

An adjourned meeting of the Board of Supervisors of Albemarle County, Virginia was held on March 25, 2024 at 3:00 p.m. in Room 241, Albemarle County Office Building, 401 McIntire Road, Charlottesville, VA 22902.

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

ABSENT: None.

OFFICERS PRESENT: Deputy County Executive, Trevor Henry; Deputy County Executive, Ann Wall; County Attorney, Steve Rosenberg; Clerk, Claudette Borgersen; and Senior Deputy Clerk, Travis Morris.

Agenda Item No. 1. Call to Order. The meeting was called to order at 3:00 p.m. by the Chair, Mr. Jim Andrews.

Mr. Andrews said two Albemarle County Police Department staff, Officers Parker Davis and James Morris, were present at the meeting to provide their services.

Agenda Item No. 2 Adoption of Final Agenda.

Ms. Mallek **moved** to adopt the final agenda.

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

AYES: Mr. Andrews, Mr. Gallaway, Ms. LaPisto-Kirtley, Ms. Mallek, Ms. McKeel, and Mr. Pruitt.
NAYS: None.

Agenda Item No. 3. Consent Agenda.

Ms. Mallek **moved** to adopt the consent agenda as presented.

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

AYES: Mr. Andrews, Mr. Gallaway, Ms. LaPisto-Kirtley, Ms. Mallek, Ms. McKeel, and Mr. Pruitt.
NAYS: None.

Item No. 3.1. Schedule a Public Hearing to Consider the Adoption of an Ordinance to Modify the Real Estate Tax Relief for the Elderly and Disabled.

The Executive Summary as forwarded to the Board states that staff is recommending expansion of the current program for Real Estate Tax Relief for Elderly and Disabled Persons by increasing the income limit to align to the current value for the US Department of Housing & Urban Development Area Median Income (AMI) Limits, using the value for 80% AMI for a family of four in Albemarle County, as well as the net combined financial worth limit. Under Virginia Code § 58.1-3210, the County has authority to modify the qualifying criteria.

Albemarle County Code Chapter 15, Article 7, Division 2, Real Property Tax Exemption for Certain Elderly and Disabled Persons, describes the County's real property tax relief program for elderly and disabled persons. Based on direction from the Board of Supervisor's March 13, 2024 budget work session, the proposed ordinance (Attachment A) would modify the current program criteria with the following:

- Increase the net income limit from \$83,850 to \$88,800
- Increase the net financial worth limit from \$250,000 to \$305,000
- Modify the three relief percentage brackets from \$0 to \$44,400 for 100% relief, \$44,401 to \$66,600 for 75% relief, and \$66,601 to \$88,800 for 50% relief.

The change would be effective for Tax Year 2024, which began on January 1, 2024.

The proposed modification to the Real Estate Tax Relief for Elderly and Disabled Persons program would decrease collectible tax revenues. For FY 25, the budgetary impact of increasing the income and net worth limits is estimated to be \$120,000 and is incorporated into the County Executive's FY 25 Recommended Budget.

Staff recommends that the Board schedule a public hearing to consider the adoption of the attached proposed ordinance (Attachment A).

By the above-recorded vote, the Board voted to authorize the Clerk to schedule a public hearing to consider the adoption of the proposed Ordinance (Attachment A).

Agenda Item No. 4. **Work Session:** FY 2025 Operating and Capital Budget.

- Capital Improvement Program (pgs. 261 – 294)
- Debt Service (pgs. 295 – 304)
- Scenarios leading to March 27 Work Session

Mr. Andy Bowman, Assistant Chief Financial Officer, said he would be facilitating a significant portion of today's meeting with Mr. Davidson to his right. He said that before proceeding with today's agenda, he would discuss the remaining budget process ahead. He said that there were two work sessions scheduled for this week in March and possibly an additional one in April if needed. He said that ongoing public engagements and town halls would continue through April, as well as public hearings. He said that the budget process would conclude on May 1 with the adoption and appropriation of the budget.

Mr. Bowman said they would begin by addressing the remaining items from the Capital Improvement Program (CIP) that were not completed during the previous work session. He said that they would then move on to discussing debt management, which was closely related to the capital program. He said that if the Board desired, after these topics, they could take a break. He said that after the break, they would review some technical updates and explore options for the Board as they prepared for March 27 when the Board would take action to propose a budget and tax rates for advertising a public hearing.

Mr. Bowman said that they were going to pick up on the CIP. He said they spent the last half-hour at the last work session talking through the process to get to the recommended CIP, and they spoke about Goal 5 regarding Education and Learning, and the majority of the County CIP with the Public Education. He said to provide context before moving on to County Government projects and the other five Strategic Plan goals, they would briefly revisit the development of the recommended CIP, which began with last year's adopted CIP. He said that projects began to march forward a year, with refinements made to those. He said that as a key point today, they would discuss a few items, as there were only a few new projects in Year 1. He said that more projects will be added in the out years, which they would discuss in detail shortly.

Mr. Bowman said that staff has continued to update their financial assumptions, and the Board of Supervisors held a joint meeting with the School Board to further develop the CIP using the Strategic Plan as their guiding north star. He said that this will be evident in Mr. Davidson's comments, to whom he would now turn over to discuss the next five strategic goals.

Mr. Ryan Davidson, Deputy Chief of Budget, said that he would like to begin with a summary of the County Government projects from FY25 to FY29. He noted that it was planned at just under \$129 million over the five-year period, and approximately \$34 million of that is designated for appropriation in FY25. He explained that each checkmark represents the year in which funding was recommended for each of these projects, and they would delve into more detail on each project listed individually through the following slides.

Mr. Davidson said that as one could observe, transportation leveraging has funding in the first three years, similar to Parks and Recreation. He said that when reaching Central Library, there is funding in some of the out years, and so forth. He added that they would provide further details on the funding, timing, and recommendations for each of these as they progressed.

Mr. Davidson said that before delving into project specifics, he wanted to start by showing a slide very much like what they presented on December 6 during their County Government and Schools CIP joint work session. He mentioned that Mr. Bowman had mentioned in an earlier slide that they appeared before them with their approach and assumptions for a plan for developing the FY25 to FY29 CIP. He said that using the approved FY24 to FY28 CIP as the starting point, they discussed several of these projects shown here that were above and beyond their regular maintenance replacement program.

Mr. Davidson added that as they moved through the budget development process, similar to what they did with Public Schools, they made changes and adjustments to that initial plan for the County Government CIP. He said that the result was several new projects added to their CIP which were not part of the original plan.

Mr. Davidson mentioned the additions from what they showed the Board on December 6 were displayed to the left-hand side of the slide, including the urban park, Woolen Mills ADA (Americans with Disabilities) trailhead, Central Library, some community nonprofit projects, and Fire Rescue Station 11 renovations. He said that they would delve into more detail about each project listed on this slide in the following slides.

Mr. Davidson said that they would first discuss the Courts Facilities addition and renovations project. He noted that construction for the first phase had begun, which included the Levy site, and the second phase, involving renovating the current historic courthouse, would follow. He said that upon further examination of cost updates for both phases combined, it was determined that an additional \$6 million would be needed in FY25 to fully fund this work.

Mr. Davidson pointed out that for each slide, in the top left corner or across the top, there would be the project name, recommended dollar amounts, and years in which those funds are allocated so that they could have a clear understanding of the timing and total cost in each year.

Mr. Davidson said that next was transportation leveraging, which was recommended for \$30

million of funding in the CIP. He said that this would be distributed over the first three years, FY25 through FY27. He said that the program provided flexible and consistent funding to support high-priority transportation projects and initiatives within the County. He said that these were typically high-cost projects that required significant financial commitment from the County for development and implementation.

Mr. Davidson said that the projects listed here were prioritized in the County's transportation priority listing, which was updated and approved annually by the Board of Supervisors. He said that additionally, every other year, the County may apply for funding through various state and federal programs such as the Transportation Alternatives Program, SMART SCALE, both of which were very competitive, and VDOT Revenue Sharing, which was a less competitive program but a one-for-one dollar match for participating localities up to \$10 million per application for construction, maintenance, and improvements to state roads.

Mr. Davidson said that on the slide, he displayed the projects included in the current transportation leveraging program. He said staff would be happy to answer any questions about these projects at the end of the presentation, as they had experts available to address them.

Mr. Davidson said that the Northern Convenience Center project involved the design and construction of a solid waste convenience center similar to the one found in the southern part of the County. He said that funding for design was allocated in FY25 at approximately \$500,000, with construction funds following in FY27, totaling around \$1.3 million. He said that the schedule had been adjusted from what was presented in December, where funding was set for FY24, design for FY25, and construction for FY26.

Mr. Davidson said that the revised timeline reflected the phased implementation of various RSWA (Rivanna Solid Waste Authority) facilities, including the Southern Convenience Center, the new bailer facility currently under design, with hopes for construction soon at the Ivy Materials Utilization Center (MUC), as well as the Northern Convenience Center. He said that this allowed them to distribute the operating costs when bringing each facility online individually rather than all at once. He said that by spreading out these expenses, they could better manage and afford the operational costs.

Mr. Davidson said that the Central Library was a new program included in the CIP and would not be implemented until after FY25. He said that serving as the main branch and regional headquarters for the JMRL (Jefferson-Madison Regional Library) library system, this building was co-owned by Albemarle County and the City of Charlottesville. He said that despite being located downtown, 57% of its users were County residents. He said that in the FY25-FY29 CIP, approximately \$860,000 would be allocated for design in FY27, with an additional \$9.6 million for construction in FY29. He explained that this funding would provide public space for more meeting rooms, technology, youth services, and core system upgrades such as HVAC, plumbing, electricity, security, and networking, among others.

Mr. Davidson said that the funding was contingent on several factors listed at the bottom of the slide, which would be worked through with the library and their partners, including the City. He mentioned that an MOU (Memorandum of Understanding) was being developed, and it is expected that the library would seek additional funding from community partners to help complete this project.

