

A special meeting of the Board of Supervisors of Albemarle County, Virginia, was held on March 4, 2019, at 3:00 p.m., Room 241, County Office Building, McIntire Road, Charlottesville, Virginia. This meeting was called by the Chair, Mr. Gallaway, for the purpose of allowing a quorum of Board members to convene an open meeting, to attend and hold discussion at a work session for the FY 2019-2020 Operating and Capital Budget.

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

ABSENT: None.

OFFICERS PRESENT: County Executive, Jeff Richardson, County Attorney, Greg Kamptner, Clerk, Claudette Borgersen, and Senior Deputy Clerk, Travis O. Morris.

STAFF PRESENT: Deputy County Executive, Doug Walker, Assistant County Executive, Trevor Henry, Director, Office of Management and Budget, Lori Allshouse, Budget Manager, Andy Bowman, Grants and Budget Analyst, Holly Bittle, Senior Budget Analyst, Tia Mitchell, and Chief Financial Officer, Bill Letteri.

Agenda Item No. 1. Call to Order. The meeting was called to order at 3:01 p.m., by the Chair, Mr. Gallaway.

Mr. Gallaway introduced Board staff and the presiding security officers, Officer K. Hernandez. Board members, followed by County staff, introduced themselves.

Agenda Item No. 2. **Work Session:** FY 2019-2020 Operating and Capital Budget.

- Complete Review of Board "List" Items
- Finalize Tax Rate for Advertising

Ms. Allshouse said this work session was intended to finalize the tax rate for advertisement and to approve the Supervisors' budget for the public hearing. Ms. Allshouse noted that there were two other placeholders on the calendar on March 26 and March 28, if additional work sessions are need. The public hearing on the Board's proposed budget and the tax rate was scheduled for April 9. She said that April 16 was when the Board would set the tax rate and approve their budget.

Ms. Allshouse said the agenda was to begin with a quick high-level recap of what was in the County Executive's recommended budget, then there would be a review of the potential adjustments to that budget as discussed at the previous meeting. She said that County staff would then ask the Board to approve the proposed FY2020 budget by motion, followed by the finalization of the tax rate for advertising by motion.

Ms. Allshouse said the County Executive's FY2020 budget was based on Board guidance obtained through the County's long-range planning process. She said there was sustained economic growth, and the budget was balanced against an uncertain longer-term outlook. She said the budget invested in 21st Century infrastructure to further the County's vision, reinforces a foundation of government services, and was balanced on a recommended tax rate of \$0.854 per \$100 of assessed value; an increase of 1.5 cents in Calendar Year 2019 that would be dedicated to the Capital Improvement Program.

Ms. Allshouse said the total County budget including all funds was \$456.8 million and has been reviewed by the Board at earlier work sessions. She said the Board spent a lot of time on the general fund budget, which was at \$306.7 million, and the general government side of the budget includes a net increase of 15.5 positions as discussed at previous work sessions.

Ms. Allshouse said the budget process also includes investments of year-end money from the undesignated fund balance into FY2019, and after the budget was approved by the Board, staff would later return with an appropriation for some of that money for the current budget. She said the rest of the money could be put to work in the FY2020 budget. She said the use of one-time funds was indicated throughout many pages in the budget document.

Ms. Allshouse said she also wanted to mention that the FY2020-2024 Capital Improvement Program was a five-year plan with \$207.6 million, which assumes a real estate tax rate increase of 1.5 cents in Calendar Year 2019 and a 1.5-cent tax rate increase in Calendar Year 2020 to support the Capital Improvement Program and debt over the five-year period.

Ms. Allshouse said the budget includes a transfer to the school fund of \$138.2 million, which was an increase of \$6.9 million or 5.2 percent over last year. She said it also includes \$50,000 in operating expenses associated with the bond funding for Western Albemarle High School's Environmental Studies Academy. Ms. Allshouse said there was a \$426,574 funding gap between the School Board's budget request and the County Executive's recommended budget.

Ms. Allshouse asked if there were any questions.

Ms. Mallek asked for a clarification on the last slide related to the 5.2 percent increase in the transfer to the school fund. She asked if the 5.2 percent increase was from a natural growth from the funding formula. Ms. Allshouse responded that it was.

Ms. Mallek asked if the \$50,000 in operating expenses for the academy was included in the formula. Ms. Allshouse responded it was in addition to the formula.

Ms. Allshouse said she would also highlight previous direction the Board provided to staff, which includes revising the Capital Budget, which was the first year of the Capital Improvement Program, to reprioritize the initial phase of Biscuit Run Park in place of Hedgerow Park. Ms. Allshouse said the Board also told staff to continue to hold \$2 million in a strategic reserve for the purpose of advancing strategic priorities. The Board discussed, at the last meeting, some potential adjustments that Mr. Galloway referred to as "a parking lot of ideas" the Board identified and asked staff to do more work on.

Ms. Allshouse said she also would display information on a chart that staff put together to capture requests and direction that were made at conversations at the previous meetings. She said the Board asked staff to identify resources to support potential additions to the FY2020 budget. She referred the Board to a list of names of potential positions or additions on the left of the slide, one of which was a Crozet connector bus; the other four were potential positions. Ms. Allshouse said that staff also displayed on the right of the slide the net ongoing cost, which refers to one-time expenses in addition to the ongoing costs. Ms. Allshouse said that when the County adds a position such as a police officer, there are significant one-time costs that the staff could use one-time funds for, and this information was also included. Ms. Allshouse said the net total for the potential additions was \$489,569.

Ms. Allshouse asked the Board if there were any specific questions about the potential items.

Ms. McKeel asked if the School Resource Officer (SRO) would be a split position. Mr. Bowman responded that the net ongoing cost for all five items assumes that the School Board would provide their share for that position.

Ms. McKeel asked if the School Board's share would be one-half. Mr. Bowman explained that it would be \$32,000, and that was half of the salary and benefits as local government would pay for the other half, plus the operating costs and the one-time costs.

Ms. McKeel asked for confirmation that this was the split position. Mr. Bowman responded "yes" and that for the two positions in the Department of Social Services, the County receives reimbursements from state and federal revenues. He noted that staff has provided the net cost.

Mr. Randolph asked staff to give an explanation on why the Housing Generalist, the Fraud Investigator and the SRO were not originally funded in this particular cycle. Mr. Walker responded that those positions were all in his portfolio, and the nature of the budget process always includes choices that the County Executive make. He stated that the priority for the Police Department was identified in funding resource work as being for patrol officers. Mr. Walker said there has been some changes and gaps, but Police Chief, Ron Lantz, would say that the priority was still for patrol officers but he also brought forth a number of other requests for staffing resource needs. The SRO has been in and out of the request for a number of years, and when the Board has to make choices, staff then tries to evaluate what was important.

