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Albemarle County Board of Supervisors Budget Work Session, Wednesday, March 11, 2026

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[00:00:00] Good evening, everyone. I'm going to call to order the Albemarle County Board of Supervisors for our, what is today, Wednesday, March 11th, 2026, 5 p.m. budget work session here in room 241. The supervisor is present. We have Supervisor Duncan of the Jack Jewett District, Supervisor Lepisto Kirtley of the Ravana District, Supervisor Missal of the Samuel Miller District, Supervisor Malik of the Whitehall District, and Supervisor Pruitt of the Scottsville District, and myself, Supervisor Galloway of the Rio District.

[00:00:32] With us today for the work session our County Executive, Mr. Jeff Richardson, our County Attorney is present, Mr. Andy Herrick, and our Board Clerk, Ms. Claudette Borgeson, are here. Staff seated with us, seated with us, that's a good one, seated with us, we have our Assistant Chief Financial Officer, Mr. Andy Bowman, and Chief of Budget, Caitlin Malcolm.

[00:00:57] We have Deputy County Executive Zan Wall, our Chief Financial Officer, Mr. Jacob Sumner, and Kaki Demick, our Chief Human Services Officer. And we want to thank, for being present with us today, our Elmore County Police Department Officers, Officers Tavon Richardson and Officer Hunter Harmon.

[00:01:16] Thank you both for being here with us today. All right, board, we have an agenda for today. We will need to adopt that agenda. Is there a motion to do so? So moved. Second. All right, without objection, if the clerk would please call the roll.

[00:01:33] Aye. Malik? Yes. Mr. Missel? Aye. Mr. Pruitt? Aye. Ms. Duncan? Yes. Mr. Galloway? Yes. These microphones are not really here to amplify in the room, but they are for recording and for those listening in online.

[00:01:48] They are directional, so act like they are here for volume purposes and talk directly into them as much as you can. And we pretty much captured everybody else. The board members have a dish. There are mics here so that each one of us has our own mic.

[00:02:05] But be careful if you're leaning back from the table. If you start a sentence and then your fourth sentence kind of gets, you know, a little lighter or softer, just be mindful of that, that we still have to speak out so that folks can hear us online. All right. Well, we're going to jump in and move on with our work session.

[00:02:22] And Mr. Bowman, I believe you're starting us off today. I will, but I'll actually immediately turn it over to him and help him. Thanks, Mr. Bowman. So I want to start off with the calendar just to remind the board and the public of where we've been and what we've accomplished so far and where we're going.

[00:02:38] So tonight is the second of five planned work sessions that we have for the FY27 budget. After the work session tonight, our next work session on Monday the 16th is a joint session of the Board of Supervisors and the school board. And at that session, we'll plan to cover the school's operating budget, the CIP, and debt.

[00:02:56] The goal tonight is to get through the remaining general fund expenditures. But we do have some overflow room in work session four if we need more time for board discussion tonight. The other day I want to flag on here is the March 18th date, which is the work session. That's one week from tonight. It's in the board's regular Regularly scheduled meeting and it is the date that the board needs to propose the maximum set the maximum tax rate for budget purposes. So that's coming up in one week's time and then after that we go into a series of town halls there's one plan for each magisterial district and we are ultimately working

[00:03:33] towards the April 22nd date for the board to approve and appropriate the FY 27 budget so if you're reminders for the board and the public on how the work session process works tonight we have just two speakers planned myself and Mr. Bowman. We have lots of time built into the agenda for board dialogue and questions for staff. We will pause after every chapter that we cover tonight to give you time to ask questions and have dialogue with one another and throughout the work session the staff are going to be listening for what's referred to as the list which are the items that the board may want to change or give us different direction on in a future work session so we're making notes of that

[00:04:12] and for clarification I've been calling that the parking lot with the supervisors so okay we'll just get on the same page the list and then one other reminder for the public sometimes board directs questions to staff in these work sessions that we're not able to answer in real time. We write all those questions down and get back to the board in writing and we also post those questions online for transparency so members of the public may access those and the whole board is provided the same list of information. So really

[00:04:49] quickly I want to talk about the six strategic goals within the strategic plan just to kind of ground us again in where we are. On Monday evening you heard a lot about the goals of safety and well-being as we covered the police department and the fire rescue department as well as the judicial chapter.

You also heard a lot about workforce and customer service as we talked about compensation on Monday. Tonight we're going to touch on all the other goals and we're going to continue along with safety and well-being as well as we cover the health and welfare chapter. So to give you all a little bit of a visual sense of where we're going on Monday again we covered

[00:05:26] judicial and public safety chapters. Tonight the plan is to cover everything that's in yellow I know it might seem like a lot of chapters, but we already covered the entire donut on revenue on Monday. So we're making good progress. And then, as I mentioned earlier, next week on Monday, we'll cover in more detail the transfers to schools and the transfers to the CIP in debt.

[00:05:50] Andy tonight will also spend some time going through what's called non-departmental in the budget book with you. And that covers basically kind of the left side of this donut chart. So that's the transfer to schools the transfer to capital and debt revenue sharing and other and he's basically just going to give you some background information on those calculations the practices that we have that drive those calculations and the data behind that one last thing I wanted to flag is that we will be covering sort of the highlights tonight in the work session So the goal is to cover a level of information that's between Mr. Richardson's presentation a couple weeks ago and what's in the budget book

[00:06:27] That's obviously very dense if we go through a chapter tonight and you have a question about something that's in one of the chapters But that we don't address on a slide you are welcome to ask that at any time even if we don't specifically call it out on a slide Okay, so Tonight this is our agenda and sort of the order that we'll be covering first. Mr. Bowman. We'll start off with non-departmental Then I'll cover the public works chapter and the health and welfare chapter Which includes the affordable housing investment fund as well as the human services funding process agencies Then we'll have a break if the board desires

[00:07:05] We'll come back together and look at the community development chapter Which includes both transit and the economic development fund and then we'll close out with parks recreation and culture and administration And again, you know if we need to move administration to the fourth work session due to time we can certainly do that As I said previously Mr. Bowen and myself are the main speakers for tonight. We also have Miss Dimmick here to answer questions on the affordable housing investment fund and the human services funding process we have Miss Wall here in case there are questions about transit as well as our Deputy chief of budget Mr. Davidson, and we also have Mr. Garland Williams here from the city of Charlottesville

[00:07:43] Director of transit to answer any questions about transit

[00:07:59] I actually haven't met him yet. This is my 10th month with the county, so that's why I didn't know he wasn't there. So before I hand things over to Andy, does anybody have any questions?

[00:08:17] All right. Good evening to the board, and thank you to Ms. Malcolm for the introduction. I'm going to walk through the non-departmental chapter on page 205 to 215. I'm going to cover this chapter in full before opening up to board discussion and questions.

[00:08:33] Just to orient the board and also the public, if you're tuning in for the first time for these two donut charts, on the left is the entire general fund, and blue is what we're talking about in this chapter. So non-departmental is the majority of the general fund because it makes up some of the largest single

expenditures, the transfer to public schools, transfer to capital and debt, and the revenue sharing agreement with the city of Charlottesville.

[00:08:57] On the right donut chart, we can see what makes up that 58% across those items that I just mentioned. So I'm going to begin with the revenue sharing agreement with the city of Charlottesville. This is a formula that's been in place since the 80s.

[00:09:12] The full calculation and methodology is included in the document. I'm only going to touch on the takeaways that in fiscal year 27, the total payment will be \$21.9 million. It's an increase of \$1.7 million, or 8.5%. This formula is complex, but the main takeaway of what's driving that in fiscal year 27 is the formula works on a two-year lag.

[00:09:35] And so based in 2024, the county's tax base increased compared to the relative increase in the city of Charlottesville. That drove that number up in the revenue sharing payment. Also, the city raised its real estate tax rate in 2024, and that actually has an upward effect on the county's revenue sharing payment as well, the way the math works.

[00:09:55] So there's other factors that are a little less impactful in the formula. But I want to take a moment of historical comparisons because the total increase for the last three years of this payment has been \$6.2 million. So for perspective, here's the last 10 years of history, and you can see from fiscal year 18 to about fiscal year 24, it hovered a little above or a little below \$15 million.

[00:10:18] We've been in a very different environment for the last three years, increasing that total of \$6.2 million as it begins to look like a staircase in those last three years of the chart. So next, I'm going to move to the transfers to the public schools and the transfer to capital and debt.

[00:10:36] And there's a lot of words on the slide. I'm not going to read them. Please don't read them. But what this is, is the board's financial management policy is called the allocation of shared revenue. This is something that has been in place for quite some time by the board of supervisors. And it's really, conceptually, the way the math works, the four formulas in the document.

[00:10:57] But it provides a planning guideline for how to allocate revenues among county government operations, public school operations, and the joint capital and debt program. So the way this works, step one, is there are what we call shared revenues. So when revenues come in the general fund, some of them are designated for specific purposes.

[00:11:15] We talk about state funding for police and fire rescue or constitutional officers, community development permit fees, federal and state reimbursement for social services programs. Those are not shared because they're directly related to county government services. In the same way, the school fund will directly receive revenue specifically for education purposes, such as standards of quality funding and other state funding sources they have.

[00:11:38] We have local tax revenue and some other state revenues that there is no restriction on, and so those go through a shared formula. So step one is, what's the difference in those two numbers year to year? Step two is really making some adjustments on the expenditure side to say, how have items that impact the county's revenues?

[00:11:57] There's usually some impact to real estate in these, whether it be the city revenue sharing agreement, because there's a tie to the county's tax base. There is the real estate tax relief program for the

elderly and disabled, because that is tied to less revenue that the county is bringing in.

[00:12:13] There are economic development authority-related agreements. Now, that's not just economic development. Some of those are broadband. Some of those are affordable housing-related. The way that works is that for the portion while an agreement is in place, that revenue is not split because it's usually being an amount paid to the ADA and then refunded to the third party.

[00:12:32] But once that agreement ends, the full revenue is split, and the good news is then the pie is bigger for everyone once that agreement expires due to the investment that has taken place. Also, some dedicated tax increases that the board has approved over the years. So when all that math is said and done, the remainder is split 54% for the school operating budget, 36% for the county government operating budget, and 10% for the joint debt service and capital budgets.

[00:12:58] It's not step four. I really want to highlight this last point. This is a guideline that may be reviewed annually with the Board of Supervisors' approval. And so for some context, our team went back to say, how common is it to adjust this formula year to year? And of the 26 budgets this century, we've had 17 of the 26, the Board of Supervisors has elected some modification to this formula.

[00:13:21] So more often than not, the Board of Supervisors has started with this as an approach, but said, you know, there are some circumstances in this year where we need to make an adjustment. Sometimes that has gone for additional funding for schools. Sometimes that's gone for additional funding for county government.

[00:13:37] Sometimes that's gone for additional funding into the joint CIP. Really, with 17 example changes, each one has its own story. And so the point is just that this is something where the board will make adjustments. I've said before and would say again, it is really helpful to have a planning guideline because it helps us build a CIP, helps us build a five-year plan.

[00:13:58] And it's also really important for the board of supervisors to have flexibility so that there are unexpected, unique changes in the budget, the board can respond in a way that they see fit and have that control. So with that, it's been connecting about, because there is a change this year, we've tried to make that very loud and clear.

[00:14:16] This is not the normal allocation. So on December 3rd, I'm going to connect back to another principal. This was the joint meeting with the school board where we talked about the CIP and debt program. And at the end of that meeting, this is actually the last slide from that meeting, coincidentally, we talked about a 10-minute presentation about what would be some ways if the board wanted to fund a major capital project like a high school.

[00:14:39] There was not an agreement on high school, but something like a \$200 million project or even a \$50 million project. Pick whatever that would be. It could be a county government project. Put the project itself aside, how would you do that? And so I walked through five alternatives, and the conclusion was it's not an either-or.

[00:14:56] You really got to start working on all of them. You need to take a multi-year planning approach, and you got to have partnership to do all of that. So where we are right now from December 3rd, the legislative priorities that is continuing to be in the General Assembly about the 1% sales tax, and we'll watch and see how that evolves.

[00:15:13] Items B is really what this is about in the item for reprioritizing how growth looks differently among operating and capital. And so that is where we kind of talked about a concept, what's included in the budget is different because we've learned more since December.

[00:15:30] The third item, reprioritization of the CIP, that's in place too, but we'll talk about that more on Monday, just how some funding among projects and timing has been shifted. And then D&E apply a little bit less right now. So it's really item B, as I want to talk a little bit more about how this ties into the rationale of why something is recommended differently than the transfer.

[00:15:49] So there are really four main points on the why that are identified in the budget document. Take a moment to highlight these. The first is just the recognition of the unique situation of the public schools' significant state revenue growth. So you'll hear Monday, or if you've been following along, they have an estimate of \$11.8 million that's going to be added to the budget.

[00:16:10] And that's an increase from the current year of about 16.5%. This increased state funding is going to give them ability. It is really driven by the change in the local composite index. A couple years ago, the local composite index shifted upward.

[00:16:27] And what that means, for those who are online and may be less familiar with that, a higher composite index is the state has determined your locality has more of an ability to pay for education. And so the state shifts in less for education. What we found, based on the formula, really due to a change in the formula, that we dropped back to where we were.

[00:16:48] This is really important because this has actually happened twice in the last 10 years or so. And so we seem to be in a situation, because a lot of it has been driven by the income factor, where there have been big changes in the income aspect of our community, that have really shifted this back and forth. And so it's got our attention of how do we begin to think about this in the future.

[00:17:07] So I'll say in addition on the state revenue growth, it's also driven by the state. There are some expenditure items by the state that are going to give some relief as well. So back on Monday, we talked about in county government, based on the performance of VRS in our actuarial study, county rates for Virginia retirement system dropped.

[00:17:27] That's a \$1 million savings approximately for county government. The schools are also in an unfortunate position, like county government, because their rate has dropped as well. They have a larger workforce, a larger payroll. So their operating savings from VRs is going to be about \$3 million. So between these two items that have really broken in the right way, there's a total of \$14.8 million in state changes that are helping them put together their budget.

[00:17:53] So the second thing we wanted to consider and the recognition is that the schools are going to be opening two brand-new schools for the first time in many years. I know it's been more than 20 since there was one full school open. Next year is going to be two. And the schools have identified a total of \$4.3 million they'll need in their operating budget to provide that.

[00:18:12] And so that was really a recognition of staff to say that we need to do something more than just kind of the usual trend of where we've been. Because they really do have extra operating costs next year for the impact of those capital projects. Third factor, there was a lot of discussion with the board and the school board at the December 3rd meeting.

[00:18:32] And the school board really requested a greater investment in the CIP. So this is in response to that feedback as well. I would say the details differ, but there's alignment with the superintendent's draft proposal because the superintendent is also proposing sending one-time money into the CIP.

[00:18:49] The mechanics differ. I'll talk about that in a moment. But there is some alignment in the overall principle of investing more in capital. And then fourth is really preparing for the future. I've talked about the local deposit index swung in a very favorable way.

[00:19:04] We could be in fiscal year 29. We could find ourselves where we were in fiscal year 25. We could find ourselves with a VRS rate increase. We could find ourselves with a continuing climbing obligation for the revenue sharing agreement. I'm not saying this to be, you know, like a dark cloud of doom, but there are things out there that could happen.

[00:19:20] And we know at this time in county government, we've proposed for the board's consideration tapping into the budget stabilization reserve to provide to stabilize county services over the next two years. And so as that's happening, it's, you know, one could foresee a situation in fiscal year 29 if a few things go the wrong way.

[00:19:39] It's reasonable to expect the public schools would need some additional support. And county government may or we don't know yet what that ability to be supportive of them would be, but we know we're drawing down our reserves to maintain operations. And so really just to kind of take a lesson learned from 2025 and how impactful that was to schools, the \$6.4 million, if it's not planned until 29, would give a major cushion to support the public schools.

[00:20:04] And if the LCI stays okay, then that allows more flexibility in the capital budget in the out years. But it's been one, just watching with other unknown acts is very much on staff's mind right now. And I know Mr. Sumner is going to talk about this a little next week with the board, but is there anything that you'd want to add to this right now?

[00:20:20] Certainly. Jacob Sumner, Chief Financial Officer. When we prepared the slide, we were thinking about, you know, what are some other unknown impacts? And I think you could easily look to the news in the past couple weeks, couple months, and see some of the things that we didn't anticipate, we didn't expect.

[00:20:38] And there are unintended consequences from a financial perspective that we're seeing. And I'm talking about things like the price of oil doubling here recently. You know, the global shipping lanes being disrupted. And we saw some of that during the pandemic, too, when that was shut down.

[00:20:55] You know, we've also seen just jobs and employment going up and down and revisions of the jobs data. So there is uncertainty out there. But what we do know is the LCI will be reset in two years. We don't know which way it would break, but we do know it is going to be reset, looked at again in two years.

[00:21:14] So we do have an opportunity to be thinking about that. We may not be able to foresee some of the things that are happening from an economic standpoint related to, you know, cost and cost of services. But we can go ahead and plan and know that in two years we will have another LCI reset and be able to plan should that have a negative impact on both either the schools and how local government supports the schools.

[00:21:40] Thank you for adding that. So to get to kind of the bottom line of what is the year-to-year change in these transfers, the recommended transfer from the general fund to the public school fund for operations is \$9 million.

