

An adjourned meeting of the Board of Supervisors of Albemarle County, Virginia, was held on September 21, 2012, beginning at 9:08 a.m., at Robert H. and Clarice Smith Woodland Pavilion at Monticello, for purposes of holding a Strategic Planning Session. The meeting was adjourned from September 12, 2012.

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

ABSENT: None.

OFFICERS PRESENT: County Executive, Thomas C. Foley, County Attorney, Larry W. Davis, Assistant County Executive, Bryan Elliott, Assistant County Executive, Bill Letteri, Assistant to the County Executive for Business and Community Partnerships, Lee Catlin, Director of Budget and Performance, Lori Allshouse, Clerk, Ella Jordan, and Senior Deputy Clerk, Travis O. Morris.

Additional members of the County's Leadership Council and staff from the Office of Management and Budget were also in attendance.

Welcome and Meeting Overview.

The meeting was called to order at 9:08 a.m., by the Chair, Ms. Mallek.

Mr. Foley stated that his staff has worked hard on putting information together for the retreat, and the Board applauded their efforts. He said that the newest member of his staff, Louise Wyatt, had taken over strategic planning and performance management tasks, but she was not at the meeting today so Ms. Catlin would help facilitate. Mr. Foley stated that the premise of the retreat today was based on several articles from Bob O'Neil, who is the Executive Director of the International City and County Management Association. He said that Mr. O'Neil was the City Manager of Hampton and also the County Executive of Fairfax, and spent most of his career working for elected officials on leading communities into the future. Mr. Foley noted that Mr. O'Neil had been recognized for his innovative and creative ideas to make government more effective in the 1980s.

He said that Mr. O'Neil's premise was that the 10 years ahead would be the "Decade of Local Government," and localities would ultimately be left on their own. Mr. Foley stated that the basis for that supposition included three things: significant cutbacks at the federal level because of the debt crisis, which would impact revenues and the overall state economy; structural funding challenges at the state level because of Medicaid changes due to healthcare reform, which still contained some uncertainty as to how it would play out; and structural changes at the local level due to new mandates and a slowly recovering housing market.

He said that Mr. O'Neil has been all over the country to observe local government and has thus drawn the conclusion about the decade of local government, and Mr. Foley emphasized that this doesn't have to be a negative – because someone must deal with these challenges. Mr. Foley said that the next five to 10 years would be slow and sluggish, and the question becomes how to respond to that environment. He said that the Board's strategic plan calls for a thriving county, and Mr. O'Neil stated that the good communities and organizations have become clearer through the tough times over the last three to four years – and in looking to the future communities and organizations must apply those same principles in order to get anything accomplished.

Mr. Foley said that Mr. O'Neil mentions six characteristics of good organizations and communities: they develop early warning systems for certain trends and are always looking down the road toward the future; they react quickly to those trends once they identify them; they put strategies in place early, considering their ranges of options, thinking through scenarios; they understand the value of what's most important, and take that understanding in their setting of priorities; they apply rigor to determine what is and isn't working and adjust as necessary; and they are never satisfied with the current level of performance but are instead looking for ways to improve. Mr. Foley said that Mr. O'Neil has also noted that leadership matters, creativity and innovation would have to become the norm as a way to do business, and some degree of risk must be taken in order to address challenges.

Review of FY 2013-17 Strategic Plan Highlights.

Mr. Foley said that today the Board would be talking about the specific challenges faced locally, and he hoped to engage the Board in a conversation about their vision to be a thriving county – a picture of the future the Board believes in as their vision. He said that as a Board they also had developed a mission statement of providing the highest level of public service, and the questions that arise relate to what that really means for local leadership, what the most important priorities are, and what are the Board and the community willing to do differently – because this environment and their vision don't match up.

Mr. Foley noted that in the Board's packets were copies of the strategic plan that just ended, FY10-12, including highlights of what has been accomplished. He mentioned that some of those items had ended up in the new strategic plan, and a few were on the Board's upcoming meeting agendas – such as solid waste, which would come before them in October. Mr. Foley said that there were some people at the meeting today who are considered emerging leaders, as part of the Innovative Leaders

Institute (ILI) – which was formed about two years ago by taking leaders from County divisions. He stated that they have worked really hard to take the strategic plan and putting it into real picture terms.

Mr. Brian Betts addressed the Board, stating that has worked for the County for 15 years – starting as a Budget Manager for Social Services then moving into IT about 12 years ago. Mr. Betts said that one of the first projects he handled was developing a standardized email system for the County, which at that time was a new initiative.

Ms. Pam Villas addressed the Board, stating that she has been with the County for about 2.5 years, coming in as a Senior Worker for Adult Protective Services. Ms. Villas explained that ILI was formed by the County Executive's Office and Human Resources in an effort to focus on values, innovation and learning, in a time when professional development had a very slim budget. She said that the Institute was also designed to provide structure and support so that organizational leadership had the capacity to retain employers that may not want to stay. Ms. Villas said ILI participants are also positioning themselves to focus on forward thinking and providing excellence, as well as support for the SPQA.

Mr. Betts said that one of the focal points of their work with the ILI program was identifying the common challenges that faced them as an organization, recognizing that while individual departments had their own challenges they shared the goal of pushing the County and the organization ahead in spite of those challenges. He stated that one of the items that arose in their discussions was acknowledgement that many of the resources needed are already in house – talent, innovation, willingness to change.

Mr. Betts said that one of their goals was to turn the strategic plan from a document into more of a story, and all of the goal groups broke into sub-teams, then went out and captured photos that are part of a slide show that would show the Board.

The ILI representatives presented a 10-minute slideshow.

Ms. Lee Catlin thanked the ILI participants for their great work.

Ms. Catlin reported that there is already a lot of work underway for the first two years of the plan, and they would discuss this again in more depth in December when the strategic plan is at a six-month point.

She explained that each of the seven goals has a goal champion that the County's Executive's office shepherds to ensure that things are moving along appropriately.

Ms. Catlin said that the first of her two assigned goals was Encouraging a Diverse and Vibrant Local Economy, and over the next two years the Board would expect to see the objectives of the last year to year and a half of the Economic Vitality Action Plan. She noted that important issues in the plan is continuing to implement the Target Industry Study – including work on development process improvements that is already underway, workforce training components, and those types of efforts. Ms. Catlin said that goal team members are also planning for the first year of the plan is to come to the Board with a recommendation for establishing an ongoing economic development program for the County – and will have a full process for engaging the community in that. She stated that the team would also bring forth discussion of using the County's Economic Opportunity Fund to ensure they are using that as fully as possible, noting that there may be challenges in the Governor's Opportunity Fund that will make it challenging to match those funds – and they would explore how to best use new EDA funds in partnership with them.