Mr. Walker said that on the social services side, the high priority in working with the director was for an assistant director position that the Board saw come forward in their recommendation. He said that as was often the case, the recommendation does not necessarily reflect all of the priorities and so what the Board heard from the DSS Director, Phyllis Savides, the previous week was about the interest in the housing position in particular. He said there was a fairly recent change in the organization around housing, such as moving the housing choice voucher program management from the Office of Housing into Social Services. Mr. Walker stated that as Social Services has become more accustomed to managing the voucher program, they are in a better position to understand how their investments in resources could translate into additional services. The nature of Ms. Savides' commentary the previous week was an awareness of how the position could have a corresponding impact on the amount of services provided. He noted that both Mr. Lantz and Ms. Savides are present to speak on those matters.

Mr. Walker said the Fraud Investigator position was one that is in a department where they are making choices and setting priorities annually and prioritizing other needs in other years. Mr. Walker said the Board was aware that in the past, there has been fairly heavy consideration for eligibility staff, family support worker staff and line staff who provide direct services. He said that there was an emphasis this year on Social Services particularly, but also on Community Development in trying to create some leadership depth.

Ms. Palmer said she has gotten a little confused by the description of the police officer and asked Mr. Walker to clarify his statement that things have changed from then to now. Mr. Walker asked Mr. Lantz to address this question, but prior to him speaking, Mr. Walker said it was his understanding that patrol officers are the single largest priority for the Police Department. The Police budget asked for four patrol officers and the County Executive recommended one as staff tried to provide investments elsewhere and do multiple things. Mr. Walker said not being able to provide four patrol officers but providing one, when Mr. Lantz was asked what his next highest priority would be, the logical assumption would be the second police officer because he did not get to four. Mr. Walker said the overall intention of

Mr. Lantz was to grow his field force and patrol force so he could further deploy the community policing model.

Mr. Walker said that in the conversation around the SRO, there was value in that the County did not have to fund the full cost of the position if the schools were willing to share. Mr. Walker said neither the schools nor the police brought that position forward as their highest priority at that time. He stated that it was also true that the SRO, in addition to providing support for the schools, could support patrol and other law enforcement needs when school was not in session so there was patrol value to it.

Ms. Palmer asked if the only time that the SRO would be available for patrol was when school was not in session. Mr. Walker responded, "yes"; including summer and winter breaks.

Chief of Police, Mr. Ron Lantz, stated that Mr. Walker has done a great job of explaining what the Police Department was looking at with its budget request. Mr. Lantz said he spoke briefly with Mr. Walker two weeks earlier to look at the recommended budget and to determine what the Police Department could do with the SRO. He stated that it would be almost double bang for the buck because the SRO could be available not just in the summertime but also when schools were closed in the winter, and the resource officer was assigned to patrols if school was not in session. Mr. Lantz said they would be able to be augmented into patrol more often and be utilized in the POP team, and the Board has approved extension of the POP Sergeant position. He said the vision was that he would assign the SRO to Henley Middle School so there would be full coverage throughout the County, with equalized coverage of the elementary schools and middle schools in the west. He said that in the event of a priority one situation at one of the schools, there would be two officers there instead of one.

Mr. Lantz said Mr. Walker was correct when he said that their priority was for four patrol officers to build the capacity internally. He said there has been an increase in police service calls of approximately 1,000 between 2017 to 2018, and he anticipates that number to grow as the County continues to grow. Mr. Lantz said building the patrol capacity was part of the geo-policing plan the Board has been hearing about for years, and the department would ultimately like to add two new more patrol areas, which would occur once there was staffing to do so. He said this would reduce the size of each patrol area, allowing for faster response times.

Ms. Mallek asked what benchmark would need to be hit before they could add the two new patrol areas. She asked if the number was four or six more people. Mr. Lantz responded that when he was before the Board to discuss the squad base system, when the Board approved those positions the previous year for one of the shifts, the department went to a pilot approach that he said was working very well. Mr. Lantz said that to make it work, there are seven recruits in training currently, and once they are cut loose, with two more going to the academy and with the additional patrol position, they could start formalizing how to add two sectors. Mr. Lantz said that has been the goal since the Police Department started geo-policing in 2012.

Ms. Palmer asked Mr. Lantz if he could choose between the SRO or the additional Patrol Officer, which would he pick. Mr. Lantz responded that his priority would still be the two patrol officers, followed closely by the SRO because of the fact that they could still use the position to augment the force under certain circumstances.

Mr. Palmer asked for clarification that if the Police Department could have two more positions, Mr. Lantz would pick two patrol officers. Mr. Lantz confirmed this.

Mr. Gallaway referred to the County's Comprehensive Plan goal of having 1.5 officers per 1,000 residents and asked Mr. Lantz for an update on where the County stood and how this additional position would affect the number. Mr. Lantz responded that the County used to be at 1.25 officers, but the department's annual report would reflect a ratio of 1.32 officers per 1,000. He said the state average was about 1.9 officers per 1,000, and Charlottesville was much smaller but has 2.5 officers per 1,000 residents when they are fully staffed.

Ms. Mallek said the Comprehensive Plan was about 1.5. Mr. Lantz said that has been the goal, and the Police Department estimated six months ago that to get to 1.5, the Police Department would need 162 officers total, and currently he was authorized to hire 147 officers.

Ms. Palmer asked Mr. Lantz if he was finding people who want to take the job, whereas at one point that was a concern. Mr. Lantz responded that as he currently stands before the Board, he was down to three positions and has about eight people in the pipeline, several of whom are certified. He stated that the Police Department was having more applicants in the past two years for people to come out and take the test, and the department was doing well in terms of staying fully staffed.

Mr. Randolph asked if the pay increase was helpful. Mr. Lantz responded that it definitely was and said that many applicants have told him that they saw the pay scale as a magnet for them.

Mr. Walker thanked the Board for prioritizing the increase in order to keep the good and best employees that they have. He added that it did take resources away from adding more positions, so staff has tried to make sure they reinforce the recruitment and retention aspects of the department and are not just adding new positions.

Ms. Mallek said it could be like a revolving door. Mr. Walker agreed, and added that the County could have more authorized positions, but if they cannot fill them, it would not do much good.

Mr. Randolph asked Mr. Lantz how many of the applicants were from local and regional police departments. Mr. Lantz responded quite a few and that this makes him happy because he always talks about people who want to give back to the community where they are born and raised. Mr. Lantz said he had one applicant in the pipeline from Nelson County; one of the first applicants from there in some time. The department was seeing many more homegrown applicants, which he likes. He said the reason could be that for people from Tidewater and the Richmond area, the pay there was higher and the cost of living was a little less, so the County was not drawing many of those applicants in or from the Shenandoah Valley.

Ms. McKeel asked Mr. Walker if the School Division has been approached on the SRO and if they are interested in funding their share. Mr. Walker responded that Mr. Lantz initiated that conversation and County staff received confirmation they would.

Ms. McKeel said that would be important.

Mr. Randolph said he has heard from County staff.

Ms. McKeel said she just wanted to double check.

Mr. Gallaway thanked Mr. Lantz.

Ms. Allshouse asked if there were any more questions about the items that were placed on the list for conversation. Ms. Allshouse said if there were no questions, she would move to the next slide, which provides information on where funding could come from if the Board desires to add the list to the proposed budget.

