BOARD OF SUPERVISORS
STAFFORD COUNTY, VIRGINIA
MINUTES
WORK SESSION
APRIL 15, 2025

CALL TO ORDER – A work session of the Stafford County Board of Supervisors was called to order by Deuntay Diggs, Chairman, at 1:00 p.m. on Tuesday, April 15, 2025 in the Board Chambers, George L. Gordon, Jr. Government Center, 1300 Courthouse Road, Stafford VA.

ROLL CALL – The following members were present: Deuntay Diggs, Chairman; Tinesha O. Allen, Vice Chairman (participating remotely); Meg Bohmke; Pamela Yeung; Darrell English; Monica Gary; Crystal Vanuch.

Also in attendance were William Ashton, County Administrator; Donna Krauss, Deputy County Administrator; Andrea Light, Chief Director of Financial Services; Rysheda McClendon, County Attorney; Taylor Dunn, Deputy Clerk; various staff members; and other interested parties.

FISCAL YEAR 2026 BUDGET WORK SESSION

Dr. Yeung motioned, seconded by Ms. Gary, to allow Ms. Allen to participate remotely in the work session.

The Voting Board tally was:
Yea: (6) Bohmke, Diggs, English, Gary, Vanuch, Yeung
No: (0)

Andrea Light, Chief Director of Financial Services, said that staff did not have any documents prepared for the Board today. She said that they were seeking the Board’s guidance on how to set up the budget for tonight's meeting, if they had any input or suggestions for changes. She said that they hoped to use this time for questions and answers, and then to finalize the budget setup.

William Ashton, County Administrator, said that all questions from last night's meeting should be posted on the Board portal by this morning.

Ms. Bohmke said that her first question was regarding Utilities. She said that last year, they added $8 million to the Utilities budget in FY24 to FY25. She said that she would like to know if staff could provide more context or information about the specific administrative line item that received this funding.

Chris Edwards, Chief Operating Officer, said that the administrative line item typically did not involve user fees for capital projects. He said that when they did use user fees for capital projects, they must create a separate line item for user fees used for capital projects. He said that last year there was a $6 million transfer to capital projects, and this year, an additional $1 million was added, resulting in the majority of the difference being attributed to the transfer from user fees to capital projects. He said that to balance the budget, they must then create a line item to account for this transfer, which meant that the administrative fees were not actually increasing.

Ms. Bohmke asked why it showed a transfer in their financials and why it automatically went to capital projects.

Ms. Light said that for Utilities, they had a single Utilities Fund. She said that to differentiate between operating and capital expenditures, they transferred any necessary operating revenue from operating to capital. She said that this approach was similar to how they set up the Transportation Fund, which served both operating and capital expenditures.

Ms. Bohmke asked if the additional million dollars for this year would be a similar transfer into capital.

Mr. Edwards said that yes, that was correct.

Ms. Bohmke said that she also noticed that he had two part-time positions for Utilities, which appeared to be for civil engineers. She asked if they were contracting out for this work. She said that she found it unusual that civil engineers would be willing to work part-time.

Mr. Edwards said that it should be a civil engineering technician. He said that they currently had a couple of interns who had been with them for six to eight months. He said that both interns were approximately a year and a half from graduating, so they were trying to keep them on for two to three years. He said that once they graduated, they had the potential to sign on full-time. He said that this was just a way to convert the intern positions to part-time civil engineering technician positions.

Ms. Bohmke asked if the three new requested positions for part-time civil engineers were actually referring to the current interns.

Mr. Edwards said that yes, they were recommended to be part-time positions so they could keep them on longer than one year.

Ms. Bohmke asked for more information about the procurement specialist requested in the budget.

Mr. Edwards said that they currently had one procurement specialist in the budget. He said that currently, they had a significant workload that would probably be enough for two permanent specialists. He said that to alleviate some of the pressure, they were attempting to secure an additional specialist to distribute the workload across main procurement and central office procurement, as well as ensure they had the necessary resources moving forward, including goods and services.

Ms. Bohmke asked if it could be notated that the part-time civil engineering positions were interns, in order to give full disclosure.

Mr. English asked if the Utilities Department had a full staff right now or if they had vacant positions.

Mr. Edwards said that they were currently one or two positions short. He said that with approximately 170 staff members, he estimated that they were lacking two. He said that most of these positions were professional roles, such as civil engineers and engineering managers.

