

An adjourned meeting of the Board of Supervisors of Albemarle County, Virginia, was held on April 11, 2017, at 6:00 p.m., Lane Auditorium, County Office Building, McIntire Road, Charlottesville, Virginia. This meeting was adjourned from April 5, 2017.

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

ABSENT: None.

OFFICERS PRESENT: Interim County Executive, Doug Walker, County Attorney, Greg Kämtner, Clerk, Claudette Borgersen, and Senior Deputy Clerk, Travis O. Morris.

Agenda Item No. 1. Call to Order. The meeting was called to order at 6:03 p.m., by the Chair, Ms. McKeel.

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

Agenda Item No. 2. **Public Hearing:** To receive comments on Proposed Operating and Capital Budgets for FY 2017-2018. (*Advertised in Daily Progress on April 2 and April 3, 2017*)

Mr. Walker presented the Fiscal Year 2018 Albemarle County budget, which he said had now been proposed by the Board of Supervisors. He reported that the proposed budget totals almost \$400 million, with revenues reflecting resources coming from property taxes and other local taxes, state revenue contributing about 20%, federal revenue providing much less than that, and use of fund balance and borrowed proceeds rounding out the remainder. Mr. Walker said that on the expenditure side, the school division relies on 60% of the total budget for operating, capital, and debt service; general government takes up 36%; and revenue sharing with the City of Charlottesville consumes 4% of the total budget.

Mr. Walker stated that the total combined operating and capital budget of \$397.1 million reflects an increase of 5.8% or \$21.6 million over the previous year, with a 5.1% increase in operating expenditures and a 12.8% increase in the capital budget. On the revenue side, he said, the County has experienced a moderate increase of just under 3% in the total assessed value of real property, reflecting a larger increase than in the past and an overall market improvement. Mr. Walker stated that revenue growth overall has increased by 6.5%, supporting the general fund and reflecting increased state revenues of 1.6%, primarily supporting the school division and Social Services, and a larger percentage but smaller number from federal revenue increases for Social Services. He said the budget was built on a real estate tax rate of 83.9 cents per \$100 of assessed value, which is the current rate, with the total assessed value of property, excluding additional assessments due to new construction, exceeding last year's by 2.87%. Mr. Walker noted that a lowered tax rate of 80.9 cents per \$100 of assessed value would yield the same revenue as last year, making the effective tax rate 3 cents lower, or 3.71%. He said that due to the varying nature of changes in assessed value for individual properties, the taxes and assessed value may be different from property to property.

Mr. Walker reported that the budget, as developed, is focused on a number of important priorities for the Board, including those identified through their strategic planning process in 2016, implementing actions to ensure completion of those priorities identified by the Board. He stated that the priorities focus on urban redevelopment and revitalization activities, including the neighborhood redevelopment and funding initiative, which has had significant involvement from the citizens advisory committees around the County, investments in economic development, and entrance corridor beautification. Mr. Walker stated that the budget also includes support for the Pantops Master Plan-Rivanna River Corridor, a Finding Families pilot program in Social Services, and increased agency support for expanding hours at Northside Library, expansion for the Boys & Girls Club at Southwood, the Senior Center at Belvedere, the Women's Treatment Center at Region Ten, and fully funding the Jefferson Area Board for Aging's budget request.

Mr. Walker stated that the theme for this budget focuses on transformation, with intent to maximize cost savings, improve efficiency, and overall operational improvements in productivity, including conversion of paper records to a digitized platform, and converting the copy center to an imaging center. He said this effort also expands the Innovation Fund, which operationalizes ideas from employees that improve productivity, service to the public, and cost savings; a Diversity Inclusion Generalist in the HR Department to help the organization better reflect community diversity; Fire/Rescue system fleet consolidation, which expands previous efforts such as fuel consolidation and turnout gear, to provide more efficiency in the overall management of the combined volunteer and career system fleet. Mr. Walker noted that there were additional resources added for time and attendance system completion, which will occur over the course of the next fiscal year.

Mr. Walker reported that this budget includes a 2% market adjustment, implementation of a remedy to relieve entry level compression, an increase in Board and employee support for health insurance costs, and an increase in training funds. He stated that staffing resources include strategies to use temporary or contractual resources and one-time monies for one-time needs, continuing approved positions that were added for the FY17 budget year, including support for capacity in Community Development, making adjustments for part-time positions to full-time, as well as adding new positions, including an assessor position and an urban planner to support revitalization and redevelopment. Mr. Walker said that strategic investments include a 2016 general obligation bond issue, taking advantage of

currently lower interest rates; use of end-of-year funds from FY16 to support the capital program; increasing the amount of ongoing cash in support of projects, to reduce the need for debt in the out years; and deferring the projected tax rate increase in the current CIP model.

