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Loudoun County Board of Supervisors, Finance/Government Operations and Economic Development Committee, Tuesday, September 10, 2024

Date Tuesday, September 10, 2024
Place Board Room, First Floor, Government Center, 1 Harrison Street SE, Leesburg, Virginia
Length 4h 31m (video)

- Official meeting video (county, Granicus): <https://loudoun.granicus.com/player/clip/7739>
- Agenda (Granicus): https://loudoun.granicus.com/AgendaViewer.php?view_id=73&clip_id=7739

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Speech-to-text: whisper.cpp, model large-v3-turbo. Produced 2026-10-21. Each paragraph starts with its time [HH:MM:SS] in the meeting video.

[00:11:09] that. Good evening and welcome to the September meeting of the Finance Government Operations and Economic Development Committee. I am now calling the meeting to order this room has a hearing loop if you need hearing assistance switch your hearing aids to telecoil mode. If you need a headset we have those available as well please see the clerk to request one. We have 13 items proposed for our consent agenda and they are item three contract awards during summer recess. Item four contract

[00:11:44] renewal capital program projects program management and reporting. Item five contract renewal geotechnical engineering and soil scientist service. Item six contract renewal on-call land surveying services. Item seven contract renewal site civil and park design services. Item eight contract renewal traffic engineering and operation services. Item nine contract renewal operation of the Loudoun County Homeless Services Center. Item 10 contract renewal off the lot new and used vehicles through class seven item 11 contract award for vehicles and motorcycles item 12 award

[00:12:21] authority increase design bill delivery of route 50 and trail hood drive roundabouts item 13 proposed amendments to the codified ordinances of loudon county chapter 860-06 exemption for farm animals certain grains agricultural products farm machinery farm implements and equipment Item 14, Consolidated Annual Performance and Evaluation Report for Federal Fiscal Year 23-24.

[00:12:49] Item 15, 24-25, Certified Developers for the Rental Housing Acquisition and Preservation RHAP Loan Program. I move adoption of the consent agenda. Is there a second? Second. Seconded by everybody. We'll give it to, I don't know, Supervisor Brisbane. Any discussion on the consent agenda. Seeing none, all in favor say aye. Aye. Anyone opposed? Motion carries 5-0. Okay, information items. First up is our monthly Department of Economic Development reports.

[00:13:35] Good evening everyone. Our item this week provides an update on Dulles Airport. While all air travel was greatly impacted by the COVID-19 pandemic, Dulles has had a very nice comeback. They are are projected to continue to uptrend through the rest of the decade. They are working on a series of ambitious infrastructure projects that are really just going to be transformative for the airports. 6.99 billion capital construction program that includes the addition of a new 14 gate concourse. More details in the item in your packet. The labor market appears to have shifted

[00:14:12] to a lower gear, reinforcing concerns that businesses are hesitant to hire as interest rates continue to weigh on investment, and the path of consumer demand remains uncertain. Employers added 142,000 jobs in August, according to the Bureau of Labor Statistics. That is weaker than was expected for the second straight month, and the totals for June and July will rise downward. July is the most recent month for local unemployment data. The rate was 3.0 for Loudoun compared to 2.7 for Virginia and 4.3 for the U.S. Jobs report released

[00:14:46] last week showed unemployment was 4.2% for the U.S. in August down from 4.3 but otherwise the highest it's been since 2021. I wanted to go a little bit deeper inside the numbers and look at some of the some of the disconnects in the market. In Loudoun County newly posted open jobs totaled 33,980 in August.

[00:15:13] Active jobs currently open in the county, 16,621. In Northern Virginia, as of Friday, 100,000 active online postings in the Nova EDA region. Top certification requirement for job listings other than a driver's license, secret clearance required in 390 of Loudoun's open jobs.

[00:15:37] so pretty significant. There continues to be a lot of talk about the viability of office in the future given the high vacancy rates and the usage rates that are currently being experienced. I remain still very bullish on office at Metro in Loudoun County as we take advantage of the housing market as we continue to look for opportunities and go after consolidations and those companies that are wanting to make a flight to quality and to mixed use. Some people say I'm a dreamer, but I'm not the only one. I came across a new survey which found 87%

[00:16:15] of companies that had been fully remote will return to the office by 2025. The report found 64% of those companies have already returned to the office. Additionally, 23% plan to implement a return to the office policy by the end of 2025. I think all of that is very good news for us. In response to the summer drought and Loudoun's inclusion in the USDA primary disaster area list, the department worked with our partners and released the Farmer's Assistance and Relief Measures Fund or Farm Fund. This initiative is providing \$500 grants to farms

[00:16:52] who lost crop production, paid for unnecessary water during the shortage or otherwise struggle throughout the drought. The grant aims to bridge the gap for up to 300 Loudoun farms until the assistance is available from the USDA later this year.

[00:17:08] The grant has been open for a week and applications have been very steady, highlighting the need for this initiative. And I wanna thank you for your leadership in helping us get this out to the market. And finally, I want you to save the date for the fall farm tour, October 19th and 20th.

[00:17:25] This year features one of the largest number farms participating we've ever had we have a lot of really cool things coming up and if you need more details go to loudonfarms.org and we'll turn it over to shavon thank you john lennon how are you um continuing the theme of commercial real estate edac had a focus on educating the commission on the unique challenges for the market in this area we convened a channel a panel that offered different but yet complimented perspectives including developer with expertise in office and retail, one in flex and one in economic development being buddy.

[00:18:04] We use this information to educate the commission so that we can appropriately advise the county and the department on best practices and things to one, take advantage of Loudoun's unique position and the opportunity to build what the market needs in the future, which is other or areas don't have that opportunity.

[00:18:21] And two, when we realize the dream buddy is talking about that we can appropriately support any efforts that the county may have in commercial and office real estate. We are also in our season of recruiting. We put a call out for applicants to be on the commission.

[00:18:38] We have technically nine spots open, four or five of them are commissioners applying for a second term and then we've got four completely open spots from people that have termed out. We have, I think, 23 applicants. Last Friday, we spent the day eight to five interviewing a portion of those candidates.

[00:18:59] Each one of those candidates get a 30-minute interview with the commission, and then this Friday, we have another full day of interviews, and hopefully, if we don't get any more applicants, we can get them all in by this Friday, and we'll turn on our recommendations to the board for your approval.

[00:19:16] We appreciate the opportunity to have that process. We know what you need to the EDAC, but what we recognize is that that process allows us to recommend a high quality of candidate and people that will feel the need and are willing to do the work that commission requires.

[00:19:35] Every year, the quality of applicants gets better and stronger, and this year is no different. We've got some amazing, amazing candidates, and also we learn a lot about what's missing in the county. and areas that we need to focus on.

[00:19:52] One of the things that the EDAC is working on is we have a lot of interest, but we have limited opportunity. So we have to find ways to keep these people that have self-selected their willingness to serve engaged in the process.

[00:20:08] So that's bringing them on ad hocs, maybe having them at other meetings, but making sure that we stay connected with them 'cause they may not be commissioners now, but they could be commissioners in the future. And they have value in a lot of different places outside of the EDAC. So when you find people that are willing to serve, it's usually a good idea to put them to work.

[00:20:26] That's my update for today, and I'm happy to take any questions. Thank you very much. Questions for either of these fine gentlemen? Chair Randall. Good evening, and thanks for being here. Mr. Reiser, the employment report, those numbers this time, the federal numbers, very narrowly missed their mark.

[00:20:47] And it's the first time, and I've been following this very closely, that they have missed a mark. So you believe that one month of missing the mark, as narrowly as it did, is going to cause kind of a ripple. You're concerned about this one month?

[00:21:03] Well, no, it's the second month in a row. And I think it's that combined with the fact that they really took about 800,000 jobs off the board when they revised the last year. So I don't think it's a crisis. I just think that it's a product of the long inflation, the high interest rates, and the kind of stagnation that we've seen.

[00:21:25] And do you think this would be assisted when the Feds meet and possibly go down 25 basis points? But I do think that it may go down less than we had originally anticipated because of that. So we'll see. I mean, I'm excited.

[00:21:41] I think tomorrow's consumer index report will be great. I think that we're going to see another reduction in the inflation, and that should be enough to spur a fairly decent reduction. I'm betting on about 25 points, basic points, Dan, but we'll see how that goes.

[00:21:58] Let's talk after, compare notes. My only other question is, I know that obviously I'm very supportive of all the drought relief we are doing. Do you know if that's improved at all? I was under the impression that we did have a couple of significant rains.

[00:22:16] Are we still in the same drought condition we have been in before? Is that a question for somebody else possibly? No, we've had a couple of rains. Unfortunately, most of those rains, because the ground was so dry. They just didn't absorb. It just ran off. And the problem is more with all of the losses that happened during the summer.

[00:22:34] Okay. Like our farms, instead of having their normal two harvests of hay, are only going to have one harvest a day this year. So the damage is done already, basically. The damage is done. All right. Thank you. Thank you for everything you're doing. I appreciate it. Thank you, Mr. Chairman. Thank you.

[00:22:51] Other questions? Seeing none, thank you both for being here tonight. All right. Our second item is Chapters 872 and 873 of the Codified Ordinance of Loudoun County, Reviewing of Qualified Income Limits for Real Estate and Personal Property, Tax Relief for the Elderly and Disabled.

[00:23:13] Commissioner Wirtz, welcome. Good evening, Mr. Chairman. Members of the board, I don't care too much for money. Money can't buy me love. Oh, boy. It's going to be a Beatles night. Well, I love the Beatles. It's okay. Well, buddy started us off right, so what can I tell you?

[00:23:31] I've got Rob Drake here with me tonight. He's the deputy responsible for the tax relief program that we're talking about in this item. The board made an amendment to the ordinance back in 2021 asking us to bring information to them regarding changes in income, assessed values, and the CPI over time in order to look at potentially adjusting the income and limits for qualifying for the tax relief program for the elderly and disabled.

[00:24:03] One of the issues that's contained in the item is relative to tax relief for personal property as well. We provided some information in there. Because it has not been changed in some time.

[00:24:24] The CPI over the period that we're having a discussion about from 2021 to 2024 changed by 13.4%. Assessments over that time countywide for real property went up 32% overall.

[00:24:43] For the properties that are currently participating in the program, they went up 26%. So the values of those properties don't represent the population of properties in the county overall. The cost of the program for FY25 for real property tax relief is \$9.9 million.

[00:25:05] And in tax year 2023, which is the last full year of relief for vehicles, it was about \$205,000. If you were to adjust the real property qualifying income limits by the CPI for the range that's included on page two, the bottom of the range would go up to \$55,000 from \$49,000, and the top of the range would go up to \$87,318, about \$10,000 if you were to make a change to that.

[00:25:43] One of the things that I always try to discuss with the board when they're contemplating changes to the program is, unfortunately, there's no way to predict what the physical impact of those changes might be. We'll know after the first year who has made qualifications, met the qualifications.

[00:26:04] Obviously, there's no place that we can look to where all of the various qualifications intersect to come up with that number. I'm trying to think. Is there anything else I feel needs to be added to it? If you were interested in making a change, we would bring to you an ordinance amendment with those income limits noted in the ordinance.

[00:26:31] And Rob and I are happy to answer any questions you might have. Thank you, Commissioner. So the last change was implemented in 2021. Correct. And so when I'm looking to try to figure out what that costs, I would be looking at the difference between 2020 and 2021?

[00:26:54] It would tell you what that was for the first year. But that went down. Well, you have to understand that this program affects real property differently because it could be a variation in the population that's qualifying for that particular year and the variation in the real property that's owned.

[00:27:15] so the assessed value of those properties as well. The value is going to change year over year as well. We could have some people that didn't meet the qualifications for that particular year that were kicked out because they didn't fit into one of those ranges.

[00:27:32] I was just trying to figure out if there was any way to at least look at past history when we were trying to figure out if we make a change. Now, 13.4 is probably a bigger CPI jump than we were adjusting for last time, I would assume. Probably a lot bigger. Yes. So that would capture a greater number of people out there, probably.

[00:27:53] It could. Like I said, there's no way to predict. We don't have net worth information publicly available. And then would you still characterize this program as among the more generous in the Commonwealth? It is.

[00:28:09] It is. Can you elaborate any more? Rob, you've got some information on what those qualifying limits for other localities might be. We didn't include a chart in here because it's a huge chart that talks about the limits for a variety of localities that we look at every year.

[00:28:28] So to get back to your previous comment, the last CPI adjustment was about 6.5% of what we did in 2021. If we look at some of the other localities, you know, for example, if we take into consideration Falkir County, they're for 100% full exemption.

[00:28:48] Maximum income is \$72,000. Maximum net worth is \$440,000. Prince William County, maximum income for the 100% full exemption is a little over \$76,000. Maximum net worth is \$340,000.

[00:29:06] And then from there, there's other localities that go down quite a bit. Arlington County, for example, would be \$58,000 net or max income net worth \$486,000. And we're at \$77,000 and \$440,000 in the sense now.

[00:29:23] So, yeah, it might be helpful just to provide the board, at least, you know, we kind of use our comparators in Northern Virginia for a lot of things. So it might be helpful just to have that. And do you know if any of them adjust for CPI? I do not believe that they do, but we can research that.

[00:29:41] Okay. Supervisor Briscoe. Thank you. There were some holes in this item for me that maybe we can fill. So we're not talking about the personal property tax, even though we haven't looked at that since 1998.

[00:29:59] That's included in this. Right now we're talking about the real property tax relief. Okay. So how do we factor in the fact that the real property tax rate has been dropped by 17 cents since 2020? So some numbers that we were talking about last year indicated that the values of homes have gone up about 61%, and I can't remember what the start date was on that, but they've gone up 61%, but the tax bill that goes home to people has only gone up something

[00:30:38] like 23%. So with that, I guess, have we factored in, number one, the fact that we've dropped the tax rate? And yeah, I guess that's my biggest question. It shows in the foregone revenue. It's reflected in that based on the qualifying properties, because the foregone revenue is a reflection of the assessed value of the property and the tax rate? I don't know if that answers your question. Well, it doesn't really, because I'm talking about from the owner's perspective,

[00:31:17] have, I mean, I know we say the CPI, that's the Consumer Price Index, right? That's a national index, correct? It's a state. This is a Washington, D.C. Okay, so the Washington, D.C. CPI has gone up. So the assumption is that there's an increased burden on taxpayers.

[00:31:34] But in Loudoun County, we've dropped our tax rate 17 cents. So is that factored into our calculations? In other words, we're assuming, I feel like we're assuming that just because the regional CPI has gone up, that there was nothing that mitigated that from our end.

[00:31:57] Does that make sense? I can understand what you're saying. Yeah. We can provide an information item to the board if that's where the board decides they wish to go, information relative to the tax burden versus the assessed values, which is what the ordinance asked us to do.

[00:32:18] But yeah, I'm happy to do that. Okay, okay. I just don't feel like I've got the full picture. And then at the existing income brackets, how many people have received assistance in each of the income brackets like how many people are we talking about here I know it's a nine million dollar loss that we're that that's the real loss from last year so we you said we can't project what the loss would be in the coming year but how many people are using this program

[00:32:52] for real property it's around 2 000 it's been fairly static for a number about 2 000 people okay parcels okay and the assumption is that they are on a fixed income is that our assumption we're not making that assumption we are looking at household income on an annual basis okay so they could it could be a fixed income could be a variable income which is why we ask them for information each year plus your net worth can change at the end of the year based on value of stocks that you may own or the value of additional real estate or your car

[00:33:30] okay as an example okay so somebody has to apply for this every year correct and has to be evaluated every year whether they're going to get relief yes and then i just uh sorry chair i just have one more question i don't i don't mean to hog all the time but um in each of these brackets is it the same percentage of tax release you relief you get in each of those brackets or is it sort of graduated for lack of a better word so if you're at 49 000 in that bracket are you getting say a 60% tax release whereas if relief whereas if in you're in 77,000 you're getting

[00:34:08] 40% like does it does it move in that way when the board made changes in 2021 they also added brackets to the program for various relief based on income ranges okay okay so it does change based okay okay all right all right I think that's all I have thank you supervisor um step

[00:34:30] Thank you, Mr. Chair. Mr. Wirtz, first, thank you for being here. When would you need the board to take action to direct your office to change the levels?

[00:34:51] We would have to adopt an ordinance by the end of the calendar year. so by the end of december all right because you've got your first time real property tax relief applications are due december 31st yes all right i appreciate that thank you very much you're welcome all right supervisor turner is joining us i know i was interested in this oh sorry sorry mr saints came in with the light light late sorry um do you have the numbers and if you don't now but you can give it to us later on how many folks are in this program at say

[00:35:29] that's 80,000 70,000 in that range account by the income ranges yeah yeah at this time yeah I don't have that information we haven't broken it out by the brackets but it's definitely something that we can go back and get yeah you can break it but the brackets that we greatly appreciate just we can see the the not it's not person sorry it's my property or household it's household income household income okay yeah and you said earlier to this

[00:36:07] briseman's question you said around about 2 000 was that household persons or parcels parcels so they're property yes okay so not actual individuals correct okay yeah if they can do the breakdown by the net worth brackets they'll they'll be greatly appreciated so thank you you're welcome okay now supervisor turner i thank mr chairman um this one um i really had to think through this So follow me through, please, if you would, Mr. Wilson, and tell me if I'm off track here.

[00:36:45] We established a net worth threshold for eligibility in the program for the elderly and disabled to be exempt from real property tax and personal property tax. So we use the threshold that we established whenever we established the program as an on-off switch.

[00:37:03] If you are above this on-off switch, then you're not eligible for the program. If you're below it, you are eligible for the program. There is a tendency, at least there was for me, to think through, all right, if we tie it to CPI, then we are adjusting the amount of savings, the amount of loss to the individual, the amount of loss to the county.

[00:37:22] But really, we're just using the CPI to move that threshold. And if we think about if we are zeroing out CPI, if we use CPI, then by definition, that threshold is constant over the range of however many years if we automatically adjust it for CPI.

[00:37:43] We're not actually – yes, we're based on the economic – You're saying you're not expanding the population. That's right. Yeah, that's right. So the key thing was when you said it's roughly 2,000 people and

it's been holding very static. That at least circumstantially suggests that, in fact, that that CPI adjustment is holding that threshold fairly steady.

[00:38:02] Now, the amount of savings for the individuals is probably going to vary tremendously based on property values. The amount of loss to the county is going to vary tremendously because of loss of values. But the threshold on-off switch, whether or not you can participate in that in program, is going to hold constant.

[00:38:18] if we zero it out based on CPI year in and year out. Okay, so then my question is this. Is there a state code that prevents us from allowing this threshold to adjust by CPI automatically every year?

[00:38:34] You could do that in your local ordinance. So we can change the local ordinance to say eligibility for this program will change annually based on CPI. Yes. That's the only change we're going to make. So if that's correct, then we should hold relatively constant of the number of people are participating in this program.

