

A regular meeting of the Board of Supervisors of Albemarle County, Virginia, was held on November 19, 2025, at 1:00 p.m. in Lane Auditorium, Second Floor, Albemarle County Office Building, 401 McIntire Road, Charlottesville, Virginia, 22902.

PRESENT: Mr. Jim H. Andrews, Mr. Ned Gallaway, Ms. Beatrice (Bea) J.S. LaPisto-Kirtley, Ms. Ann H. Mallek, Ms. Diantha H. McKeel, and Mr. Mike O. D. Pruitt.

ABSENT: none.

OFFICERS PRESENT: County Executive, Jeffrey B. Richardson; County Attorney, Andy Herrick; Clerk, Claudette K. Borgersen; and Senior Deputy Clerk, Travis O. Morris.

Agenda Item No. 1. Call to Order. The meeting was called to order at 1:00 p.m., by the Chair, Mr. Jim Andrews.

Mr. Andrews introduced the Albemarle County Police Department Officers present to provide their services at the meeting, Lieutenant Angela Jamerson and Master Police Officer Ronald Vanderveer.

Agenda Item No. 2. Pledge of Allegiance.
Agenda Item No. 3. Moment of Silence.

Agenda Item No. 4. Adoption of Final Agenda.

Mr. Andrews noted that there were some items proposed to be pulled from today's Consent Agenda. He said that these were the May 7, 2025, meeting minutes and the June 4, 2025, meeting minutes as well as Item 8.4, Resolution to Participate in VDOT Transportation Partnership Opportunity Fund (TPOF) Boulders Road Extension.

Ms. McKeel moved to adopt the final agenda. Ms. Mallek seconded the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Andrews, Mr. Gallaway, Ms. LaPisto-Kirtley, Ms. Mallek, Ms. McKeel.
NAYS: None.
ABSENT: Mr. Pruitt.

Agenda Item No. 5. Brief Announcements by Board Members.

Ms. Mallek announced that this month marks the 11th anniversary of the Earlysville Exchange, founded by Benny Clark and Chestnut Grove Baptist Church. She said that their work was supported by many community members, including those from four other parishes in Earlysville, Pleasant Grove, Buck Mountain, and Rivanna. The exchange received donations of household items, furniture, and clothing, and in 2025 alone, it raised over \$34,000.

Ms. Mallek said that in addition to supporting local organizations such as the International Rescue Committee (IRC), Buck Mountain Food Pantry, and the Free Clinic, they provided job training for young first-time workers or job-changing adults to help them develop essential soft skills for employment. She said that the Earlysville community was grateful for the Exchange and all it offers, including friendship, a welcoming gathering place, or a house refit following a catastrophe. She said that the Saturday before Christmas was a special time for children to shop with wrapping assistance offered. She truly appreciated all that they do.

Ms. Mallek added that she would provide another update later in the meeting about the recent Virginia Association of Counties (VACo) Conference, which was very successful, but exhausting, 91st Annual Conference.

Mr. Gallaway said that he had no announcements today.

Ms. LaPisto-Kirtley announced that she attended the Albemarle County Police Department's promotion ceremony and life-saving awards event. She said that it was a wonderful occasion, and she was honored to be there representing the community. She said that the bravery and selflessness of their officers, who had put their lives at risk to save others, was truly inspiring. She would like to extend her congratulations to the new Albemarle County Police Department supervisors and officers who were recognized.

Ms. LaPisto-Kirtley stated that on Saturday, she visited the St. John Community Center, where they hosted a Thanksgiving celebration. She said that it was heartwarming to see the community come together, and she was pleased to have the opportunity to thank Gary Wood, the President of Firefly, for his efforts in bringing internet access to the community. She said that his collaboration with Albemarle County was instrumental in resolving issues.

Ms. LaPisto-Kirtley reported that the Economic Development Authority (EDA) continued to monitor local businesses and provide financial support to help them succeed. She said that one business

that caught her attention was Penny's Pizza, and she was pleased to see it thriving. She said that they were also exploring other initiatives, and that concluded her update for now.

Ms. McKeel reported that they had participated last week in the official grand opening of the pedestrian bicycle bridge across Route 29 North, which would significantly improve safety for pedestrians and bicyclists in that corridor. She said that this was very exciting news, and she believed it would also foster some economic development on at least one side of the corridor. The event was a great success with the University of Virginia, the City of Charlottesville, Albemarle County, and the Virginia Department of Transportation (VDOT) all participating. She said that it was a wonderful event, and they were able to promenade along the bridge.

Ms. McKeel said that they also had lights along the deck of the bridge, which provided a safe and welcoming atmosphere, especially at night. She said that she was also wondering about the possibility of changing the colors of the lights to have some variety and visual interest. She stated that on a separate note, last Saturday, she had a group of about 12 high school students volunteer to rake her yard for a donation to Habitat for Humanity. She said that they did a great job, and it was lovely to see young people step up to volunteer for a good cause.

Ms. McKeel stated that additionally, last night marked the final meeting of the Regional Transit Partnership, which had now been replaced by the new Charlottesville-Albemarle Regional Transit Authority (CARTA). They had held a celebration to mark the occasion, and it was a fun opportunity for everyone to come together and celebrate. Although it was a bit sad to see the partnership come to an end, it was also a testament to the progress they had made in getting their processes and systems in place over the past eight years.

Ms. McKeel announced that tonight the Chamber of Commerce was presenting the 2025 Best in Business Awards, so she encouraged everyone to attend or to look out for the winners in the local newspapers in the coming days.

Mr. Andrews announced that the North Garden 5K was scheduled for this Sunday and served as a fundraiser for both Red Hill School and the North Garden Volunteer Fire Department. He said that the price for participation would increase after today, but there were still opportunities to join. He said that also, they were now just a week away from Thanksgiving, so he would like to extend his wishes to everyone for safe travels and a happy Thanksgiving.

Ms. Mallek noted that in addition to the closing of the partnership and the beginning of CARTA last night, a lovely resolution was adopted and presented to Ms. McKeel for her outstanding support and leadership throughout the entire partnership as Chair. She said that was really well done.

Agenda Item No. 6. Proclamations and Recognitions.
Item No. 6.a. Proclamation Recognizing Restorative Justice Week.

Ms. McKeel **moved** to adopt the Proclamation Recognizing Restorative Justice Week, which she read aloud.

Ms. Mallek **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Andrews, Mr. Gallaway, Ms. LaPisto-Kirtley, Ms. Mallek, Ms. McKeel.
NAYS: None.
ABSENT: Mr. Pruitt.

PROCLAMATION RECOGNIZING RESTORATIVE JUSTICE WEEK

WHEREAS, Restorative Justice Week begins annually every third Sunday of November, falling on November 16 through 22 in 2025, and aims to recognize the power and effect of justice based on the restoration of human connection in lieu of retributive and punitive proceedings; and

WHEREAS, restorative justice is an internationally recognized approach for responding to crime and incidents of harm that provides the opportunity for dialogue between those who have experienced harm, the harm perpetrators, and their community to address the harm and meet the needs of those involved; and

WHEREAS, Central Virginia Community Justice, serving Charlottesville & Albemarle, was established in 2022 to provide space for those involved in harm to lead their own accountability and healing through restorative justice; and

WHEREAS, Central Virginia Community Justice has supported over 200 individuals through the restorative justice process to address situations of harm in our communities and our schools, and Restorative Justice Week serves as an opportunity for residents to reflect on how our community can find growth and healing in restorative approaches to conflict and

harm.

NOW, THEREFORE, BE IT PROCLAIMED, that we, the Albemarle County Board of Supervisors, do hereby recognize

November 16 through November 22, 2025, as

RESTORATIVE JUSTICE WEEK

to promote the safety and well-being of all County residents in their communities and schools by encouraging the learning and practicing of restorative skills of human connection and healing as a means of attaining justice.

Signed this 19th day of November 2025.

Ashley Cinalli-Matthews, Executive Director of Central Virginia Community Justice (CVCJ) stated that as part of Restorative Justice Week, she would like to share a story. She said that one afternoon, a driver looked down at his phone to check directions and accidentally struck someone exercising on the side of the road. She explained that the typical process began, with investigation, charges, prosecution, court hearings, and unanswered questions for the person harmed. Thankfully, the prosecutor listened to the harmed person's concerns and his expressed desire to make the roads safer for everyone.

Ms. Cinalli-Matthews said that this was when Central Virginia Community Justice was contacted. Upon receiving the case, they brought together the parties involved and created a plan to turn a negative situation into something positive. The responsible person agreed to give 25 presentations about distracted driving, which he delivered to over 600 people, including 400 driving-age youth. The presentation was effective, and she still thought about it when her phone dinged while driving, reminding her to stay focused on the road and not look at her phone. She explained that through restorative justice, the harmed person's need for answers and a meaningful outcome was met, while the responsible person took action to make his community better with dignity.

Ms. Cinalli-Matthews stated that this experience highlighted the value of restorative justice in addressing harm and promoting healing. They wanted the community to know that they were there to help, whether one was an adult or a youth, whether one had been charged with a crime or needed assistance resolving a situation in the community or school. She said that anyone could reach out to CVCJ and initiate a process that prioritized your needs, healing, and community safety. She said that this week, they were celebrating National Restorative Justice Week, with several events scheduled, including those on their website at communityjusticeva.org/events.

Ms. Cinalli-Matthews expressed her gratitude for the County's support and collaboration with the Commonwealth Attorney's Offices in Charlottesville and Albemarle, which had enabled them to grow and thrive. She said that she would like to extend a special thank you to Commonwealth Attorney Shannon Pollock, who initiated the pilot program that became CVCJ. She thanked the Board for the recognition.

Ms. Mallek thanked Ms. Cinalli-Matthews and noted the organization's unique position to help create positive outcomes from difficult situations, bringing the community together in the process.

Mr. Gallaway thanked Ms. Cinalli-Matthews for being here. He said that the stress of an incident such as a car accident was felt by everyone involved, so the fact that all parties could come together and help others to prevent something like that from happening again was extremely positive. He expressed his appreciation for the effort and work related to these difficult situations.

Ms. LaPisto-Kirtley thanked Ms. Cinelli-Matthews for taking such a proactive approach, which was the smart thing to do. She encouraged them to continue to work in this capacity for the benefit of the community.

Ms. McKeel thanked Ms. Cinelli-Matthews for being here today. She recalled her work on the disciplinary committee in the Albemarle County Schools system and their efforts in restorative justice work as part of resolving issues, which sometimes worked and sometimes did not. She said that when it worked, it was truly wonderful, and she appreciated CVCJ providing this option to the community.

Mr. Andrews extended his gratitude for the work they were doing. He said that the word "restorative" implied a balancing, rebalancing, and community-wide rebalancing, which he believed was a crucial component of restorative justice. This approach should be bought in by the community, and it empowered victims. He said that one way to achieve this was through restorative justice. He said that he thanked Ms. Cinelli-Matthews very much for the work they were doing.

Agenda Item No. 7. Public Comment on: Matters Previously Considered or Currently Pending Before the Board (Other than Scheduled Public Hearings).

Alicia Lenahan, Scottsville District, stated that since April, the Board had been reminded that stripping constitutional rights from their immigrant and refugee neighbors threatens all their rights. Since April, they had been reminded that far from targeting violent criminals, the administration sweeps up

anyone it wants to, including American citizens. In July, the Board was presented with a resolution that requires Immigration and Customs Enforcement (ICE) agents to be unmasked, identify themselves, present warrants, and drive marked vehicles. Excerpts from the resolution were worth reading into the record because the situation has only got worse.

Ms. Lenahan quoted, "ICE tactics have been widely documented in national media and public forums, creating confusion and fear among residents, undermining the ability to verify whether those carrying out enforcement or are legitimate federal agents or individuals posing as law enforcement. Numerous reports and video evidence show that U.S. citizens and immigrants with lawful status have been detained, questioned, or targeted, exacerbating distrust and public safety risks." She said that the resolution lists values that they all hoped were held dear by this body.

Ms. Lenahan quoted, "Albemarle County is committed to the rule of law, civil rights, and the safety and dignity of all its residents, regardless of immigration status. Albemarle County reaffirms its commitment to due process, equal protection, and the rights of all individuals within its jurisdiction. Albemarle County will continue to uphold its values as a safe, inclusive, and law-abiding community where government transparency and public safety remain paramount. Albemarle County strongly condemns using unmarked vehicles, masked agents, and unidentifiable personnel in immigration enforcement activities conducted within the County and views such tactics to be harmful to public trust, community safety, and constitutional protection."

Ms. Lenahan said that so far, they had been unwilling to take a principled stand based on ideals. She said that perhaps this development will provide them with the shield of pragmatism. The Federal Bureau of Investigation (FBI) issued a bulletin and public warnings about criminals impersonating ICE agents in early November. The internal bulletin was circulated to all law enforcement agencies and detailed several instances throughout 2025 where individuals posed as immigration officers to commit violent crimes, including robberies and kidnapping.

Ms. Lenahan stated that the FBI urged all law enforcement to adequately identify themselves during operations to help the public distinguish between legitimate agents and imposters. She said that it was not unreasonable or radical to expect ICE agents to be unmasked, identifiable, drive marked vehicles, and provide legal documentation authorizing their presence.

Agenda Item No. 8. Consent Agenda.

Ms. McKeel **moved** to approve the consent agenda as amended. Ms. Mallek **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Andrews, Mr. Gallaway, Ms. LaPisto-Kirtley, Ms. Mallek, Ms. McKeel.

NAYS: None.

ABSENT: Mr. Pruitt.

Item No. 8.1. Approval of Minutes: April 16, May 7, May 28, and June 4, 2025.

Ms. McKeel had read the minutes of April 16, 2025, and found them to be in order.

Mr. Andrews had read the minutes of May 28, 2025, and found them to be in order.

By the above-recorded vote, the Board approved the minutes of April 16 and May 28, 2025, as read.

Item No. 8.2. Purchasing Manual Update.

The Executive Summary forwarded to the Board states that Albemarle County's Purchasing Manual ("Manual"), as adopted by the Board of Supervisors, governs and guides local government and school purchases in accordance with the Virginia Public Procurement Act (VPPA). The current version of the Manual was adopted by the Board on December 11, 2024, with an effective date of April 1, 2025 that coincided with the launch of the County's new Financial Management System. The proposed amendments incorporate the General Assembly's updates to the Virginia Public Procurement Act, effective July 1, 2025, and incorporate the previously adopted guidelines for public private partnerships into the Purchasing Manual.

As a result of the review of the Manual, staff is recommending a revised version of the Manual. A summary of changes between the proposed version of the Manual and the Manual in its last revision from 2024 are listed fully in Attachment A. The most notable changes include: Alignment with Virginia Public Procurement Act revisions, additional definitions, updates to general terms, clarity of content, and moving previously adopted Public-Private Education Facilities and Infrastructure Act of 2002 (PPEA) and Public-Private Transportation Act of 1995 (PPTA) guidelines directly into the Purchasing Manual. The entire proposed Manual with noted edits are in Attachment B.

The prior version of PPEA guidelines, adopted July 3, 2019, is included for comparison as

Attachment C and the prior version of PPTA guidelines, adopted March 20, 2024, is included for comparison as Attachment D.

No material budget impact is expected with the adoption of the recommended Manual updates.

Staff recommend that the Board adopt the attached Resolution (Attachment E) to adopt the updated Albemarle County Purchasing Manual with an effective date of November 19, 2025.

By the above-recorded vote, the Board adopted the attached Resolution (Attachment E) to adopt the updated Albemarle County Purchasing Manual with an effective date of November 19, 2025:

**RESOLUTION TO AMEND AND RE-ADOPT
THE ALBEMARLE COUNTY PURCHASING MANUAL**

WHEREAS, the County of Albemarle Purchasing Manual (“Manual”) delineates not only the requirements of the Virginia Public Procurement Act, but also the methods and procedures that best enable the County to procure the highest quality goods, services and construction at a reasonable cost and in an efficient, fair, and competitive manner; and

WHEREAS, the Manual was last amended on December 11, 2024, effective April 1, 2025; and

WHEREAS, the Virginia General Assembly has enacted the Public-Private Education Facilities and Infrastructure Act of 2002 (the “PPEA”) (Virginia Code § 56-575.1 et seq.); and

WHEREAS, the Board adopted PPEA Guidelines on July 3, 2019; and

WHEREAS, the Virginia General Assembly has enacted the Public-Private Transportation Act of 1995 (the “PPTA”) (Virginia Code § 33.2-1800 et seq.); and

WHEREAS, the Board of Supervisors adopted the PPTA Guidelines on March 20, 2024; and

WHEREAS, the Board finds it is in the best interests of the County to amend the Manual to ensure that the County is able to procure goods, services and construction in a way that is fair, impartial, administratively efficient, in alignment with state law, and accessible to all qualified vendors and integrate the public private partnership guidelines within the Manual;

NOW, THEREFORE, BE IT RESOLVED that the Albemarle County Board of Supervisors hereby amends and re-adopts the Albemarle County Purchasing Manual, as reflected in Attachment B, effective immediately.

