

Update

The newsletter of the
Virginia Municipal League

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**Legislative Day
Feb. 12**

Budget sends mixed message on education, other priorities

While the budget proposed by Gov. Mark R. Warner for the biennium beginning July 1, 2004, includes fewer new cuts than in the past two years, the “ghost of budgets past” continues to haunt local governments. Nearly every budget item that was the subject of reductions in the 2002-2004 budget remains reduced in the budget for fiscal years 2005 and 2006. The “ghost of budgets future” will bring with it at least a \$1.9 billion shortfall unless new state revenues are made available from sources such as tax reform initiatives.

With general fund growth rising above the forecast, a modest surplus carried over from FY03, and a one-time influx of \$400 million in federal flexible funds for essential, budgeted services and Medicaid during FY04, it appears that the state can get through this fiscal year without making substantial new cuts. There is not enough, however, to allow the state to make up for

past cuts. Warner’s proposed changes to the current year budget (caboose bill) would meet the state’s legal commitments to fund federally-mandated programs, such as foster care, Medicaid and adoption. The lack of funding to make up for existing cuts means the state would not fully meet its funding commitments to basic responsibilities, such as public safety, education and natural resources, in the current biennium.

The tax reform proposal woven into the proposed 2004-2006 budget would give the state additional ability to add funding to selected programs, particularly education. Warner’s proposal states that the revenue from tax reform, coupled with \$181.5 million in additional cuts or deferrals in spending during the biennium, would turn the projected \$1.9 billion shortfall into a \$9.5 million balance. This budget, however, continues the reductions made in the 2002-

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VML/VACO Finance Program completes bond sale

The VML/VACO Finance Program sold \$17.2 million in bonds on behalf of four local governments and a regional jail authority Dec. 16. A consortium of 10 investment-banking firms purchased the bonds – the first ever issued by the new VML/VACO program – that carried an overall true interest cost of 4.15 percent.

The bond pool’s five participants represented every region of the state, including the cities of Galax and Bedford, the towns of Herndon and Tappahannock, and the Western Tidewater Regional Jail Authority. The

largest participant was the town of Herndon, which is rated AA+, just one step below AAA. Another participant, the town of Tappahannock, seldom issues bonds and has no bond rating. The program benefited every borrower through the sharing of costs and attractive interest rates. No borrower subsidized any other borrower.

Pool participants borrowed funds through the program for a variety capital projects, such as construction of a new visitor welcome center, additions to a recreational center, the



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2004 budget, even with the additional revenue from savings and tax reform. Therefore, local governments would be in the position of picking up the state's tab in the case of some basic services, such as jails, or forcing local officials to make the choices to commit local tax revenue to keep funding programs that would otherwise would be greatly reduced or dismantled.

This is not to say that the budget does not propose any additional funding to certain basic services. In the case of jail per diems, the caboose bill and 2004-2006 budget proposal contain additional funding. The modest technical adjustment, however, is simply added to the reduced funding level from the 2003-2004 budget. It does not fully fund the state's share of costs in local and regional jails. In the current budget, this means that the state chooses to underfund its share of costs to local and regional jails by at least \$13 million. This translates to more than 70 percent of the fourth quarter payment to localities in FY04.

In the case of HB 599, the state's commitment to funding to localities with police departments, the caboose bill does nothing to meet the state's statutory funding requirements. The 2004-2006 budget includes an increase — contingent upon approval of tax reform. If approved, funding would be added to the funding level that was cut and frozen in FY03. There is no "catching up" to the level of funding that would have been available if the state had met its commitment to keeping the growth in the fund at the level of growth in the state general fund.

VML and VACo staff met with budget managers at the Virginia Department of Planning and Budget on Dec. 19. Director Ric Brown said that the executive branch is trying to wean itself from some of the non-general fund revenue sources it tapped in the last few years to meet its budget shortfalls, while making a commitment to restock the state's rainy day fund. The proposed budget continues to pull from some non-general fund sources, such as the Literary Fund, to fund certain operating

costs, but the transfer appears to be less extensive than in 2002-2004.

An extensive review of budget items of interest to local governments was included in the Dec. 18 *Legislative Bulletin*.

Education

The governor's proposed budget includes \$761.5 million for the biennium in new spending for elementary and secondary education, but also includes policy changes that lower the state's cost of meeting the Standards of Quality. The bulk of the new money is for re-benchmarking the SOQ. The re-benchmarking funding, however, would have included approximately \$500 million in additional state costs if the governor's budget had calculated future costs in accordance with current practice.

