

An adjourned meeting of the Board of Supervisors of Albemarle County, Virginia, was held on February 24, 2012, at 11:32 a.m., Lane Auditorium, County Office Building, McIntire Road, Charlottesville, Virginia. The meeting was adjourned from February 8, 2012.

PRESENT: Mr. Kenneth C. Boyd, Mr. Christopher J. Dumler, Ms. Ann Mallek, Mr. Dennis S. Rooker, Mr. Duane E. Snow and Mr. Rodney S. Thomas.

ABSENT: None.

OFFICERS PRESENT: County Executive, Thomas C. Foley, County Attorney, Larry W. Davis, and Clerk, Ella W. Jordan.

Agenda Item No. 1. The meeting was called to order at 11:32 a.m., by the Chair, Ms. Mallek.

Agenda Item No. 2. Presentation on County Executive's FY 2012-2013 Recommended Budget.

Mr. Foley began the meeting by recognizing staff for their work on the proposed budget, noting the efforts of Lori Allshouse, Andy Bowman, Laura Vinzant and Lindsay Harris as well as Bill Letteri, Bryan Elliott and Lee Catlin who put forth a tremendous amount of effort in developing today's presentation. He emphasized that this budget represents a time of transition from the really difficult times over the past three years with the downturn in the economy which impacted budgets as well as county citizens. He said he is beginning to see some positive, but modest movement in the economy going forward.

Mr. Foley said that there are two major principles that were used in the development of the budget which the Board will see throughout the presentation. He said the first principle, which is the County's continued commitment to excellence, includes continued scrutiny of expenditures and improvements in ways of doing business as well as the need to make some investments in the year ahead to shore up basic core services. He stated that, after three years of cutbacks and changes, there are a few items that need to be considered in order to maintain the quality of the County's systems and provide basic services. Mr. Foley said that the focus on the future is reflected in this budget as well, which means there may need to be modest investments made to keep up with the change in growth currently being experienced in the County. He said this investment is also necessary to avoid a crisis management mode, because projects that are delayed too long make catching up very difficult. He said that investments in maintaining current levels of services as well as taking some steps forward into the future are all done in this budget without an increased tax burden for the average homeowner.

Mr. Foley reported that, through the first three years of the recession, there had been a time of fiscal accountability and transformation for the County as an organization. He said the budget was reduced by \$40 million during that period, taxes were held flat in FY10 and reduced in FY11, the volume of projects in the five-year capital program was reduced by \$118 million, and necessary reductions were made based on the funding formula for school support by approximately \$4 million or 4%. He said that the County also eliminated 66-70 positions which are permanent changes.

Mr. Foley reported that the budget was still very uncertain in FY12, adding that there was a slight increase related to changes in the capital program, i.e., the Greer Elementary School project. He said that the County put together a hold-the-line budget last year, and the General Fund only increased by 1% due in part to changes in reserves such as setting aside money for the new fire station. After two years of reductions, he said, staff held expenditures in check while also reducing the tax burden on citizens in the current fiscal year.

Mr. Foley said that this time of transition is very important, and staff does have a higher level of confidence in FY13 due to some revenue improvements, so the FY 13 budget shifts from a hold-the-line approach to moving ahead with investments and urgent needs to avoid potentially negative consequences. He emphasized that the investment is not in new programs or enhanced services but rather supports the future quality and availability of basic government services such as public safety, which could begin to deteriorate without additional resources. He stated that the one thing that remains a constant is the County's commitment to excellence and, even as the situation improves, the County would remain focused on the principles of an excellent organization. Mr. Foley explained that this means continuing to reduce costs, reposition resources, and streamline operations to be as efficient as possible while continuing to explore alternative revenue generation and consider other ways of doing business such as privatizing services. He said that technology improvements have also made a real difference in moving forward and reducing staffing needs. Mr. Foley said the County's partnerships with the School System, the community, and neighboring jurisdictions are also reflected in the budget.

