

Memo

To: Roanoke County Board of Supervisors

From: Daniel R. O'Donnell, County Administrator *DAO*

Date: April 29, 2019

Subject: FY 2020 Budget Memo #14: Contractual Outside Agency Funding



In response to a request from the Board of Supervisors, Attachment #1 contains information regarding contractual outside agency funding as part of the fiscal year 2019-2020 operating budget. Information includes the description of the agency, fiscal year 2019-2020 budgeted funding, and terms of the County's participation in the agency. In compiling this information, there are several items staff would like to bring to the attention of the Board of Supervisors:

- Staff was unable to locate provisions for the County – if it so desired – to withdraw from the Roanoke Regional Partnership. Staff will continue to research this item and report back to the Board of Supervisors.
- The County pays \$41,700 on behalf of Roanoke County Public Schools (RCPS) for programming at the Taubman Art Museum (in addition to its own \$40,000 contribution.) This is based on an agreement reached between RCPS and the Museum. Since this is funding specifically requested by RCPS (RCPS does not have the authority to provide funding directly the Museum), the Board of Supervisors may consider including the amount as an adjustment into the future calculation of the adopted Revenue Sharing formula.
- The Board of Supervisors may wish to direct staff to move agencies that are funded on a year-to-year basis and subject to annual appropriation of funds to the discretionary outside agency funding process, so those contributions can be more thoroughly reviewed on an annual basis.

Attachment #1: Contractual Outside Agency Funding

cc: Ruth Ellen Kuhnel, County Attorney
Rebecca Owens, Assistant County Administrator
Richard Caywood, Assistant County Administrator
Laurie Gearheart, Acting Director of Finance
Jill Loope, Director of Economic Development
Chris Bever, Director, Office of Management and Budget

**Attachment #1: Contractual Outside Agency Funding
FY 2019-2020 Proposed Budget**

Organization	Notes	FY 2019-2020 Proposed Budget
Art Museum of Western Virginia	<p><i>Art Museum Services Agreement between the Art Museum of Western Virginia, Roanoke County Board of Supervisors, and Roanoke County Public Schools, November 20, 2007; Amendment to Agreement, July 28, 2011, extension of agreement August 2017</i></p> <p>The Art Museum of Western Virginia brings people and art together for discovery, learning, and enjoyment. The museum is committed to exhibitions, programs, and experiences that inspire, enrich, and promote creativity in all walks of life and business. The agreement was extended for ten-years in 2017, and is subject to annual appropriation of funds by the Board of Supervisors.</p>	\$40,000
Art Museum of Western Virginia (Taubman) – Art Education Program (Paid on behalf of the School Board)	<p><i>Agreement between the Board of Supervisors, Roanoke County School Board, and Art Museum of Western Virginia for Educational Program – A081407-2, February 15, 2007; Resolution 090809-4.c, September 8, 2009, extension of agreement in August 2017</i></p> <p>The goal of the program is to educate students and teachers of the Roanoke County public schools in art appreciation. The term of the contract is a ten-year agreement through 2027, and is subject to annual appropriation of funds by the Board of Supervisors.</p>	\$41,700
Blue Ridge Behavioral Health Care	<p><i>Roanoke County is a member of the Community Services Board under Chapter 10, Title 37.2, of the Code of Virginia; Action Number A-081208-7.b, August 12, 2008; Resolution 032205-8.c, March 22, 2005</i></p> <p>Blue Ridge Behavioral Health Care was established under the code of Virginia to provide comprehensive services for individuals who have mental health disorders, intellectual disabilities, or who have substance abuse issues. Under contract with the Virginia Department of Behavioral Health and Developmental Services (DBHDS), BRBH operates within a service area comprised of the Cities of Roanoke and Salem, and the Counties of Botetourt, Craig, and Roanoke.</p> <p>Funding to support services comes from a combination of state and local government appropriations, federal and private grants, and reimbursement from federal agencies, client insurers, and private payment. Request for support is based upon a service utilization formula for all member localities of the Community Services Board. The formula meets the requirement of the Virginia Department of Behavioral Health and Developmental Services for State controlled funds to be matched with local tax dollars in a 90:10 ratio. Roanoke County still does not fund the full 10% but has made progress towards that goal.</p> <p>Under Chapter 5-510, Title 37.2 of the Code of Virginia, no county or city participating in a joint community services board shall withdraw from it without providing two years' notice to the other participating counties or cities, unless the other counties or cities agree to an earlier withdrawal. If the County were to withdraw from this partnership, it would still be required to provide mandated State services.</p>	\$260,000