[00:21:57] That is with the reflected adjustment. By formula, capital and debt service would grow \$2.4 million. And then that \$6.4 million that in an otherwise world would normally go to school operations, that is placed in the CIP in the year five placeholder.

[00:22:13] And another category that is just completely to be determined. It was really going back to the December work, December 3rd work session. There was not a clear consensus on just, there was a lot, I shouldn't say this. There was a desire for more data, more discussion. By placing that in out year, it's really kind of a signal we're investing more and the details of that will be figured out later.

[00:22:33] It's one where the Board of Supervisors does not need to determine in the CIP in this budget process by April 22nd how that \$6.4 million is to be used. We'll continue to revisit that, whether it be for future conversations, five-year plans, CIPs. So there's not a, if the board would like to, they certainly could, but there's no legal requirement that they designate what that \$6.4 million for is in this budget.

[00:22:57] What the board of supervisors will need to determine is what is the transfer to public school operations, because that will need to send direction to the public schools so they can balance their budget. So this is part of the story, and we're going to hear the other side of, I shouldn't say the other side, the other side of in terms of expenditures versus revenues in terms of how this plays out on Monday, but I want to talk a little bit more about what does this money actually do in some historical comparisons. So this is a slide right out of the county executive's recommended presentation.

[00:23:27] It shows the total transfer to the schools is recommended to be \$218 million in fiscal year 27. That is a \$9 million increase in local funding. For perspective, 72% in fiscal year 27 of the local school system is funded by this general fund transfer.

[00:23:45] The vast majority is covered by the state. So our local schools are primarily locally funded. That transfer allows for the operation impact of two new schools. It allows the schools to fund their obligations under the collective bargaining agreement that the school board has approved.

[00:24:01] And it allows them to advance other things that we'll hear about in more detail. I know one thing in addition to the collective bargaining agreement is really supporting the school's compensation philosophy. We heard from Jessica Rice on the local government compensation philosophy on Monday. The schools have a different one where they're budgeting to be 60th percentile of their market in terms of targeting for their recruitment and retention purposes.

[00:24:25] And they can speak to that more on Monday. Looking a little bit more of just about where the investment has been historically and for the public schools, this is for the last 10 years in the fiscal year 27 budget. both state and local and other ongoing revenues, what has that looked like over time of the increase year to year? And what you would see if you were to do this as a percentages, it would look about the same, but it's actually grown on 5.8 percent from fiscal year 17 to fiscal year 26.

[00:24:57] Now, I know as I was reviewing the state of the schools, they astutely pointed out on fiscal year 21, that really drags the average down. I said, you're right. And if you can take out a high year too, that drags the average the other way too. So if you threw out the high and low, the number would be 5.6%. Staff is recommending 5.8% is the basis we made. So the idea was to provide something that would be the

average transfer, add \$4.3 million for the new school operating impacts, and then look at the total state revenue coming in. So if you look at fiscal year 27, on the far right there, there's \$20.7 million in revenue growth from state and local government.

[00:25:31] On top of that revenue growth, the schools have \$3 million in expenditure savings. That's a total of \$23.7 they have available in resources to balance their budget. If the county executive had recommended in Sydney to the \$6.4 million into the schools, we would have to adjust this chart because we would have to add a \$30 million line to where that total investment would be year to year if it went by 4 million.

[00:25:52] So this is part of trying to give the schools a reasonable basis to balance their budget and balance the ongoing needs in the CIP in the out years based on some of the school's feedback to invest more in the CIP and to give us some, you know, just planning for the future this multi-year planning approach we've talked about for what happens in fiscal year 29 or another year with the lci local composite index goes the other way a different way to look at this data is not just the dollars because the total base matters too just like it does for county government and this is the chart for the last 10 years and the fiscal year 27 budget that shows

[00:26:27] what the total school operating fund is so you can see in fiscal year 16 that was i'll say a little over \$160 million. I can't recall the exact number. That's grown from fiscal year 27 up to \$305 million for what is in the county executive's budget. For clarity, if you look at the superintendent's materials, there's a total of \$311 million. That \$6 million difference is how that \$6.4 million is being treated. So this slide really hammers home local education being primarily locally funded.

[00:26:56] The dark blue is the general fund transfer to the public schools. I should clarify, this is just the ongoing revenues. There are uses of fund balance and other things that we've netted out of this to make a little more apples to apples. The state revenue category is in the lighter blue category and then that very small sliver of other revenue is up there in purple just for their other local sources and they have a little bit of federal money in their school fund. So and I think this is one where I'll talk next about how does the draft public school operating budget compare to the county executive recommendation. This is something I've provided to the board. It's been

[00:27:33] published on the website and I also Ms. Kumazawa our counterpart with public schools did a nice job explaining this to the school board in a prior week but right now and I'll say the public schools budget is still under construction they are scheduled to adopt a request tomorrow night at their school board meeting then they'll be back on Monday to present that to the school board so the I would say when you look back at the big picture there's two differences there's a difference in the whether the draft budget is balanced at 2.3 million dollars And I'll say for perspective from a financial planning, \$2.3 million is about 1% of the general fund transfer or about two-thirds of a percent of the \$305 million budget.

[00:28:12] I recognize \$2.3 million could make a lot of benefit to a lot of people, but that's just the kind of perspective of where that was. The last two years, the schools, because of the state, have not been able to present a balanced budget. So this is a closer where we've been the last two years, but it's also different than prior to then.

[00:28:29] Because I know if Dr. Haas was here, he wanted me to say that he has prepared balanced budgets for the school board's consideration prior to that change in the state. And so there's not a balanced

budget, but it's also not as large of a gap as it was. And the board of supervisors has a tool in the toolbox should they like to modify the county executive's recommendation.

[00:28:48] So on the left, at the top left, the schools have \$15.4 million, assuming it would come to them by the traditional formula. In the upper right, the staff recommendation is to provide \$9 million. In the middle column, we see that the superintendent's budget is balanced on \$11 million growth from local plus the additional state funding, VR savings, and all of that.

[00:29:10] So that is balanced at \$11.3 million. So the recommended transfer right now of \$9 million is a \$2.3 million gap for the schools, and the schools would need to either receive additional revenue or they would also need to make expenditure adjustments to balance.

[00:29:25] Justice County government staff are watching the state budget. I know that the schools are watching the state budget as well. And perhaps we'll have an update on Monday. Last time I talked to them, they did not because we don't have a state budget yet. Then in the bottom left, we have the difference in the CIP, which is really the amount and the mechanics.

[00:29:45] And so there is \$4.1 million recommended to the CIP as a one-time transfer, and the public schools have designated that for to-be-determined public school capital projects. The county executive's transfer is \$6.4 million. Again, that \$2.3 million difference keeps showing up. And it is recommended to be in the other category, the CIP, just to be determined later by the board of supervisors.

[00:30:07] Again, it's all the way out there in year five, but the board would have the ability to change that year, the amount, how it's allocated, how it's used. But really, again, the transfer for the public school operations is a more timely decision in this budget process than how that \$6.4 million is used.

[00:30:23] So that is the recap of the school transfers. I have just a couple more slides on the non-departmental chapter. One is the tax relief for the elderly and disabled program. That is increasing just under half a million dollars or 20% in this budget.

[00:30:40] I gave this plug last meeting. I'll do it again if anyone's listening. Our Department of Finance and Budget is here to assist people in the application and the compliance review process. So if you are or know someone who may meet those criteria, please get in touch with us. And Jennifer Matheny and her team will support them in the application process.

[00:31:00] These criteria were updated most recently by the board in December of 2025. I really want to highlight, because this has been an emphasis for the board the last several years, from 2028, this is calendar year, not fiscal year, through 2025, the total amount of tax relief for the elderly and disabled has been provided, from just under \$1.2 million up to \$2.3 million.

[00:31:20] Fiscal year 26, that will increase further, and also further into fiscal year 27, based on our projections in the budget. Next I want to talk about in the non-departmental chapter is there's a category of re-engineering savings, and this is a slide out of the county executive's presentation as well.

[00:31:38] So we spoke, and the county executive did in his presentation, about the emphasis as part of our strategic plan, Goal 6, on really redesigning our programs with customer focus in mind. And so the board has invested in the modernization of our systems, whether they be human resources, community development, the financial systems out there, and really looking at our processes.

[00:32:02] The board has invested in studies to make sure we're optimizing not only our planning of staff, but how they're deployed. We heard the results from the public safety studies. We've been looking at this in other departments as well. Performance measurement is a big emphasis. We heard a lot on Monday. The board has invested a lot in employee workforce stabilization, and we heard the results of that, how that's manifested over different years. We heard about the investments and public safety how the performance is driven there and so we'll also talk some about where investments have gone as we get through this and so also wanted to go into a little more detail because we've talked about the negative three positions that have been re-engineered over the

[00:32:40] last two years so there's been 1.1 million dollars of reductions that county government staff have made from what was approved in fiscal year 25 as part of balancing the last two budgets about half a million this year a little more than half a million this year so let's take a second to look under the hood about what this reengineering looks like in the organization because negative three is the total number but there is a real big change in the distribution of where that's looking and i'm actually going to start at the bottom of the slide where based on last year the board supervisors approved yes full-time equivalents thank you sorry yes full-time

[00:33:18] equivalents so the uh the police uh over the last two years six officers were added uh the schools added two SROs and then there are three positions included in this budget. The sheriff has added three positions, or the sheriff has recommended to have three positions added in this budget. The only other increase over two years is a temporary position funded with one-time money in the Economic Development Fund to support the specific project needed for Vanna Futures.

[00:33:43] So those three categories together are plus 15, which means there are negative 18 in the rest of the organization, which includes human services, finance and budget, executive leadership, Facilities and Environmental Services, Human Resources, Community Development, and the Board of Supervisors Office and Commonwealth Attorney's Office.

[00:34:01] So this is really the re-engineering where you can see it's not just negative three. There really is a repositioning of the organization in terms of where positions are being prioritized and where investments are being made. My last slide. For the non-departmental section, we have included the reserve contingencies and the recommended budget.

[00:34:20] It totals \$911,000. There are two components to this. One is ongoing funding should things come up unexpected during the middle of the year. Right now, that's \$400,000. There's one time of about half a million. I will share this can be a source for the board of supervisors to make adjustments as they finalize the budget.

[00:34:38] We can talk about this more at the fourth work session, but I would strongly recommend Safwood to keep approximately at least a few hundred thousand dollars there in the adopted budget. If you look back over the years, it's pretty safe to assume at least \$250,000 of things will come up a year where the board will either choose to or has to respond to providing some unexpected expenses. And so these are the things where you're trying not to think of everything that could go wrong with the world, but we think of Mr. Sumner's comments about, you know, where do fuel prices go up? How do we accommodate that? And so it's a responsible, if you look at local governments out of the budget, just around the state, they have some sort of reserve that's

[00:35:17] out there, just to give a little bit of flexibility, because we are going to adopt a budget in April to plan what's going to happen through June 30th of 2027. So with that, I'll be happy to answer any questions on any of these items.

[00:35:33] All right, Supervisor Missal. Great, thank you, Mr. Bowman. That was very helpful. And I do have a few questions. I'll try to be brief. Flipping back to slide nine, you don't necessarily have to go there, but it's revenue sharing agreement with the city. And it was sort of the, I think it was the chart on the next page.

[00:35:49] It's pretty alarming to see that continuing to step up, to use your words. I'm just curious, is the county and how are we thinking about the future? So if we think about this stepping continuing, because we're probably not going to see land values decreasing or taxes decreasing, maybe, I don't know.

[00:36:06] Yeah, so there's a few factors in there. And it's one where we have seen increasingly the county's tax base outperform the city's. Part of that is just the sheer size of it. We know there's a major economic activity planned in the county as well in the future. And so it's one where I would expect that tax-based impact will continue to have an upward pressure on that payment.

[00:36:27] Population is a factor, and just by, again, sheer size relative to each other. The county will add more folks than the city just because of geography for no other reason. And the other factors, there's a state sales ratio, and the real estate tax rates can influence those.

[00:36:43] But it's really common because some of the variables, I'll say, it's very hard to project it precisely because there are some variables that can shift a lot. But SAF would project that to continue to increase over the next five years, barring unforeseen circumstances. Okay. So the plan is for that to continue, probably at the same rate that we're seeing now over the last three years or four years?

[00:37:02] I would say it may not be quite as steep, but it's going to be a very different environment from where we were from that fiscal year, about 16 or so. The eight years were relatively flat. Yeah. Okay. Thank you. I appreciated your context on the allocation of shared services. That was really helpful.

[00:37:20] I had a question on the reprioritization of future revenue growth, but I won't take the time to, I'll ask you that offline. I just didn't quite understand what you were saying. So flipping to public schools, the \$4.3 million one-time investment that is the result of opening two schools, how does that translate into future years?

[00:37:48] Does that become an operating expense? Sorry if I misspoke. To clarify, that is the ongoing expense for all the staff, utilities, and everything else. Oh, my bad. Okay, it's not a one-time. So that gets baked into our budget for the future. Correct. Any one-time cost would have been uncovered in the initial kind of construction outfitting of the buildings.

[00:38:05] And I had heard, I think, just maybe not in this presentation, but forgive me if this is not exactly right, but that the schools cannot hold contingency funds. Is that accurate? Yeah, so yes, that is. And so what we've done to accommodate that is the Board of Supervisors has approved, as part of their financial management policies, the ability for the schools to retain up to 2%.

[00:38:26] And so that lives as part of the general funds fund balance. And when the schools request it, it's available for them subject to board appropriation. And if an effort amount, the intent is direction to the CIP, but all of that is appropriated by the Board of Supervisors. Thank you. Got it. Sorry, bear with me.

[00:38:56] Going to the comparison of fiscal 27 budgets at slide 19, slide 18. I just want to clarify something. On the left-hand side, it talks about a recommended \$4.1 million to the CIP. Actually, I think you, actually, as you move forward, you answered that question.

[00:39:17] On the total real estate tax relief per year chart on page 20, I'm curious, is that a needs-based percentage? How is that increase calculated, just big picture? Yes, the big numbers in these criteria are for certain income and financial network.

[00:39:36] So what the board approved in December is the income. I'm going to ask the team to fact check me. We'll correct this if I'm wrong. It's 80% of AMI for a family of four. That's the income criteria. Thank you, Mr. Davidson. And then the financial net worth criteria, we benchmarked that based on an inflation adjusted amount.

[00:39:55] I believe it was \$200,000 in the year 2007. So now it's like roughly, I'll say \$310,000 to \$315,000 or so. Right. Lots of vigorous nodding back there. Thank you. So I get that. I understand that. Don't tell me if they're not nodding. So I understand that.

[00:40:16] I'm just curious, the growth, the increase in growth, is that just because there are more people that are eligible at that? Yeah, so there is that. So I think there's a few factors that go into that. I mean, we are an aging population, so that's that.

[00:40:31] I'll say the criteria were not as high as they used to be. And so where you can really begin to see around 22 or so, the board began to really relax that. I see. I shouldn't say relax that. Increase the eligibility requirements. Thank you. Better said that way. Because that amount of the net worth was around \$200,000 from 2007 to probably around early 2020s.

[00:40:55] And the board since then began to step that up and now has indexed that based on inflation. Okay. And the same with the AMI update has changed as well. Also, as the board of supervisors last year's rate, the real estate tax rate, that also had the impact. And as property values continue to increase, more relief becomes available for those who need it.

[00:41:14] Got it. Okay, thank you. I'm wrapping up re-engineering on page 22. I get the justification for economic development, sheriff, police. I get the ads. The deductions, what did you say, it was around 20 or so in total?

[00:41:31] 18. 18? How is that tied to workflow, what we're seeing in the market? I mean, are there more applications or less applications that are coming in? So you've adjusted, for example, well, let's see, community development, for example.

[00:41:51] You know, it just feels like there's more activity. Maybe there's less, and I'm just not in tune with it. So I'll speak. Every one of these has got its own story, so I'll be brief. You don't have to go through every one. Just pay attention. And so in those two positions in community development, one of those was actually more of a kind of a systems analyst-type position.

[00:42:09] Okay. And looking at the department, looking at the support that was provided through performance strategic planning, looking at our IT structure, that position had been vacant for a while, and we decided that we'd be able to eliminate that one. And the FFT was another position that had been vacant for some time as well. Okay.

[00:42:26] Can I add that, please? Supervisor Missile, with just the time we've been on the board, we've talked several times about investment in technology. We've also talked about outside consultants that have come in and helped us to look at workflow, work design.

[00:42:45] We've had our departments working with the performance and strategic planning department. We've implemented new technology. We've updated new systems. And in doing so, you evaluate the process and you look for ways to eliminate waste, speed up, increase efficiencies.

[00:43:03] What I'm most proud of is that these are all vacant positions that have been eliminated. We've not laid anyone off and done something where we're sending people home. And some of the board talked about this several years ago.

[00:43:20] I always call Supervisor Galloway out because I remember in a work session him turning directly to me and said, when are we going to begin to see our return on investment with our business systems optimization work? And I'm very proud of the fact that from 25 to 27 to cut 18 positions, because you're exactly right.

[00:43:41] We've got, in a number of areas, an increased service demand, and we're measuring that. And you see that through the SPIR report. And so I would directly relate this work that's been done both internally with the departments and then occasionally with a consultant coming in to show us best practices that we've really tried to step up and show the board that we needed to create this capacity to help support where positions have gone into public safety, where we've got staffing studies that show, and you talked about it Monday night, that we're going to need additional staffing.