[00:38:51] We might lose more money. We might make more money or less money. But the number of eligible applicants should hold roughly steady if we do that automatically. Well, as the demographic changes, our population gets older and the county grows, I would anticipate those numbers might change.

[00:39:08] You could eliminate the income and net worth criteria entirely and say if you're 65 or disabled, you can get a \$500 tax discount, or you can be 100% exempt. You have the authority to do that.

[00:39:26] Do you know what the basis was that we linked the participation threshold to CPI in the first place was? I think the board was concerned that it hadn't been reviewed in some time and hadn't been adjusted. Okay. That's why. Okay. Thank you very much.

[00:39:42] You're welcome. I have one other question, which is, so I think the only, the concern I have with using CPI is that that is not reality for what income increases would be across the county.

[00:39:58] So I don't anticipate that you would have this. Mr. Reiser, who was just here, might have. What, I know we've had this number before. What was the average income increase for a Loudon resident over the last four years? I know, I'm not asking you to answer me on the spot. Right. I know the county has this number.

[00:40:13] Wait, look it up on my, I can Google. No, I'm just kidding. But when you come back, I think we do want you to probably come back to work on this. Yes, sure. Let's get that number because I don't support the automatic anyway because I feel like we need flexibility in case we have a really bad year.

[00:40:29] But the other sort of, I don't want to call it a flaw, but the other nit I have with that assumption is that CPI is the standard by which we should be judging when in reality, if everyone else's income didn't go up by 13.4% over the last four years, then why should we raise this income threshold by 13.4%?

[00:40:48] We should peg it to what the actual, you know, because as I always point out with this program, everyone else who's not eligible is subsidizing this. So this \$10 million is not free. It's \$10 million that other people are paying through their taxes to this. So I'm always sensitive about being fair in terms of how we kind of parse that out.

[00:41:09] So with that being said, there's no motion here, but, or is there? No, there's not. But I think there is interest in having a discussion about adjusting this rate upward to account for some of the inflation at least.

[00:41:25] I don't know for me exactly what that number is yet. And again, I know Supervisor Turner kind of floated the automatic thing, and we can have that discussion. That's probably not where I am. But I think is there a consensus at least to have you come back and produce an item that gives us kind of some of those options.

[00:41:43] Absolutely. Would you like to come back to finance? Yeah, that was going to be my question, too. I think so, yeah. Mr. Chairman, for me, these moments are hard because I'm always aware that we have four colleagues who are not on finance who might, I mean, Mr. Turner is here not on finance.

[00:42:02] And this is an issue that I don't know that everyone wouldn't want to speak to. I actually, Mr. Chairman, would rather see it on an extra agenda than just finance because I just, otherwise, when we, because out of finance it would be forwarded to a meeting and then we have to kind of explain it all over again anyway because all we would do is- Yeah, I don't have a staff of any preference or- Do you have an issue with that?

[00:42:29] No, you can forward it with no recommendation to the full board and it can be discussed again. Yeah, that would be my- All right, so I'll move that the commissioner of revenue return to the full board of supervisors with options to increase the income and revenue thresholds for the elderly tax relief program.

[00:42:58] And then I think, well, let me stop. That could be the motion. Can we look at the first meeting in October? Is that too late? No, not at all. Okay. I was going to ask, that's too fast for all the stuff we just asked.

[00:43:15] Go ahead, Aaron. Oh, he's got a ton of people that can help him out, right, Rob? Okay. So, Mr. Chair, this will come forward to the full board as an action item then? I think it could be an, well, I mean, I don't know that it matters, Because I think the board can still make a motion if it wants to.

[00:43:38] Of an information item, yep, yep, I agree. I think the issue is, if you call it an action item, then Mr. Wirtz will be presenting information to the board. What the board does with that information then could be action. So the challenge we have with that is motions and the drafting of motions.

[00:43:58] And so if it comes as an information item, our preference would be for the board to give us guidance. and then we come back with an action item that has motions in it. So let's have this go as an information item first. The motions on the fly never works. Yeah, yeah, yeah, okay.

[00:44:13] So then this could be an information item to the full board and then could be placed on a subsequent board agenda with motions for action if that's the preference. Mr. Chairman, that's fine. Mr. Wirtz, do you have any time frame you need to work within for this item? No, we should be able to make it to the first meeting.

[00:44:30] Okay, and then after that, if it goes to an action item, You should be able to meet it by the end of December. Okay, all right, thank you. Mr. Chairman, one thing I wanted to mention too is we didn't have a lot of discussion about the personal property tax relief on vehicles. Those limits have been substantially lower for some time.

[00:44:49] It's possible that the board could choose to use the same limits for both programs. That would definitely ease administration. It would cost more money. Right now, it's about \$205,000 in foregone revenue last calendar year with an alternative tax rate that you set at 210, I believe, from 450.

[00:45:15] I guess my comment on that would be we're working on a proposal for personal property tax rate as it is. I believe that that could supersede the need for this program completely, and we could potentially just abolish it if we're going in the direction that I think we might be going.

[00:45:34] and I can explain more when we get there, but, you know, I don't know. We may be able to hit vehicles that are below a certain threshold for relief, and I would argue if you have a vehicle, if you have a \$60,000 vehicle, then you don't need this program in the first place.

[00:45:55] So, but if we are able to provide significant relief for those with less valuable vehicles, I think we probably don't even need this program. So I wouldn't change it at the moment. I would wait and see. I don't know, Aaron or Tim, when is that coming to us?

[00:46:14] So the discussion on personal property tax, I believe, will be the October finance committee meeting. So next finance meeting. And I think, I don't know, we can talk offline where we are on that whole discussion we were having. But if we went in that direction, I don't even think you need it.

[00:46:30] Okay, I just wanted to bring it up if the board wants to have a discussion about what those limits are, that it might make sense to make them the same. sure it sure would ease administration got it and this is a program the population that we're communicating this program to is elderly and or disabled so it's difficult to communicate well it's personal property not real and those types of things so just a thought thank you thank you

[00:47:01] anything else all right thank you moving on um item 16 non-profit organizations request for property tax exemption by designation. Annually my favorite item. I knew you were going to say that Mr. Chairman. I'll give you a rundown of the situation here. We had eight applicants this year by the April one deadline. Two, I was able to grant an exemption by classification automatically.

[00:47:42] Six applications are being forwarded to the committee for finance, the finance committee for consideration i'm sorry attachment one uh shows a summary uh it's an overview summary of the applications the organizations and what the hypothetical foregone revenue would have been if they had been granted an exemption in 23 and 24 total overall would be about 90 000 for this

[00:48:18] calendar year had these organizations that made application been granted their exemptions this year on the personal and real property that they were interested in getting an exemption on. These six organizations are B-Foundation, Inc., Cornerstones, Inc., Northern Virginia Family Service, Society for Imaging Informatics in Medicine, Willisford Conservancy, and Women giving back. A couple of those are repeat organizations that you may have seen in the past

[00:48:56] that were not granted the exemption when they made application before. However, they are coming back again. And a couple of them also received grant funding, which is for nonprofits, which is noted on that attachment one the b-dash foundation northern virginia family service and women women giving back all received some form of non-profit grant funding one thing i'll bring to your attention as the discussion has had every year about how much this program costs and

[00:49:35] i was looking at the two organizations that comprise the majority of the exempt property in the county, 88% of all the revenue foregone is for two organizations that we have here in the county. One is HHMI, and the other is Falcon's Landing under Air Force Retired Officers Community. The other 47 organizations comprise a little bit more than \$570,000,

[00:50:09] while the other two organizations comprise \$4.5 million. And I'm not sure if you've ever looked at that before. I know a lot of discussion is had about the process and what it's costing the county and should we have a procedure.

[00:50:29] But if you look at the attachment number four and you really look at some of those numbers, I think you'll get an appreciation for the help that it does provide some of these organizations. Thank you. Are you implying that the help is actually relatively minimal?

[00:50:46] I believe that the board can make that determination on its own. Yeah. So you said \$570,000 over how many organizations? 47. So that's an average of about \$12,000 per.

[00:51:05] Yeah, which is, we go through a lot of effort on this. We do. For a very small pay. That's correct. So annually, I talk about how we shouldn't do this and how we should just move it into the nonprofit grant program completely, except for maybe the existing organizations.

[00:51:25] So that's still where I am, but others usually want to do it. I know we've had some of these discussions in the past about a few of these organizations, Willowsford being one. Probably would still argue that the grounds are not open to the public at all times, so that to me is a tough one.

[00:51:45] And then sometimes we have discussions about how much these organizations sort of contribute specifically to Loudoun versus or just general trade associations or other associations that just happen to be here. And so, you know, aside from my macro belief, I do think that we should be very careful on which ones we grant exemptions to and make sure that there's a community, a true community benefit to these organizations.

[00:52:13] Chair Randall. Thank you, Mr. Chairman, and you are very consistent with your -- and honestly, I don't know if I have an issue with some of these moving toward the grant program for various reasons. I would agree with you on Willisford. I think if it's not open to the public, I'm not sure I would believe that it's an exemption.

[00:52:35] And to your other point, Cornerstone is actually headquartered in Reston, and so numbers of how many people are being served in Loudoun County would be very helpful for me. It's hard for me because I know these nonprofits so well. And I mean, I know almost -- I've walked into almost every one of these nonprofits.

[00:52:54] And so I know the good work they do, you know, but I still want to be careful. And so I do have some questions about Willisburg and Cornerstone.

[00:53:11] Mr. Chairman, if I may ask Mr. Sains a question, if that would be okay to the chair. Mr. Sains and Ms. Bricksman, you might know this too. The Bidesz Foundation, they were at the one location, and that did not work. It was my understanding that then they moved their location to Fairfax County also, but in their paperwork it says they're in Sterling.

[00:53:34] Did they just return their Sterling? Do we know about the Bidesz Foundation? Did they just return their Sterling? This is, well, this is my first time hearing about them, so I'm... I don't know. Don't know. Okay. Well, Ms. Bricksman, I thought you all, because we did a whole ribbon cutting for this organization.

[00:53:56] And they were actually located over, you know, remember we did the ribbon cutting and they were by Bean Tree at that property over there? And then that didn't work out and they moved and it was

my intent that they moved to Fairfax. And so, again, I just want to make sure I know who's being served with these organizations.

[00:54:15] So, I don't know. I don't know about Cornerstone. Mr. Wirtz, do you have any information on numbers for Cornerstone, breakdown numbers or how many people are being served in Loudoun County? Chair Randall, the application indicates that Loudoun residents comprise 40% of those served and Fairfax County residents comprise 60%.

[00:54:43] Yeah, that for me would be, that for me would, okay. That for me means I can give my friend Jeff McKay a call, to be quite honest. Thank you. Yes, Mr. Sainz.

[00:55:00] Thank you. Chair, are you looking for a motion today or just? What's our time frame here? It's by the end of the calendar year as well. So we don't need to do a motion today. Okay. You could ask questions and have them come back, which is usually what we end up doing.

[00:55:16] Yeah. Maybe I'll get, like, motivated in the next month to write up some alternative to this, too. No, we don't need alternatives. Not up here awkwardly discussing organizations and stuff. No. Yeah, to Madam Chair's question, I'm not super familiar with BDASH.

[00:55:32] I just double-checked the address and location. I'm familiar with there's one organization that is in this building that I've visited a few times, But I'm not 100% sure if it's the same organization or not, so I need to do some more digging into B-DASH. I'll be honest with you, I'm not prepared to do anything for Cornerstone.

[00:55:52] I'm definitely interested in possibly something for Northern Virginia Family Services and women giving back. I would need more information and do some more homework on the Society of Imaging, Informatics and Medicine.

[00:56:08] Willisford, if somebody can correct me if I'm wrong, I believe that's just completely what they're doing, from my understanding, is only for those within the HOA of Willisford. So if that is correct, then I'm definitely not moving forward, would not be recommending for Willisford to move forward at this time.

[00:56:27] So, you know, if we can bring this back, great. If not, then I'm prepared to at least make one motion for women's giving back, definitely for tonight. So, thank you. Mr. Chairman of May, the B-Foundation, Northern Virginia Family Service, and Women Giving Back all received county funding through the non-profit grant funding program.

[00:56:50] So you all have already considered the criteria for those organizations. I just wanna bring that to your attention. - Mr. Chairman, but that's when they were here and then they moved, that's why I'm having concerns. That's why, that's my-- - We can do some additional research. - Oh, I can too, so yeah, yeah, yeah.

[00:57:05] - Yeah, I'm happy to do that, yeah. Okay. So Rosa Brisbane. Thank you. So I am uncomfortable with B-Dash. I am also uncomfortable with Cornerstones. Cornerstones is actually in Reston, right? So how could we give them a tax abatement if they don't have property here? They must have something. Cornerstones has personal property here in the county. They do have a location in Loudoun.

[00:57:43] - Okay, do you know where? - It's 22560 Glenn Drive in Sterling. - Okay, let me back up a second. Which are the ones that we denied last year? I think the informatics we denied last year.

[00:58:00] - That's correct. - Any others? - Willisford has been denied in the past. Actually, it's not denied, they weren't forwarded. - They weren't forwarded. - Technically. - Right, okay, okay. There are a couple other conservancies on here however on the list in attachment four and actually this list is is there are some concerns for me on a number of these um but you know i can see why they might come back because we have old dominion land conservancy we have archaeology conservancy um so you know if we've done it before

[00:58:40] i can understand why they would want us to do it again but i also have a real issue with tax abatements or anything like that public funds for these sorts of organizations if there's not public access. Right. And so that would be my concern.

[00:58:56] Do we have the authority to require public access if we give a tax abatement? I do not believe that you could do that, but I believe that's probably a conversation with the county attorney's office. Yeah, okay. You could rescind a tax exemption for an organization that's been granted it in the past by amending our local ordinance.

[00:59:17] Okay. That's kind of what I was getting at, actually. But I'm happy for this to come back. I'm not ready to make a decision tonight. Thank you. Okay. Supervisor Umstead. Thank you, Mr. Chair. So Cornerstone's Schedule O of their Form 990 is extensive.

[00:59:36] They get into a lot of description, but it does not appear to be jurisdiction-specific. So they will say that they have said that they are successful in preventing evictions.

[00:59:53] But I can't find any information about how many evictions, if any, in Loudoun County they were successful in preventing. Do you all, are you likely even to get that information from what they submit?

[01:00:11] We can make an inquiry and include that in the item that goes to the board. Okay, that would be helpful. I know they do have a connection to an affordable housing development in Leesburg. I just don't. So their name has never come up in conversations I have had, for example, with the new Virginia majority, which also tries to lobby the board to help prevent evictions.

[01:00:48] And so if Cornerstone is an effective entity in preventing evictions, I personally would like to connect them with other entities that also attempt to do the same thing and see if they could coordinate and not be duplicative.

[01:01:09] But I just don't have a sense of whether they've had any success in Loudoun County in preventing evictions. So if you could do me the big favor of inquiring, that would be great. I'd be happy to.

[01:01:25] Thank you. Okay. So the conversation shall continue. Come back to the October meeting, and we can forward our recommendations at that juncture. You would like me to come back to finance? Yes.

[01:01:40] Okay. Yes, definitely. Looking forward to it. Oh, me too. Yes, I'll get another Beatles lyrics, some more Beatles lyrics for you. i'll think of something catchy we can mix it up too yes okay um thank you i assume that the dinner is not here yet arriving right now amanda's setting it up so do you all want to break for dinner now or do you want to do the next item and then break for dinner well that's i mean either way we're going to break for dinner it doesn't really matter because it's going to take the same

[01:02:16] amount of time all right you want to do let's do one more all these the next items are all going take a long time that's all so we can do i'm just warning so we can do the next item then and then we'll

break for dinner is that is that good that's all right we'll do the next item no it's not yeah karan over here already ate so no wonder he doesn't care that's awesome

[01:02:57] okay so this is the arpa update the i think much anticipated child care needs assessment update and recommendations. Good evening, Chair Letourneau and community members.

[01:03:15] How are you doing? So, yes, we are here to respond to a board, a direction to conduct a child care needs assessment to go on our community input to allocate \$1 million.

[01:03:33] Joining me is Dr. Megan Cox from the Director, Department of Finance and Procurement. And then virtually we have Ms. Angel Walters from Public Consulting Group who will provide a presentation on the study.

[01:03:51] Before we go into that presentation, I just want to make one item of clarification in the board item on page eight. The amount for the child reduction fee grant program is shown

[01:04:15] at 714,500. That amount should be 713,500. Just want to make that item. First, we are sharing our screen. We do have a presentation. I'm not sure why it is not showing up. There it goes.

[01:04:50] So with your permission, we will start the presentation. Okay. So we do have with us Angel Walters, the coordinator with the public consulting group, who is leading the effort for the child care needs assessment as well as child care incentives program that we are working on for the ARPA funding.

[01:05:26] So just a little bit of background, we did have to reissue the RFP. We tried to issue the RFP for child care needs assessment back in 2023, excuse me, 2022. not receive any bidders so we reissued in 2023 and were found a very qualified public consulting group and so their scope is really to identify the most significant challenges for families that families are facing in regard to access and paying for child care services.

[01:06:00] We also wanted to make sure that we had the most significant challenges for child care providers as well, so that it has both sides of the spectrum when looking at affordable and high-quality care. Also in the scope of work for the public consulting group was identifying gaps in local coordination and services among early care and education providers, and then some recommendations, which we will be discussing later on, and then we will also have staff recommendations.

[01:06:29] that i will turn it over to angel and just let me know how to proceed angel with the slides maybe having a technical problem well i think someone's supposed to be talking there we go hi are you are you able to hear me yes oh perfect okay thank you good evening and thank you um for having us today

[01:07:06] to share the results of the child care needs assessment um megan already went over the scope of work and what the intention um was and the objectives for us and so i'm unable to see the screen um but where i'm starting here is on the national child care landscape i just want to make sure that we're seeing the same um presentation piece so i think i think it's are we supposed to be seeing though the screen instead of your face i believe so that's correct hello everyone even

[01:07:43] know we like seeing your face very much I think we're supposed to be seeing this okay so can you can we still hear you while we're looking at the screen though are you able to hear me we can hear you but we're back to seeing you so give us a second I think there has to be adjustment made on the computer that's driving here so that you can talk and we can see the screen at the same time are you able to hear me yes okay it may be the video stream so I will turn off the video

[01:08:23] until we get to the question question portion um so we're starting here with the national child care landscape and so as part of this assessment pcg conducted a national landscape analysis and what we found is that families on average nationally nationally are spending approximately eight to nineteen percent of their household income on child care and so the ideal amount in terms of a benchmark for affordability is 7%. So we see that even at the lowest end of

[01:09:02] that, families are paying a greater amount than that 7%. So since the 90s until present, child care costs have increased about 263%, which is twice the rate of inflation. And low-income families actually pay a disproportionate amount for their child care, with it representing 35% of their annual income.