Ms. Catlin reported that the second of her assigned goals was Promoting Individual Responsibility and Citizen Ownership of Community Challenges, so the first priority tasks of that over the next few years include establishment of a volunteer advisory council with all departments that have volunteer programs up and running. She said that there was a lot of volunteerism going on, but it was not consistent or well-coordinated at this point. Ms. Catlin said that the citizen self-reliance piece would be addressed by working with the many groups that are already in place – the appointed Boards and Commissions, the Citizens Advisory Council, Neighborhood Watch, Citizen Fire Academy, etc.

Ms. Lori Allshouse addressed the Board, stating that she is the goal champion for Excellence in Education, which is a joint effort with the school division. She said that the team has been looking at the strategic plans for both local government and schools and trying to align some of their goals. Ms. Allshouse said that under Josh Davis's leadership and concept, the team is coordinating an effort between the Fiscal Services Department and Education Department, Finance Department and Office of Management and Budget, to assess and improve County processes, better meet citizen and Board needs, and improve overall collaboration. Ms. Allshouse said that the team hopes to have some of the initiatives in place by January 2013. She also reported that a second effort, through the Safe Schools/Healthy Students grant – which was awarded as \$5 million in coordination with the City – would be ending in a year and a half, so a team is evaluating the best successes of that effort and trying to work them into the existing system. Ms. Allshouse said that their report would be issued in November to School and County leadership. She also said that a member of the team was from the Police Department, and there was an effort to bring back the explorer post in the Police Department, so they plan to recruit 30 students to learn about careers there. Ms. Allshouse said that the K-9 officers and partners would be brought into 10 classrooms this year, and there would be a police presence at every driver's education course.

Mr. Bill Letteri reported that he worked with two teams – including Capital Facilities – and the team was working on three focus areas: practices and processes of reviewing capital needs to ensure items are listed and ranked appropriately, and make sure that the proper studies are done ahead of time; general resources capacity and how to grow it – looking at things such as proffer policies and bond referendums; and expanding procurement opportunities, which is being examined by the Finance Department and the County Attorney's office to determine what's allowable and under what circumstances a project might lend itself to another option.

He reported that the second goal pertains to internal operations, including how to achieve great customer service and also reward employees. Mr. Letteri stated that there are four focus areas under this effort: evaluate customer service, both internal and external, continue to improve standards and identifying a few County government areas on which to focus; using cross-departmental teams, acknowledging that there is some great work going on in the County that uses them – and there is work to identify areas of the County where the teams can be effectively employed. He said that the third focus area is training and professional development, especially with limited resources, so the team is looking at creative ways in which to use in-house skills in that effort. Mr. Letteri stated that the fourth focus area is finding ways to reward and recognize staff for good efforts, taking what other departments have done successfully and standardize and employ it elsewhere.

Mr. Bryan Elliott addressed the Board, stating that he worked with two cross-functional teams on the goal of Protecting Parks and Natural Scenic and Historic Resources. Regarding Parks, Mr. Elliott mentioned that there have been a group of volunteers connecting the upper loop at Byrum Park to make it easier to access. He said that the team is also finishing construction of three new bridges along the Rivanna Trail section below the Martha Jefferson Hospital; and the Parks & Rec Department had recently put in for a grant to bridge Preddy Creek so that there will be access to the other side of the creek and to expand the trail network north towards Greene and Orange Counties.

Mr. Elliott reported that in terms of Water Quality, there is a big milestone next year in terms of new criteria for ENS, and there are consultants helping staff to get the application in place. He noted that the team is also engaged in a number of stormwater inspections, with a few facilities still in the pipeline for construction over the next few years. Regarding historic resources, he said that the team wants to finalize the catalog of their survey of historic resources and make it public – in terms of County-owned historic resources and their conditions.

In terms of Health and Safety of the Community, he said, there are renovations of the Seminole Volunteer Fire Department, which is in preliminary design phase; launching of Pantops EMS service, which is beginning this fall; and the opening of the Ivy Fire Station next summer. He said that the team is engaged in the design and layout of the police firing range, and they have several initiatives underway related to traffic safety – specifically in areas where there are a lot of distracted driver accidents and/or DUIs. Mr. Elliott reported that Common Help for the Department of Social Services, an online system, would be piloted in the County with complete rollout slated for January. He said that in terms of emergency preparedness, the ECC would implement this fall an upgrade to the reverse 911 system.

Ms. Catlin readdressed the Board, reiterating that staff would come back to the Board in December with a more in-depth discussion of these items. She emphasized that the conversation today would focus instead on three, four, five and six years out.

Current and Anticipated Economic Climate (Lisa Sturtevant, GMU School of Public Policy)

Ms. Catlin introduced a guest speaker, Lisa Sturtevant, Deputy Director of the Center for Regional Analysis and Assistant Research Professor in the School of Public Policy at George Mason University. Ms. Catlin said that Dr. Sturtevant's primary areas of research include regional economic development, migration and mobility, demographics and housing. Ms. Catlin said that Dr. Sturtevant teaches statistics, program and policy evaluation, and survey methodology, and would provide insight today on the federal, state and regional picture.

Dr. Sturtevant said that her center at GMU does a lot of work on the large urban economies in the State, but they are now spreading out into the State a lot more. She stated that although it may not seem like it, the recession has been over since summer 2009 – and that is measured by gross domestic product – but the Country is growing much more slowly than in prior recoveries. Dr. Sturtevant presented information on prior recoveries, including the 1982 recovery, showing the quarters after the turnaround and how fast the economy was growing. She said that the GDP has slowed down in the last few quarters.

Dr. Sturtevant presented information on annual job growth, noting the 11-14 million jobs lost during the economic recession and pointing out that there have been jobs added for 24 consecutive months nationally – with 1.8 million jobs added between August 2011 and August 2012, but it is barely enough to keep up with population growth. She clarified that this was net job growth, and included both public and private jobs – and noted that the Private sector has been growing nationally while losses have occurred in the governmental sectors.

Dr. Sturtevant said there have been several promising signs for economic improvement, but consumer confidence continues to lag, adding that there are many reasons for uncertainty and when people are uncertain they don't spend. She noted that the economy is driven 70% by consumer spending. Dr. Sturtevant pointed out that in past recessions, the housing market has been what has

pulled the economy into recovery – but in the current recession, because it was the cause, it has been a real drag on recovery. She said that there are some signs of improvements though, with a general upward trend in sales over the last few months. Dr. Sturtevant said that government incentives skew this numbers a bit.

Ms. Mallek asked if there was any information from before July 2007 that the community had overbuilt, as there was a rampant over-supply locally with almost 4,000 for sale – when that number should have been about 1,000.

Dr. Sturtevant responded that it was a perfect storm, with overbuilding in many parts of the U.S. She said that the Country has worked through overbuilding over the last few years, and that isn't the cause of the current slowdown in the housing recovery. Dr. Sturtevant said that inventories now in most markets are at historic lows, and if people don't have money to buy they don't feel confident, along with bank tightening of credit standards.