[00:44:17] And that's not for out-year growth. That's for where we are right now. That's really helpful context. Thank you. And then I just have one nuts and bolts question. I apologize if I missed this in the larger document. Page 214 talks about other uses of funds. There's a budgeted salary lapse.

[00:44:34] Can you explain what that is? Sure. So we just know based on regular turnover that we will, even in any organization, is not going to be fully staffed out of our size throughout the year. So we look at our turnover data, our total salaries, the related benefits, and we project some savings based on what is realistic.

[00:44:52] So it's roughly about two-thirds of our recent experience. We're not counting every dollar, but that is something we can count on. And the reason that it is decreasing is, one, just continuing to look at our data. But as our salaries increase, two, that amount will decrease as we count those savings.

[00:45:08] Okay, I just was surprised at the difference between 26% and 35% that jumped out at me. I think it's we're always continuing to refine our methodology. And so I think it's more of continuing to refine that rather than seeing a sea change in our workforce or something. Thank you. That's it for me. Thank you.

[00:45:25] And just, you know, supervisors, don't feel rushed. This is our time to work through it, so take the time you need to ask your questions. If you want to surface a question and just want an email response later, just call it out. But you don't have to wait to send those in. You can call those out. They're tracking those questions as well.

[00:45:41] Supervisor Duncan? Yeah, I just have kind of one, a couple of you guys heard me say this earlier today. The \$6.4 million for schools, I also had not appreciated until this that without that there's no

money into the CIP for schools. My sort of question slash comment is in the total revenues We're getting like 150 million from the state and like 29 million from the federal are there Are we asking other departments to kind of save for the future and like if bad things happen in the next five years?

[00:46:22] It just feels like we're making schools Sacrifice to save because something bad might happen in five years, but you know Are we putting aside a ton of money if HUD cuts, if we get SNAP cuts, if Medicaid gets cuts? I don't think we are.

[00:46:39] I mean, obviously we have savings elsewhere, but that's still my hang-up with the \$6.4 million. Yeah, so I would say that if we were able to, county government staff would like to recommend putting money into the CIP.

[00:46:55] But based on the obligations we have and the non-shared revenues for county government not being favorably, county government's having to rely over the next few years of \$3 million of the budget stabilization reserve. And so before the county government were to put into the CIP more, we would need to get that budget stabilization correct.

[00:47:15] And so what is really the expenditure increases are very obligation heavy. And so there's really just over the two years, the FTEs, those other changes, it's not a launch of new programs in here. So that's just kind of at a conceptual level where that is. That's all I have. Supervisor Malik.

[00:47:33] Thank you all very much. Let's see. I guess I had one follow-up on the lapse factor. It always makes me nervous. Do you feel confident that we're not over-budgeting because we don't think we're going to get more savings than we actually do?

[00:47:52] I feel confident because the team behind me looks at this every single month, and if they keep me posted on how it's going, they're on it. Thank you, Laura. She's not in her head? Okay. All right. If we can get that on the record, the staff agrees with me. Excellent. Let's see, I'm jumping around because there were pages in the book, but I'll concentrate on the pages here.

[00:48:13] So in your page 10, talking about the revenue sharing, and I was interested, the comparison, when you look at the, when the ACE program was funded and we were having increasing conservation easements, that's a different financial impact on the formula for revenue sharing.

[00:48:33] And once the funding for the conservation easement ceased three years ago, it compounded, I think, all those other factors that you mentioned. So my question for your future consideration on today is where is the sweet spot that we had revenue-neutral savings in the revenue sharing that we could then invest in conservation easements that then feeds the savings going forward,

[00:48:59] In addition to the benefits, and I would say before about 2018 maybe, about \$400,000 of the transient occupancy tax was always put into the ACE program to fund the easements because of the scenic values that bring the tourists and keep them coming.

[00:49:18] So that's something that we could choose to return to in a future year and be able to increase the easements, which then, in addition to helping with the LCI, would help with the revenue sharing. The one thing that several people have commented to me that's missing in the document or maybe we just don't know where to find it is the deferred amount for land use program because if we're considering the value of the easements versus revenue sharing then we need to also be considering the value of the

easements which are permanent versus the some people call it rental and the deferments in the land use program.

[00:49:57] So that's something that I think would be important and if it's in here and someone can just tell us where to look then I'm glad to share that. I can answer that now. It's not in the book. Thank you for the feedback. I say this to all the board members. If there's ever something that doesn't make sense or we haven't, we can always build that because this document is based on feedback of the board. The number is about \$16 million in deferred taxes and that's part of Peter Lynch's presentation that he gave the board in January. That is the answer to that question.

[00:50:23] Thank you, Ed. I appreciate your consideration to put it in in the future because when people are looking at this, that's when the question seems to come to their mind. Now, let's see. Where was I? Okay, we did that. Thank you. Okay, 17. Let me turn some pages over here.

[00:50:43] I appreciate everybody else's questions as well. That's very helpful. Just, I guess, my reminder from looking at slide 17 was, it's not on your chart, but in 2009, no, fiscal year 2008, so it was August of 2000, sorry, fiscal year 2009, August of 2008, the state, in its wisdom, decided to cut, take back six million dollars of school funding that they had given to us in June and that being my first budget is also permanently imprinted on my brain for the terror it created because there was huge

[00:51:21] displacement of effort and that's that can happen at any time so I'm really grateful it's one of the reasons why I'm so interested in caution and savings etc on 18 on the left hand the 4.1 million And the source of that is local government revenue, correct?

[00:51:42] I'm sorry. I looked at it for a moment. Could you repeat the question? The \$4.1 million transfer to the CIP in the public school draft, that's local government money. Or is it coming out of their existing budget? Yes, it is. Yeah, it would be local money. So it's them designated local government money to go to CIP.

[00:51:59] It's not their operating dollars that's going in there. It's something that they're expecting us to do. Okay. I just wanted to clarify that because that was confusing. Let's see. And on slide 16, the drop, was that ARPA funding in fiscal year 25 and 26 that caused those reductions?

[00:52:21] That was, the ARPA funding was accounted for separately. So in fiscal year 25, that slower rate of growth was the change in the local composite index. Which would have increased our transfer to make up the difference.

[00:52:36] I just wonder, it looks like the funding is lower. Yeah, so in fiscal year 24, in that budget process, that was one of the years where it was one of the 17 modifications. So in fiscal year 24, there was a total of \$5 million that was sent to the CIP one time rather than into operations.

[00:52:55] Okay. So \$1.9 of that million was for county government, \$2.9 million of that of schools. Now, \$2.9 million does not offset the \$10 million, but that was a little bit of a, I don't know if cushion's the right word, but a little bit of small relief that would offset that. And so it's really part of this strategy in fiscal year 27 is from that learned experience.

[00:53:14] How can we provide some support for the schools in the future, given the uncertainty on the horizon? That's right. The coming chaos is what I'm thinking about every day, all day. Let's see. Page 19. The RETR is something that I've been incredibly supportive of.

[00:53:34] And one of the things that when it's over budget, I'm happy because it means that we're doing so much a better job of getting the word out to people. And Jennifer is a blessing because she's so kind to people and really helps them to get over their incredibly strong resistance to participate.

[00:53:51] People feel awkward about taking, and I mean, I've had discussions with people that said, you've worked for 60 years for the county. It's time for people of my generation and younger to help you out. Why would you, you know, so please. And I found that church members and neighbors are really the best outreach people, you know, handing out forms and things saying, please share this with your neighbors.

[00:54:12] because it is a way for people to be able to enjoy their seniorhood and to live in the county and among their neighbors and families and churches. So it's incredibly important, and I'm very proud of the work that we've done there. Now, 23, the reserve, what is called, what we used to call the board reserve, is that now what's called the reserve for contingencies?

[00:54:34] Okay, just want to make sure I have the terminology correct on that one. And the rest of mine, I think, are all coming later. Thank you very much. I need to clarify two things I didn't say quite right. One, I forgot when I said wrong. So the real estate tax relief is \$321,000, not about \$315,000. So thank you for the team correcting me. And I just, it went out of my mind. There is a total of \$9.6 million that is being recommended to send into the CIP. That's a combination of, if you remember back on the fund balance slide from Monday, there was 10.7 above policy.

[00:55:11] A portion of that is going into the CIP, and also based on looking at revenues, such as extra interest savings, that is going into the CIP as well. One of the reasons the CIP contribution is not bigger is because the county executive's budget is trying to balance across all six goals.

[00:55:28] So the one-time money that is going into housing is going into economic development. It is setting aside support for the future. Some have declined it, but it is not all just in the CIP. It's in all of these buckets touching the other strategic goals. Thank you for the team for flagging both of those things for me.

[00:55:44] And I'm sorry to interrupt the board's flow. I'm passing along. Thank you. You all done? Yes. Supervisor Pritt? Yes. Oh, sorry. I forgot for a second. I don't need to holler into this completely. I was trying to wrangle it over. You've got to talk into it now.

[00:56:01] So two questions that are both on kind of the revenue side, but I think are applicable to what we're talking about today. First is maybe a little in the weeds, but we recently, voters passed a constitutional referendum that expanded the real estate tax relief for surviving spouses of non-combat loss in action service members.

[00:56:29] I know some localities that real estate tax relief has actually been moderately devastating, depending on just how high that population is there. I'd be curious to get a sense of how that has impacted the county because this is one of those pre yeah it's an exemption instead of relief but we can share that data as a follow-up to this meeting great um i would also like to just um echo uh supervisor malik's interest in you you mentioned the total uh deferred tax amount being around 19 million dollars 16 million 16 million

[00:57:06] i wrote it down um maybe i was looking at it upside down i also could have misspoke I would just, if so long as we are talking about how that could be presented in a more helpful way in future budget

books, the breakout, not just of that aggregate amount, but between our three major land use related programs of land use, ag for districts and conservation easements, knowing which of those goes to which.

[00:57:37] because I think there are different factions that view them differently. There are lots of, these are all programs that I think get a certain amount of consternation from younger and more urban members of our county. And there is an attempt to sometimes categorize them on how sinister they might seem to those members of our constituency.

[00:57:58] It would be helpful to know which of them is just having the more significant impacts. Well, part of the follow-up, we'll add some context and some explanation about the different categories categories. I'm sure a lot of them are overlapping, right? There is some overlap. They might be claiming it under one, but they could get it under another. That's right. And it's also in how they're presented in our assessed values. They actually are presented differently, particularly with the conservation easement. So we'll add some clarity and some content to that response for you.

[00:58:27] Thank you so much. I would just like to... Supervisor Missile expressed a little bit of interest in it, but went past it. And this is something I mentioned, I think actually slightly misstated in an earlier budget presentation.

[00:58:46] But the alternatives that aren't really alternatives, they're all necessary steps for the capital plan to possibly build toward a future high school. I did just want to highlight that in the context of the CIP set-aside that we're doing.

[00:59:04] So that reprioritization of future revenue growth, because we clarified this in a recent one-on-one, I want to state how I understand that and how that relates to our current thing, mostly for a matter of the public record. That was a recommendation that, again, almost all of these must be done together to be able to get to the target for what the schools identify as the cost of a new high school.

[00:59:26] The reprioritization of future revenue growth would have called for setting aside 10% of the new revenue that would normally go to schools to be reserved for the CIP based on projections that was going to be almost \$2 million a year for two years.

[00:59:44] If I recall from having just reviewed this. Yeah, I can't remember what the scenario was, but it was a different scenario, which in the budget, but it was, I think, a smaller amount, and it was for a five-year period, rather than this, which is a larger amount for two years. So what we have done is we have basically using our future, again, only through our future growth, but we have clawed back a larger percent.

[01:00:06] I think it's about 22% of the new revenue growth. We have taken that for CIP, but it is a comparable amount to what we would have been looking for over that reprioritization of future revenue growth. I am just illustrating this to say that is how it was presented as an alternative.

[01:00:26] We are kind of doing that. We are just doing it on a shorter time frame than had been originally suggested. But it's essentially the same strategy, just done in one year because we had a big tranche of money come through the LCI. That's how I'm understanding that correctly if I misstated something.

[01:00:45] I'll add a little bit. And so let's kind of think of just the total art of the possible, what that could look like. And the reprioritization of future growth, the CIP contemplates that would be over two years. So 6.4 million times two is about \$13 million.

[01:01:04] And I'll just use this as a school example. So, say, if you want to do one large school project, there's an example of what this could look like. So, included in the CIP, we'll talk about Monday, there's \$8 million of renovation funding that was pushed to the out years because schools said that high school was the priority, and there's not enough money at a high school, but we can start saving money should the board in the future decide to.

[01:01:25] So, that's about a little over \$20 million now in that art of the possible of cash. Say the sales tax reform is approved, would not be approved in time to collect any sales tax revenue in 27, But by the time fiscal year 28 rolls around, there could be \$28 million of ongoing cash coming in.

[01:01:44] So now we're approaching \$50 million toward the Art of the Possible. This is a really different conversation than what was happening in April. And that is just to say, again, Art of the Possible, that is not a recommendation. That's just an option of how this could begin to play out and give the board some ability to perhaps do something different.

[01:02:02] Because part of the idea of the Art of the Possible is to build a major capital project. It will be very challenging to do that in the current formula. as the county's debt continues to be driven by the five major projects we talked about in the county executive's presentation, and we'll talk about more on Monday. So to do anything is going to require something different, a lot of partnership and multi-year planning.

[01:02:22] Thank you so much. This isn't for action, this budget, but basically I like to mention it at least once every time we talk about the real estate tax exemption, which is this is an important program.

[01:02:39] Every time it comes up, we say how important we—this is the elderly and disabled real estate tax exemption. It's an important thing. We're so happy that we do this. It sets aside an important benefit for people. It also is only benefiting homeowners, which is disproportionately also going to mean it's going to be benefiting people who are living in rural areas.

[01:03:00] It is effectively, as a benefit, trapping some of our elderly in places that they are going to be struggling to maintain. As a long-term goal, I think it is important that this county try and figure out how we can deliver a comparable benefit for renters who are elderly and disabled in this county.

[01:03:17] Because we do not have a comparable benefit, which means people are not able to move closer to their care provider. They're not able to move into a condo or an apartment easily near Martha Jefferson because they depend on that real estate tax exemption and there is not a comparable benefit.

[01:03:36] that they would receive through the county that could fill that void if they were renting. That's all I got. Supervisor Lupisto Curtin. Thank you. I only have about three questions, but going to the CIP, 6.4 for the CIP, and you had just mentioned that the dollars perhaps that could be placed in the school budget for renovations aren't going to be placed there because that money is going in the CIP for a new school because that was the school's number one priority.

[01:04:09] Did I hear you correct? That's correct, and that really speaks to option C on the art of the possible. We'll talk about this more on Monday. Schools know this, that they used to have, well, they still have until the board directs otherwise, the adopted CIP had \$4 million of renovation funding in the first four years of the CIP.

[01:04:29] That item has been reprioritized first for the first two years to fund an \$8 million requested increase in the cost of the Northern Elementary School. Then the last year's \$3 and \$4 are taking that \$8 million and putting that as a designated school placeholder in year five. And the Northern Feeder Pattern Elementary School has been pushed out to 28?

[01:04:49] That remains on schedule. The design money is, well, I should say, since it was originally put in the CIP, it's marched forward every year. Design will be in fiscal year 27 with construction to follow in fiscal year 28. That would take place over a couple years before the school opens. Thank you.

[01:05:07] Next question. How would you adjust the budget if additional monies, because I understand that additional monies will be coming from the state unless you've already incorporated that, but my understanding is that some additional monies might be coming in from the state for schools, and if that happens, I mean it's not going to be a huge amount, but it would be something, how would that adjust the budget or would that money just go to the schools, do you know?

[01:05:36] I think really at this point in the process, that would be just a consideration of the Board of Supervisors about what is the right general fund transfer to provide. Right now, that's \$218 million. If anything changes for better or worse, that's a factor for the Board to consider. Okay. And the last thing, you talked about in the split, the revenue sharing with the city.

[01:05:58] You talked about with the split that there are items that are not included in the split. Could you mention, could you go over that? Sure. Because I didn't, that's the first time. Yeah, so the revenue sharing item, I'm in step two, for those who are reading along or need to put in reading glasses on the small text.

[01:06:21] And this is broken out, if someone's a numbers person more than a words person. The city of Charleston revenue sharing, so that change in the 20 to 21 or 0.7, whatever the number was, that increases, you know, reduced from the revenues.

[01:06:36] Tax relief programs, which are what we talked about, the real estate tax relief program, that increase of half a million dollars, that is shared or that deducts from the available revenue for both schools, county government, and the CIV. Economic development tax rebates, those are when there is a tax rebate where there's an agreement between the county, the Economic Development Authority, and a third party where for a specified term or dollar amount, that tax revenue is provided to the EDA and the developer rather than split.

[01:07:07] Once the agreement's done, the money is split. And then around 2015 or so, the Board of Supervisors dedicated 0.7 cents on the tax rate for some increased water resources mandates. That was the method the Board chose to fund that with and wanted to be very clear to the taxpayers that is what was driving the rate increase.

[01:07:27] And then in the most recent budget, the Board of Supervisors increased funding for the portable housing and public safety, and that was included in their updated for November 19th, where the growth in those values of the pennies has taken off as well.

