

An adjourned meeting of the Board of Supervisors of Albemarle County, Virginia, was held on March 17, 2022 at 8:00 a.m. This meeting was held by electronic communication means using Zoom and a telephonic connection, due to the COVID-19 state of emergency.

BOARD MEMBERS PRESENT: Mr. Ned Gallaway, Ms. Beatrice (Bea) J.S. LaPisto-Kirtley, Ms. Ann H. Mallek, Ms. Diantha H. McKeel, Mr. Jim Andrews, and Ms. Donna P. Price.

ABSENT: None.

OFFICERS PRESENT: County Executive, Jeffrey B. Richardson; County Attorney, Greg Kamptner; and Senior Deputy Clerk, Travis O. Morris.

Agenda Item No. 1. Call to Order. The meeting was called to order at 8:00 a.m. by the Chair, Ms. Donna Price.

Ms. Price said the meeting was being held pursuant to and in compliance with Ordinance No. 20-A(16), "An Ordinance to Ensure the Continuity of Government During the COVID-19 Disaster." She said that the opportunities for the public to access and participate in the electronic meeting were posted on the Albemarle County website, on the Board of Supervisors' homepage, and on the Albemarle County calendar. He stated that participation included the opportunity to comment on those matters for which comments from the public would be received.

Agenda Item No. 2. Work Session: FY2023 Operating and Capital Budget.

Mr. Bowman said the primary purpose of the work session was to propose a real estate tax rate and a budget for advertisement. He said the County Executive had updated the recommended budget. He said reserves were available to the Board. He said staff from the Community Development Department (CDD) and Department of Social Services (DSS) were present to answer questions.

Mr. Bowman said the updates from the County Executive would have been included in the budget if information had been available prior to February 23. He said there was a state group life insurance rate adjustment. He said the state set the rate, and in December, the County received word from the state that the rate would decrease by 0.15%. He said there had been further updates from the state after the draft budget had been submitted that the rate would not decrease. He said the rate would not change due to changes in the General Assembly and statewide pool. He said there would be an \$83,135 increase in expenditures due to the rate remaining the same.

Mr. Bowman explained the County coordinated its budget process with its regional partners. He said the draft budget required adjustments to address changes to the budgets of the County's regional partners. He noted the budgets of the RSWA and the ACRJ decreased while the Emergency Communications Center budget increased. He said the budget change would not affect the level of service.

Mr. Bowman said the Offender and Aid Restoration (OAR) program for a therapeutic docket was one of several programs to be reviewed by the ABRT process. He said staff had considered the agency's performance scores, and the particular program had a recommended level of funding. He explained there was an error in the arithmetic that determined the agency's score and subsequent funding proposal.

Mr. Bowman said the Offender and Aid Restoration program was categorized as "solid" rather than "exemplary." He said the error meant the program would be appropriated an additional \$2,200. He said staff reviewed the rest of the figures to ensure no other errors were committed. He said the changes to the draft budget totaled an increase of \$55,000. He said staff recommended utilizing a portion of the Reserve for Contingencies fund. He said the fund had a remaining balance of \$382,000. He said the Board was asked to approve the changes as part of the proposed budget.

Mr. Bowman said the FY23 budget was balanced. He said if the Board wanted to add items to the budget, either additional revenues had to be identified, a corresponding reduction in expenditures for another item in the budget had to be addressed, or reserve funds could be allocated. He said the Reserve for Contingency fund had a balance of \$382,000 along with a one-time amount of \$300,000.

Mr. Bowman said \$1.8 million was available in the Capital Advancing Strategic Priorities Reserve. He said other reserves were available. He said there was a \$5 million transfer to the Economic Development Fund to support economic development. He said the \$5 million came from year end funding in FY21 to be used in FY22. He said other items would be discussed on March 30. He said there was \$1.7 million from ARPA, and there was a housing fund reserve discussion that would continue on April 20.

