation of those Council members present for today's special-emergency meeting.

<u>Clerk of Council Call the Roll of Council Members Present:</u>

Mayor Dull	aye	Dr. Harrington	aye
Vice Mayor Kier	aye	Ms. Mead	aye
Ms. Oakes	aye	Dr. Curren	aye
Mr. Holmes	aye		

Mayor Dull asked that City Manager Steve Rosenberg now identify his location and those City officials or colleagues, if any, present with him at that location and the participation of anyone else during today's meeting by Zoom or telephone.

Mr. Rosenberg stated he was participating in the meeting using the Zoom platform from his residence in Staunton. He noted there was no one else present with him at that location. Other City staff or officials participating on the Zoom platform in the meeting were:

Faith Simmons, Clerk of Council
Leslie Beauregard, Assistant City Manager
Doug Guynn, City Attorney
Phil Trayer, Chief Finance Officer

Mr. Rosenberg stated Greg Campbell, Executive Director of the Shenandoah Valley Regional Airport Commission, and Maggie Ragon, Commissioner of Revenue, would join the meeting later.

Background Statement:

Mayor Dull stated "Please let me mention that notice, reasonable under the circumstances, of the electronic communications nature this meeting has been given to the public contemporaneously with the notice provided to members of City Council. This meeting has also been publicized over the course of the past week on the City's website and Facebook page. Access to this meeting has been provided to the public by audio feed on the City's cable channel and the City's website. During the three public hearings, toward the beginning of the meeting, and Matters from the Public on Council's agenda, toward the end of the meeting, public comments will be taken. Members of the public who wish to participate in such matters, at the appropriate time, may call (844) 854-2222 and follow the prerecorded prompts to ask a question. The public is reminded that though the prerecorded prompts refer to "questions", public hearings and Matters from the Public are times for Council to simply listen to your comments. Each speaker will be limited to five minutes. Comments concerning the public hearing items may also be made by sending an email to the Clerk of Council at www.simmonssf@ci.staunton.va.us , no later than Thursday, April 30. Detailed instructions for public participation have been publicized over the course of the past week on the City's website and Facebook page and can be found now on the agenda for this meeting and on Council's website at www.ci.staunton.va.us/government/city-council.

Also, let me highlight and have reflected in the meeting minutes that this meeting is being conducted by Zoom, given the catastrophic nature of the declared emergency and disaster related to the Covid-19 outbreak, which as part of the total circumstances makes it impracticable or unsafe to assemble a quorum in a single location. The meeting is being held consistent with City Council Ordinance 2020-04 regarding continuity of government, a copy of which can be found online at: www.staunton.va.us/cogord2020-04.

Nature of the Electronic Meeting:

Mayor Dull stated "Given that we are conducting this meeting by Zoom - with the meeting being live streamed on the City's website and broadcast over the cable system as it occurs – I believe it merits reminder of a few special requests as we undertake this meeting in this unique format. First, I emphasize the request that each speaker speak loudly and slowly and self-identify each and every time when speaking, so that it will be clear who is speaking before your remarks are made. Second, please pause after each speaker to allow a brief interval between that speaker and another speaker. Third, if for any reason a participant cannot clearly hear the speaker or must leave the meeting before it is adjourned, please let us know. Fourth, all votes will be taken by roll call and recorded in the minutes. Fifth, I ask that if any member of City Council has to leave the meeting for any period of time, to please interject and make an announcement so that the Clerk may take note of attendance in the minutes; I ask that you also announce your return so that it also may be reflected in the meeting minutes. Finally, I ask everyone's patience, because without being in the same room, it is likely that a speaker may not realize that another speaker is continuing. Again, we may unintentionally step on each other's words, so it's fine if we need to have the speaker repeat or clarify. We'll take whatever time is necessary so that everyone is clear about what is being said and by whom. I will now take questions from Council members and participants if you have any questions about the process.

Council members did not have any questions.

Mr. Rosenberg clarified one point concerning the public participation portions of the meeting. He noted complete details to access during the public hearing items A, B, and C, and during Matters from the Public are on the City Council website. He reiterated that the phone number to call is (844) 854-2222 and when callers are connected, they would need to enter an access code to be placed in the queue to provide their comments. He stated the access code, which was on the City's website, was 619358 followed by the # sign.

At 7:40 p.m., Dr. Harrington stated the video portion of his screen was lost. Mr. Rosenberg instructed Dr. Harrington that it was his choice to participate with audio only or he could leave the meeting and rejoin. Dr. Harrington stated he would try to rejoin the meeting and for Council to continue the meeting.

The Pledge of Allegiance was then conducted.

MAYOR'S REPORT

Mayor Dull stated the May elections would not be moved to November. She noted they happen on May 5, as originally scheduled, and at worst, they would only be moved two weeks. She encouraged residents to get their absentee ballots and gave instructions on how to do so. Mayor Dull thanked City staff for their hard work during the crisis as well as the citizens who were sheltering like they should be. She encouraged residents to wear masks which was recommended by the CDC.

ADDITIONAL ITEMS BY MEMBERS OF COUNCIL

Ms. Mead stated she wanted to recognize members of the community who were helping during the pandemic crisis. One resident was Natasha McCurdy, a member of the School Board, had made 200 masks to distribute throughout the community.

Ms. Oakes reviewed donations that the Covid-19 Response Fund Volition had received. Donations were distributed to Augusta Health and the Expo Center, Project Arrow, Valley Hope and Valley Pastoral Counseling, food distributions, Salvation Army programs, Valley Mission, Mary Baldwin University, Waynesboro YMCA, childcare providers, United Way, and the Staunton Creative Community Fund.

Vice Mayor Kier stated he wanted to thank Ms. McCurdy for sewing masks as well as Mr. Holmes who made a tremendous donation also to a company making masks.

Vice Mayor Kier stated the Nominations Committee moved to make the following appointment:

Tourism Advisory Board – To reappoint John Higgs to a three-year term beginning May 1, 2020 and expiring April 30, 2023.

The motion was seconded by Ms. Mead and carried unanimously as follows:

Ms. Oakes	aye	Mayor Dull	aye
Vice Mayor Kier	aye	Dr. Harrington	aye
Ms. Mead	aye	Mr. Holmes	aye
Dr. Curren			

Council members stated they did not have any additional items to add.

<u>APPROVAL OF MINUTES</u>

Ms. Mead moved to approve the Special Emergency Meeting minutes of March 18, 2020 and March 24, 2020.

The motion was seconded by Dr. Harrington and carried as follows:

Mayor Dull	aye	Mr. Holmes	aye
Dr. Curren	aye	Dr. Harrington	aye
Vice Mayor Kier	aye	Ms. Oakes	aye
Ms. Mead	aye		

Ms. Mead moved to approve the work session and regular meeting minutes of March 26, 2020.

The motion was seconded by Ms. Oakes.

Mr. Holmes stated he would abstain as he was not present at the March 26, 2020 meeting.

The motion carried as follows:

Vice Mayor Kier	aye	Ms. Oakes	aye
Ms. Mead	aye	Mayor Dull	aye
Mr. Holmes	abstain	Dr. Curren	aye
Dr. Harrington	aye		

Ms. Mead moved to approve the regular meeting minutes of April 9, 2020.

The motion was seconded by Mr. Holmes and carried as follows:

Ms. Mead	aye	Mayor Dull	aye
Mr. Holmes	aye	Dr. Curren	aye
Dr. Harrington	aye	Vice Mayor Kier	aye
Ms. Oakes	aye		

<u>REGULAR MEETING</u>

A. Public Hearing of an Ordinance to Establish a Budget for FY 2021 (July 1, 2020 – June 30, 2021),

B. Public Hearing of an Ordinance to Increase Water User Fees,

C. Public Hearing of an Ordinance to Increase Refuse and Recycling Rates

Mr. Rosenberg stated he was informed by IT staff that there were people in the queue, but they were not poised yet to ask questions. He clarified steps for the public to follow and could be found on City Council's website: www.ci.staunton.va.us/government/citycouncil .

Mr. Rosenberg stated Mayor Dull had called for the public hearing on Item A and that as the meeting progressed, she would open the public hearing as well as Items B and C. He noted Item A was the public hearing on an ordinance to establish a budget for FY 2021, Item B is a public hearing of an ordinance to increase water user fee, and Item C was a public hearing of an ordinance to increase refuse and recycling rates. He noted when Mayor Dull opened those public hearings, the public could add themselves to the queue and provide comment on any one of those three subjects in no particular order. Mr. Rosenberg stated before the public hearings were opened, Phil Trayer, Chief Finance Officer, would provide background to Council and the public concerning all three subjects.