Ms. Allshouse thanked Mr. Bowman and the Office of Management and Budget staff for going through the document page by page and through every department in the budget document. She noted that the experience was not easy, but staff has come up with ideas to be placed in front of the Board.

Ms. Allshouse said the first potential funding option was the Children Services Act and that if the County reduced the funding from the General Fund into the CSA by \$50,000, it would reduce the costs from \$190 million to \$185 million. She said the County has put a lot of money into CSA, and this would be a small increment of funds that could be reduced. Ms. Allshouse stated that the County staff was watching the fund all the time to see what the continued service and reimbursement trends were, and there was a CSA fund balance that she described as adequate. She said it could address any unanticipated increases in FY2020 and staff double checked with the Department of Social Services, which indicated that the \$50,000 was something that could be reduced and was assured that there would still be adequate funds unless something extremely unforeseen occurred.

Mr. Randolph said that amount of money would almost fund the Fraud Investigator. Ms. Allshouse said that was a good way to look at it.

Ms. McKeel asked if that was one-time money. Ms. Allshouse responded that it was an ongoing reduction.

Ms. Allshouse said the next option was to reduce the proposed customer service and security enhancements for the County Office Building on McIntire. She stated that the line item has a placeholder of \$150,000 for that service and with some further analysis and a lot of discussion with Mr. Henry, staff believes they could reduce the ongoing amount from \$150,000 to \$125,000, which was a \$25,000 decrease. Ms. Allshouse said that staff was working on options to see if they could get services done at a lesser cost.

Ms. Allshouse said the third option displayed on the slide refers to the Business Process Optimization funding that Mr. Henry discussed at a previous work session. She said there was a reserve and Mr. Henry was present at the meeting to address any questions. Ms. Allshouse stated that the reserve fund has both ongoing and one-time money for the business process optimization work, such as revising the County's website. She noted that staff feels they could reduce that by \$86,000, which would reduce the ongoing amount but would leave the one-time funding alone from \$250,000 to \$164,000.

Ms. Allshouse said the final option relates to the reserve for contingencies in the budget, and some of this money was ongoing, while some of it was one time. She stated that the rest of the funding could come from the reserve for contingencies and that would reduce the ongoing amount from \$300,000 to \$150,000, which would be \$150,000 in reductions; the one-time amount would be reduced from \$237,000 to \$59,000, which would provide for the one-time costs associated with these positions. She added that this would leave the Board with just over \$200,000 as a start for the fiscal year.

Ms. Allshouse reiterated that these four funding options would fund all the previous potential adjustments that had been discussed.

Mr. Dill asked for the total for all of those requests. Ms. Allshouse responded that the total reductions were \$489,569, but some of that funding was one time and some of that funding was ongoing. She again reiterated that staff's recommendation would fund all the requests.

Ms. Palmer said she appreciates staff doing all of this work. She said her first reaction was to go back to the police officer position. Ms. Palmer said the Police Department said they wanted two patrol officers rather than a patrol officer and an SRO, and she was not sure why the School Resource Office was selected, although there was nothing wrong with that approach.

Mr. Dill said it seems like the SRO position would balance the needs of the Police Department with the needs of the School Division.

Ms. Palmer said she did not think the schools were asking for the position. Mr. Walker responded the School Division did not ask for the position.

Ms. Palmer said that was a question pending.

Mr. Gallaway said he had brought up the issue and asked for information on all of the positions in the Police Department's request so he could understand what they were. He said he thought the main reason the School Resource Office had made it onto the list was because it had also been requested last year and did not get funded. He said he could not recall if it was on the School Division's request last year.

Mr. Dill said the trend was toward having more SROs everywhere because of the security issues involved.

Ms. McKeel said it was also being suggested because of the cost-share with the School Division, as it could be another way of getting a police officer that shared duties in the schools and the community for less money out of the local government budget.

Ms. Mallek said the School Division would still have to come up with \$75,000 that they had not intended to spend, but she believes the School Division would support the position after the Board of Supervisors asked them to do so.

Ms. McKeel said she understood that, but this was the time to look at additional add-ons.

Mr. Randolph suggested another way to think about the situation. He said the 2018 inflation rate was 1.9 percent and the County Executive has proposed a 2.3 percent increase in salaries overall in the County. He suggested that the County could look at reducing the salary increase to something below 2.3 percent and that would generate enough funding to cover the police officer, which was an additional cost of about \$26,000 behind the SRO position. Mr. Randolph said that would prevent dipping into the reserve for contingencies, which would reduce the County's flexibility and responsiveness to address issues that arise. He said this would be another way to raise capital to address other needs in social services, the Crozet connector, and the police officer.

Mr. Dill asked how the items on the request list were decided upon. Mr. Bowman said that every fall, the budget staff enters into a joint process with the School Division wherein the Human Resources Department looks at the County as a competitive market. Mr. Bowman said that at a work session held in November, 2018, Human Resources came back with the results that looked at potential increases in salaries and healthcare costs. He stated that the joint Board meeting with Supervisors and the School Board informed the Board's five-year plan, the School Division's request, and ultimately the County Executive's recommended budget. Mr. Bowman said the 2.3 percent salary increase was based on the analysis conducted by Human Resources into the competitive market, as well as the additional 0.7 percent included in the budget for performance reserve.

Mr. Dill said that was the payroll information, but Mr. Randolph's general point was that they could reduce Economic Development.

Mr. Walker added that these were the suggestions made by the Board. Ms. McKeel said the Supervisors had put them on the table.

Mr. Dill asked how the budget staff ranked the priorities, adding that he was not disputing any of them. Mr. Bowman apologized for misunderstanding the question and reframed it as to why these were the options suggested by staff. Mr. Bowman said that when staff reviewed the budget book, they had not heard any questions or concerns from the Board to take any of the 15.5 positions out of the budget. He stated that staff also considered that of the funding set aside for agency partners, they did not feel there were any questions, concerns, or desires from anyone to reduce those allocations. One of the foundations of the budget was the Supervisors' nine strategic priority objectives wherein there was a significant amount of discretionary revenues being committed to it. He said that was one of the first steps put into the budget, and they did not want to back down from that. Mr. Bowman said they looked at other increases where budget staff did not feel there was much of a choice, whether the restriction was related to contractual rates or where they were something staff did not have much discretion. Mr. Bowman added that the suggested items were in areas where staff felt they had either new information or discretion, and the impact of those would be less adverse than some of the other things that could have been taken out of the budget.

Mr. Randolph referred to this as lower-hanging fruit.

Ms. Palmer said she does not have interest in changing the salary increase.

Ms. Mallek said she would like to know the amount of funding that would be generated by the 0.3 percent increase because the Board adopted the 2.3 percent for planning purposes and it was not written in stone. She commented that the danger of doing something in the fall was that it then gets to be a big argument about making changes during the budget review process.

Mr. Richardson asked for clarification that Ms. Mallek was seeking the difference between 2.3 percent and 1.9 percent.