Mr. Walker reported that the budget includes support for the Senior Center at Belvedere; the County's share of the Piedmont Virginia Community College site work; increased investment for the state transportation revenue-sharing program, which is a 50/50 match with the state; undertaking school improvements supported by the bond referendum; continuing support for school and general government facilities maintenance and replacement needs, as well as projects identified through the CIP process; and addition of Acquisition of Conservation Easements (ACE) program funding, which is an important component of the County's land management, conservation and growth management strategy. Mr. Walker reported that mandates and obligations reflect transfers for debt service, the fire fund, the water resources fund, the school system, and the revenue-sharing payment to the City.

Mr. Walker stated that the County does anticipate challenges going forward even after the budget is adopted, with an uncertain economy at the state and federal levels, remaining unmet staffing needs, and projects identified in the capital needs assessment that continue to be unfunded due to an overall underfunded capital program, which will be discussed with the school division in the coming months. Mr. Walker summarized his budget presentation, stating that the budget supports action to implement the Board's strategic priorities: achieve transformation that will implement the Board's strategic priorities; achieve transformation that will promote efficiency and productivity; sustain a responsive, flexible, and high-quality organization; investing resources into the capital improvement plan to build the County's future; meeting obligations and mandates; and maintaining program and service levels.

Mr. Walker noted that there would be two public hearings, one on the capital and operating budget and one on the proposed tax rate, anticipating final budget approval on Tuesday, April 18.

Ms. Mallek asked for clarification that the Fire/Rescue system fleet consolidation is for maintenance of vehicles, not for any other consolidation of operations. Mr. Walker confirmed that it is only for maintenance.

The Chair opened the public hearing on the operating and capital budgets for FY17-18.

Ms. Marta Keane addressed the Board, stating that she lives in the Rio District and is the CEO of the Jefferson Area Board for Aging (JABA), and thanking the Supervisors and County staff for continuing to fund the services and supports that allow seniors to age in the community. Ms. Keane stated that the services are for those who are most vulnerable, and JABA is projecting that there will be over 7,000 people in the next year that the funds will help serve. She endorsed the proposed budget and hopes the Board will approve it, stating that JABA wants to continue to collaborate to find efficient and effective ways to help seniors. Ms. Keane noted that through this process, JABA has started a pilot with the Department of Social Services to help people who are limited in what they can do but can be helped by JABA and the Department of Social Services (DSS). She said that JABA will also continue a pilot project with the rescue squad for "frequent customers," focusing on social determinants, as they play a big part in healthcare.

Mr. Robert Hogue of the Samuel Miller District addressed the Board and stated that he helps six senior citizens, none of whom he is related to, and said they all have different needs. He stated that this help can be getting the mail, doing laundry, going to the basement freezer, cutting firewood, removing snow, mowing the yard, and being on a list as a back-up driver for them, all at no charge. Mr. Hogue said that he does not want any of his tax dollars going to the Senior Center, as its purpose is to provide entertainment for its members, and senior citizens should be responsible for their own entertainment. He stated that if the County does fund the Senior Center with tax dollars, they need to get in writing that the Center can never come back for more money. Mr. Hogue said that property tax relief for the elderly and disabled should have their tax deferred until their death, and currently the program costs the taxpayers money to manage. Mr. Hogue said that some people do not want to work, so they fake pain or an illness to be on disability. He stated that if the Board chooses to have a public bus service, the riders should pay most of the cost so the rest of the taxpayers do not get stuck with the bill. Mr. Hogue said that Supervisors need to be willing to end this bus service if there are not enough riders to be cost effective. He stated there needs to be more individual responsibility, and having children is a choice, so parents should take more financial responsibility for them. Mr. Hogue emphasized that the Board needs to quit being so generous with tax dollars to support every cause that comes along, and his taxes should be lowered.

Mr. Gary Grant of the Rio District and an Earlysville resident addressed the Board, stating that while he was splitting wood today for 2019, it occurred to him that whomever is on the Board in 2018 would pass an appropriation to give the first \$500,000 to the private Senior Center incorporated for the building of their new center at Belvedere. Mr. Grant presented a piece of his firewood, stating that this correspondence becomes part of public record, which the Chair may not dispose of, and the correspondence says, "BOS Chair – no public money for private purposes," and is signed by his name and residence. Mr. Grant stated that he opposes the use of \$2 million in public money for a private club, and thanked the Board.