Mr. Davidson said that in their previous discussion about the Parks and Recreation Department, they mentioned that a major focus for the FY25 budget was advancing their parks capital projects and their parks capital plan. He explained that the first of these was Biscuit Run Park, which was budgeted at \$9.2 million over FY25 and FY26. He said that this included an entranceway and trailhead on Route 20 to access the park, three elevated boardwalks for marshier areas, two athletic fields, a Hickory Street bridge, and pedestrian improvements at the trailhead.

Mr. Davidson said that originally, funding for these improvements was initially anticipated in the out years but has been moved forward into FY26 to align with design and timing. He said that this would allow residents to enjoy these enhancements sooner than expected. He added that a maintenance facility will also be built to house equipment and facilities for their eastern maintenance group, which oversees all parks in the eastern part of the County.

Mr. Davidson said that Darden Towe Athletics Fields were undergoing a phased rebuild of the grass fields from FY24 through FY27, with one field being taken out of use during each rehab process to minimize disruptions. He explained that the project would generate revenue annually from the City of Charlottesville based on the funding formula for Darden Towe Park, which currently stands at 69% County and 31% City. He said that after each renovation of each field, there would be a period for the natural grass to grow in, and the first field was expected to be ready for athletic play by spring 2025, assuming the current schedule remained unchanged.

Mr. Davidson said that the Urban Pocket Park project was identified within the FY24 to FY28 CIP but without any funding allocated; it was listed as a \$0 project due to the need for extensive staff work and internal work before accurate cost estimates could be provided. He mentioned that Parks and Recreation was still working on site identification and development in the urban Development Area, with an initial budget of approximately \$150,000 for design and \$1.5 million for construction.

Mr. Davidson said that in FY25, two projects would come up for funding: the Woolen Mills Trailhead and station renovations at Station 11, Monticello. He explained that the Woolen Mills Trailhead project aimed to improve accessibility for disabled persons. He said that the project may include signage,

minor amenities, and easement acquisition. He said that this project was prioritized due to compliance requirements and moved into FY25 to meet ADA standards.

Mr. Davidson said that the station renovations project involves renovating and maintaining key areas at Station 11 in response to the FEMA (Federal Emergency Management Agency) SAFER (Staffing for Adequate Firefighters and Emergency Response) Grant awarded to Albemarle County for 30 individuals. He said that part of that award would provide funding for additional staffing and for the relocation of a ladder truck to Station 11. He said that the increase in personnel at that station was more than what the initial design of that station allowed for, so this project was prioritized because it was a County-owned facility and the impact of the FEMA SAFER Grant necessitated the change in timeline for the project's renovations and implementation of staffing.

Mr. Davidson said that the workplace and facility renovations project focuses on space utilization at the County Office Buildings located at McIntire Road and 5th Street Extended. He said that funding was included in FY24 for initial design, with further capital work planned to follow. He said that this project would continue the cycle of design and construction moving through FY27.

Mr. Davidson said that the core systems modernization project had been discussed previously and involved the financial management system and community development system. He said that this funding would advance future core systems modernization work, which through the most recent systems have been with the goal of improving customer service with modern interfaces, more transparency in status of items, and a streamlined process. He said that it was also meant to provide data that could be used to drive process improvements, decision-making, and resource management.

Mr. Bowman said that he would take a moment to revisit the Community Non-Profit Capital Process that was last discussed by the Board of Supervisors in July of 2023. He explained that about 18 months ago, in the fall of 2022, the Board of Supervisors created a process for community nonprofits to apply for capital funding. He said that prior to this, they may have come up as one-offs throughout the year, and the Board wanted to establish a designated way to move forward for other nonprofit request processes.

Mr. Bowman said that after the first year, staff returned to the Board in July to receive updated guidance on what a framework of a high-quality application should look like for the recommended budget, and the Board approved some guiding principles. He said that the first three principles were unchanged and related to meeting the County's definition of a capital project and aligning with the objectives and context of the overall CIP.

Mr. Bowman said that the items on the next slide show that most competitive applications should leverage funding, be managed by the agency themselves rather than the County, be shovel-ready, focus on increasing services, and recognize the presence of over 60 community partners. He said that it was important to recognize that some partners provide services that otherwise would be obligations of the County.

Mr. Bowman said that one such partner was Bennett's Village, which has submitted a community nonprofit application to create an adaptive playground at Penn Park. He said that several years ago, their Parks and Recreation staff met with this organization to explore potential locations within the County; however, there were no suitable options. He said that as a result, the City will contribute land adjacent to the County for \$65,000 to help bring this project to fruition. He said that the organization has secured other funding sources such as state funds and grants, and the County's contribution would finalize the initial phase of the project at Penn Park. He said that this project helped to continue the partnership between the County and City in funding adaptive recreation programs throughout the year.

Mr. Bowman mentioned that the second item was an update to remove a project from the CIP. He said that the Blue Ridge Area Food Bank submitted a project to expand their freezer space, but they secured funding without County contribution. He said therefore, this project would be realized without any County involvement, and staff recommend removing it from the CIP as part of the technical updates later discussed.

Mr. Bowman said that the final two projects involve improvements to Earlysville Volunteer Fire Company and Seminole Trail, with costs of \$800,000 and \$230,000 respectively. He explained that these projects were currently in year three but would not be included in the CIP. He said that the reason for this is due to respect for prior CIPs where projects typically do not enter until year one.

Mr. Bowman said that a supervisor requested moving Earlysville Volunteer Company up from year three (FY27) to year one (FY25). He said that staff analyzed the financial implications and determined that it would have minimal impact since it was a cash-funded project. He said that the Board could choose to accept the recommendation, move the project earlier, or discuss other options during this capital project discussion. He said that before moving on to debt management, now would be an appropriate time for any questions regarding capital projects.

Mr. Gallaway said that he would be supportive in moving the Earlysville Fire Station up to year one. He said that given the cash funds raised so far by the volunteer company itself and the impacts of inflation, it seemed like it would be more valuable to fund the project as soon as possible, especially if the financial impact to the County could be easily absorbed.

Mr. Gallaway said that regarding the urban park, the site had not been designated. He asked if

there were sites in mind or if they were still searching for potential sites.

Mr. Bob Crickenberger, Director of Parks and Recreation, said that they had received a list of all surplus County and School property. He said that they have been reviewing over 160 sites and conducting site inspections. He said their goal is to complete this process within the next several months. He said that once finished, they plan to present their findings and recommendations to the Board. He said that it was a work in progress.

Mr. Gallaway said that without knowing other potential ramifications, if the site cannot be located and they were planning for construction in FY26, they could swap that priority with Earlysville. He said that perhaps it was more complicated than that, but it may be an option for budgeting purposes.

Mr. Bowman said that Earlysville could be moved up regardless of what happened at this two-year mark. He said that their push with Parks and Recreation would be to see where they were in the coming year, and if a year from now they were not ready to move to construction in FY26, they could push it back to FY27.

Mr. Gallaway asked where the workplace and facilities renovations fell into their budget categories.

Mr. Davidson said that it was listed under Public Works.

Ms. Mallek said that she would eagerly support moving both the Earlysville and Seminole Trail fire station projects forward. She asked for the Courts, if the \$6 million was the County's share or if some of that was part of the City's share.

Mr. Davidson said that it was the County's share.

Ms. Mallek asked if the City was contributing extra for their share since they paid 15% to 20% of the cost.

Mr. Bowman said that under the agreement, the City would not contribute any additional funds. He said that the \$6 million would be provided by the County.

Ms. Mallek said that regarding the Northern Convenience Center, Greene County informed northern residents that they would no longer accept Albemarle County waste at their transfer station as of July 1. She said that this change would significantly impact those living north of Route 64, because those residents lived very far away from the Ivy MUC.

Ms. Mallek said that she hoped they would try again for state budget allocation for Biscuit Run due to its potential benefits and other Counties receiving funding for new parks. She emphasized not giving up after one setback and continuing to try for the project as there are various elements that could work in their favor.

Ms. Mallek said that regarding the Woolen Mills compliance, she understood that only changes on the north side were being considered.

Ms. Mallek said that concerning workplace renovations, she wanted to know if any further details about the rearrangement of spaces would be presented to the Board this year. She asked whether it was a phased approach or if they would receive more information soon. She said that they typically learn about proposed building changes, but they had not heard of anything since the window replacements ten years ago.

Mr. Lance Stewart, Director of Facilities and Environmental Services (FES), said that they began their efforts with a programming initiative in collaboration with the Social Services Department (DSS), which had available space. He said that currently, they were working on a similar exercise with five departments within the main McIntire Office Building that faced either space constraints or had potential for space utilization. He said that this process was ongoing. He said there would be policy work conducted with executives to establish a consistent understanding across all departments regarding employee expectations for office allocation. He said that they had a well-coordinated team on this project but it was tricky from a planning perspective.

Ms. Malek asked if they were in the study phase of the project.

Mr. Stewart said yes.

Mr. Pruitt said that he was supportive of moving up the work for the Earlysville and Seminole Trail stations. He said that the work with the Blue Ridge Food Bank seemed par for the course. He said that he was unsure of the process for community partners evaluation. He asked if this was similar in terms of the transparency of how they worked with community partners in the operating budget.

Mr. Bowman said that this process was in its second year, so it may not be as widely known as the others. He said that they will conduct an orientation for everyone on their distribution list, which includes almost every agency they fund or have had contact with. He said that during these orientations, they would outline various funding paths and explain what is suitable for each circumstance. He said that they are available to answer any questions during this process.

Mr. Bowman said that there is no specific orientation for this particular funding; it is an orientation for community funding, and based on that, agencies may be appropriate for the arts and cultural funding, agency budget review team process for human service agencies, and they had talked to them about those human services needs assessment in high priority areas. He said that they used one vehicle to educate all agencies involved.

Mr. Pruitt asked if there were any unfunded requests this cycle that were included in their budget books.

