

An adjourned meeting of the Board of Supervisors of Albemarle County, Virginia, was held on March 5, 2012, at 9:00 a.m., Room 241, County Office Building, McIntire Road, Charlottesville, Virginia. This meeting was adjourned from February 29, 2012.

PRESENT: Mr. Kenneth C. Boyd, Mr. Christopher Dumler, Ms. Ann Mallek, Mr. Dennis S. Rooker, Mr. Duane E. Snow (arrived at 9:08 a.m.) and Mr. Rodney S. Thomas.

ABSENT: None.

OFFICERS PRESENT: County Executive, Thomas C. Foley, County Attorney, Larry W. Davis, Clerk, Ella W. Jordan, Assistant County Executive, Bryan O. Elliott, Assistant County Executive, William Letteri, and Director of Budget and Performance Management, Lori S. Allshouse

Agenda Item No. 1. The meeting was called to order at 9:08 a.m., by the Chair, Ms. Mallek.

Agenda Item No. 2. **Work Session:** FY 2012/2013 Operating and Capital Budgets.

Mr. Foley addressed the Board, stating that the Board had discussed in previous work sessions the transitional time for the County and the two overriding principles of commitment to excellence, with continuing scrutiny of expenditures while recognizing the need for investment to keep services at the current level, and looking toward the future. Mr. Foley noted that the Board had three work sessions the following week and staff hoped to finish up by March 14.

Ms. Allshouse addressed the Board, explaining that staff would provide a budget overview of the general fund, both expenditures and revenues, and would also cover non-departmental and cross-departmental areas. She said that staff would bring back any issues raised by the Board to future work sessions, as they would need to be worked through by the following week.

Mr. Foley noted that in the past they had used the list as a way to keep track of items of concern.

Ms. Allshouse reported that they budget with goals in mind, funding obligations and commitments, sustaining the organization through securing core services, helping to support the organization's transformation for the future, and meeting some of the goals identified in the Board's strategic plan. She said they would focus on the general fund, which totals \$222 million and supports the schools as well as general government. Ms. Allshouse stated that 87% of this was funded by the locality, including real estate taxes comprising about 64% and other local taxes making up about 20%. Ms. Allshouse said that the state supported the budget at about 10%, with the federal government at under 2%.

Ms. Allshouse presented a slide showing comparisons of the General Fund categories in comparison to the current adopted budget, with general fund revenues up about \$6.5 million or 3% over the FY12 adopted budget. She said that general property taxes increased by \$4.1 million, including real estate, personal property, machinery tax, and mobile home taxes; other local taxes were projected to increase by \$1.7 million, including sales, food and beverage, and BPOL taxes; other local revenues included EMS revenues and development fees, which were anticipated to increase by about 15.8%. Ms. Allshouse said that state revenue was anticipated to be flat, and hopefully that answer would be known, soon. She stated that federal revenue was down 17%, primarily due to some changes in how federal government payments for child care through DSS were processed, as they would no longer go through the County budget.

Mr. Boyd asked if the workload for the DSS child care program would go away.

Mr. Elliott explained that the transition for the program had occurred in this current fiscal year, and while the payments were being processed at the state, social service workers had continued to receive calls from providers and recipients about slow payments and no payments so the call volume and work volume continued.

Mr. Boyd asked if it was eventually supposed to be taken over by the federal government.

Mr. Elliott explained that it would not be taken over by the federal government, but would be dispersed through the state.

Ms. Mallek asked if there were some type of operating standards that the state would be required to have, since they captured the money that will make them perform.

Mr. Elliott explained that this was a maiden voyage statewide and the program would continue to operate through the state, and that the automated system was supposed to work more quickly although it hadn't as of yet.

Mr. Boyd asked if the revenue would come through the state, rather than coming directly from the federal government.

Mr. Elliott explained that it was a pass through program that would go through the state to the County, so the program itself was going to be processed at the state.

Mr. Snow asked if staffing and overall funding would remain level.

Mr. Elliott explained that the DSS child care program was just one element in what Social Services staff works on and that there were other aspects of eligibility and service programs that social service provides so the workload would continue to be there.

Ms. Allshouse said that staff was recommending for \$540,000 of the Fund Balance to be used in this budget, including \$250,000 for the Economic Development Fund, \$150,000 for the performance incentive pool, \$125,000 in one time capital outlays in several departments for equipment purchase, and \$17,000 for the general government operations training pool which totals \$83,800 in this budget.

Mr. Snow asked if the training pool would be for Police Department staff.

Ms. Allshouse explained that it was for the whole County, and is a pool that would be set aside and used in areas where training has fallen behind during the recession.

Mr. Foley explained that rather than putting money back into every department budget across County government, it's put in a pool then staff would figure out the most critical places to move it.

Mr. Thomas asked if staff would prioritize who got the funding.

Mr. Foley explained that it would be based on objective criteria, in terms of where, and that some departments have had greater reduction in their budgets, in training, than others so this gives the County a great opportunity to make sure they target it back to the right places.

Ms. Mallek asked if this was a source to run classes for the new volunteers at Ivy.

Mr. Foley explained that this was about General Government operations.

Ms. Mallek noted that this was not emergency services and it's not included in the budget.

Mr. Foley clarified that it would not cover the emergency services training programs, which were a completely separate analysis.

Ms. Mallek noted that this was for staff in the building, in the training room.

Mr. Foley explained that staff had not cut any training funds for volunteer training, but General Government operations training money had been cut over the last three years.

Ms. Allshouse explained that the objective of equalizing the tax rate was to offset reductions in revenues resulting from a reduced tax base, so the recommended budget was balanced on an equalized tax rate of 76.4 cents per \$100 of assessed values. She said that the calculations used were consistent with the guidance provided by state code and took into account changes in property values due to reassessments, and reductions in the tax base due to changes in property classifications. Ms. Allshouse stated that the calculation excluded new construction and new land divisions, and there was no change in tax payment for the average homeowner, or average parcel cost. She said that in 2009, the average parcel was \$308,000; in 2012 it was \$285,005.

Mr. Foley pointed out that the tax on the average parcel had decreased by \$100 over four years, and noted the analysis requested by some Board members as to how many properties would increase or decrease was underway.

Ms. Mallek asked if having the analysis was the only way to discuss the increase and decrease, because there was no way to have specifics.

Mr. Foley explained that the question that was asked was how many properties did staff think were, going to increase vs. decrease, because in average just groups them together, and that analysis was underway.

Mr. Rooker stated that there was an article in the paper about the City of Charlottesville and it had all of the categories, and there may have been communications that the County should do the same so board members would have statistics to help them understand better how taxpayers are affected.

Mr. Boyd asked if staff could tell board members what percentage of people would have taxes stay the same, go up, and what percentage would go down.

Ms. Allshouse explained that staff was in the process of compiling that information and if would be available.

Mr. Foley clarified that there were many different factors in preparing the break down analysis and by the next work session, board members would have that information.

Mr. Boyd mentioned that the equalized rate would create a windfall in this year's budget of approximately \$750,000 and asked what would happen to that money.

Ms. Allshouse clarified that it was actually \$2.3 million in the current year.

Mr. Boyd asked if there was a plan for the projected revenue.

Mr. Foley said that staff had recommended that it be rolled into capital to try to improve that fund, as one time money, but right now it would just show up in the Fund Balance at the end of the year.

Ms. Allshouse added that by policy, any balance would move over to capital.

Mr. Boyd asked if the windfall would be reflected in the projected revenues over expenses for the current year.

Ms. Allshouse explained that the Fund Balance is based on the audited figures for FY11, and it had not been completely figured out yet because revenue and expenditures hadn't been finalized for the current year, but every quarter staff provides an update.