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The Albemarle County Purchasing Manual is on file with the Clerk’s Office.

Item No. 8.3. Quarterly Tax Refund Approval Request.

The Executive Summary forwarded to the Board states that Virginia Code § 58.1-3981 requires that erroneous tax assessments shall be corrected and that a refund, with interest as applicable, be paid back to the taxpayer. Tax refunds resulting from erroneous assessment that exceed \$10,000 must be approved by the Board of Supervisors before any payments are made.

Staff is requesting approval from the Board for the itemized refunds in Attachment A totaling \$78,324.56 to conform with Virginia Code § 58.1-3981. Each refund amount listed has been reviewed and certified by staff and the Chief Financial Officer with the consent of the County Attorney’s Office. It is the County’s practice to request such refunds on a quarterly basis.

Staff do not anticipate a budget impact associated with the recommended Board action. Tax refunds are a customary part of the revenue collection process and refund expectations are included in the annual revenue budget assumptions.

Staff recommends the Board adopt a resolution (Attachment B) to approve the refund requests and authorize the Department of Finance and Budget to initiate the refund payments.

By the above-recorded vote, the Board adopted a resolution (Attachment B) to approve the refund requests and authorize the Department of Finance and Budget to initiate the refund payments:

**RESOLUTION
REQUESTING TAX REFUNDS**

WHEREAS, Virginia Code § 58.1-3981 requires that erroneous tax assessments be corrected and that a refund, with interest as applicable, be paid back to the taxpayer; and

WHEREAS, Tax refunds resulting from erroneous assessment that exceed \$10,000 must be approved by the Board of Supervisors, after being certified by the Chief Financial Officer and the County Attorney.

NOW, THEREFORE, BE IT RESOLVED that a refund in the amount of \$24,295.85 has been reviewed and certified due to a closed business license and this refund shall be remitted to Virginia Veterinary Specialists PC to conform with Virginia Code § 58.1-3981;

BE IT RESOLVED that a refund in the amount of \$24,156.90 has been reviewed and certified due to a tax status change and this refund shall be remitted to Colby's Crew Rescue to conform with Virginia Code § 58.1-3981;

BE IT RESOLVED that a refund in the amount of \$19,323.75 has been reviewed and certified due to an amended business tangible personal property returns and this refund shall be remitted to Southwest Research Institute to conform with Virginia Code § 58.1-3981; and

BE IT RESOLVED that a refund in the amount of \$10,548.06 has been reviewed and certified due to a closed business license and this refund shall be remitted to Greenbrier Innovative Emergency Animal Hospital LLC to conform with Virginia Code § 58.1-3981.

Item No. 8.4. Resolution to Participate in VDOT Transportation Partnership Opportunity Fund (TPOF) Boulders Road Extension, **removed from the Consent Agenda.**

Item No. 8.5. SE-2025-00028 Cornerstone Community Church - Curb Waiver.

The Executive Summary forwarded to the Board states that the applicant requests a special exception to waive the curb requirements for a parking area of 11 spaces. Details of the applicant's request are provided in Attachment A. County Code § 4.12.2 (c), authorizes the Board of Supervisors to grant a modification or a waiver from the design requirements of County Code §18-4.12.15, including requirements for curb or gutter for parking areas.

Staff's analysis of the applicant's request and the standards for modification or waiver as set forth in County Code § 18-4.12.2 (c), is provided in Attachment B.

Staff recommends that the Board adopt the attached Resolution (Attachment C) to approve a special exception to waive the curb requirements in the parking area with 11 spaces as highlighted in the applicant's narrative.

By the above-recorded vote, the Board adopted the attached Resolution (Attachment C) to approve a special exception to waive the curb requirements in the parking area with 11 spaces as highlighted in the applicant's narrative:

**RESOLUTION TO APPROVE SE-2025-00028
CORNERSTONE COMMUNITY CHURCH - CURB WAIVER**

WHEREAS, Parcel 07800-00-00-058K0 was the subject of a rezoning application approved by the Board of Supervisors on April 17, 2024 (ZMA202300004), which changed the zoning on the property from R-1 Residential to C-1 Commercial; and

WHEREAS, an Initial Site Plan (SDP202400047), a subdivision plat (SUB-2025-00122), and a Final Site Plan (SDP-2025-00022) have been submitted for review to redevelop the site for the Cornerstone Community Church, which plans include a new parking area; and

WHEREAS, upon consideration of the staff report for SE-2025-00028 Cornerstone Community Church - Curb Waiver, and the attachments thereto, including the staff's supporting analysis and application materials, any comments received, and all relevant factors in *Albemarle County Code* §§ 18-4.12.15(g) and 18-4.12.2(c), the Albemarle County Board of Supervisors hereby finds that:

a. The public health, safety, or welfare would be equally or better served by the proposed special exception; and

b. The proposed special exception would not otherwise be contrary to the purpose and intent of the Zoning Ordinance.

NOW, THEREFORE, BE IT RESOLVED that the Albemarle County Board of Supervisors hereby approves SE-2025-00028, to waive the curb requirements set forth in *Albemarle County Code* § 18-4.12.15(g) on Parcel 07800-00-00-058K0.

Item No. 8.6. FY 26 First Quarter Financial Report, **was received for information.**

Item No. 8.7. Albemarle-Charlottesville Regional Jail 2025 Annual Jail Report, **was received for information.**

Item No. 8.8. VDOT Monthly Report (November) 2025, **was received for information.**

Agenda Item No. 9. **Work Session:** Five-Year Financial Plan Work Session.

The Executive Summary forwarded to the Board states that long-range financial planning is part of the County's adopted financial policies: "The County will develop and annually update a long-range five-year Financial Plan. The Financial Plan will include a review of revenue trends and expenditures from the prior years' projections of revenues and expenditures, as well as future costs and the financing of the Capital Improvement Plan."

A long-range financial plan is different from the annual budget in that it emphasizes where the County may be headed at the end of the plan rather than the coming fiscal year. This planning can provide a helpful framework to inform the annual budget to ensure funding recommendations are aligned with County priorities. It also provides a framework to illuminate discussion around questions such as:

- a) Are the County's operating and capital plans in alignment? For example, if the County starts constructing a new facility in the capital budget, is it able to open and operate it in a future operating budget - can the decisions being made today be afforded in future years?
- b) What long-term strategies or policies could be considered to change the long-term trajectory of the financial plan?

The Five-Year Financial Plan is the next step in the County's long-term financial planning process, where to date:

- On August 20, the Board approved the FY 27 operating and capital budget calendar
- On October 15, the Board received an Economic Outlook Report

Next, in accordance with the budget development schedule, the Board will hold a series of work sessions in the fall to review long-range financial planning information prior to the annual budget process. The work sessions are scheduled for November 19 and December 3 (a joint meeting with the School Board).

During this work session, staff will present initial revenue and expenditures assumptions, which have been developed using the best information available at the time and illustrate the financial plan's alignment with the Strategic Plan. These assumptions will continue to be updated in the annual budget development process and subsequent financial plans. Staff will also share the proposed financial plan's alignment with the Strategic Plan and seek Board feedback on the financial plan.

Long-range financial planning connects long-range fiscal planning with strategic planning priorities and provides an important context for the annual budget process.

Staff recommends that the Board share feedback on the initial long-range Five-Year Financial Plan.

Andy Bowman, Assistant Chief Financial Officer, introduced Katelyn Malcolm, Chief of Budget, who joined their organization earlier this year. He stated that Ms. Malcolm would assist in presenting this item and would also be working with the Board throughout their upcoming budget calendar. He said before they proceeded with today's discussion, he would like to take a moment to review the previous discussions regarding this item. This included the Board's meetings in financial planning and their upcoming meetings.

Mr. Bowman explained that the process of long-range planning and budgeting began in late August with the adoption of the calendar. He said that the Board also received the second annual Strategic Planning Execution Analysis and Reporting (SPEAR), which examined data and performance around the county's strategic plan initiatives. He said that last month, the Board received an Economic Outlook Report from Dr. Sheryl Bailey of Virginia Tech, as well as receiving updates from public safety studies.

Mr. Bowman stated that this discussion would continue today with the Five-Year Financial Plan, explaining how this plan tied into the Strategic Plan and what the County's financial forecast looked like. This would be followed by a joint conversation with the School Board on December 3 regarding their capital request. As they moved forward, all of the Board's discussions and the County Executive's recommended Fiscal Year (FY) 27 budget would come together.

Mr. Bowman explained that staff had two desired outcomes for today's work session. He stated that Ms. Malcolm and he would provide an overview of the Five-Year Plan, explaining the base assumptions driving the revenues and expenditures. They would then allow time for the Board to discuss

the plan's strengths, weaknesses, and potential topics for further exploration at an additional meeting. Before they began to discuss the details of the Five-Year plan, he would like to provide a brief introduction to long-range financial planning.

Mr. Bowman stated that the Board of Supervisors was well aware of this, but for those who may be less familiar or new to the process, he would like to explain that long-range planning was distinct from annual budgeting. Long-range planning focused on decisions made today and their potential impact on the County's forecast and revenues and expenditures three to five years from now. Unlike the annual budget, which must be balanced, the long-range five-year plan was not. It was essential to consider the decisions made today and how they may shape the County's trajectory in the future.

Mr. Bowman stated that one key aspect of long-range planning was ensuring that operating and capital budgets were aligned. For example, if a facility was being constructed in the capital budget, they must reserve capacity in the operating budget to provide services from that facility. A five-year plan was not solely about dollars; it also involved considering policies, strategies, and the deployment of existing resources to meet the Board's Strategic Plan. This framework would also inform the annual budget process. They were not here to balance the FY27 budget, but this framework would provide helpful guidance as they moved forward.

Mr. Bowman noted that the information presented was subject to change, and they would continue to update the Board as they progressed through the process. He provided a graph depicting the five-year projection of revenues and expenditures. Below, they could see that for the next five years, there was a gap in the percentage of the General Fund that started at approximately 1% and grew to 3% by year five. To clarify, this five-year plan assumed that funding was provided to public school operations and capital and debt service through formula funding.

Mr. Bowman stated that therefore, the gap they saw was primarily a County government gap that needed to be addressed. Schools and Capital had their own needs, but this analysis focused on the General Fund, knowing that transfers were being provided by policy as the board would expect. He stated that before presenting today, he had shared this graph with several County staff, and there had been a consistent reaction that this Five-Year Plan looked significantly different from prior five-year plans. He explained that in Fiscal Years 27 and 28, the gap grew from 1.3% to 2.8%, but by Fiscal Year 28, it remained relatively steady.

Mr. Bowman said that from the perspective of how different this was compared to a year ago, they could look at the five-year plan he had presented to the Board last November, which covered years FY26 through FY30. In FY27, they forecasted a 5% gap, which steadily grew into a 9% gap. From a visual perspective, it was clear how the forecasts had changed. He stated that he had also provided a high-level overview of the gaps for the four years that were in common between these two plans.

Mr. Bowman stated that the first line showed the gap growing from 5% to 9% fairly steadily from Fiscal Year 26 to 30. Fiscal Year 27 showed a 1% gap, which rose to 3% before moderating. The two most significant changes in this factor were the enactment of a tax rate increase on the real estate tax rate of \$0.04 in FY26, which provided funding for public safety and housing and school items. This increase, which was approximately \$12.4 million, was ongoing and now applied to all years of the plan. The second significant change was the changing tax base and economic outlook in future years, which was a result of the Board's strategies and economic development investments. He would discuss this further when they examined revenues.

Mr. Bowman noted that one benefit of five-year planning was that sometimes actions taken in one year may not pay off immediately but would pay off in subsequent years. Another key takeaway he would like to share with the Board today was that staff saw two distinct periods in the next five years. In the shorter term, within the first two years of that plan, they were aware of an evolving revenue outlook, which he would discuss in more detail later. Additionally, they had significant expenditure obligations in the coming years. It was during years FY29 to FY31 that the benefits of the Board's strategies and investments in a changing tax base would become apparent.

Mr. Bowman said that this allowed the Board to more robustly advance strategic plan goals, even if the obligations were not as large as in the first couple of years. With this high-level summary, he would proceed to discuss some of the details on revenues. He would begin by referencing a few key points on where the County had been, where it was currently, and where it may be headed. He explained that he had provided a chart depicting the actual revenue growth year to year, as calculated by the County.

Mr. Bowman noted that the staff in the Office of Budget had conducted an analysis to determine what the year-to-year increase would look like if there were no change to property taxes since FY15. This gave them a sense of what a normal, non-tax rate-adjusted increase would look like year to year, providing perspective. The graph showed two bars that had been grayed out, FY20, which was significantly impacted by the pandemic, and FY23, which was impacted by the aftershocks and unexpected economic and societal factors that arose from the pandemic.

Mr. Bowman explained that staff examined these two outliers and calculated what the average year-to-year increase would be, excluding tax rate changes. This average was approximately 5.5%. This was not to say that they would experience 5.5% in the future, but rather it provided a reference point to anchor themselves as they began to anticipate what the future may hold. Moving forward, they would examine where the County was currently. He had included a chart from the FY26 adopted budget that presented the various categories of revenues that made up General Fund revenues. These revenues

funded County day-to-day operations, more than 70% of public-school operations, and contributed to the County's debt service as well as capital projects.

Mr. Bowman said that as staff considered what transformational change might look like in the next five years, they thought about how the County could affect this outlook. He said that the state revenue percentage was 6% and the federal revenue at 2%. These items were largely reimbursements for expenses related to programs prescribed by the state and federal government. In a typical annual environment, it was challenging for the County to influence revenue streams. However, the County did have legislative priorities with the state and federal government that could shape future revenue, so this was a long-range goal that tied to the Board's legislative program and priorities.

Mr. Bowman stated that the local tax revenue was at 4% and was comprised of various sources, including permits, fees, Emergency Medical Services (EMS) cost recovery, speed cameras, Parks user fees, and Community Development permit fees. Staff regularly benchmarked these numbers to ensure they remained up to date. While there was always the opportunity to revise and refine these numbers, significant changes would be required for there to be a substantial shift in only 4% of the budget. This was typically considered a short-term to mid-term strategy.

Mr. Bowman said that moving on to the other local taxes, Virginia was a Dillon Rule state, which meant Counties could only enact authorities granted by the state. This included caps on taxes such as sales, food and beverage, and business licenses. The County was largely at the maximum allowed by the state, with a few exceptions. To change this in the future, the legislative program with the state was the key. The final piece of this review was the general property taxes, which comprised approximately 67% of the County's revenue. This included both real and personal property taxes, as well as smaller classifications.

Mr. Bowman explained that in order to change this portion of their General Fund revenues, the Board could adjust the tax rate, which had been done in the previous budget process. The composition of the 67% could also be examined to understand what revenue was generated and make finer adjustments. The data from 2015 to 2025 showed a noticeable increase in the share of residential taxes, from 61% to 68%. This change had been offset by decreases in commercial and industrial, moving from 15% down to 11.3%, and agricultural decreasing from 19.7% to 15.1%.

Mr. Bowman stated that the reason this mattered was not the revenue generated, but the cost of serving these different classes of real estate. This connected to the Cost of Community Services Study, which showed that the cost of providing services to residential, commercial and industrial, and agricultural properties. He said that the largest expense in the County's budget was education and the residential tax base was largely providing the revenues to support their schools and students.

Mr. Bowman further explained that while commercial, industrial and agricultural properties required services from the County, they were a net revenue positive to the County. He said that one way the Board could relieve pressure on the residential tax base is by rebalancing the relative percentages of the commercial, industrial, and agricultural sectors. He clarified that this was not to suggest that the County was chasing commercial and industrial growth without regard.