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Greenway Commission	<p><i>Ordinance 040897-6 authorized execution of an intergovernmental agreement establishing the Roanoke Valley Greenway Commission; Ordinance 121608-8 authorized revision to the intergovernmental agreement; Ordinance 062309-9 provides for office space at the Public Service Center for the Greenway Commission</i></p> <p>The Roanoke Valley Greenways Commission requests funding from Roanoke County, the Cities of Roanoke and Salem, and the Town of Vinton. Operating revenues are funded by the participating localities on an equal per capita basis as determined by the most recent population estimates of the Weldon Cooper center for Public Service of the University of Virginia.</p> <p>The County can withdraw from the agreement by adoption of an appropriate ordinance. The County can cancel agreement for use of office space by the Greenway Commission at the Public Service Center with two months' notice in writing.</p>	\$36,860
Roanoke Regional Blueway	<p>The Roanoke River Blueway Committee was established in 2013 by the Roanoke Valley-Alleghany Regional Commission to facilitate the planning, development, and marketing of the Roanoke River Blueway. A five-year commitment of funding was made which expires in 2020. Funding is subject to annual appropriation by the Board of Supervisors.</p>	\$4,525
Roanoke Regional Partnership	<p><i>January 10, 1989 Roanoke County Board of Supervisors adoption of a Resolution endorsing a single economic development effort under the direction of the Regional Partnership; restated bylaws dated June 1990; restated bylaws dated January 1993.</i></p> <p>The Roanoke Regional Partnership is a public-private partnership. The Partnership promotes Roanoke businesses and entrepreneurs, as well as living, recreation, and outdoor opportunities in Roanoke. Funding from eight governments in the region are matched by private sector pledges. The contributing local governments are Alleghany County, Botetourt County, City of Covington, City of Roanoke, City of Salem, Franklin County, Roanoke County, and Town of Vinton. Funding requests are based on a per capita scale.</p> <p>It is unclear what conditions, if any, exist that would allow the County to leave the partnership. County staff is continuing to research this information.</p>	\$177,337

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<p>Roanoke Valley Alleghany Regional Commission (RVARC)</p>	<p><i>Under Chapter 42-03, Title 15.2 of the Code of Virginia, at any time after the establishment of the geographic boundaries of a planning district, the localities embracing at least 45 percent of the population within the district acting by their governing bodies may organize a planning district commission by written agreement.</i></p> <p>The Roanoke Valley Alleghany Regional Commission encourages and facilitates local government cooperation and state-local cooperation in addressing on a regional basis problems of greater than local significance. The Fifth Planning District, Franklin County, and Rocky Mount are served in this region. The member governments are Counties of Alleghany, Botetourt, Craig, Franklin, and Roanoke; Cities of Covington, Roanoke, and Salem; and Towns of Clifton Forge, Rocky Mount, and Vinton. Financial requests for support are based on population figures.</p> <p>The County may withdraw from the Commission by submitting to the Commission in writing, at least 90 days before the end of the Commission's then current fiscal year, a notice of intent to withdraw. Such withdrawal shall not become effective until the Commission's fiscal year has ended.</p>	<p>\$85,670</p>
<p>Roanoke Valley Broadband Authority</p>	<p><i>The Board of Supervisors of Roanoke County, Virginia, the Board of Supervisors of Botetourt County, Virginia, the Council of the City of Roanoke, Virginia, and the Council of the City of Salem, Virginia have by concurrent resolutions adopted Articles of Incorporation of the Roanoke Valley Broadband Authority, pursuant to the Virginia Wireless Services Authorities Act (Chapter 54.1, Title 15.2 of the 1950 Code of Virginia, as amended). The Authority shall exist for a term of 50 years as a political subdivision.</i></p> <p>The Roanoke Valley Broadband Authority consists of the cities of Roanoke and Salem, and the counties of Roanoke and Botetourt. The primary goal of the Authority is to improve affordable broadband services in the Roanoke Valley by encouraging collaboration and competition, while enhancing economic development opportunities.</p> <p>A locality may withdraw from the Authority at any time, provided, that no locality may withdraw from the Authority at any time when bonds are outstanding unless all remaining members approve such withdrawal at such time. Prior to withdrawing, a locality shall provide the Authority and each of the other participating localities with written notice of the locality's intent to withdraw. The County is currently paying on bonds issued for Broadband construction in Roanoke County through FY 2027.</p>	<p>\$325,000 (operating) \$382,978 (capital)</p>