Mr. Trayer stated this was a public hearing on the FY 2021 budget ordinance which was first introduced to Council on March 26, 2020. He noted that represented the maximum amount that the budget could be approved for without re-advertisement and additional public hearings. Since the last meeting, the FY 2021 budget was currently being revised downwards, but much of the same structure would remain in place; therefore, input from the public is to remain. Cost reductions totaling $4.6 million were currently being incorporated into the revised budget. The revised budget included the following:

- The elimination of Real Estate tax rate increase.
- The elimination of the 2% wage increase which would have been effective January 1, 2021, producing a savings of approximately $183,000.
- Reduction of the local transfer to the Schools as per the traditional revenue sharing formula of $1.9 million.
- Deferral of FY 2021 CIP expenditures built into the budget of $941,000.
- Reduction of other line items including non-compensation of part-time labor of $634,00 and reductions due to personnel actions of $944,000.

Mr. Trayer stated the original budget ordinance totaled $122,153,526 and consisted of the following:

- General Fund - $60.6 million
- Debt Service Fund - $4.8 million
- CIP Fund - $941,000
- Blue Ridge Court Services - $1.1 million
- Water Fund - $5 million
- Sewer Fund - $4.6 million
- Parking Fund - $540,000
- Stormwater Fund - $1.3 million
- Environmental Fund - $3.3 million
- Education Fund - $34.6 million
- Cafeteria Fund - $1.5 million
- Textbook Fund - $276,000
- School CIP - $200,000

- School State Operated Program - $3 million

Mr. Trayer stated the original ordinance did include a Real Estate tax increase which was being revised out. It also included water rate increases of 5%. Those additional funds would go towards major CIP projects which are scheduled over the next four years including the $6.9 million Gardner Spring pump house project in FY 2023 and Phase 1 of the North River pipeline replacement project of $6.5 million in FY 2024. Mr. Trayer stated the main objective was to build a rate structure which would support debt service required for those two critical projects. He noted the refuse increase of 10% was also incorporated into the original budget. Revenues would primarily go towards scheduled CIP projects as well as maintaining the recycling program within the city. Projects include:

- Landfill development
- Scale house relocation
- Office construction
- Heavy equipment replacement

Mr. Trayer reiterated that the original budget amendment represented a ceiling and staff was currently working to reduce those numbers by $4.6 million. He noted there were Budget Work Sessions scheduled for April 30, May 7, and May 14, 2020. At the April 30, 2020 Work Session, staff was planning on presenting a revised FY 2021 budget to Council. He noted the School budget was currently being updated, but may not be available for reporting until the following week. Mr. Trayer stated adoption is scheduled for May 14, 2020.

Mayor Dull stated all three public hearings for the FY 2021 budget, an ordinance to increase the water use fee, and an ordinance to increase refuse and recycling rates would be held.

The public hearings were opened.

Mr. Rosenberg stated at the present time there was no one in the queue. He again read the instructions for the public to call into the meeting. He noted public comments could also be provided by email or by calling the Clerk, information for which was provided on the agenda.

Richard Goldstein, 113 Oak Terrace, clarified that the Real Estate tax rate would not be increased at the present time. He voiced concern that there would not be enough money to operate this year. He noted some citizens might have trouble paying their tax assessments in June, but stated citizens who could pay for the entire year could perhaps do so in June which might help. Mr. Goldstein suggested people who could pay part of next year's adjustment could do so if it could be arranged. He stated there were some candidates running for City Council who felt there should be free parking in the City garages and lots which he opposed, but noted it could be extended through the summer during to the Covid-19 crisis. He thanked Mr. Holmes for his generous donation.

Mr. Rosenberg stated there were no other callers in the queue.

With no further callers in the queue, Mayor Dull called the public hearing of the ordinance to establish the budget for FY 2021 closed, the public hearing of an ordinance to increase water user fee closed, and the public hearing of an ordinance to increase refuse and recycling rates closed at that time. She noted further input may be received through email or phone calls.

D. Presentation by Shenandoah Valley Regional Airport Commission

Mr. Rosenberg stated Greg Campbell, Executive Director of the Shenandoah Valley Regional Airport Commission, and Maggie Ragon, Commissioner of Revenue and the City's appointee to the commission, were present to join the meeting.

Mr. Campbell provided a PowerPoint presentation updating Council on recent developments at the airport. He stated the airport plays a critical role in the community as far as economic development, tourism, quality of life as well as in challenging times like this. Mr. Campbell updated Council on day to day operations at the airport. The addition of United Airlines and SkyWest services had shown a 97.8% completion with flights to two major hub airports and has been well received.

Mr. Campbell stated the airport's Capital Improvement Program recently completed an Airport Master Plan for development. He provided information regarding upcoming and future projects. The Covid-19 crisis had decreased personal traffic at the airport, but manufacturing, medical, and military services were still operational. Mr. Campbell reviewed actions taken by the Airport Commission and the airlines during the Covid-19 crisis.

Mr. Campbell stated the Airport Commission appreciated the support of the City.

Mr. Rosenberg stated as the Airport Commission had been struggling with its budget adjustments for FY 2020-2021, the Commission would be looking to the City for level funding of its contribution to the Airport Commission for FY 2020-2021. He noted there had been an understanding among the Airport Commission member localities that there would be an increase in FY 2020-2021 in the localities' contributions to the Commission. It was noted the Commission would forego that increased contribution and instead asked localities to fund at the FY 2020 level.

Ms. Ragon reiterated their appreciation for the City's support of the Airport Commission.

E. Consideration of an Application to the Virginia Department of Housing and Community Development for a Virginia Industrial Revitalization Fund Grant/ Arcadia Project

Mr. Rosenberg noted during the Work Session, Council heard from Billy Vaughn, Director of Economic Development, about a proposed project involving the Dixie Theater as well as two of the principles, Pam and Tom Wagner, of the Arcardia Project, the organization proposing to undertake the project. Mr. Rosenberg stated the project is seeking City Council's support in the way of an application by the City to the Virginia Department of Housing and Community Development (DHCD) for an Industrial Revitalization Fund (IRF) grant establishes to provide funding for the rehabilitation of vacant or distressed properties. The grant being sought by the Arcadia Project for the Dixie Theater renovation is $600,000.

Mr. Rosenberg stated the Wagner's shared with Council details of their fundraising efforts to date, to support the project which would transform the Dixie Theater into a cultural center targeting the needs of underserved young adults, minority and youth groups. He noted further details had been shared of their application which requires a 1:1 match of grant funds. Mr. Rosenberg stated the Arcardia Project would satisfy that match entirely and there is no funding commitment from the City that is required or requested in connection with the grant application. He noted they are presently in the fundraising phase and are seeking to raise grants from private foundations in the amount of $600,000, funds from private donors in the amount of $600,000, and a portion of their building acquisition debt settlement is also eligible to be used as matching funds. All told, they are anticipating a fundraising effort on their part of approximately $1.5 million well exceeding the $600,000 match that is required by the DHCD.

Mr. Rosenberg stated Council had before them on the agenda a proposed resolution that would authorize the City to make an application to the DHCD with the funds, if awarded, to be provided to the Arcardia Project in support of that effort.

Mayor Dull asked Council members if they had any questions.

Council members did not have any questions.

Ms. Mead moved to adopt the resolution approving an application by the City of Staunton, Virginia to the Virginia Department of Housing and Community Development, for a grant under the department's Industrial Revitalization Fund grant program to fund the Arcadia Project, as presented, and to authorize the City Manager or his designee to complete any actions necessary in connection with such grant.

The motion was seconded by Dr. Curren.

Dr. Harrington stated, as he did in the Work Session discussion on that matter, he would be recusing himself from the vote since he is a member of the board of the Arcardia Project.

Mayor Dull stated this was a great opportunity and it would be fun to see the old Dixie Theater being used again.

