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// A regular meeting of the Council of the City of Lynchburg was held on the 24th day of April, 2018, at 4:00 P.M. in the Council Chamber, City Hall, Joan Foster, President, presiding. The purpose of the meeting to continue with the FY 2019 Proposed Budget. The following Members were present:

Present: MaryJane Dolan, Jeff S. Helgeson, J. Randy Nelson, E. J. Turner Perrow,

Treney Tweedy, Sterling A. Wilder, Joan F. Foster

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Absent:

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// City Manager Bonnie Svrcek stated an update on the recovery efforts from the tornado that hit the City on Sunday, April 15, 2018. A video was shown and Gaynelle Hart, Director of Public Works and Kent White, Director of Community Development, gave a verbal update. The video showed some of the hardest hit areas in the City. Ms. Hart stated work is continuing in the hardest hit neighborhoods in the City: Windsor Hill, Sedgewick Drive, Cranehill Road, Peakland Place, Trent's Ferry Road, John Scott Drive, and Link Road. The cleanup will start next on the primary streets. Ms. Hart went on to say that it will take another 6 to 8 weeks to work on the brush cleanup in the areas of Boonsboro Road, Link Road and Old Forest Road. Mr. White stated the latest count on private property damage is 337 buildings with 54 classified as major damages and 34 as not livable, 11 were businesses as institutions and non-profits. Permits are being issued at no fee for those impacted by the storm and the numbers will continue to rise. Assessments are ongoing and Council should have a final report in a few weeks. While some worked to clear litter from their neighborhoods, teams of City employees volunteered to help residents with cleanup projects that were too big to tackle themselves. Neighbors helping neighbors and when things were at their worst, Lynchburg was at its best.

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// City Manager Bonnie Svrcek stated to continue review of "The List" and Balance the FY 2019 Budget.
// Mayor Foster stated that today's meeting would start with the remaining of "The List" and Balance the FY 2019 Budget. Mayor Foster stated Council stopped on the "List" with item #7, the School Operating Budget. A motion was made by Council Member Nelson and seconded by Council Member Wilder to restore \$300,000 back to the Schools. This motion was tabled due to time constraints and Council to begin with this motion today. Council Member stated he had reflected what was said at the last meeting and what we are facing today, that we should look at the lower hanging fruit. He said it might be prudent that we defer this motion until the end to see what we have to work with. Council Member Nelson said he is just deferring the discussion on the motion not with drawing the motion. Council Member Wilder withdrew his second to the motion. Council agreed to defer that motion until the end of the "List". Council began discussion with items #9 through #13 and would come back for motions after the entire review of the "List".

Item #10 on the list - Vice Mayor Tweedy made a motion seconded by Mayor Foster to maintain the funds and to maintain the position in this year's budget for the Youth Planner position. The dollar amount of this position includes a salary of \$33,238 and benefits \$15,119 for the Youth Planner position total of \$48,357. Council Member Wilder and Council Member Dolan stated they would both support the motion if this position is needed at this time, due to our poverty issues in the City. To be effective, the City needs one dedicated person for this position and the kids need these programs.

Council Member Helgeson suggested, Council look at things that are critical in the budget and positions that have not been funded for 5 years. What are the implications as we look at the budget? He stated he will not support this position because we have several other things on the list that is more important, especially the last position discussed. Come back with a better solution for this position and we should objectively and clearly assess what position to fund rather than make a quick reaction.

Council Member Nelson commented that since we have been talking about poverty; we should acknowledge that we are trying to do things in a different way than in the past. The position was voluntarily taken on based on the person's qualities and talents. It is much better to deal with prevention conduct and misbehavior when children are young rather than when they become adults and develop bad habits. It is an understatement that this work has been done and needs to continue. I would support a position that brings positive support for our City's youth.

Council Member Perrow commented that this position was funded, but not filled. It was not a priority for the City nor was it a priority to lessen the workload for that person. The focus area of the coordinator seems they will be in meetings all day. I would hate to see the Hill Climbers go away, but I do like the idea of the Mayor's Youth Council headed by the Manager's Office where it can be closed to the administration. Since the department could not justify in filling the position in the past, it is hard for me to justify filling the position now. Council voted on the position of Youth Planner and it will remain in the budget. The motion passed by the following vote.