She said that the economy is expected to grow in the last half of 2012, although slowly, with the stronger growth at the 3% level not expected until 2013 or 2014 – and unemployment not dropping below 6% until 2017 or 2018. She said that the Country is in for a long haul – things are getting better, but we're in for a long haul nationally.

Dr. Sturtevant said that Virginia is doing better than some other states in terms of a faster recovery, a better unemployment rate, more job growth – but also has some vulnerabilities that are different from other states. She presented information showing 27 consecutive months of job growth in the state, adding about 66,000 jobs between July 2011 and July 2012, with the state economy overall having 3.7 million jobs. Dr. Sturtevant presented changes in job growth by sector over the last 12 months, in order of size of sector. She said that the largest sector is the Professional and Business Services sector, including professions such as computer engineering and programming, architects, lawyers, etc. – and they tend to be higher wage jobs. Dr. Sturtevant said that Education and Health Services is the second largest sector, and both that and the Professional and Business Service sectors have grown over the last year. She stated that local government on the national level has actually added jobs over the last 12 months. Dr. Sturtevant said that manufacturing continues to decline, and construction has moved around – with some areas of the state seeing increases, and an overall increase in construction jobs overall.

She said that in July 2011 there were 3.7 million jobs, with 36% located in Northern Virginia – defined by the Office of Management and Budget as extending from Alexandria and Arlington down to Stafford, Spotsylvania, Fredericksburg, Clarke, Fauquier. She said that 20% are in the Virginia Beach/Hampton Roads region, and 17% are in Richmond. Dr. Sturtevant said that the Charlottesville metropolitan area accounts for about 3% of total jobs.

Mr. Thomas asked if most of the Northern Virginia and Virginia Beach jobs were military. Dr. Sturtevant replied that they are not, and overseas deployments are not counted. She also pointed out the non-metro areas of the state.

Mr. Thomas asked if most of the Northern Virginia jobs were government.

Mr. Rooker said that there are a lot of private industries – contractors – that serve the government.

Dr. Sturtevant said that locally, about 40% of employment is made up of professional and business services, and federal government. She reported that in Northern Virginia, they have had 29 consecutive months of job growth – with 1.4 million total jobs in that area, with about 50,000 jobs lost over the course of the recession.

Mr. Rooker commented that he had read several articles recently that said the 2008 collapse from summer to the end of the year was actually a depression, and had been re-categorized as such given the 8% or 9% the GDP fell during that time.

Dr. Sturtevant said that she had not read that, and her understanding was that the percentages needed to be double digits. She stated that this is a restructuring economic recession, and many of the jobs lost would not be coming back in certain sectors – particularly manufacturing.

Mr. Rooker said that the mentality of the housing market was that you could not lose, and many people bought houses only with the idea of flipping them. Dr. Sturtevant agreed, noting that people also used home equity to pull cash out and make other purchases – so there was an artificially-driven boom period before the recession.

She reported that the two sectors that drive the Northern Virginia economy have been slowing over 2012 and have actually been flat, with a sense of economic contraction due to uncertainty – it's palpable. Dr. Sturtevant said that the Virginia Beach economy has added 7,000 jobs over the last 12 months, and that area is tied directly to the federal government due to military employment – with about 750,000 jobs in that area. She stated that the Virginia Beach housing market is starting to ramp up, but in Arlington County home prices never fell far – with the average home price at \$860,000.

Dr. Sturtevant also reported that Richmond has been posting stronger gains than the Hampton Roads are because their economy is more diversified, but has been affected by losses in state

government. She said that many of the jobs are lower wage, so those workers are less likely to be homebuyers.

She reported that there are about 100,000 total jobs in the Charlottesville Metropolitan Area, and there have been 24 consecutive months of job growth. Dr. Sturtevant presented a pie chart showing the sectors of the area economy, with about 9% of jobs in manufacturing, 62% in service provision – including private health and education services, with federal government jobs comprising 1% of the total. She said that state government accounted for 21% and included the University. Dr. Sturtevant showed the areas of job growth in the area, with growth in the professional and services area – but the strongest growth over the last few months was in leisure and hospitality, which is an important sector to the regional economy but is not a high-wage sector and thus contributes a bit less to the gross regional product. She noted that federal government job growth was flat, and there were losses in state and local government, with manufacturing continuing to decline in the region.

Ms. Mallek said that one gap in the tourism industry here were companies to take people around to visit sights, i.e. tour companies. She said that this area needs that entrepreneurial group to take tourist around to see what's out here.

Mr. Boyd asked if wineries would fall under tourism, or under leisure and hospitality.

Ms. Mallek said that they were agriculture because they are producers.

Dr. Sturtevant stated that people working in a tasting room or shop would be retail. She reported that the national unemployment rate is currently at 8.1%, and the Charlottesville area's has historically been lower – and is doing even better now comparatively. She noted that University employment was counted in the County, because their land holdings are there.

Dr. Sturtevant presented information on the sectors in which County residents work, from the American Community Survey, and their coding is different than that used by the Bureau of Labor Statistics. She said that these statistics reflect people who live here, but may work outside of the area.

Dr. Sturtevant also mentioned that the Health and Education sector is the only sector nationally that did not decline during the recession.

Mr. Rooker said that the reason unemployment locally rarely spikes is because that sector almost never shrinks.

Dr. Sturtevant stated that she would like to know more about the University and their outlook for the future.

Mr. Boyd noted that another contribution from the University is their commitment to research.

Dr. Sturtevant agreed, indicating that those partnerships are also an area of focus for her University, George Mason. She reported that there are 28,000 people coming from other places to work in Albemarle, mostly from the City and the rest from the remainder of the region; about 15,000 people live and work in the County. Dr. Sturtevant said there are 21,000 people who leave the County everyday to work somewhere else – but that could be in the City.

Mr. Dumler asked if those proportions were typical. Dr. Sturtevant responded that 35% are employed and living in the County; 50% of Fairfax County jobs are held by that county's residents, but only 28% of Arlington County jobs are held by Arlington County's workers.

Mr. Rooker said that a more important factor was how far those people are having to drive to get to those jobs, and asked how many people living in the MSA are working in the MSA. Dr. Sturtevant responded that she didn't have that data, but could get it – and it was available to the County through local employment and census information. She stated that 35% who work in the County live here; 12.7% live in Charlottesville; and the remainder are mostly from surrounding localities like Greene and Louisa.

Mr. Thomas commented that many people from Augusta County – an estimated 3,000 – have commuted over the mountain to work here, and Ms. Mallek said that had changed over the last few years.

Dr. Sturtevant stated that the housing market is tied not only to strength of the economy but also to the ability of the local government to continue to provide services, to expand services – and like the economy the Charlottesville Metropolitan Area and the County in particular has been doing fairly well. She presented data on home sales for the second quarter of 2012 that showed increases in Albemarle and the City of Charlottesville, as well as increases in median sales prices.

