



MACHINE TRANSCRIPT • CORAGGIO CONSULTING

Albemarle County Board of Supervisors Budget Work Session, Monday, March 16, 2026

Date Monday, March 16, 2026
Place Albemarle County Board of Supervisors, Virginia
Length 3h 22m (video)

- Official meeting video (Granicus): https://albemarle.granicus.com/MediaPlayer.php?view_id=1&clip_id=1468
- Official agenda: https://albemarle.granicus.com/AgendaViewer.php?view_id=1&clip_id=1468

Machine transcript (speech-to-text) produced by Coraggio Consulting. Not an official county record. Names and numbers may be misspelled; check the video at the timestamp before quoting.

Speech-to-text: whisper.cpp, model large-v3-turbo. Produced 2026-10-14. Each paragraph starts with its time [HH:MM:SS] in the meeting video.

[00:00:00] Good afternoon, everyone. I call to order the Board of Supervisors for this March 16th, 2026, 5 p.m. Budget Work Session in Room 241. With us today, we have Supervisor Mike Pruitt of the Scottsville District, Supervisor Ann Malick of the Whitehall District, Supervisor Fred Missel of the Samuel Miller District, Supervisor B. Lapisto-Curdley of the Ravana District, Supervisor Sally Duncan of the Jack Jewett District, and myself, Supervisor Ned Galloway of the Rio District.

[00:00:31] From the county side, we do have our county executive, Mr. Jeff Richardson. Our county attorney, Mr. Herrick, is hiding out in the crowd. And our board clerk, Ms. Claudette Borgeson, is with us as well. Caitlin Malcolm, our chief of budget, and Andy Bowman, our assistant chief financial officer, are with us at the table.

[00:00:55] We're thrilled to have with us the chair of the school board, Dr. Rebecca Berlin, and the vice chair, Ms. Allison Spillman. And I note that having their back in the front row, we have four school board members, Mr. Bob Beard, Mr. Jim Dillerbeck, Ms. Kate Acuff, and Ms. Judy Lee.

[00:01:12] Welcome. From the schools, we have Superintendent Matt Haas, Maya Kumazawa, the director of budget and planning, and Rosalyn Schmidt, their chief operating officer, joining at the table, amongst others around the room. We are all very appreciative of our officers that are with us today, Christian Hernandez and Justin Gibson.

[00:01:31] Thank you, gentlemen. For those who have done meetings here in the past that see new microphones in front of you, we still must speak out loud and enunciate. These mics are not for room projection, but it is for the online, so we do still need to speak loud, enunciate, et cetera, so that we're all picked up.

[00:01:51] Also, we learned the other night that even though it's March and, you know, you could have snow and 80 degrees in the same week in Virginia, it can get warm in here. So we need to leave the doors open. So any members of the public, if you leave, if you could just leave that back door open as you come and go, it'll help with keeping some airflow and keeping things environmentally cool.

[00:02:14] And I will note that the school board clerk is here as well. Ms. Christine Thompson. I'm glad I looked over there. Sorry, Christine. I didn't catch you on the introductions. All right, with that, we're here today to our fiscal year 27 operating and capital budget. So, Andy, I'm going to turn to you first, or should I go right to the school?

[00:02:31] I have a brief introduction, and I appreciate your comment on the room. I thought it was just me on the hot seat getting grilled. No, but more seriously, more seriously, just a brief introduction, as I usually do at the work sessions. This is the third work session of the Board of Supervisors on the county executive's recommended budget.

[00:02:51] No action is requested by the Board of Supervisors tonight. On the 18th will be the first time the Board will be requested to take action in the budget process. The Board has heard me say this several times. I say this for the public, that the Board will propose a budget and propose tax rates for advertisement.

[00:03:08] That will restrict the Board's budget process because the tax rate the Board advertises is the maximum that can be adopted. Only that rate or lower can be adopted. The 18th is a key milestone because at that point the budget transforms from the county executive's recommended budget to the Board of Supervisors' proposed budget.

[00:03:26] The conversation will then continue through a series of town halls in March and April that staff will be supporting, followed by public hearings and adoption budget on April 22nd, with the public schools scheduled to adopt the budget on April 23rd for the school families. Tonight's agenda, we will spend the first portion of the meeting with the School Board of Representatives to go through that request.

[00:03:50] After that discussion and Q&A, staff would recommend a break for no other reason than to change our seating. What we'll then do is come back with some technical updates that are recommended for the Board of Supervisors considering their proposed budget on Wednesday. And also continuing a conversation that started with the Board last week about parking lot items that the Board may want to act on as part of the proposed budget on Wednesday.

[00:04:14] or later in April. There is no need to take that action tonight, but a lot of that discussion is helping staff help the board have as productive a conversation as they can on Wednesday. And then we will continue with debt management and CIP chapters, and if we're not able to complete those today, we'll pick those up at Wednesday's work session. So just a few slides to set things up for the public schools and really recap a lot of discussions that I've had. Ms. Kumazawa has spent a lot of time discussing with the public schools, the county executive's recommendation.

[00:04:44] I've explained that to the board of supervisors, board members, and school members have been discussing with each other. But for the public who may just be tuning in, the allocation of shared revenues is a formula that's part of the board's financial management policies. The way this works is there are revenues that are designated to be split every year, and they are those revenues we call shared.

[00:05:03] So the state revenues for public schools, those are designated for public schools. Those are not shared. State revenues for public safety or building permit fees for processing applications and community development. Those are not shared. And so we have that set of shared revenues, and we look at how those change year to year.

[00:05:20] Once step one of the calculation is done, we move to step two, where we make deductions for changes in expenditures, such as the City of Charlottesville Revenue Sharing Agreement, which reduces the county's ability to pay for its own services. The tax relief for the elderly and disabled program, because that's tax revenue not coming in.

[00:05:39] The Economic Development Authority Tax-Related Performance Agreements. And so what this is, is there may be a third party, whether it be a telecommunications company looking to improve broadband, a developer for affordable housing or economic development, whereas there will be some tax revenue for a portion of agreement that is not split because it is being rebated to the EDA and the developer.

[00:05:59] Once that agreement expires, the revenue is split again, and the good news for everyone is the overall pie grows. So step three is after those deductions are made, sorry, I skipped one, The Board of Supervisors has also dedicated tax rate increases over the year that are not subject to that split as well that are called out on the slide.

[00:06:16] That leaves a remainder through the math that where 54% of the funds goes to the public school's operating budget, 36% goes to the county government operating budget, and 10% goes to the Joint Debt Service and CIP capital budgets. The last item is very important to note, is that guideline may be reviewed anyway with Board of Supervisors approval.

[00:06:36] It's very helpful to have this long-range planning tool. there are circumstances in a given year where the board may choose to do something different. So some form of this split has been in existence since the 90s, I understand. It actually predates my time at the county, if you can believe that. And we went back and our staff and say, this century, the last 26 budget, how often does the board do something different than this morning book?

[00:07:00] And in 17 of those 26 years, more often than not, the board is elected to look at the circumstances in a given year and do something different. Sometimes that's been for the extra revenue for public school operations. Sometimes it's been for joint capital. Sometimes it's been for county government.

[00:07:15] Every one of those 17 have got a different story around them. This is really just to give some context to how past boards have viewed this just in the budget. On the recap slide, public schools, I've shared this data with their staff. I share it with the board and the public at last week's work session.

[00:07:33] As we look at things like the revenue sharing agreement, tax relief, other investments, This is just the perspective of what makes up the school's operating fund and how that's evolved over several

years. So as I said last week, local schools are primarily locally funded with more than 70% of the school budget being provided with the general fund transfer.

[00:07:52] You can see that in the dark shade of the blue and how that's grown every time. It's actually grown every year except fiscal year 21 in the initial pandemic where there was obviously the craziness we were all living in six years ago. Unfortunately, that revenue bounced back stronger than the decrease was in the subsequent years.

[00:08:08] The next biggest component is in the state revenue in light blue. I don't want to steal the school board's thunder because I know they're going to talk about that in more detail and how that is shaped by the local composite index. But those two really explain just about all of the pie. There's a little sliver in purple for the other revenues that come in related to schools.

[00:08:27] But primarily local funding and state funding is what brings us to what is in fiscal year 27 and the county executive's recommended budget, a total school fund of \$304.9 million. So last slides I want to share are just to help the Board of Supervisors consider what options and what decisions will they need to make before April 22nd.

[00:08:48] And so there's two decisions that go together. That is actually a total of four, but two of them need to be made by April 22nd. Two of them can be made by April 22nd or later. So the first of which is a question on what is the total public school operating fund.

[00:09:04] When the county executive's recommended budget, option A, I'll call it, is a total of \$304.9 million. That's an increase of 20.7 million state and local sources, or 7.3% of the adopted budget. Option B would be the school board's request, where they have balanced their operations on 307.2 million.

[00:09:23] That's an increase of 23 billion, or 8.1%. Of course, option C, the board of supervisors can pick any number in between, above or below, as they would like. And so, just for some historical perspective, the good news is this is a smaller gap than where we were the last two years.

[00:09:41] But also, to be fair, if we were to go back to years three and four, Dr. Haas would point out he was able to present a balanced budget to the school board because the last two years were so impacted by the state revenues. So that's really one of the differences. Where I don't want to make light of \$2.3 million would certainly make a difference in whatever service is.

[00:09:59] But there's a lot of alignment in where these two budgets are compared to where we've been at least the last two years. The second decision, and this one connects directly to the operating, is what is that one-time transfer to the CIP? High-level alignment, both budgets transfer one-time funding into the CIP, but where they disagree is in the details.

[00:10:19] So high-level agreement, disagreement of the details. Option A, as we've heard, the county executive's request is \$6.4 million one-time, and the mechanics are a little different from the general fund to the CIP. The public schools are \$4.1 million from the general fund to the school fund than to the CIP.

[00:10:36] And I want to highlight between these options A and B, if you total up option A, that's the \$311.3 million. Option B totals three hundred eleven point three million the all the dollars are there It's just how they're being allocated and the scope for which they're used good option C And of course the Board of Supervisors will consider they can consider a different amount of that one-time transfer So two

other things to think about that do not need to be decided by this budget process on this the board would like to is first Number three, what's the use of that CIP placeholder?

[00:11:07] The county executives has just let that to be determined to the Board of Supervisors and place that in and out here But the schools have been requested that be dedicated for public school projects finally on number four This is one we haven't talked much because it's really more of a planning exercise than the budget is what happens in fiscal year 28 so in the county executive's recommended CIP this is a five-year picture The recommendation is to take 6.4 million including the recommended budget and then to replicate that in fiscal year 28 to then have that apply in to that placeholder 12.8 million now Now the reason for that is because a lot of the strategy around this is being very wary

[00:11:46] of the local composite index change that could happen in fiscal year '29. So if that 6.4 million in ongoing operations is spent in fiscal year '28, it would not be available to assist in fiscal year '29 should there be an unfavorable change in VRS rates or local composite index.

[00:12:03] So that's kind of the rationale of that. Right now, option B, there is no public school '28 process, so they haven't had a chance to weigh in. reasonable if I dare speak for any one of the schools that there's not there's not agreement on the details in 27 so there's probably not disagreement on the details in 28. I appreciate the affirmative nod but this is also not something the board has to decide right now so I make very clearly on option C the board can revise that 6.8 million dollars all through next year's budget process in the CIP. It's a planning placeholder that can continue to be planned for. So my intent here is really to kind of help shape all of the things the board needs to weigh in terms of what needs to be decided now or by April 22nd versus later.

[00:12:43] So with that, we'll do a quick presentation change, and I will turn it over to Dr. Berlin. Thank you so much. Chair Galloway, members of the Board of Supervisors, staff, and the public, thank you for the opportunity to speak with you this evening.

[00:13:12] I'm Rebecca Berlin, and I'm the chair of the Albemarle County School Board representing the Whitehall District. I'm joined tonight by Vice Chair Allison Spilden, who is our at-large representative. Allison and I will be doing the presentation tonight. This evening, we're presenting the school board's funding request for the 26-27 fiscal year.

[00:13:30] Our goal tonight is to briefly share the context behind this request, the progress our students are making, the challenges we continue to face, and the investments needed to ensure Albemarle County Public Schools continue preparing students for the future. As we begin, I want to emphasize the school board's request is a balanced, needs-based budget.

[00:13:53] The proposed operating budget for the fiscal 2027 totals \$311.3 million, aligning projected expenditures with the shared resources and revenues available to Albemarle County Public Schools based on the Board of Supervisors' recently amended financial management policies.

[00:14:10] This request reflects the resources needed to support our students, sustain our workforce, and maintain the services families rely on to assure a high-quality public education for their children. The request you'll see tonight reflects this balance between meeting student needs and maintaining fiscal responsibility.

[00:14:31] Strong public schools are foundational to a thriving community. They prepare students for college, for careers, and for Skivic life, while also contributing to the broader quality of life across

Albemarle County. High-quality schools support workforce readiness, strengthen local economic vitality, and help sustain long, strong, stable communities.

[00:14:51] For these reasons, the strength of our public schools is closely connected to the long-term prosperity of Albemarle County. Our constituents want a community with economic stability, property values that remain stable, a ready workforce, an economy that is strong, and a high level of public safety and health.

[00:15:12] Research shows that a well-funded, high-quality schools support these five characteristics of strong communities. Research also shows that strong public schools play a major role in community prosperity. As noted by the International Economic Development Council, families and businesses look closely at school quality when deciding where to live, where to work, and where to invest.

[00:15:37] The National Bureau of Economic Research noticed that better schools produce a strong future workforce, but also affect where families choose to live by strengthening the housing market and where communities can build a stronger tax base. And so the vitality and economic potential in Albemarle County is strengthened by the quality of our public education system.

[00:15:57] Allison? ACPS plays an important role in advancing the county's broader strategic priorities. Indeed, many of the county's strategic goals are directly supported through strong public education. When we invest in student achievement, safe facilities, and workforce readiness, we are advancing goals that are shared by the school board and the board of supervisors.

[00:16:20] Too often, board-to-board budget discussions devolve into debates between funding county government needs under the direct authority of the Board of Supervisors or funding public schools' needs under the direct authority of the school board.

[00:16:38] However, the reality is that we share in the work of putting the taxpayers' dollars to work for the people of Albemarle County. Through the budget process, the Board of Supervisors must prioritize public needs and allocate funds to deliver the programs and services necessary to address those needs.

[00:16:55] The school board is responsible for using the funds allocated to public schools by setting priorities within the school division and determining how best to deliver the highest level of education possible with the resources provided. To understand the school priorities, it's important for us to provide context to the school division.

[00:17:15] ACPS proudly serves more than 14,000 students across 25 schools and programs throughout Albemarle County. Our student body reflects significant global diversity, with students representing 97 countries and speaking an astounding 81 languages.

[00:17:32] Across ACPS, 6,432 students qualify for free or reduced-price meals. This includes 4,232 students attending schools that participate in the community eligibility provision. where all students receive free breakfast and lunch, as well as 2,200 students who qualify through individual meal applications at other schools.

[00:17:54] In addition, 13.9% of our students receive special education services, and 11.4% are English learners, reflecting the diverse needs of our schools supporting these students every day. Beyond our primary obligation to provide quality instruction, ACPS is also called upon by our residents to deliver

essential services that support students and their families, including transportation, meals, health and wellness support, safe and secure environments, and counseling services.

[00:18:25] Lastly, during our 2x2 meetings, the question of class size and the belief that Albemarle County is among the lowest class sizes in the state was raised. I think it's important to highlight the reality of class sizes in Albemarle County.

[00:18:41] Maintaining low class sizes is regularly raised by families as a top service level priority. And so ACPS is committed to maintaining reasonable class sizes. Most school districts in Virginia do not report on class size. There's limited data on actual class sizes across the state.

[00:18:59] The most recent data set, which was reported by the National Center for Education Statistics, is from the 2020-2021 academic year. That is reflected in the orange bar. It's kind of hard to see down there. To see where the Albemarle County ranks, the dark blue is the average class size from that same time frame.

[00:19:17] and in light blue is where we are today. You'll notice that we have increased class sizes for elementary schools and middle schools during the time while reducing class sizes for high school. You can see that the notion that Albemarle County has the lowest class sizes in the state is not actually the case. Our focus is to maintain the class sizes we currently have as well as we feel it creates a better learning environment for students and a more manageable workload for our teachers.

[00:19:50] Our employees are the foundation of the work happening our schools every day. ACPS employs a diverse workforce supporting student success across classrooms, transportation, nutrition services, facilities, and many other roles. About 24% of our employees are people of color and more than 64% live right here in Albemarle County. Our teachers are also highly qualified with more than two-thirds holding a master's degree or higher. We exceed state teacher quality standards with 94% of teachers being fully licensed, 99% of special education teachers being fully licensed, 95% of our teachers teach in their field of education, and 92% of our teachers meet

[00:20:30] the experienced teacher standard. We have a track record of introducing non-experienced teachers to the profession and building their credentials to become fully licensed and accredited teachers within our school system. This is a significant reason we are able to attract and retain quality teachers throughout the division.

[00:20:47] The quality of our teachers certainly has a cost associated with it, but teachers are the hallmark of any education system. We're encouraged to see retention rates improve, reflecting our continued efforts to support and sustain a highly qualified workforce. Our students continue to achieve strong outcomes.

[00:21:09] For the class of 2025, nearly 94% of students graduated on time, exceeding the state average, and more than 60% earned advanced diplomas. Graduates are pursuing a wide range of post-secondary pathways, including four-year and two-year colleges, military service, and workforce opportunities.

[00:21:28] These outcomes reflect our commitment to supporting Virginia's focus on enrollment, enlistment, and employment as pathways to success after high school. Research also highlights the long-term economic impact of student success. Each additional high school graduate contributes more in lifetime tax revenue and is less likely to rely on public assistance, underscoring how investments in education benefit our entire community.

