

An adjourned meeting of the Board of Supervisors of Albemarle County, Virginia, was held on February 24, 2021, at 12:00 p.m. and was held by electronic communication means using Zoom and a telephonic connection due to the COVID-19 state of emergency. This meeting was adjourned from February 17, 2021.

PRESENT: Mr. Ned Galloway, Ms. Beatrice (Bea) J. S. LaPisto-Kirtley, Ms. Ann H. Mallek, Ms. Diantha H. McKeel, Ms. Liz A. Palmer, and Ms. Donna P. Price.

ABSENT: None.

OFFICERS PRESENT: County Executive, Jeffrey B. Richardson, Deputy County Executive, Doug Walker, County Attorney, Greg Kamptner, Clerk, Claudette K. Borgersen, and Senior Deputy Clerk, Travis O. Morris.

Agenda Item No. 1. Call to Order. The meeting was called to order at 12:02 p.m., by the Chair, Mr. Galloway.

Mr. Galloway said the meeting was being held pursuant to and in compliance with Ordinance No. 20-A(16), "An Ordinance to Ensure the Continuity of Government During the COVID-19 Disaster."

Mr. Galloway said the persons responsible for receiving public comment are the Board of Supervisors of Albemarle County.

Mr. Galloway said the opportunities for the public to access and participate in the electronic meeting are posted on the Albemarle County website, on the Board of Supervisors homepage and on the Albemarle County calendar.

Agenda Item No. 2. Presentation on County Executive's FY 2021-2022 Recommended Budget.

Mr. Jeff Richardson, County Executive, thanked the Board for the opportunity to share the Fiscal Year 2022 recommended budget. He thanked the Finance and Budget staff for their work to get them to that day.

Mr. Richardson said the annual budget work begins in the late summer of every year. He said this year has been challenging, as they have been working differently and the economy has experienced an extended period of disruption due to the COVID-19 pandemic. He said that day was Day 352 of the COVID-19 Incident Management Team being in operation and taking emergency action at a local level. He said the pandemic and emergency management infrastructure have become a part of their daily routine as a part of the new normal.

Mr. Richardson said this year's budget theme pulls forward that of FY 2021, which was, "Respond, Recover, and Recalibrate." He said the FY 21 budget was a budget in flux. He said they did not know in April and May of 2020 what the next 15 months would look like. He said they took a very cautious approach, with the Board's guidance, to build a budget using the best information that they had. He said they paused projects and froze positions.

Mr. Richardson said this year, they have added to the theme the word "resilient" because this recommended budget is designed to make strategic investments, transform the organization as the community around them transforms, and make structural changes and alignments to ensure they are focusing discretionary resources in the right places to produce the most significant results for the community that they serve.

Mr. Richardson presented the day's agenda on the screen. He said he would take a quick look back to FY 21 Budget in Review, then move into the FY 22 recommended budget, followed by FY 22 drivers. He said he would wrap up with next steps before turning it back to the Chair.

Mr. Richardson said before they look ahead at what the recommended FY 22 budget is bringing to the Board for their consideration, he felt compelled to spend a few minutes reviewing where they were last year. He said in 2020, he recommended a budget on February 19. He said fast-forwarding to March 12, 2020, he signed an emergency declaration for the COVID-19 emergency. He said shortly thereafter, they took the recommended budget that the Board had received, and that staff had been working through for almost four weeks, and they put it on the shelf to start afresh.

Mr. Richardson said the photo shown on the screen represented some of the Community Development team that continued to work through the pandemic, almost at Day 1, completing inspections, reviewing plans, and processing applications to keep the community moving forward in the areas that they had to support. He expressed his thanks to Community Development for this work.

Mr. Richardson said the second, and adopted, FY 21 budget focused on the County's core mission during the pandemic: to support the ability to respond to the pandemic, to recover from the economic and financial hardships that it created, and to recalibrate their organization and work plans to adjust to this period of disruption.

Mr. Richardson said COVID-19 has challenged every single person in the community. He said

every single family and community member has his or her own story. He said as a local government, they have been working to support the community through work with the Blue Ridge Health District, regional partners, community nonprofits, and the business community.

Mr. Richardson said the first recommended budget last year had a focus on public safety service delivery, but they were forced to rebuild that first budget. He said they knew they were facing a public health crisis, and their public safety infrastructure had to remain a priority.

Mr. Richardson said 22 positions within Fire Rescue were added in the FY 21 budget to address the need for career staff at volunteer stations and to implement system changes to allow for dynamic staffing and cross-staffing, and to ensure that they were able to answer the calls of the community throughout the pandemic.

Mr. Richardson said those positions were offset with the FEMA SAFER grant that supported ten positions for three years. He said at the time of their application, they did not know for certain that they would be awarded this grant. He said they found out later that they were. He said a SAFER grant spreads the local costs for these resources over a graduated four-year period.