Mr. Bowman explained that the Board of Supervisors had approved an Economic Development Strategic Plan, which included three target industries: intelligence and national security, life sciences, and agribusiness. By targeting these efforts, they could diversify the County's tax base, provide services, and rebalance the cost of services. He said that this, in turn, would provide additional benefits from economic development. He said that as they had discussed last year in the budget process, their investment in Rivanna Futures and the partnership with Home Depot would contribute to this shift.

Mr. Bowman stated that recently, the Governor had visited the County for announcements from Afton Scientific and AstraZeneca. He said that these developments would change the future of the County's tax base, providing increased revenues in the outyears. Before they looked at the outyears, there was a matter that had the County staff's attention. He said that Dr. Bailey had presented the County's Economic Outlook Report and he would share staff's major takeaways.

Mr. Bowman said that the U.S. economy was currently slowing down, according to the data. There was also continued uncertainty due to shifts at the federal policy level. He said that they were monitoring this situation closely to maintain awareness of potential impacts to revenues and the community at large. He continued that Virginia's economy was typically stronger than the nation's but had cooled faster than the national average in the first half of 2025. He noted that Virginia was heavily reliant on federal government operations, particularly in Northern Virginia, and this slowdown may have indirect impacts. They would continue to monitor this with regard to the upcoming state budget and other factors.

Mr. Bowman stated that regarding Albemarle County's local economy, it provided a solid economic base but was not immune to state and national trends. Ultimately, time was on their side, and planning would help them navigate these conditions and potential changes. He said that in the same way that they had a five-year plan five years ago, which was expected to have an out-of-balance FY26, by the time they reached FY26, they had achieved a balanced budget. The Board had continued to pursue long-term strategies and multiple-year planning to align their strategic plan with revenue growth and the services the Board expected the County to provide.

Mr. Bowman stated that he would summarize his portion of the presentation before moving onto the expenditure side of the plan. He explained that the main takeaway was that they had a different trend

this year than they had seen in the past. This trend included two distinct periods within their five-year plan: the evolving revenue outlook, as discussed by Dr. Bailey, and the knowledge that upcoming changes in their tax base would provide strategies for the County to reduce pressure on the residential tax base and advance services that would otherwise be unaffordable.

Katelyn Malcolm, Chief of Budget, stated that she would walk the Board through the expenditures built into the Five-Year Financial Plan assumptions. First, they had some of the obligations they had picked up in past budgets. The past few fiscal years had had a higher than usual number of obligations that were driven by corresponding priorities. For example, they had picked up costs from expiring grants in both public safety and transportation. She said that they would continue to do that in FY27 and in other years in the plan as they had more obligations.

Ms. Malcolm stated that this trend would continue in the assumptions they had built into the Five-Year Plan. In particular, they were keeping an eye on several obligations in Fiscal Years 27 and 28. She explained that in FY27 and FY28, their obligations amounted to around \$10 million per year for the local government. First, the plan assumed that the Board would continue to prioritize keeping pace with the labor market by investing in cost-of-living salary adjustments and the reclassification of positions consistent with their compensation philosophy, which had been a focus of the past several budgets.

Ms. Malcolm added that FY27 was a rate update year for the Virginia Retirement System (VRS), so they were waiting for more data and had a placeholder assumption built into the plan for that potential increase. They had also included a placeholder assumption for the Health Fund, which they would continue to refine as they got closer to the budget development process for FY27. Next, they were anticipating an increase in the revenue sharing for the City of Charlottesville. The revenue, calculated by formula, came off the top of the County budget before they allocated the remaining funding to policy, to Schools at 54%, local government at 36%, and Capital and Debt Service at 10%.

Ms. Malcolm noted that for reference, in the past four years, revenue sharing to the City of Charlottesville had increased by 30% from FY23 through FY26. She said that next, consistent with recent budgets, this Five-Year Plan assumed that they would continue picking up the cost of firefighters as they came to the end of two Federal Emergency Management Agency (FEMA) Staffing for Adequate Fire and Emergency Response (SAFER) grants. They also anticipated that in FY27 and FY28, they would see operating cost increases associated with the completion of the courts renovation projects, and they would also see the first debt service payment for the County's portion of the Albemarle Charlottesville Regional Jail (ACRJ) renovation.

Ms. Malcolm stated that they had also included the next year's of the Charlottesville Albemarle Society for the Prevention of Cruelty to Animals (SPCA) contract, which was FY27, being the highest escalation year included in that agreement. Finally, for the local government portion included in the assumptions were some costs associated with benefit administration for the Supplemental Nutrition Assistance Program (SNAP), which had undergone changes at the federal level as a result of Public Law 119-21, also known as the Big Beautiful Bill. Finally, staff recognized that their partners in Schools also had several obligations on the horizon in FY27.

Ms. Malcolm stated that the Five-Year Plan included the formula-driven increases for public schools operating expenses. Within that, they were mindful that in FY27, they would be opening two new schools. Similarly, schools would face an impact from the Virginia Retirement System rate update, as well as the first impact from the collective bargaining agreement process. They were also aware that the state recently released the local composite index (LCI) for Virginia, and they were working with the schools to determine the impacts to their budget.

Ms. Malcolm said that next, she would review the expenditure assumptions that were in the Five-Year Plan within the framework of the Strategic Plan. First, she would outline the Board's six strategic goals and objectives in detail, connecting the actions and planned expenditures in the Five-Year Plan back to the Board's Strategic Plan. The expenditure assumptions represented their total budget and work occurring across the County, including items that may be the result of new funding added in future years based on the Board's direction, as well as items already in the existing budget based on previous direction and budgets passed by the Board.

Ms. Malcolm noted that many areas had recently received new funding from the board, and staff were continuing to work through the implementation of those priorities. The emphasis in the Five-Year Plan was on how resources, both dollars and staff time, were directed and prioritized in pursuit of the strategic goals. Goal 6, which covered workforce and customer service, was integral to the plan, as it supported all other goals. She would begin by describing the Five-Year Financial Plan expenditure assumptions in more detail.

Ms. Malcolm explained that for workforce and customer service, the Five-Year Financial Plan expenditures assumed that they would continue to make adjustments to benefits and salaries to be consistent with the market in all years of the plan. In years three, four, and five of the plan, they assumed that they would continue adding staff in non-public safety positions consistent with projected population growth. She added that she would discuss public safety positions in more detail in a future slide under Goal 1. They also assumed that they would continue to train and develop existing staff at the same level they had currently budgeted in FY26, as that was a critical piece of staff development, productivity, and engagement.

Ms. Malcolm said that continuing under the same goal, the plan assumed that they would

continue efforts to modernize business processes, including technology, to transform customer service demands. As the Board was aware, the plan included recent investments in several new technology systems that had been implemented in recent years. One focused on development tracking, one was focused on financial management, and another was focused on human resources. They were continuing to realize the benefits and efficiencies of those systems, and those investments were represented here within the plan.

Ms. Malcolm said that she had mentioned that they were adding non-public safety positions in years three, four, and five of the plan, consistent with population growth. In years one and two of the plan, they had not included any new positions outside of public safety. Instead, they would continue to identify areas where they could re-engineer to achieve cost savings before adding new positions. Under this objective, they had also included investments in cybersecurity to protect the county's Information Technology (IT) infrastructure and data.

Ms. Malcolm said that finally, under this goal, they had the ongoing space planning and strategy work that was already included in years 26 and 27 of the Capital Improvement Plan (CIP). The objective of this work was to achieve efficiencies while prioritizing customer service and employee wellness. Moving to Goal 1 Safety and Well-Being, she would like to highlight that this had been an area of significant investment in recent budgets, and those investments were reflected in the Five-Year plan as ongoing expenses. This included the expansion of the Human Services Alternative Response Team (HART), the addition of the Berkmar ambulance, which served one of the busiest call areas in the County for Emergency Medical Response services, the renovations to the Albemarle Charlottesville Regional Jail, and the recent courts renovations and their resulting operating impacts.

Ms. Malcolm stated that in Fiscal Years 27 and 28, they would continue to cover the cost of firefighter positions previously funded by FEMA SAFER Grants. Additionally, the plan included the six police officer positions added in FY26, resulting in two more officers per shift, which they expected to improve response times. The new officers would be assigned to patrol to ensure that coverage met growing demand in the community. In addition to the investments already covered, the Five-Year Plan included assumptions for new funding in a few areas to support the objective of supporting community safety through highly responsive services.

Ms. Malcolm said that building on the obligations previously mentioned, the plan included expenditures for the court facilities operations, the County's portion of the debt service for the ACRJ renovation costs, the agreement years for the Charlottesville-Albemarle SPCA, and locally funded expiring FEMA SAFER Grants. She explained that the Board had recently received information from two studies on public safety staffing, and the Five-Year Plan included new funding to support public safety staffing study implementation. The plan included a placeholder assumption in the first year, and staff intended to work through the specifics of what that funding would look like when they got to the FY27 budget development process with the Board.

Ms. Malcolm said that the plan included new funding investments in public safety in each of the five outyears, facilitating a phased approach to implementing the recommendations laid out in the public safety staffing studies. The last objective for Goal 1 included recent new funding for the Community Assistance Program and the increase in funding in FY26 for the Human Services funding process and nonprofit agencies. The Board had recently updated the process and priorities for those human service agencies, and the plan included continued investment in the community consistent with the Board's direction in those areas.

Ms. Malcolm said that the plan also included work on continuity and operations, which had been in the budget for several years. She continued to state that Goal 5 focused on education and learning. In support of this goal, the Five-Year Plan provided funding to school operations based on the allocation of local tax revenue formula. The plan included the following CIP items: the schools maintenance and replacement program, the school bus replacement program, the construction of the Albemarle Career Exploration Academy at Lambs Lane, formerly called High School Center 2, and the construction at Mountain View Upper Elementary School.

Ms. Malcolm stated that it also included an FY27 design and an FY28 construction of the Northern Feeder Pattern Elementary School, as well as school renovations. As part of the upcoming FY27 budget development process, they would need to update the CIP to include 2031. Capital investments in schools would be a key component of their work. To that end, on December 3 the Board of Supervisors would hold a joint meeting with the School Board, during which the School Board would present their request for the FY27 through FY31 CIP.

Ms. Malcolm stated that the next goal focused on building a Resilient, Equitable, and Engaged Community. The Five-Year Plan included new funding from the Board in FY26 to support the Climate Action Plan. The plan also included increased ongoing funding for Climate Action Plan implementation starting in FY28. In FY27, staff would provide options to the Board for one-time funding for the Climate Action Plan once they had a final FY25 number from the audit.

Ms. Malcolm stated that in addition to the Climate Action Plan, this goal area included ongoing work by staff in several objectives of the Strategic Plan, including fostering community partnerships and engagement around County priorities, implementing stream health initiatives, and identifying and mitigating community risk while building, sustaining, and validating the community's capability to respond to and recover from disasters and other natural threats. She continued that the next goal focused on Infrastructure and Placemaking. The Board had made significant investments through the creation of the

Broadband Accessibility and Affordability Office, which was currently working with federal, state, and local partners to make progress on broadband improvements.

Ms. Malcolm said that this goal also included an objective on partnership with the Rivanna Water and Sewer Authority (RWSA) and the Albemarle County Service Authority (ACSA), although no new dollars were associated with it. Continuing under the goal for infrastructure and placemaking, the Department of Facilities and Environmental Services had previously presented to the Board on the litter collection program funded by the disposable plastic bag tax. She noted that this was another example of revenue diversification that the Board had taken on in recent years.

Ms. Malcolm stated that transportation was another area where the changing and evolving services in the community were highlighted through some of the recent new funding. She said that FY26 had been the last year of the micro-transit demonstration grant, and in FY27, it was assumed that the continuation of the MicroCAT program would occur. However, the exact level of service and any changes to the program would be part of the larger budget development discussions.

Ms. Malcolm stated that increased financial responsibility for the County to provide the same level of service to residents had resulted in increased funding for Charlottesville Area Transit (CAT), JAUNT, and other transit partners in recent budgets. As the County transitioned to FY27 budget development, they would continue a holistic look at transit services provided to County residents and engage with partners who oversaw them to ensure the most efficient and effective delivery of services throughout the community. Finally, under this goal in the CIP, continued investments in the transportation leveraging program would be made, which put aside local funding to support transportation projects and leverage funding from the state.

Ms. Malcolm stated that the final goal that would be discussed today focused on Quality of Life. The plan recognized the Board's recently adopted AC44 Comprehensive Plan and assumed that staff would continue development of zoning modernization consistent with the Board's direction. The Five-Year Financial Plan also included expenditure assumptions to support the development at the Rivanna Futures property. With respect to continued economic development, the plan included funding for the Economic Development Fund.

Ms. Malcolm stated that specifically, there were ongoing funds to support the fund starting in FY28 and consistent with the approach for the Climate Action Plan. She said that staff would provide the Board with options for one-time funding in FY27 once the final FY25 audit figure was known. For recreational opportunities under the quality-of-life goal, the plan included continued operations and trail build out at Biscuit Run, as well as completion of the athletic field updates at Biscuit Run and Darden Towe. She said that the final information regarding the strategic plan expenditures went into more detail around investments in housing.

Ms. Malcolm stated that over the past six years, the Board had invested over \$22 million in affordable housing, which was included in the Five-Year Financial Plan. In addition, the plan included the dedicated \$0.004 adopted in the FY26 budget. Similar to the approach taken for the Climate Action Plan and the Economic Development Fund, staff would provide options for the Board's consideration for additional one-time funding for the housing fund in FY27 once the final results of the FY25 audit were received. In addition to that, the County was continuing to provide expanded Tax Relief for the Elderly and Disabled in the Five-Year Plan, consistent with the Board's direction.

Ms. Malcolm said that they would also continue to explore the developer incentives tax rebate program adopted by the Board in 2024. She stated that finally, she would like to reiterate what Mr. Bowman said earlier. She explained that they really saw two time periods laid out within this five-year plan. In years one and two, staff would be closely monitoring the evolving revenue outlook and would make recommendations to the Board for the significant expenditure obligations expected in Fiscal Years 27 and 28. In years three, four, and five, they would start to see the results of the strategies the Board had focused on over the past several years, resulting in the change to their tax base that Mr. Bowman spoke about.

Ms. Malcolm stated that their projections showed that they would continue to have obligations in FY29, FY30, and FY31, similar to any budget year. However, at this time, they were projecting additional capacity in those years that the Board could direct towards more robustly implementing and advancing the Strategic Plan goals. On the final slide of her presentation, she had brought back the questions they had referenced earlier to help facilitate the Board discussion and feedback.

Ms. Mallek said that as always, this was very challenging but helpful to have this information as they moved along. She noted that in the past two years, the Board had initiated many new and important programs, which required additional revenue sources to support them. She said that in her initial reaction, she thought it was time to be patient and focus on advancing the programs they had already started. She said that they should continue to monitor the development of revenue programs and external sources and see how they evolved. She was cautious to get out too far in advance without more information.

Ms. Mallek said that otherwise, she was not aware of any significant gaps in their current approach. What had been concerning her was the challenge of balancing the old formula with the changing dynamics, as one side of the equation continued to grow while the other side struggled to keep pace, regardless of the percentages involved.

Mr. Gallaway said that he appreciated seeing the breakdown of the first two years versus the

third, fourth, and fifth year. He thought it was a smart approach, given that they knew reality would continue to change. He said that one question he would ask, building on that, was whether staff had considered how to adjust their projections to account for anticipated economic development successes. He said that they were using real data, so he assumed this was a best projection based on that.

Mr. Gallaway said that, however, he was curious about whether they had thought about how to tweak their formula to reflect the impact of additional economic development successes, such as building out Rivanna or achieving another success of a similar size. He said that for example, how would they adjust the percentages to account for the increased tax revenue that would come from such a development? He said that he was interested in knowing if this had been considered, and if so, what the implications would be for their outlook.

Mr. Bowman replied that that was an option they could prepare, but they had not yet created something like that. He said that he believed there were several ways to approach this, considering one particular development or looking at it in the context of the overall blend of the tax base. As they continued to learn more about the current announcements, they would also consider the potential indirect impacts on the community. He said that rather than focusing on a single scenario, they would keep this in mind as they studied the tax base and continued to gather more information.