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<p>Organization Roanoke Valley Transportation Planning Organization Contractual Agreement</p>	<p><i>Chapter 32, Title 33.2 of the Code of Virginia allows for the legal authority of metropolitan (transportation) planning organizations.</i></p> <p>Metropolitan/Transportation Planning Organizations (MPOs/TPOs) were created in 1979 by the U.S. Department of Transportation for any urbanized area with a population greater than 50,000. The TPO is the entity responsible for planning and budgeting the use of federal transportation dollars in the Roanoke Region. This organization is staffed by the Roanoke Valley Alleghany Regional Commission.</p> <p>The local government members of the Roanoke Valley TPO include the cities of Roanoke and Salem; the counties of Bedford, Botetourt, Montgomery, and Roanoke; and the town of Vinton. The request for financial support is based upon the County's population in the urbanized area of the region served by the TPO. These funds will be used by the TPO in partially meeting the required local match for federal planning grant funds.</p> <p>As this organization is staffed by the RVARC, the County may withdraw from the Commission by submitting to the Commission in writing, at least 90 days before the end of the Commission's then current fiscal year, a notice of intent to withdraw. Such withdrawal shall not become effective until the Commission's fiscal year has ended. The County would forfeit input into how federal transportation dollars are spent in the Region.</p> <p><i>Ordinance 082812-4 allocating 2% increase in transient occupancy tax to the RVCVB; Section 58.1-3819.1 of the Code of Virginia.</i></p> <p>RVCVB is the region's official destination marketing organization. The Bureau works to provide information on accommodations, attractions, recreation, dining, and more in Virginia's Blue Ridge for convention, meeting, and leisure travelers. Funding is requested from Roanoke County, City of Roanoke, City of Salem, Botetourt County, and Franklin County. There is a contractual funding formula that allocates 3/7 of County hotel/motel tax collections to the RVCVB.</p> <p>The County's contract with the RVCVB has an automatic renewal on July 1 of each year. The County can end the contract by providing notification prior to May 1 of the current fiscal year. The increase of the transient occupancy tax from 5% to 7% was intended solely for advertising the Roanoke Metropolitan area as an overnight tourist destination by members of the RVCVB. If the contract ends, the transient occupancy tax would need to be reduced back to 5%.</p>	<p align="right">\$11,430</p>
<p>Organization Roanoke Valley Convention and Visitors Bureau (RVCVB)</p>	<p><i>Ordinance 082812-4 allocating 2% increase in transient occupancy tax to the RVCVB; Section 58.1-3819.1 of the Code of Virginia.</i></p> <p>RVCVB is the region's official destination marketing organization. The Bureau works to provide information on accommodations, attractions, recreation, dining, and more in Virginia's Blue Ridge for convention, meeting, and leisure travelers. Funding is requested from Roanoke County, City of Roanoke, City of Salem, Botetourt County, and Franklin County. There is a contractual funding formula that allocates 3/7 of County hotel/motel tax collections to the RVCVB.</p> <p>The County's contract with the RVCVB has an automatic renewal on July 1 of each year. The County can end the contract by providing notification prior to May 1 of the current fiscal year. The increase of the transient occupancy tax from 5% to 7% was intended solely for advertising the Roanoke Metropolitan area as an overnight tourist destination by members of the RVCVB. If the contract ends, the transient occupancy tax would need to be reduced back to 5%.</p>	<p align="right">\$597,374</p>

