



City Council Retreat

September 3, 2013

City Hall
Second Floor Conference Room
8:30 a.m. – 1:00 p.m.

Council Chamber
1:00 p.m. – 3:00 p.m



Strategic Planning Introduction

- Why we need a Strategic Plan:
 - To set direction and priorities
 - To get everyone on the same page
 - To simplify decision-making
 - To drive alignment
 - To communicate the vision



Goals for the Day

- Goal 1: Review and adopt proposed revisions to Sustainable Lynchburg elements and vision statements
- Goal 2: Adopt a vision for the City
- Goal 3: Endorse the proposed cycle for annual review of the Strategic Plan

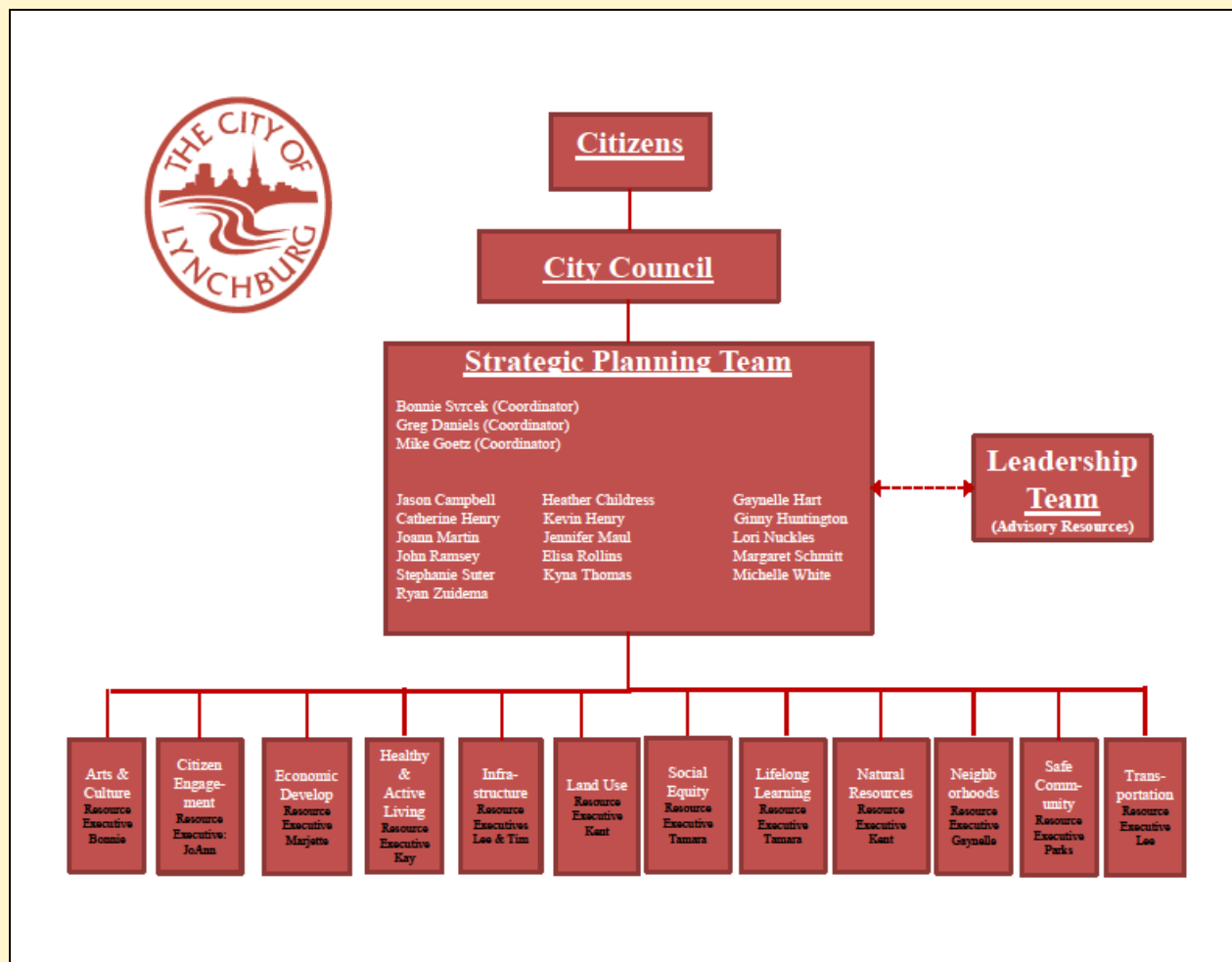


Progress to Date

City Council Retreat: Strategic Planning, September 3, 2013



Strategic Planning Organization Chart



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Making Order Out of Chaos



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Progress to Date

- Sustainable Lynchburg
 - City Council adopted the original 11 elements in August 2008
 - Annual Reports to Council on accomplishments in each element
 - Chosen as the building blocks for a Strategic Plan process
 - Foundation for Council to consider in creating a vision for the City



Informing Documents Review

- Identifying major strategic objectives
 - Community Development Block Grant/HOME Consolidated Plan
 - Comprehensive Plan (current)
 - Departmental Plans (Fire & EMS, Parks & Recreation, Police)
 - Economic Development Strategic Plan (City)
 - Housing Results and Strategies – 2012
 - Region 2000 Economic Development Strategy
 - Region 2000 Blueways and Greenways Plan
 - Schools Comprehensive Plan



Progress to Date

- Linked strategic objectives from Informing Documents to Sustainable Lynchburg elements
- Minor revisions to Sustainable Lynchburg vision statements to ensure alignment with Informing Documents
- Identified broad “External Partners” for each element



Sample of Linking Objectives to Sustainable Lynchburg Elements

 Transportation <i>Vision Statement: Lynchburg's transportation system is multi-modal, safe and accessible to all citizens.</i> Themes: Regional, Integrated External Partners: Amtrak, GLTC, Region 2000, Regional Airport Authority, VDOT	
Comprehensive Plan 2002-2020	To make decisions about the location, scale, and quality of new development; the improvement of neighborhoods and commercial areas; the revitalization of downtown and surrounding historic areas; the extension and upgrade of utilities; and the future of the City's parks, public spaces, and natural areas.
	Chapter 7: Economic Development & Redevelopment
	Coordinate local and regional economic development, land use, and transportation planning processes.
	Chapter 9: Commercial & Employment Areas
	Ensure that highway-oriented commercial development is accessible, aesthetically pleasing, and has minimal impacts on adjacent commercial and residential areas.
	Chapter 14: Transportation
	Provide the citizens of Lynchburg with safe, efficient, effective and well-planned transportation systems and facilities that enhance economic development and redevelopment opportunities while preserving the integrity and character of the affected neighborhoods, historic districts, downtown and natural areas.
	Develop and encourage opportunities for the integration of alternative transportation modes, including public transit, bicycle and pedestrian corridors.
	Increase the safety of the City street system, preserve capacity and efficiency by reducing existing and minimizing future conflict points.
	Create a sustainable, multi-modal transportation system that minimizes and, where possible, reduces pollution and motor vehicle congestion while ensuring safe mobility and access for all.
Comprehensive Economic Development Strategy (Region 2000)	Provide increased regional passenger and freight railroad transportation.
	Encourage the improvement of conditions and quality of life along travel corridors and in revitalization areas identified on the Plan Framework Map.
Region 2000 Greenways, Blueways, and Trails Plan 2012	Commit adequate resources to the operation and maintenance of existing and future transportation facilities.
	Improve capacity to assess the impacts of development and to monitor, analyze and report on conditions in the city's natural environment, neighborhoods and commercial and employment districts.
Sustainable Lynchburg	Promote and enhance inter-regional transportation systems.
	Develop corridors that can be used by residents and visitors to access community resources without the need for a privately owned motor vehicle.
	Adopt land use design and development policies to encourage use of alternative transportation modes.
	Encourage the use of multiple transportation modes.
	Incorporate a multi-modal focus in the final design of transportation infrastructure and services.
	Encourage and expand connectivity.

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How Will We Know if We are Making Progress...