The motion carried as follows:

Mr. Holmes	aye	Dr. Curren	aye
Dr. Harrington	abstain	Vice Mayor Kier	aye
Ms. Oakes	aye	Ms. Mead	aye
Mayor Dull	aye		

RESOLUTION APPROVING AN APPLICATION BY THE CITY OF STAUNTON TO THE VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR AN INDUSTRIAL REVITALIZATION FUND GRANT TO FUND THE ARCADIA PROJECT

WHEREAS, the Virginia Department of Housing and Community Development (DHCD) operates the Industrial Revitalization Fund (IRF) from which grants and loans can be made to localities for the purpose of rehabilitating vacant or distressed properties or demolishing buildings to make way for new development; and

WHEREAS, The Arcadia Project, a 501(c) (3) non-profit organization, is requesting that the City of Staunton apply for a 2021 IRF Grant in the amount of $600,000; and

WHEREAS, the funds will be used by The Arcadia Project to redevelop a downtown property that will house an operation to be known as the "Arcadia Project," as further detailed in the City's application; and

WHEREAS, in addition to the IRF Grant, an additional $1,460,000 will be expended on this project, comprising $600,000 in grants from private foundations, $600,000 in private donations, and $260,000 in previously expended building acquisition costs; and

WHEREAS, the goal of the Arcadia Project is to create a catalyst for long-term employment opportunities and on-going physical and economic revitalization; and

WHEREAS, it is projected by The Arcadia Project that hundreds of residents of the City of Staunton and the region will partake of the Arcadia Project's cultural and education activities, and a minimum of three full-time and four part-time jobs will result from the implementation of the project; and

WHEREAS, City Council has made the revitalization of downtown Staunton a high priority in the community's economic development effort.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Staunton, Virginia, that:

1. The submittal of an application to DHCD for an IRF Grant, in the amount of $600,000, to be used by The Arcadia Project to redevelop the downtown property known as the Dixie Theater, located at 125 East Beverley Street, as a community arts center that will house the Arcadia Project, is hereby authorized.

2. The City confirms that the local match requirement of $600,000 will be satisfied by The Arcadia Project, and other private sources, pending further refinement of the project budget, and it is the responsibility of The Arcadia Project, and such other private sources, to satisfy the requirement.

3. The City understands that a funding commitment from the City is neither required nor requested for the grant application or the project, and Council's authorization of submittal of an application to DHCD is conditioned upon the same.

4. The City Manager or his designee is hereby authorized to sign and submit appropriate documents for the submittal of this Industrial Revitalization Fund proposal.

Adopted this 23rd day of April, 2020.

/s/ Carolyn W. Dull
Carolyn W. Dull, Mayor

Attest: /s/ Suzanne F. Simmons
Suzanne F. Simmons, Clerk of Council

F. Consideration of Memorandum of Understanding between City of Staunton and Augusta Health Care, Inc. for the 340B Drug Pricing Program

Leslie Beauregard, Assistant City Manager, noted during the Work Session several representatives from Augusta Health, Mark LaRosa and John Katsianis, presented the item and offered details. She stated Augusta Health is seeking the City's support for the 340B Drug Pricing Program, which is an outpatient drug pricing initiative. She noted the City's support would be in the form of a Memorandum of Understanding (MOU). This is a Federal program which makes outpatient drugs available to covered entities at significantly reduced prices. Augusta Health's participation requires that Augusta Health contract with a local government pursuant to which Augusta Health commits to provide healthcare services to low-income individuals.

Ms. Beauregard stated the attached MOU between the City and Augusta Health is intended to fulfill that requirement. Staff is recommending that Council approve the Memorandum of Understanding in connection with Augusta Health's participation of the 340B Drug Pricing Program upon final review and approval of the City Attorney.

Mayor Dull asked Council members if they had any questions.

Council members did not have any questions.

Dr. Curren moved that the proposed Memorandum of Understanding between the City of Staunton and Augusta Health Care, Inc., related to the corporation's participation in the federal government's 340B Drug Pricing Program, be approved, and the Assistant City Manager be authorized to execute and deliver the Memorandum of Understanding and such other documents as may be required in connection with the program, with such modifications and in final form as may be approved by the City Attorney.

The motion was seconded by Ms. Mead.

Ms. Oakes stated the 340B Drug Pricing Program is an excellent program that Augusta Health is undertaking and she commended Augusta Health for doing just that.

The motion carried as follows:

Dr. Harrington	aye	Vice Mayor Kier	aye
Ms. Oakes	aye	Ms. Mead	aye
Mayor Dull	aye	Mr. Holmes	aye
Dr. Curren	aye		

MEMORANDUM OF UNDERSTANDING BETWEEN
CITY OF STAUNTON AND AUGUSTA HEALTH CARE, INC.

THIS MEMORANDUM OF UNDERSTANDING (this "MOU") is made this ____ day of April, 2020 by and between the City of Staunton, Virginia ("City"), a municipal corporation of the Commonwealth of Virginia, located at 116 West Beverley Street, Staunton, Virginia 24401, and Augusta Health Care, Inc. ("Hospital"), a nonstock corporation organized and existing under the laws of the Commonwealth of Virginia, located at 78 Medical Center Drive, Fishersville, Virginia 22939.

RECITALS:

WHEREAS, Hospital is a nonprofit hospital that plays a vital role in the health care safety net by supporting programs that benefit the indigent, uninsured, and underinsured population in the Commonwealth of Virginia;

WHEREAS, Hospital desires to participate in the drug discount program established under Section 340B of the Public Health Services Act (the "340B Program");

WHEREAS, in order to participate in the 340B Program, Hospital must contract with a unit of state or local government pursuant to which Hospital commits to provide healthcare services to low-income individuals who are neither entitled to benefits under Medicare (Title XVIII of the Social Security Act (SSA)) nor eligible for assistance under Medicaid (Title XIX of the SSA);

WHEREAS, Hospital desires to make such a formal commitment to City; and

WHEREAS, City agrees to accept such commitment on behalf of the citizens of City.

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained herein and for other good a valuable consideration, the receipt and sufficiency of which hereby are acknowledged, it is mutually agreed and covenanted, under seal, by and between the parties to this MOU, as follows:

Commitment of Hospital to Provide Care to the Indigent, Uninsured, and Underinsured.

During the term of this MOU, Hospital shall continue its commitment to the provision of healthcare to indigent, uninsured and underinsured residents of Hospital's service area, including low-income residents who do not qualify for Medicaid or Medicare. In 2019, this commitment to residents of Hospital's service area totaled approximately $5.8 million in care. Pursuant to this MOU, the Hospital commits to provide health care services, including inpatient and outpatient services, to indigent, uninsured and underinsured residents of City, including low-income residents who do not qualify for Medicaid or Medicare, during the term of this MOU pursuant to Hospital's Financial Assistance Policy accessible at https://www.augustahealth.com/business-office/financial-assistance-policy.

Acceptance and Acknowledgements of City. As of the date hereof:

a. City accepts the commitment of Hospital set forth above;
b. City agrees to provide to Hospital the name, title, email address, and telephone number of a government official who shall confirm the status of this MOU; and
c. City acknowledges that Hospital is providing these services at no reimbursement or considerably less than full reimbursement from the patients pursuant to Hospital's Financial Assistance Policy.

Representations of Hospital. Hospital represents that as of the date hereof:

a. Hospital is a nonstock corporation duly organized and validly existing in good standing under the laws of the Commonwealth of Virginia with the corporate power and authority to enter into and perform its obligations under this MOU;
b. The fulfillment of the terms of this MOU does not violate any law, order, rule or regulation

applicable to Hospital of any court or of any federal or state regulatory body, administrative agency or other governmental instrumentality having jurisdiction over Hospital or any of its properties, including laws, orders rules or regulations applicable to the 340B Program; and

c. Hospital is a tax-exempt corporation of under Section 501(c)(3) of the Internal Revenue Code of the United States, as amended and under applicable laws of Commonwealth of Virginia.

Term and Termination.

The term of this MOU shall commence on the date first above written and shall continue until terminated by either party upon not less than sixty (60) days' prior written notice to the other party.

Notice.

All notices required or permitted to be given under this MOU shall be deemed given when delivered by hand or sent by registered or certified mail, return receipt requested, addressed as follows:

Sent to: City of Staunton
Attention: City Manager
116 West Beverley Street
Staunton, Virginia 24401
P.O. Box 58
Staunton, Virginia 24402

Sent to: Augusta Health Care, Inc.
Attention: Vice President Finance & CFO
78 Medical Center Drive
Fishersville, Virginia 22939

Governing Law.

This MOU shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia, excepting any conflict of law provisions which would serve to defeat application of Virginia substantive law.

[Signature page follows.]

SIGNATURE PAGE TO MEMORANDUM OF UNDERSTANDING

IN WITNESS WHEREOF, Hospital and the City have executed this MOU as of the day and year first written above by their duly authorized representatives.

AUGUSTA HEALTH CARE, INC.

By:____________________________
Name:
Title:

CITY OF STAUNTON

By:____________________________
Name: Steven L. Rosenberg
Title: City Manager

MATTERS FROM THE CITY MANAGER

Mr. Rosenberg stated he wanted to make the public aware that the Staunton Downtown Development Association (SDDA), on its website, had been maintaining a listing of businesses in the central business district which remained open and were providing services. Greg Beam, Executive Director of SDDA, had kindly agreed to also include businesses located elsewhere in the city.