Mr. Boyd asked if she had a projected amount of income and expenses for the current year that does not reflect the \$2.3 million dollars

Ms. Allshouse clarified that she had the figure wrong and it was \$1.6 million, not \$2.3 million.

Mr. Foley added that staff would come back specifically on the issue, projected year-end balance, and the specific number.

Ms. Allshouse presented a chart showing the real estate reassessments by category, noting that residential/urban was single family parcels with less than one acre, on average decreasing 3.07%. Ms. Allshouse said that residential/suburban was residential with one to 20 acres, which declined on average by 3.14%. She said that multiple family apartment dwellings, not townhouses, had increased 5.17% on average with 174 such parcels comprising .4% of County parcels. Ms. Allshouse noted that this was the one category that was reacting differently in the market.

Ms. Mallek noted that they are full of tenants and their cap rates are high, and that's why their assessments have gone up.

Mr. Boyd stated that some of them are not full of tenants, and they are saying their cap rates are too high.

Ms. Mallek noted that these are residential apartments, and that everywhere in Crozet is full because they can't buy so they rent.

Ms. Allshouse explained that this is definitely the one category that is reacting different in the market, than the other categories.

Mr. Rooker said that was true nationally, with apartments at very low cap rates and performing better than other categories.

Ms. Allshouse reported that commercial and industrial reassessments were increasing an average of 1.41%, and that was 3% of parcels for the County; agriculture was divided into two parts 20 to 100 acres, with a 3.52% average decline, and 100+ acres, with a 3.15% average decline. She mentioned that agriculture comprises about 10.6% of parcels in the County.

Ms. Mallek asked if there were a distinction of land with houses or land without houses or should the Board assume that 20 to 100 have houses.

Ms. Allshouse responded that the County Assessor was not available, so she did couldn't say the exact detail.

Ms. Mallek asked if there were a separate category for raw land

Ms. Allshouse stated that she didn't believe so.

Ms. Allshouse reported that about 50% of the General Fund was transferred to the schools to support their operations, capital or debt; public safety accounted for 15%; revenue sharing was 8% the same as human development; other categories were smaller percentages. She said that when comparing the recommended budget to the adopted budget in the current year, the City revenue sharing had decreased to \$17.5 million for FY13 down 3%. Ms. Allshouse stated that the transfer to schools had increased, with the transfer at \$99.4 million, or \$2.2 million more than what was transferred in the current year a 2.3% increase. She added that capital and debt would be discussed in further detail the following week, but that category was up 4%.

Ms. Allshouse explained that the reserve for Board decision included \$1.5 million that was not funding anything in this budget and amounted to a penny on the tax rate, and staff recommended that it go to capital to help shore up that program.

Mr. Rooker said that in past years the stated goal was to contribute 3 cents to capital, and now because the capital was zero there is the perception that there has been some kind of windfall. It's not a windfall. It is money that is designated in our policies and that's still way below meeting the policy.

Mr. Boyd and Mr. Snow indicated that this year they had dedicated a half penny.

Mr. Foley stated that it had been zero the last three years, and in this budget it was 1.3% instead of the target.

Mr. Boyd commented that times were different now than they were three years ago.

Mr. Rooker said that the reason for the policy was it didn't make fiscal sense to borrow every dime to be put into capital. We have always tried to balance, to have a pay as you go component of capital. We have eviscerated that over the last three or four years.

Mr. Boyd noted that they had also restructured debt to yield about \$10 million in capital.

Ms. Mallek said it looked good briefly, but had to be used to pay for other things.

Mr. Letteri explained that the restructuring of the debt allowed the County to leverage more financing, but wasn't a cash infusion.

Mr. Foley clarified that it was \$10 million of capacity, not cash.

Mr. Snow stated that they should emphasize the things they are able to fund this year, such as an additional fire station, additional police officers, and a training facility. He added that he would vote for saving taxpayers a penny on the rate rather than throwing more into capital, to bring it down to 2.5 cents.

Mr. Rooker said that he didn't think they needed to take a position today, adding that the question was whether they would have to borrow every dime to fund capital projects.

Mr. Foley explained that staff would cover that in more detail and bring more focus to it at the next work session.

Ms. Allshouse reported that the other uses of funds category included the training and performance incentive pool, the reserve for contingencies, the economic development fund, and a portion of the line of duty costs and that category had actually decreased 4% from what was budgeted last year.

Ms. Allshouse stated that the City Revenue Sharing decreased by \$569,000 or 3%, the school division funding increased by \$2.2 million or 2.3% for operations and did follow the 60/40 split policy although the School Board request was still unfunded by \$2.7 million and the Board would be discussing this with them the following week. Ms. Allshouse added that the bus replacement costs were not in any budget, and that was over and above the \$2.7 million. She said that the transfer to debt and capital was increasing by 4%, and that would also be discussed the following week.

Mr. Boyd asked if the \$1.6 million windfall this year would impact the school system's budget.

Mr. Foley said that the policy in place was a budget planning tool, and it didn't stipulate what would be done with money at the end of the year but the County policy has been that any money at the end of the year would roll to the Capital Fund, so the windfall would go there. He stated that if the Board provided that, additional funding to the schools in May, their Fund Balance would grow dramatically instead of going to capital. It's never been our policy to automatically give them everything that comes in, because you never know it, until the end of the year anyway. It's just a budget planning tool, and we would project it to go to capital.

Ms. Allshouse said that the budget also included \$74,250 in salary reserve for reclassifications, as well as \$150,000 for performance based recognition too.

Ms. Mallek noted that it was still to be determined, so these are things that are just being budgeted ahead but don't have invoices to pay yet, that it's just planning.

Mr. Foley explained that staff would plan to bring the criteria for the program to the Board before it is implemented. This is just setting it aside for the opportunity to do it.

Ms. Allshouse said that there was a small increase in the volunteer early retirement incentive program.

Mr. Boyd asked if that was starting to phase out this year.

Ms. Mallek stated that she thought the County was done with that program.

Mr. Foley clarified that this was the first fiscal year of that phase out, that it goes from 100% to 80% in benefits, then reduces each year by 20%.

Mr. Boyd noted that you had to accrue for that and that's where the changes are coming.

Ms. Allshouse stated that in the current budget, they had budgeted \$100,000 for the line of duty mandate and in FY13 it would be \$200,000 as this was an area that would continue to grow as an unfunded state mandate. Ms. Allshouse said that staff had \$78,460 in the non-departmental category for this to cover state administrative program costs. She stated that the budget included \$125,000 for police and fire recruitment initiatives, with \$250,000 in the reserve for contingencies on top of the Board reserve amount to cover things such as changes in revenue.

Cross Department. Ms. Allshouse reported on the cross departmental category, which included items affecting all General Government departments such as a 1% market salary increase, a 4.3% decrease in health insurance costs, and a 7% increase in dental insurance costs. She stated that the increase in the VRS retirement rate was 25%, going from 15.14% to 18.99% of salaries with an impact of \$1.2 million on the budget. She said that VRS was also requiring an increase in group life insurance rates from .28% to 1.32% of salaries totaling \$300,000, so the combination of the impacts for VRS is \$1.5 million.

Mr. Rooker pointed out that there was a 500% increase for term insurance, which was unusual.

Ms. Allshouse said that in some years localities had been given a holiday with no premiums paid at all.

Mr. Foley said that it had fluctuated dramatically, and he had no idea what the state was doing.

Ms. Allshouse stated that the VRS rate was outside of the General Assembly's decisions.

