

# Update

January 22, 2010

The newsletter of the  
Virginia Municipal League

## Inside ...

1-6

*McDonnell signs  
orders creating jobs,  
government reform  
commissions*



**February 11**

*Registration and  
information at  
[www.vml.org](http://www.vml.org).*

## VML letter to legislators details budget principles

The league delivered a letter (see page 3) on Monday to the chairmen of the House Appropriations, House Finance and Senate Finance Committees, as well as to every member of the General Assembly.

The letter includes six budget principles that VML asked the General Assembly to follow in considering budget amendments for FY10, as well as for the 2010-2012 biennial budget.

VML's legislative staff is counting on every member local government to: send a similar e-mail, fax or letter to its delegation in the General Assembly, as well as to the chairmen of the money committees; or to call members of their delegations, or pass a resolution in

order to emphasize that the General Assembly should not adopt a budget that simply passes on costs to local governments.

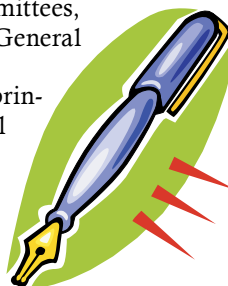
Please send VML a copy or your correspondence or resolutions.

VML will send a similar letter to Gov. Bob McDonnell and urge local governments to write the governor as well.

Here are the e-mail addresses of the chairmen of the money committees:

House Finance Committee

Chairman Harry R. Purkey, [DelBPurkey@house.virginia.gov](mailto:DelBPurkey@house.virginia.gov); House Appropriations Committee Chairman Lacey E. Putney, [DelLPutney@house.virginia.gov](mailto:DelLPutney@house.virginia.gov); and Senate Finance Committee Chairman Charles J. Colgan, [district29@senate.virginia.gov](mailto:district29@senate.virginia.gov). ❖



## Projected budget shortfalls cause alarm

In January, city agencies and departments ready their budget submissions for city manager review, finance officials prepare the first local revenue projections, and school superintendents begin final "number crunching" for the school boards. It's the time in the local budget development process that the "big picture" begins to take shape. It is a picture that few local governments are eager to view.

Here is the latest in a series of snapshots showing some of what is going on across the Commonwealth.

In **Henry County** and **Martinsville** the *Martinsville Bulletin* reported on the impact of the proposed state budget cutbacks on law enforcement. For the county, the sheriff said his office could lose 22 percent of its funding, or more than \$1.2 million, if Gov. Tim Kaine's budget is approved.

Some 27 officers could lose their positions. The city manager expects to lose \$200,000 of state financial aid for local law enforcement in this fiscal year and another \$200,000 in FY11 and again in FY12. The city manager did not rule out making cuts to the police department's \$3 million budget to account for the state's action.

Early revenue projections by city officials show **Williamsburg** will likely face a \$1 million budget shortfall in FY11. For this fiscal year, the most recent estimates show a \$500,000 revenue shortfall in the \$32 million budgeted. The budget outlook for FY11 assumes no layoffs, but there may be some targeted reductions in force, possibly in the city's Public Works Department or economic development office. Other strategies to contend with the budget short-

*Continued on page 2*

## FROM THE CAPITOL

## Budget shortfalls continued ...

fall include shifting health care costs to city employees, freezing unfilled positions, closing a public swimming pool, and reducing tourism promotion. Revenue increases may also be under consideration. A 50¢ increase in the personal property tax rate of \$3.50 for each \$100 valuation would bring in an extra \$360,000 per year.

In **Page County**, public school officials may lose a total of \$2.3 million or 6.0 percent of the schools' current budget next fiscal year. Roughly half of the division's funding comes from the state. The school superintendent concedes that reductions in state aid could mean cuts in personnel. The superintendent will present his budget to the county school board in February.

**Culpeper County** Board of Supervisors and School Board expect to receive a report detailing ways to save money by consolidating what they consider duplicated services. Items under review include procurement, vehicle maintenance, human resources, finance, and information technology. The school division expects to receive \$1.3 million less in local funding in FY11 because of weak real estate and personal property tax collections. School officials also expect less money from the state. According to the school board chairman, "we are now operating 10 schools in an eight-school budget." The school superintendent expects budget cuts in the instruction part of the budget.