Mr. Rosenberg stated the City continues with its series of “Staunton Responds” videos. He noted three videos had been produced so far and provides an opportunity for the City to express their appreciation to the public and to share with the public how the City continues to provide programs and services. Thus far, Mayor Dull, Police Chief Williams, and Mr. Rosenberg have appeared in those videos. Billy Vaughn, Director of Economic Development and Community Development, would appear in a future video. Mr. Rosenberg stated those videos are accessible on the City’s website, the City’s Facebook page, and on YouTube.

Mr. Rosenberg stated he would like to add to comments made previously by Ms. Oakes where she identified two different providers who are providing childcare for essential workers in the city. He noted he could share with Council that the City is working with a third provider, the Boys and Girls Club, which previously had a program at Booker T. Washington Community Center and was closed with the onset of the public health emergency, would additionally begin offering childcare services to essential workers, in accordance with federal guidelines, at Booker T. Washington Community Center and would commence at the beginning of May.

MATTERS FROM THE PUBLIC

Mayor Dull stated if anyone wished to communicate, they would need to follow the instructions presented earlier.

Mr. Rosenberg stated there were no callers in the queue.

ADJOURNMENT

There being no further business to come before Council, the meeting adjourned at 8:52 p.m.

Suzanne F. Simmons
Clerk of Council

City Council
ELECTRONIC BUDGET WORK SESSION
April 30, 2020
5:30 p.m.

Clerk indicates that she believes all available members of Council have announced their audio presence.

Mayor Dull called the meeting to order: As Mayor, I call this electronic communications meeting of the Staunton City Council to order. I note that this meeting is being convened with City Council members using the Zoom platform, broadcast over the City's cable channel, and streamed live on the City's website so that members of the public may hear our meeting. The meeting is also being recorded.

Mayor Dull asked the Clerk of Council to call the roll for confirmation of those Council members present for today's meeting.

Clerk of Council Call the Roll of Council Members Present:

Mayor Dull	aye	Dr. Harrington	aye
Vice Mayor Kier	aye	Ms. Mead	aye
Ms. Oakes	aye	Dr. Curren	aye
Mr. Holmes	aye		

City Manager Identifies City Officials Present:

Mayor Dull asked Steve Rosenberg, City Manager, to identify his location and those City officials or colleagues, if any, present with him at that location and the participation of anyone else during today's meeting by Zoom or telephone.

Mr. Rosenberg stated he was participating in the meeting using the Zoom platform from his residence in Staunton. He noted there was no one else present with him at that location. Also, Participating in the meeting using the Zoom platform were:

Suzanne F. Simmons, Clerk of Council
Leslie Beauregard, Assistant City Manager
Douglas L. Guynn, City Attorney
Phil Trayer, Chief Finance Officer
Jon Venn, Chief Human Resources Officer

Background Statement:

Mayor Dull stated "Please let me mention that in calling this meeting, notice, reasonable under the circumstances, of this meeting has been given to the public contemporaneously with the notice by memorandum provided to members of Council. This meeting has also been publicized over the course of the past week on the City's website and Facebook page. Access to this meeting has been provided to the public by audio feed on the City's cable channel and the City's website. During this budget work session, as in the past, there will be no opportunity for public comment.

Also, let me highlight and have reflected in the meeting minutes that this meeting is being conducted by Zoom, given the catastrophic nature of the declared emergency and disaster related to the Covid-19 outbreak, which as part of the total circumstances, makes it impracticable or unsafe to assemble a quorum in a single location. The meeting is being held consistent with City Council Ordinance 2020-04 regarding continuity of government, a copy of which can be found online at: : www.staunton.va.us/cogord2020-04."

Nature of the Electronic Meeting:

Mayor Dull stated "Given that we are conducting this meeting by Zoom – with the meeting being live streamed on the City's website and broadcast over the cable system as it occurs – I believe it merits reminder of a few special requests as we undertake this meeting in this unique format. First, I emphasize the request that each speaker speak loudly and slowly and self-identify each and every time when speaking, so that it will be clear who is speaking before your remarks are made. Second, please pause after each speaker to allow a brief interval between that speaker and another speaker. Third, if for any reason a participant cannot clearly hear the speaker or must leave the meeting before it is adjourned, please let us know. Fourth, all votes will be taken by roll call and recorded in the minutes. Fifth, I ask that if any member of City Council has to leave the meeting for any period of time, to please interject and make an announcement so that the Clerk may take note of attendance in the minutes; I ask that you also announce your return so it also may be reflected in the meeting minutes. Finally, I ask everyone's patience, because without being in the same room, it is likely that a speaker may not realize that another speaker is continuing. Again, we may unintentionally step on each other's words, so it's fine if we need to have the speaker repeat or clarify. We'll take whatever time is necessary so that everyone is clear about what is being said and by whom. I will now take questions from Council members and participants if you have any questions about the process.

Council members did not have any questions.

Mr. Rosenberg stated this meeting was the next in Council's scheduled Budget work sessions. He noted several materials would be discussed during the course of the meeting and those were either posted or would be posted on the City's website at www.ci.staunton.va.us/budget .

Mr. Rosenberg stated the revisions to the City's portion of the FY 2020-2021 budget had been completed. He noted Phil Trayer, Chief Finance Officer, would share those with Council. If time permitted, Mr. Rosenberg stated budget requests from departments which are not funded would be highlighted. A schedule of those unfunded requests had been emailed to Council members earlier that day and were posted on the budget website.

Mr. Rosenberg stated the School's portion of the FY 2020-2021 was dependent upon details that were just received from the State within the last day. He noted it was expected that the School's portion of the budget to be completed on or before May 4, 2020 and would be shared with Council. Mr. Rosenberg stated after tonight's meeting, the PowerPoint presentation would be emailed to Council members along with a summary of the revised City budget. He asked that Council members review the materials and communicate questions to staff in order to prepare responses to share with Council members during the next budget work session scheduled for May 7, 2020. Based on guidance received from Council on May 7, 2020, staff will make further and final adjustments before May 14, 2020, the date on which the budget is scheduled for Council's consideration.

Mr. Trayer stated he would be reviewing the FY 2021 revised City budget. He reiterated that the School's portion was not available at that time. He stated the proposed City budget totaled $77,088,521 versus FY 2020's budget of $81,609,000. This is a decrease of $4.5 million or a 5.5% reduction.

Mr. Trayer presented the following:

Slide 2:

Government Fund Budgets

a) General Fund expenditures are $56,374,701, verses FY2020's Budget of $59,275,000 and is a $2,900,299 decrease to the FY2020 Budget, or a 4.9% reduction.
b) Debt Service of $4.8 million and is flat to the FY2020 budget.
c) Blue Ridge Court Services is $1.1 million, actually increases by $36K over FY2020's budget. The reason for this BRCS is self-funded via state, federal and grant funding.
d) CIP contributions have been eliminated as per previous proposals.
e) Variances in Sewer, Stormwater, Environmental, and Parking are associated with the year on year fluctuations in CIP projects. Water fund increases have primarily gone towards debt service provisions for the North River Pipeline project scheduled for FY2024.

Slide 3:

General Fund Revenue variance.

Overall, we are looking at a $4.6 million reduction to the original budget which tracks with last week's projections as the $.02 Real Estate tax increase was eliminated and several minor adjustments were made in State revenues and service charges.

The variance to FY2020 budget equals $2.9 million with Property Tax shortfall of $1 million and Local Tax shortfall of $2.5 million. Those two areas provide the lion's share of the year on year downward variance. The Miscellaneous line reflects the transfer of funds from the CIP fund and health insurance reserves.

Slide 4:

- General Property Taxes – Again General Property Taxes are down $1,029,750 and there is not a Real Estate Tax increase in this budget.
  - i. Real Estate – $966,250 total reduction.
    - a. Current year tax collections (FY21) are projected to be down $937,500 due to 5% delinquency factor assigned to FY21's original budget of $19,150,000, which overall was flat to FY20. FY21's base budget was increased $400,000 to account for new construction; this was offset by a projected reduction in collection of delinquent revenues to reflect current trends and receivables on the books.
    - b. $2,500 public service corporation's real property value increase.
    - c. $25,000 interest and penalty are budgeted to decrease by $25,000 due to historical trends.
    - d. $6,250 decrease in Downtown Service District tax collections due to 5% delinquency factor assigned to FY21's original budget of $125,000.

  - ii. Personal Property – $63,500 decrease
    - a. $58,000 decrease due to a 4% delinquency factor assigned to FY21's original budget of $5,425,000, which was an increase of $150,000 over FY20. This is due to valuation increases.
    - b. Machinery and tools are down $5,500 to reflect downward valuation trends.