Ms. Eleanor Matano addressed the Board, stating that she lives near Crozet and is before them because she is upset that the County is considering giving \$2 million to the Senior Center. Ms. Matano stated that the Senior Center is a private club, and she does not want her tax dollars to go up because of that, unless the Board can give her a good reason. She said at the town hall meeting in Whitehall,

everyone was opposed to this funding, and she had not heard why the County thinks it should fund it.

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

Agenda Item No. 3. **Public Hearing:** To receive comments on Proposed Calendar Year 2017 Tax Rates for Real Property. (*Advertised in Daily Progress on April 2 and April 3, 2017*)

With no other comments from staff, the Chair opened the public hearing.

There being no speakers, the Chair closed the public hearing.

Mr. Sheffield stated that when pondering creation of the fleet manager position, his thoughts, as he expressed in a recent email, went to the deficits created by the Fire/Rescue stations in the past year. He said he does not necessarily wish to discuss it at this meeting, but would like to prepare for a discussion the following week, officially asking staff to put together information on the deficit for all stations. Mr. Sheffield noted that he had already received this from Seminole and had asked Earlysville, and his comment in his email was to explore using FY16 surplus funds, since that was the most relevant to the year they had a deficit. He stated this could possibly set a precedent for FY17, but this is something they should weigh when acknowledging there is a problem with fleet maintenance, and there would also be a legacy issue to deal with.

Ms. Mallek said the information Andy Bowman distributed had some charts, but each Supervisor should contact their station Chiefs to get the most recent information, at least for the last two years.

Ms. McKeel stated that Mr. Walker has indicated that he would come back to the Board with this information.

Ms. Mallek noted that the three stations in the Whitehall District have a deficit of approximately \$140,000 just for the last year.

Mr. Dill asked if they should get this information from their Chiefs, or if Mr. Walker will do it. Mr. Walker responded that staff will go ahead and find that out, and he will be prepared to discuss this with the Board on April 18.

Ms. Palmer stated that the Board has now heard a lot of comments about the Senior Center, including that it is a "private club." She said she does not know a lot about the Center's discounts for those who cannot afford it, or how that works, and the Board has discussed the fact that the Senior Center is a way to leverage public funds to get more activities and services for seniors, but she wonders if anyone else might have more information.

Ms. Mallek said the Senior Center project has reminded her of the YMCA, and about 10 years ago former Supervisor Ken Boyd said that he supported the construction of the YMCA for the same amount of money because it was a 5% investment in the building alone, with no operating expense to the County, and as a fiscal conservative, he felt that was a really good thing. Ms. Mallek noted that compared to other counties like Albemarle, almost all of them have departments staffed by full-time County or City personnel who are carrying out the programs that the Senior Center provides. She stated that the math works for her in several ways, and she has been to a lot of programs there and has participated in fundraisers, and about 70% of the Center's programs charge no fee and are completely open to the public, as well as there being scholarships available for people who cannot afford any paid programs. Ms. Mallek said the Board can encourage the Senior Center to make sure they continue to provide the maximum in scholarships to ensure they include everyone, but they already host a diverse group of participants. She stated that there are many people, including those in rural areas, who benefit from these programs and find they provide a reason to get out of bed.

Mr. Dill stated that one of the County's key missions is to try to educate people for their entire lives, from preschoolers to senior citizens, and the Senior Center is more of an educational operation than an entertainment one. He emphasized that the Center is not just people sitting around watching TV and movies, but it is people learning about world events, political situations, and hobbies to keep them active. Mr. Dill said the County also supports the health of its residents in a variety of ways, and a lot of what the Senior Center does is exercise, therapy, physical activities, cooking and eating healthier, etc. He stated that the County is paying relatively little for the services that will be received in return, which is what the County usually does in supporting things like the Legal Aid Justice Center, JABA, and others, all of which provide services that generally the County would need to provide. Mr. Dill said no one is turned away due to inability to pay, and about 20% or so of participants get reduced cost memberships.

Ms. McKeel noted that she would be participating in a paper-shredding event to be held in the Senior Center parking lot at the end of April, adding that she agrees with everything that the other Supervisors have said.

Mr. Randolph said he has made comments on this before and would have comprehensive comments at their meeting the following week.

Agenda Item No. 4. From the Board: Committee Reports and Matters Not Listed on the Agenda.

Ms. Mallek requested that there also be paper copies for the citizens survey on desired attributes for the new County Executive, in addition to the online survey format, which the Clerks and others could send to people if they call and request them.