- Use Citizen Survey and other relevant metrics to measure success and/or progress on Strategic Objectives
- Align Sustainable Lynchburg elements with Citizen Survey focus areas
- Define other meaningful metrics



Measuring Progress - *Example*

- **Transportation**

- Strategic Objective: Develop and encourage opportunities for integration of alternative transportation modes, including public transit, bicycle and pedestrian corridors
- Desired Outcomes (possible metrics)
 - Increase the ridership on GLTC
 - Increase the number of “better streets” projects (measured by installation of bicycle lanes, bus shelters, trail connections, etc.)
 - Increase the “Good” or “Excellent” ratings on the National Citizens Survey for questions related to “Transportation”
 - Ease of bus travel in Lynchburg
 - Ease of bicycle travel in Lynchburg
 - Ease of walking in Lynchburg



Measuring Progress - *Example*

- Transportation (*cont.*)
 - Ease of walking in Lynchburg
 - Rated “Good” or “Excellent” in the City’s National Citizen Survey Results:
 - 2006: 46%
 - 2008: 50%
 - 2013: 47%

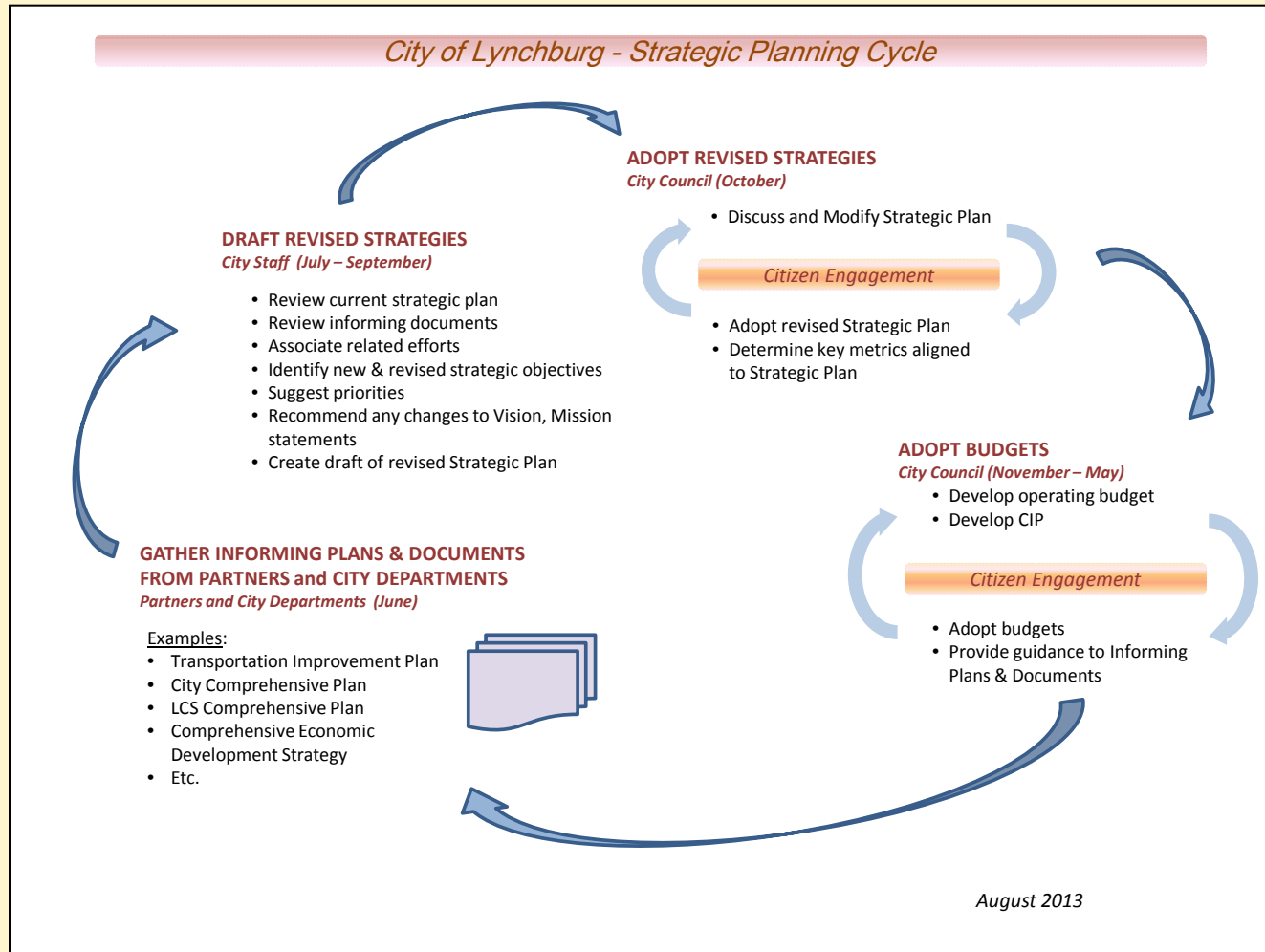


Progress to Date

- Strategic Planning Cycle
 - Created a process to keep the Strategic Plan real and refreshed on an annual basis



Strategic Planning Cycle



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BREAK

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Goals for the Day

- Goal 1: Review and adopt proposed revisions to Sustainable Lynchburg elements and vision statements
- Goal 2: Adopt a vision for the City
- Goal 3: Endorse the proposed cycle for annual review of the Strategic Plan



Goal 1

Review and Adopt Revisions to the Sustainable Lynchburg Elements and Vision Statements

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Review Elements and Vision Statements

- **Arts and Culture:** The City is a place to discover and enjoy arts, history, and culture.
- **Citizen Engagement:** Lynchburg citizens are engaged in participative democracy, interact with each other, learn from each other and together make the community more than the sum of its parts.
- **Economic Development:** Lynchburg has a diversified economy where citizens and businesses develop, grow, and compete in the global marketplace.



Review Elements and Vision Statements

- **Healthy and Active Living:** Lynchburg citizens are healthy and active.
- **Infrastructure:** The City's infrastructure is developed, renewed, and replaced in a manner that is cost effective, efficient, and sensitive to the community's needs.
- **Land Use:** The City optimizes the use of land and resources within its 50 square miles.
- **Lifelong Learning:** Lynchburg is a community that values, encourages, and supports the pursuit of learning at all stages of life.



Review Elements and Vision Statements

- **Natural Resources:** Lynchburg protects, preserves and restores the natural environment.
- **Neighborhoods:** Lynchburg is a community of vibrant, healthy, and diverse neighborhoods.
- **Safe Community:** Lynchburg supports a safe and vibrant community through partnerships, planning and prevention.



Review Elements and Vision Statements

- **Social Equity:** Lynchburg is a city where all citizens are valued, respected, able to meet their essential needs and have fair access to resources, education and employment opportunities.
- **Transportation:** Lynchburg's transportation system is multi-modal, safe and accessible to all citizens.

Action: Review and Adopt revisions to the Sustainable Lynchburg Elements and Vision Statements



Goal 2

Adopt a Vision for the City

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Elements of a Great Vision Statement

- Clear, realistic, descriptive, concise
- Understood and shared by the community
- Inspiring and uplifting to everyone
- Easy to communicate (short enough to fit on a t-shirt or euro-sticker)



Examples of Vision Statements

- **Charlottesville:** *A Great Place to Live for All of Our Citizens*
- **Dover, Delaware:** *A place where people want to live!*
- **Orlando, Florida:** *The City Beautiful*
- **Virginia Beach:** *A Community for a Lifetime.*
- **Bay City, Michigan:** *Government imagination leading our community into the future.*
- **Dania Beach, Florida:** *Established in History, Preparing for Tomorrow.*
- **Renton, Washington:** *The center of opportunity in the Puget Sound Region where families and businesses thrive.*



Lynchburg's Vision Statement

- Options
- Post top choice of a statement that is clear, concise, easily understood by a school-age child to our most senior citizen and everyone in between—it's COUNCIL's vision for OUR City!

Action: Adopt a Vision Statement



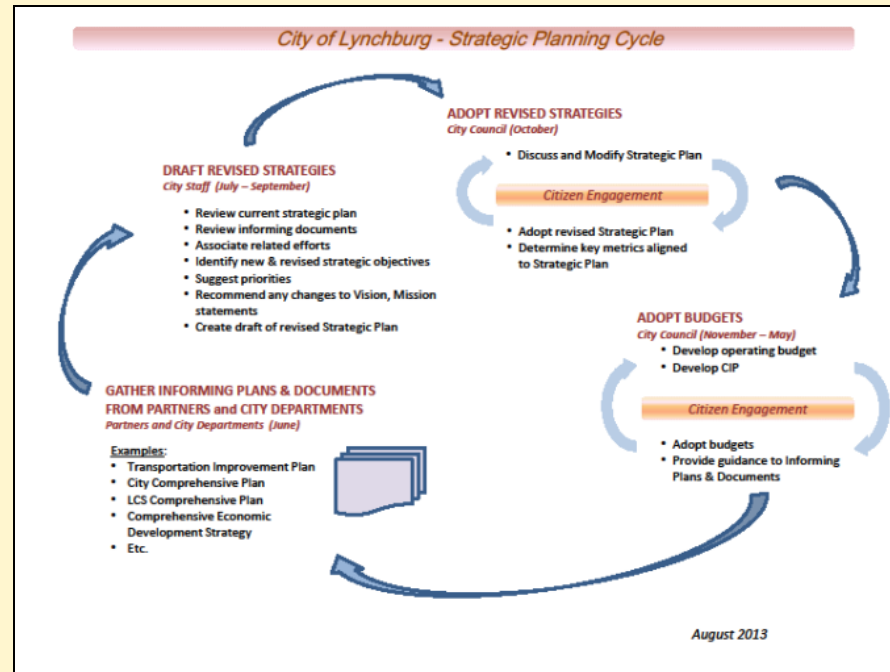
Goal 3

Endorse Strategic Planning Cycle

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Strategic Planning Cycle



Action: Endorse Strategic Planning Cycle



Next Steps

- Process outcome(s) of today's meeting
- Create a *Strategic Planning Steering Committee*
- Create an abbreviated Strategic Planning Process to use in developing FY 2015 Operating Budget and Capital Improvement Plan



Comments, Questions, Observations

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LUNCH

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Arts & Culture

Vision Statement: The City is a place to discover and enjoy arts, history, and culture.