[01:07:44] That's taken off as well? Yes. And so monies that go to schools and everything, that's still in the split. Is that correct? All a bunch of monies that go to schools. I'm sorry. I just realized we don't have the housing fund in that slide on step two.

[01:08:00] That's why we'll get that corrected. But the board's policy, I guarantee you, is 100% correct, as is the calculation. Yeah. On the slide, it talks about the financial management policies being on page 67 of the document, which is accurate. If you want to follow the actual map, it's on page 210 of the document, where you show number by number what's coming out of the shared garden.

[01:08:19] Okay, thank you very much. I appreciate that. No other questions. Well, and I'll just state it. The 3-2 for public safety and the .4 that we dedicated last year, that we spoke and said as a board, bring this back as dedicated next year.

[01:08:39] The .4 that we dedicated in the four cents to the schools, we said not to dedicate that moving. So that .4 just goes to the general fund. But I don't, I'm stating that cleanly because I don't want folks to think that that was the county, it's in the county executive's recommendation because we told them to do that in the recommendation, surfacing out of last year's budget piece.

[01:09:02] There seemed to be some confusion over that just generally. So I'm hoping that will clear it up so that everybody understands how that came to pass because that's a board direction. The revenue sharing conversation, when I was on the school board, and I've started to talk about this again with folks explaining bigger kind of things.

[01:09:32] I don't have hopes that this would ever pass the General Assembly, but who knows? There's a lot of different people up there than there were 10, 12 years ago. But when we send 20-some million dollars to the city for revenue sharing, our ability to pay in the local composite index is not adjusted down by that 20-some million dollars.

[01:09:52] So the state says you have that 20-some million dollars in your coffers to spend on local education as they work through the formula. There was an effort at one point led by our school board to try to get the state to allow us to not count the revenue sharing agreement money as if it was in our coffers.

[01:10:12] which changes the formula some years to albemarle schools benefit some years it would be to our detriment right it's not always just going to be a plus because of the rigmarole around lci plus uh how ability how your ability to pay is calculated but i would be interested because back then the revenue sharing agreement was what 13 14 million dollars so we're we're almost 10 million dollars higher if the 20 some million dollars were taken out of our ability to pay in that formula, what would the impact be on us? So it's following the same logic. We were able to

[01:10:49] figure that out back then. I'd be curious what it would be today, given the different political environment in Richmond. I don't know if it goes anywhere because the rest of the state basically goes, hey, you passed the revenue sharing agreement, it's yours. You got to live with your voter referendum and your decisions. But just as an exercise, I'm still interested to the tune of what kind of money would we be talking about? And is it a plus or minus in the current year for Albemarle since they just adjusted the LCI. I don't remember, frankly, if that \$20 million is counted in Charlottesville's ability to pay, but if my memory serves...

[01:11:26] Oh, it better pay. No, I think it's counted as it's not in their ability to pay. But I don't remember that detail because that was part of the sticking point to be against it if you're Charlottesville, right? Not just because it... And I'm not trying to raise a lot of political angst. It did back then, but We've been through redistricting, and who it touches and involves at the General Assembly is a little different now.

[01:11:52] Anyway, I'd just be curious about that. I appreciate if you want to go to the slide with the funding split. I want to remind every – I think it's important to remind everybody that the high school thought is being treated like a boogeyman right now.

[01:12:21] And I want to remind everyone that if the high school was not in the request, we still have a \$300 million request from the schools. That's not with local government projects. So I bring it up because if for some reason the school board were to turn, do an about face and say, we don't need the high school, it doesn't change this conversation, right?

[01:12:46] The \$50-some million preschool center, plus all the renovations and things they wanted to go, still, and correct me if I'm wrong, but it's still around \$300-plus million without the high school. I believe that's correct, and I think the general point of the, well, it's a slide, but whether you want to build a new ECC facility or preschool center, the conversation is the same.

[01:13:06] Aside from the 1% that can only be sitting on school construction. And when we add in what we know local government's CIP needs are moving forward, you know, doing – we've got to start thinking about it differently in terms of prepping for CIP. But I just would hate that if for some reason the high school conversation all of a sudden goes poof, it doesn't solve the problem.

[01:13:28] We still have a CIP issue because the needs that are presenting themselves are very different than anything we've ever contended with before. So just highlighting that. You said in Supervisor Malik's request, the way that that went, now I'm questioning my understanding of the superintendent's request.

[01:13:57] My understanding, I'll say what I thought, and then you tell me if I'm right or if it needs to be adjusted, because I don't want to go into town hall meetings explaining it wrong. But my thought was they had a seven-plus million dollar initiative piece in operating dollars over and beyond their already going ongoing operating request.

[01:14:18] The ongoing operating request would have included the new schools, et cetera. So my understanding, based on the superintendent's request, of that seven million, he was going to take four million dollars that otherwise could have gone to operating and put it to as a one-time expenditure to the CIP.

[01:14:37] that's correct so well generally correct i feel like i'm getting quiz for my homework of watching school board meetings so miss kumazawa is going to say very clearly and very succinctly when she's here on monday but the 6.4 million the school's plan to use that is uh 4.1 million would be sent to the school's one cip one time that remaining 2.3 million is included on i want to say four or five initiatives but i'm uh such as uh you know there's some textbooks uh some additional support for math, special ed, and some other items they have as part of that.

[01:15:09] Thank you. Okay, but what I heard in that pass was that it was somehow not operating dollars. They were taking operating dollars and putting it to the CIP. So they would assume if they received the \$15.4 million in operating dollars by an unadjusted formula, of that ongoing revenue growth block formula, they would send 4.1 of that to the CIP.

[01:15:32] Yes. Earmarked in a school CIP reserve per his request. Okay, I just want to make sure I understood it in my brain the way that it was knocking around a bit. All right, those are not questions.

[01:15:52] I should have asked this question the other night, but we were talking about FTEs today, and I see how it works, but I just want to confirm my understanding. So it's on page 113 in the budget book where all the county government positions are shown.

[01:16:09] And so if you want like a one-stop shot to see how the position's moving, please fire the re-engineered positions, et cetera. It's a little different than how we've been talking about it because it's been, this presentation was kind of two years. And this is really a, well, it's in there, but the change in the budget book only shows you the change from the prior year.

[01:16:31] Yes. The FEMA, I can see what's happening, or at least I think I understand. The FEMA grant positions, do they only come out of that FEMA grant line item into a county line item when they're done being fully funded?

[01:16:46] That is correct. The FTEs remain the same. It is just the fund they are afforded in now that they are beginning to move. So there's a \$1.7 million budget in fact for those staff, but the FTE amount is unchanged in total. Right, because it's a switch out. It's an accounting procedure.

[01:17:02] Correct. But I just want to make sure that there's no trying to account for, well, maybe it's only 50% funded in year three or whatever the number is. You're not changing the necessarily out of the FEMA grant until it's completely on the county side. We've learned in the past that moving partial firefighters gets really confusing in the middle of the grants.

[01:17:24] And so our approach has been moving the FTE to the general fund as soon as we start to pick up those positions. Oh, even if it's not a full cost pickup? Yes, because of those 30, and then there's an additional seven, what I'll call FEMA saver four, those seven are not being picked up at all.

[01:17:42] There's going to be a \$1.7 million impact this year to pick those up, a roughly \$1.9 million impact in fiscal year 28 before this begins to phase out a little bit. All right, well, I'm glad I asked. Thank you.

[01:17:58] All right, that's all the questions I had. Let me just do another left to right. Any additional from all that? All right, we're ready to move on. Thank you. Okay, so we're going to continue on through the budget book.

[01:18:21] The next chapter of the book focuses on public works that we're going to cover tonight, and that's on pages 159 through 164 of the book. In total, this is about 3% of the general fund, which amounts to \$14.1 million. The biggest component of this chapter is our County Department of Facilities and Environmental Services.

[01:18:40] That makes up about 75% of the \$14.1 million you see here. And that's followed by 24%, which is the contribution to the Ravana Solid Waste Authority. There are also some smaller public works agencies included in this chapter. So I want to spend a minute talking about the investment that we've made in environmental services.

[01:19:01] As you can see on the slide, several years ago, the board dedicated 0.7 cents to the Water Resources Fund. In FY27, that is projected to be \$2.3 million. and that's going to cover the water resources operating and debt payment costs as well as a reserve for CIP projects related to water resources. The next point on the slide is about the climate action fund. The recommended budget has \$300,000 of additional one-time funding recommended for the climate action fund. That matches and is the same amount that

was put in one time last year in FY26 and it will be added to the ongoing balance that's been reappropriated from prior

[01:19:40] fiscal years in that fund of \$221,000. I also wanted to flag here that our Department of Facilities and Environmental Services that runs the Climate Action Fund program has recently reprioritized staff program to accelerate their progress for a number of projects in that fund. Some of the projects include the Residential Energy Improvements Program, County Building Energy Efficiency Programs, the Energy Resource Hub, the Climate Action Collaboration Initiative, and the Climate Resilience Cohort Support Program.

[01:20:13] And finally, I want to touch on the plastic bag tax revenue, because this has been a hot topic in recent years. In FY27, that revenue is projected to be \$140,000. To date, we've collected over \$440,000 in that program since it was created in FY23.

[01:20:30] And some of the ways that we use the money to date include programs to mitigate roadside litter along county rights-of-way, a litter education program, distribution of reusable shopping bags, and efforts to reduce litter in county rights-of-way and public waterways. And to give you a data point on this, from December of 2024 to December of 2025, this program and its funding funded cleanup of over 1,023 miles in the county, which included 3,932 bags of trash that were collected.

[01:21:03] And then finally, not listed on the slide, but impacting the budget for public works, there's an increase of \$31,000 that's related to operating costs for the new circuit court facility when it opens in FY27. So to touch briefly on the public works agency contributions, as I mentioned previously, the largest public works agency that we have in the budget is our contribution to Ravana Solid Waste Authority.

[01:21:30] It increases by \$492,000 in the FY27 recommended budget. Most of that is being driven by increased salary and benefit costs including their market compensation and health care costs similar to what we've seen with local government. They're also seeing an increase in utility and vendor costs and there are some modest Investments there for a new lithium battery collection Program and a new fuel management system that will improve efficiencies for our SWA even though they have a cost to implement. I also wanted to flag here that on the board's consent agenda for next week

[01:22:05] is a proposal from RSWA to increase fees for their services, and that will be presented to the board as part of your consent agenda next week. There are two other agencies listed here in detail in the budget book that have pretty flat or extremely modest increases recommended for FY27.

[01:22:26] So I'll pause there for Public Works and happy to take any questions you have. Supervisor Missal. Thanks. I guess I just have one question on the RWSA. Thanks. That was one of my bigger questions. Could you explain again the amount includes increases to some RWSI fees for services requested so that that will increase Their income it will and reduce this number the four nights would reduce the number the 492 number or how does how do they work?

[01:22:55] Sorry So included in that number is the assumption that the board would allow And so the county is partnered with the city at the Ivy Utilization Center, but it's mainly funded by the county.

[01:23:15] So as we do these fee increases, the county sees the benefit of those fee increases for a reduced request in this contribution from RSWA. Thank you. So that assumes that those have been increased. They haven't yet. Yes, sir.

[01:23:31] That's cool. Okay. That was it. Thank you. Supervisor Duncan. The plastic bag tax, it has, like, rules around where the money, what the money goes to, correct?

[01:23:49] That's correct. Yep. Supervisor Malik. Thank you very much. I just add something about the lithium battery. There has to be a new facility added because they've had several fires, one or two, in the actual hauling trailer, which was \$200,000 damage each.

[01:24:13] And it's just the reason I mention it is because people in addition should be incredibly careful in your home and your backpack and everything else About these things because this is happening quite frequently But it's a very important improvement to their system The fee increases that we'll talk about next week over many years They've been titrated basically to adjust demand back before the improvements at the transfer station there was like 50 tons brought and so a reduction in the cost was made to lure some customers back to provide the traffic that we needed to make it all

[01:24:49] work out. Now rebounded in the other direction so it's hundreds of tons more than it was. So now maybe we need to adjust the things up a little to calm things down. So that is always something that they're trying to manage to keep the cost as reasonable for the county as possible. The county put in all the money for the renovations but there is an extra fee that city residents pay. They pay a flat ten dollars when they go when the county minimum is a dollar. So

[01:25:18] hopefully that all comes out in the wash. And that is all I, whoops, that is, some of you may not know the Ravana Conservation Alliance does the monitoring for the stream health quality 50 sites across Admiral County. All of their monitors are DEQ certified so it's just as if DEQ monitors were out there on our 50 locations and therefore at our county's data is far better than most other counties in our region as far as the water quality is concerned and

[01:25:55] now they're doing bacterial monitoring as well which is incredibly important so I'm very pleased with the continued budget support their conservation districts I hope that we will engage them more in the future helping with some of the other programs that our agriculture people and urban people could could deal with to improve their water quality benefits and that may cause some future budget to need more staff support at the Soil and Water Conservation District.

[01:26:25] And in case you're interested, there is a bill to get more money from the state for them that needs support right now. Pass that along. And I'll stop there. Thank you very much. Supervisor Pruitt. Only one question and it's kind of, it's a long tick question that's maybe beyond the scope of the immediate budget in front of us.

[01:26:45] Something that I've been thinking about a lot so far this budget cycle are situations where the parameters of an agreement slowly grow in their implications, right? We've been talking lately about a little bit more than normal about the revenue-sharing agreement and how it is reaching just raw numerals that are bigger than maybe we anticipated.

[01:27:08] We've had conversations with our school board counterparts about the school split percentage and how it's increasingly inconsistent with what might be reasonable for a county of our size and scale and sophistication. And now looking at, and I'm not saying normatively one way or the other, the fact that our most significant cost change in public works is driven by an agreement, almost like there was not a decision input involved in that.

[01:27:38] It was an agreement from RWSA that drove, because of their own costs associated, how our payment worked. I guess I would be interested in having a more thorough inventory of all the scenarios where the tail wags the dog on our budget like this.

[01:27:57] Where a system or an organization that's out or an agreement that is outside the county's discretionary control year to year has the effect, right, like the IRS does this, our medical costs do this, situations where the tail wags the dog and we have a cost that is driven by something and that may, further down the road, start to have unexpected or untenable consequences, which isn't to say that this is happening, but it's just one more situation.

[01:28:27] I'm flagging them, oh, that is something where the cost driver is not within our control. It is an agreement that we have that is creating a cost consequence that could sneak up on us in a surprising way in the future, depending on how dynamics change. And I guess thinking long-term about my service on the board, I would like to have a better sense of getting my hand around systems like that that we don't have direct control over.

[01:28:52] That's all I got. Supervisor Lapis or Curley? No questions. Did I see you catch a question you wanted to answer? I did have one quick question. Thank you. Good to ask. The Climate Action One-Time Funding. So that \$300,000 is kind of an arbitrary number based on last year, right, I assume?

[01:29:11] And that came from discretionary funding that was added? I was curious. I'll speak to this because I was here. Yeah, it's the budget process. There's a very small amount remaining. It was called the Advancing Strategic Priority Reserve for particular initiatives.

[01:29:28] So that was the source of some funding that the board added last year. And so the intent is to match with one-time money what the board did last year. That's a number if the board desires something different, they have the ability to add that to the parking lot should they desire. And so that's not really based on any specific need or ask.

[01:29:46] It's essentially a carryover. Knowing there are still things underway and just continuing to apply support because it is part of the board's strategic plan. That was sort of the intent, just to keep forward momentum on that. Got it. Thank you very much. That's it. Great. I have no questions, so I had a quick note.

[01:30:03] Just following off of Supervisor Missal, and I don't want to put anyone on the spot. We just got a fairly helpful email from Mr. Dumars about how that fund has been used. I don't know if it's in a position to be, like, something that would be also – I'm thinking how you were saying how RFIs that aren't answerable inside the scope of this meeting are being posted to the budget process website.

[01:30:30] That could be something that is helpful, because I know this is a question I get from the public. Oh, how's that even being used? It's something we've talked about. We'll take a follow-up to share the information Mr. Dubois shared with the board and put that on the website so everyone has that. Great area. All right. Okay, so moving on to the health and welfare chapter, this is a \$35.4 million chapter, which is about 7% of the general fund.

[01:30:57] Within that chapter, we have a few main areas. First is our health and human services area. Within that, you have the Department of Social Services, the Office of Housing, and the Office of Public Services Accessibility. Next, we have several contributions to outside agency partners.

[01:31:14] You'll see in the donut chart the Charlottesville Albemarle Health Department contribution, the Region 10 contribution at 3% and 2% of the amount, respectively. Then you see in the purple color on the donut chart on the right, the remaining regional partners that we fund within the health and welfare chapter.

[01:31:30] So some of those, to Mr. Pruitt's previous point, are driven by longstanding agreements or practices that the county has with those agencies. And some are the ones that come to the county each year through our nonprofit human services funding process. So we'll cover both of those types of agencies in this process.

[01:31:49] And for the board and the public, this chapter is on page 167 through 177 of the budget. And then there's a pretty long section in the appendix on the human services funding process agencies that begins around page 300 of the appendix.

[01:32:07] So first I want to talk a little bit about the Affordable Housing Investment Fund. So to find more details on the fund itself, you actually need to look at page 229 in the budget document. So in the FY27 recommended budget, for the second year in a row, staff is recommending a \$5 million total investment in the Affordable Housing Fund.