Mr. Dumler commented that nationwide there was about \$400 billion in home increases in the spring of 2012, and now the levels match that of 2008.

Dr. Sturtevant also said that foreclosures are now a very small share of the inventory, with 14% of sales in the metro area being short sales or foreclosures. She stated that most economists predict that prices would be up about 2% for 2012.

Dr. Sturtevant presented a set of forecasts from Global Insight, a firm that does county-level economic forecasts at industry levels, with combined County of Albemarle and City of Charlottesville data

– and comparisons to the state. She said that in the timeframe of 2010-2020, employment in the state is expected to increase by 18%, with Albemarle County growing at 14%. Dr. Sturtevant stated that the growth depends on what sector is being considered, and the state growth centers tend to be focused in the professional and business services sector – which is also where the growth in the region is predicted to be. She said that state and local government, and leisure and hospitality, would also grow – with manufacturing growing statewide.

Mr. Rooker asked if she had information on the gross product put out by the manufacturing segment, adding that part of the problem has been mechanization – with more gross product put out, but with less workers.

Dr. Sturtevant said that with modern factories, that was often the case. She reported that there is about \$136 billion in federal spending in the state, including Medicare and Medicaid, transfer payments, interest, etc., with 10% of all DOD spending coming to Virginia – the highest per capita in the nation. Dr. Sturtevant said that George Mason University Center for Regional Analysis, Director, Stephen Fuller recently completed a report on the state job impacts on federal spending cuts, and it is projected that the state will lose about 207,000 jobs over 18 months – a little less than 2.5% of the state's total number of jobs.

Mr. Dumler asked if she had any information on the resiliency or immunity of the intelligence community. Dr. Sturtevant responded that it is unknown at this time whether the cuts would be intelligence, or ships – which is more likely. She stated that the economic signals in much of the state are positive, with relatively low unemployment, steady job growth, and attraction of new business. Dr. Sturtevant said that for a long time, Virginia was ranked #1 for business – but this year the state lost out to Texas, primarily because of transportation.

Mr. Rooker noted that the state also fell substantially in education ranking. Dr. Sturtevant said she didn't know how they measured that, but the state does have a very fast growing, strongly diversifying public school population that some other states don't have.

Mr. Rooker mentioned that he had heard a statistic of 10-12 million jobs that are unfilled because those companies can't find qualified workers in the U.S. Dr. Sturtevant added that there is a mismatch between the types of jobs that are not filled and the skills and education that the workforce has.

Mr. Dumler asked if the growth in various industries is systemic restructuring of demand increases, and if it happens in a policy vacuum. Dr. Sturtevant replied that this is based on a model that takes the structure of the current economy, with an historical look at how the economy in this region has performed, and has a national model that can peg the economy. So if there is restructuring at the national level, she said, localities would be affected accordingly – it doesn't make any guesses about changes that you all can make at the local level.

Dr. Sturtevant said there are issues at the state level – such as transportation – that need to be addressed at the state level. She reported that manufacturing jobs in the region have declined by 30% over the last 10 years, which does not necessarily reflect a similar reduction in production. She stated that the region has gained in service-providing jobs, particularly in the professional services sector where jobs have increased by 35% over the last 10 years.

Dr. Sturtevant said that the state government sector is highly concentrated because of the University, and it's important to understand the state's commitments to UVA in order to understand how that sector will grow. She noted that it had grown a lot – 32% since 2002. Dr. Sturtevant said that there is some vulnerability at the University level, with many state institutions faced with the challenge of how to do less with more and having to make decisions on whether to raise tuition, cut programs, etc.

She reported that the regional economy will depend on how Congress make federal cuts, and that her boss, at the Center for Regional Analysis seem pretty sure that Congress is not going to let sequestration happen.

Dr. Sturtevant said that the Leisure and Hospitality sector is one of the core competencies for the region, and the jobs associated with that sector tend to be lower-wage jobs so those workers contribute a little bit less than the professional business services jobs. She stated that in thinking about the sectors to build upon, the County should consider how these relatively higher wage jobs can link with existing strengths. Dr. Sturtevant said that having the 900 people from Fairfax who work down here move to the area would also add to the economy. She emphasized that to some degree, the County needs to decide whether it wants to continue to attract new residents.

Mr. Boyd asked if the Board could get an easier to read copy of the presentation, which he felt was excellent, and Dr. Sturtevant agreed to make it available.

Ms. Mallek asked if there was information about the number of people who are working over 60 hours, as there is a complete lack of respect about what a real work week is. She said that employees now are afraid to complain about working those extra hours without overtime.

Dr. Sturtevant said that nationally there are a lot of people who are underemployed and want to work more hours, but data related to a longer work week can be obtained from the Bureau of Labor Statistics and from the American Community Survey. She stated that the data is available for the county level, and 2011 data has just been released.

Mr. Snow asked if the job projections for 10 years could be broken down into two years. Dr. Sturtevant responded that she is hesitant to provide a breakdown because the Global Insight numbers are based on a pretty generic model, and economists don't know what's going on at the local level.

Mr. Rooker said that one change – such as Whole Foods moving from the County to the City – can significantly impact sales tax revenues.

Board members thanked Dr. Sturtevant for her presentation and said they had found it very informative.

(Note: At 10:54 a.m. the Board took a recess then reconvened at 11:12 a.m.)

Local Outlook – State of the County.

Ms. Catlin stated that the Board would now be moving into a discussion of local data.

Mr. Boyd said he had some questions on the first segment, and Ms. Catlin said it might work best for him to ask those after the next segment.

Mr. Steve Allshouse addressed the Board, stating that median home prices had increased in the area and presenting preliminary figures on the local market. He noted that there would be a drop in assessments between January 1, 2012 and January 1, 2013 overall – including both the residential and commercial portions of the market. Mr. Allshouse said that the housing market was still slightly down, but the County is past the worst of the recession in terms of housing. He stated that staff has good data for the County, referencing a chart of residential inventory and noting that there is a six-month point of reaching equilibrium. Mr. Allshouse said that sales tax revenue was one indicator of economic activity, and the figures he is presenting include a number of projects that are being built in the County along with the sales tax revenue anticipated.

Mr. Thomas asked Mr. Allshouse if he was also taking into account shops being lost in addition to those being gained.

Mr. Allshouse responded that that was an important consideration and was taken into account. He reported that in 2006-07, the County peaked at about \$14 million in sales tax revenue – and according to the current projections, they would not get back to that level until FY15-16. Mr. Allshouse noted that the numbers don't take inflation into account, so it's still not even, but in FY17-18 that level should be achieved and even exceeded.