Mr. Richardson said they identified early that small businesses and vulnerable populations were hard-hit by the pandemic and gathering restrictions. He said the County retained planned investments in language accessibility, a health worker at Yancey, and the Economic Development fund, and their community partners that provide so many needed human services. He said the County programmed new support for individuals and businesses.

Mr. Richardson said some would argue that the hardest part was to recalibrate. He said the County canceled its summer swim and recreation programs. He said they planned to open a new early voting station in the 29 North area, but they reengineered their approach at the last minute to make that successful at the County's 5th Street office building location. He said in looking back at that now, this was very successful.

Mr. Richardson said the County cut back on programs and maintenance and froze positions immediately, as well as training. He said one year ago, every department reduced its operating budget by 10%. He said the County deferred the proposed move to \$15-per-hour minimum wage implementation, as well as the 2% market adjustment that had been a part of the original FY 21 budget.

Mr. Richardson said all of this was in an effort to implement the "3-6-6" model. He said this allowed them to slow down, divide the next 15 months into bite-size portions, and take a cautious approach last spring to try to position and prepare the County to weather the pandemic without having to dip into its reserves prematurely and furlough or lay staff off. He said the County was able to meet those objectives.

Mr. Richardson said that in the last quarter of FY 20, which was the last three months as they were preparing for FY 21, they aggressively slammed on the brakes in an effort to reduce expenditures during that three-month period. He said they were very successful.

Mr. Richardson said in the next half-year period, they focused on their core objectives moving into FY 21 to meet the community needs during the pandemic, have more time available to look at hard data, and prepare for the ongoing impact of the pandemic.

Mr. Richardson said that in the second-half year period, where they currently sit, they continue to study their financials and are working to implement longer-term structural changes that adjust for the financial realities and that will position the organization to be successful in the future.

Mr. Richardson said the 3-6-6 model was built to be flexible. He said that for 352 days, they have been in a crisis. He said one of the underpinning cornerstones of crisis management is agility. He said the 3-6-6 model was built to be flexible to allow them to adapt.

Mr. Richardson said that in January of 2021 and earlier in February, the Board deliberated and made decisions to take real-time data and economic projections to reflect on where they are now financially and how to move forward. He said in January, the Board approved moving forward with capital projects that had previously been approved but had been paused; to open Biscuit Run Park, move forward with Crozet Elementary School's addition and renovation, and advance key maintenance and replacement efforts.

Mr. Richardson said that in the past week, the Board approved the use of strategic reserve funds that had been built up over the past several budget years, along with some pandemic reserve funding, to advance strategic initiatives identified by the Board.

Mr. Richardson said another thing that was not on any of the teams' radars was the infusion of federal dollars into local government through the CARES (Coronavirus Aid, Relief, and Economic Security) CRF (Coronavirus Relief Fund) program. He said Albemarle County received two payments totaling \$19 million allocated by the state to localities by population formula. He said the County's goal was to move funds to support areas of the community most impacted by the pandemic. He said they have pushed nearly \$10 million out to the community to support individuals, households, nonprofits, and businesses to assist them through the pandemic.

Mr. Richardson said that in late December of 2020, the County learned that the federal government extended the program for an additional year. He said staff would be back to the Board with more details on those funds in the coming weeks.

Mr. Richardson said there was a series of work sessions planned for March 10 through early April to take a deep dive into the budget document. He said he would share at a high level how they are transforming to build a resilient Albemarle.

Mr. Richardson said the slide on the screen was a familiar one because it had the Board's fingerprints all over it. He said as always, revenue recommendations are guided by the Strategic Plan. He said those were the nine strategic initiatives that were shown on the slide, which the Board painstakingly goes through every several years to identify the top initiatives they need to pay attention to, either for opportunity, to address problems, or both.

Mr. Richardson noted that across the nine boxes on the slide that identified the Board's initiatives, the long bar underneath almost looked like a foundation because it underpins the work of the Strategic Plan. He said this bar was called, "Quality Government Operations." He said they are able to advance the Strategic Plan priorities by investing in the organization, in a quality workforce, and by managing the County's financial foundation that sets them up for future success. He said that as County Executive, he must always pay attention not just to the nine strategic initiatives, but to the foundation to make sure that it is solid and that the County is investing in it to remain modern and plan for tomorrow's challenges and problems.

Mr. Richardson said the triangle on the slide that included the "Financial Foundation" would include continuing to guard the County's Triple AAA bond rating. He said in no way does this recommended budget damage the rating or bring it into question. He said they also continue to look through the lens of the local economy to try to determine the future economic outlook. He said the Board heard from Mr. Steve Allshouse earlier that year, along with the Real Estate staff, who are trying to give the Board the best information they have today.

Mr. Richardson said finally, "Workforce Stabilization," at the top of the triangle, is the part of the organization that reaches out to touch citizens in the community in a real way every day.