Themes: Arts, History, Culture, Tourism, Preservation

External Partners: James River Council on the Arts & Humanities, Performers (Providers), Museums, Arts & Culture Education Providers, Non-Profits (Symphony, Riverviews, Opera on the James, etc.), Local Media, Commercial Organizations

Comprehensive Economic Development Strategy (Region 2000)	Seek to maintain and promote the region's natural beauty, health care, cultural amenities and tourism opportunities.
Comprehensive Plan 2002-2020	To make decisions about the location, scale, and quality of new development; the improvement of neighborhoods and commercial areas; the revitalization of downtown and surrounding historic areas; the extension and upgrade of utilities; and the future of the City's parks, public spaces, and natural areas.
	Chapter 9: Commercial & Employment Areas Encourage development that maximizes the use of limited land resources, while being sensitive to cultural and natural resources and surrounding land uses.
	Chapter 11: History, Culture, Education & the Arts Continue support for and participation in regional heritage tourism planning and promotional efforts.
	Improve existing and encourage the development of new tourist destinations, attractions, and support services.
	Increase access to information concerning local history and culture, as well as the value and benefits of preserving sensitive historic resources.
	Preserve significant historic and cultural resources through the collaborative efforts of the City; historic and cultural groups; local schools and colleges; and other local, state, and national preservation groups and organizations.
	Expand financial incentives to encourage preservation.
	Increase community awareness of local history and culture, as well as the value and benefits of preservation efforts.
	Celebrate the rich cultural heritage of the area and promote the City and region as a destination for culture, the arts, recreation, and history.
	Support efforts to strengthen the capacity of individual, community-based, and regional arts, heritage, and preservation organizations.
Economic Development Strategic Plan 2013 Opportunity Lynchburg - Lynchburg's Strategy for Jobs & Competitiveness	Improve the City's role as facilitator and champion of local and regional efforts to promote preservation, the arts, and heritage development.
	Chapter 13: Parks & Recreation Incorporate historic preservation, cultural landscape preservation, and cultural resource interpretation in plans for historic parks.
	Promote performing/visual arts.



Arts & Culture

Vision Statement: The City is a place to discover and enjoy arts, history, and culture.

Sustainable Lynchburg	Support arts and cultural opportunities for everyone.
	Promote the Museum System as a link to the City's history and culture.
	Promote the City as a destination of cultural diversity and creative arts.
	Maximize the use of marketing resources to promote arts and culture destinations and events.
	Collaborate with schools (art clubs, theater groups, PTO's, etc.), non-profits and private arts and cultural organizations to create a holistic approach to arts and culture.
	Ensure that land use elements and capital improvement projects support the provision of spaces for arts and cultural activities.



Citizen Engagement

Vision Statement: *Lynchburg citizens are engaged in participative democracy, interact with each other, learn from each other, and together make the community more than the sum of its parts.*

Themes: Participative, Transparency, Informing

External Partners: *Lynchburg City Schools, Media (News & Advance, TV Channels), Houses of Worship, Colleges and Universities, Civic Clubs and Organizations, Non-profits (United Way 211, Lynch's Landing), GLTC, All those engaged in the community (citizens, visitors, students)*

Comprehensive Plan 2002-2020	Chapter 5: Citywide Land Use & Development Ensure the active participation of community stakeholders in preparing detailed plans and studies for travel corridors, neighborhood conservation areas, and revitalization areas.
	Chapter 16: Public Facilities Increase awareness of the quantity and quality of the public and private facilities and services available to City residents.
Lynchburg City Schools Comprehensive Plan 2012-2014	Excellence in Culture through staff attendance, school culture survey, and parental involvement.
Economic Development Strategic Plan 2013 Opportunity Lynchburg - Lynchburg's Strategy for Jobs & Competitiveness	Free wireless in the CBD.
CDBG/HOME Strategic Plan July 2010 - 2015	Support the organized efforts in neighborhoods to leverage their resources to improve and sustain community livability and services.
Region 2000 Greenways, Blueways, and Trails Plan 2012	Develop an education and outreach program that encourages community support for expansion and development of trails, greenways, and blueways.
Department Plans	Fire & EMS Develop a post-incident program to cultivate a safe environment for the community.
	Information Technology Improve communications tools and processes.
	Parks & Recreation Marketing and Communication: ensure that information and opportunities are effectively disseminated to citizens, visitors, City employees and department staff.
	Community Engagement: participate in and support City and departmental efforts to engage the community through partnerships and citizen action groups.
	Police Foster community involvement.
	Promote information technology and social media advancement.
Sustainable Lynchburg	Strengthen programs that engage citizens in making choices and changing behaviors to enhance City sustainability.
	Promote citizen involvement in community planning, public safety and problem solving processes.
	Promote active and effective participation in civic affairs, democratic process, and community improvement efforts.
	Engage academic institutions, non-profit organizations, citizens groups and public and private sector entities in creating a body of knowledge and best practices regarding community sustainability and citizen engagement.



Economic Development

Vision Statement: *Lynchburg has a diversified economy where citizens and businesses develop, grow, and compete in the global marketplace.*

Themes: Workforce Development, Retention and Expansion, Community, Citizen, Attract, Revitalize and Preserve

External Partners: *Lynchburg Economic Development Authority, Business Community, Development Community, Local Business Advocates, Region 2000, Commercial Real Estate Agents, Downtown Development, K-12 Education, Higher Education, Arts and Culture Advocates, Nonprofits, State Agencies, Global Business*

Comprehensive Plan 2002-2020	Chapter 5: Citywide Land Use & Development Amend existing development regulations to ensure clarity, ease of interpretation and administration, and effectiveness in promoting high quality development.
	Chapter 7: Economic Development & Redevelopment Review and amend existing or implement new City policies to maximize economic development potential.
	Consider offering appropriate public incentives to achieve Citywide economic development and redevelopment objectives.
	Encourage redevelopment of appropriate core and inner-ring locations and buildings.
	Coordinate local and regional economic development, land use, and transportation planning processes.
	To guide the overall economic growth of Lynchburg, diversify employment, and expand the City's tax base.
	Ensure opportunities for existing businesses to expand in appropriate locations.
	Ensure the preservation of development sites for large-scale, job-producing projects.
	Coordinate existing marketing and recruitment strategies for new businesses.
	Chapter 9: Commercial & Employment Areas Identify undeveloped areas of the City and surrounding counties that would be suitable for large scale industrial development, and determine when and how to protect these areas from conversion to small-scale uses.
	Determine the potential effectiveness of offering incentives for projects in areas identified as appropriate for infill development or redevelopment.
	Identify areas of the City with the potential, through redevelopment, to support the expansion of existing and the attraction of new industrial and office development.
	Develop and maintain an inventory of vacant commercial and retail structures. Encourage reuse of those structures as a first preference before new construction is considered.
	Identify ways to maximize the benefits and minimize the negative impacts of large-scale "big box" commercial development.
	Promote the improvement and revitalization of commercial corridors and districts.
	Ensure that City policies and regulations encourage the development of appropriate sites for industry and business.



Economic Development

Vision Statement: Lynchburg has a diversified economy where citizens and businesses develop, grow, and compete in the global marketplace.

Comprehensive Plan 2002-2020 (Continued)	Chapter 10: Neighborhoods & Housing Promote the creation or re-creation of mixed use residential communities that incorporate a mix of housing types with pedestrian-oriented streets, small-scale neighborhood oriented office and commercial uses, and neighborhood parks and squares.
	Chapter 11: History, Culture, Education & the Arts Increase awareness of preservation-related development regulations and financial incentives among members of the development community and the local real estate industry.
Comprehensive Economic Development Strategy (Region 2000)	Ensure the region has well-planned, state of the art infrastructure to facilitate the growth of high wage industry clusters.
	Develop and implement innovation led economic development programs in Region 2000.
CDBG/HOME Strategic Plan July 2010 - 2015	Access to capital and credit for development activities that promote the long term economic social viability of the community.
	Support economic development efforts which will expand job opportunities and retention.
	Establishment, stabilization, and expansion of small business (including micro-businesses).
Economic Development Strategic Plan 2013	Execute effectively to develop transformational assets and capitalize on existing ones.
	Tell the City's story more effectively and to be a better spokesperson for the economic dynamism of the area.
	Focus on areas that will directly impact economic growth and ensure Lynchburg is in a competitive position to attract, retain, and grow the types of companies and industries it desires.
	Create an organizational structure that allows the OED to most effectively support and encourage economic development in the City.
	Tell the City's economic development story more effectively to the most appropriate audiences.
Sustainable Lynchburg	Create and maintain a knowledge base for sustainable economic development.
	Engage the community and policy makers in conversations about sustainable economic development.
	Support the creation and retention of high quality jobs.
	Create incentives for sustainable development projects and job creation.