City officials told the **Chesapeake** City Council that the city anticipates a \$23 million gap next year because of declining revenues and rising costs. Department heads have been asked to slice 10.0 percent from their budgets in FY11. In October, the city laid off 23 employees, mostly front-line workers with salaries ranging from \$20,000 to \$40,000. The council also adopted a \$3-per-month fee for residents to pay for increasing trash disposal rates and a new recycling program. Council has instructed staff to prepare a budget with no increases in tax rates and no new fees. With 75 percent of the general fund dedicated for salaries and benefits, the city will have to decide which programs are essential and which programs

can be scaled back. Draft reduction scenarios will be presented to the public and to council in early February.

In the **City of Richmond**, Mayor Dwight Jones declared an economic crisis, announcing a \$30 million budget shortfall for the next fiscal year and the possibility of layoffs, agency consolidations and service cuts. The shortfall is largely the product of slow-growth in local revenues, sharp declines in revenue from the state, and steep increases in retirement and health-care costs. The shortfall is tantamount to the annual amounts needed to operate the sheriff's office and the jail. The figure does NOT include any shortfall that may affect the city's school system. The mayor has informed city council that he would like to submit his proposed FY11 budget in April rather than in March, as required by city ordinance, to take into account final actions taken on the state budget. Council members have suggested to the mayor to look into the possibility of privatizing the city's fleet management as well as consolidation of services with the school system and other independent agencies such as the Housing Authority and the Richmond Behavioral Health Authority.

Property values are falling more than previously predicted in **Virginia Beach**. The value of residential and commercial properties could drop an average of more than 6.5 percent. The previous forecast was a 5.0 percent decline. The city was already facing an \$84.4 million shortfall between the city and schools. The new assessment projection could bump up the shortfall by another \$7.5 million. The final report on assessments will be submitted in late February. Last year's total assessments fell 2.3 percent. Before last year, the city had seen dramatic increases in property values, with average spikes as high as 22 percent.

The **Hanover County** School Board received the superintendent's budget proposal last week. The current school budget is \$213 million, and the proposed budget in FY11 is \$198 million. The superintendent proposed over \$18.0 million in cuts in a wide range of areas, including: \$8.7 million in personnel

(instructional and non-instructional), \$6.3 million in equipment and operating expenditures, and \$3.5 million in delaying capital expenditures and in extending the replacement schedule for buses, computers and textbooks. The superintendent's budget does not propose passing the higher health-care and retirement costs to school employees.

In **Fairfax County**, the school superintendent has proposed an unprecedented budget which calls for scaling back full-day kindergarten, eliminating elementary band and strings music programs and foreign language-immersion programs, cutting nearly 600 positions, eliminating winter cheerleading, indoor track and all freshman sports, curtailing transportation to academic centers for gifted students, dropping extended school days and year-round school calendars, closing one alternative school, and charging new fees (e.g., \$75 for every Advanced Placement and International Baccalaureate test and \$100 for every high school sport). The school system's financial woes are related to enrollment growth and rising costs for retirement benefits, utilities and health insurance. The school board has until February 4 to amend the superintendent's proposal and forward its funding request to the board of supervisors. The county itself is facing a \$316 million budget shortfall next year.

**Chesterfield County** schools face \$40 million to \$50 million in budget cuts, and school officials have proposed cuts that include laying off hundreds of teachers, implementing furloughs and eliminating all county financial support for athletics. The previous shortfall estimate was revised to take into account Gov. Kaine's proposed budget. The school district made \$32 million in cuts for FY10 and used \$19 million in federal stimulus money to keep about 300 employees.

In **Lynchburg**, the school division faces a likely shortfall of more than \$3.7 million (and possibly as great as \$5.5 million) in state funding next fiscal year. The schools already face a likely shortfall of \$1.7 million in FY10. One school board member predicted that the schools would have to cut personnel before the school year ends in June. ❖

## FROM THE CAPITOL

## McDonnell signs orders creating jobs, government reform commissions

Gov. Robert McDonnell has signed two executive orders creating commissions on economic development and government reform.

Executive Order One creates the Governor's Economic Development and Job Creation Commission. The commission, which is scheduled to give its initial recommendation by Oct. 16, will be organized into six subcommittees: Business Recruitment and Retention; Economically Challenged Regions and Localities; Energy Research, Exploration and Production; Small Business; Tourism and Film Marketing; and Real Estate and Construction.