[00:21:56] The work of ACPS is guided by our strategic plan, Learning for All. This plan anchors the work of the school division and helps guide every major decision we make, including our funding priorities. It centers on three goals, thriving students, affirming and empowering communities, and equitable, transformative resources.

[00:22:15] To gather these goals, focus our efforts on ensuring that every student has access to high-quality learning experience and the support needed to succeed. I'd like to pause for a moment on our vision. Our learners are engaged in authentic, challenging, and relevant learning experiences, becoming lifelong contributors and leaders in our dynamic and diverse society.

[00:22:39] In this vision, you see that ACPS focuses on how our school system focuses not just on our students' education today, but also how that education collectively impacts the child over their entire school career and beyond.

[00:22:55] Furthermore, in our academy models, where we are deeply invested, we give students those authentic and relevant learning experience our vision calls for. As part of our strategic planning process, we regularly assess progress toward our goals.

[00:23:13] Our mid-year health check shows encouraging momentum. ACPS remains strong among Virginia's top-performing divisions, with reading, math, and science performance trending upward and graduation rates above the state average. But we know we still have a long way to go.

[00:23:30] ACPS, like Virginia and states across the country, continue to see deep impact from COVID closures. At the same time, we know there is still work ahead. Our top priorities right now include closing the achievement gap with a focus on reading and math for all students.

[00:23:47] We are also seeing positive progress across the organization, including improving teacher retention and declining vacancy rates, while continuing to address capacity pressures at 12 of our schools that operate over 95 percent above capacity. The data shows that our investments from the past two years, increased teacher salaries, a new reading curriculum, and reading interventionists are beginning to pay off.

[00:24:11] But we know we cannot take our foot off the accelerator as these changes will continue to take time and make a long-term impact. Research consistently shows that improvements in student achievement contribute to long-term economic growth.

[00:24:28] This reinforces the broader value of investing in strong public schools, not only for our students, but also for our long-term strength of our community. I have had the honor to work with our five student representatives, Maxwell, Max, Amy, Claire, and Leighton, not pictured.

[00:24:46] And I can see the amazing impact their ACPS education has had on them. In speaking with them, it is not just their classroom teachers that have made a difference, but it is also their counselors, their mental health specialists, the principals, the coaches, the art directors, the nurses, and the interventionists that have made their success possible.

[00:25:09] During the budget season, there have been a lot of conversation by both the Board of Supervisors and the school board and our constituents regarding the rising costs of public service. This chart shows the total county expenditures by ACPS in blue and county government in green.

[00:25:27] You will notice that the cost for public services, whether from the schools or from county government, have increased considerably over the past 10 years, largely due to inflationary pressures, compensation, increased health care costs, and increased service demands. Public schools today are responsible for a wide range of services that extend well beyond traditional instruction.

[00:25:48] From career and technical education and preschool programs to transportation, mental health supports, and other services that help students succeed. ACPS embraces these responsibilities. When we say we value equity, we mean ensuring that every student receives the level of support needed to thrive and succeed.

[00:26:08] And yet, while the growth in local tax dollars dedicated to ACPS over the past 10 years has increased by 77%, the addition of local tax dollars to government has increased by 117% over the same period. As noted on this next slide, although ACPS maintains a greater share of local revenues, there has been particular focus on increasing county government expenditures well beyond the increase to schools.

[00:26:34] This slide presents the same information in a different way, showing the percentage of county operational spending. In fiscal year 2018, schools represented 62% of operational spending. In the current fiscal year, that share is about 57.6%.

[00:26:52] And under the county executive's recommendation, it should be about 57.5% next year. Over time, the percentage of school operations spending, shown in blue, has declined as county government spending, shown in green, has increased. As county residents ourselves, we understand the need for additional investments in fire, police, libraries, court buildings, and parks.

[00:27:15] However, this raises two important questions we must consider. First, are we hearing from the public that investment in our schools should slow relative to other government services? And two, while we recognize and support the need for strong public services beyond our schools, does meeting those needs have to come at the expense of students of Albemarle County?

[00:27:34] Schools are projected to receive about \$11.8 million in additional state funding, largely due to a change in the state's local composite index, or LCI, this year. In fiscal years 2025 and 2026, adjustments to the LCI reduced the amount of the state funding of Albemarle County public schools received.

[00:27:58] The purple bars on this chart show what funding would have looked like in fiscal year 2025 and 2026 had that change not occurred. In fiscal year 27, the state has essentially restored the funding level.

[00:28:15] So this should not be interpreted as a new trend in annual increased funding. Instead, we should expect more typical growth levels in the future. We raise this point because the state increase was cited as a reason to reduce the percentage of local tax dollars going to schools. However, when state funding declined in fiscal years 25 and 26, the percentage of local tax dollars did not increase to offset the shortfall.

[00:28:38] Instead, the school's vision made significant budget rejections to provide a balanced budget. I think it is important to look at the significant budget adjustments that the school board has made as a result of funding decreases in fiscal 25 and fiscal 26.

[00:28:55] In fiscal 25, we increased class size, we made cuts to the elementary foreign language program, we cut department FTE, and we eliminated the assistant principal intern program. In fiscal year 26, we eliminated the Elementary Foreign Language Program, we eliminated the National Defense Cadet Corp,

we increased class size, we eliminated freshman seminar from the curriculum, we made cuts to physical education to reduce staffing, and made cuts to media, to STEP, and to intervention programs.

[00:29:29] We eliminated the Furniture Replacement Program, we reduced instructional coaching, we cut department staff, and we reduced instructional field experiences. These were, each and every one, a very difficult set of cuts for the school board to make.

[00:29:47] This year, we are making adjustments to our Elementary Teaching Assistant program to reduce program costs. Across the three budget cycles, ACPS has implemented \$9.1 million in reductions, many of which involve permanent staffing and program changes.

[00:30:02] As we prepared the fiscal 27 budget, the division identified more than 25 proposals to support our highest priorities. Based on community input, impact, sustainability, and fiscal feasibility, these programs were narrowed to five targeted strategic investments.

[00:30:23] Math and data specialists, special education services, scholar studio sustainability, tech and textbook purchase, and a one-time transfer to the CIP of \$4.1 million. By maintaining these reductions made in previous years, we are still able to present a balanced budget aligned with available shared revenues.

[00:30:48] While we often focus on our new investments at this meeting, this year I want to focus on the array of services we provide to ensure student success that must be included in our budget every year. We are proud of the per-pupil investments we make to support every child every day.

[00:31:05] These investments provide the essential services that families rely on, beginning with transportation to and from school, safe and comfortable learning environments, and access to instructional media and technology. They also support the educators and professionals who work directly with students, including nurses, counselors, reading specialists, librarians, physical education teachers, and special education staff.

[00:31:27] These positions represent the minimum staffing standard for every school, ensuring that students across Albemarle County have access to consistent and high-quality services wherever they attend school. I want to take a moment to highlight everything that goes into providing a day in the life of each of our students.

[00:31:46] A bus ride to school, an air-conditioned learning space, breakfast services, textbooks and learning materials, clean drinking water and restrooms, lunch service and supervision, cafeteria cleaning and support, recess on safe, well-maintained grounds, secure internet access and student devices, a bus ride home, and evening custodial services.

[00:32:13] If we take away just one piece of this puzzle, our students might not be successful. A student without a bus ride to school might not make it to school like that day. A student without a breakfast service may be too hungry to learn.

[00:32:30] And a student without internet access and a student device may not be able to access the materials that are now online through our technology services. So how do these everyday services translate into our budget? This slide shows the \$311.3 million funding request organized by the major expenditure categories.

[00:32:52] The services we described on the previous slide are reflected across these budget areas. The largest share supports instruction and the educators who work directly with the students. While our other categories fund essential services such as transportation, technology, building operations, student health, and support services.

[00:33:12] Together, these investments allow ACPS to deliver the programs and services students rely on, supporting every child every day. They are the programs our families, our staff, and our community rely on to ensure that our students are successful throughout their entire ACPS career.

[00:33:30] These students are why Albemarle County is a place where families and businesses want to be. These services are what make Albemarle an economic driver in Virginia. As I mentioned earlier, research shows that sustained investments in education have long-term benefits for students.

[00:33:49] Studies have also found that students who are experienced increased school's funding earn more as adults, highlighting the lasting impact of strong public skills in our economic development in Virginia. This chart shows how per-pupil expenditures in ACPS have changed from fiscal year 2020 through the proposed fiscal year 27 budget.

[00:34:12] Over this period, the total increase is about \$8,000 per student. The most consistent drivers of these increases have been employee compensation, healthcare costs, and strategic investments in student support. Like many school divisions across the country, ACPS has made adjustments to compensation in recent years to remain competitive in recruiting and retaining high-quality educators and staff. We've also made targeted investments in areas such as reading specialists and mental health support specialists based on student needs identified through our strategic

[00:34:46] planning process. This slide compares ACPS per pupil expenditures with other Virginia school divisions that have similar local composite index LCI levels. Our LCI is about 0.64 which means Albemarle County pays a larger share of school costs locally than the state. For that reason this comparison focuses on divisions with LCI values between 0.5 and 0.8. As you can see on this chart we are the orange. When compared with similar divisions across Virginia, ACPS

[00:35:19] remains within a comparable range of per pupil spending to Rebecca as we conclude we want to briefly highlight the capital implications of the operating budget recommendations as discussed early earlier than 9.1 million dollars in reductions implemented over the past two budget cycles have provided the flexibility to support a one-time transfer to the capital improvement program in the superintendent's recommendation reflecting guidance from the Board of Supervisors during the board-to-board discussion on capital and school capital needs, a poor proportion of the projected state revenue increase allows a \$4.1

[00:35:58] million operational funding to support school projects in the CIP. This is in addition to the existing 10% CIP allocation in the revenue sharing formula and helps ensure that new or expanded school facilities can be sustainably supported in future budgets. The county executive's proposal instead directs \$6.4 million from the school's portion of the shared revenues into a reserve fund without a specific designation or identified purpose.

[00:36:25] Given these funds originate from the school's portion of revenue-sharing formula, we believe that it is reasonable to ask whether they should be designated to support school capital needs. As chair of the school board, I ask that you designate the \$6.4 million to the schools. As you consider the funding

request, we encourage continued collaboration to ensure that both operating and capital investments align with the long-term needs of Elbermar County students, schools, and residents.

[00:36:51] Thank you for your time this evening and we appreciate the opportunity to share this information and would be happy to answer any questions. In alignment with our roles as school board members, we're happy to answer policy questions, but we will be ceding operational questions to the cabinet as needed. Awesome. Thank you, Chair Berlin.

[00:37:08] We'll go through with our supervisors, see what questions you have, and we'll go from there. Supervisor Duncan? Supervisor Malik? Thank you. Thank you for all this information.

[00:37:26] I will just point out a couple of things that I wrote down as I was going. Not necessarily, I'm not trying to be argumentative. I just wanted to point something out. On your slide 14, it certainly is an increase in the local government spending because of catching up for 20 years of not doing any of the things that we needed to do.

[00:37:52] I just wanted to put that out there because our starting place was so low that the percentage looks big. So that is important to know. So the slide 16, did I understand that, I mean, so the increase in the funding from the state was 11.8.

[00:38:11] So 5.4 is still staying in the schools with the county executive's proposal. It's not all going away. In other words, 5.4 is staying with you and 6.4 would be going to the Capitol in your proposal.

[00:38:27] Just so I make sure I have that right. It's being presented as if it's all going. And I just want to clarify that this slide says otherwise. Slide 16. So I just want to clarify that the numbers indicate that 5.4 of the new money from the state is staying in the school department.

[00:38:52] Okay. Thank you. And slide 23. I probably misunderstood something that was just said in the presentation of this. It sounded like the school portion should all go into operations.

[00:39:12] But local government for decades has paid the entire capital for school. And we're one of the very few counties in the state that does that. Many just say, here's your money, build your schools, hire your teachers, and do it. So this local government portion is already very small.

[00:39:29] And in addition, it's already taking the capital out for the schools. So I just wanted to clarify that that was my understanding, and others may have a different understanding, but I wanted to just put that out there. Thank you. I'm done. Supervisor Pruitt. Like Supervisor Malik, I was actually also intrigued by the...

[00:39:49] Oh, you just had it over here. looking at the comparative growth of County operations and school operations I was sitting here brainstorming like what the underlying cause of that divergence and it occurs to me am I correct in thinking that we own your health insurance costs is that an element of that no because I know that That has been a big driver of our cost.

[00:40:20] Ours, too, and it's increased 30% to 40% year over year for the last few years. Interesting. If anyone on staff has particular thoughts on where to put the finger other than what Supervisor Malik has already pointed out about the divergence of expense growth, if there's a pithy answer to what kind of the underlying thing to look at there or what the big story to take out of that is.

[00:40:51] I'd just be curious. The first time I've seen this chart was today. I know one big answer would be the increase in just a change in the volunteer fire rescue dynamic, where volunteers were correct many

years ago. They were saving the county millions of dollars in multiple cents on the tax rate by being there.

[00:41:09] As those volunteers have continued to request supplemental funding, the county has been able to buy time with four FEMA safer grants, leave totaling about \$12 million. As those are expiring, that's required a different level of investment there. Last year, the board also increased the affordable housing portion of the tax rate of affordable housing.

[00:41:27] That's \$1.2 million normally in county services that would have been provided before. I could provide a more thorough response with help, but those are just two big things more recently that have jumped out. During our, for the public situation, it's really normal that in advance of these conversations that we have in public, We meet one-on-one with some of our counterparts and sometimes senior staff.

[00:41:54] And I said something in that conversation. I said, you know, it's not helpful to keep these kind of important dynamics to ourselves. It's helpful to say it to each other. And to that point, I also wonder if it's helpful to say it in public, which is a core dynamic that I am concerned about for the long-term planning of our shared budgets, is that the revenue sharing split that we have with the schools is like several important policies in Albemarle County, older than I am, it's been in place since I think at least the 80s.

[00:42:32] And it is a worry I have that the revenue split is more appropriate for a more rural county than we were in the 80s. As counties grow and become more industrial and more diverse, as we very much have more urban, Our revenues will start to outpace the growth of our population, and the demands on our government will start to outpace the growth of our school's needs just because that population is going at a different line.

[00:43:03] And there's an element that I do think while I expect school revenues and school funds to continue to increase over time, I also think it might be appropriate to gradually decrease the percent of county funds that are going towards schools.

[00:43:21] because I don't think it's sustainable in the long term. And for the same reasons you've heard us say that we don't think I have concerns about the sustainability long-term decades of our revenue-sharing agreement with the city. It just becomes irrational over time and at scale.

[00:43:41] And so a value I see of this year's budget, we say pretty clearly that it, on that dollar diagram, doesn't say 54% for the first time in a very long time. I think that is an important signaling effort, but I also would like to balance that as we think forward with how we can continue to provide schools the benefit of the planning advantage of knowing you have a reliable split.

[00:44:07] I think that will be an important challenge moving forward. And, of course, I'm speaking for myself. I'm not speaking for the entire board in this moment. but i think there is a value in revisiting the percent while still making sure schools are adequately funded and also figuring out how to keep keep that value of knowing how much money is going to come in so you're not doing one month of budgeting because it's not lost on me that schools has to be much more agile in budgeting than we do and we don't want to i don't want to make that strain higher than it needs to be um for the that that's you know the thousand yard

[00:44:46] kind of discussion. For the more immediate discussion, I think the thing that I would hope our budget is accomplishing is it is making sure that we are saving in a way that is adequate and sufficient.

[00:45:02] One, we're sending that message that I talked about, about a first step toward reshaping what that split looks like. And two, I would value seeing adequate planning for the major capital projects that the school has requested.

[00:45:19] I will be candid. I think both our requests meet that concern, both our recommendation and the school's requests. I don't feel too precious one way or the other on it. Personally, I will refer to my peers on the board.

[00:45:37] I think we're mostly 4.2 versus 6.2 or whatever the numbers are is not, I think, radical difference in the amount that we're setting aside to capital. So I don't feel too precious one way or the other and would be willing to support the school's request on this. But I think maybe the bigger discussion is the bigger discussion.

[00:45:59] I will jump in and say I agree on the long-term planning. I think that's something that we have all talked about. It's really hard for us to plan next year what our programs and what our school needs are when we're finding out what our share of the revenue is going to be a few weeks ahead of time.

[00:46:18] If we had a three to five year plan, we could economize on a lot of things We could make those plans far in advance and know okay We're gonna have this much money for the next few years or this percentage of it We can defer this program to next year, but not knowing year to year creates a lot of uncertainty And I'm not gonna speak on behalf of the cabinet, but I can tell you on behalf of the school board Wondering year to year what our priorities are going to be because we don't know how much money we're actually going to get So I would be speaking for myself incredibly in favor of long-term joint planning between our two boards with a three to five-year plan of what our

[00:46:57] expenditures are going to look like what we are going to be getting from Our local government would make things a lot easier on our end and would potentially save a lot of money when you're talking about Efficiencies and things like that. I'm curious as you know your new talked about the funding and the percentage And your policy was just updated in November I'm curious why that wasn't included in November during those discussions as we were You know why this wasn't something that was brought up then and why it was brought up just recently the change

[00:47:31] Yeah, I'm happy to address that we could park that question because we're going through to answer questions on your presentation So I think we can get it done. I have no other question. You would like to take a swing at it since it's your opinion. I will let you take a swing at it. And I will also just say I raised a lot of big things now. I don't want to pretend I'm speaking for this. Same.

[00:47:54] But I also think that it's indicative of our shared desire to work together to have more common ground in this budgeting process. And just to your last point was what? Remind me the last thing that you said. My last point is I don't see the difference between our recommendations as being worth the fight.

[00:48:15] I mean, our numbers are so close. We're right there. And I think what our request, bottom line, is that we want it designated for the schools. We can make adjustments in that \$2 million on our side if we know that this money is going to be put aside for schools and not in three to four years changed for something else.