Ms. Mallek said she wants to see the difference between 2.3 percent and 2.0 percent.

Mr. Richardson acknowledged the request.

Ms. Mallek said the County has often granted a 2 percent raise over the last 12 years except the years where the County did not do anything because they could not. Ms. Mallek asked to see how many zeroes that would generate and said she expects that it would be a lot because salaries were the biggest investment, and people were the most important asset in the County.

Mr. Richardson asked Mr. Bowman if he was looking at the information.

Ms. Mallek said that 1 percent equaled \$1.5 million several years ago.

Mr. Bowman said that the total 3 percent increase, which consists of the 2.3 percent salary increase and the 0.7 for performance, would have a total impact to the local government budget of \$1.65 million. He stated that 0.3 percent would be a tenth of the figure, or approximately \$165,000. Mr. Bowman said County staff could give the exact amount if needed but that was a ballpark figure.

Mr. Randolph said that would reduce the budget by \$480,000 if they were to go with the 2 percent raise, and three times \$165,000 would be right around \$480,000.

Mr. Bowman said that \$165,000 would be the impact of the 0.3 percent reduction in the salary increase.

Mr. Dill said he thought it would be more money.

Mr. Randolph said he thought the same thing.

Ms. McKeel said she would not support the salary increase reduction.

Mr. Richardson said he would add that an underpinning of any budget review at this stage was for County staff to look for money that had the least amount of destruction to what had already been talked about and what the organization was trying to accomplish over the next year. He said there was a balance of trying to look at things that were meaningful that provided meaningful dollars while not trying to be disruptive.

Mr. Richardson said with confidence that the four reductions outlined in bullet points in the staff presentation could still get significant progress if they were to change those and modify them as staff described. He said he understand that does not mean the choices were easy but staff feels they could get things accomplished. As an example, he said going from \$150,000 to \$125,000 for the security enhancements would be \$25,000 in reductions of what the County was able to do next year, but the staff thinks they can manage that reduction in a way that would not be disruptive.

Ms. McKeel said she was not interested in reducing the compensation that has already been discussed, based on the recommendations from Human Resources for current employees. She said that while she sees Ms. Savides' need for a housing generalist and a fraud investigator, she would think about providing one additional position for social services rather than two. Ms. McKeel said that overall, the County would be getting four new positions and all of the positions would have to be funded in subsequent years as part of the base. Ms. McKeel said Supervisors requested study of four additional positions, and one way to look at this was to fund the Housing Generalist based on the County's increased work in affordable housing. She noted that she was supportive of that position as well as the Crozet connector.

Ms. McKeel stated that she would be supportive of a compromise with Mr. Lantz with the SRO because she thinks they would get a lot of bang for the buck because Mr. Lantz would get someone he could use in the field and it would cost local government less. She said she was not sure that \$500,000 over and above the recommended budget was something she could support, and she was looking for a middle ground for the suggestions, recognizing that Social Services and the Police Department have a need for more positions.

Ms. Palmer said she generally agrees with Ms. McKeel; she added that the JAUNT position was great and that the Housing Generalist was great. She stated that she still has a hard time because if a department asked for a specific position, she would want to give them that position. Ms. Palmer said that if the SRO did not rise up on the School Division's list or the Police Department's list, she has a hard time going with the SRO even if the County local government did not have to pay for the whole position. She added that she was struggling with that issue and would like to go with what departments listed as their highest priorities.

Ms. McKeel said she does not disagree and acknowledged that it was not the highest priority for those departments.

Mr. Dill said he could support the first four positions and added that the SRO would provide for general safety and psychological health for kids, but it was not as important.

Ms. Mallek asked Mr. Lantz if the SROs were available before school time when there was massive traffic at a lot of the schools in the County with parents dropping off students and students driving. She asked if the SROs could be out at the intersections to make sure people were behaving. Mr. Lantz said the SROs are supposed to be visible at the start and end of the school day to help with traffic flow.

Ms. Mallek asked for confirmation that they would be there for outside patrols even during the school year. Mr. Lantz responded that they would. Ms. Mallek said that hysterical parents driving to school can cause a lot of problems and that nothing would slow them down except for someone in uniform or with flashing lights.

Ms. Palmer asked if traffic control outside of the schools in the morning was a duty of the SRO. Mr. Lantz responded that the SRO was responsible for directly outside of the school, but that the Sheriff's Department operates in the controlled intersections, including outside Western Albemarle High School. Mr. Lantz said he was referring to just outside the actual school itself, which was where the SROs operate.

Mr. Randolph asked Mr. Richardson that without the new positions being added, what would be the total number of new positions in the budget. Mr. Richardson responded 15.5 positions are in the recommended budget but reminded the Board that they discussed during the budget review process the fact that 11.75 positions have been added after July 1.

Ms. Mallek asked if that was how they got to the figure of 27 positions. Ms. McKeel said that number made her want to accommodate less than four positions.

Mr. Dill asked for an explanation of why so many people were hired outside of the budget process. Mr. Richardson said there had been changes to the state budget specific to the expansion of Medicaid and that resulted in six positions being added at the Department of Social Services and those positions were funding with 85 percent of non-local money. Mr. Richardson asked Mr. Bowman to explain the remaining positions.

Mr. Bowman said one of the positions was in Parks and Recreation and that funding had been set aside in the previous budget for completion of the Recreation Needs Assessment, to assist with implementation. Mr. Bowman said the Board approved this position shortly after the FY2019 budget was adopted. Mr. Bowman reminded the Board that when it finished the FY2019 budget process, there was about \$180,000 left in the reserve contingencies that were undesignated. He said this was the result of the revenue update that happened during the budget process. The Board then directed staff to come back with options for allocation of the \$180,000. He said that staff suggested three new positions which the Board approved in August 2018.

Mr. Bowman stated that another FTE was an over-hire for the Police Department for an employee who was currently on military leave and the over-hire was for three years. Mr. Bowman said this has no budget impact.

Ms. McKeel asked Mr. Bowman what those three positions were. Mr. Bowman said they were a trail crew technician in Parks and Recreation and a project coordinator position in Facilities and Environmental Services that would assist with increased workloads in that department as the County takes on more contracts for urban services. He said the third position was an increase of an Executive Assistant position in the County Executive's office from part-time to full-time. Mr. Bowman said all of these positions are listed on page 61 of the recommended budget.

Mr. Dill said those all sounds like positions that are needed and that the County took advantage of good opportunities with Medicaid.

Mr. Bowman said that was not all of the positions. Mr. Dill said that was all but 0.5 of them.

Mr. Gallaway said he heard two Supervisors suggest funding one position for Social Services and one position for the Police Department. He said there was not necessarily consensus on which position for the police. Mr. Gallaway said that Mr. Dill supported both positions for Social Services and asked Mr. Dill if he would be in favor of one position at the Police Department.

Mr. Randolph said Mr. Dill said he would support all four positions but not the SRO.

Mr. Dill said that if the Board had to drop one of the positions, he would pick the SRO. Mr. Dill said he thinks the Board should do all of the positions, if there was enough funding to cover them.