Ms. Kaki Dimock, Director of the Department of Social Services, said there was a strong interest in providing high quality services with best practices. She said the department was unable to achieve its goal and was unable to meet state standards because of increased workloads, cases, and acuity of need from the cases. She said staff was having a difficult timing meeting day-to-day obligations.

Ms. Dimock said the budget request reflected three investments. She said the budget request included funding to meet immediate needs. She said the department needed funding to increase capacity so it could provide baseline expectations to meet state standards. She said the department had

requested three CPS positions, six eligibility-staff positions, and one financial analysis position. She said the department requested funding to meet best practices and high-quality standards. She said the department's budget request also aimed to address expansion and capacity building to meet future need.

Ms. Dimock said the department made the budget request with a robust understanding of its needs and without regard for the County's overall needs. She said the immediate needs funding was a higher priority than the other funding requests.

Mr. Gallaway confirmed that the recommended budget for the DSS allowed the department to meet the state standard.

Ms. Dimock said the funding would go a long way. She noted the eligibility department would continue to face challenges due to pandemic changes. She said the department expected there to be significant unwinding expectations as pandemic policies ended.

Mr. Gallaway asked if the budget provided the resources to make a positive impact on the department.

Ms. Dimock said it would be beneficial for the recommended positions to start July 1 rather than be staggered.

Mr. Gallaway asked if the DSS was provided additional FTEs, would the positions help the department meet state standards or would they add to future capacity building and higher performance.

Ms. Dimock said additional positions would likely be new eligibility staff in order to meet the state standards.

Ms. Mallek noted the department had already added three additional positions in FY22. She asked Ms. Dimock to clarify if the three positions were included in the request for six eligibility staff positions and an analysis.

Ms. Dimock explained six internal positions were requested by the department, and the draft budget included three eligibility staff positions and a financial analysis position.

Ms. Mallek asked Ms. Dimock to clarify the three positions that were already added to the DSS.

Ms. Dimock explained three positions were provided to the department as part of the FY22 midyear adjustments.

Mr. Doug Walker, Deputy County Executive, said one of the three positions recommended in the budget was to start on July 1, and the other two would begin January 1. He said, as presented, the position start dates were staggered. He said Ms. Dimock had requested that all three positions start on July 1.

Mr. Bowman said the housing financial analysts would start in January as well, but the start time could be accelerated.

Mr. Gallaway clarified that of the six staff positions that were requested, three were provided and three were unfunded. He noted the July and January start times. He noted the staggered start times helped with budgeting and resources. He asked if flexibility could be provided to the DSS to allow it to hire staff if the need arose later in the year.

Mr. Bowman said the budget could be adjusted mid-year to accommodate the department if it found potential job candidates to pursue sooner.

Mr. Gallaway said the resources should be available due to the increase in acuity of cases. He said if the case load stayed constant but acuity rose, the resources would still be needed. He said if the County was not prepared for July 1 start dates, he wanted to make sure there was the flexibility to meet the department needs. He said the County was trying to meet the state standard, which was lower than the County standard, and the department should try to meet the County standard. He said he was considering the future capacity of the department.

Ms. Mallek noted that as assistance programs ended and federal funds ran out from pandemic responses, the department would see a greater increase in need from residents. She asked if there were operational advantages for recruitment and training if the employees were onboarded at the same time.

Ms. Dimock said there were benefits to starting staff at the same time, such as the training capacity. She explained there was several months of training for inexperienced hires, but the department had been able to recruit qualified and experienced eligibility staff quickly. She said the concerns around recruitment were with child welfare staff. She said it would be less of a burden to onboard all the staff positions at once.

Ms. Walker explained the budget strategy of staggered positions was from chosen from a funding and practical perspective. He noted the labor market was tight, and the County was trying to fill vacancies. He said the market did not affect all the departments and positions the same. He asked Ms. Dimock to explain the market for eligibility staff and the market for CPS staff. He said the differences in

the markets would inform the hiring patterns for the department. He said the recommendations for the police officer positions were recommended in conjunction with the schools and fire rescue positions. He said CDD was facing challenges filling positions.