[00:48:33] That would give us assurances and we can make cuts, I think, on our side for that \$2 million. Just as you're going through your staff, I'm sure Galilei and I talked about questions and making sure we get I didn't we don't there is no follow-up That I see for any of our initial conversation so far But let's just I

just want you and I if there's anything we're not answering making sure coming out of this meeting We have a list to this point. I don't think there's any question. There's big ideas important big ideas, but not questions, but just to our conversation earlier just making sure that we come out of the

[00:49:11] If there's a list of questions that are unanswered that we provide this back to. Supervisor Lopisto-Kirtley? Chair Galloway, before I ask my questions, I know that Mr. Bowman had his hand up in response.

[00:49:27] I wanted to provide a more thorough response to Mr. Pruitt's question on jump slide 27 or, sorry. That one, so, sorry, this chart, I misinterpreted this chart as just the general fund, it's all county funds.

[00:49:44] So capital projects, debt service, other special revenues. All right, debt service and other funds. So as the debt service, when you look, and I have a chart that's going to show this later, back to update something I shared on December 3rd.

[00:50:00] So for county government, in this 10-year period, there is a start of the debt service for the course projects, for Biscuit Run, for Ravana Futures. Those are dwarfing any county project that has been done before. And so we'll see that in a little later. But the debt service is part of the reason the operation is driving as well.

[00:50:16] It's not just the day-to-day personnel and public safety. Thank you, Ms. Kumazawa, for helping me clarify my understanding of that. I just have a, I guess, point of clarification. I know on slide 17 we talked about rejections.

[00:50:35] And I just have a question probably. For me, it's important as a former educator. You reduced your department FTEs half a million. And was that administrative or for classroom instruction teachers?

[00:50:51] It was both, but I want Ms. Kamazawa to answer the wrong question. It was department administrative staffing or what we call department-based. So positions that are not based in school locations. Okay, so administrative. A lot of it was administrative.

[00:51:09] Any classroom teachers? Those would have been reflected in the class size increase where it says teacher FTE. So we did reduce teacher FTE as well as administrative staffing. So it's both. And what is your ratio for schools regarding sister principals in a school?

[00:51:27] One in each school or is there a number? We have one minimum at each school and then more based on enrollment. Additional based on enrollment, like, for example, for the high school, something like that? Yes.

[00:51:42] So we have different standards for elementary, middle and high. So one is the base, and then at elementary, if you reach a certain number of students, you get an additional. At middle and high, the numbers are a little bit different, but it is based on the size of the school. Okay, but you don't have any second, you don't have two assistant principals at an elementary school, right?

[00:52:03] We do. Okay. Are you expecting, I know we're getting monies from the state, you're getting additional revenue from the state. Are you expecting any other additional revenues in the state?

[00:52:18] Because I know they haven't finalized their budget. They're going to come back in April. And I'm hearing that there's going to be additional funding. I have no idea how much it would be, you know, who gets what. But have you heard?

[00:52:33] Do you have an update on that? We do anticipate additional funding based on the two versions of the budget that have been pushed through by the House and the Senate. We do not make a state revenue update until the conference budget, which is the negotiated in-between budget, is published. And at that point, we would make an update to our state revenue projection.

[00:52:53] Okay, and that could be as much as... I mean, normally it's around this time, but my understanding is that there was not an agreement on it. So there needs to be further meetings on it. Okay, so that could involve some more additional revenue. Yes. Okay, thank you.

[00:53:09] And the other question I have regarding the 4.1 and 6.4, from what I understand what you said I think earlier is of the 6.4, you would want to be able to use your 4.1, that was all given to you, you'd want to use that for operational as well as CIP, is that correct?

[00:53:36] No. Am I misinterpreting that? Yeah, Rosalyn, do you want to? Sure. So that slide, of the 6.4, the school board's funding request is that 4.1 of that would go to CIP and then the balance would balance the operating.

[00:53:58] Would balance the operating instead of the entire thing possibly going to CIP for a new school. Yes. Okay. Thank you. Supervisor Nissel. Thanks. Just I'll begin by saying, first of all, I really appreciated the onboarding process that has gotten us to this point.

[00:54:19] I feel like I have a pretty good grasp of this in general. So thanks to Bob, thanks to Superintendent Haas and to Rebecca, Chair. It's been really helpful. The two-on-twos were really helpful, too, to understand the budget, get in a little bit deeper.

[00:54:35] A lot of the questions I had, and I echo much of what Supervisor Pruitt said, I'll just ask a few general questions one is We talked about the 11.8 state funding Supervisor Malik that was that cleared that up. I have a question on that I know we're talking about being very close on the numbers overall, right, but I'm just curious the 2.3 that shifted from operating to capital What would is there a way to sort of give me a general sense of what that 2.3 would have been used for had it stayed in operating?

[00:55:08] Was it just too general to ask? I mean that's yeah, that's based on the funding requests that we have now. Yeah It would be you could you could go through there and find 2.3 million out of the whole thing and More general for but the funding request was built on on that so that I understand I'm just wondering if there's 2.3 shifts from the 4.1 to the 6.4 And what if that 2.3 goes away? Where what are what are you looking at? I mean that would be We left up to the board at that point where we decide, as a board, decide what we would have to cut.

[00:55:48] Okay. And we haven't had those conversations yet. Got it. Okay. The other is just several of my questions, I guess, and I'm not sure whether this is the right time to ask them, but I'm really, so slide 11 speaks a bit to the strategic plan and it talks about the learning for all.

[00:56:06] And, you know, as you think about capital improvements, and I've heard some of this, I heard some of this back in December 3rd. When you think about long-range planning and facility planning, and you mentioned the need for \$4.1 million for CIP, is there a plan that thinks ahead three to five years, or maybe this is what you were saying would be helpful to have that we don't have?

[00:56:31] So there's two pieces, right? There's the CIP, which is the five-year rolling plan, which will look at what we need to do regarding investments for new builds or major renovations. I think the piece that

Ms.

[00:56:46] Philman is talking about in addition to that is the operational and we spoke about that at the 2x2s and we do and then I'll defer to Matt but you will see us we do last year we did some year over year planning for things specifically like Scholar Studios where we made an initial investment and then followed it as well as some of the technology pieces, but I think being able to have a split that we could rely

[00:57:21] on year over year, as well as I think we've all talked about how do we kind of post this budget, begin to have planning sessions together where we talk about our shared values, look at some shared number, either budget numbers, but also demographics, and then do some longer.

[00:57:39] That makes total sense. I know, but Dr. Haas wants to say. Yeah, go ahead. Your question was about capital. It was, so I'm trying to get my arms around this. You know, you've got a number that's 4.1, and I'm like, where did that come from? Right. Is that part of a long-term plan? Is it getting you to a point where you need to be in two or three years, or is it sort of a remainder that then shifts to capital?

[00:57:59] That was a great question. So in developing draft funding requests, and then I'm going to kick it over to Maya because she can talk more about our long-term capital planning. For the funding request, recognizing that we did have an increase in the LCI that restored our funding, that because of the variability of the LCI, we wanted to make a significant contribution to the CIP for the purpose of, I think a couple months ago, Andy Bowman talked about the art of the possible.

[00:58:34] So it was really about putting funding into it to have some skin in the game so that as we do long-term planning, we've got some funding in there. The other piece is that it would help us to control or to smooth over the bumps that come with the shifting of the LCI that we've seen.

[00:58:54] So it was a funding amount that we wanted to ensure would be significant, but at the same time allow us to pursue the operational planning that we've been doing. I'll kick things over to Maya, though, to talk about our long-term capital planning.

[00:59:13] I would just say that the plan, as the school board approved, was what was presented in December. And those were, hey, here are all the five-year requests that we're looking for. And then that's kind of the starting point.

[00:59:29] And then from there, through this budget process, we determine what can be put into the CIP in terms of what the revenues are. And so I think this is just part of the process in the school board making a plan without revenues in mind.

[00:59:45] It's just a list. And then during this process, we look at, well, what are the available revenues that are going to the CIP? How can we contribute more to it, which in both proposals of the budget, each proposal proposes additional funding to the CIP on top of the recurring 10%.

[01:00:02] And so it's kind of bringing the two together and having the two, the CIP and the operating budget, work better together. And I would just add that what backs up that request, the CIP request, is the Long Range Planning Advisory Committee that produces a biennial report to the school board.

[01:00:23] Looking at enrollment, looking at projections, looking at housing, all of that factors into it. And in the budget resources that we have, there are every two years going back for a long period of time. I think it's interesting to go and look at that to see 10 years ago what were the plans that the LRPAC was working on and then see what has developed since then.

[01:00:51] We had an LRPAC meeting last week, and that was one of the things that Maya and I talked to the committee about was, You know you if you're it's hard to sense progress right now right when you're in the middle of requesting funding or projects are being Developed but if you go back 10 years you go back 16 years You can see things that have already been done through the partnership of the school system and local government That's all really helpful. Thank you the one I guess there's three things that I'll just kind of conclude with one is predictability and having the ability to have some

[01:01:29] predictability I think is huge. The other is being proactive. So when you think about that, looking back 10 years, how many of those decisions on capital were, or even operating, were being reactive versus proactive? And how can we be more proactive?

[01:01:46] And then the last thing is just the idea of the long-term planning, both operational and capital. That's just huge. That's it. I just, as a response, I appreciate that surprise. I am to kind of in my life and my board as well as my I really believe in this moving from the reactive program. We can't always do that, right?

[01:02:11] We live in a society in which government funding is changing, but the more we can do that I think the better for everyone. So I think that's a piece that ACF is really working. Thank you. Other questions in the pop-up?

[01:02:29] I have one other question. Do you know approximately how much you spend on professional development, or is that school by school? I'm going to look toward the finance team to see if that's a number we can pull out. We might have to get back to that. And I will add that to our ongoing list.

[01:02:50] Good. Some of my questions get a little bit just into the weeds, and it's not an opinion or any of that. It's just simply to understand it. Sometimes at our CAC meetings, of course, we're getting ready to do our town hall meetings.

[01:03:07] We'll get asked to just explain what you've requested, not necessarily give our opinion on it. Now, they usually want our opinion to follow. But before I give an opinion, I try to just explain things. So there's a couple of things that I did look.

[01:03:23] I have not looked through all of your 180 questions. I think it is. It was up to 179. So I certainly find it acceptable for you to say, ah, we've been asked that, it's posted online, so by all means.

[01:03:46] So in your initiatives, and I'm calling them initiatives left over from my days on the school board, or if we had anything extra over the base operation, we called it an initiative. I don't know if you're still using that old lingo or not, but the math and data support specialists.

[01:04:03] There was a school board meeting that I sat in on some point over the last couple months that had two positions that I remember, it wasn't as part of budget. They were presented, I thought they were at Mountain View. Is this a continuation of those kind of positions?

[01:04:20] Is it the same purpose? So, yes, and we do have our assistant superintendent for instruction, Dr. Hayes, here. If you wanted to talk a little bit about that, or I can do it, but I'd like for you to have a spotlight. No, that's okay. Do I talk from here or come up? No, you have to come up.

[01:04:35] the microphone now while she's coming up the positions that are at Mountain View were they pilots for consideration so he I don't now this is my memory not remembering now that night and going wait a minute are these they're there they're actual FTEs at that story yeah so for context that was a work

session annually we have a mid-year data report to our to the board where we present the most current math reading and science data that we are doing two things we're looking at growth of our students in the current year and also projecting sol

[01:05:15] performance at the end and so what we did was invited schools that were beating the the district in terms of their growth and Mountain Views beating the district with math and so the principal dr. Kinnard talked about two positions he had put together from his staffing so what he had to do was forego a little maybe some class size or work with the staff to figure out creative scheduling so he could free up a couple of teachers to do this work that's correct and so this proposal would provide specific math support for schools in our

[01:05:51] transformation school program that do include Mountain View those positions are a little unique in that like a reading specialist and that they are math teachers but they have to go and obtain a math specialist license and they would assist our schools in a variety of ways helping with pedagogy looking at our diagnostic tools and our assessment to help teachers be able to make real-time instructional change so that they can address student academic gaps in that learning in that particular unit or over the course of the year they

[01:06:26] They would also assist students that may display some gaps in their learning. So similar, like I said, to a reading specialist, but completely dedicated to math for those schools that we know are experiencing greater achievement gaps than others in the division.

[01:06:43] And how many FTEs equates to the 706? Six. And then have you got to the point where you would go, oh, this is where your data leads you to place these? Correct. Yes, so we've done that to look at where the need is the greatest, but we also put a provision in the budget proposal that we would track how this initiative is performing, and if we did not see a return on investment, then we would look to move in a different direction.

[01:07:14] It's a sunset provision. Yes, that's correct. So just for reference, it's A36 in the budget book, and the other thing that Fred talked about or Mr. Missal talked about and recently was having metrics for proposals and so right next to that there is a logic model that describes all the all the facets of that work and they're on a 40 not not too far away as our debt it's a previous year's budget proposals dashboard where it has a stoplight chart where we track the logic

[01:07:49] models to ensure that we're seeing progress that we want to see or the or The project is still relevant and whether or not we would adopt, you know, new changes to it adjust or abandon Thank you for that, I'm just trying to get to the page for my next Well, it's related to I have it here somewhere because I was going to refer to it the staffing that you're putting into

[01:08:31] the Ace Academy And Rebecca helped me with this understanding, but the idea, so I guess what I'm getting at, I forget now, is there like seven, how many FTEs are going in? This is answered and asked on your website. I'm just trying to find that answer now so I can build on my question. I haven't done a good job with all these tabs open.

[01:08:57] So related to the opening of the new facility, Ace Academy, Lambs Lane, there's 18 additional FTE. So the tangible example I always give is we staff every school building with a full-time nurse. So when you add an additional building, you add an additional nurse to serve that building. Be an example. Thank

you. I've got that in front of me now. So is this, and look, I get it because it's the same thing in terms of police. This came up from a

[01:09:35] citizen question and how we staff, and then we have trouble hiring them and getting qualified people etc etc so not a loaded question but by putting in your special ed and the nurse and all of that up front saying those are funded FTEs are you anticipating to go ahead and just have all those positions filled at the get-go even like how when do you find out oh we don't actually need this particular FTE there and what happens in that case you need the funded position because it may be there in year two or three and I get that but if it's not there in year one what happens

[01:10:14] to the FTE? So I think every FTE that we budgeted we feel like we need on day one to support the base programming of that school. I think additional FTEs in year two and three would result into an increasing student population if that's needed more instructional positions but at a baseline With the number of kids we anticipate that's what that FTE count represents But you're anticipating all of the positions in opening ACE are there from the get-go from day one all the positions in the budget

[01:10:49] Yes, I want to I think it's important to note too and this confused me So I wanted to bring it up is that as we're shifting these students to that new school It's a reduction in FTE from the base schools to make up for it. So while it looks like we're adding 18 new Employees it's really a shift from one place to the other because at first I looked at that and was like whoa That's a lot, but really you know, it's less from Monticello or was or Albemarle to make room for that and it correct me if I got that

[01:11:22] So yeah, the instructional staffing in particular and that's similar to how we used to do K tech before the city took it over was we would Essentially reduce schools operating budget staffing budget to ensure that that staffing would follow the students to Kate So that's a long-standing model and appreciate the points because on here It says the net new is 16.8 and that's after you adjust for your right Rosalyn maybe it would help with the explanation that you gave me in our two-by-twos with Sally when we were talking about How you came up with those positions? I found that really helpful and I think miss Duncan

[01:12:01] So anytime we allocate positions and in the back of the budget book is a pretty robust staffing standard, right? Similar to your assistant principal conversation, there's a formula for every position. So when we took this program, we looked at our staffing standards and we took it position by position and debated it.

[01:12:17] Just because the formula says it doesn't make sense, right? And so we gave the example of the nurse or the new facility does have an assistant principal and there was a debate about what would that person do. And so we had robust conversations position by position.

[01:12:33] So, again, that's why I can say confidently we feel like all those positions are needed to support that program from day one. And I've just never thought about this before. The positions at both your first academy at the Comdow building, what's that one called?

[01:12:51] Center 1. Oh, I couldn't pull that basic language. Does Center 1 and then the ACE Academy, are all these positions considered for SOQ funding? Like when we run into the state gives you a bonus, but they don't give it to your second assistant principal that we carry, et cetera, at certain schools for good reason.

[01:13:15] Do their principals, assistant principals at these academies count as SOQ-funded positions? I'm assuming the teachers do, but I don't even know if that's a good one. So they are not considered a separate

school under them? Center so but it's really just goes into the total of teachers and all of our nuts are all of our teachers are not covered By the by anything with the SOQ where all school systems across Virginia operate well above the SOQ But Maya can give you a better sense of like what percentage of our Teachers are covered with SOQ. We don't we don't look at positions and whether like by school or by position

[01:13:54] It's really more of a division-wide. So there's certain ratios for the entire division of, say, 25% of the teachers are covered under the SOQ. It's not by school or by, you know, it's much broader than that. Are you counting the students that attend there still in their home schools?

[01:14:15] Yes, technically, but that's up to. It doesn't truly matter how you count them. They're still ACPS students, and they will count in whatever ratio is defined by the SOQ. So, whether we choose to count the students at the centers or at their base schools, it doesn't really matter in terms of state funding because it looks at your division as a whole and overall ratios.

[01:14:41] I think I understand the logic, and if I say something that makes it seem like I don't, correct me. But if you have, how many students are projected to be at ACE? Like 200, 400? We're up to 560 requests at this point.