Slide 5:

a) Other Local Taxes – $2,542,500 decrease
  - iii. Meals Tax – $1,037,500 decrease due to a projected 25% reduction in sales of prepared food; original projection was $150,000 over FY20's which was due to previous trends.
  - iv. Sales Tax – $906,250 decrease due to a projected 25% reduction in sales; original projection was $225,000 over FY20's budget due to previous trends.
  - v. Bank Stock Tax - $23,000 increase

vi. Recordation Tax – $20,000 increase.
vii. Utility Taxes – $5,000 increase, based on usage.
viii. Lodging Tax – $54,000 decrease to FY2020's budget due to a projected 20% reduction in sales to original budget; original budget was $155,000 over FY20 due to previous trends.
ix. BPOL Tax – $550,000 decrease to FY2020'sd budget due to a projected 25% reduction in sales; original budget was flat to FY20.
x. Local Communications Tax – $38,750 decrease; this is state controlled and reflects recent trends.
xi. Cigarette Tax – $5,000 decrease.

Slide 6:

Slide 6 is a high-level review of other revenues.

a) Licenses & Permits – $45,500 decrease.
xii. Building/mechanical permits – $48,000 decrease.
xiii. Police fees – $2,500 increase.
xiv. Dog Licenses – $500 decrease.
xv. Fire Permits - $500 increase.

b) Fines & Forfeitures - $66,500 increase.
xvi. Circuit Court Fines - $58,000 increase based upon FY2020 history.
xvii. Court Recording Fee - $6,000 increase based upon FY2020 history.

c) State and Federal Revenues – $195,995 increase.
xviii. Health and Welfare – $161,381 increase, based on service levels/programs
xix. Children's Services Act (CSA) – $17,094 increase in caseload.
xx. Street Maintenance – $75,34) decrease to reflect current funding levels.
xxi. Constitutional Offices – $186,205 in increases, primarily in the Commonwealth Attorney's Office where multiple position were incorporated into FY2020's statement but were not included in the original FY2020 budget.
xxii. HB599 Law Enforcement – $35,844 increase to reflect current funding.

xxiii. Federal – Fire SAFER Grant – $121,217 decrease; FY21 is final year of support, which, as anticipated, has declined over last three years.

f) Miscellaneous - $457,478 increase

i. Transfer $150,000 from Health Insurance fund to cover Other Post Employee Benefits (OPEB)

ii. Transfer $307,478 from CIP fund to cover the capital portion of the Middle River Regional Jail quarterly expenses.

Slide 7:

FY2021 General fund expenses are projected to be $56,374,701 verses FY2020 Budget of $59,275,000. This produces a reduction of $2.9 million verses FY2020 budget and a $4.6 million reduction to FY2021 original budget.

Column	A	B	C	C - A
CITY GOVERNMENTAL FUNDS	**FY2020 Adopted Budget**	**FY2021 Proposed Budget**	**FY2021 Revised Budget**	**FY2020 / FY2021 Revised Budget**
General Fund	**$ 59,275,000**	**$ 60,947,666**	**$ 56,374,701**	**$ (2,900,299)**
Debt Service Sinking Fund	**4,844,415**	**4,844,415**	**4,844,415**	**-**
Blue Ridge Court Services Fund	**1,056,660**	**1,100,407**	**1,092,973**	**36,313**
City Capital Improvement Fund	**841,050**	**941,050**	**0**	**(841,050)**
Total Governmental Funds	**$ 66,017,125**	**$ 67,833,538**	**$ 62,312,089**	**$ (3,705,036)**

Slide 8:

As a reminder from the April 16, 2020 meeting, with the elimination of the proposed $.02 Real Estate Tax increase, the funding gap equaled $4.6 million. To address this our plan was as follows:

- Elimination of the 2% salary increase which was to be effective on January 1, 2021 = $183,000.
- Reduction of Local Transfer to Schools as per traditional revenue sharing formula = $1,895,000.
- Deferral of FY21 CIP Expenses = $941,000.
- Reduction in other line items (Non-Compensation and Part Time labor) = $634,341.
- Reductions due to personnel actions = $944,409 (furlough / open position).

These measures have been incorporated into our revised budget with minor adjustments.

Slide 9:

PERSONNEL COST COMPARISON

Column	A	B	C	C - A
CATEGORY	FY 2020 BUDGET	FY2021 PROPOSED BUDGET	FY2021 REVISED BUDGET	FY2020 / FY2021 Revised Budget
FULL-TIME WAGES	$ 13,421,390	$ 13,725,067	$ 12,798,521	$ (622,869)
RETIREMENT	1,883,622	2,142,792	2,059,663	176,041
PART-TIME WAGES	1,417,606	1,414,635	1,369,426	(48,180)
HEALTH INS	2,544,664	2,263,088	2,254,042	(290,622)
FICA	1,172,802	1,204,116	1,133,619	(39,183)
OVERTIME	599,025	602,625	610,647	11,622
WORKERS COMP/DISABILI	325,000	325,463	324,405	(595)
LIFE INSURANCE	176,670	179,943	172,404	(4,266)
UNEMPLOYMENT PREMIUM	10,151	10,430	10,355	204
LINE OF DUTY ACT	105,125	146,250	146,250	41,125
TOTAL	$ 21,656,055	$ 22,014,409	$ 20,879,331	$ (776,724)

FY2021 Salaries and Benefits equals $20,879,331 compared to FY2021 Original Budget of $22,014,409 and FY2020 Adopted budget of $21,656,055. This represents reduction of $776K against FY2020 Adopted Budget…it also represents a $1.1 reduction against our original FY2021 Budget.

- <u>Wages & Benefits – $776,726 decrease</u>

The Wages and benefit decrease is primarily associated: Employees and Constitutional Offices Pay Increase:

a. $0 – 0% salary increase

b. The Wages and benefit decrease is primarily associated with Incorporation of 10 furlough day equivalents to all departments with the exception of:

i. Not applicable to employees who earn equivalent of $15 per hour or less

ii. Police patrol officers/E911 dispatchers exempt due to current openings

iii. Blue Ridge Court Services exempt due to independent funding sources

The plan is to keep open positions open as they come open to offset any addition reduction in tax revenues. This will be subject to the discretion of the City Manager.

iii. New Positions:

a. $55,015 – Clerk of Courts – Deputy Clerk

iv. Fringe Benefits:

a. $290,622 Health insurance premiums decrease.

b. $41,125 – Line of Duty Act increase.

c. $43,449 – decrease in FICA, life insurance benefits due to fluctuations in wages.

d. $ 176,041 increased City share of VRS by 12.43%; increase originally budgeted a $233K increase as proposed but was reduced due to open positions.

Slide 10:

Slide provides a summary of reductions by Function. As mentioned previously, FY2021 General Fund Budget equals $56,374,701 which is a $2.9 reduction against FY2020 Adopted Budget.

Column	A	B	C	C - A
CITY OF STAUNTON FY 2021 GENERAL FUND EXPENDITURES				
FUNCTION	**FY 2020 ADOPTED BUDGET**	**FY 2021 PROPOSED BUDGET**	**FY 2021 REVISED BUDGET**	**$ VARIANCE**
TOTAL GENERAL GOV'T ADMIN	$ 6,381,791	$ 6,426,021	$ 6,100,461	$ (281,330)
TOTAL JUDICIAL ADMINISTRATION	$ 2,050,032	$ 2,370,602	$ 2,239,756	$ 189,724
TOTAL PUBLIC SAFETY	$ 12,087,308	$ 12,615,783	$ 12,043,521	$ (43,787)
TOTAL PUBLIC WORKS	$ 6,288,654	$ 6,222,664	$ 5,971,764	$ (316,890)
TOTAL HEALTH AND WELFARE	$ 7,088,026	$ 7,371,023	$ 7,362,381	$ 274,355
TOTAL EDUCATIONAL AGENCIES	$ 8,000	$ 9,000	$ 9,000	$ 1,000
TOTAL PARKS, RECR, LIBRARY	$ 3,897,262	$ 3,865,683	$ 3,670,219	$ (227,043)
TOTAL COMMUNITY DEVELOPMENT	$ 1,938,462	$ 2,347,265	$ 2,088,774	$ 150,312
TOTAL TRANSFERS	$ 19,535,465	$ 19,719,625	$ 16,888,825	$ (2,646,640)
Total	$ 59,275,000	$ 60,947,666	$ 56,374,701	$ (2,900,299)

- Operational Expenditures – General Fund

  i. General Govt Administration $6,100,461, a $281,330 decrease

  Reductions within this area includes:

  City Manager Office $37,261

  HR $36,073

  Communications Office $27,551

  Finance $54,688

  Treasurer $84,118

Risk Management - $50,000

For the most part the savings were a combination of furlough days/ health insurance savings and various non compensation line reductions.

ii. Judicial Administration $2,239,756, $189,724 net increase. This increase was primarily driven by additional State support of the Commonwealth Attorney's Office.
   a. $807,209, $193,155 increase to Commonwealth Attorney's office for mandated positions required by the state.