Mr. Richardson said that in 2020, they expanded the organization's core values to include community. He said this value means that the County expects diversity, equity, and inclusion to be integrated into how they lead its mission, which is to enhance the wellbeing and quality of life of all community members through the provision of the highest level of public service, consistent with the prudent use of public funds.

Mr. Richardson said that on a regular basis, Ms. Siri Russell takes the leadership team through their mission moment, then brings them back to tell them to focus on this because it matters, which they do. He said Ms. Russell was before the Board with the second year of the Office of Equity and Inclusion's annual report. He said Ms. Russell shared that in this third year, their work ahead was to develop the tools and training to empower staff to integrate equity into all of their work.

Mr. Richardson said this thread of equity runs through the budget in that it drives the recommendation to increase the County's broadband capacity and resources. He said it is driving the way they are approaching the Comprehensive Plan update and the Climate Action Plan Phase 2 planning work. He said it is why the budget recommends strategic use of one-time funding for affordable housing.

Mr. Richardson said this core value is why they are recommending one-time funds to support the implementation of this community value itself, to penetrate it through the organization to support training and resources so that equity is embedded in the work across the organization. He said it is also one of the cornerstone reasons why staff felt it was critically important to figure out a way to advance the \$15 minimum wage in this budget for all full-time and part-time staff.

Mr. Richardson said this year has demonstrated, perhaps more than any other year, the critical role that broadband plays in their lives, almost like electricity and water. He said they talked last week about establishing a broadband affordability and access program using strategic reserve funding.

Mr. Richardson said this work will thrive with support of the new Office of Broadband Access, using a similar model as the EDA and the Economic Development Office. He said the office will have two recommended FTEs that will report through the County Executive's Office to support the work of expanding access in the urban and rural communities; two very different approaches. He said the full force of this organization will support this office, which will work to tackle broadband using the equity lens.

Mr. Richardson said the budget also recommends \$350,000 in FY 22 to be transferred to the Albemarle Broadband Authority (ABBA) for project work, which is on top of the \$3 million that the Board approved in the strategic reserve earlier that month.

Mr. Richardson said that while the housing policy works toward final edits, and with an expected adoption of later in the spring, funding has been identified to support its implementation. He said a \$600,000 one-time contribution recommended for FY 22 would add to the Affordable Housing Fund to support the housing needs of the community. He said \$1.7 million of that fund has been committed previously to support the Habitat for Humanity Southwood project, and \$1.94 million remains available for other opportunities to be identified.

Mr. Richardson said that in 2020, the Board adopted the Climate Action Plan. He said the recommended budget identifies one-time funding for implementation projects.

Mr. Richardson said transit is also an area of intense focus, and it dovetails with their housing and climate action work by expanding access and effectiveness. He said this budget supports the regional transit vision work that will hopefully set a roadmap for their transit future. He said it is a small budget investment in FY 22, but it will help to create a long-term plan to guide the region's future investments in this important area.

Mr. Richardson said Albemarle County is a destination community that continues to grow. He said to keep up with mandates and community priorities, it requires investment in their build environment both in FY 21 and into FY 22. He said they have been able to keep strategic investments in the capital budget to keep moving forward and ensure that they have the capacity and equipment to maintain their quality of life.

Mr. Richardson recalled that about a year and a half ago, the Board was working judiciously with the School Board to look at an ambitious increase to the CIP that would contemplate designated tax rate increases, including several over the next five- to seven-year period. He said when they slammed on the brakes, the Board stressed to be careful that as they slow down and become more cautious, they simply do not stop everything, and they have not.

Mr. Richardson said that based on the recommendations of the CIP Advisory Committee, this budget supports the construction of the Courts project, with a plan to advance \$25 million in FY 22 as the County moves to construction. He said this is the largest local government capital investment that they will make in a generation to modernize the courts' safety, security, and IT and to ensure adequate capacity for caseloads.

Mr. Richardson said they will continue to set aside funding for Transportation Leveraging and Economic Development public-private partnerships, which enables the County to leverage local dollars by attracting state and private funding that is invested in Albemarle.

Mr. Richardson said the County is investing in schools, keeping planned elementary school expansions at Crozet and Mountainview Elementary Schools to address system capacity constraints. He said they are investing in parks and trails, notably moving forward with the opening of Biscuit Run Park and supporting ongoing blueway and greenway trail work.

Mr. Richardson said the County is supporting public safety needs, catching up after they had to pause some projects in 2020. He said they want to make sure that the team stays connected and safe while they support 726 square miles in Albemarle County.

Mr. Richardson said the recommended budget continues to support the cornerstone of public service through elections. He said they are providing greater in-person early voting access through state mandates that ask the Registrar's Office to support sustained high volumes of customers over a long period of time.

Mr. Richardson said the budgets supports the Comprehensive Plan, which is the guiding document for one of the busiest policy areas; land use.

Mr. Richardson said the state budget is currently supporting the full cost of two Family Preservation positions within Social Services to enhance the County's family support function. He said if the state budget passes and these positions stay intact, Albemarle County would have no cost for FY 22, and they would then be asked to pick up about 15% of the cost beginning in FY 23.