Mr. Gallaway said that without devaluing their other businesses, he would note that the AstraZeneca development was of a scale they had not experienced before. He said that during budget town halls last year, they had theorized about the possibility and suggested it would be a desired outcome. He said that now that it had happened, he thought it was essential to start thinking about it from a financial standpoint, considering the impact of such a large project. They should discuss this with the Economic Development team to assess the financial outlook and consider how other developments of varying sizes would impact it.

Mr. Gallaway said that he believed this team would naturally explore this opportunity without him bringing it up, as they all had a track record of prognosticating. He said that he was interested in analyzing it in the context of future economic development opportunities as well.

Jeff Richardson, County Executive, said that there was a presentation slide that displayed the cost of services delivery, which included business, residential, and agricultural. He asked if Mr. Sumner could briefly discuss the data with the Board, as he believed it was very important. He recalled that with the most recent announcement at Rivanna, the mix of commercial and industry sectors was approximately 11%. He said that as they looked out five years, he was interested in understanding how this new data would move the needle.

Jacon Sumner, Chief Financial Officer, explained that in the next five years, staff would run various scenarios to assess the impact of the Rivanna Futures announcement on the County tax base. Using standard growth assumptions for different categories and adding the expected effects of the recent announcement, he anticipated that the commercial and industrial tax rate would increase from 11.3% in 2025 to above 15% in approximately five years. Comparing this to the 15% rate from 10 years ago, in 2015, he expected that in five years, he would return to that 15% mark, which would help to rebalance the reliance on the residential tax base.

Mr. Gallaway said that he wondered if a project of the same size would move at the same rate as the one that just completed. He said that he considered this as a theoretical approach to future targets, not actual projections. He said that he would like to hear Mr. Sumner's thoughts on this. When speaking to the public, especially at town halls, they presented a different story for the upcoming budget compared to last year, particularly for this item.

Mr. Gallaway said that when discussing future projects, he felt like they were moving away from abstracts and towards more concrete, real-world examples. For instance, if they could build out Rivanna Futures, they could expect the tax base to shift in a certain way. This aligned with their goals from last spring, and they were actually making progress on it. When discussing roads, it was easy to say they would do a project at a certain date and time, but it was beneficial to be able to talk about economic development projects in a similar way.

Mr. Gallaway said that he noticed on this slide they were breaking out residential and multifamily properties, but he did not recall doing so on the next slide or in the cost of services report. He said that he would like to know why the information was presented in that manner. He thought he understood the context on the next page, but he was not certain if he had missed something. He did not recall seeing a distinction between different types of residential areas based on the service provider that was mentioned in the cost of services report.

Mr. Sumner explained that the reason why these categories were separated on the slide was that they were based on the state's real estate assessment categories for properties. This approach was rooted in how they assessed different types of properties. The residential tax base was based on market value, whereas multifamily properties were assessed using an income approach, which was similar to how commercial and industrial properties were assessed. However, when they translated this into cost of services, the multifamily category required a different set of service needs and demands compared to residential properties. This was why there was a distinction between examining the cost of services.

Mr. Gallaway said that he would review the cost of services report again, but when considering the placement of 400 units in one location and the necessary road infrastructure, he believed it was less

than the equivalent for 400 single-family detached homes, so there must be a difference. He said that schooling, perhaps, was similar, but even then, the concentration of students in one place and the need for a single bus stop at an apartment complex versus multiple stops elsewhere, could impact things differently. He said that he should have considered this during the cost of services report, but it caught his attention during this discussion.

Mr. Gallaway said that he had been discussing this with residents since the budget was presented, both during the budget town hall and at the polls on Election Day. He said that many people had expressed concerns about taxes, and he believed the public generally did not understand how multifamily developments impacted taxes, particularly in terms of revenue collection. He said that when Mr. Sumner mentioned the income basis used to calculate taxes, he was not sure people fully comprehended that it was a commercial tax, even though the tenants paid for it through rent.

Mr. Gallaway said that they may not realize that they were paying for it, even though it was a commercial tax. He thought this was something they should consider in the budget this year, in terms of how to better explain how that relationship worked to the public. He said that perhaps their County Assessor could review this during his annual presentation in January. He noted that they had previously discussed how multifamily developments had decreased in the previous year, and he had some ideas as to why that might be the case; however, he was not sure if it was accurate.

Mr. Gallaway said that he was simply calling this out as something to consider when discussing assessments and other topics in the early part of the year and during the budget town halls next year, to help the public understand how multifamily developments impacted taxes and revenue collection. He said that he believed they would learn more about what was missing when they met with the School Board and received their CIP request, and otherwise he thought the two new Board members would provide their input and potentially may impact the development of their priorities and policy direction, so he would ask staff to keep that in mind during this upcoming budget process.

Ms. LaPisto-Kirtley said that regarding the commercial and industrial sector, she knew there was a significant windfall coming from AstraZeneca. She noted that the state had initiated that development and Albemarle was fortunate to secure that deal. She said that going forward, she would like to explore strategies to increase commercial and industrial development, particularly for smaller businesses, in addition to continuing to attract larger companies.

Mr. Richardson stated that the newly adopted Economic Development Strategic Plan spoke to that issue. He said that the timing of the work done over the past year was particularly good, and it aligned well with their goals. He said that specifically, Goal 1 of the Economic Development Strategic Plan involved continued collaboration with national security and intelligence. He said that their Deputy County Executive, Mr. Henry, was in constant communication with state and federal partners to position the county to support existing Rivanna station and Department of Defense (DOD) intelligence work, as well as explore opportunities for expansion.

Mr. Richardson said that Mr. Henry worked closely with federal and state partners to demonstrate the County's value as a strong community connected to Washington, D.C. He said that the Rivanna campus, representing 2,700 employees from three DOD intelligence agencies, was a prime example of a good community partner. He said that they had been there since 2002 and contributed significantly to the economy. According to a study by the Weldon Cooper Center, the economic impact of DOD defense work in the region was approximately \$1.3 billion, with half of that coming directly from Rivanna.

Mr. Richardson said that he believed Ms. LaPisto-Kirtley's question was broader, focusing on support for existing businesses. He said that Ms. Kilroy's staff had been working to identify opportunities for expansion, conducting site visits and discussing potential growth with existing businesses. To do this effectively, they needed to understand the needs of these businesses such as their requirements for expansion, their need for more property or space. This was an area where their EDA staff was actively engaged, and he believed they were also starting to explore opportunities with underperforming properties, such as Fashion Square Mall.

Mr. Richardson said that as the Board may recall, they had previously examined the declining tax base at Fashion Square Mall, a common issue with aging malls in America. However, with the help of their EDA and staff, they had successfully landed Home Depot as an anchor tenant. He believed this could lead to a resurgence in the area and additional tax-based growth. He said that he thought this was the kind of information Ms. LaPisto-Kirtley was looking for, and he could confirm that staff were considering this when evaluating opportunities for expansion and diversifying their economic development efforts.

Ms. LaPisto-Kirtley confirmed that was what she was asking about. She also wanted to consider opportunities for new properties to be developed, which the EDA also looked at. She said that she wanted to make sure they did not forget all potential opportunities, even if they did not directly align with their target industries.

Mr. Richardson said that when they considered the recent announcement of the Manning Institute, the research center at Fontaine, and its connection to the University via Rio 29, and then extending that connection into the North Fork Research Park, it presented a significant amount of continued opportunity for appropriate investment. He said that this connection appeared to extend across the road into their Rivanna Futures park. In his view, all of these developments were falling into place, particularly when focusing on Goal 2 and the life sciences sector.

Ms. LaPisto-Kirtley asked for more information on the agricultural sector. She asked what they were doing in terms of economic development in that area.

Mr. Richardson said that he would like Ms. Kilroy to discuss that at a separate juncture with the Board, if possible. He said that he was not the best person to speak about where they were currently.

Ms. LaPisto-Kirtley expressed her appreciation for the presentation and all the great information provided.

Ms. McKeel stated that it was essential that they ground themselves in reality, as repeated discussions around this topic could reveal that things could change for the better or worse. She would like to acknowledge that they now had a gap, and it was impossible to have true certainty of whether this gap would decrease or increase. She said that she would definitely appreciate getting more information on the agribusiness aspect, as Ms. LaPisto-Kirtley had just mentioned.

Ms. McKeel said that she appreciated the points brought up by her colleagues so far. She said that in terms of their public schools, she would like to first note that in her years on the School Board, she rarely, if ever, paid attention to the Board of Supervisors' budgetary and CIP discussions. It was not because there was a lack of information, but primarily because she was focused on School Board matters until it was time to discuss their joint CIPs.

Ms. McKeel said that recently, she had been listening to School Board meetings and was concerned about the connection the School Board was making between their work and the County Board of Supervisors' financial foundations, such as their triple-AAA bond rating. She thought it was essential that they consider how to connect and ground the School Board, using the data the County organization had, especially when they were facing challenges.

Ms. McKeel stated that she was also concerned that the announcement of AstraZeneca and their workforce development efforts may lead the School Board to assume that they would have hundreds or even a thousand more students in the community, requiring them to provide facilities. She was not sure how the County could address this. When she was on the school board, they could predict growth, but they could not always predict where it would occur within the County. This was often challenging, and they ended up with schools that had varying levels of enrollment.

Ms. McKeel stated that the School Board seemed to be assuming that the AstraZeneca announcement and growth would lead to a large influx of students in the proximity of that development. While some of that would happen, she was not convinced based on the location and other school divisions in the state, and the slowing of family growth that it would be a significant influx. She said that she thought if they could all ground themselves in the fact that while this working population was coming in, some of those folks were not going to have children and some would live outside the County.

Ms. McKeel stated that she wanted to make sure they provided capacity that they needed as much as possible, but they did not want to overbuild because some communities were very concerned that they were on the cusp of overbuilding. She was not trying to demean the School Board; she was just saying that if they could work together more closely on grounding themselves in some of the data and predictions, she thought it could pay dividends for them in the future.

Ms. McKeel stated that this was not going to happen immediately; it would take years to roll out. She was just trying to figure out how to work better together with the School Board members, so they were a cohesive team in these matters. She said that the School System was one of six departments, and it was the largest in terms of funding and importance. She said that having said that, she understood Mr. Richardson and Dr. Haas worked closely together, but she wanted to suggest the Board and staff work more closely with the School Board as part of the team.

Mr. Andrews said that he really appreciated how the Five-Year Financial Plan was connected to the Strategic Plan, which was extremely important for them to keep in mind. He said that the way the assumptions were built out were done was as clear as possible and brought up to date. He said that if growth was based on the assumption of 5.5%, as the economic outlook changed, that would also change.

Mr. Bowman said that to clarify the specific assumptions on revenues, in FY27 and FY28, they expected revenue growth to be slightly below 5.5%. He noted that comparing this to FY24 to FY25, which saw a 5% increase, it was essential to note that this growth rate may not be surpassed. This was not to suggest that revenues would decline, but rather that the growth rate may not exceed 5.5%. He said that as they continued their annual reassessment and gathered more information, they would refine this number.

Mr. Bowman stated that he wanted to emphasize that the Board's first quarter financial report for FY26 was on their Consent Agenda, and so far, was performing as expected. There was no current concern regarding FY26 that would indicate trouble. However, when looking at the out years, it was in those periods that they anticipated a higher growth rate, potentially exceeding 5.5%, driven by economic investments. This was why the slope of the blue line on the graph appeared to increase in the last three years compared to the first two.

Mr. Andrews said that he appreciated the clarification. He said that there was a comment made about the differences between multifamily and single-family properties, and he thought he understood the

distinction in terms of residential costs of service versus a commercial or industrial property, and that they needed to consider both the revenues generated and the cost of services. For example, multifamily properties may have lower market taxation due to their lower value compared to current average residences in Albemarle County, which were experiencing high and rapidly increasing values, making housing very unaffordable. However, there was much to unpack in refining the cost of services.

Mr. Andrews stated that he appreciated the discussion on economic development, and although Ms. Kilroy was not here, it appeared that AstraZeneca had raised expectations so much and they were eagerly waiting for the next investment like that in the County. He said that they had a robust team working diligently on economic development, and they could view AstraZeneca as an anchor of sorts. However, there was a lot beyond that which would be taking place. He suggested that when discussing Goal 6 and customer service, they also focus on process improvements, efficiencies, and ways to spur additional economic development activity by making the development process more reasonable for developers.

Mr. Andrews stated that furthermore, they should also look at savings throughout the planning process and identify potential cost reductions. They would have a long discussion on Schools at the upcoming meeting. In terms of missing things, he had two main issues. Firstly, he was concerned about the public safety study's identified significant needs, yet the constraints seemed to prioritize phasing improvements throughout the five years of the plan. He understood that prioritization was necessary, but some of these identified issues could not be delayed if they posed a real public safety risk.

Mr. Andrews said that, however, he trusted the process and believed it would be closely examined. Secondly, he was concerned that the discussion about UVA's growth projections and its impact on their County's population was not being adequately addressed in this plan. They needed to consider UVA's built-in growth projections and how they aligned with their own projections, as outlined by Weldon Cooper's study. He thought it was essential to have more in-depth discussions about the County's relationship with the University and how they could work together to ensure a more accurate and comprehensive understanding of their future population.

Mr. Richardson stated that recently, Ms. Shifflett had been actively involved in the Senior Executive Institute at the Weldon Cooper Center, as had Ms. Dimock. He said that to that end, County staff had asked the Center to work more closely with the County, and they had been very receptive to this collaboration and had already begun working on some analysis. He said that one example was that Ms. Shifflett had proposed an idea to gather better data on their daytime population growth, which would inform their strategies for managing infrastructure stress.

Mr. Richardson said that this data could also be useful for discussions with the General Assembly and their local delegation, particularly when discussing their tax structure and regional economy. Furthermore, it could be a part of the ongoing conversation about diversifying their tax base, including both permanent residents and full-time business owners, as well as visitors who came for various reasons. He said that they had just had this conversation in the last couple of weeks, and he agreed it was essential to strengthen their relationship with UVA and Weldon Cooper, as they possessed a rich level of think tank and analysis expertise that could benefit the County beyond measure. It often required simply talking to the right people and asking for their assistance.

Ms. Mallek stated that in terms of economic development success, that was half of the equation. She said that she hoped they would always present the whole picture to residents, as she was concerned that people might focus solely on the financial benefits and assume that taxes would decrease immediately. However, they must consider the impact of their growing population, which has seen 5,000 new residents per year over the last three years, and the pipeline of new housing units. Although she did not have those exact numbers in mind, she believed it was essential to mention the population growth side of the equation as often as they discussed the income, job, and economic development aspects.

Ms. Mallek said that it was important to not lose sight of all aspects of development as it progressed. The reason they had been at 18.22% in 2010 was largely due to the relatively flat population growth over the previous decades. In recent years, the exponential increase in residential development made it difficult for businesses to keep up, and this artificially skewed the split in terms of tax percentages.

Ms. Mallek said that she continued to bring this to front of mind, and she looked forward to seeing the updated numbers. She had been listening to President Mahoney's discussion at the chamber, and he mentioned that an economic impact study of the University would be released in December. She would be interested to see what their findings said about the University's contributions to the community, which would provide another valuable data set to consider alongside everything else.

Recess. The Board adjourned its meeting at 2:37 p.m. and reconvened at 2:52 p.m.

Agenda Item No. 10. **Action Item:** Financial Management Policies Update.

The Executive Summary forwarded to the Board states that, according to the Government Financial Officers Association (GFOA) guidelines and the County's financial advisors, financial policies should be reviewed periodically to ensure they are current and effective. The County's Financial Policies were initially adopted by the Board of Supervisors on October 5, 1994, with the last update on September

7, 2022.

Staff has conducted a review of the County's Financial Management Policies and recommends several updates. These recommendations have been reviewed by the County's financial advisors, Davenport and Company, LLC, and are attached (Attachment A). In addition to the proposed changes, Attachment A provides explanations for each specific change. In general, these changes are primarily due to the following:

1. The Allocation of Shared Revenues formula update: Additional language is recommended, consistent with the Board's direction during the FY 26 budget development process, to dedicate an amount and the future change in the value of that amount to the Affordable Housing Investment Fund.

During the FY 26 budget development process, the Board discussed similarly dedicating the change in the value of the 3.2 cents increase in the real estate tax rate that was dedicated to public safety. A majority of the Board did not direct a change to how that revenue would be shared; therefore, language for such a change is not included in the proposed updated policy language at this time. However, the Board may direct a change in the future either by policy or as stated in the current policy (annually in the budget development process). During the upcoming annual budget process, the Board will have additional information about the specific service and funding circumstances for County Government and Public Schools. Further analysis is discussed in Attachment B - Allocation of Shared Revenues Analysis.