Ms. LaPisto-Kirtley said if three qualified individuals were found in July, the County should hire them because they might not be available by January. She said if the right people applied, and the positions were needed, then the department should be able to hire the positions prior to January 1. She said she wanted the department to have flexibility in regard to recruitment.

Ms. Dimock reiterated that the department had been fortunate to hire qualified and trained eligibility staff. She said recent history suggested the department would be able to hire fairly rapidly for eligibility positions versus child welfare positions.

Mr. Gallaway said one way to address stress and capacity was to bring in more staff. He noted that even with a normal caseload, there were high stress positions. He said given the pandemic circumstances, he wanted to know what the County did as an organization to reduce stress. He asked what the wellness plans were to spread workloads evenly. He asked what the organization did to help employees cope with stress and the workload on a daily basis.

Mr. Richardson said there were job classes that were inherently stressful. He said the County was reflecting on work-life balances during the pandemic. He said the County had an employee assistance program (EAP)—a normal benefit for employers. He asked Ms. Mia Coltrane to explain the program.

Ms. Mia Coltrane, Director of Human Resources, said the EAP was available to all employees and family members and offered training to staff. She said the training would help mitigate stress and make the work environment more inviting. She said several employees were at work more than they were at home. She said there was day to day stress along with vicarious trauma. She said if a supervisor saw an employee in distress, they could refer the employee to the EAP. She said there were elements and mechanisms that would be incorporated into all upcoming training.

Mr. Richardson said to Supervisor Gallaway that that would be one key piece, and it was a formal piece of their benefits program that was managed and facilitated through Human Resources. He said it was very important that they keep those services front and center in front of their employees, and this Board would remember that back in 2021, there was a point in time where Mr. Walker and Mr. Henry, along with the Covid-19 team, put data in front of this Board that showed that in a normal year, the AP services would be accessed by about 10% of the organization. He said at one point in time during the Covid-19 pandemic, that number had doubled, so usage went up from 10% to 20% within the organization, which was a good thing on a lot of levels, but it first of all meant that their employees understood it and saw it as a benefit, and they were connecting it to the stress that Supervisor Gallaway had spoken of.

Mr. Richardson said that Human Resources had worked hard to identify a post-pandemic formal telework policy for the organization, which was not a one-size-fits-all approach, because while their departments had commonalities, there were more differences in how they provided services and how people worked. He said Ms. Coltrane had worked with the managers within the organization to put together a telework policy. He asked if she could explain it further.

Ms. Coltrane said their telework policy they had currently was already in place. She said they were looking at making sure each department was identifying positions that were telework eligible as they maintained the hybrid type of work style. She said not all jobs were telework eligible, but for those positions that could be, there would be an opportunity to telework a certain number of days per week, and they had a policy that oversaw how that happened. She said they had that functionality and would continue that. She said going through all the positions upcoming would also be identified, and when they were posted for people applying for that position, they would note whether it was telework eligible or not.

Mr. Richardson said those were two pieces of the program that he referred to as workforce stabilization. He said one would be related to the AP, and the other would be about hours, and how people worked their hours and whether they could work from home or only from the office. He said the study they would provide through the consultant to be brought back to the Board next year would include a look at pay and compensation strategy and how they paid jobs. He said they would not be looking for a one-size-fits-all approach but would be looking for the company to give them strategies to consider as a local government.

Mr. Richardson said when they were dumped into one pot with the schools, there was not a dedicated effort to look at local government to identify what local government needed to remain competitive, hire and retain the best people, and also to make sure that people had a decent work and life balance. He said they expected the company to help with that, but there were other things with Ms. Coltrane bringing her HR online and having subject matter experts in a wide variety of areas, she would be able to offer their organization things that they had perhaps not thought of before as it related to helping their people stay balanced.

Ms. Coltrane reiterated that having people who were very focused in this area was important. She said the compensation study would help them get there, but they had people in place now that could start doing some preliminary work and take what they had today and incorporate training, the way staff addressed certain situations, flexible work schedules, and give guidance in that area, specifically their

policy updates. She said a lot of good things were coming forth, and they would be able to report those things back to the Board.