Mr. Foley stated that it was critical that the County be able to lift its head up from these past challenges and begin to look toward the future and move forward in a logical way. He said that the Board would see in the FY 13 budget a focus on progress, taking positive and modest steps forward to address priorities such as the Crozet Library which will not only provide needed library services but also help transform and revitalize downtown Crozet, a major goal of that project. Mr. Foley also mentioned inclusion of public safety facilities that would improve response times and ensure reliable service. He said that the Board would also see a focus on opportunity, which means the County would move beyond normal ways to doing business and take advantage of possibilities such as a partnership with the University of Virginia that will allow the Ivy Fire Station to be built and operate on land costing \$1 per year, originally planned to be a \$2-3 million project. Mr. Foley also mentioned a partnership with Martha Jefferson Hospital that will allow the County to provide Emergency Medical Services (EMS) at Pantops without any capital costs.

Mr. Foley said that the progress made with new core facilities, improvements in basic services, and the opportunities through partnerships are the reasons staff believes that the proposed budget demonstrates the County's commitment to excellence and a new focus on the future. In keeping with the two driving principles, he said staff relied on several specific goals in making decisions and recommendations for Board consideration. Mr. Foley said that the first two goals focus on commitment to excellence, as the County must fund existing obligations and commitments, and continued transformation and sustainability. He stated that, in looking to the future, the County must invest in strategic priorities to position the County for the future.

Mr. Foley reported that the FY13 budget totals \$311,677,000, and includes General Fund, Schools, Capital Funds, and some of the smaller funds such as Debt Service and special revenue and School Self-Sustaining. He said the largest portion of revenues continues to be property taxes, which account for over 65% of the revenues in the budget. Mr. Foley said that the School System continues to account for about 60% of the total expenditures, which includes their operations expenditures as well as debt service and capital. He said that General Government accounts for about 35.5% of the budget, which includes Public Safety, Human Services, Public Works and General Government as well as the County's payment to the City for revenue sharing for a total of about 5.6%. Mr. Foley stated that the budget is balanced on an equalized tax rate of 76.4 cents to offset a 3% decline in the total assessed value of property, and results in the fourth straight year of no tax increase for citizens with two of those four years having tax reductions. He said that total revenues increased by \$7.3 million, or 2.4%, and reflects modest signs of improvement in the local economy as well as enhanced collections of delinquent taxes. Mr. Foley said that state revenues are projected to increase by \$2.7 million or 4%, with much of the increase being school revenues.

Mr. Rooker asked if state revenues to schools are predicted to be more than they were last year.

Mr. Foley said that is his understanding and that is more than what was built into the proposed budget, therefore, anything new coming in would help offset the Schools' gap along with some other strategies locally. He said that his information indicates it might result in as much as \$1.2 million to help offset the Schools' shortfall, although some portion of that amount may offset VRS. Mr. Foley explained that Schools started out with a \$4.9 million gap and, with the additional funding from the state, the gap could be closer to \$3.7 million with perhaps another \$1 million off if the state comes through in addition to some local revenues.

Mr. Snow asked if there would be a discussion about what an equalized tax rate means. He said he has heard that some tax assessments have gone up tremendously.

Mr. Foley said he was speaking about the average homeowner and stated that some classes of property may have increased in value which would cause some taxes to go up. He said other properties will go down which would result in more of a tax break than the average homeowner.

Mr. Rooker said residential assessments went down more than commercial assessments.

Mr. Foley said the average assessment went down approximately 3% in terms of the decline on both residential and commercial properties. He said if a taxpayer has a concern about their assessment, there is an appeal process.

Mr. Rooker said a good approach is to make sure those types of complaints go through the Real Estate Office so that citizens understand the process, and cautioned the Board about making assessments a political matter.

Mr. Foley reported that Local Government expenditures increased 3.6%, primarily to meet obligations and shore up core services in addition to making some investments in the future. He said that School operations are up 3.7%, with VRS expenditures comprising a significant portion of that increase. Mr. Foley stated that the Capital Improvements Program (CIP) is up about 16%, reflecting some future investments such as the Crozet Library, the Police firing range, and a fire engine needed to open the fire/rescue station in Ivy. He stated that the revenue picture has changed since October when the five-year plan was first developed, due primarily to the good work of the Finance Department's new and enhanced program for tax delinquency collections. Those efforts have resulted in an additional \$1.5 million of revenue which was not anticipated in this budget. Mr. Foley said staff is recommending those additional dollars be allocated to the CIP, however, that decision is ultimately the Board's to make.