2. Grants Policies: This section, which did not receive substantial changes in the 2022 update, adds reference to prior Board action delegating authority to the County Executive and modifies language to better distinguish the Board's policy intent and expectations of County staff for administrative procedures.
3. Changes to reflect best practices and/or recognize Virginia Code requirements.
4. Adding language to clarify the intent of some statements. For example, with the statement "The County will annually seek the GFOA Distinguished Budget Presentation Award," it is recommended to add "The intent of seeking this is to receive external, independent feedback and demonstrate that the annual budget document reflects best practices" to clarify for the reader why this is done.
5. Changes for clarity, brevity, and readability, such as combining similar statements, reorganizing statements to other sections, and updating terminology and formatting.

The County's Financial Policies provide guidance to the County's budget development and fiscal management processes.

Staff recommends that the Board adopt the revised Financial Management Policies as set forth in Attachment A.

Andy Bowman, Chief Financial Officer, stated that this action item was an update to the Board's financial management policies. He provided background information on the item. He explained that these cornerstone policies were intended to be well-crafted and adhered to in order to provide a framework and environment for making sound financial decisions. By having them, they can insulate the County from financial crises, help them attain the highest bond rating possible, and promote long-term financial stability, as well as linking their operating and capital budgets together.

Mr. Bowman stated that when dealing with policies, there were three key steps: adopting them, adhering to them, and periodically reviewing them. The last time these policies were updated was in September 2022, and the updates presented today were notable, but not as significant as the overhaul that took place in September 2022. Today, he wanted to discuss these updates, particularly in light of their upcoming bond issuance next year for the capital program. Staff were currently analyzing the timing of this issuance, but having this review close to the bond issuance was beneficial because it aligned with the best practices of their bond rating agencies.

Mr. Bowman stated that these agencies considered factors such as their policies when determining their triple-AAA bond rating. He noted that 55 Counties out of 3,000 in the United States had this rating, and 13 of those were in Virginia, so Albemarle was among a select group in the Commonwealth. As part of this review, they worked closely with their financial advisors to ensure there were no risks associated with these policy updates. He explained that a triple-AAA bond rating was a valuable asset, allowing them to borrow at the lowest cost possible. It was equivalent to a consumer having a perfect credit rating.

Mr. Bowman stated that when they need to access the market for borrowing in a short-term emergency, they could do so without concern. This rating also ensured a good demand for their bonds, allowing them to get the best interest rate possible. In their last bond issuance, they were able to secure a favorable rate due to their triple-AAA rating. This was a favorable position to be in, offering flexibility to the Board of Supervisors and allowing them to make informed decisions about their financial management.

Mr. Bowman said that if other communities with higher debt loads had less flexibility in their budget year to year, it was because so much of their budget goes towards the first priority. He stated that just like an individual who pays their rent or mortgage, everything after that was what they had flexibility with. A low debt service payment and low cost of that debt helps to provide the Board flexibility to accomplish all the other goals in the Strategic Plan and therefore was essential.

Mr. Bowman stated that in the executive summary, there were five categories of changes highlighted. He would review the first four briefly and spend more time on the fifth one. The first was the grants policy section. They looked back at the 2022 updates and found that there were limited changes, so this was an opportunity to reflect previous Board direction regarding authority delegated to the County Executive. This was also a reflection of best practices and staff roles.

Mr. Bowman stated that the second item was changes to reflect best practices or recognize code requirements. They not only reviewed their policies but also best practices in the community and financial sector. One area was the lack of a policy statement on managing federal arbitrage requirements. This policy statement was added to set the Board's current expectation of how staff manages this requirement.

Mr. Bowman stated that the third item was adding language to clarify the intent. For example, they had a policy that the Finance Department pursued Government Finance Officers Association's (GFOA) distinguished budget presentation and distinguished audit awards every year. This clarified the intent behind this process, which was to receive objective, independent feedback. He said that there were also other changes for clarity, brevity, and readability.

Mr. Bowman stated that he wanted to spend more time on the allocation of the shared revenue formula update, which the Board of Supervisors had discussed in March. He said that he would summarize the key points from Attachment B, which provided more detail. If the Board was familiar with this, he would not have new information to share. He explained that the allocation of shared revenue was how funds were allocated across public school operations, County government operations, and the joint debt and capital program. Having a policy guideline was helpful for both County government and Schools, as it provided guidance on what to reasonably anticipate during the budget process.

Mr. Bowman stated that different communities may choose different approaches, but typically, communities like Albemarle and others with triple-AAA ratings had specific standards. To walk through the math and proposed changes, staff would take the increase or decrease in General Fund revenues from local taxes and state non-categorical aid revenues. These were revenues not designated for any other purpose, such as public safety.

Mr. Bowman stated that the School Division received funding for education, which was not shared. However, state revenue for a vehicle rental tax, which was not designated to any specific program and could be shared. After calculating the total, they made adjustments in step two, taking into account changes in City revenue sharing, Tax Relief for the Elderly and Disabled, tax rebates, and performance agreements. Additionally, the designated transfer to the Water Resources Fund was deducted.

Mr. Bowman explained that what was new in this calculation was the Affordable Housing Investment Fund (AHIF), which had been dedicated by the Board of Supervisors in the budget process to \$0.004 for affordable housing. The Board had a consensus that this amount would be dedicated to housing in the future, just like the Water Resources Fund. Once they calculated the remainder, 54% was allocated to the Public Schools operating budget, 36% to County government operations, and 10% to the joint debt and capital budgets.

Mr. Bowman said that it was essential to note that the Board of Supervisors had full control over this formula and could adjust it annually based on the given needs and situation; this was a guideline that provided policy intent in the annual budget, but the Board had full flexibility to choose something else. This was not driven by the state or local government, but rather by the Board's own decision-making process. In March, the Board had discussed the \$0.032 dedicated for public safety operations, which would continue to remain dedicated to public safety operations.

Mr. Bowman stated that, however, as property values changed and the tax base changed, the value of those \$0.032 would also change. The Board had asked staff to present two options: Option A, which would continue to split the \$0.032 by the current policy of 54%/36%/10%, and Option B, which would dedicate the \$0.032 completely to public safety expenses.

Mr. Bowman said that the Board may choose to amend this policy in the current budget process or revise it in the future. The first option was to support the intent of having a general guideline. The second area to consider was the complexity of the issue. This was a topic that had been discussed for several years. The formula had become less complicated over time. The question was whether they were going back to a more complex approach. However, he would note that staff did not view the complexity as a barrier to implementation.

Mr. Bowman stated that the third consideration was a question for the Board's reflection on how to communicate more simply with residents about where their tax dollars were going and any changes in the tax rate. The fourth consideration was long-term financial planning, as this was a scenario where they were not balancing the Fiscal Year 27 budget, and Option A or B would neither balance or unbalance it. This was about developing a long-term strategy that they could begin to plan differently with whichever path the Board may take.

Mr. Bowman stated that he had provided an updated version of the math that the Board had seen in March, and he would briefly walk through it. There were the categories in the Fiscal Year 26 adopted budget where funding was allocated. Water Resources and affordable housing had dedicated amounts based on the tax rates. Capital and debt, public schools, and County government operations were also highlighted. If they assumed a 5.5% shared revenue growth next year, they could see the hypothetical impact.

Mr. Bowman stated that the actual number may be different, but it gave them an order of magnitude of what might be an average year. They were trying to think about this in the long-term, rather than just one particular year. So, they saw the change in the red box, under the current policy. Capital would grow by 4.8%, public schools by 5.4%, and County government by 5.1%. Under Option B, where the change was \$0.032, they saw a small incremental change. Capital dropped from 4.8% to 4.7%, public schools from 5.4% to 5.2%, and County government increased from 5.1% to 5.3%. These drops were not decreases in funding, but rather a change in the total amount of increase.

Mr. Bowman stated that dollar amounts had also been provided to give more context to the percentages. On the far right, he had highlighted that the capital budget would receive about \$50,000 less than it would otherwise in one year. This was a relatively small amount, even over a five-year CIP, so it was not going to disrupt a major project and was just one assumption among many that staff would consider. Public school operations in Option B would receive about \$300,000 less than they would otherwise, which was relative to the overall transfer they would receive in the scenario of an increase of \$11 million and a total transfer estimated at \$220 million.

Mr. Bowman stated that for County government, these funds would be dedicated to public safety, with approximately \$348,000 in expenses available for public safety initiatives. This was certainly a positive factor, but it was essential to note that it was not enough to fully implement the recommendations of the public safety study. Therefore, it was not a transformative solution, but it could serve as a lever if the Board was considering changes in that direction.

Mr. Bowman stated that to recap, in March, the Board members had diverse opinions and questions, but no vote was taken, and no consensus was reached. Some Board members may still be debating their approach. Today's document, Attachment A, stated no change to the current policy, but it could be amended to adopt Option B, if the Board desired.

Ms. Mallek said that she was puzzled by the last thing mentioned by Mr. Bowman, because she had thought the \$0.032 for public safety would be dedicated solely to that and would not be folded into the General Fund. She said that she thought that was the way it was initially presented to the Board and to the public, and since then they had received more information confirming there were pressing public safety needs that must be addressed. She said that she would be in favor of keeping the \$0.032 dedicated to public's safety.

Mr. Bowman clarified that he had reviewed the previous discussion, as no vote was taken and there was consensus. At that time, three Board members supported Option B, two supported Option A, and one person was undecided. Since no motion was made and no action was taken, this action item presented an opportunity to move forward with a more official decision on that point.

Ms. Mallek said that the Water Resources Fund was essentially Option B, with \$0.007 per gallon and that would remain steady regardless of fluctuations. She said that this was the model she had in mind for the dedication of the \$0.032 for public safety.

Mr. Gallaway stated that at a minimum, the housing coming off the top was crucial. He said that he had previously stated that last year, and he was pleased to see that it was included in the projection, both in the earlier presentation and here. He said that the part that was unclear was why there was no consensus on this aspect, as the study received in October had not been released yet, but the issue was foreshadowed.

Mr. Gallaway expressed interest in keeping a portion of the dedicated funds moving forward, but was unsure if it should be the full \$0.032 or not. He said that the study would inform them of several things, including whether they needed to continue dedicating funds and, if so, how much, and if not the full amount, they would need to determine what to do with the remainder. He said that however, they did not get into that discussion at the October meeting with the public safety report.

Mr. Gallaway said that he had requested they hold more work sessions to discuss the details of the public safety report so they could determine whether the \$0.032 should be subject to the formula split. He said that to clarify, the \$348,000 difference would be for one year and not spread out over five years.

Mr. Bowman confirmed that was correct. There would be compounding impact with each additional year.

Mr. Bowman clarified that the \$50,000 for capital and debt was actually for five years because it was related to a five-year plan. He said that for operations, the \$350,000 over five years would be around \$1.7 million.

Mr. Gallaway said that he also remembered that if there was not support to dedicate the \$0.032 entirely to public safety, he had some alternative ideas for utilizing the difference, including allocating it to

affordable housing. He said that as he moved forward, he wanted to ensure consistency in his public statements and constituent communications, particularly since he recently went through an election.

Mr. Gallaway said that if the dedicated amount was removed, he was still in support of \$0.036 remaining dedicated, regardless of the allocation. He said that his previous thinking on the allocation might have changed based on the public safety study, but Option B aligned with his previous budget considerations. He said that the \$350,000 number would cover the salary and benefits of about three police officers.

Mr. Gallaway said that equipment, however, was typically funded through one-time money. He said that for planning purposes, if they continued with the current allocation, they could adjust or switch it during the budget cycle. He said that it was essential to consider this, and while he was not considering this last fall, he understood the importance of making this decision now in order to provide accurate information to the School Division regarding the plan for these numbers. He said that while he may change his mind in terms of where the funding should go, he did believe the \$0.036 should remain dedicated for today's action item, understanding they could make adjustments in the future as they worked through their budget process.

Mr. Bowman confirmed that was correct. He said that the Board's consensus on either Option A or Option B would be worked into the County Executive's recommended budget, and the Board would continue to have the opportunity to shape that as they saw fit.

Mr. Gallaway noted that with the estimated \$350,000 per year, they likely could only fund one police officer and one firefighter per year, which was not going to meet the recommendations of their public safety report.

Mr. Bowman agreed that while it would help advance the implementation of those recommendations, it would not be able to address all of the needs identified in the study.

Mr. Gallaway said that he anticipated that public safety would be a prominent issue brought up by the community in this upcoming budget cycle, perhaps more than in the past. He said that in terms of planning purposes, he would be supportive of the \$0.032 remaining solely dedicated and without being subject to the funding formula split. Therefore, he was supportive of Option B. He commented that regardless of which option the Board chose, the Board and staff would need to clearly communicate to the public that they would continue to dedicate this funding for public safety, particularly in their upcoming budget town hall meetings with constituents.

Mr. Gallaway said that he did not want to bring this up as a way to take a stance on derivatives, but he wanted to ask whether the Board must state in their policies whether or not they had a policy on derivatives, which were mentioned in Item F of the policies.

Mr. Sumner answered that since derivatives were viewed as a high-risk financial instrument, rating agencies focused on identifying potential risks to a locality's financial situation or outlook. The inclusion of a statement like this in the financial policies sent a strong signal to the rating agencies that the Board was not inclined to use a derivative, which was considered a riskier option.

Mr. Gallaway said that to clarify, this was included as a statement and was not included to suggest that they may consider a derivatives policy in the future.

Mr. Bowman confirmed that was correct.

Ms. LaPisto-Kirtley expressed her support for Option B, which she had stated during their last discussion about this item back in March. She stated that the public safety study recommended 70 new officers, so she agreed that this dedicated funding would help them in that regard, even if it did not entirely meet the identified need.

Ms. McKeel expressed her support for Option B, as well. She stated that she had no questions about the red-lined changes staff made to the policies, as they all made sense and looked appropriate.

Mr. Andrews stated that he had no questions and also would support Option B. He said that this option was supported well by the results of their public safety study and was important to explain to their peers in the School Division in terms of what the County's budgetary decisions were and how these issues constrained the budget of the Schools. While they were not trying to do this at the Schools' expense, they must recognize this was an area where dedicated funding was necessary, at least for the time being.

Mr. Bowman thanked the Board for their direction and feedback. He said that in step two, they would add a phrase for the tax increase in Calendar Year 25, so the \$0.032 would be listed among the items, including the Affordable Housing Investment Fund, the Water Resources Fund, and other items. He said that on the final slide, the motion could be modified to approve Attachment A with the modification of Option B added to that. He said that if the Board preferred, they could revisit this and rewrite it for a future consent agenda, rather than creating policy on the spot.

Mr. Andrews said that he thought it would be acceptable for the Board to take a vote on the item at this time.

Ms. McKeel **moved** that the Board of Supervisors adopt the revised Financial Management Policies as set forth in Attachment A, with the revision adopting Option B.

Ms. Mallek **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Andrews, Mr. Gallaway, Ms. LaPisto-Kirtley, Ms. Mallek, Ms. McKeel.

NAYS: None.

ABSENT: Mr. Pruitt.

Ms. Mallek asked the Board to consider for future discussion something she had previously brought up in March, which was the \$0.004 for housing. She hoped they could talk about this again moving forward.

Mr. Andrews said that he believed it would be best discussed in the new year as part of the Board's upcoming budget work sessions.

Mr. Richardson said that regarding the County's triple-AAA bond rating, which was attained in 2003 and again in 2013, he wanted to make a point quickly. He noted that this County had enjoyed a long history of strong financial management over the decades. He recently had the opportunity to meet with interested parties from the area, including representatives from the University of Virginia, the biotech industry from North Fork, and in the County. He explained that the University of Virginia presented an outstanding overview of their work, and on their first slide, they stated that they were triple-AAA bond rated, one of only four public universities in the United States, and the City of Charlottesville was rated the same.

Mr. Richardson stated that this caught the attention of the investors, and the reasons were clear. It spoke to a strong, healthy local economy. While they had issues like any community, he thought this really highlighted the many positive aspects that were happening through the University and with the City. This aligned with the points made by Mr. Bowman and Mr. Sumner, and it was reassuring to know that they were aligned with their partners, who also had a history of strong financial management. He said that he learned this very recently and thought he would share it with the Board as well.