Mr. Bowman said yes. He said that they were included on pages 289 and 290. He said that for the sake of transparency, he would like to clarify that this includes a request for an emergency communications center, Habitat for Humanity of Greater Charlottesville had two requests, Claudius Crozet Park, and one from WTJU Radio. He said that although WTJU Radio was initially requested, it was later directed to operating as it did not meet the criteria; however, they still considered their request.

Mr. Pruitt said that he was grateful and thrilled with the progress made on Biscuit Run Park. He said that he additionally wanted to thank his colleagues who had been involved in past years for advancing the Hickory Street Trailhead project. He said that he was aware that it was an initiative of a previous Board and appreciated its inclusion in that year's capital plan. He said that it was essential that it be incorporated into the park as it launched, so he was looking forward to seeing that happen.

Mr. Pruitt said that while discussing this topic, he understood there were still several ongoing projects related to the extension of the greenway for Biscuit Run. He said that he had a question about how they should approach programming the capital plan considering the uncertainties in planning for future years. He asked if it was typical to include items with outstanding issues in their plans. He said that this was an open-ended inquiry. He said that given that they did not yet have all the necessary easements, he was unsure whether to expect to see the Biscuit Run Greenway mentioned there.

Mr. Crickenberger said that they were currently in the process of negotiating and discussing a potential land easement with two homeowners associations. He said that this had been a lengthy process. He stated that they had made some progress with one, and their discussion with the second would commence next month. He said that regarding how this unfolded, progressed, and its outcome, they were uncertain. He said that he felt confident that they were in a much better position than they were six months or a year ago.

Mr. Pruitt said that his question was more about determining the extent to which they should be planning for capital outlays, assuming successful negotiations in the upcoming years. He asked whether it was a concern that this had not yet been identified within their capital improvement plan.

Mr. Crickenberger said not immediately. He said that the reason for that was because negotiations still needed to occur. He said that after an agreement had been reached, they must proceed with the process. He said that they were in a safe position to push that ahead a little bit right now.

Mr. Pruitt said he was curious about the Old Trail extension along Shadwell, as it did not currently have program funding. He asked if this was a possibility that they could see as they moved forward again with negotiations with the Thomas Jefferson Foundation or if it indicated that they should not pursue the project.

Mr. Crickenberger said that they still needed to go through negotiations on that matter.

Mr. Pruitt appreciated the clarification on this issue and assumed there would be sufficient flexibility within the CIP to address the Old Trail extension when the opportunity arose.

Mr. Crickenberger said that he hoped so.

Mr. Pruitt said that because of his unfamiliarity with the process, he wanted to know how far in advance they should plan for such projects and ensure that any potential issues were properly flagged.

Mr. Davidson said that with regard to Mr. Pruitt's last point, he wanted to mention that they annually examine each project within their CIP to assess cost updates and project progress as they evolve over time in terms of timing and costs due to factors such as inflation or the acquisition of necessary easements. He said that this allows for some flexibility when determining how to prioritize projects based on available resources, staff capacity, and other considerations. He emphasized that it is essential to note that not including a project in the current plan does not preclude its implementation at a later date. He said that the CIP is subject to ongoing updates and evaluations every year.

Ms. LaPisto-Kirtley said that she concurred with Mr. Gallaway's point regarding moving funds up for both the fire stations to address that urgent need. She said that she would like to see the Northern Convenience Center moved up, although she was unsure if it was possible. She said that they were planning for design in FY25 and construction in FY27 and wondered if there was a way to speed up that timeline.

Ms. LaPisto-Kirtley said that regarding Biscuit Run, she suggested applying for any available funding beyond their current efforts to advance the project.

Ms. LaPisto-Kirtley said that for workplace and facilities renovations mentioned on slide 18, she was in favor of considering it as well, and proposed redirecting some of those funds to Earlysville or Seminole Trail. She said that it was mentioned that nonprofit monies that were with the fire stations, and they would not want to lose any of that money.

Ms. LaPisto-Kirtley said that regarding core systems modernization and streamlining processes, she had a question about whether this initiative was aimed at staff or the community as well.

Mr. Davidson said that it was for both the community and for staff.

Ms. LaPisto-Kirtley said that she supported that. She said that it was important to consider that they had 60 community partners, nonprofits who were raising moneys. She asked how much funding was removed from the Blue Ridge Food Bank nonprofit.

Mr. Bowman replied that it was \$165,000 for the food bank.

Ms. LaPisto-Kirtley asked if those funds could be used for something else.

Mr. Bowman said that they would have a later discussion about those funds and some other technical adjustments, taking into consideration any other alterations the Board may wish to implement.

Ms. McKeel said that she was sorry to hear that Greene County would not be accepting Albemarle County residents' refuse beginning on July 1. She asked Ms. Mallek if this was correct.

Ms. Mallek said that this was what she was told at the gate the other day.

Ms. McKeel asked if this was because they had heard that the Northern Convenience Center was going to be built, and if staff had heard of this situation as well.

Mr. Davidson said yes.

Ms. McKeel said that they may consider having discussions with Greene about negotiating some type of arrangement or at least get more context on the situation. She said that she believed it was sensible to separate projects out into a design phase and a construction phase so that they could maintain the CIP.

Ms. Mallek said that regarding workplace facility renovations, she noted that both buildings were in need of an overhaul and they were grateful for funding the window replacements. She asked if they had considered engaging with the School Division, who occupied a significant portion of the building, to understand their space needs and current situation within their facility.

Mr. Jacob Sumner, Chief Financial Officer, said that currently, the process being considered pertained to the County aspect. He said that it was known that Schools had contemplated their long-term plans for addressing administrative offices; however, they did not have specific details on timing or what it would entail. He said that at this stage, what they had included in the CIP primarily focused on the County spaces within McIntire.

Mr. Trevor Henry, Deputy County Executive, said that in several studies conducted over the past few years, consultants had analyzed both the present state and future projections of various departments, including School Administration.

Ms. McKeel asked if the School Division was a part of those conversations.

Mr. Henry said yes. He said that they were establishing baselines and estimating their anticipated growth rates. He mentioned that the School Administration occupied multiple floors of the building, including the third, second, and first floors. He said that the Administration, Human Resources, and Technology on the second floor. He mentioned that this occupied a significant portion of their office space.

Ms. McKeel said that it seemed that having conversations at the right time was important because she knew they were looking at what to move off of Lambs Lane Campus through the work of the master plan. She said that it would be beneficial to coordinate and explore potential win-win scenarios for everyone involved. She said that she would like to point out that on Route 29 North, there is land proffered for Government and School facilities that will not be utilized for high school purposes. She said this information should be considered when discussing space requirements and potential locations.

Ms. McKeel said that she believed there may be some benefits in terms of synergy by co-locating certain County Government departments with School departments. She said that in the past, they had experienced situations where the School Division was not informed about their plans or vice versa, resulting in unnecessary revisions. She said that having some synergy around certain departments could be a good thing.

Ms. Mallek said that regarding the Blue Ridge Food Bank, it was great that the organization had found another source for funding. She asked if this meant that this \$165,000 was freed up for the County.

Mr. Bowman said yes. He said that they would discuss the implications of that at a later date.

Ms. McKeel asked if the City was contributing the land for Bennett's Village.

Mr. Bowman said yes.

Ms. McKeel said that was great news and she sincerely appreciated the City for their teamwork. She said that she would support moving the Earlysville and Seminole Trail Volunteer Fire Companies forward. She asked if they could do one or both.

Mr. Bowman said that both could be accelerated.

Ms. McKeel said that she was in favor of both.

Mr. Andrews said that he was also in favor of moving those up, and asked how the Rivanna budgets would be incorporated into the County's approval of budgets.

Mr. Davidson said that he could answer that question, which was also addressed on the technical update slide. He said that in the recommended budget document, there were two instances of their contribution to Rivanna. He said that one was in the CIP, which represented their contribution to the Ivy Landfill remediation. He said that this was a part of the Rivanna budget that one could find if they pulled the Rivanna budget packet online. He said that the other instance was in their public works section under contributions to the Public Works agency, representing the operating contribution to Rivanna.

Mr. Davidson said that during the initial budget process, when they received these estimates, Rivanna was still refining their budget. He said that they met with them recently to discuss the increase in tipping fees, and they provided additional updates that included increases to both the Ivy Landfill remediation and the operations, which also took into account the increased tipping fee approved by the Board. He said that if the Board had not approved that, there would have been an even larger increase from Rivanna.

Mr. Davidson explained that this was a common scenario where they received initial estimates before regional partners' budgets were reviewed and approved. He said that in this case, Rivanna had completed their work and informed the County of their actual needs. He said that staff would discuss these updates further during the technical update section, as there was a plan to address them on both the general fund and capital fund sides.

Mr. Bowman said that he would summarize a few points before discussing debt. He said that first, if the Board agreed to amend one of the CIPs, it would be reflected in the proposed budget on Wednesday. He said that second, there had been some successful grant efforts with the Parks and Recreation Department, such as a \$20,000 grant for interpretive signage. He said that however, they recognized that more funding was needed for the overall master plan. He said that these grants aligned with strategic challenges like Biscuit Run, Rivanna Futures, and the changing volunteer system. He said that these grants provided some relief to the personal property and real property tax bases.

Mr. Bowman said that additionally, he would like to clarify a point regarding Wednesday's agenda. He said that Ms. LaPisto-Kirtley had requested consideration of moving the Northern Convenience Center from year three to year two. He said that this decision was primarily based on operating costs, because it would take \$400,000 to \$500,000 to bring that online. He said that considering that they did not know what next year's financial picture would look like, staff was aware that it would be a year in which Microtransit would be phasing out, they would be getting the FEMA SAFER grants, and the renovation of the Jail debt service would be ramping up.

Mr. Bowman said that this was one when staff would take a look at multiple years, and they were beginning to approach with caution what that may look like. He said that this was the rationale for moving it from year two to year three. He said that regardless of that rationale, if the Board wished to see an option for moving it up from year three to year two in their budget, they would need to direct staff to do so.

