

An adjourned meeting of the Board of Supervisors of Albemarle County, Virginia, was held on February 26, 2025, at 12:00 p.m. in Room 241, Second Floor, Albemarle County Office Building, 401 McIntire Road, Charlottesville, Virginia, 22902.

PRESENT: Mr. Jim H. Andrews, Mr. Ned Gallaway (left at 1:40 p.m.), Ms. Beatrice (Bea) J.S. LaPisto-Kirtley, Ms. Ann H. Mallek, Ms. Diantha H. McKeel, and Mr. Mike O. D. Pruitt.

ABSENT: none.

OFFICERS PRESENT: County Executive, Jeffrey B. Richardson; Deputy County Executive, Trevor Henry; Deputy County Executive, Ann Wall; Chief Financial Officer, Jacob Sumner; Chief Operating Officer, Kristy Shifflett; Clerk, Claudette K. Borgersen; and Senior Deputy Clerk, Travis O. Morris.

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Agenda Item No. 1. Call to Order. The meeting was called to order at 12:00 p.m., by the Chair, Mr. Jim Andrews.

Mr. Andrews introduced the Albemarle County Police Department Officers present to provide their services at the meeting, Roxanne Kime and Stephen McCall.

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Agenda Item No. 2. **Presentation:** County Executive's FY 2025/2026 Recommended Budget

Mr. Jeff Richardson, County Executive, said that he would like to express his gratitude for the Board's time today, as well as for the time they had been working together since the last year's budget was finalized. He said that they had started discussing this budget in July, and they had been working diligently to get to this point. He said that he would also like to welcome their community members who were there that day, either in person or listening online.

Mr. Richardson said that they appreciated the public's interest in Albemarle County Government. He said that he appreciated their engagement and commitment to making their community better. He said that he also saw key partner agencies in the room, including their Schools, with whom they were closely connected on a daily basis. He said that he would like to thank them for being there today.

Mr. Richardson said that he would like to thank the Chair for recognizing the staff across the front row, who had worked tirelessly throughout the year to get them to this point. He said that their budget team and department heads had been instrumental in developing this recommended budget. He said that at the end of the presentation, he would discuss what was next and share the 36 slides that outlined their manager's recommended budget.

Mr. Richardson said that they would see at least 16 public meetings scheduled, where they would invite the public to listen, learn, and share their thoughts on this recommended budget. He said that the Board leaned in hard, with numerous work sessions to review the budget and identify areas for improvement. He said that he appreciated the opportunity to serve this community in his eighth year as County Executive.

Mr. Richardson said that today's agenda would cover strategic budgeting, trends in their local economy, key investments, and the next steps in the process. He said that he would begin by discussing their approach to strategic budgeting, which involved considering their Strategic Plan and developing a budget that aligned with their goals. He said that he would then highlight the trends and drivers that were shaping their local economy, as well as their revenues, obligations, and key investments. He said that finally, he would outline the next steps in the process and provide an overview of their timeline, which was expected to be completed by May 7 of this year.

Mr. Richardson said that they considered local government through three lenses: economic vibrancy, service delivery, and quality of life. He said that to take a closer look at economic vibrancy, this lens focused on the health and competitive strength of their economy, encompassing attributes such as job opportunities, a favorable business environment, and the sustainability of funding for local services. He said that looking at service delivery, they were talking about the Albemarle County workforce and their ability and capacity to respond to community needs. He said that third was their investment in business processes and technology.

Mr. Richardson said that the economic vibrancy lens was broad, while the service delivery lens was more refined. He said that their third lens, quality of life, was subjective and encompassed various aspects, including the quality of public services, schools, commute times, access to parks and open space, and urban amenities. He said that this lens also served as an action lens, guiding their efforts to improve quality of life.

Mr. Richardson said that to illustrate this, he would like to share an example of a community engagement exercise where they spent 30 minutes with residents, using technology to gather their input and create a PowerPoint slide. He said that this exercise highlighted the importance of understanding community needs and preferences. He said that he firmly believed that local government could not carry the weight of responsibility for addressing quality of life issues.

Mr. Richardson said that he did not think that the County could do it alone, and that they must

partner with key agencies to achieve this goal. He said that quality of service was directly linked to quality of life, and he would discuss this further today, emphasizing the need for durable partnerships to help with this. He said that they had great relationships with their partners, but the government could not do it alone.

Mr. Richardson said that their approach was to discuss their Strategic Plan and how it aligned with the Board of Supervisors' direction. He said that it was a five-year Strategic Plan, and they were currently in their third year of it. He said that recently, their Chief Operating Officer reminded him that it was time to begin planning for their next five-year Strategic Plan. He said that he responded by saying she had to be kidding. He said that this was a cycle. He said that the five-year Strategic Plan was embedded with their five-year financial planning, which was responsible.

Mr. Richardson said that Assistant Chief Financial Officer Andy Bowman and his team, along with Chief Financial Officer Jacob Sumner, had emphasized the importance of aligning their five-year Strategic Plan with their five-year financial planning. He said that this was done through the affordability lens. He said that regardless of the organization's revenue, they would eventually run out of money before they ran out of opportunities or problems.

Mr. Richardson said that they would examine the economic trends, focus on cost drivers, and adopt a multiyear approach to budget planning. He said that this approach was reflected in their multiyear budget planning, which took into account out-year obligations. He said that they budgeted annually, but decisions made in one year could impact the next year and subsequent years. He said that by analyzing their discretionary revenue and plugging it into their Strategic Plan, they could address the biggest opportunities and challenges.

Mr. Richardson said that as they looked at this slide, it was clear that four years ago, they knew that they faced the inevitability of a real property tax increase at some point in time. He said that they had stronger-than-anticipated natural revenue growth combined with success in competitively earning federal Staffing for Adequate Fire and Emergency Response (SAFER) Grant money from the federal government. He said that when these two factors combined, it delayed the inevitability of a tax rate increase.

Mr. Richardson said that they were looking at FY23 and FY24 and had earmarked \$5 million, which was located at the bottom left part of the page, highlighted in yellow. He said that they stopped short of spending all of the revenue and decided to earmark it for FY25 and FY26. He said that this was connected to their out-year obligations, so they took on the burden of a larger capital program in FY24. He said that they committed to building new schools for their Public School System and a more robust workforce stabilization plan. He said that they were also aware of rising capital costs and partner agency costs.

Mr. Richardson said fast forward to the current year, they would see no yellow box on the slide. He said that they were unable to do it; they needed the \$5 million and all of the revenue collected in FY25 to balance and continue pushing the Strategic Plan forward. He said that they were anticipating the out-year obligations for FY26, which were now their current obligations. He said that much of this was tied to public safety, but it was more than that. He said that he would explore what this meant in a minute.

Mr. Richardson said that before they did, they would discuss FY27 and beyond. He said that their Chief Operating Officer reminded him that they were not far from having to revisit their five-year Strategic Plan. He said that it was not too soon for them to look at what was ahead of them, not just this coming budget year, but next budget year, one year from now.

Mr. Richardson said that they were already looking at the costs associated with opening two new public schools, which would be built hopefully this year, and their Public Schools partners would open two schools in FY27. He said that they would need additional operating revenue to do that and tied to that was the Schools' state funding and Human Resources needs related to collective bargaining. He said that they were also keeping an eye on the revenue-sharing agreement with the City of Charlottesville, which had grown significantly year-over-year for the last three years. He said that they were also keeping an eye on the Federal Emergency Management Agency (FEMA) SAFER Grants, for which they had successfully received four grants.