[01:32:28] So that includes the dedicated 0.4 cents of the tax rate increase from last year that the board has incorporated into their financial management Policies along with some additional one-time monies 3.7 million dollars in one-time monies to get us to the five million dollar Mark as the board and public know that program is really used for a number of things One of the things that it's used for is developer incentives and other initiatives that expand affordable housing options It's used to increase the supply of affordable homes and rental units.

[01:32:58] It's used to support workforce housing, and it's used to assist residents in securing stable housing. Since the fund was created in FY19, over \$22 million has been invested into the fund by the board, and those investments have resulted in the construction and preservation of over 1,700 units of affordable housing, both renter and owner-occupied.

[01:33:20] It's resulted in shelter and supportive services for over 280 victims of domestic violence, and 539 individuals experiencing homelessness. And it's also resulted in housing counseling and navigation support for over 788 individuals and families.

[01:33:41] So next, I want to cover a couple of other programs that are included in the health and welfare chapter within local government. First is the Albemarle County Emergency Relief Program. So in FY27, staff are recommending a total of \$360,000 in ongoing local funding for that program.

[01:33:58] Just for a point of reference, in FY26, that program had \$260,000 in ongoing funding and \$200,000 in one-time funding. We are also recommending a slight increase to the Children's Services Act fund. That's a mandated program, and we are basing that recommendation on recent service trends.

[01:34:18] we're continuing to watch for potential impacts of state legislation as it may impact the Children's Services Act fund as well and then finally the direct assistance program that those are payments made to families and individuals for services that are partially or fully funded by state and federal resources that have no local budget impact and they are increasing slightly in the FY27 recommendation and then this is my final slide on this first section of the health and welfare chapter and then I'll pause for

questions so these are some of the agencies that we are funding based on some of the type of agreement or long-standing partnership.

[01:34:53] So overall within the chapter, \$4.1 million or an increase of 6.7% over this year is dedicated to these agencies. These are groups that provide essential unique community services which are not duplicated by operational programs that the county government runs.

[01:35:10] The amount of funding provided to a particular agency is typically based on either a regional agreement or a memorandum of understanding. been asked previously by this board to articulate impacts of federal funding and policy changes and you'll see a couple in these agencies here. So the first I want to point out is our contribution to the Charlottesville Albemarle Health Department. It's increasing eight percent in this recommended budget. Part of that increase is driven by their standard personnel cost increases similar to any organization. But another part is that the county is recommending, the staff are recommending that we pick up the county costs associated with two positions that are going to lose federal

[01:35:48] funding from a grant. One of those positions is for a disease investigation specialist and the other is for a senior epidemiologist and those are unlikely to continue to be funded by the federal government. Region 10 is another example of this. Their recommendation for FY27 is increasing about 35.1 percent from 27, or excuse me, from 26. That increase amounts to \$291,000. Of that \$291,000, \$234,000 is due to the loss of federal funding for the Permanent Supportive Housing Program.

[01:36:24] So staff are recommending that the county pick up the county share of that program as well. So I'll pause there for any questions you have so far on health and welfare, and then after that, we'll talk more about the human services funding process and the nonprofit agencies. Supervisor Missal?

[01:36:41] What if I don't want to go first on this one? All right, so I'm trying to keep it in questions, but I probably have a few comments, too. So let me start with affordable housing, that piece of it.

[01:36:59] And I appreciate your comments about the success of the affordable housing initiative in Albemarle County, bringing \$1,700, I think you said. At the same time, I also see the reality of the fact that it is an incredible need that is vastly underfunded.

[01:37:16] So I know it's a challenge for the county. I know it's a challenge for the developers in this area to try to bring something meaningful forward to help with that issue. And I know that there are a lot of complications and nuances when it comes to, you know, state funding, etc.

[01:37:35] I would, I just want to make sure here's my question about affordable housing. I think I understand this, right? We have the \$1.3 million, essentially, that was set aside with the portion of the tax increase. That is our only reoccurring funding, correct?

[01:37:52] In addition to that, we're adding another \$3.7 million this year to bring it to a total of \$5 million that is going into the Affordable Housing Investment Fund. Yes, for FY27. For FY27.

[01:38:08] And forgive me, I don't have it right in front of me. That compares to last year. What was that number last year that went in? It was \$5 million in FY26 as well. So I kind of knew the answer to that question. So my point there is it hasn't moved, right? We haven't increased it at all.

[01:38:24] It's essentially status quo. That's correct. Okay. And I'll ask this question too. Is there a plan trajectory for increases in affordable housing funding built into the long-term capital plan or the long-

term strategic plan?

[01:38:46] I would say in the unbalanced five-year plan, we would contemplate just having more funding for ongoing dedicated for housing and economic development. But realistically, with the picture we laid out of those two periods into the five-year plan, it would probably be several years before that would be realized based on the plan that was in November.

[01:39:10] But it's planned and things can change. But realistically, it would not be coming in fiscal year 28 based on what was presented to the board that was seated at the time in November. Okay. Thank you. That's helpful to know. And, you know, we mentioned we talk about increasing funding for economic development, which makes sense.

[01:39:26] We see AstraZeneca coming in. that's going to bring a need for more affordable housing, right, and more housing. So if we're adding to one, we should be thinking about how do we add to the other to help to back that. That's just my comment. And I don't know, this may be a parking lot issue.

[01:39:44] On the health and welfare, and some of my background, I worked as a legal, with a group, a nonprofit that actually helped to prevent recidivism in prisons by funding the ability for or by monitoring people who are prisoners who would we would bail them out essentially they would go into the workforce so I have a real interest in in that and preventing and reducing prison overcrowding etc and the one item that there's a request in here for the therapeutic docket to divert seriously

[01:40:20] mental ill participants and it's not it's about half funded or even less than that so I'd like to throw that in the parking lot if that's one we can do to look at that as additional funding and I think that is it for me all right I'll make some general comments about some parking lot stuff as we get through the end Supervisor Dungan yeah echoing the concerns about five million in the affordable housing and yeah the long-term plan for that on slide 28 you have the increase for the

[01:40:58] elderly tax relief we I know we just talked about it that's not part of the housing you just have it on the slide because it's related to housing or is that coming out of like the five million because that was one we're trying to get I guess this is a miniseries the kind of executives presentation is because the movie of the budget and so this is one of the county executives presentation to have the connection because there's a nexus of helping people in their home but that is an entire separate 2.8 million outside of the house that's all

[01:41:33] Supervisor Mallet. Thank you. And that preservation of keeping people in the homes where they live, that's what that RETR does. So my question, CSA used to be done in partnership with the schools. Is that still the case or not?

[01:41:53] Yes. Okay. That's still the case. All right. That's a yes. And there were, we're not ready to, you're going to do more presentation before we do agency. So I'm going to hold off on my other things until then.

[01:42:10] Yes. And I will stop there. Thank you. Supervisor Pruitt. I would be curious, when we enter into contractually driven relationships with nonprofit service deliverers, like we have with the center, for example, I think that's a really good high-profile example.

[01:42:33] My understanding is we don't fund them through the agency review process. We have an ongoing contractual relationship. I see some shaking can I confirm is that how that works well they received one-time money several years ago in the CIP and so there's an agreement specific to that

contribution but there's no ongoing support for this can you give me another example then of one of our contractual partners for rhetorical purposes Java that there we go when we graduate someone an organization from a

[01:43:10] agency review program to a contractual program who initiates that what does that look like and I'm specifically thinking in context you know it was brought up the therapeutic docket OAR since I've been here has been one of our most significant and consistent recipients of funding they provide what I think of as a as kind of a core government aligned service I do wonder it does seem it seems to me at a glance not being in the weeds with it strange that we give them discretionary review year over year rather than an ongoing kind of metrics-based contractual arrangement.

[01:43:50] I'm curious, would we trigger that? Would they trigger that by asking? So the process is that every year in the summer, and I'll speak to this in a moment, the board will sort of approve a framework for that process. Part of what happens is staff will work through human services staff, financial staff, and really go agency by agency. Are they in the right process and what are the criteria?

[01:44:10] So I'll give an example. AHIP used to be in the human services funding process. They moved her a couple years ago. We've probably had some move over the several ways. Just trying to make sure that we have those grounds to stand on. I have to admit I'm liking the criteria because it's been almost a year or a while since we had that conversation. Ms. Dynick, is there anything that you would add to this in the review that's taken place?

[01:44:28] I would. For the majority of those organizations with whom we have a more contractual obligation or arrangement and not a competitive one, we have some codified requirement to provide the service. And so it's not 100% of 100% of the funding, but a significant portion of it.

[01:44:49] So you can see in the book, OAR, Offender Aid and Restoration, has three programs that are considered contractual because the locality has an obligation to provide those services, and two that are competitive because while we believe in the work that they're doing, We don't have an underlying obligation to provide that.

[01:45:13] This is kind of similar to Supervisor Duncan's clarifying question. But during the housing fund discussion, there was mention of developer incentives. I am almost certain that that's developer incentive in a colloquial sense because we're not currently issuing any developer incentives in the formal sense because no one's asked for them since we passed that program.

[01:45:38] And if we were, that would be in the previous section, right? Because developer incentives are a tax reduction program and it would be one of those off-the-top programs. I'm looking to Mr. Sumner for this one, I think. So, yes, you're correct.

[01:45:54] We have yet to bring an applicant forward as part of that process, the developer incentive process. And where it would land specifically in the budget document, we'd have to look at what the funding mechanism would look like. some of it would flow through the EDA as part of the mechanism to help provide that funding or that offset or the developer incentive but it would definitely directly relate to housing and probably fall under the the health and welfare component but you are correct we have yet to receive an

[01:46:28] application that has made its way to the board for action one other clarifying note the only dedicated source of funding we received this year for the housing trust fund is the is the dedicated sent tax

but my understanding is payments in lieu of affordable units should a developer elect to them I believe those automatically also go to the housing trust fund is that accurate that's correct typically once a year we'll do kind of a sweep of any cash profits for affordable housing and we'll move to those in the funds as well I just wanted to identify that because I think when we were transitioning to calling it a trust

[01:47:06] fund even before we had the dedicated sent tax the argument was that is a dedicated source of funding. Even if it's currently garbage, it's dedicated in that we have said it all goes there automatically. Garbage not pointing, as in we are not receiving the money.

[01:47:31] This is kind of getting also to the note that Supervisor Missal started with, of like, what's the strategic long-range planning on the housing trust fund? And I'll just say this in the context of I think everyone at this table knows that I'm like I'm sharpening my carving knife and getting out my pair of pliers right now figuring out where I think I'm going to find five million dollars in the budget and I'm still plotting on it but like I do this every year I get out my pliers I get out my carving knife I see where I think I can find it I am I will say if I

[01:48:09] was told oh yes we have strategic planning that is we don't think we can execute it on a reasonable and balanced budget this year, but here is our strategy for hitting it by fiscal year 29, I might put the pliers back in their box, right?

[01:48:26] If we heard from staff that, yes, we understand this is a goal of the board to hit this specific number, here is our strategy for hitting it with that coming into pre-planning of the budget, right, coming into the December-January process of the budget that we are not as engaged with um we are planning around 10 million for x year out for y year out um that would give me a lot more comfort and and frankly thinking that i as a board member i'm having to kind of get in a

[01:49:01] mucky uh uh you know difficult fight with other competing priorities so i i would just say that right like that would certainly i i would find personal benefit in that and i think the community would find some comfort because it would also look like the fate of the housing fund in any given budget year has less to do with how much blood an individual supervisor can drag out in a given funding cycle and more to do with like a shared consensus around a strategic priority. That's all

[01:49:38] I got. Supervisor Lupisto Curley. Well tagging on to what Supervisor Pruitt says I understand what But I also understand we have a number of priorities coming in the future of many many Priorities coming in the future. I would like to see and I don't have a problem with planning, but I would like to see where Because I think the situation On the horizon will change come around 28 something like that 28 29 I think things will start to change then we can start then at that time

[01:50:17] maybe just before we can start planning but I mean there are a number of issues I know you have your issues I've got my issues everyone here probably has their issues things that we'd like to plan for so I just want to be cognizant of that that we've got a tight budget for the next I think couple years until we get over that hump so my questions are we also talked about the proffers that would in those proffers would go into the housing trust fund do we know how much has been put this past year. I think it's part of the response last week. I know we had

[01:50:53] the answer. Give me a moment. We can look that up. That would be good to know. I mean, and I'm glad to know that that's ongoing and then it goes into the housing trust fund. It's \$229. \$229. I was

thinking I know there was the total funding sources from the... Or you can give me the amount. For \$25, it was \$48,643.

[01:51:18] Okay, I mean, that's something, but it's good to know that, is it going to build a house? No, but it's something. Thank you. I appreciate that. And really, the only other question I have regarding this, PVCC, the others seem to be, okay, building housing, health care, aging, etc., etc., mental health issues.

[01:51:42] PBCC, when I looked up on page 175, it just says, it doesn't give me what PBCC is doing. It says it's the share of operational expenses for the program. Is that their health and welfare?

[01:51:59] Do they have a health and welfare section department or agency at PBCC? I would say if there's one agency that's hard to classify of the 60-some, it's this one. because theoretically there's an education component, but it would be the item other than the transfer to the schools that would be there.

[01:52:16] So it's really kind of lumped in with those agencies for really purposes of brevity in the document for no other reason. So, I mean, we should know what we're paying for because that's... Yeah, we can put that as a follow-up. Okay, thank you. I appreciate that. That's all. So I guess I would say more commentary on some of the things I've heard.

[01:52:41] I want to remind the board that in April, we will be receiving the game plan or the timeline for housing Albemarle's update. At least that's what I thought. I surfaced and thought that was the response at the last board meeting during the AHIP funding stuff that we had.

[01:53:02] We pulled from consent. So that could be clarified for me later, but I just knew that coming out of AC44, that was one of the priorities. And the board agreed when we adopted the comp plan that Housing Albemarle would receive the update.

[01:53:19] We built into the comp plan that update every five years, but this first one needed to start immediately after AC44. So if I'm not going to hear that update in April or the board's not going to hear that in April, I guess we would need that update some other time. And here's my connector to what I've heard.

[01:53:36] As I hear long-term planning efforts being mentioned, and the idea of, well, if you can't meet whatever a financial target is that's agreed on by the whole board, what's the game plan to get there? It seems to me that would live in Housing Albemarle.

[01:53:54] Housing Albemarle, when it was first brought forward and put forward, didn't really have, at least not discussed, targeted dollar amounts for the fund. But where we're at in reality now seems to be that that could be the case.

[01:54:14] So understood why you're bringing it up in budget and smartly, but there's also other ways to get at that, I think, and that could be one place to do it, along with trust funds and what we mean by that. So I'm just calling that out because I think that's a budget item, but it's also a housing item.

[01:54:41] So members, as I hear, or board members, as I hear possibilities of alluding to items of what they're being funded and possible changes from housing fund at \$5 million down to some of these agencies, just to clarify for us and the public, at this stage in the game, it's up to us to kind of figure out where those dollars might come from.

[01:55:07] as Mike was you. You've got to come up with some more positive. Yeah, knives and pliers. Getting blood out of... But I get it. But anyway, so as you do that work, I want to remind you of what Supervisor Pruitt likes to remind us of.

[01:55:26] If one of your strategies would be a tax rate increase, that has to be determined for all intents and purposes by next Wednesday? Correct. Because while we don't set the tax rate officially, we set the max tax rate officially and if you're saying well i'd like to get extra dollars and the way i think we should do it is a proposed tax rate increase then you'd have to surface that before next wednesday and get board buy-in so that's not necessarily the tax rate increase piece wouldn't be necessarily one that we target for the parking lot because the parking lot might

[01:56:02] come after that date for your other items if it's not if you're suggesting finding dollars for something for a program, regardless if it's \$5,000 or \$500,000, at this point with a balanced budget, you've got to move it around and find it somewhere.

[01:56:19] It's coming out of another bucket to go into that bucket. So those are the conversations that I think are appropriate for the parking lot, and we should be tracking some of those as we go. I know staff does that anyway, but I've also asked board members to just, as those ideas come up, to bring it forward.

[01:56:37] I know you all understand that, but I want the public to understand as well how this works. It's not just, hey, staff, go find an extra. Now, if there's some, staff will often bring back in adjustments. If there are dollars found through state adjustments, things like that, they do have to bring that forward to us.

[01:56:57] Often they will make their own recommendation of how it can be used, but ultimately it's the board's call on how that works. Did we have, at one point in time, I should have asked this during the off-the-split conversation, was there a point in time in our history that the monies or some portion of the Children's Services Act came off the top?

[01:57:20] Not that I remember, but I can't guarantee that. It's been one, though, where both, as long as I've been in the budget office, which has been 15 years now, both the schools and counties have contributed for their share based on those services. And was there a time when something with the ECC or 911?

[01:57:39] There was a long time ago where there used to be a designated charge or a tax that was specific to the EGC. And then in the mid to late 2000s, the state completely redid the telecommunications code. And so we simplified that just to say just all telecommunications tax is split because that tax went away.

[01:58:00] And the monies that are in the Children's Services Act, because we get state funding for that, then there's a school fund transfer and a general fund transfer, two separate transfers. The monies in those transfers, are they only for the services that are provided?