Mr. Gallaway said that he did not speak to it because he understood the rationale and agreed with it and the operational impact, not that he would not be interested in bringing it forward.

Ms. McKeel said that she also agreed.

Ms. Mallek said only if it became available because the construction went faster or something, then they could scratch around and look for it.

Ms. LaPisto-Kirtley said that if there was an opportunity to allow them to move up the project at all, she would be in favor of doing so.

Mr. Bowman said that if they are in the design process and things were progressing rapidly and there was an opportunity to make adjustments, Mr. Stewart could communicate with their Finance and Budget Office and County Executives, and they could update the Board when appropriate. He said that he wanted to make sure he was managing expectations clearly.

Mr. Stewart said that it was likely that they would complete the design if funding became available, and they chose to defer operating costs until FY28. He said that at that point, they could pause the project until they knew the timing of bidding and construction would commence in FY28. He said that

currently, they were working on preliminary designs to ensure they were following their Comprehensive Plan compliance review and could have the design done by the end of the upcoming fiscal year. He said that to simplify, the opportunity already existed to accelerate the funding to complete the project if they did not want to pause the project at all.

Ms. LaPisto-Kirtley asked if the design portion could be supplemented by the design created for the Southern Convenience Center.

Mr. Stewart said that the design was based on what they currently had at the Southern Convenience Center. He mentioned that the topography in the area was quite different, and the road they were connecting to presented unique challenges that needed to be assessed. He noted that stormwater management must be addressed. He said that it was easier because they knew that design did work for them, but there was still a substantial amount of work to be done.

Ms. LaPisto-Kirtley asked if the topography was more challenging.

Mr. Stewart said yes. He said that the site itself was steeper.

Ms. Mallek asked if the County was allowed to use the large detention basin VDOT had constructed across the street. She said that there was already a drain under the road.

Mr. Stewart said that that was the part they were just now getting to, but he was not certain.

Mr. Bowman said that before discussing their debt management chapter, he wanted to highlight a few points regarding the County's funding sources for its CIP. He said that the borrowed proceeds from the issuance of bonds served as the largest source of CIP funding. He explained that they must assess future debt service payments in relation to their financial management policies.

Mr. Bowman said two key financial management policies concerning the County's debt capacity that were critical for maintaining their Triple Triple A bond rating. He said that the first policy pertained to the annual debt service payment, which was the amount the County paid on its bonds as a percentage of general fund and school fund revenues. He said that their target was 10%, with year five being the tightest, and year three being pretty close to there. He said that they would hit a dip in year three to four when some debt was retired, and that in year five they would see that go up again.

Mr. Bowman said that for planning purposes, if the Board wished to consider something different in this CIP or in a future CIP, an increase in the blue line from 8% would allow for up to \$60 million of bonds. He said that the Board had expressed concern about increasing the debt limit beyond 10%, as this could lead to issues during a downturn in revenues. He said that there may be opportunities to take advantage of once-in-a-lifetime or generational opportunities, and that this would give them the flexibility to take advantage of that.

Mr. Bowman explained that when the County issued bonds, they made a decision to raise that blue line for essentially 20 years, and this was not a line that could be as nimble to go up and down as other revenues. He said that this was not planned for because of the amount of cash that would be required for that. He said that if the Board wished to consider any changes in the future, they could update these numbers accordingly. He said that they would first assess whether there was sufficient capacity for additional projects and identify related funding sources before making any decisions.

Mr. Bowman said that to execute a capital project, they needed pay-as-you-go funding, which accounted for 5% of non-eligible projects' costs. He said that for a \$60 million project, this would require an initial cash investment of \$3 million, followed by annual debt service payments of approximately \$5 million, depending on the type of bond chosen. He said that he would not be discussing the other financial policy metric today as they had more headroom in that particular policy. He said that he invited any questions or comments regarding their debt management strategy.

Mr. Pruitt said that several Board members had recently discussed various aspects with stakeholders, including the press, regarding a significant expense for housing in the future and its recurring nature. He said that it was his understanding that some localities funded major housing developments by issuing bonds, which were then added to their debt management portfolio. He said that he believed this was not an option for them since they did not operate public housing.

Mr. Pruitt said that he was unsure if funds allocated to the Housing Reserve Fund for construction purposes through third-party partners could be included in their overall debt management portfolio. He said that he would like to start with that question. He said that from a financial standpoint, he would like to know if it was more appropriate to leverage this through debt or if it would be wiser to pursue other means of financing.

Mr. Sumner said that staff needed to conduct further research to determine if they had the legal authority to borrow funds for that purpose. He noted that the program mentioned differed from what they currently used borrowed funds for, as those were specifically related to capital projects. He said this program described by Mr. Pruitt seemed more like a grant-based initiative. He said they would examine it closely and provide additional information.

Mr. Pruitt said that the question regarding statutory authority appeared complex, and there was also the matter of whether this approach would be prudent when dealing with such a significant amount of

money. He said that considering the large numbers they had been discussing, it seemed more desirable to pay as they go. He said that he was seeking guidance from those more knowledgeable about their financial situation. He asked if it was more advantageous to pay at the federal lending rate each year for an annual expenditure of approximately \$10 million.

Mr. Sumner said that he believed the program needed to be developed further, especially in terms of its funding mechanism. He requested that they allow staff additional time to consider these matters. He said that he was unsure if he could provide an update by their next meeting on Wednesday.

Mr. Pruitt said that he understood. He said that he was suggesting this as something to consider for strategic thought.

Mr. Andrews said that he supported staff's approach, as it demonstrated a prudent understanding of operating impacts and capacities related to capital projects. He said that regarding general obligation bonds, which were referendum bonds, he asked if they could provide some historical context. He asked if there were any upcoming things that should be considered.

Mr. Bowman said that to the best of his knowledge, there had been two general obligation bonds issued. He said that he believed one was held back during the construction of a school in the 1970s. He said that more recently, in 2016, there was a referendum held for Public School projects. He said that following this, the projects advanced, and at that time, it was communicated that to execute these projects and the package, an associated tax increase would follow a couple of years later. He stated that this is a tool available to the Board. He said that it is ultimately up to the Board to weigh the policy decision against receiving a slightly better rate with all the other implications tied to the general obligation reference.

Ms. LaPisto-Kirtley asked if there was an update on the 1% tax for School funding. She said that this would be a referendum if it passed.

Mr. Bowman said that he had not received an update on that matter. He said that the bill was currently awaiting the Governor's signature and according to his information, the Governor had until April 8 to take action.

Mr. Pruitt said that he would like to acknowledge that he supported the staff proposal of 8% as it offered them necessary flexibility.

Recess. The Board recessed its meeting at 4:07 p.m. and reconvened at 4:18 p.m.

Agenda Item No. 4. **Work Session:** FY 2025 Operating and Capital Budget.

Mr. Sumner said that for the remainder of the work session, staff would provide the Board with some technical updates and adjustments to the budget, some of which were referenced earlier in their conversation. He said that they would then shift their focus to various expenditure and revenue scenarios. He said that the goal for today was to narrow down options for the Board's consideration as they moved towards March 27. He said that on that date, the Board would take action to advertise the maximum tax rates. He said that their objective with this next part of the presentation was to help the Board evaluate those options so staff could be prepared to assist in setting the maximum tax rate on March 27.

Mr. Sumner said that staff had some questions for the Board to consider as they reviewed expenditure and revenue scenarios. He said that they would like to see if there was a slate of prioritized expenditure changes that the majority of the Board supported, and also whether there was support from the Board or a majority for prioritized funding sources. He said that they would present various options on revenue as well. He said that they were seeking Board guidance on how to narrow some of this down in preparation for March 27.

Mr. Bowman said that regarding the presented information on the slide, if the staff had known this information when they prepared and finalized the recommended budget in early February, it would have already been incorporated into the numbers. He mentioned that they always finalize a recommended budget at a specific date while information continues to change, which are what they call technical updates. He said he would discuss each one individually for better understanding.

Mr. Bowman said that first, on the general fund, there were some changes on the revenue side. He said that one was a one-time funding of over \$250,000 from JAUNT. He said that JAUNT had an approved fund balance policy that their Board managed for all regional partners to participate in. He said that they had exceeded their fund balance target, and the \$250,000 amount represented the share of the County's to be returned to the County for the Board's use and determination.

Mr. Bowman said that the second update was that as they progressed further into the state budget, staff believed they could confidently rely on an additional \$114,000 from the state. He said that this was for the four departments supported by the Compensation Board. He said that the County provided funding above what the Comp Board recommended for those offices. He said that by receiving a higher reimbursement rate for these costs, it freed up funds that could be reprogrammed to the Board's highest priority.

Mr. Bowman noted that there were also some expenditure changes on the expenditure side. He said that one change was another clarification. He said that as Mr. Davidson mentioned, the Rivanna Solid Waste Authority (RSWA) budget was another moving target as they worked through the agency process. He said that they had an increase of about \$100,000 from where they were in the draft of their budget before it was updated this spring. He said that this included the Board's direction to consider increasing rates by \$4 that was provided a couple weeks ago. He said that if not for that action, the dollar amount would have been even higher. He said he would show the slide reflecting these changes on both the operating and capital sides. He said that there was a portion of RSWA shown down as well.

Mr. Bowman said that two items were listed at \$0; they were not actual changes but updates from what they previously provided to the Board. He said that staff mentioned at previous work session that Charlottesville Area Transit (CAT) would have an increase of about \$85,000 to \$86,000 based on their budget process and collective bargaining. He said that the City had reviewed and modified that budget, and no additional funding was needed beyond the County Executive's recommendation to ensure the same level of service. He said that this allowed for a recommendation for CAT that aligned closely with CAT's five-year plan from a couple years ago updated last spring.

Mr. Bowman said that the other clarification was that they had discussed unfunded vacancies in the budget. He said that working with their Parks Department, they were swapping out an unfunded position. He said that previously, there was a trails technician that was unfunded and had been switched to a maintenance worker instead. He said that they would continue to monitor this as part of the other unfunded positions in the budget process.