FINANCIAL MANAGEMENT POLICIES

STATEMENT OF PURPOSE

The County of Albemarle has a responsibility to its taxpayers to account for public funds, to manage its finances wisely, and to allocate its resources efficiently, effectively, and equitably, in order to provide the services desired by the public. The primary objective of establishing Financial Management Policies is to provide a framework wherein sound financial decisions may be made for the long-term betterment and stability of Albemarle County.

POLICY GOALS

A fiscal policy that is adopted, adhered to, and regularly reviewed is recognized as the cornerstone of sound financial management. An effective fiscal policy should:

- Insulate the County from fiscal crises;
- Enhance the County's ability to obtain short-term and long-term financial credit by helping to achieve the highest credit rating and bond rating possible;
- Promote long-term financial stability by establishing clear and consistent guidelines;
- Provide the total financial picture of the County rather than concentrating on single issue areas;
- Provide a link between long-range financial planning and current operations; and
- Provide a framework for measuring the fiscal impact of government services against established fiscal parameters and guidelines.

1. ACCOUNTING, AUDITING, AND FINANCIAL REPORTING POLICIES

- A. The County will establish and maintain a high standard of internal controls and accounting practices in conformance with the Uniform Financial Reporting Manual of Virginia and Generally Accepted Accounting Principles (GAAP) for governmental entities as promulgated by the Governmental Accounting Standards Board.
- B. An independent firm of certified public accountants will perform an annual financial and compliance audit according to generally accepted auditing standards; Government Auditing Standards issued by the Comptroller General of the United States; and Specifications for Audit of Counties, Cities and Towns issued by the Auditor of Public Accounts of the Commonwealth of Virginia.
- C. The County will maintain an audit committee comprised of the County Executive, or designee, the Superintendent of Schools, or designee, the Chief Financial Officer, two Board of Supervisors members and one School Board member. The committee's responsibility will be to review the financial statements and results of the independent audit and to communicate those results to the Board of Supervisors.
- D. The County will annually seek the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting. The intent of seeking this is to receive external, independent feedback and demonstrate that the Annual Comprehensive Financial Report document reflects best practices.
- E. The County will provide the Board of Supervisors with quarterly General Fund and School Fund financial reports.

2. BUDGET POLICIES

- A. The annual budget will be prepared consistent with requirements established by the Virginia Code, guidelines established by the GFOA and in accordance with budgeting best practices.
- B. The budget must be structured so that the Board and the public can understand the relationship between revenues, expenditures, and the achievement of service objectives.
- C. The budget will be structurally balanced, where ongoing revenues equal or exceed ongoing expenditures. The goal of the County is to fund all ongoing expenditures with ongoing revenues, not one-time revenues.
- D. The County will develop and annually update a long-range five-year Financial Plan. The Financial Plan will include a review of revenue trends and expenditures from the prior years' projections of revenues and expenditures, as well as future costs and the financing of the Capital Improvement Plan.
- E. When revenue shortfalls are anticipated in a fiscal year, spending during that fiscal year must be reduced sufficiently to offset the projected revenue shortfalls.
- F. The County shares the increase or decrease in available shared revenues among the County Government and Public Schools operating, debt service, and capital budgets.
 - When developing the budget, the County calculates the increase or decrease in General Fund local tax and State non-categorical aid revenues.
 - This amount is adjusted for changes in expenses that reduce available shared revenue: City of Charlottesville revenue sharing, Tax Relief programs, Economic Development Authority tax-related performance agreements, and the designated transfers to the Water Resources Fund and Affordable Housing Investment Fund, and the dedicated tax rate increase for public safety.
 - The remaining amount is allocated 54% to the Public Schools operating budget, 36% to the County Government operating budget, and 10% for the joint County Government and Public Schools debt service and capital budgets.
 - This guideline may be reviewed annually with Board of Supervisors approval.
- G. The budget preparation process is conducted to allow decisions to be made regarding anticipated resource levels and expenditure requirements for the levels and types of services to be provided in the upcoming fiscal year.
- H. The County Government budget is approved and appropriated by the County Board of Supervisors. Each year the County Board of Supervisors' annual resolution of appropriations dictates the level of appropriation authority for all funds. Total expenditures cannot exceed total appropriations of any department within the General Fund. The annual resolution of appropriations will also establish how the budget may be amended.
- I. The Board of Supervisors appropriates Public Schools funding in accordance with Virginia Code § 22.1-115.

- J. The Board of Supervisors will adopt and appropriate the budget in accordance with Virginia Code requirements and the Board of Supervisors' annual budget calendar.
- K. The County will annually seek the GFOA Distinguished Budget Presentation Award. The intent of seeking this is to receive external, independent feedback and demonstrate that the annual budget document reflects best practices.

3. CAPITAL BUDGET AND ASSET POLICIES

- A. The County will approve a Capital Improvement Plan (CIP), which is a five-year forecast for all anticipated capital projects and is considered to be a link between the County's Comprehensive Plan, Strategic Plan, and its financial planning process. The County will approve a one-year capital budget, which is the first year of the CIP. The second through fifth years of the CIP are refined annually to guide future planning.
- B. County Government will collaborate with the Public Schools and Planning Commission regarding the development and coordination of the capital budget and Capital Improvement Plan. The processes and procedures related to this collaboration, whether joint Board meetings, designated committees, or other activities will be determined as part of the annual budget calendar or as otherwise directed by the Board of Supervisors.
- C. The County will coordinate the development of the capital budget with the development of the operating budget so that future operating costs, including annual debt service associated with new capital projects, will be projected and included in operating budget forecasts.
- D. The County believes in funding an appropriate portion of its capital improvements on a cash basis to provide budgetary flexibility, to support those capital expenses not eligible for debt financing, and to reflect useful life considerations. The appropriate level and funding goal of ongoing and one-time cash provided to the capital budget in a fiscal year will be determined in the context of the budget processes.
- E. The County maintains a capital assets inventory and estimates remaining useful life and replacement costs.
- F. The County will maintain a system for maintenance, replacement, and enhancement of the County Government's and Public Schools' physical plant. This system will protect the County's capital investment and minimize future maintenance and replacement costs:
 - The operating budget will provide for minor and preventive maintenance;
 - Within the Capital Improvement Plan, the County will maintain a capital plant and equipment maintenance/replacement schedule, which will provide a five-year estimate of the funds necessary to provide for the structural, site, major mechanical/electrical rehabilitation, or replacement of the County Government's and Public Schools' plant.

4. DEBT POLICIES

- A. The County will not fund current operations from the proceeds of borrowed funds.

- B. The County's debt offering documents will provide full and complete public disclosure of financial condition and operating results and other pertinent credit information in compliance with municipal finance industry standards for similar issues.
- C. Recognizing the importance of long-term financial obligations, including total tax-supported debt, lease, and financing payments, to its overall financial condition, the County will set target debt ratios, which will be calculated annually and published as part of the budget and bond issuance processes
 - Total long-term obligations, as defined above, as a percentage of the estimated market value of taxable property should not exceed 2%; and
 - The ratio of debt service expenditures to General Fund and School Fund revenues, less General Fund transfers to the School Fund, should not exceed 10%.
- D. The County intends to maintain a 10-year payout ratio at or above 60% at the end of each adopted five-year Capital Improvement Plan for tax-supported debt and lease payments. When the County finances capital improvements or other projects through bonds or capital leases, it will repay the debt within a period not to exceed the expected useful life of the projects.
- E. The County shall ensure compliance with federal arbitrage rebate requirements by maintaining accurate records of bond proceeds, investment earnings, and expenditures, and by conducting timely rebate calculations and filings. Interest earnings on bond proceeds and payments will be recorded and restricted in the Debt Service funds.
- F. The County will not entertain the use of derivatives as a method of financing debt unless and until such time as the Board of Supervisors adopts a specific derivatives-related policy.

5. FUND BALANCE OR RESERVE POLICIES

- A. The fund balance is built over years from savings to provide the County with working capital to enable it to finance unforeseen emergencies without borrowing. The County will maintain a fund balance for cash liquidity purposes that will provide sufficient cash flow to minimize the possibility of short-term tax anticipation borrowing.
- B. At the close of each fiscal year, the unassigned General Fund's fund balance, plus the committed fund balance available for fiscal cash liquidity purposes, should be equal to no less than 10% of the County's total operating revenues, which includes the General Fund plus the School Fund, less the General Fund transfer to the School Fund.
- C. The County does not intend, as a common practice, to use General Fund equity (unassigned fund balance) to finance current operations. If circumstances require the use of the unassigned fund balance that causes the balance to fall to a point below the 10% target level, the County will develop a plan during the annual budget adoption process to replenish the unassigned fund balance to the 10% target level as quickly as reasonably possible.

- D. In addition to maintaining the 10% target level as described above, at the close of each fiscal year, a target amount equal to 2% of the County's total operating revenues, which includes the General Fund plus the School Fund, less the General Fund transfer to the School Fund, shall be reserved as an unassigned Budget Stabilization Reserve. The Budget Stabilization Reserve is intended to be among the strategies available in a difficult budget year or unanticipated situation. This reserve may be used from time to time as necessary to meet unanticipated one-time emergencies and unanticipated expenditures required to pay costs necessary to maintain the quality or level of current services or to smooth/offset revenue fluctuations occurring within a fiscal year. The Budget Stabilization Reserve is not meant to be an ongoing source of funding for the operating budget and balances utilized should be replenished as quickly as reasonably possible.
- E. The Board of Supervisors may appropriate funds in excess of the unassigned 10% General Fund's fund balance policy level and the Budget Stabilization Reserve to the Capital Improvement Plan in support of "pay-as-you-go" funding; or for other one-time uses. Appropriations to the Capital Improvement Plan are intended to provide flexibility in meeting debt service and capital requirements and to mitigate tax rate increases related to future capital projects
- F. At the close of each fiscal year before the County's audit is complete, all non-appropriated School Operating Fund's fund balance will be transferred into the General Fund-School Reserve Fund. The Board of Supervisors will maintain in the General Fund-School Reserve Fund an amount not greater than 2% of the current year's Public Schools adopted operating revenues. These funds will be available for Public Schools' purposes subject to appropriation by the Board of Supervisors. The Board of Supervisors will transfer any funds in excess of that 2% to the CIP on an annual basis unless otherwise determined by the Board of Supervisors.
- G. The County will also establish targeted fund balances for other County funds where year-to-year expenses or revenues may be more volatile, such as the Healthcare Fund and the Children's Services Act Fund (CSA), to insulate the General Fund from risk, meet cash flow needs, and to address unexpected expenditure or revenue shortfalls.

6. GRANTS POLICIES

- A. The County will pursue grant funding for projects that align with its core values and strategic goals and administer grants in a manner that ensures regulatory compliance and upholds fiscal responsibility to preserve eligibility for current and future funding opportunities.
- B. Pursuant to the Board of Supervisors' resolution dated May 6, 2009, which delegated authority to the County Executive to act on behalf of the County in approving grant applications and awards, County Departments must obtain approval from the County Executive prior to submitting any grant application or accepting any grant award.
- C. To execute this Board of Supervisors' grant policy, the County will adhere to the procedures and standards articulated in the Grant Handbook that is managed by the Department of Finance and Budget.

- D. The County will attempt to recover all allowable costs – direct and indirect – associated with the administration and implementation of programs and/or projects funded by grants. The County must ensure that grant budgets reflect full cost recovery where permitted.

7. INVESTMENT POLICIES

- A. The County will invest County held funds, such as operating cash, reserves, bond proceeds, and other financial assets, in accordance with the County's Investment Policy, which is approved by the Board of Supervisors. The County will invest in conformance with the Code of Virginia, GFOA best practices, and all other applicable laws and regulations. The County will adhere to the following investment priorities in order of importance: safety, liquidity, and yield.
- B. The Chief Financial Officer will oversee the day-to-day management and will maintain a system of internal controls for investments, which shall be documented in writing and available for review by the County's independent auditor.
- C. Investment performance shall be measured against appropriate benchmarks (e.g., Local Government Investment Pool, Treasury indices). Quarterly reports will be provided to the Board of Supervisors, including holdings, returns, and compliance metrics.
- D. The County will conduct a comprehensive cash flow analysis at least annually. Disbursements, collections, and deposits of all funds will be scheduled to ensure maximum cash availability and investment potential.

8. PROCUREMENT POLICIES

- A. The County will adhere to the procurement policies articulated in the County's Purchasing Manual, which is approved by the Board of Supervisors and informed by the Virginia Public Procurement Act.
- B. Financial services and systems, such as, but not limited to, contractual consolidated banking, independent audit, financial advisors, bond counsel, and actuarial services, will be reviewed regularly and procured in accordance with the Virginia Public Procurement Act.

9. REAL ESTATE ASSESSMENT POLICIES

- A. Re-assessment of real property will be made every year and will be performed in accordance with Generally Accepted Appraisal Practices and guidelines established by the International Association of Assessing Officers (IAAO).
- B. The County will maintain sound appraisal procedures to keep property values current. The County's goal is to achieve a 100% median assessment to sales ratio using valid sales from the calendar year prior to the tax year in question. This percentage varies from the Virginia State ratio study analysis that uses sales within the year after the assessment is determined.

10. REVENUE POLICIES

- A. The County will maintain a diversified and stable revenue structure to shelter it from short-term fluctuations in any one year. To the extent possible, the County shall attempt to decrease its dependency on real estate taxes to finance the County's operating budget.
- B. The County will project its annual revenues and generate its five-year forecasts by using an objective, analytical process that is consistent with Government Finance Officers Association (GFOA) best practices.
- C. The County will monitor all taxes to ensure that they are equitably administered and that collections are timely and accurate.
- D. The County will follow a comprehensive policy of collecting tax and related penalty and interest revenues as authorized by the Code of Virginia. The annual level of collected current property taxes should be at least 96%, unless caused by conditions beyond the County's control.
- E. The County will, where possible, institute user fees and charges for specialized County programs and services based on benefits, and/or privileges granted by the County or based on the cost of a particular service. Rates will be established to recover operational as well as capital or debt service costs and considering the equitable access to services with a goal to review user fee charges at least every three years.
- F. Local tax dollars will not be used to make up for losses of inter-governmental aid without first reviewing the program and its merits as a budgetary increment.

Policies Adopted: October 5, 1994 Amended: October 11, 2000; August 1, 2012; March 13, 2013; September 6, 2017, November 1, 2017, January 6, 2021, September 7, 2022, and November 19, 2025.

Agenda Item No. 11. **Action Item:** SE-2025-00029 2238 Richmond Road - Access Setback for Clean Earth Fill Activity.

The Executive Summary forwarded to the Board states that, pursuant to County Code § 18-5.1.28(d), the applicant is seeking a special exception to waive the requirement pertaining to the access setback from property lines to the clean earth and inert waste fill activity on parcels 07800-00-00-048A0 and 07800-00-00-04900. (Attachment B) County Code § 18-5.1.28(a)(7) requires access to the clean earth fill activity be set back 50 feet from property lines.

The applicant's proposed access to the fill area is shown on parcels 07800-00-00-048A0 and 07800-00-00-04800 in Attachment B. The access road setback from the property line of parcel 07800-00-00-047A0 varies from 31 feet to 48.9 feet.

The area where the clean earth fill will be placed is approximately 1.77 acres on parcels 07800-00-00-04800 and 07800-00-00-04900.

The applicant states that the purpose of the fill is development. There is currently no application to develop the site further with a subdivision. Attachment A provides further analysis of the requested special exception and the factors to be considered by the Board.

Based on the analysis and information provided in Attachment A, staff recommends that the Board adopt the proposed resolution (Attachment F) to approve the special exception for the access to the proposed clean earth fill area on parcels 07800-00-00-048A0 and 07800-00-00-04800, provided that placement of any fill on parcels 07800-00-00-04800, and 07800-00-00-04900 must be in general accord with the Water Protection Ordinance (WPO) plan entitled VESMP Plan, 2238 Richmond Road, Albemarle County, Virginia, dated February 10, 2025 and last revised on July 10, 2025 (Attachment C) and any duly-issued building permit.