Ayes: Dolan, Nelson, Tweedy, Wilder, Foster	5
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Noes: Helgeson Perrow	2
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Item #11 on the list to restore pool hours - Vice Mayor stated that previously Council Member Nelson asked about the pool hours and the utilization of the pool. John Ramsey with Parks and Recreation stated this cut was made to comply with the budget instructions of 2% of the budget pertaining to historical expenditures at the pool. This change would not affect our pools unless we see an increase in business across the season so we can be able to rest our lifeguards throughout the day. Or, if we had to increase our lifeguards pay because it is tough finding lifeguards, this would not affect our pools hours. We need additional lifeguards due to the volume of people using the pool and to adjust the pool hours. Council Member Nelson stated that Mr. Ramsey answered my question, whether or not they could adjust their pool hours to comply with reality and the City's demands. It is really about paid lifeguard hours based on the capacity of attendees during the pool hours. Council agreed to leave the budget as is for the proposed for the pool hours. Council voted to leave the budget as proposed for the pool hours to zero:

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Ayes: Dolan, Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster

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Noes:

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Item #12 External Service Providers – Discretionary – Elizabeth's Early Learning Center

Council Member Helgeson stated this is a discretionary expense that is not required. Looking at City services such as Planners, Police and Fire are the things we have to do; being a new external service provider, I would remove the \$15,000 to possibly help fund the Youth Planner. The appropriation for this item would take 5 votes to pass.

Council Member Nelson stated that the City enters into an agreement with Elizabeth's Early Learning Center and in good faith they relied on that agreement. They are undertaking construction and programs based on this agreement. I have great hesitation to pull the funding that the City previously stated they would provide for them. In regard to the poverty in our city, Elizabeth's Early Learning Center helps student's preparation to enter public schools. I would support keeping the funding for Elizabeth's Early Learning Center (\$15,000) in the budget.

Council Member Perrow stated he agreed with Council Member Nelson, that Elizabeth's Early Learning Center is a good program, but he disagree with the agreement. He raised concern with the other groups who ask for funds from the City like the Boys and Girls Club, Big Brothers and Big Sisters, amongst other groups. He stated if Elizabeth's Early Learning Center is getting \$15,000, why can't everyone else come and ask for funds? He is concerned with the potential precedent it may set. I will not be supporting the funding for Elizabeth's Early Learning Center. Council Member Perrow made a motion second by Council Member Helgeson to remove the \$15,000 from Elizabeth's Early Learning Center and the funding as a credit to the "List".

Council Member Dolan considering keeping the \$15,000 to Elizabeth's Early Learning Center. Vice Mayor Tweedy stated this request is due to their expansion and programs as a service provider. Council Member Wilder stated it is a good program and he will support keeping the \$15,000 for Elizabeth's Early Learning Center. Mayor Foster stated she would be voting against the motion to take away the \$15,000 from Elizabeth's Early Learning Center. They have already started on their new addition. Mayor Foster restated the motion, made by Council Member Perrow and second by Council Member Helgeson to take out the \$15,000 from Elizabeth's Early Learning Center. The motion failed to remove the funding for Elizabeth's Early Learning Center. Council by the following recorded vote:

Ayes: Helgeson Perrow

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Noes: Dolan, Nelson, Tweedy, Wilder, Foster Helgeson Perrow

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Item #13 - External Service Providers – Discretionary - Virginia Legal Aid Society – Council Member Perrow made a motion seconded by Council Member Helgeson to remove the Virginia Legal Aid Society funding in the amount of \$11,699 from the budget. Council Member Perrow mentioned according to their historical activities, this has been a good entity, but recently activities suggested they are going outside their scope and seeking additional sources of funding. He will not support funding them anymore. Council Member Helgeson stated he agreed with Council Member Perrow that Legal Aid Society have historically exceeded their mission. In the past their mission has been to help those that are poor and in need, but when they exceed that mission that is not beneficial to our taxpayers, we should stop funding them. Council Member Dolan stated she thinks this is a donator gift and is not appropriate at this time. I do believe in the mission of Legal Aid, but due to budget constraints, this is one to take out of the budget and not fund at this time.

Council Member Nelson stated the Legal Aid Society is a significant asset to the community, for citizens that don't know their rights and cannot afford an attorney to represent them on many issues for example, housing issues, to review a contract, child support and employment, is their mission and purpose. I have confidence in Legal Aid and don't know if they have any other source of funding. I support keeping the funding in for Legal Aid to continue vibrant and effective legal aid for our citizens who need them.

Vice Mayor Tweedy made several comments regarding Legal Aid. She stated, I believe in the mission and the services they provide and I will support we keep the money and not take funds away from Legal Aid. Mayor Foster was also in favor in keeping the funds in for \$11,699 for Legal Aid. They work with citizens in our community that cannot afford an attorney for legal advice. I will be voting against the motion to take out the funding for Legal Aid. Mayor Foster called for the vote to remove the funding for Legal Aid in this year's budget. The motion failed by the following recorded vote to remove the funding for Legal Aid and the funding stays in the budget:

Ayes: Dolan, Helgeson, Perrow 3

Noes: Nelson, Tweedy, Wilder, Foster 4

Item #9 – Building Services Coordinator - \$37,957 - Council Member Wilder made a motion and seconded by Council Member Nelson to keep the funding in the budget for the Building Services Coordinator. The person in this position maintain the facilities and other buildings keeping it clean and presentable when citizens visit City Hall and maintain some type of security for this building. Council by the following recorded vote agreed to keep the Building Services Coordinator in the budget:

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Ayes: Dolan, Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster 7

Noes: 0

Item #1 – Federal Relations Liaison Services (\$30,000) - Council Member Perrow made a suggestion that he was not inclined to put this item back in the budget if the City Manager would pursue for next year's budget. After a discussion, Council agreed to remove this position for the Federal Relations Liaison Services from the budget. Council Member Perrow made a motion to strike this item from the list as a zero budget item and Council Member Helgeson seconded the motion. Council by the following recorded vote agreed to strike the Federal Relations Liaison Services position from the list:

Ayes: Dolan, Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster 7

Noes: 0

Item #14 – Departmental – Salary Increase for City employees – Council Member Nelson stated there has been considerable discussion on the market analysis, but no result on that study. There is \$900,000 that has been allocated to fund whatever that market study recommends. I would not want to make a salary increase that would antique the report. Council Member Nelson made a motion to approve a bonus for full-time employees (\$500) and part-time employees (\$250) to become effective beginning in December. That motion failed due to a lack of a second.

Vice Mayor Tweedy made a motion to provide a 2% general wage increases to City employees from the Fund Balance amount of \$2,000,000 which equals \$1,246,000 effective July 1, 2018. Mayor Foster seconded that motion.

Council Member Perrow made several comments regarding the motion to wait until the market study is complete before making any adjustments. Council Member Helgeson stated he agreed with Council Member Perrow and the decision to wait until the market study is complete. He would not support a 2% increase across the board for City employees to make good prudent financial decisions by keeping it in the Fund Balance. He also stated it would not be rational to give a wage increase at this time, but to wait on the market study. Council Member Dolan also stated that we need to wait until the market study is complete and she will not be supporting a 2% wage increase for City employees. She also stated that a bonus would be appropriate at this time until we receive the market study and it makes more business sense. Council Member Wilder stated he understood waiting on the market study, but he would be in

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favor of a 2% for City employees. Mayor Foster called for the motion which states a 2% pay increase to City employees. The motion failed by the following recorded vote:

Ayes: Tweedy, Wilder, Foster 3

Noes: Dolan, Helgeson, Nelson, Perrow 4

Council Member Nelson stated he would again make a motion to give a bonus to City employees that will cost \$536,100 to the budget effective July 1, 2018 and Council Member Perrow seconded the motion. Council Member Perrow stated he seconded the motion because it gives the employees something sooner than later and funding would potentially come from the gap. Mayor Foster stated she would not support the motion for the bonus to City employees. Mayor Foster called for the motion for City employees to receive a \$500 bonus for full-time employees and \$250 bonus for part-time employees. The motion passed by the following recorded vote:

Ayes: Dolan, Helgeson, Nelson, Perrow, Wilder 5

Noes: Tweedy, Foster 2

Item #7 – Schools – Operating - Council Member Helgeson made several comments regarding the Schools budget with 400 less students and an increase of 200 more employees and not give the Schools more funding. Council Member Perrow made a motion to approve an additional \$58,031 to City Schools above the city manager's recommendation; Council Member Helgeson seconded the motion. Council Member Nelson stated he would support this motion.

Several Council Members stated they would not support the motion because it does not give the City School what was requested. Council Member Wilder stated he would not support the motion. The motion failed by the following recorded vote:

Ayes: Helgeson, Nelson, Perrow, 3

Noes: Dolan, Tweedy, Wilder, Foster 4

Council Member Dolan made a motion to provide level funding for the Schools; Vice Mayor Tweedy seconded this motion. Council Member Dolan further stated that we need to support the new superintendent's request for level funding of \$748,465 for the City Schools.

Council Member Helgeson stated he would not be voting for this motion because the \$586,000 would be going to administration and not the students. Council Member Perrow stated that without level funding the City the Schools will be receiving a 1.5% increase in their budget where the city departments are looking at a 2% cut from their budget. A .3% increases for the City and Schools and a 1.5% increase for

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Schools means we are cutting into the Reserves. Mayor Foster called for the vote on level funding in the amount of \$748,465 to the Schools.

Council Member Nelson made a substitute motion to fund the Schools budget with \$300,000. That motion was seconded by Council Member Perrow. That motion failed by the following recorded vote:

Ayes: Helgeson, Nelson, Perrow,	3
Noes: Dolan, Tweedy, Wilder, Foster	4

Mayor Foster called for a vote on the original motion to approve funding of \$748,465 for the Schools budget. This motion passed by the following recorded vote:

Ayes: Dolan, Tweedy, Wilder, Foster	4
Noes: Helgeson, Nelson, Perrow	3

City Manager Bonnie Svrcek mentioned that Council had suggested earlier possible money be placed in the Reserves for a general wage increase so it will not fall in Fund Balance. The amount left is \$1,309,566 from the compensation study for employees and these funds will need to those funds in Reserves prior to June 30, 2018. Ms. Svrcek further suggested that this would be in the Reserves prior to June 30, 2018 and Ms. Svrcek further stated this would be the time to do this.