Mr. Snow asked how much additional revenue the equalized rate would raise.

Mr. Rooker said the equalized rate results in no increase in revenues on the existing tax base. He said some assessments went down, some went up; it's an average.

Mr. Foley said it is very important to recognize that the assessment rate is an average and, therefore, homeowners are affected in different ways. The \$1.5 million is equivalent to one penny on the tax rate.

Mr. Rooker said the Board does not have the luxury of applying different tax rates to different properties based on how much their assessments are.

Mr. Snow said if the \$1.5 million means the County does not have to set an equalized rate, then the Board could decide on a 2 cent rate. He added that the Board has options.

Mr. Foley emphasized that everything in the budget, as presented, is funded without that penny, therefore, if the Board wanted to drop below the equalized rate and provide tax relief, it could continue to do everything proposed in the budget, however, staff would definitely point out what cannot be done, particularly as it relates to capital needs.

Mr. Foley reported that the General Fund revenues total \$222,051,000, with general property taxes and other local taxes providing the majority of the funds and state revenues being roughly 10%. Mr. Foley said the County is beginning to experience some modest growth. He said, overall, General Fund revenues are up 3%; property taxes increased by \$4.1 million or 3% primarily due to new construction and personal property taxes. He stated that other local taxes are up 4% or \$1.7 million, which reflects sales tax, meals tax, and some fee increases. Mr. Foley stated that other local revenues increased by \$900,000 or 15.8% due to increases in EMS recovery fees and some County fines. He noted that state revenues are flat and federal revenues are down only because of a change in a Social Services program that used to run through the local budget but has now been shifted to the state through a new program.

Mr. Boyd asked if the 3% increase in General Fund revenues is based on the current year or projections for next year and Mr. Foley said the increase is based on next year's projected revenues.

Mr. Boyd asked, at some point in time, will the Board get an updated review of what this year is looking like and how the budget will end up this year.

Mr. Foley said that information is all in the budget. He said the Board has already received the second quarter financial report, which is as much as staff can report on now; however, staff has incorporated all the results of that quarterly report into the document before the Board today. He said this report is a projection for next year to 3% overall General Fund revenues and, again, the General Fund revenues are where all the local taxes come from and then go out to support the Schools and all the other operations. He reiterated that revenues from the state and federal level are flat.

Mr. Foley said the FY 13 budget is about maximizing revenue opportunities and, beyond the modest general economic recovery, the reason staff is able to recommend some steps forward in the face of declining real estate values is the deliberate action by the Board when it directed staff to build the budget based on the equalized tax rate, and begin implementation of EMS revenue collection. He said those efforts are making a real difference in the budget. He added that staff has also contributed to this effort by increasing delinquency tax collections. Those additional revenues are ongoing and are ones which staff expects to have into the future. He pointed out that the County is getting more in line with best practices in terms of delinquent tax collections and those efforts have resulted in some big changes. That same effort also reflects continued focus on sales and business tax collections. He reminded the Board that this effort only began this year and is part of the entire effort of moving forward with excellence and improving operations by collecting delinquent taxes in addition to identifying taxes that were going to the City of Charlottesville that should have been coming to the County. He wanted to point out that this effort is not unique and that other localities were also moving in this direction with those collections.

Mr. Rooker asked how much EMS collections would provide in revenue.

Mr. Foley explained that there were two components to the EMS collections effort, and next month the Board would have a proposed rate increase on those fees; staff had projected only the last quarter of the fiscal year to bring in expanded EMS revenues which generated about \$150,000. He said that if the effort is successful, the next year would yield about four times that amount. Mr. Foley stated that the average home value in 2009 was \$308,000; however, that has declined and dropped the tax bill by about \$100 for the average homeowner over four years. He said, with the budget as proposed, that amount would not change; however, some business owners may experience increases as every year varies.