Mr. Bowman said that before moving on to capital, if they had known all this information back in February, their reserve for contingencies would have been larger by \$250,007 one-time and \$14,000 ongoing. He said that this funding could be used for something else, but in its absence, it would exist in the reserve for contingencies, which was a fund for unanticipated or one-time situations that arose throughout the year.

Mr. Bowman said that for capital, they had an update regarding the Blue Ridge Area Food Bank. He said that their funding had been removed at \$165,000 and there was another portion of RSWA totaling about \$74,000, leaving a balance available for other programs of around \$90,000 in the CIP. He said that as they went through the process, if there were any more technical updates, he would mention that they had looked at their other items and ongoing revenues to see if anything may change. He said that for now, none of that was incorporated; these were just the items to date.

Mr. Gallaway asked if the tipping fees for RSWA were not finalized in their budget when it was initially presented to the Board of Supervisors. He asked if that amount was unknown at that time.

Mr. Davidson said that the original budget proposed a \$2 increase in tipping fees based on their initial calculations reflected in their recommended budget. He said that as they further refined their budget, they determined that \$4 was the appropriate amount. He said that it was not that they were unaware of this at the time; it was just as they continued to refine and when they presented the updated budget to the County, they had not yet approved the \$4 fee. He said that once they had the approval to implement the \$4 fee, they returned to County staff with an updated amount necessary for operations.

Mr. Gallaway asked if the RSWA operating budget, aside from the tipping fee, increase was going up by \$400,000 after adjusting the tipping fees and the change that absorbed about \$390,000.

Mr. Davidson said that while he would have to review the budget packet to be certain, he believed that was correct.

Ms. McKeel asked if RWSA (Rivanna Water Sewer Authority)-related repairs were outside of anything presented at this time.

Mr. Bowman said that the costs related to RWSA repairs would be outside of the County's general fund.

Mr. Bowman said that moving on from technical updates to some options for the Board's consideration, there was a lot of information on the slide presented and it would be referenced several times throughout the discussion. He said that on the left side, in a dark blue color, there was a summary of the most significant items that the Board had requested to place in the parking lot for future discussion. He said that these included topics discussed at the previous work session, specifically item number three regarding the Fire Rescue system and both North Garden and Berkmar ambulance services. He said that the Sheriff's Office was also included.

Mr. Bowman said that also mentioned were other matters brought up by Board members that they would discuss momentarily. He said that this slide displayed both ongoing and one-time costs for FY25 and FY26 on the left side. He said that in their previous discussion, they emphasized the importance of considering FY26 implications, which was why these figures had been provided as some positions could only commence partway through the year.

Mr. Bowman said that on the right side, there were a combination of funding sources that they would elaborate upon, including one-time funds from the Capital Finance and Strategic Priorities Reserve, which they would discuss in greater detail, along with potential tax rate options for the Board to consider and adjustments to expenditure reductions for services.

Mr. Bowman said that they would revisit this slide multiple times. He said that his intention was to delve into each expense in more depth, including what they encompassed and any notable items not listed among the three main expenditures highlighted in blue above the line. He said that they would do the same with funding sources. He said that the objective of this process was not to finalize the proposed budget but rather to narrow down options as staff worked on preparing follow-up information for presentation to the Board on Wednesday, allowing them to review a proposed budget and tax rates. He said that he would now pass the expenditure portion of the presentation over to Mr. Davidson.

Mr. Davidson said that the first option was related to what was discussed during their previous work session concerning Fire Rescue matters. He said that this option demonstrated the cost of providing 16 full-time equivalent employees (FTEs) as a package, ensuring 24/7 staffing and coverage in North Garden, as well as 24/7 staffing for an additional ambulance at Berkmar Fire Station 18. He said that funding for this option covered half of FY25 to coincide with the commencement of the fire recruit school and new hires' availability. He said that as noted here, initial North Garden staffing would be funded through a FEMA SAFER grant amounting to approximately \$275,000 in FY25 and \$574,000 in FY26.

Mr. Davidson said that in case the FEMA Safer Grant was not awarded, if necessary, the Berkmar 24/7 ambulance service would be reduced to daylight hours only. He said that this alternative had been discussed during the work session on March 13. He said that to reestablish full-time coverage, they would revisit the possibility of expanding services as they moved into the FY26 budget. He said that the total cost for these options in FY25 was approximately \$665,000, which includes a one-time expenditure of \$200,000, ongoing costs of \$790,000, and revenue offsets. He said that ongoing County expenses amounted to around \$900,000 in FY26.

Mr. Davidson said that the next option under consideration involved expanding the HART (Human Services Alternative Response Team) program to establish a second response team. He said that the six-page unfunded document previously proposed an additional peer navigator; however, after consulting with Ms. Dimock, it was determined that creating a second HART team would be the most effective use of funds. He said that the peer navigator remained part of their long-term plans for expansion. He said that this option included three FTEs: a human service worker, a firefighter/EMT paramedic, and an ACPD (Albemarle County Police Department) officer.

Mr. Davidson said that by implementing this plan, they could expand weekday daytime coverage and extend hours in the evenings and on weekends, depending on scheduling adjustments. He said that similar to the Fire Rescue Department's proposal, this alternative would provide half-year funding for all three positions to establish the team effectively. He said that there was a slight revenue offset from state funds that covered the human services worker's position within the team. He said that the normal state reimbursement consisted of approximately 30% to 40%, depending on the type of work which they received annually for their human service workers.

Mr. Davidson said that the next option they had for consideration involved adding an additional deputy to address the issues arising from TDO (Temporary Detention Order) transports, as discussed in their previous work session. He said that this would provide assistance to the Sheriff for this task and allow them to evaluate the effectiveness of the new alternative transportation services while considering expanding the HART team, which may impact the volume of TDO requests. He said that it should be noted that the original request was for 4.5 deputies, and the presented proposal only included one deputy. He said that the Board could decide to allocate more resources if desired, and this proposal was meant to give them an order of magnitude to work from.

Mr. Davidson said that finally, the total cost for all three options presented earlier would be discussed, including FY25 expenses and potential FY26 considerations. He said that as they planned budgets sequentially, they must consider both years' obligations. He said that on previous slides, they discussed three items the Board had given consensus support on getting additional information and details for potential inclusion in the FY25 budget.

Mr. Davidson said that staff wanted to acknowledge that some other items were requested by at least one Board member for consideration, which were also listed on the slide in alphabetical order. He said that this would be the appropriate time for Board members to bring up any of these items for further discussion as well as any other items on the information packet in the six-page document titled "General Fund Requests that were not included in the FY25 budget."

Mr. Gallaway asked when they would know the results of the FEMA SAFER Grant.

Mr. Davidson said that they typically heard about that grant in September or early fall.

Mr. Gallaway asked if an FTE for the HART team had been added as a position or if the FTE was taken from the Police Department.

Ms. Dimock said that at the time, it was the year after the SROs (School Resource Officers) left the schools. She said that the schools expressed a desire not to have any additional SROs, and thus, there were FTE positions available within the Police Department budget that had previously been allocated for SROs. She said that consequently, the first police officer for HART took one of those FTE positions.

Mr. Gallaway said that in that case, nothing was removed. He said that if it had not been allocated

to the HART team, it would have been considered an SRO budget item. He said that they did not gain anything. He said that if it did not go to either of them, they may have gained a position. He said that in adding this position to the HART team, this did not change their capacity at all.

Ms. Dimock said no, it did not change their capacity for anything else.

Mr. Gallaway said that referring to slide 33, specifically the expenditure summary section, he wanted to clarify the breakdown of one-time, ongoing, and total expenses. He said that the total is \$1.1 million. He said that if they were thinking about coming up with revenue, he often thought about the operating side. He asked if he should subtract \$450,000 from this amount. He how the revenue offset would affect their goal of generating \$1.1 million in operational funds.

Mr. Davidson said that the ongoing funding required would be \$1.1 million minus the one-time funds.

Mr. Gallaway said so \$1.1 million minus \$450,000, so \$700,000, and he asked if the \$700,000 remaining would fund the one position under Sheriff, the second HART team, and the half year at both North Garden and Berkmar, provided that they receive the FEMA SAFER Grant.

Mr. Davidson said yes.

Mr. Gallaway asked what the cost of an additional police officer position would be.

Mr. Davidson said that it was approximately \$200,000. He explained that the estimated expenses included approximately \$110,00 in one-time costs and roughly \$95,000 in ongoing expenditures.

Mr. Gallaway said that in terms of expenditures, he was grateful for the creativity of the Fire solutions presented. He said that getting a whole HART expansion team was necessary, and at minimum, they should add one to the Sheriff's Department. He said that he was concerned they were not adding to the Police Department at this point. He said that he would like to see options for that on Wednesday.

Mr. Gallaway said that given the revenue alternatives presented, it seemed that the one-time money would be more manageable for a police position and the expense for the police officer could be worked in without too much change to other revenue sources. He said that he was open to changes to revenue for advertisement, but he was not agreeing to them before hearing from people. He said that he was sure they would revisit the revenue details again and would give more of his comments at that time.

Ms. Mallek said that she was really looking forward to seeing the spreadsheet detailing the available resources around the corner. She said that while reviewing the initial unfunded list for seven police officers requested, it reminded her of the situation in 2008 and 2009 when they were requesting four officers annually but receiving none. She said that she agreed with Mr. Gallaway that if they could find the money to put an extra position in the Police Department they should do so.

Mr. Pruitt said he was fully supportive of the North Garden and Berkmar staffing and ambulance. He said he would like to highlight something that came up during their two-on-tuos. He mentioned that North Garden is one of the volunteer fire stations that approached them first with a thoughtful presentation about their future concerns. He noted that they are not the only station facing these challenges; this is a national and Countywide issue.

Mr. Pruitt said as a Board, they must acknowledge that volunteerism may be influenced by factors such as the cost of living for young people in their community. He said that however, if volunteerism remains what it is, he warned that they will continue to face similar serious expenditures in the future, so they should not consider this a solution to the problem.