Ms. Palmer reported that she and Mr. Randolph had held a public meeting at the County Office Building – 5th Street the previous evening to discuss traffic and safety issues on 5th Street Extended, Old Lynchburg Road, and Sunset Avenue, with more than 80 people in attendance. She stated that it was a good discussion, with Joel DeNunzio speaking for VDOT, Lieutenant Stoddard of the Police Department, as well as County Transportation Planner, Mr. Kevin McDermott. She added that there were also some City representatives present, including some who offered good comments.

Ms. Mallek noted that the connection between the City and the County at Sunset Avenue is closed. Ms. Palmer confirmed that it is, but going through Azalea Park into Fry's Spring has become a big problem. She mentioned that one woman who lives in the area has a speed meter on her house that checks speeds, and has clocked a driver at 64 mph going into Fry's Spring on that road.

Ms. McKeel said that she and Mr. Dill had taken the tour there, and Mr. Dill commented that it is a dangerous area.

Mr. Sheffield stated that the camera on Locust Avenue is a good tool to remind people that there are people out there watching, and at JAUNT they do take action.

Ms. Mallek said that she will call about school buses, cement trucks, and other companies.

Mr. Sheffield stated that former Police Chief, Steve Sellers, said that they try to educate first, then enforce, so the more they can try to get the community to help educate drivers, the better.

Ms. Mallek asked what happened to the plan to get lighted signs that show driver speeds, because they had planned to get about 10 of them a year ago to be moved around. Mr. Walker responded that he would find out the status and let them know.

Ms. Mallek said that Reas Ford would be another location for them.

Agenda Item No. 5. From the County Executive: Report on Matters Not Listed on the Agenda.

Mr. Walker reported that in preparing for their conversation next week regarding volunteer maintenance vehicle costs, he asked Ms. Mallek whether the last two years were FY15 and FY16, or FY16 and FY 17 as the current year.

Ms. Mallek apologized for being unclear, stating that her question pertained to the unfunded parts of their budget for those two years, noting that Earlysville had spent \$45,000 in 2015 to do repairs on a brand new fire engine that was a lemon. She stated that some of those categories have been brought into what would be funded by the County going forward, which would be a big help, and this would be part of the same discussion held before about the kinds of extra services.

Mr. Walker stated that staff would be preparing for a conversation with the Board about the volunteer funding policy, which would get into those expenses and those that are not, and his understanding was that this would look specifically at the gap between what was budgeted for vehicle maintenance on an agency by agency basis, and what was spent on vehicle maintenance.

Mr. Sheffield confirmed that was his request.

Mr. Walker said the clarification he was looking for was whether the time period of the last two years meant FY17/16, or FY16/15. Mr. Sheffield responded that he is interested in FY17/16 at this point.

Mr. Dill stated that they should find out what the 2015 was though, because one station may have had more in 15 and less in 16, and it would not be fair for them to not get anything because they had put it all in 15. He said they should at least see what it is and then decide, as there needs to be some fairness between the stations relative to their size.

Mr. Walker said that staff was planning to have a discussion about the broader funding policy before getting into next year's budget process.

Ms. Mallek mentioned that Mr. Andy Bowman's email from the previous Friday showed a \$9,000 unfunded amount for Crozet, but it did not include all of the categories, which would have made that total about \$55,000, and those categories are all covered for Stations 11, 12, and 15. She commented that there are huge inequities, and that is a real problem.

Mr. Walker said this was a broader look than what was originally identified.

Mr. Sheffield asked Ms. Mallek if she wanted to look at what the stations have requested versus what has been allocated in the FY18 budget. Ms. Mallek responded that she definitely did.

Mr. Sheffield said that most of the stations probably already have that comparison.

Mr. Walker noted that Ms. Lori Allshouse confirmed that they did.

Ms. Mallek said now is the time to address this, as they have been talking around the fringes of this issue for eight years and need to discuss it during the budget process.

Mr. Sheffield pointed out that his original request for vehicle expense was to look at using surplus funds to help sure that up, and the conversation at the next level for FY18 budget requests versus allocated would touch on where the money comes from.

Ms. Mallek responded that there is an extra \$1 million in the fire fund this year, so that would probably be a good place to look.

Mr. Walker clarified that staff would bring back information on the difference between what was spent and what was budgeted for vehicle maintenance costs on an agency-by-agency basis for FY15, FY16, and projected for FY17. He said they would also bring back information on requests not funded for the volunteer agencies for the FY18 budget, recognizing that there is a conversation to be held with the Board over the summer pertaining to agency funding policy, in advance of the next budget cycle.

Ms. Mallek said they may also need to have the policy discussion on April 18, stating that she had been told five times that they would have that discussion in the summer, but it never happens.