Mr. Richardson said the recommended budget supports the needs of the County's regional partners, nonprofits, and arts and cultural institutions, which meet so many of the human service needs across the community.

Mr. Richardson said the recommended budget invests in the County's public safety function. He said Albemarle County Fire Rescue (ACFR) continues to stand at the forefront of Albemarle County's pandemic response. He said last year's budget supported new positions to address ongoing challenges in their combination career-volunteer system. He said the new positions made it possible to meet those needs. He said ACFR has spent the past 15 months recruiting and training new firefighters and EMTs while also responding to calls and managing the pandemic emergency response and planning.

Mr. Richardson said now, North Garden Volunteer Fire is requesting career staff to support weekday daytime coverage, Monday through Friday. He said they face challenges similar to those faced over a year ago in Crozet. He said this request would take five positions to support, as well as a capital investment for a new ambulance.

Mr. Richardson said the budget also recommends the addition of one additional staff person in the Training Division to address capacity challenges due to the increase of personnel and the mandated training requirements over the past two years.

Mr. Richardson said in the Police Department, a shift in how the School Division provides security is creating capacity for how five of the officers would spend their time. He said with a new investment by

local government that is the equivalent of over two FTEs, they will be gaining 5,000 hours for patrol officers to devote their time to Albemarle County to support geo-policing work, connect with the community, and enhance the public safety profile.

Mr. Richardson said the budget also recommends steps to bring back areas that were paused during the pandemic where they needed immediate expenditure savings. He said the Public Safety Pay Plan is recommended to move forward with a 2% investment, and the public safety fleet replacement cycle will resume. He said these investments help the County retain its Public Safety staff, which is critical for both the efforts to build strong relationships in the community and also to keep the staff they train extensively in Albemarle County.

Mr. Richardson said the investment to strengthen public safety strengthens the community's resilience. He said the past year has shown the County to expect the unexpected and how well-prepared the community is to face disruption head-on.

Mr. Richardson said that as mentioned earlier, underpinning the County's success in delivering these projects is quality government operations. He said this budget recommends using one-time funding to advance their quality government operations work. He said doing so builds a bridge to undertake evaluations, implement changes, and shore up weak spots without obligating future budgets. He said it allows the County to utilize some of the expenditure savings generated by pausing many program areas in 2020, and it allows them to build a bridge to next fiscal year as they continue to monitor the performance of the local economy.

Mr. Richardson said he had recommended the organization move to a \$15-per-hour minimum wage in 2020, but this had to be deferred when the pandemic hit to ensure that they were meeting basic obligations and public safety needs. He said they have continued to review data in peer localities and across employers. He said to stay competitive to hiring and retaining quality people in their critical customer-facing roles, they need to implement this in FY 22.

Mr. Richardson said he had also recommended in 2020 a 2% market increase to staff and local government, but this was deferred as well. He said as they look at the data, they see employers who are competing for their staff, and they have given market increases during the past 15 months. He said this is a step that the County must take to remain competitive as an employer and to retain its people.

Mr. Richardson said the County's self-funded healthcare plan is projected to need an approximate 6% increase next year on the employer side. He said this budget recommends that the employer absorb that cost increase so that the employees do not see their market adjustment get diminished by a cost increase in their benefits.

Mr. Richardson said the Business Process Optimization program (BPO) is where funds focus efforts to assess the foundational systems that drive the organization and service delivery. He said they focus on systems alignment and process improvement work, which enables them to see how they can and should work differently to drive organizational performance. He said this year, the budget recommends using one-time funding to continue this multiyear work in some key areas.

Mr. Richardson said there is an Enterprise Resource Planning (ERP) effort that includes the County View system used by Community Development; updating business systems for the modern workplace; assisting with the upcoming Strategic Plan update; integrating equity into program and project design, using data; and to continue their work to formally assess the internal infrastructure.

Mr. Richardson reminded the Board that in the last year, the County has totally overhauled and introduced a new website. He said the website had been 20 years old, and it is unheard of to lean into 20-year-old technology, then go through what they did. He said it was very painstaking to update that website, but they did it and are done, with a new and beautiful website to be proud of.

Mr. Richardson said there are other systems in the organization that are close to being that old, and they need immediate attention. He said the budget recommends the County invest in some key areas that were deferred in an effort to generate expenditure savings during the height of the pandemic. He said these include parks equipment needs, as well as IT infrastructure needs that keep systems and people working so that they can continue to deliver high-quality services.

Mr. Richardson said in terms of IT needs, the County needs to move its servers, which have traditionally lived onsite, into the cloud. He said this creates redundancy, security, and access needed to support the workforce, which is increasingly mobile.

Mr. Richardson said they still find themselves very much in the throes of the pandemic. He said FY 21 and 22 are linked much more tightly than what the Board may have seen in past years. He said he would spend a few minutes walking the Board through the fiscal drivers behind this budget.