Mr. Richardson said that they could potentially apply for a fifth SAFER grant, if necessary, but that led them to talk about keeping a watchful eye on federal funding in general, which meant they needed to be cautious in how they moved forward given the turbulence they were seeing with their federal government currently.

Mr. Richardson said that as they looked out at revenues and expenses, and what they tried to do was capture what they knew to be obligations that they knew they would pay for in the out years. He said that he would only point them to the bottom of the page on the left side, FY26. He said that they had previously discussed a budget gap of approximately 3.1%, which equated to about \$13 million.

Mr. Richardson said that as they entered this budget process, he would like to revisit those discussions from last July. He said that they were exploring options to address the deficit and consider what they must do and what they could afford to do, given the \$13 million shortfall in FY26. He said that Mr. Bowman had mentioned that it was acceptable to wait until the out years, particularly years four and five, to see the full extent of the gap. He said that, however, they must take immediate action to close the gap in FY26. He said that the primary concern was the out-year obligations they now faced.

Mr. Richardson said that this proposed budget was balanced on a recommended tax rate of \$0.89 per \$100, which included a dedicated \$0.04 real property tax increase, which he would talk more about in a few minutes. He said that personal property tax rates were recommended to be restored to the pre-pandemic rate of \$4.28 per \$100 valuation, a two-step process.

Mr. Richardson said that during the pandemic, they saw an unusual trend, with used car prices increasing. He said that in response, the Board had lowered the personal property tax rate by \$0.86, returning approximately \$7 million to the general public. He said that they had partially restored this rate last year as the used car market began to stabilize. He said that he was recommending that the two-step process be completed this year, restoring the rate to pre-pandemic levels. He said that food and beverage taxes would remain steady at 6%, while transit occupancy taxes would remain steady at 9%.

Mr. Richardson said that the recommended dedicated tax rate increase of \$0.04 included \$0.032, or 80% of the increase, which would be dedicated to public safety, addressing their obligations of approximately \$10 million to pay for FEMA grant-funded firefighter positions. He said that he was also recommending new police officers and continuing to fund their public safety pay plan and capital needs associated with Police and Fire, as well as partner agencies. He said that \$0.004 of a penny would be dedicated to Public Schools, generating an additional \$1.2 million in FY26 to support continued education funding, supplementing their existing tax rate allocations and the Schools' natural growth through the funding split.

Mr. Richardson said that the final \$0.004 would be dedicated to affordable housing. He said that their goal was to present to the Board a consideration for an earmark, specifically \$1.2 million, which would be dedicated to affordable housing. He said that this funding would be subject to change at the Board's discretion. He said that if the Board accepted this recommendation through the budget process, this dedicated funding would only be in place for as long as the Board chose to maintain it. He said that this earmark provided them with the first opportunity to establish ongoing funding for affordable housing.

Mr. Richardson said that next was a stock slide that they presented annually, and it balanced their Strategic Plan goals with financial considerations. He said that it was a challenge in the budget planning process. He said that Dr. Sheryl Bailey from Virginia Tech visited the County every fall, providing a national perspective on the economy, followed by a regional and state analysis, and then a focus on their local area. He said that this process typically began in December and intensified after the holidays. He said that when Dr. Bailey was last here, she stated that the U.S. and Virginia could expect a solid economy with slight economic cooling and moderate growth.

Mr. Richardson said that inflation was around 3%, and that they continued to enjoy low unemployment rates, both locally and statewide. He noted that slightly lower interest rates from last year, but higher than pre-pandemic levels, characterized the current economic climate. He said that the population of Albemarle County was steadily growing, approaching 118,000 citizens. He said that the rate of consumer-driven revenue growth had decreased, and that vehicle values had also declined. He said that real property values, however, had increased, with a 5.1% growth rate this year. He said that when examining residential homes, the growth rate was 7.1%. He said that after removing other factors, the remaining value was significantly lower, resulting in a County average of 5.1%.

Mr. Richardson reiterated that real property assessments had increased by 5.1% this year, similar to last year. He said that the natural growth, combined with SAFER grants, had delayed the need for a tax rate increase. He said that specifically, the SAFER grants, totaling \$12.7 million, had been a significant factor in this delay. He said that they observed a historic high growth in the 2022 and 2023 timeframe.

Mr. Richardson said he would like to focus on the General Fund Revenues slide, as it represented the budget for next year in the General Fund, which was \$480.5 million. He said that he gave significant attention to the General Fund Revenues during the budget season because it was the primary source of tax revenues, funding Schools, capital, and debt, and where the Board had the most policy discretion. He said that this \$480.5 million reflected a growth of \$42.5 million, representing a 9.7% increase year-over-year in the General Fund. He said that General Fund expenditures were balanced with their revenues by state law.

Mr. Richardson said that he would like to highlight their partnership with Schools, as well as their commitment to funding the School's budget. He said that the Board was aware that 72% of the School's budget was paid for locally, while 28% was through non-local funding, primarily from the state.

Mr. Richardson said that he would move on to the third part of this presentation, reviewing some key investments recommended in this year's budget to provide a more in-depth look at what was included in this budget. He said that today marked step one, and that they had about eight budget sessions, where they would carefully examine the budget and make adjustments as needed. He said that this presentation was intended to provide a thoughtful overview of what they were working with going into next year.

Mr. Richardson said that he would begin by discussing their investment in Fire Rescue and in safety and well-being. He said that as they saw, they would discuss their budget in conjunction with their Strategic Plan, as they wanted to make meaningful connections to their six goals. He said that they were committed to ensuring Fire Rescue, as well as Police, had the necessary resources to serve the community effectively.

Mr. Richardson said that he would talk about Fire Rescue. He said that in recent years, they had

successfully leveraged federal grant funding from FEMA's SAFER grant program to hire firefighters. He said that these hires addressed critical challenges, including volunteer shortages and an increasing demand for fire and emergency medical services, particularly in the urban ring. He said that while the funding allowed them to defer the cost of hiring these positions, they must now transition this to local funding. He said that this was part of the FEMA SAFER Grant Formula. He said that the raised tax rate included the cost of assuming these positions, avoiding the need for multiple tax increases over multiple years. He said that they had added 57 firefighter positions through this devoted funding and that they had successfully secured four competitive grants since FY21.

Mr. Richardson said that he would next discuss Police resources. He said that the recommended budget included funding for six new police officers, which would support public safety. He said that while six positions may seem like a small increase, it was the highest number of police positions added to the department since FY16. He said that since FY21, they had added 13 police officers, and this year, they were making the largest addition in almost 10 years.

Mr. Richardson said that these officers would be assigned to patrol to ensure coverage met the demands of their growing community. He said that calls for service had been steadily increasing in the Police Department since the pandemic, and the same trend was seen in Fire services. He said that additional details on sector assignments and staffing would be determined through a community needs and operational strategy study that was already underway.

