

An adjourned meeting of the Board of Supervisors of Albemarle County, Virginia, was held on April 12, 2016, at 6:00 p.m., Lane Auditorium, County Office Building, McIntire Road, Charlottesville, Virginia. The meeting was adjourned from April 7, 2016.

PRESENT: Mr. Norman G. Dill, Ms. Ann Mallek, Ms. Diantha H. McKeel, Ms. Liz A. Palmer, Mr. Rick Randolph, and Mr. Brad L. Sheffield.

ABSENT: None.

OFFICERS PRESENT: County Executive, Thomas C. Foley, County Attorney, Larry W. Davis, Clerk, Ella W. Jordan, and Senior Deputy Clerk, Travis O. Morris.

Agenda Item No. 1. The meeting was called to order at 6:00 p.m., by the Chair, Ms. Palmer.

Ms. Palmer also introduced staff present and the presiding security officer, Officer Vanderveer.

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Agenda Item No. 2. Pledge of Allegiance.  
Agenda Item No. 3. Moment of Silence.

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Agenda Item No. 4. Adoption of Final Agenda.

Mr. Dill offered **motion** to adopt the final agenda as presented. Ms. McKeel **seconded** the motion.

Roll was called and the motion carried by the following recorded vote:

AYES: Ms. Palmer, Mr. Randolph, Mr. Sheffield, Mr. Dill, Ms. Mallek and Ms. McKeel.  
NAYS: None.

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Agenda Item No. 5. Brief Announcements by Board Members.

Ms. Mallek stated that Jim Northrup of Shenandoah National Park had led a hike on the North Fork of the Moorman's River and noted that he had left some brochures of the yearlong centennial activities for the park in the eight-county region. Ms. Mallek also said that she and Ms. McKeel had met with Meredith Richards and learned about the history of the Amtrak station, and they will be looking into getting some improvements to the local railway station to support Amtrak trains.

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Ms. McKeel stated that she and Ms. Mallek had attended the kickoff of the Tom Tom Festival the previous evening and said it was a successful event, and had learned things going on in Charlottesville and Albemarle about entrepreneurship.

Mr. Dill stated that he had attended a meeting earlier in the morning about agriculture and starting up a food business, stating that there were quite a few people in attendance and lots of interesting questions asked.

Ms. McKeel asked if that session was being filmed or recorded.

Mr. Dill responded that he thought it was.

Ms. Palmer said that it can probably be found on the Tom Tom website.

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Mr. Randolph stated that he and Ms. McKeel and some of their respective family members had attended the Bridgeline's comedy night at C'ville Coffee, pointing out that Bridgeline helps individuals with brain injury and stating that the organization brings in top-quality comedians.

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Agenda Item No. 6. From the Public: Matters Not Listed for Public Hearing on the Agenda.

Ms. Clarabelle Wheeler addressed the Board and stated that she was born in Albemarle County and owns a farm here, noting that she and Ms. Mallek share an interest in well water safety. Ms. Wheeler stated the Commonwealth of Virginia, through their extension offices, have had for over 10 years the "Virginia Master Well Owner Network," focusing on "education for the protection of Virginia private home water supplies." She said this is about as non-controversial or non-confrontational as anything that will come before the Board, and all they are asking for is publicity. Ms. Wheeler said the network is a group of specially trained people who know where to put wells, how they are dug, how the water gets from one part of Virginia to another, and how to educate the home well owner on preserving the safety of their well. She stated they all know about the severe earthquake that hit Louisa, and everyone who has a well within hundreds of miles around that site should have had their well tested every year from that point. Ms. Wheeler said the rock formations in the earth shift and change even without a noticeable earthquake, and when the earth moves the water comes from a different place. She stated they can get a private company to do well testing for a few hundred dollars, but Virginia Tech offers a service around the state

for \$52 dollars, with the next testing in Albemarle to take place on May 2, 2016. Ms. Wheler said that people can pick up their sample kit that Monday, read the instructions and take the kit home, and then bring back the sample on May 4 in the sealed bags using a drive-through service. She stated the extension representatives take the samples back to Virginia Tech and run them through the lab to test it for everything possible, then bring those results back in about six weeks at a big meeting, with experts on hand to explain to people what their findings mean.

Ms. Palmer noted that if people cannot attend the meeting, they can get the results by mail, and said that County staff will be promoting this via a-mail.

There being no further public comment, the Chair closed this portion of the agenda.

Agenda Item No. 7. Consent Agenda.

Ms. Mallek offered **motion** to approve the consent agenda. Ms. McKeel **seconded** the motion.

Roll was called and the motion carried by the following recorded vote:

AYES: Ms. Palmer, Mr. Randolph, Mr. Sheffield, Mr. Dill, Ms. Mallek and Ms. McKeel.  
NAYS: None.

Item No. 7.1. FY 2016 Appropriations.

The executive summary forwarded by staff states that Virginia Code § 15.2-2507 provides that any locality may amend its budget to adjust the aggregate amount to be appropriated during the fiscal year as shown in the currently adopted budget; provided, however, any such amendment which exceeds one percent of the total expenditures shown in the currently adopted budget must be accomplished by first publishing a notice of a meeting and holding a public hearing before amending the budget. The Code section applies to all County funds, i.e., General Fund, Capital Funds, E911, School Self-Sustaining, etc. The total increase to the FY 16 budget due to the appropriation itemized below is \$320,324.82. A budget amendment public hearing is not required because the amount of the cumulative appropriations does not exceed one percent of the currently adopted budget.

This request involves the approval of one (1) appropriation (#2016077) to appropriate \$320,324.82 to the School Division.

Staff recommends that the Board adopt the attached Resolution (Attachment B) to approve appropriation #2016077 for school division projects and programs as described in Attachment A.

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<b><u>Appropriation #2016077</u></b>		<b><u>\$320,324.82</u></b>
Source:	State Revenue	\$ 58,374.00
	Federal Revenue	\$ 261,950.82

This appropriation includes three School Division appropriation requests that were approved by the School Board on March 24, 2016:

This request is to appropriate \$12,500.00 in funding from the Virginia Department of Education to the Community Public Charter School. The mission of the Community Public Charter School is to provide an alternative and innovative learning environment, using the arts, to help children in grades six through eight learn in ways that match their learning styles.

This request is to appropriate \$45,874.00 in state grant funds for Start-Up for an Extended School Year-Round School Program from the Virginia Department of Education. *Design, Make, Launch*, a project-based learning experience, targets at-risk high school students. Through the lens of one the School Division's four Academies – Music Production, Computer Coding, Fine Arts, or Entrepreneurship – students will undertake authentic, project-based learning opportunities, and will produce portfolios representing their knowledge in numerous subject areas. Within *Design, Make, Launch*, students will work with teachers to chart their own paths through content while demonstrating mastery of core competencies. All funds must be encumbered by June 30, 2016 or be returned to the Virginia Department of Education by August 7, 2016.

This request is to appropriate \$261,950.82 in federal School Improvement Funds under Section 1003(a) of the Elementary and Secondary Education Act of 1965 (ESEA) as amended by the No Child Left Behind Act of 2001 (NCLB). The approved school, Benjamin F. Yancey Elementary, has been awarded a grant in the amount of \$261,950.82 for FY16 to continue the required implementation of the priority school reform model. Purchased services allowed in the grant include \$215,000.00 for consultation and training services provided by the Curry School and the University of Virginia. Grant funds will also be used to fund salaries, benefits, and mileage. All funds must be encumbered by September 30, 2016.

**By the above-recorded vote, the Board adopted the following Resolution to approve appropriation #2016077 for school division projects and programs:**

**RESOLUTION TO APPROVE  
ADDITIONAL FY 16 APPROPRIATION**

**BE IT RESOLVED** by the Albemarle County Board of Supervisors:

- 1) That Appropriation #2016077 is approved; and
- 2) That the appropriation referenced in Paragraph #1, above, is subject to the provisions set forth in the Annual Resolution of Appropriations of the County of Albemarle for the Fiscal Year ending June 30, 2016.