Mr. Richardson said staff believes that during the course of FY 22, the economy will continue to stabilize. He said they will know much more about the long-term impacts of the pandemic on the economy, customer service expectations, and what the public needs and expects, as well as the way County staff work. He said the approach for FY 22 is that they are in a year of transition. He said they believe there are investments they can make now that will allow them to be resilient in the future.

Mr. Richardson said they start every budget with a check on their diagnostics, to see how they

are doing. He said for the past several years, there has been predominantly good news. He said that prior to the pandemic, they had a very vibrant local economy. He said they had seen increases across the board in assessments, business activity, consumer spending activity, and building activity.

Mr. Richardson said that this year, while assessments continue to grow on the residential side, and while residential building activity remains strong, commercial real estate assessments are down, as the Board learned in January, and they are down by 5.5%.

Mr. Richardson said there are areas in the community that are struggling. He said SNAP applications, year over year, are up 34%. He said this is a federal program for food assistance that is based on income eligibility.

Mr. Richardson said due to travel and gathering restrictions, the tourism and hospitality industry has also been deeply impacted, with year-over-year hotel room occupancy rates being down. He said these businesses generate consumer activity and supply many local jobs.

Mr. Richardson said that thanks to the County's financial management, planning, and flexible approach over the past 15 months, the County has maintained its AAA bond rating and has guarded it judiciously.

Mr. Richardson said that much like the broader community, the impacts of the pandemic have affected government revenues differently. He said this is not like 2009. He said the Board was very wise to caution staff to slow down and be careful, but also look to strategically move ahead. He said this year's state budget numbers and composition of the local revenue transfer to the School Division has come in higher than FY 21, for a total of \$11.9 million in new revenues that is over FY 21.

Mr. Richardson said that on the local government side, non-shared revenues came in lower than in FY 21, resulting in a net growth in revenues year over year of 4.7%. He said taking that 4.7% and taking away all of the County obligations and mandates to include the Revenue Sharing payment with the City of Charlottesville, as well as employer healthcare plan needs and other large ticket items, this only leaves \$2 million in undesignated new revenues for FY 22.

Mr. Richardson reminded the Board that the recommended budget includes the CIP Advisory Committee recommended projects. He said the capital budget last year was balanced, and the County assumed a 0% revenue growth.

Mr. Richardson said the budget recommends the CIP Advisory Committee project list that was shown on the slide. He noted that several projects were able to advance in FY 21 due to stronger-than-expected revenues. He said these projects joined substantial investments already underway in the court's renovation expansion, ongoing work at Red Hill and Scottsville, and many others. He said the capital budget, as he mentioned, is balanced on 0% revenue growth, and without the one-cent tax rate increase that was part of the modeling they did over one year ago.

Mr. Richardson said the capital fund this year should receive an additional \$1.6 million that was not anticipated. He said that in his recommended budget, however, he is including the additional transfer of \$400,000.

Mr. Richardson said he is recommending this approach for two reasons. He said the CIP Advisory Committee recommendations are supported. He said that because capital projects rely on substantial staff support outside of the project management function, it is directly supported by the CIP. He said it relies on procurement and legal, as well as other areas of local government. He said that in his opinion, they lack the organizational capacity to take on additional projects at this moment. He noted the \$400,000 that he mentioned is earmarked for a North Garden ambulance.

Mr. Richardson said this ties to their FY 22 priorities that have come into focus because of the pandemic's impact on revenue and needs. He said the information on the slide was a lot to look at, but it was a spot where they could see the framework all coming together. He said the North Garden Volunteer Fire Department has requested career personnel to cover Monday through Friday daytime hours. He said local government must support this public safety need, and it is included in the budget.

Mr. Richardson said broadband this year, more than ever, has demonstrated its role of critical infrastructure, but there are still too many areas of the County that are unserved and underserved, on one hand, and too many people in the community who struggle to afford access, placing students behind, constraining access to telehealth, and eliminating teleworking opportunities.

Mr. Richardson said the County's own IT Department needs to take the organization into modern secure computing. He said this expense has traditionally been planned as a capital investment, but it now must shift to operating as they move to the cloud. He said it will be recognized as an annual service fee. He said their servers are aging, and these needs must be met in FY 22.

Mr. Richardson said that at the same time, they are balancing the workforce stabilization needs, in a desire to advance strategic priorities. He reminded the Board that there had originally been \$1.6 million that would have been going into the capital fund. He said he was recommending \$400,000 for the purchase of an ambulance. He said retention of the \$1.2 million of the transfer keeps the School Division whole, and keeps the Capital Fund whole, and bridges the General Fund while the County continues to monitor economic performance and meet these compelling community needs.