Ms. McKeel said that the Board had a longtime concern about Social Services. She suggested they were all looking for flexibility when it came to Social Services and their ability to do their work and achieve retention and recruitment. She said it would be good if they could have an update from Social Services in the fall so that they could discuss this again and see how it was progressing.

Ms. Mallek asked if it was important to codify as part of the budget the hiring flexibility that Supervisor LaPisto-Kirtley was describing as part of the County Executive's operation line when the need arose.

Mr. Richardson said related to the budget for Social Services, he had heard multiple Board members mention flexibility, support for moving the positions that were slated for mid-year to July, and for the Budget Office to work with DSS and the County Executive's Office to make sure that they built that flexibility with her positions so that if they needed to be moved, they could be. He asked Mr. Bowman if it was possible to move those positions from June to July.

Mr. Bowman said that was a question for the Board to consider. He said if the Board wanted to take action to accelerate those positions to July 1, the impact for the eligibility workers in January would accelerate the net cost. He said it affected the net cost because there was expense, but there was also state revenue. He said there would be about \$44k that would be taken to accelerate the eligibility worker positions to July 1. He said the housing financial analyst, if it were to be accelerated to July 1, would be approximately \$28k of net impact. He said if the Board desired, the total impacts would be approximately \$72k, which was one option that could be funded by the reserve contingencies, and the alternative would be if the Board wanted to watch and wait to see how this played out, it could also be addressed as a mid-year adjustment.

Mr. Gallaway said they could make the budget move if they decided to do that, and that should be put into a list as they continued to work through the budget to decide, because if they did that, there may be other places or departments where they wanted to do that, so he believed there should be further conversation about it, but after they had a chance to see if there were other FTEs that Supervisors were interested in adding.

Mr. Gallaway said he had confidence, and he hoped Ms. Dimock had confidence, that when these positions came to the point where they needed to be hired, even if they were slated for January 1, whether it came from reserve contingencies now in the budget book, or came from reserve contingencies in September, it was there to give them the ability to do what they needed to do. He said he hoped that if they solidified that by putting it into the budget that way, it was great, but even if the Supervisors did not decide to do so, they could pull that off if needed and no one should hesitate because of it being slated for January 1 for budgeting purposes in regard to these positions.

Ms. Price said that the Board had great confidence that Mr. Richardson and his staff could help them to know when budget adjustments were necessary and were demonstrating their great support for all of their departments. She asked if they had given the staff the feedback they needed.

Mr. Richardson said he, Ms. Dimock, and Mr. Bowman were clear on the conversation. He said Mr. Gallaway's question was much appreciated, because they spent lots of time on workforce stabilization, which did not mean that they were leading the pack with employers on how things were done and had challenges as many employers did. He said to the Board that the work they were doing for core systems modernization was a key part of being an employer of choice by creating a good work environment. He said millennials and Generation X people had strong technology skills, and as employees they could be frustrated by broken, error-prone, or heavy manual systems, because the employer was not using technology to work more efficiently.

Mr. Richardson said that in the world of recruitment, those generations would prefer to bring their more modern computer from home into the workplace than use the outdated and slow systems provided by the employer. He said the core systems modernization work created efficiencies for saving time and money in the future but was also an important workforce retention tool of using modern technology to be able to work quickly where it was appropriately set up for advancing customer service and executing actions as fast as possible. He said that work should have been advertised as their attempt to make things better, especially for their workforce.

Ms. Price said a benefit of this conversation was the demonstration to the public the necessity for having these contingency reserves in order to have flexibility over the course of the year. She said no one should think of those as built-in surpluses, because they were built in to provide flexibility when they were required to set a budget at the beginning of the year.