**COUNTY OF ALBEMARLE  
APPROPRIATION SUMMARY**

APP#	ACCOUNT	AMOUNT	DESCRIPTION
2016077	3-3380-63380-324000-240806-6599	12500.00	CPCS State Support Grant
2016077	4-3380-63380-461101-132100-6280	8700.00	PT Wages Teacher
2016077	4-3380-63380-461101-210000-6280	665.55	FICA
2016077	4-3380-63380-461101-312700-6280	1050	Prof. Serv. Consultants
2016077	4-3380-63380-461101-580500-6280	1800	Staff Development
2016077	4-3380-63380-461101-601300-6280	284.45	Educ. & Rec. Supplies
2016077	3-3136-63136-324000-240500-6530	45874	Start Up Grant Extd. Year Round Program
2016077	4-3136-63136-461101-132100-6530	24502.5	PT Wages Teacher
2016077	4-3136-63136-461101-210000-6530	1874.53	FICA
2016077	4-3136-63136-461101-312500-6530	4500	Prof. Serv. Instructional
2016077	4-3136-63136-461101-420100-6530	12692.25	Field Trips
2016077	4-3136-63136-461101-540200-6530	1304.72	Lease/Rent-Buildings
2016077	4-3136-63136-461101-601300-6530	1000	Educ. & Rec. Supplies
2016077	3-3172-63172-333000-330001-6599	261950.82	Federal Title I
2016077	4-3172-63172-461101-160300-6113	41150	Stipends - Staff
2016077	4-3172-63172-461101-210000-6113	3147.98	FICA
2016077	4-3172-63172-461101-312700-6113	215000	Prof. Serv. Consultants
2016077	4-3172-63172-461101-550100-6113	2652.84	Travel/Training
<b>TOTAL</b>		<b>640,649.64</b>	

Agenda Item No. 8. **Public Hearing:** To receive comments on Proposed Calendar Year 2016 Tax Rates for Real Property. *(Advertised in the Daily Progress on March 13, 2016.)*

Ms. Palmer stated the Board will not approve the budget today and will be doing that the following day, with discussion at both meetings.

Mr. Foley stated there has been significant discussion on the budget proposal thus far, and the specific purpose of this meeting is to hear public comment on the tax rate, which is currently proposed to be increased by 2.5 cents. He said the County has a budget challenge that it needs to overcome, which has been true for the past three years, and he presented the five-year financial projections as of December 9, 2015. Mr. Foley noted the projected expenditures over the five-year period as well as revenues, and stated there is a significant gap which is growing as the County looks to the future. He said this represents an imbalance going forward, with the gap growing over time, and this budget attempts to address that through specific proposals.

Mr. Foley explained the specific challenges the County is facing results from slow growth in real estate tax base, which is the largest revenue source and makes up about 60% of all the local revenues available to pay for services. He stated that real estate values have not grown as anticipated, and are currently in a very slow growth pattern, which will have an impact in the next fiscal year and into the future. Mr. Foley said the County is also projecting a slowdown in the economy overall, so other revenues are not showing the kind of growth needed to offset the significant increases in obligations and mandates. He stated the challenge faced is both short and long term, affecting the County in the current year and into FY18 when the deficit faced will be about \$2.5 million, which they will have to start addressing now. Mr. Foley stated the County is significantly challenged in maintaining existing levels of service as the population grows, with revenues not keeping up with demands, putting them in a position where it is difficult to try to achieve some of the aspirations that exist with the community and the Board primarily through the strategic plan.

Mr. Foley stated the budget balances hard choices and opportunities for change, some action that tries to put the County in a better place going forward. He presented two pie charts representing expenditures and revenues, and said that of the total proposed budget of \$376.3 million, 44% comes from property taxes, 19% from other local revenues, 22% from state revenues, and 5% from federal revenues, with the remainder being borrowing for capital projects. Mr. Foley stated that 58% of expenditures are related to schools, and 38% are all other services that the County provides, with the remainder being a payment to the City of Charlottesville for a revenue-sharing agreement as a mandate payable every year. He stated the budget is up 0.4% or \$1.6 million, with operating expenditures up 4.5% overall and the capital budget decreasingly significantly and not funded well to meet future needs. Mr. Foley said that revenue growth in the budget is 3.6%, which is impacted by 1.84% increase in property values, smaller than anticipated this time last year. He stated the budget is balanced on an 84.4-cent tax rate, a 2.5-cent increase, and 1 cent of that is dedicated to the capital program, primarily to meet mandates and public

safety programs but not things like parks and recreation facilities or ACE, and not much for school needs into the future. Mr. Foley stated that 1.5 cents is dedicated to operations, and about 0.4 cents going to the school system and 1.1% going to local government to meet significant mandates, but even with these increases, this budget proposes cuts in expenditures. He said that state revenues increase by 4.6% and federal revenues by 10.1% in the budget.

Mr. Foley presented information on the average tax bill, stating that a house assessed at \$289,000 in 2007, about the time the recession hit hard, and only in the last few years has the number crept up in terms of real dollars, but adjusted for inflation, the tax bill is about the same for the average homeowner. He stated that the existing tax bill is \$2,136 and the rate, as proposed will be \$2,201, and even though the values on properties have dropped through the recession the tax bills are the same.

Mr. Foley stated the first goal in the budget is to meet current mandates, commitments and obligations, and \$7.6 million is going to achieve that goal with \$3.3 million to the school system to support their needs, \$3 million for capital to meet debt service obligations primarily on maintenance and replacement projects, and Children's Services Act (CSA) obligations for special education and foster care cases. He emphasized this is a significant hit on the budget that does nothing beyond what must be done. He said with the second goal of minimizing impacts on existing service levels, in order to maintain those levels the County is proposing just over \$2 million to address those, key regional agencies, local government healthcare costs which are up 9% instead of the originally projected 14.5%, and a 2% market increase for schools and local government, with just local government represented here. Mr. Foley stated those additions total about \$9.8 million, which is more than the tax increase and growth in property values are expected to provide, so the County had to cut some expenditures.

Mr. Foley stated the third goal is to hold the line on existing expenditures, and this budget includes no new positions, no expansion of existing services, and no new program services for local government. He said there is a total \$17,000 reduction across the board in all County departments for operating expenses, and they cut \$512,000 in one-time expenses to try to balance the budget, with an additional \$400,000 in cuts over the next two fiscal years to try to keep the budget in balance as they look to the future. Mr. Foley stated there are some expenditure reductions in the budget, including a decrease in the revenue-sharing payment to the City by about \$300,000, but unfortunately that amount goes up in FY18 by \$300,000, so there will essentially be a \$600,000 difference to make up. He said they have also captured fuel cost savings and in general holds the line on existing expenditures while addressing mandates and obligations.

Mr. Foley reported that with goal four and looking to the future, the budget invests in some meaningful solutions, with an efficiency study, a technology assessment to streamline services, further consolidation of services to save money, and investment toward economic development in the development areas through some money set aside for businesses incentives that will ultimately generate more revenues and help the County address challenges in the future. He stated the County also wants to engage the public and the Board in setting priorities, and given the structural imbalance they must figure out a strategy for the future to maintain existing levels of service and try to move toward some aspirations for the future such as investment in school needs and parks and recreation services. Mr. Foley stated the budget also proposes a two-year fiscal plan beginning in FY18 and FY19 to get the County in a better balance and provide a better approach than a one-year or even a five-year look.

Mr. Foley stated those are the six goals in the proposed budget and said the budget takes action now to address a three-year budget imbalance, evaluates options and makes necessary changes in the future to try to get the budget back into balance, focuses on establishing clear priorities for the future with the Board and the community's thoughts on moving forward, and primarily looks to align service levels and tax structures with desires, values and priorities to get at the structural imbalance. Mr. Foley said the proposed budget strengthens the focus on economic development and growing the non-residential tax base, which will provide a return on investment that hopefully will help keep tax increases down in the future, as well as engaging the public in helping determine the best future for Albemarle County going forward.