Mr. Boyd asked if that same information could be provided for commercial and industrial property taxes over the same period of time.

Mr. Foley responded that staff could put that information together for the Board, adding that some business taxes are assessed in different ways. He said that all of the conversations and decision-making in the past have been focused on the average homeowner, but there are other taxpayers and other impacts that could be considered. Mr. Foley clarified that residential property taxes were the lion's share of revenues at about 70%. He said there have been conversations in the past about getting a stronger commercial and industrial base but 70/30% is what has been discussed.

Mr. Boyd commented that apartment buildings are factored on the residential side, not on the business side.

Mr. Foley reported that about half of the pie, \$222 million, is slated to be transferred to the School System for operations as well as the transfer for debt and capital, with the other larger components of the pie being Public Safety, Human Services and revenue sharing. He added that most of the other smaller percentages will go to areas such as General Government Administration, Community Development, Parks & Recreation and Judicial obligations.

Mr. Foley reported that the FY 13 budget meets funding obligations and commitments for core services by allocating \$1.2 million in increased funding for VRS, reflecting a 25% increase in rates; \$200,000 to meet the new mandate from the state on the line-of-duty obligation; contractual obligations to public safety agencies; obligations to contractual agreements such as the Regional Jail, the Emergency Communications Center (ECC) and the SPCA. He said that 60% is transferred to Schools in this budget via the existing funding formula, which reflects a 2.3% increase in their budget or \$2.2 million. Because

the revenues are coming in stronger, Mr. Foley said that this budget would give Schools another \$1.1 million in local revenue according to the formula.

Mr. Boyd asked how those funds were adjusted in light of the bus replacements from the capital fund.

Mr. Foley replied that no adjustment has been made and staff is seeking direction from the Board on that issue, with the question being whether the \$1 million for busses would be factored into the transfer amount. He reported that the County would meet its obligation to the City for revenue sharing in the amount of \$17.5 million and shores up fund balances to 10% as recommended by the County's financial advisor to protect the AAA bond rating. Mr. Foley said that there would also be operating contingency funds at about \$250,000, which is completely separate from the 10% set aside as a reserve fund. He stated that he wanted to make sure the Board was aware of all reserve monies set aside, including the 10% reserve for the fund balance and other money designated from last year's ending year fund balance earmarked for revenue downturn, as well as about \$2 million left in the CIP after five years. Mr. Foley said the Board has flexibility on this fund and could choose to use the \$1.5 million that was unanticipated, noting that the \$250,000 is a recurring amount.

Mr. Foley said that the second goal of supporting continued organizational transformation and sustainability was addressed through the funding of core public safety needs with some additional investment and more money for police training. He stated that the public safety reclassification study was built into this budget to support sustainability, and the police and fire/rescue recruitment initiatives had been set aside separately to support core public safety needs. Mr. Foley said that the budget supports core financial administration needs, with three new positions in the Finance Department and also in keeping with the advice from the last two years of the audit that the Finance Department was understaffed. He stated that one of those positions will help collect delinquency tax revenues, one will be assigned to the procurement/payroll area and the third will be a chief accountant. Mr. Foley said that, even with those additional positions, the County's remains below the FY01 per capita level for staffing.

Mr. Rooker mentioned that he had run into a former Albemarle County police officer who had moved to Blacksburg and had recently returned to the area, but ended up taking a job with Greene County because that locality was able to pay him more than Albemarle had offered. He pointed out that Albemarle was not able to compete with Greene County in this instance and that is problematic.

Mr. Foley stated that the County had fallen behind in the market over the last three years, but the FY 13 budget reflects \$675,000 to get those levels back up to par. He said that the salary study looked at both police officers and firefighters. Mr. Foley reported that the FY 13 budget restructured agency funding and includes a \$100,000 decrease in funding for Agency Budget Review Team (ABRT) reviewed agencies based on the five-year plan discussions. He said library funding in the budget is flat which is net of the out-of-area of an approximately \$30,000 fee that will be charged. He said there is an additional \$69,000 included for the Visitors Bureau based on the formula that automatically sends money to the Visitors' Bureau; however, Bureau is, in turn, picking up all tourism-related agency expenses in the amount of approximately \$50,000. Mr. Foley said that this budget decreases the transfer to the CSA fund because of the expected expenditure reductions, and includes some salary lapse as savings but only for four positions across the entire organization. He stated that this budget begins the process of accounting for capital project management services and an internal service fund. He explained that Schools have complained in the past that those fees were not fair so this was the next step of best practices in improving that process.

