

COUNTY OF HENRICO, VIRGINIA
BOARD OF SUPERVISORS
SPECIAL MEETING
November 5, 2014

The Henrico County Board of Supervisors convened a special meeting on Wednesday, November 5, 2014, at 5:00 p.m. in the County Manager's Conference Room, Administration Building, Henrico County Government Center, Parham and Hungary Spring Roads, Henrico County, Virginia.

Members of the Board Present:

Patricia S. O'Bannon, Chairman, Tuckahoe District
Frank J. Thornton, Vice Chairman, Fairfield District
Richard W. Glover, Brookland District Supervisor
David A. Kaechele, Three Chopt District Supervisor
Tyrone E. Nelson, Varina District Supervisor

Members of the General Assembly Present:

A. Donald McEachin, Senate of Virginia, 9th District
Walter A. Stosch, Senate of Virginia, 12th District
Peter F. Farrell, House of Delegates, 56th District
Riley E. Ingram, House of Delegates, 62nd District
G. Manoli Loupassi, House of Delegates, 68th District
James P. (Jimmie) Massie, III, House of Delegates, 72nd District
Delores C. McQuinn, House of Delegates, 70th District
John M. O'Bannon, III, House of Delegates, 73rd District

Members of the General Assembly Absent:

Jennifer L. McClellan, House of Delegates, 71st District
Joseph D. Morrissey, House of Delegations, 74th District

Other Officials Present:

Shannon L. Taylor, Commonwealth's Attorney
Michael L. Wade, Sheriff
Yvonne G. Smith, Circuit Court Clerk
John A. Vithoulikas, County Manager
Joseph P. Rapisarda, Jr., County Attorney
Barry R. Lawrence, CMC, Assistant to the County Manager/Clerk to the Board
Tanya B. Harding, Administrative Assistant/Deputy Clerk to the Board
Joseph P. Casey, Ph.D., Deputy County Manager for Administration
Jane D. Crawley, Deputy County Manager for Community Services
Timothy A. Foster, P.E., Deputy County Manager for Community Operations

Randall R. Silber, Deputy County Manager for Community Development
C. Michael Schnurman, Jr., Legislative Liaison
S. Mark Strickler, Director of Community Revitalization
Mark J. Coakley, General Registrar
Eugene H. Walter, Director of Finance
W. Brandon Hinton, Management and Budget Division Director
Karen M. Adams, Management Specialist, Department of Finance
Anthony E. McDowell, Chief, Division of Fire
Steven J. Yob, Director of Public Works
Abbey Phillips, Legislative Assistant to Delegate McClellan
Keith Westbrook, Legislative Assistant to Delegate McQuinn

Mrs. O'Bannon called the meeting to order at 5:11 p.m. She welcomed the members of the County's legislative delegation who were present and led recitation of the Pledge of Allegiance. Senator McEachin delivered the invocation.

Mrs. O'Bannon recognized Mr. Vithoukias, who introduced Chef Winslow Goodier, Culinary Arts Instructor for Hermitage Technical Center. Chef Winslow thanked Mr. Vithoukias and the Board for allowing students from Hermitage's Culinary Arts Program to prepare and serve dinner for this meeting. After Chef Goodier announced the menu, the following culinary arts students who were present introduced themselves and identified their home high schools: Donald Velasquez (Deep Run), Kayla Bracey (Glen Allen), James Shelburne (Godwin); Cody Roberts (Hermitage), and Sydney Cubero and Shaquanna Easter (Tucker).

Mr. Vithoukias asked members of the County staff who were seated at the table to introduce themselves to the legislative delegation. Mrs. O'Bannon recognized several additional members of the County staff who were seated in the audience.

The Board recessed at 5:15 p.m. and reconvened at 5:27 p.m.

Legislative Briefing with General Assembly Delegation

Mr. Vithoukias recognized Mr. Schnurman, who provided opening remarks on the County's 2015 Legislative Program. Mr. Schnurman noted the County will be following the same approach it has taken for the past few years by making no new legislative requests but instead making the legislators aware of issues about which the County has significant concerns. He pointed out the County has maintained its triple triple-A bond rating and continued providing excellent customer service to its citizens even during difficult financial times. Mr. Schnurman thanked the members of the delegation for their assistance and partnership on various matters during the 2014 General Assembly Session, including transportation funding as well as permits and land purchase credits for the Cobbs Creek Reservoir project.