[01:09:32] With respect to accessibility, over half of Americans live in child care deserts, and child care deserts, there are a couple of definitions, but the common consensus is that it's a census tract with more than 50 children under the age of five that contains either no child care providers or few options, and that there are more than three times as many children

[01:10:03] that license child care slots in the area. Regarding quality, about 10% of programs in the U.S. are considered high quality, and there are varying metrics for determining what quality is. That may be a quality rating and improvement system implemented by the state, similar to VQB5.

[01:10:28] It may be national accreditation through NAEYC or some other proxy for quality. We also found that parents are less focused on quality and more concerned about affordability and convenience.

[01:10:59] We then looked at the Virginia landscape, and this slide describes the cost related to infant care, and on average, it costs nearly \$15,000 per year for families to have child care for their infants, representing 13% of median income for a couple and 47% for a single parent.

[01:11:21] And although almost 157,000 infants and toddlers were eligible for publicly funded care, as of last year, more than 90% of them lacked access.

[01:11:37] So as I mentioned, and I'm sure most of you know about the Virginia Quality Birth to Five system, so VQP5, which measures quality for publicly funded programs who are serving children birth to five.

[01:12:02] When the RFP was issued, only 71 providers in the county who accept subsidy, or of the 71 providers who accept subsidy, only 23 were enrolled in the B2-B5 practice year.

[01:12:20] That number has since increased. Next slide.

[01:12:38] So, another component of the needs assessment was a provider survey, and the provider survey was sent to 384 providers, and there were 100 respondents, and the presentation will just give a high level of some of the categories contained within the survey.

[01:12:54] So looking at enrollment and capacity, providers reported that 99% of families that they serve live within the county. They did share that their marketing efforts have not led to full enrollment, and that was, you know, well over half.

[01:13:14] Marketing efforts may look like social media marketing, posting in local newspapers, and other avenues to get the word out about the availability of child care.

[01:13:32] The median number of children served for infants is four, the toddler age group is 10, and pre-K is 30. So we ask providers about staffing and their staffing patterns.

[01:13:52] What we have seen nationally is that there is a lot of turnover in programs and staffing shortages. And the survey data is consistent with that. So 71% of providers share that they're experiencing staff recruitment and retention challenges.

[01:14:14] About 70% experienced turnover within the last year, and 60% said compensation is the primary challenge that they face when recruiting. Another, oh, go ahead.

[01:14:34] Yeah, we can advance. So then another piece that we looked at was funding and the true cost of care. And the true cost of care varies slightly from just like a market rate analysis. It looks at the cost of implementing quality programming and the full cost of doing so.

[01:14:56] So, providers were asked if the payments that they received from public funds cover true cost, and nearly half said that it doesn't. We also asked providers about quality implementation.

[01:15:16] 36% were aware of B2B5. About a quarter were aware of recognized B5, which is the financial incentive to support staff retention. 19 of the providers did participate in the pilot, and of those participants, they said that the most helpful resource was actually incentive, so financial incentive or program incentives, followed by coaching.

[01:15:50] The primary challenge is impacting a provider's ability to provide high-quality care for the top three, as I talked about previously, the staffing shortages.

[01:16:09] They also noted low qualifications of job applicants, and then just the overall cost of providing high-quality services. We also conducted provider focus groups, and one of the limitations of this study is the number of participants in focus groups, both for providers and for families.

[01:16:39] And so what we did for the provider focus groups is we sent out questionnaires, and we were able to get responses and feedback there. So they shared that affordability is the most important factor to families.

[01:16:56] That is consistent with what we saw with the national landscape analysis. They also shared that child care subsidy financial eligibility requirements often result in the exclusion of middle-income families because of the thresholds for eligibility or income requirements.

[01:17:19] And then they also let us know that they want to achieve high quality, but that they lack the financial support to do so. So then moving on to the family survey, the family survey we received, I believe, I just want to make sure I have this right number here, 553 families responded to the survey.

[01:17:46] And so the survey was sent, and we asked families with children ages birth to five to respond. And we segmented the data here by Eastern and Western Loudoun. And just looking at the marital status, there are more married couples in Western Loudoun.

[01:18:09] There are more families working full-time in Western Loudoun County as well. In terms of the makeup, for the total number of respondents, 67% have children zero to two.

[01:18:32] So that would be in that infant range that we talked about and then the lack of services there. 60% have children three to five years old. And then broken down, 61% in Eastern Loudoun have children enrolled in child care.

[01:18:52] and then 65% in western Loudoun County to have children enrolled in child care. So for affordability, 45% of respondents in eastern Loudoun need assistance paying for child care, and as compared to 39% in western Loudoun.

[01:19:19] Across the county, about 71% are not familiar with the child care subsidy, and 92% have not been served by the subsidy at the time of the survey. So regarding accessibility and the hours that families prefer, it trends toward the typical hours, working hours of 7 a.m. to 6 p.m., so 71% prefer that time slot.

[01:19:52] There is a need, though, for drop-in care or part-time care at 16%. With respect to looking for child care and the difficulty associated with it, 61% of respondents in Eastern Loudoun have difficulty and then 80% in Western Loudoun.

[01:20:14] Regarding quality, families do think that quality is important well over half, 61% said that it's important, 32% are unsure if it's important, and that might be around messaging about what quality means and aspects of quality and the benefits of quality, but 32% are unsure.

[01:20:45] And then even though families are, you know, they find that quality is important or it's important to them, just 14% are familiar with the current VQB5 system. So, we also conducted key informant interviews, three key informant interviews, and the main findings from that is that staff recruitment and retention challenges are really impeding high-quality programming, the implementation of it.

[01:21:25] Wage increases to support staff retention may result in ineligibility for government benefits. The QB5 may be too complicated to gain community buy-in, and also the number of families receiving subsidy doubled over the pandemic, and that is largely due to an influx of funding to support that during that period.

[01:21:53] And then most subsidy denials are a result of incomplete applications, suggesting that technical assistance may be beneficial to families. And then lastly, we looked at different states. So we conducted a peer state analysis looking at states that had recent changes to their quality rating and improvement system. One, to see what the model looked like, but then

[01:22:27] also what incentives that they offered to increase adoption of the model. And so we looked at Washington, D.C. capital quality model, and they offer educational materials and equipment vouchers so participants can receive up to three \$250 educational materials and equipment vouchers over the course of their participation.

[01:22:59] In Arkansas, the Better Beginnings program, they offer a one-time incentive grant, which is a cash award upon initial certification, and that grant ranges from \$1,500 to \$7,000.

[01:23:18] We also looked at Iowa, so IQ4K, and in their model, they offer achievement bonuses for attainment of a rating between two and five. Their quality rating system ranges from one to five. So you have to at least be above the minimal threshold. And those bonuses range from \$800 to \$16,000. And that's contingent upon the number of children served and other factors.

[01:23:52] And then lastly, we looked at Michigan, Great Start to Quality, and the incentives that they provide to their participants is really around professional development stipends, specifically for participating in the TEACH program, in higher ed activities.

[01:24:13] But as funding becomes available, they do offer incentives, like one-time incentives. And so based on the child care needs assessment, staff actually have two recommendations for the committee.

[01:24:34] The first is to allocate \$286,500 for child care provider incentives to increase the quality of their programs or use for staff retention. Essentially, this is an offering that can help support, regardless of participation in VQB5, can support providers in increasing the number of materials or the, you know, providing staff with bonuses, et cetera.

[01:25:04] The second recommendation is to allocate the remaining funds, which should be 713, 500, to expand the child care fee reduction grant program in the following ways. First is to open the program up a bit more.

[01:25:20] One of the findings from the study also bearing out in the program, according to the administrators, which is the funds that are available may not be marketed as well as they could.

[01:25:36] So it could be that we are not reaching enough families in their languages and in their space where they need to, you know, be making decisions about their children's childcare.

[01:25:52] We also are going to be recommending that funding for part of this would be to provide a market rate adjustment for providers who accept subsidy. So subsidy with the Child Care Development Fund on an annual basis or biannual basis does not calculate to the actual cost of childcare.

[01:26:15] It is a percentage of the total true cost of childcare. So we would recommend that there is some adjustment for that 50% for families who, or for child care providers who have larger proportions of children who, or families who receive subsidy payments.

[01:26:36] And then the last is for a consultant to support the evaluation of the program, to identify by its outcomes and successes to ensure that the ARPA funds were used appropriately and we have some outcomes to report to the federal government.

[01:26:55] And with that, we'll take questions. - Okay, let's do a round of questions. I guess I'll start. So one thing that was really interesting to me was that there seems to be a disconnect because we had providers reporting that they were having trouble filling slots and then we had families reporting there was a problem with availability of slots so is there any kind of creative thinking we can do about how to better kind of marry these two disparate outcomes together? Yeah I think there are several examples that we can pull from other states as well as looking at marketing more

[01:27:34] globally. We do not just in child care in general there's not a unified effort for a program or group of programs to market in the right areas. So for instance, social media or Google ad buys, things that could actually increase the number of viewers. Often it is one organization or company trying to market their services rather than something that pulls everything together.

[01:28:02] Have we ever thought about having any kind of clearinghouse or, I mean, it's tricky for us, but. Yes, you can find providers on the Loudoun County website. However, very few families reported actually accessing that site.

[01:28:22] Well, they may not know that we even have that. Exactly. So that might be something we can do. Exactly. Yes. All right, one more question because I'm sure others have many. We recently heard from a provider who really had concerns about the level of state subsidy that was provided, particularly for students that have disabilities.

[01:28:40] and I don't know is there anything that we would do to help bridge that gap they were saying like the delta between what it costs and what the state is providing means they're losing money on on those students. Yes that's a typical trend nationally is that the balance for subsidy is you either serve more families and they get less funding or you provide the adequate funding and serve less families so what what staff are recommending is that market rate adjustment so that if a family is receiving subsidy there can still be

[01:29:19] that makeup up to the 50% for the fee reduction so that will take some of the burden off the family I can look up the subsidy rate percentage for you and give that to you but it is below 50% in the area. All right Supervisor Bressman. Thank - Thank you, and thank you very much for the very thorough report.

[01:29:42] I really appreciate it. And yeah, I've been waiting for it anxiously. So Supervisor Letourneau identified exactly the kind of hole that I also identified here. For example, we do have the YMCA childcare facility in my district, and I'm hearing that they don't have enough kids.

[01:30:04] They were maybe gonna go out of business little while ago, but then we also have clear childcare deserts in the county and people not able to access childcare. I think that cost, of course, is the biggest issue, I'm sure.

[01:30:22] One thing, and I know how difficult it is to get families to talk about this issue because I did attend a Commission on Women and Girls session at the Cascades Library a couple years ago and not many people showed up. they didn't show up because they're trying they're on the treadmill right they don't have time to come talk to us about this especially not come to the light we did get some good information from the couple people who showed up but um you know because i i'm very interested in learning you know who who is relying on you know their family members their parents and those sorts of things and it's

[01:30:56] just so difficult to get to that place um but you know this is a start um it's absolutely a start and I can see this growing and we'll learn more. One of my questions is about the previous ARPA funds because I thought we used, I think it was about \$250,000 to train up our providers to meet the state standards.

[01:31:24] But I feel like this report shows that we have providers who are not up to the state standards yet. And part of my question is, do you have to be at that level to receive subsidies from us and or the state? That's a great question.

[01:31:41] So I would defer to Family Services for the comprehensive response to that question. But in terms of the VQB 5 program, the participation and actual receipt of incentives can be given once they enroll in the program.

[01:32:01] The \$250,000 that you're referencing is actually related to publicly funded programs. So now we're looking at public and privately funded programs. Ah, okay. So VQB5 is required for any publicly funded program.

[01:32:17] Oh, okay. Right now it is not for private funded programs. I see. Okay. And the second part of that question was if the private programs are not VQB5, then they cannot get, if they aren't certified, they can't get the state subsidy. Is that correct? That is incorrect. That's incorrect. Okay. So they do not have to, they can enroll in subsidy as long as they plan to or are enrolling in VQB 5. Okay. They do have to

participate in VQB 5 to receive subsidy payments. Wait, isn't that what I said? You have to be enrolled, but you don't have to be

[01:32:57] certified? So there's a certification process that requires three levels for BQB5. Okay, so you have to enroll to the beginning. Okay, okay, okay, okay, I got you. So you can receive the subsidy without having a rating yet. How many families participated in our fee reduction? I think we put about a million dollars into the fee reduction program. Have we used all that money and how many families did we help so at this point we have expended about i would have to go back and check um about

[01:33:28] 15 so about 150 000 which is the need for marketing the program is slow going wow okay that that's that's shocking wow okay yeah so one of the the ideas um i started to think about as i was reading through this is and i think you you guys discussed in here perhaps a staff resource um i'm i'm wondering if we don't need somebody and i don't know where they would sit maybe department of family services that is exclusively you know i want to say child cares are but that's

[01:34:08] not really the right term for it but you know somebody who is basically the person in the county focused on this focused on making sure people have the information they need focused on making sure that we're getting to the communities that need the assistance and focused on making sure that we get to the businesses that need the services, because I think that is perhaps the biggest gap that we're identifying here aside from the, we know, like we knew before we did the study, right, that families are child care cost burdened.

[01:34:40] I'm glad that we now have the data and the more specific county data to show that. So we know that. so now it's kind of like time for the action one thing that I would suggest as we move forward is to take a look at Franklin County Ohio Franklin County Ohio has used something like 41 million in ARPA funds to set up a whole bunch of programs and I think they would they would have great models for us as we move forward and actually the commissioner from Franklin County and I

[01:35:14] co-sponsored putting this in the national platform at NACO this year. Child care is now in our national platform. It's not just a resolution anymore at NACO. And so looking at what they've done specifically in Franklin County, I think would really help us. I have a number of other questions, but I do have an addition to this motion tonight. If my colleagues can see it's on the dais when it comes to motion time, but I'm going to request that we send, that we approve this and that we send it to the budget discussion because I don't want people to fall off a cliff once we start providing all the support I want it to

[01:35:53] be in our base budget chair I'm gonna stop now cuz I know other people have other questions but I might need another round thank you and thank you for the presentation you don't have to do it now but at some point can we get a little bit more information regarding our marketing and our advertising for this program because yeah, it sounds like, obviously it's a good program, but it sounds like we still need to do a better job of outreach to families, to the child care facilities. So I don't know if

[01:36:31] we directly go sent like a mailer to all the child care facilities or have you partnered with LCPS because they know, you know, who needs assistance. They have programs, we have programs and you know the like so i'd like to hear a little bit more because you know just the number you just gave us about how we only use 15 percent of uh what was the million was it a million 15 of a million dollars for yeah that's um so yeah if we can get some more in depth and see how we do some more brainstorming to see how we can do some more marketing and outreach for for this uh for this great great need we can provide um then the only thing i would say also is you know the the way

[01:37:11] it's presented some of the numbers obviously the numbers are the numbers from the results of the the respondents from the survey but even still the number from the survey respondents are very minimum low number but the way it's presented you know again it's kind of the this east west thing again um but the numbers are numbers but again the respondents are very very low so i know the the numbers that are being shown for Eastern, that's not accurate either.

[01:37:40] So I guess it all kind of ties in together. So, but thank you for the work that's been going on so far. I'm sorry, Megan, did you have something to say? - Oh, just that that was a limitation of the study. We did not have GIS, which is why it's only Eastern Western. It's not by election district or further disaggregation.

[01:37:59] - Okay, well, thank you for the work. - Supervisor Umstead. - Thank you, Mr. Chair. So if VQB5 is only for publicly funded programs, does that mean only for publicly operated programs?

[01:38:19] Or if the county had a subsidy program that went to private providers, would VQB5 cover that? So in the county, we receive state dollars for child care subsidy through what's considered a mixed delivery system, which can be used in publicly funded, so for instance, our child care centers in parks, recreation, community services, Head Start, et cetera.

[01:38:52] It can also be used in privately funded child care to subsidize slots for low-income households. So we already have that subsidy in place. would be a supplement to that that expands criteria to higher income levels and provides more of the navigation for those that would be seeking out subsidy and who have not either completed paperwork or been navigated through the system. Thank you. One of the things that

[01:39:28] I think is always challenging in government is sometimes we have to spend so much time and money monitoring so then it doesn't go to who the person who needs it is there any way and or and would you argue against doing this is there any way to handle child care subsidies the same way we have handled rental subsidies so the the rental subsidy goes to the landlord who then applies it to lower rents can it

[01:40:08] can the same system be used for child care or do you think that would be a bad idea i would want to discuss that more with family services given that they are the experts in the current child care subsidy administration for the county um i think there are several implications on either side right now um through the programming the the provider actually does receive the subsidy payment directly um the same with the fee reduction program so if a family has um a child care

[01:40:46] provider that's where the funds go for the fee reduction program is directly to the provider do you think that we are able to operate the child care system along those lines as efficiently as we can operate the the rental assistance program that's a challenging question given processes um i think we would want to do a little more exploration into the process evaluation which is why we're setting aside some of the dollars for evaluation of the program so that we can have data

[01:41:25] to help support um process improvements or you know defining the process further okay fine my final question is um our our first term i think it was matt's second term or third term but our some of us our first term on the board it seemed like we were getting an endless number of applications for in-home daycare providers did they i know that the institutional daycare providers largely went out of business during the pandemic shutdowns is the same true about the in-home

[01:42:04] providers and have has that sector recovered at all we don't have great data on family friend and neighbor care at this point because it is a relationship that is built with you know your cohort that lives and works and you know is related to you for the certified voluntarily certified or registered family child care providers the dfs website lists 93 right now that are voluntarily registered they don't have to be registered but they have volunteered to do so

[01:42:40] so i anticipate that there are even further additional child care providers out there that are in home child care thank you um i think we did make changes process wise too yeah that would result from that but fair point uh chair randall thank you mr chairman i have a lot of questions and i may need a second round too and first of all let me say this is really well done and really heartbreaking um at the same time i'm also going to say something and it's not a criticism i just want to put it out on the table i do not think most or one-third or even i don't

[01:43:20] think any parent sees affordability being more important than quality i think they see it as maybe not any other option and so if I'm a parent and I know that this may not be quality but it's all I have I'm going to go with that so I think we have to be really careful with how we talk and say parents are not concerned about quality because I don't believe that's a true statement to be honest I think that's just a it's just a result of what is available to them to be honest so I just want to be careful how we say that I also the thing I think we're missing talking about even in the recommendations is literally being able to get the child to the

[01:43:59] child care. And so we've talked about the fact that we have child care providers and more child care providers and lower than we're talking about. Then we have spaces available, but people are not taking advantage of them. We haven't talked about how they get there. Again, if I'm a parent, if I have one car, if I'm trying to get my child to child care and then get to my two jobs, I might not be able to make it to the child care.

[01:44:25] And so as we're talking about how to use our funds and finances, there may be some discussion. We may want to have some discussion around transportation options for them to get to the child care that they are seeking.