[01:14:58] So at that if you do the math and ace didn't exist those 500 would be in the school building somewhere else Would it justify those 500 students a full assistant principal and principal position because you're adding one of each Yes, so you're saying that if we didn't have ace academy and center one there would be an additional assistant principal per high school I mean that's a position by position conversation so there's like threshold so like um it did not reduce an ap right it reduced teaching

[01:15:38] positions at the base schools if we did not open ace academy lands lane we would not be funding an ap position so that would be savings we're adding an assistant principal at ace academy on top of what the assistant principals are staffed at in current school so we're not moving assistant principals so it depends on the position that one we're not Theoretically could be true for all 16, but you could be adding like a school security officer at Albemarle or something like that So I mean technically speaking you could have some of these would be added at the schools anyway

[01:16:14] Even if they weren't alright, I get it. If I have any more curiosity on that, I will follow up Do you the way you do class size with economic disadvantage school populations and do that differentiation?

[01:16:33] I think I saw it in the staffing model. The same thing is done at the high schools. Yes If you could go to slide 21, this is the per pupil expenses.

[01:16:55] This is an interesting way to show this. So I will just give some highlights on this. So this came, one of the, I would say, most frequently asked questions that I would say, we receive as school board members from our constituents, you receive from your constituents, and we receive from you as I kind of track over the years.

[01:17:19] is this big question in the change in per-pupil expenses. And so the school board asked Maya and the finance team to try to look into it and make it as clear as possible. It's as clear as mud. But if we could say, what are the biggest drivers over the past 20 to 27 fiscally years, if you can pull those out and show what those are.

[01:17:47] And so kind of coming to the top, our compensation, we have made a significant investment in compensation for our teachers and our school leaders and our staff to keep them competitive in our

neighboring jurisdictions. But I still say that we are still 24th in the country, in Virginia, right?

[01:18:08] Our teachers are underpaid. And then we've already talked about health care costs, right? The burden all of us are paying on health care costs going forward as those continue to increase. And then new proposals. And so Mr. Chair Galloway, you've got your initiatives, proposals.

[01:18:27] Those are the things that we have brought forward that we want to add in the most recent budgets. And those are things like our addition of reading interventionists. This year, our addition of math interventionists. our addition of mental health counselors when that ARPA money went away and we needed to cover those costs.

[01:18:49] So I'm going to let the people who designed this slide talk about it a little bit more, but the intent of this was just to show, to kind of agree, yes, our per-pupil costs have gone up, and the reason why kind of are outlined in this chart.

[01:19:07] Well, let me say a few things, and then whoever is going to speak, You mentioned someone. There's obviously a lot of story or detail behind this graph, which you've just been walking through, which I appreciate. So to kind of further along that thinking, is the enrollment number specific to your student growth minus special circumstances?

[01:19:30] Because your special education number is going to be built in not just growth, but growth of students with special education needs. So is that, the way you've broken it out, is that enrollment number just the pure, I hate to say it this way, average student who doesn't need additional services number?

[01:19:53] So what we, and we'll provide this, this is the background of all those categories and what's exactly in each category. Do you think I can see that? I'm saying we will send this to you. We're a third one down. Line 17.

[01:20:10] But that's all the detail for this? That's all the details for it. So what we did is we literally went by budget book by budget book and took every change and tried to categorize it in a way that would make sense, right? And so enrollment, with your example, is anything related to enrollment growth or a shift in demographics?

[01:20:27] So you pointed one exactly out, special education. There's been a lot of increase, specifically of that demographic group, as those needs have increased. So that figure does include special education growth, increase in special education services, Increases related to CSA, English learner growth, and then, well, we've called growth, but it's actually a negative number related to just our baseline enrollment.

[01:20:54] Yeah, so what is that? Oh, the baseline is meant to represent just the pure data comparison of the number you had then versus now. Correct, yeah. So, and that's the corresponding dollar amount to the reduction in students. Yes. Okay. VRS, I get reductions, I get enrollment getting there.

[01:21:12] I would, are you going to share that with us? That would be awesome. So I don't think I could, don't have to spend more asking those questions right now. And I'll add that to our list of things to get up. I would just add one more thing in understanding this chart is that our enrollment has increased slightly but steadily over this time period.

[01:21:36] And as your costs go up or as we add these services, if the enrollment isn't increasing at the same rate, that's when the per pupil numbers jump up. And so pre-pandemic, when we were growing very

quickly, our per-pupil amounts stayed very flat because as our enrollment increased, our expenses increased at about the same rate.

[01:21:56] Things changed throughout the entire Commonwealth post-pandemic in terms of students there and the services needed. And so I think this reflects the shift in services that were required after the pandemic and the shift in the rate of growth and how we were adding students.

[01:22:14] So it's not just the expense side. It's also the student enrollment side that impacts these numbers. Got it. And I appreciate the similar type because I think I found that in your Ed Resources piece where about half of the dollars put into Ed Resources were for the Ed software subscriptions.

[01:22:38] It was like \$386,000, almost \$400,000. So then the remainder of that you're estimating is for the textbook increase in the initiative. And does that, like, how does that, never mind, I'll follow up with that question. I'm going to state, this is going to be more of a statement than, and you can tell me if this is a way of thinking about it.

[01:23:04] I don't want to suggest it's the right way or the wrong way or the school's way or the local government's way. Related to the CIP dollars and the two different recommended budgets, We track track just track the buckets that have been presented by the county executive and the superintendent I want to make sure that I've got it and how I understand it over a three-year period okay the Was and I and I don't we've talked a lot about planning I'm hearing the call out which I agree with about some different planning and some timing things

[01:23:41] But the 4.1 that's recommended for capital in the superintendent's funding request the school board's funding request is that just for year one at this point yes this point okay at this point so the intent there would be in year two since that 4.1 is part of your which would be part of your base moving forward that 4.1 would go into operations next year could we have not had an explicit conversation i think what we did was just set a one-time transfer again for future flexibility so yes one year i would

[01:24:17] recommend though to reflect the strategy in the county executive's recommendation to do a transfer for two years so that when the lci resets we would have that money should we need it in year three again not a conversation we've had with the board but as part of the strategy with the lci and reacting to that a two-year set aside would make the most sense okay i'm tracking you because that's what does that well i mean again i'm trying really hard not to sound like somebody did or didn't do or whatever but it's starting to be along the parallel lines of thinking of what's in the county executive's recommended budget. Regardless of where it's earmarked or how much or anything like

[01:24:56] that, we're saying that we have an issue that's going to exist over the next three years that's not predictable. We didn't know this a year ago. We have done some financial things. In fact, we did it three budgets ago, I believe, where we started budgeting in one year, really more for impact in year two to get us to the third year. So that level of thought is what is the type of planning that the local government side has started to do and do with regularity since 2000, coming out of

[01:25:29] the pandemic, essentially. So I think part of my, so here's how this would track that. If the 4-1 goes into CIP this year, and then just for sake of the point, the 4-1 goes into operations the next year, then at the end of year two, you've got 4-1 that you could use for capital. You've got 4-1 dedicated to operating if the state's lci adjusts not to your favor you don't have operating dollars

[01:26:03] set up to compensate for that correct because it's in operation if if that's what you would you have for one if you decided to pull it back because you would but you're not dedicating that for one in the second year so now it goes away so by the time year three comes along that for one is gone to you as an operating backup this isn't just an annual budget process and i would say if If the 4-1 were approved in this budget cycle, then we would have a conversation to say, okay, next year, should we do the same thing in preparation for year three?

[01:26:38] So you're saying if we gave you 4-1 and the CIP the way it's recommended, and you dedicate it to CIP, that next year that 4-1 is going as new dollars for an additional CIP amount? It might. Well, I know it all might. That's part of what we're reacting to.

[01:26:53] We don't like the mights, Maya, because that's what gets us into tricky trouble every year. Well, we might. That might happen. Yeah, but I think that's what's frustrating. We're just trying to get in front of our board on that question. So, I mean, the nice thing about it is that if it's set aside, then you have the flexibility in the second year to do it, as opposed to putting it into the operating budget.

[01:27:13] But if it goes into the operating budget, then at the end of year two, you only have four ones set aside for CIP. Correct. And the four ones built into your operations. Right. Then if an LCI does change, even if it's not drastic to your negative, You don't have that 4-1 to drop from because you plowed it into operations the year before.

[01:27:32] You're assuming that we're putting the 4-1 back into operations. That decision hasn't been made. You're right, I'm assuming that. I said that. That's my assumption. The first assumption I made was in year two, you put it into CIP. Then you have 8.2 set aside by the end of year two. So I've got two different lanes of thought going on.

[01:27:51] And right now, all that's in the funding request is for sure the 4-1 going to CIP. The remainder going to operations. Correct, because it's a one-year request. Yeah. But with all due respect, I mean, your recommendation for the 6.1 isn't even going to schools right now.

[01:28:10] It potentially could go to schools, but it's also a might, just like this is a might. It might go to operations, and you might put it with public safety. I love that you're anticipating where I was going on our bucket now. So on our bucket, we put \$6.1 million aside for CIP. We do that in year two.

[01:28:28] Now we're up to 12.2 set aside for CIP, 12.8, 6.4, 6.4. So that coming into year three, if the LCI doesn't adjust, there's 6.1 waiting to be used for operations.

[01:28:47] Oh, I know. There's what? There's probably three or four mites in there. Right. But that is a way to think about it. So my whole point, right, is that first off, year in and year out, regardless, and we've been doing this kind of multi-year thinking in our budget for three or four years, we're finding that year in and year out, it's squishy.

[01:29:09] And it's reactive to what we're facing in a given year, which isn't squishy, which is reality. So how we plan with that and how we work on that, yeah, it sounds like we should probably do a better job with it. But what the county executive has set up would mean that by year three, I'll see if I can elaborate on my mites again to be clear, 6.4 into CIP, not earmarked for anything, another 6.4, setting us up 12.8 of reserve

[01:29:42] for CIP projects, the way it's listed right now, stated that if the LCI swings back to our disfavor, that year 3, \$6.4 million would be ready to help compensate for it, right?

[01:29:59] That's the path of thinking, and all I'm trying to do is restate what our county executive has said to us, say it out loud so that people knows that nobody's confused on this side what the county executive has recommended. And I would say, and, or but, what we're saying is, because of the stated policy right now, which is 54-36-10, technically, that 6.4 is part of, should be part of the school's money, and because of that, that is why we are asking for it to be designated.

[01:30:36] However, we discussed, you know, or to hold it in a CIP specifically. I think at the end of the day, that is the difference between, as we went back to that slide, between the Cummings ask and our ask.

[01:30:53] Because, yeah, that 6.4 is coming from the operational budget. We were saying we're going to put 4.1 in CIP. You're saying you're taking 6.4 of our operational budget and putting it into something else. And I think that's where the frustration is. Into CIP, yeah. And I would also say the reason why, you know, we made a big deal that, like, even with all, you know, in the last two difficult years, we were able to be really fiscally responsible and save, you know, \$9.1 million.

[01:31:23] Some of it was one time, but much of that carried through. And that is why, in a way, we had the ability to then say, hey, we could take this 4.1 out. But what we're just saying is call fair or fair, like, you know what I mean, like, draw the line, like, based on when we started the discussion, technically it's a 54-36-10 split.

[01:31:45] And so in that situation, that 6.4 is the school's portion of revenue, and we are asking respectfully that it be earmarked for schools. And I'm going to wrap you all in here in a second, but I've got to continue with this level of fodder. I'm going to lose it, and then once it's gone, it's gone.

[01:32:04] Because then there was the timing question about when y'all found out that this particular split was going to come. I am not at this point going to get into the staffing debate that happened.

[01:32:20] I think it's clear and there's emails to support it. And if there are questions about that, then our staffs can work that out and get back to us. The piece beyond the 6.8 or the 6.4 number going over in terms of being held back or going into the general fund revenue.

[01:32:38] Y'all were aware of what we did with the dedicated tax last year. You were aware that we wanted to pull that forward the next year and directed the county executive to do that. So that was last April, May. That impacts your split ratio as well.

[01:32:58] So was that aware to you or understood that that was moving forward and we weren't moving forward the 0.4 for the schools as a dedicated rate? I would say it was not as clear as it needed to be. Okay, and not a gotcha question about yes or no.

[01:33:16] Not a gotcha person, that's what I would say. But when it becomes about, like, planning and what is being communicated. Correct. Because, now, I'm not making this all up. We all had individual two-by-two meetings and different things, I think, surfaced in those meetings. But there seemed to be without, well, there was a comment about some being confused by that.

[01:33:38] While I feel like I have to say publicly this board was clear what it was doing when we made those decisions, not just for the dedication of the tax rates last year, but the call out for bringing and carrying it forward into the next years until we say otherwise was clear.

[01:33:56] And that is something that I think I chalk up into the column, Chair Berlin, when you say, yeah, moving forward, what can we learn from this 12-month cycle to make sure we do point-wise? So I think when we true up and we prove our final budget at the end of the year, You all kind of do it like in a week or something you if it depending on where the state's at Right when it's but at some point you finally go bam, but it's done and I know in years past Especially when there have been larger gaps It's never been clear to me how we got to the balanced part

[01:34:34] So that's kind of a thing on our part for understanding I think could be in there So I'm taking these as notes out loud that these are points where the boards might think about how the heck do we get together on those type And again, on the timing of a few weeks before or a month before, I mean, this is not something that knowing how budgets have worked now from both the school division side and the local government side, I know that a county executive budget or a superintendent budget is not exactly well known in September or October.

[01:35:09] You can do a lot of work through the end of the year to decide what you're going to do. So there's going to be a point in time where some information, the mites in a given year, are going to change. And that can be painful to deal with, especially since, as I said at our county executive's recommended budget, that the process that the state does for our charges for both boards sets up an inherent tension between the two of us, that no matter what would happen, that is there.

[01:35:42] I have some other comments to make, but I want to invite other supervisors in. You've heard a lot. You've heard your fellow supervisors ask questions. There may be additional questions from the chair and vice chair of the school board that they'd like to introduce, but let me just do a check-in with everyone.

[01:35:58] Supervisor Duncan? Good tracking. Supervisor Malik? No, I don't have any questions right now. Thank you. Supervisor Pruitt? I don't know. Supervisor Lapisto Kirk? Of course.

[01:36:15] So just a point of clarification, going back probably about 20 minutes regarding the new ACE school will be one principal, or assistant principal. Is that coming from the high school since they're going to be, or not?

[01:36:33] In other words, how many assistant principals are at the high schools? Albemarle has, Albemarle High School, how many? We'll look up that exact number. Yes, we're taking students from Albemarle, but it wasn't enough of a decrease to reduce the number of APs.

[01:36:52] Okay, so you'd still, the number of APs at Albemarle, even though you're going to reduction in students, that would still remain the same. And then you're adding an AP at ACE. Theoretically, if ACE and Center 1 were to combine, there would be one AP.

[01:37:10] So you really are doing it by building, not by... In that particular position, yes. Yes, for that particular position. Yes, okay in the elementary schools. Do those have a ratio? Yes Some point in time if you can yeah, thank you the thinking around that is that there are certain staffing in terms of administrative staffing like assistant principals the those assistant principals still have the students going to Ace Academy every other day So they are still reporting to the base school and so based on those detailed discussions that Ms. Schmidt was talking about on, well, what's needed at each school.

[01:37:51] It's not like a new school where those kids are just all going to the new school. It's a hybrid model. And so it does add some redundancy in administrative staffing. But, for example, with Mountain

View, when the kids are actually moving from one school to the other, in that case, an assistant principal would move with the students because the enrollment at that school is actually changing.

[01:38:15] So it depends on the type of school that's opening and the position and how their responsibilities are going to change with the new building. That's a great example. So currently Mountain View Elementary has one principal and two APs due to their size. They were over 800 students.

[01:38:31] How many? Two. One principal and two APs. How many students? Over 800. And so when the new school opens, each school will have one principal and one AP. So in that scenario, we hired a new principal, but the number of APs has stayed the same.

[01:38:48] So your ratio must be around, what, 250 students? It's based on both total number of students, and we do a differentiation factor, so based on free and reduced lunch population. So a school that has a higher at-risk need has additional support.

[01:39:07] So assistant principal, and this is all in Section G, we have our staffing standards. We have a staffing standard for every position in the school system. So for assistant principal, there's one per school, there's two per school at 700 students, and then if you have four, greater than 300 economically disadvantaged students.

[01:39:32] Okay. Is there a reason for that? Are you having additional discipline problems? Oh, you go ahead. I wouldn't necessarily just tie it to discipline.

[01:39:47] There are many factors that students bring to school that require additional support. Sometimes it may be discipline, but also being able to work with students and families around different needs, whether it is social-emotional support, whether it is providing additional resources, working with our community.

[01:40:09] Sometimes we have partnerships with Region 10, different organizations that those positions help support. So it's not solely tied to discipline. and so mental health yeah that that is that is correct and so some students I mean we have several students that fall into different categories of need and something and you and I talked about this recently where it is true the elementary schools have an assistant principal however prior to doing that we had if you look at the slides that talk about all the things that schools provide we didn't include year-round testing I mean when I was a teacher there

[01:40:48] we didn't have sol tests we had exams a couple times a year that was about it but now the state has growth assessments um through assessments we we have mid-year assessments we have reading assessments all those things are going on in a small school if you don't have an assistant principal there the teachers manage all that and so you end up farming out for a pittance to the teachers a stipend and say hey you get to be our testing coordinator well then they're spending an inordinate amount of time on testing so one of the things in our conversations with principals at the school and teachers at the school staff

[01:41:25] at the school they requested consideration to have an assistant principal at the school and we built that into our budget fairly recently it hasn't been it was I think just prior to the pandemic that we added an assistant principal and what that allows teachers to do is to focus on instruction okay so your assistant principal does all the testing they do they do everything you know and then you know whatever principal assigns so it's all those duties what that does is the last teachers should be teachers right no understood what you need what you're saying is you need an administrative

[01:42:01] position for that as opposed to like an instructional coach yes because the other thing they do is they also evaluate teachers so they're able to do that because of their endorsement. They help with management. I was just going to take it back to ACE Academy for a second because that slams like that's what kind of this question we kind of became chair Galloway is.