Healthy and Active Living

Vision Statement: Lynchburg citizens are healthy and active.

Themes: Conservation, Recreation, Education

External Partners: Health care systems, Lynchburg City Schools, Local Colleges, Local County Governments, Lynchburg Area Greenway Alliance, Health Department, Community groups, Local businesses promoting healthy/active lifestyles, Health clubs and fitness centers, Local media

CDBG/HOME Strategic Plan 2010 - 2015	Improve the safety and livability of neighborhoods.
Comprehensive Plan 2002-2020	To make decisions about the location, scale, and quality of new development; the improvement of neighborhoods and commercial areas; the revitalization of downtown and surrounding historic areas; the extension and upgrade of utilities; and the future of the City's parks, public spaces, and natural areas.
	Chapter 8: Downtown Master Plan Use design principles as the framework for moving forward and building on the great strengths and assets of the Downtown.
	Chapter 10: Neighborhoods & Housing Conserve, stabilize, and revitalize the City's neighborhoods. Promote the creation or re-creation of mixed use residential communities that incorporate a mix of housing types with pedestrian-oriented streets, small-scale neighborhood oriented office and commercial uses, and neighborhood parks and squares.
	Chapter 12: Natural Systems Manage natural systems to improve health and enjoyment of future generations.
	Chapter 13: Parks & Recreation Upgrade existing facilities in parks to meet current codes and to improve their appearance and function.
	Explore opportunities for the joint use of school facilities.
	Improve existing school recreation facilities.
	Rehabilitate and improve other City indoor recreation and special facilities.
	Create a system of open space along the James River and other City streams that connects parks, natural areas, schools, and other important natural and recreational resources.
	Expand the City's bikeway system.
	Increase recreation opportunities to meet the needs of citizens.
	Meet the specific needs of underserved segments of the population, including seniors, youth, indoor athletics users, and others.
	Chapter 14: Transportation To provide the citizens of Lynchburg with safe, efficient, effective and well-planned transportation systems and facilities that enhance economic development and redevelopment opportunities while preserving the integrity and character of the affected neighborhoods, historic districts, downtown and natural areas.
	Develop and encourage opportunities for the integration of alternative transportation modes, including public transit, bicycle and pedestrian corridors.
	Chapter 16: Public Facilities Increase awareness of the quantity and quality of the public and private facilities and services available to City residents.



Healthy and Active Living

Vision Statement: Lynchburg citizens are healthy and active.

Comprehensive Economic Development Strategy (Region 2000)	Seek to maintain and promote the region's natural beauty, health care, cultural amenities and tourism opportunities.
Department Plans	Fire & EMS Create a community wellness plan for our citizens in order to foster improved community health practices. Develop a culture that is committed to improving and maintaining the health and well-being of employees by requiring participation in regular physical capabilities testing and in wellness programs.
	Parks & Recreation Recreational Programs: provide quality recreation programs and recreation experiences. Healthy Communities: take a lead role in promoting healthy living, green initiatives, and influencing community design.
	Lynchburg City Schools Comprehensive Plan 2012-2014 Excellence in operations through facilities, technology, finance, nutrition, and transportation.
	Region 2000 Greenways, Blueways, and Trails Plan 2012 Develop an education and outreach program that encourages community support for expansion and development of trails, greenways, and blueways. Promote public health and wellness by highlighting the value of utilizing alternative transportation - walking, biking, and utilizing transit; to expand access to exercise, recreation, health, wellness, and quality of life.
Sustainable Lynchburg	Increase active living by supporting safe and active transportation options.
	Recognize schools as a vehicle for promoting healthy and active living.
	Enhance accessibility and safety of neighborhoods and parks, increasing opportunity for physical activity.
	Create opportunities for all citizens to have access to healthy foods.
	Promote opportunities to participate in recreational programs.
	Model and create opportunities for citizens to access quality health care and wellness programs.



Infrastructure

Vision Statement: The City's infrastructure is developed, renewed, and replaced in a manner that is cost effective, efficient, and sensitive to the community's needs.

Themes: Cost and Life Cycle, Maintenance, Maintain Existing, Green Infrastructure)

External Partners: Neighborhood Associations, Community Groups, Regional stakeholders, Regional/State governmental entities

Comprehensive Plan 2002-2020	To make decisions about the location, scale, and quality of new development; the improvement of neighborhoods and commercial areas; the revitalization of downtown and surrounding historic areas; the extension and upgrade of utilities; and the future of the City's parks, public spaces, and natural areas.
	Chapter 5: Citywide Land Use & Development
	Continue efforts to integrate local and regional data systems to provide for the analysis, tracking, and reporting of physical, environmental, demographic, socioeconomic, and market conditions.
	Chapter 6: Design, Character, and Quality
	Ensure that the design of streets and public facilities reinforces the City's unique character and sense of place.
	To reinforce positive images of the City through landscaping and design improvements at the City's gateways and along major travel corridors.
	Chapter 7: Economic Development & Redevelopment
	Coordinate local and regional economic development, land use, and transportation planning processes.
	Chapter 8: Downtown Master Plan
	Lead the Downtown redevelopment effort by investing in public infrastructure.
	Chapter 10: Neighborhoods & Housing
	Conserve, stabilize, and revitalize the City's neighborhoods.
	Chapter 11: History, Culture, Education & the Arts
	Identify and amend ordinances, review procedures, and policies that serve as disincentives to preservation and sensitive development of redevelopment.
	Ensure the identification, preservation, and sensitive treatment of City-owned historic buildings and sites, including historic features and design elements (e.g., lighting, walls, paving, material, and curbstones) on public lands and rights-of-way.
	Chapter 13: Parks & Recreation
	Upgrade existing facilities in parks to meet current codes to improve their appearance and function.
	Create a system of open space along the James River and other City streams that connects parks, natural areas, schools, and other important natural and recreational resources.
	Expand the City's bikeway system.
	Provide safe, accessible, and attractive indoor recreation facilities that encourage recreational use that can be effectively managed, maintained, and staffed.
	Ensure long term maintenance of all park lands and outdoor recreation facilities.



Infrastructure

Vision Statement: The City's infrastructure is developed, renewed, and replaced in a manner that is cost effective, efficient, and sensitive to the community's needs.

Comprehensive Plan 2002-2020 (Continued)	Seek funding from all appropriate federal and state sources including the Land & Water Conservation Fund, TEA-21, the Virginia Outdoors Fund, the Virginia Land Conservation Fund, the Virginia Recreational Trails Fund, VDOT Recreational Road Access Funds, Virginia Game and Inland Fisheries, the Virginia Department of Forestry, and any others.
	Tap into any private sector assistance for parks and recreation programs and facilities.
	Chapter 14: Transportation
	Commit adequate resources to the operation and maintenance of existing and future transportation facilities.
	Support efforts to make the Lynchburg Regional Airport more attractive to passenger and freight clients.
	Create a sustainable, multi-modal transportation system that minimizes and, where possible, reduces pollution and motor vehicle congestion while ensuring safe mobility and access for all.
	Chapter 15: Public Utilities
	Provide the citizens of Lynchburg with dependable, modern, high-quality water and sanitary sewer service with sufficient system capacity to meet the City's long-term requirements.
	Maintain the priority of and commitment to execution of the City's Combined Sewer Overflow elimination program with a goal of completion by 2020.
Comprehensive Economic Development Strategy (Region 2000)	Maintain a comprehensive approach to stormwater management with a focus on addressing regional stormwater issues.
	Chapter 16: Public Facilities
	Provide adequate public facilities and services to support the City's long-range planning goals and objectives.
Department Plans	Ensure the region has well-planned, state of the art infrastructure to facilitate the growth of high wage industry clusters.
	Promote and enhance inter-regional transportation systems.
	Fire & EMS
	Develop a Facilities Plan to ensure existing and future buildings meet Code requirements and have adequate space and furnishings and allow for future service delivery.
Lynchburg City Schools Comprehensive Plan 2012-2014	Information Technology
	Enhance the City's technology infrastructure to keep current and to improve operational efficiency.
	Police
Economic Development Strategic Plan 2013 Opportunity Lynchburg - Lynchburg's Strategy for Jobs & Competitiveness	Actively pursue facility and infrastructure improvements.
	Excellence in Operations through facilities, technology, finance, nutrition, and transportation.
	Free wireless in the Central Business District.
	Develop a hangar for Aircraft Modification and Repair/Aircraft Assembly target.
	Create sustainable funding for infrastructure and economic development initiatives.



