

# CITY OF WAYNESBORO, VIRGINIA

## CITY COUNCIL BUSINESS MEETING AGENDA



BRUCE ALLEN, MAYOR, WARD B  
TERRY SHORT, JR., VICE MAYOR, AT LARGE  
ELZENA ANDERSON, COUNCILWOMAN, WARD A  
JEFF FREEMAN, COUNCILMAN, WARD C  
PETE MARKS, COUNCILMAN, WARD D

TO BE HELD IN THE COUNCIL CHAMBERS,  
CHARLES T. YANCEY MUNICIPAL BUILDING  
AT 503 WEST MAIN STREET, WAYNESBORO, VIRGINIA

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA

2. CONSENT AGENDA

Any item placed on the consent agenda shall be removed and considered as a separate matter, if so requested by any member of Council, otherwise all items will be voted on with one (1) motion.

2.a. Approval Of Minutes:

Consider adopting the minutes for the March 27, 2017 Regular Business Meeting and the April 3, 2017 Budget Work Session, and dispense with the reading of the minutes.

Documents:

[2017 0327.Minutes.Draft.pdf](#)  
[2017 0403.Minutes.BWS.Draft.pdf](#)

2.b. Government Facilities – Purchase Property:

Second consideration/adoption of an ordinance appropriating \$151,424, as well as \$134,576, to the General Fund, for the purchase of property to be used for municipal and/or school purposes.

Documents:

[2b Schools Acquisition Of Real Property 1100 W Main St 286000.Pdf](#)

2.c. Schools – Regional Adult And Citizenship Classes:

Second consideration/adoption of an ordinance appropriating \$7,003, to the School Funds to be used to operate the Regional Adult ABE, GED, ESOL, and Citizenship classes.

Documents:

[2c Schools WPS Adult Education And Family Literacy Act Grant 7003.Pdf](#)

2.d. Schools – Professional Development Expenses:

Second consideration/adoption of an ordinance appropriating \$10,500, to the School Funds for support of elementary and secondary professional development expenses.

Documents:

[2d Schools WPS Title II Part A Grant 10500.Pdf](#)

3. MATTERS FROM COUNCIL MEMBERS.

4. BOARDS AND COMMISSIONS

4.a. Blue Ridge Community College Board:

Consider appointing a candidate to the Blue Ridge Community College Board for a four-year term of July 1, 2017 to June 30, 2021.

5. CORRESPONDENCE, COMMUNICATION, AND CALENDAR

6. CITIZEN COMMENT PERIOD
7. CLOSED MEETING (IF NECESSARY)
8. ADJOURN
9. FISCAL YEAR 2018 BUDGET:
10. COUNCIL ACTION:
11. PLANNING MATTERS:
12. DISCUSSION:
13. RESOLUTION AND COUNCIL ACTION:
14. ANNOUNCEMENT:

The Waynesboro City Council encourages the participation of all City citizens. For those with special needs, please notify the Clerk of Council (540-942-6669) of any accommodations required, including assisted listening device, at least five days prior to the meeting you wish to attend.

If you have access to the City's website, [www.waynesboro.va.us](http://www.waynesboro.va.us), you may receive advance notifications for Council meeting agendas, minutes, and City department information. From the home page, click on "Notify Me", enter your email address and/or mobile phone number and select those items you want to receive advance notice. Then follow the instructions. You will receive email messages from [listserv@civicplus.com](mailto:listserv@civicplus.com).

# WAYNESBORO, VIRGINIA

## CITY COUNCIL BUSINESS MEETING MINUTES



Council for the City of Waynesboro held a Regular Business Meeting on Monday, March 27, 2017, at 7:00 p.m. in the Council Chambers of the Charles T. Yancey Municipal Building, 503 West Main Street, Waynesboro, Virginia, with Vice Mayor Short presiding and calling the meeting to order:

PRESENT: Council Members: Terry Short, Jr., Vice Mayor  
Jeff Freeman, Councilman  
Pete Marks, Councilman  
Elzena Anderson, Councilwoman

City Staff: Mike Hamp, City Manager  
James Shaw, Deputy City Manager  
Todd Patrick, City Attorney  
Julia Bortle, Clerk of Council  
Michael Wilhelm, Police Chief

Guest: Dr. Jeffrey Cassell, Waynesboro Schools Superintendent

ABSENT: Bruce Allen, Mayor

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### **PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES:**

Vice Mayor Short opened the meeting and asked Councilwoman Anderson to lead everyone in the Pledge of Allegiance to the Flag of the United States of America.