The Chair opened the public hearing.

Mr. Robert Myers of the Rio District addressed the Board and stated that he has been reading the budget discussions in the newspaper and comes before them to indicate the numbers in the article do not add up. Mr. Myers stated the Board will likely encounter increasing resistance if rates continue to go up, and a lot of people in the community are retired and are not benefitting directly from schools, and do not have the resources to accommodate the increase. He said they not only have increased assessments but if the rates are increased, the numbers will magnify. He stated the City did not have to raise the rates because in the early 2000s the assessments went up dramatically, and they have held the tax rate at 95 cents for quite some time, with assessments having tapered off. Mr. Myers said he hopes the County is not going down a path of continuing to raise the rates, because it will not be sustainable if property taxes are the source.

Mr. Philip Davis of the White Hall District addressed the Board and said the healthcare insurance is coming in a lot less than what is budgeted, and he read that the biggest part of that is going to the schools. He stated if there was enough in the budget for the schools before, he does not understand why the healthcare savings totaling almost \$1 million is also going to the schools, and he suggested giving it back to the taxpayers and having people contribute to the schools voluntarily if they want. Mr. Davis stated that he supports the schools and teachers, but at some point you have to cut it off because many people are living off of Social Security with checks of \$800 to \$1,300 per month, which is the amount of

many property tax bills. He said there are many expenses to consider, including utilities, food, medical expenses, car insurance, and so forth, and he asked the Board what they expect retired people to do and whether they want them to leave. Mr. Davis stated that Mr. Sheffield commented that he would rather give it to raises for County employees, and he does not feel that is right because that is just a few people compared to all the residents of the County.

Ms. Vivian Donahue of the Jack Jouett District addressed the Board and stated that before she and her husband retired to Charlottesville, she sold real estate for 35 years and believed that properties locally were under-assessed. Ms. Donahue stated the schools are starving for money and the County desperately needs increased assessments to help fund schools, adding that teachers give so much to the schools but receive so little and she is in favor of the tax increase. She said she is sympathetic to the retirees and noted that some localities have programs where retirees can defer their taxes or get reduced-rate taxes when they have trouble with their finances, or can get into estate plans that allow them to remain in their homes. Ms. Donahue stated the County does need the tax increase until the economy can catch up and assessments improve.

There being no further public comment, the Chair closed the public hearing.

Ms. Palmer asked Mr. Davis to comment on the tax-relief program for senior citizens. Mr. Davis explained the County has long had a tax-relief program for elderly and disabled persons, which is set up on a sliding scale. He stated the last time the program was adjusted in 2008, Albemarle was at the maximum level on some of the factors for the program, but since that time the General Assembly has provided more flexibility to localities so that could be re-evaluated in the future. Mr. Davis said the program is advertised on an annual basis and there are applications available in the Finance office for people who meet the income and property wealth limitations, and the County has funded the program to help meet all eligible applicants' needs.

Ms. McKeel stated she would be very interested in hearing more about that and seeing if there are additional measures they can take.

Ms. Palmer agreed that the rest of the Board would like to see that as well.

Mr. Randolph stated he would like to see a list by district of the program beneficiaries and participants so they could see the amount of money deferred or not paid in property taxes.

Ms. Mallek pointed out that the budget line was reduced for this coming year based upon the fact it was not totally expended last year, but it had been in the \$850,000 range.

Mr. Davis noted that it is actually not an expenditure because it is income that is not received, it is only included in the budget to reflect the amount of budget revenue foregone.

Mr. Foley stated the amount has been the same value, as much as \$1 million and reduced based on actual usage, but staff can break it down by district.

Ms. McKeel said it would be helpful to see what the state will allow. Mr. Davis responded that staff had provided it last year to the Board and can recreate it.

Mr. Randolph suggested that the Board get a report on an annual basis, and if there are discrepancies by district, especially in cases where they know people qualify for it, and staff may need to look into ways in which the County can enhance its communications to make more people aware of the program.

Ms. Mallek stated that she feels this is really a leadership issue and the Board's job, because people who need the program will not be hopping on the internet to download information, and face-to-face with constituents through neighbors and churches has been successful.

Mr. Randolph stated that he echoes the first few presenters regarding schools and said the \$887,000 in healthcare savings has gone back to the schools, along with some additional funding, and that had covered the deficit they were facing. He said those speakers are right to raise concerns about how fiscal decisions are being made in this economic climate, and said the Board will be revisiting how they will fund the budget and find savings to cover additional expenses.

Ms. Mallek stated that at least 50 people have told a similar story to the speaker from Whitehall and many other residents throughout the County who worked for years in local industries are experiencing a similar dynamic. She said it is not an easy time for people and many in the rural areas who have worth because of their property may not have a lot of cash and cannot absorb the changes made by local government, even though those have been legitimate. Ms. Mallek added that it has been a real strain, and she continues to suggest a balance in supporting the County's wonderful staff while keeping in mind what the citizens are experiencing.

Mr. Dill stated that as a new Supervisor, the comments he has received are pretty much in balance regarding taxes going up and higher tax rates with no end in sight because of the structural imbalance, and even more people who are very concerned about the schools. He said those who are poor or disadvantaged benefit the most from having a strong school system, and having schools as a core has allowed his five children, all of differing abilities, to do well. Mr. Dill stated they cannot keep taxing indefinitely, and many communities continue to build things that require ongoing maintenance in

addition to initial building costs, and they need to look at the structural imbalance while offering tax assistance to those who need it. He emphasized that he does believe the schools should be supported as much as possible.

Ms. Palmer explained that the \$887,000 was closing a gap that the schools have in their budget and it is not just extra money that they had, so she is in favor of having the money go to close that gap. She stated that she does understand the retirement issue and said that property tax is not a good proxy for income, adding that the state of Virginia only allows localities to collect property tax so it is the main source of revenue. Ms. Palmer said the County can make a dent in the structural imbalance but as it grows, more people just means more taxes. She noted the assessment necessary for a house to cover the impact to the County for the family who lives in that house is over \$600,000, so the more people who move in, the more they pay for services. Ms. Palmer stated that cuts can be made, but it is still a very large problem and will continue to be until they fix the structural imbalance with taxes.

Ms. McKeel said that many Boards who have sat in this room have tried to take on this issue with the state, and at this point the legislature just continues to pass mandates down and disregard requests from localities. She stated that one of the efforts this Board is trying to address is economic development to try to support existing businesses and grow the economic base so they do not have to rely as much on property tax revenues, and she emphasized that businesses do not stay in communities where the schools are not good, and families do not stay in communities where the schools are not good. Ms. McKeel emphasized that if they want to grow and allow existing businesses to stay and grow the types of businesses they want, they have to maintain a strong public education system, as that in itself is an economic driver.

Ms. Mallek stated that she had read a report on additional state funding of \$1.2 million coming to the schools directly and wonders how that will be taken into account, adding that she cannot remember where she had read it.

Mr. Randolph said it was in *The Daily Progress*.

Mr. Foley stated that Mr. Jackson Zimmerman of County schools can address it before the end of the meeting, but that information may have been misunderstood.

Ms. Mallek asked for clarification that the revenue-sharing to the City is not actually a \$600,000 increase but is coming back to where it is now. Mr. Foley responded that staff will address that.

Mr. Jackson Zimmerman, Director of Fiscal Services, addressed the Board and stated there is no additional \$1 million coming in from the state, and there is about a \$40,000 overall increase in revenues, the vast majority of which is not from the state. He explained that basically the state had provided more money in one area but took it away from another.