[01:58:19] Yes. So we have a projection of what the actual expenses will be. We have an expectation of what the reimbursement will be from the state because there's different reimbursements raised for the services. There's different categories of expenditures, some of which are paid for by the schools, some of which are paid for by county government.

[01:58:37] Based on the service trend? Yes. Or the type of service, I guess? All right. Thank you. I might have some follow-ups on that. A couple of things that have been brought to mind. So I was glad to hear the technicality about the statutory requirement for services helping them to get into the other box.

[01:59:00] So Foothills is an agency that their services are required as part of this judicial system for the state. So I would ask that extra information about that be presented. I totally support the OAR push there.

[01:59:17] docket there. Cash proffers, I thought we'd done away with cash proffers because we realized what a rip-off it was. \$16,000 for a unit instead of a \$200,000 building that someone could live in is a travesty and we can't call ourselves having a program if that's what we're allowing people to do. Three units worth at \$48,000. That I'm really upset about because I thought that went away two years ago. But wouldn't it be things that could have been proffered 20 years ago that are just being built now or coming due because the cash proffers can be triggered for different reasons I think. Well I guess the right question

[01:59:54] then is are we still allowing new applications to weasel out of building the affordable units and giving us \$16,000 instead and that could be some time in the future to get the answer doesn't have to be right now but when things get brought up that triggered that. I will just remind folks when we're looking for money that last year during the tax rate discussion I did make motion without it didn't get a second to have the 0.4 in addition go to the affordable housing instead I'm happy to do that again I think that that's the

[02:00:32] appropriate way to do that if state adjustments come in then that would be another way to recapture funds instead of just having it returned to the pot so I would I'm watching out for for that thank you yes yes I just wanted to know regarding for the parking lot do you want individual things at this point if Can we just email them?

[02:00:58] You can email them as well. We don't need them all here. It's just the idea is tonight is to understand the process, understand where we're at. When we have to start talking, because the board's going to then have to have discussion, probably take some votes to figure out how this is. We'll kill the agenda if we start diving into those tonight.

[02:01:15] Got it. Thank you. All right. Next. I think we're ready. Is this where we were going to do a recess, or is there more presentation? We do have the Human Services Non-Process, but we're also two hours in, so I would defer to the chair if a pleasure. Why don't we do our quick five-minute break, and we'll just pick up with where we're at.

[02:01:32] Sounds good.

[02:01:44] All right, well, coming back from recess, so back to Caitlin and Andy. Thank you to the chair. I just have one slide to restart before I turn it over to Ms. Malcolm. I just want to talk about, at high level, 30,000-foot view, the county's community nonprofit funding agencies.

[02:02:05] Now, it's a process, but I always think of it as an evolving process. So really, to start in the right, there's really kind of three processes for nonprofits when they request funding. The first is the human services funding process that we'll talk about in just a moment. The second, later in the agenda, is the arts and cultural process.

[02:02:24] Once upon a time, those were all part of the same process, but it really made sense to break those out and just have a different set of criteria. And then the third bucket are those that the board has most recently approved in 2023 to having a more formal process for community capital request.

[02:02:41] We'll talk about that on Monday. But there's a lot of commonality where in terms to be eligible for any of these processes, the board adopts those criteria in summer. And they also really set the framework for how that process is intended to work for staff to prepare recommendations in the coming budget.

[02:02:57] And so it's not just an adoption of the process. The board will also take time in most years to modify changes to that process to reflect change in priorities and maybe things that could have gone better last process, just other emerging needs. And so let's just really just kind of kick off the process there. Once that's done, staff will communicate to other agencies, will do orientations, will support people in applications.

[02:03:19] A lot of this is done in partnership between finance and budget and the Office of Human Services. And we'll work together to really support agencies to get those applications in that typically go in the fall. From that time, there are different staff and review committees that are preparing evaluations and recommendations because our goal when we make recommendations is to bring something back where the board is able to see how the process they laid out is connected to that and now we're in the spring and so the board is going to see the results of that process of the county executive's recommendation how it was applied and the board's got an ability to review that the public has provided an input and after this we'll come back in the summer and

[02:03:58] we'll do it all over again so it really has been an evolving process each year of how that's changed and so i just what it's also it's really the board they're approving the framework the criteria and then just how that continues to go through so with that really high level introduction I will turn it over to Ms. Malcolm to talk about the human services funding process agencies. Thank you Mr.

[02:04:21] Bowman. So first I want to start out by saying this process used to be known as ABRT. We changed the name of it a couple years ago starting in FY26 I believe and so we now call it the human services funding process but if you're familiar with that prior acronym that's where that change comes from. So the goal of the process is really to allocate new funding or excuse me to allocate funding to either new or existing programs that will drive outcomes in the board's strategic plan and so the criteria that staff use to evaluate the applications are set up with that in mind.

[02:04:55] I want to say there are so many great programs and needs in our community that those programs meet. They're all important. Staff are trying to prioritize to the greatest need based on the applications that we receive and based on the eligibility criteria determined by the board.

[02:05:12] So as Andy kind of alluded to, of course, we're open continuously to your feedback and the public's feedback about how to further refine that process. We really use four criteria that are based on the Human Services Needs Assessment to evaluate the different programs that apply for the funding.

[02:05:29] And you'll see those on the slide. They are family homelessness, adolescent mental health, community safety and navigation for seniors. So when staff evaluate the different programs that apply for the funding based on meeting one of those needs, maybe more than one of those needs on the prior slide, they use a prioritization rubric. And that prioritization rubric is again based on the bullet points that you see here on this slide. And because of the interest in this topic, I'm going to read through those. So staff provide recommendations based on first whether an agency contributes to a basic needs safety net or serves a vulnerable population.

[02:06:07] Another item that agencies could meet is whether the program met an identified priority on the human services needs assessment, which were those four things I went through on the previous slide. And then another possibility is that the agency provides a category of service that is directly responsive to urgent needs in the community. So that could be direct urgent responsive services, prevention services, system leveraging, or capacity building.

[02:06:34] There are also some criteria that the board has dictated in their process that we make sure that all the agencies that are applying for funding and recommended for funding meet. I'm just going to cover a few of those. There is a longer list. For example, the organization has to have been in existence and operating for at least two years.

[02:06:52] They have to be registered with the State Corporation Commission, and they have to complete an audit at a time frame that's based on the size of their overall budget. So staff are reviewing all that information based on their applications. So the process for reviewing the applications, the applications themselves are reviewed by a combination of staff and volunteer community members.

[02:07:13] That group of folks is really going through the applications and trying to rank them into these tier categories that you see on the slides. There are four tiers, kind of the nature of tiers. They try to put the agencies and their requests in those buckets based on the impact to the community and the need for service within the community.

[02:07:34] From that process, the committee that reviews the applications, which, again, is made up of staff and volunteers from the community, they hand it over to the budget staff and leadership, and budget staff and leadership try to prioritize within those tiers based on available funding.

[02:07:50] So that's kind of how those recommendations that are in the recommended budget are driven. Obviously, things that are in higher tiers, we try to provide a higher level of funding to. I will say one change that we've made in recent years based on the board's feedback It used to be that the recommendations were kind of anchored in what had been provided to an agency in a previous fiscal year We don't really follow that process anymore Even if we provided a different amount to the agency in a previous fiscal year We kind of consider every application based on the application for that year Along with balancing that with the recommended funding that we have available

[02:08:24] So all of those pieces of ingredients that kind of go into the pot And this is kind of the soup that came out of the pot. It's a recommendation to fund 29 different programs in the community. The total funding amount is \$1.6 million across all of those agencies, which is an increase of 7.2% or \$110,000 from last year.

[02:08:49] There are so many different services that are provided within these. They serve in our community, elderly residents, households with children under age six and medically vulnerable individuals. Those are all considered prioritization criteria that we use when evaluating the applications There are as I said 29 different programs listed and they are listed on page 172 of the budget book So instead of trying to go through all of them in a slide here I'm just gonna pause and take questions that you may have on the individual agencies and I will note as I said previously There's a detailed appendix for all the programs that apply for the funding around page 300 of the budget book

[02:09:29] Thanks, I'll try to be brief quick three questions one How do we so I think you mentioned I think you answered this actually a couple slides ago measuring the outcomes is part of the assessment process, right? Mr. Mick do you want to speak to that?

[02:09:45] Yes Reporting on past outcomes and predicting future outcomes is as a required and scored part of the Application process as is identifying the number of Albemarle County beneficiaries for those outcomes by zip code Got it. Okay, that's good. That's helpful. Another question about the 29, and I

apologize if this is in here somewhere, the 29, how many were there, those were the awarded, how many were, how many applied?

[02:10:18] That's a great question. Can we come back to you on that? Great. Thank you. And then the last question is, do we assess duplication across agencies? Is that part of the assessment process? So you get one agency applying that does something similar to another. Do we take that into consideration?

[02:10:36] We don't have sufficient staff to do that kind of deep dive, particularly for the amounts that are being requested here. But we do ask a question around collaboration and leverage. And we give additional points for those organizations that are maximizing the benefit of working together across systems.

[02:10:52] Got it. Thank you. That's it. Supervisor Duncan. I just have a question, I guess, on the idea of level funding. I've heard that there are some organizations that didn't get funded last year. And then therefore because of the level funding they didn't get funded this year And so is there a way to kind of remedy that or is it going forward?

[02:11:16] You just you don't get funded the year before you just don't get funded I think with the board approved a couple years ago is a more dynamic process because we found the same agencies were in there And so it's now both easier to get into the process and easier to get out of the process So there are agencies who have gone in and out maybe more frequently the last couple of years than in prior

[02:11:52] All right, let's see I guess for for I'll just start off with the big umbrella Topic that could go forward to the list parking lot discussion another day. I would like to know more about the relationship of the funding Percentage of their the recipients budget and the percentage of county residents because that's not it used to be in the little book We used to get separate that had a lot more information in it in the old days now. We get a very abbreviated thing. So it says how many

[02:12:34] Participants there are from the county of various ages and demographics, which is excellent But not really whether that 15% of the county Participants in a funded agency is covering 50 or 80 percent of the budget because our responsibility is to fund services for Admiral County taxpayers and residents and Other jurisdictions have their responsibility to take care of theirs So I'm just trying to get more information for that so that we can make a better decision perhaps going forward This is the first time I guess well, I don't know

[02:13:12] I'm there are three different places where the same list is happening in the book and some of the things that are listed in the paragraphs are not on the charts but now that I found another chart on page 172 maybe the missing things like the dental clinic and other stuff is on there so I'm in a state of confusion I guess about some of these things the but I think that the focus on county activities and we'll just say the same thing again when we get to the arts and recreation side that we need to be

[02:13:47] focusing on agencies that actually are in the county and work with county residents that kind of thing the I was struck just now on slide 34 for the volunteer community members who are doing creating the tier rankings are they unaffiliated with any applicants and do they have any history with any of these applicants ever because 20 years ago we used to have somebody from the United Way who was on that thing and that was the perception of disaster so

[02:14:26] we pay attention we ask there is a conflict question that's asked at the beginning of every application review and then a conflict question that our facilitator asks every potential volunteer are there any are there you involved serving on the boards of any nonprofits right now that might be either an actual

or perceived conflict we are painfully aware of the number of eyes watching this particular process and we want to avoid anything any real conflict in any appearance of a conflict well that's that's a good start I'm a little confused though because it says on slide 34 this group does not make

[02:15:04] funding recommendations but they choose the tiers and the tiers are directly related to the funding regulations so help me understand that they actually don't choose the tiers and so that the first the team the reviewing team is focused on an objective process and so they're trying to read these applications focus specifically on the set of criteria that are listed for each one of the components in the application and they have a meeting at the end of it to talk about their scores there's not a requirement of consensus for that conversation but it is a requirement of sharing information and discussion people

[02:15:42] can change scores based on that conversation and then final scores are created and then staff put these applications into tiers based on whether they meet one of the board strategic goals either through the human services needs assessment or one of the particularly vulnerable populations. So it's a minor distinction about which team is working on it. Staff teams move folks into tiers. Okay well that's very straightforward and clear and I appreciate it because it was not the perception I got when I heard the presentation of the slide just five minutes ago. Good. Well I will come back

[02:16:18] when we get to individual discussion things. That was sort of my sort of of overarching policy issue that is not a surprise to anybody who's been here for the last five years anyway. Okay, so I will not go through the agency list right now. I'll, I guess, put those on for later. Thank you.

[02:16:36] Supervisor Pruitt. Very big open question to the point that might even be problematic. This is, am I correct in remembering this is the first cycle that we've had this tier system from the start in the HSFP cycle, or did we do this last year? We did this last year as well.

[02:16:57] how's it going? That's the open-ended question. There's been consternation from the board on it previously. There was a revisiting of how we did this. We had the four core priorities proposal previously that ended up kind of not happening. This was like during the time where we had the priority set aside for safety, and there were three other priorities that did not have a discreet bucket set aside for. All of this has happened. This is kind of the new strategy for how we're approaching this. What's the thousand-yard blue sky kind of

[02:17:36] overview of this process that has been the source of some attempted reform and restructuring? I'm not even going to look at Chief Bowman to see if he's trying to get me not to answer. I'll tackle the big question.

[02:17:59] It really depends on who you are, about how it's going. I think one of the concerns that was being addressed by the identification of priorities, either priorities based on vulnerability or priorities based on gaps in our system of care or priorities just based on prioritizing programs that provide a direct service to somebody as opposed to somebody who does an organizational benefit, was designed to use the county's resources to support the most vulnerable members of our community.

[02:18:36] So from that perspective, this shift in the tiers, I think does that successfully. I also, prior to that, the potential for any process in which you have an application in which you're trying to build in as much objectivity is that you're rewarding a beautiful application.

[02:18:56] and not rewarding a needed critical service in the community. So from that perspective, this shakes that up and shifts the emphasis on a program that's delivering something the county has identified

as something we need. Andy, you also had something to add.

[02:19:11] Really well said. I would just add more generally is this process is better than ones we improved in the past. Those were better, and I imagine this process will happen in the future. We'll continue to improve on that, and that's based on the feedback we get from the community, the board. There was a small adjustment last year, really one tweak, where the feedback from agencies was our audit requirement was too restrictive.

[02:19:33] So we did our homework, the dollar amount. I said, oh, we really haven't updated this in a while. We should really do update this to match the standards. And they said, well, the city is more relaxed, more relaxed. They provide more flexibility. I said, okay, our board has been very clear we're not going to do that, and that's the board approved.

[02:19:51] That's just a very minor change. I think it's one, as we continue to re-benchmark, we learn to get that feedback, we'll make those improvements. But Ms. Nimick did say it better than I did. I want to make sure my understanding is that once they're broken into the tiers, still the way that that tier priority gets applied into overall fundraising amount becomes qualitative once it's in.

[02:20:15] It's not that 60% is set aside of total funding is set aside for Tier 1, 30% is set aside for Tier 2. There isn't a quantitative breakdown after they're in tiers, or am I under misapprehension on that? I think more generally, I'm going to answer this question a little bit broader.

[02:20:32] And it's really one of the challenges in the budget is we have balanced expenditures and revenues. We have six strategic goals, and with those, we have 23 objectives. Some of those are about additional money. Some of those are about implementing our work plans. Some of those are just using our existing resources.

[02:20:51] And so what the budget tries to do is really advance all 23 and that the pace may not be even. And so human services in the strategic plan is not only about this. It's about the support for Region 10 and the health department and the others. It's about the programs with ACERF and all of that.

[02:21:06] And so it's one where there's always a little bit of a qualitative about how do you balance across all of those. And that's something that reasonable people can disagree on and why this is a starting point for the board to consider. Would you add anything to that? No, I would not. I appreciate that answer.

[02:21:24] I want to try and make it easier. I think I'm hearing there is not a hard quantitative way that the tiers are applied to funding outputs. We don't start with a prescribed amount or a prescribed percentage. We back into the amounts based on what's been prioritized and how many applications we have.

[02:21:46] One kind of final note. So I'm reminded again of a conversation I recently had with our counterparts in schools talking about changing funding strategies for long-term needs. And there, the reasons for that change in the funding amounts in the future were not challenged, but the concern was, oh, how does that prepare us to plan if a system is changing?

[02:22:17] I would like to hear a little bit about, because we this year, I have felt more than normal, received some concern from individual stakeholders at different partnered agencies saying our ability to plan has been threatened.

[02:22:33] We received 8,000, now we receive 5,000. And for some of these agencies, these are minor, really de minimis amounts, but they affect their planning. Can you help me understand a little bit about

what kind of, I guess, interlocks we might have to make sure we're not disrupting any kind of nonprofit planning for our partners or what kind of role that plays in this process.

[02:23:02] And maybe the answer is that is for them to figure out and we don't determine that. But I guess I would just like to get a sense of that. I don't speak too hastily, but I think that that's the predictability of we're in the system Albemarle always funds us is part of what we moved away from three years ago.