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### **CONSENT AGENDA:**

Councilman Freeman moved to adopt the Consent Agenda as presented. The motion was seconded and adopted with affirmative votes from Council members Short, Freeman, Marks, and Anderson, with Mayor Allen being absent:

- a) **Approval of Minutes:** Consider adopting the minutes for the March 13, 2017 Regular Business Meeting, and dispense with the reading of the minutes.
- b) **Public Works – Flexnet Radio System:** Second consideration/adoption of an ordinance appropriating \$207,000 of Sewer Fund Retained Earnings for transfer to the Water Fund, to be used, along with \$207,000 of Water Fund Retained Earnings, to fund Phase II of the Flexnet Radio Read System installation. (2017-15)

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### **MATTERS FROM COUNCIL MEMBERS:**

**Councilman Freeman:** presented the Youth Art Month Proclamation at the High School on March 21, complimenting the student's creativity. His next Council Chat will be on Monday, April 3, 2017 at 8:00 a.m. to 9:00 a.m. at Panera Bread Restaurant, but due to the scheduled Council Meeting at 7:00 p.m., he will not be available at the Library in the evening.

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**PRESENTATION - WAYNESBORO SCHOOL BOARD FISCAL YEAR 2018 BUDGET:**

The School Superintendent made a presentation to Council regarding the Waynesboro Public School Board Proposed Fiscal Year 2018 Budget that highlighted the budget development process, Waynesboro Public Schools' joining the Shenandoah Regional Program, revenues and sources, operating revenue and expenditures, student membership and demographics, and the impact of poverty on academic achievement and education. The proposed budget is \$36,590,698, which is \$389,647 expenditures over revenue.

Vice Mayor Short stated that it may be helpful for the Council members and School Board members to discuss further how to address the issues that impact the School Division and the Community.

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**RESOLUTION - SUNNYSIDE PRESBYTERIAN HOME BONDS:**

Sunnyside Presbyterian Home, a nonstock, not-for-profit Virginia Corporation, located in Harrisonburg, Virginia has requested that the Economic Development Authority of Waynesboro, Virginia approve the issuance of debt by the Economic Development Authority of Rockingham County, Virginia of up to \$16,000,000. Approximately \$4,000,000 will be invested in Waynesboro, at the Summit Square campus, for the construction of an approximately 18,000 square foot, two story memory care facility, and for renovation or replacement of the primary generator system.

The Waynesboro EDA approved the issuance by resolution adopted at the EDA's March 10th meeting. Federal and state laws require that the City Council also approve the debt issuance because it is a tax exempt issuance. City Council's approval does not obligate the EDA or the City for the repayment of the debt, nor is the debt considered debt issued by the City or the EDA.

Councilman Marks moved to adopt a resolution approving the issuance of bonds by the Economic Development Authority of Rockingham County, Virginia, for the benefit of Sunnyside Presbyterian Home:

**RESOLUTION <sup>(R17-09)</sup>  
OF THE COUNCIL OF THE CITY OF WAYNESBORO, VIRGINIA REGARDING THE  
APPROVAL OF ISSUANCE OF BONDS BY THE ECONOMIC DEVELOPMENT  
AUTHORITY OF ROCKINGHAM COUNTY, VIRGINIA, FOR THE BENEFIT OF  
SUNNYSIDE PRESBYTERIAN HOME**

- A. The Economic Development Authority of Rockingham County, Virginia (the "Rockingham Authority") is empowered by the Industrial Development and Revenue Bond Act (the "Act") to issue its revenue bonds for the benefit of organizations (other than institutions organized and operated exclusively for religious purposes) that are described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), in order to reduce the costs to residents of the Commonwealth of Virginia of utilizing such facilities.
- B. The Rockingham Authority has received a request from Sunnyside Presbyterian Home (the "Organization"), a nonstock, not-for-profit Virginia corporation, to issue revenue bonds (the "Bonds") in one or more series, from time to time.

C. The Organization operates the following continuing care retirement communities: (1) Sunnyside, located at 3935 Sunnyside Drive, Harrisonburg, Virginia 22801 (the "Sunnyside Community"), (2) Summit Square, located at 501 Oak Avenue, Waynesboro, Virginia 22980 (the "Summit Square Community") and (3) Kings Grant, located at 350 King's Way Road, Martinsville, Virginia 24112 (which is located in Henry County, Virginia) (the "Kings Grant Community")

D. The Organization has requested that the Rockingham Authority issue the Bonds and loan the proceeds to the Organization to finance the plan of finance (the "Plan of Finance") described below:

- (1) to finance at the Sunnyside Community certain projects, including, but not limited to (A) the acquisition, construction and equipping of dining and other common resident areas in the Sunnyside Community's main hall and existing apartment and independent living buildings, (B) the acquisition, construction and equipping of an approximately 4,300 square foot, two story expansion to the dining facilities at the Highlands apartments, (C) the acquisition, construction and equipping of an approximately 12,000 square foot, one story wellness facility, to be located on the existing Sunnyside Community campus and (D) the acquisition of an approximately 50 acre parcel of land located at Massanutten Springs Rd and Shen Lake Rd, Harrisonburg, Virginia 22801;
- (2) to finance at the Summit Square Community certain projects, including, but not limited to (A) the acquisition, construction and equipping of an approximately 18,000 square foot, two story memory care facility, to be located on the existing Summit Square Community campus and (B) the acquisition, construction and equipping of a replacement or renovated primary generator system;
- (3) to finance at the Kings Grant Community certain projects, including, but not limited to (A) the acquisition, construction and equipping of an approximately 8,000 square foot, one story memory care facility, to be located on the existing Kings Grant Community campus and (B) the acquisition, construction and equipping of a replacement or renovated HVAC and valence system within the existing structures at the Kings Grant Community campus;
- (4) to finance other capital projects at one or all of the Sunnyside Community, Summit Square Community and Kings Grant Community, including but not limited to the construction, improvement, renovation and equipping of the existing facilities; and
- (5) to finance, if and as needed, capitalized interest on the Bonds, a debt service reserve fund for the Bonds and costs of issuance related to the issuance of the Bonds.

E. Because the Summit Square Community is located in the City, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") and Sections 15.2-4905 and 15.2-4906 of the Act require that the Council of the City (the "Waynesboro City Council") approve the issuance of the Bonds and concur with an inducement resolution expected to be adopted by the Rockingham Authority (the "Inducement Resolution").

F. Prior to the consideration of the Inducement Resolution, the Rockingham Authority will hold a public hearing on the issuance of the Bonds, following reasonable notice, as required by, and in compliance with, Section 147(f) of the Code and Section 15.2-4906 of the Act.

G. A fiscal impact statement was presented to the Economic Development Authority of the City of Waynesboro, Virginia (the "Waynesboro Authority") and copies of the Organization's fiscal impact statement, the Inducement Resolution, the Rockingham Authority's Summary of Public Hearing, which included a reasonably detailed summary of the comments expressed at the Rockingham Authority public hearing, will be presented to the Board of Supervisors of Rockingham County, Virginia (the "Rockingham Board of Supervisors").

H. The Rockingham Board of Supervisors is expected to approve the issuance of the Bonds by the Rockingham Authority in accordance with Section 147(f) of the Code and Section 15.2-4906 of the Act.

I. The Waynesboro Authority held a public hearing on the issuance of the Bonds, following reasonable public notice, as required by, and in compliance with, Section 147(f) of the Code and Section 15.2-4906 of the Act, and adopted a resolution on March 10, 2017 (the "Waynesboro Authority Resolution") that recommended and requested that the Waynesboro City Council approve the issuance of the Bonds and concur with the Inducement Resolution, effective upon the approval of the Rockingham Authority and the Rockingham Board of Supervisors.

J. A copy of the proposed form of Inducement Resolution has been filed with the Waynesboro City Council.

K. A copy of the Waynesboro Authority's Summary of Waynesboro Authority's Public Hearing, which includes (i) the Waynesboro Authority Resolution, (ii) a reasonably detailed summary of the comments expressed at the Waynesboro Authority's public hearing, and (iii) the Organization's fiscal impact statement, has been filed with the Waynesboro City Council.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF WAYNESBORO, VIRGINIA:

1. The Waynesboro City Council approves the issuance of the Bonds by the Rockingham Authority for the benefit of the Organization, as required by Section 147(f) of the Code and Section 15.2-4906 of the Act, to permit the Rockingham Authority to accomplish the Plan of Finance.

2. The Waynesboro City Council hereby concurs with the Inducement Resolution, effective upon the Rockingham Authority's adoption of the Inducement Resolution and the Rockingham Board of Supervisors's approval of the Inducement Resolution for purposes of the Code and the Act.

3. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds of the creditworthiness of the Organization or the Plan of Finance.

4. As required by the Act, the Bonds shall provide that none of the Rockingham Authority, the City, the Waynesboro Authority and Rockingham County shall be obligated to pay the Bonds or the interest thereon or other costs incident thereto except from the revenues and moneys pledged therefor, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia nor any political subdivision thereof, including the Rockingham Authority, the City, the Waynesboro Authority, and Rockingham County, shall be pledged thereto.

5. No Bonds shall be issued until all governmental approvals as required by the Act and the Code have been obtained and this Resolution is effective as provided in paragraph 2.

6. Subject to paragraph 5, this resolution shall take effect immediately upon its adoption.

Having been seconded and with no objections, the resolution was adopted 4:0 with affirmative votes from Council members Short, Freeman, Marks, and Anderson, with Mayor Allen being absent.