[01:44:42] My first thought when I saw it broke down east to west is why are we breaking this down east to west? But then your answer to Mr. Sane's questions kind of helped me because the other discussion we might want to have is if we find that this place, you know, this neighborhood, we have the child care need and we're trying to do something, maybe the goal is to partner with other organizations to put a child care, put the child care near the people, like literally meeting them where they are at.

[01:45:12] And so that may be a reason to, that's the only reason I can actually see to break it down to the electoral district or even for that matter neighborhood. I don't quite know what you all mean when you say quality child care, what that entails. And so if you can help me understand that, because quality for one person and quality for another person is very, very, very different. I'm not at all surprised that the compensation is probably the issue because people who want to take care of children, that's amazing human beings, but they still have to get paid enough.

[01:45:49] And so I love that one of the recommendations is money for compensation, although I don't think any of that matters until we get the transportation options. And finally, I will say at this very moment, the childlike cat ladies are looking pretty good to me, I think, right now.

[01:46:07] They may be thinking they had something that they might have been a little correct about. I think that's all, but if you can answer the what constitutes high-quality child care, I'd appreciate that. Sure. So there are several definitions varying by state.

[01:46:26] For high-quality child care, essentially, it is an evidence-based curriculum and assessment that supports children's holistic, multi-domain development that supports their need for play and also supports their need for engagement, enrichment, interactions, socializing, language modeling.

[01:46:51] And so many of the quality rating improvements. Fine motor skills, large motor skills, all those types of things. Yes, multi-domain learning. And most, if not all, of the quality rating improvement systems in the nation are built on that same premise.

[01:47:06] Sure, sure, sure. Do you have any thoughts about what to do about transportation and getting kids to the, because the deserts, I mean, I hear the desert issues, but if we have spaces, how do we get them? Do you have any thoughts about what you do with that? I have some initial thoughts that I would like to flesh out a little further.

[01:47:27] Because I think anecdotally that is going to continue to be the issue. It's been the issue nationally with Head Start, especially with wraparound services from private child care. So there are several needs for transportation, but with those needs come a lot of risks.

[01:47:46] So we have to really investigate that carefully. Yeah, yeah. I would wonder if there's a correlation between where you find child care deserts and where you find food deserts, kind of some of the same places. This is heartbreaking and well done.

[01:48:03] really appreciate it so thank you very much okay do you think we can get to a motion okay I think so okay I mean if you need more time after the motion to obviously question but let me go ahead and make the packet motion that I know you have an amendment or a additional motion sure if you want to go ahead yeah yeah well I wanted to have that I wanted to have the the base motion on the table and then i was just going to ask a question on your motion so i didn't want to do them at the

[01:48:39] same time that's all that's an i further move okay then go ahead that's fine sorry i move that the finance government operations and economic development committee recommend that the board of supervisors approve one million in america rescue plan act funds to expand the child care fee reduction program for loudon county families with children birth to pre-k and to provide incentives to child care providers for quality and staff retention uses as described in the action

[01:49:16] in this action item i further move that the finance government operations and economic development committee recommend the board of supervisors to the board of supervisors that staff prepare a resource request for board consideration as part of the fy 2026 budget process that would continue funding for the child care fee reduction program once the arpa funds are fully spent okay motion is made and um seconded by supervisor saints thank you um i did have two quick questions um i figured i could do them in the motion will these families that are accessing

[01:49:50] or do they but and this might be only because it's arpa funds but do they have to be u.s citizens to access the arpa money and secondly we have this waiver question on the next item will families need to do waivers when they are accessing the fee reduction funds, which is problematic based on the next item.

[01:50:15] - So, to answer your first question, the, oh my gosh, I'm sorry, it just, I went blank. - The citizenship question, we had that with the rent issue, okay, 'cause we had that with the rent assistance, yes. And the second is because the funds are actually going to the provider, they are not touching the family they're not considered income it's not okay okay well again um i i want to thank staff so much for this um study it's it's um it's been a um really interesting journey and you know it's

[01:50:52] it's more dire than i initially thought because i was initially bringing national numbers um and that we have child care deserts and we're 3 700 seats short in loudon county um and it's a little bit more dire than I thought. So like I said earlier, I'm really glad that we have the data and I'm glad that we're going to be following, you know, the progress of these folks once they get into this program, sort of, you know, like a study and a pilot. My second part of this motion is to ensure that we consider a staff resource. And this would be, you know,

[01:51:28] to manage the technical assistance, to manage the publicity and the outreach, making sure that we're reaching out to all of the organizations that touch these families who are in need. And I think that we do have a strong nonprofit network that could help us with that, Women Giving Back, Loud and Hunger Relief, those sorts of folks that could help us, that touch these families on a regular basis, that could be very helpful.

[01:51:56] And as I said earlier, I think this is a good start, and I'll be interested in the conversation at the full board, provided that my colleagues support the motion. Thank you. Chair Randall. Thank you, Mr. Chairman. So, I will support the motion.

[01:52:14] I, you know, I believe that if, you know, this is one of these moments of society will pay for this in some way, no matter what, you will repay doing childcare or you will pay on the other end when things are not going well. So that's not an issue.

[01:52:29] You know, I think it is important to take care of our young people. I think a moral society takes care of our kids. But I'm not convinced that, so Ms. Bricksman just said we have 3,700 seats short.

[01:52:46] Do we? Or is it that they can't access them? And so my only, I won't even call it hesitation, my only question is I would love to hear some of the things that you're kind of noodling around as far as transportation. Because if the issue is we can't get these children over here to the child care that's provided over here, that's a different issue than do we have enough seats, do we have enough child care slots.

[01:53:12] So those are two different things. And I don't want to – this is a fairly specific motion. I don't want to fund the wrong thing. I want to fund getting people help and the child care that's needed. I want to fund that. But I don't want to assume that we don't have the slots available just because people can't reach those slots.

[01:53:36] So I want to and will support the motion, but I really am interested in however you want to get the information to us and whenever you've kind of noodled it through in your head, well, to find out what are your thoughts about, Because maybe we can come back in the future and adjust a motion or adjust something, adjust funds to say, you know, let's try to transport.

[01:54:03] And you're right, you know, transporting little people can be, you know, a lot of issues with that too. But the other reason to make sure that we're putting kids in slots that are available is because the child care providers actually need those kids too for their own survival.

[01:54:25] And so if you have slots that are not being needed, it's not helping the child, it's not helping the child care provider, it's not helping anybody. And so I just want to focus on what the issues really are. And I'm not sure the first part of this motion, not the I further move, but the first part of this motion gets to the base need of how we move kids around.

[01:54:45] But I will support it and also look forward to having a further discussion on access to where those seats sit in Loudoun County. And then if we have to come back and do something different, then we can do that in the future.

[01:55:04] Does that sound reasonable? That's reasonable. Okay, Ms. Brooks, does that sound reasonable? Okay, thank you very much. Thanks. So what's the deadline for expending these funds? December 31, 2026. Okay.

[01:55:20] So my only kind of question with the second part of the motion is at the rate we're going, we're not going to expend these funds probably even within fiscal 26. So is there a way to kind of anticipate what the rate of expenditure is?

[01:55:36] Yes, we can anticipate the rate of expenditure. we will have funds that need to go to the evaluator and then also for marketing which would likely go to a vendor or external party. So those will be portions of those funds and we do actually have an expenditure calculator for our ARPA spend down that we can provide you with.

[01:55:59] Okay, but I kind of interpreted Supervisor Brisbane's motion as essentially saying the county is going to have to pick up or should be preparing to pick up the costs when the ARPA funds are expended. But if that doesn't happen in FY26, we wouldn't need to appropriate funds. That's correct.

[01:56:16] Okay, so we can have that discussion when we get to the budget, but I don't know that we're going to get there. Now, what you said about a staff resource, would that be something that ARPA would cover? So ARPA has no restrictions on staffing, and so that discussion can...

[01:56:37] Could be. okay okay yeah because that's a little different i was thinking about this as more just a way to continue what we're doing or what we're sort of setting forth to do in their base motion after arpa funds are expended and not necessarily about a staff resource necessarily i guess the word resource can be interpreted more than one way but okay closing i do not i think we're good thank you okay all in favor of the motion say aye aye anyone opposed motion carries 5-0 all right we're going to go ahead and take a break now um i will say the remaining items are all probably

[01:57:16] pretty pretty lengthy as well so bear with us tonight so super cold where's my blanket all

[02:22:33] right next up is item 18 which is we're calling it rise resident income stability enhancement economic mobility pilot program there is a lot of excitement from staff to come to the table for for this, clearly.

[02:22:55] I share your enthusiasm. Hey, look who woke up. He looks up. That is a matter of opinion.

[02:23:30] I want like the record to reflect that the board was ready before staff for once, 'cause it never happened. Usually you guys are waiting around all night for us. - We are here, all right. - So joining me is Dr. Cox.

[02:23:46] We're going to present the proposal for the Rise Loudoun Economic Mobility Pilot which was directed by the board to present kind of like a plan to address residents whose income are at or below 30%

median income. So before we go into presentations by Ms. Cox, I just want to kind of give some key highlights. The plan was kind of a different approach. The staff really went out

[02:24:25] to the Commonwealth and talked to different counties like Arlington, like Alexandria, like Fairfax to get evidence, to get information about their guaranteed income pilots. Also, the count loud in the staff we took a different approach uh if you look at the the plan that was built as far as the plan of action and milestones we tried to streamline the effort from an administration standpoint so there's three key items that we'll address with you is the program administration then there's the empirical research the research evaluation that needs to be done

[02:25:01] and then also the distribution of funds to the targeted population so we tried to take a different approach that pretty much we would try to bring on board one program administrator that would then bring in the other two pieces or factors for this pilot and then next through that timeline we tried to make sure that there were checkpoints with the board we would come in after the research and get the board's approval for that level of effort and then we will also come into the board

[02:25:37] and then provide either info or actions based on the results that we've we found so with that being said we'll go ahead and go through the presentation all right thank you george all right so as mr goblin mentioned we were tasked with providing an economic mobility program pilot proposal as requested by supervisor sanes to look into the implementation of the fairfax county model We, as Mr. Govan said, took a different approach.

[02:26:11] We wanted to look at all models to identify, well, as many as we could to identify what would work in Loudoun County versus other models. And we also met with several vendors for each of the potential models that we were examining and asked a lot of questions of our neighboring jurisdictions.

[02:26:37] so we conducted the following activities first we did attend the community foundation's philanthropy summit in which the united way of the national capital area described the asset limited income constrained employed population that it is in fact even further evidenced in some of our housing costs, that families are struggling even more than they were several years ago, and the housing

[02:27:11] burden and cost burden in the county continues to grow. We met with Fairfax County Offices of Equity and also their Department of Family Services staff to discuss how they implemented, how they planned, in what ways they provided contracts, etc. Is anything writable? So we were really just gathering information as much as we could. We met with Alexandria's Recurring Income for Success and Equity. They're a RISE program coordinator who offered a lot of lessons learned. We also met with United Way of National Capital Region and then looked at several national

[02:27:51] models for guaranteed income that had similar jurisdictional sizes and makeups to Loudoun County. And then lastly, we did start participating in a learning community with the other Virginia guaranteed income pilots of Richmond, Alexandria, Arlington, and Fairfax. And those are monthly meetings. So as I mentioned, you know, we gathered a lot of fact-finding, what statutory requirements may be necessary to be employed, the process of community engagement, how the program was funded,

[02:28:30] what evaluation models looked like, and there are several, but really it's about lessons learned. Are they happy with their vendors? Are they, you know, looking at expanding the program? Have they changed requirements? In what ways have they provided additional feedback to the community?

[02:28:53] And then also reporting out to the public. So we are calling the proposed economic mobility program RISE Loudon. The principles are really grounded in equity, specifically the county's equity resolution, that economic stability should be achievable for all residents. Economic stability should also be associated with increases in opportunity and increases for upward mobility in the community. We have four objectives for the pilot, specifically to look and will identify

[02:29:28] barriers for low-income residents in Loudoun County, those who may be income constrained. Also, the objective of actually increasing the income for low-income residents in the county for potentially a more equitable economic system, assessing how that increase would actually resonate or I look at outcomes for self-determination, financial stability, sense of belonging social capital for participants in the program.

[02:30:02] So if they are receiving funds, what are we assessing in terms of the outcomes for the program? And then, lastly, is to present the pilot performance results and the impact of the community evaluation to determine the next steps or the future of the program.

[02:30:23] We have several assumptions that are listed in the item that we wanted to make sure we're very clear from the beginning of the pilot. First, we wanna make sure that the board is satisfied with the project plan and proposal.

[02:30:38] So the first is just to be passed by the board. We also wanna make sure that the assumption that there are adequate resources for the both pilots of the funds distribution as well as a rigorous evaluation are adequate.

[02:30:57] and adequate resources to actually complete the pilot. So we do have a very quick turnaround and there will be a lot of assumptions or various moving parts that we need to account for.

[02:31:12] We also assume that DFP will be the contract administrator and pilot lead for this effort, so that we can maintain a singular point of contact with the vendor that would be chosen for the administration of the pilot.

[02:31:29] and that all vendor costs are within budget. We do recognize that there are \$2 million set aside from fund balance, so we want to make sure that we are being good stewards of public dollars and making sure that all budgets remain under that amount.

[02:31:47] The next assumption is that we will be able to receive waivers from the Department of Social Services for Supplemental Nutrition Assistance Program, Medicaid, TANF, and other benefit programs. And essentially what that means is that if a participant or a resident chooses to participate in the program, by increasing their income, they could be forfeiting their benefits.

[02:32:14] So we want to ensure that that does not happen, that there is some safety safeguards there. So we will be taking a note from Alexandria in that fact.

[02:32:36] Continuing on, we also have to assume that participants will respond to the evaluation research and the surveys because guaranteed income projects and pilots are benefits with no strings attached in terms of a monthly stipend. There cannot be any requirement for research, which means we have to incentivize the participants to work to gather the research data.

[02:33:01] This is how other jurisdictions have done that. So we will actually have a set-aside fund to make sure that participants are incentivized for providing evaluation data. The assumptions also include

contract administration.

[02:33:19] We want to make sure that we have a pilot contract awarded by March 2025, and that is, it's an aggressive timeline, and we can talk a little bit about that. But the pilot is, we've got a lot of lessons learned from other jurisdictions that really set us in a good position for moving this forward.

[02:33:42] We've identified that the population that may be eligible for this program is about 10% to 11% of the population in Loudoun, according to the American Community Survey. Wow. And lastly, we are making the assumption that the majority of potential participants, the target population here, is really using the majority, the vast majority of their funds on basic essentials, housing, utilities, clothing, child care, et cetera.

[02:34:14] And so there's not enough left over for them to be financially stable. And so the intent of the program over time is to increase that feeling of financial stability and open opportunities. So those are all of the assumptions that we've provided to make this pilot successful.

[02:34:36] We also must adhere to Virginia Code. We have 63.2-314 and then 802. We do have a county attorney's office opinion on this that we can go into as needed, but we do have a delegated authority in Loudoun County, which allows us to, allows actually the county administrator to delegate authority from the local board to then a vendor to administer the program.

[02:35:08] So this is different from other counties in our area, and so, you know, there are going to be differences in our model. We also, through the implementation plan, must include other community stakeholders because this is a community-based project.

[02:35:27] We really want to make sure that nonprofit community, the business community, philanthropy, and government are all convened as a part of this so that all the voices are heard and that we really start off with a consensus around what the pilot will look like and in an advisory capacity have the community stakeholders really buy in and provide input to the process. So for the proposed timeline, we actually are looking at about 39 months instead

[02:36:06] of 36 months so the planning could be six to nine months depending on the duration provided by this committee's recommendation as well as the board's recommendation and so we've partitioned it into four phases first is planning second is implementation which is the actual disbursement of the funds and evaluation data collected the third is reporting and then the fourth is bringing everything back to the board to provide recommendations on what a transition

[02:36:40] would be whether we continue with the program dissolve it or expand so that last would be the transition as I mentioned we are recommending a robust rigorous evaluation these evaluation components will look at participants social capital as we've mentioned in previous slides and we do have some potential outcomes listed here as well as in the proposal. So we are going to be looking at changes in the amount of debt, changes in housing stability, change in the ability to actually

[02:37:20] save money or have less food insecurity, have, you know, basic needs met so that you can make choices as a participant for other items. And that an increased sense of belonging in the community would be a large part of this, the expansion of social networks and connections. So we are recommending that the Finance Committee, the Finance Government Operations Committee,

[02:37:52] recommend to the Board of Supervisors that you approve the pilot program as outlined in the proposal. And with that, we will take questions. All right, questions. Let me start with Mr. Sain since this was his BMI. Thank you. Thank you for the presentation, Megan and George, for all your work on this. Just a couple of quick questions. So I noticed you mentioned that you would like

[02:38:25] to see the Department of, I guess, Procurement be the administrator or the lead on that. Is that correct and I know that was that's correct one question that madam chair was raising during the initial uh presentation of this when we first brought it forward so can you give us a quick quick quick summary on why why you feel that that it needs to go through the the recruitment finance office so very quickly um we are recommending that as the lead because dfs would be an advisory

[02:39:02] among other offices and departments in the organization. We would just be the convener, but there would be multiple departments in advisory capacities. Right, and from a program administration standpoint, we looked at ourselves as best suited.

[02:39:20] You know, like we stated in the briefing and like we stated in the board item, you know, our strategy based on lessons learned from looking at all the other counties is a different model that we think we can streamline linearly by bringing on board one contract vendor who would then subcontract or operate those other three parts.

[02:39:41] So from that standpoint, we figured there's efficiencies, not only in workload but in functions as well. Okay. I bet you said that DFS would be part of a... Correct. So we have more, you know, we have DFS's partners.

[02:39:59] We also have packets partners, OMB, Equity Office as well. So they'll all be part of the team, I guess you could say. Okay. One thing that I'd definitely like to get more information on is the administrative fees or the cost to run the program, be it us or a vendor or whoever it might be.

[02:40:24] I think that's one thing that's kind of maybe still missing information or the outlier that's still – not in there unless I missed it um I'll comment on that so when we first started out looking at the strategy of bringing on board uh one vendor we looked at kind of like the ratio of what we would distribute as payments based off of our analysis based off our lessons learned and gathering of information from other counties and we wanted to make sure in our initial analysis for example

[02:41:00] You know, we were as low as 257, you know, in the 200 or 300 range. And we wanted to make sure that in that, you know, we were able to meet some level of standard to meet those basic need costs for families in the 500 to 750 range for equivalent for the 2 million.

[02:41:20] So we went back and looked at, you know, just projected the cost based off of what we knew that the contractor would have to do. And so therefore, you know, we're figuring that, we were still able to meet our need by probably leveraging the target population, as you saw on the board item.