It appears the proposed budget reduces SOQ costs by removing some technology support payments from the calculation of the cost of the SOQ and by deducting federally and locally generated revenues from the costs. VML is still gathering information on these changes, so this preliminary analysis may change. A decrease in the SOQ affects not just the current biennium, but future ones as well, as the entire base figure is lowered.

Several of the budget's initiatives are contingent on the enactment of tax reform.

Finally, the proposed budget creates a bad precedent by directing most of the anticipated growth in lottery revenues to pay the state share of costs of a revised program of prevention, remediation and intervention. Currently, lottery profits are split on a 60/40 basis between the state and the school divisions. This switch would mean that local school divisions would not receive as a direct payment a share of most of the growth in lottery funds.

Deduction of federal and local revenues

The budget lowers the cost of re-benchmarking of the Standards of Quality by backtracking — and then moves even further backward — on

progress made in the last biennial budget at funding some of the Tier 1 recommendations made by JLARC in its November 2002 study of education funding.

The budget decreases state funding by \$418 million for the biennium by deducting about \$300 million in federal funds and all locally generated revenues (about \$100 million) from the cost of the SOQ. (According to state budget staff, the deduction would be done in the same manner that sales tax revenue is deducted—that is, deducted from the total cost prior to determining the state/local split. The league is trying to get clarification of this issue.) This would decrease the amount of SOQ costs to be split between the state and localities, thus reducing required state expenditures by \$208.3 million in FY05 and \$209.8 million in FY06.

The budget for the current year (FY04), based on JLARC's recommendation, ended the practice of deducting locally generated revenues from the cost of the SOQ. JLARC argued that the true, full cost of the SOQ is not provided when locally generated revenues were deducted. JLARC further argued that locally generated revenues should be treated as any other local revenue source, and that it was a local choice whether or not a locality spent these revenues for SOQ purposes.

Locally generated revenues include rebates and refunds, special fees, textbook sales, day school tuition, pupil transportation, sales of equipment, bus gas tax refunds, sales of supplies, insurance adjustments and other funds such as interest.

This is the first time that the budget has proposed deducting federally generated revenues. The league has not been able to get a definite identification from the Department of Education of the federal money that would be deducted, but evidently is it aid received from Title I, Title IIB, special education, career and vocational education, and one other program. VML will pass along additional details as soon as possible.

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Budget sends mixed message continued ...

Technology support payments

The proposed budget removes funding for technology support. The budget shows a reduction of \$54.6 million in general funds for FY05 and a reduction of \$55.2 million for FY06. Evidently this funding comes out of SOQ funding, which presently includes somewhere from \$84 million to \$110 million annually for technology support. This would represent about half of the funding currently available through the SOQ for technology support. Department of Planning and Budget staff told VML that technology was split out from SOQ support programs, and that if the state were “going to continue giving \$59 million a year in equipment notes, that it was not appropriate to fund technology support payments.” The budget continues funding the purchase of equipment through the issuance of debt, at a cost to the state of \$7.1 million in non-general funds. This program includes grants to school divisions at the previously established amounts of \$50,000 per division and \$26,000 per school.

Contingent on enactment of revenue reform

Several of the budget’s initiatives are contingent on the enactment of tax reform, so it is too early to count on these initiatives coming through. They include:

Pooled retirement contribution rate. The budget proposes, contingent on the enactment of tax reform, to fund a pooled retirement contribution rate of 6.56 percent for state employees and teachers. If the rates are not pooled, the teacher retirement rate would be 7.82 percent. In addition, the state is proposing to once again have a premium holiday — in other words, to not fund — the group life insurance program for the biennium. VRS has proposed a rate for teachers at 8.10 and a group life rate of 1.14 percent of salary.

Pooling the rates for state employees and teachers saves local governments money, but costs the state. Teacher retirement disproportionately hits local governments hard because localities pay

the cost of retirement for all teachers, but receive state reimbursement only for those positions funded that are funded by the state. Localities currently fund more than 20,000 instructional positions with local dollars and receive no state contribution toward those costs, including retirement costs.

Increase funding for ESL. The budget proposes, contingent on tax reform, to fund an increase in the English as a Second Language program to better reflect prevailing staffing ratios. The number of teaching positions funded would be increased from 10 to 17 instructional positions per 1,000 students for whom English is a second language to more accurately reflect prevailing practice. This initiative would cost the state \$9.1 million in FY05 and \$10.6 million in FY06.