Ms. Allshouse said that in the vehicle replacement program there was a surcharge of \$3.00 a gallon for departmental staff using fleet vehicles, and that helped put a pool of funding together to replace vehicles. Ms. Allshouse said that they were recommending that \$28,000 be added to that from Fund Balance, to replace 30 of the 45 vehicles requested for replacement in FY13.

Ms. Mallek asked if this was the reason, why the diesel for the fire trucks cost more to the volunteers if they buy it from the County than if they get it from outside companies.

Mr. Elliott noted that the surcharge was just for operating departments, and fuel purchased through fire and rescue was not subject to the per gallon charge and would not apply to volunteers.

Mr. Foley said that staff would follow up on the issue, bulk purchase through the County for volunteers as it seemingly would not cost them more.

Mr. Snow asked how many vehicles had been eliminated through staff reductions.

Ms. Allshouse replied that it was 10 one year, and 10 the subsequent year, for a total of 20.

Mr. Elliott noted that it was in the General Services, Public Works, Community Development, Parks and Recreation, and Social Services pool, non-public safety related vehicles.

Mr. Rooker said that he thought the County was going to look at self-insuring for collision on regular fleet vehicles.

Mr. Foley said that staff had done some research on that and would bring some information back.

Ms. Allshouse stated that vehicle fuel itself was budgeted at \$3.50 per gallon and was exempt from local and federal taxes at .47 cents per gallon, but if it went over \$4.00 next year it would need to be reevaluated.

Public Safety. Mr. Elliott addressed the Board, stating that he would provide additional details related to public safety, human development, parks and recreation, and community development and would address key performance indicators and key outcomes of these functional areas. He said that the public safety area was proposed to be funded at \$33.3 million, an increase of \$2.8 million or 9% over the current fiscal year with seven subcategories being police, fire/rescue, the jail, other fire/rescue services, ECC, seven public safety agencies, and the inspections division of Community Development. Mr. Elliott said that in terms of operations, there was a proposed increase of \$786,000 or 6% and staff was proposing to continue three frozen, unfunded police officer positions. He noted that the Board had unfrozen two of the five positions that were frozen in previous years, and there were still three frozen so the staffing level remained below the level it was prior to the recession. Mr. Elliott said that the County had about 117 police officers, with some in the academy or field training instead of on active duty with the total approved being 120.

Mr. Rooker stated that Police Department was 30 below what the Comp Plan called for, which was the lowest target in the state at 1.5 officers per thousand.

Mr. Elliott explained that several years ago the Police Department did a staffing analysis where they surveyed the benchmarks for staffing, and there were data and recommendations not necessarily Department of Justice driven and most agencies landed in the area of 1.8 officers per thousand or above. He said that with a population of 100,000 there should be 150 officers in order to meet that benchmark.

Mr. Foley pointed out that one challenge had been filling the positions that were approved and open, so this budget included a recruitment initiative that would hopefully lead to full staffing.

Mr. Elliott said that they had seen marked improvement in getting closer to 120, but there were a lot of retirements and transfers out.

Mr. Thomas asked if being below that level required a lot of overtime.

Mr. Elliott responded that there was a certain level of training needed for officers, so they were not immediately able to go on duty and some never even made it.

Mr. Foley said that overtime was usually driven by requirements to be in court, which doesn't always occur on officers' regular shifts.

Mr. Boyd asked what the budget amount per officer was.

Mr. Elliott replied that it was about \$100,000 per year once the officer was equipped and put out onto the street, with salaries and benefits totaling approximately \$65,000-\$75,000 per officer once they enter the force.

Mr. Rooker pointed out that the difference between authorized and actual was that the County's pay was low comparatively, which would be addressed by this budget. He said that the County was still very far below the target, and while he was in favor of paying officers well, they needed to be aware that the low staffing levels were an issue. Mr. Rooker stated that there were about 1,000 to 1,500 new residents in the County each year, which would mean adding about two officers per year just to stay even.

Mr. Thomas asked if there could be some cross sharing with the City of Charlottesville and the University of Virginia.

Mr. Elliott replied that this wouldn't meet day in and day out operations of patrol and investigations, but was used in major isolated incidents. He said that another issue of staffing, that the police raised were response times, and the initial response times were not being met with the first officer but also with the second officer, which was a safety concern.

Mr. Snow asked if military cutbacks might help the County find more qualified applicants.

Mr. Elliott responded that the federal government tended to pick up military personnel, but Colonel Sellers could address it further.

Colonel Steve Sellers said that the recruiting piece was very complex, as there was a need for better marketing from the Police Department and only about 3% of applicants were actually hired by the department. Colonel Sellers stated that the level of expertise sought was not what it used to be, and the people attracted didn't have the skills, education, or integrity as the previous years of applicants had. He said that they did a lot of recruiting in military bases, as well as colleges around the state, and another challenge was meeting a level of diversity that was reflective of the community.

Mr. Boyd asked what the chances were of the department finding six people and getting them on the street.

Colonel Sellers responded that he thought he could find them, but it took a lot more effort than it used to because of the starting salary and incentives. He said that the base salary was one problem, and compression was also a significant issue as there were employees who hadn't had a raise in years. Colonel Sellers emphasized that they had put more effort into recruitment and had raised the staffing level from 111 to 117.

Mr. Rooker commented that it concerned him to learn that Albemarle was losing officers to Greene County because of starting salaries.

Mr. Foley stated that the problem would be addressed by what was funded in this budget, and hopefully the recruitment money and salary increases would help solve the issue.

Mr. Boyd asked if he had built in a strategy to address the compression along with the new salary structure that included higher pay.

Mr. Foley said that's why staff had \$125,000 set aside, and the study regarding incentives would inform how that might be addressed; he also clarified that they had set aside \$600,000 to cover all public safety personnel to address the gaps in the market. He stated that Colonel Sellers was also looking at a different strategy for covering the department's beats, which might also help.

Ms. Mallek asked if they had considered addressing the increases one department at a time.

Mr. Foley responded that those departments were aware of each other's salary ranges, and staff's judgment was to address public safety as one entity because of that class of employees. He said that the County had been building up for three years to do the study.

Mr. Rooker commented that the Board had let police staffing levels fall further and further behind because it's been an easy thing to do.

Mr. Thomas stated that the crime rate had been down also.

Mr. Rooker said that he would welcome reconsidering the 1.5 per thousand level to establish whether it was still a reasonable target in the Comp Plan, although it had been reviewed and was determined to still be at the very, very low end.

Mr. Boyd agreed, adding that he would at least like to keep up with population increases. Let's not fall further and further behind.

Ms. Mallek added that it was harder to catch up over time.

Mr. Boyd clarified that he thinks it should be a goal moving forward, at least not to fall even further behind.

Mr. Foley said that he appreciated the direction from the Board and could use the population growth to help determine the number of officers added, and staff would use it as an assumption on which to help build the budget. He asked if the Board wanted to add any officers today as a result of this conversation.

Mr. Rooker said there's no better time to start than now.

Mr. Boyd asked how many had been approved for this year.

Mr. Foley and Mr. Elliott indicated that there were no increases, and still three positions frozen.

Ms. Mallek suggested putting four on the list for discussion, as that would unfreeze the three positions and add one to address the population increase.

Mr. Foley clarified that it would be \$400,000 in start up and \$65,000-\$70,000 per officer as an ongoing expense.

The Board agreed to put \$400,000 on the list to unfreeze the three officers and add one new position.

Mr. Elliott said that staff, were also budgeting salary lapses for two officers that equated to about \$113,800, and the County would see an increase in reimbursable overtime for police officers of about \$90,000 paid for by other entities such as University of Virginia. He stated that there were also several operation increases totaling over \$255,000 due to training, telecommunications, JADE costs, vehicle fuel, maintenance and repair of computers, and ongoing maintenance contracts. Mr. Elliott said that the public safety reclassification study impacts to the Police Department were approximately \$252,000, with revenues increasing due to reimbursable overtime, additional fines, and reinstatement of 599 funding from the state.