[01:42:23] And then also just a reminder because this you know this is meant you know as we think about enrollment, employment, enlistment like this academy is really talking about employment as we think about the needs of the like the principal and assistant principal are going to be doing everything Dr. Haas spoke about, and Dr. Hayes spoke about, but in addition to, they are helping, part of this work is about internships and job-based placements and connections with the business community as a way to make sure we are preparing our students for life.

[01:42:58] And so that piece, another reason that Ace Academy needs to start kind of with that bundle of staff is to make sure from the beginning those students are getting what they have been promised at that academy because that teaching us is just a little bit different and because we are making sure we are having a good relationship with the community and that we have internships and externships as part of that. I look forward to seeing that data. And we do have to indulge the board supervisor do you have our principal of the Ace Academy at Lanslade adherence, Stephanie Carter. You might recognize her at one time. She was the director of K-TEC.

[01:43:38] Welcome. All done? Mm-hmm. Supervisor, Mr. Great. Thanks. So, you know, I'm going to riff off a little bit of what Chair Galloway was saying relative to the 4.1, the 6.4, the 2.3. A little light bulb went off in my head, and I think everything I do relates somehow to real estate. So what I was saying, I mean, this is essentially maybe oversimplifying, but hopefully it'll be helpful. It's contingency, right? We're talking about contingency planning. So when we do contingency on major capital projects, we have hard soft contingency, soft cost contingency. Matt will get this and you'll

[01:44:15] understand this. And also now escalation, right? Because who knows what tariffs and what the market's going to do. So there are categories and there's rigor behind those categories and there's discipline and there's a common decision point where you say, am I going to spend that or am i not going to spend it and it's based on convention so 10 hard cost going into a project under construction so there's structure there the the struggle that i'm having is i don't feel like that's there i feel like some of what we've got it's the reason i asked way back about that 2.3 and how that was going to be used and what's the 6.4 really based on it is the 4.1 tied to you know

[01:44:51] some sort of convention that's what i'm struggling with to get my head around to try to get to what is the right number so i just wanted to say that for what it's worth how my head got wrapped around it 30 million is the number 50 million yeah right target um all right so to just wrap up a couple of questions or comments um i think it is important to know that on the local government's side we've always had police we've always had fire um they've because a lot of times we talk about fema and what we're dealing with and addressing in that but in just my personal eight years of being on the

[01:45:28] supervisors and this didn't exist when i was on the school board the two biggest issues that are here one helps us and one's a real problem is economic development was really not in existence nine or ten years ago and economic development can yield us more revenue that will help us off but that is something that did not exist as a strong point my first year on this board and wasn't even really being discussed when i was on the school board in 10 11 or 12 13 14 and 15

[01:46:02] The other one's affordable housing. Affordable housing has become the issue that year in and year out is the top issue that sucks the oxygen out of the room for just about everything. Wasn't there eight years ago at the high. I mean, I'm sure there were some advocates out there who were going, ignore this, it's your trouble, and boy, were they right.

[01:46:27] But it just wasn't. It gets a lot of airtime for us month in and month out at the board. So those are two brand new things. And if you want to talk about, like somebody had asked the question about, are you being asked by your citizens to divest or to slow investment to schools?

[01:46:48] Well, first off, we're going to go through some public comment periods coming up in town halls, so we'll see what they're recommending. But I can tell you that for the past, what, six years at least, we've been getting strong pushes to put millions of dollars into the Affordable Housing Initiative.

[01:47:09] So that's just a reality that we have to make sure we understand. And I'm sure there's a lot of different commentary on whether that's good, bad, or maybe some are indifferent about it. But that's just a reality that exists. The third piece I'd throw in that in some ways is similar to your increasing enrollment population, or maybe not its increasing, but students that show up who need more needs and services.

[01:47:37] We see that on the local government side as well. And it's just part of having an urbanizing ring around the city and the reality of what's happening where the growth is targeted to the development area. So while we're adding citizens, just the same for you, depending on where they're at and what they need, it's a different hit to the cost structure than just adding one person, right?

[01:48:02] So I offer that as a way to say I think we both have shared pains in what we contend with in terms of costs and what your relative rise in those costs are. The other piece I would say to the joint planning part, especially as it relates to the CIP, because that's a two-way street as well.

[01:48:25] And the only way to do this without it sounding tension-filled that I'm aware of is to say the state's charge to y'all's to bring forward that needs-based funding request. The state's charge to us is that we're the ones fiscally responsible for the whole county.

[01:48:42] That's our charge. If we did joint planning and we said, well, we'd like a say in how you spend your money, you'd laugh us out of the rooms. You'd be right. But for us to try to come over to your side of the fence and say, well, we're going to give you \$6 million new operating dollars, and here's how we think you should spend it, I would say to anybody doing that that that's an opinion and not really our business, right?

[01:49:12] Because I understand what your charge and responsibility is. Well, and you should hold that dear. big time on the board of supervisors side that is also how we look at it when we say well we'd like to open up the responsibility of that fiscal planning piece so we have to find a way to go okay we have to stay in our respective lanes and adhere to our charges by the state and figure out how to communicate probably back and forth by december close out end of the year the two things

[01:49:47] that surfaced from the last joint meeting in december was priority and capacity and you're all's response and letter back to us talked about that. It sounds like purposefully and legitimately that predictability is part of that now in terms of the three things that are there. But I don't want us to forget what our charges are, what our lanes are, because when you stand in front of voters, the question is how well did you do at your job and fiscal responsibility of how the monies were spent was part of that question when we stand in front of our voters it's where's

[01:50:26] our tax rate how much are you taxing us what are you using it for right and how are you holding to the fiscal policies that you've set up in terms of the big picture ten percent right is our cap on debt the two percent cap is on the total about of the now I get my ten percent of my two percent say it again we assess value and staying strict to those policies is our job and we've stated that that's going to be the case so those are the types of things that we have to be record we have to contend with when

[01:51:02] we're dealing with folks your school students last year in the town hall meetings by the way that we felt came and advocated for climate change most of most of them it wasn't about school budget it wasn't about because it sounds like that's been part of the curiosity what are you hearing from people. So last year, it wasn't them saying fund the schools or getting into that, but boy, they were like, give money to the climate change initiative. And one caught me on it. He was great, man. You want to talk about catching me flatfooted. One of your students did it last year at North Fork and asking me about our climate policies and asking some really commented

[01:51:38] driven questions that I did not know the answers to. Right. So that's what we're hearing from students i think generally speaking that the public right now is we do have advocates coming hard for different money in terms of housing uh we're going to get into it a little bit later today about what we're going to do on it and yes there are advocates out there for schools but it stays at the general level of fund this fund that it doesn't necessarily get down into say pick this over that kind of thing they want it all if you would or they don't want it all and They would just want their money back.

[01:52:12] That's the all that they would like. So as we go through the town halls that start this Thursday, we invite the school board members to come join us at those to listen to what public feedback we're getting. Of course, we have more public hearings and e-mails coming in. And I'm happy to share those pieces with the school board as we hear them if we don't feel like you're getting it from our side.

[01:52:35] Likewise, from your all side. Staff, any, Mr. Superintendent or County Executive, any items you'd like to give the opportunity? Any final thoughts or words? Andy, anything on this item that we need to... Well, I appreciate the request coming forward.

[01:52:55] Yes, I'm sorry. Yeah, and did I not give you guys a chance to do another piece? No, I was just going to... What I was going to say in closing is, you know, going back to your kind of economic development of here at CU. I was just looking at the numbers.

[01:53:12] Almost, we had 400 students have been served by McKinney-Vento. Like, we see those kids. On the economic development, I'm just going to go back to where I started, and high quality schools are part of the economic of our community. That is why people want to move here. That is why people want to retire here. That is why businesses like AstraZeneca want to come. If you ask any realtor, the number one thing people are asking about in this county when they come here is our high quality school. What kind of we as the school board ask is that we continue to invest in those

[01:53:49] schools because it is the it is the engine both for today and for i think all six supervisors not in agreement with you on that however our tax base is dwindling on how much money we're accepting from people and it climbed on residential and property tax and declined on commercial and if you don't have a strategy to bring those businesses in to diversify that then we're really going to be stuck because there is going to be a point in time where those folks come after us for the tax rate piece while we know costs are going to continue to climb. Supervisor Malik? Just one thing I always

[01:54:25] think about the events that imprinted on my brain in 2008. One of them was all those years ago we had on our CIP the court project for 25 years. It is it. I mean the pay me now we've gotten there and now that's a huge impact on our CIP budget and that and the other is the jail improvements that had to be done for the safety and success of the process over there.

[01:54:54] And those two things together, Trevor, are probably \$100 million. So it's, in addition to the 196 for the new schools, et cetera, it's an example of how things have evolved in just 20 years. And we have to try to do our best to keep up.

[01:55:10] Thanks. Any additional items? The debate doesn't stop today. If there's questions you all want to raise, please, by all means, because that's what we're doing in the budget process. I think we could commit as a board that the chair, the vice chair can get together with the chair and the vice chair of the school board once both budgets are final and kind of say, compare notes on what could potentially be done better process-wise and see how that goes forward. Awesome.

[01:55:38] Thank you again for your time. Sorry to staff. I've probably taken too much time, but this was important, I think, to do. But we'll take a recess now and we'll come back. All right, everyone, we're going to come back to order.

[01:56:10] Thank you all for your patience as we work through that big chunk of the budget, so we should need to take some time. Andy, am I coming back to you to do the transition into the next item? Yes, switching the presentation.

[01:56:37] Thank you, Ms. Downing. So, restarting, we want to take a moment to update the Board of Supervisors on some recommended updates to the recommended budget. I would call these technical in nature.

[01:56:52] And what I mean by that is that every year we get to a point in the budget process where we have to stop things. And then we learn things that had we known about them in the middle of February when we finalized the budget, we would introduce them now. And so the good news this year, these are all net positives to the board.

[01:57:09] But I want to take a moment and walk through with the board so they understand what they are. So most of these changes are in the general fund. The first item I want to acknowledge is not an update, but something the staff does on a regular basis is continually to review our revenue projections.

[01:57:24] So we met last week just to see if there's anything else that came in February to suggest there is a change either in the current year or next year. And we saw no evidence of the change needed to a revenue projection. So that's just to acknowledge that work was done rather than a change.

[01:57:42] So on the expenditure side, we have a net savings. The first two are some regional public safety agencies. And so the regional jail and the Blue Ridge Juvenile Detention Center are building their budgets. It's part of the county's process, it's part of also the budget processes, and the other partners in those agencies.

[01:58:00] And so because of that, it's common to have what I'll call a pretty close estimate at the time of the budget, but it will get revised if they continue to refine through their budget committees and their boards, which the county has representation on. And so based on what we've learned in the last month or

so, really we can refine those estimates where there will be about \$300,000 savings combined among the two of them.

[01:58:24] Next, we're Charlottesville Area Transit, as they are a department of the city. The county executive's budget comes out before the city manager's budget. So county staff continuing to work with the staff of the city were able to identify there was about \$150,000. I'll just call it a fine bit. It's not a change in service.

[01:58:41] It was just tightening up the numbers as the city finalized their budget. The final one is a change the other way that was really an administrative error. I've got to admit I'm a little embarrassed, but we've got to own up and do the right thing. Where as part of the human services funding process and all of the eligibility requirements, there is a set of requirements for eligibility the board has approved.

[01:59:02] One of those is to have a completed audit. Fiscal Year 25, the Reclaimed Hope Initiative, was funded as part of this process at \$25,000. And last year, they were actually removed from the process because they were unable to complete the audit. It was just about completion. It wasn't about anything troubling in the audit. It just wasn't done.

[01:59:20] So they were removed from Fiscal Year 26. They did, however, got back in good standing, and so had we not missed that in preparing the budget, they would be recommended at \$40,000 because of where they are in their tier, where they are in their performance, and the fact that they did the good work to get back in good standing to be eligible.

[01:59:38] And so this is one where staff would recommend reinstating that funding. If the board includes this in the proposed budget, I will reach out to Reclaimed Hope to apologize to them, as I'm sure this caused some unexpected confusion and frustration. And again, the board sets a framework and expects staff to execute on that.

[01:59:54] So I apologize, we missed one in the budget as well. So the net result of all these changes in the general fund is just we have to put those savings somewhere. And so for the time being, staff has moved them into the reserve contingencies. I'll talk more about this in a minute.

[02:00:10] But this becomes a source as the board continues to refine its parking lot. The board can shuffle this funding as they see fit. The other adjustment does not impact the general fund, and that's in a special revenue fund because there are restrictions by the state where this county will receive funding from opioid abatement.

[02:00:28] And we did not have a good estimate at the time of the budget. We can now, I believe we can rely on about \$125,000 next year for the restricted programs. So those additional expenses and the revenues that funded are being recommended to be added to the proposed budget as well. I'll just pause there in case there's any questions before we move to the parking lot.

[02:00:46] Supervisor Duncan. Supervisor Malik. No questions. Thank you. Supervisor Pruitt. Opioid abatement, are we restricted in what we can do with that? Sorry, I didn't hear the question. Opioid abatement, are we restricted in what we can do with that? Yes, we are. Could you walk me through it? Ms. Dimmick, as the subject matter expert on this, would you?

[02:01:07] Broadly, we're restricted in using it to address behavioral health prevention and strong preference for something related to substance abuse and even stronger preference for some. Broad

understanding that primary prevention activities for the impact of opioid abuse are more generalized in their implementation.

[02:01:34] There are some distributions that come directly from pharmaceutical companies that have more broader use could be brought to those. This money is, I see it being set aside into a reserve, right?

[02:02:00] Like, are there designs that we're angling on on how to eventually leverage this funding, or is it still in the early planning stage? No debate. Thank you.

[02:02:56] Supervisor Lapisa Curley? No questions. Supervisor Missal? No questions. All right. So as we move to the parking lot, there are some areas of funding the Board of Supervisors could access to fund any changes they are desiring.

[02:03:12] So I've broken this down into some ongoing and one-time sources. First, for the ongoing reserve contingencies, that amount is greater now because of these technical adjustments. I spoke about this last Wednesday, and historically, there's in the ballpark of a minimum of about \$250,000 Houston that for things that come up during the year. So I would recommend to the board that they maintain a few hundred thousand or so for things that come up, but above that this is a this would be a very reasonable decision to allocate some of that differently or the boards could choose to maintain that and make a decision later, but that's a tool that would be available

[02:03:48] to them. Of course, the board could also reprioritize any else that's being used for ongoing funding in the budget. One-time revenue, very similar, about \$500,000, \$10,000 at the one-time reserve just like we were last week we've also discussed there's one-time money planned across different things in the budget the board could shuffle those as well the one reserve we haven't talked about because it's in the cip is there's just under four hundred thousand dollars remaining what's called the cip advancing strategic priority reserve this is something the board has used in the past to advance initiatives obviously the board could also reprioritize how capital projects are

[02:04:25] but just for a moment to go a little deeper into that capital reserve just like i did the reserve contingencies last week this priority reserve was established in fiscal year 20 and it's been used for a pretty variety wide variety of things shown on the slide including some last year that the board adjusted in the budget process so this is another one it's one-time money but it would be available for the board if there was anything that they desired so moving to the parking lot topics these are items the board has identified not as a collective but just these are things we'd like to discuss further in the context of budget adjustments. There were community non-profits.

[02:05:04] Two were identified in the meetings. OARS Therapeutic Docket, the Foothill Child Advocacy Center. Through today, I've received a list of others the board would like to discuss further. I will not read those aloud yet unless it would help the board. But it's those are a bucket of agencies there. Some are follow-up questions that we owe the board. Others are where the board may like to see an adjustment or both. Next is the Affordable Housing Investment Fund. There was a discussion of this last time. That's something the board could choose to discuss in a minute further.

[02:05:34] Obviously just flagging because now that the schools have made their request, there is that question about their operating and capital transfers. And then obviously the board may consider either tax rate either in total or any desired rate modifications. And so the board does not need to take action on any

of this right now. I think from staff's perspective is really what can we do to help the board on Wednesday? Will there be other items not identified on the list?

[02:05:59] Are there items where there's a consensus from the board to do something versus perhaps only one individual who may desire something and the other board is not comfortable? That can be also to be decided on Wednesday, but knowing that anything we can do as staff to help you all, knowing that the board has not also heard the entire budget at this point, going through CIP in debt.

[02:06:21] And so I will probably at this point turn it over to the chair to see if there are other items that we do identify, other items that we discuss now, or just anything else staff can do to help the board get ready for Wednesday. Okay, so in an effort to kind of operationalize or contextualize, on the pass, I'll have each of you, if you haven't maybe thrown anything out there yet, let's get it out there on the table.

[02:06:44] Two, if you've got things that you kind of have already put on the table but want to speak to, I think it's a good time to do it because others can then start thinking about it before we have to make any final decision. And then what was the third one that you just, oh, if you need requests for more information, I guess that's.

[02:07:03] Yeah, I know we received some that are under the works with just anything new that is kind of popped up. All right. And we'll give some grace to Supervisor Duncan as we go through everybody else. If we need to come back, we can. Supervisor Duncan. The only other one I still would like more information on is micro cat like I did see the email and presentation and stuff Is there a way to get like the more detailed report that's kind of behind the slides?

[02:07:31] especially on the you know where they're coming going from and also other demographics on the users So not to answer all those questions on the spot there are ability to answer those questions if you could comment on that So, the Democrat, I will have to get back to you on that.

[02:07:51] I'm not sure we can have it by Wednesday, unfortunately, because we're relying on getting the information from the third-party vendor. And sometimes that takes a little bit of time. We've asked them for the Alamar, you asked specifically about Alamar High School, so we will have that data very shortly. But it's possible before Wednesday, but I can't make promises.