Increase funding for the At-Risk Four-Year-Old program. When the state began funding programs for at-risk four-year-olds, more than 50 jurisdictions already had initiated similar programs, and were receiving federal funds (such as Head Start and some Title 1 funds) to help pay the costs. At that time, the state decided that its at-risk four-year-old program would be targeted to unserved children, which meant that those 50-plus jurisdictions did not receive state funding. The governor’s budget would start to reverse this by allowing these jurisdictions to begin to receive state funding for their at-risk programs. The initiative would cost the state \$2.2 million in each year of the biennium. JLARC recommended that the state take action to allow these jurisdictions to participate in the state program.

Fund cost of competing. The budget includes funds, contingent on tax reform, for the cost of competing for SOQ related positions at 24.61 percent for Planning District 8 (Northern Virginia). This would cost the state \$3.5 million in FY05 \$3.7 million in FY06.

Lottery profits and prevention, intervention and remediation

The proposed budget uses most of the growth anticipated in the next biennium for lottery proceeds to support

the Board of Education’s recommendation to revise the SOQ prevention, intervention, and remediation program. (Other lottery profits — approximately \$380 million a year — are split between the state and school divisions on a 60 percent state/40 percent school division basis).

The additional lottery proceeds (about \$20.5 million a year) are combined with current state funding for remedial education to result in a remediation program of \$64.6 million in FY05 and \$65 million in FY06. A local government match based on the composite index is required. The greatest portion of the funding would be based on a minimum 2 percent add-on, as a percent of the per pupil basic aid cost, for each child qualifying for the free lunch program.

In addition, each school division would receive between 2 percent and 12 percent in additional basic aid per free lunch participation depending on the concentration of children in this category. Funding is also included for regional alternative education programs and remedial summer school programs. The additional cost to the state would be \$20.5 million in FY05 and \$20.6 million in FY06 (again, financed through the growth in lottery profits).

Other budget items

The following is a list of some budget items of interest to local governments. These summaries contain additional or clarifying details from the summaries presented in the Dec. 18 *Legislative Bulletin*.

HB 599

No changes are made to HB 599 funding for the current budget year, meaning that the funding level remains frozen at the FY03 level, despite growth in the state’s general fund revenue. The state code ties funding growth in HB 599 to growth in the state’s revenues. For the new biennium, the budget proposes an increase of \$11.6 million in 2005, and \$23.9 million in 2006, but the new funding is tied to the passage of tax reform.

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The Department of Criminal Justice Services, which is responsible for producing the distribution amounts to local governments, will likely not have these numbers available until after the first of the year. That department has been coping with reduced staffing levels and funding as well.

ABC/wine taxes

No changes are made to the current year distributions. Localities would see an increase in funding of these items 2005-2006, but overall funding remains below that of FY02 and FY03. In the current biennium the state greatly increased the amount of ABC profits transferred to the state general fund to supplant funding for certain behavioral health services (an area that also has experienced funding reductions). The amount transferred for this purpose remains at the same for the new budget.

In 2005, the budget proposes \$7.2 million in ABC distributions to localities, compared with \$4.15 million in the current year. In 2005, localities would see \$4.8 million in wine tax distributions, compared with \$4.35 million in the current year.

Litter control taxes

The 2005-2006 budget transfers to the general fund \$418,000 each year from the competitive litter grants program. For the formula grants program, litter

taxes collected in 2004 and scheduled for distribution in 2005 will be transferred to the general fund on June 30 (as part of previous budget balancing actions taken by the governor.)

To remedy this cut, the 2003 General Assembly made \$1.2 million available for these 2005 formula grants from the Virginia Emergency Response Fund. A total of \$1.2 million in litter taxes collected in 2005 will be available for formula grants in 2006.

Board of Elections: Presidential primary

The current year budget includes \$1.6 million in contingency funds as reimbursement to local boards of elections for the cost of running the 2004 presidential primary. Localities must request this reimbursement.

Board of Elections: Help America Vote Act

The state will receive a one-time appropriation of federal dollars through the Help America Vote Act (HAVA) during the current year and into the 2005-2006 budget. A total of \$45.5 million in 2005 and \$15 million in 2006 is budgeted. These funds may be carried forward to future fiscal years if they are not all spent.

DPB estimates that each precinct using punch cards and paper ballots will receive about \$3,900 to replace equip-

ment with newer, more accessible technology. The commission that is supposed to control the HAVA funding decisions for the state was just recently appointed.

Board of Elections: Salaries

The \$60,000 in the current year budget and the \$1 million each year in the 2005-2006 budget to update the compensation plan for registrars and local electoral board members due to population changes, is one of the very few budget items that previously was cut and now is fully restored. The registrars and boards were cut in the October 2002 executive reductions.