Ms. Mallek said that staff would need to watch the bill in the General Assembly that they were using to take funds away from localities, as that might wipe out the extra.

Mr. Elliott agreed that the legislation was critical.

Mr. Foley mentioned that the operational increases were a great example of shoring up core services.

Mr. Elliott reported that Part I crimes continued to remain low, and high workload impacts continued to be with traffic, with 21 fatalities last year the highest per-capita rate among Virginia counties with police departments. He also said that calls for service amounted to about \$45,000 per year, which was up slightly from the previous year.

Ms. Mallek said that she hoped that constant enforcement would help bring down the pattern of incredibly horrible driving that seemed to arrive here from other places over the last five years.

Mr. Rooker stated that there had been a string of fatalities on Route 29 South near North Garden, and asked if the study there had determined whether any traffic measures needed to be implemented.

Mr. Elliott responded that the causes of those deaths were determined to be alcohol, speed, and driver distraction.

Mr. Elliott reported that the Fire and Rescue budget was proposed to increase by \$1.35 million, or 19.9%, with a proposed increase in baseline overtime of \$67,000. He also said they were proposing an increase in over-hire from one to two firefighters, which would have no budget impact because of the float associated with salaries and vacancies.

Mr. Snow asked if the Ivy Fire Station costs of \$339,000 were being offset by reduction in payment to the City to the Charlottesville.

Mr. Elliott replied that it would not be realized in FY13, as the County was obligated to pay the full year to the City of Charlottesville. He stated that they were proposing to bring on the equivalent of four FTEs for the second half of FY13 to get them trained and up to speed, which is what the \$339,000 was for.

Mr. Boyd stated that he thought some of the fee paid to the City was incident driven.

Mr. Elliott explained that the biggest cost driver in paying the City was the automatic 5% increase that was built into the contract.

Mr. Foley said that the County had put the full cost of the contract in the fiscal year being addressed here, and July 1, 2013 would be the opening date for the station. He clarified that there were eight positions being hired for that station.

Ms. Mallek pointed out that those positions were for the day shift.

Mr. Foley said that the County was in an intensive effort to recruit volunteers to allow that to happen, which was ongoing.

Mr. Elliott said that the FEMS Board approved a marketing plan several years ago, which would be deployed, in the next few months in order to make a hard push for volunteers. He stated that there had also been community meetings held already for recruitment.

Mr. Snow asked if there had been any results from what's been completed.

Chief Eggleston stated that there were six system volunteers who had committed to volunteer for the Ivy Station, and what had been approved in the marketing and recruitment plan was one career staff member staying there 24 hours per day to help augment volunteer staffing. Chief Eggleston said that the feedback he had received from Mr. Bob Larsen during recruitment efforts indicated that many felt it was a good safety net and saw it as an advantage.

Ms. Mallek pointed out, that the career staff member was not the captain who would run that station.

Chief Eggleston stated that was a good point to make, and it would leave lots of flexibility in terms of what roll that staff member would play at night.

Mr. Foley reiterated that they were trying to recruit the equivalent of four additional positions on top of the eight so the station can be covered around the clock.

Ms. Mallek commented that the Board, didn't have it in the budget, and was never talked about as a Board, on approving a full 24-hour station.

Chief Eggleston explained that their marketing efforts were targeting around 30-35 volunteers to help staff the station nights and weekends, and there were several milestones built into the campaign that would be shared with the Board.

Mr. Foley mentioned that this wasn't just a County staff effort, and the FEMS Board had endorsed this as a plan. He asked for clarification from Ms. Mallek as to whether she thought the County was only planning to run the station during the day.

Ms. Mallek said that when the Board decided to move forward with it, the decision was to save a certain amount and pull money out of the City contract with the facility being a volunteer station that would only need funding for the daytime personnel. She emphasized that she didn't want it to become a full career station without an understanding as to how that happened.

Mr. Foley responded that the County couldn't make it a full career staffed station unless they budgeted for four more full time people, which would have to come back to the Board for approval and would never happen until the volunteer recruitment effort was fleshed out. He explained that the Board had approved eight half-time FTE hires to open the new station.

Chief Eggleston explained that the eight people would allow the station to be staffed during the day with career staff and at night have one career person there who could assume various roles. He said that at night and on weekends staff would be augmented by volunteers, which was what the recruitment plan was built upon. He said that there would be three career staff people during the day; a driver, an officer, and a firefighter. Chief Eggleston clarified that their minimum staffing was three people, 24 hours per day, seven days a week but with eight hires there would be enough flexibility to allow a person to stay 24 hours per day. He indicated that it would take 30-35 volunteers to help augment the eight hires to ensure the station runs 24/7.

Mr. Foley said that he would ask Chief Eggleston to follow this meeting up with a staffing model and an update on the volunteer recruiting effort. He reiterated that for this budget, there were eight people for the opening of the Ivy Fire Station on July 1, 2012; they needed the equivalent of four more positions, which Chief Eggleston had indicated was 35 more volunteers to help run that station around the clock and they would be brought on six months early to start the training process and get them acclimated.

Mr. Elliott reported that the County was also moving forward with establishment of a Pantops EMS station, as Mr. Foley had indicated, working in conjunction with Martha Jefferson Hospital for the lease of space there to house EMS staff Monday through Friday, 6 a.m. to 6 p.m., at an estimated cost of \$245,400 to be offset by EMS transport fees/revenue recovery.

Mr. Boyd said that prior to opening the Hollymead Fire Station, the County had placed two people at CARS temporarily until they were moved out but they had never moved out, and perhaps they could be stationed to man the MJH facility.

Mr. Elliott responded that the CARS call volume at the McIntire station particularly for incidents along the Route 29 North corridor was such that that staff wouldn't be able to move to Pantops without

having detrimental response times to critical incidents in the corridor. He said that this would be moving resources away from Route 29, so the only way to cover the demand was to have personnel at Pantops and CARS.

Mr. Foley pointed out that the County was supplementing the volunteer resources at CARS, and couldn't take them out of there because of the call volume.

Mr. Snow asked if there were EMS recovery fees instituted there.

Mr. Foley responded that there were not, but the County would be meeting with CARS and the Western Albemarle Fire & Rescue this week to address that issue countywide.

Mr. Boyd said that he would like to see some figures related to CARS call volume and response times so baselines could be established for comparison to the Pantops facility.

Mr. Elliott said that they had just moved to an integrated data collection system and would be able to track that information.

Mr. Boyd asked if all of the stations were on board with that.

Chief Eggleston stated that they were getting there, and they are much better off now than they have been in the past. He added that they had an integrated system so that fire and EMS calls were all in one system so there can be an accounting of incidents, response times, etc. We still have some issues that remain but we're trying to work through those with the FEMS Board.

Mr. Boyd asked if the 911 center could provide the data.

Chief Eggleston replied that the information from that center was raw data, and wasn't verified or quality assured and by the time it went into the system, dispatchers would have ensured that the data is correct.

Mr. Foley said that the question was whether staff would be able to report the data on Pantops, or if there were significant obstacles to overcome.

Chief Eggleston responded that they could establish a baseline today and then measure the impact once an ambulance is put in at Pantops.

Mr. Foley stated that the other impact to consider was resource changes from the City contract in that area.

Mr. Elliott said that the City had relocated one of their engines because of the bypass station, and that was having some impact.

Mr. Foley said that shift, was another reason why the Pantops crew would be helpful.