[02:08:12] We'll try our best. We might have that from a previous report. I would have to go back through what the RTP has received in the past. Well, I guess that's my question. Do you want our most recent report as of the last time it was updated to the board?

[02:08:28] I think that's the one that you emailed, right? So you want something in addition to that? Yeah. I guess I didn't read it super closely, so maybe that's in there. But, yeah, I guess the most recent data there is.

[02:08:43] The most recent report we provided to the board was more broad strokes other than total number of rides. The specifics weren't as tight other than we had what I call the spider web chart that showed all the lines of where the rides were coming.

[02:08:59] But there's additional data behind the top destinations, top drop-off points, that kind of stuff that we could provide. It wasn't necessarily fully baked out in that presentation. Got it. Is there anything else? No. Supervisor Malek? Thank you, and thank you very much for continuing to work on the goodies I've sent to you this afternoon and this morning.

[02:09:20] I know that's extra. From last year's budget discussion and again last week, I raised the issue of county taxpayers funding city-focused organizations, and I want to bring that up again in relation to these many pages, 106, 107, 271, all these for agencies, Because my big point is I represent the Whitehall District and by extension the county taxpayers.

[02:09:48] I do not represent or have fiscal responsibility for residents in another jurisdiction. So we are always being told that budgets are really tight and we need to make careful choices. And I'm just throwing out some ideas of ways that I think we might choose differently.

[02:10:06] The second point is I really support increased arts investment in the county. We often do not do what other counties, even much smaller, less affluent ones do around the country to support our art practitioners and also the culture benefits that they provide.

[02:10:28] This was particularly evident during COVID, and we made very good use of the COVID dollars that came. Other counties just chose to do it differently, and that's the way it is. I understand it's up to the agency to provide county attendance information, but we shouldn't be just saying, oh, okay, never mind.

[02:10:48] I would really, I think that's important information that since it's been raised for three years and running, I guess I'm surprised that we don't seem to have it available. I couldn't find anything in the books for the Paramount for Live Arts, for the Virginia Discovery Museum, for the UVA Film and Theater Festivals, although I think the Theater Festival is predominantly local, that we don't, that is, it doesn't bring in faraway people to do that.

[02:11:12] I do support consideration for funding for this evil band. It's 104 years old, and it does bring in visitors from far outside the local economy on a regular basis. They have monthly concerts.

[02:11:28] All their concerts are free. I think that I received, maybe it was this morning, an email with some extra details because somebody stopped me in the grocery store and asked about it, and I said, well, I need more details. Go get your director to send more details.

[02:11:46] So that's what's in that email today about the concerts that they have it's a favorite activity for Grandparents to take grandkids to the the concerts. I've been to mobbed with intergenerational outings They're musicians and attendees from all over the region over in the valley lots of musicians come Over far east as Goochland to come into the area to provide this music for us They do it for the love of doing it my all those years of piano lessons certainly didn't provide me with the skill that I that

[02:12:22] they have to do that. Most of their concerts are located in the county. They travel to schools. They would love to have concerts at Monticello High School, but it's difficult with the high school schedule to be able to get those schedules worked out a year in advance, which is what they really need in order to have their music ready to play when they need to do that. They introduce children. I've seen the petting zoo before the concerts where various instrumentalists will bring their instruments down and mobs of children go and see what they're all about and hear what they

[02:12:54] sound like up close. When I joined the board in 2008, the band got \$16,000. It had had between \$16,000 and \$20,000 annually for decades. When the recession came, it was cut to \$8,000, but they really need this for their operational expenses, almost \$50,000 or for the concerts alone. While the front porch description tells a lot about music for preschoolers and other groups in the county. There's no parallel explanation for the X-Art Park. The park is a county space. The city

[02:13:32] restaurants and businesses all around, but I don't know what it does for our county residents. I raised the value of live arts last year. I have attended one play there in the last 30 years, but it is not easily accessible for county residents. Similarly for the Discovery Museum, similarly for the Jefferson Center, which has proposed to have a huge increase in dollars this year yet i don't have any information available about how that is helping the county every county agency who wants to rent carver or the big auditorium has to pay a big fee so it's no

[02:14:11] different than wanting to have a meeting at the code building or the vault as far as uh you know competition with non-subsidized spaces and i love the paramount too it's a it's a city institution and a very successful historic restoration they used to do wonderful educational programs for all the elementary kids in the county. Buses. I was a chaperone for 20 years of various classes and going down there. Wonderfully well attended. I would be happy to spend that, but that's not

[02:14:43] happening anymore as far as I can tell. And yet they still rent their facilities and also charge a per attendee fee when there are programs there, when county agencies want to have something there.

[02:14:58] So returning to the category of bringing in extra visitors to the county. The film festival brings wonderful visitation to the city and if I had information about the bump in hotels for that weekend in county hotels I might feel differently but despite asking for that for a long time we don't have that either. The festival of the book I feel differently about because it does take authors to schools and really has an impact for county children and I really appreciate that. All these agencies do good work. I know that. The question is if county residents tax dollars should

[02:15:35] be used to accomplish it and that's all I have. Thank you. Please think about it. All right so So, in terms of what you, some of this is county service numbers, and I've seen that raised in a couple of other emails. Is that something we think we're going to be able to get at by Wednesday?

[02:15:53] Some of those we have, and I think the more focused of a few particular agencies, whether then all will help. Some of those, well, in their applications they provided some, then we'll do the best. I'll say if it helps the board, the relative to the changes in the budget, the agencies identified the date are smaller than some of the really big shifts that can be considered in the budget.

[02:16:18] I say that knowing that only two board members have spoken, not four. But it's one, two, where if there were adjustments desired to arts and cultural festivals beyond Wednesday in the proposed budget, there's still time for the board to work through that before April 27th. There's to be a much larger realignment of things in the budget.

[02:16:36] That could take a little more time to talk through. I'm just kind of listening to figure out how we can best support the board, knowing that some of these things are underway. Got it. Tax rates specifically. So a follow-up question. I understand. But as far as the policy decision, when would you propose that that happen?

[02:16:56] Not before Wednesday is what I'm understanding. Yeah, so I think if there's information we can provide that leads the board to a different direction to put in the proposed budget, I think that would be appropriate for the board to build that in there. In the event we're not able to provide everything, the board will still have an option to refine that.

[02:17:14] The proposed budget is not set in stone. Things can still be amended from there. It's really when you get into those items where the tax rate becomes an implication, that's where it becomes much

more. And that is the volume of these requests so far, not having totaled them up, is not going to be 3.3 million dollars which is one penny on the tax rate right but as they say take care of the pennies the nickels take care of themselves so I mean this is my whole upbringing here I can't go where you're going as far as though it's only a million dollars because it's uh my philosophical

[02:17:51] question is what I've been raising for years and I'm trying to get it on the table now so that it doesn't just disappear until next March thank you um and hearing the call out that if it's inside The technical adjustment dollars, the Mets, we have more time on that than if we need the tax rate fees, yeah.

[02:18:11] Supervisor Pritt? Yeah, I will say, slightly off topic, that's been raised just to the previous point. While I'm not sure we need to necessarily, I personally don't know that we need to adjust anyone down inside of this budget cycle after we've already told them one thing, There, I do think, could be some value.

[02:18:33] We've talked in the past, in the recent past, in comprehensive and economic development planning about the arts and the role of placemaking in our future. I do wonder if there is perhaps additional criteria or some additional strategy that could be used to leverage these organizations that we partner with to kind of push them more in the direction of thoughtful placemaking that is county-focused while continuing to try and make sure we're meeting the ask on residence service, right?

[02:19:05] Like, hey, Festival X, can you commit to one event per quarter in the county, something to that effect. To prepare for Wednesday, it's already up there, right?

[02:19:21] Tax rate and dedicated tax rate modifications being something that is, of course, a critical decision point. I don't want to get in the position where we're all equipped with what a penny on the dollar on the real estate property tax rate is, which we know we've received requests from the public to dedicate a cent on the real estate property tax rate.

[02:19:48] I would also like just some data that we can have on the screen on cents on personal property tax rates and also the breakout of revenues raised on personal property and machinery and tools since there's walk, hand, and glove. And also, I think we're anticipating that machinery and tools becomes a more significant part of our tax basis as we diversify, especially the industries we're diversifying and being ones that implicate machinery and tools more heavily.

[02:20:16] It's something I break up somewhat frequently. I am not sure I have a particularized ask in mind, but I know that staff in this board is pretty familiar with the fact that I believe we are always underfunding ACERP.

[02:20:37] the emergency needs program. I might feel differently if I felt we had more deep service on housing, right? We have broad service through housing investment. We have deep service through federal programs that we administer, but we don't have county-administered deep service beyond ACERP, or at least that's my very, I would say, pithy kind of summary of this.

[02:21:03] If we had a grant program, I might be less bullish on this. But otherwise, I might want to be in a position to entertain a discussion of additional fundings and current demands on ACERV as I am every year.

[02:21:22] That's all I got. Let's hope we can pull some data on that. Thank you. If I can jump back to answer your question, just for perspective on the cultural agencies, because I don't want my comments to be received as flipping about the dollars there. But the total unfunded of cultural agencies is \$260,000.

[02:21:38] The board has not identified all of those on the list. Some of that \$260,000 comes from a whole agency. And so that's one where the board has got some flexibility in those dollars to make directions if they feel they would like to based on the additional information the staff provides. Isn't the band like a strikingly small difference between what was funded and unfunded?

[02:21:58] \$3,000. They cut it from aid, which is beautiful. It is significant for the band, but to your original point, it is a rounding error. Supervisor LaPista Crowe. Yeah, I would like to see this list.

[02:22:18] I know a lot of us know because we have gone to these places, attended these things, but a lot of us do know some of these a lot. And I'll just speak for myself. I'm not aware of all of them. I've mentioned this before that the one CIS Nova, I have no idea.

[02:22:36] I've read about it. It seems to put everything on the school, the teachers and everything to develop things, which I'm against because I think they have enough to do. But I would like to see, and I mentioned it to Andy, do you want to speak to that?

[02:22:54] Is that the CIS Nova? I absolutely can. So Communities and Schools is a national best practice program that's tested in a number of settings. been initiated in a couple of schools in Albemarle, public schools, and has proposed an expansion.

[02:23:14] It provides essentially a conduit between schools, parents, and community-based resources so that community resources that would traditionally have been a referral for agency for kids and their families out into the community actually come onto the school site to provide the service during the school day or close to the school day to ensure connection for kids and families to the needed service.

[02:23:40] And so it has positive outcomes for school attendance, school attachment, and achievement. So they're basically doing what someone else in the school, I mean, making sure the kids come to school and if there's services that they need.

[02:23:57] What concerned me is reading about it, it just said that we work with the staff. the staff develops a program what they're going to do what they need I don't know I seem a little onerous maybe not with your explanation and if certainly if it's beneficial to children I mean that's what I'm all about so you know possible okay maybe but what I would like to see for this because I may learn something from one of my fellow colleagues that you know how they feel about something. Like I'm passionate about the Charlottesville Ballet. Why? Because I know a lot

[02:24:36] about it. And the fact that they they help they're at the center of Belvedere. They help people with you know Parkinson's. They help people 50 and over you know for dance classes and everything. I know none of us qualify but you know for people that are 50 and over they have those classes and they help children they give scholarships and 58 percent almost 58 percent of their Charlottesville ballet are students children from Albemarle County so that one I'm in it it wasn't funded to the extent that they wanted because they want

[02:25:14] to expand on these other free programs for adults people with disabilities intellectual disabilities and such and do all this through dance that's one thing but what I guess what I'm getting what I'd like to see is maybe a chart whereby everything is listed and then maybe as supervisors I don't nothing I'm going to give us more work but we put in there what we would like to see funded you know not the amount but just put an X in some you know and see who votes for

[02:25:52] what and the reason why I mention it and I'd like to see that chart ahead of time Because, like I said, I may ask Ann, you know, or Ned, I may say, well, you supported this. Tell me about it or what do you like about it. I know we can read about it, but it would be nice to be able to have, there's so many that we have here.

[02:26:14] And I have asked Andy for the information of how many effects, how many of these places affect people in Albemarle County. either students, children, adults, whatever. Paramount Theater, I'm in favor of that because everyone in Albemarle goes to the Paramount Theater also and the Virginia Festival of the Book, Field Festival, those are big that attracts other people from Albemarle County even though it's not in Albemarle County.

[02:26:47] But I guess I'm trying to find a way of us having our getting input in a systematic way. Am I making sense? Yeah. That's what I would like to see.

[02:27:03] Because I want to see how everyone else votes, too. And I'm not saying to increase funding or take away from funding necessarily. But, I mean, there may be some things on here that nobody votes for. In which case, you know, maybe that funding could go for something else that we all support.

[02:27:21] Okay. I mean, I understand what you're saying. I can do a poll at some point here. But I have an opinion and I understand. So is there anything other items you want to surface? Are we surfacing all kinds of items?

[02:27:38] I mean, do you have other items specific to the parking lot topics that we need information for to prep for for Wednesday? Well, I did ask Andy regarding the percentage. I mean, there's things like the Fountain Fund on our own.

[02:27:57] when the women okay women's initiative and I know about that one and I just have questions front porch the Jefferson School so those are some of the things I have questions about are we gain are we getting are they contributing to for citizens in Apple more we'll provide the best data we can by Wednesday in response to that which is what I hear the same as supervisor Malice West but that's separate. Please let me know.

[02:28:32] Same type of thing. Good. Supervisor Missal? Yeah, it seems like there's a lot of alignment. Just to check one thing, the sources, you mentioned when you add all the sources together and you subtract that, roughly \$250,000 you said to keep as a floating fund, we're at about \$1.48 million that we're talking about under potential funding sources.

[02:28:54] Page 12. Yeah, that would be correct when, quick math, involved part of it there. Just thinking about Just pay attention to the ongoing versus the one time. Yes, understood. So, several of the ones I've mentioned are up there. Computers for kids.

[02:29:11] There was a budget technicality that was stated by one of my constituents. I don't think there was because we received that. We're working on that. Thank you. Just curious as to what that means. And I think they're asking for \$25,000. They serve 38% of their students are Albemarle residents.

[02:29:32] Affordable housing, yes, AHIP is another fund that I think is fully funded in here. They haven't asked for additional funds, but I think keeping people in their homes is critically important, just as almost as important as, you know, new affordable housing.

[02:29:50] Talked about the therapeutic docket, talked about Foothill Children's advocacy, 100% on the arts. I was on the New City Arts Board for quite a few years and really support that as well. So the Seville Ballet, the Charlottesville Band, I'm on board with all of those.

[02:30:07] Don't like opera, so no, not that one. No, I'm kidding. Opera's great. And that is essentially my list. Thank you. Supervisor Duncan. Can I just ask a sort of big picture question to make sure I'm not confused?

[02:30:27] When we had the work session kind of about the nonprofit funding, there was a slide that showed the process. And it said something about in the summer, the board gets to have input into sort of like the categories, the tiers, sort of how the process works.

[02:30:43] And then after that, you have the group of people, the community people that sort of score these and kind of decide how they should be funded and who should be prioritized and not. And is that understanding of how the system is supposed to work?

[02:31:03] Yeah, so our job as staff is really to kind of take the board's sort of policy direction from that framework and execute it. And then to check in that process, the staff doesn't determine anything in terms of who gets funding. It's a recommendation for the board's consideration. The board can then, from their perspective, apply their own judgment.

[02:31:23] So it's this point. And then once we get through this, because I'm getting the feedback, I'm thinking about how we explain this document. I don't know how we'll turn it on other things. But we'll have an opportunity in the summer to review this process. But in the meantime, that doesn't take away the board if they would like to desire to do something different.

[02:31:38] They have that ability right now. Okay, I guess just sort of from an outsider coming in, it feels like, I don't feel like it's my job to nitpick what community members and the process that staff has to say, we think these should be funded, we think these shouldn't be funded, based on what organizations we like or don't like.

[02:32:03] And so I'm just trying to, like, figure out the role of the board, but also, like, not micromanaging staff's decisions. Yeah, I would kind of turn back to the chair, because I know that is one that boards have had discussions among themselves about what is their role. And so I would sort of pose that question back to the board.

[02:32:22] I think board members in the past have expressed, I think, both views in terms of their terms and how they approach that. So I don't know how much to add other than I would look to the board for their opinion on that. I think it's tricky because there's different things going on. One, pure just dollar amounts, and we have a process defined that we follow, and then it equals what's in the budget recommendation.

[02:32:45] We have questions about the data. We have questions about the process and is the policy being executed in the way that we understand it. So those are three very different things. So I'm hearing some requests for data, which would be appropriate for the budget piece.

[02:33:03] I'm hearing some about process, which would not necessarily be something we'd wrestle and tackle in the budget time. Then I hear specific advocacy for groups. And to Supervisor Duncan's point, and to the others raising certain ones, the staff, if I were staff, I could be like, well, I'll tell you what.

[02:33:21] Why don't we just have all the applications go directly to the board? We'll level funded every year at zero, and you figure it out. Because when we start going beyond the process, that's what we're doing. Now it's becomes who advocates the most from the community, who advocates the most from the board and a combination of it all, who understands ballet or opera versus who doesn't.

[02:33:45] I'm more interested in chalk art on a wall. I mean, it becomes in the arts, it can be interesting versus agencies that are providing services that but for them would cost us more. So that's a different level of service, et cetera.