Mr. Walker stated that at this point, staff could not reasonably be prepared to have a policy discussion that involved input from FEMS, which staff had anticipated including. Ms. Mallek responded that they could read what the policy is and assess whether there is a difference between stations 11, 12, 15 and 16 in terms of amenities and stability, versus all the other stations. She said the analysis should pertain to whether their working conditions are different to the volunteer stations, and that would not require a lot of preparation.

Mr. Walker asked if she anticipates changes to the FY18 budget, based on an interpretation of the funding policy or changes to the funding policy. Ms. Mallek responded that it would certainly be her wish, but she may be the only one.

Mr. Dill said that he would like to do that too, and while it is late in the budget season, it seems not to have arisen until recently.

Ms. Mallek pointed out that it had been mentioned before.

Mr. Sheffield asked when they were planning to have the next strategic plan update discussion. Mr. Walker responded that it would be May or June. Ms. McKeel confirmed that it is scheduled for June.

Mr. Sheffield said he does not mind discussing it on April 18, but the most appropriate time to discuss it is during the Board's discussion of strategic priorities. He stated that the strategic plan is what staff takes to translate into a budget, so the more they can articulate expectations in that document, the more staff can take direction, and the more the Board can hold them accountable.

Ms. Mallek stated that in terms of the policy discussion, this had been evolving with the Assistant County Executive, who had been responsible for that category over the past 15 or so years. She said that it has very slowly been becoming more appropriate and was much more punitive 10 years ago, but she wants to take bigger steps to fix it, as people are getting impatient about not having the basics at their stations.

Mr. Dill asked how much the requests were from Fire/Rescue versus how much was approved. Mr. Walker responded that they would discuss it on April 18.

Ms. Mallek said she had just forwarded Mr. Dill the email from Mr. Andy Bowman that included the charts with that information.

Mr. Dill asked if it was an entirely separate issue to look at the policy and other things that need to be paid for, with input from the FEMS Board. Ms. Mallek responded that the categories excluded off the top were the main concern, because that happens perpetually, and two years ago there was a change to try to standardize the budget application, with items previously considered as being standard pushed off to a second page where they were quickly forgotten.

Mr. Walker stated that the discussion on the volunteer funding policy is slated for July 5, and he would like to clarify what information staff can provide to the Board in advance of April 18.

Ms. Mallek reported that Seminole was short \$25,000 but that amount is really about \$40,000; Western Albemarle was short \$31,000 but it was really \$60,000; and there was a lot more information not included on the list. She stated that this is their last chance to deal with this, and she has raised the issue every few months.

Mr. Walker stated that staff can provide a copy of the policy to the Board next week, and a discussion is planned for July 5th regarding the funding policy, as part of their strategic work.

Mr. Dill asked if they would be covering enough at this point if they talk about repairs and

maintenance on April 18, as well as the unfulfilled requests, with the strategic work done in July in an effort to do this right next year. Ms. Mallek responded that skipping the maintenance person to be hired and using that money instead to better fund the stations makes sense to her, but the main concern has been that one maintenance person could never do that job, so it would end up being a person just scheduling other repair work.

Mr. Sheffield said that he really wants to have this conversation, but does not want to do it without the proper empirical information in front of him.

Mr. Dill said they would have the fleet maintenance costs for FY15 and FY16.

Mr. Sheffield stated that Mr. Walker would also be providing the station requests versus allocations for the FY18 budget, which will help their conversations on policy.

Mr. Dill mentioned that they could make changes in the funding for both of those categories at their meeting April 18.

Mr. Walker agreed that they could, to the extent the opportunity is there through this budget approval. He said that staff's response to this question about the volunteer funding policy when it came up most recently was to get it on the agenda before the next budget cycle, which was why they put it on the Board's agenda for July 5th, and did not anticipate at the time that it would be part of the considerations for the FY18 budget.

Ms. McKeel said her understanding was that they had agreed on the July timeline, but they could have that discussion going forward.

Agenda Item No. 6. Closed Meeting. *(if needed)*

There was no need for a closed meeting.

Agenda Item No. 7. Adjourn to April 12, 2017, 3:30 p.m., Lane Auditorium.

At 6:54 p.m., Ms. Palmer offered **motion** to adjourn to April 12, 2017, 3:30 p.m. Ms. Mallek **seconded** the motion.

Mr. Sheffield mentioned that the Commonwealth Transportation Board was meeting the following week, and if more than two Board members plan to attend, they would need to adjourn from their April 12th meeting to the CTB meeting.

Ms. McKeel asked the Clerks to confirm the exact time for that meeting, and the Board could finalize that at their April 12 meeting.

Roll was then 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.

Chairman

Approved by Board
Date 09/06/2017
Initials CKB