Ms. Mallek commented that perhaps people would go straight to the hospital rather than calling for an ambulance.

Mr. Elliott noted that the ambulance stationed at MJH would serve not only the Pantops area but everything east on I-64, so having proximity to the interstate would help with response times.

Mr. Snow asked what kind of facilities would be available at Martha Jefferson.

Mr. Elliott said that the space would only be about 160-170 square feet convenient to the Emergency Department, as well as a parking space that would need up fitting.

Ms. Mallek asked if the hospital would be providing the mechanicals for the space.

Mr. Elliott responded that the County was responsible for installing all electrical service to the unit and that there would be some level of rent.

Ms. Mallek asked what the \$39,000 in operations would be for.

Mr. Elliott explained that there would need to be medical supplies and other items provided.

Chief Eggleston said that there would also be costs for fuel and maintenance, as well as a small fee related to EMS cost recovery.

Mr. Elliott stated that there was a capital outlay of \$75,000 for a vehicle replacement surcharge, replacement equipment and software upgrades for the system. He said that the public safety reclassification impact for fire & rescue was around \$306,000, and there would be an increase of approximately \$568,000 from EMS cost recovery beginning in January 2013 as well as services at Pantops.

Mr. Foley clarified that only one-quarter of the new EMS revenue was reflected in this budget, at about \$150,000, so that number would increase in the following year.

Mr. Elliott reported that there was an overall increase of \$90,830 in Fire and Rescue services, and funding support for volunteers was increasing \$62,305 or 3.5% and CARS was increasing by more than that, based upon call volume and share of personnel costs in the City/County costs. He said that in FY11, the County had appropriated \$1.65 million for volunteer support, \$1.77 million in FY12, and \$1.839 million was proposed for FY13. He said that the volunteers had requested \$2.674 million, which was about \$800,000 more than what has been recommended in the County Executive's budget. Mr. Elliott noted that the County's funding policy for volunteer Fire and Rescue stations drove recommendations associated with the funding requests.

Mr. Boyd asked if that was all operational and had nothing to do with the capital.

Mr. Elliott said that staff would be looking closer at the request and the variance of \$800,000, as it could be equipment or other capital items.

Mr. Rooker asked if capital and operational might be mixed together.

Mr. Elliott responded potentially, but staff would provide the Board with more information.

Mr. Foley stated that staff were gathering more detail, and the information would get to the Board by the next work session.

Mr. Elliott stated that over the last several years, their requests had been \$600,000-\$700,000 more than what staff had recommended.

Mr. Boyd asked if the City of Charlottesville had started contributing anything to the calls, and how did that work.

Mr. Elliott explained that the County's costs would go up, if the greater percentage of calls were to occur within the County.

Mr. Foley pointed out that the County gets money back for City run calls.

Mr. Elliott reported that in addition to station operational costs of \$62,305, that staff were also proposing an additional \$34,600 or an 8% increase for overall insurance, including line of duty costs and other operating supplies. Collectively, he said, the increase to the volunteers was approximately \$97,000 in this proposed budget. He stated that the TJEMS agency was defunded based on the ABRT process and Ms. Allshouse had sent an email the previous week describing the process and what was behind it.

Ms. Mallek said that she would like to put the TJEMS item on the list for discussion.

Mr. Boyd stated that he was a little cautious about that, because the Board put a system in, to keep it non-political.

Ms. Mallek stated that TJEMS is not social services, that it was emergency services. It's different than all the other agencies.

Mr. Boyd asked if she thought it should be out of the committee approach.

Ms. Mallek responded that it used to be more of the County evaluating it, as opposed to the citizens.

Mr. Foley stated that when the Board changed the process for the ABRT, they broadened their role and established criteria, covering more than just social service agencies but all other types of agency funding.

Mr. Elliott explained that in the past staff had the OMB process and the ABRT process, and with the work done by the Commission on Children and Families the previous year as well as the recommendations brought forth by that to the Board of Supervisors in July, some of those agencies moved from the OMB process over to ABRT including TJEMS. He said that the OMB process had evolved into covering only those agencies that the County had a contract for or shared services with based on a percentage of participants or some other contractual related basis. Mr. Elliott said that in July/August, the Commission conducted an orientation process for everyone for ABRT in which they went forward with descriptions of the process. He stated that TJEMS had met with Gretchen Ellis twice and had two follow up conversations with her on preparation of their application; it was submitted on time, but it was vetted against those objective criteria that the Board and Council had established last year. Based on the quality of the application and those standards, that was the recommendation that came forward and is included in the County Executive's budget.

Mr. Boyd said that was why he was reluctant to go forward with reconsideration, as the County had spent a lot of time trying to put together a fair, nonpolitical way to deal with nonprofits. The County's got a number of requests; it's not just this one, as you know.

Ms. Mallek commented that she understood that, but the regional approach for access to training and the regional agreement that allowed Fire and Rescue personnel to utilize all hospitals was valuable. She added that the County's staff person was on the Governor's Board for this agency. Ms. Mallek said, that she thought walking away from the regional participation was a terrible mistake, that the County shouldn't be limiting their seven hundred and some volunteers to only get training from Albemarle County

staff, they should have volunteers be able to get training anywhere and everywhere that they could, and this agency is one of the things that helps that to happen. She noted that the University of Virginia was also involved and had been very helpful in offering classes and information.

Mr. Boyd asked if Albemarle could no longer participate if they didn't contribute.

Ms. Mallek responded that they would no longer be members, and one of the items funded through their contribution were classes.

Mr. Foley said that he would bring back information on this item.

Mr. Rooker said that he would also like to hear from Chief Eggleston on this service.

Mr. Boyd and Mr. Snow agreed.

Mr. Elliott stated that the Fire and Rescue tax credit was scheduled to increase about \$5,500 or 9.2% based on usage, and the City fire contract increases about \$42,200 or 5% based on the contract and the base cost increase that occurred every year. He said that public safety contributions were related to regional operations that the County had, related to the ECC, which was proposed to increase \$130,966. Mr. Elliott stated that the majority of increases they were reviewing for the three public safety agencies were related to the VRS changes, and the same changes that impacted the County were impacting these agencies as well. He said that in the ECC's case, there were three main components, personnel, software and equipment maintenance contracts, and miscellaneous. Mr. Elliott stated that their budget reflected the rising costs of the maintenance contracts and leases for tower sites, totaling \$131,000 in increases. He said that the regional jail and juvenile detention center were impacted by VRS increases as well as the County's percentage share of inmates in those facilities.

Mr. Elliott stated that the SPCA increase was approximately \$36,000 or 7.5%, and that was driven by contract, and the County's per capita fee was adjusted each year by population and CPI.

Ms. Mallek asked when the current phase of the contract would end.

Mr. Elliott stated that the contract was up for renewal in 2014, following a five year timeframe.

Mr. Rooker said that contributions for the regional jail increased by 7%, but the VRS costs only accounted for about 2%. He asked if they were hiring more people.

Mr. Elliott responded that the staffing remained the same, so the personnel increases relate to healthcare costs, retirement increases, and the 1% salary increase. He added that the VRS rate increase for the jail was actually more than the County increase.

Mr. Elliott reported that there were two public agencies in the ABRT process, Offender Aid and Restoration, which was proposed to decrease \$10,798, and Foothills Child Advocacy Center, which was a new agency serving approximately 100-105 Albemarle youth through a counseling program that helped child victims of abuse and to bring offenders to adjudication. Mr. Elliott stated that the agency had been funded historically with City resources.

Ms. Mallek asked for more information about the cut to OAR, expressing concern about the drug court program.

Mr. Elliott stated that Gretchen Ellis could provide more information, and Ms. Mallek agreed that that could happen next week.