[02:41:40] Most counties are at the 100 to 200 range based on the level of funding that they provided, so we projected out probably a lower target market in order to at least be able to meet those basic needs on a monthly cost. All right, so I'm glad to hear that you did reach out to other jurisdictions that are doing similar programs.

[02:42:01] So you just said, to make sure I heard you right, you said some of the other ones were at \$100,000 to \$200,000 for their fees, administrative costs, I guess. Or if you don't know the exact number, if

you can get a little bit more information, give us back to it. That would be greatly appreciated.

[02:42:18] Right, we'll have to probably get back with that. I think we have a good timeline, obviously. be up and running a lot faster but i think that what you're presenting is is realistic uh for the most part of my i know there might be some delays let's just put it be honest there might be some delays on and you know going forward if it is approved to move forward uh by the board but uh i think there is a the timeline listed is is sufficient and i do like the the the rise the resident income stability enhancement uh title that that was uh selected so a good job on that

[02:42:58] And, again, thank you for the work in getting us to this point thus far. So thank you. Supervisor Brisbane. Thank you. So originally we were going to use ARPA funds for this, and that is what was kind of instigating the aggressiveness and the speed of the program.

[02:43:20] But now we're not using ARPA funds. So do we really have to go this fast and aggressively when we're not using the ARPA funds? So we do not have to go as fast.

[02:43:37] It would be based on board's direction. This is what we've put together related to an aggressive timeline, but also enough to make sure that we have a good administrator in place, an administrative vendor.

[02:43:54] Okay, yeah, that's just a little bit of a concern. I just want to make sure we do it right. I'm fully supportive. I just want to make sure we do it right. and then there was some mention in the item about the waivers for families who may be receiving other benefits and this would definitely be considered income and might threaten some of those other benefits so what what does staff propose as a solution to this so staff proposes that we submit a request for waivers for each of the benefits that would be potentially removed

[02:44:31] from the participants. Alexandria has successfully received waivers for their participants, whereas Fairfax provides some financial counseling that says they may be able to, or they may lose their benefits, and then it's up to the participant to choose whether or not they want to participate. So we are requesting waivers. And so we're following, did you say it's Alexandria that's doing that? Correct. So we're following their model. We're not leaving it up to the recipient correct okay I like that better um given the difficulties some people had

[02:45:07] just getting accepted to our child care subsidy program um so so I do like that the other thing I was going to suggest and I can talk to my colleagues about this but would it be possible you may not know the answer to this question and we can probably take it up with Mr. Freeman but um could it be possible to ask our legislators to automatically provide waivers for people who are participating in guaranteed income programs um i think that's a mr freeman question yeah so

[02:45:42] so i'll be bringing it up with our legislative folks but um i think that i know that wouldn't be a solution for our program but it might be something to figure out for the future because um as we as you mentioned more counties are starting to do these sorts of programs and the administrative burden to getting waivers for each individual person seems a little bit over the top um and then for for the choosing of the 50 to 60 families um i guess we chose 50 to 60 it's manageable uh for a pilot um i think i'm okay with that although i'll be interested to see

[02:46:19] how many come forward um what you know what the what the indicators are of the need based on the number of folks that come forward um same question as as on the last item what if they're

undocumented that is a very good question that we would need to um provide some feedback to you at a later date we would we would need um the county attorney's office to weigh in on that okay i'm sure we'll some kind of criteria and I think because this is not ARPA money we have a

[02:46:56] little bit more flexibility than we did with ARPA money but that would be one of my concerns you know they have jobs they pay taxes and they should be able to participate in the programs that are supported by their own taxes that they pay when they work so I'm fully supportive and I look forward I look forward to the progress oh one other thing on the evaluation you said that in any is that a federal law that any guaranteed income program you can't require surveys or feedback but somehow people are doing it because we have

[02:47:36] statistics to show that it works yes so according to Virginia code anything that has um it's virginia code it's virginia code anything that has a requirement so for instance a survey to complete would be considered a benefit program according to um legal opinion so what we are doing is incentivizing them with an extra 25 just for example oh okay participate in the research but um it's not a requirement of the receipt of funds okay all right thank you

[02:48:11] very much. Chair Randall. Thank you, Mr. Chairman. So I will say you all have been doing some very heavy lifting over the past month with some very heavy items and I do appreciate it. I'm going to take you to the actual item, not the presentation. I'm going to take you to page six of the item.

[02:48:31] You may have explained this and if you did, I apologize. I'm going to ask you to do one more time explanation. On page 6 of the item, the second to the last paragraph actually says, staff recommends the bulk of the implementation be managed through a contract with an established nonprofit organization in the background of economic mobility programs. But first of all, I don't know if that exists, if they exist, that exists in Loudoun County. This is a fairly new discussion we're having kind of nationwide, so I'm not sure if that exists at all. But But then when you drop down one paragraph, you talk about the governance and who can

[02:49:10] implement this program. So it seems to me like those two paragraphs are a little bit of a contradiction to one another, and I don't know how to read those two paragraphs that are right back to back. So I have that question.

[02:49:26] The second question I have, and I think, George, you started, you answered it some, and so I'm going to ask you to flush it out a little bit am i correct that i heard you say that you all will come back to the board from time to time to give us an update on how things are going and if that is the case is that update coming from the recipients themselves and so you're talking to them about you know once you start receiving this money are you now working or is your is your rent now caught up are you taking classes so so when you say you give us feedback is the feedback based

[02:50:01] in what's happening with the recipients. And then thirdly, did I hear you say that 11% of Loudoun residents would be eligible? So are you saying that 11% of Loudoun residents are below, say that 30% AMI for Loudoun County are below? Those are my questions. Thank you.

[02:50:23] So I will start with the first question. Okay. Related to the stakeholders and governance sections so the stakeholders and let me start with the governance section the governance section according to the county attorney's office requires the board to grant funds to a local board whether it be social services which is which is what fairfax has done with their social services and family services board

the board must grant the funds to the local board in order for it to be then distributed to a vendor. So then the local board can give it, so then we grant, we would grant

[02:51:02] funds to a local board, CSB board, family services board, whatever, and then they actually go out and get the non-profit organizations you're talking about? Yes, in 2011, according to the county attorney's office, there was a delegation of authority for our social services board to the county administrator. So the county administrator can delegate that authority for implementing the program to a qualified vendor. And do we think we, we, we believe that there's a qualified vendor who, because it does say with a background in economic mobility programs that exist in Loudoun

[02:51:38] County? We know there are, are some in the region, um, not specifically, um, with a Loudoun County address, but we do know there are some that are serving as an administrator for our neighboring jurisdictions. Can somebody tell me the the the reason and maybe Mr. Hempstreet if you can that the governance is that we we choose a local board and the local board chooses the chooses the implementation group and that's a lot of steps that's a that's like a lot of separation from the actual board that is that is approving this what is that about so it's good this

[02:52:19] This is an element of the traditional form of government, and so traditionally the board would, as opposed to having staff do a number of these functions, the board would delegate or ask other bodies to do these functions.

[02:52:36] So up until 2011, similar to, well, up until 2011, the Board of Supervisors did not have, for example, a department. They had a Department of Mental Health, Substance Abuse, and Developmental Services. However, the authority to operate that was contained in the CSB in 2011.

[02:53:00] And then also for family services, the governance of many of those programs was delegated to a family services board. In 2011, the Board of Supervisors made the decision to bring that under the county administrator so that you would give direction to me and then I would go ahead and implement the direction of the board.

[02:53:25] And so in doing that, that is when, and I'm not sure when the CSB was in that same time frame, those boards became advisory, and the authority of those boards was transferred to me as reporting directly to the Board of Supervisors.

[02:53:40] And so there's a lot of language there, but essentially for this purpose, your social services board, you have said belongs to the county administrator that I hire a department director that then carries out the direction of the Board of Supervisors.

[02:53:57] So in this situation, because the code reads the way it reads, the Code of Virginia reads the way it reads with respect to the traditional form, you technically have to delegate the program to your social services board.

[02:54:14] It has to read that way, but what you're really doing is just directing staff to go and do this. Mr. Chairman, may I follow up? Are we directing staff to go and do it? Are we directing staff to go find the nonprofit that will do it?

[02:54:30] So the board, we contract for stuff all the time. So in order to do the program, the board has two ways of doing this program. You could direct me to go and hire staff, and we could come back and

create all the positions necessary to operate the program, and then we would just manage that program directly through newly created staff positions.

[02:54:51] The other way of doing this, which is what is being recommended by Mr. Govan and Joanna Blank, Ms. Cox, Dr. Cox, I apologize.

[02:55:09] What's being recommended here is that as opposed to creating another division within DFP and creating all these positions to manage the program, that we go ahead and contract that out to a vendor who can administer the program on our behalf.

[02:55:25] Okay. I understand. It's a lot of steps. Dr. Cox, my other question is, by code, does that have to be DSS or can it be the CSB board? So by code, either way, you're sending it to me and you're telling me as a county administrator, go ahead and contract for the service and make it happen.

[02:55:46] So what we're trying to say is even though there is specific language that is a vestige of the way the code works, effectively what the board is doing is giving me direction as the county administrator to go out and have, go out and contract for this service to implement the program.

[02:56:05] Okay. Okay. I guess on the motion I may have another question, other questions. Oh, yeah, we have another question. We haven't gotten through the first round. You asked about the engagement with the target population.

[02:56:22] And so within the plan, we do have several checkpoints in the planning stage when we set up the evaluation criteria as an opportunity to engage, you know, to do surveys and outreach and so forth. And then we come to the board with an action to approve the target population and then to approve our strategy for the amount of funds to disperse as well.

[02:56:45] And then another checkpoint that we have is as we go through the process of implementation that Megan briefed in the second phase, that's when we also would engage the target population as far as collecting information and so forth, continuous surveys, continuous outreach, if counseling is financial counseling or any other methodology for support.

[02:57:08] And the target population, it is literally the people who are receiving the funds, and they do self-reporting on how they're doing now and what they're doing different, if they're going to school or whatever they're doing. Correct. Okay. Okay.

[02:57:25] And then I have one last question. What's my last question? The third question was about the percentage of the population. Really? Because that sounds awfully high to me. So it is 10.7% of the population in Loudoun County, according to the American Community Survey.

[02:57:40] has an income an annual income of under \$49,999. And so those are those could be inclusive of individuals or households. Yes. Okay. Thank you for that information. That would also include people who have no income, right? That's correct. So if you're retired, you have no income. You could be a millionaire. In fact, I know some in Loudoun County who have no income. So I don't think we should interpret that statistic to be 10.2 percent would actually be eligible for the

[02:58:18] program, right? We just said that that's the population. I know, but clearly up here that was, all right, so, okay, so if we wished, could we place eligibility requirements such as someone is employed during the time that they are receiving the funding, or could we require financial counseling as a

prerequisite or something like that so we cannot require financial counseling that is one of the assumptions um that we are making as a part of this there have been some

[02:58:57] successful financial counseling opportunities in other jurisdictions so why can't we require it though because then it would be a requirement of the funds and thus a benefit program and it can't

[02:59:10] be a benefit program? It can't be a benefit program. It has to be a cash grant. Why can't it be a benefit program? Because according to code. That's the code section you cited. Yes. Continue though. So it's my understanding and we can ask for a formal opinion from the county attorney's office that when strings are attached to the funds it no longer becomes a grant.

[02:59:39] It becomes a requirement or an entitlement to a program so then my question about a work requirement would be the same we can define the parameters of inclusion and exclusion criteria prior to selecting participants so could we also should we if we chose to require us citizenship if we chose to if you chose to okay we do have that ability though correct okay um yeah okay that's probably it for questions. Want to go to a motion, Mr. Sainz? Yes, yes, yes, yes. All right, thank you for

[03:00:17] the questions and good discussion. I move that the Finance, Government, Operations, Economic Development Committee recommend that the Board of Supervisors approve a grant of two million to the respective local board to fund the program and approve the Loudoun County Economic Mobility Pilot Plan rise as outlined in this item in the attached proposal. Motion is made by Mr. Sainz, and seconded by Sir Professor Brisbane, opening.

[03:00:41] - Thank you, no, again, I wanna thank the staff for all their work on reaching out to other jurisdictions that are doing this, not just even in the region here, but other locations and doing research to help formulate and guide this program.

[03:00:59] I think thus far it's coming in order. Obviously, there's still some questions that need to be asked, and I'm sure we will go down go down the process of putting up some more framework and guardrails as some of my colleagues just mentioned about the requirements and what we can ask for what we can't ask for and etc so look forward that conversation but i think this is a good uh you know good step in the right direction to to continue on this pathway and bring the rise program to to fruition so i want to thank you again for staff's work and look forward to getting more updates as time progresses

[03:01:37] Thank you. Again, thank you, staff. I'm really proud that we're doing this, happy to support the program. And when Alaska did this, it resulted in a 13% increase in part-time work and a 15% increase in entrepreneur ventures among recipients. In Stockton, California, recipients spent money on groceries, utility bills, credit card debt. They reported less anxiety and spending more time with family. In Canada, it improved mental health outcomes, including fewer hospitalizations and greater housing stability, as you mentioned before. The Washington Post reported that in UBI

[03:02:15] pilots, it pulls people out of poverty, improves health outcomes, and makes it easier for people to find jobs and take care of their children. The Nobel Prize winner Abhijit Banerjee said that

[03:02:35] The distribution of unconditional cash in low-income countries had positive effects on income, assets, savings, borrowing, total expenditure, food expenditure, dietary diversity, school attendance, test scores, cognitive development, use of health facilities, labor force participation, child labor migration, domestic violence, women's empowerment, marriage fertility, and the use of contraception, among other things.

[03:02:59] A UPenn pilot found that more than 50 percent of the recipients said they could pay for a \$400 emergency expense in cash compared with 25 percent before the program began. They also reported improvements in mental health as determined by a common test of psychology well-being.

[03:03:18] I'm really looking forward to the results of this, and thank you to Supervisor Sainz for bringing this up. This is an excellent idea, and I can't wait to see the results. Thank you. thank you very much mr chair when when this was going to be paid out of arpa funds i felt it was worth investigating i do feel it was worth investigating i'm not going to support it any

[03:03:46] longer though because 63 percent of americans don't have five hundred dollars to handle an emergency. That's a huge percentage. And so those who are right above the 30% AMI rate on income are going to be seeing higher taxes to pay for this program now. And they are barely making more

[03:04:19] than the folks who would qualify. I would rather see us increase our contributions to food security, rental assistance, health services. All of those are areas that we already help fund, but to give someone money with which they can do anything they want, I think is problematic because many of our residents don't have that kind of income. And so I think this was a big

[03:04:59] hearted effort by supervisor sayings and I applaud him for it but I think we already have in place the mechanisms to funnel money to folks in the areas that are critically important and tonight we just passed supervisor briskman's motion to try to provide more child care funding so if this were to increase contributions to Loudoun Hunger Relief or Dulles South Pantry or HealthWorks of

[03:05:34] Northern Virginia or the free clinic or backpack buddies or rental assistance I would probably say yes but it's no longer being paid for by ARPA funds it now would be paid for as I understand it by all of our taxpayers most of whom or many of whom are barely making more than the 30 percent uh so i cannot support it thank you uh thank you chair randall money going to our non-profits is also taxpayer money it's still taxpayer money so it's not like it's not like there's a different pot of money for

[03:06:13] that we that we put into our rental assistance and our non-profits it's still taxpayer money so i'm not sure what the difference is there you know this has been Over the past, since Mr. Sainz brought this, I've gotten, a lot of people ask me why I didn't support it before, and it's because, I'll say it again, I cannot support something that I don't have time to research, and I didn't have time to research it when it came the last time.

[03:06:37] I've done a lot of research on this now, including talking to a very good friend of mine from Denver, because Colorado has done this program, so I called a high school friend of mine who's actually helped put this program in place. And I will say that some of the numbers Ms. Bricksman just read are that you don't get there.

[03:06:58] It's easy as just doling out the money and then getting those numbers. It's just not that simple. You know, she told me that there were a lot of people who needed just cell phones. If they wanted to have a job, they didn't have cell phones. Anybody called them, so they had to go put some more money in for other things that they had not anticipated yet.

[03:07:17] And I think we need to realize that. I think if we're going to do this, we need to realize that there could be a lot of things we don't know and to expect that. I think we're being a little too candy-cutter glasses when we talk about this, and I think we have to be really realistic.

[03:07:34] But in the end, I'll go back to what I said before, you know, sometimes you pay for these things anyway, either taxpayers' money or not, you pay for them anyway. So whether it's money going through our nonprofits, whether it's somebody who needs emergency funds whether it's somebody who could not feed their family and took other means to do that and then landed up in an incarcerated setting either way you're paying for it and so i'm willing to to i'm willing to try this and see where we go i'm not as convinced uh as my colleagues but i'm willing to try it and i i want us to be really willing to adjust it if we need to adjust

[03:08:13] it and move with the results as they come. I also think that there needs to be some statements about what can be in here and what can't be, what the money can be used for and what it can't be used for.

[03:08:33] I feel like if we do this, this should come with a lot of support, a lot of education, a lot of assistance, and help in other ways, but that may not be possible. So I am willing to try it and see how it goes, but I do believe there's some kind of talking over issues that could come up, and we may have to deal with those in the future.

[03:09:00] But I'm willing to try it and see where we go with this. Thank you, Mr. Chairman. Thank you. I am not supportive of the program and continue to have concerns about it. The issue is not spending taxpayer dollars, because we already do that.

[03:09:16] extensively we just talked about it tonight in other areas to me it's more about bang for the buck value scalability and really trying to address the core needs that people have to i think my clock needs to be running to help lift them out of poverty so we're spending two million dollars for 50 people in this case the idea behind a pilot ostensibly is if it's successful you want to be able to expand it. Well, let's just say that, you know, we don't know what the

[03:09:52] number is. We talked earlier that 10% could be inclusive of a lot of people, but, you know, let's just say the number is just 5,000. Start doing the math. What if it's 10,000? What if it's 15,000? What are we going to do? Extend this to everybody who would meet that qualification at a cost of literally 10, 20, 30, 40, 50 million dollars? I don't think it's feasible. So I'm not sure why we want to go down that road for something that ultimately probably couldn't really be implemented at a widespread level. It hasn't been, by the way, in most places. If you look at, you

[03:10:29] know, outside and sort of the type of democracies we have anyway, they don't do this. So that's one element of concern. I think the, you know, the sort of self-selection element in this will create probably a a survey field that is not necessarily going to be reflective of everybody who would ultimately get it so i'm not sure how good the data is going to be coming out of this even even if it's done using scientific methods and stuff and then the fact that we can't actually even require that level of research as part of this seems like a major limitation because at the end

[03:11:08] of this we'll try to say well that's x and y outcomes but we won't have everybody participating We're -- the information being given to us is going to be self-selected, so it's really not -- I mean, if you were conducting a scientific study here, this wouldn't pass muster, not even close.