iii. Law Enforcement $5,785,167, a $370,438 decrease highlights include
   a. $339,730 decrease in salaries from five open positions/furlough days/ health insurance.
   b. $40,270 elimination of replacement vehicle.

iv. Middle River Regional Jail $2,416,625, $449,465 operational increase
   a. $242,465 funded from General Fund.
   b. $207,000 funded from CIP reserve.
   c. $670,965 payment from Harrisonburg/Rockingham buy-in supports General Fund Jail payment, expires FY2025.

v. Fire/EMS $3,013,779, a $139,458 decrease
   a. $121,258 decrease in salaries from furlough days/part time labor and overtime/health insurance.
   b. $19,000 decrease in training & travel, wearing apparel, auxiliary fire expenses.

vi. Public Works $5,971,764, a $316,890 decrease
   Streets - <$170K
   Traffic Engineering - <$54K
   Traffic Signals - <$63K
   Building Main. - + $3K
   Equip Main - <$23K

   a. Streets – $170,024 salaries and related decrease due **to two open positions plus furlough days.**
   b. Traffic Engineering – $54,507 salaries and related decrease due to **one open position plus furlough days.**
   c. Traffic Signal Maintenance – $99,000 decrease for FY20 onetime expense for traffic pole painting and signal controllers.
   d. Traffic Signal Maintenance – $20,000 Special Equipment for crash impact cushings.
   e. Building Maintenance – $3,102 year on year increase:
      1. $10,000 reduction of window washing.
      2. $8,000 elevator maintenance – City Hall and Cochran Judicial Center.
      3. $4,000 decrease in utilities.
      4. $5,750 decrease in misc. supplies and building materials.
   f. Equipment Maintenance – $11,912 salaries and related due to furlough days plus the elimination of one-time special equipment expense (lift in garage).

vii. Health and Welfare $7,362,381, $274,355 increase
   a. CSA – $3,150,000 – $50,000 increase based on caseload.
   b. Foster Care – $955,000 – $205,000 increase.
   c. Special Needs Adoption subsidy – $125,000 - $45,000 decrease.
   d. View Purchase Services – $105,000 – $30,000 decrease.
   e. Adoption Subsidy Program – $1,190,000 - $40,000 increase.
   f. Administrative Expenses – $ 796,595 – $62,790 increase.

viii. Parks, Recreation, Cultural, Library $3,670,219, a $227,043 decrease.
   a. Recreation Administration $64,339 decrease – $13,839 decrease in salaries and related due to furlough days/health insurance; $49,500 decrease in multiple non compensation lines items.
   b. Golf is up $24,267 – due to the budgeting of $30,000 for an operational consultant. This offset by reduction in salaries and related due to furlough days and reduction in cart rentals.
   c. Park Maintenance – $114,296 decrease.

1. $32,400 decrease – salaries and related due to furlough days/health insurance and the remainder is for non-compensation line items.
2. $42,000 decrease – repairs to fencing, ballfields, piping/water fountains, pond fountains, stadium seating/bleachers, park restrooms, parking lots, drainage/storm damage.
3. $7,000 decrease – contractual agreements/vehicle repair.
4. $10,000 decrease – building materials & maintenance.
5. $13,500 decrease – miscellaneous non-compensation lines.

d. Library – $1,115,032, $68,69) decrease – $38,899 decrease in salaries and related due to furlough days/health insurance; $29,798 decrease in multiple non compensation lines items.

ix. Community Development $2,088,774, $150,312 increase

a. Planning $50,096 decrease – furlough days and professional services-zoning ordinance revisions
b. Economic Development – $231,102 increase in development agreement costs offset by savings associated with furlough days. Villages + $70K; Staunton Crossing +$190K offset by other non-comp reductions.
c. Tourism – $32,363 savings associated with furlough days, reduction in tourism funding and multiple other non-compensation line items. Funding for Tourism down $6K,

- Transfers to Other Funds – $2,646,640 decrease

i. Transfer to Education – $12,044,000 – $1,805,590 decrease or $1.9 from original proposed budget.
ii. Transfer to Debt Service – $4,894,415 – $0.00 flat funded.
iii. Transfer to City CIP – $0 – $841,050 decrease.

2. **<u>Capital Projects – $0</u>** our traditional reserve funding has been deferred for one year.
    a) $0 Fire Truck Reserve
    b) $0 VDOT Street/Sidewalk Construction Match Funds
    c) $0 Ineligible Streets/Parking Lots paving/repairs
    d) $0 Brick Sidewalk replacements – replace concrete with brick
    e) $0 Public Works Building Maintenance Reserve
    f) $0 Public Works Equipment Maintenance Reserve
    g) $0 Blue Ridge Community College CIP

3. **<u>General Fund Debt Service – $4,894,415</u>**
    a) Total Debt Service payments FY2021 = $5,710,527
        i. $4,894,415 transferred from General Fund
        ii. $866,112 from prior year debt service fund balance to balance costs

Slide 11:

1. **<u>Proprietary Funds</u>**

    a) Water Fund – $5,046,810, $67,810 increase, 1.3% increase.
        i. It does incorporate a 5% water rate increase, which will produce an additional $156,725 in customer service revenue.
            a. This increase will mean the equivalent of a $15.12 annual increase for average family usage.
        ii. The budget includes $400,000 Water line replacement projects.
        iii. $250,000 Preliminary engineering for Gardner Spring Pump Station.
        iv. $80,000 Fluoride Tank fiberglass tank at water treatment.
        v. $25,000 Union Town Study.
        vi. $170,781 Debt Service Reserve for future CIP projects – (North River Pipeline)

    b) Sewer Fund – $4,562,393, a $249,997 decrease, 5.2% decrease
        i. No sewer rate increase.
        ii. $305,000 multiple sewer lines repairs, a decrease of $370,000 from the previous year.

iii. $25,000 Union Town Study

iv. $111,537 for the Middle River Waste Water Treatment Plant

c) Stormwater Fund – $1,292,316, a $293,934, 18.5% decrease

i. No stormwater rate increase.

ii. Decrease in expense due to design fees for the ongoing Gypsy Hill Stream restoration incurred in FY2020 with balance of the project to occur in FY2021.

iii. Annual fee revenue = $785,000

iv. Current rate not adequate to fund future capital projects required

v. Fund Balance to pay for capital project $497,316

vi. Capital Projects:

a. $909,900 Gypsy Hill Park stream restoration project

d) Parking Fund – $540,120, a $440,355 decrease, 44.9% decrease

a. $38,000 Parking Enforcement Equipment

b. $200,000 reduction in depreciation expense

c. $250,400 reduction in year on year special equipment – New Street Garage access control equipment/pay stations for RMA, Hardy, Augusta Street lots.

e) Environmental Fund – $3,334,793, $100,843 increase, 3.1%

i. 10% refuse/recycling rate increase

a. $234,000 additional revenue from increase

b. This rate increase will mean $1.90 per month increase for residential collections or a $22.80 annual increase

ii. $100,000 from fund balance to cover revenue deficit

iii. $728,292 City share of landfill costs

iv. $430,606 cost of recycling collection

a. $160,000 recycling truck replacement

Mayor Dull asked Council members if they had any questions.

Vice Mayor Kier stated he did not have any questions.

Ms. Mead asked Mr. Trayer to clarify the Economic Development increase of $230,000 due to agreements in place. Mr. Trayer stated there are several agreements that come out of the Economic Development line. One is with the Frontier Center where a percentage is given back to the developer for increased taxes received by the City. Also, the Villages agreement, which is a two-part agreement, where a portion of the increased value of the real estate is given back as well as a percentage of the lodging and sales tax back to those. Mr. Trayer stated they are driving a substantial amount of increased revenue to the City; however, they need to be budgeted appropriately in FY 2021.

Ms. Mead asked how there was a depreciation expense decrease of $200,000 in the Parking Fund. Mr. Trayer stated it was a non-cash expenditure and had been incorporated traditionally and that he had decreased it by $200,000. He noted it had traditionally been used to build up reserves within a fund.

Ms. Holmes stated he did not have any questions.

Dr. Harrington asked for clarification of the two fees that were still intended to increase. Mr. Trayer stated those were water and refuse.

Ms. Oakes asked how much of an increase the average household would experience for recycling fees. Mr. Trayer stated it would be $1.90 per month or $22.80 on an annual basis.

Ms. Oakes asked what year would the preliminary study for Gardner Spring start. Mr. Trayer stated that was scheduled to start in FY 2022.