Health Care Fund

The 2005-2006 budget includes creation of a health care fund. The fund would receive 40 percent of the tobacco settlement funds, the entire amount of the state's tobacco tax revenues (including the new revenue from the tax increase), and Medicaid recovery funds. While the fund's \$587 million would be dedicated to Medicaid in the coming biennium, it could be appropriated to other purposes in the future.

If the tobacco tax portion of tax reform does not advance, the state general fund would be called upon to fill the hole left in Medicaid. ♦

VML members urged to testify at Jan. 6 budget hearings

The General Assembly's annual public hearings on the proposed state budget will be held on Tuesday, Jan. 6, at four locations across the state.

VML members are urged to attend and advocate for tax restructuring that will support core government services and funding for students at risk of failing the state-mandated Standards of Learning exams.

A preliminary review of Gov. Mark R. Warner's tax reform plan and proposed budget is available on the

league's Web site: <http://www.vml.org/Wnew.html>. VML's 2004 legislative program is also available at this address.

Here are some potential talking points for local leaders to consider in preparing remarks on why the General Assembly must enact tax restructuring in 2004 that provides *new* state funding for core government services:

- Without tax reform that generates additional state dollars for K-12 education, local governments will be forced to continue paying both their share and some of the state's share of core govern-

ment services. This will mean continuing pressure on the local real estate tax.

- Citizens and local governments benefit from a state financial structure that is stable. It is important that Virginia retain its triple-A bond rating. The state bond rating has a trickle down effect on local governments. Further, the uncertainty of state revenues also has a trickle down effect on localities.

- Indicate the amount of local money — over and above the amount mandated by the state — your locality spends for

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Jan. 6 budget hearings continued ...

K-12 education operating costs in the current fiscal year (FY04). If applicable, indicate the recent capital costs, including debt, your locality expends — or is projected to expend — to fund capital improvements for existing schools and to construct new schools.

- Indicate the total number of teachers your locality is funding with 100 percent local revenues (teaching positions that do not receive any state support). Statewide, localities fund 100 percent of the costs of 20 percent of all teachers. Translate those costs to the real estate levy in order to help legislators understand the fiscal effect on your locality of the SOQ.

- Indicate the importance of the state providing sufficient state assistance for K-12 students “at risk” of failing the SOLs.

- Indicate support for pooling the teacher/state employee retirement contribution rates. Tell what your contribution for teacher retirement would be under the proposed pooled rate or under separate rates, broken down by state and local funding. Your school superintendent should be able to furnish you with these figures.

- Explain the increased costs expected in your locality due to the announced increase in contribution retirement rates for your own local employees. Equate the increase to the real estate tax levy.

- Indicate the funding (percentage and total service dollars) your locality contributes to the Comprehensive Services Act for At-Risk Youth and Families (CSA). If applicable, tell additional costs you have borne regarding data collection or administration of the program — such as purchasing software not reimbursed by the state, or the number of hours spent complying with the new data requirements (your CSA coordinator / DSS director should have some information).

- Indicate the number of people awaiting services from your CSB. If applicable, indicate the amount of local financial support your locality furnishes — over and above the 10 percent match required by the state code — to support

people coping with mental retardation, mental health and substance abuse challenges.

- Indicate the documented 20-year transportation funding needs of your locality or region along with the unfunded share of these needs (your MPO maintains these figures). If applicable, indicate the amount of recent capital funding, including debt, your locality is expending — or projected to expend — to fund what otherwise is a state transportation project or program.

- Indicate the estimated local dollars necessary to fund the state share of jail per diem costs in the fourth quarter of FY04. (For budgetary reasons the state cut fourth quarter jail per diem payments to localities in FY2004 by more than 70 percent overall). Indicate the overcrowding situation in your jail, if applicable.

- If applicable, indicate your locality’s recent Water Quality Improvement Act costs and obligations.

- Take the opportunity to illustrate briefly other examples of how your locality struggles to: meet particular state mandates; contribute local funds to enhance state mandated services; and supply core government services with limited state funding.

For more information, call VML staff: Mike Edwards, Janet Areson or Mary Jo Fields: 804/649-8471.

Location of hearings

Here is a list of the four locations where the Jan. 6 hearings will be held:

Prince William County: Northern Virginia Community College, Woodbridge Campus, Auditorium (Rm. 120), Seefeldt Bldg.