Infrastructure

Vision Statement: The City's infrastructure is developed, renewed, and replaced in a manner that is cost effective, efficient, and sensitive to the community's needs.

Region 2000 Greenways, Blueways, and Trails Plan 2012	Develop corridors that can be used by residents and visitors to access community resources without the need for a privately owned motor vehicle.
Sustainable Lynchburg	Manage infrastructure capital assets to minimize the costs of owning and operation.
	Preserve, improve, and expand infrastructure while meeting present and future community needs.
	Preserve the character and heritage of the City's facilities, streets, parks and grounds.
	Develop a strategic approach for addressing challenges and issues related to water resources.
	Provide cost effective, safe, reliable and efficient infrastructure and services to support City operations.



Land Use

Vision Statement: *The City optimizes the use of land and resources within its 50 square miles.*

Themes: Land Use, Historic, Cultural, Natural

External Partners: *Development Community (developers, existing businesses, designers); Major institutions (colleges/universities, healthcare providers, major non-profits, major employers); Housing partners (realtors, Housing Collaborative, home builders); Regional stakeholders (surrounding counties, Region 2000/Metropolitan Planning Organization)*

CDBG/HOME Strategic Plan July 2010 - 2015	Restore and preserve properties of special historic, architectural or aesthetic value. Provide affordable housing that is accessible to job opportunities.
Comprehensive Plan 2002-2020	To make decisions about the location, scale, and quality of new development; the improvement of neighborhoods and commercial areas; the revitalization of downtown and surrounding historic areas; the extension and upgrade of utilities; and the future of the City's parks, public spaces, and natural areas.
	Chapter 5: Citywide Land Use & Development
	Ensure that public and private development avoids, minimizes, or mitigates negative environmental, community, and fiscal impacts.
	Remove existing and potential conflicts between land uses and zoning.
	Promote regional collaboration in planning for future land uses.
	Chapter 7: Economic & Development & Redevelopment
	Review and amend existing or implement new City policies to maximize economic development potential.
	Chapter 9: Commercial & Employment Areas
	Encourage development that maximizes the use of limited land resources, while being sensitive to cultural and natural resources and surrounding land uses.
	Coordinate City planning efforts with economic development initiatives to minimize potential conflicts.
	Chapter 14: Transportation
	To provide the citizens of Lynchburg with safe, efficient, effective and well-planned transportation systems and facilities that enhance economic development and redevelopment opportunities while preserving the integrity and character of the affected neighborhoods, historic districts, downtown and natural areas.
Department Plans	Fire & EMS Develop a Facilities Plan to ensure existing and future buildings meet Code requirements and have adequate space and furnishings and allow for future service delivery.
Region 2000 Greenways, Blueways, and Trails Plan 2012	Develop corridors that preserve and enhance the function and value of natural, historical, and cultural resources, in the area.
Sustainable Lynchburg	Establish land use policies that promote the economic vitality of the City.
	Minimize the negative impacts of land use development and redevelopment.
	Promote public and private strategies that allow for dense, transit and pedestrian-oriented, mixed-use development opportunities within designated redevelopment areas.
	Preserve open space while being sensitive to economic development and infrastructure needs of the City.



Lifelong Learning

Vision Statement: *Lynchburg is a community that values, encourages and supports the pursuit of learning at all stages of life.*

Themes: Access to Opportunities and Encourage Learning

External Partners: *Pre-K Institutions, Public and Private Schools (K-12), Secondary Education Institutions, Special Interest Education Providers*

Comprehensive Plan 2002-2020	Chapter 11: History, Culture, Education & the Arts Support efforts to improve the quality of Lynchburg Public Schools.
	Chapter 16: Public Facilities Continue to reinforce the City's role as a regional leader in public education, higher education and health care.
Comprehensive Economic Development Strategy (Region 2000)	Develop and maintain a knowledge based workforce to meet the needs and opportunities of a 21st Century innovation economy.
Department Plans	Fire & EMS Develop a Workforce Development Plan. Establish relationships and partnerships to ensure effective delivery of public safety education. Provide educational opportunities to enhance service delivery and develop the workforce for current and future roles.
	Information Technology Develop strategies and action plans for meeting technology training needs for employees in the future.
	Parks & Recreation Succession Planning: work towards an organizational structure that is sustainable and forward thinking, encouraging staff to actively plan and participate in their own career development.
	Excellence in Achievement through graduation rates, advanced class enrollment, reading proficiency, SOL results, and grade distribution.
	Excellence in Behavior through suspensions, student attendance, and character education.
Lynchburg City Schools Comprehensive Plan 2012-2014	Excellence in Culture through staff attendance, school culture survey, and parental involvement.
	Excellence in Operations through facilities, technology, finance, nutrition, and transportation.
	Excellence in Personnel through degree, professional development plans, and turnover.
	Grow the talent pipeline.
Economic Development Strategic Plan 2013 Opportunity Lynchburg - Lynchburg's Strategy for Jobs & Competitiveness	Partner with public and private schools, home schools and institutions of higher learning to promote lifelong learning objectives. Create partnerships with the business community and other organizations to support workforce development.
Sustainable Lynchburg	Support the development of diverse learning opportunities for all ages.
	Develop an empowered and educated City workforce that embraces technology.
	Promote the importance of families as the first teachers in a child's life.



Natural Resources

Vision Statement: *Lynchburg protects, preserves, and restores the natural environment.*

Themes: Protect, Preserve, and Restore

External Partners: *Regional stakeholders (Regional government partners, Robert E. Lee Soil and Water Conservation District, Center for Watershed Protection), Professional and Public Interest Associations (VWEA, VAAWWA, VAMSA, VAMWA, CBF, WEG, VA Nutrient Credit Exchange Association, NACWA), Major institutions (local colleges/universities)*

CDBG/HOME Strategic Plan 2010-2015	Conserve energy resources and use of renewable energy sources. To make decisions about the location, scale, and quality of new development; the improvement of neighborhoods and commercial areas; the revitalization of downtown and surrounding historic areas; the extension and upgrade of utilities; and the future of the City's parks, public spaces, and natural areas.
Comprehensive Plan 2002-2020	Chapter 5: Citywide Land Use & Development Continue efforts to integrate local and regional data systems to provide for the analysis, tracking, and reporting of physical, environmental, demographic, socio-economic, and market conditions.
	Improve capacity to assess the impacts of development and to monitor, analyze, and report on conditions in the city's natural environment, neighborhoods, and commercial and employment districts.
	Ensure that public and private development avoids, minimizes, or mitigates negative environmental, community, and fiscal impacts.
	Chapter 8: Downtown Master Plan Use design principles as the framework for moving forward and building on the great strengths and assets of the Downtown.
	Chapter 9: Commercial & Employment Areas Encourage development that maximizes the use of limited land resources, while being sensitive to cultural and natural resources and surrounding land uses.
	Chapter 12: Natural Systems Manage natural systems to improve health and enjoyment of future generations.
	Promote an understanding of the value of natural systems in providing a pleasant, healthy and safe environment for human activity.
	Evaluate the potential effect, both positive and negative, of human activities on natural systems.
	Temper and refine human activities to promote and enhance the value of natural systems.
	Promote regional cooperation in managing natural systems.
	Chapter 13: Parks & Recreation Encourage appropriate water recreational use through the establishment of James River and Blackwater Creek "blueways".
	Create a system of open space along the James River and City streams that connects parks, natural areas, schools, and other important natural and recreational resources.



Natural Resources

Vision Statement: Lynchburg protects, preserves, and restores the natural environment.

Comprehensive Plan 2002-2020 (Continued)	Chapter 14: Transportation Improve capacity to assess the impacts of development and to monitor, analyze and report on conditions in the City's natural environment, neighborhoods and commercial and employment districts.
	Chapter 15: Public Utilities Maintain the priority of and commitment to execution of the City's Combined Sewer Overflow elimination program with a goal of completion by 2020.
	Maintain and focus on the City's long-term solid waste management needs, including the regionalization of solid waste management services.
	Maintain a comprehensive approach to stormwater management with a focus on addressing regional stormwater issues.
Comprehensive Economic Development Strategy (Region 2000)	Seek to maintain and promote the region's natural beauty, health care, cultural amenities and tourism opportunities.
Lynchburg City Schools Comprehensive Plan 2012-2014	Excellence in Operations through facilities, technology, finance, nutrition, and transportation.
Region 2000 Greenways, Blueways, and Trails Plan 2012	Develop corridors that preserve and enhance the function and value of natural, historical, and cultural resources in the area.
Sustainable Lynchburg	Improve and maintain the health of our watersheds.
	Minimize the City's overall ecological footprint.
	Protect and enhance public health by safeguarding excellent air quality.
	Preserve Natural Systems within the City.
	Encourage families to promote good stewardship of the environment.