Mr. Allshouse reported that they are seeing slight job growth in each quarter, but have also seen some wide swings. He said that when there is announcement of new jobs, there needs to be consideration as to whether it is a net gain and whether the jobs are full-time equivalents. Going back to 1997, he said, the region has shifted from Charlottesville/Albemarle to Albemarle/Charlottesville – and the Board needs to think about job growth regionally. Mr. Allshouse said that the City has lost jobs while the County has gained, but it isn't known as to whether the City jobs went elsewhere or just shifted to the County.

Mr. Rooker emphasized that the goal is to provide good job opportunities that are nearby, and it doesn't really matter if they are City or County.

Mr. Allshouse reported that the County's rate of unemployment has recently been at 5%, which would be considered full employment at the national level; locally, his estimate for full employment is about 3.5% based on a 20-year trend. He said that at one point, County unemployment was at .8%.

Ms. Allshouse stated that staff is preparing for the Board's five-year financial plan, looking to balance five years of budgets and expenditures.

She reported that there would be a cumulative downward pressure from declining real estate tax values, and those revenues comprise about 52% of the County budget. Ms. Allshouse said that there is economic growth, but it is slow, and the tax base is also recovering at a slow pace. She noted that about \$23 million, or 10% of the general fund budget, was from state revenues coming into the County. Ms. Allshouse reported that about 5% of County funding was coming directly to local government – about \$16.7 million – with the majority coming in for DSS programs, law enforcement grants, the housing voucher program. She said that the most significant portion came into the school division budget, and that funds actual wages for teachers such as special education instructors, the free and reduced lunch program, reading specialists, teachers, mentors, adult education programs, and other programs.

Mr. Snow asked how grants factored into the budget.

Ms. Allshouse explained that automatic grants are usually put into the budget, but competitive and one-time grants are usually not.

Ms. Allshouse reported that there are some pressures on the expenditure side on the horizon, such as \$1 million in funding for the Virginia Retirement System change, and the County used one-time money to fund that in the short term. She said that another priority that the Board had identified was

adding police officers to keep up with population growth, along with increasing fire and rescue needs. Ms. Allshouse noted that the SAFER grant funds nine positions, but it is not a long-term grant and it should be considered in discussions of the five-year plan. She said that the Board would also need to address capital needs, as the current approach is essentially maintenance only.

Mr. Thomas stated that he felt it was imperative to work on capital needs.

Ms. Allshouse said that last year the County restructured to balance the five-year plan by eliminating four positions through attrition, but this year's financial plan would require new considerations. She stated that staff also wanted to bring a volunteer coordinator in place to maximize volunteer resources. Ms. Allshouse said that they have also wanted to keep agency contributions flat for the next five-years, but that would be a pressure to continue.

Ms. Mallek pointed out that the County has a greatly reduced staff in Community Development because of the economy, but as applications and activity pick up there would need to be enhancements in that area.

Mr. Foley commented that staff has recognized that as well.

Ms. Catlin said that the most recent citizens survey was conducted in 2011 and 90% of residents rated the quality of life in Albemarle County as excellent or good, and compared to similar benchmark communities residents demonstrate a trust in County government. She said that the rating of services compares favorably to other localities, and 57% of residents feel that the value of services for what's paid is excellent or good – which is also comparable. Ms. Catlin said that the most favorable ratings came in overall image and reputation, overall appearance, overall quality of natural environment and educational opportunities. She stated that the least favorable ratings came in ease of bus travel, ease of rail travel, ease of bike travel, and availability of affordable childcare. Ms. Catlin said that of 31 characteristics, 19 were above comparable benchmarks, three were similar, and nine were below.

Ms. Catlin began the Board discussion by asking what Board members saw in the presentation today that struck them as compelling.

Mr. Rooker said that sometimes the Board forgets the rate at which they are growing as a county, population-wise, and what they are looking at are stagnant revenues but a population that grows at 1,000 people per year. He said that the Board has to keep in mind that they're trying to provide services for 5,000-7,000 more residents five years from now from today, and yet they're looking at a revenue picture that's pretty flat. He stated that staff has done a terrific job of taking the strategic plan and turning it into real things, but the Board is going to be revenue challenged to try to provide the services they want to provide in a quality community. Mr. Rooker emphasized that there are a lot of unknown variables at the state and federal level that could interfere with revenue growth.

Ms. Catlin said that she would characterize that challenge as dealing with stagnant economic growth in the face of continued population growth and increased service demand, as well as uncertainties with potential economic impacts.

Mr. Rooker reiterated that the County has done a really good job in realizing the goals of the strategic plan despite the economic challenges.

Mr. Boyd said that what stood out to him was defining the responsibility of local government, adding that it stuck out to him that the lack of affordable child care was listed as a failure of local government as perceived by citizens.

Ms. Mallek said that the Board needs to celebrate how well the County survived the last five years because of the nimble management they have and the ability to make abrupt changes as needed. She added that the Board also has the challenge to move forward, as they have the same capability to manage – and not be so intimidated by the potential threats that they don't do anything.

Mr. Dumler stated that he has been really impressed with how the local unemployment rate compares to the region, the state and the nation – and he knows staff has worked hard on the economic vitality plan and other efforts to support job growth. He said that he thinks that the Board needs to do more as an agency to communicate that it's a problem, but the County is a lot better off relatively than a lot of other places – and it could be a lot worse.

Mr. Thomas stated that he agreed with Mr. Rooker's concerns over the capital budget, and he would like to see more than just maintenance. He also shared Mr. Boyd's concern about the childcare issue, as he wasn't sure why that was in the survey. Mr. Thomas also thanked staff for their work.

Mr. Boyd commented that the Board has spent a lot of time over the last few years to improve efficiency, but he also wondered if the Board has taken a hard look at all of the actual functions of government to assess whether these are things the County should be doing.

Mr. Foley said that was a question going on everywhere, and the County has done a lot more in the way of privatizing services and improving efficiency, but the question now is how to structure that.

Mr. Snow stated that the County has had conversations with the City about consolidating core services, so the Board might continue to look in that direction and he wondered what the pros and cons would be in having the County become a city.

Ms. Catlin said she would list the latter item under game changers.

Mr. Thomas said that he would like to have a determination as to what core services are and have them defined.

Mr. Rooker stated that there are a lot of people who are coming to the area who are retiring or retired, and the community doesn't necessarily have the services that are geared toward an aging population.

Mr. Boyd said that it was important to him to see some demographic statistics on the 1,000-1,500 people coming into the County each year, as it would drive what services are needed.

Ms. Catlin recapped the items the Board had identified in their conversation as areas of interest to further discuss.

Ms. Mallek mentioned that flat funding of agencies had also been mentioned earlier, and that money is leveraged 10, 20 and 100 times, so a limited view of core services needs to be accompanied by recognition that those agencies are filling the gaps that many other communities provide, that Albemarle do not.

Mr. Rooker noted that it was important to include a discussion of mandates and their potential impact over the next five years.

Mr. Snow added that the County has also received a request of mandates the Board would like to see reversed.