Dr. Yeung said that there were two important positions she was interested in that had not been funded yet. She said that these were the IT manager and a grants manager. She said that a grants manager would be a net positive for the County because they could help the County capture funding that would otherwise be allocated to other organizations.

Dr. Yeung said that she would be willing to swap the administrative assistant position for those two unfunded positions. She said that additionally, there were public safety equipment requests worth about $1 million. She said that given their tight budget this year, she was wondering about using the year-end funds for the staff overtime that had not been paid yet.

Ms. Light said that regarding the FY24 year-end funds, the audit had been completed and confirmed that they were available and now in fund balance. She said that these funds were not currently budgeted or appropriated. She said that today, they would be presenting their third quarter review to the Board. She said that they anticipated that overall expenditures for Fiscal Year 25 would be at or below budget, which suggested that they did not expect to overspend and therefore did not require additional appropriation to cover those costs.

Ms. Gary said that she had a couple of follow-up questions regarding some items on the portal. She said that regarding the questions for FY25, question number eight did not have a name associated with it. She said that she was wondering who had asked that question. She said that she was also curious to know if there were any other paid details or services that could be charged to the user to support the Sheriff's Department, and if so, where this idea had originated from.

Ms. Light said that it may have originated from one or several Board members across multiple meetings.

Ms. Bohmke said that regarding Virginia Railway Express (VRE), she had been following their ridership numbers, which had increased to approximately 13,000 daily riders, versus 18,000 before the pandemic. She said that she was aware that VRE was holding onto approximately $170 million in COVID-19 transit funds, which they had planned to utilize as part of their budget when ridership was low. She said that the VRE funding required a 1.3% increase of $2.8 million. She asked for clarification that reducing this amount would not affect their tax rates because the funding came from gas tax monies.

Ms. Light said that that was correct.

Ms. Bohmke said that she would like to know more about the $766,000 to replace handrails on the outside of the court systems, which was listed under the Capital Improvement Plan.

Mr. Ashton said that this project would replace every handrail on the exterior of the entire campus. He said that if one walked by, one would notice a lot of rust at the base of the handrails, which were steel, and they were rusting through at the base, creating a safety issue down the line. He said that to address this, the project would replace all the rusted handrails with stainless steel, preventing future rust problems.

Mr. Ashton said that however, this process would require digging into concrete and masonry, necessitating repairs to the affected areas before reinstalling the new handrails. He said that this was driving up the cost because the entire campus would need to be replaced with stainless steel, which would be easier to maintain in the long run.

Dr. Yeung asked if Ms. Light could provide details on the revenues over the past five years, specifically regarding question number 30 in the portal.

Ms. Light said that she had compiled a number of questions from various Board members into one document to facilitate easy access for everyone. She said that one of the questions was regarding property tax. She said that, as proposed, it would account for 72.4% of their overall revenue in Fiscal Year 26. She said that this was a fluctuation between 69.3% and 72.4%, with 72.4% being the highest. She said that it was important to note that their changes in other revenue sources, excluding property tax, such as American Rescue Plan Act (ARPA) and Coronavirus Aid, Relief, and Economic Security (CARES) Act funding and other sources of revenue, had declined over time.

Ms. Light said that in Fiscal Year 26, these sources accounted for 2.1% of their overall revenue, a significant decrease from the 10.5% seen in Fiscal Year 23. She said that they were observing a slowdown in some of their consumption taxes, which was impacting this trend. She said that last year, the Board had made changes to some of their other revenues, resulting in a 10% increase in Parks revenue and a 10% increase in Facilities revenue. She said that some changes to Community Development revenues had already been incorporated into Fiscal Year 25, so they were now seeing incremental changes from year to year.

Ms. Light said that there had been recent changes to real estate bills, leading to fluctuations in real estate tax rates, ranging from $0.85 to $0.97 over the past five years. She said that the proposed budget for Fiscal Year 26 included a real estate tax rate of $0.9567, with $0.0131 allocated for the Fire Levy. She said that this had resulted in a median tax bill for a single-family home increasing from $3,171 to $4,324, because home assessments had continued to rise despite fluctuations in local tax rates.

Ms. Light said that they were also seeing significant impacts on budgeted tax relief, which had increased from $9.7 million in Fiscal Year 2022 to $28.2 million in Fiscal Year 26 proposed, primarily due to unfunded mandates. She said that most of their expenditures went towards the schools, accounting for approximately 50% of all revenue or expenditures. She said that this included school operating costs, debt service, and public day schools. She said that an additional 20% or so went towards public safety, including Fire and Rescue services and the Sheriff's

Department. She said that the remaining dollars were allocated to the general government, Community Development, and transfers to Transportation.