Mr. Richardson said this also allows the County to focus the revenue growth on addressing its workforce stabilization needs. He said given the health of the self-insurance fund balance, they will implement a one-month employer and employer premium holiday next year. He said this offsets the healthcare cost increase, and it also supports the full-year implementation of the 2% market adjustment while bringing the minimum wage implementation across the positions and including the Public Safety Pay Plan.

Mr. Richardson said confidence in the economic outlook gives staff confidence in using the fund balance to make strategic investments and to drive organizational and community transformation, using one-time money that has been reserved by expenditure savings generated as they sought to preserve cash at the beginning of the pandemic.

Mr. Richardson said the recommended FY 22 budget is balanced at a total of just over \$466 million, which is balanced on a tax rate of 85.4 cents per \$100 assessed value. He said this is the same tax rate as the current present tax year. He said the Revenue Sharing agreement with the City of Charlottesville is calculated on a formula, and it fluctuates each year based on activity in each locality. He said this year, the payment that is due to the City will go up \$822,000 from last year.

Mr. Richardson said the picture shown on the slide captures many of the functions that are connected directly into the General Fund. He said they support many areas in County Government out of the General Fund.

Mr. Richardson said the chart on the next slide provides an overview of where the revenues are coming in from. He said as the Board knows, the majority of that is general property taxes.

Mr. Richardson said the next chart showed where the expenditures are going, and the County continues to place a high priority on excellent public school systems, as presented on the chart in the dark blue shaded area.

Mr. Richardson said the new positions support the needs in Fire Rescue and in advancing broadband. He said the Board members had in front of them a position change summary that is embedded in the recommended budget. He said the DSS positions will greatly enhance family support programs, and they come in the coming fiscal year with full state funding if the state budget is passed.

Mr. Richardson said this chart is one that many look for every year, and he wanted to highlight that while there is a net increase of ten positions listed, this comes at the same time that the County has continued to freeze 19 vacant positions in the organization. He said those were positions that were frozen as they became vacant over the course of the past 15 months, and he currently feels that until the economy continues to stabilize more, it is prudent that they move into next fiscal year with these positions frozen.

Mr. Richardson highlighted that hopefully, as they move into FY 22 and the ground that they stand on continues to stabilize, they will begin to revisit these positions to look at customer service needs, workload demands, and an evaluation of what the long-term impact is of these positions remaining frozen. He said he would be remiss if he did not remind the Board and connect those 19 positions to approximately 40,000 hours of staff work that is being frozen as a result of the pandemic and the stress and strain in the General Fund. He applauded staff for continuing to do more with these positions remaining frozen.

Mr. Richardson said FY 21 has been a challenge and will continue to be a challenge as the world around them continues to shift through this pandemic. He said he is proud of the value the County has been able to provide the community during this difficult time. He said public schools staff continues to work hard to provide necessary services for children. He said calls for service continue to be answered. He said that even in the absence of organized recreation and sports, parks and trails have seen unprecedented use; almost 1 million visitors over the past year.

Mr. Richardson said inspectors for building, engineering, water quality, fire suppression, and safety have all continued to support the continued vibrancy of building activity. He said that while the County's offices are closed to walk-in customers, they have never stopped serving the public.

Mr. Richardson said they strive to be a resilient County Government, and they will continue to move forward. He said this budget makes strategic investments to ensure that they are able to meet the needs of the community as they all adapt to a reality that continues to shift with the pandemic's evolution.

Mr. Richardson said he would close and, in a few minutes, go to the slide that was in front of them. He said before doing this, he wanted to take a second to point the Board to what was directly behind him, which was a beautiful landscape picture of Albemarle County's scenic beauty. He said not typically in his office except for today, and where it resides is the lobby waiting area of the County offices out front. He said this picture appeared in their office several months ago, out of nowhere, over the holidays when even the staff traffic was down further.

Mr. Richardson said that as he walked by the picture one day and looked at it, he asked one of the staff members where it came from. He said the staff member replied that the picture came from Mr. Dan Mahon, who retired recently from the Parks and Recreation Department. He said Mr. Mahon had worked in Community Development over the course of his career, as well as in Parks as a trail supervisor

and parks planner. He said Mr. Mahon came by and delivered the picture one day to the County as a way of thanking the County for all that it did for him while he worked for County Government.

Mr. Richardson said this picture was a beautiful rendition of the scenic beauty of the County, and he would put it back where it goes after that day. He said he never got a chance to thank Mr. Mahon for providing the picture, nor for his service, as he quietly went away when he retired. He said Mr. Mahon is an example of the workforce that the County has every day, and Mr. Mahon and the workforce loves this County.

Mr. Richardson said the next slide was about the budget development process. He said this was the first step in the formal budget process. He said there would be a public hearing on the recommended budget on March 3. He said work sessions will go through early April, and the Board will have adequate time to delve into the details and learn more about these recommendations. He said this is the Board's job, and they do it well.

Mr. Richardson said they will work toward a final public hearing on April 28 and hopefully, the adoption of the budget on May 5. He said meeting information is posted on the County's website, and all meetings will be held virtually in compliance with local and state ordinances.