Mr. Bowman said the next item was setting the tax rate for advertisement. He said the Board would be asked to be set the real estate property tax for advertisement. He said the recommended rate in the current budget was \$0.854 cents per \$100 of assessed value, which was the same as calendar year 2021. He said each penny on the real estate tax rate gave approximately \$2.38 Million in collectible real estate tax revenues. He said the "lowered" or "effective" tax rate would be \$0.788 per \$100 of assessed value. He said that referred to what the real estate rate be if the \$0.854 assessment change was flat. He noted that included in the recommended budget was the Tax Relief for Elderly and Disabled Program, which had not been formally approved by the Board, but the budget reflected the anticipation of that

approval based on the Board's February 16 direction.

Mr. Bowman said the personal property rates applied to individual vehicles, motorcycles, and boats, as well as business tangible personal property and machinery and tools. He said because of the unique situation of the increase in personal property vehicle valuations, it was recommended that there be a rate change of \$3.42 per \$100 of assessed value. He said each penny on that tax rate generated approximately \$100,000 in tax revenues. He said the matter was now back before the Board. He said the motion to advertise the 2022 tax rates for public hearing was on the screen and was written based on the County Executive's recommended budget, but if the Board were to desire an alternative motion, it could be modified with the dollar amounts shown on the slide. He said it was a practice based on the counsel of the County Attorney to read the full motion as written.

Mr. Gallaway said he did not have any additional comments or questions at this point. He said he understood that if there was anything he felt needed to be changed, he would have to come up with the appropriate spot where it came from, provided they stay at what was recommended by the County Executive.

Mr. Bowman said he forgot to mention that when they advertised the tax rate, it did set the maximum, and if the Board were to revisit that decision, they would not be able to go higher, though they could adopt the rate advertised or go lower. He apologized for excluding that from his initial comments, and while he knew the Board was aware of that information, he wanted to ensure the public knew as well.

Ms. McKeel said she was supportive of what they were offering, and she recognized that if this were what passed, they would find in the budget what they needed to do.

Ms. Mallek asked if the effective tax rate would be different for each individual and not necessarily that everyone would have the same impact because of the range of assessments.

Mr. Bowman said the effective tax rate looked at the County general fund of revenues, so that was looking at the \$0.854 reassessment in total. He said everyone's experience of the impact would be different, just as it would for personal property. He said that was an approach of the current general fund and not every individual.

Ms. Mallek said the state had not done their budget yet, and maybe there would be some movement before May 4, but otherwise they would have to deal with that uncertainty in the summer. She said in August of 2008, the state decided they would not send the millions of dollars they had promised to the schools in April, so everyone had to try and figure that out. She said she appreciated the effort done to get to this point, and she hoped the rest would be as predicted.

Ms. LaPisto-Kirtley said she supported the motion.

Ms. Price said she also supported this.

Ms. LaPisto-Kirtley **moved** to advertise the 2022 tax rates for public hearing as follows: \$0.854/\$100 of assessed value for real estate, public service property, and manufactured homes; \$3.42/\$100 of assessed value for tangible personal property; \$3.42/\$100 of assessed value for miscellaneous and incidental tangible personal property employed in a trade or business that is not otherwise classified as machinery and tools, merchants' capital, or short-term rental property, and that has an original cost of less than \$500; and \$3.42/\$100 of assessed value for machinery and tools.

Ms. McKeel **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Gallaway, Ms. LaPisto-Kirtley, Ms. Mallek, Ms. McKeel, Mr. Andrews, and Ms. Price.

NAYS: None.

Mr. Bowman said the next item was to approve the FY23 Proposed Budget for advertisement. He said as they discussed, it could continue to change until the Board was requested to adopt it on May 4. He said to summarize what had been done to date, they began looking at the all-funds budget, totaling \$565 million, which included the County general funds, school fund, capital and debt funds, and any other grant revenues. He said in the first session, they discussed federal revenues including general property taxes. He said they also spent some time talking about the state revenue and what they knew to date and the unknowns as they watched this into the future. He said after that, they moved onto the general fund expenditures, where staff discussed each chapter of the budget to provide clarifications.