[02:23:27] So I feel the tension of those two things, the sort of we start fresh every year, and also it makes it hard to figure out that our priorities have remained the same for the three years of the cycle, so that level of predictability is helpful, I think, to say the board has said they fund, they are interested in these particular services delivered in this particular kind of way and so if you don't match that then you know that you're in a higher risk for for not necessarily getting funding right here. If I may add I think it's also consistent with the approach we take of county departments. A good example we talked about the re-engineering

[02:24:07] and I'll just use finance and budget as an example if my cost is mine. The last two years there's 3.7 FTEs down. That's not 3.7 FTE unfunded requests but as we've implemented technology as we looked at our processes and we looked across department of needs of our training how can we continue to stay nimble and stay relevant to what that is if all we focus is on the increase and not the base amount we're going to be limited in the amount of progress we can make and deliver the outcomes to the community i think that's all i have supervisor lapisto kirk am i correct in saying that usually if you're a non-profit you you don't you're not

[02:24:45] dependent upon the government to fund your operation is that a fair statement i think it It depends on the non-profit. I think there's some non-profits that have the bulk of their funding come from a particular government source. It could be federal.

[02:25:01] It could be, I think, most non-profits are sort of the platonic ideals, 30% private, 30% local, 30% federal, if you were sort of trying to figure that out. I don't think any non-profit achieves that. But a diversified funding base is always the stronger.

[02:25:17] Stronger, right. And I do believe in government helping out a lot, because most of these projects are wonderful. It's just that when we're in a tight squeeze, then that makes the whole process in a tight squeeze also.

[02:25:33] So I just have actually a couple questions. I've noticed, just looking at this, there's already a couple here that are on this page that are also on previous pages. Does that mean they're whatever was, let's say you give them \$5,000 this year, \$5,000, and if they're in another section and they show up again at \$5,000, are they getting \$10,000 or how?

[02:25:58] There's a handful of very few small agencies where they will apply to different processes for different programs. And the eligibility criteria are the same across all, so you do need that. There may be one agency who is an outstanding human services program, but they don't quite miss the cultural process.

[02:26:16] Or they may have a great community capital need, and that's all they have. Or maybe it really depends on the specific request of the program itself rather than the agency as a whole. I guess what I'm asking is do they get double funded? If they ask for \$5,000 from this pot on page, let's say, 108, I'm making that up, and then \$5,000 from 100 page 72.

[02:26:41] Yes, they can receive funding for multiple processes, but it would be for different programs. Rather than you couldn't take the same program and use the festival of the book. If the festival of the book were to fund, and I'm not picking on them, it's just the first one that popped in my brain. If they were to apply through human services and cultural, our staff would talk to each other and say, hey, are they in the right process? Is this the right criteria?

[02:27:03] Are we actually going to double this funding? So we do that check to make sure that we have not done that. Okay, so if you have done that, are you going to double-check that or do you want to support that? I'll gladly double-check, and I'll say for those agencies that are funded in both processes, what are the specific distinct programs where they are to clarify what those differences are?

[02:27:26] Because they amounts were the same, so that's why. Just to help us looking through this, is there a particular agency in question? Yes, the one I've been questioning all along. Communities and schools, NOVA, earlier in the budget where it says new program, and then it appears on this page also.

[02:27:48] I believe, correct me if I'm wrong, they're the only applied through the human services funding process. Yeah, that is correct. They show up earlier, and now that was for Monday, and I'm going to have to look it up, and I'll get that information to you.

[02:28:04] I will say there's a table in the general fund expenditures summary that has another version of these charts, perhaps. But yeah, if you give us a page of reference, we'll gladly get that clarified. Okay, thank you. We'll also still clarify for agencies who apply for once, give the board and the public confidence that nobody has doubled it in.

[02:28:20] Okay, thank you. And I do concur that I think, because, well, first of all, I love your four-tier programs, but I did want to know on tier three, positive impact and protective community factors.

[02:28:36] What do you mean by protective community factors? Pardon me for not knowing. Slide 34. I'm going to try to find an example. an after-school program would fall into that category.

[02:28:53] An after-school program is providing a positive youth development experience, which has a protective factor for school success, family engagement, family well-being. That program is not responding to a specific at-risk youth or a need from a child, but rather providing a preventative and protective support to everyone who participates.

[02:29:16] Okay, well put. But, and I do, I would like to see regarding the programs that benefit Albemarle residents and maybe, I don't know if you have percentages.

[02:29:32] So, for, let's say, example, there's a program that benefits children in Charlottesville and Albemarle, but 5% is in Albemarle, 95% is from Charlottesville. I think that would be good to know.

[02:29:49] We're in response on that. Okay, good. Thank you. That's all I have. Thank you. All right, just in the interest of time, this is that point where I say, hurry up and take your time. But we'll move to the next. If you still have questions on this section, we can email those. Okay, so we'll pick back up with the community development chapter.

[02:30:10] So this chapter represents about 4% of the general fund, which is \$20.2 million in the recommended budget. And within the chapter, even though it has the same name as one of our departments, there are several things. So you've got the community development department at 51%.

[02:30:26] You've got all the contributions to the transit agencies at 41%. You also have economic development services at 5%, and then other community development agencies at 3%. And just a note to the board, we're now on pages 193 through 201 of the book.

[02:30:45] We are going to jump around a little bit after this and go backwards, so I'll let you know where we end up there. So in the Community Development Department there are really no major financial changes recommended in the FY 27 budget as Andy spoke to earlier the focus is really more on continuing what we started with Existing resources rather than adding new funding So a couple of examples of that as mentioned previously the continuation of the implementation of the AC 44 comprehensive plan as well as the various Ordinance updates that are underway that the board was briefed on in their March 4th meeting last week

[02:31:21] I want to touch quickly on the economic development fund and also address some questions that the board has asked previously about this So we're recommending to add an additional 4.15 million dollars to the economic development fund of one-time funding and FY 27 I think Supervisor Pruitt previously asked what the current balance of that fund is Currently there is 0.8 million dollars that is unallocated in FY 26 in the fund so that plus the recommended investment in FY 27 would bring us to just under five million dollars The purpose of this fund is really to provide

[02:32:00] Ready flexible funding to support economic development opportunities And I think as the board and the public know there have been some very successful recent examples of this where Having an ability to tap into a funding source quickly was really critical to our ability to Be part of an opportunity that was brought to us by industry those opportunities often don't come on a predictable schedule which is kind of why the purpose the purpose behind the fund Why it was set up in the first place and the idea is to try to balance the cash that the fund has on hand with the thought that we'll have Unpredictable development opportunities in the future that we need to be ready to respond to

[02:32:38] Having said that it all falls within the parameters that the board has set through the economic development strategic plan So things that are funded in the economic development fund are in alignment with the priorities the board has set forth in that plan In FY 26 much of the balance in the fund will be used for the local contribution to the boulders road extension project As you know, that'll support the existing Ravana station employees Which are about 3,000 employees as well as AstraZeneca and it's planned 600 employees See if there's anything else I want to say on that I think that's everything on that one. Sorry. I got a little out of my

[02:33:18] own cadence with that um i want to move on to the transit agency contributions so i think the biggest takeaway for the transit agency contributions and i have a couple of slides on this is that the only one with suggested service changes in fy 27 is charlottesville area transit or cat and mr williams from the city is here now and i did get to meet him during the break so he can answer any questions that you have um so the county share for the charlottesville area transit program is increasing in the recommended budget by about five hundred and sixty two thousand dollars that increase is due to a couple things first as you've

[02:33:54] heard me common theme increased salary and benefits costs and operating costs associated with the existing programming the new thing that's changing in the FY 27 recommendation is adding 10 new transit operators and the reason for adding the 10 new transit operators the new drivers that's part of a multi-year plan to increase the number of drivers that will be focused on improving the services being

provided and increasing the frequency of various routes provided by the service. We spoke earlier, I think on Monday, about technical adjustments. CAT is an area where we do have a slight technical adjustment. This amount will be coming down based on an

[02:34:32] adjustment from the city just slightly. So we'll bring that back to the board in the future work session. With respect to micro CAT, the request is fully funds the county's obligation at \$1.4 million dollars. That's a \$142,000 increase from FY26, which is based on contract inflationary costs. The contract is based on the number of vehicle service hours or vehicle hours that the vehicles are used for service, and the FY27 amount of service hours is the same as what's in FY26.

[02:35:05] As you know, microcat service began as part of a multi-year DRPT demonstration grant that initially picked up a portion of the costs. FY26 was the first year that the county fully funded the microcat service and it was also the last year that we were under the conditions of that DRPT grant. And so now in FY27 we are for the first time not under the conditions of that grant and one of the conditions of the grant period was that we remain fare free. So moving into FY27 is one of the first times that we will have the opportunity to establish fares for microcat services should the board choose to do so. So I want to go into a little bit of detail because

[02:35:43] staff is recommending that we consider fares for microcat. We've balanced the budget on the assumption that we will establish fares for microcat mid-year through FY27. That would give us time to communicate with the public about what the fares are, why they're there, and establish the fee structure. We're recommending to start with a simple fare structure and that would increase revenue and also have the potential to improve service efficiency for microcat. So the proposed fare structure would start with a base rate of \$2 per ride for a single

[02:36:18] passenger and for each additional passenger picked up at the same location for that same ride the fare would be discounted to \$1 for each additional passenger. That's based on benchmarks with fares and other localities that have similar microtransit programs. The \$2 is kind of the middle of the pack as far as what other localities charge for this service and so that's the basis of our recommendation. The idea is that that fee structure will promote greater efficiency in the system by incentivizing more group rides as opposed to single one-off trips. And then in addition to the discounted rate for additional passengers, we're also looking at options to have concessions for

[02:36:57] specific groups of passengers, for example, seniors, persons with disabilities, as well as others. So that's a structure that we would bring back to the board for additional consideration at a different time. We're still exploring the options and the feasibility of those types of fare structures.

[02:37:14] And in that work, we're talking to other localities who've implemented similar fee structures. For example, Wake Forest, North Carolina is one that has a similar fee structure. Right now, this is balanced on the idea that the fees will estimate approximately \$80,000 in revenue for the fiscal year, again, starting midway through the fiscal year. And the intent of the fees is not to be a source of revenue that's going to fully offset the cost of microCAT.

[02:37:38] Instead, the idea is that the fees would help cover some of the costs of microCAT and would also incentivize users to use the service to supplement the fixed route transit, because fixed route transit that's offered through CAT is the most cost-effective and efficient form of public transportation that can be offered.

[02:37:58] So the last slide that I want to cover is on some additional agency contributions that support the transit programs in the area. JAUNT is level-funded in FY27 at the same rate as FY26. The total amount for Jaunt is just over \$3.5 million, which fully funds their request for their existing services.

[02:38:17] And then finally, on the slide, you see some very small programs and support for CARTA, which is the Charlottesville-Albemarle Regional Transit Authority, as well as the Afton Express, which supports a route connecting the Shenandoah Valley with the city of Charlottesville and Albemarle County.

[02:38:34] So with that, I am happy to hear questions on community development, economic development fund, and transit. Supervisor, Mr. Thanks. Only a couple questions on transit. Just mostly curious. MicroCat, is there any discussion of expanding that service, or does it feel like it's at sort of capacity and where it needs to be?

[02:38:59] Ryan Davidson, Deputy Chief of Budget. This is, depends on what you're talking about when you look at expansion, if we're talking about adding additional van hours to the road, because this was designed around two specific zones. going up the 29 north zone and the Pantops area.

[02:39:18] And so adding driver more van hours, I should say, to provide additional rides in those zones would be the, I guess, kind of the low-hanging fruit, I would call it. If we're looking to expand to other zones within the county, there would need to be greater study done on that to support the need and the feasibility.

[02:39:38] I believe there was a large study. I'm looking for Mr. McDermott to see me here. There was a larger study done that supported these two areas as the greatest, I would say, need for this. And so as part of that demonstration grant, we were kind of locked into those.

[02:39:56] Now there is the ability to look at potential changes. Great, thanks. And I appreciated the comment about the supplementing at fixed-use, fixed-route transit. That was helpful. Other quick question. Well, I'll just keep it simple.

[02:40:13] vouchers. So you mentioned concessions for seniors, for example. I think if we're going to look at adding fares, we just need to be thinking about how we can help. What are the qualifying opportunities for people who can't afford even \$2? Because \$4 a day, it's material. So going back and forth is an issue. That's all. The contractor has a few different options for us to implement that. So we can come back with additional details about that. Great. Thank you. Supervisor Duncan?

[02:40:40] Yeah, my questions are also about my trip, Pat. One, do we have, I know it exists somewhere, I just have never, like, physically seen it, like a map of where the ridership is, like where the requests are coming from, where they're going to.

[02:40:57] Yes, I'll get that. Sorry, a minute ago. No, go ahead. I was, we sent, it was just sent out today, so I fully understand that the supervisor hadn't had a chance to look at that, But we sent out a presentation that we provided to the Board of Supervisors in November.

[02:41:17] And that had what I would call a spider web chart that kind of shows some of those routes of where they're coming to and from. So you get the general areas of that. And if you look at that and you want additional detail on top of that, I'd be happy to provide more. Yeah, so that's what, from what I remember seeing before, is that there's a large contingent going to Albemarle High School or that region.

[02:41:39] And so I would love more details on that. Sure. And then the, so the fees are bringing in \$80,000, but we're paying \$1.4 million. That's correct. One of the reasons CAT is still fare free is because the cost to collect the fees is, like, more than they would get in the fees.

[02:42:02] So is there, have you guys priced out, like, how you're going to physically do the fees? And, like, is that costing money to get? This just feels like such a small amount of money for what we're paying. So working with our vendor, they have a third-party contractor that helps to collect and do the fees.

[02:42:27] It's all done as part of the app where you request the rides, and so it would all be part of your account. So when you request your rides, you would have a credit card or some form of electronic payment. And so that makes the cost minimal because there's no driver interaction with the fees.

[02:42:43] It's all done through the back end of the app. And we've been, while we're still looking at, it depends on what you do with your fare structure as to what that does. It's been relatively minimal cost to that. And so should that be prohibitive in this instance?

[02:43:01] But we're still exploring. I guess that's all I have. Supervisor Mallory. Thank you. On page 40, or slide 40, it talked about the increase to CAT and for the drivers.

[02:43:17] Will that money be paid after the drivers are hired so that there's some – because it may take years for that to happen. I just want to know how we get some accountability on that. I'll let you answer that one as well.

[02:43:33] So as part of our annual budget review process with CAT, there's a year-end true-up process where we look at – so we have a – we will send these payments on a quarterly basis, and there's a true-up process, whereas depending on the actual revenues and expenditures coming in to Charlottesville area, transit, if they don't hit their budget mark because they don't hire these drivers, then there's that true up where we would either discount that final fourth quarter payment or if it's already gone out, they would provide the funding back to us in that instance.

[02:44:05] And so there is a mechanism to allow for vacancies and other programmatic changes as we move through the fiscal year. Follow-up question to that. So in normal operations, is there also a report back on the numbers of times when routes in the county didn't even go out because there were no drivers or whatever because I know there was a zero information about that a number of years ago probably prior to Garland but is that are you learning that information now on a quarterly basis and is that part of the true up for whatever percentage is not even running I'm going to have to ask Mr. Williams to expand

[02:44:39] so you would send that information routinely to the county about the numbers of missed

[02:45:19] right yeah I think we talked about that a number of years ago as well so thank you very much for following up on that and then I was glad to hear about the app for the microcat because similar to MTAs and things where you you buy a pass or you're through your social service agency you get a pass and you swipe it over the thing as you get on there's no cash or anything like that that happens anymore so I think that removes the time delay for the stop and also the the extra nuisance of any money collection so I hope that we will think about that.

[02:45:55] And last question, is it a single fair from Holymead to Pantops compared to Holymead to Fashion Square for example? I mean a quarter the distance or the full distance is it still two bucks or would

you propose that or would you propose a graduated or is there more information to come later in which case

[02:46:18] be quiet. That is a great question. The structure that we are proposing was built on the framework of keeping it simple, keeping it understandable at this point. There's many different options. I think our vendor provided us with like 12 different options. They recommended these three to us. One of those is in larger areas, they do a distance or a time-based fair.

[02:46:46] however given our the footprint of the micro cat service it would kind of been as efficient and as simplified as what we're proposing so they did not recommend doing that at that time if that's something the board really wants to look at that's something we could explore further but we felt at this time yeah I mean it is a 30-minute drive even without without traffic for that so I I just want you to consider that.

[02:47:14] Thank you. I'll stop there. Supervisor Crude. So the CAD increase in both raw dollars, but especially as a percent, is pretty eye-watering, right? A 21% increase to our fund, our contribution, is really significant.

[02:47:32] And I understand it's being driven by these new FTEs. I'm just going to be looking for head nods. I know that the city has been a significant political initiative. try and reduce wait times for CAT and in doing so hire new FTEs. I'm assuming this is what we're seeing. Are the routes impacted to the benefit? Is the county having second knock-on benefits from that or are the plus-ups to routes primarily benefiting the city? I realize that's a loaded

[02:48:06] question, Mr. Williams, but if you could help me parse through that. I said I was looking for nods And then I actually ended up asking a question. I apologize. No, it was a good question. Great question.

[02:48:22] Part of... And Garland, you can stand. That's just picking you up on the recording. You can just direct there. Part of what you will see as the attendee drivers is there are two routes that will be really impacted. They're the five and the seven. Those routes are really county-driven routes.

[02:48:41] They go primarily to major activity centers in the county, whether it's Fashion Square Mall. We're going to be trying to move services from Fashion Square Mall, but to Walmart, Barracks Grove Shopping Center. What you will see is the five, which has high ridership, and your seven has the highest ridership in our system.

[02:49:02] Both will be converted to 15 minutes, which means you'll get even better service. The goal there is to get our ridership even higher. The connectivity usually predicts when you have high frequencies, you have higher riderships because it makes it easier for folks to get around.