Mr. Elliott also said that the Community Attention Home and VJCCCA were level funded.

Mr. Elliott also reported that there were approximately 13,129 calls for Fire and Rescue service, which was very close to the FY10 level, and stations were meeting the response time standard in the Comp Plan, for the rural area just over 10 minutes with a standard set of 13, and the response time for the urban area was approximately 6 minutes, 39 seconds with a standard set of 5 minutes.

Mr. Elliott said that there were eight firefighters for Ivy, four full-time equivalents for FY13, one over hire, and three EMS employees for Pantops, the funding for the reclassification study, and an increase of roughly \$490,000 for public safety agencies proposed in the budget.

Human Development. Mr. Elliott reported that human development was proposed to be funded at \$18 million, an overall decrease of approximately \$1 million or 5.3% from FY12. He stated that in this functional area they would be reviewing social services, the Comprehensive Services Act, human service agencies, tax relief for the elderly and disabled, Bright Stars, Region Ten, the Health Department, and PVCC. Mr. Elliott said that about 58% of the total was allocated to social services. He stated that expenditures in DSS were proposed to decrease by about \$954,000 or 8.4% and a .75 FTE was recommended to administer the County's CSA program, which was related to a key retirement in that function.

Mr. Snow asked if the decrease was due to the state pass through.

Mr. Elliott responded that the driving force in the decrease was a decrease in the expenditures for the childcare program, and a corresponding decrease in the revenues that were accrued.

Mr. Elliott said that this was another department that would experience a salary lapse \$98,000, or the equivalent of two eligibility workers because of the float and turnover in this department due to retirements and transition over the past several years, they were budgeting the equivalent of two positions for salary lapse.

Mr. Elliott reported that revenues would decrease approximately \$969,000 or 12.5% and overall the department's net cost to the County was increasing by just over \$16,000.

Ms. Mallek asked if staff were replacing the people who've retired.

Mr. Elliott clarified that they were replacing the people who retired, but staffing levels were staying the same other than the .75 FTE.

Mr. Elliott stated that the increase for Bright Stars was approximately 3.7%, or \$41,000, and general fund support for the program was scheduled to increase \$12,950. He said that the composite index played a role in the Bright Stars program; as that index changed, the requirement for local funding increased or decreased accordingly. Mr. Elliott said that the CSA fund was proposed to decrease by \$135,747 or 5.4% based on historical actuals over the past three to four years; the number of children in need of services had decreased, and the goal to keep children in the community versus placing them in residential facilities had proven to work and was also fiscally advantageous.

Ms. Mallek asked if there were any kind of cushion.

Mr. Elliott explained that there was a Fund Balance of approximately \$2.5 million, or 10%, to meet any increased expenditures in that area due to factors such as spikes in residential placements or high needs case.

Mr. Rooker pointed out that if you didn't have a fund there, then it would hit your budget directly.

Mr. Elliott explained that staff had begun to see fluctuations between FY00-10, and the Board put a fund balance in place in the event, that special need cases arose.

Mr. Rooker noted that the County had years in which there were \$600,000-\$700,000, mid-year hits to the budget, because of spikes in CSA claims.

Mr. Elliott reported that human development agency contributions including both ABRT and contractual agencies were recommended by the Board for a total decrease in funding of \$100,000, and the ABRT team accomplished that. He said that there were also non-ABRT agencies that were contractual in nature, and noted that they were able to meet the funding reduction. Mr. Elliott said that the CCF funding was decreasing by \$34,559, related to a frozen and eliminated position in that operation, and JABA was proposed to increase \$19,513 or 6.9% including \$10,000 reallocated from the Office of Housing for the Woods Edge residential subsidy program. He stated that this was the third of the four year phase out of this subsidy, and by FY14 the subsidy would be eliminated. Additionally, he said, there was a \$9,500 increase in the County's share for JABA's health services, community centers, and volunteer service program. Mr. Elliott said that there were requests for funding for several other programs, including \$15,539 for Mountainside Senior Living and funding for a Shining Star preschool program and a \$5,000 increase for the Virginia Insurance Counseling Program that were not being recommended for funding.

Ms. Mallek said that she would like to put Mountainside on the list, as the funding request was in support of the waiver program.

Mr. Rooker asked about the 23% decrease in funding for Children Youth & Family Services.

Mr. Elliott responded that it was related to the ABRT process, adding that the Partnership for Children which was a City/County collaborative effort was transitioned to United Way's Smart Beginnings Preschool Council.

Mr. Elliott reported that JAUNT was proposed to increase \$92,951 or 10.1% which was basically the same level of services in the current fiscal year and reflected increases in fuel and personnel costs. Mr. Elliott said that the recommendation also included a fare increase of \$1 in the rural area and 50 cents for trips to JABA sites, as directed by the Board in December 2011. He stated that Region Ten was proposed to increase \$26,922 or 4.7% representing the County's share of costs for comprehensive services. Mr. Elliott said that this was also where the Healthy Transitions program was requested, and that request was not included in the recommended budget.

Mr. Rooker said that he had raised some issues that the Board had requested information on, that were never received, such as Colonel Matthews' letter, as requested at the last meeting.

Ms. Jordan indicated that she would find it and distribute it to the Board.

Mr. Rooker said that the group had stated that the County committed to the program last year, but he was not aware of any commitment from the Board.

Mr. Boyd said he was at the meeting but didn't say anything, and Ms. Mallek said she had indicated their request should be part of the budget process.

Mr. Foley stated that the Board had clearly said the request would need to go through the budget process, which is where they were today. He said that they had submitted it through Region Ten.

Mr. Elliott clarified that it had not been through the ABRT process but was submitted as part of Region Ten's contract submittal to OMB and was viewed as a new program, and the proposal called for the County to fund 50% of the cost of the program although only 23%-25% of participants were County residents.

Mr. Rooker said that the figure of 11 out of 40 participants was not a static number, and he had asked at the public hearing on the item how many they would serve over the course of the year, and they had stated it would be about 120.

Mr. Foley stated that it was presented with the number of current participants.

Ms. Mallek said that if the cost was \$3,000 and it prevented people from going back to jail at a cost of \$60,000, that's a huge investment in saving some dollars, and it helped them become successful.

Mr. Boyd stated that he wanted statistics that showed the outcomes and the rates of re-incarceration, as the Board had requested last year.

Mr. Elliott explained that the program had been in effect for six months, and there had been a private donation of \$40,000 for it and studies nationwide showed the effectiveness of this type of program.

Mr. Boyd stated that the data that was given on the people that are in the program, just indicated, that they were in the program and the number of times they've been incarcerated.

Ms. Mallek said that, that type of information about the local program had been shared at the meeting with its advocates.

Mr. Boyd stated that he hadn't met with them, and hadn't seen the number.

Mr. Foley suggested that perhaps Kathy Ralston provide some more information on the effort.

Mr. Rooker commented that there was definitely a need, but the question was whether it could be filled in another way.

Ms. Kathy Ralston, Director of Social Services, said that the program had been running through July, and the adult probation and parole staff had indicated it was a pretty successful program. She stated that the program focused on people with serious disorders such as bi-polar disorder or schizophrenia, and the problem had been that a person released from jail had only 30-45 days of meds left. Ms. Ralston said that if they can't get Medicaid in that time period or don't have an income it's hard for them to keep up with their meds. People at that level, if they're not medicated, they're going to end up back in trouble. She added that nationally this type of program worked, and Region Ten was clearly the best provider for this service because they are a community service board. Ms. Ralston said that these people must have a case manager to get medication, and this would provide clinician support and monitoring.

Mr. Thomas asked if the Free Clinic could serve in this capacity.