Francis MacCall, Deputy Zoning Administrator, stated that he would be presenting the staff report for SE-2025-00029, a Special Exception Request to Waive Access Setback Requirement for a Proposed Clean Earth Fill Activity. He explained that the site was located along U.S. Route 250 East at 2238 Richmond Road. The subject parcel, approximately 2,000 feet from the intersection of I-64 interchange, was situated adjacent to Faith Christian International Church, the Martha Jefferson Hospital property, and hay fields across Route 250. The applicant was proposing a 1.77-acre clean earth fill activity on Tax Map 78, Parcels 48 and 49, with access to the site provided through parcel 48A.

Mr. MacCall explained that clean earth fill activities were a permitted by-right use under Chapter 18-4.31 of the Albemarle County Code, provided they complied with the supplemental regulations of 18-5.1.28(d) and the associated Water Protection Ordinance (WPO) plan, which was currently pending approval. The only relief requested in this application was from the access setback requirement in 5.1.28, which normally required the access to be at least 50 feet from adjacent property lines. Attachment B in the packet mapped the location of the proposed clean earth fill activity and the existing access route across parcels 48A and 48 in relation to the adjacent church property and surrounding uses.

Mr. MacCall stated that Parcel 48A, zoned Highway Commercial (HC) and contained an existing auto repair facility, and Parcels 48 and 49, both zoned Rural Areas, contained a single-family dwelling and vacant land, respectively. The proposed clean earth fill activity would be primarily located on Parcel 48, with a portion on Parcel 49. He stated that apart from the requested variance to the access setback, all other aspects of the clean earth fill activity were designed in compliance with the supplemental regulations in Chapter 18-5.1.28. He provided an aerial view of the property with the access and proposed fill area highlighted. The access was via an existing route on Parcel 48A, which was developed with the auto repair facility.

Mr. MacCall stated that the single-family dwelling was located on Parcel 48, and Parcels 48 and 49 were under the same common ownership. Staff's evaluation and analysis of the proposal found no harm to the public, and the adjacent property owner supported the exception to the regulations. He summarized that staff recommended that the Board adopt the resolution in Attachment F.

Ms. Mallek asked if it was within the parameters of what the Board was being requested to decide on whether the existing access road could handle the 15-ton trucks that would be bringing the clean earth fill into the property. She asked if the grade of the road could accommodate that type of activity.

Frank Pohl, County Engineer, stated that he had visited the site and found it to be relatively flat, with gravel access. He said that to the right of it, there was a noticeable steep grade. He said that to move the road to the right, they would need to excavate further outside of the buffer zone, but in this case, that would result in a steep drive or require excavation to match the existing grade. He said that in terms of improvements, they may only need to add additional gravel, which would be equivalent to driveway maintenance. It would not require any additional disturbance of the buffer.

Ms. Mallek asked if there would be enough width to accommodate the new traffic so that runoff down the steep slope would not become an issue.

Mr. Pohl confirmed that there was adequate width for access to the site.

Ms. Mallek asked if this was the first clean earth fill request the County had received where there was no proposed use. She noted that the staff report mentioned a building site for a house.

Mr. MacCall replied no; the applicant had not identified a specific amount of development. Staff's understanding was that they had a site where they were excavating the dirt, and they also owned these properties that they were also filling with the excavated material. He said that with regard to this particular property, they were not aware of any submitted plans for further development.

Ms. Mallek asked if the fill site was in Rural Areas.

Mr. MacCall confirmed that was correct.

Mr. Gallaway said that he appreciated the report, which sufficiently answered his questions, and Ms. Mallek's questions clarified it further.

Mr. Andrews said that he was not convinced he fully understood the topography. He asked where the lowest elevation was on the property.

Mr. MacCall said that he believed the lowest point would be at the entrance, where they were coming into the site. The WPO application had more details on that subject, but he had not included it in

the PowerPoint presentation.

Mr. Andrews said that he was wondering if they were filling in between the two hills or just changing where the hill was.

Mr. MacCall said that the elevation was decreasing, and it would increase where it filled in at the top and middle of the fill area, marked by the orange outline. He said that this area would be at a higher elevation.

Mr. Pohl said that there was a change in grade, which was the fill being placed within the orange area. He said that this change raised the grade within that section.

Mr. Andrews said that there would be no change in the direction of the slope.

Mr. Pohl confirmed that was correct.

Mr. Andrews said that was helpful to know. He said that to clarify, this was a by-right use and the variance was with regards to the location of the road being closer than 50 feet, which was why the Board was requested to act on it. He said that he had no issues with the request.

Ms. LaPisto-Kirtley **moved** that the Board of Supervisors adopt the resolution (Attachment F) approving SE-2025-0029 2238 Richmond Road access setback for the clean earth fill activity, for the reason stated in the staff report.

Ms. McKeel **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Andrews, Mr. Gallaway, Ms. LaPisto-Kirtley, Ms. Mallek, Ms. McKeel.

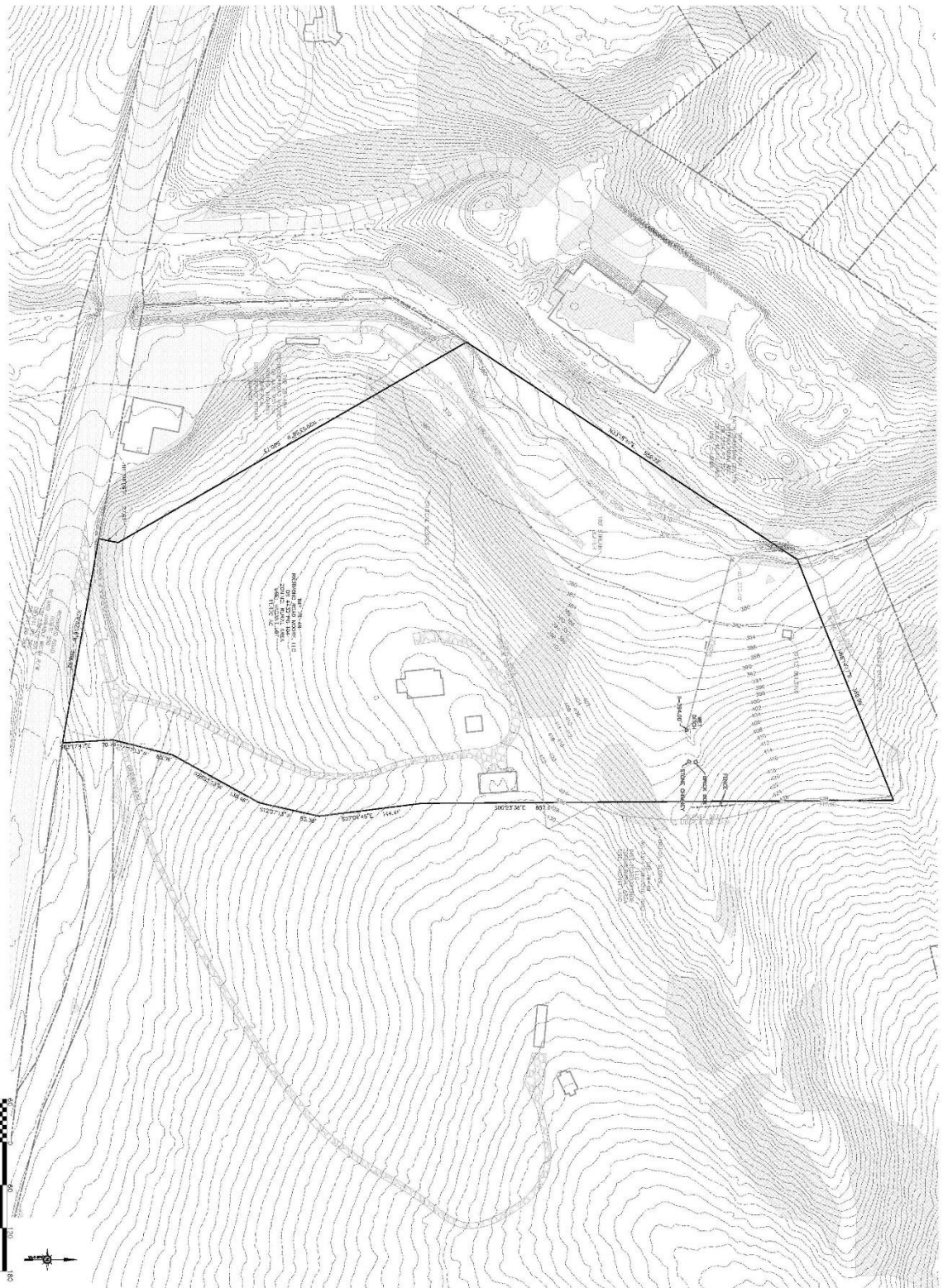
NAYS: None.

ABSENT: Mr. Pruitt.

**RESOLUTION TO APPROVE SE-2025-00029
2238 RICHMOND ROAD - ACCESS SETBACK FOR CLEAN EARTH FILL ACTIVITY**

WHEREAS, upon consideration of the staff reports prepared for SE2025-00029 2238 Richmond Road - Access Setback for Clean Earth Fill Activity and the attachments thereto, including staff's supporting analysis, the applicant's materials, any comments received, and all of the relevant factors in *Albemarle County Code* § 18-5.1.28 and § 18-33.9, the Albemarle County Board of Supervisors hereby finds that the applicable requirements would not forward the purposes of the Zoning Ordinance or otherwise serve the public health, safety, or welfare, and that the proposed variation or exception is supported by the abutting owners impacted by the variation or exception.

NOW, THEREFORE, BE IT RESOLVED that the Albemarle County Board of Supervisors hereby approves a special exception to waive the 50-foot access setback from property lines otherwise required by *County Code* § 18-5.1.28(a)(7) across Parcel 07800-00-00-048A0 for clean earth fill activity on Parcels 07800-00-00-04800 and 07800-00-00-04900, provided that placement of any fill on these Parcels must be in general accord with both (a) the Water Protection Ordinance plan (WPO 202500011) entitled "VESMP Plan 2238 Richmond Road," prepared by Shimp Engineering on February 10, 2025, and last revised on July 10, 2025, and (b) any duly-issued building permit.



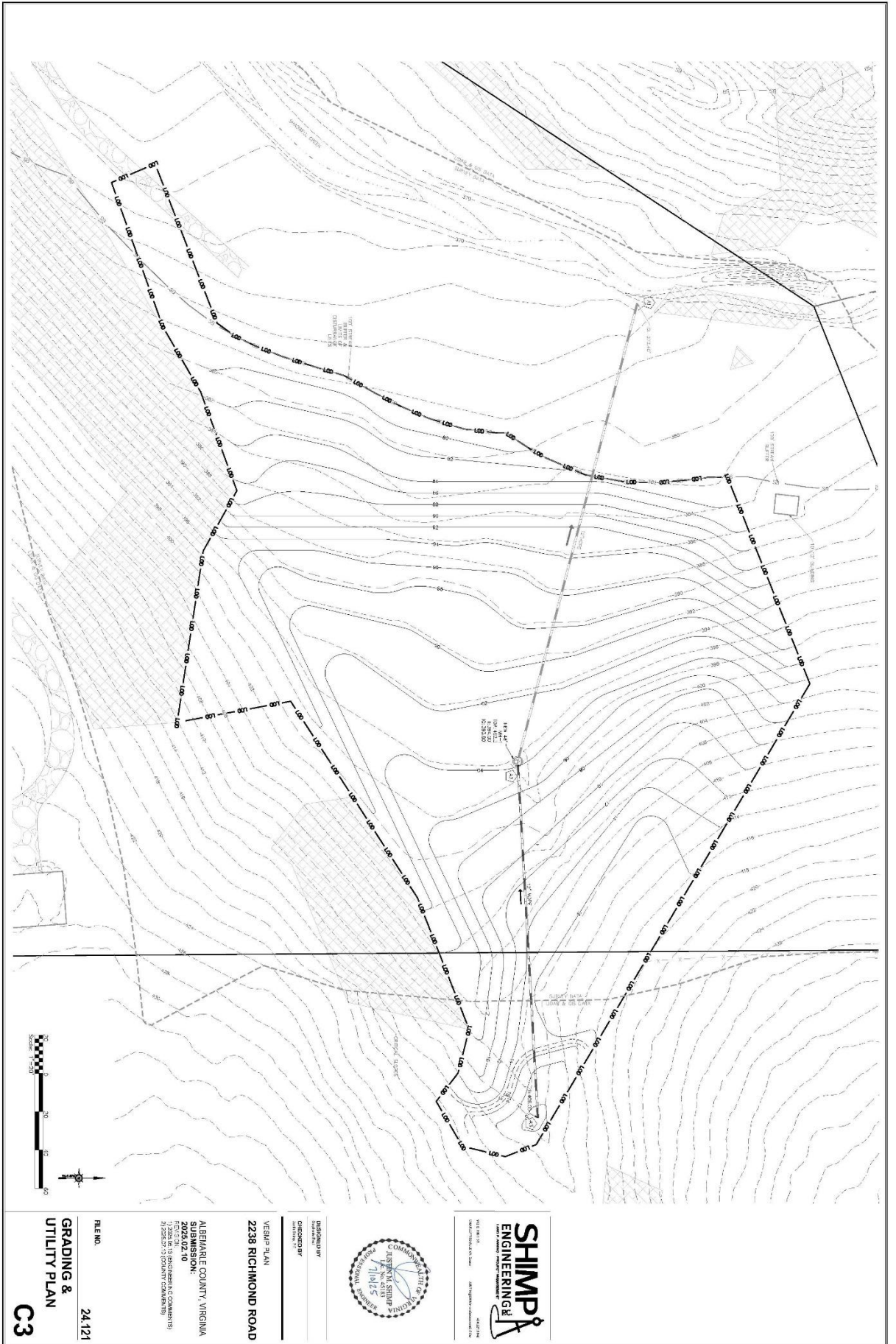
DESIGNED BY
CHECKED BY

VESENE PLAN
2238 RICHMOND ROAD

ALBEMARLE COUNTY, VIRGINIA
SUBMISSION:
2025.02.10
1) SCALE AND 15 VERTICAL COMMENTS
2) SCALE AND 15 VERTICAL COMMENTS

FILE NO. 24.121

EXISTING
CONDITIONS
C2



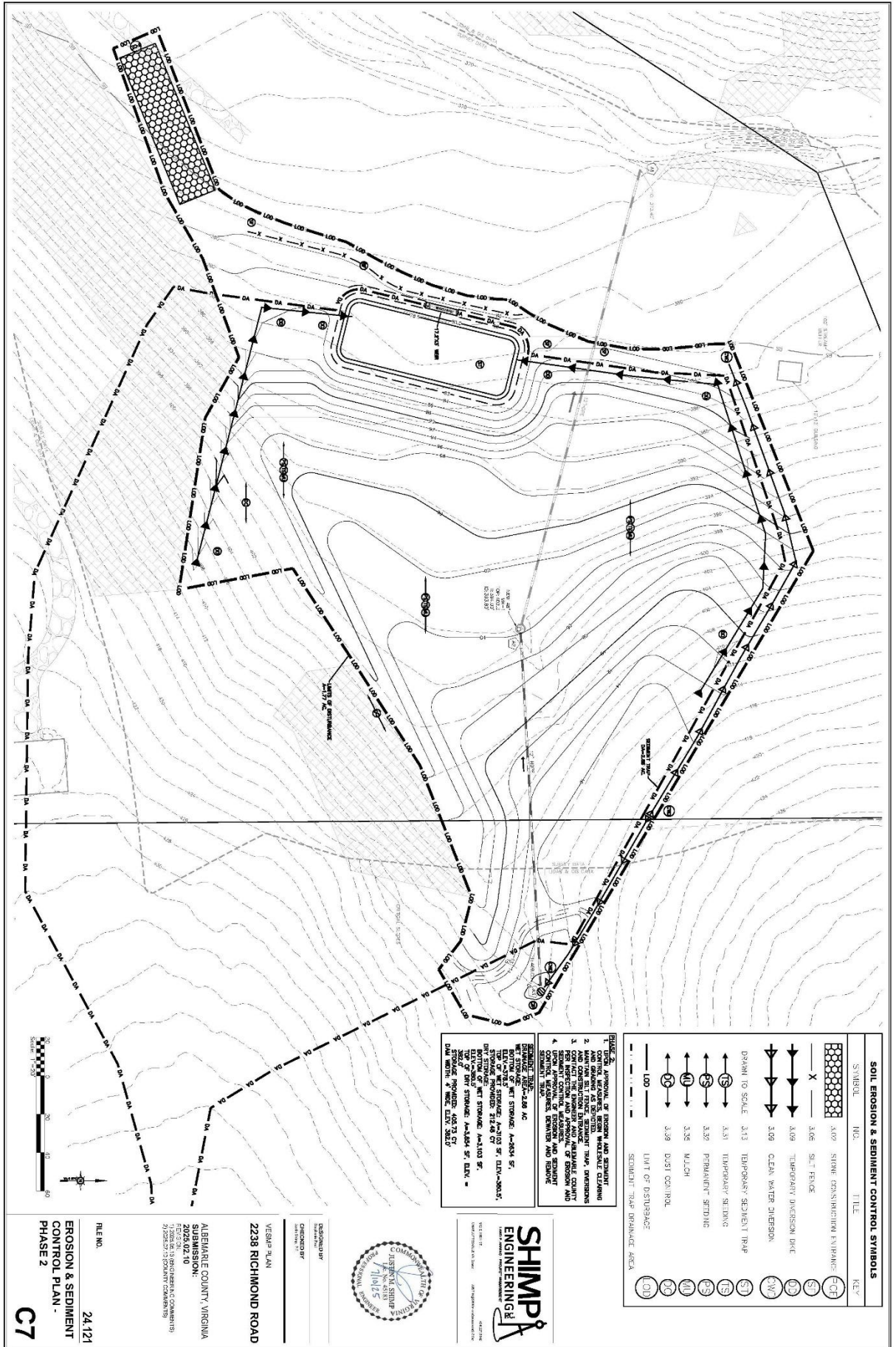
DESIGNED BY
CHECKED BY
DATE

VESENE PLAN
2238 RICHMOND ROAD

ALBEMARLE COUNTY, VIRGINIA
SUBMISSION:
2025.02.10
175000013 (VIRGINIA REG. COMMENTS)
175000013 (ALBEMARLE COUNTY COMMENTS)

FILE NO. 24.121

GRADING &
UTILITY PLAN
C3



Agenda Item No. 12. From the County Executive: Report on Matters Not Listed on the Agenda.