Martinsville: Patrick Henry Community College, Theater located in the Walker Fine Arts Center

Newport News: Christopher Newport University, Gaines Theater, (located in the Student Center)

Augusta County: Augusta County Government Center at Verona, Combined Board Room and South Board Room

Instructions for public hearing

Speakers will be taken in the order of registration, so get there early! Each person may register only one speaker at a time. Speakers must limit their comments to three minutes or less. Speakers representing groups and organizations should consolidate remarks to reduce duplication. People unable to attend may comment in writing to either:

The Honorable Vincent F. Callahan Jr.
Chairman, House Appropriations
Committee
P.O. Box 406
General Assembly Building
Richmond, VA 23218

The Honorable John H. Chichester
Chairman, Senate Finance Committee
10th Floor
General Assembly Building
Richmond, VA 23219 ❖

Budget, VRS briefing set for Jan. 9

The Department of Planning and Budget will offer a briefing to local officials and budget staff on the proposed 2004-2006 budget and on changes to the current budget at 2 p.m. on Friday, Jan. 9. The briefing will be held at the Omni Hotel, 100 South 12th St., in Richmond. At this briefing, DPB budget managers and staff will present an overview of proposed budget items of interest to local governments and answer questions about the budget.

Immediately following the DPB presentation, senior officials with the Virginia Retirement System will present information and answer questions about the proposed changes in local rates.

There is no registration or charge required for this informational session. ❖

FROM THE CAPITOL

Many local retirement contribution rates to skyrocket

Contribution rates for political subdivisions will increase, some doubling or even tripling, in 72 percent of the political subdivisions participating in the Virginia Retirement System.

The VRS Board of Trustees certified the local contribution rates for retirement for political subdivisions on Dec. 18. The board certified the rates recommended by the board's actuary.

The rate will stay the same or decline for 28 percent of the jurisdictions.

VRS attributes about 19 percent of the increased cost to the effect of past declines in the value of the stock market. VRS said other factors that affected rates reflected local circumstances, such as growth in salaries, changes in benefit packages and disability experience.

Some local officials have been approaching their legislators about

potential relief for localities on the rates, such as a phase in of the higher rates.

The VRS board considered phasing in the higher rates, but the members concluded that this would not be a responsible move from a fiduciary viewpoint.

VML plans to meet with VRS staff to see if the phase-in or some other type of alternative could be re-considered. ❖

AT THE LEAGUE

Bond pool continued ...

purchase of a new public safety building, construction of a new town hall, and security and safety equipment. Terms on the projects ranged from 10 to 30 years. The total \$17.2 million bond pool included \$3.8 million in taxable revenue bonds.

One of the major benefits of the VML/VACo Finance Program is the cost issuance savings that borrowers can achieve. All costs of issuance through the program are quantified and paid for up-front, one-time only. The program provides a not-to-exceed estimate to borrowers, including all costs of issuance except for underwriter's discount. In the fall 2003 bond issue, all borrowers saw significant cost of issuance savings through the program. One locality paid less than \$5 per bond in costs of issuance for a loan of \$8.5 million.

Banc of America Securities led the consortium of 10 investment-banking firms that bought the bonds. Other participants included AG Edwards, Morgan Stanley,

UBS (formerly Paine Webber), Charles Schwab, and five others.

The bond issue's true interest costs (TIC) to borrowers was consistently better than the average AAA insured interest rate reported on Dec. 16. Each borrower's TIC was determined by its loan term and repayment schedule, which varied for each borrower. For the VML/VACo issue as a whole, the TIC was 4.15 percent, an exceptional rate.

All participants were pleased with the results of the first bond sale, and the VML/VACo Finance Program staff are excited that the program is off to such a successful start. Members of both VML and VACo stand to benefit tremendously from this innovative new member service.

The program is accepting applications for its Spring Pool, which are due April 2. The next bond sale is planned for early June. For more information, contact Will Turnage at 804-916-7125 or wturnage@valocalfinance.org. ❖

FROM THE CAPITOL

Stormwater program consolidation proposed



Legislation designed to streamline Virginia's stormwater management programs and reduce duplication will be proposed in the 2004 General Assembly session. The proposed legislation also expands requirements for managing both the quality and quantity of stormwater in some areas.

The draft legislation consolidates state stormwater programs related to construction and post-construction activities within the Department of Conservation and Recreation, and transfers oversight of municipal stormwater programs from the Department of Environmental Quality to

DCR. The legislation also will require Chesapeake Bay Preservation Act localities to extend stormwater quality and quantity management to their entire jurisdictions, not just the Bay drainage area.