[02:49:19] That's direct impact to the county that there are three or four drivers that will probably be dedicated to those routes. So if you're really talking about parsing that you're only really there's a split between the city and the county as far as funding concern.

[02:49:36] Right now, it's like a 68-32 split, something around those time frames. We're working through that because it all depends on what happens when the final budget is parsed out. And then that is a breakdown between the city and the county, and it allows you to really figure out what's going on.

[02:49:55] But I would say even with the 32%, you would be receiving more than 32% when we would be dedicating those drivers to these two routes. Thank you so much for that clarification. I'm going to just make a quick normative comment that relates to this. I talked earlier about situations where the tail wags the dog on our budget.

[02:50:15] This is a very strong example of this. But this is also interesting in that the policy tail wagged the dog, right? Like a politically driven initiative in the city has changed how services are delivered in the county and how we pay for them, which is really interesting.

[02:50:33] has, I think, a significant political agency problem that it raises. And I know this might not be your favorite thing to hear. Well, actually, I don't know. It may or may not be your favorite thing to hear. I think this is a strong argument for the housing of assets and authority related to transit entirely in Carta in the future so that you don't have this political agency question of who is making decisions for whom.

[02:51:01] Quick tag on to that question, then I'll move to Supervisor. Quick follow-up while Mr. Williams is here. The route to Martha Jefferson, is that still going late enough in the evening to bring home evening shift at 11? Part of what we're trying to do is extend the hours, but we're just going to take a few more drivers than the 10.

[02:51:17] But that's the next initiative. So we're looking to add 40 drivers over four years. So really, that's really 10 drivers a year. Second year really does get extended hours taken into account, making sure we get more services to the hospital for that late-night change.

[02:51:36] Employees, it's really important. Thank you very much. Supervisor LaPita. No questions, thank you. All right, thank you, Mr. Williams. I think we're good on that talk. I'll just look at the chair because it's five after eight. It's five after eight.

[02:51:52] I haven't looked. I was trying not to look, so thank you. There's two chapters. They won't take as much time, but it's also the worst time that's dead. uh we have the staff here um so mr richardson do you prefer we cut a late night and then require them to come back and hold them later another night i without questions how long will it take us to get through it parts and rec maybe 10 minutes 10 minutes to get through it and then and then board questions i would prefer for us to finish and for the staff that are here we've got

[02:52:28] through those chapters that would be my preference but as andy said it's a board work session not a I'm fine with that. I just want to be cognizant of time, especially for people that have been waiting here for three hours. All right, we'll go ahead and continue. Thank you. So we are now on pages 181.

[02:52:46] Thank you, Mr. Williams. Sorry if I didn't. I might have said that already. I'm sorry, Caitlin. Go ahead. No, no, no worries. Okay, we're on pages 181 through 189 of the budget book, and we're in the Parks, Recreation, and Culture chapter. So this represents 3% of the general fund at \$13.5 million in funding.

[02:53:04] 42% of that goes to the Parks and Recreation Department within local government, and the remaining funding goes to community partners, including the Jefferson-Madison Regional Library System and the Charlottesville-Albemarle Convention and Visitors Bureau, as well as some other small contributions.

[02:53:20] And this is where we have the Arts and Cultural Festivals contributions, which I will also speak to. So in the Parks and Recreation Department itself, again, this is another area where we're really focusing on implementing existing resources. There are a few highlighted CIP projects, the Capital Improvements Program projects on the slide, and the department will really be focused on implementing and moving forward in those projects in FY27.

[02:53:45] So, for example, the athletic fields at Darden Tao and the rebuild of the last four rectangular fields at that park, continuing work on design and construction at the Urban Pocket Park project, and completing Phase 1B of improvements at Biscuit Run Park. That includes athletic fields, a maintenance building, and bridges and boardwalks.

[02:54:04] And then also within this budget is a flat \$133,000 contribution to the joint city-county program for adaptive recreation. We also are recommending some additional support for the adaptive playground at Bennett's Village through the community CIP program.

[02:54:23] And we'll talk about that more when we talk about community CIP on Monday. So touching quickly on the partner agencies, the Jefferson Medicine Regional Library has an increase of \$470,000 or 8%, and that reflects the county's share of the existing library system costs per the regional agreement.

[02:54:43] For the Charlottesville Albemarle Convention and Visitors Bureau, they have a slight decrease based on the regional formula for funding of \$17,000 in the recommended budget. And then with respect to the cultural arts and festival agencies, so with this process, similar criteria, the same eligibility criteria, I should say, as the human services funding process, the agencies have to require under those same eligibility criteria for length of time and operation, audit requirement, and so on.

[02:55:18] The recommended budget this year includes funding for 12 agencies at a total of \$82,500 across that entire program. And agencies are considered in one of the four buckets toward the bottom of the slide. The first is larger programs that bring visitors and support the local economy.

[02:55:35] The second is smaller local cultural programs. The third is arts-focused programs. And the last is recreational or educational opportunities. and historically funding has been allocated to those programs such that programs that bring visitors to the community and have an economic impact associated with them typically receive a higher funding recommendation as recommended by staff. So I will pause there for questions and comments. Supervisor Missal? Thank you. A couple quick ones. One, Jefferson Madison Regional Library, the recommended budget changes. It's true that they're launching a design campaign where they're

[02:56:15] going to do renovations? Yes. So is that portion, that's not part of this? Correct, that's in the CIP chapter. Got it. Yes, and we'll cover that in more detail on Monday. Awesome, thank you. And the CICBB, the reduction I know is tied to a direct calculation. Are we saying that the transient occupancy tax revenues have decreased? I guess that's what we're saying. Yeah, under the formula from fiscal year, my math is accurate, from fiscal year 24 to fiscal year 25, the way it applies to the first 5% of the formula and so there was actually a decrease in that

[02:56:53] from just a little bit from year to year which reflects overall consumer activity. Got it. And I realize that, I don't know if this is a question, I'm on page 186, I'm looking at the fiscal 27 requests for rec and cultural community agencies, the request of \$345,000 and the recommended amount is \$50,000.

[02:57:21] Is that typically, am I reading that correct? To clarify, the recommended amount of expenditures is \$82,000. Of that \$82,000, we fund a few of the ones that are the larger, like the film festival and the book festival, two references to the book festival and one work session.

[02:57:41] Those are funded by funding from the tourism fund. And so those bring the net cost of those funded by local tax dollars down to \$50,000. I got you. Okay, I think that's answering my question. Okay, I'm good. Supervisor Duncan.

[02:57:59] For the cultural agency funding, is that process similar to the other agency fundings where, like, the process is new and sort of, like, easy to get in, easy to get out? Is it related to, like, how they were funded in years past?

[02:58:16] So, yes, easier to get in, easier to get out. Jameson, would you want to elaborate a little further? Yes. So, echoing what Mr. Bremen said, Yes, it is easier to get in, easier to get out.

[02:58:31] The amounts are more, we look at them based on the request, and a lot of times it is based in this particular instance. There is some look back to what they have been funded in the past, and that's why you've seen the movement in some of the agencies that went up and down as we're trying to normalize these across, because there was some that got in under the previous process at a much higher level,

[02:58:58] And based on the factors that we've, the criteria that were adopted by the board, we were trying to normalize those and get those even with other agencies that fell into the same, kind of the same bucket as those agencies to try to create some, a little bit more equity across those.

[02:59:16] Supervisor Malik. Thank you. I will reiterate the earlier comment about county focused things. For some reason, it didn't dawn on me until you just said it, that the TOT is paying for these larger festivals. But for years, I am not seeing any impact from the film festival and the theater festival in the county.

[02:59:38] There are wonderful benefits for the city, and people do come. Festival and Book makes the effort to go to every single school, and that is a huge benefit. So I put them in a different category. But as again I said, our dollars should be really focused on things that bring in people from all over the place.

[03:00:01] Just as one example the Crozet Arts and Crafts Festival has in its 40th year people go from all over the country So that's something that is in the county people stay in the county for their four days, etc. So That I just want people to consider that several of the places on here And I will send these by email are renting their facilities to county agencies Who are also being cut from us?

[03:00:28] So it's and their city departments or city agencies. So I really hope that we will try to use our dollars as strongly as we can to to help um our constituents to to do better and i'll send more details thank you supervisor pro this may be more of a cip question so so stop me if there is um i know the the biscuit run greenway there's a lot of administrative um hurdles in front of us in

[03:01:01] addition to budget um i i'm trying to get a sense because we we brief briefly on biscuit run in the budget and what we're implementing with the CIP for this year. For the Greenway, are we going to necessarily have a budget lag when we have the administrative hurdles? Will we need to wait a full budget cycle to program the work that needs to start for that? I'm sure I understand the question. It sounds like Amy Smith's Parks and Recreation Day. I think Amy very much understands

[03:01:39] the question but yes. Amy Smith, Director of Parks and Recreation. There is no construction money for the greenway from 5th Street Station to Biscuit Run but there already is a trail so our current

trail crew could immediately go in and reminisce some of the issues of erosion and some trees blocking the trail so we could make a positive impact fairly quickly. Got it. Understood. I just let's call it approval right that's not the right word but from getting the easements we need to

[03:02:17] getting it developed whether or not we needed a budget cycle in between it sounds like we do but we can do some improvements in the meantime correct thank you um and this is just a quick statement uh but it's it's also for you um uh the there's a reference here uh on uh adaptive Recreation and the City County program, which great. We also had some speakers come and talk to us about a funding request through the Human Services Review program that was also focused on adaptive recreation and not even listed

[03:02:52] here. I know there's explorations of some adaptive recreation play structures for for the park in Scottsville and this is not a today problem but it might be helpful to the board when we field these requests and concerns from the disabled community to be able to reference an inventory of services and programs that we offer that are specifically targeting that community because I think it would just help us weigh those requests from the public more more effectively again not a today concern not even a necessarily this budget cycle concern but it would be it would be a helpful thing to have in the

[03:03:30] back pocket. If I may clarify, you referenced the speaker of the public hearing, I believe it was a business village. Yes. That is a capital process. That is included in the CIP in fiscal year 27 and we'll talk about that further online. I forgot that was a capital process, not an agency request. Got it. Thank you. That's all I got. Supervisor Lopisto-Curley?

[03:03:52] No questions. All right. Actually, can I do one follow-up? Yes. I know we got an email from the tourism board and it had some different data and stuff in it but i was wondering if if the data exists on sort of the return on investment that we're getting from the cultural agencies so like i assume when people come to the film festival or the paramount theater they go out to dinner like in stonefield and let you know we do get county tax from funding this and i was wondering do we have kind of any data on what we get back from supporting these when we do our orientation with them in September or so.

[03:04:32] We go through this process. We explain that there is possible for folks in this category of events who bring people to the community, it is possible to get greater funding through that. There's also a higher burden because they need to demonstrate that economic return on their application and we can provide that as a follow-up to the board just with the serving county versus city and so on.

[03:04:53] All right. Ready for the next one? So the final chapter that we're going to cover tonight is administration and we're going to pages 117 through 129 of the budget book administration represents six percent of the general fund which is thirty one point four million dollars in the recommended budget and consists mainly of internal facing departments in the county so that includes the information technology department the Department of Finance and Budget the County Attorney's Office the Human Resources Department the executive leadership section which includes the county executive's office the communications and public engagement staff and the performance and

[03:05:31] strategic planning staff, the Board of Supervisors Office, and the Voter Registration and Elections Office. And so within this group, the really only group experiencing a significant increase is information and technology. And for them, it's an increase of 8.9% over the FY26 adopted budget, which is \$884,000 in the recommendation. The most notable increase there, some of the drivers with that increase

are general technology contract increases for all of our systems that we maintain, cybersecurity-related costs, new software supporting the human resources and

[03:06:09] community development departments, some costs associated with getting the county website into ADA compliance and updating that, and audiovisual support. With respect to voter registration and elections, the budget is primarily driven by the number and types of elections that are in any given election cycle and the cost related to that specific cycle. So in FY27, their budget is increasing \$143,000, and that request is fully funded. And then all the other departments that I mentioned previously have a net decrease of \$40,000 in the proposed budget when you add them

[03:06:45] all together. So that is my last slide on administration. All right, questions? Supervisor Missel. How often do we rebid software and hardware maintenance contracts? We can bid on the contract. Okay, just to ensure competitive rates, because there's no standard, it just depends on the contract? I think a lot of it would depend on what the terms of the contract, and so if there's a contract is set to expire, and it's a service that has competition in it, it would go out to competitive. It would be rebid. But if it is a solely dedicated system that doesn't have a

[03:07:22] competition, we would continue that contract and have mechanisms in that contract to continue that in the future. Got it. An escalation is probably built into the contract. Yes, sir. That's it. Thank you. Supervisor Duncan. I just want to say thank you for the attention to EDA compliance. Supervisor Malik.

[03:07:39] No questions, but thank you all. Supervisor Pruitt. For registration and elections, I don't think I've actually thought about this line item in much depth previously. Help me understand, is that housed, does that live at all in the registrar, or is this a separate effort? I'm seeing it listed separately.

[03:07:57] Yeah, the registrar prepares a budget under the guidance of the Electoral Board, and they work with our office. It's really kind of like a different flavor of constitutional officer because it's created through the state, but we fund their office. But I guess the point I'm getting at is when we're looking at that here in the administrative or the administration bucket, the registrar is separately listed also in the shared funds section.

[03:08:28] Sorry, I'm control effing through this. I don't have my tabs in front of me. So maybe I'm telling tales out of school. But are you saying this is the registrar's line item or this is a separate line item? This is the registrar's budget. Every now and then they may have voting equipment replacement in the CIP, but there should be no other place they're receiving funding.

[03:08:48] What may be Mr. Pruitt's question is on the funding side. So we do have funding for constitutional officers that comes to the comp board. There's also funding for the registrar that comes from the State Department of Elections. So the registrar proper, the individual human being, is getting funded not by us, and then their staff is funded by us.

[03:09:08] Correct. It's very similar to the funding process with the CONFOR, like the constitutional officers. That leads into the follow-on question I had, which is I assume the interim and the new hire process is not significantly impacting our budget. Would that be correct?

[03:09:26] Because it's funded through this mechanism. They had also previously told us that they had, when we had them brief us on the possibility of ranked choice voting, they were raising the concern we are already understaffed by our own reckoning and we would need to be overstaffed for this request.

[03:09:47] Is this kind of, help me understand, are we plussing up staff or are we expanding services at the registrar's office with this? The registrar's budget is, I'll say, the same level of service as the current year.

[03:10:04] The only variance would be the number and types of elections. Okay. Got it. Ask and answer. Thank you. All right. Is that all? Yep. Thanks. Supervisor, one piece to occur? No questions. All right.

[03:10:20] We're ready. Okay. So I just want to quickly touch on the next steps. As we said previously, the next work session is a joint session with the school board scheduled for next Monday, the 16th. And to give you a preview of that agenda, we plan to cover- Of course, representatives from the school will be there to talk about the public school's operating requests.

[03:10:39] And then we'll also cover the CIP and debt chapters. Those are on pages 243 through 285 of the book. And that's the last slide. Great. Were there any other final questions, things that supervisors wanted to surface or county executive before we move on?

[03:11:01] No, sir. All right. So we do have board, you should have seen a note sent out by email today of the change in the agenda tonight. The add of the action item revitalization area designation for premier circle phase two.

[03:11:20] Stacey has been waiting patiently for us to arrive at this item. Stacey Pethia, director of housing. Last week on March 4th, during the board meeting, supervisors did approve a revitalization area certification.

[03:11:40] Sorry, it's sitting a long time. For the Premier Circle Phase 2, that is the portion of Premier Circle that is being developed by Piedmont Housing Alliance. You did approve that resolution. Once we sent it off to Piedmont Housing Alliance, we were informed that we had actually put the wrong parcel number in.

[03:12:02] The resolution so tonight nothing has changed except the tax map tax map parcel number and the reason we are here tonight is Piedmont Housing Alliance is applying for low-income housing tax credits for that work and their application is due tomorrow at noon So it is critical if at all possible That the board can decide to approve this tonight. There are any questions. All right All right, is there a motion to adopt the attached resolution, attachment B?

[03:12:37] Somewhere in the district, why don't you? Mr. Chair, how am I? Yes. The motion actually would be to approve the resolution that was revised as of March 11, 2026, and to supersede and replace the prior resolution dated March 4th. So moved. I heard a so moved.

[03:12:54] Second. All right. Is there any further discussion or questions? All right, if that objection of the clerk, could please call the roll. Mr. Pister, currently? Aye. Ms. Mallett? Yes. Mr. Missal? Yes. Mr. Pruitt? Aye. Ms. Duncan? Yes. Mr. Galloway?

[03:13:10] Yes. Oh, there's the language written right there. I shouldn't have just read it. I didn't read far enough on my script, Claudette. All right. From the board, any other matters not listed for business tonight?

[03:13:26] You may have heard that the roundabout at 680, 240, 250 is opening, not tomorrow after all, but Friday because of rain tomorrow. Oh, yeah. I don't know that there's a ribbon-cutting, but I'm going to go try it out. Try it out. Centrifugal force. All right, anything additional from the county executive?

[03:13:45] Yes, sir. All right, thank you, everyone. We will adjourn to March 16th, 2026, 5 p.m. here in room 240.



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