Mr. Pruitt said that considering the framework presented today, he was fully supportive of the proposed revenues and expenses. He said if any cuts are necessary, he has some concerns about adding an additional position to the Sheriff's Office. He explained that the expansion of the HART team may decrease the frequency and necessity of TDOs, and ongoing state projects could potentially reduce the need for transportation. He said that given the current situation, the Sheriff's Office is under strain but has not experienced any impact on operations.

Mr. Pruitt said that he wondered if that position could be pushed out one year to give them a more informed decision point as they engage with them. He said that if something needed to go, this was the item he would highlight. He said that as it was penciled out, the revenue sources to cover it looked to be adequate. He said that looking at the Supervisors' pet project page, he could not sit comfortably without going to the mat here.

Mr. Pruitt said that regarding the Emergency Assistance Funding, its primary use is for eviction prevention for individuals who have outstanding debts to their landlords that will result in an eviction even though they are able to stay current. He said in Albemarle County, they have seen a significant decrease in evictions due to COVID-related protocols; however, that was now gone. This year is projected to be the most eviction-heavy in history for their County. He said that their eviction rate surpasses that of nearly every neighboring jurisdiction, including Charlottesville.

Mr. Pruitt mentioned that they have more than three times the eviction rate of Nelson and Greene Counties, with only Louisa and Waynesboro having higher percentages. He said that the majority of these

evictions are due to outstanding debt. He said that they know where people get evicted from. He said that to provide context, a two-bedroom apartment in Timberlake costs around \$1,000 per month, and individuals typically do not owe more than three months' worth of back payments. He said that in simple terms, this means that preventing an eviction generally requires a payment of about \$2,000.

Mr. Pruitt said that the requested increase in funding was incredibly modest, considering their current budget, the fact that they are one of the wealthiest jurisdictions, and that they are a jurisdiction that evicts people at this incredibly high rate. He said they can and should fund this very small increase, which would simply allow them to keep up with the demand, while a more significant boost is necessary for a more substantial impact. He said that the request was for \$40,000 additional funds over last year's budget.

Mr. Pruitt said that on Thursday alone, their courts processed 23 eviction cases. He said that almost all of those people would be summarily evicted the moment their cases were presented because they either were not present or did not have a case to present because they knew they were in debt. He said that he could name the 23 residents for them. He said that these people were people the Board of Supervisors represented. He said that 23 people was more than they had speak to the Board on almost any issue before them, and that was in a single day. He said that they normally have multiple days per week dedicated to evictions. He said that those 23 names represent how many people became homeless in a single day due to evictions.

Mr. Pruitt said that the proposed \$40,000 increase would cover housing assistance for approximately 20 of these individuals, which is a minimal amount given the need. He said that he believed this figure should be significantly higher. He said reducing the number of evictions could also decrease the workload on their Sheriff's Department through the service process. He reiterated that fewer evictions in the County could potentially decrease the operating load on the Sheriff.

Ms. LaPisto-Kirtley said that she was supportive of what was presented but would review the details. She said that she knew they were applying for a SAFER Grant for North Garden and Berkmar, which she hoped would assist in paying for those much-needed projects. She said that regarding the HART team expansion, she knew it was a pilot program that began in July. She asked if Ms. Dimock felt that this item was an absolute need at this time.

Ms. Dimock said that the HART Team has had a significant impact on community well-being and may potentially have the predicted system impacts on the jail and hospital. She said that they were all surprised to discover that they served 150 individuals within the first six months of operation. She said that this demonstrated to them that their initial understanding of the need was greatly underestimated.

Ms. LaPisto-Kirtley said that she understood part of the revenues would be offset by a state increase. She said that she agreed that if there was something that needed to be done temporarily in relation to that, it would be to substitute one position for the Sheriff with one position for a police officer. She said that this would have more impact on overall safety. She said that they could revisit the possibility of adding an extra Sheriff position if additional funding became available in six or eight months. She said that she believed they should consider the potential increase in revenues as well, since all positions would require additional funding. She said that she agreed with all the other aspects of expenditures.

Ms. McKeel said that she supported the North Garden staffing, Berkmar ambulance, and HART Team expansion. She said that she supported the addition of one position for the Sheriff's Department, considering that four positions were asked for initially. She said that she believed that one position would be appropriate at this time. She said that while they anticipate the HART team will reduce their workload, it is not certain it will result in a reduction of the work of four positions; that seems like a lot of reduction. She said that therefore, she is happy to support one FTE for the Sheriff's Department.

Ms. McKeel said that she supported the addition of one FTE to the Police Department but was somewhat confused about the presentation of options. She said that she heard from her community about the need for more police officers. She said that she does not view the police as an either-or proposition. She said that she thought it was mentioned that they could consider both the police and one position for the Sheriff.

Mr. Bowman said that the information on the slide is based on a prior discussion. He said that they do have the funds available for them to add as they move forward into the next options. He stated that this conversation is beneficial because it helps elevate the points made by one member versus those not given an opportunity to contribute due to the rapid pace of their discussions. He clarified his intention was not to imply any preference of the entire Board or Board members; rather, he was attempting to summarize the past 12 hours of discussion leading up to their current point, acknowledging that they may have overlooked something in the process.

Ms. McKeel said that it would not be an either-or situation.

Mr. Bowman said that was correct.

Ms. McKeel said that she would support the addition of another police officer FTE. She said that she was going to ask the same question as Mr. Gallaway since she was curious about how the SRO position and the HART expansion were resolved. She said that she supported a police officer FTE in addition to one FTE for the Sheriff. She said that regarding their technical updates, \$14,000 ongoing was essentially noise in the budget. She said that the \$257,000 one-time funding they just discussed could be

allocated to the reserve fund instead. She asked if they could use that to help with some of these other items.

Mr. Bowman said yes.

Ms. McKeel said that she would be very interested in transferring \$257,500, which is more than noise, to cover whatever they decide is best among this list of items they wish to fund.

Ms. LaPisto-Kirtley asked if she was also including the \$14,000.

Ms. McKeel said no, the \$14,000 fund was ongoing and therefore considered separate from one-time funding. She said that she was not suggesting that they use one-time money to cover ongoing expenses; however, she suggested allocating some funds as they see fit. She asked for staff's thoughts on how they would like to proceed.

Mr. Bowman said that this provides clarity regarding the Board's potential consensus, which aids in narrowing down possible options for a final package. He said that they would discuss revenue aspects later after addressing expenditures. He said that this initial insight was valuable for understanding the Board's perspectives.

Ms. McKeel said that she would be interested in staff providing a proposal for the use of that one-time funding. She said that she appreciated Mr. Pruitt's point regarding the evictions and the lack of funding to address that issue. She said that on March 19, Mackenzie Scott announced a \$1 million grant for the Virginia Poverty Law Center to assist with evictions in the state. She said that she understood the grant would not last forever, but it was impressive and was a good start. She said that she would like to have a discussion about how they could utilize the grant locally to assist with eviction prevention.

Mr. Andrews said that they would discuss revenue sources shortly, including one-time funds and other resources. He said that regarding North Garden, HART, and the one FTE Sheriff position, he fully supported these initiatives as they were critical. He acknowledged that several individuals had suggested adding another Police FTE, and he would be in favor of this proposal. He stated that they must consider the source of funding for this initiative. He said that with regard to Mr. Pruitt's statement, he forgot to mention one aspect during their discussion about the ABRT (Agency Budget Review Team) process. He said that he realized that everything remained almost unchanged, with only one exception.

Mr. Andrews said that despite approving a framework in July 2023 to prioritize family homelessness, adolescent mental health, community safety, and navigation for seniors, and that they put \$100,000 away for contingency for that, they did not allocate any funds or identify specific initiatives for these areas. He said that furthermore, their ABRT process did not change in terms of amount or method. He said that this was just another way of expressing his support for Mr. Pruitt's suggestion regarding addressing family homelessness. He said that the emergency assistance fund could be a means to achieve this goal. He said that he believed that they had not yet fulfilled what they committed to last July, and while he understood that things may not have turned out as hoped, it was one of his concerns.

Mr. Bowman said that he would try to recap the discussion with some calculations in mind. He said that the key number they needed to focus on was whether a majority of the Board had expressed support for the three items on the slide and additional police officer. He said that emergency assistance was discussed, but no clear majority supported it. He said that the Board could revisit that decision next Wednesday. He said that the budget adjustment of \$40,000 was certainly a smaller amount compared to some of the other items.

Mr. Bowman said that if they considered adding an extra police officer as a bullet point, the FY2025 cost would increase by roughly \$100,000 one-time and \$100,000 ongoing. He said that the total cost for that package would be around \$1.3 million to \$1.4 million in FY25, with another \$1.4 million in FY26. He said that this figure should be kept in mind as they considered revenue options. He said that regarding tax rates, when they met on Wednesday, they would be officially decided on but would serve as the advertisement for which public input would be considered. He said that the maximum set tax rate could not exceed the advertised rate.

Mr. Bowman said that moving on to potential funding sources, he would review the options for where the revenues could come from. He said that these were just a starting point for staff consideration. He said that the Board could ultimately decide what sources worked best. He said that the first topic was the Capital Advancing Strategic Priorities Reserve, which had a balance of \$1.9 million. He said that this reserve was budgeted in the CIP starting from FY20 and had been used for one-time studies related to community development or public works projects of interest to the Board.

Mr. Bowman said that HART, the Fire Rescue System, the Sheriff's Office, and Police aligned with Goal 1 of the Strategic Plan and objectives. He clarified that this reserve was not required by financial management policies and could be used at the Board's discretion for priority projects. He said that if the Board used a combination of one-time funding from JAUNT and this reserve, there would still be some capacity left to address strategic priorities. He said that this was their first option for one-time expenditures.