An interagency task force that included DEQ, DCR and the Chesapeake Bay Local Assistance Department, crafted the proposal.

The task force, appointed earlier this year by Gov. Mark R. Warner after his Natural Resources Leadership Summit, met with five stakeholder groups over the

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FROM THE CAPITOL

Stormwater legislation continued ...

summer and fall. The task force's report to the governor is expected to be released soon. Among other things, the task force is recommending that the state:

- authorize local governments to implement stormwater management programs in conjunction with existing current required erosion and sediment control programs;
- establish consistent statewide stormwater requirements for projects with land disturbance of 1 acre or more;
- develop a statewide uniform permit fee system, the majority (70 percent) of which is to be retained by localities to administer the program;
- streamline local soil and erosion control program reviews within a single state agency (DCR);
- authorize localities to adopt more stringent stormwater management

ordinances based on local watershed management plans;

- enhance local enforcement authority and increase penalties for violations; and

• seek delegation to Virginia of program authority for the issuance of stormwater permits from the US Environmental Protection Agency.

The proposed legislation also encourages, but does not require, the use of low impact development designs, watershed approaches and non-structural means for controlling stormwater.

DCR expects the legislation to result in greater statewide treatment of stormwater from construction and post-construction activity because it will require local governments to administer the construction permit program. Presently, DEQ manages the program,

and estimates that, due to limited staffing, the state only issues permits for about 20 – 25 percent of the total construction activity.

Stormwater is precipitation that is discharged across land surfaces and includes rain, snow melt and drainage. Urban stormwater runoff, regulated under the federal Clean Water Act, contains pollutants from paved streets, parking lots, rooftops and construction sites that can adversely affect water quality in streams, rivers and estuaries. Stormwater runoff from agricultural areas, also a significant source of water pollution, is exempt from these requirements.

To receive a copy of the draft legislation, contact David Dowling, DCR's policy and planning manager by e-mail at ddowling@dcr.state.va.us. ❖

AT THE LEAGUE

Legislative Committee to study tax, spending plans

VML's Legislative Committee will convene in Richmond on Jan. 9 to discuss tax and spending proposals that will be debated during the upcoming session of the General Assembly.

Committee members will evaluate the proposals, including a tax-restructuring plan put forth by Gov. Mark R. Warner last month, in the context of the governor's proposed 2005-2006 budget.

The 24-member Legislative Committee is charged with setting the league's legislative policy. Its actions on Jan. 9 will guide league staff during the 2004 legislative session.

The meeting will be held from 10 a.m. until 2 p.m. at the Greater Richmond Convention Center in downtown. ❖

Wallerstein Scholarship application deadline is March 1

Applications will be available in January for people interested in applying for the 2004-2005 Wallerstein Scholarship.

The scholarship, awarded annually, provides up to \$5,000 to either:

- a student with an interest in local government who has been accepted into a graduate or undergraduate program at the University of Virginia, University of Virginia's Wise campus or any of UVa's regional centers; or
- a fellow, defined as a practitioner, who would like to undertake a significant research project within a higher education environment, and who has reached a point in his/ her career with time to pursue a sustained program of research. A fellow can also be a retired practitioner or academe-

mician (in government or a related field) interested in pursuing research of potential benefit to Virginia local government.

The Wallerstein Scholarship was established in 1973 at the University of Virginia by a gift from Ruth C. and Morton L. Wallerstein to foster interest and research in Virginia local government. Several previous scholarship recipients hold policy-making and management positions in state and local government in Virginia.

Applications will be available through the Weldon Cooper Center for Public Service and the Virginia Municipal League, the two organizations that administer the scholarship.

The deadline for submitting applications is March 1. Contact the Cooper Center at 804/371-0202 or wallerstein@virginia.edu or VML at 804/649-8471. ❖

REGULATIONS

Intended Regulatory Action

Water Quality Standards. The State Water Control Board has proposed regulations to include updated numerical and narrative criteria to protect designated uses from the impacts of nutrients and sedimentation. The rulemaking will also include new and revised use designations for the Chesapeake Bay and its tributaries. A public hearing will be held after publication. Contact Elleanor Daub, Department of Environmental Quality, at 804/698-4111 or e-mail her at emdaub@deq.state.va.us for more information.