Dr. Curren asked if there was any potential for stimulus/relief funding and if Mr. Trayer were able to hazard a guess. He asked if it would just go to the state and would they use that to preserve some of the funding already promised to the City. Mr. Trayer stated it may come to Staunton via the state. Mr. Trayer stated the Schools are scheduled to receive $674,000 and was the only amount that he could quantify at that time. He noted additional provisions that the Governor had proposed were frozen at that time.

Mr. Rosenberg stated the U.S. House and the leadership in that chamber was advocating a significant package that would provide direct aide to state and local government, but the Senate and its leadership were presently opposed to that direct aide and were attempting to impose certain conditions. He stated the notion of direct aide to localities was in limbo presently.

Mayor Dull questioned if the state should receive stimulus funding, would it be distributed by population. She asked if there were plans in advance or a strategy should the City receive funding. Mr. Trayer stated that had not been discussed yet, but once staff was able to quantify something they would come back to Council and provide various options.

Dr. Harrington noted it had been previously discussed of City Council's salaries being included in the furlough formula and felt it should be decided whether to do that or not so that it could be budgeted accordingly. He asked if now would be a time to give staff that direction.

Dr. Harrington stated he would put that in the form of a motion that Council direct the Budget Officer to incorporate a similar furlough to the City Council's salaries as had been applied to those employees already in the budget.

Ms. Mead seconded the motion.

Mayor Dull stated Council members should have received the information on what that impact would be.

Ms. Oakes clarified that amount would be for a 10-day furlough.

Mr. Rosenberg stated for employees it was roughly a 3.85% effective reduction of their annual compensation. He noted the same percentage would be applied to the Council's salaries.

Dr. Harrington stated it would be his expectation if the windfall comes in from the federal government and it was decided to use it to reduce the amount of furlough days it would be applied to the formula as well.

Mayor Dull asked Mr. Rosenberg or Doug Guynn, City Attorney, if this necessitated an actual motion or was it more of a head nod agreement from Council.

Mr. Guynn stated he would prefer that Council not take any action by vote on that particular matter. He noted he thought this was guidance that they were giving to the City Manager and that there were other legal considerations which would probably cause him to advise the City Manager on how the language would be written in the budget ordinance. He stated he would suggest that Council not take a vote at tonight's meeting, but treat it as guidance to the City Manager if the City Manager was agreeable to that.

Mr. Rosenberg stated he would add to Mr. Guynn's comment, that because it would be addressed in the budget ordinance if that was the advice of the City Attorney, eventually Council would have its opportunity to take an action formally that included those reductions for Council members.

Mayor Dull asked Dr. Harrington if he would like to withdraw his motion.

Dr. Harrington withdrew his motion.

Ms. Mead withdrew her second to motion.

Mayor Dull stated with the suggestion that Council participate in the furlough as employees are doing, she asked if Council members were in agreement with that concept.

Vice Mayor Kier stated he was in agreement.

Ms. Mead stated she was in agreement.

Mr. Holmes stated he was in agreement.

Dr. Harrington stated he was in agreement.

Ms. Oakes stated she was in agreement.

Dr. Curren stated he was in agreement.

Mayor Dull stated she was in agreement.

Mr. Rosenberg stated staff would make the appropriate adjustments.

Mayor Dull asked Council members if they had any further questions.

Vice Mayor Kier asked if staff could tell Council what percentage of the City's annual budget came from the federal government. Mr. Trayer stated it was very small.

Ms. Beauregard stated it was 2.3%.

Mr. Trayer stated that did not include the School. He noted he would get that information for Council in order to give them an accurate percentage.

There were no other questions from Council members.

Mr. Rosenberg stated Mr. Trayer could review the unfunded requests schedule to give Council a sense of items that were not funded. He invited Council to pose questions to staff so that they could be addressed during next week's Work Session.

Mr. Trayer stated with the revised budget, there was a total of $7.4 million in reductions. He noted $2.2 million of that dealt with personnel cuts. He stated basically the FY 2021 original budget was extraordinarily tight, there was $1.6 million worth of additional year on year expenditures. For the most part, whatever additional funding was requested by department heads was not included in the budget. Mr. Trayer reviewed the detailed slide for various positions that were excluded during the budget process.

Discussion ensued on various department cuts.

Mayor Dull asked Council members if they had further questions.

Dr. Curren stated he did not any questions.

Ms. Oakes stated she did not have any questions.

Dr. Harrington stated he did not have any questions.

Mr. Holmes stated he did not have any questions.

Ms. Mead asked for clarification regarding M&S K-9. Mr. Trayer stated that was for supplies.

Vice Mayor Kier stated he did not have any questions.

Mayor Dull asked for clarification regarding a special equipment tabulator for the Registrar. She asked how important that was to voting. Mr. Trayer stated he was making sure that the Registrar's office was covered during the fiscal year.

Mr. Rosenberg reminded Council members and the public that those materials were posted on the City's budget webpage. He asked that Council members communicate to staff any additional questions that may occur to them in the days to come so that staff could provide answers at the May 7, 2020 budget work session.

Mayor Dull asked if Council members would receive a copy of the budget once it was completed.

Mr. Rosenberg stated staff would provide to Council, as they ordinarily do, a budget book for the final adopted budget. He noted if Council would like to see something before they finally act, arrangements could be made as well.

There were no further questions from Council members.

The work session adjourned at 6:28 p.m.

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Suzanne F. Simmons, Clerk of Council

CITY COUNCIL AGENDA BRIEFING

Staunton, VA

Meeting Date:	**May 14, 2020**	**Staff Member:** **Phil Trayer**
Item #	**A**	
Ordinance #		
Department:	**Finance**	
Council Vision:	**Responsive, Efficient Government** **Resilience**	
Subject:	**Ordinance to Increase Water User Fee**	

Background: The FY2021 budget proposal includes a 5% water rate increase, effective July 1, 2020, for water consumption. Residential bi-monthly customers will be billed at the new rate beginning with utility bills issued on September 10. Monthly customers will be impacted with the new rate beginning with the July utility bills. The increase will generate $156,725 in additional water user fee revenue over the current revenue level of $3,134,500 and an additional $57,500 in bulk water sales. The rate is proposed to increase to $3.86/100 cubic feet from $3.68/100 cubic feet. The minimum charge per two months by each regular user of City water is proposed to increase from $18.40 to $19.30. The bulk water rate is also proposed to increase from $9.20 to $10.00 per 750 gallons of water purchased in bulk quantities from the treatment plant. The minimum charge for bulk water purchases of less than 1,500 gallons during a month is proposed to increase from $18.40 to $19.30. Rates were last increased effective July 1, 2019, for fiscal year 2020. The proposed increase is consistent with the plan to which Council agreed during the FY2020 budget process.

The proposed increase would cost a family of four an additional $2.52 per bi-monthly billing cycle, based on an average bi-monthly consumption of 14/100 cubic feet, or $15.12 annually.

The increase is necessary to cover the increasing operating costs and capital costs to replace/ repair major water system infrastructure assets. Even the 5% rate increase does not generate sufficient revenue to cover the total expense of depreciation of $1,060,000 for the Water Fund.

The FY2021 Water Fund budget only funds $346,517 of depreciation expenses. Funding depreciation, a non-cash expenditure, allows cash reserves to build in a fund for capital projects and annual debt expenditures.

The Water Fund does have cash reserves of $2.8 million for the Facility Fee Reserves as required by the City Code. This reserve will be used to partially fund the major capital expenditure of $6.5 million for phase 1 of the North River Pipeline replacement project scheduled to begin in FY2024.

The total FY2021 Water Fund budget is $5,046,810, an increase of $67,810 over the FY2020 adopted budget. The budget includes capital expenditures of $400,000 for water line replacements, $250,000 for Gardner Spring Pump Project, $80,000 to paint the Franklin Hill water storage tank, $50,000 for the purchase of one dump truck, and $25,000 to commission an infrastructure installation study in the Union Town community.

The attached draft ordinance to increase the water user fee, effective July 1, 2020, was introduced at Council's regular meeting on March 26, 2020 and a properly noticed public hearing was conducted at Council's regular meeting on April 23, 2020. The ordinance is now before Council for consideration.

Attachment:

Proposed Ordinance

City Manager's Recommendation: Recommend that City Council adopt the ordinance.

Suggested Motion: I move that Council adopt an ordinance amending, restating, and reordaining section 13.20.020, Rates generally, of Staunton City Code to increase the water user fee from $3.68 to $3.86 per 100 cubic feet, increase the minimum charge each two months by each regular user of city water from $18.40 to $19.30, increase the bulk water rate from $9.20 to $10.00 per 750 gallons, and increase the minimum charge for bulk water purchases during a month of less than 1,500 gallons from $18.40 to 19.30, effective July 1, 2020, as presented.