Ms. Ralston responded that the Free Clinic was for people who were working and didn't have insurance.

Mr. Rooker asked if Ms. Ralston felt this program would help fill the gap of people being released and not getting some clinical follow up.

Ms. Mallek pointed out that incarcerated individuals were not allowed to apply for Medicaid until they were out of prison.

Ms. Ralston explained that there had been a recent policy change on that, and the County was working with City DSS to send an eligibility worker out to the local jail and start the process earlier. She said that the problem was not the Medicaid application, but the disability determination of people and the state unit was comprised of nursing staff who determine that eligibility, which could take up to 90 days because the waiting list was so long. Ms. Ralston said that didn't include prisoners, which would make the list even longer, and there could be people released to other regions outside of this area.

Ms. Mallek asked if that would reduce the numbers of who would need the program by July.

Ms. Ralston stated that her hope would be to get more people on Medicaid, but not everyone would be determined to be disabled, so staff couldn't really count on that.

Ms. Mallek asked what would happen in that case, would they then be able to use the money.

Ms. Ralston responded yes, the Healthy Transitions money would address those cases.

Ms. Mallek pointed out, that was a really important distinction.

Ms. Ralston noted that if the Affordable Care Act went into effect in 2014, people would be eligible for health insurance, but currently only disabled, blind, or aged people were eligible for Medicaid.

Mr. Rooker said that it should be put on the list, and perhaps if it were funded this year it would only be temporary until these other initiatives take effect.

Mr. Snow stated that the expense wasn't only the person returning to jail, but the cost of the cause, of them going back to jail.

Mr. Boyd said that he would like to see some numbers from staff on the return on investment for the program, even if it had only been operating for six months.

Mr. Foley also suggested finding out if the 50/50 split with the City and County was just for start up, as it should be client based.

Ms. Ralston said that it would be reasonable to go back to Region Ten and ask why.

Mr. Elliott reported that tax relief for the elderly and disabled was being funded at a proposed level of \$1 million, which was consistent of use in the past and the Board's recent funding levels for the program.

Mr. Boyd asked if that was an increase, decrease or level funding from the previous year.

Ms. Mallek noted that it was flat from the prior year.

Mr. Elliott summarized that for human development agencies, 22 were proposed to be funded at a total of \$3.39 million ranging from the Aids Support Group at \$3,600 to JAUNT at \$1.014 million.

Mr. Rooker asked if it was primarily a fuel increase the agencies were experiencing.

Mr. Elliott responded that it was fuel and personnel.

Mr. Elliott said that the list included 17 ABRT agencies and five contractual agencies proposed to be funded, adding that the human development category decreased by approximately \$1 million or 5.3%, due primarily to the state administration of the child welfare program. He stated that agency funding was proposed to increase by \$64,000 or 1.5%.

Mr. Boyd asked what the net increase or decrease in DSS would be without the change in the federal program.

Mr. Elliott responded that there would be a total net increase to the County of \$15,900.

Parks, Recreation & Culture. Mr. Elliott reported that parks, recreation and culture, was proposed to decrease by \$12,508 or .2% from the current fiscal year. Mr. Elliott said that this category included the Jefferson Madison Regional Library, which was 51% of the funding, Parks & Recreation at 35%, 12 agencies constituting 11% of funding, and Darden Towe Park at 3%. He stated that the Parks Department budget was proposed to decrease by approximately \$22,200, due to a capital outlay in the current year for an online reservation system that the Board funded in FY12. Mr. Elliott said that those dollars go away but are partially offset by the purchase of a vehicle and some related equipment for the department. He said that Darden Towe Park funding was proposed to increase by \$61,500 or 25%, with a net increase of operating expenditures of roughly \$408, and one time, capital outlay expenditures of \$67,000 including \$51,400 for a replacement service vehicle and \$15,000 for replacement of a mower.

Ms. Mallek asked if there was a staff person, only at Darden Towe Park, who used a special vehicle.

Mr. Bob Crickenberger, Director of Parks and Recreation, stated that the vehicle was partially funded by the City and was assigned primarily to Darden Towe.

Mr. Elliott noted that the County was the fiscal agent for the park, which was why it showed up on their ledger, and said the funding for the park was based on population.

Mr. Elliott reported that funding for recreation and cultural agencies had decreased by \$31,941 or .8%, with the CACVB increasing by \$69,267 by formula, based on the transient occupancy tax collection.

Mr. Rooker asked if any of the proposed cuts from the County were being picked up by the Tourism Bureau.

Mr. Elliott replied that the bureau was picking up funding from the County's budget related to the African-American festival, Virginia Festival of the Book, Virginia Film Festival, and the portion of the Piedmont Council of the Arts that wasn't required for the match on the Commission on the arts grant program. He said that there were five programs that continued to be funded with tourism revenues from the County the CACVB, the Ash Lawn-Highlands Festival, the Municipal Band, the Piedmont Council of the Arts and the Discovery Museum to match the challenge grants from the Virginia Commission for the Arts; general fund allocations go for the Jefferson Madison Regional Library and Literacy Volunteers.

Mr. Elliott explained that the County receives a grant from the Virginia Commission for the Arts, and it's required that the County provide a local match for the grant, and the Virginia Commission on the Arts were going to be considered by the CACVB.

Mr. Rooker commented that he would hate to see the Piedmont Council of the Arts defunded, as they were given a paltry amount to begin with and they are the primary state designated arts agency for the area.

Ms. Mallek said that this was another situation where there was tremendous return for the investment.

Mr. Elliott responded that of the agencies the County was no longer funding, they have instructed the CACVB that their increase of \$69,000 should go to fund them in FY13 with development of rating criteria for funding going forward. He confirmed the agencies that the County was funding as mentioned previously.

Ms. Mallek mentioned that funding for Literacy Volunteers had been reduced significantly.

Mr. Elliott replied that the recommendation was based on the application received through the ABRT and the criteria the Board established last year, that each agency received a cut to their funding, to achieve the \$100,000, if the agency's application received a fair rating they were recommended for a 25% reduction and if the application rated as poor they were defunded.

Ms. Mallek commented that there were a lot of agencies who would be tossed out because of the change in the way the state's doing its GED program, which was unfortunate.

Mr. Rooker said that when the Literacy Volunteers did their application, they had no agency head and did not put together a great application; he noted that they now had an agency head, and were moving to the Jefferson School building when it opened, and the agency does about 95% of its work through the use of volunteers.

Mr. Elliott said that he understood that, but an objective process was established and followed in order to come up with recommendations and staff attempted through the ABRT process to apply the \$100,000 reduction in overall funding based upon the quality and proposed beneficiaries and service outcomes delineated by the agencies. There is nothing vindictive; there is nothing to say that these are bad programs, but this is again based upon that objective process that the ABRT utilized and applying the \$100,000 across the board.

Ms. Mallek stated that she wasn't criticizing the process, but this was a recommendation to the Board and they could reevaluate it.

Mr. Rooker expressed concern about the timing of the GED program, as the County wouldn't want people who had completed 50% of their GED work to lose their prior completed credits.

Mr. Dumler said that perhaps there was an opportunity now to get the objective criteria that was not available at the time of application.

Mr. Snow stated that the University of Virginia and the City of Charlottesville both had GED programs, and asked if the County had its own program.

Mr. Elliott responded that the school division had a GED program, but he wasn't sure if this was it.

Mr. Rooker and Mr. Snow said they would like to find out more information on that.

Mr. Foley said that he would add it to the list and get some background on GED programs in the community to address any duplication issues.

Ms. Mallek mentioned that there was a reason for having several sites, as many of these participants don't have the transportation means to access a single site.