[02:34:01] so i mean in my eight tries at this i'm happy to do whatever the board wants to do if you want to level fund everybody at zero and then you have in my task is i have to go through all these agencies and determine based on their recommendation and what i know about them and all the stuff from their application determine the dollar amount i could do that but that's going to be a lot more work than i've ever put in on that section in the budget in eight years or we can go all right we have a policy in place that attempts to make it objective that everybody can rely on in similar fashion that the schools are asking for from a predictability standpoint

[02:34:40] and then we can argue about well is that being executed is the policy what we want and can we trust the data so i mean we have to wrestle with that i love that the data is being brought up because that's what's going to lead to whether or not we should fund it or fund it at a certain amount. I think that's an appropriate budget question, right? If we want to get at, well, how something's weighted or what the process is or anything like that, we need to set up board time to deal with that at a later point. And if you all want to go ahead and advocate for a certain agency to get more dollars, then I would suggest starting to draft

[02:35:19] your email that explains to all the other agencies why you're not advocating for increases to their request. That was Ned's opinion, not the chair's opinion. Well done. Yeah. Pardon me? Yeah. Yeah. I just think it's important. I respect the process. Okay, so they did go through a process. That I respect because that helps a lot. But I also feel that I don't know what their criteria is, if they're basing it on what organizations are helping residents, children, adults, whatever, and have a moral

[02:35:57] County. So if it's not Navajo, I just really have a problem funding something that helps mainly or only Charlottesville residents because I just believe we should be with our taxpayers on it. So we'll get the data on that.

[02:36:13] Yes. I want to first just endorse the position advanced by Chair Dalloway and Supervisor Duncan. I don't want the board in the business of making these discrete decisions. I like frankly being insulated by it and i like knowing that there's technical expertise going into it i would also again reflect that the process we currently have is actually a greater level of board shaping on it because we went through the process of this board informing what the tiers are that was kind of the compromise that we previously reached on us um and maybe i'm being

[02:36:48] either ignorant or unkind with this but the appendix in the budget says how many county residents or the recipients of these services. I don't understand what data we're missing. I can go right now and tell you what percentage of on-our-own residents are included and so this is one where the arts and cultural perhaps we need to put this into the process. That's where I take most of the questions.

[02:37:14] Super Resident Apisto currently gave a list of a few others including I mentioned just now on our own. That was one of the ones listed. CIS NOVA was listed. I can tell you right now if you like how many county residents benefit from those because it's in the budget book. All right so for agencies that were brought up that it's clear maybe that's the ask back for the staff just a general reminder hey here's the page number those are on for these organizations and for the other ones you've got I think what you need to work on. For myself if

[02:37:47] you could go back to the list that added up this page 10 is where I was going i think this is a i'm just throwing it out because it's a reaction to the adjustment for charlottesville area transit to me that's going to be an ongoing cost increase in years forward i'd like to not my opinion is we don't dedicate that we set that up as a transit reserve or something small whether it may be even specific for microcat because i know we're going to get to understand fees and things like that but in any case we know that transit services or something

[02:38:24] And while I'd hate the program that somewhere else, and then when that happens, we don't have that little, even that tiny little bit of a cushion. So I'm just throwing that out there for maybe Wednesday we could all make a final call on at some point for that particular dollar amount.

[02:38:40] So that would reduce the ongoing, right, by 150? Right. Because that's not CIP. So then you'd be down to 7, 6, about 660. But I'm just, like I said, this is where we start having to program those things.

[02:38:55] I have what I need for in terms of making calls. I don't have anything new to surface Is there anybody that wants to talk tax rate or mix of dedication? Any of that that you want to surface for Wednesday? All right, so we can discuss it. I mean, it's pretty clear. I think if I remember your one penny on the car tax piece was \$113,000. That is correct. Good memory. So that is the number to kind of math up just because it got thrown out.

[02:39:29] kind of in the mix of some other stuff the other day and then what was the other one you raised m&t m&t what's that do we have is the same equivalent it's rolled up into 113 000 so it's oh it's in there the total personal property of 40 ish a million machinery and tools is only about 700 000 so it's in my brain i still think we do cars and we do machinery and tool and then it's all one thing that goes out do you project that separately davidson yes we we do look at those separately because the machinery and tools, we have a very limited number of taxpayers.

[02:40:10] And so we're able to kind of hone in on that a little bit better than the thousands and thousands of vehicles we have within the county that come in and out. And so in the budget book, that is called out separately as a line in the revenue items. But when we look at the overall value per penny, because they're all kind of combined together, that machinery and tools is rolled up into that \$113,000 per.

[02:40:35] And then the Ford Strategic Reserve, how much is in that? Like \$200,000, \$300,000? \$394,000. Now, I would say there is no minimum that needs to be kept in that. That's just been slowly drawn down over the years. I thought we had a Ford Strategic Reserve.

[02:40:51] Is that reserve? I might just be getting my terminology screwed up now for a couple years. We had in the CIP this Advancing Strategic Prior Reserve and has been slowly dwindling down over the years. But that's what the \$394,000 is. I've just been calling it something else over the years. And the board reserve that we used to spend down pretty low is this now, or it's something else?

[02:41:10] What is once upon a time was called the board reserve is now really the reserve contingencies. That is the place to go to if there is just anything unexpected that happens during the year. Because we spent that down big time last year. Okay, and that's what's page 10, used to be the board reserve, and now it's okay.

[02:41:29] Yeah, the bottom there, those reserve contingency, those numbers match those on the slides. Okay. All right. Do you have what you need to be ready for Wednesday? It is. One thing is I know we're giving the board a lot to process today, but one other thing to keep in mind, and we'll have this clear on Wednesday if they are considering tax rate changes, is because tax rates happen in a calendar year, not a fiscal year.

[02:41:52] And so if the board were to raise hypothetically a penny for something, that would generate \$3.3 million of ongoing funding in fiscal year 27. That would also generate roughly \$1.6 million of one-time money in fiscal year 26. So that becomes available for the board program as well.

[02:42:09] But the board is going to set a rate in April that will be collected in June and December. So that's just for full transparency what the impact of those rate changes look like. Could you say the number again for this year? It would be about \$1.6 million, roughly half of the \$3.3 million.

[02:42:27] One-time money, yes. So I was going to say, if you could maybe, and I know it lives in different places, maybe just put that in an individual little email to the board that explains, depending on the tax rate equals this, I would include what the dedication is because if you don't dedicate it, then it's got the split, and that's been a point of conversation.

[02:42:48] If it is dedicated, that means that the split, you know, for one year, the split doesn't go through, et cetera. But 3.3, was that the number? Yes. On the normal split, you have to take the 10% and then split it off unless you dedicate it. So just to maybe put all that in one place with the car tax so that members can do their mathing if they'd like so that when they walk in Wednesday, they can say, well, I'd like to do this, and here's the reason behind it and where the dollars go, including your one-times.

[02:43:18] Yeah, we can bag that together. Thank you. One other thing. Strictly for thinking about and having now 19 times heard the description of the dedication that you made at the beginning of the school session. For the very first time, it was related with the property tax relief waiver as money we do not receive.

[02:43:42] So that jumped into my brain. Well, that's similar to the deferral income for the land use program, and perhaps that should be in that category, too, that \$14 million. So just dropping that grenade for people to think about, and I will leave it there.

[02:44:00] I want to think about that one. Yes, please. But at a different time. Yeah, it's not now. Summertime. All right. What are we, we are time-wise, I've just, you know, not done a good job today getting us, because we're still not getting to debt management or CIP walking through the budget.

[02:44:17] That's correct. And I would say my presentation on debt management, I mean, it goes together with capital. I would say I could do it in five to ten minutes. I would say probably eight to ten minutes. So it helps the board. It's the board's time, not mine. Do you want that presentation this evening so that you have a few days to ponder it, knowing that you can ask questions?

[02:44:35] You'll have time on Wednesday to follow up and ask questions. The alternative is we get the presentation on Wednesday and deal with it that day. The presentation. We have it in the budget book. Well, let's do it. We'll do the presentation, and then we'll go.

[02:44:52] Sorry, staff. If I start filming my words, I'm going to give you a little bit of time. So debt management, we've actually moved this up out of order instead of the CIP because debt is really what is increasingly driving the CIP.

[02:45:08] So right out of the county executive's presentation, we talked about five projects driving the CIP in debt. The course project, all these projects have been referenced today. The course project for Vanna Futures and the three schools, two of which will open next year, one of which is the design for the Northern Elementary School in fiscal year 27.

[02:45:27] Altogether, these total just under \$300 million of capital projects, and they are by far the five largest projects that are taking place in the county's CIP recent history. So this is a chart I referenced earlier. I shared this on December 3rd, but it's been updated really to show what the board's investment in capital has looked like.

[02:45:49] Capital, as I've said before, kind of goes up and down a lot as projects stop and start. But debt service is a 20-year commitment when the county issues. So you can see how this has evolved over time. I'll start with the blue line that is the public schools debt service if we can see that coming out of the recession that was level for a while it increased after the 2016 general obligation bond referendum where it funded some of the projects on the screen and then we can see that debt was retired for a few years so a few years where the county did not issue in debt then in 22 there was a series of additions that were borrowed for for Crozet Red Hill and Scottsville so we see the debt increase again and now we

[02:46:27] are seeing this really ramp up with the construction of the three schools and renovation funding where that blue line now turns to red to be the projected and you can see where the next three issuance is one of which will take place this spring another one in 2028 which will increase 29 debt service and then 30 to 31 how much that number is driving up county government a similar story where we see that orange line historically where that's been a little more relatively flat but we can see really since fiscal year 25 with the borrowing costs of the courts the Revana Futures property biscuit run we are seeing a similar increase there too

[02:47:02] and so the schools continue to be the majority of the CIP but we had the chart earlier of county debt service increasing as well that is what's happening in this chart another way to look at this and this is a chart that is not in the book about what is the county's current debt service let's zoom in on 26 where we are right now in the next five years in the CIP the blue is the county's current debt service right now at about 34 million dollars and that debt will continue to get retired and what we're paying now going to about 27 million dollars in fiscal year 31.

[02:47:32] So what's going to happen in these next three debt issuances driven primarily by these major projects is we're going to be issuing a total amount of debt that is almost going to be about 27 million dollars itself by the time you get to fiscal year 31. And so with the roughly 54 million that the county would have in a debt fiscal year 31, half of that is going to be issued in this upcoming CIP. And just giving perspective of the total investment what the board is making in the CIP and debt service this is also going to explain in a little bit or maybe on Wednesday why there aren't as many projects in years four and five of the CIP because more of that funding

[02:48:07] is going to fund annual debt service payment versus new capital projects so I want to highlight as this talk about this debt it's increasing it is all well within the county's financial management policies so I want to assure the public of that you can see in the the area where we are tightest in the headroom is the chart on the left debt service is a percentage of revenues 10% is the policy cap.

[02:48:30] It's a good benchmark from triple-triple localities, and we are below that. We're also below that on the outstanding debt of the total tax base. We're looking at the total outstanding debt versus the annual payment. One thing I want to make very clear, and I'll make this again a little bit when we talk about capacity, these lines in the out years only look as good as they do because of the investment in economic development in AstraZeneca.

[02:48:55] That was not bringing in additional revenues, increasing the tax base. there would be a lot more headroom that would be tighter, particularly in the years fiscal year 30 and fiscal year 31. So continuing the theme of we have that debt capacity, how does that connect?

[02:49:11] Again, it's the triple AAA bond rating that the county holds, the city holds, the university holds as well, the county being one of 54 in the nation. All the benefits this brings, whether it be flexibility to the board of supervisors, because the mortgage payment is less, that allows them to have other savings, or other savings, but they're able to support all the other strategic objectives better because they have that flexibility.

[02:49:35] The county gets a better interest rate than they would if they had a double-A rate. It's able to buy more projects and get more done over time. So I'll be brief in the interest of time, but I'll take a moment and spend a little time about capacity and affordability and frame it a little differently because this is a question that continues to come up because it's no secret, you all just saw it, as we've had in recent years, the county has been well below the red line and we have capacity.

[02:50:00] So capacity, thinking from a municipal bond structure, is really, you know, what can the government borrow legally or prudently without sacrificing its rating in its debt ratios or any sustainability? I may have lost some people in that explanation, so I'll make it kind of the individual, what does that mean?

[02:50:18] If you are a person and you go to the bank to get a home loan, what are you pre-authorized to? So if the county were to go to get a loan amount, the bank would probably say you can go up to 10% at a triple AAA rate. Affordability is a very different question, where for the county government, it's what debt service can we make while supporting everything else the board needs to consider in balancing the budget across its six strategic objectives and also just its overall financial health.

[02:50:43] And so most folks, I would imagine, may not be getting a mortgage for what the bank is authorized to at the maximum. If they've had to weigh, what can I afford to pay monthly, given everything else that I need to plan or save for and the priorities that I have in my life. And so this is the balance in terms of capacity and affordability.

[02:51:01] framed for an individual, not just a government. And so this really speaks to the final slide I had in debt service, is really there is, in fiscal year 31, what does that look like? There is capacity, as we are at 7.2%.

[02:51:17] And so to go to 9%, the board of supervisors would have \$68 million of bonds they could issue and still have that capacity. Obviously, they could go up to 9% if they wanted, and that number would be

even greater then.

[02:51:35] But the thing I want to point out is capacity is only half the equation. Right now, there's not the annual funds you would need to pay that debt service or to pay it to operate that facility. And once that capacity is gone in fiscal year 31, it's a 20-year commitment. And so it'll take time for other debt to retire for that window to open in.

[02:51:53] So that's one, as we think about, as I said early in the meeting, one of my first slides is the board doesn't need to decide, whatever the placeholder may be in the CIP, how that is used or when. A part of this is a long-range, multi-year planning exercise, just like the courts for Vanna Futures, the schools.

[02:52:09] Those were not projects that appeared overnight. This would be really continuing a dialogue that will go beyond this budget to really shape what is the best way when that capacity opens up to give time. I think it's also really telling in this example about why you don't plan to go to 10%, because just as we saw a very favorable change in revenues with AstraZeneca and other things, That's creating more headroom.

[02:52:31] The opposite could also be true if there were major disruption in the economy where those lines, even if they don't shrink, they don't grow as fast, that'll create more. And so this is why we do multi-year planning. Every year, keep refreshing the plan to what that looks like. I will say there was a request that in the interest of time, I'll cut it out in my comments today, but it was around a different borrowing rate.

[02:52:50] How much does that borrow? That was a question from Chair Galloway at the November, sorry, November, February 18th meeting. We'll include that in the board Q&A so we can show that difference as well. Also may be a topic on Wednesday as we talk about the county's next bond issuance for the board to authorize that. And so I'll pause there for any questions on debt.

[02:53:09] Questions and then be happy to say we can come back with written responses if they're going to take a lot of air time tonight. Supervisor Duncan? No questions. Supervisor Malick? No questions. Supervisor Pruitt? No questions. Supervisor Lapisto-Curtley? No questions. Supervisor Missal?

[02:53:26] No, sir. All right. Great. Would you like to keep going to the CIP? All right. This was included in your time estimate, right? No? It will, because Ms. Malcolm is going to do a good portion of this once. How long is this presentation going to take?

[02:53:42] I think we can do it in five. Suzanne, what do you think? I'll be really brief. So back on December 3rd, we talked about the art of the possible. I appreciate Dr. Haas remembering that quote earlier. And this was actually the last slide we ended up.

[02:53:58] And so this is one about how does that art of the possible look like in the recommended budget. Option A, we were looking at, and the takeaway, I should say, was it's not an either-or. You really got to do all of these if you want to build a major capital project, whatever that may be. So legislative priorities, a state budget is being monitored for whatever that fate of the 1% will be.

[02:54:20] A reprioritization of future revenue growth is one we've talked about extensively today, the \$6.4 million into the placeholder, both in fiscal year 27 and 28. We've talked about what we haven't talked about

yet, the reprioritization of the CIP. The schools have a project upcoming with the Northern Elementary School.

[02:54:38] They've also said the high school is the highest priority. What staff has recommended is to take what was before \$16 million in renovation funding and zero that line out, but apply it to other public school projects. And so this is one where you have the \$8 million coincidentally is the increase for the cost of the Northern Elementary School, and then the \$8 million for a school placeholder is in year five.

[02:55:00] And so this is where the art of the possible begins to put together is you've got \$8 million in a school placeholder, you've got \$13 million roughly in a to-be-determined placeholder. If in the next couple of years the sales tax comes in line, all of a sudden we're talking potentially \$15 million of things that did not exist back in December, obviously for the board's consideration.

[02:55:22] Options D and E I won't talk about because those are much longer range than today. So a quick introduction to the CIP. The capital budget is the only item that is appropriated, which is in fiscal year 27. You will also include in the capital budget just items that get reappropriated in fiscal years.

[02:55:42] The CIP is years 2 through 5, and so when we adopt a plan last year, fiscal year 7, 27 through 30 become the starting point for this year. Just as when the board adopts the CIP, fiscal year 28 through 31 becomes the starting point for next year's CIP.

[02:56:00] And again, all these funds work together as we've talked about today. It's not just the capital. We have to figure out what is the ongoing debt service payment? What is the cost to operate these projects as they come online? So our assumption was to start with the adopted CIP. Staff has done our work to update project costs, borrowing, and so on.

[02:56:18] We had the joint meeting with the school board on December 3rd, and then to the extent possible, what can we build in? So a summary on the expenditure side of everything that's different in the CIP, and this is in detail in the document. But we first, we've updated the cost for ongoing programs.

[02:56:34] They may change year to year. So comparing the four years and the CIP that are the same, county government's maintenance replacement program is decreasing. That's really just due to looking at the timing and some adjustments we're making to the fire rescue apparatus program. The public schools had requested increases in school buses, technology, and their other items in the school's maintenance replacement budget is fully funded, including school buses.

[02:56:58] We increased the funding, as I mentioned before, for the Northern Elementary School with the \$8 million reprioritized for renovations. Then the other new projects I want to highlight, Boulder's Road I spoke about last week. It's \$41 million, but it is coming \$20 million from the state, \$12 million from AstraZeneca, \$500,000 from the EDA, and the remainder are coming from the Economic Development Fund based on what the board has invested in past years.