Mr. Boyd said that he hoped to get an accounting of what has been saved in personnel with Access Albemarle, and Mr. Foley said it could easily be provided. He pointed out that Schools are much more intensively driven by that personnel savings.

Mr. Foley said, in terms of investing in strategic priorities that position the County for the future, \$99.5 million will go to the Schools which will keep their facilities at a quality level. He said, related to community facilities, the Crozet Library will be able to move forward on capital. He said the FY 13 budget will continue to fund County memberships with the Thomas Jefferson Partnership for Economic Development, and the Chamber of Commerce in addition to the replenishment of the Economic Opportunity Fund. He said that, over the next year, there will be a lot of discussion about the Target Industry Study and initiatives tied to that effort but, for now, the budget holds the line except for some minimal investment and some marketing money.

Mr. Foley said that one of the Board's other strategic goals of protecting natural, historic and scenic resources was addressed through some study money for Chesapeake Bay protection and upgrades that will be needed for two treatment facilities. He said that projects related to health and safety were moving forward, to include EMS service at Pantops which is scheduled to begin in the fall of 2012 and will involve three positions that will run out of the Martha Jefferson Hospital with an ambulance being paid for with CIP funds. He said that the Ivy Fire/Rescue Station is scheduled to open in July 2013, and will include eight positions for one-half year to get the station opened and personnel trained.

Mr. Foley said General Government per-capita staffing levels remained below the FY01 level, including new hires for core areas such as Finance as well as the previously mentioned Public Safety personnel. He stated that this budget continues to maintain eliminated positions, but also provides a 1% market adjustment for employees, includes the 25% VRS increase and no increase in health insurance premiums. Mr. Foley stated that the budget establishes a \$150,000 performance pool and replenishes some training funds that had been cut out over the last three years.

Mr. Foley said if the County is going to operate at '01 staffing levels but maintain quality services, the County must invest in its employees, in their training so they can do the jobs that they've had to pick up.

Mr. Snow asked how the budget would be affected if the state picked up some of the VRS costs.

Mr. Foley replied that there was a local government side of VRS, which is not expected to change at all, and a school side to VRS which might change if the General Assembly chooses to make adjustments or provide relief for that workforce.

Mr. Foley explained that the one penny on the tax rate, which equates to \$1.5 million, will be allocated at the Board's discretion, however, based on the Board's strategic goals, staff believes that revenue could be dedicated to capital, and would support the County's investment in the future. Mr. Foley stated that staff's preliminary projections for the five-year plan came out in October and, since that time, there have been lots of changes, with the delinquency collections having emerged very recently.

Mr. Foley reported that the FY 13 budget includes a 4.5% increase in total school funds, with the local transfer at \$2.2 million more and an additional \$1.1 million which was previously not expected. He stated that the School Division's budget request exceeds available funding by \$2.7 million when the additional funds are considered. Mr. Foley said that the school budget reflects the loss of some one-time stimulus funds, and identified that some of their state aid, approximately \$300,000 could go against the \$1.5 million bus replacement cost. He stated that, over the last few weeks, staff has looked at some of the School's fund balances, and they have some money set aside for bus replacement but staff understands that Schools intend to spend some portion of that money in the current fiscal year. Mr. Foley said that the \$1.5 million for buses is in the CIP every year and is listed as unfunded, and the Schools were saying that \$300,000 could go each year to the \$1.5 million cost. He stated that bus replacement used to be incorporated into the School's operating budget out of their 60%, so this is a pretty significant proposal to shift to capital and it is before the Board for consideration.

Mr. Boyd expressed concern about shifting stimulus-funded items into their operating budget, as Schools made it clear during last year's budget discussion that they would not make those costs reoccur.