City Manager: Steven L. Rosenberg

Ordinance No. 2020 - ______

AN ORDINANCE
AMENDING, RESTATING AND REORDAINING
SECTION 13.20.020, RATES GENERALLY,
OF CHAPTER 13.20, USE CHARGES,
OF TITLE 13, ENVIRONMENT,
OF THE STAUNTON CITY CODE

BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Section 13.20.020 of the Staunton City Code is hereby amended to read as follows:

13.20.020 Rates generally.

(1) Except as hereinafter set forth, for the use of water through a connection with meter attachment, the rate and method of assessment shall be according to meter measurement, as follows:

The user fee shall be $~~3.68~~ 3.86 per 100 cubic feet of metered water entering the premises.

(2) There shall be paid each two months, as prescribed, by each regular user of city water a minimum charge per two months of $~~18.40~~19.30.

(3) For a fractional part of a two-month period, a bill will be rendered for the actual consumption of water, as indicated by the meter. Where deemed necessary by the chief finance officer, rates may be computed on a monthly basis equal to one-half of the above rates.

(4) The rate at which water will be sold outside the corporate limits of the city shall be one and one-half times the rate at which water is sold inside the corporate limits, with the exception of any contracts in effect specifying a different rate.

(5) The bulk water rate to miscellaneous water customers will be $~~9.20~~10.00 per 750 gallons of water purchased.

(6) There shall be paid a minimum charge of $~~18.40~~19.30 for bulk water purchases during the month of less than 1,500 gallons for the month.

In all other respects, the provisions of Chapter 13.20 of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

This ordinance shall be effective __________, 2020.

Introduced:

Adopted:
Effective:

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Carolyn W. Dull, Mayor

ATTEST:______________________

Suzanne F. Simmons
Clerk of Council

CITY COUNCIL **AGENDA BRIEFING**

Staunton, VA

Meeting Date:	**May 14, 2020**	**Staff Member:** **Phil Trayer**
Item #	**B**	
Ordinance #		
Department:	**Finance**	
Council Vision:	**Responsive, Efficient Government** **Resilience**	
Subject:	**Ordinance to Increase Refuse and Recycling Rates**	

Background: The FY2021 budget proposal includes a 10% increase in refuse and recycling rates, effective July 1, 2020, to provide sufficient revenue for operating and capital expenses for the Environmental Fund. This increase follows the plan Council approved during the FY2020 budget process. With the increase, the refuse rate will generate $2,571,950 in revenues for FY2021. The budget proposes to use $100,000 from fund balance to cover the remaining deficit in revenues and to reduce the amount of the rate increase from the actual 15% needed to fund the operation. The total expenditure budget for FY2021 equals $3,334,793. The 10% rate increase will generate an additional $234,000 for FY2021. Rates were last increased effective July 1, 2019, for fiscal year 2020.

Bi-monthly customers will be billed at the new rates beginning with utility bills issued on September 10. The proposed increase for residential customers is $1.90 per month, or $3.80 per bi-monthly billing cycle.

The attached draft ordinance to increase refuse and recycling fees, effective July 1, 2020, was introduced as Council's regular meeting on March 26, 2020, and a properly noticed public hearing was conducted at Council's regular meeting on April 23, 2020. The ordinance is now before Council for consideration.

The FY2021 Environmental Fund budget includes the following expenditures:

Environmental Office	$94,023	Handling citizen complaints due to sanitary conditions and health hazards; enforcement of City Code requirements
Street Cleaning	$213,735	Cleaning of all City streets
Refuse Collection	$1,010,106	Residential and commercial trash collection
Recycling Collection	$430,606	Collection of recyclables and capital equipment
Landfill	$787,490	20.52% City share of landfill operations and capital
Billing and Collections	$13,750	Bad debt expense and annual software fees for billing
Risk Management	$76,500	Property and liability insurance; workers' compensation insurance
Transfers to Other Funds	$698,583	Payment to General Fund and Water Fund for administrative support functions
Litter Control Grant	$10,000	Commonwealth of Virginia grant for litter control programs
Total FY2021 Budget	$3,334,793	Increase of $100,843 over FY2020

Refuse and Recycling Proposed Rate Increases:

	Current Rate	Proposed Rate	Schedule
Residential Refuse Fee	$18.98	$20.88	Once/week
Recycling Fee	$18.98	$20.88	Once/week
Light Commercial Fee	$43.09	$47.40	Once/week
Heavy Commercial—Outside CBD	$91.16	$100.28	Once/week
Heavy Commercial—Inside CBD	$115.83	$127.41	5 days/Week
Special Unscheduled Pickup	$95.00	$105.00	As requested

The attached draft ordinance to increase the water user fee, effective July 1, 2020, was introduced at Council's regular meeting on March 26, 2020 and a properly noticed public hearing was conducted at Council's regular meeting on April 23, 2020. The ordinance is now before Council for consideration.

Attachment:

Proposed Ordinance

City Manager's Recommendation: Recommend that Council adopt the ordinance.

Suggested Motion: I move that Council adopt an ordinance amending, restating and reordaining Section 8.30.110, Fees—Prescribed, of Staunton City Code to increase the refuse and recycling fees 10%, effective July 1, 2020, as presented.

City Manager: Steven L. Rosenberg

DRAFT 3.6.20

Ordinance No. 2020-______

AN ORDINANCE AMENDING, RESTATING AND REORDAINING SECTION 8.30.110, FEES – PRESCRIBED, OF ARTICLE II, COLLECTION OF REFUSE BY CITY, OF CHAPTER 8.30, SOLID WASTE, OF TITLE 8, HEALTH AND SAFETY, OF THE STAUNTON CITY CODE

BE IT ORDAINED by the Council of the City of Staunton, Virginia, that Section 8.30.110 of the Staunton City Code is hereby amended to read as follows:

8.30.110 Fees – Prescribed.

(1) Residential. For a mandatory fee of $~~18.98~~20.88 per month for each single-family unit (to include each unit in a multifamily structure), the city shall provide one weekly pickup of refuse from each residential unit in the city, whether inside or outside the central business district, the basis of computation of the fee being a single-family unit. The fee for refuse collection service for all other than single-family units shall be in an amount adequate to cover all costs to the city for such service, such amount to be established by the director of public works as part of the city's solid waste policy, with the approval of the city manager, but such fee shall not be less than $~~18.98~~20.88 per month per unit.

(2) Light Commercial. The mandatory fee for refuse collection service to light commercial customers, whether inside or outside the central business district, shall be $~~43.09~~47.40 per month. The light commercial designation shall apply to those customers which place the equivalent of four or fewer bags/containers of refuse at the curb for collection.

(3) Heavy Commercial. The mandatory fee for refuse collection service to heavy commercial customers within the central business district shall be $~~115.83~~127.41 and $~~91.16~~100.28 for those outside the central business district. The heavy commercial designation shall apply to those customers which place the equivalent of five or more bags/containers at the curb for collection. All full-time restaurants shall be deemed heavy commercial customers.

(4) Special Unscheduled Pickup. When refuse is stored or placed curbside in a manner not otherwise in accordance with the city's solid waste policy, it shall be deemed a request for a

special unscheduled pickup and a crew may be dispatched to collect the refuse. The fee for pickup shall be in an amount adequate to cover all costs to the city for such service, such amount to be established by the director of public works as part of the city's solid waste policy, with approval of the city manager, but such fee shall not be less than $~~95.00~~105.00 and shall be charged to the property owner or tenant.

(5) Recyclables and Recycling Bins.

(a) The mandatory fee for the collection of recyclable materials from customers not otherwise charged a refuse collection service fee shall be $~~18.98~~20.88 per month.

(b) Each customer shall pay a service fee of $25.00 for the use of three recycling bins issued by the city. Upon return to the city of the three bins in reasonable condition, ordinary wear and tear excepted, the fee of $25.00 shall be credited or refunded to the customer.

(6) Collection Outside City Limits. The fee for refuse collection service rendered outside of the city limits shall be in an amount equal to 200 percent of the fee charged for such service in the city limits.

(7) Exemption, Deferral, Modification or Waiver of Fee.

(a) By ordinance, persons may be exempted, deferred, or charged a lesser amount from paying any charges and fees authorized for the collection and disposal of garbage and refuse only if based on the income criteria, as provided by Section 58.1-3211 of the Virginia Code.

(b) The director of public works may waive all or part of the fees for any multifamily structure or commercial customer if contractual arrangements are made and maintained by that customer for adequate containerized service as determined satisfactory by the director of public works.

In all other respects, the provisions of Chapter 8.30 of the Staunton City Code remain the same and are hereby restated, confirmed and reordained.

This ordinance shall be effective _________, 2020

Introduced:

Adopted:

Effective Date:

____

Carolyn W. Dull, Mayor

ATTEST:____________________________

Suzanne F. Simmons
Clerk of Council