Neighborhoods

Vision Statement: *Lynchburg is a community of vibrant, healthy, and diverse neighborhoods.*

Themes: Revitalize, Redevelop, Neighborhoods, Infrastructure, Improvements, Housing, Cultural Identity

External Partners: *Community Associations (Neighborhood Associations, Neighborhood Watch Groups, Historical Foundation, volunteer groups, etc.), Housing Partners (realtors, renting agencies, Housing Collaborative, home builders, developers, etc.), Gathering places (churches, synagogues, City Community Centers, etc.), Banking/Loan institutions, Schools (public and private)*

CDBG/HOME Strategic Plan 2010-2015	Restore and preserve properties of special historic, architectural or aesthetic value.
	Eliminate blighting influences and the deterioration of property and facilities.
	Improve the safety and livability of neighborhoods.
	Rehabilitate substandard housing units. Emphasis on programs that require investment in funds and/or labor on the part of the owner commensurate with the owner's resources.
	Support the organized efforts in neighborhoods to leverage their resources to improve and sustain community livability and services.
	Provide affordable housing that is accessible to job opportunities.
	Preserve existing housing by identifying appropriate present uses for structures and by applying available resources, such as tax credits for low income and historic renovation.
	Set an optimum balance in neighborhoods where 70% are owner-occupants.
	Coordinate the City's downtown revitalization efforts with housing improvement efforts in the target area.
	Reduce the isolation of income groups within areas through spatial deconcentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods.
	Increase the supply of supportive housing which includes structural features and services to enable persons with special needs (including persons with HIV/AIDS) to live in dignity and independence.
	Increase the access to quality public and private facilities.
	Increase the availability of affordable permanent housing in standard condition to low-income and moderate-income families, particularly to members of disadvantaged minorities without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability.
	Support programs that assist individuals in retaining their homes in challenging economic times.
	Place a priority on helping existing owners maintain their homes.
	Provide for the priority needs of the homeless with emphasis on services that break the cycle of homelessness.
Comprehensive Plan 2002-2020	To make decisions about the location, scale, and quality of new development; the improvement of neighborhoods and commercial areas; the revitalization of downtown and surrounding historic areas; the extension and upgrade of utilities; and the future of the City's parks, public spaces, and natural areas.
Department Plans	Parks & Recreation Community Engagement: participate in and support City and Departmental efforts to engage the community through partnerships and citizen action groups.
Sustainable Lynchburg	Support mixed-use neighborhoods with accessible green space.
	Encourage innovative, safe, and affordable housing choices.
	Recognize the uniqueness of all neighborhoods and partner in revitalization efforts.
	Promote neighborhood partnerships to maximize community resources and facilitate self-sufficiency.
	Connect neighborhoods through infrastructure and public services.



Safe Community

Vision Statement: *Lynchburg supports a safe and vibrant community through partnerships, planning and prevention.*

Themes: Safety, Neighborhoods

External Partners: *Laws/Ordinance Enforcement (Police - local and regional, Courts, Department of Criminal Justice Services, etc.), Emergency Response (Fire, EMS, VDEM, etc.), Community Awareness (Neighborhood Watch groups, Crimestoppers, volunteers)*

Comprehensive Plan 2002-2020	Chapter 10: Neighborhoods & Housing Conserve, stabilize, and revitalize the City's neighborhoods.
	Chapter 14: Transportation To provide the citizens of Lynchburg with safe, efficient, effective and well-planned transportation systems and facilities that enhance economic development and redevelopment opportunities while preserving the integrity and character of the affected neighborhoods, historic districts, downtown and natural areas.
	Chapter 16: Public Facilities Leverage investment in public facilities and services to support neighborhoods and commercial improvement efforts.
Department Plans	Fire & EMS Develop a post-incident program to cultivate a safe environment for the community.
	Establish relationships and partnerships to ensure effective delivery of public safety education.
	Provide customers with prompt response and appropriate emergency mitigation via qualified personnel and the best available tools.
	Seek regional cooperation to identify opportunities that will enhance public safety.
	Information Technology Improve communications tools and processes.
Sustainable Lynchburg	Police Enhance core public safety services.
	Educate community members on matters of public safety.
	Foster safe and vibrant neighborhoods.
	Maintain an effective emergency management program.
	Maintain infrastructure adequate to meet community safety needs.



Social Equity

Vision Statement: *Lynchburg is a city where all citizens are valued, respected, able to meet their essential needs and have fair access to resources, education and employment opportunities.*

Themes: Family, Housing, Employment, Affordable

External Partners: *Non-profit organizations, Service organizations (Civic Clubs, African-American sororities & fraternities, social clubs), Educational institutions, Arts & culture entities, Media*

CDBG/HOME Strategic Plan 2010-2015	Eliminate blighting influences and the deterioration of property and facilities.
	Rehabilitate substandard housing units. Emphasis on programs that require investment in fund and/or labor on the part of the owner commensurate with the owner's resources.
	Support the organized efforts in neighborhoods to leverage their resources to improve and sustain community livability and services.
	Preserve existing housing by identifying appropriate present uses for structures and by applying available resources, such as tax credits for low income and historic renovation.
	Job creation and retention
	The provision of public services concerned with employment.
	Availability of mortgage financing for low income persons at reasonable rates using non-discriminatory lending practices.
	Access to capital and credit for development activities that promote the long term economic social viability of the community.
	Coordinate the City's downtown revitalization efforts with housing improvement efforts in the target area.
	Support economic development efforts which will expand job opportunities and retention.
	Reduce the isolation of income groups within areas through spatial deconcentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods.
	Increase the supply of supportive housing which includes structural features and services to enable persons with special needs (includes structural features and services to enable persons with special needs (including persons with HIV/AIDS) to live in dignity an independence.
	Increase access to quality public and private facilities.
	Increase the availability of affordable permanent housing in standard condition to low-income and moderate-income families, particularly to members of disadvantaged minorities without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability.
	Support initiatives to increase permanent affordable rental and housing ownership opportunities.
	Support programs that assist individuals in retaining their homes in challenging economic times.
	Assist homeless persons in obtaining affordable housing.
	Assist persons at risk of becoming homeless.
	Continue the rental inspection program.
	Promote activities which support the healthy development of the City's at-risk youth, adults and families.
	Support the organized efforts of neighborhoods to leverage their resources to improve sustained community livability and services.



Social Equity

Vision Statement: Lynchburg is a city where all citizens are valued, respected, able to meet their essential needs and have fair access to resources, education and employment opportunities.

CDBG/HOME Strategic Plan 2010-2015 (Continued)	Serve the special needs population through a strong regional network of public, private and nonprofit housing and service providers.
	Provide for the priority needs of the homeless with emphasis on services that break the cycle of homelessness.
Comprehensive Plan 2002-2020	To make decisions about the location, scale, and quality of new development; the improvement of neighborhoods and commercial areas; the revitalization of downtown and surrounding historic areas; the extension and upgrade of utilities; and the future of the City's parks, public spaces, and natural areas.
	Chapter 10: Neighborhoods & Housing Promote the construction of new housing and the rehabilitation of existing housing to satisfy the demands of an increasingly diverse local and regional housing market.
	Chapter 14: Transportation Provide the citizens of Lynchburg with safe, efficient, effective and well-planned transportation systems and facilities that enhance economic development and redevelopment opportunities while preserving the integrity and character of the affected neighborhoods, historic districts, downtown and natural areas.
Lynchburg City Schools Comprehensive Plan 2012-2014	Excellence in Achievement through graduation rates, advanced class enrollment, reading proficiency, SOL results, and grade distribution.
	Excellence in Behavior through suspensions, student attendance, and character education.
	Excellence in Culture through staff attendance, school culture survey, and parental involvement.
Economic Development Strategic Plan 2013 Opportunity Lynchburg - Lynchburg's Strategy for Jobs & Competitiveness	Excellence in Operations through facilities, technology, finance, nutrition, and transportation.
Sustainable Lynchburg	Work with immigration lawyers and the US Immigration Service to expand and promote the EB-Visa for immigrant workers in the Lynchburg region.
	Promote the creation of diverse employment opportunities.
	Advocate for the development of housing options.
	Partner with the community and policymakers to increase access to affordable, quality health care.
	Encourage openness and acceptance of the community toward people of diverse backgrounds.
	Promote opportunities for citizens to become involved in civic and local electoral events.
	Support access to quality educational and learning opportunities for all citizens.