Mr. Foley said Schools have incorporated those positions into their operating budget as on-going expenses now.

Mr. Rooker recalled that there had been a lengthy conversation about that issue last year.

Ms. Mallek said that she recalled Schools saying that those teacher positions would need to be reevaluated when the funding ran out, as there had been 40 teachers laid off. She said she remembered the Board telling the School Board to use the one-time money to hire more teachers if there was a crisis in the school population because of high ratios.

Mr. Boyd stated it was his understanding that the teachers weren't replacing those teachers who had lost their jobs due to the downturn, that they were specialty teachers, it was going to be a two year program only and the positions would not be recurring.

Mr. Rooker recalled that Schools had a downturn in revenue and there was uncertainty about what they would get from the state and federal government, so they made the decision to use the stimulus funding to help offset layoffs that otherwise would have occurred.

Mr. Foley said that there would be a work session with the schools, and staff will also provide the Board with a fact sheet on some data related to school expenditures as well as fund balances over the years.

Ms. Mallek asked if staff had received actuals from the Schools yet, as that was something Board members had requested in the past.

Mr. Foley responded that he has not been given that information, but if that was a request of the Board, he could pursue it.

Mr. Boyd said this is the same information that Local Government is showing in their budget as far as projected actuals and he would like to see the same information from the school side.

Mr. Rooker commented that if the Schools have issues from a funding standpoint, that information needs to be shared with the Board.

Mr. Boyd stated that he would have a hard time approving the school budget without seeing that information.

Mr. Foley replied that information is pretty standard in budgeting and staff should be able to retrieve that data without any difficulty.

On the capital side, Mr. Foley reported the FY13 budget totaled \$21.5 million and is primarily funded by loan proceeds. Mr. Foley said that the budget continues to reflect the magnitude of reductions from the past several years, an \$118 million reduction, and is focused primarily on maintenance but does begin looking forward with items such as the Crozet Library, the Ivy Fire & Rescue Station, and the Police

firing range as well as EMS service at Pantops through the CIP. He said that the capital budget had a projected reserve of about \$3 million, which is revenue that wasn't allocated for a capital expense, because the Schools withdrew all of their requests this past year while they did a countywide study of capacity. Mr. Foley noted that this was a forward-thinking move by the CIP Oversight Committee and staff.

Mr. Foley stated that, because of the Board's strategic goal of providing community facilities that meet existing future needs, he wanted to outline the opportunities in the budget process to move forward in addressing this particular goal. Mr. Foley said that the County has a financial policy of putting 3% of General Fund revenues into the capital fund on a pay-as-you-go basis. He stated that, in FY09, there was about 5% going in, but in FY10 it was \$0, in FY11 it was \$0, in FY12 it was \$0. He said, in the proposed FY13 budget, it is about 1.3% going forward.

Mr. Foley said that some projects moving off the watch list and into the active or near-term category are court system needs, school system needs, improvements needed to address the Chesapeake Bay TMDL mandates, and a change in the VDOT revenue sharing program. Staff is proposing that the County make some steps forward to meet this strategic goal and keep a focus on the future.

Mr. Foley stated that the equalized tax rate would go up in June, generating money beyond what is budgeted in the fiscal year and staff is proposing that the money go to the CIP. Mr. Foley said that staff is also recommending that the penny be dedicated back to capital, and that a portion of the undesignated school balance be redirected to the CIP. He stated that staff has gone to the healthcare reserve balance, the Visitors Bureau balance, the ECC, etc. and have looked at every single balance.

Mr. Foley said that this seemed like the right time to put some things on the table for discussion, noting that the school fund balance has been a long-standing, undesignated amount that has never been below \$4.2 million going back to FY02. He said, since that time, the fund balance has been in the \$6-8 million range. He stated that Schools have an amount of money sitting there that is not needed for operations that they've rarely ever had to go to, but is sitting there and being carried forward year after year after year, and at a time when they're asking us to pick up their bus replacement. He emphasized that Schools need a fund balance in reserve, however, it needs to be at a reasonable level.