Dr. Yeung said that she would like to also mention that, in one of the years, they had utilized $0.04 of ARPA funds, which was now embedded in the tax they paid to cover their public safety employees. She said that as a best practice, one-time funds should not be used for recurring expenses, such as salaries. She said that she had previously asked Mr. Mayausky to explore diversifying their revenue stream. She said that she had mentioned this issue on several occasions over the past three years.

Dr. Yeung said that unfortunately, they were not doing well in this regard, as they were taxing their citizens and now faced the possibility of a significant number of citizens losing their jobs due to federal government actions. She said that she had been able to obtain some information on this, although she was not sure if it was accurate. She said that according to her research, the number of unemployed individuals could be anywhere between 10,000 and 12,000, and potentially double that amount. She said that she had previously asked the Board to look into this issue, and she was not sure where they stood on it.

Dr. Yeung said that however, she believed it was essential that they knew how many individuals would be unemployed and how their employment rate would increase. She said they were currently at 3.9%, and she was not sure if that was accurate. She said that Prince William and Fairfax counties were conducting a study to provide some insight into their situation. She said that she would like to request that Mr. Mayausky share with them his suggestions for a diversified tax classification that could potentially bring in more funding and reduce the burden on their taxpayers.

Mr. Diggs said that he would like the Board to discuss the budget first, but he believed that Mr. Mayausky could present that information to the Board at another point.

Ms. Light said that any additional taxes the Board wishes to implement would require a public hearing, and Ms. McClendon could clarify anything she was unable to explain correctly. She said that to proceed, the Board would need to authorize staff to advertise the public hearing, which would be advertised for two weeks, followed by a public hearing in May. She said that if another tax was proposed and implemented in May, an amendment to the budget could be made at that time.

Ms. Light said that one example of a tax they had previously discussed was the meals tax, although there had not been a strong appetite for increasing it. She said that if the Board decided to revisit and increase the meals tax after holding a public hearing and considering citizen comments, it could be implemented in May. She said that the increase would take effect on July 1, and the additional revenue could be allocated to a Board's priority.

Mr. Diggs asked if that was the information Dr. Yeung was requesting.

Dr. Yeung said that it was the same information, but with a bit more detail. She said that a different area of taxation would alleviate some of the burden on those paying real estate tax.

Mr. Diggs said that he believed they had had this conversation before. He said that if he was correct, if they were to increase it to match the surrounding area, it would add approximately $3 million. He said that this would help alleviate the burden on the residential side of the equation.

Dr. Yeung said that she had previously brought up the potential of implementing Business, Professional, and Occupational License (BPOL) tax, considering that Spotsylvania received $7 million and Prince William received $36 million from their local BPOL.. She said that they could also consider the penny on Warrenton Road Service District.

Mr. Diggs asked if staff could clarify the current situation with the Warrenton Road Service District.

Ms. Light said that the service district currently established for Warrenton Road had a tax rate of zero. She said that it was originally established to expand Route 17, with the state and Virginia Department of Transportation covering the cost of that project and eliminating the need for a tax on Warrenton Road to pay future debt service. She said that there had been discussion about utilizing the Warrenton Road Service District to expand Truslow Road and surrounding areas, including near the high school. She said that, according to the County Attorney's assessment, that area was not within the district's nexus. She said that therefore, if the Board were to pursue this expansion, a newly established service district would be necessary for the area containing High School 6 and Elementary School 18.

Mr. Diggs said that Warrenton Road was not included in that area.

Mr. English asked if it was correct that the service district would be paid into by businesses, rather than residents of the area.

Rysheda McClendon, County Attorney, said that the answer really depended on the standards for the service district.

Bryon Counsell, Chief Director of Infrastructure, said that it was currently commercial.

Mr. English said that there were not many businesses in that area that would provide benefit through taxing the service district.

Mr. Diggs said that he wanted to break down what Dr. Yeung discussed, as he believed it could be easily confused about some of these numbers. He said that he wanted to make it clear that no one was suggesting that the increase in funding for law enforcement was not warranted or needed. He said that however, he wanted to clarify whether this increase affected the budget and the proposed tax raise of $0.05. He said that there was ongoing discussion on this topic, with some arguing that it did not impact the budget, while others claimed it did. He said that he aimed to provide clarity for the general public on this matter.

