// A special meeting of the Council of the City of Lynchburg was held on the 24th day of September, 2015, at 9:00 A.M. in the Second Floor Training Room, City Hall, Michael Gillette, President, presiding. The purpose of the meeting was to conduct the City Council Planning Session. The following Members were present:

Present: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Absent: 0

// Mayor Gillette gave remarks and an overview of the agenda.

// Deputy City Manager Bonnie Svrcek presented a review of City Council's 2014 ratings of the 12 pillars compared to the National Citizen Survey 2015 Ratings. A staff recommendation to reduce the twelve pillars to eight for ease of comparison from the National Citizens Survey was rejected by City Council. Council discussed the comparison of the City Council 2014 ratings with the Citizen Survey Ratings for 2015.

Ms. Svrcek also shared with City Council the outcome of the Next Steps Workshop led by National Research Center (NRC) president Tom Miller with members of the Leadership Team and the Emerging Leaders. She explained that the purpose of the workshop was to help bring focus to the next steps after the survey. City Council was asked to participate in an exercise to identify key focus areas for strategic planning. Council's three top focus areas were:

Infrastructure

- Energy
- Walkability (sidewalks/master plan)
- Merge/acceleration lanes
- Traffic flow

Economic Development

- Recruitment of Businesses
- Matching workforce with the employees
- Focus on core urban development
- Customer Service to small and larger business

Education

- Early Education Pre-K
- What models might exist
- Interconnect our resources for greater impact

The next step in using the survey as a planning tool is a proposal for community meetings that would be located in each of the City's four wards. At these meetings, the results of the survey would be discussed and citizens would be asked to identify focus areas to be considered in the FY 2017 budget.

// City Council took a break at 11:00 a.m. and reconvened at 11:10 a.m.

// Financial Services Director Donna Witt provided Council with a brief overview on the Preliminary FY 2015 Year-End Financial Results (unaudited), FY 2017 BIG Budget Items, and FY 2017 – 2021 Capital Improvement Program Outlook. Ms. Witt stated that the total actual FY 2015 General Fund Non-

Dedicated Revenues exceeded the Adopted 2015 Budget by 4.6% or 6.1 million and the Total Actual FY 2015 Expenditures were flat compared to the Adopted FY 2015 Budget. The following major Revenues were reviewed and discussed:

- Net Current Real Property
- Personal Property – Local portion
- Delinquent Personal Property Tax
- Motor Vehicle Licenses
- Public Service Corporation
- Business License Tax
- Local Sales Tax
- Meals Tax
- Lodging Tax
- Amusement Tax
- Communications Sales and Use Tax
- Consumer Utility Tax – Electric
- Bank Stock Tax
- Tobacco Tax
- School State and Local Funding

Ms. Witt went on to say that the Revenues are driven by five major revenue streams in FY 2015; however, these revenues are consumer driven and susceptible to the volatility of the economy. She also mentioned that FY 2017 is not a reassessment year, but early projections reflect a minimal increase in Real Property Tax assessments. Ms. Witt also explained Expenditure factors that will influence the FY 2017 Budget development, which are Health Insurance, Police Department/Body Cameras, Debt Service, City Schools and Infrastructure Maintenance. The Capital Improvement Projects (CIP) FY 2017 Priorities which consist of Buildings, Transportation, House Bill 2, Miscellaneous, Parks and Recreation and Schools were also discussed.

// Human Resources Director Margaret Schmitt presented to Council the City Workforce Trends.

Ms. Schmitt provided the following data on the Workforce Trends:

- Employee Type Distribution
  - Full Time – 1130
  - Part Time – 73
  - Hourly – 114
  - Constitutional – 110
- Recruitment Trends
  - Recruitment challenges
    - Entry level pay in many jobs is problematic
    - Reduced supply of acceptable applicants willing to work in jobs/environment

        - Ability to afford high skilled, experienced candidates
        - Lack of resources to proactively recruit
    - Most challenging positions to fill
        - Entry level operational/CDL holders
        - IT
        - Fleet Mechanics
        - Engineers
        - Maintenance Mechanics
        - Financial Professionals
- Retention Trends
    - Full time turnover rates outpacing last year
        - Already at higher number of full time resignations than all of 2014
        - Public Safety turnover is consistent with last few years
    - Part time and Hourly employee turnover continues at much higher rate
    - Highest total turnover
        - Family Services Specialist (Social Worker)
        - Grounds/Streets Maintenance
        - Police Officer
        - Firefighter
        - Utilities Line tech/Crew Leader
        - Financial Professionals
- Market Comparison Trends
    - Too early for market comparisons in most cases
    - Already know we are below goal of leading Police market by 10%
    - Pay range minimums haven't increased in 15 years (except public safety)

Ms. Schmitt shared data on the first year of adjustments in Social Services position (Family Services Specialist) and Parks and Recreation positions (Recreation Specialist, Senior Recreation Specialist, and Recreation Supervisor). She went on to say that positions in Museums, Public Works, Water Resources, Juvenile Services and Financial Services are beginning to show some challenges. Ms. Schmitt further explained the upcoming and on-going issues such as the Virginia Retirement System (VRS), Medical Costs, Federal and State Mandates and Workforce Development.

// The meeting was adjourned at 1:15 P.M.

Clerk of Council