Mr. Gallaway asked Mr. Randolph and Ms. Mallek for their thoughts on the Social Service positions.

Ms. Mallek said Ms. Savides' presentation on the two positions was very compelling. She said the two positions would generate outside financial support. She said she thinks the Fraud Investigator position was one that Ms. Savides was anticipating to meet state obligation for new rules. Ms. Mallek said it was hard to pick and choose.

Mr. Dill said the requested amount of positions was more than two, due to the number of cases.

Mr. Randolph said he would support the first four positions.

Ms. McKeel asked for a clarification that when Supervisors said they support the first four positions, that included the Crozet connector. She wants to make sure it was not being taken off of the table. Ms. Palmer said she was not taking it off the table.

Mr. Dill said it seems confusing that Board members seem to be saying they do not want the SRO, nor was he sure they were saying they wanted the second patrol officer. Mr. Dill asked if the Board was supporting a full patrol officer instead of the SRO.

Ms. Palmer said she supports the Police Department's priorities. Mr. Dill said that would be for two police officers and pointed out that would increase the total amount of additional revenue required.

Ms. Palmer said she would support just one additional patrol officer for this year.

Mr. Richardson said there was one additional police officer in the recommended budget.

Mr. Randolph said the Board could support adding an additional police officer on top of that for their budget. Ms. McKeel said that would increase the amount of funding needed. Ms. Mallek said it would be an additional \$75,000.

Mr. Dill said he would rather have one patrol officer and one SRO rather than just one patrol officer.

Ms. Palmer said Mr. Walker pointed out that every year, no departments get all of the requests that they want.

Mr. Walker said Mr. Lantz had requested four patrol officers and the County staff recommended one. He said with support of the Board, they could increase that one to two. He stated that the SRO position was related but a somewhat separate conversation about other service issues within the Police Department that happens to bring down some additional money from the School Division that could complement Mr. Lantz' patrol services.

Ms. McKeel stated that staff has not balanced the budget and the suggested list to two police officers. She said they balanced it to one police officer and one SRO so that when the Board was talking about two full-time police officers, the numbers would have changed.

Mr. Walker clarified that when he said two officers, he was talking about the one that was already recommended and another patrol officer, not a third position.

Mr. Randolph **moved** to add to the County Executive's FY2020 budget a DSS Housing Generalist, a DSS Fraud Investigator, the JAUNT Crozet Connex and one additional police officer.

Ms. Mallek said she wants to make sure that what Mr. Walker and Mr. Richardson had just said was they already have one additional police officer in the budget and that the number displayed on the screen on the fourth line was for a second patrol officer. Mr. Richardson and Mr. Walker responded that Ms. Mallek was correct. Ms. Mallek asked for clarification that the other discussion about changing an SRO would be three.

Mr. Randolph restated his motion to **move** to add to the County Executive's FY2020 budget the following additional personnel: Housing Generalist in the Department of Social Services; Fraud Investigator in the Department of Social Services; JAUNT's Crozet Connex; and one additional police officer beyond the other police officer currently included in the County Executive's budget.

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

AYES: Ms. Mallek, Ms. McKeel, Ms. Palmer, Mr. Randolph and Mr. Gallaway.

NAYS: Mr. Dill.

Ms. McKeel commented that the \$489,000 number would decrease somewhat. Mr. Gallaway said the number should decrease to around \$340,000.

Ms. Allshouse asked the Board if they have suggestions regarding where staff should put money back into the budget or if they would just like staff to work on that.

Mr. Gallaway said he would defer to staff's judgment but he wants to make two comments. He said he does not know how badly they have reduced the one-time amount from the reserve for contingencies but when the Board talked about that at a previous work session, there were already things

that the Board anticipated could come up that the one-time contingencies could go to. He added that he got a lot nervous when he saw that number dropping down to \$59,000.

Mr. Gallaway said the Transformational Business Process Optimization reserve should pay for itself in future years for new positions because that work could lead to the elimination of positions. He said that when staff optimized a process, there could be steps that could become automated and that could start to pay for other things. He asked if he were incorrect in his thinking.

Mr. Richardson responded that Mr. Gallaway was right that when staff optimizes business processes and studies systems to improve systems where there was less human touch, over the course of time as people retire and positions become vacant, the County would have had an opportunity to explore whether they could do more with less through streamlining processes. Mr. Richardson said that Mr. Gallaway was absolutely correct that where there was high human touch and high human work, with a lot of customization, the County has over time seen a good return on those investments.

Mr. Gallaway said that would then allow the people positions that are critical to get filled rather than having money go to non-critical positions.

Mr. Henry said optimization and systems integration may create headroom and a little bit of capacity, but that in many cases it would allow for staff to transition from a lot of manual work to being able to do analytical work. He added that it might result in a net decrease of head count, but the kind of work in the future would be more in analytics, evaluation, and being more proactive rather than taking data out of one system and putting it into another.

Mr. Randolph said it could actually increase costs because some County staff would have moved up to a whole level of skill sets and evaluations.

Ms. Mallek said that if staff were looking for guidance, she would agree with Mr. Gallaway that putting the \$84,000 back into the one-time contingency reserve and the \$60,000 back into the transformational ongoing fund would protect those activities. Ms. Mallek said she was always nervous about what was around the corner, so Mr. Gallaway's suggestion was a good one.

Mr. Gallaway said that staff might have to adjust some of those areas but not to the extent that was shown in the presentation.

Mr. Richardson said budget staff would emphasize putting as much back into those three areas as possible, and they would do that with an appropriate split of one-time money and ongoing money.

Ms. McKeel said she thought that approach was great.

Mr. Richardson said he did not see anyone indicate they were in opposition.

Ms. Allshouse asked Mr. Richardson if that was something he wanted budget staff to do and bring back to the Board on a break, or if everyone feels comfortable with whatever staff does so it would just be part of the Board's proposed budget. Members of the Board indicated the latter.

Ms. Mallek said she was at the limit of her expertise. Ms. Allshouse said budget staff would take care of that piece.

Ms. Allshouse asked if those adjustments were the only ones that Board members wanted to make for the proposed budget for advertising. If, "yes", staff would make the changes per the approved motion and would adjust the funding per Board suggestions and staff's expertise, then Supervisors could make the motion and the conversation could move to the tax rate discussion.

Mr. Gallaway asked Board members if they had anything else to add.

Mr. Dill said that it seemed a little funny they would be approving a tax rate while budget staff and Supervisors were having public discussions about the budget.

Mr. Gallaway asked Mr. Dill to clarify. Ms. McKeel said the Board could not go any higher.

Mr. Dill said the information on the screen before the Board refers to advertisement for the public hearing for the fiscal year proposed budget.

Mr. Gallaway said the activity that was happening today was moving from the County Executive's proposed budget to the Supervisor's proposed budget, and Supervisors just voted to make the changes and that was the difference. He said the Supervisors would take that information out and get feedback on it before they approve the budget and the tax rate.