Ms. Catlin said that these items and more would be discussed after the lunch break.

(Note: The Board recessed at 11:59 a.m. for lunch and then reconvened at 1:07 p.m.)

Board Discussion: Meeting Future Challenges and Opportunities

Ms. Catlin presented a brief video, and said that their next discussion as a Board would pertain to their "big rocks," or top priorities over the three to five-year timeframe. She said that staff did some interviews with Board members at which time they identified some future issues that were important considerations: maintain adequate police and fire response, housing market recovery, growth impacts on school divisions, supporting job creation, strengthening working relationships with the City, balancing uses in the rural area, growth management approaches, staying ahead of growing service demands with reduced staff, continued impacts of state and federal mandates and funding reductions, implementation of the fire and rescue ordinance, making progress on the capital program, water protection and the unknowns of TMDL, focusing on citizen self-sufficiency, road construction and maintenance, transit possibilities, school budget accountability, solid waste, technology as a game changer, aging population and the need to attract younger people to the community, increasing racial and economic diversity in the community, political polarization, and responding appropriately to vocal minority views.

Ms. Catlin said that staff also talked with the Leadership Council about what they perceived as issues and considerations: capital financing and alternative revenue sources, community services, more input from the broad community about preferences to fund capital needs, potential legislative options, citizen engagement, social media technology, regionalization, workforce issues such as recruiting and retaining quality employees, attracting and retaining the employees of the future, and compensation and benefits. She stated that it is important to have this discussion within the framework of the strategic plan, as the Board has spent a lot of time on vision, mission and values – with seven goals identified – so staff wants the discussion of the "big rocks" to fall within what Board members have already said are important framework goals.

Mr. Rooker said that they already know what the "big rocks" are in terms of resources: education; fire, rescue and police; and mandated services.

Ms. Catlin clarified that what she is looking for is "the discrete, major priority" that needs to happen in order for the County to be thriving in its goal areas.

Mr. Boyd asked if they could take the opposite approach and not include things in the priority list, citing concerns about the "huge surpluses" in the School budget that do not follow the procedures local government has, and recent recommendations from the Long-Range Planning Committee regarding shrinking the size of the school system by 700 students. Those are issues that can be flushed out in these goals.

Ms. Catlin suggested putting in a statement related to that in goal one, adding that she would like the Board to think about one or two things in the goal areas – at the end of five years – that would get the County to a "thriving place".

Ms. Mallek said that the anticipated changes for the courts is something the Board knows they will be dealing with in the next five years.

Mr. Rooker suggested broadening that concept to a broader category of pending mandated big ticket items so the Board can begin to assess how much those things will cost and when, such as the TMDL requirements.

Ms. Mallek suggested having them consider a stormwater utility that would be applied to everyone in order to face up to those responsibilities – a regional approach.

Mr. Thomas said that he had regionalization as a priority, including strengthening the working relationships with the City. He mentioned that he had met with local officials from Louisa, Nelson and Greene over a period of time to discuss a more regional approach to these challenges.

Mr. Rooker stated that he would like to see some definition as to what “provide excellent educational opportunities to all Albemarle County residents” means, working in conjunction with the School Board and establishing whether there are adequate resources there to achieve that goal – the Board has always done in terms of just looking at their results at the end of the year and test scores and things. He added that it would be a good idea also to have a technology assessment of each department to ensure staff is utilizing the best technology available to get the greatest amount of work done in the most efficient way.

Mr. Rooker said that he would also like to see the County make some investments in its aesthetics, noting that he had distributed an article about communities that thrive because they establish a sense of who they are and promote that in a way that looks good and has appeal to visitors as well as community members. He said that the Board does not make much of an investment in aesthetics. He said that the State has traditionally maintained the roads and the areas along the roads, adding that the sidewalk on Berkmar Drive is “a disgrace”, and the bus stop at Rio is so overgrown people can’t really even stand there. Mr. Rooker emphasized that a little bit of expenditure can go a long way in supporting economic vitality and the opinion citizens have of the place they live.

Mr. Thomas pointed out that if you take it upon yourself to cut the grass along the highway, you must have a permit – stating that he had cut the grass from Carrsbrook drive to Woodbrook drive along Route 29, and found out that he needed a permit.

Mr. Rooker said that the County should also make an effort to remove illegal signs, and emphasized that driving down a road and seeing overgrown grass and signs isn’t going to make a person form a very good opinion of that community or necessarily help them in making a positive decision about whether to invest in that community. He added that the Board should also make a better investment in culture and arts, as it is one of their target industries – and it also provides opportunities for young people.

Mr. Snow stated that the Board is doing a fairly good job in working with PVCC and CATEC and the schools, but needs to do a little bit more to ensure the County has a work-ready workforce. He said that a priority for him is getting internet to all parts of the County, to help kids with their education and to run businesses. Mr. Snow said it was also important to determine how many seniors are moving in and retiring here, and making sure that there are services in place for them.

Mr. Boyd said that he would also like to talk about the workforce issues, noting that several large employers were moving into town – including the new grocery store at Stonefield. He asked if the workforce staff in the County had met with them to match workforce needs.

Ms. Catlin stated that staff had, noting that staff had worked with PVCC to put together a hospitality training for the new hotels – but there is not a defined programmatic way of doing that, which sounds like what Mr. Boyd is suggesting. Mr. Boyd agreed, stating that the County should reach out to Wegman’s.

Mr. Snow suggested having a group in place to meet regularly with the client, to get everyone talking on a regular basis.

Ms. Mallek said the County should channel the Business First assignment at the workforce network that exists.

Mr. Thomas mentioned that Siemens had a very difficult time finding machinists for their local expansion.

Ms. Mallek noted that Siemens were looking for 20-year experienced workers.

Mr. Boyd said that he would like to discuss the education goal, and move school budget accountability under that goal.

Ms. Mallek suggested adding the word “transparency”.

Mr. Boyd said he would like to have the Board involved in approving the CIP points process.

Mr. Rooker said he thought the Board already had.

Ms. Mallek said it needed to be modified.

Mr. Boyd commented that he is not anti-schools, but sometimes the word "education" is put out there without any clarity as to what was trying to be accomplished.

Mr. Foley said that any changes would certainly come back to the Board for approval.

Mr. Boyd also mentioned that police and fire response times need to be a high priority, as it is a core service in his mind. He emphasized that he wanted to continue to address the number of police officers serving and increased effort to recruit volunteer firefighters.

Mr. Boyd said that in consideration of the aging population, he wanted to look at the shifting demographics to ensure that the Board is capturing all changes.

Mr. Dumler said that regarding "citizen ownership of community challenges", there were a number of committees and commissions in place that are not being fully utilized – or their mission needs to be redefined. He stated that the Board would never realize the citizen input they want until there is some clarity on this, as there are already a lot of people who are interested and involved in lending their expertise.