Final Regulations

Medical and Remedial Amount, Duration, and Scope of Services; Standards Established and Methods Used to Assure High Quality of Care. The Department of Medical Assistance Services has proposed amendments to (i) eliminate the requirement that providers make services available 24-hours per day and accept all patients regardless of their ability to pay; (ii) remove the requirement that case management services be coupled with mental health support services; (iii) add needed minimum staff qualifications; (iv) remove the require-

ment for a history of hospitalizations from the service eligibility criteria; (v) clarify that mental health support services may be rendered in order to maintain recipients in their communities; (vi) revise services definitions; (vii) clarify and revise provider qualifications; (viii) modify annual service limits as appropriate, and (ix) modify provider licensing requirements as appropriate. Additional amendments were: (i) change language from "assistive" to "assertive" community treatment; (ii) allow providers of mental health support services to also be licensed as Intensive Community Treatment (ICT) or Program of Assertive Community Treatment (PACT) providers; (iii) include case management activities as part of ICT; (iv) correct the billing units for mental health support services to 1 to 2.99 hours; (v) change language from "chemical addiction" to "substance use disorder" to ICT services; (vi) redefine the place of service for ICT, and (vii) change language from "addiction" to "substance abuse" for substance abuse treatment services for pregnant women. Contact Catherine Hancock, Department of Medical Assistance Services, at 804/225-4272 or e-mail her at chancock@dmas.state.va.us for additional information.

Regulations Governing Pupil Transportation. The State Board of Education has proposed amendments including: (i) altering the maximum speed limits for school buses; (ii) allowing licensed nurse practitioners to perform drivers' annual physical examinations; and (iii) describing the use of warning strobe lights. Additionally, amendments (i) update the definitions to conform to the definitions used in the 2000 National School Transportation Specifications and Procedures; (ii) require that drivers who transport students with abilities or who drive Type D buses complete additional training; (iii) repeal Part III relating to distribution of pupil transportation funds since this funding is governed by the appropriations act; (iv) eliminate the provisions addressing bus specifications, equipment, construction, which will instead be adopted annually as specification guidelines; (v) delete the requirement that bus drivers report pupil misconduct to the principal; (vi) revise seating requirements; (vii) require pick up and discharge to occur only at designated stops; and (viii) include specifications for activity vehicles. For additional information, contact June Eanes, Department of Education, at 804/225-2037 or e-mail her at jeans@mail.vak12ed.edu. ❖

POSITIONS

Longer version of job ads posted at www.vml.org

Because of the number of requests it receives to publish job advertisements, VML reduces the length of the position descriptions in *Update*. A full version of all of the job listings published here for the past two months appears on VML's Web site at www.vml.org. Visit the VML site and click on "Marketplace" to read the complete descriptions.

Director of Human Resources, Chesapeake

SALARY: DOQ/DOE. (Pop. 207,000) Lead all Human Resources efforts in support of a municipal workforce of 3,200 FT and 800 PT employees. HR dept. has 21 professionals and annual operating bldg. of appx. \$1.7 million. Reqs. strong track record of building and

maintaining effective partnerships, achieving results, leading change and fostering an environment of integrity and respect. Will serve as a member of city's senior management team. Reqs. master's degree in HR management, public admin., or a closely related field. Professional HR certification preferred. Submit city employment application, available online at www.cityofchesapeake.net, to: City of Chesapeake / Office of the City Manager, Attn.: Anne Odell, Deputy City Manager, P.O. Box 15225, Chesapeake, VA 23322. Fax: 757/382-6507. Phone: 757/382-6166. E-mail: citymanager@mail.city.chesapeake.va.us or visit Web site at www.cityofchesapeake.net. #12220313 Deadline: Feb. 27.

City Attorney (part-time), Staunton

SALARY: \$50,000-\$60,000 negotiable DOQ. Principal legal advisor to city council and the city manager. Provides legal services for city-operated utilities, police, public works contracts, etc. Supervises

drafting of ordinances and resolutions, contracts, deeds, leases, releases, franchises and advises council and manager on all legal matters. Attends meetings involving city council, planning commission, zoning board of appeals, historical preservation and others as req. License to practice law in Va. and extensive exper. as a practicing attorney with municipal law exper. req. City residency req. within 6 mos. Serves at pleasure of city council. To apply or for info. contact: Nancy L. Bowman, Human Resource Office, P.O. Box 58, Staunton, VA 24402-0058 or 540/332-3825 or Bowmannl@ci.staunton.va.us. Deadline: Feb. 6. EOE.