[02:57:22] I mentioned the school placeholder. We have the other placeholder of \$12.8 million that we talked about earlier. There's about \$1 million in community nonprofit capital requests that Ms. Malcolm will cover. We do have a new maintenance and replacement project for the fire rescue system. self-containing breeding apparatus. Phase one of the two-phase project that will begin in fiscal year 31. Fiscal 31 is \$2 million. And then the Northern Convenience Center is still included in the CIP, but the construction was delayed from fiscal year 27 to fiscal year 28, primarily because the operating impact to run that is a little more than half a million dollars, and we perceive that

[02:57:58] as a major challenge in the fiscal year 20 budget outlook right now. There's a choice that could be made versus something that is required. The chart I share every year is that ongoing programs continue to be a major part of the CIP. You know, we talk about maintenance and replacement. This shows that it's 55% upcoming here, the largest category of which is school maintenance and replacement. The revenues that make up the CIP are primarily borrowed proceeds. Cash equity is the other, which is any one-time money from the Board of Supervisors or School Board in the formula amount. This year, that state revenue and the local revenue are much larger than usual because

[02:58:35] of the Boulders Road project and the contribution from the state and Astra Seneca for that road. I'll share as well when it comes to the board's ability to really have discretion the cash equity and the borrower proceeds are what can be moved. The state revenues and local revenues tend to be tied to particular projects such as the city share of the Darden Town Park or the school grant they get for school bus replacement. On the expenditure side public schools continue to be the majority of the CIP. It is a pure coincidence it's 54% that's totally separate from the revenue allocation.

[02:59:09] And community development is larger this year because of Boulder's road project. So six strategic goals that the board has seen every budget presentation since they adopted the strategic plan. The CIP is, here's the highlights for the schools. Northern Convenience Center would be, I'm sorry, not Northern Convenience Center.

[02:59:26] Northern Feeder Pattern would be designed in fiscal year 27, constructed in 28. That would take a while and then open in a future fiscal year. All the green boxes that are ongoing programs that are fully funded. and then the school placeholder of \$8 million by the reprioritized renovation funding is all the way out there in year five.

[02:59:43] County government snapshot totals \$160 million. Ms. Malcolm is going to talk through these projects at a high level, but I'll draw the board's attention that when you look at, back on this slide, in years three through five for the schools, there's maintenance replacement, there's a placeholder.

[03:00:00] County government, you look at years four and five, it's maintenance replacement and a placeholder. This is the impact of that growing debt and how it is constricting the ability to move forward on those other capital projects, because that 10% by formula is increasingly funding the annual debt service payment card.

[03:00:17] Ms. Malcolm, I'm going to catch my breath. Okay, so I have seven slides to go through to talk about the specific projects that are in the recommended CIP. Andy has touched on all of them already, so you're not going to hear anything brand new here. Just to lay out the slides for the board, within the box you see the project name, so in this case, Boulders Road.

[03:00:37] We also will have on the subsequent slides the years in which funding is included in CIP for those projects and then the dollar amount represents the total amount across all those fiscal years that's included for each project So as Andy mentioned boulders Road is the first project this project brings its own revenue with it from the state the developer and local or local government it's to build an extension of boulders Road out to 29 and that supports Ravana station and the Ravana's future property

[03:01:08] futures. On transportation, this one is at \$18 million, \$18.1 million, and includes funding in fiscal year 27 and in fiscal year 29. The idea behind the transportation bucket, which includes the transportation leveraging program, is that we need to have a set amount of funding that is flexible and

consistent to support high-priority transportation projects and initiatives for the county. These types of projects are typically high-cost projects that require significant financial commitment to develop and implement over time there's a couple of projects you see listed on this slide that are included with the current CIP

[03:01:47] and as you know and have been in discussion with our Community Development Department the board will have an opportunity to weigh in on projects that we fire that will be prioritized excuse me in fiscal fiscal years 31 and 32 as part of the ongoing process with CDD just to give a little bit more detail about this every other year the county can apply for funding through various state and federal funding programs I want to highlight a couple of examples one is the transportation alternatives program or smart scale those are both competitive grant programs the next bucket is the VDOT revenue sharing program that's less competitive than the prior bucket as a

[03:02:27] source of funding and it allows for transportation improvements which award a dollar-for-dollar match your participating locality for construction maintenance or improvements to state roads up to ten million dollars my team tells me that this is usually an area of interest of the board so in the budget book you'll see information on projects that are in the transportation leveraging program and that are still carrying a balance from prior fiscal year appropriations so those include us 250 Pantops corridor the Burkmar extension to Airport Road Burkmar path shared used extension

[03:03:03] commonwealth dominion drive old lynchburg road project and hydraulic road lambs lane and funds for those projects will continue to be appropriated as required in the board's normal business so next andy spoke about this a little bit we have the northern convenience center so the idea here is constructing a solid waste convenience center center in the northern part of the county similar to what we did a few years ago in the southern part of the county for this project we've already funded the design of the project that was back in FY 25 the CIP still has the construction which is Andy mentioned is being pushed from FY 27 to FY 28 it's 1.3 million dollars and we're really

[03:03:43] recommending that push so that we have another fiscal year to plan for the operating impacts of that facility which are estimated to be around five hundred thousand dollars a year when we have to pick those up the next is the central library so this is for renovation funding for the main branch which is also the regional headquarters of the Jefferson Madison regional library system. The building is co-owned by the county and the city of Charlottesville, and the building itself, as I said, is half owned by the county.

[03:04:13] 57% of the circulation at this library is attributable to the county residents, so I wanted to point that out. The CIP project includes \$10.5 million for that renovation. That is the county's share only, and it's contingent on a few things that are listed on the slide. The first is that the city meets us at the same funding amount the second is that we have an approved MOU with the city pursuant to the regional library agreement and the third is that the library library will leverage other sources of funding to provide for the renovation project so specifically the city and county have said that our portions of the funding will cover adding public space for additional

[03:04:53] meeting rooms technology upgrades and youth services some of the sort of unfun things about a renovation like plumbing electric security networking HVAC which are very important to the infrastructure of the building and in total that 10.5 million you see on the slide is broken down between design work in FY 27 and construction plan for FY 29 Okay, the next is the athletic fields at Darden Tao. So as you all know This is a phased rebuild of the existing grass athletic fields at Darden Tao Park

[03:05:27] It's been done over a four-year period starting in FY 25 and FY 27 the total for the project is point eight million dollars And this is another one that has some city-county split and so the city covers 69% of this project the county covers 31% of the project

[03:06:10] Okay, the last one is an amount of 1.4 million dollars for workplace facility renovations to county office buildings at McIntyre Road and 5th Street Extended This is really initial work around Coming up to speed with the spatial utilization study that was done a few years ago in this plan for the facilities And that's an FY 27 and then finally you've heard about this so much This is the CIP priorities placeholder at the 12.8 million dollars. That would be

[03:06:44] put into the CIP over two years, placed in FY31 of the CIP for the board's determination at a future date. So the next thing I want to cover is the community capital process, which applies to nonprofit agencies.

[03:07:01] So for a little bit of history, in the fall of 2022, the board created this process as a way to establish a more formal process for community nonprofits to ask for capital funding from the county. In summer of 2023, staff and the board further refine that process, and you continue to refine this framework as you do with the human services funding process and the arts and cultural agencies.

[03:07:24] There are eight statements that non-profits must meet to be considered for this funding. They are on this slide and the next slide. Maybe in the interest of time, I won't go through each of them one by one, but I do want to kind of highlight a few things. First is that in addition to these criteria for the specific project the organization has to meet all the other Eligibility criteria that we've already talked about for arts and cultural and human services funding process So they have to go through an audit they have to be a program in place for two or more years Etc. In addition to that for this specific set of funding We really want to see projects that are in alignment with the capitals the county's overall capital improvement program

[03:08:04] So for example, we want to see things that are shovel ready we want to see projects that are leveraging funding from multiple sources and we also want to see kind of Something to your gallery spoke to earlier we want to see that the project is meeting a need in the community that the county may have to otherwise meet if we do not Recommend it for funding. So that's kind of some highlights here The last thing I want to draw your attention to here is number seven the projects need to increase services provided to county residents Not just maintain ongoing services So on page 269 of the budget book, you'll find the highlights on these recommendations

[03:08:42] Staff recommend five different projects for funding and the 27 through 31 CIP Four of those are recommended for funding in the first year FY 27 and one is recommended for funding in FY 28 and again in FY 29 So I'll talk a little bit about each of these the first has been its village the funding which is \$50,000 in FY 27 will go to towards the physical construction costs of the next phase of the all abilities multi-generational play and recreation space space, excuse me The next is the dogwood Vietnam Memorial

[03:09:16] That's also recommended for funding in FY 27 that funding specifically would help establish the pedestrian bridge and parking area immediately adjacent to the dogwood Vietnam Memorial In its current location at the southeast corner of McIntyre Park the next is the Salvation Army This is proposed for half of its funding in 28 and the other half in 29 for a total of \$500,000 across the two years.

[03:09:41] That's for the design and construction of the new emergency low barrier shelter. The total project is estimated to be 42,000 square feet and provide emergency shelter for the unhoused. The next is the Stony Point Volunteer Fire Company.

[03:09:57] So this \$50,000 would replace the facility's existing roof with a more energy-efficient system and protect the building and equipment housed within the station. And then the last is for the town of Scottsville, an FY27, a recommendation for \$87,000, and that would cover repairs to the levee system in the town of Scottsville, including concrete repairs and sealing to both the levee wall and the pump house.

[03:10:20] So that's my last slide on the CIP for any questions you all have. Appreciate you moving and scooting through those. Supervisor Duncan, any questions here? Yes - one could I I think I know this information, but I don't have it since it was before I started have information on the lambs road Study particularly the current one that's being funded for the smart scale and kind of where that's at and then for the Salvation Army I thought I saw something elsewhere where we were giving them like a hundred and ten thousand for something But of this twenty eight million dollars they need for the building are we only giving them five hundred thousand?

[03:10:55] That's what's included in the recommended budget of the 500,000. That was their request. Yeah, that was their full request. Okay, thank you. That's all. And the land's land's on smart scale. The things that are studied potentially for a smart scale.

[03:11:15] We did a study on how that could impact great revenue sharing. I don't know that that would amount to a smart scale project, is it? It's said it in here. Yeah, it's revenue sharing.

[03:11:30] Do you have any, or if there's information available, please share with later, leveraging for any of these?

[03:11:52] Because at Venice Village, I don't know if they have outside funding for some other part of it or whether the county's paying for all of it. Yes. I know the Dogwood got \$600,000 from the state, and the original plan four years ago when they first brought this forward was to have equal amounts from the city and the county, but I don't know where else there is.

[03:12:11] \$250,000. So nobody's meeting. Okay. So our recommendation is consistent with the city's recommendation. I will say, and yes, we do have detailed information on the total project cost, how much is being requested from the county, how much is planned to be asked for from the state, other sources, private funding, et cetera, for these projects. Great. Thank you. Supervisor Pruitt. Quick thing that I, one, is not meant to be heard as adversarial, and two, I don't need an answer tonight. This is for an email offline. But I'm probably going to get a question about it. The delta between the request and the funded amount for

[03:12:48] Scottsville, I'd just like to see the rationale so I can answer that question. Big question that maybe is an answer for another time. I will be interested, as we're planning for, I would say, one last big squeeze out of our capacity, right? I think that is a fair way to put it. Capacity, not affordability I'd be interested to get a sense of that alongside annual offloading uh how how big of a corner we're painting ourselves into are we going to put ourselves in a position where

[03:13:23] we can know where we only have the capacity annually uh for for ongoing programs are we going to have capacity for more medium-sized capital expenses like phase two and three of biscuit run um I would that would be something I'd be interested in and concerned about um just how much remaining

room we're going to take. Is that more for this budget process or is that more of a longer term? This is a longer term question but as we're continuing to entertain and plan and realize that reality in this budget I want to know whether or not it's even a good idea. Like if we're going to give ourselves 10 million

[03:14:02] of breathing room on capacity that sounds like it might be a bad idea because that would be something that potentially paints us into really dark corners and what kind of future ability we might have. And also, this is more of a comment, but I know the distinction and our ability to issue general obligation bonds rather than traditional bonds has been talked about and the potential on the affordability side impacts that could have. I also recognize that for this budget cycle, the question's out, right? Because otherwise we'd be arresting projects if we tried to transition from one

[03:14:42] to the other. It would be an interesting thing to talk about moving forward, but also, again, this is, as I'm going through this budget process this year, I'm thinking legislative priorities. Other states can issue general obligations without, localities can, without having to go through referenda, which means they can do it for ongoing capital projects, which realistically couldn't be put to a referenda.

[03:15:06] So, it might be something that would be prudent for us to consider as a legislative priority, because it would keep our borrowing costs down. in the future, and it's currently something that we're statutorily disabled from, from a paternalistic state that doesn't trust us. That's all I have.

[03:15:24] Supervisor, let's be still currently. Supervisor Missal? Only to say ditto to what Supervisor Pruitt said regarding how big of a corner we're backing ourselves into. You mentioned that a couple of times. It's good to see that. I think that's part of the strategy of having these placeholders by the time for the board and don't immediately program it, knowing that it will be extremely challenging for the board to match the increased investment they've had in this CIP with those five major projects in years 6 through 10.

[03:15:58] So how can we begin to plan B, change what that future looks like through things such as the art of the possible. And so part of the reason those plans are not designated at this time. That conversation is going to extend beyond April 22nd. So the one thing I would add, going back to Supervisor Pruitt talking about offloading, You've heard Supervisor Malik say several times when she got on the board in 08, right at the start of the national recession, 08, 09, 10, 11, that the capital program went way down because the county cut positions, schools, they were in survival mode like a lot of counties and cities.

[03:16:33] That debt that would have been issued at that time would be getting ready to be offloaded on 20-year debt. That's not there. So it will be very interesting because the debt wasn't issued. And so it'll be very interesting to do the analysis in years 6 through 10 to see, God bless you, not just offloading, but also to what capacity we may have.

[03:16:57] And that's something that I think this board really needs to take a look at. And that's why it's so important for us to model, not just the effect of the industry out at Ravana Station, AstraZeneca, but also to continue to push that really hard to fill in some other gaps out there because of the fact that it's going to be so tight for a period of time, not just in the first five years, if that makes sense.

[03:17:23] Was I just on you? You were on me, yep. So quick things. Page 19, slide 19. I should have done this on the last pass, but this is a comment.

[03:17:42] So I want to just – or wait, it wasn't 19. Where was your one that showed the out year with the capacity and it had like a little yellow circle, I thought? There it is. This is, to your point about how this is

modeled with the AstraZeneca project coming in, the hope part is AstraZeneca will help us start to realign that diversification we're talking about.

[03:18:05] But I get concerned, not concerned. I want to remind folks that AstraZeneca isn't the end of it. It's the first domino. So AstraZeneca alone justifies the purchase and will pay for the purchase of the property in the long run.

[03:18:24] But there's still acreage at the site that we have that we purchased, and every time a new project comes in and drives revenue to the county, we'll help that modeling that's going out there. It could just keep changing the diversification so that it's not so much of a burden on real estate, but if that stays flat and it starts to help, it will help our capacity.

[03:18:47] It's just not in the model yet. to when Maya and I were chatting about the mites. Well, if we get another big project out there, the mite is going to change what we might be able to do in an out year. Not to mention North Fork across the road and the other sites in the county that could ultimately be the third or the eighth or the tenth domino to fall.

[03:19:10] So those are all things that, you know, folks are talking like AstraZeneca was a one-time deal. That was just a really good hit on a really good pitch so far. But we have other pitches coming that we're going to benefit from. Transportation leveraging, the concern on this one, this is, if I had to equate it to something that, to the school board side, this is our renovations and additions piece that's frustrating to get at.

[03:19:35] We have so many transportation priorities that we're, to rely on what the state provides for us, they're never going to get done. So you've all heard me harp on the smart scale and the billions of dollars localities are having to put in with their application just to try to get the approved funding from the state.

[03:19:55] But this is where that would live if we put that into a smart scale application and no future projects are currently existing in there. So RCIP is going to have to contend with that because I don't see the state having any change in how they're funding transportation, at least on this current budget cycle, that it's going to continually go back to the shoulders of the localities to fix.

[03:20:18] And what did Kevin say in that meeting? We had like 160-some things on our transportation priority list. And then the – nope, that was a question I didn't need to ask. Those were my few comments. I don't think I had a question in there. Awesome.

[03:20:34] wrap-up for tonight, or oh, sorry, Supervisor Malik. Yeah, go. So on slides 25 and 26, it reminded me when we were talking about these future school projects, the 1% sales tax in limbo now is whether it will allow new and old payment construction, or it has a prohibition against supplanting, which means we should not officially make any plans to do anything with schools and commit something that then we can't use the sales tax for.

[03:21:11] So keeping a blank slate for a while until this sorts out and gets nailed down. Otherwise, we're shooting ourselves in the foot. Thank you. Just looking to my left and right. Any additional questions? All right. We're ready for the reality. We'll be back Wednesday.

[03:21:27] Congratulations to the board. It's been 10 hours of work sessions and additional time in public areas to go through this budget. We're still answering questions. There's a list. The work is not done.

There's all the public engagement in the town halls. But it's a pretty big feat to go through, whether you've done it one or many times. And so we'll continue to provide the feedback.

[03:21:46] We'll be back Wednesday with the list. Caitlin, anything I forgot to say? Thank you. Well, we appreciate staff's patience with us as we work through it in my handling of the meeting. I know these are long days during the budget, but we do need to work through it. So the extra time tonight saves us probably even more time in a future meeting.

[03:22:04] So thank you very much. From the board, any matters not listed on the agenda? Mr. County Executive, any items? All right. Thank you, everyone, for good work tonight. Adjourned March 18th, 2026, 1 p.m. in Lane Auditorium. Thank you.



Coraggio Consulting · aguyonx.com