Mayor Foster made a motion that additional funding reserved for the Citywide Salary Study result for City employees in the amount of \$1,309,566 for the Reserves. Vice Mayor Tweedy seconded the motion. The motion passed by Council by the following recorded voted the motion

Ayes: Dolan, Nelson, Tweedy, Wilder, Foster	5
Noes: Helgeson, Perrow	2

After Council lengthy discussion on many of the items on the budget, Council has balanced the budget for the upcoming fiscal year with no new taxes, no cuts to citizen services and “level funding” for Lynchburg City Schools. (See chart below).

Overview of Items on “The List” including Revenue Updates and Staff Adjustments.

Proposed FY 2019 Revenue Adjustments

- Staff Adjustments to Revenues
 1. Current Public Services Corporation (from \$2,425,000 to \$2,475,000) - \$50,000 – increase

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2. Current Personal Property – Local portion (from \$18,371,500 to \$18,500,000) - \$128,500 – increase
3. Adjust Allowance for Uncollectible Personal Property (3.0%) (from -\$551,145 to -\$555,000) (\$3,855) decrease
4. Bank Stock Tax (from \$775,000 to \$825,000) - \$50,000 increase
5. Reduce Lodging Tax (from \$2,783,000 to \$2,700,000) – (\$83,000) decrease
6. Meals Tax (from \$14,544,000 to \$14,932,800) - \$388,800 – increase
7. Local Law Enforcement Funding (from \$3,025,153 to \$3,137,084) - \$111,931 – increase
 - o Subtotal Staff Adjustments to Revenues - \$642,376 increase
 - o Total Revised Revenues - \$190,613,256

Proposed FY 2019 Expenditure Adjustments - \$189,970,880

Proposed FY 2019 Expenditure Adjustments

- Staff Adjustments to Expenditures:
 1. Reduce Line of Credit funding - (\$150,000)

Subtotal Staff Adjustments to Expenditures: - (\$150,000)

Total Revised Expenditures - \$189,820,880

GAP - \$792,376

Items	Budget Proposed	Budget Adjustments to Discuss	Council Decision
1) Council/Manager Office	\$ 0	Federal Relation Liaison service (\$30.00)	\$ 0
2) Police	\$ 0	In-Car Camera Replacements (\$79,910)	\$ 79,910
3) Reserve	\$ 0	Add to Police Building Reserve Amount remaining from the increase in Local Law Enforcement Funding (House Bill 599) after funding the In- Car Cameras (\$111,931 - \$79,910)	\$ 32,021
4) External Service	\$ 0	Virginia for High Speed Rail (VHRS (\$5,000) (Note: This	\$ 0
5) Reserve	\$ 0	Reserve for Schools State Shortfall (use of 1.1% over 10% - \$2,000,000)	\$
6) Use of Fund Balance	\$ 0	Use of Fund Balance for use of 1.1% over 10%-\$2,000,000)	\$ (2,000,000)
7) Schools – Operating	\$40,923,533	School Operating Request \$42,028,98 (\$1,104,965)	\$ 748,465
8) School – Buses	\$ 356,500	School Buses Request \$713,000 (\$356,500)	\$ 0
9) Public Works	\$ 0	Building Services Coordinator (\$37,957 salary \$24,981; benefits \$12,976)	\$ 37,957
10) Human Services – Juvenile Services	\$ 0	Youth Planner (\$48,357 – salary \$33,238; benefits	\$ 48,357
11) Parks & Recreation	\$ 63,513	Restore Pool Hours (\$49,973)	\$ 0
12) External Service Providers Discretionary	\$ 15,000	Elizabeth's Early Learning Center (\$15,000)	\$ 0
13) External Service Providers Discretionary	\$ 11,699	Virginia Legal Aid Society (\$11,699)	\$ 0
14) Departmental	\$ 0	Salary Increase for City employees One –Time Bonus = \$536,100 (Effective 07/01/18) \$500 full time; \$250 part time	\$ 536,100
15) Reserve		Additional funding reserved for the Citywide Salary Study results (\$1,309,566)	\$1,309,566
Total Balancing			\$ 792,376
GAP			\$ 0

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// During roll call Vice Mayor Tweedy mentioned the Love Lynchburg hosting the cleanup day on Saturday, April 21, 2018 in the City with citizens coming out to clean up the City.

// Mayor Foster mentioned the wonderful event at Lynchburg College of the unveiling of the historical plaque at Hopewood Hall.

// The meeting was adjourned at 6:50 P.M.