Ms. Allshouse said that Mr. Dill was raising a good point and she likened the situation to the chicken and the egg. She asked if they should do the tax rate discussion first and then the budget discussion, and said that the two discussions do connect. She said Supervisors could go in any direction they choose or could hold the budget and go back to the tax rate and then come back to the budget. Ms. Allshouse said it was up to the Board's discretion on how they would like to proceed. She said they could approve the budget and, as an example, if the Board made a change in the tax rate, staff could go back in and make an adjustment to the budget by the end of the day.

Mr. Richardson said he also wants to point out that Mr. Dill's comments prompted him to elaborate further that if the Board were to authorize staff to advertise the public hearing with the amendments made in the recommended budget, that would go out for public review. The Board would then hold a public hearing on April 9, 2019 on the proposed budget and the proposed tax rate; then it would set the tax rate on April 16, 2019 and adopt the budget. Mr. Richardson said the Board would get another opportunity to make changes after hearing the final public comment.

Mr. Dill agreed that this helped satisfy his concerns. He added that people have commented in the past that it seems like the budget was pretty much a train that could not be slowed down once it gets to this point in the process.

Mr. Gallaway asked if it were the Board's pleasure to have a conversation about the tax rate before the motion was made.

Several Supervisors agreed to do so.

Ms. Allshouse said the Board could then return to the budget discussion.

Ms. Allshouse said this was the point in the process where the Board would set the tax rate for advertising. She stated that the Board could go below the advertised tax rate but could not go above, and that was Virginia state law.

Ms. Allshouse said that the FY2020 recommended budget includes a recommended rate of \$0.854 per \$100 of assessed value. She said that was an increase of 1.5 cents in Calendar Year 2019 dedicated to the capital program and debt service. Ms. Allshouse stated that each penny on the real estate rate yields approximately \$1.9 million in estimated collectable real estate tax revenues. State law also requires localities to advertise the lowered or effective tax rate and that would be \$0.807 per \$100 of assessed value. She said the County has a tax relief program for the elderly and disabled, which was at \$1 million. She then presented the Board with a proposed motion that has been approved by the County Executive.

Mr. Gallaway asked the Board if there was any additional conversation or discussion about the proposed tax rate.

Mr. Randolph said he would like the Board to take a look at the scenarios that the Department of Finance provided the Board that looked at the Capital Improvement Program and the tax rate for this year and next. He said that the proposal before the Board in FY2020 was for a 1.5 cent tax rate increase proposed by the County Executive; and Mr. Richardson's budget also included an additional tax increase of 1.5 cents next year. Those pennies would total 3 cents, and would all be dedicated to the CIP, with 1.3 cents of that to be retained for the cost of borrowing that the County incurred with the taxpayers' validation of the bond referendum in 2016 for \$35 million in School Division improvements. Mr. Randolph said the amount of revenue that would get generated with a 3-cents tax increase of 1.5 cents proposed this year and 1.5 cents proposed next year would generate \$31.2 million. He stated that if the County were to go ahead and incorporate all three pennies in the current budget year or Fiscal Year 2020 and thereby incur all three pennies, the amount of money that would be generated would be only \$3 million.

Mr. Randolph said this has been Scenario 4, which effectively would eliminate itself because it would not get the County toward its stated goal. He said Board members all understand that because they have had conversations with the School Board Chair and Vice Chair about what the capital needs to be addressed in the next fiscal year and three years out. He said that the other scenarios were scenario 2 and Scenario 3, and Scenario 2 would include a 2-cents increase in Calendar Year 2019 and a 0.9 increase in the following year; Scenario 3 would include a 3-cents increase this year and a 1.5-cent increase next year. Scenario 3 would generate a lot more money, but he does not see how the taxpayers would support it.

Mr. Randolph said his recommendation was for the Board to consider a tax rate increase for Calendar Year 2019 of 2 cents, which would generate \$22.8 million, and with a 1.5 cent tax increase next year would generate \$36.9 million total, which would be \$5.7 million more than the current budgeted proposal. Mr. Randolph said he saw this as being feasible, and that would be his recommendation because of the dramatic and chronic capital needs the County was facing this year, five years, and ten years out.

Mr. Gallaway asked if there was any reaction or discussion to Mr. Randolph's proposal.

Ms. Palmer asked where that additional money would go. Mr. Randolph responded that it would all go into the capital budget.

Ms. McKeel asked if Mr. Randolph was suggesting another alternative to funding the CIP. Mr. Randolph responded that it was his intent for it to all to go the CIP.

Ms. Palmer asked if that would result in more projects being done more quickly. She asked if the capacity were there. Mr. Henry asked for clarification. Ms. Palmer asked if the money would be used this year.

Mr. Dill asked if it would be used in the future to save money.

Mr. Henry said that staff has reviewed what was in the recommendations for the CIP for FY2020 tied to the recommended tax rate. If there was something the Board would want to prioritize, this might provide the funding to do that. Mr. Henry said that staff has as aggressive a volume of work as they have had in a long time, and from a capacity perspective, staff was at capacity. He stated that the budget for FY 2020 would appropriate money that would take several years to execute. Mr. Randolph's suggestion would create bandwidth in the model for the other four years in the CIP, and it would be his preference to use the money to create some capacity or reduce the need for outyear tax increase raises rather than loading up additional projects.

Mr. Randolph said that one of his objectives in proposing his suggestion was to try to create a scenario wherein there would be assured capital funds to address the consequences of Yancey Elementary School being closed, which he said automatically resulted in a spillover effect in terms of the facilities at Red Hill Elementary School and Scottsville Elementary School. He said the suggestion would not create all of the funds in the first year to address the needs at Scottsville and Red Hill but it would at least allow for the accumulation of some of those funds over time, which would increase resiliency in the capital fund and would increase the assurance that if there was a correction economically, the County would have funds in hand to provide support for the capacity needs in both elementary schools.

Ms. McKeel said that since the Board was talking about the CIP, she wants Mr. Letteri to address it from the viewpoint of Mr. Randolph's suggestion. Ms. McKeel said Mr. Randolph has offered a scenario that gives the Board another 0.5 cent increase over the next two years. She wants to know how that would affect the CIP. Mr. Letteri explained that it would create an additional stream of revenues into the CIP that could be used either to borrow additional funds or it could be used for cash equity for future projects. Mr. Letteri said Mr. Henry was correct that budget staff would not want to do it on the front end and that it would be creating capacity, either borrowed or to add equity for the out years.

Ms. Palmer asked that when the future year-end variance and the surplus are published, whether that would include an additional \$2 million and how would the money sit in the budget. Mr. Letteri said the additional funding would remain in the CIP fund balance and stay there.

Ms. McKeel said that it would show up in the CIP.

Ms. Palmer asked for clarification that the additional money would be included in the surplus at the end of the year.

Ms. McKeel asked Mr. Randolph if his suggestion was to at least advertise the 2-cent increase, which would give Supervisors a month to roll that out. She said that Supervisors could always go down with a lower tax increase, but if the Supervisors did not advertise it, they would have to remain where they would be.