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ORDINANCES:

**Parks and Recreation – Riverview Cemetery Storm Cleanup:** The recent windstorm damaged and uprooted several mature trees in Riverview Cemetery. The City will need heavy equipment to remove the trees, and there are not enough funds in the current Operating Budget to cover the cost. Although bids were solicited, Councilmen Freeman and Marks asked that the City Manager investigate the possibility of private companies removing the trees in exchange for their keeping the wood. Councilwoman Anderson moved to introduce an ordinance **APPROPRIATING A PORTION OF THE GOVERNMENTAL FACILITY MAINTENANCE RESERVE, IN THE AMOUNT OF \$4,300, TO THE GENERAL FUND, TO PROVIDE FOR STORM-RELATED TREE TRIMMING AND REMOVAL AT THE RIVERVIEW CEMETERY,** with the understanding staff will further investigate other options for the removal of storm damage from the facility in a safe and efficient manner. Having been properly introduced, this ordinance will be discussed and considered again at the April 10, 2017 Regular Business Meeting.

**Government Facilities – Purchase Property:** Councilman Marks moved to introduce an ordinance **APPROPRIATING THE BALANCE OF THE SCHOOL FACILITY MAINTENANCE RESERVE, IN THE AMOUNT OF \$151,424, AS WELL AS \$134,576 FROM THE GOVERNMENTAL FACILITY MAINTENANCE RESERVE, TO THE GENERAL FUND, FOR THE PURCHASE OF PROPERTY AT 1100 WEST MAIN STREET, WAYNESBORO, TO BE USED FOR MUNICIPAL AND/OR SCHOOL PURPOSES.** Having been properly introduced, this ordinance will be considered again at the April 10, 2017 Regular Business Meeting.

**Schools – Regional Adult and Citizenship Classes:** Councilwoman Anderson moved to introduce an ordinance **APPROPRIATING AN ADULT EDUCATION AND FAMILY LITERACY ACT FEDERAL GRANT, IN THE AMOUNT OF \$7,003, TO THE SCHOOL FUNDS TO BE USED TO OPERATE THE REGIONAL ADULT ABE, GED, ESOL, AND CITIZENSHIP CLASSES.** Having been properly introduced, this ordinance will be considered again at the April 10, 2017 Regular Business Meeting.

**Schools – Professional Development Expenses:** Councilman Marks moved to introduce an ordinance **APPROPRIATING A TITLE II, PART A, FEDERAL GRANT, IN THE AMOUNT OF \$10,500, TO THE SCHOOL FUNDS FOR SUPPORT OF ELEMENTARY AND SECONDARY PROFESSIONAL DEVELOPMENT EXPENSES.** Having been properly introduced, this ordinance will be considered again at the April 10, 2017 Regular Business Meeting.

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**ANNOUNCEMENT - WAYNESBORO HIGH SCHOOL RENOVATION PROJECT:**

The City Manager read the following joint announcement on behalf of the City Council and the School Board concerning the Waynesboro High School Renovation Project:

“The City Council and the School Board are pleased to announce the acquisition of 1018 West Main Street, formerly the Windows, Siding, and More location and a contract to purchase 1100 West Main Street, the Waynesboro Coin Laundry, for anticipated inclusion in and benefit to the Waynesboro High School Renovation Project. The Waynesboro High School Renovation Project remains in the design phase and the acquisition of the properties facilitate construction of a new instructional wing, expansion of programs at the Waynesboro High School campus, and potential improvement of vehicular and pedestrian access to the Waynesboro High School campus. Additionally, the current conceptual plan anticipates that students can remain on campus during the construction and continue their educational experience in traditional classrooms reflecting the goals shared by both the City Council and the School Board that the project will be implemented in a manner that to the greatest extent possible separate students from construction activity and minimizes the impact of project work on student life and instruction. The City Council and the School Board look forward to an opportunity to meet jointly to discuss the project scope, design, and budget going forward.”

Vice Mayor Short stated the Council is committed to this activity and the Council looks forward to meeting with the School Board in April to continue the process.

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**COMMUNICATION, CORRESPONDENCE, AND CALENDAR:** With no items to discuss, the meeting continued.

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**CITIZEN COMMENT PERIOD:**

*Elizabeth Bouldin-Clopton, 1220 Crofton Avenue:* as the Vice Chair of the Electoral Board, she asked that City Council consider putting the Director of Elections on the City Compensation Plan, as recommended by the Virginia Electoral Board, thereby putting the Director of Elections on the same plan as all other City department directors.