Mr. Bowman said that moving on to additional options, the Board could consider changes to various taxes. He said that one discussed earlier was the Transient Occupancy Tax (TOT) currently at 8%. He said that the City of Charlottesville proposed increasing theirs to 9%, which would generate

almost \$900,000 in additional revenue if the County matched the City's rate as of July 1. He said that they could observe a split by category with 10% allocated to capital and debt, 54% going to Public School operations, and 36% to County government operations. He clarified that there was a typo in the Board's printed handout which stated 56-34 instead of the correct 54-36 on the slide. He said that the slide accurately represented the figures, and he apologized for that oversight. He said that this was an option available should the Board wish to pursue it. He said that to give them an idea, if the Board needed to find \$1.4 million, including a portion of ongoing funds, this could provide \$313,000 towards that goal.

Mr. Bowman said that when they opened up the floor for Board comments, it would be helpful to receive preliminary direction from the Board on whether they wished to pursue this option. He explained that this was because the public process for this matter differed from other options such as real estate tax rates. He said that to follow their usual process, the Board would need to add an item onto their April 3 consent agenda to advertise a public hearing to adopt an ordinance to amend the TOT rate. He said that the TOT public hearing would then take place on April 24, alongside other tax rate discussions. He said that the Board would then take action on the rates on May 1. He said that this was an instance where the Board did not need to decide immediately but providing direction today would help them adhere to their usual process for ordinance amendments and add the item to the April 3 consent agenda.

Mr. Bowman said that moving forward, the next item for consideration is personal property tax revenue. He said that the slide presented at the first work session provides historical context on its evolution. He explained that the personal property tax rate applies to individual vehicles, motorcycles, boats, business vehicles, and other tangible assets such as machinery and tools. He said that it accounts for a small portion of the overall revenue, approximately \$600,000 to \$700,000 out of over \$30 million.

Mr. Bowman said that the current rate is set at \$3.42, with every penny less than \$100,000 rounding up to \$100,000. He said that to provide context, in CY22, there was a significant increase in car values which led the Board to decrease the rate by \$0.86 from \$4.28 to \$3.42. He said that in CY23 and CY24, values have continued to decline resulting in reduced revenue, including an impact on FY24. He compared the adopted figures for FY24 to the recommended figures for FY25, showing a decrease of \$1.2 million.

Mr. Bowman said that staff considered one metric based on past data. He said that in FY22, the County received a total of \$36.6 million in personal property and machinery tool taxes. He said that to generate the same amount in FY25, the rate would need to be increased by \$0.54 to \$3.96, generating a total of \$4.5 million. He said that this includes approximately \$500,000 for capital, which would mean the CIP would receive approximately \$2.5 million over five years. He said that the remaining funds would go towards Public School operations and County Government operations. He said that this scenario alone generates an additional \$1.6 million in revenue. He said that with no previous actions taken, this could fund the package discussed by the Board for expenditures. He said that this rate would be advertised by the Board on Wednesday.

Mr. Bowman said that one aspect they considered was how this might affect individuals with different types of vehicles. He said that staff created a chart to illustrate this. He explained that personal property is more complex than real estate because for the first \$1,000, one receives full relief from the state, and up to \$20,000 in value receives relief from the state as well, while anything over \$20,000 is taxed fully. He said that the chart examines common vehicles and their tax bills since purchase, whether that be in 2018 or as late as 2022.

Mr. Bowman said that there has been a downward trend overall in these vehicles' taxes. He said that they chose specific makes and models to demonstrate the impact of personal property tax relief on various vehicle values. He said that each person's situation will differ based on factors such as the number of vehicles they own, when they acquired them, and other variables. He said that if the rate were to increase to \$3.96, this chart shows the potential impact for those affected.

Mr. Bowman said that moving on to real estate taxes, every penny of value is about \$2.9 million, split between capital and debt, Public School operations, and County Government operations.

Mr. Bowman said that regarding tax rates being based on a calendar year while budgeting on a fiscal year basis, there will be a collection in June impacted by these tax rates. He said that an increase in tax rates could generate one-time revenue for the current year, which could be allocated to the CIP, Housing Fund, or other options.

Mr. Bowman said that they will focus their discussion today on FY25 but can explore this further when they reconvene on Wednesday. He mentioned that the 1% increase in TOT would generate approximately \$900,000, and adding a 54% personal property and machinery tools tax would bring the total to \$5.4 million. He said that they have added comments regarding service reductions; their CFO, Mr. Sumner, will now discuss staff's thoughts on this matter.

Mr. Sumner said that one of the options presented in the summary slide for funding sources was a half-million-dollar service reduction. He said that although this may not seem like additional revenue, it is a funding source that would offset or lower their general fund expenditures by half a million dollars, which could be used elsewhere. He said that to achieve these \$500,000 in savings, they would need to consider freezing any open positions as they become vacant throughout the year and explore potential personnel savings from underutilized lines. He said that there may also be opportunities for operational savings through increased efficiency, reprioritization, or other measures.

Mr. Sumner said that regarding slide 33, when planning for FY26, it is essential to take into account the half-year costs of most items on this list. He said that if the Board moves forward with these expenditures, they will become full-year costs in FY26. He urged the Board to keep this in mind as they consider revenues and how to balance those additional costs, which will impact both years FY25 and FY26. He said that going back to the summary slide for revenues, he wanted to tie those pieces together so they would keep in mind the full year costs of the recommendations.

Mr. Bowman said that due to the service reductions, the only noticeable change had been observed within the County Government Operations, which amounted to a 36% increase. He said that for the last option, adding the 1% real estate tax rate to all of the other options would result in that displayed amount.

Mr. Bowman said that if the Board needed staff to clarify any uncertainties regarding these revenues and their timing, as well as to understand the potential impacts, now was the time to ask. He said that additionally, they should determine where the Board's priorities lay when considering a \$1.4 million total expenditure for public advertisement and public hearings.

Mr. Gallaway asked if staff could reiterate the rationale for increasing the personal property tax rate by \$0.54.

Mr. Bowman said that in the current budget for personal property, there was a projection of \$4.5 million less than \$36.6 million. He said that as a basis, if they were to take what was projected in FY25 and go back to the peak of what was actually collected in FY22, this would result in a difference of about \$4.5 million. He said that the question then became: What rate is required to achieve that amount of funding in FY2025. He said that this outcome corresponded to a 54% increase to reach \$3.96.

Mr. Gallaway asked if the peak was before they changed the rate.

Mr. Bowman said that for FY22, it was a combination of before the change plus half a year of the change. He said that even when the Board dropped the rate, it did not fully equalize the rate. He said that it instead dropped it down to a more reasonable increase.

Mr. Gallaway asked if the \$36.6 million was a result of half the previous highest rate and half of the lowered rate.

Mr. Bowman said yes.

Mr. Gallaway thanked Mr. Sumner for reminding them to stay aware of the service reductions. He asked if the freezes he mentioned would be across the board or if some departments would be exempt from that.

Mr. Sumner said that he would consider all available positions when they become vacant; however, he noted that it was likely that many of their first responders and public safety departments would not be subject to the freeze, as their work directly affected front-line services.

Mr. Gallaway said that he appreciated looking at the FY26 and its impacts, particularly given that they would not be implementing a cost of living adjustment (COLA) this year. He said that with all of the work they had done related to the market rate, it was essential to make some form of adjustment in the upcoming year, as failing to do so may result in reverting back to their previous situation. He said that they must keep this in mind when planning for the next year.

Mr. Sumner asked if Mr. Gallaway had any direction regarding revenues.

Mr. Gallaway said that he supported increasing the TOT by 1%. He said that it should be included in their rate for advertisement. He said that he understood the rationale for the \$0.54 increase to personal property, but was still considering his stance on it. He said that he would support advertising it but was unsure about whether it should be implemented. He said that he was not interested in doing anything for real estate taxes at advertisement. He said that a service reduction philosophy should be on the table during any given year, so he believed that should be on the table so they could see where it all shakes out.

Ms. Mallek asked if they would be balanced if they added together the revenues as presented on slide 44.

Mr. Bowman said that the \$1.9 million includes the TOT and personal property adjustments.

Ms. Mallek asked if it would result in a balanced budget and fully fund the initiatives discussed today.

Mr. Bowman said that thinking ahead to FY26, it would provide some, and there would be some options for one-time funding the Board could discuss on Wednesday.

Ms. Mallek asked if there was still a gap to be accounted for.

Mr. Sumner said that there was Board consensus around adding a police officer, so the \$1.9 million in FY26 did not include that yet. He said that it would be about \$2 million after the addition of that

position's costs.

Mr. Pruitt asked if the property tax and machinery and tools tax were a unified rate or two separate rates.

Mr. Bowman said that they were two rates set by the Board, which to the best of his knowledge, had been the same rate throughout recent history.

Mr. Pruitt said that he raised this point because he was thinking that machinery and tools were the primary revenue source from the very large solar developments they were doing, especially in the early years of those developments. He said that specifically, the amount they get from those solar developments relied heavily on machinery and tools due to the flip-flop contract where as another revenue source grew, it transitioned. He said that for the first ten years or so, all of the revenue came from machinery and tools. He said that he highlighted this because when discussing Woodridge, all that money would be based on the machinery and tools.

Mr. Pruitt said that as long as that rate remained deflated from the rate set during the COVID-19 pandemic, he would suggest that they were not realizing their full returns from what should be expected from that investment in their land. He said that he supported the \$0.54 as a minimum increase, and staff had done a great job of supporting the rationale for that increase. He said that he wondered if it was worth de-locking them to get the machinery and tools rate generally back to the previous level.

Mr. Pruitt said that he believed the first three revenue sources presented were all prudent and he was comfortable advertising at all of these rates, not including the real estate. He said that they should be thoughtful about when and why they changed that rate, and they were doing a good job of doing that. He said that TOT tax would be prudent even if they were not confronting a budget shortfall because they should keep up with neighboring localities in that sense.

Ms. LaPisto-Kirtley asked if the expenditures for North Garden, Berkmar, the HART team, the Sheriff position, and the Police position cost approximately \$1.4 million.