Mr. Elliott also pointed out that with the Piedmont Council for the Arts, the County was retaining the funding necessary to match the state grant and has instructed CACVB to make up the difference in the funding and the same was true for the Virginia Discovery Museum. He said that the library had a funding increase request of \$130,000 compared to the current fiscal year, driven primarily by proposed increases in salary, retirement and healthcare, in addition to extending the hours at the Crozet Library and increasing hours for outreach efforts. Mr. Elliott stated that in discussions with other jurisdictions, staff learned that there were not proposed salary increases, although the City had come out with a 3% bonus pool for its employees, and the Library Board had increased staffing hours for the Crozet Library a year ago. He said that staff's recommendation was level funding for JMRL based on input received from other jurisdictions relative to salaries and based on historical actuals.

Mr. Elliott stated that based on reference desk survey results, the County's share was approximately \$144,000 per year as approximately 1/3 of users were County residents and if that methodology shifted to regional cost, the County's percentage share of \$455,000 would be about 58%. He said that this would eradicate the majority of the out of area fees collected, and in the past six to seven fiscal years the Board had funded additional hours and staff for library branches all at a time when the County had been decreasing staff. Mr. Elliott stated that in light of reduced funding for libraries in other

communities, staff has recommended the level funding with the out of area fee being to the County's benefit.

Mr. Foley said that local government had reductions for years except for the library, and this was a way for them to look for some efficiencies. He stated that the approach in the past had been for them to hold press conferences and make insulting comments at public meetings, so staff's recommendation for level funding was felt to be appropriate given what all the other agencies had been asked to do.

Ms. Mallek stated that the reason the Board decided to keep the library hours expanded was because there were more people needing library services and not being able to afford anything else. So, I expect that the need at the library would go up as the economy was falling and other things were being cut. She also said that she was confused about the raise, as the library employees hadn't received a raise for four years.

Mr. Elliott explained that their proposed budget factored in a 2.5% salary increase for staff.

Mr. Rooker commented that the library's position paper stated that 2/3 of their employees earned less than a living wage, and said they had decreased their operating expenses by nearly 7% in the current fiscal year.

Mr. Elliott said that based on the library analysis provided by staff a year ago, that decrease was not noticed unless it happened between FY11 and FY12 and the trend line from 2000 to 2011 had gone up by a substantial amount. He stated that according to the budget document presented to County staff in January 2012, the FY12 allocation for all jurisdictions totaled \$5.5 million and their proposed total for FY13 was \$5.75 million.

Mr. Rooker asked what they included in operating expenses and wondered if salaries were included.

Mr. Boyd commented that they should be.

Mr. Rooker said it would be helpful to know if the 7% reduction claimed was actually achieved as it would total \$350,000 and what measures they took to accomplish it.

Mr. Foley said that staff had considered looking into more detail on the library budget, but wasn't sure if the Board had wanted them to do more analysis. He emphasized that the County made a big payment to the library system, and it was the sixth largest expense in the budget, but the level of detail wasn't available to answer these questions. Mr. Foley commented that part of the problem has been the lack of partnership between the library and local government, as the JMRL strategy has been the press conference approach.

Ms. Mallek said that they hadn't held a press conference yet.

Mr. Elliott stated that the County Executive's office built the budget based on the Board's direction from the five year financial planning meeting.

Mr. Rooker said that every study done, showed that the library system delivered good services at a very reasonable cost, and the cost per capita of the system was low by state and peer community standards.

Mr. Snow said that you could say that across the board about every agency, but everyone else had made reductions and they should be held to the same standards.

Mr. Rooker agreed, adding that he would like to see more detail about their budget especially how they had a 7% reduction in operating expenses as they had claimed.

Mr. Foley stated that staff would provide more information.

Mr. Elliott said that the County was continuing to maintain its existing service and quality in parks, with this functional category proposed to decrease by \$13,000 with agency contributions decreasing by \$1,000 and tourism/festivals being shifted to the CACVB for funding.

Ms. Mallek asked about the tourism money that had been shifted to Parks & Recreation for operating.

Mr. Elliott explained that it was still being handled that way in order to keep parks functional and maintained.

Mr. Thomas asked why the library system was under parks and recreation.

Mr. Elliott responded that the category was parks, recreation, and culture.

Mr. Foley noted that it was a state auditor of public accounts classification.

Community Development. Mr. Elliott reported that Community Development had a proposed budget of \$6.1 million, an increase of roughly \$71,700 or 1.2% from the current fiscal year. He said that the department comprised about 65% of the spending in this category, with nine community development agencies representing 23%, the Office of Housing at 7%, VPI Extension at 3%, and the Soil & Water Conservation District at 2%.

Mr. Snow said he would like to see the Extension Service added to the list. Ms. Mallek agreed.

Mr. Elliott said that the Community Development Department budget was scheduled to increase by \$92,873, or 2.4%, driven primarily by salary and benefit changes, and there was a small decrease offsetting some of the personnel changes due to reallocation of maintenance contract expenditures for County View from that department to IT. He said that the Inspections budget was scheduled to increase by \$34,000, or 3.2%, driven by salary changes and roughly 10% was being budgeted in increases of local revenue for collection of building permits and fees. Mr. Elliott said that inspections were getting back to 2008 levels, due in part to the shops at Stonefield and some other commercial activity, but of all the key indicators they were beginning to see building and zoning inspections moving to pre-recession levels. He stated that Mr. Graham looked closely at this every month to monitor the impact on housing permits and workload impact.

Ms. Mallek commented that contractors get frustrated when they can't get a staff person to come out quickly.

Mr. Elliott said that the Housing Office budget had decreased by \$54,178, or 10.5%, representing the first full year of elimination of the housing counselor position, and there was a \$41,100 decrease in operating costs due primarily to reallocation of \$20,000 in that budget for AHIP's emergency home repair program. He stated that the Woods Edge rental subsidy program would move out of the Housing Office to JABA itself. Mr. Elliott said there were nine agencies totaling \$1.67 million, ranging from the Small Business Development Center at \$7,800 to CAT at \$722,555. He stated that AHIP went through the ABRT process and to achieve the decrease their application was rated and a cut was applied; when the \$20,000 was moved over, AHIP's net was a \$533 increase for the year.

Mr. Foley commented that there was actually a reduction from their request of \$20,000.

Mr. Elliott stated that there was an increase of \$74,500 for CAT, or 11.5%, reflecting the same level of service as the current fiscal year due primarily to fuel, personnel, and operating cost increases. Mr. Elliott said that TJPDC increased \$9,600 or 8.8%, related to the change in the per-capita rate charged to localities for their programs and the increase in County population. He said that the Soil & Water Conservation District budget increased by \$3,000 or 3.1%, due to a \$2,200 change in salary and benefits for a County-funded position and a \$783 for the County's cost of state reclassifications for personnel.

Mr. Elliott reported that all other recommendations on this list were related to the ABRT process.

Board members indicated that they would like some additional information on the Extension Services when that comes back on the list, as the previous year had been an exceptional one for them due to some staff departures.

Ms. Allshouse reviewed the list of items to be brought back including the officers for the Police Department, TJEMS funding, the Mountainside Senior Living funding, Healthy Transitions, Literacy Volunteers, VPI Extension, OAR, and the library. She said that the Board had requested follow-up information on the GED issue, the library budget, Health Transitions percentage of participants, TJEMS information from Chief Eggleston, the Fund Balance for CSA, and Ivy and Pantops fire and EMS information.

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

There were none.

Agenda Item No. 4. Adjourn.

There being no further business, the Board adjourned their meeting at 11:59 a.m.

Chairman

Approved by Board

Date: 06/06/2012

Initials: EWJ