Mr. Richardson said that he would like to stop here, as this was important. He said that they were discussing additional resources in both Police and Fire Rescue services. He said that with the cooperation of their Police and Fire Chiefs, they had agreed to bring in an expert consultant to examine their staffing models, calls for service, and sector staffing. He said that this consultant would provide a comprehensive report on how they looked, which would be available by the end of the year. He said that investments in Police would also focus on modernizing the department, making it easier to recruit and provide better service and response to the community.

Mr. Richardson said that next, he would discuss investments in Human Services funding. He said that Albemarle County recognized that government alone could not meet every need. He said that he wanted to highlight the importance of partnering with local non-profits and community organizations to strengthen the regional safety net and improve residents' access to vital services. He said that the Human Services funding program prioritized programs serving their most vulnerable populations, including the elderly, households with children under six, and medically vulnerable individuals. He said that enhanced compliance ensured that the funding programs were both effective and accountable.

Mr. Richardson said that the recommended allocation of \$1.6 million would fund 26 programs, representing a \$385,000 increase, or 31%, from last year's budget. He said that while \$1.6 million may not go far, it was a significant investment in their community's well-being. He said that this funding would support programs like Loaves and Fishes, which provided emergency food across the community, People and Congregations Engaged in Ministry (PACEM), which provided emergency shelter across the community, and also funded the Ready Kids program, which focused on mental health care for kids and teens. He said that he did not need to explain the benefits of these partnerships to the Board, as they served as a force multiplier in delivering vital services to the community's residents.

Mr. Richardson said that next he would discuss community services and investments in community services. He said that they had partnered with 30 agencies totaling \$35 million. He said that this included Albemarle County partnering with regional agencies and organizations to ensure their residents had access to essential community services without shouldering the full cost of operations. He said that in public safety, that was approximately \$12.5 million. He said that it included the Albemarle-Charlottesville Regional Jail. He said that the County was sharing the debt service for the jail's renovation, which had not occurred in 50 years.

Mr. Richardson said that the funding also supported the Blue Ridge Juvenile Detention Center, Charlottesville Albemarle SPCA, and increases in operating costs for these facilities. He said that the County's share of the total operating funding for animal shelter services was also included. He said that it involved the Emergency Communications Center (ECC) enhancing 911 services and emergency response coordination. He said that it also involved the Virginia Juvenile Community Crime Control Act.

Mr. Richardson said that for public works, this included funding to the Rivanna Solid Waste Authority (RSWA) in the amount of \$2.9 million. He said that RSWA provided their community's recycling services, solid waste services, and household hazardous waste and disposal. He said that partnerships with other health and welfare non-human service priority funding. He said that \$3.8 million was allocated to partners like the Albemarle Housing Improvement Program (AHIP), Blue Ridge Area Coalition for the Homeless (BRACH), the Health Department, C-Ville Human Services, Child Health Partnership, and others. He said that for Parks and Recreation and culture, \$7.3 million was allocated for key partnerships with the regional library and the Charlottesville-Albemarle Convention and Visitors Bureau (CACVB).

Mr. Richardson said that for transit agencies, about \$7.7 million was allocated to their partnership with Charlottesville Area Transit (CAT), MicroCAT, JAUNT, and funding for the regional transit partnership. He said that the Board had taken action to develop a regional transit authority (RTA) coinciding with the City of Charlottesville, and they would go through this process to discuss their approach to public transit in the community, leveraging regional partnerships to enhance their opportunities. He said that there was also funding for the community development, including the Thomas Jefferson Planning District, as well as economic development partnerships that were vital to Albemarle

County.

Mr. Richardson said that he had previously discussed their investment in Schools and the critical relationship that they had, and he wanted to elaborate on this topic. He said that over the past two years, Albemarle County had invested \$27.6 million in new operational funding for Public Schools, which included the last fiscal year and the current fiscal year. He said that for the next fiscal year, he was recommending a 7.3% increase in School funding, which equated to \$14.3 million in additional ongoing operational funding.

Mr. Richardson said that he was prepared to allocate one-time funding of \$6.2 million to Schools to support their joint employee health fund, which had seen a 24% increase in recent years. He said that they remained committed to the construction of three new schools in Albemarle County and were excited about their ongoing partnership with Schools.

Mr. Richardson said that he would next to take a moment to discuss affordable housing. He said that for FY26, their recommended budget included \$4.2 million for investment in affordable housing. He said to clarify, they had one-time funding of \$3 million that would be available for immediate needs starting July 1. He said that furthermore, he recommended that the Board consider a \$0.004 increase to create an ongoing funding stream of \$1.2 million for affordable housing. He said that the County had invested approximately \$17.7 million in affordable housing projects and programs between FY21 and FY24.

Mr. Richardson said that regarding economic development, they were focused on growing their target sectors, including biotechnology and national security innovation. He said that this included Rivanna Futures, which he would discuss in more detail shortly. He said that they continued to enjoy support of the Commonwealth Bio-Accelerator and had recently seen significant private investment in their community, including a \$200 million investment by Afton Scientific, which would create 200 additional jobs locally.

Mr. Richardson said that they were working with workforce development partners to create training programs that would prepare their community for future jobs. He said that this involved partnerships with their Albemarle County Public School System, Piedmont Virginia Community College (PVCC), and the University of Virginia for future life sciences, advanced manufacturing, and cybersecurity. He said that they continued to partner on redevelopment projects that delivered public infrastructure. He said that the Woolen Mills Bridge over at Woolen Mills was an example of that.

Mr. Richardson said that they had worked through a public-private partnership this year with Home Depot, who was investing \$26 million at the former Fashion Square Mall site, which had declined in property tax value steadily since 2014. He said that with this new anchor tenant, they believed they were poised to begin working with them to see the resurrection of that property over time. He said that this was a long-term investment, but it was much needed redevelopment.

Mr. Richardson said that they had recommended \$1 million in the Economic Development Fund for next year. He said that this money was needed to match state grant opportunities, encourage economic development in Development Areas, and implement economic development initiatives. He said that it was truly about opportunity. He said that it was about having money on hand and available to deploy to make the right partnerships, the right investments, to strengthen the economy and take advantage of the right opportunities as they came along.

Mr. Richardson said that he would like to take a moment to discuss Rivanna Futures. He said that they were in year two of working on that property. He said that 462 acres was part of the \$58 million acquisition that encompassed all the property around Rivanna Station currently. He said that he would respectfully remind the Board and community that that was where 3,000 employees worked every day, including 300 active military and 2,700 in the Department of Defense (DOD) intelligence world with three DOD intelligence agencies currently occupying that space.

Mr. Richardson said that they wanted the purchase of that property to send a clear message to their federal partners, state partners, private sector industry, and education that they wanted to grow a campus with private sector investment, education, as well as the federal footprint to grow. He said that this was a 2030 and beyond investment, but they wanted them to stabilize and grow over a long period of time. He said that DOD intelligence was the second largest industry in their area. He said that when they looked at a full build out of Rivanna Futures with maybe up to about half of that property devoted to development, Weldon Cooper Center had said it could equate to another \$1.1 billion in economic activity every year. He said that this could be 10 to 12 years away, but they needed to take steps every year to continue to make this a reality.

Mr. Richardson said that they were working on Project ENABLE 2.0, a new version of their economic development strategic plan. He said that they had been working with consultants and with key stakeholders on what this next version would look like. He said that it was exciting because they would be launching an update and hopefully completing this work throughout the remainder of the year.