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**CLOSED MEETING:**

Councilman Marks moved to go into a closed meeting for the purposes of a discussion, consideration, promotion, performance, demotion, salaries, disciplining of specific public officers, appointees, or employees of the public body, where such evaluation will necessarily involve discussion of the performance of specific individuals, as permitted by Virginia Code section 2.2-3711(A)(1); and Discussion of the award of a public contract involving the expenditure of public funds, including the discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body, as permitted by Virginia Code section 2.2-3711(A)(29). **Having been seconded, the motion was adopted on a roll call vote as follows: Vice Mayor Short, Aye; Councilman Freeman, Aye; Councilman Marks, Aye; Councilwoman Anderson, Aye; with Mayor Allen being absent.** The closed meeting convened at 8:09 p.m.

Council came out of the closed meeting at 8:45 p.m. **Councilman Marks moved to adopt the following resolution as read in its entirety:**

**RESOLUTION (R17-10)**

*WHEREAS, the Council has convened a Closed Meeting on this date pursuant to an affirmative recorded vote in accordance with the provisions of The Virginia Freedom of Information Act; and*

*WHEREAS, §2.2-3711 of the Code of Virginia requires a certification by this Council that such Closed Meeting was conducted in conformity with Virginia law;*

*NOW, THEREFORE, BE IT RESOLVED that the Council hereby of Waynesboro hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia Law were discussed in the Closed Meeting to which this certification resolution applies, and (ii) only such business matters as were identified in the motion convening the Closed Meeting were heard, discussed or considered by the Council.*

**Having been seconded and with no objections, the resolution was adopted 4-0 on the unanimous affirmative roll call vote as follows: Vice Mayor Short, Aye; Councilman Freeman, Aye; Councilman Marks, Aye; Councilwoman Anderson, Aye; with Mayor Allen being absent.**



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With no further business to discuss, the meeting was adjourned 8:45 p.m. on a motion by Councilman Freeman.

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Julia Bortle, CMC, Clerk of Council

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Terry Short, Jr., Vice Mayor



The stated priorities of public safety, public education, community development, I believe, are commonly recognized. They are important to support services addressing crime and detrimental activity in the community and to promote order, appeal and health in the community. I believe further that the initiatives identified in these areas potentially deliver appreciable benefit by promoting community and organizational stability. Recommendations involving facilities and technology underpin the work of the municipal organization by providing necessary equipment, and reflect responsible care of municipal assets.

### **Public Safety**

I am proposing to restore funding for authorized sworn positions in the Police Department that were “frozen” or unfunded as a temporary measure to contend the recessionary impacts on the municipal budget. Four sworn, patrol officer positions are restored, with a plan to employ two officers on in July 2017 and two in January 2018; increasing the number of funded, sworn patrol positions to 33. Restoring staffing levels further ensures consistent and reliable service, by sustaining manpower during increased demand for officers, when officers are off duty because of injury and absence, training requirements, and affording officers appropriate opportunities for leave. It is important to remain cognizant of the service and support the Police Department provides to community festivals and events, and to the Waynesboro Public Schools, especially with respect to scholastic athletic activities and an increasing demand for police assistance during more routine school operations which cannot be met by the two school resource officers.

A market adjustment of 10% is provided for Emergency Operations Telecommunicators to raise compensation to approach that of neighboring agencies and nearby localities. The increase acknowledges the integral role in the delivery of public safety services dispatchers fill and is aimed at improving the recruitment and retention of well-qualified employees.

In the Police Department, a second phase of career development increases is recommended to promote retention and recognize the qualification above basic standards and special duties performed by officers. Career development programs are common in law enforcement agencies and are valuable tool in recruitment and retention in a labor market that is stressed by declining numbers of applicants experienced by many agencies in the Commonwealth, including the Virginia State Police, and resulting increasing competition for qualified candidates and experienced or certified officers among law enforcement agencies.

Restoring positions and supporting career development both potentially mitigate the impacts of attrition fortify the delivery of essential service by the Police Department.

### **Public Education**

#### **Waynesboro High School Renovation Project**

As stated previously, the recommended budget proposes to increase the real property tax rate by seven cents, six of which is designated for the purpose of establishing a debt service reserve to fund the renovation and improvement of Waynesboro High School. Approximately \$1 million generated by the tax increase is recommended for appropriation to a reserve for payment of project expenses and debt incurred for the WHS project.

Let me be absolutely clear in communicating that the WHS project will require a subsequent real property tax increase in fiscal year 2019. It is my firm recommendation that the six cent increase

identified for the WHS Project in this budget recommendation and subsequent increases to the real property tax rate associated with the WHS project be exempted from inclusion in the Schools Funding Formula. Failure to do so will increase the need for subsequent tax increases to account for resulting increased contributions to the school operating budget.