Ms. McKeel asked if this is the lottery money. Mr. Zimmerman responded that the state is taking some of the general fund money away and replacing it with lottery money, so it is not "new" money.

Ms. Mallek noted that when the lottery was initially passed, it was to be designated exclusively to bricks and mortar school projects. Mr. Zimmerman said the General Assembly continued to move that money from bricks and mortar and use it increasingly for school operations.

Ms. McKeel suggested they write a letter to the state about it along with their other letters because the lottery money was originally intended for school facilities.

Mr. Philip Davis of White Hall stated there has never been fewer people at a public meeting that he has been to, and the reason why is because the meeting had not been advertised since March 27, and there were only five or six people at the budget meeting held at Western Albemarle because it was only advertised a few hours before the meeting.

Mr. Foley stated the County has done a timely and extensive advertisement effort for these meetings, and said that perhaps more can be done to ensure the public knows that effort was made.

Ms. Mallek suggested they do some last-minute reminder efforts such as going on the radio on Monday morning.

Mr. Foley stated there have been efforts by Lee Catlin to do interviews and social media outreach, but if there are additional ideas from the Board, staff can consider those. He added this process has been a challenge, with just five or six people at budget meetings, and how to engage the public is something they will need to continue to discuss.

Ms. Mallek said they do not know what conclusion to draw from that, whether people are happy or have given up, and she would love it for the room to be full because that is the best kind of public hearing.

Ms. Mallek stated that she would like to hear what preference was decided by police in terms of a school resource officer (SRO) versus a problem-orienting police (POP) person.

Ms. McKeel said that Colonel Sellers wants the SRO person to move over to the POP team in the summer.

Mr. Foley stated this is a temporary measure, and neither role is Colonel Sellers' top priority.

Ms. Lori Allshouse, Director of the Office of Management and Budget, addressed the Board and stated that staff will bring the budget and tax rate to the Board for approval the following day, and at this meeting they will discuss individual items remaining for consideration, investment and solutions for the future, and more information on the priority-driven budget process. She stated the FY17 proposed budget includes an increase in the property tax rate of 2.5 cents, with 1.1 cents dedicated to general government, 0.4 cents dedicated to the school division, and 1.0 cents dedicated to capital, and a change in the tax rate from 81.9 cents to 84.4 cents. Ms. Allshouse stated that on April 5 the Board approved a salary increase of 2% and directed healthcare fund cost reductions to be allocated to the CIP as one-time funding. She said that healthcare fund savings is local government's share of the jails, ECC and Blue Ridge Juvenile Detention Center, and the County's share would be \$288,000 as opposed to \$270,000 as estimated on April 7. Ms. Allshouse said the Board also recommended that the school division use their share of healthcare savings for one-time expenses rather than ongoing operating costs, given the projected fiscal situation for FY18, and this will be shared with the School Board in a letter per the Board's direction.

At this time, the Board took up the next agenda item on the follow-up budget discussion.

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Agenda Item No. 9. Follow-up Budget Discussion.

Ms. Allshouse presented a list of items captured from the Board's previous discussions, and said that FY17 expenditure reductions for the jail and CAT as discussed on April 5 totals \$47,180 that can be redirected in a number of ways. She stated that she presented some options for the Board: hold it in reserve until FY18; include it in the FY17 reserve for contingencies; utilize it for other expenditure changes; or provide it to the capital fund for one-time use. Ms. Allshouse said the other item discussed on April 5 was the Commonwealth Attorney's request to convert a part-time position to a full-time one, which would require a change this fiscal year of an estimated \$10,700 and a net increase of \$32,925 in FY17. She stated that as they consider any new request, local government departments had put approximately 47 requests on the table that are not funded in this budget. Ms. Allshouse noted that Offender Aid and Restoration had also requested that the Restorative Justice Program funded through the ABRT process be restored back to the FY15 level, which would be \$6,550. She stated the \$288,000 recommended to be moved over to the CIP for one-time use in FY17 could be put in reserve or could be used for ACE or transportation revenue-sharing, both of which will draw down state matches to double that money. Ms. Allshouse said it could also be used for equity funding of a CIP project to reduce borrowing on a project, add it as a CIP reserve for further conversations, or request a recommendation from the Oversight Committee for other uses. She stated the final item discussed on April 5 was for the addition of a school resource officer.

Mr. Dill asked if the County has funding allocated yet for the micro-development urbanization programs they have been talking about. Mr. Foley responded there is no money allocated for those although there is a little balance in the Pantops fund, and the \$288,000 could go toward those. He stated that it is important for them to figure out how to fund these going forward because it is clearly a priority identified by the Board, but at this stage there is no money set aside to fund smaller projects in the urban areas.

Mr. Dill asked if there is any reason that could not be something to consider, as they had deemed it an important thing to do but there has not been any money allocated to it. Ms. Mallek responded that people have put a lot of these things into strategic planning instead of debating them in previous months, so they would have to wait until May to discuss them further rather than putting them ahead of previously identified priorities.

Mr. Foley asked Ms. Allshouse to provide an update on ACE program funding. Ms. Allshouse stated there is a lot of work that goes into ACE in terms of getting everything set up, having a round, having people apply, having assessments and appraisals, and making a purchase, so her understanding is that about \$1 million will carry forward from FY16 to FY17, but that will be used on the current properties in the ACE program under consideration. She said that every October, the program has a round whereby people can apply, and if there is no additional funding there will not be another round of considerations and they would just use the funds available for the current round of properties.

Ms. Mallek stated they have a large number of applicants, so the money would probably only cover about three of those properties.

Ms. Palmer asked if the \$250,000 will draw down another \$250,000. Ms. Mallek responded that it did this year, and Albemarle got \$400,000 this year because of carryover from a previous year to go with the money for the new FY17 budget.

Mr. Foley stated it is a grant decision and is different than the transportation revenue-sharing money just sitting there, but effectively it has worked out the same way because it has to be matched.

Ms. McKeel said the County got a lot more from ACE than anticipated last year, because of the reasons Ms. Mallek had stated.

Mr. Foley stated this would be the first time since the program started that they would not need to advertise in the fall if there is no money for it.

Ms. McKeel asked if the Board needs to decide on the allocations now. Ms. Allshouse responded that staff will be bringing a budget resolution to the Board the following day, but they could put it into a reserve until they decide.

Ms. Mallek then offered **motion** to add \$288,288 to the budget for the ACE Program. Mr. Dill **seconded** the motion.

Ms. McKeel asked for confirmation that they could decide how to use it after their strategic planning meeting. Ms. Allshouse responded they could do that.

Mr. Dill asked if there would still be time to get the ACE money from the state if they did that. Ms. Mallek responded that she does not know.

Mr. Foley stated that he does not think they will make the deadline.

Ms. Mallek said that they might miss the summer application deadline.

Ms. McKeel asked if there are two rounds of applications. Ms. Mallek responded that she does not know the dates.

Mr. Randolph stated the Board was in favor of the 5<sup>th</sup> Street Station transit stop but have not funded it, and it will come in at \$127,000. He said the Planning Commission is unanimous in support of ACE, but caught between transportation funding and ACE he would recommend sharing the funding between ACE and the CAT transit.

Ms. Mallek said she thought they had already identified funding for the transit stop.

Ms. Allshouse suggested that Andy Bowman explain it.

Mr. Andy Bowman, Senior Budget Analyst, addressed the Board and explained the County Executive's recommended budget included \$50,000 for a bus route contingency, and added to proffer funding of \$77,000 provided the amount needed for the transit stop.

Mr. Foley stated that the \$288,000 could be used to fund that into the future, but in the short term there was \$127,000 identified for the route and the challenge was how to fund it going forward.

Mr. Randolph commented that he would be in favor of having the route for one year as a pilot, but he was not aware they had found funding for it.

Ms. Mallek noted that staff had indicated the funding had been identified. Mr. Foley agreed that they had.