The commission will be headed by Lt. Gov. Bill Bolling, who was named the chief job creation officer in the same executive order, and will include various secretaries from McDonnell's cabinet, as well as up to 50 citizens. The commission will have the responsibilities of identify-

ing impediments to job creation, review how other states and countries attract jobs, review the role of the state in job creation, recommend changes to the tax and regulatory climate, evaluate current workforce programs and identify industries for recruitment to the state.

Executive Order Two establishes the Governor's Commission on Government Reform and Restructuring. The commission is charged with reviewing state government to: Identify efficiencies, including streamlining agencies; explore innovative ways to deliver state services; seek out means to more effectively and efficiently deliver core state functions, including privatization; and examine ways to be more transparent and accountable.

The commission will include up to 20 citizen members; it is scheduled to give preliminary reports by July 16 and final reports by Dec. 1. ❖

## VML letter to legislators

January 18, 2010

The Honorable Lacey E. Putney  
Chairman, House Appropriations Committee  
P.O. Box 406, Room 947  
Richmond, VA 23219

The Honorable Harry R. Purkey  
Chairman, House Finance Committee  
P.O. Box 406, Room 415  
Richmond, VA 23219

The Honorable Charles J. Colgan  
Chairman, Senate Finance Committee  
910 Capitol Street, Room 626  
Richmond, VA 23219

Dear Gentlemen:

Local government officials recognize that flooding your committees with amendments to restore spending reductions in the proposed budgets would not be particularly useful. Instead, we ask you to keep in mind some principles that will be helpful in determining how best to preserve the investments and progress Virginia has made in the past fifty years.

Local government officials appreci-

ate the difficult fiscal pressures that you face.

Local revenues have declined precipitously during the recession, too. Cities, counties and towns are struggling with declining state *and* local revenue while striving to meet increased service demands.

Unfortunately, many of the reductions in the introduced budgets simply cut state funding for services without addressing the requirements that drive the cost of those services. Instead, the costs too often are passed onto local governments, and ultimately to homeowners and Main Street businesses.

The Virginia Municipal League asks that you do not take actions that jeopardize basic public services that families depend upon or worsen the already difficult financial situation confronting local governments.

Specifically, VML promotes the following principles:

1) The General Assembly should strengthen the stability of the state general fund through significant tax reforms. In addition to stabilizing the general fund, reforms would reduce the necessity for local governments to raise real estate taxes to make up for state



reductions in public education and public safety.

2) The General Assembly should not place additional restrictions on local revenue sources. Restricting the ability of local governments to raise revenues would further erode funding for basic services required by the state.

3) If the state chooses not to make up the spending reductions in the proposed budgets or reduce mandates, local governments should be granted additional revenue authority to alleviate escalating pressures on real estate and personal property taxes.

4) The proposed budget would spend less on K-12 education than in 2006-2008. In fact, proposed state general fund support is \$1.3 billion less than in the 2006-2008 budget. If this is the level of funding the state chooses to support, then the standards of learning and accreditation that have driven education spending since that date should be suspended or deferred. In the past year alone, the state Board of Education revised the Standards of Quality to include a number of new requirements.

*Continued on page 4*

**FROM THE CAPITOL****VML letter continued ...**

The state budget, however, includes no new state funding to meet these requirements. The requirements include:

- Requiring students, beginning in middle school, to have an Academic and Career Plan.
- Requiring students to take a course in economics and personal finance.
- Expanding the types of diplomas that must be offered to include a standard technical and an advanced technical diploma.
- Raising the Graduation and Completion Index points required for full accreditation.

Deferring only these requirements, however, would not address the continuing failure of the SOQ to reflect the costs of meeting the Standards of Learn-

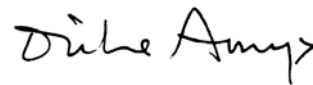
ing and the Standards of Accreditation.

5) If state requirements are not sufficiently compelling to receive state funding, then there is no rational reason to require local governments to pay those costs. Rather, the mandate, assuming it is not federally-required, should be suspended or deferred.