Mr. Rooker asked what the explanation was for the dramatic difference in where the fund was actually going to be and where that fund was projected to be at the end of the current fiscal year.

Mr. Foley said that Schools would have to get into further detail with the Board, and stated that the fund balance was \$8.2 million at the end of FY10 and is \$7.5 million now.

Mr. Boyd stated that a big portion of that amount was related to teacher salaries, because Schools is projecting right now what enrollment will be in September, but if enrollment drops, fewer teachers are hired.

Mr. Foley responded that if there is a ten-year history of having a very high fund balance, it is indicative that there is probably room in there, just as there was with the healthcare fund. He reiterated that this is not to point the finger, but to do an examination that staff has done with every area of the county budget.

Mr. Boyd said the difference being that Local Government's fund balance is formula driven based on sound accounting principles and also must cover the cash flow, however, Schools do not have to do that.

Mr. Foley said the fund balance is for the entire County operation, not just for General Government, so there should be some flexibility in working with Schools to determine what the right percentage should be, and how much should roll over to capital. He added that this proposal doesn't suggest taking those funds from the Schools and giving it to Local Government; but suggests using the capital for Schools and Local Government, which is what happens with capital money.

Mr. Boyd said that has been Local Government's policy for years.

Mr. Foley said, as the County looks to the future, these are the types of things that need further discussion. He reiterated the County's goal of commitment to excellence, and the efforts that have been done to meet that particular goal in terms of obligations and sustainability of the County's operations and core services. He said, in terms of taking steps forward into the future, the FY 13 budget supports the strategic plan with investments in public safety, the ½ cent dedicated to capital and staff's recommendation that the County take other steps forward to move the County into the future. In conclusion, he said the FY 13 budget accomplishes the County's commitment to excellence by shoring up core services and investing in basic services and ensuring the County maintains quality services with what is being done today. He said the budget also looks to the future by beginning to address compelling needs resulting from the normal growth and development of the community that should not be ignored if the quality of life is to be maintained. He said all of this can be accomplished in the proposed budget without increasing the tax burden on the average homeowner. He added that the budget even provides the Board with the opportunity to take steps forward in achieving its vision by rolling more money into the capital program. Mr. Foley referenced the timeline for the budget going forward, noting that the public hearing would be held next Wednesday, February 29, with work sessions scheduled from March 5-14. At the end of that period, he said the Board would need to establish a tax rate prior to the March 28 budget

hearing and adoption of the budget is scheduled for April 4.

Mr. Thomas commented that he would like to look seriously at the School Board fund balance.

Ms. Mallek noted that Sally Thomas had expressed concern back in 2008 that it would be difficult to put money back into capital adding that she would like to see substantial improvement in that area.

Mr. Foley mentioned that the School fund balance has not changed since last year's difficult times, so it's important to reflect that back to the Board. He added that the fund balance and the capital shortage have got to be measured against each other.

Mr. Boyd reiterated that that's why it will be so important to look at actuals from the Schools because there has been such a big discrepancy for the last ten years.

Agenda Item No. 3. Closed Meeting.

At 12:47 p.m., Mr. Dumler **moved** that the Board go into closed meeting pursuant to Section 2.2-3711(A) of the Code of Virginia, under subsection (7) to consult with legal counsel and staff regarding probable litigation concerning an alleged violation of the Freedom of Information Act; under subsection (7) to consult with legal counsel and staff regarding actual litigation concerning two appeals of BZA decisions upholding Zoning Administrator determinations; and under subsection (7) to consult with legal counsel and staff regarding actual litigation concerning the denial of a zoning application. Mr. Boyd **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Dumler, Ms. Mallek, Mr. Rooker, Mr. Snow, Mr. Thomas and Mr. Boyd.

NAYS: None.

Agenda Item No. 4. Certify Closed Meeting.

At 1:29 p.m., the Board reconvened into open meeting. Mr. Dumler **moved** that the Board certify by recorded vote that to the best of each Board member's knowledge, only public business matters lawfully exempted from the open meeting requirements of the Virginia Freedom of Information Act and identified in the motion authorizing the closed meeting were heard, discussed, or considered in the closed meeting. Ms. Mallek **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Dumler, Ms. Mallek, Mr. Rooker, Mr. Snow, Mr. Thomas and Mr. Boyd.