Mr. Richardson said that next they would discuss their support for their workforce. He said that as they looked at their six strategic goals, he would like to highlight the importance of their workforce. He said that the five goals formed a wheel, with the hub representing their workforce. He said that next year, he recommended to invest approximately \$3.5 million in market adjustments to their workforce. He said that this included a 3% pay increase for non-sworn employees across the County, as well as supporting

their public safety pay plan with a 2% step adjustment.

Mr. Richardson said that they would also allocate a small portion of this funding for ongoing pay and classification work. He said that as previously mentioned, their organization-wide classification and pay study work would remain current to ensure they remained competitive with pay rates. He said that he was proud to report that their turnover and vacancy levels had decreased significantly since 2021 and 2022, from 120 vacancies to a more stable workforce. He said that their retention levels had also improved, and they had made significant strides in meeting the demands of their workforce.

Mr. Richardson said that rising healthcare claims and increased costs had resulted in a 24% year-over-year increase in healthcare rates. He said that to mitigate these long-term expenses, the County was investing an additional \$9 million into the Healthcare Fund. He said that they had also launched their first employee health clinic, which was recently opened in Pantops. He said that they would be opening a second location in the coming months, thanks to the efforts of Ms. Shifflett and Mr. Sumner. He said that this clinic was designed to provide access to healthcare services for Local Governments, Schools, and key partner agencies.

Mr. Richardson said that by investing in the clinic, they aimed to control healthcare costs and address the national issue of healthcare inflation. He said that the clinic had already shown promising results, with 99 visits in its first two weeks of operation, and all appointment slots had been filled on Saturdays. He said that this demonstrated the importance of designing the clinic to meet the needs of their employees, who often worked Monday through Friday. He said that it was not lost on him that the hours filled on Saturdays meant that staff may not feel well during the week. He said that on Saturdays, when they had a day off, they visited the clinic to address any health concerns. He said that he hoped that these Saturday hours would be beneficial to their staff.

Mr. Richardson said that moving on to the second slide, which discussed cost savings and efficiencies, he would like to take a moment to discuss the fact that they had eliminated almost 12 positions on the County Government side in this recommended budget, primarily through re-engineering efforts.

Mr. Richardson said that if they added six new police officers to the operations, this was against the backdrop of cutting almost 12 positions across the County, excluding the Police Department. He said that Fire Rescue personnel had been left to manage their workload, while they had focused on re-engineering and exploring opportunities to do more with less, generating cost savings for Albemarle County. He said that the County departments had committed to \$500,000 in annual cost savings, totaling \$1 million over FY25 and FY26.

Mr. Richardson said that their strategies included aligning staffing to their priorities, reducing vacant Full Time Equivalents (FTE), and taking advantage of low turnover savings to reduce costs associated with hiring and training new employees. He said that they were implementing a more strategic approach to staffing and vacancy management through FTE re-engineering. He said that the 11.7 positions eliminated in this budget had been examined in light of their service delivery models, business processes, and systems. He said that they were optimizing and fully implementing these systems to eliminate manual work and reduce costs.

Mr. Richardson said that under systems modernization, they were investing in technology to enhance government efficiency and customer services. He said he would provide more details on this topic during the budget work sessions.

Mr. Richardson said that next, he said he would move on to the recommended FY 26 through 30 Capital Improvement Plan (CIP) highlights. He said that they had continued their investment in Rivanna Futures and transportation, and they were planning to begin work on a northern convenience center in FY27. He said that they were also planning with the City to renovate the central library in the out years. He said that they were committed to continue their investment in Biscuit Run and Darden-Towe athletic fields, and they were planning to build an urban pocket park in FY27.

Mr. Richardson said that they were meeting their obligations with school renovations and exploring workplace facility renovations in FY26 and FY27. He said that they were committed to the Schools with new construction and renovations. He said that finally, courts were slated to open later in FY26.

Mr. Richardson said that they were committed to Schools. He said that they had a celebration earlier this week at the Lambs Lane campus. He said that they were also looking at the northern and southern feeder pattern elementary school constructions, system-wide renovations, system-wide maintenance, and bus replacement, all the way through FY30.

Mr. Richardson said that provided was a summary. He said that first they had looked at Schools with a budget of \$189.6 million, and now they were examining Local Government spread out in FY26 through FY30 with a budget of \$128.5 million. He said that as they moved forward to finalize the budget for next year and consider what was recommended he would like to take a moment to highlight the importance of their daily work in this community.

Mr. Richardson said that provided was an example of what they did every day when they encouraged a vibrant community, inside Albemarle's operations, supported a resilient and equitable community, and nurtured a safe and healthy community. He said that these efforts represented the

touches they made in their community, providing services to visitors, community members, and citizens who needed them. He said that for instance, they had 51,600 rides on MicroCAT, 38,500 building permit inspections, and picking up 145 tons of debris on roadways with their new street sweeper program.

Mr. Richardson said that this poster served as a reminder of the many services they provided to their community, and it was a catch-all slide that they used in community meetings. He said that he was proud of this slide, as it showcased who they were and what they did. He said that they used it in new employee orientation and encouraged their new employees to point out something they did not know, sparking fun conversations. He said that this slide was a snapshot of their community and their role in it.

Mr. Richardson said that he would like to discuss next steps, but first, he would like to address the bottom line. He said that the recommended budget included a tax rate increase of \$0.04, from \$0.854 to \$0.894, to cover out-year obligations that were now upon them, including the projects they discussed today. He said that the budget also included revenue growth of about \$42.5 million, which would be allocated to various areas. He said that specifically, the budget included \$14.3 million for ongoing operational education funding, a 7.3% increase, as well as a one-time \$6.2 million allocation to help Schools with their healthcare costs.

Mr. Richardson said that the budget dedicated \$10 million to public safety, \$2.2 million to Human Services and housing, \$3 million to workforce and service delivery, and \$2.4 million to revenue sharing with Charlottesville. He said that the City was a valued partner, and in 1982, an agreement was reached, and a vote was taken by Albemarle County voters to enter into this, which had been in place for 43 years.

He said that since then, the annual payment from the County to the City had steadily increased. He said that next January, it would surpass \$20 million, and they would write a check to Charlottesville for just over \$20 million. He said that according to the formula, revenue sharing would grow by \$2.4 million for this budget. He said that the CIP and debt would require an additional \$2.4 million, along with community partners at \$1.9 million. He said that they were able to answer the question of where the new money would go.

Mr. Richardson said that he would outline their FY26 budget calendar, which included a number of work sessions tied to town halls in each district across the County, as well as public hearings in the Lane Auditorium. He said that they hoped to approve and land this budget on May 7. He said that he had fewer slides this year but talked longer, indicating that he had a lot on his mind. He said that he usually discussed with staff the necessity of reminding themselves of their past, present, and future.

Mr. Richardson said that to elaborate on where they had been, they had been through a pandemic from 2020 to 2022, during which they received \$40 million in federal funding and distributed it to their community to help them sustain through the pandemic. He said that coming out of that, they faced significant workforce recruitment and retention issues. He said that the Board had supported workforce stability, which they knew would improve customer service delivery and positively affect their community's quality of life.