Mr. Richardson turned the meeting back over to Mr. Gallaway.

Mr. Gallaway took the Board members through their speaking order for questions or comments.

Ms. Price asked for confirmation that the proposed budget did not include a tax increase.

Mr. Richardson replied that this was correct. He said they have built the budget on the existing tax rate they have now. He thanked the Board for having those conversations with him early as they were moving through the beginning of this last fall. He said it was not anticipated for a tax rate increase.

Ms. Price said she looked forward to getting the booklet and reviewing it in detail, but she also wanted to make some comments. She thanked Mr. Richardson for both a prospective and perspective outlook on what the County has gone through and will be going through. She said she believes that Mr. Richardson and the rest of County leadership and staff have provided both a visionary and transitional process for the Board to work through in the most difficult times.

Ms. Price said Mr. Richardson has articulated the complexities and interconnectedness of the demands and resources that the County faces, and with regard to the North Garden situation, he also pointed out something that the Board needs to acknowledge will be an increasing trend of the reliance on more full-time Albemarle County Fire Rescue employees in future years. She said she envisions this as an increasing expense that they will have to deal with for years to come.

Ms. Price thanked Mr. Richardson and all members of County staff who have prepared the budget to this point, adding that she looked forward to getting the booklet and spending every week, a couple of times, for the rest of the month working on budget issues.

Ms. LaPisto-Kirtley thanked Mr. Richardson for what she thought was a good summary, adding that she was quite impressed. She said she likes the direction they are going in.

Ms. LaPisto-Kirtley thanked staff for the sacrifices they have made in making sure that the County runs on an excellent level of service for the community. She also thanked the community for being very patient with what they are all going through.

Ms. LaPisto-Kirtley said she believes that economically, they are in a good position. She said she looks forward to delving more into the budget. She thanked Mr. Richardson and staff for putting the budget summary together.

Ms. Palmer asked if the budget book would make clear what the new Broadband Office will look like and what the two new FTEs' job descriptions are.

Mr. Richardson deferred to Mr. Andy Bowman and Mr. Trevor Henry.

Mr. Andy Bowman, Chief of the Budget Division in the Department of Finance and Budget, said there are two pages in the budget document that outline what the Broadband Office of Access and Affordability looks like both across FY 21 and 22 for the support that goes to the Albemarle Broadband Authority (ABBA). He said they would spend time during the Board's first work session on March 10 talking about this in more detail. He asked Mr. Henry if he had anything to add.

Mr. Trevor Henry, Assistant County Executive, replied that the budget document talks about the services that the office will provide and the area of coverage. He said the budget documents typically do not break down, at an FTE level, what the job description is, and so that would not be included in the budget book. He said this is absolutely a talking point they will have with the Board in the work session, however, so that there is a clear understanding of the FTEs, their roles, and how they will work within that program and service.

Ms. Palmer said she figured that those FTEs would not actually be described in the budget book, but she wanted to understand when the Board would get that information. She asked if the two FTEs

would not be approved until the budget is approved. She said she did not catch the date that Mr. Bowman said the Board would get more information on what that Broadband Office would look like and asked if she had heard correctly that it would be March 1.

Mr. Bowman clarified that March 10 would be the first work session in which they would go through that in detail.

Ms. Palmer said that for anyone on the Board who did not know, the North Garden Volunteer Fire Department is a wonderful building that has been kept up by the community for many years. She said it is a prime location for an ambulance, and there are so many accidents on 29 South where the volunteers are able to go and stabilize patients, but are not able to transport, which has always been quite perplexing. She said she was very happy to hear that they will have an ambulance there.

Ms. Palmer said she looked forward to reading the budget, adding that she would pick it up that day to start her review of it. She thanked Mr. Richardson for the presentation and for all the work.

Ms. McKeel thanked Mr. Richardson and staff, acknowledging that they have worked tirelessly for many hours to get the budget together for the Board. She said she agreed with the comments that other Board members made. She expressed thanks not only for staff, but for community members, as it had been a tough year.

Ms. McKeel said she has found that in explaining to the community that they have tried very hard to keep people employed and keep the business of the County moving forward, the community has been very appreciative. She said she is appreciative that the community has worn their masks and kept everyone as safe as possible during these challenging times.

Ms. McKeel said she needed a couple of clarifications, with which Ms. Price had hit on one. She said she thinks a big takeaway for the community is that Mr. Richardson is not recommending a tax increase. She asked, in order to understand at a higher level, if Mr. Richardson was recommending an increase of 2% for the classified employees pay scale as well as the public safety pay scale.

Mr. Richardson confirmed that this was his recommendation.

Ms. McKeel asked if there was also the \$15-per-hour increase for the specific positions that are under that living wage.

Mr. Richardson said this was correct for both full-time and part-time employees.

Ms. McKeel said she was very pleased that they were able to move the \$15 wage forward, and that both classified and public safety employees will be seeing an increase.