[03:11:25] You know, this wouldn't pass journal review, any of this stuff wouldn't. So it's pretty dubious. It's pretty tenuous. I think it's a good idea, or at least a well-meaning idea, but an implementation does not make a lot of sense. And if the board does want to spend another \$2 million in some of these areas, there's a lot more effective ways that we could do it so I'm not going to support the program closing mr. Staines

thank you and appreciate everybody's you know comments on on the matter I think it's not one where it's do one thing and not

[03:12:02] do the other thing it's all we're doing all the above approach yes we're we're giving directly to the nonprofits yes we are doing other programs like with the childcare assistance we're looking at you know this program here the rise program here is another method of helping our much-needed population here in Loudoun County so I think it's we're doing the right thing and it's not a matter it's not a matter of if this program will help or make a difference but it's a matter of how and how it would make a difference and I think this is something that we should try again it's a pilot right now I don't think why

[03:12:40] not maybe there's plenty of other things we've tried before sometimes some things work. Sometimes things don't work, but we don't know until you try. So I think this is something that we definitely should try and do. You know, to Mr. Letourneau's point, you know, yes, we can do some, obviously we're going to still do some more homework and research, ask questions to figure out, again, like I said earlier, the guardrails and how we can collect data from the participants, because I think that is very key. Also on what we can and can't do, ask them when they participate to give us that data and also at the same time as i mentioned

[03:13:15] before to help our vulnerable population because that is that is one point of it is to make sure they get services and get coaching get counseling get the assistance that they need to help them to further their their lives and their family lives and i think sometimes that's that's what we're here for is to help folks so i appreciate those who are going to be supportive of it still appreciate those we're not going to be supportive of it but um we all have our different uh different views and different uh avenues on how to get to to a certain point and we all take different routes sometimes so um so with that um i support the motion obviously i made the motion but uh

[03:13:53] and then you know it looks like it will continue on so i appreciate uh appreciate the support thank you okay all in favor of the motion made by mr sane say aye aye opposed no motion carries 3-2 and we'll be forwarded to the board with a recommendation of approval. Okay thank you very much. We are moving on to item 19 which is our 2025 health plan update and premium review for

[03:14:20] the countywide group health plan. Good evening committee members. Thank you for having us here this evening. About this time every year I come to you with the countywide health plan information as well as staff recommendations for the next calendar year. Last year we presented much earlier

[03:14:57] in the year given some of the major changes we proposed but typically we're here in September of each year. We also typically address retirees at this time but given the level of increase that they're realizing in 2025 we need a bit more time for that review and we'll be back here in October to talk to you about retirees. By way of background I just want to remind the committee that the county operates a self-insured health plan which means that the county is at risk for all the health related claims subject to an insured policy that takes on the risk for those claims that are incurred over \$600,000 per claimant. And although we do fund the claims, we do pay a third-party

[03:15:34] administrator to process the claims and engage all participants in care and management. Our administrator is Cigna Healthcare, and 2025 will be the fifth year in a five-year contract, and then we have five one-year renewal options under our belt should we choose to continue with Cigna. So I can run

through some of the highlights of the experience of what we saw in 2023, or we can simply jump into the renewal and I can walk you through our one design recommendation and premium recommendations.

[03:16:04] Lex, that's the committee. Do you want the first option or the second option? I'm fine with not having it. I just have questions. All right, second option then. Okay. Well, as far as the renewal goes, we're looking at plan design changes and financials, of course.

[03:16:24] In terms of plan design changes, we're not looking to implement anything new. We had the one major network change last year and feels though our plans are aligned with the market and offer our employees a variety of options depending upon their appetite for health premium risk. At the end of the day, this is insurance, so we offer employees a high-level plan which costs more in premiums.

[03:16:46] We also offer lower-level options where employees can essentially self-fund their health care through a high-deductible plan and then save that money that they contribute towards a health savings account. So we have a variety of options. So staff is recommending one change in how the county manages risk.

[03:17:02] We purchased specific stop-loss insurance to help the county mitigate the risk of high claimants, incurring claims over \$600,000, as I already mentioned. The county's health plan has grown over the years, and it's time to increase this to \$650,000, and \$650,000 is in line with other health plan sponsors of our size.

[03:17:23] With regards to premiums, the renewal came in much better, in a much better place than we had last year. You'll remember that we saw a 19.3% increase in medical premiums last year. We were able to get that down to 11.1% by changing the provider network and asking for some additional funding of \$2 million from the board, from the self-insurance fund.

[03:17:45] This year, our renewal comes in at 10.2%, and in reality, it came in at about 7.2%, which is right around trend. Actually, it's a little bit lower than trend, but we now have to account for that \$2 million that we asked for last year, so that brings it back up from 7.2 up to 10.2.

[03:18:01] The positive thing about this is that we're not asking for additional funds this year, and so in plan year 2026, we'll be well positioned for that renewal. And as a side note, we are looking for a 7.9% increase on our combined dental and vision premiums.

[03:18:18] Keep in mind that from 2019 to 2023, we averaged about a 1.3% increase, and you'll remember last year when we talked about this, I kind of went into some of the rationale with medical inflation and the fact that we had such great utilization those four or five years that it's kind of caught up to us a little bit.

[03:18:36] So that is our recommendation for this evening. Okay, we'll do questions first. Chair Randall? Thank you. Can we talk just a little bit about mental health providers? I believe that many of the mental health, that most of these mental health providers are out of network in this plan, in Loudoun County's plan.

[03:18:59] And the ones that are in network, very few are accepting new patients. And so, you know, mental health is hell. I say that every time we have these conversations, and I always ask about it, and I'm always kind of told, well, it's allowed, it's allowed. But when you look closer to plan, the percentage of mental health providers that are out of network is much, much higher than providers for every other type of health.

[03:19:27] So is that just a condition of, you know, many mental health providers are taking cash because they're bogged down with the insurance? What is that a condition of?

[03:19:43] Because I am not comfortable voting for a plan that doesn't have robust mental health care in network. Well, I think the mental health market actually has come a long way over the past decade, especially with mental health parity and the fact that I think for so long providers were reluctant to engage networks because of all the hoops they had to jump through in terms of getting approvals.

[03:20:08] And we really don't see that today because now your mental health claims have to, if you put any restrictions on your mental health claimants in terms of care management, they have to be the same restrictions you put on all your other conditions. I can tell you I haven't heard that much from our employee population of not being able to find in-network providers.

[03:20:27] I don't have the information with me. In-network providers, you said. In-network providers, correct. In-network providers. I don't have the information with me this evening, but I do have some data that talks to how these providers are reporting to Cigna that they are, in fact, accepting new patients.

[03:20:44] That would be good to know because, believe it or not, people are willing to talk about lots of other health issues, but you're going to find people a lot more hesitant to say, I can't find a mental health provider because the stigma is still there and it's still unfortunate. So I appreciate what you're saying, that you haven't heard the complaints, but that doesn't mean that they're there.

[03:21:06] And so, yeah, I think this motion today is just to forward this on to, is that the motion today, Mr. Chairman, to forward this on to the full board? I haven't made a motion yet, but I will. But that would be the motion. So between now and then, I mean, I'll vote for this today to forward it on to the full board.

[03:21:24] But between now and then, I would like to have specifics and particulars about the mental health providers that are in network are not, and the ones that are in network, if we can find out where they're, if they're accepting new patients, and if there is actually parity in this plan.

[03:21:42] Sure. Thank you. There's definitely parity in this plan, but I can go ahead and secure that information. Some of the challenge with that information is that it is self-reported by the providers to Cigna, so they're only as good as what the providers are telling them, but I do have that information. Well, whether or not you're in network, that's not, you know that part.

[03:22:00] So, like I said, I'll vote to move this on, but I'll need that information later on. Chair, point of clarification, please. With regard to that information, are you specifically looking for psychiatrists or are you looking for therapists, psychologists, or the entire gamut? The entire gamut, because psychiatrists do medication.

[03:22:19] Right. That's what they mean. You know, they do it. But I'm looking for therapists. I'm looking for counselors. I'm looking for the whole gambit of mental health services, if that's possible. Thank you very much. I appreciate it. I would just add to that question from Chair Randall or comment on it.

[03:22:36] This is a subject that I have a lot of passion and experience with, and I think a conversation with Dr. Farrell would be helpful, our chair of our health commission, because there is absolutely a huge problem finding in network providers, but it is not a problem with our plan.

[03:22:54] It's a provider problem. We lack the number of providers in any plan that take insurance. And because demand is so high, providers can fill up their patient bases without ever having to take insurance

and get paid cash for it. And so the two of us have had some ongoing dialogue about what we can do about that specific in our county. And I do have an idea that I might bring forward at some point. But I think if we were to look at that, I'm sure we do. And I can tell you right Now, I know there's several groups in the area that take insurance.

[03:23:27] It's hard to get those appointments. Some of them do, but quite a few of them don't at all. Some of the biggest practices do not. And that's not our plan. They literally won't even process an out-of-network claim for you. You have to do it yourself, which for somebody who has a mental health problem is the last thing they need to be worrying about.

[03:23:45] But unfortunately, that's the case. So I have a lot to say on this. By all means, obviously, bring us back whatever information you have. but I think it's a big issue that we may want to tackle differently than through the health plan. As far as the health plan discussion, so it's a large increase, again, 10.7, but that's an increase on what the employees are paying currently for their premiums.

[03:24:12] We did have a pretty large salary increase this year. What did we average? 7% on the total salary. So at least that will help offset a little bit of this increase. I guess you could look at it. Is that fair to say?

[03:24:30] I think that's a fair statement. And we can't keep taking money out of the general fund and trying to buy this down because we just have to then catch it up because it's a self-insurance fund, right? That's correct. As a matter of fact, we have been able to do that for the past two years, but we've also had a surplus in that self-insurance fund, and that is no longer there.

[03:24:50] So the money's not even there right now. Okay. Unless anybody else has questions, I'll go ahead and make the motion then. all right i move the finance government operations economic development committee recommend the board of supervisors approve the plan design changes recommended to the september 10th 2024 finance government operations economic development committee action item and adopt the proposed premiums as outlined attachment one to the item for plan year 2025 january 1st to december 31st 25.

[03:25:17] i further move the finance government operations economic development committee recommend the board of supervisors authorize the purchasing agent and the department of human resources to take the necessary actions to implement the recommended plan, changes, and proposed premiums in the county-wide group health plan. Second. Which is made and seconded by Chair Randall.

[03:25:36] Is there any discussion on the motion? I do have. Chair Randall. So Mr. Chairman, I just wanted to follow up for what you said. You are correct, and thank you for following that up. You are correct that, you know, my best friend is a provider and she does take insurance, but for a long time She got to the place where she could take insurance because she did cash for such a long time.

[03:25:59] And she does take insurance now, almost all the insurance, in fact. But there is a lot of providers who take the insurance who are already tapped out as far as their caseload. And this is not so much for you all, just to say in general.

[03:26:17] What happens with that is then people who are not able to pay for out-of-pocket but still have the same needs because mental health is health, have those mental health needs get, you know, get worse, the acuity goes higher, it gets exacerbated, and we see it in other ways.

[03:26:34] And so if there is any discussions on how we can address this issue, I think it's really important to address this issue right now because, you know, and I'll say this again, just us talking about it lowers the stigma. Just us talking about it, especially talking about it from this day is lowest the stigma.

[03:26:53] So let's go in and have that conversation in the future of, you know, let's bring in providers, let's really flush it, let's be the county that leans into figuring out how to make sure parity is not just a word that we use for the purpose of insurance forms, but parity is very real and very real with people who might be the people who sit in that 10% that we talked about in the last item.

[03:27:20] So that wasn't so much for you, that just for kind of Loudon in general, that this is obviously had been an issue for me for a long time, but an issue that we have whole groups of people that even if they have a job and have insurance cannot afford their mental health care or cannot get to see a provider because providers are so tapped out already.

[03:27:42] So thank you for allowing me to say that, Mr. Chairman. Thank you, Madam Chair. Okay, all in favor of the motion, say aye. Aye. Anyone opposed? Motion to carry, 5-0. Okay, two left.

[03:28:00] Number 20, Loudoun County Fire and Rescue Pharmacy Program Implementation, FY 2025, Mid-Year FTE Authority. Chief Johnson, Dr. Morgan have been waiting patiently to tell us this bad news all night. I think we all kind of know already.

[03:28:17] I had a briefing, and I know Chair Randall did certainly explain this at length. I have that you see the motion. What's that? Do you see the motion? Yes. You have an additional motion, yes. But, Chief Johnson or Megan?

[03:28:37] I was just going to turn it over to Chief Johnson to do the bulk of the item, but we're here to discuss the policy surrounding the pharmacy program and then the fiscal impact and FTE authority necessary to start this program off-budget.

[03:28:53] Chief Johnson? Thank you, Megan. And good evening, Chair Letourneau and members of the committee. Mayor Randall did an excellent job the other night of summarizing this, so you all fully briefed on this. But I'll try and be brief. In summary, there's a lot of moving parts to this, but -- and I have folks here from all staff to answer any questions you may have.

[03:29:11] So really, in kind of summary, for 40-plus years, we have maintained a relationship with our local hospital partners where we transport a patient, we utilize medications, we exchange it at the hospital, we turn in the expired medications or the used medications.

[03:29:27] give us a replacement medication. Really it's that simple and that includes all of our narcotic medications. So there have been changes which is why we're here. Changes in enforcement of existing rules from both the Drug Enforcement Agency, the DEA, the Food and Drug Administration, the federal, and the Virginia Board of Pharmacy have caused hospitals to halt this EMS medication exchange program effective November 27th.

[03:29:52] I'll point out that LCFR, Fire and Rescue, did not receive notification until May 8th from Inova, Sentara, BHC, UVA, and later sometime that that was communicated to us.

[03:30:08] HCA followed that after the main hospitals. HCA was a little behind. But basically, we received notification from all the hospital systems that they no longer will supply us these medication and exchange policy. Immediately after learning this, we called John Freeman and all of our internal

legislative folks, and we established relationships and meetings with Senator Cain, Senator Warner, Senator Wexton's office, and they have been great partners, and we did that to advise them of the situation.

[03:30:36] We really haven't seen any changes as a result of those meetings, though they were very sympathetic to learning about what we were doing and what we had to deal with. I can bore you with numerous letters that have been written by Virginia Fire and EMS agencies, Virginia Fire Chiefs, operational medical directors from around the state that are all feeling the burden of this change.

[03:31:00] Basically, the change will require each independent agency or potentially one parent agency in each jurisdiction to form its own pharmacy, inclusive of ordering, receiving, storing, tracking, and local distribution to all EMS units of these medications.

[03:31:16] Obviously, this comes with a significant increase in administrative functions to maintain compliance with all aspects of program oversight, record-keeping, management, and licensing and documentation. While we're here tonight to talk about some initial requirements that we're asking for in FTEs and monetary funds, which are part of this, the build-out of a full pharmacy with eight sites where we're planning for is a multi-year process.

[03:31:43] So the item contains the first-year cost for us, and it clearly talks, and Megan can speak to, the financial cost. But the first-year startup costs not only include the personnel, but includes automatic drug dispensing machines, the cost of the medication, information technology and security needs, as well as track and trace software, which, again, are all included and outlined in your item.

[03:32:07] So, again, to become compliant by November 27th, we have identified a main pharmacy with seven satellite locations. The initial main pharmacy will be at Red Rum Drive in Ashburn at our new lease facility that we acquired just in June of 24 of this year, excuse me, in August of this year, and in the process of building that out right now.

[03:32:33] That will not be ready by November 27th. So in that interim, we have identified space at our headquarters at 801 Sicklin that we fully intend to have ready by November 27th to build out initial pharmacy at our headquarters. The program requirements for pharmacies at any location is rigid.

[03:32:53] They have to be alarmed under constant security or recorded visual monitoring. They must have automatic, we're choosing to use automatic drug dispensing machines, which require to support our inventory control, security, and accessible distribution to all operational units.

[03:33:11] Human capital needs, obviously there's a redundant burden of management, compliance, and oversight required for this program, which compounds exponentially under the existing framework in which each volunteer fire and EMS agency maintains their own EMS license. To support that, we're looking to establish multiple locations, and also we're recommending a merger of all the EMS oversight for medications and these pharmacies into one.

[03:33:37] That's a separate item going before our internal executive committee, where instead of having eight different agencies with licensing for pharmacies, we're all going to fall into Loudoun County Fire and Rescue. So that is happening now in our governance structure. We talked about some of the infrastructure needs with these automatic drug dispensing machines, which require one per pharmacy.

[03:34:02] There needs to be DEA-compliant software that will basically meet the cradle-to-grave tracking requirements of these controlled medications. Each one must have a county network. They must be

connected to our county system to record and transmit the data.

[03:34:18] They must have a camera and alarm system at each of these sites. At the present time, we understand that the hospital systems intend to transfer ownership of all the medications in our possession over to us prior to November 27th.

[03:34:33] That will alleviate a little bit of an initial cost to us. And our initial modeling for the amount of medications that we use will identify about a \$250,000 cost per year for these medications that we'll have to order from various suppliers. I know maybe one of your questions is can we recoup these medications from our, the cost of these medications from EMS billing, and the answer is no, it does not allow for specific individual billing for medications, although we do receive EMS billing monies for transporting of patients to and from, to the hospitals.

[03:35:09] So with that and closing out, obviously we're preparing this item tonight to you for ASCA the FTE authority. We have established some project codes to track our costs that are associated with this. Once, if and when this is approved for the FTEs, we will work very closely with HR to get these positions classified, the four positions. Some of these positions are new to the county, so it's going to require some classification. And there are jurisdictions ahead of us and behind us throughout the state. Some are already in the process, Fairfax is already in the process of hiring the pharmacy positions right now. So there's

[03:35:49] some behind, some ahead of us. We're working extensively with finance and purchasing to develop contracts for these ADDS machines, these drug dispensing machines and the software and they've been very helpful to us. Many of these machines require a 90-day lead time in order for us to even procure these equipment to come in. As you can manage many agencies to include the county administration, OMB, finance and procurement, DHR, DIT, DTCL, DGS are all involved in some way of helping of get this monumental task off the ground and

[03:36:25] implemented to be compliant before November 27th. I have Dr. Morgan here and certainly staff here to speak for the legislative part and certainly Dr. Morgan can speak to a lot more in depth on the federal and requirements that have made this change.

[03:36:44] But I just want to thank you. The last thing I ever want to do is come to you with a mid-year enhancement outside the budget process. But in this case, we really have no choice to but comply with the federal regulations and ensure that our citizens get no decrease in service. And that is really the biggest fear I think all of us have maintained is we want to maintain the safe, the great, excellent service that we provide.

[03:37:06] And if we don't establish our own pharmacy, we would be forced to lessen our service, which I think many jurisdictions in some less fortunate areas around the state will be required to do or will be forced to do, I should say. So we're here. Thank you for your continued support, and we're all here to answer questions.