Mr. Dill said that with an average 4 percent increase in the property tax assessments, he would expect the 1.5-cent increase to go down instead of up. He said he was not advocating for an additional increase in taxes, and a 4 percent average increase means that a lot of people are paying more than that.

Ms. Mallek said that for years she has supported putting more funding into the CIP, so the County could do more, but she has heard from many people whose assessments are higher than the 4 percent average, with many at 5, 10 or 15 percent increases. She stated that the 2-cents increase would be an even greater burden, and a 1.5-cent increase was going to prompt enough citizen concern at the town halls and the public hearings. Ms. Mallek said if there was really support to raise the tax rate by 2 cents, that would be one thing, but it was a different thing to put the 2 cents out there and have people get upset when there was not full-blown support to pass it. She emphasized that she was very concerned about the perception that there were gobs of money being spent without proper planning.

Ms. Mallek said there has been hiccups with the building processes in the last year that raised a lot of concerns. She wants to make sure there was enough staff capacity and everything was laid out to ensure that the County was not building things and then having to take them down. She said that was a concern when there was a perception that there was just a lot of money waiting around to be spent. Ms. Mallek said she had a very hard swallow when the proposed budget was offered by the County Executive with an increase. She said she understands it was one adopted by the referendum and that the Board pushed it away for a couple of years. She said that was a story that made people mad, but it was the truth and that was what the County had to work on, but that she was not prepared to go over 1.5 cents.

Ms. Palmer said she has not said anything yet but just asked questions. She said she agrees with Ms. Mallek about why the County was proposing a tax increase because it was needed. Ms. Palmer said she was very aware of the needs at Red Hill Elementary and Scottsville Elementary and that she was torn. She said that she has to think that if she would really vote for the 2-cents tax increase in the end and that she does not want to put it out there if she was not going to vote for it. She said she was struggling with whether she wants to go out there and hear from folks about the tax increase, adding that she would support the 1.5-cent tax increase.

Mr. Gallaway said it was his count that there were three votes against going over a 1.5-cent tax increase. He asked if there was a motion, but also said that would not get him or Ms. McKeel off of the hook.

Mr. Randolph said Mr. Gallaway has not asked him how he was going to vote. He said he was putting something out there as a proposal just to start the discussion, similar to how he raised the issue of the salary increase from 2.3 percent to 2 percent. He said it was his role as a Supervisor to raise questions and come up with alternative scenarios and look for ways that are in the best interest of the taxpayer to deliver the most cost-effective government. Mr. Randolph said Supervisors should be mindful that every dollar the County would borrow in the future would cost 50 cents on the dollar. He said taxpayers could say that taxes are being raised in the short term, but the County could turn around and say that part of the taxes would be spent on the person who has gone ahead bought the bond and it would likely go out of the County and would not create a circulating effect.

Ms. Palmer asked Mr. Randolph if he were in support of his own proposal. Mr. Randolph said the only thing he had wanted was to have a discussion about how to determine what they would do with the projects and when they could then be funded in what he would call "Yancey's orphans." He said that referred to the closure of Yancey Elementary School and the impact that had on Red Hill Elementary School and Scottsville Elementary School. He said he wants to know the amount that would be generated and the benefit that would be accrued to the School Division in terms of borrowing that would cut costs for taxpayers moving forward. Mr. Randolph said he understands the argument of not going that way if there was not support, but added that the Supervisors have not really researched the issue and going as high as 2-cents would lead to the need for this research. He noted that he was not wedded to the idea of the increase but wanted to raise the question of looking at it in an alternative way, and the bottom line was to try to deliver a better value proposition for everyone.

Ms. Palmer said Mr. Randolph did not answer the question, and she asked Mr. Randolph if he would support advertising the 2-cent tax increase. Mr. Randolph responded that he would be willing to advertise at 2-cents in order to have a fuller discussion.

Mr. Gallaway said the Board could either take a vote or could continue discussing this. He asked Ms. McKeel if she had anything to add.

Mr. Gallaway said that his thoughts were that he regretted that the 1.5-cent tax increase had not been programmed closer to the referendum that was approved. He said that it sounded like a good idea last year and he was not second-guessing the action, adding that he was second-guessing and regretting that it might not have been pushed out another year. Mr. Gallaway said that folks are already forgetting that the 1.5-cent increase was approved by voters, noting that the lowest polling precinct in the County approved it at over 60 percent. He said the conversation should have been about raising the rate at 0.5 over the 1.5-cent increase, and what Mr. Randolph asked was if the Board should add the additional 0.5 cents on top of what has already been effectively endorsed.

Mr. Randolph said that was a good way to frame it, and even a 2-cent increase would not address the County's overall capital needs.

Mr. Gallaway said he has not had enough time to even ponder going to the tax rate. He said that if there was not the willpower to go through with the 2-cent increase, it would be putting a lot of people through a lot of angst that might be unnecessary. Mr. Gallaway said he was not in a position to say whether he would or would not be willing to raise the rate by 2-cents, but advertising that rate would certainly buy the Board the time to have those conversations.

Ms. McKeel said she does not disagree with Mr. Gallaway so she has been quiet. She said she does agree that looking back she would not ever agree again to put off an increase that had been based from a referendum. Ms. McKeel said that point has been lost to the community; she understands why and she understands why it was easy to defer the vote. When she looked at her numbers for the referendum, she had two precincts that passed the bond referendum by over 80 percent, and her lowest precinct approved it at 69 percent. The Jack Jouett District overwhelmingly passed the tax increase, but because they put the increase down the road, it has been hard for people to wrap their heads around it.

Ms. McKeel said she would have to think very seriously about the 2-cent increase, but she was not taking it off the table completely for support. She said it would be interesting to hear the reaction from the community to 2-cents if the public knew it would all go to the CIP, but it does not look like there was Board interest. Ms. McKeel thanked Mr. Randolph for bringing up the issue as a good thing to think about.

Ms. McKeel asked staff if when they were looking at all of the scenarios, if they had gone to the 1.5-cent increase because that was what the referendum said. Mr. Richardson responded that staff had really focused on that after two years of delaying the 1.5-cent tax increase. He commented that staff really looked at the revenues, pay-as-you-go funding, debt service, and ratios in terms of whether it was prudent to recommend pulling the trigger on the 1.5-cent increase tied back to the 2016 referendum.

Mr. Richardson asked Mr. Letteri if there was anything he wanted to add. Mr. Letteri said Mr. Richardson was accurate.

Mr. Richardson said staff did not do the modeling to look at scenarios such as Mr. Randolph had suggested, which he described as accelerating over and above the 1.5-cent increase for the purpose of looking at additional needed infrastructure in the five-year plan. He said staff did not do that and stayed with the 1.5 tax increase approved in the 2016 referendum.