Mr. Bowman said yes, the net expenditures for FY25 and FY26 were approximately that amount.

Mr. Henry added that those numbers included FEMA funding.

Mr. Bowman said that Mr. Henry was correct that if the FEMA SAFER Grant was unsuccessful, the numbers would change based on reallocating staff from Berkmar and North Garden, and to be further revisited in FY26.

Ms. LaPisto-Kirtley asked if they used all four sources of revenue they would be getting \$8.7 million.

Mr. Bowman said yes, and that amount would be split according to their formula as depicted on the right side of the slide.

Ms. LaPisto-Kirtley said that she supported the TOT tax and did not support a one cent real estate tax. She said that regarding service reductions, she would leave that up to staff to decide. She said that she understood people wanted more inspectors for issues in the County such as blight, so she would prefer not to eliminate those positions, but would leave the decision up to staff to find the best savings.

Mr. Henry said that Mr. Sumner had mentioned freezing positions as well as other operating efficiencies and improvements. He said that an example might be the MicroCAT implementation, where staff believed there may be overlap with JAUNT on-demand services. He said that there was a possibility to draw back on JAUNT because the MicroCAT was filling that purpose. He said that this was hypothetical scenario but he wanted to clarify that their options were not solely freezing staff positions. He said that they should consider operational improvements and efficiencies continually.

Ms. LaPisto-Kirtley said that she appreciated staff's diligence in identifying efficiencies in operations. She said that regarding personal property, she would support increasing the rate to the higher rate they had previously. She said that this could potentially fund the eviction emergency assistance fund.

Mr. Pruitt said that increasing the personal property rate back up to what it was previously would be \$0.86.

Mr. Bowman said that was correct; it was lowered by \$0.86 two years ago.

Ms. LaPisto-Kirtley said that she did not understand how staff arrived at the increase of \$0.54 and did not know why they were not considering a full increase of \$0.86. She said that perhaps they could consider that option in the future.

Mr. Bowman said to clarify, the \$0.54 was based on the actual amount received by the County in FY22, which marked the highest revenue intake in its history. He said that therefore, if they were to consider a figure above \$3.96, it would directly lead to a total taxpayer impact. He said that each individual's situation will differ, but the overall effect on taxpayers would be what changes. He said to clarify the matter of service reductions, while the Board has shown respect for staff input regarding specifics, in order to balance the budget, staff requires direction from the Board as to whether such

reductions should be made or not.

Ms. LaPisto-Kirtley said that she would like to know the impacts of raising the personal property tax rate by \$0.86, and whether they would still have to do staff reductions and efficiencies, or if they could do staff efficiencies without raising that. She said that she would not be in favor of the one cent real estate tax.

Ms. McKeel said that she was in favor of advertising at the rates presented. She said that she would prefer not to implement service reductions, she understood the rationale of staff's recommendation for advertisement. She said that she was not in favor of a one cent real estate tax increase at this time.

Mr. Andrews said that he supported advertising the TOT and personal property rates as presented by staff. He said that the issue of service reductions was partially one of one-timing. He said that recognizing that they had a lot of one-time expenses in FY25 and identification of other revenue sources to bring those costs down significantly, they did not know much past that point. He said that service reductions should be on the table, but that should be an issue for FY26 in part due to the one-time expenses built into this.

Mr. Bowman said that it could be. He said that thinking back to the tax relief discussion the Board had back in December, there were a lot of policy options considered. He said that the Board was able to narrow down the options, which staff then refined a few weeks ago. He said that the same situation applied today in which the Board was providing insight into the direction they wished to proceed. He said that on Wednesday they could look at specific financial aspects of FY25 and FY26 now that they had narrowed down the expenditures and revenues. He said that this context would help them determine what paths to take in terms of service reductions, personal property, or other changes.

Mr. Andrews said that he agreed that they did not need to increase the real estate tax at this time. He said that however, he would like to emphasize that while Wednesday may not be the ideal time for this discussion, it would undoubtedly take place eventually in conjunction with the ongoing discussions about how the additional revenues, amounting to \$2.9 million, would be allocated to Schools. He said that the Board had consistently shown support for understanding the budget implications of these funds, as the School Division had identified needs that exceeded their initial formula. He said that the state budget remained a significant concern and they required guidance on this matter.

Mr. Bowman said that he had a meeting scheduled for Thursday morning with his counterpart from the Schools to update them on the anticipated budget and rates. He said that the Schools would also receive clarity on their state funding situation, which would enable the School Board to make more informed decisions regarding their options.

Mr. Gallaway asked where savings from service reductions would be allocated. He asked if it would go to one-time funds for the following year.

Mr. Sumner said that it would be one-time funds within the year.

Mr. Gallaway said that the benefit of not directing staff to find service reductions would be to limit their usage of one-time funds in the following year.

Mr. Sumner said that would be staff's recommendation.

Mr. Gallaway said that this would be a way to get capacity for the operating in the current year and the following years, realizing that services might be impacted. He said that if staff was constantly working to find it, they were putting in a pin for where those dollars would be spent in future years. He said that he brought this up because while it may not change their discussion today, it could impact what they ultimately decide for that particular item.

Ms. LaPisto-Kirtley asked what the process would be for covering the difference in expenditures if the SAFER Grant was not awarded. She asked what staff's recommendation for that situation would be.

Mr. Henry said that staff's recommendation would be that the Berkmar ambulance would be reduced from 24/7 operations to daylight hours.

Ms. LaPisto-Kirtley asked if the additional police officer position would stay within those expenditures.

Mr. Bowman said yes.

Ms. Mallek noted that FY25 marked the end of the MicroCAT pilot as designed. She said that at this time next year, they would need to decide what would move forward. She said that they were uncertain about the fee structure, but currently, \$1.5 million was required for the second year of the grant. She said that she looked forward to addressing these concerns at that time. She said that she was simply stating her concerns for staff to consider. She said that she was concerned about the \$500,000 reduction in services due to her belief that there may be a way to somehow keep the lapse factor category alive. She said that she supported the idea of sending items to CIP; however, in this case, she was unsure if there was a way to fix it.

Ms. Mallek mentioned there were two unfunded items that troubled her and may or may not have

solutions. She said that the first was staff additions for core modernization. She said that not adding a staff person to complete that work was concerning. She said that also, inspectors and plan reviewers should be prioritized if they continue to experience a high volume of building permit requirements, requests, and applications. She said that they should ensure that they had the necessary capacity and training to handle them efficiently.

Mr. Andrews asked Mr. Bowman if the Board had sufficiently answered the questions staff had asked of them.

Mr. Bowman said that he believed so. He said they would review the list of expenditures as previously discussed by the Board. He said that the Board had already provided guidance regarding these expenses, which included items on the slide and a police officer position. He mentioned that considering other one-time costs, they left room for potential modifications on Wednesday. He said that moving forward, they would explore revenue options such as one-time funding, transient occupancy tax, personal property tax, and service reductions to identify viable alternatives for FY25 and FY26 that could be presented to the Board during budget discussions.

Ms. LaPisto-Kirtley asked if the Board was in fact not directing staff to look at service reductions.

Mr. Bowman said that it would be easiest to continue that discussion on Wednesday so they could see it in the context of any other actions the Board may pursue.

Ms. McKeel said that regarding Ms. Mallek's comment about MicroCAT, it would be important for the Board and the City to look at moving the Authority forward. She said that they must be prepared for the General Assembly session next year because it was so dependent on timing. She said that that Authority would give them the ability to fund transit. She said that they need to maintain their momentum on that project.

Mr. Bowman said that he would like to clarify a point from earlier. He said that since they had reached consensus regarding the TOT, they will include on the consent agenda for April 3 the notice for the public hearing scheduled for April 24, adhering to all standard procedure guidelines. He said that the reason this item was being added to Wednesday's agenda is simply to maintain consistency with their usual process. He expressed his gratitude to the Clerk's Office for their assistance in calculating the necessary math for this matter. He said that they would meet again on Wednesday and their April 10 work session topics were to be determined. He said that it would be at the Board's discretion whether to hold that work session, while public engagement would continue throughout the month of April.

Ms. LaPisto-Kirtley asked if staff was confident that if the personal property tax was not raised further than \$0.54, they could achieve additional savings through service reductions. She said that she wondered if they should advertise the personal property tax at a higher rate with the understanding that it could be further reduced.

Ms. Mallek said that she did not want to raise the rate higher than the rate at which used car values were increasing.

Mr. Andrews said that there was consensus from the Board to pursue a \$0.54 increase in the personal property tax rate.

Mr. Steve Rosenberg, County Attorney, said that he reviewed the Board's schedule and believed all of the work session dates were listed on the Board's calendar adopted during the organizational meeting in January. He said that if it was decided on April 3 that the Board would not hold the work session scheduled for April 10, then the Board would need to consider a motion to formally cancel that meeting. He advised them to keep that in mind.

Mr. Andrews said that he appreciated the guidance.

Agenda Item No. 5. From the Board: Matters Not Listed on the Agenda.

Ms. Mallek said that her final town hall meeting would take place on April 13. She requested that this detail be included so that everyone was aware.

Mr. Pruitt said that he had town hall meetings at Pantops in one hour as well as one at Yancey on Thursday.

Ms. LaPisto-Kirtley asked the Board to consider finishing up their discussions on Wednesday because she would not be present on April 10.

Agenda Item No. 6. From the County Executive: Report on Matters Not Listed on the Agenda.

There were none.

Agenda Item No. 7. Adjourn to March 27, 2024, 3:00 p.m., Room 241.

At 5:48 p.m., the Board adjourned its meeting to March 27, 2024, 3:00 p.m., Room 241 in the Albemarle County Office Building, 401 McIntire Road, Charlottesville, VA 22902. He said opportunities for the public to access and participate in the meeting would be posted on the Albemarle County website on the Board of Supervisors home page and on the Albemarle County calendar. Participation will include the opportunity to comment on those matters for which comments from the public will be received.

Chair

Approved by Board
Date: 06/18/2025
Initials: CKB