### **Waynesboro Public Schools Fiscal Year 2018 Operating Budget**

The Superintendent and the School Board have presented an operating budget for FY 2018 that communicates a need for an additional \$389,000 in local revenue. My recommended budget does not provide additional local revenue for the operation of the public school system in fiscal year 2018 above the \$147,000 increase derived from the funding formula. I advise against reducing recommended municipal expenditures to meet the need expressed by the School Board.

Since fiscal year 2009, the City has increased local support for Waynesboro Public Schools by \$3.1 million which is a 27% increase. The increase in local support for public education compares favorably to the national inflationary factor over the last five years. Discussion of local support for public education must contemplate the General Assembly's support, acknowledge that small and medium-sized municipalities like Waynesboro do not have equivalent capacity of the Commonwealth to provide financial support, and the history of support delivered by the municipal budget.

### **Community Development**

My recommendations related to community development are aimed at consolidating planning, zoning, building, and property maintenance functions in a single location. Doing so facilitates collaboration and coordination of functional work and improves convenience for external and internal customers. Presently, the Building Official is assigned directorship responsibility for the Building Code, the state and local codes related to property maintenance and minimum housing standards, and the Zoning Ordinance. It is a municipal organizational structure that is increasingly antiquated and peculiar in that assigns review approval, inspection and enforcement activity of multiple disciplines and codes too heavily in a single director.

The recommended model supports development while promoting compliance with local development and property maintenance codes; and in doing so moves the organization toward a coordination and facilitation mode especially where development interests and activities are concerned. Where property maintenance is concerned, the additional resource is recommended to increase enforcement and compliance activity removing conditions that are adverse to public health and safety.

### **Governmental Facility Maintenance and Replacement**

The recommended budget addresses a number of key facility replacement and maintenance measures, some of which have been postponed through deferring maintenance to mitigate the impacts of the recession. Key items in this budget priority area include:

Replacement of the Repeater Station and Repeater Equipment (\$202,000)

Replacement of heating and cooling (heat pumps) units Gorsuch Building (\$110,000)

Replacement of the boiler and air conditioning units at the Fire Department (\$67,819)

The repeater station which houses the essential radio equipment for public safety and public works communications is a modular building purchased and installed in 1990. The facility has been maintained and repaired through the years, but staff indicate that the building's condition prevent the continued repair and modification necessary to keep the environment free from moisture, dust, and temperature fluctuations which can damage equipment.

The current Waynesboro Fire Department was constructed in 1958; the boiler is believed to be original to the building and warrants replacement for reasons of safety, reliability, and efficiency. The air

conditioning units which are believed to be 15 to 20 years old have received regular maintenance and attention, but failed persistently during the last cooling season; I recommend replacement to due to the 24/7 operations at the facility.

The heating and cooling units that serve offices and spaces housing computer and communication equipment are original to the renovation of the Gorsuch Building completed in the 1990's. As such the units are 15 years old and are beginning to fail with some predictability, despite a program of regular inspection, cleaning and, maintenance. The planned replacement focuses on the EOC and Police Department that operate 24/7 and the Information Technology Department which contains equipment sensitive to overheating.

Also included in the budget are minor facility initiatives that replace or repair building components.

### **Equipment and Vehicle Replacement**

Though not a stated priority for this budget, furnishing departments with adequate equipment and vehicles to deliver service is an important consideration for each annual operating budget. Like the building initiatives detailed previously, vehicle and equipment replacement is funded by appropriation from reserve funds, in this case the Governmental Vehicle and Equipment Replacement Reserve. The total for recommended vehicle and equipment purchases is \$242,937.

### **Technology Investments and Replacements**

The budget recommends \$549,000 of technology related hardware and software purchases that support the real estate appraisal function, the scheduled replacement of personal computers and laptops, system-wide data archiving equipment, laptops for polling locations (Registrar), and mobile connectivity for the Police Department. These recommended expenditures are funded by appropriation from the Technology Reserve.

### **Expenditures Requested but not Recommended, What the Budget Does not Accomplish**

The budget does not provide a cost of living or merit opportunity for municipal employees. While my recommendations address important community and organizational priorities, I am personally disappointed that employee performance and contribution is not recognized in this budget through an increase to compensation.

As mentioned previously, the expressed need for additional local funding for Waynesboro Public Schools (above that established by the funding formula) is not answered in my recommended budget. Funding for requested additional Fire Department suppression personnel is not recommended nor are funds for requested for additional compensation to promote retention of experienced fire personnel. Retention is an increasing concern for the Fire Department.

I have not included funds for the Wayne Theatre in the City Manager's Recommended Budget. Approximately \$5,000,000 of departmental requests were cut or are supported through reliance on reserves (expenditures if a nonrecurring nature) to achieve the balanced recommended budget focusing on the priorities of public safety, public education, community development, facilities and technology. The use of reserves to fund facility maintenance, equipment replacement, investments in technology and other similar one-time expenditures affords the organization the ability to meet these needs without necessarily increasing the operating budget from year to year. Many unfunded departmental requests

are foregone not solely because of their expense in the current year but because of their anticipated impact to subsequent annual operating budgets.