Mr. Randolph said that he would second Ms. Mallek's motion. Mr. Sheffield noted that Mr. Dill had already seconded the motion.

Ms. Palmer commented that she had been in favor of the expanded route that was \$20,000 more for the additional piece of the route.

Roll was then called and the **motion carried** by the following recorded vote:

AYES: Ms. Palmer, Mr. Randolph, Mr. Dill and Ms. Mallek.

NAYS: Mr. Sheffield and Ms. McKeel.

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Ms. Allshouse stated that OMB and Finance staff had met with the Commonwealth's Attorney's office and Robert Tracci regarding revenue neutrality, and said that his staff indicated they would make some strong efforts to bring in more of the delinquent revenue by increasing their notices for delinquencies and adding collections for the Juvenile and Domestic Relations Court. She said that staff was not convinced there would be full revenue neutrality, as she shared in her previous email, but the office has indicated an effort to increase that revenue.

Ms. McKeel responded that she would prefer holding off on this request until Mr. Tracci has hired the vacancy currently open in his office and then evaluating the situation next year.

Ms. Mallek said they may have a lot of success in collections, and the predecessor in that office had experienced good success with the collections and then came in with that in hand.

Mr. Randolph stated this proposal comes in as a late entrant for funding, and they have not added a new person anywhere else in the budget so they would be breaking what they had said they were going to do. He said he would like to see a trend analysis from the Commonwealth's Attorney's office so they would have a measure of the figures driving the need here, adding that Mr. Tracci had come in to the Board and expressed the need for an attorney for adult issues, but the Department of Social Services Director had come in and said the issues they are facing that are most staff-intensive relate to children, so there seems to be a disconnect and he would like to see more of an empirical argument as to the justification for the position.

Ms. Palmer stated there is a letter from a constituent indicating that Mr. Dill and Mr. Randolph are the only Supervisors that can be heard, but only when they lean into their microphones, and asked the Board to speak clearly into their mics.

Mr. Sheffield said he would like to get the information from Mr. Tracci as Mr. Randolph mentioned, and noted that there have been several requests for this.

Ms. Mallek noted that it may take a while for the person to come into the position in that office and settle in.

Staff indicated that additional items for consideration include the OAR request.

Ms. Mallek then offered **motion** to fully fund OAR's request of \$7,500 for the Restorative Justice Program. Mr. Dill **seconded** the motion.

Ms. Palmer said her concern is that there are many other unfunded requests from the ABRT process. Mr. Dill responded that the difference with OAR is that this program has been funded before and just happened to slip below the level on this one piece.

Ms. Mallek agreed, stating that OAR has been funded for 15 years and should not really be considered the same as a new program.

Ms. McKeel asked what it means for them to be a new program. Ms. Mallek responded that the Board has not been funding any new programs.

Ms. McKeel said if the Board was funding new programs, they could be considered.

Ms. Mallek explained that OAR would have to disband the entire thing because they would have no funding for it.

Mr. Dill clarified that this is one program out of many that they have.

Ms. Mallek stated that there are many other programs they do that are funded, but this particular program was axed by ABRT.

Mr. Sheffield said that according to the budget, the County was giving them level funding and was not reducing their funding by \$6,500.

Ms. Allshouse clarified that the City is continuing to fund them and they do have some other sources, and she had not heard that they would completely discontinue the program without County funding.

Ms. Mallek stated that she doubts the City will pay for the treatment for juvenile offenders from the County, because their programs will be designed for their constituents.

Mr. Randolph pointed out that most nonprofits can raise money like this from an appeal, and he does not want the Board to spend time on \$6,500 when they have bigger issues.

Ms. Palmer asked if there are other ABRT programs that were funded before but were dropped out because of their reviews. Ms. Allshouse confirmed with Mr. Bowman that from FY15 to FY16, OAR's situation with the drop is unique.

Ms. McKeel noted this would not preclude them from applying next year. Ms. Allshouse agreed.

Ms. Mallek read from the ABRT review that it was recommended the County restore funding, with the City giving level funding. Ms. Allshouse confirmed the ABRT process did recommend it for funding.

Ms. Palmer said there are other things that the ABRT recommended be funded that were not funded.

Mr. Foley stated the County did fund any new programs.

Ms. McKeel said this was considered a new program.

Mr. Randolph commented this would be setting a precedent.

Mr. Dill stated the precedent is if something does not get funded for one year, and this specific part of OAR had been funded but was not funded last year, so this is somewhat of a unique situation because it is not a brand new charity that has not applied before, they just happened to drop below the scoring required for level funding. He said that he feels the County should reward an organization that they have supported for many years, as they were punished by not getting full funding for one year. Mr. Dill added this is not terribly important to him, but he feels this is a great organization.

Ms. Palmer commented that she feels they are a great organization, but she has concerns about setting precedent.

Ms. Mallek said that criminal justice and social services organizations are different than others in this book in her opinion.

Ms. McKeel asked Ms. Mallek to restate her motion.

Ms. Mallek indicated that her motion was to restore the \$6,550 in funding to OAR.

Roll was then called and the **motion failed** by the following recorded vote:

AYES: Mr. Dill and Ms. Mallek.

NAYS: Ms. Palmer, Mr. Randolph, Mr. Sheffield and Ms. McKeel.

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Ms. McKeel stated the School Resource Officer positions had been taken away as part of previous funding cuts and this would be a restoration of a position, and she is not treating it as a new position, and her hope is to repurpose a part-time administrative position in the schools for the SRO, as the County would only have to provide half of that funding. She said Colonel Sellers has indicated that an SRO would be a good leveraging of funds, even though his top priority is for an officer, and he could use the SRO during the school year and move that person onto the POP team in the summer.

Mr. Randolph asked if Colonel Steve Sellers had provided input on this suggestion. Ms. McKeel responded that Colonel Sellers emailed her after the Board meeting when she mentioned this and told her that it would be a good use of money because of the 50/50 cost sharing, but he may have updated the Board on this.

Ms. Allshouse said that Colonel Sellers had shared that information with staff and said this is not his top priority, and his first priority via OMB is a squad-based police officer; his second priority is an organized crime detective.

Ms. McKeel stated that because it is split, it would be a good bang for the buck and she was looking at reconfiguring money from another position to help address things in the schools like gang violence.

Ms. Mallek said that she can see the value of an SRO and POP position, but she would rather do it with savings from the jail and leave the other money alone because she does not want to be reaching in and moving around the school's position as that should be their decision.

Mr. Sheffield stated that the SROs are effective in grabbing the attention of some of the students, and he would support Ms. Mallek's approach.

Ms. Mallek asked if there is a primary location for the SRO. Ms. McKeel responded that Colonel Sellers would need to figure that out, and she does not even think the School Board gets involved in that.

Ms. Palmer asked for confirmation that the \$47,000 is one-time money. Ms. Allshouse responded that it is ongoing, and said that SRO total annually is \$87,000, which can be split with the schools, and there is also about \$70,000 in one-time startup costs. She noted there is about \$23,000 in the Mathews trial contingency, and the Board has a reserve for contingencies as well.

Mr. Foley noted that staff can come up with one-time money if the Board is interested in pursuing this position and will work with the schools on it as well.

Mr. Dill said he hopes the schools would pay for half of the startup costs as well. Mr. Foley responded that they probably will, as they have expressed interest in the position.

Ms. McKeel said she has spoken with Mr. Dean Tistadt and the School Board Chair, and they are supportive of the position.

Mr. Foley stated that he does not feel there is any argument as to the value of an SRO, and it is really the bigger picture in question here.

Mr. Randolph stated that he has no doubt about the value of the position but does have concerns about the process, because for the Board to step in on the eve of the budget with a new position that was not a recommendation from the County Executive and the police department working together, which has not happened here. He said they have told the public no new positions, yet they are breaking their discipline because they think there is a position available, yet they are also removing an analyst position from the budget.