Mr. Richardson said that to explain where they were now, after leaning into four back-to-back FEMA SAFER Grants, he was recommending a dedicated \$0.04 tax rate increase. He said that 80% of this increase, or 3.2 pennies, would go to public safety. He said that the remaining eight-tenths of a cent would be split between additional tax revenue for Schools and the first-ever affordable housing continued funding stream.

Mr. Richardson said that in his mind, they were headed towards tax-based diversification, which meant broadening their tax base and recognizing that the 7.1% of residential growth put a heavy burden on homeowners with tax assessments and real estate taxes. He said that by broadening the tax base, they would look for continued appropriate private investment in economic development and seek help from the General Assembly to consider a \$0.01 sales tax referendum devoted to School capital. He said that these strategies would help lessen the burden on their residents; it would take time, but that was where they were headed.

Mr. Richardson said that he looked forward to the opportunity to collaborate with the Board, staff, and their community during the upcoming work ahead. He said that he would be out of touch if he thought that what staff recommended would go unchallenged during the upcoming work sessions. He said that he was confident that the Board would roll up their sleeves and work hard with staff to meet the needs of their community. He said that he would like to extend his gratitude to their staff, particularly Abby Stumpf, their Communications Director, who had done significant work alongside the Budget Department staff to bring them to this point.

Mr. Gallaway said that it was a sobering presentation. He said that he had some clarifying questions. He said that on slide 27, he allocated \$9 million to the healthcare fund. He asked if this figure included the \$6.2 million for Schools.

Mr. Richardson confirmed that it included the \$6.2 million for Schools.

Mr. Gallaway asked what was being allocated between Schools and local government.

Mr. Richardson said that was the split; there was a formula for the number of employees in their School System and those in the Local Government fund. He said that if there was an increase, they would tally it out based on the weight of Schools versus Local Government. He said that as a result, one-

time funding would be transferred from Local Government to Schools to help them cover the cost of this increase.

Mr. Gallaway said that he wanted to make sure it was not 15. He said that on slide 10, he would like to clarify that the revenue was based on a 4% growth assumption.

Mr. Andy Bowman, Assistant Chief Financial Officer, said that yes, approximately. He said that the report did not include any rate increases or the impact of the reassessment at that time, as it had not been completed then.

Mr. Gallaway said that he presumed that at some point they would see the impact of the recommended tax increases on the chart. He said that he would like to know what would happen to that chart at some point during a work session.

Mr. Richardson said yes.

Mr. Gallaway said that he was not seeking a response today, and he suspected that he knew the reasons for this decision, but he believed the significant investment being made in the Police Department, which he agreed with after having seen the addition of one or two staff at a time over the years, but he was curious to learn what the driving force behind this decision was. He said that it had been clear that Fire had been a priority for some time. He said that he thought the community would be interested in this discussion, particularly during the work session that included this topic.

Mr. Gallaway said that he would like to know if the process for communicating with department personnel had changed, particularly regarding emails. He asked whether they were sending emails through Mr. Bowman, as they had in the past, or if it was being handled differently. He asked whether the position changes had made that process change.

Mr. Sumner said that the questions would go through him and he and Mr. Bowman would work with staff to answer them.

Mr. Gallaway said that he noticed the dates for the town hall meetings that were presented on the slide. He asked if those dates had already been released to the public and shared with the community.

Mr. Richardson said that the Community and Public Engagement (CAPE) Director confirmed it had been released to the public.

Mr. Gallaway said that he wanted to propose an idea for further consideration. He said that as they now had access to the results of their efforts through Strategic Plan Execution Analysis and Reporting (SPEAR), which was based on their Strategic Plan, he started to wonder how their discussions about departmental changes and new investments might be influenced by these results. He said that specifically, if they were to add six new officers to the streets, with two per shift, he believed they could expect certain outcomes via the SPEAR report.

Mr. Gallaway said that this could provide valuable insight and help them better understand the impact of their decisions, particularly for community members who were concerned about where their tax dollars were going, especially when there were tax increases, just as they had done when there were property value increases. He said that he thought this could be a helpful aspect of their conversation as they moved forward with the budget.

Ms. Mallek said that she appreciated the effort to diversify revenue going forward, but the unanswered part of that was how the benefits to residential taxpayers would materialize if they could not control their expenditures. She said that if they continued to increase their spending, they would not be able to reduce the burden on taxpayers. She said that as population growth continued and made everything cost more, this would be a significant challenge for all of them.

Ms. Mallek said that as someone who had failed to secure new Police and Fire staff between 2008 and 2012, she was grateful for the progress that had been made and she thought it was important to continue having available the increases in service costs that had been felt in the past year, so that people could understand the benefits and how that impacted them. She said that for example, speeding enforcement and other measures could help alleviate the misery on residential roads, whether it was rural country roads or urban neighborhoods, where people were cutting through to get somewhere else. She said that these were all important factors to consider when telling the story.

Ms. Mallek said that in her mind, it had been painful to put off this issue of capital investments for so long, and similarly, the Rivanna Board's recent discussion of a massive capital program was a reminder of how much they had been delayed and how much it cost now, compared to the original estimate of \$1 million. She said that she appreciated the effort to improve their CIP investments, even if it was painful now, because next year it would be worse.

Ms. Mallek said that she would also like to request that they include the federal workforce program in their discussion of how they were working with others, such as PVCC, UVA, and others, because VCWP (Virginia Career Works Piedmont) facilitated the UVA pathways, and the VCWP program tied everything together, helping to bring federal funding into this area. She said that she hoped that this federal revenue stream would be maintained, because everybody needed employees and this was one way they helped people transition from one job to another to get the training they needed.



Ms. Mallek said that she would also request a PDF of slide 32, so they could include it in their newsletters and make it more accessible.

Mr. Pruitt said that regarding the budget schedule, he wanted to bring to the public's attention that in March, there were several work sessions, and on March 19, they would advertise the tax rate. He said that any significant changes to the budget that would alter the overall number must be agreed upon by that time, as they would be advertising the tax rate, which effectively locked them into a level of decision.

Mr. Pruitt said that while they could advertise more, realistically they did not do that, because it showed indecision and instability. He said that that was a point in time that the public may overlook. He said that if there were substantial items that people believed should be included in their budget before then, it was essential for the public to participate in the work sessions, attend, and coordinate with their board representatives beforehand. He said that this was not always the case, as people often tried to participate in April or May. He said that realistically, the Board had very little wiggle room once they advertised that tax rate. He asked staff if his understanding was accurate.

Mr. Richardson said that he would reiterate what Mr. Pruitt had previously stated regarding the March 19 meeting. He clarified that the Board would determine the maximum that the tax rate could be. He said that between March 19 and when the budget was finalized in May, he was correct that that would be the top, and the tax rate could either decrease or remain the same. He said that it was true that this marked a critical point in the budget determinations.

Mr. Pruitt said that he would like to take a quick look at their revenue projections. He said that he would like to review the economic indicators that were discussed. He said that he wanted to reiterate a point that had previously been discussed by Peter Lynch, County Assessor, on the nature of the real property assessment, and Mr. Richardson had touched on this topic. He said that he wanted to ensure everyone understood the situation clearly.

Mr. Pruitt said that they had seen an increase in real property assessments, but this was largely driven by single family detached homes. He said that he wanted to emphasize that single family detached homes were not the only factor at play, and that other types of properties were experiencing a decrease in assessed value. He said that he was focused on housing, and that he brought this up to draw attention to the implications for their community.