Ms. Light said that the answer was yes to both. She said that the big increase was absorbed in Fiscal Year 2025, but this resulted in a 15% increase to the base rate. She said that as they moved forward with future budgets, this would always be a higher base rate. She said that to clarify, the increase in Fiscal Year 2025 was an incremental change, but the ARPA funding that was no longer available was absorbed into the budget of FY25.

Ms. Vanuch said that they had voted to use ARPA funds to fund the increase in 2022, then they voted in 2024 to absorb the cost as a tax increase in the FY25 budget. She said that there was no tax rate increase required to pay for the previously-funded Sheriff's Office raises. She said that this was the same as absorbing the costs of any other employee salary raises into the budget.

Mr. Diggs said that he was unclear about whether there was a resulting tax increase due to the salary increases or not. He said that he was currently unable to attend town halls or speak with constituents because he needed to ensure he was providing accurate information. He said that the 2025 timeline stated that it was part of the driving force behind the proposed tax rate increase, along with the unfunded mandate for veterans assistance.

Mr. Diggs said that he trying to clarify the situation. He said that they needed to provide clear direction to their constituents to prevent arguments. He said that they must figure this out and be able to give a clear answer: either it was or it was not.

Ms. Light said that she had a question regarding that topic. She asked if staff could follow up with information on what the tax rate would be this year if they were to adopt the 8% increase instead of 15%, as previously offered to the Sheriff's deputies. She said that she believed this would help explain the situation. She said that if they were to offer matching salary increases, similar to those given to the Fire and Rescue and general government, which was the 8% increase instead of 15%, they would be able to better understand the impact.

Ms. Bohmke asked if Ms. Allen was asking what the tax rate would be today if that raise had not been granted.

Ms. Allen said that yes, she was saying that if they were to match the Sheriff's raise given to general government and Fire and Rescue, meaning they only received an 8% raise, she would like to know what the impact would be on the tax rate today.

Mr. Diggs said that he recalled a text message sent to the community stating that they would be voting on a near-8% tax increase today. He said that according to his calculations, the actual increase was closer to 5.6%. He said that he wanted to confirm that he was not missing any crucial information and that he had a thorough grasp of the facts as they moved forward with this process.

Ms. Light said that yes, the 5.5% increase was what she had calculated as well.

Ms. Vanuch said that the 8% increase was the average increase for real estate tax that would be paid across Stafford County.

Ms. Light said that that increase also included growth, so they were assuming that there was growth within the base. She said that as a result, the real estate values may change in a different way than the tax base.

Ms. Vanuch said that it was actually 13.5%, and they then calculated the average increase in homeowner costs, taking into account the additional $0.05 tax increase, to show what the average homeowner would pay next year if the proposed tax rates passed. She said that she was focusing on the actual cost to the average homeowner, as that was what mattered most. She said that they could present various numbers and percentages, but it was the actual cost that resonated with people. She said that Mr. Mayausky had also prepared a spreadsheet of the increases paid by homeowners, which was 31.5% when including increases in assessed home values.

Mr. Diggs said that the numbers he looked at the previous night were from 2021 to 2025, whereas the text message mentioned the last three years. He said that this represented a longer period of time, although he was not entirely certain. He said that he agreed that it was essential for people to understand what they were dealing with. He said that they had had a similar question before, and he would appreciate it if staff could also remind him of the average additional tax people had to pay with the 5.5% increase.

Ms. Light said that it would be a $229 increase for the average single-family home per year. She said that the monthly cost would be $19 on average.

Mr. Diggs said that he believed sending out text messages that referenced different numbers were likely to confuse people. He said that if it confused him, it definitely confused others in the community.

Ms. Allen said that they must be extremely cautious because they could not present data and then later claim that it could be sliced in multiple ways, which could be misleading. She said that it was not acceptable to negate someone else's argument about the available information when it benefited them.

Ms. Vanuch said that she believed it was their responsibility to inform their constituents about another impending tax increase, and she was not concerned about their reaction. She said that the facts were clear: over the last three years, taxes had increased by an average of 31.5%, and today's proposed 8% increase would put a significant strain on the average homeowner. She said that she wished they could focus on finding solutions rather than debating the issue.