Ms. Mallek said she had asked that the money come from a different place, but she was not sure where Board members stand.

Ms. Palmer said that she thought they were going to switch them out because the policy analyst had only been there for a short amount of time.

Ms. Mallek noted it is not brand new, and was an historic position that had been there a long time. Mr. Foley confirmed that it had been put back in after it was cut.

Mr. Dill stated it is an important position, especially in light of strategic planning efforts coming up, and said that he does not agree with Mr. Randolph's assessment because they have some money from the jail and the schools, and it is the Board's job to be flexible and make things happen.

Ms. Mallek said there was part of the technology research program in the County Executive's budget that would be done by this policy analyst, so three-fourths of the position was covered in that category.

Mr. Foley noted it is expected that having that person on the project will save about \$50,000 going forward, and this is for organization-wide initiatives.

Ms. Mallek stated that she understands the concerns about going outside of the process, but when you serve as a liaison as Ms. McKeel is to the police department sometimes things arise that can generate new actions.

**Motion** was then offered by Ms. McKeel to amend the budget to add a School Resource Officer to be funded 50 percent by local government and 50 percent by schools. Ms. Mallek **seconded** the motion.

Roll was called and the **motion carried** by the following recorded vote:

AYES: Ms. Palmer, Mr. Sheffield, Mr. Dill, Ms. Mallek and Ms. McKeel.

NAYS: Mr. Randolph.

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Ms. Allshouse stated the Board will move into the tax rate and final budget resolution at their meeting on April 13, but she does want to provide additional information on some of the investment strategies in the current budget that had not been finished up on April 5.

Mr. Randolph asked if they had decided what to do with the \$47,180. Ms. Mallek responded they just spent it on the SRO.

Mr. Foley stated that most of that will go to meet local government's half of the position, and anything left will be moved into contingencies.

Ms. Allshouse stated that in looking at the FY18 budget, they want to move towards transforming the organization and addressing the long-term structural imbalance. She said that before non-departmental funds are expended, they are in a holding place in their budget prior to getting requests for appropriations. She said that one such fund is the economic development investment pool, development areas urbanization initiatives, which includes incentives to boost business opportunities and create improved urban environments and can be used for business development initiatives and small urban investment.

Ms. Mallek asked if these funds are intended to make the link to help projects get completed. Mr. Foley responded this has not been nailed down completely yet but can be used in an urban area to fund a bus stop, for example, or help businesses locate in a specific area, and while there is some funding for this in the economic development opportunity fund, this fund is much more on-the-ground funding.

Ms. Mallek asked if there is money remaining in the economic opportunity fund, so there should not be a full \$250,000 put in again this year. Mr. Foley said they have set aside \$250,000 in one-time money in the economic opportunity fund and have spent \$100,000, so there will be \$150,000 left in it that will be carried over, and it is felt that while they are developing the strategic plan the two funds will be sufficient. He stated if the Board supports the policy management analyst position that person can save \$50,000 through streamlining technology services, and that savings could be freed up for other uses.

Ms. McKeel asked why the existing technology staff would not be doing this. Ms. Mallek stated that this is one of many things the position would be doing.

Mr. Foley agreed and said they were originally going to hire a consultant to do the assessment, but now it would be done in house.

Ms. Palmer asked if the \$50,000 could go for a kiosk so that people can pay their tax bill. Mr. Foley responded that it would be saved in one-time money and can go anywhere, and said that he would love to have this money go into the innovation fund so they could have a kiosk once a teller is lost to attrition.

Mr. Sheffield said that Mr. Foley is looking for some direction from the Board as to some certainty as to whether they support the policy management position, and asked if it requires a motion.

Mr. Foley said he would not mind having a motion to support it.

Mr. Sheffield **offered** motion to reaffirm the Policy Management Analyst position. Ms. Mallek **seconded** the motion.

Roll was called and the **motion carried** by the following recorded vote:

AYES: Ms. Palmer, Mr. Randolph, Mr. Sheffield, Mr. Dill, Ms. Mallek and Ms. McKeel.  
NAYS: None.

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Mr. Foley pointed out that because they have reaffirmed the position, he would recommend that the \$50,000 in one-time money be moved to the innovation fund, which will be used only towards investment that helps address future challenges, and that fund would be the means by which to allocate it.

Mr. Sheffield stated that he supports it because the innovation fund has paid for itself at least two years in a row and has shown good results.

Mr. Sheffield **offered** motion to move \$50,000 in one-time money to the Innovation Fund for the purposes of strategic investments for the future. Ms. Mallek **seconded** the motion.

Roll was called and the **motion carried** by the following recorded vote:

AYES: Ms. Palmer, Mr. Randolph, Mr. Sheffield, Mr. Dill, Ms. Mallek and Ms. McKeel.  
NAYS: None.

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Ms. Palmer asked for confirmation that the economic development opportunity fund balance is \$160,000 and would pull down a state match. Mr. Foley confirmed that is accurate in both cases.

Ms. Palmer asked if the \$250,000 for the economic development investment pool has not been nailed down yet in terms of how it will be used. Mr. Foley said that is correct, and prior to spending any of it staff will bring that back to the Board for approval.

Mr. Dill asked if that money is already in the budget. Mr. Foley responded that it is part of the proposed budget.

Ms. McKeel asked if these monies were taken off the top prior to the split. Mr. Foley responded they were part of local government's 40% share.

Ms. Allshouse reported that the budget also includes \$125,000 for an efficiency study to focus on operations as well as regional opportunities and ideas, potentially in collaboration with the City, with \$100,000 targeted toward the study and \$25,000 added for implementation of ideas stemming from a local government/school study just completed with a lot of great efforts done by internal staff.

Ms. McKeel said the efficiency piece would also be great for schools to be a part of. Ms. Allshouse agreed, stating that previous collaborations have generated some good ideas.

Mr. Foley pointed out that this was an efficiency study for the local government side, and the schools have not proposed an efficiency study as part of this, but the \$25,000 for implementation was the result of the internal look at how schools and local government work together. He noted the resource advisory committee had recommended that both schools and local government do an efficiency study, but this proposal is just for local government.

Ms. Mallek stated there is still a lot of discussion to be done on this study prior to it going out for RFP. Mr. Foley agreed, adding that he has received feedback from several Board members as to how citizens would be involved in that process, and on May 4, staff will talk with the Board about priority-based budgeting and the efficiency study and how all of these elements will work towards a two-year plan, as well as how citizens might be involved.

Ms. McKeel said she does not want to lose track of all the good work that had already been done.

Mr. Dill stated that given the pushback in North Garden recently on the efficiency study, he wonders if there is another term that might be better perceived, as it seems to conjure up images of an outdated system. Ms. Allshouse said that years ago there had been a resource management study.

Ms. Mallek stated the resource management study ended up analyzing many things that were not really necessary or appropriate, and she wants to make sure they do not repeat that and ensure that the study is clear in its focus.

Mr. Foley said the County has had success with internal efficiency efforts in the past, such as downsizing 75 positions, but the scope of this should be carefully considered and an outside look might help with that and staff would come to the Board to seek further clarification on what the study should entail.

Ms. McKeel said that Ms. Catlin and her staff had done a good job of getting previous efficiency efforts onto the website. Mr. Foley noted there is a whole page known as the efficiency page.

Mr. Randolph stated the focus here is “regional efficiency,” and he does not have difficulty with the term in the context of regional capacity building. Mr. Foley noted that the study would have a broader base.