Mr. Bowman said on Monday, they heard from the school division and talked about the joint capital program. He said some of the example projects were projects currently underway to those that would request funding for FY23 to those that would extend all the way to FY27. He said they next talked about budget amendments, and they heard Board comfort of approval of County Executive recommendations from earlier today, and while they did not so far have any Board recommended adjustments, they would continue to monitor the Department of Social Services question, or any other adjustments the Board may desire to make between now and May 4. He said he would now ask for the Board to decide the approval of the proposed FY23 budget.

Mr. Gallaway said he would like the opportunity to ask some questions to Mr. Bowman after the motion.

Ms. LaPisto-Kirtley said she supported the motion.

Ms. Price expressed her appreciation for the work that went into creating this budget.

Ms. LaPisto-Kirtley **moved** the Board authorize staff to advertise for public hearing the FY23 proposed budget which is the same as the County Executive's Recommended Budget, including any staff recommended changes (and any additional amendments made by the Board of Supervisors).

Ms. McKeel **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Gallaway, Ms. LaPisto-Kirtley, Ms. Mallek, Ms. McKeel, Mr. Andrews, and Ms. Price.

NAYS: None.

Mr. Gallaway said of the numbers that came out yesterday for the police department that 1-3-5 was the staffing ratio.

Mr. Bowman said yes.

Mr. Gallaway said the County standard had been 1-5, so he was glad to be reminded of that. He said the state average was around 1-7-2. He said if someone could explain to him the rationale of the 1-5 as their standard, he would appreciate it. He asked what the math was if they added one FTE or one police officer how that effected the ratio. He asked in order to move that number of 1-3-5, how many positions would they need. He said the second area was a formula for DSS and that the current budget was meant to get them to the state standard, but he did not know if that same type of formula was used. He said he would like to know where they were at and where they should be based on the recommended budget. He said he would like to know how it was done or if different formulas were being used.

Mr. Gallaway said about the conversation they had about schools the other day and the response to his question about the \$3 million for workforce stabilization in the school division that he needed more information and examples so he understood that answer of things being rolled into future years. He said the response to what the backup plan was if the state did not come through with CIP dollars for the schools was that they would have to get back together and discuss it also needed more commentary on that as well because he needed more information.

Mr. Bowman said he could provide follow-ups to all of those.

Mr. Bowman said they would be back on March 23 to discuss athletic fields, and on March 30 would discuss ARPA housing initiatives and the Boys & Girls Club. He said there was time if needed on April 6 before the Board's regular meeting that remained available should the Board desire that. He thanked the Board for their time, consideration, and thoughts on this very involved budget process.

Agenda Item No. 3. From the Board: Committee Reports and Matters Not Listed on the Agenda

Mr. Gallaway said he appreciated Mr. Bowman getting answers to their many questions in such a timely manner.

Ms. Mallek said their efforts as a group were much more effective than any one of them trying to understand the process alone.

Ms. LaPisto-Kirtley said there was a lot of work done to make it a clear and concise budget process.

Ms. Price said one of the most significant things was that they had not been inundated with questions from the public. She said she believed the process was transparent and the information Mr. Richardson and his staff had presented to the Board had allowed the Board to broach questions and discuss matters that the public may have had. She said there was more work to be done and final decisions to be made, but it was a good indication that their staff had put out towards the public that they saw they were doing these things.

Ms. Mallek said having the availability of the meetings online had allowed so many people to be part of the process but not in the room, so that provided a lot of calm and confidence when the public heard the discussions for themselves.

Agenda Item No. 4. From the County Executive: Report on Matters Not Listed on the Agenda.

Mr. Richardson said he had no report for the Board today.

Agenda Item No. 5. Adjourn to March 23, 2022, 3:00 p.m., electronic meeting pursuant to Ordinance No. 20-A(16).

At 9:07 a.m., the Board adjourned its meeting to March 16, 2022 at 1:00 p.m., which would be an electronic meeting held pursuant to Ordinance No. 20-A(16), "An Ordinance to Ensure the Continuity of Government During the COVID-19 Disaster." Information on how to participate in the meeting will be posted on the Albemarle County website Board of Supervisors homepage.

Chair

Approved by Board
Date 11/01/2023
Initials CKB