[03:37:23] Thank you, Chief Johnson, Dr. Morgan, Jonathan, Chief Williams, everybody who's been working on this. I do have a few questions. So did we look at, or is it even legal for us to contract out pharmacy services with an existing pharmacy provider and sort of use their operating ability?

[03:37:45] Dr. Morgan, we've talked about this, so go ahead. Yes, it is legal. It would be legal for the hospital pharmacy to continue doing business as well, but they've chosen to stop. But the Virginia Board of

Pharmacy loosened up some of the requirements for pharmacies in general to support EMS in various models around the state.

[03:38:02] Some places are looking at that, especially the ones who previously used sort of a whole-box exchange model with a hospital, which is not what we did. There are pharmacies that do that for nursing homes, and they will expand that role into the EMS realm in some jurisdictions around the state.

[03:38:18] That has its downsides as well. We don't currently have any existing relationships, so sort of starting something up like that from scratch would be difficult. Obviously, we're a 24-7 operation, and very few pharmacies even are open after, you know, 9 o'clock p.m.

[03:38:33] So we would need to have mechanisms to support our 24-7 operations regardless. How much medicine can we carry at a given time? I mean, are we talking about a single transport that's going to just use up our whole supply for one particular unit, Or do we have five transports worth of any particular drug or something like that?

[03:38:59] So we look very carefully at the amount that we carry over the years just because of space constraints and not wanting to have so much that doesn't get used and gets expired. So we have a minimum amount that we keep on each ambulance to meet the needs most of the time.

[03:39:15] And then we have redundancy built in with additional apparatus, fire trucks, ambulances that carry backup drug kits. Putting numbers on it, we have, I have it written down, we have 856 vials of controlled substance currently on our units in the county.

[03:39:33] And 3,308 vials of other medications, everything from epinephrine to blood pressure medicine. What I'm trying to get a feel for, though, is like, so how often are we going to have to physically go to one of our pharmacy locations and restock? So we're hoping to design a system that minimizes out-of-service time for our providers.

[03:39:52] Yeah, because that was where I was going with this, because we're taking units out of service every time. The old model, which worked well, was they would use a medicine, exchange it at the point of use or transfer of care at the hospital, and be back in service. So we're looking to almost replicate that with locations that are very close to our hospitals.

[03:40:12] So Station 22, right next to Nova Loudoun Hospital, for example, is one of the sites that we're looking at having a point of redistribution eventually. Early on, we know we're only going to be able to have so much prepared and ready and set up by November 27th because of the short time frame that we were given.

[03:40:31] So there may be a little more hassle or out-of-service time for our units at the outset. But we're looking at ways to mitigate that. Increasing PAR levels of what we carry is one of those ways. Okay. And then the macro sort of reason we're in this, this is DEA, new guidelines that then the state is implementing?

[03:40:59] It's pretty complicated. It ended up really being driven mostly by FDA with a desire of that agency to increase the tracking and tracing of medications throughout the supply chain.

[03:41:17] The big picture goal is if there's a problem, a recall, they want to be able to know that this medication went from this distributor to this pharmacy and maybe even to the end user patient if they had

to trace it down. And so back in 2013, the FDA passed this Drug Supply Chain Securities Act that planned to implement in, sorry, it was 2013, planned to implement in 2023.

[03:41:45] They pushed it back another year because the hospitals and other pharmacies really weren't ready. So that's how we got to November of 2024. But from like a controlled substance perspective, like we go from having two, basically in our county, two places, we had a couple of standalone ERs, so I don't know, four, five, whatever, to now those places still have drugs for their own patients.

[03:42:10] Now we have eight potentially other locations and countless more people who are going to be touching it and having to pass through. Plus, we may have to put more on all of our units that are out there all over the place. So I wonder, what plan is that a more secure way of tracking and controlling access?

[03:42:29] Maybe that's a rhetorical question. Yeah, no, I think you make a great point. I think one of the root causes was the DEA, to speak about that organization. They're strictly concerned about the narcotics. They really didn't like the model of medications sort of owned and controlled by a hospital being sort of loaned out to EMS agencies.

[03:42:51] They want the agency to have more of an ownership and responsibility model. So yet-to-be-published new DEA regs, which have been in draft form for six or seven years, are suggesting some changes along those lines. And I think that's part of what's driving this.

[03:43:09] So a few different factors. Okay. So other things? Thank you. And thank you for this download, which is interesting. I'll just leave it at that. I guess the question more pointed Mr. Freeman, but anybody can chime in.

[03:43:27] We reached out to our congressional delegation and what has their response been to this? And I know we have a motion coming from the chair, which is rightfully so, to put into our legislative packages. So can you give us any updates from them on this and what they plan on doing?

[03:43:47] Absolutely. Good evening, Mr. Chair, members of the committee. So Dr. Morgan, you know, really articulated the, you know, update well. You know, the federal delegation actually followed up with us yesterday, and what they noted was that they spoke with FDA, staff did, and FDA pointed them back to the letters, essentially, that Chief Johnson, you know, spoke on earlier from the hospital,

[03:44:25] which basically recognized within the regulations a carve-out for EMS agencies. However, that does not fix our issue. And so they noted that there's an exemption process by which we could apply to be exempt from certain portions of the regulations up until November 27th of 2026, However, that, again, does not fix our issue.

[03:44:53] Our issue is the hospital's interpretation that they cannot refill our drug kits due to the FDA and DEA's enforcement of the regulations preceding November 26 and starting on November 27. As Dr. Morgan pointed out, you know, the Drug Supply Chain Security Act passed in 2013.

[03:45:14] Hospitals didn't have the technological infrastructure to adhere to the regulations. And so that allowed FDA and DEA to essentially come in and say, well, we'll delay the implementation. Well, you know, now, and we've seen the federal government move relatively slow on a lot of things, this is a rare moment where they are moving very quickly.

[03:45:35] And we only have a few months to, you know, basically, you know, come into compliance with these regulations. And so the delegation has worked, you know, passionately with us over the summer on

this issue. However, as Dr. Morgan also said, you know, mid-August the Board of Pharmacy here in Virginia, you know, adopted the regulations and, you know, they put certain policies in place that were meant to alleviate the burden of adhering to the regulation.

[03:46:07] And, you know, we also worked with NACO. We, staff, actually spoke with the legislative director of the health committee as well as the legislative director of the public safety committee. And what they noted was that Virginia is in a very unique predicament in that it seems as though we are one of the only states in the United States that refills our drug kits in this manner with the hospitals.

[03:46:35] And, you know, when we exchange the patient at the ER and then refill them at the hospital pharmacy and then go off to the next emergency, which has worked well, which is why we have maintained that system. However, we are now in a place where it seems as though we are in a waiting game with the FDA to hear back.

[03:46:53] That federal delegation is waiting to hear back more as well as the VACO. They wrote a letter on August 23rd, as I'm sure that you all received that communication to the FDA and DEA to, you know, essentially request them to take in consideration Virginia's unique predicament of this regulation, and we are still waiting on the FDA and DEA to respond to that letter that VACO wrote to the FDA and DEA.

[03:47:25] So that is the current legislative predicament that we are in right now, and, you know, we continue to push the FDA and DEA to take into account the predicament that Virginia is in. All right, thank you. Supervisor Sainz, I just wanted to point out, too, that it's not all doom and gloom in the sense that the Board of Pharmacy did help us with a few regulations.

[03:47:48] They have deregulated some of the medications that used to be controlled that are now less controlled. So there are some regulations that were helpful to us, you know, moving forward. One thing I didn't mention, but one thing of a big benefit for Loudoun County, probably about four or five years ago, we enacted multi-factor authentication on our EMS units.

[03:48:09] So in other words, when our drugs are locked up on the unit or in a supply cabinet, for that matter, you have to swipe your ID card and enter a unique PIN number for everything. Many jurisdictions do not have that. That was something we did about five years ago. If we did not have that, that would be a much higher cost for us to implement that level of security on our units. So we're thankful that we did that and had the foresight to implement that system many years ago. Okay. All right. Thank you. We'll stay tuned and see how this plays out.

[03:48:38] Thank you. Chair Randall. So, Mr. Chairman, I often, I like and appreciate you for so many reasons, Mr. Chairman, but tonight especially because you are at your base an incredibly logical person. So you keep asking these logical questions to an issue that is completely illogical and cannot possibly have an answer. So your response is making me laugh because I'm like, yeah, no, that's just, it's not going to make any sense no matter how much you asked that question.

[03:49:08] I know. However, I do have one question. Is any of this being covered out of any funds that's not being put on counties and localities, dispensing machines and other things like that? I mean, I understand that I don't know that I like that some of the medications have been changed.

[03:49:33] I mean, what is considered controlled has been lessened. I'm not sure I actually love that, to be honest. I'm not sure that's a good idea at all. So that's not the way we should be going. But as far as you know, how much, if any, of the fronted cost are we going to have to pay?

[03:49:55] Now, I get that we're going to get to have the medication supply that's already there, and I get that we have some things in place already, because you all have done a great job of putting those things in place already. But am I right to assume that most of these costs that we have to bear, we have to bear, and it will not be paid by any other, by the federal government?

[03:50:16] state government as well. Is that correct? I think your answer is 100%. Loudoun County is funding this change of this pharmacy. We are using, you know, Megan could speak further, but we are using some of our EMS billing money that we do. So it's a great use of that money that we have. And there's obviously, again, Megan can speak to that, but all of it is being funded through Loudoun County. Okay. Mr. Hemstreet, the positions that have to be hired, I imagine And persons who fill those positions right now are looking like they can just write their own checks.

[03:50:49] They can just write their own, they can do whatever they want to because they're going to be in so much demand. How long do you think it would take to get these people that we have to have, these four positions, on board? How long will that hiring process take, given the fact that literally all of Virginia is trying to hire people?

[03:51:10] So we're not convinced that all of Virginia is going to try to hire these people. I mean, I think one of the things we've said is outside of metropolitan areas like Northern Virginia, the capability to stand up the pharmacy operation is rather limited.

[03:51:29] So our understanding, I'll defer to Fire Chief on this, is that the positions we're hiring should be available in the local workforce. So we would anticipate, you know, pretty standard, you know, classification and hiring process.

[03:51:46] But to your point, Madam Chair, I think we're looking at six to eight months. Oh, okay. That's a little bit. Pretty traditional type of hiring process for brand new positions. But I would say if you're not in a metropolitan area after November 27th, don't get in a car accident.

[03:52:06] Yeah. Mr. Freeman, as of right now, do we know outside of major metropolitan areas and areas that maybe have their own health departments, which for Northern Virginia, I think it's Fairfax, Loudoun, and Prince William. I don't believe Alexandria and Arlington do have their own health departments.

[03:52:24] I could be wrong about that, but I don't think they do. So as of right now, do we believe that most of our rural counties in Virginia are going to do this by region and not by locality or by county? Is that the plan? Well, I don't want to speak for the rural localities, but what I would imagine is going to happen,

[03:52:45] And Dr. Morgan could opine on this, but, you know, one of the, you know, policies set in place by the Board of Pharmacy when they adopted these regulations to alleviate the burden on localities was the ability to essentially have the regional EMS Council secure the licensure to be the provider to the localities on a regional basis.

[03:53:10] So I imagine that is what the rural localities would do. That's what I would figure, too. And Dr. Morgan, you know, one of the reasons I think that what we have now works is because you know what, you know, you know much, I mean, the hospitals have a stock of medication. Doing it like this, how do we do this? Do we order the medications we think we're going to need? And then what happens if those expire? Obviously, we've lost money. What if we don't have enough? How does this work as far as ordering the medication we're going to keep in stock?

[03:53:42] Yeah, so it's a great question. So we do currently do a lot of ordering of EMS supplies. So we're used to, you know, adequate par levels for disposable medical equipment and things that expire and in some manner, you know, similar to what medications do. But certainly the hospitals possess the expertise and the experience and the purchasing power and the advantages that come along with that.

[03:54:06] And so we will be new at this, and that's part of why we want to bring in people with experience and resources and expertise specific to pharmaceutical management and ordering as part of these positions. So, we do have a history of, and because of our patient care tracking information, we have data that we're able to mine on how much medication we use over a period of time on average, and, you know, how frequently, you know, certain medications we carry and we use very infrequently, but we really have to have it for that one-off situation.

[03:54:41] Others we're using on a daily basis, and so we know all those volumes, and we'll hopefully be able to, you know, have an adequate stock and supply so that we don't run into issues with supply. Things outside of our control, however, and, you know, if you've read the news is there's drug supply chain issues, particularly with sterile injectable drugs, everything from a tornado hitting a plant in, you know, North Carolina last year to other things where plants get shut down temporarily and whole classes of medications just suddenly aren't available. And so the hospitals are used to dealing with these problems and we've benefited from their expertise over

[03:55:21] the years in procuring medications and maintaining adequate stock. Even despite all that, there have been times where we have had to not carry something for a short period of time because it was just simply not available. And then my last question is, does this include benzodiazepines?

[03:55:38] Yes. We use that primarily for patients experiencing seizures. So now, so the benzos will be included in the opioids that we will now be stocking and distributing? Yes.

[03:55:53] Correct. We already carry them, but we're going to have to order, procure, and manage the supply ourselves. Okay. Thank you. All right. I'm going to go to the motion, and then I'll turn to you to make your motion, Chair Randall. I move the Finance, Government, Operations, and Economic Development Committee recommend the Board of Supervisors authorize the creation of four FTE and FY 2025 for the purpose of creating Loudoun County Fire and Rescue Pharmacy Program.

[03:56:21] Second. Second about Chair Randall. Any further discussion needed from us? Thank you for all the work on this. This is a huge undertaking. I think Mr. Hemstree is right. We're fortunate that we have the resources here and the brainpower sitting here and elsewhere in the department and our county to get this done.

[03:56:39] Not everybody is that fortunate, so I know we'll do the best job that we can to prevent any kind of disruption, and the residents probably won't even know about it, which is how it should be, but I also know how much work goes into making that the case, so thank you for all that. And of course, we have to do this, and I'm happy to support it, not happy about having to do it.

[03:57:00] Other discussion on the motion? Your light's still on, but you're good? Yeah, I'm good. All right, all in favor, say aye. Aye. Anyone opposed? Motion carries, 5-0. Chair Randall. I will the Finance, Government, Operations, and Economic Development Committee recommend to the Board of Supervisors that the following topic be added to the county, state, and federal legislative agendas.

[03:57:23] Just made a second by Mr. Sainz. Okay. So I don't actually remember being forced to vote on an item that is literally in contradiction to our federal and state programs, which is what this is.

[03:57:39] For a myriad of reasons, the unfunded mandate alone being one of the reasons. I also don't remember being forced to vote in the item that is this ridiculously illogical. And I think for a lot of reasons it's a very, very bad idea.

[03:57:59] I am absolutely slayed by how professionally our staff handles these things all the time. Because you have to, and we have to do what we have to do, but your handling of this has been what you always are as exemplary.

[03:58:19] and I really do appreciate that so much. I do not believe we should pass that first motion without at least saying in our disagreement and the fact that NACO, I'm sorry, VACO is leading the effort against this, and I believe if nothing else we owe it to them to join in that effort.

[03:58:41] And so although this is being hoisted upon us and we may not have a whole lot of chance to change it, I cannot, I couldn't live with myself if I didn't put something forward to say we're doing this in the rest because we have to, but we do not agree with it.

[03:58:59] And it is, you know, it's an unfunded mandate, and for various reasons, besides just being an unfunded mandate, I think it's a very, very bad idea. So this motion is registering that. It really has nothing to do with how amazing our staff has handled this, our fire and rescue has handled this.

[03:59:19] But I wanted to, it's just me, you know, putting a marker down of how much I disagree with the fact that we are being forced to do this. Thank you, Mr. Chairman. Thank you, Chair Randall. Sir Rosa Briscoe. Thank you. I appreciate staff's response to this.

[03:59:37] And, you know, as Chair Randall said, always professional, always, you know, I'm sure you were pulling your hair out at one point, but you come here and you've got the problem basically solved. And we do appreciate that. And I hear, I think, Mr. Freeman, what you're saying is that perhaps there's a slim chance that Virginia might get some kind of a waiver for this.

[04:00:03] Is that kind of the path that you're thinking about? Well, so what the FDA has communicated to our federal delegation and the links to more information are online. it's public information that there are certain portions of the FDA regulation that provide an exemption for certain EMS agencies by which they can apply and be exempt for certain regulations up until November 27th, 2026. However, that does not fix our problem. The problem is that

[04:00:43] the interpretation of the regulation by the hospitals essentially is saying while the MS services are carved out, hospitals are not. And so they are unable to participate further in this drug kit program preceding November 26. Okay. Well, so the answer is no to what I was thinking.

[04:01:08] That's unfortunate. Well, I am sorry that you guys have had to deal with this because I think that you would probably rather just be out there helping people than trying to figure out how to build a pharmacy in the matter of what six months to cover a county of 420,000 plus people so you guys deserve some sort of an award thank you for all your hard work and I'm happy to support both motions and thank you okay closing no just thank you again I really you know the difference between who Loudoun County is right now and the resources and the staff that we have and what we're going to see in other counties

[04:01:48] is going to be stark. I think that this actually, not in our county, but in some rural counties, actually could be life-threatening. So this is just very unfortunate what's happening here. But thank you all very much. Thank you, Mr. Chairman. All right, all in favor of the motion, say aye.

[04:02:05] Aye. Anyone who opposed, motion carries, 5-0. Okay, have a good night. All right, last item. It is a budget development item, which I know everybody feels like right now, Department of General Services Organizational Assessment.

[04:02:25] I will say that we actually requested this during last year's budget process with all of the stuff that Ernie and his team are bringing us, and org charts, and lots of money for new staff. And so tonight, Ernie's here to tell us that we don't have to do it, and it's going to be much cheaper, and he's going to go instead, go buy a fleet of pharmacy vehicles.

[04:02:48] Yes, sir. We don't have to do it. It's going to be much cheaper, and we're going to go buy a fleet of pharmacy vehicles. All right. Well, then we're done. Have a great night. And with that, do you want the paper tomorrow or tonight? So good evening, Chair Letourneau.

[04:03:03] It's good to see you all back from break, members of the board. Unfortunately, that is not what I'm going to do this evening. Although you really do may need to go buy a bunch of pharmacy vehicles. I may have to do that. Yeah. So we were going to start out with you, weren't we?

[04:03:18] So Megan and I have put together this presentation to... Are you blaming her? Her and her team, Amber, they were awesome to put this together. There's lots of numbers in here, so you know that was them. Okay. So you can rely on those with great fidelity.