6) The proposed biennial budget does not include appropriations for the Personal Property Tax Relief Act. As such, the localities that bill in the spring will not receive reimbursement, if the income tax surcharge or some other approach is not adopted. All owners of personal use vehicles will have to pay a greater personal property tax beginning in the 2010 tax year if another revenue source is not found.

You face a daunting task. Local government officials want to work with the money committees, the General Assembly and Governor Robert F. McDonnell in charting a prudent course without resorting to fiscal gimmicks that will undermine the future of the Commonwealth.

Sincerely,



R. Michael Amyx  
Executive Director

Cc: Members of the General Assembly

**POSITIONS****Longer version of job ads posted at [www.vml.org](http://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 the entire job listings published here for the past two months appears on VML's Web site at [www.vml.org](http://www.vml.org). Visit the VML site and click on "Marketplace" to read the complete descriptions.

**Assistant Building Official, Portsmouth**

SALARY: \$56,410-\$63,794 DOQ/DOE. Perform supervisory, technical and enforcement duties to ensure enforcement of and compliance with the Va. Uniform Statewide Building Code, Virginia Industrialized Building and Manufactured Home Safety Regulations, Virginia Amusement Device Regulations and Flood Proofing and Elevation (FEMA) regs. Reqs. relevant bachelor's degree, 3-5 yrs. progressively responsible exper. in building inspections, engineering, construction or a related field, including at least 2 yrs. of supervisory exper., or any related exper. that provides the req'd knowledge, skills and abilities. Also reqs. certification as an

ICC/VA, Combination Inspector (commercial and residential), certification as an amusement device inspector, and ICC/VA, certification as a building plans examiner. Portion of these credentials may be considered. All credentials must be obtained within 12 mos. Submit city application and resume to: City of Portsmouth, Department of Human Resource Management, 801 Crawford St., Portsmouth, VA 23704. Visit [www.portsmouthva.gov](http://www.portsmouthva.gov). Open until filled. EOE.

**Assistant Director – Field Operations (Public Works), Blacksburg**

SALARY: \$50,000-\$55,000 to start (+) benefits. Supervises daily operations of Field Operations Division of the Public Works Department, including: streets, parks and landscaping. May also serve as acting director of the department and perform all related duties as req'd. Reqs. any comb. of educ. and exper. equiv. to graduation from H.S. and 5 yrs. supervisory exper. directly related to operation of a public works division. Req'd town application available at the Human Resources Office located in the Municipal Building at 300 S. Main St., Blacksburg, VA 24060 or may be downloaded at [www.blacksburg.gov](http://www.blacksburg.gov). Deadline: Feb. 12. EOE.

**Fire & Rescue Chief, Goochland County**

SALRY: Negotiable (+) benefits. Develops, leads and manages responsive team to achieve optimum fire prevention, fire suppression, emergency medical services, emergency operations and fire safety. Fire & Rescue Department is a combination career/volunteer system consisting of 16 career and appx. 270 active Fire and Rescue volunteer personnel operating out of 6 fire and rescue companies. Oversees county's emergency management effort. Prefer relevant bachelor's degree; EFO and/or CFO designation; min. 8 yrs. exper. in a senior management capacity with a comparable fire & rescue organization, or an equiv. comb. of training and exper. Goochland employment application req'd for consideration and is available at 804/556-5831 and at [www.co.goochland.va.us](http://www.co.goochland.va.us). Submit to: Goochland County Human Resource Office, 1800 Sandy Hook Road, P.O. Box 10, Goochland, VA 23063. Deadline: Feb. 26. EOE.

**Water Treatment Plant Operator, Keysville.**

SALARY: DOQ/DOE (+) benefits. Must be able to operate and maintain water system facilities in accordance with state and federal regulations. Inspects and performs repair work on water facilities and equip-

*Continued on page 5*

## POSITIONS

ment; monitors and maintain water source, storage tanks, and keeps various records pertaining to the water system operations, dam, reservoir/watershed. Reqs. knowledge of methods and practices of water treatment and of standards and normal operating procedures applicable to treatment. Prefer H.S. diploma and min. Class II Water License and Class III Wastewater License. Details and applications may be obtained at the town office, 120 J St., or by calling 434/736-9551. Deadline: Feb. 4. EOE.