Mr. Pruitt said that this marked an inflection point, because from a market-based housing approach, they were seeing multifamily homes decrease in value. He said that this was a positive development. He said that that meant that affordability would occur more naturally. He said that this was relevant to their conversations because most of what they built, their value was going down. He said that this had a potential impact on their revenues moving forward. He said that he wanted to highlight these two issues.

Mr. Pruitt said that he had previously stated publicly that he was committed to a \$10 million annual investment in the Housing Trust Fund. He said that this was a significant investment, and it was challenging to achieve with their current resources. He said that he would be open about a few topics that he was curious about.

Mr. Pruitt said that they had previously discussed the Transient Occupancy Tax (TOT). He said that this was a revenue diversification strategy that did not rely on their residents' taxes. He said that it was paid by hotels to serve visitors to their community. He said that there was a market-based inflection point when a higher TOT started to reduce their revenues, as it discouraged visitors from coming to their community. He said that he would be interested in exploring whether they thought they could push for a higher TOT.

Mr. Pruitt said that he knew this was a tricky issue, as they would need to move in lockstep with the City to avoid conflicting rates. He said that he believed the City was also considering these same issues, so it would be beneficial to have a conversation about the potential for flexibility in the TOT.

Mr. Pruitt said that he had previously expressed his concerns about their personal property tax rate and machinery and tools tax rate that walk in lockstep. He said that the machinery and tools tax was primarily for businesses and specifically was used in the early stages of solar field development. He said that he was not interested in disincentivizing solar development, but he would like to explore a tax scheme that was more business-focused and did not burden citizens. He said that they had several groups in solar development that would be paying machinery and tools, and he would like to investigate the possibility of raising the machinery and tools tax separately from personal property taxes.

Mr. Pruitt said that he would like to address a topic that their neighbors had discussed in some depth last year. He said that for clarity, their tax rates were not solely progressive or flat; rather, they were based on who it taxed in the income scheme. He said that they were largely limited to regressive tax schemes, which could be frustrating.

Mr. Pruitt said that however, he understood that the state had progressive elements in the personal property tax scheme, such as exemptions for the first few thousand dollars. He said that he would like to be briefed in one of these work sessions on how this personal property tax scheme worked, particularly in being more progressive in comparison to real estate property taxes. He said that this information would inform their thinking about how to effectively utilize their two main levers: personal

property and real estate taxes.

Mr. Pruitt said that he would like to review slides 25 and 26, which discussed the Housing Trust Fund and Economic Development Fund. He said that the Housing Trust Fund currently had a relatively small amount in the pot, which had been depleted quickly to less than \$100,000 after being increased to \$2.6 million the previous year. He asked if there was any rollover of funding in the Economic Development Fund.

Mr. Richardson said that they currently had approximately \$1.5 million allocated in the Economic Development Fund. He said that he was unsure if any of this amount was obligated at this time. He said that those obligations would be in addition to what was recommended for next year.

Mr. Pruitt said that he brought this up because when they discussed the Affordable Housing Trust Fund, he was often curious about the timeline for when unobligated funds became available. He said that the line was indeed present, and there were known developers waiting for funding to become available so they could submit a Notice of Intent to Apply (NOFA) and move forward with their application.

Mr. Pruitt said that his understanding was that that was not how they used the economic development fund, but that he was always interested in how they could compare the two. He said that it would be helpful if he was going to have to be justifying this.

Mr. Pruitt said that a new courts facility was coming online that would have personnel associated with it, as well as debt service. He asked if they were servicing that debt yet.

Mr. Bowman said that for the operating costs, which they were currently planning for a partial year, would increase over the next few years. He said that the debt service, which had been delayed due to the project's prolonged construction period, would be issued in phases over several years. He said that although they were not yet at the maximum, they were making progress towards issuing all of the debt.

Mr. Pruitt asked if the jail had been included in debt services yet.

Mr. Bowman said that next year, the project was expected to begin ramping up. He said that they had a placeholder of approximately \$650,000 in the budget to identify, and in the first work session they would discuss public safety and provide more details on the timeline and how it would progress.

Mr. Pruitt said that he would also like to raise another point. He said that they had their own funding split, and they saw that they had 2% of federal. He said that he had previously expressed concerns about federal funding, but the judiciary had addressed those concerns. He said that he was aware that their School District had a similar allocation of 2% to 3% federal funding, which was a more tangible and realistic threat than their own split. He said that he was looking forward to discussing this further with their Schools counterparts during the work sessions to understand what their plan would look like if they were to lose that funding.

Mr. Pruitt said that the federal administration had challenged Albemarle County Public Schools by name to a game of chicken. He said that this conversation would likely be a key point in their future discussions. He said that he was unable to verify the information within the document, but he was aware that members of the public had inquired about the emergency relief program, and he recalled that he had fought hard last year for a minor increase in the program. He asked what the funding level for the emergency relief program looked like this year.

Mr. Bowman said that that funding was included within the Department of Social Services. He said that in the current year, it was funded at approximately \$260,000, and this amount was expected to remain unchanged for the next year.

Ms. LaPisto-Kirtley said that the presentation was extremely informative, and she looked forward to going through several meetings with the public about this. She said she would like to know how many affordable housing units had been built in the last two years, and how many were currently in the pipeline, with an expected completion date. She said she believed it was essential to understand what had been accomplished and what was currently being worked on.

Ms. LaPisto-Kirtley said regarding the TOT, she noticed that the County increased theirs because the City had increased theirs. She said that the TOT and meals tax were sources of revenue for them, as well as the plastic bag tax, which went towards cleanup. She said that she was concerned about the potential impact of federal and state revenues and whether they would be there. She said she was also worried about the stability of their County Government's funds in those terms, and it was always important to have a plan B.

Ms. LaPisto-Kirtley said she was concerned about the amount they were allocating for school renovations, as she believed their schools, since they passed the \$0.01 sales tax, that that might need to be adjusted to increase that because that was something she thought was very important for schools. She said they were building three new schools, but she thought they needed to increase funding for renovations to ensure their schools were up to par. She said their educational system was the foundation of their community, and that it was their future. She said she would like to see an increase in funding for schools, possibly more than what had been proposed. She said that she agreed and encouraged diversification in revenue opportunities, which she believed was something that they needed to do. She said that that was something that they would have to work with the state.

Ms. McKeel asked if Mr. Richardson could please briefly address one of the issues regarding firefighters. She said that she believed it was essential for the community to remember that their volunteer firefighters were aging out, and she thought it was good to refresh people on the need for firefighters.

Mr. Richardson said that their Fire Chief was present at this meeting and could provide further details on this situation if necessary. He said that their Fire service was a combination service. He said that Albemarle County had enjoyed a rich history of superb work from all volunteer fire departments across the County for decades. He said that this Board had last year examined specific stations, including one urban and one rural station. He said that in the rural station, call data suggested that volunteers who were well over 65 were running calls for service days, nights, and weekends.

Mr. Richardson said that in the urban area, there had been a marked increase in calls for service for both fire and rescue. He said that they had seen an increase in calls for both professional paid and volunteer services. He said that in any given area, several calls within a certain period would necessitate adjustments to maintain coverage across the 725 square miles.