It is my duty to inform the City Council that the majority of the departmental requests which I have determined not to include in the recommended are well-reasoned and legitimate requests that maintain or improve facilities, enhance or improve programs and services, train and educate employee, replace equipment and supplies and merit consideration. In most cases, departmental requests were level or near level funded.

### **Enterprise Funds**

I am recommending a 10.2% increase in fixed and consumption rates in the Water Fund and a 7.5% increase in fixed and consumption rates in the Sewer Fund. At the April 5<sup>th</sup> work session, City Council will be provided additional information concerning this recommendation which is intended to address the financial challenges of debt service associated with mandated system improvements in both the water and sewer systems, necessary ongoing infrastructure improvements, system expansions regulatory compliance obligations, and overall enterprise fund health and stability.

### **Concluding Comments**

In closing I recognize and express gratitude to the employees of the organization who will ultimately deliver the real value of an adopted budget. A thoughtful and goal-oriented spending plan is essential to the sustainable health of a productive organization. A budget's benefit to the community, however, rests on the performance of the employees who convert the plan into services, projects, and daily performance that promotes safety, prosperity, enjoyment, education, literacy, skill development, efficient transportation, and a healthy environment for citizens, businesses, and visitors.

Special appreciation is expressed to the department directors who prepare and submit budgets with the awareness that not all of their plans and recommendations will be realized, and to members of the City Manager's budget review and preparation team, Mr. Cliff Prevete, Ms. Alisa King, and Mr. Jim Shaw. The budget review team accomplishes valuable work organizing, formatting, vetting, analyzing, and forecasting which create the ability to assign refined costs to activities and priorities.

I look forward to working with you through the next steps in the budget process in which the City Manager's Recommended Budget will become the City Council's Adopted Budget. It is my hope that in that process we will evaluate whether the recommended budget is aimed at the right aspirations of the Council as a whole, and if so addresses them in adequate measure. One measure of an effective manager is the ability to discern alignment with the elected body and reflect it in a budget recommendation. One might ask is the ladder on the right wall and is it extended to the proper height? Stewardship is as much about applying resource to proper objectives as it is about understanding where each dollar is assigned. Both are important, neither carries much value alone.

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### **RECOMMENDED FISCAL YEAR 2018 BUDGET PRESENTATION OVERVIEW:**

The Deputy City Manager presented an overview of the budget drivers and additional detail, a copy of which is attached to the official transcript of these minutes (*attachment 46-04*). It included the budget calendar, major themes of revenues and expenditures for the General Fund and the Enterprise Funds, the use of fund balance, approaches to collecting revenue, and how the budget works, with the intent to measure if the budget accomplishes the Council's objectives for levels of service, programs, and capital

projects. The proposed new tax rate would be eighty-seven cents (\$.87) per \$100 of assessed evaluation, meaning a home valued at \$200,000 would pay approximately \$140 more per year.

The Mayor pointed out that the City's budget has continued to grow more than 50% from ten years ago without a real estate tax increase. The high school renovation cost is more than the current tax rate can fund. He emphasized to those viewing the meeting and all citizens that six of the seven cents proposed real estate tax increase is for the Waynesboro High School Renovation Project and if the cost of the project is higher than anticipated, another tax increase will be requested in the next fiscal year budgets.

The City Manager confirmed that 6% of the proposed 7% percent increase will not impact the 42.5% share that currently goes to the schools. The Deputy City Manager explained that the funding formula with the schools dictates that the schools receive 42.5% of the discretionary tax revenue; therefore, when the real estate tax is increased, a portion of the revenue intended for debt service is not available.

Council and staff discussed the proposed Community Development Department and the combining of the Planning, Building, and Zoning Departments, their functions, staff, and logistics.

The Deputy City Manager provided an explanation for including \$1,189,166 of the Fund Balance to balance the City's FY18 Budget.

Staff reviewed the projects, mandates, and debt service involved with the water and sewer funds that are driving the requested increases in the Enterprise Funds.

The Vice Mayor recommended increasing the real estate tax rate an additional twelve cents (.12) per \$100 of assessed value so that Council would consider balancing the School Budget and including more departmental requests into the City's budget. He recommended Council have further discussions on how to diversify the City's economy to lessen reliance on the real estate tax revenue. After some debate, Council advised staff to advertise the public hearing for a real estate tax rate at eighty nine cents (.89) rather than the City Manager's recommended eighty-seven (.87) cents per \$100 of assessed value, noting that Council may adopt a lower tax rate than advertised, but not a higher rate.