Ms. Allshouse reported that priority-based budgeting seeks to prioritize services to evaluate the relative importance of individual programs and services, to ensure they are doing the important things well, and cut back on the rest of things being done. She said this program really allows them to dig in and look at previous spending patterns, so the budget is viewed in a different way with all of the money on the table. Ms. Allshouse stated this approach shows the true cost of doing business and reveals the full costs of programs, and said that Mr. Bowman had set up a program and service inventory coming out of the recession, so with some refinement, Board and community priorities could be plugged into the model. She said the steps involved are to identify the most important strategic priorities, then rank programs and services based on how they align with priorities, then allocate funding in accordance with the ranking of priorities. Ms. Allshouse said the Board will talk more about this in May at their strategic retreat, and she presented a timeline showing identification of priorities in May and June, then rank them in July and August with input from the community and staff, and in the fall staff will develop the program and service inventory in accordance with the top priorities, then heading into November and December staff will align those with available resources. She stated that in January and February, staff will put together a two-year financial plan along with the FY18 budget for the Board’s review and approval. Ms. Allshouse said that staff has discussed the use of surveys, community focus groups and staff engagement, with those details to be worked out, but a fluid process that will involve input along the way.

Mr. Foley said the efficiency study or broader-based study is really about the two years, so some of those things might fall into the FY19 budget, and there may need to be a citizens’ community group that works along as part of that process.

Mr. Sheffield stated he has heard feedback from constituents that the Citizens Resource Advisory Committee was great, but it would be good to also engage residents who may not be as publicly known, such as retirees and relative newcomers, ex-CEOs of corporations, etc., who have time and an interest in the financial and operational inner-workings of the County.

Mr. Foley said that with that in mind, staff will bring something forward that addresses the committee composition and the scope of work, and perhaps it can be an advisory committee.

Ms. Mallek stated the “what” of the process begins with the program and service review. Mr. Foley responded that staff was thinking that there is a strategic plan now, but it is not funded, and there are a lot of other things the Board has identified as being important, so together they make a very big list. He stated that staff’s thought is that the “what” is what result the Board wants to get at with the fiscal plan, ranking the most important items, and a reallocation of programs and services as well as new revenues that might fund initiatives. Mr. Foley stated they will talk about this more at the next Board meeting, but staff wanted to provide a brief introduction to it at this meeting.

Ms. Allshouse reported that on April 13, the Board will set the tax rate and adopt the FY17 operating and capital budgets with the changes identified and approved today and hold a work session on the potential bond referendum for calendar year 2016. She stated that on May 4, the Board will approve the FY17 resolution of appropriations and in June can amend their CIP if they are going to move forward with a bond referendum.

Ms. Mallek said she is very glad they are starting in May, as things seem to fade away and suddenly it is January, and Mr. Foley has been clear that something different needs to be done.

Mr. Foley commented that having the Board identify priorities within the framework of their strategic plan at the Board retreat was a very important step in this process, and what they will be doing in May will get them to a point that they really have not reached in the past.

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Agenda Item No. 10. From the Board: Committee Reports and Matters Not Listed on the Agenda.

Ms. Mallek announced that she was recently appointed to the State Workforce Board.

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Agenda Item No. 11. From the County Executive: Report on Matters Not Listed on the Agenda.

There were none.

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Agenda Item No. 12. Closed Meeting.

At 8:15 p.m., Mr. Dill offered **motion** that the Board go into Closed Meeting pursuant to Section 2.2-3711(A) of the Code of Virginia under Subsection (1) to discuss and consider the appointment of a County Attorney. Mr. Sheffield **seconded** the motion.

Roll was called and the motion carried by the following recorded vote:

AYES: Ms. Palmer, Mr. Randolph, Mr. Sheffield, Mr. Dill, Ms. Mallek and Ms. McKeel.  
NAYS: None.

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Agenda Item No. 13. Certify Closed Meeting.

At 8:48 p.m., the Board reconvened in open meeting, and Mr. Dill **moved** that the Board certify by a recorded vote that to the best of each Board member's knowledge, only public business matters lawfully exempted from the open meeting requirements of the Virginia Freedom of Information Act and identified in the motion authorizing the closed meeting were heard, discussed, or considered in the closed meeting. Mr. Sheffield **seconded** the motion.

Roll was called and the motion carried by the following recorded vote:

AYES: Ms. Palmer, Mr. Randolph, Mr. Sheffield, Mr. Dill, Ms. Mallek and Ms. McKeel.  
NAYS: None.

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**NonAgenda.** Ms. McKeel **moved** to adopt the proposed resolution appointing Gustav Gregory Kamptner as Albemarle County Attorney effective June 1, 2016. Ms. Mallek **seconded** the motion.

Roll was called and the motion carried by the following recorded vote:

AYES: Ms. Palmer, Mr. Randolph, Mr. Sheffield, Mr. Dill, Ms. Mallek and Ms. McKeel.  
NAYS: None.

Mr. Davis extended his congratulations to Mr. Kamptner, and said that he has worked with Mr. Kamptner for 21 years and commented that he is well-prepared to lead the Board forward in the County Attorney's office.

Mr. Greg Kamptner thanked the Board and thanked Mr. Davis for his great mentorship over the past 21 years, stating that he enjoys his job.

(Note: the adopted resolution is set out below:)

#### **RESOLUTION APPOINTING THE COUNTY ATTORNEY**

**BE IT RESOLVED** by the Board of Supervisors of Albemarle County, Virginia, that Gustav Gregory Kamptner is hereby appointed the County Attorney effective June 1, 2016, that he shall serve at the pleasure of the Board, and that he shall have all those powers and duties set forth in Virginia Code Section 15.2-1542 and as otherwise provided by general law.

**BE IT FURTHER RESOLVED** that the Board of Supervisors hereby approves the proposed Employment Agreement for the County Attorney and authorizes the Board Chair to execute the Agreement subject to it being approved in final form and content by the County Attorney consistent with the Board's approval.

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#### **COUNTY ATTORNEY EMPLOYMENT AGREEMENT**

THIS AGREEMENT made this \_\_\_\_\_ day of June, 2016 by and between the Albemarle County Board of Supervisors, hereinafter "Employer" and Gustav Gregory Kamptner, hereinafter "Employee."

#### RECITALS

The parties recite and declare:

- A. Employer is in need of the services of a person possessing the skills and ability required to be the County Attorney; and
- B. Employee, through education and experience, possesses the requisite skills to perform these duties; and
- C. Employer desires, therefore, to engage the services of Employee as County Attorney under the direction of the Employer, pursuant to the authority vested in Employer by *Virginia Code §15.2-1542*.
- D. The parties acknowledge that Employee is a member of the Virginia State Bar and that Employee is subject to the Virginia State Bar's *Rules of Professional Conduct*.

For reasons set forth above and in consideration of the mutual covenants and promises of the parties, Employer and Employees agree as follows:

SECTION ONE  
Employment

The Employer employs, engages and hires the Employee as the County Attorney of Albemarle County, and the Employee accepts and agrees to this employment, engagement and hiring. It is acknowledged that, pursuant to *Virginia Code* §§ 15.2-529 and 15.2-1542, the County Attorney is not appointed for a definite tenure and may be removed at the pleasure of the Employer.

SECTION TWO  
Governing Law

This Agreement and the employment of the Employee shall be subject to all applicable provisions of the *Code of Virginia* (1950), as amended, the Code of the County of Albemarle and policies adopted from time to time by the Employer (including the provisions of the Albemarle County Personnel Manual), relating to sick leave, retirement and life insurance contributions, holidays, other fringe benefits, and other matters not specifically addressed in this Agreement.

SECTION THREE  
Duties

The Employee is hereby delegated the following powers and duties:

- A. The statutory powers and duties for a County Attorney as set forth in *Virginia Code* §15.2-1542 and all powers and duties for a County Attorney set forth in any other sections of the *Code of Virginia* (1950), as amended.
- B. Powers and duties delegated or imposed by (i) the Albemarle County Code or (ii) a duly adopted motion, resolution, or ordinance of the Albemarle County Board of Supervisors.