Ms. McKeel said her last question was perhaps for Mr. Henry. She said she noticed there was money for the Regional Transit grant identified. She said there is a critical Albemarle County transit grant that they are working on as well, and her understanding was that the money was included for the budget for that as well. She said she saw one, and it jumped out at her since they have two.

Mr. Henry asked Mr. Bowman to answer.

Mr. Bowman replied that the Albemarle-specific grant is funded in the current fiscal year. He said the Regional Transit funding included in FY 22 will be the last half to that funding to support the commitment the Board made a year ago.

Ms. McKeel said this was perfect, as they are both important but as she is currently focusing on the Albemarle County piece.

Ms. Mallek said this is an exciting time of year for everyone because of the wonderful summary provided about how they got there and the optimism. She said they have to be optimistic that they will find a way to take baby steps to continue to provide excellent service to citizens, even if it is a brand new way.

Ms. Mallek said she has passed along to senior staff that many times, people have reached out to say how the service they received was far beyond their expectations when they had to come downtown for something they could not do by themselves. She said this is a great example of the County's culture and the people they have working. She said she appreciates this every day, and they all need to keep working along on that.

Ms. Mallek said that as indicated in an update meeting the day before and in some mail she passed along, there are possibly even more teacher raises coming from the state, and this will probably throw another monkey wrench into the Schools' budget later, though they do not have certainty on that yet. She said she hopes the state budget will continue to keep local government in mind, as they have started to, as this will help the County in the long run.

Ms. Mallek said she had many questions that she would not ask yet. She said she looked forward to receiving her budget book the next day and digging in.

Mr. Gallaway said he would reserve his questions for when they get into the work sessions, but he would remind everyone of the protocol for asking questions when they work through the book, when

they are not in actual meetings. He said if there were questions sent via email to someone, he would ask the Board to include everyone on it because oftentimes, the questions one Supervisor asks are pertinent for everyone else to hear and learn from.

Mr. Gallaway asked who, as they work through the entire budget season, the Supervisors should address their inevitable questions to.

Mr. Richardson asked Ms. Nelsie Birch to provide some direction on that.

Ms. Nelsie Birch, Chief Finance Officer, replied that the questions will be pushed to the budget team. She asked Mr. Bowman if there was an email address he would recommend. She added that they will package the information and be sure to send them out in a coordinated fashion, as there will probably be a deluge of questions coming in, but they do not also want to send out a deluge of answers. She said answers will be sent out at a cadence that makes sense.

Ms. Birch asked Mr. Bowman if it was appropriate for the questions to come to him.

Mr. Bowman replied yes, adding that he would delegate with staff and work to send out answers in digestible packages to the Board.

Mr. Gallaway asked if Mr. Richardson wanted to be included on these questions, or someone else on the County Executive team.

Mr. Richardson replied that it was fine to send the questions to any or all of the team; himself, Mr. Henry, and Mr. Doug Walker.

Mr. Gallaway said he appreciated the clear and concise presentation of the budget, which kicks off the work they will be starting over the next couple of weeks.

Ms. Mallek said she wanted to follow up on Mr. Gallaway's good suggestion, and she wanted to clarify that if she sends a question to Mr. Bowman, copying BOS on it will keep other people from having to ask the same question and in turn, she will see their questions. She said this will keep staff from having to see the same question from many people.

Mr. Gallaway confirmed this was correct.

Ms. Mallek said that copying the Board of Supervisors e-mail group will keep others from having to ask the same question and having answers question by question makes it easier for her to find the answer later, when she is searching for it in her email. She said she has personal difficulty with five-page answers and would prefer a paragraph.

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

Ms. Palmer said that although it was in the weekly report, she wanted to say that the Yancey Community Center vaccination clinic worked quite well and that everything went according to plan.

Ms. McKeel said it would be nice at one of the upcoming meetings to have someone from the Health Department provide an update.

Mr. Richardson said Mr. Walker told him that morning that he believed they needed to speak with the Board Chair, Vice-Chair, and Board Clerk Ms. Borgersen to see if they can create some capacity at the March 3 meeting for the update.

Ms. McKeel said she had a great discussion over the weekend with Delegate Sally Hudson, who has some connections that she would like the Board to look at on their upcoming legislative packet. She said it is never too early to start that discussion, and they could talk about that further. She said there were some exciting things that perhaps the Board could help support.

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

There was no report.

Agenda Item No. 5. Adjourn.

At 1:06 p.m., Mr. Gallaway adjourned the meeting to March 3, 2021, 1:00 p.m., an electronic meeting held pursuant to Order No. 20-A(16) “An Ordinance to Ensure the Continuity of Government During the COVID-19 Disaster”. Mr. Gallaway said information on how to participate in the meeting would be posted on the Albemarle County website Board of Supervisors homepage.

Chair

Approved by Board
Date 02/15/2023
Initials CKB