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The next budget work session is scheduled for Wednesday, April 5, 2017 beginning at 5:00 p.m. in Council Chambers. With no further business to discuss, the meeting concluded at 7:15 p.m.

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Julia Bortle, CMC, Clerk of Council

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Bruce Allen, Mayor

**ORDINANCE NUMBER 2017-**



**AN ORDINANCE APPROPRIATING THE BALANCE OF THE SCHOOL FACILITY MAINTENANCE RESERVE, IN THE AMOUNT OF \$151,424, AS WELL AS \$134,576 FROM THE GOVERNMENTAL FACILITY MAINTENANCE RESERVE, TO THE GENERAL FUND, FOR THE PURCHASE OF PROPERTY TO BE USED FOR MUNICIPAL AND/OR SCHOOL PURPOSES, FOR THE FISCAL YEAR ENDING JUNE 30, 2017 AS HEREIN SPECIFIED**

**BE IT ORDAINED**, by the Council of the City of Waynesboro, Virginia:

That the following sums of money be and the same are hereby appropriated as herein specified for the year ending June 30, 2017, totaling \$286,000,

**Section II – General Fund**

Paragraph 1. To the General Fund, for the purchase of property, \$286,000 is appropriated as follows:

110-1220-702	Capital Outlay	\$286,000
	8460 Land	

Paragraph 2. The above appropriation will be provided for by the following revenue:

110-0000-541	Intra-fund Transfers	\$151,424
	9004 From Fund Balance (110-0000-445.01-21)	
110-0000-541	Intra-fund Transfers	\$134,576
	9004 From Fund Balance (110-0000-445.01-20)	

**INTRODUCED: ON MARCH 27, 2017 BY COUNCILMAN PETE MARKS**

**ADOPTED:**

**EFFECTIVE:**

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CLERK

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MAYOR



**ORDINANCE NUMBER 2017-**

**AN ORDINANCE APPROPRIATING AN ADULT EDUCATION AND FAMILY LITERACY ACT FEDERAL GRANT, IN THE AMOUNT OF \$7,003, TO THE SCHOOL FUNDS TO BE USED TO OPERATE THE REGIONAL ADULT ABE, GED, ESOL, AND CITIZENSHIP CLASSES, FOR THE FISCAL YEAR ENDING JUNE 30, 2017, AS HEREIN SPECIFIED**

**BE IT ORDAINED**, by the Council of the City of Waynesboro, Virginia:

That the following sum of money be and the same is hereby appropriated as herein specified for the year ending June 30, 2017, totaling \$7,003

**Section I – School Funds**

Paragraph 1. To the School Funds, for the operation of the regional adult ABE, GED, ESOL, and Citizenship classes, \$7,003 is appropriated to be apportioned as follows:

849-6110-875	Purchased Services	\$4,972
	3001 Purchased Services AS1710	
849-6131-875	Travel	\$2,031
	5501 Conference or Local Miles AS1709	

Paragraph 2. The above appropriation will be provided for by the following revenues:

810-0000-533	Education	\$7,003
	0201 Adult Literacy Federal	

**INTRODUCED: ON MARCH 27, 2017 BY COUNCILWOMAN ELZENA ANDERSON**

**ADOPTED:**

**EFFECTIVE:**

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CLERK

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MAYOR

**ORDINANCE NUMBER 2017-**



**AN ORDINANCE APPROPRIATING A TITLE II, PART A, FEDERAL GRANT, IN THE AMOUNT OF \$10,500, TO THE SCHOOL FUNDS FOR SUPPORT OF ELEMENTARY AND SECONDARY PROFESSIONAL DEVELOPMENT EXPENSES, FOR THE FISCAL YEAR ENDING JUNE 30, 2017, AS HEREIN SPECIFIED**

**BE IT ORDAINED**, by the Council of the City of Waynesboro, Virginia:

That the following sum of money be and the same is hereby appropriated as herein specified for the year ending June 30, 2017, totaling \$10,500

**Section I – School Funds**

Paragraph 1. To the School Funds, for elementary and secondary professional development, \$10,500 is appropriated to be apportioned as follows:

829-6131-812	Purchased Services	\$5,200
	3001 Purchased Services IN1794	
829-6131-812	Travel	\$2,000
	5501 Conference or Local Miles IN1794	
839-6131-812	Travel	\$3,300
	5501 Conference or Local Miles IN1724	

Paragraph 2. The above appropriation will be provided for by the following revenues:

810-0000-533	Education	\$10,500
	0226 Title II Teacher Quality IN1794	

**INTRODUCED: ON MARCH 27, 2017 BY COUNCILMAN PETE MARKS**

**ADOPTED:**

**EFFECTIVE:**

\_\_\_\_\_  
CLERK

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MAYOR