Mr. Dumler also stated that the County needs to have a little more foresight before expanding the growth area, such as redeveloping Albemarle Square before paving over a field in the rural area. He said that there is going to be overwhelming pressures to take that easy way out, and the Board needs to be mindful of the fact that that's coming. He said he would like some policies in place for redevelopment incentives along existing infrastructure.

Mr. Dumler said that the County currently does not have the infrastructure in place to adequately determine the efficacy of some of the programs that the County funds, stating that the United Way's service guide is "static" and he would like to see the County have something more dynamic so the Board is not funding nonprofits in the community based on short-term performance standards – the data collection mechanisms are not in place, he said, and this could be addressed through the ABRT process with incentives for solid metrics.

Mr. Rooker commented that there was a lot of anecdotal evidence brought forth instead.

Mr. Thomas said that he would like to add the word "personnel" to the goal of maintaining adequate police and fire protection. He said that increasing resources for capital projects was also important to him.

Mr. Rooker said that the Board has spent a lot of time planning growth areas and master planning, but have still not adequately funded the infrastructure in those master plans – and that greatly affects quality of life. He mentioned his own community off of Hydraulic Road, which was widened to accommodate bike lanes and a sidewalk. He said that it completely opened up the whole area – it's changed the whole way people think about what they can do in their neighborhoods and the quality of life they have.

Mr. Boyd said that there is a road plan in the Comprehensive Plan that has destroyed a person's lot, and now he has to go through the CPA process to get his use back. He stated that the plan should be more of a guide than a zoning document.

Mr. Rooker said there needed to be a simpler process to address situations like that.

Ms. Catlin asked the Board to spend some time prioritizing their top goals.

Mr. Rooker said that the first goal on the list is the most important to him, as the County is money constrained and should establish a better grip on expected expenditures over the next five years – if the conclusion is that that's going to need to be dealt with in the next five years, then the Board needs to account for it in our five-year plan somehow.

Mr. Foley stated that about five years ago, the Board identified its top projects and moved all of its revenue-sharing money to get those done – rather than just throwing it in the CIP and saying the Board can't fund anything.

Mr. Rooker responded that the Board needed to have a better idea of mandates and their costs.

Ms. Catlin said that, that item should be moved up into the top tier, based on what Mr. Rooker is saying.

Mr. Boyd said that the only concern he has with that is the pending report on the courts to be issued in the next six months, which will hopefully clarify the needs there.

Mr. Rooker said that the way he views that is as a resolution to the County obligation.

Ms. Mallek said that stormwater utility should go into the top goal list, not into regionalization, because it is a way to fund TMDL requirements.

Mr. Snow stated that he wants a priority to be coordinating the education system, because that will help establish that there is a workforce ready to do the jobs for new and expanding businesses in the local economy.

Mr. Boyd said that he viewed that not as something the local government should do, but should instead facilitate in terms of putting the parties together.

Ms. Mallek stated that Culpeper County has for years funded more than their allocation for the workforce center because they expect and get special trainings there, and that is a way to carry out the goal of improving the workforce.

Ms. Catlin reported that there were specific items mentioned under the first goal, including defining excellence in education, and improving school budget accountability and transparency.

Mr. Boyd said that the budget issue would need to be addressed now, in the short term.

Mr. Rooker said it would require an open and frank discussion of how to provide for "excellence in education" in the community going forward, what it means exactly, what it's going to cost, and how those needs would be met.

Ms. Catlin reviewed the specific priorities under the second goal.

Mr. Rooker reiterated the importance of funding the infrastructure within the master planned areas.

Mr. Dumler pointed out that several neighborhoods don't have any master plans.

Mr. Rooker said he didn't want to have to wait five years for a community to get a sidewalk just because master planning wasn't done elsewhere.

Ms. Mallek said that putting the master plan implementations as an element of the CIP process would assure they were brought forward.

Mr. Snow said that as part of that process, there needs to be a thorough review of what the County government should fund and what they shouldn't.

Ms. Mallek responded that there were already some good systems in place for that, but there can always be improvement.

Ms. Catlin asked the Board for some guidance in prioritizing some of the remaining items.

Ms. Mallek said that staffing for the Police Department would be at the top for her, and Mr. Boyd agreed.

Mr. Snow said that under that would be countywide EMS recovery.

Ms. Mallek said that was already in process, and having it be a headline today might not help.

Ms. Catlin mentioned the technology assessment for all departments and asked if the Board felt it was a priority.

Mr. Rooker said that he would add a mention of training for staff as part of that to ensure that the County is staying at the front of the curve.

Mr. Boyd asked if there was anything in place along the lines of a suggestion box for departments such as schools, police, local government, etc.

Mr. Foley responded that there were a lot of initiatives underway in this area, but it is a good point to be raised.

Ms. Mallek noted that there should be written information available for citizens in addition to what they are given verbally, for the sake of consistency and certainty in answers – specifically for departments like taxation.

Mr. Rooker also mentioned that many of the young entrepreneurs – especially those in technology fields – want to live in a cool community, and the County should engage the City and University in that dialogue. He mentioned that SNL Financial came from New Jersey because of the community vibe and the University presence. He said that the more you try to understand what it is that appeals to people who are at the early points in their careers, and they're starting companies, and they have great ideas, and they're going to exploit technology.

Ms. Catlin said that would fall under the innovation and technology item.

Mr. Rooker said it also related to how the community is designed.

Mr. Boyd stated that it was important to define what a desirable community is.

Ms. Mallek encouraged Board members to attend the innovation conferences every year at the Darden School.

Ms. Catlin presented another brief video, which provided background for the remainder of the Board's discussion. She stated that the County does not have a lot of resources and have additional pressures against those resources, so the Board must address some of the things they've talked about that involve some new approaches.

Ms. Mallek suggested having the stormwater utility districts studied again as a way to fund the TMDL requirements.

Mr. Boyd suggested reevaluating some items the County has prioritized, and may need to consider not doing some of the things it is currently doing.

Mr. Snow said that solid waste handling may be one of those things.

Mr. Rooker noted that some of the items may not have a cost associated with them, such as achieving excellence in education through better collaboration and coordination.

Mr. Boyd said that another example would be the master planning and advisory councils, and whether the County should be allocating those resources for those meetings.

Ms. Catlin also asked the Board to discuss what "regionalization" meant to them.

Mr. Thomas responded that to him it went beyond the TJPDC and should include collaboration with Madison and Orange, as those localities have residents coming into Albemarle for work. He said that the partnership should include work with their supervisors and school boards.

Ms. Mallek emphasized that those counties he is mentioning are in the workforce region – Region 9 and Region 10.

Mr. Rooker said that he wouldn't support that, and explained that there are time constraints on how much time people have to spend on their own Board. He said that to him, that is why TJPDC exists. He suggested that there be an additional allocation of time to work through the TJPDC and bring new ideas in – rather than creating a parallel effort.