Transportation

Vision Statement: *Lynchburg's transportation system is multi-modal, safe and accessible to all citizens.*

Themes: Regional, Integrated

External Partners: Amtrak, GLTC, Region 2000, Regional Airport Authority, VDOT

Comprehensive Plan 2002-2020	To make decisions about the location, scale, and quality of new development; the improvement of neighborhoods and commercial areas; the revitalization of downtown and surrounding historic areas; the extension and upgrade of utilities; and the future of the City's parks, public spaces, and natural areas.
	Chapter 7: Economic Development & Redevelopment Coordinate local and regional economic development, land use, and transportation planning processes.
	Chapter 9: Commercial & Employment Areas Ensure that highway-oriented commercial development is accessible, aesthetically pleasing, and has minimal impacts on adjacent commercial and residential areas.
	Chapter 14: Transportation Provide the citizens of Lynchburg with safe, efficient, effective and well-planned transportation systems and facilities that enhance economic development and redevelopment opportunities while preserving the integrity and character of the affected neighborhoods, historic districts, downtown and natural areas.
	Develop and encourage opportunities for the integration of alternative transportation modes, including public transit, bicycle and pedestrian corridors.
	Increase the safety of the City street system, preserve capacity and efficiency by reducing existing and minimizing future conflict points.
	Create a sustainable, multi-modal transportation system that minimizes and, where possible, reduces pollution and motor vehicle congestion while ensuring safe mobility and access for all.
	Provide increased regional passenger and freight railroad transportation.
	Encourage the improvement of conditions and quality of life along travel corridors and in revitalization areas identified on the Plan Framework Map.
	Commit adequate resources to the operation and maintenance of existing and future transportation facilities.
	Improve capacity to assess the impacts of development and to monitor, analyze and report on conditions in the city's natural environment, neighborhoods and commercial and employment districts.
Comprehensive Economic Development Strategy (Region 2000)	Promote and enhance inter-regional transportation systems.
Region 2000 Greenways, Blueways, and Trails Plan 2012	Develop corridors that can be used by residents and visitors to access community resources without the need for a privately owned motor vehicle.
Sustainable Lynchburg	Adopt land use design and development policies to encourage use of alternative transportation modes.
	Encourage the use of multiple transportation modes.
	Incorporate a multi-modal focus in the final design of transportation infrastructure and services.
	Encourage and expand connectivity.



The City of Lynchburg, Virginia

MEMORANDUM

TO: L. Kimball Payne, City Manager

FROM: Walter C. Erwin, City Attorney *W. C. E.*

DATE: August 28, 2013

RE: Health Insurance Coverage for Retirees

The question has been raised as to whether the City's Employee Handbooks included language allowing the City to change health insurance benefits for retirees.

The City's first Employee Handbook was issued in 1974, this is the Handbook I was given when I came to work in April of 1980, and I still have a copy of the original Handbook. The 1974 Handbook did not include any mention of health insurance for either active employees or retirees.

In 1984 the City completely revised the Employee Handbook, and the revised Handbook, for the first time, contained a section on health insurance. The 1984 Handbook provided that "Group hospitalization coverage is automatically extended to all full-time classified employees with the total costs paid by the City" and also provided that "City paid group hospitalization coverage continues for retirees, who may elect to purchase coverage for their dependents at their own expense." However, the second page of the 1984 Employee Handbook contained the following provision:

This handbook is not intended to, and does not imply or create a vesting or a contract entitling City employees to any specific benefits or policies from the City. From time to time, conditions or circumstances may require the City to make changes, additions or deletions to the policies and benefits in this handbook.

While the Employee Handbook has been revised and updated since 1984 (e.g. 1997, 2003, 2005, 2009), every version of the Employee Handbook has included language stating that the benefits provided to active and retired employees are not guaranteed, and the City reserves the right to make changes, additions, or deletions in its benefits programs if the City determines such changes are appropriate.

The State Code requires localities that provide health care coverage for their active employees, to allow retired employees with at least 15 years of continuous employment, to continue their coverage until the retired employees reach 65 years of age. However, the State Code also provide that while a locality has to allow eligible retirees remain in its health care plan until age 65, it does not have to offer the plan to

them at the same rate as active employees. The locality can charge retired employees a premium that is based upon their age and class of risk.

In early 1996 the City Administration considered making some changes in the health care benefits it provided to retirees. At that time, the City asked the Richmond law firm of McGuire, Woods, Battle & Boothe for a legal opinion on the City's obligation to continue to pick up the full costs of providing retirees with health care benefits. After researching the history of the City's health insurance plan, McGuire Woods concluded that the City did not have a legal obligation to continue to pay the costs of providing health care benefits to retirees, and could charge retirees a premium for their health care coverage. In 1996 the City began charging retirees a \$10 fee to administer their health insurance coverage in order to make it clear that retirees did not have to be treated the same as active employees, and to set the stage for possible future changes in retiree health care benefits.

There may be a feeling among retirees that the City promised to provide health care benefits to retirees at the City's costs; however, the City has never made such a commitment, and can charge retired employees a premium that is based upon their age and class of risk, if the City decides it is appropriate to do so.



Medical Coverage





Why Discuss Benefits

- Council expressed interest Fall 2012
- Evaluating all benefit programs due to ACA and major changes in VRS
- Market comparisons with other VA organizations
- Times have changed: Public and Private sector employers are reconsidering funding strategies for medical coverage



City Council Goal

Discussion



Total Cost of Medical Coverage

- Data being collected



Current Cost Sharing

- Data being collected



Two Options to Reduce City Costs

1. Shift Cost to Members

- Change the plan components
 - Deductibles
 - Co-Pays
 - Co-Insurance
 - Covered services
- Share premium cost with members



Two Options to Reduce Plan Costs

2. Avoid costs through health management

- Reduce utilization

- Improve member health

- Manage chronic disease



One Group Plan

Three Categories of Members

Active Full-Time Employees

- 1250 members
- 2,219 with family members
- 78% of total members
- Primary coverage for Medical and Rx

Retirees <65

- 248 members
- 369 with family members
- 13% of total members
- Primary coverage for Medical and Rx,

Medicare Retirees

- 241 members
- 267 with family members
- 9% of total members
- Secondary medical coverage, coordinating with Medicare



Current Cost Sharing

Premium Value of \$4,773 Annually

Active Full-Time Employees

- City: \$4,773
- EE: 0, if in Health Mgt Program

Retirees <65

- If hired < 1996
 - City: \$4,773
 - Retiree: \$324 Admin Fee
- If hired > 1996*
 - City: 0
 - Retiree: \$4,773

Medicare Retirees

- If hired < 1996
 - City: \$4,773
 - City: \$420 in lieu of Rx coverage or \$684 if waive coverage
- Retiree: 0

* No current participants



Other VA Organizations' Practices

Active Employees

- 83% share premium cost with employees
- 10.6% average Employee contribution
- Employee share ranges from 0 –40%

Retirees < 65

- 64% - share cost – typically on a sliding scale based on years of service or years in plan
- 32% - retirees' fully fund cost
- 4% - locality fully funds cost

Medicare Retirees

- 68% - no contribution or access
- 32% - share cost of Medicare supplement – typically on a sliding scaled based on years of service



Impact of ACA

Active Employees

- Very little impact on employees at this time – will not be eligible for exchange subsidies at current practices
- Plan must pay fees, eliminate maximums, eventually pay for 100% of cost of preventive care
- 30 hour average eligible for medical benefits

Retirees

- City not required to include retirees in coverage or numbers
- Retirees may be eligible for coverage through exchanges

Medicare Retirees

- City is not required to include Medicare retirees in coverage or numbers



Discussion

Benefits Presentation to City Council—January 9, 2013

1) The state code authorizes local governments to provide benefits such as paid time off and group health, life and disability insurance for their employees. Like private-sector employers, most localities provide these types of benefits. However, in recent years both private-sector employers and localities have been reducing these benefits, especially health care benefits, because of rising costs.

2) Not surprisingly, reductions in benefits do not go over particularly well with employees, especially retired employees, who often feel they have a vested right to continue to receive a particular level of benefits. Over the years there have been a number of legal challenges to reductions in health care benefits. However, the courts have generally held that providing employees with health care benefits does not give active or retired employees a right to continue to receive the same level of benefits, and an employer may modify health care benefits if it chooses to do so, unless the employer has made binding guarantees not to change the level of benefits provided to employees. Generally, even if an employer has had a past practice of providing a certain level of benefits to active and retired employees, it still has the right to reduce the level of benefits.

3) Lynchburg has been careful not to make any guarantees that it will not change the level of benefits it provides to active and retired employees. The City's employee handbooks have always contained language stating that: the City's benefit policies do not grant active or retired employees any vested benefits, which employees are not, guaranteed current or future benefits and that the City has the right to make any changes to its benefits programs whenever it determines it is appropriate to do so.