Transit Manager, Charlottesville

SALARY: Low \$80,000s to start. (Pop. 40,000 +) Reports to director of public works and works closely with advisory groups, the Thomas Jefferson District Planning Commission, the University of Virginia and Albemarle County. Respon-

Continued on page 9

POSITIONS

sible for overall operations of Charlottesville Transit Service, which includes bus service for Charlottesville and urbanized Albemarle County. Transit staff of 140 with \$2.9 million bdt. from general fund and \$3.5 million from other sources. Submit resume and current salary info. to: Andrea Sims or Jerry Oldani, The Oldani Group, Inc., 10900 NE 4th St., Suite 2030, Bellevue, Wash. 98004. Contact: 425/451-398 or Fax: 425/453-6786 or e-mail to: resume@theoldanigroup.com. See http://www.theoldanigroup.com or visit city Web site at www.charlottesville.org. Deadline: Jan. 30. EOE.

Zoning Administrator, Dumfries

SALARY: \$34,542-\$48,648. Coordinate administration and enforcement of town zoning ordinance. Responsibilities: rezoning applications, special exceptions, special permits, variances and appeals. Reqs. interpreting provisions of zoning ordinance and recommending amendments; processing and issuing zoning approvals on bldg. permits, residential and non-residential use permits, certificates of completion, home occupations and temporary use permits; and responding to public inquiries relating to the zoning ordinance. Reqs. 4-yr. college degree and 2 yrs. municipal zoning and/or code enforcement exper. Mail resume to: Town Manager, "Zoning Administrator Search," P.O. Box 56, Dumfries, Va. 22026, or via e-mail to djohnson@dumfriesvirginia.org. Open until filled. EOE.

Chief Accountant (Department of Social Services), Albemarle County

SALARY: \$46,353-\$74,164 full range. Directs accounting system and related activities of accounting staff; directs reporting of all monies; reconciles reimbursement to state LASER system, county financial mngmnt. system, grant accounts, and others; oversees and conducts the payment and reporting of CSA expenditures and performs related duties. CPA preferred. Must submit state application. Apply: Albemarle County Department of Human Resources, 401 McIntire Road, Charlottesville, VA 22902. Contact: 434/296-5827 or FAX: 434/296-5828 or www.albemarle.org. #00099 Deadline: Jan. 16. EOE.

Other positions

NOTICE: The following positions also are listed on VML's Web site at www.vml.org.

County Administrator, Appomattox

SALARY: \$55,475 min. (+) benefits. Deadline: Jan. 16.

Mechanical Engineer, Alexandria

SALARY: \$44,000-\$71,000 (+) benefits.

Risk Manager, Fauquier County

SALARY: \$42,612 min. to start. Deadline: Jan. 23.

Fire Chief, Bristol

SALARY: \$43,092-\$59,591. Deadline: Feb. 28.

Building Codes Official, Emporia

SALARY: DOQ (+) benefits. Deadline: Jan. 7.

Project Engineer, King George County

SALARY: Negotiable DOQ/DOE (+) benefits.

Business Development Coordinator, Buena Vista

SALARY: DOE (+) benefits. Open until filled.

County Administrator, Page

SALARY: \$75,000 min DOQ (+) benefits. Deadline: Jan. 5.

Key Accounts Manager (Utilities Department), Danville

SALARY: \$43,000-\$53,000 DOQ. Open until filled.

GIS Technician, Shenandoah County

SALARY: \$24,961-\$37,055 to start (+) benefits. Open until filled.

City Manager, Emporia

SALARY: DOQ (+) benefits. Deadline: Jan. 9.

Director of Public Works, Dumfries

SALARY: \$50,679-\$70,951. Open until filled.

Environmental Compliance / Zoning Officer, King William County

SALARY: DOQ. Open until filled.

Assistant Director of Neighborhood & Leisure Services for Parks, Recreation and Open Spaces, Norfolk

SALARY: \$58,468-\$102,905. Open until filled.

Tax Field Auditor, Winchester

SALARY: \$33,134. Open until filled.

Appomattox County, Building Official

SALARY: \$32,394 (+) benefits. Open until filled. EOE.

Assistant County Attorney, Arlington

SALARY: \$61,532-\$99,457. Open until filled.

City Assessor, Winchester

SALARY: DOE. Open until filled.

DEADLINE: *The deadline for placing a job advertisement in the next issue of Update is Friday, Jan. 9. Submit ads via e-mail to David Parsons at: dparsons@vml.org. You may also submit via FAX at: 804/343-3758. VML publishes job advertisements at no cost to its local government members. Non-members are charged a flat rate of \$25 per ad per issue, which includes posting on VML's web site and publication in Virginia Town & City (deadlines permitting). VML edits position descriptions in printed publications because of space limitations.*

Update

The newsletter of the
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