Mr. Richardson said that over the course of approximately 10 years, Chief Eggleston and his team, along with volunteer chiefs across the County, had worked to ensure an appropriate level of staffing at volunteer departments on days, evenings, and weekends to answer calls. He said that when staffing levels were diminished, Chief Eggleston and his team had to step in to cover gaps. He said that they had experienced different scenarios in various parts of the County, and the appearance of these scenarios could vary depending on the department and location.

Mr. Richardson said that approximately five years ago, the Board had recognized the need to address this issue more strategically, as it was a slow move toward diminished services in some areas of the County. He said that the strategy was to pursue a succession of FEMA SAFER Grants through the federal government to pull federal dollars into the County. He said that they had been successful four times in a row.

Mr. Richardson said that to access federal dollars, they had spent \$12.7 million over four FEMA Safer Grants to supplement the loss of volunteer services with 57 firefighters spread throughout the County to better cover gaps when volunteers were unable to respond. He said that the challenges were significant. He said that a recent Joint Legislative Audit and Review Commission (JLARC) study had found that this was a national trend, and it highlighted the situation in Virginia.

Mr. Richardson said that he would like to commend their volunteer fire departments for their dedication to the County. He said that they had saved the community millions of tax dollars over decades through their services. He said that he commended their volunteer fire departments for their efforts.

Ms. McKeel said that she wanted to address this topic today, as it was a significant aspect of their budget discussion and may not be fully understood by everyone present, particularly those who would not be attending the next work session. She said that she was bringing it up now because she wanted to ensure that everyone was aware of it. She said that she anticipated that some individuals may express concern that climate change and the environment were not mentioned in this budget presentation. She said that she wanted to clarify when they might expect to discuss climate change.

Mr. Richardson said that today's discussion was primarily focused on comprehensive drivers and the significant time spent on the dedicated \$0.04 tax rate increase. He said that as a result, 80% of the new revenue generated by this increase would be allocated to public safety needs. He said that he had previously mentioned that the remaining 20% would be split equally between Public School operations and a new, dedicated affordable housing funding stream.

Mr. Richardson said that the primary cost drivers they focused on were goal one, public safety; goal five, public education; and goal six, workforce stability and customer service. He said that continued investment in customer service included business technology, systems, and how they delivered their services to the County. He said that the remaining three goals would be discussed in more specificity in the budget, although they did not have the same level of cost implications as some of the other work they were undertaking. He said that they were making meaningful progress in these areas and would be prepared to discuss them further during the work sessions.

Ms. McKeel asked if staff could please remind everyone of the typical split they considered when discussing Schools and County Government, and how much of an increase was involved.

Mr. Bowman said that he would like to share the full formula, which will be included in the document for those who wish to delve into the details. He said that in essence, all local tax revenue and undesignated state revenue were combined into a total number. He said that from this total, they deducted things that impacted the tax revenue, including revenue sharing, tax relief for the elderly and disabled, and other small amounts.

Mr. Bowman said that the resulting revenue was then allocated as follows: 54% to Public Schools, 36% to County Government, and 10% to the capital and debt program. He said that this allocation applied to all existing revenues and the proposed personal property tax rate increase. He said that what set this year apart was the unique circumstances of the budget, which required a different split of the \$0.04 increase. He said that this policy served as an annual guideline, and the Board would review it annually, considering it as part of their deliberations on amending the County Executive's

recommendation.

Ms. McKeel said that she appreciated the explanation. She said that one of her requests from Schools was to consider the impact of their budget on collective bargaining. She said that similarly, when they discussed transit, they had a similar impact. She said that she would like to know more about that as well. She said that at some point, they would need to discuss how this might affect the authority. She said that she agreed with others who had expressed concerns about this federal and state situation. She said that she would very much like to understand the impact that might be coming down the road. She knew that predicting the future was impossible, but she thought there was a concern from the Board and the community as they were seeing.

Mr. Richardson said that regarding the federal funding and how the County was tied to it, he believed they had conducted some initial analysis and it appeared to be around 2% of the budget, approximately \$9 million. He said that on a parallel track to that, the County's budget stabilization fund, which the Board had judiciously grown over time, was now in the range of \$10 to \$11 million. He said that Kristy Shifflett, Jacob Sumner, and part of the leadership team were currently conducting management contingency work, which was being done in parallel to this budget process.

Mr. Richardson said that this work involved examining the policy decisions, funding decisions, and other factors coming from the federal level that could impact state and local government; they were keeping a watchful eye on this. He said that the budget stabilization fund they had grown and protected could potentially provide a buffer if they passed the budget and then realized they were going to lose money, giving them time to figure out their long-term strategy. He said that this was a short-term strategy to buy them time as the work at the federal level continued to unfold.

Ms. McKeel said that she would also be asking the same question to the Schools. She said that if staff were providing them a heads up on questions, that would be great. She said that she would like to request two things, which related to what Mr. Pruitt discussed earlier. She said that she believed it was essential for them and the public to understand. She said that there were several things they would like to do to diversify their tax base and bring in revenue from other sources that they did not currently have permission to pursue due to state restrictions.

Ms. McKeel said that if they were to explore these options, she thought it would be beneficial for them to discuss them with the community, as it would serve as a reminder that they were limited to their current revenue streams. She said that furthermore, she thought it would be helpful for her and the public to understand the impact on their budgets for individuals who drove into their community but did not reside there. She said that this was a complex issue, as these individuals still used their roads, Fire Rescue services, and other infrastructure. She said that she would like to have a discussion about how these services were affected by their presence, and how they could account for this in their budget.

Mr. Richardson said that when they discussed broadening their tax base and diversifying their tax base, one aspect he briefly mentioned earlier was the General Assembly's consideration of a \$0.01 sales tax for the second year in a row, earmarked for Public School capital. He said that this community would receive \$25 million from a dedicated \$0.01 sales tax, which was captured from economic sales activity in the community. He said that the local government term "nighttime population" versus "daytime population" was relevant here. He said that the community grew from nighttime to daytime population, with people coming here for services and work. He said that although some people may drive out, the net result was that more people came in than left on a day-to-day basis.

Mr. Richardson said that they had discussed this with their economic development consultant regarding Project ENABLE 2.0, focusing on the net growth during the day. He said that when considering tax base diversification, a \$0.01 sales tax was proposed, which would be paid by people who did not live there and pay property taxes as nighttime residential property owners. He said that this suited the community well, as it captured economic vibrancy during the day and invested in capital to help alleviate their infrastructure burden.

Ms. McKeel said that was the point she was trying to make, and she thought it was a valuable discussion. She said that it was particularly relevant for the Board, but also for their community. She said that the issue was indeed affecting their budget and the infrastructure and services they needed to provide.

Mr. Andrews said that many of his points about the budget had already been addressed. He said that regarding the last point, he understood that a study was being conducted to examine cost allocations across various property types and services, with a focus on breaking down the costs for their residents in more detail.

Ms. Ann Wall, Deputy County Executive, said that the cost of service report would be available on March 5.

Mr. Andrews said that many of the questions he had had already been raised, although not necessarily answered. He said that he was trusting that the budget process they were going through would address those at some point. He said that some of them would come up as they delved into discussions about Schools, healthcare, and other topics. He said that two big-picture issues that had been prominent in his emails were housing and climate. He said that he would be interested in examining the budget breakdown for housing, as well as the broader efforts in this area. He said that this included reviewing various parts of the budget that impacted housing, including staffing needs for the Housing

Office.