4) In 1996 the City was considering making some changes in its health insurance benefits. Realizing that such changes could be controversial, the City obtained a legal opinion (July 25, 1966) from the McGuire Woods law firm in Richmond advising that in its opinion the City had not made any binding guarantees that required it to provide active and retired employees with a certain level of health care benefits and that the City had the right to make changes in its health insurance coverage if it chose to do so. And in fact, the City did make several changes to its health care program at that time.

5) However, the fact that the City can make changes in its benefits programs does not mean the City can do whatever it wishes, there are some limits.

- For example, the section of the state code that authorizes localities to provide health care coverage for employees also provides that if a locality offers such coverage it must allow retired employees with at least 15 years of continuous employment with the locality and employees who retire due to line-of-duty injuries to continue their coverage at the retiree's expense until the retired employees reach 65 years of age. While the City has to allow eligible retirees remain in its health care plan until age 65, it does not have to offer the plan to them at the same rate as active employees, the City can charge retired employees a premium that is based upon their age and class of risk.

- Also, when changing benefits a locality cannot violate the federal Age Discrimination in Employment Act by offering retired employees a health care plan that is inferior to the plan offered to active employees. While an employer cannot offer an inferior plan to retired employees in 2004 the Equal Employment Opportunity Commission ruled that it was not a

violation of the Age Discrimination in Employment Act for employers to terminate health care benefits for retirees that were eligible for Medicare.

6) The bottom line is that the City has not made any binding guarantees that require it to continue to provide benefits at the current levels. If it wishes, the City can make changes in the benefits that are provided to both active and retired employees.

Notes

● Changes by other localities

In 2006 Chesterfield County reduced its contributions to retirees' health care coverage

In 1998 Richmond increased the premiums it charges retired employees

● City's Health Care History

The City started its current health care plan in 1974.

From 1974 to 1988 the City offered a single plan that paid 100% of the costs for active and retired employees.

The City did not have a written policy on health care benefits until 1984 Handbook. In 1984 the City included provisions about the health care plan in the employee handbook.

In 1988 the City began offering two plans, Plan A which offered lower deductibles and out of pocket expenses, and Plan B, with higher deductibles and out of pocket expenses. Plan B was offered to current and active employees at no cost, employees had to pay a portion of the premium for Plan A.

In 1990 the City required employees to have 15 years of service to continue to participate in the health care plan after retirement, prior to this change employees only had to retire from the City (only 5 years of service were needed)

The City obtained a legal opinion dated July 25, 1996 from the McGuire Woods law firm in Richmond advising that in its opinion the City had not made any binding guarantees that required it to provide active and retired employees with a certain level of health care benefits. In 1996 the City made the following changes to its health care plan:

- Plans A and B were merged into a single plan.
- Employees hired after July 1, 1996 have to pay a premium, equal to the value of the medical coverage, in order to continue to participate in the City's health insurance plan upon their retirement.
- The City began charging retirees a \$10 fee in order to start the process of treating retirees differently than active employees and to set the stage for possible future changes in retiree health care benefits.

I sent Council a reminder memo of the McGuire Woods opinion on April 15, 2002.

● **Retiree Health Care Issues (1996 Report)**

Under Plan A the City and active employees are subsidizing health care for retired employees and their dependents, they cost the plan two times the amount of premiums being paid into the plan for coverage. This is especially true for public safety employees which are able to retire at age 50 and are not eligible for Medicare coverage until age 65. Possible solutions were to: (i) place a cap on the City's contributions to retired employees' health care or (ii) base retired employees' premiums on the actual cost of their coverage.

● **ERISA (Employee Retirement Income Security Act)**

ERISA does not apply to local governments and does not require an employer to offer health care benefits, it simply sets out procedures an employer must follow when it chooses to provide health care benefits.

State Code

[Note: Section 15.2-1517 of the State Code (originally Section 15.1-7.3) was adopted in 1981. The original version did not require localities to provide benefits to the employees of the constitutional officers or to retirees. In 1984 the section was amended to require localities to provide benefits to the employees of the constitutional officers. In 1992 language was added requiring that upon retirement a retired employee could continue his coverage in the health care plan, at his expense until age sixty-five. In 1993 language was added providing that the retired employee had to have 15 years of continuous employment with the locality or it less than 15 years of continuous employment retired due to line-of-duty injuries.]

§ 15.2-1517. Insurance for employees and retired employees of localities and other local governmental entities; participation by certain volunteers.

A. Any locality may provide group life, accident, and health insurance programs for its officers and employees; employees of boards, commissions, agencies, or authorities created by or controlled by such locality; or employees of boards, commissions, agencies, or authorities that are political subdivisions of the Commonwealth and work in close cooperation with such locality. In addition, any locality that provides such a health insurance program may allow eligible members of approved volunteer fire or rescue companies, as determined by the locality, to participate in such a health insurance program. Such programs may be through a program of self-insurance, purchased insurance or partial self-insurance and purchased insurance, whichever is determined to be the most cost effective. The total cost of such policies or protection may be paid entirely by the locality or shared with the employee. The governing body of any locality may provide for its retired officers and retired employees to be eligible for such group life, accident, and health insurance programs. The cost of such insurance for retired officers and retired employees may be paid in whole or in part by the locality. The governing body of any locality may permit members of approved volunteer fire or rescue companies to participate in its group health insurance programs, subject to the eligibility criteria established by the locality. The cost of a volunteer's participation in such a health insurance program shall be paid for in full by the participating volunteer.

B. In the event a county or city elects to provide one or more of such programs for its officers and employees, it shall provide such programs to the constitutional officers and their employees on the same basis as provided to other officers and employees, unless the constitutional officers and employees are covered under a state program, and the cost of such local program shall be borne entirely by the locality or shared with the employee.

C. 1. Except as otherwise provided herein, in the event the governing body of any locality elects to provide group accident and health insurance for its officers and employees, including constitutional officers and their employees, such programs shall require that upon retirement, or upon the effective date of this provision for those who have previously retired, any such individual with (i) at least 15 years of continuous employment with the locality or (ii) less than 15 years of continuous employment who has retired due to line-of-duty injuries may choose to continue his coverage with the insurer at the retiree's expense until such individual attains 65 years of age at the insurer's customary premium rate applicable (a) to such policies, (b) to the class of risk to which the person then belongs, and (c) to his age.

2. The governing body, when providing this coverage, may further provide that the retiree be rated separately from the active employees covered under the group plan offered by such governing body.

3. Any locality that has not offered the opportunity to continue group health coverage provided by the locality as required by subdivision 1 to its retirees who had retired on or before June 30, 1993, and who meet the criteria for such coverage as set forth in subdivision 1, shall do so by July 1, 2000. Any retiree from the service of a locality who had retired on or before June 30, 1993, and who meets the criteria to continue his group health coverage from the locality under subdivision 1 who has not yet elected to continue his group health coverage from the locality shall elect whether to do so by July 1, 2000.

4. Nothing herein shall prohibit a locality from providing group accident and health coverage or benefits for its retirees in addition to the coverage required under this section.

D. Any locality that offers group health plans to its employees and the employees of constitutional officers and its retirees, as provided by this section or otherwise, may provide in the plan providing such coverage that any retiree who is participating in a group health plan provided by the locality who subsequently terminates his participation in such plan may not thereafter rejoin a group health plan provided by the locality.



Part-Time





Current Benefits by Employment Category

- **Full-Time Classified**

- VRS/Group Life
- Medical/Dental/Vision
- Paid Leave
 - Vacation Sick
 - Holidays Personal
 - Funeral

- **Less than full-time**

- **Part-Time Classified** (No longer hiring employees into this category)
 - Paid Time Off (PTO)
 - Generic leave pro-rated based on budgeted hours
- **Temporary** - Seasonal and on-going hourly work
 - None



Primary Types of Less Than Full-Time Positions

In Lieu of Full-Time

- Training positions
 - Fire Recruits
 - Benefits' Specialists*
- Lack of Full-Time Resources
 - Planners
 - Communications & Marketing – Citizen's Services

* Pilot Program

Service Delivery Needs

- Seasonal
 - Parks & Rec
 - Public Works/Grounds
- Extended or Program-based Hours
 - Library
 - Parks & Rec
 - Museums
 - Juvenile Services



Advantages of Current Practice

- Flexibility
- Meet short term needs
- Lower employment costs



Disadvantages of Current Practice

- Higher Turnover
- Less Attractive Employment
- Lower Job Satisfaction



Finding the Right Balance

- Part-time positions that help meet operational needs

AND

- Employment opportunities that attract and retain qualified employees



ACA Regulations

- New definition of full-time for benefits purpose
 - Benefits must be offered when paid hours average 30 or more per week
- City Response
 - Use a 12 month measurement period
 - Reduce most less than full time employees to less than 30 hour average



DSS Pilot

- Hire 5 less than full-time Benefit Program Specialists for the cost of 4 full-time
 - Select through open competition
 - Schedule <40 hours per week
 - Provide medical and dental coverage
- Progress to Full-Time as training is complete and vacancies occur



Discussion