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<p>Roanoke Valley Television (RVTV)</p>	<p><i>Agreement between the City of Roanoke, the County of Roanoke, and the Town of Vinton on June 9, 1992; Amended March 2004, March 2012; Ordinances 42391-5, 102803-12.</i></p> <p>Roanoke Valley Television, RVTV Channel 3, is a government and educational access station serving the City of Roanoke, the County of Roanoke, the Town of Vinton, and their respective school systems. The operational budget for RVTV is provided by the three local governments. It is funded through the Virginia Communications Sales and Use Tax Revenue paid by Cox Communications. The RVTV budget amount paid by each locality (through the 1% of gross revenues paid the County by Cox Cable) is based on the proportion of Cox Customers located in each jurisdiction. RVTV equipment was originally provided through a capital grant to the three municipalities.</p> <p>The County can end this agreement by providing notice as of June 30 of the current fiscal year. The agreement would then end one-year later on June 30 of the following fiscal year. This would eliminate telecast of Board meetings, video productions, County television content, etc.</p>	<p>\$203,902</p>
<p>Virginia's First Industrial Authority</p>	<p><i>Chapter 64, Title 15.2 of the Code of Virginia; Original Contract October 1999; Amended August 2001, December 2010, December 2015</i></p> <p>Roanoke County is one of 11 member localities of the Virginia's First Regional Industrial Authority (VFRIFA), created to facilitate regional economic development projects. Each member locality entered into the New River Valley Commerce Park Participation agreement to acquire and develop the New River Commerce Park property.</p> <p>The annual payment required is determined using a formula based on total shares outstanding that will pay the annual debt service on loans to support the project. (Prior to December 2015 amendment, payments consisted of annual debt service plus an annual administrative fee.) Roanoke County owns 10,638 shares, or 6.1% of the total. Upon payment in full of the debt, annual payments for debt service shall cease. General debt will be retired in June 2039.</p> <p>A member locality of an authority may withdraw from the authority only (i) upon dissolution of the authority as set forth herein, or (ii) with the majority approval of all other members of such authority, upon a resolution adopted by the governing body of a member locality and after satisfaction of such member locality's legal obligations, including repayment of its portion of any debt incurred, with regard to the authority, or after making contractual provisions for the repayment of its portion of any debt incurred, with regard to the authority, as well as pledging to pay general dues for operation of the authority for the current and succeeding fiscal year following the effective date of withdrawal.</p>	<p>\$34,255</p>

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Western Virginia Regional Industrial Facility Authority	<p><i>Pursuant to the Virginia Regional Industrial Facilities Act, Chapter 64, Title 15.2, Section 15.2-6400, et. Seq., Code of Virginia, 1950, as amended, the governing bodies of the County of Botetourt, the County of Franklin, the County of Roanoke, the City of Roanoke, the City of Salem, and the Town of Vinton created by adoption of ordinances, the Western Virginia Regional Industrial Authority.</i></p> <p>Western Virginia Regional Industrial Facility Authority provides a resources for localities to communicate and collaborate on regional economic development properties. Through the Western Virginia Regional Industrial Facility Authority, the Woodhaven Property was purchased with the County of Roanoke and City of Roanoke responsible of 44% of costs each, and the City of Salem responsible for 12% of costs.</p> <p>Any member locality of the Authority may withdraw from the Authority (i) upon dissolution of the authority as set forth in the agreement creating the Authority or (ii) with majority approval of all other member localities of the Authority, upon resolution adopted by the governing body of such member locality and after satisfaction as such member locality's legal obligation, including repayment of its portion of any debt, or after making contractual provisions for the repayment of any debt, and pledging to pay any general dues for operation of the Authority for the current and preceding fiscal year following the effective date of withdrawal. The County's obligation for debt issued for the Woodhaven property lasts until FY 2037.</p>	<p>\$15,599 (operating) \$162,800 (capital)</p>
Total Contractual Outside Agency Funding		\$1,833,652