SECTION FOUR  
Terms of Employment

- A. This Agreement shall be for a term beginning on June 1, 2016 and ending on June 30, 2017. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Employer to terminate the services of the Employee at any time, subject to the provisions set forth in Section 4E of this Agreement.
- B. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Employee to resign at any time, provided the Employee gives written notice to the Chairman of the Board of Supervisors at least forty-five (45) days prior to the effective date of the resignation, unless the parties otherwise agree.
- C. The Employee shall remain in the exclusive employ of the Employer and devote all of the Employee's working time, attention, knowledge and skills solely to the interests of the Employer, and the Employer shall be entitled to all of the benefits arising from or incident to all work, services and advice of the Employee. The term "Employee's time" shall not be construed to include the Employee's annual time off.
- D. The Employee shall maintain a permanent place of residence within Albemarle County. Permanent place of residence shall be defined to include the purchase or lease of a residential dwelling unit and the occupancy of that dwelling no less than 75% of the time during an average work week while in the active employment of the County.
- E. In the event any Board of Supervisors terminates or fails to reappoint the Employee at any time during his employment by the Employer, the Employee's rights to benefits and compensation shall be governed under Section Nine or Section Twelve, below.

SECTION FIVE  
Compensation

- A. Salary – The Employer shall pay the Employee, and the Employee shall accept from the Employer, an annual salary of \$160,000 effective June 1, 2016 payable in installments as provided for County employees generally. Additionally, the Employer agrees to review the performance of the Employee on or before June 30<sup>th</sup> of each year and, upon satisfactory performance review, consider an increase in annual salary. The Employee shall annually provide the Employer a survey of the market for his comparable position in similar localities to aid the Employer's review of whether the Employee should be considered for a market adjustment of the Employee's annual compensation.
- B. Deferred Compensation – The Employer agrees to contribute annually \$24,000 to an eligible deferred compensation program selected by the Employee.

SECTION SIX  
Benefits

- A. The Employer agrees to provide the Employee with annual leave equivalent to that of an employee with twenty-one (21) years of consecutive employment with the County.
- B. The Employer agrees to provide such other benefits to the Employee that are provided to all County employees pursuant to the Personnel Policy & Procedures Manual.

SECTION SEVEN  
Dues, Memberships, Education and Meetings

- A. The Employer agrees to budget and to pay for the professional dues and subscriptions of the Employee necessary for his continuation and full participation in national, regional, state and local associations and organizations necessary and desirable for his continued professional participation, growth, and advancement, and for the good of the Employer.
- B. The Employer hereby agrees to budget for and to pay the travel and subsistence expenses of the Employee for professional and official travel, meetings and occasions adequate to continue the professional development of the Employee and to adequately pursue necessary official and other functions for the Employer, including but not limited to the annual conference of national, regional, state and local government attorney groups and committees thereof which the Employee serves as a member.
- C. The Employer agrees to budget and to pay for the travel and subsistence expenses of the Employee degree courses, institutes, and seminars that are necessary for his professional development and for the good of the Employer.
- D. The Employer reserves the right to determine whether the Employee is devoting the appropriate amount of time to professional development and may review and direct the Employee to balance the amount of time deemed necessary for his professional development against the other needs of the Employer.

SECTION EIGHT  
Performance Evaluations

- A. The Employer, acting through its Board of Supervisors, shall conduct an annual performance review of the Employee on or before June 30 of each year. Said review and evaluation shall be in accordance with the specific criteria developed jointly by the Employer and the Employee. Said criteria may be changed from time to time by the Employer, in consultation with the Employee. The Employer shall provide the Employee with a written summary of the findings of the Employer and provide an adequate opportunity to discuss said evaluation.
- B. The Employer shall annually establish goals and performance objectives which it determines necessary for the proper operation of the County Attorney's Office and the attainment of the Employer's policy objectives, which shall be reduced to writing.

SECTION NINE  
Termination and Severance Pay

- A. In the event the Employee is terminated by the Board of Supervisors or resigns at the request of the Board, the Employer agrees to pay for the continuation of all compensation provided in Section Five and health insurance benefits provided for in Section Six, paragraph B, for the current month and for six additional months on a monthly basis beginning the next month after the date of separation from employment. However, if less than ninety days of notice of such termination, resignation, or non-extension is provided by the Board to the Employee prior to the date of separation, then the continuation of such compensation and health benefits shall extend to nine months from the date notice of such termination, resignation, or non-extension is given by the Board to the Employee. If the date of separation is advanced for any reason after the initial notice, the date of the initial notice shall be used to compute the length of additional compensation and health benefits. The Employee shall also be compensated for all earned vacation and other accrued benefits earned up to the date of termination, excluding any accrued sick leave, as provided in the Personnel Policy & Procedures Manual.
- B. In the event the Employee is terminated for cause, then in that event, the Employer shall have no obligation to provide the payments designated in the above paragraph, with the exception of the obligation to pay all compensation, earned vacation and other accrued benefits earned up to the date of termination, excluding any accrued sick leave, as provided in the Personnel Policy & Procedures Manual.
- C. In the event the Employer at any time during the term of this Agreement reduces the compensation or other financial benefits of the Employee in a greater percentage than an applicable reduction for all other management level employees of the Employer, or for a reason not related to budget reductions caused by adverse fiscal circumstances of the

County, or in the event the Employer refuses, following written notice, to comply with any other provision benefitting the Employee herein, or the Employee resigns following a suggestion, whether formal or informal, by the Board of Supervisors that he resign, then, in that event, the Employee may, at his option, be deemed to be "terminated" at the date of such reduction or such refusal to comply and shall be entitled to the payments in paragraph A, above.

SECTION TEN  
Liability Insurance

The Employer shall provide full liability insurance, in an amount at least equal to that provided for the Board of Supervisors, to cover the Employee against any loss from tort, professional liability claim, or demand, or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of the Employee's duties hereunder, unless the act or omission occurring in the performance of the Employee's duties involved willful or wanton conduct.

SECTION ELEVEN  
Bonding

The Employer shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

SECTION TWELVE  
Disability

If the Employee is permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity, or health for a period of twelve (12) successive weeks, the Employer shall have the option to terminate this Agreement, subject to the severance pay requirements of Section Nine, paragraph A. In addition, for any termination made for the reasons set forth in this section, the Employer agrees to pay the Employee for 25% of all unused accrued sick leave earned up to the date of termination.

SECTION THIRTEEN  
Extension of Agreement

If the Employee is not notified by the Employer of termination or alteration of contractual terms before the expiration date of this Agreement, it shall be extended on the same terms and conditions for an additional year.

All amendments to this Agreement shall be mutually agreed upon by the parties.

SECTION FOURTEEN  
Modification

A modification or waiver of this Agreement or of any covenant, condition or provision of it, shall not be valid unless in writing and executed by the parties.

SECTION FIFTEEN  
Severability

All Agreements and covenants in this Agreement are severable, and in the event any of them shall be held to be invalid by any competent court, this Agreement shall be interpreted as if the invalid Agreements or covenants were not contained.

SECTION SIXTEEN  
Entire Agreement

This written Agreement embodies the whole agreement between the parties. There are no inducements, promises, terms, conditions, or obligations made or entered into by either the Employer or the Employee other than those contained in this Agreement.

IN WITNESS THEREOF, the Albemarle County Board of Supervisors has caused this Agreement to be signed and executed on its behalf by its Chairman and the Employee has signed and executed this Agreement, both in duplicate, the day and year first above written.

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Liz A. Palmer, Chair  
Albemarle County Board of Supervisors

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Gustav Gregory Kamptner

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Agenda Item No. 14. Adjourn to April 13, 2016, 3:00 p.m.

At 8:50 p.m., Ms. McKeel **moved** to adjourn the Board meeting to April 13, 2016 at 3:00 p.m. Ms. Mallek **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Ms. Palmer, Mr. Randolph, Mr. Sheffield, Mr. Dill, Ms. Mallek and Ms. McKeel.  
NAYS: None.

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Chairman

Approved by Board
Date: 07/06/2016
Initials: TOM