Mr. Andrews said that he would also like to see how the budget addressed their climate impact, including their Climate Action Plan. He said that these were his main questions at this point. He said that they had experienced significant property assessment increases in previous years. He said that it might be helpful to review the budget for the past couple of years to demonstrate the allocation of funds. He said that staff had done an excellent job of showing where the new money was going in this budget, and it would be helpful to have a reminder of the past couple of years' allocations.

Ms. Mallek said that to add to the to-do list for when they return, there was an excellent discussion about the urban versus rural and the combined firefighting system. She said that she wanted to ensure that people also knew, and staff could provide a more thorough presentation about this during the upcoming work session, that the rural stations backed up the urban stations.

Ms. Mallek said that for example, Earlysville stations backed up Stations 8 and 12, ensuring that services were always available. She said that it was not just that rural stations were idle, but they actively responded to calls in other areas, which were often more frequent. She said that they could not afford to neglect any of these stations.

Ms. Mallek said that she also wanted to encourage them to keep the 3-6-6 in mind, not just as a backup plan, but as a way to ensure they did not just dip into their savings when things went wrong. She said that the community's concerns were high, and they must be cautious. She said that she hoped they would not simply continue as usual but rather take a step back and carefully assess what was essential. She said that they should use their savings wisely, just as they had when the tornado destroyed the elementary school in Louisa. She said that they must prioritize essential services. She said that she would like to leave these ideas on the table for further consideration.

Mr. Pruitt said that when discussing Fire, they had a clear metric for response times, which was easy to communicate and understand why more Fire personnel were needed. He said that he had not seen a similar metric used in the Police Department's annual reports. He said that he was unsure if response times were the right metric to measure the value of incremental additions of patrol officers. He said that it would be helpful to have a concise metric, such as a two-sentence metric that they could use to evaluate the effectiveness of these additions. He said that he would like to know if there was a distilled metric that was commonly used.

Mr. Pruitt said that lastly, he believed this was implied, but last year there was a request for a document that listed all the requests from the departmental level that were left on the floor. He said that this document had been helpful in channelizing their thinking and requests, and he would appreciate having it again.

Mr. Gallaway left the meeting at 1:40 p.m.

Mr. Richardson said that Mr. Pruitt was accurately characterizing the purpose of that document. He said that they did not approach the budget process this year the same way as last year. He said that when he mentioned the 3.1% gap earlier, which equated to a \$13 million deficit, he did not believe they had worked with the departments coming out of the gate to identify everything they hoped to get. He said that they would give them what they had, which may look different than last year.

Ms. LaPisto-Kirtley said that she wanted to share that, with the groups she had been working with, including the Community Advisory Committees (CAC), she was letting them know what was coming up in terms of expenditures and how there would likely be a tax increase, when they knew the reason why, especially considering Fire and Police, it was necessary to keep their community safe, and she did not get pushback. She said that she appreciated that their team had been proactive in addressing these needs, and she particularly wanted to acknowledge the innovative solutions they had developed, such as the health clinics and personnel support.

Ms. LaPisto-Kirtley said that she respected the team's efforts under Mr. Richardson's leadership. She said that one area she would like to suggest exploring was finding ways to reduce costs without compromising their services. She said that for example, the regional transit authority was expected to be a game-changer, and she thought they should also consider other innovative partnerships and opportunities that could help them save money. She said that she believed they should be more proactive in exploring opportunities that might not be on their radar yet.

Ms. McKeel said that to respond to Mr. Pruitt's earlier question, a metric for the Police Department that used to be discussed often was the officer-to-citizen ratio. She said that she was wondering if they were still using this ratio as a benchmark, and if it was still relevant today. She said that she did not want to delve into the details now. She said that she was simply asking if they had moved away from this ratio, and if it was still an appropriate standard for their community.

Mr. Andrews asked if staff could clarify how their questions would be answered throughout the budget process.

Mr. Bowman said that they would continue a series of work sessions, and the Board would have the opportunity to ask questions on the spot. He said that some questions may require more time to address. He said that they would be publishing all questions and answers received from the Board of Supervisors on their website in full transparency, as well as for those that could not be addressed in

person. He said that if the Board was able to direct questions to himself or Mr. Sumner, they would ensure that they kept track of them and also shared all Q&A with the entire Board to ensure everyone was working with the same information.

Ms. McKeel said that she appreciated the color-coding system that staff had provided in the past, as it helped to differentiate between sets of sheets. She said that this made it easier for her to identify and distinguish between them, especially when referring to the paper itself. She said that they had successfully implemented this system in the past, and it had been helpful in maintaining organization and clarity.

Mr. Bowman said that the Board had requested that they provide those in small batches, so that would be the first thing they would do for the Q&A. He said that the document would also be published with the Clerk for each work session. He said that he would like to clarify that the chapters should be in the order in which they were scheduled to be discussed to help the Board prepare. He said that the full document was not intended to be reviewed by the Board prior to the first work session.

Mr. Richardson said that before they concluded the meeting, he would like to ask if there were any significant items that they had overlooked or if there was anything that they needed to address regarding the recommended budget.

Mr. Trevor Henry, Deputy County Executive, said that he would like to thank the Board for the engagement and the questions that would help them approach the work sessions and the information they provide. He said that he would like to add to the question that Ms. McKeel had regarding the volunteer program and the combined services. He said that the four SAFER grants have also been in response to volunteer requests directly.

Mr. Henry said that the Board, to date, had responded to the volunteer requests that had come in. He said that last year's budget, the North Garden request was not included in the recommendation. He said that they spent some work sessions working through that issue and made adjustments to enable that to happen.

Ms. Wall said that she would like to express her appreciation to the Board for their continued interest and questions regarding the budget as they move forward.

Mr. Sumner thanked the Board for leaning in with them on the budget. He said that he looked forward to the many work sessions they had ahead and would be as responsive as possible to their requests. He asked them to please continue to ask their questions.

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

Ms. Mallek said that in their on-site meeting with Transportation staff and VDOT staff, she had asked a question about the Rural Rustic Roads funding bill that was recently passed, and it turned out that it was not within the Community Development Department. She said that it fell under VDOT. She said that Carrie Shephard had informed her that it was currently on the commissioner's desk, where they would work to establish guidelines. She said that they were close to being able to release those guidelines, which would then enable the community and County to move forward. She said that she was glad to receive that information.

Mr. Pruitt said that the inaugural meeting of Charlottesville-Albemarle Regional Transit Authority (CARTA) took place, which was very exciting.

Ms. McKeel asked when the proposed budget would be posted online.

Mr. Bowman said that if it was not online already, it would be posted by this afternoon.

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

There was no report.

Agenda Item No. 5. Adjourn.

At 1:49 p.m., the Board adjourned its meeting to March 5, 2025, 1:00 p.m. in Lane Auditorium, Albemarle County Office Building, 401 McIntire Road, Charlottesville, VA, 22902. Mr. Andrews said information on how to participate in the meeting would be posted on the Albemarle County website Board of Supervisors home page and on the Albemarle County calendar.

Approved by Board
Date: 10/01/2025
Initials: CKB

Chair