### Employer Coverage Coordinator, Virginia Retirement System

SALARY: \$38,900-\$53,000 hiring range; \$38,900-\$68,500 full range. Coordinate, administer and document coverage selected by employers in the VRS defined benefit and defined contribution plans. Will serve as primary contact with the system's actuary to perform studies setting employer contribution rates for new employers or existing employers who want to provide additional benefits and with the Chief Financial Officer to develop a method to monitor participating employer compliance on an annual basis. Prefer relevant bachelor's degree or equiv. comb. of educ. and/or exper. Working toward CEBS (Certified Employee Benefit Specialist) or comparable certification is a plus as well as knowledge of both defined benefit plans and defined contribution plans. Apply at [www.varetire.org](http://www.varetire.org); click on Commonwealth of Virginia Job Site link to view and apply. Job # 267. Deadline: Jan. 25.

### Superintendent of Streets, Staunton

SALARY: \$41,464-\$49,756 (+) benefits. Performs technical and administrative work managing daily operations of Public Works Streets Division. Responsible for

construction, maintenance and repair of infrastructure, including streets, sidewalks, rights-of-way and storm drainage systems. Reqs. bachelor's degree in civil engineering or related field or equiv. amount of training and exper.; knowledge of practices of infrastructure maintenance and repair, and environmental laws and best practices; ability to analyze data, develop plans, prepare reports and provide recommendations; exper. in street / sidewalk / storm drain construction, maintenance and repair; exper. in supervision and training of staff. Req'd. city application available at [www.staunton.va.us](http://www.staunton.va.us). Submit application and resume to: City of Staunton, Human Resource Office, P.O. Box 58, Staunton, VA 24402. Deadline: Feb. 5. EOE.

## Other positions

**NOTICE:** *The following positions also are listed on VML's Web site at [www.vml.org](http://www.vml.org).*

### Senior Policy Analyst, Virginia Department of Housing and Community Development (Richmond)

SALARY: \$48,000-\$63,000 (+) benefits. Deadline: Feb. 10.

### Treasurer, Appomattox

SALARY: DOQ/DOE (+) benefits. Deadline: Feb. 1.

### Technology Manager, Merrimac Center (Middle Peninsula Juvenile Detention Commission)

SALARY: \$45,000-\$60,000 (+) benefits. Open until filled.

### Building Official, Floyd County

SALARY: Negotiable DOQ (+) benefits. Deadline: Jan. 29.

### Finance Officer, Pamlico County, N.C.

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

### Risk Management Specialist, Charlottesville

SALARY: \$42,286-\$61,942 hiring range. Deadline: Jan. 22.

### Human Resources Director, Winchester

SALARY: \$70,000-\$100,000 (+) benefits. Open until filled.

### Hazardous Materials / Safety Officer, Manassas

SALARY: \$62,795-\$75,000 (+) benefits. Open until filled.

### Director of Economic Development, Suffolk

SALARY: \$89,313-\$118,339 (+) benefits. Open until filled.

### Purchasing Agent, Suffolk

SALARY: \$57,877 - \$75,241 (+) benefits. Open until filled.

**DEADLINE:** *The deadline for placing a job advertisement in the next issue of Update is Friday, Jan. 29. Submit ads via e-mail to David Parsons at [dparsons@vml.org](mailto:dparsons@vml.org). 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.*

## CALENDAR

### VML-VACo Legislative Day, Richmond, Feb. 11

Annual event will be held at the Downtown Marriott in Richmond. Registration opens at 11 a.m.; program begins and noon. More information at [www.vml.org](http://www.vml.org) or call the league office at 804-649-8471.

### Virginia Local Government Management Association Winter Conference, Charlottesville, Feb. 17-19

More information at [www.vlgma.org](http://www.vlgma.org).

### Virginia Association of Planning District Commissions, Richmond, Feb. 17

More information at [www.vapdc.org](http://www.vapdc.org).

### National League of Cities Congressional Cities Conference, Washington, D.C., March 13-17

More information at [www.nlc.org](http://www.nlc.org).

### Virginia Municipal Clerks Association 33rd Annual Conference, Manassas, April 21-23

Pre-conference Academy Level IIMC Approved Education Classes available on Wednesday, April 21. Contact: Jackie Henderson 703/746-3975 for more information.

# Update

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