[04:03:37] So as you mentioned, last year when we were going through this with our budget requests uh relative to our assessment uh the board did ask for more information on it so we provided this uh summary document and really looking at the three phases um and our way forward i will caveat this if you can go to the next slide uh we that yellow did not turn out so well um we uh we just provided this slide to give you trash it's it's uh it's it's it shows a look back of 2024 and really what it did for us was as we were going through this process there's a lot of things

[04:04:12] happening in general services and we have we have grown immensely in our service delivery so it caused us about a year and a half ago to really ask the question why so what we've seen since FY 2015 to present is we've seen our budget actually more than triple we've seen our staff double we've seen expansion of services all very much in line with general services and public WorkWorks operations do, we've seen a significant increase in the square footage that we're maintaining.

[04:04:49] You look at that bottom right-hand section there for work orders, our work orders have more than tripled since fiscal year '17 through the end of 2024. And even with that, the increases in staffing that we have provided, it still has resulted in a net increase of 25% work order load on each technician.

[04:05:11] So we're playing this pretty significant catch-up game and have been doing so for probably 10 years. This was kind of our high-level look at things. If you look at the next slide, this happens to be a slide that really tells a story for me.

[04:05:28] If you look at 2015, you see maybe a slower period of growth the first couple of years, but then you start seeing it ramping up with the expansion of facilities primarily. Waste management has grown extensively and these are staffing numbers, but you see the corollary budget line growing with it.

[04:05:48] We currently now have the third largest operating budget in the county. We're only the eighth largest organization as far as departments, but there's a lot of things going on. And I want to kind of direct your attention to the very bottom gray line on that.

[04:06:05] That's senior management. We'll talk a little bit more about that in a little bit. That was essentially stagnant from 2015 to 2024, and then you saw a small jump in that senior management in 25, primarily because of this reorganizational change.

[04:06:22] No organization really does that and survives keeping the senior leadership at that static level when you see a doubling of their staffing levels and a more than tripling of their operational budget, which is a corollary indicator of the rules and responsibilities.

[04:06:39] So this was our why. Why do we need to have a look at our organization as a whole? And so we commissioned last July Alvarez and Marcel, which was a consulting firm that really focused and specialized on public works entities, and they are nationally recognized for their expertise in this field.

[04:07:00] And so we chose them because we needed to make sure that they were really looking at the nitty-gritty of our operation. It started out with an employee survey, and to our absolute amazement, 61% of the entire department chimed in on this. That's a very, very high number, especially with an organization that is head down into operations.

[04:07:22] That's what we do, right? So a couple themes rose from that. Obviously, workload was a key challenge, training and professional development. uh, was, uh, was a high need for the organization and, um, they, they love their jobs. They just, uh, need more help getting it done. Um, and so there was, there was a, a, also a clear indication that while within divisions, we had good communication, but you step outside of that and communication started failing. Um, uh, whether it's between divisions, up the chain, down chain, cross, um, and that's a real significant warning sign in any side of organization,

[04:07:58] any size organization when you start having failures in your communication structures. So the consultant, Alvarez Marcel, kind of pulled together some high-level findings. And I'm not going to go through them all, but I'm going to bracket them.

[04:08:15] First thing they notice is that DGS has a very, very strong get-it-done culture. We're extraordinarily good at excelling in triaging situations and taking immediate action. We have a highly technical and capable team that can get it done. And that is what we've done over the last 10 years is we have actually grown the front line with highly technical, highly capable, highly competent, service-oriented staff to get the job done.

[04:08:37] What we did not effectively do is build the infrastructure behind it to keep it sustainable. And that is where we found ourselves at a breaking point with this. And they highlighted those breaking points that we haven't had time to address long-term strategies, which has limited our ability to identify funding priorities and operating needs looking beyond the immediate, which is one of the glaring weak points that we currently have. Are we getting the job done? Absolutely. Can we sustain that? Absolutely not. So we started the process of implementing this last year. We'll talk a little bit about that.

[04:09:09] But they also really highlighted that the current organizational structure and the operating model resulted in the key leaders, the very few key leaders that we had were stuck in the day-to-day operations, limiting the ability, specifically me and my leadership team, the ability to focus on strategy, which can be a tactical and critical failure in operating departments such as general services.

[04:09:37] So they highlighted a number of very positive things about the organization, but they also highlighted quite a few glaring needs that needed to be addressed in the very short term. They bucketed these into five different categories: department organizational improvements, talent development, strategic planning, operational effectiveness, and tools for communication and development.

[04:09:58] So we then subsequently built a implementation plan around these, working with them. But these were the five buckets that they identified. I have highlighted in there the American Public Works Association of Credation as a big yellow box, primarily because that's gonna be a major and very significant tool to help guide us through this process.

[04:10:21] we have a lot of international and national standards that can guide us through this process. We're not alone in this and there's some good industry best practices. So just to kind of highlight some of the areas, organizational improvement.

[04:10:36] Okay, let's slide. They recommended that we realign our current six divisions into 13 divisions to provide sustainable functional operations. Critical element there was to provide a clear communication bridge for senior leadership at the strategy level and divisions at the operational level.

[04:10:52] and to mitigate a number of the critical strategic senior leadership gaps. In talent development, they identified clear needs for cross-training and access to training opportunities, primarily in the technical area but also professionally and personally for the staff to give them an opportunity to grow in not only their career but in their interpersonal skills as well.

[04:11:17] The next area was strategic planning. we do not have an effective strategic plan in general services. And what does that mean? You know, I'm not a planner, I'm an operator, that's kind of at the core of what I do, so planning is unfortunately an afterthought, and this has to be a forethought, and it has to be strategic and intentional if we're gonna be able to pay attention to what's coming ahead.

[04:11:41] You know, we have invested an enormous amount of resources in looking at our program reviews and the, what's the term, the stabilization, pathway to stabilization. And those are very real initiatives that allow us to look beyond the immediate to solve the problems that Loudoun County is gonna have to address in five and 10 years.

[04:12:05] Part of that is pursuing the American Public Works Association Accreditation 'cause it's gonna help us get there in a really amazing way. Operational efficiencies, I don't wanna sort out all the dirty laundry in here, but we need a lot of help with this. And so we've actually hired a temporary employee to help us address some of our gaps in standard operating procedures and streamline our operations, promoting knowledge transfer and improving our onboarding process.

[04:12:33] I know I'm talking fast, but I wanna make sure that you all can get out of here as soon as possible as well. We've hired Dr. Katherine Jefferson. Her PhD is in public policy. I'm not sure why anybody would get that, but I'm glad that she did because she is brilliant in this field and has been an extraordinary contributor through this process.

[04:12:55] And then lastly, communications and collaborations, which I will assure you is the actual essential backbone of making this organizational process work. So just really the next slide will highlight kind of what we're doing, how we got there.

[04:13:12] This has been an incredibly collaborative process. I'll tell you the organization, we've got a few other slides to show this, but they have had enormous buy-in. And this is because we're willing to take the time, invest into our department, and get the feedback from the team that is actually getting the work done.

[04:13:30] So as I mentioned, we had over 60% of the staff responding to the initial survey. We had 20% of our staff sign up immediately because they want to be part of the solution. So we initiated these sprint teams. They came up with recommendations, working with the consultant, and it was extraordinary what they came up with.

[04:13:47] and it was real, applicable, operationally realistic solutions to get us to that finish line. So back a little bit to the positions that we were talking about. We did initiate in 2024 some reclassifications of positions to address our greatest and most emergent needs.

[04:14:07] One of which is a deputy director, another deputy director for environmental services that's currently being classified by HR. We established a waste management assistant director, a waste management division manager, a second one. That's, we're currently reviewing applications for that.

[04:14:22] Capital asset preservation program. These are the ones, this is the program that actually fixes the HVAC systems, replaces the roofs, replaces the windows. These are all projects that ensure that the assets that you will have invested in are preserved and maintained in a way that ensures that the work environment is satisfactory to our workforce.

[04:14:41] And we invested in another division manager in our facility maintenance program to focus on public safety and the security operations. Those are all in movement and happening right now as we speak. In 2025, we came to the board and asked for additional resource requests, which you so graciously approved for us, and we are moving forward on that, one of which is the Energy and Environment Division Manager.

[04:15:05] Interviews are currently underway. Stormwater Engineering Program Manager is ready to advertise. Internal Services Division Manager, that's a mid-year. Our Budget Manager, which is also mid-year, our two grant CIP analysts, and those are in process. So those are the first two phases of our organizational, structural organizational realignment.

[04:15:26] The third phase, and hopefully the last phase for this process, as recommended by the consultant, is four more positions that we will be likely bringing to you in the 2026 budget process. And that's another assistant director for management administration and learning, diversity, equity inclusion coordinator, another set of capital asset preservation program specialists, and then a policy and planning administrator. So what does that look like when we pull it all together? The organizational chart that we have on the next slide sets up a structure that

[04:16:04] Alvarez and Marcel says, you have an incredible operation, you do extraordinarily good work, The economies of scale by having what you do, where it is, works perfectly because you have a centralized management administration program. You are delivering more requisition orders and purchase orders than any other department in the entire county.

[04:16:25] And it works effectively and seamlessly because you have this economy of a scale in this finance and administration internal services operations. And it benefits all these other operational outwardly focused programs and divisions to get the job done. but this is how you need to set it up.

[04:16:42] And so they said that the strategic leadership element and the planning element has to happen and you need to focus it into two primary areas, one of which is your fleet transit and facility operations, which is essentially your rolling stock and your physical plant and then your environmental services and that's waste management, which is the landfill and recycling and our public works and environmental services.

[04:17:02] So that's kind of like the strategic side of it and the system directors are the bridge to the operations. The division managers are now able to focus on operations, not be distracted by the things that should be strategic or planning or upper level communication and coordination.

[04:17:20] And those are the 13 divisions that we now have in place and are operating. And the only one of the assistant directors that we don't have right now is the assistant director for management and administration, which would be an ask for 2026. But this is already effectively working with a few of those positions being filled or reclassified now.

[04:17:41] And so what we learned, we had our second all-hands, all-staff meeting back on July 31, and we were asking some questions, we're getting some feedback, and this was a remarkable response that we saw. And I wanna remind you, we've invested for a decade into the frontline.

[04:17:58] And when we laid this out to them over a six to seven month period, working closely with the team, overwhelmingly they not only understood the reorganization and the impact of DGS, they believed that it was going to benefit the department and its ability to continue to deliver services to not only our peer departments, but the citizens and businesses within Loudoun County.

[04:18:23] And that to me was probably the biggest testimony of a success for change management is that the organization understood it, valued it, and said it'll make a huge difference. So where do we go now? Our request is to be able to continue to implement the reorganization through the additional resource requests that we're gonna be asking for in the FY26 budget process.

[04:18:47] We have created a number of long-term teams to address the training, culture, engagement, and communication elements. And we have a number of short-term teams to deal with some of the quick fixes, the strategic planning, and things of that nature. But ultimately, it's a continuous improvement process that the buy-in from the department has been amazing and they're wanting it and they are seeing the value through the quick wins that we've already achieved.

[04:19:13] So very quick, I'm going to stop talking and I will make myself available for any questions you may have. - Okay, Supervisor Brisbane. - Thank you, that was very thorough and I feel like you've explained everything really well and I'm glad to hear that staff is on board with all of this and sounds like they're excited about it.

[04:19:42] As of now, you're not asking for any mid-year positions. Okay. And then I just had one sort of overarching question. There has been some discussion about having a separate department for like an environmental department.

[04:19:59] It looks to me, especially with that chart that you were just showing, It looks like you're going to have an assistant director for environmental services. Was that the title? It'll be a deputy director for environmental services. Deputy director for environmental services. So it sounds to me like we're addressing that need within your department.

[04:20:21] Would you agree? Yes, ma'am. In fact, that was what the consultant identified very quickly as a way to solve that. And when they looked at this, they looked at all, a wide variety of options here to include creating another department.

[04:20:38] And they recommended against that for a number of reasons, but it was primarily for the economies of scale and the efficiencies that we get by providing the management administrative services for the entire department. The cost to split that up and then create that same infrastructure in another department is very expensive.

[04:20:59] This also, as Mr. Hemstreet has referenced in the past, this also aligns the non-regulatory and the proprietary environmental programs that the county deals with in one department. So it keeps it very clean.

[04:21:15] The public understands it. Other departments understand it. They understand who to go to for those non-regulatory elements. So this is a proposal that the consultant identified as the appropriate solution for that.

[04:21:31] And when you say non-regulatory, part of staff's pushback is the word I'm coming to, but it's not necessarily pushback, but concerns about having a new department would be putting sort of like zoning and those regulatory things together.

[04:21:51] Is that what you mean by you're going to keep the non-regulatory things over here and then leave the building permits and the zoning and everything else over on another side of the house? Yes, ma'am. That's clean. Yes, and really that comes down to the development community. They understand that working with building development, planning, and zoning is the regulatory framework to some extent, environmental health, and they know who to go to for that, and it's very clean.

[04:22:13] They understand it. But I, in my previous life, I was a director of an environmental organization that did both. And I can tell you it is extremely challenging. The way that we currently have it set up right now is very favorable to the administration of the programs and also the understanding of the programs through the entities that are either being regulated by it or receiving benefit from it.

[04:22:35] What's the total budget ask then going to be? So we're working through that now. You don't know for 26 yet. Okay. We don't have those numbers yet. The positions for this particular priority associated with this are those five, four positions.

[04:22:53] Four positions. The bottom four, ma'am. The bottom four would be the new ones. Yes, ma'am. Okay, so the ones in the middle, they were already funded? It's approved. Okay, already approved. Okay, great. And then one last question. Are you going to keep those colors for your departments? I like them.

[04:23:09] I happen to like them, so unless... So everyone knows where to go when they come into the office? I'm on the blue team. It works for me. Yeah, okay. They actually voted on those, just so you know. I like them. They decided what division was getting what color.

[04:23:24] Okay, thanks. Thank you. That's good leadership. Thank you, ma'am. Thank you. Those are saints. So they got to pick uniforms, too? I happen to like my uniforms, too, even though somebody calls me a little bit stoic in my formality. But I like them.

[04:23:42] It identifies who is in your office. So go back to the chart real quick, please. The chart? Yes. So where, for example, help me understand because I'm looking at it, I don't see it.

[04:23:57] Where would Keith Fairfax and his great team be under? They will not be in this. Keith Fairfax is zoning enforcement. So they are regulatory. And so they are still with building in, I'm sorry, with planning zoning.

[04:24:13] Yes, sir. Okay. All right. we are not proposing a structure beyond uh the current roles and responsibilities of general services okie dokie okay all right very good keith would be very upset if he thought he had to come work with me okay maybe we gave him a color yeah true true no give him a new color work we'll work on it there's a few that's finance and administration yeah it's a fuchsia purple yeah that's you too but all right uh all right but you you feel very confident in in this and and it sounds like uh

[04:24:49] you got some good buying from the i hate to use the term but rank and file yes sir all right well that's the main thing is if they're they're they're they're supportive of it then well they see the value good thing and and they they they're hoping they're very optimistic that this this will be a change that will benefit their ability to get the job done more effectively and more officially And this will be all together. What's the ramp up? Is it five years all together?

[04:25:14] No, sir. Actually, we're in the second year, and it's a third year ramp up, so pending the board's approval or consideration approval of our request for 26, fiscal year 26 will be the third and final year of its implementation. All right. Thank you.

[04:25:31] Chair Randall. I will be quick, Mr. Chairman. I just want to say, first of all, I really appreciate the incredibly organized manner in which you guys have handled this all the way along. You've come to us every section, and it's been clear what you're trying to do.

[04:25:48] On page seven of the presentation, you actually mentioned what were the recommendations. But before you said that, you actually said, you know, they said we're doing some things very, very well, but these are things we're not doing well. I wouldn't mind hearing what you all think you are doing well, because you should always say that, you know, just because.

[04:26:05] You should always say that. Obviously, I will be supporting the motion. My message to you, though, to take back to your staff is I have never had a negative experience with anybody on your staff. Any request I make, they're helpful, they're there, they're professional, they're just amazing at all times.

[04:26:26] And I don't think I've ever said that to you before, to take back to your staff. But please, please do let them know that they've just been, I mean, I will call the night before and say I need help with fill in the blank. and somebody's there and does it and you have a fantastic staff and please let them know that from me. Thank you very much. Thank you very much. Just go back to that work chart for a sec. Are any of those positions vacant? Or like the top half? So the deputy director for vulnerable services is a reclass position so it's in the process so technically yes it hasn't actually been classified

[04:27:05] yet. No but you have you have somebody on the role basically though. It's me. I'm filling that that role so um we're gonna call that one vacant right right you know it depends on the day um so that was okay i didn't even mean that so the assistant director for transit fleet and commuter services uh that was vacated peggy uh peggy penny retired and that was the time when we consolidated uh fleet into that operation so it's or anything that rolls uh construct and that was a recommendation of the committee so that is vacant and we're hiring for that now uh the assistant director for facility operations we just recently hired his name is matt jeffson came out of uh

[04:27:43] engineering uh facility engineering for a 30-year uh uh career in the air air force phenomenal assistant director for waste management again reclassified new position we're currently uh reviewing applications and the assistant director for public works and environmental services is marcovini okay so oh and i'm sorry the other deputy up there is uh is uh jamie cook who we stole from montgomery county he was deputy director uh for general services in montgomery county in maryland great steel by the way okay i was just trying to get a sense of kind of where this stood

[04:28:17] from an actual execution standpoint so how how long do you think this transition ultimately will take not not necessarily just like how long until you get the positions you want all that but you're trying to undergo a little bit more of a right i don't want to call it cultural but you know it is That's actually a cultural shift.

[04:28:36] Okay, all right. So that's a very fair question, Supervisor Turno, and, you know, the formal and structural change will be a three-year implementation, but there are a lot of other things that will take more time. I will tell you, just to kind of open up a few things, we're looking seriously at an apprenticeship program to specifically target it to our trades.

[04:28:59] That takes an enormous amount of work, and we believe it's essential, the average age for the trades nationally is 52 years old and we are having an incredible deficit in those in those recruitments and we're we're competing against everybody and anybody that needs HVAC technicians plumbers I mean our ability to outsource them is becoming more difficult and the only real solution to that and you know mr. Hemstreet and I have talked about this and we're working with HR to try to frame a solution for this is really get into the apprenticeship game.

[04:29:35] The unions have been the masters of this for a better part of a half a century. And so we're leaning on some of the expertise that our Deputy Director of Fleet Transit and Facilities, Jimmy Cook, had developed a apprenticeship program in Montgomery County, you know, so we're leaning on that to try to build a solution to where we can actually pipeline not only just the recruitment, but the retention the growth of of a sustainable um well um cared for and productive uh trades uh organization that's

[04:30:12] just an example sorry you could no no that's fine yeah um so so those take years uh but we have to get the infrastructure in place to be able to sustain it and then make it work that okay that got to it well thank you for the presentation um i'm not going to say i'm going to look forward to to the budget requires because you know.

[04:30:32] Understood. The dam's going to break at some point. But anyway, but we're going to do the best we can. So all right, I think that is our last item. So with no further business to come before the committee, we will see everybody tomorrow for the public hearing.