Mr. Gallaway asked Mr. Letteri if 0.5 cents generated an extra \$5 million over the next five years, and as staff looks over the next five years at planned CIP projects, and would the extra \$5 million give a

significantly different outlook or just a slight one. Mr. Letteri said he could quantify the matter, noting that 0.5 cents would generate a little over \$5 million over the course of five years, or about \$1 million a year. That would then have to be applied to either paying for debt service or to directly fund projects with cash. If most of the money were committed to debt service and the County borrowed over a 20-year period, that would generate approximately \$10 million in projects. He said that was a really generalized look that would give the Board a sense of the impact.

Ms. McKeel said that would fully make a difference in the CIP, but to raise it that much this year and then to have the political lift next year to do a 1.5-cent increase would concern her because next year if they went to 1-cent, the exercise would have been for naught. She said was worried that if the Board did a 2-cent increase this year, then next year they would be looking to reduce the 1.5-cent increase and would be back to the same place.

Mr. Gallaway said all Supervisors have had a chance to speak and he still sees a 3:3 split. He asked if anyone was interested in switching their view, noting that the Board could take a formalized vote or not.

Ms. Palmer said she agrees with what Ms. McKeel said about it being a tough lift next year knowing they would be asked to do an additional 1.5-cent increase. Ms. Palmer said it could not be known if there would be an additional increase in the assessments, but there was a pretty good chance for that. She said she was concerned about that and was not willing to change her opinion, but that she totally understands the values.

Ms. McKeel said the Board seemed ready for a motion.

Mr. Gallaway said it does not sound like the Board was willing to change the 1.5-cent tax increase and that nobody was disputing the 1.5-cent increase, so that should be the basis of the motion.

Ms. Palmer then offered **motion** to advertise the following rates for public hearing for the 2019 year: **\$.854/\$100** of assessed value for real estate, public service property, and manufactured homes; **\$4.28/\$100** of assessed value for tangible personal property; **\$4.28/\$100** of assessed value for miscellaneous and incidental tangible personal property employed in a trade or business that is not otherwise classified as machinery and tools, merchants' capital, or short-term rental property, and that has an original cost of less than \$500; and **\$4.28/\$100** of assessed value for machinery and tools.

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

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

NAYS: Mr. Randolph.

Mr. Gallaway said the motion carried and the tax rate was set for advertisement.

Mr. Gallaway said it was time to go back to discussion of the recommended budget. He said if there was no further discussion, he was ready to hear a motion.

Ms. Palmer made a **motion** that the Board authorize staff to advertise for public hearing the FY2020 budget, which was the County Executive's Recommended Budget, and any amendments made by the Board of Supervisors.

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

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

NAYS: Mr. Randolph.

Mr. Gallaway noted that the motion had carried. He asked what the next steps would be.

Ms. Allshouse referred to a slide depicting the calendar for the rest of the budget, stating that if the Board wants to have any additional work sessions on the budget before the public hearings, there were placeholders on March 26 and March 28. She said if they were not needed, the next time the Board would be working on the budget would be on April 9 at the public hearing on the proposed budget, and a public hearing on the tax rate with April 16 was the time to set the tax rate and approve the budget. She said that the funding would be appropriated in May.

Ms. McKeel said that she does not think the work sessions are required and asked Mr. Gallaway if they were needed on March 26 and March 28. She said she would rather concentrate on her town hall meetings and input from the public.

Mr. Gallaway said if anything unexpected were to arise, there would be potential for a block of time at the March 20 Board meeting. He said the two work sessions would probably not be used.

Ms. Mallek asked if it would be sensible to keep the placeholder for at least one of the meetings so that when comments are made at the town hall meetings, there would be a chance to have a couple hours of discussion rather than try to pack it in at the March 20 meeting.

Mr. Gallaway said they could just leave the dates open.

Ms. Mallek said she was happy to leave the dates open on the calendar.

Ms. McKeel said her calendar was so packed and she would love to free open those days.

Mr. Gallaway said he does not think either work session would be needed and said he was talking about something that happens to catch everyone off guard. He said there would be plenty of time at the one Board meeting and they could set up another discussion in April, if needed. Mr. Gallaway said the work sessions are already there as proposed and they could be left open.

Mr. Dill said the budget was the most important thing that the Board does, so he does not think they should skimp on it.

Ms. McKeel said she would personally like to free up the calendar and she does not think they would need both work sessions.

Mr. Dill said one work session plus the March meeting should be enough.

Ms. Mallek asked which meeting was better to let go. Mr. Gallaway and Ms. Palmer said they were a Tuesday and a Thursday meeting.

Ms. Palmer said she prefers keeping Thursday, March 28 open so there would be time to get more town halls in.

Mr. Gallaway said he would be fine letting either work session go.

Ms. Palmer said she would prefer to take off the March 26.

Ms. McKeel suggested taking off the March 26 and leaving the March 28 open.

Mr. Randolph asked if there were no compelling reason to meet on the March 28, could they take it off. Ms. McKeel said they would let that go but the proposal was to eliminate the work session on the March 26, which would help her and would help staff.

Ms. Palmer thanked staff for their attention and for being involved in the work sessions.

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

Ms. Mallek announced town hall meetings on Thursday, March 7, 2019, 7:00 p.m., Brownsville Elementary Cafeteria; Saturday, March 9, 2019, 10:00 a.m., White Hall Community Building; and Monday, March 11, 2019, Broadus Wood Elementary School Cafeteria. She said she hopes residents of the White Hall District would come and share their thoughts.

Mr. Dill said that on March 3, 2019, a service was held at the University of Virginia Rotunda for unofficially declaring that Albemarle County adopt Freedom and Liberation Day as March 3. Ms. Siri Russell read the proclamation in a very participatory way for the audience. Mr. Dill said people who were in attendance got a small bottle of the dirt that was taken out of the ground when the construction began for the slave memorial that was going to be on campus. They were not able to go outside for the commemoration or the inauguration of the memorial because of the weather. There was a wonderful woman present who described how the Board of Visitors did not originally want to have the memorial on campus grounds for reasons that were probably somewhat racist. He said that was quite a while ago and over the decades and years she worked on it and got consensus, and this woman was really appreciative that the community has progressed so much.

Ms. McKeel mentioned that the Board should not lose the opportunity to go to the Jefferson Theater on March 10, 2019, at 7:00 p.m. for the Albemarle High School jazz band fundraiser, noting that tickets are still available.

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

Mr. Gallaway thanked Mr. Richardson and the rest of the budget staff for their work.

Mr. Richardson said the announcement would also be made at the March 6 Board meeting, but there will be a celebration of the new Yancey Community Center on March 9, 2019, from 12:00 noon to 2:00 p.m.

Ms. McKeel urged Board members to read the report of the UVA working group and its recommendations. She said that it was a fascinating report and urged everyone in the community to take a look at it.

Ms. McKeel thanked everyone who came to the transit work session on February 27, noting that this was all tied together.

Agenda Item No. 5. Adjourn to March 6, 2019, 1:00 p.m., Lane Auditorium.

At 4:32 p.m., with no further business, the Chair adjourned the meeting to March 6, 2019, 1:00 p.m., Lane Auditorium.

Chairman

Approved by Board

Date 07/03/2019

Initials CKB