Mr. Schnurman recognized Brandon Hinton, who narrated a slide presentation that provided a fiscal overview of the County. Mr. Hinton began his presentation with an economic update, during which he reviewed graphs and tables depicting local trends in employment, real estate taxes and assessments, tourism spending, taxable sales, the general fund balance, and the monthly

residential tax burden. Mr. Hinton and Mr. Vithoulkas responded to questions from Delegates Massie and Farrell regarding the status of local residential and commercial property foreclosures.

During the second part of his presentation, Mr. Hinton addressed several significant cost requirements the County will face in the future, including the Cobbs Creek Reservoir, federal stormwater permit mandates, and the region's 800 MHz radio communications system. Mr. Yob elaborated on the stormwater requirements, which generated questions and discussion by Delegate O'Bannon, Delegate Massie, Senator McEachin, Mr. Glover, and Mr. Vithoulkas. Senator McEachin asked County staff to quantify the costs of obtaining its Municipal Separate Storm Sewer System (MS4) permit from the U.S. Environmental Protection Agency and to share with him the Virginia Department of Environmental Quality's (DEQ's) response to the County's negotiations with DEQ on specifics within the permit such as the concern relating to the definition of "maximum extent practicable."

In the final section of his presentation, Mr. Hinton reviewed how state resources are allocated as well as concerns the County has moving forward. He shared charts highlighting the major sources of the County's FY15 general fund revenue and a breakdown of state revenue received by the County; elaborated on the Commonwealth's additional gas tax allocations to the County for road maintenance; and explained additional charts depicting actual state revenues for the County's public schools for the past several years, the County's allocation of every dollar of general fund increment to its school system, the County's 70 percent share of the \$20.5 million increase in the school system's FY15 general fund budget, a four-year trend of increased local aid to schools as a percent of the County's general fund budget, downward shifts in state general fund and lottery funding allocated to localities, an upward trend in the number of mandates placed on localities by the Commonwealth, and an upward trend in the number of state-responsible inmates jailed in Henrico County. In response to questions by Delegates Massie and McQuinn as well as Mr. Nelson, Mr. Vithoulkas stated that approximately 40 percent of Henrico's public school students are eligible to receive free or reduced-price lunches. Sheriff Wade responded to questions and comments from Delegates Farrell, O'Bannon, and McQuinn regarding the County's jail capacity and prison population. Mr. Hinton identified several state funding concerns, including a \$30 million reversion in local aid, use of one-time resources in the 2014-16 biennial budget, and sizable cuts and cost shifts that may offset any recognized growth in local resources. In summary, Mr. Hinton assured the delegation that the County will continue the "Henrico Way" in spite of the noted challenges and concerns by appropriately managing its resources, seeking out efficiencies, and providing the highest level of service at the lowest possible cost to its citizens and businesses. He pointed out that state funding reductions and additional mandates and cost shifting will make this task much more difficult.

Following Mr. Hinton's presentation, there was extended discussion by the legislative delegation, the Board, and County staff. In response to a question from Delegate Massie, Mr. Vithoulkas noted that Henrico entered the recession better prepared than other Virginia localities and took steps they did not take to manage its resources. Delegate O'Bannon, Senator Stosch, and Delegate Massie commented on the Commonwealth's significant budget gap and significant efforts to fill this gap, which will include trying to rebuild the state's economy and restore jobs lost in Northern Virginia because of federal sequestration and military cutbacks. Mr. Vithoulkas confirmed for Delegate Farrell that the County is not requesting specific legislation during the upcoming General Assembly session but is hopeful that legislators will address shortfall concerns

and look at opportunities for expanding the state's economic footprint, particularly in the areas of tourism and redevelopment.

Sheriff Wade raised concerns with the delegation pertaining to the efficiency of the State Compensation Board in funding local constitutional offices. He and Mrs. Smith responded to questions from Senator McEachin and Delegate Farrell relating to his concerns. Delegate O'Bannon asked Sheriff Wade to provide the delegation with specific examples prior to the 2015 legislative session.

Delegate Farrell requested that a representative of the School Board in the future be asked to attend this annual meeting of the General Assembly delegation and the Board of Supervisors. Mr. Glover suggested the School Superintendent serve as the School Board's representative and the County Manager represent the Board of Supervisors at the delegation's annual breakfast meeting with the School Board. In response to a question from Mr. Kaechele, Senator McEachin commented on the types of legislation and concerns that are brought forward by the School Board in its annual legislative program. Senator Stosch and Delegate Loupassi responded to questions from Mr. Kaechele relating to the pending 2014 Special Session of the General Assembly dealing with judicial selection and technical amendments to the appropriations act.

Mrs. O'Bannon thanked the members of the delegation for coming to the meeting and for their questions and comments.

There being no further business, the meeting was adjourned at 6:39 p.m.



Chairman, Henrico County Board of Supervisors