Jeff Richardson, County Executive, stated that he would like to present a brief overview of some of the good work being done across County government. He gave his sincere gratitude to Ms. Abbey Stumpf and her staff in the Communications and Public Engagement (CAPE) Department, who had been working diligently to identify and showcase projects that aligned with their Strategic Plan, while also keeping their government accountable for its daily operations. As their government operated seven days a week, it was difficult to keep track of the significance of their work. He hoped this report would provide the Board and community with a glimpse into the day-to-day activities of their government.

Mr. Richardson reported that on November 11, 2025, at 11:00 a.m., the American Legion Post 74 had hosted a Veterans Day ceremony here in Lane Auditorium. He said the event had brought together

residents, veterans, families, and local elected officials to recognize the sacrifices of those who had served. This year's ceremony had emphasized gratitude, unity, and the recognition of service and sacrifice. He said that from his personal observation, the auditorium was almost entirely full of people, and it had been heartwarming to see the number of community members who had attended, and their local high school symphony orchestra rounded out the ceremony.

Mr. Richardson reported that more than 120 residents had participated in the Country Gathering Community Event at Simpson Park. The event had featured live music, dancing, and opportunities for neighbors to connect, with community organizations setting up booths and sharing resources with families. Attendees had enjoyed a welcoming and formal atmosphere at one of the County's southern area parks. This event was part of an ongoing effort by Ed Brooks, Jesse Brookins, and Tamara Ryan to strengthen community connections in a vital area of their County. The event had been well-attended and provided a valuable opportunity for their government to engage with the community.

Mr. Richardson further reported that the Office of Housing had also provided an in-person support session to assist residents applying for housing choice vouchers, helping to navigate the wait list application process. Team members had provided assistance, reviewed documentation, and ensured that residents could submit complete applications. This approach had helped reduce barriers for those who may not have access to technology or support at home, reflecting their County's commitment to expanding access to services and resources.

Mr. Richardson reported that Parks and Recreation and Albemarle County Public Schools had been partnering for 32 years to offer middle school sports programs to local schools. Cross country running remained one of the most popular programs, with strong participation growth year over year. Recently, a meet had been held with 178 middle school students competing. The program helped build health, confidence, teamwork, and prepared students for future competition. Parks and Recreation continued to adapt and grow offerings based on student interest and school needs.

Mr. Richardson noted that Parks and Recreation was projecting 400 participants for the upcoming middle school girls' volleyball season. He said that he would like to commend Bob Crickenberger and the Parks team for connecting and sharing their resources to get their kids active in their community. He said that regarding another partnership, more than 120 high school students had gathered for Albemarle County's Youth Climate Summit, which had been organized by Facilities and Environmental Services and Communications and Public Engagement Office in partnership with their public schools.

Mr. Richardson explained that at this event, students explored climate science, resilience, and local challenges with 28 experts from regional organizations. The event supported youth leadership and connected to the County's climate action goals and initiatives. He noted that these kids were really interested in climate work, which was impressive to see.

Mr. Richardson stated that last week, Albemarle County, the City of Charlottesville, the University of Virginia, and the Virginia Department of Transportation celebrated the opening of the new pedestrian bridge over Route 29. The project represented a collaboration between the City, the County, the University, and VDOT, and it was a successful result of the Solutions 29 planning effort. The event highlighted how coordinated regional planning could lead to meaningful mobility improvements. This was a final piece of the larger Hydraulic Road Route 29 bundle.

Mr. Richardson explained that the bridge greatly improved safety and connectivity for people who walked, biked, and used transit along this corridor. The bundle also included a signalized pedestrian crossing and reconfigured traffic movements at Hydraulic 29 intersections, a new roundabout at Hillsdale Drive and Hydraulic Road, improvements at Hydraulic Road, Brandywine Drive, and Hydraulic Road, Michie Drive, including converted turn lanes, directional medians, and extended shared use paths.

Mr. Richardson noted that this was a dangerous stretch of road, and it had been for years. Unfortunately, they would hear about fatalities several times a year, usually when people were trying to navigate and cross multi-lanes to get to the other side. He said that he hoped that these improvements would be well-used, and he believed that one of the Board members had mentioned earlier that the connectivity back to old Gold's Gym property may increase the likelihood of a good economic development project in that area; that was a valuable piece of property.

Mr. Richardson next reported that Albemarle County launched Albemarle County Ascent, a new professional development program for employees that focused on core skill development. He said that the County was partnering with Piedmont Virginia Community College (PVCC) to deliver expert-led interactive trainings. Albemarle Ascent was a development series designed to build consistent, high-quality professional skills across the organization. The program would include seven classes on topics like meeting facilitation, conflict resolution, time management, and each session would be offered twice for scheduling flexibility. Staff could choose the classes that were most relevant and also had the opportunity to connect with colleagues from other departments. He expressed his gratitude to PVCC for this important partnership.

Mr. Richardson reported that three Albemarle County staff members received recognition for professional achievements and expertise. Serena Gruia from CAPE gave a presentation at the American Institute of Architects Conference, sharing Albemarle County's approach to meaningful community engagement. Dirk Kingma in Community Development had earned the Master Code professional designation, the highest credential given by the International Code Council. Steve Davis from Parks and Recreation, had graduated from the National Recreation and Park Association's Supervisors

Management School, which strengthened his leadership capacity within the department. He noted that these accomplishments reflected the depth of knowledge and professionalism across County staff, ultimately providing those services to the citizens.

Mr. Richardson stated that Albemarle County Fire Rescue had recently completed a week-long training series on immediately dangerous to life and health scenarios, with 166 career professional personnel participating. The training division had developed the scenarios months in advance and managed the setup, tear-down, and equipment relocation over seven days. He believed this year's training covered a range of burn care scenarios, from simple treatment to more complicated care involving medication, dosage calculations, and field intubations. He said that ACFR's training division delivered high-quality training across the department.

Mr. Richardson stated that recently, a community member had sent a letter expressing gratitude for the compassion and professionalism of their ACPD officers during a call for service regarding a suicide. He said that he had taken note of this letter because it was six months old. He said that the letter detailed the officers' actions during a traumatic time for the residents and their family. It was a testament to the officers' professionalism and compassion. He said that he wanted to bring this to the Board's attention because their field personnel saw people at their worst and at their greatest time of need.

Mr. Richardson said that he was proud of the department's commitment to mental resiliency, mental health support, and training. He also wanted to acknowledge that their other departments, such as Social Services and Community Development, were also in the field every day, providing essential services to the community. He said that he knew that these officers had also been recognized at ACPD's event the previous evening, but he wanted to bring this to the Board's attention as well.

Mr. Andrews thanked Mr. Richardson for the presentation. He said that he had a bittersweet realization that there were no World War II veterans at their Veterans Day Ceremony this year, which was a signifier at how much time had passed.

Agenda Item No. 13. From the Board: Committee Reports and Matters Not Listed on the Agenda.

Ms. Mallek said that she would like to take a few seconds to report on who spoke at the various committees she attended at the VACo conference. If anyone was interested in more information, they could contact her. At the Environment, Energy, and Land Use Steering Committee, there was a significant discussion about energy and water usage for data centers.

Ms. Mallek said that furthermore, Bryant Thomas, the Water Resources Division Director at the Department of Environmental Quality (DEQ), updated attendees on the regional water supply planning. He acknowledged that \$25,000 per planning district was not sufficient state funds to make progress, but he did not have a specific solution in hand. The outcome of next year's budget would be crucial in determining the future of this initiative.

Ms. Mallek said that Bill Murray, Senior Vice President at Dominion, discussed load demand and provided an overview of the company's approach, which she found to be informative and helpful. In the Agriculture and Rural Affairs Committee, Charlie Linthicum spoke about the significant resources Virginia has received from the Opioid Abatement Authority. He also mentioned grant opportunities available to localities through the middle of December for revenue from the Authority. She said she would provide more information on this topic.

Ms. Mallek stated that the Board of Directors had a lively discussion about SNAP and the challenges Counties would face in addressing these concerns. She said that while some concerns have been temporarily resolved, there is still a need for serious implementation of the Joint Legislative Audit and Review Committee (JLARC) education study. The 1% construction sales tax was a promising development, but its future is uncertain. She said that today, she listened in on the Water Commission, which was currently examining Chesapeake Bay-related issues. She noted that several bills are already in the drafting stage to regulate biosolids sludge, which was a critical issue given the thousands of acres of Albemarle in various magisterial districts. Since the federal government was not taking any action, the state and local governments would need to fill the gap.

Mr. Gallaway reminded everyone that on December 17 at 4:00 p.m. the Metropolitan Planning Organization (MPO) would meet, as previously discussed, to present on transportation funding. He said that at VACo, he sat on the Community Economic and Workforce Development Committee. He said that Mr. Thomas, the DEQ representative, had given a presentation on sewage septic pump outs and the issue of places not accepting it, which was particularly relevant to the Eastern Shore. He said that the problem became most serious when facilities were not locally available to accept the septage because it would result in higher costs for residents.

Mr. Gallaway stated that VACo staff had previewed the upcoming Virginia General Assembly work, and there was a discussion about enterprise zones and potential grants for economic development. Notably, in the same manner they had discussed pad-ready sites to facilitate economic development, there was discussion about creating home-ready sites to facilitate affordable housing projects. He said that it was great to hear more consideration being given to how economic development processes could be parallel to housing development processes.

Mr. Gallaway said that unfortunately, the Transportation Steering Committee's guest speaker had been unable to attend, and Delegate Reid had also been unable to join, citing a scheduling conflict due to the changes in the election. He said that he had hoped to find some positive developments in the transportation funding issue, but unfortunately, he had not. He said that it was worth noting that Delegate Reid, a Democrat from Northern Virginia, and Delegate Terry Austin, a Republican from Southwest Virginia, both presented similar platforms. He stated that when one member of a party agreed with another member of an opposing party on a particular issue, it suggested collusion because they did not typically agree on anything else. He said that he was puzzled by this.

Mr. Gallaway said that at the same meeting, a Supervisor from Floyd County spoke about the difficulties on rural roads, not even about seeking funding, but rather discussing the challenges on rural roads and how problematic it had become in terms of achieving their local goals in general. He said that another Supervisor from the Lake Anna area, although he was forgetting her County specifically, had called VDOT out on multiple funding issues beyond Smart Scale.

Mr. Gallaway said that Phil North, who had been involved in transportation for a long time and truly understood the issue, had effectively addressed the whole gamut of funding pieces and made it clear that it was a problem that affected everyone, regardless of party affiliation or County size. The fact that the answers to the questions posed remained unanswered, despite responses, was intriguing. He would be interested to see how their local delegation addressed transportation funding and what the General Assembly decided to do this coming year.

Mr. Gallaway said that, however, it appeared that their focus was elsewhere, and their approach to this problem was unlikely to be a priority. He said that unfortunately, this meant a tough cycle ahead for Smart Scale. He said that he believed their residents should be aware of this and take action to advocate for themselves and bring concerns to the Board. However, it was not just the County's responsibility; it also required attention from the next levels of government, including the new Governor.

Ms. LaPisto-Kirtley said that it was disheartening to hear that they would not be receiving much help in terms of transportation, especially since every City and County in Virginia needed it.

Ms. McKeel noted that there would be a new Commissioner in January, so they would see what progress would be made in that respect. She said that she appreciated Mr. Gallaway's update.

Mr. Andrews stated that he would like to provide a brief update on his recent and final meeting with the Rivanna Solid Waste Authority (RSWA). He explained that they discussed several issues that were expected to arise in the future, including the significant increase in solid waste generation. Their average daily waste in September and October exceeded 300 tons, a substantial increase from the previous months and averages.

Mr. Andrews said that this growth was concerning, especially when considering the capacity of their landfills. He said that according to DEQ's 2021 annual solid waste report, Virginia had approximately 20 years of landfill capacity remaining, while Republic's Old Dominion landfill at Henrico, which they used, had a remaining permitted life of 15 years. Over the past 10 years, the number of vehicles crossing at the Ivy Center had more than doubled, largely due to the increase in construction projects in their local area.

Mr. Andrews said that while they were making efforts to improve recycling numbers, they still faced challenges, particularly with plastic waste, where only 9% was being recycled. He noted that there was a glimmer of hope in the form of a proposed contract between Southeastern Public Service Authority and AMP Robotics for an intelligent robotics recycling sorting facility. This facility could divert 60% or more of waste from landfills to other uses, such as energy production or construction materials. He said that the proposed \$450 million 20-year contract with Commonwealth Sortations and AMP Robotics could extend the life of their landfills and provide a solution to their waste management challenges. He recommended reviewing the report to learn more about the challenges facing solid waste management.

Ms. Mallek added that Virginia continued to import solid waste from other states, prioritizing the money over their environment and landfill capacities.

Ms. McKeel said that the reality was that they needed to start holding businesses accountable for their solid waste output, but that was a separate discussion for another time.

Agenda Item No. 14. Closed Meeting.

At 4:00 p.m., Ms. LaPisto-Kirtley **moved** that the Board go into Closed Meeting pursuant to Section 2.2-3711(A) of the Code of Virginia:

- Under subsection (1) to discuss and consider the annual performance of the County Executive.

Ms. Mallek **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Andrews, Mr. Gallaway, Ms. LaPisto-Kirtley, Ms. Mallek, Ms. McKeel.

NAYS: None.

ABSENT: Mr. Pruitt.

Agenda Item No. 15. Certify Closed Meeting.

At 5:19 p.m., Ms. LaPisto-Kirtley **moved** that the Board of Supervisors certify by a recorded vote that, to the best of each supervisor's knowledge, only public business matters lawfully exempted from the open meeting requirements of the Virginia Freedom of Information Act and identified in the motion authorizing the closed meeting, were heard, discussed, or considered in the closed meeting.

Ms. Mallek **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Andrews, Mr. Gallaway, Ms. LaPisto-Kirtley, Ms. Mallek, Ms. McKeel.

NAYS: None.

ABSENT: Mr. Pruitt.

Agenda Item No. 16. Adjourn.

At 5:20 p.m., the Board adjourned its meeting to December 1, 2025, 10:00 a.m. in Room 241, Albemarle County Office Building, 401 McIntire Road, Charlottesville, VA, 22902, which would be a special meeting to hold a legislative forum.

Chair

Approved by Board
Date: 03/18/2026
Initials: CKB