NAYS: None.

NonAgenda. Mr. Dumler **moved** to approve a Resolution Confirming Authority of the County Attorney and Zoning Administrator. Ms. Mallek **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Dumler, Ms. Mallek, Mr. Rooker, Mr. Snow, Mr. Thomas and Mr. Boyd.

NAYS: None.

**RESOLUTION
CONFIRMING AUTHORITY OF COUNTY
ATTORNEY AND ZONING ADMINISTRATOR**

WHEREAS, pursuant to §§ 15.2-528 and 15.2-1542 of the Code of Virginia, the Board of Supervisors has appointed a County Attorney whose duties and responsibilities include, but are not limited to, defending or bringing actions in which the County or any of its boards, departments or agencies, or officials or employees, thereof, shall be a party; and

WHEREAS, in such matters of representation the County Attorney has general authority to act for and on behalf of the Board of Supervisors without additional specific authorization; and

WHEREAS, under *Albemarle County Code* § 18-31.1, the zoning administrator, or her designee, has all necessary authority on behalf of the Board of Supervisors to administer and enforce the zoning ordinance, including the authority to make determinations and decisions on any matters arising under the zoning ordinance, such as preliminary and final site plans; and

WHEREAS, on November 3, 2010, the Board granted Special Use Permit SP-2009-00034, allowing for the construction of the Re-Store'N Station gas station and convenience store, with certain conditions; and

WHEREAS, on February 25, 2011, the Zoning Administrator's designee made an official determination regarding the preliminary site plan submitted under SP-2009-00034, which determination was appealed to the County Board of Zoning Appeals; and

WHEREAS, on May 3, 2011, the County Board of Zoning Appeals affirmed the official determination of the Zoning Administrator's designee regarding the preliminary site plan submitted under SP-2009-00034, which BZA decision was appealed to the Circuit Court for Albemarle County; and

WHEREAS, at a hearing on February 7, 2012, on Motion of the County Attorney the Circuit Court dismissed the appeal of said BZA decision; and

WHEREAS, on October 11, 2011, the Zoning Administrator's designee made an official determination regarding the final site plan submitted under SP-2009-00034, which determination was appealed to the County Board of Zoning Appeals; and

WHEREAS, on January 10, 2012, the County Board of Zoning Appeals affirmed the official determination of the Zoning Administrator's designee regarding the final site plan submitted under SP-2009-00034, which BZA decision has been appealed to the Circuit Court for Albemarle County.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors confirms the general and specific authority of the County Attorney to represent the Board of Supervisors and the County of Albemarle in defending or bringing actions in which the County or any of its boards, departments or agencies, or officials or employees, thereof, shall be a party without the need for any specific additional authorization in any matter.

BE IT FURTHER RESOLVED THAT by adopting *Albemarle County Code* § 18-31.1, the Board has authorized the Zoning Administrator to act on its behalf in administering and enforcing the zoning ordinance, including the authority to make determinations and decisions on any matters arising under the zoning ordinance, such as preliminary and final site plans.

BE IT FURTHER RESOLVED THAT though the County Attorney and the Zoning Administrator need no further authorization to act on the Board's behalf in such matters, in the case of the site plans submitted under SP-2009-00034 specifically, the Board supports both (a) the official determinations made by the Zoning Administrator and (b) the legal positions and authority of the County Attorney to defend those determinations in all tribunals.

Agenda Item No. 5. Adjourn to February 29, 2012, 6:00 p.m.

1:30 p.m., Mr. Boyd **moved** to adjourn until Wednesday, February 29, 2012 at 6:00 p.m., Lane Auditorium. Mr. Thomas **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Dumler, Ms. Mallek, Mr. Rooker, Mr. Snow, Mr. Thomas and Mr. Boyd.

NAYS: None.

Chairman

Approved by Board
Date: 06/06/2012
Initials: EWJ