Mr. Thomas commented that it's been difficult to work with some of the groups he's met with, because he lacks information.

Ms. Catlin said that the Board was willing to have the staff come back with some ideas with how to make this work better.

Ms. Mallek reiterated that Workforce Regions 9 and 10 are the same counties, and every workforce network meeting includes schools and community college employer representatives – it is what's happening already. She said that these efforts were occurring on a regional level, but employers haven't been all that interested.

Mr. Thomas said that he is talking about county government and schools, not necessarily just the workforce efforts.

Mr. Rooker said that he didn't understand, because there was already the TJPDC, Library Board, Rivanna River Basin Commission – and all of those groups were regional. He said that it is difficult enough to get folks to attend the meetings for the regional committees that they already sit on. He expressed concern that they would be "fractionalizing" efforts too much.

Mr. Boyd stated that they tried that with the Mayors and Chairs meetings, and it went nowhere, so he doesn't want to keep trying the same old failed things. He said that the biggest problem he had in trying to form collaboration was getting people to attend meetings.

Mr. Rooker suggested saying, "Maximize the use of existing boards and agencies for regionalization."

Ms. Mallek noted that sometimes grants with a regional approach were far more successful.

Ms. Catlin asked if the Board felt there were things missing from the priority list.

Mr. Rooker said that he wondered if there was a way to have someone in the Parks & Rec Department do some roadside maintenance, or the use of more jail labor.

Ms. Mallek said that there may be some limited places where the County just hires somebody to do it.

Mr. Rooker said that many sidewalks are getting destroyed by plant growth.

Ms. Catlin said that some communities were giving their citizens the option of weighing in on the importance of some priorities through referendum.

Mr. Snow noted that there are some "adopt a highway" type initiatives that might be used.

Ms. Mallek said that at the airport, some businesses adopt parcels to take care of, but she said that with medians VDOT must have a licensed contractor due to liability issues.

Mr. Foley stated that the concept is a good one, and should be explored.

Mr. Boyd said that he wouldn't be opposed to having some bond referendums.

Mr. Snow said that it would be helpful to identify positions in the County that could be filled with volunteers, such as retired seniors.

Ms. Catlin responded that that was definitely part of the County's strategic plan effort, which would be discussed more in December.

Mr. Rooker said that the library is a great example of using volunteers.

Mr. Snow said that the other item he was interested in talking about was reviewing the pros and cons of becoming a city, as the County now qualifies due to its population size.

Ms. Mallek commented that she wanted to make sure the Board understood the cost of putting something forward to referendum.

Mr. Foley stated that the question here is whether the Board has enough support to move the capital program forward, and asked if there is a strategy that four or more of them could support.

Mr. Rooker said that if the Board did go to referendum, they would need to identify specific projects.

Mr. Boyd agreed.

Mr. Rooker pointed out that there would likely be a list coming forward from the schools for a substantial amount of school projects.

Ms. Mallek noted that the requests started out at \$86 million, and it had been reduced to \$56 million.

Mr. Foley also mentioned that some efficiencies could be achieved with up front technology investments in an effort to require less staff to do certain tasks.

Mr. Boyd said that staff also needs to look at opportunities to hold meetings via social media and internet vehicles.

Ms. Mallek said that about 40% of people still had no connection.

Ms. Catlin said that mobile device usage to access the County website was increasing rapidly.

Mr. Foley suggested that the Board approach this without thought to financial parameters, and then begin to assign costs for incremental steps.

Ms. Mallek said that she has no interest at all in being a beta tester for a company.

Mr. Boyd reiterated that social media as a communication vehicle was a booming thing out there.

Mr. Foley said that the tide was certainly moving in that direction.

Ms. Catlin said the Board would conclude this part of the discussion with any other missing items.

Mr. Boyd stated that it bothered him that there was no effort in the Comprehensive Plan being put into employment multipliers, meaning the businesses that result from other businesses being built.

Ms. Catlin said that she felt that was being addressed in the workforce discussions.

Mr. Boyd said that it should happen in the context of the land use discussion also.

Ms. Mallek noted that there was 30 acres available currently in downtown Crozet.

Mr. Rooker said that it would be helpful to have a list of ideas coming out of this meeting.

Ms. Mallek said that there would also be minutes.

Mr. Boyd stated that he would be willing to step up and start prioritizing these things in order to actually make them happen.

Mr. Foley pointed out that many localities around the country were using "priority-based budgeting," which puts emphasis on the core issues and has the governing body decide what goes on the

top of the list and what services really are important. He said that this becomes a philosophical discussion as to what Board members feel is vital.

Mr. Boyd said that when the Board was feeling pressure for transportation projects but lacked funding, the Board made a decision to address the top three projects, and he would like to implement that type of approach again.

Ms. Catlin said that staff has brought back agreements that had been developed earlier as to how staff works with the Board, and how Board members work with one another. She stated that the Board had stated at that time (2010) that they valued "knowledge, honesty, diversity, geographical knowledge, perspective, congenial attitude, preparation, no hidden agendas, and appreciation of staff's role." She said that the Board felt that in order for them to do their work as effectively as possible was for staff to provide informed opinions, legal basis for actions, timely and accurate information that is understandable and presented without an agenda, quick feedback and responsiveness, and making the Board aware of unanticipated consequences. Ms. Catlin said that the Board identified their role as provide clear and informed direction, making sure that there is effective use of staff time, giving prioritized direction, and providing clear communication.

Ms. Catlin concluded the discussion, and asked the Board if they had any further input.

Retreat wrap up/Next steps.

Mr. Rooker commented that this was an excellent discussion, and said the video clips were helpful in encouraging "a change in mindset" in order to address challenges. He said that the Board came up with a great list, and perhaps the real work will be in prioritizing it.

Mr. Snow said that their time was well spent, and he appreciated the update on the local economy.

Mr. Boyd said that he thought it was a good meeting, although he didn't see a lot of change in what the County was doing.

Ms. Mallek said that she was comforted by that fact, because sometimes giant leaps were disconcerting. She also commented that she is very grateful for the way the Board works together, and how they work with staff.

Mr. Dumler said it was a good discussion and a big picture view, and he looked forward to seeing it move forward on a more micro level.

Mr. Thomas said he was very proud of being part of the Board, and he felt the Board summed up their priorities well at this meeting.

Mr. Foley said that the "big rocks" didn't change much in this conversation, and it was important for him to hear from the Board on items like stormwater utility districts, considering a referendum, pursuing technology more aggressively. He said that those things are good, they're positive for staff. He stated that staff made an effort to keep the conversation within the seven goals stated, and emphasized that the County does have an ambitious five-year plan.

Adjourn.

The meeting adjourned at 3:04 p.m.

Chairman

Approved by Board
Date: 11/14/2012
Initials: EWJ