Mr. Diggs said that what they both did was completely unacceptable, and while he believed they had the right to inform their constituents, their approach was misguided. He said that instead of informing, they enraged, inflamed, and stressed out the constituents, and there was no reason for it. He said that the fact was, the weekend was filled with calls from constituents in both districts, asking what was going on, and they were frustrated and stressed out.

Mr. Diggs said that people could potentially lose their homes, and individuals in this community already struggled with mental health issues. He said that two of the most seasoned people on the Board decided to send out a text message to inform their constituents, but what they were doing was enraging people. He said that he urged them to think beyond these petty political tactics and games being played.

Mr. Diggs said that if they could find a way to bring down the tax rate in a constructive manner, he would support them. He said that the text message was out of line, and he wanted to understand the situation from a staff perspective, with facts. He said that to him, it was incomprehensible that it was written in such a way, especially considering the complexity of the budget and the efforts they had been putting in. He asked how could they expect the average citizen to understand it, given the context of inflation, job losses, and the federal government. He said that it was imperative that they avoid further inflaming the community for no apparent reason.

Dr. Yeung said that she would like to return to her budget priorities and highlight the regional tax revenue highlights she has been reviewing. She said that comparing their region to Prince William and Spotsylvania was not accurate. She said that they had different characteristics, such as large malls, that set them apart from Stafford. She said that according to the latest data, Prince William County had a revenue of $512 million, while Spotsylvania County had $32 million. She said that Stafford County, on the other hand, had zero revenue. She said that this is their baseline for a flat tax. She said that if they were starting from this point, she would like to know who and what would be cut to pay for the salaries of their existing employees.

Ms. Gary said that she agreed that she would like to know what that would look like. She said she was open to any ideas from her colleagues, as they needed to work together. She said she wanted to hear their thoughts, but if she did not hear them, she would not be able to support them. She said that perhaps they had innovative ideas, sometimes they did hit the mark, and sometimes they did not, so they needed to collaborate and figure it out. She said that she would like to know what that would look like.

Ms. Gary said that the Board members had all attended work sessions and attempted to work through this budget. She said that Ms. Bohmke had asked some excellent questions, including one regarding the caseload for their Social Services workers. She said that she did not know what they could do right now to address this issue, but she wanted to highlight it because it remained one of the highest in the localities listed. She said that she encouraged everyone to review the answer to her question in the portal, as they really needed to provide better support there.

Ms. Gary said that she also wanted to address the information that was reshared from a few years ago. She said that when they absorbed something into the budget that impacted the budget annually, it had a lasting impact, and they had previously discussed what those numbers looked like over time, which Ms. Light had clarified. She said that there was certainly an impact, and if they were holding a flat rate and providing for some things and not others, which was the tradeoff every year, they needed to be willing to have those conversations about what were the things that were not getting addressed when they provided something like that, which was so significant.

Ms. Light said that she had calculated an answer to Ms. Allen's earlier question regarding the resulting tax rate if the Sheriff's Office had received an 8% raise rather than a 15% raise. She said that the difference between was $1.5 million.

Ms. Allen asked if that meant that this budget had a $1.5 million tax increase to account for that salary increase.

She said that Fiscal Year 2025 saw the increase.

Ms. Allen said that the ongoing increase of 15% versus the 8% was also reflected in this budget.

Ms. Light said yes.

Ms. Vanuch said that the resulting tax increase in FY24 due to those raises was $0.015, which was done in order to account for utilizing the ARPA funds. She said that which marked the first and only time she had voted for a tax increase since joining the Board.

Ms. Allen said that she had asked if they had simply matched the County government's rate and given an 8% increase, they would not have to pay that difference of $1.5 million in this year's budget.

Ms. Bohmke said that she had sent the text message because she believed it was their responsibility, especially during this year with the new administration in D.C. She said that she was convinced that their community would be significantly impacted by federal government layoffs, and she was concerned about the potential effects on their housing market. She said that she had been researching this and was convinced that their community needed a budget with a flat tax.

Ms. Bohmke said that she knew it was not a fun solution, but she felt it was essential for their community's well-being. She said that she had been diving into the budget and asking questions, including the one she had asked Ms. Light yesterday about Social Services. She said that she had checked that off her list and would not be revisiting it. She said that she had also been inquiring about VRE, as she was aware that they had $170 million set aside. She said that however, it would not help them from a tax standpoint.

Ms. Bohmke said that there were several items in their Capital Improvement Plan that may need to be reevaluated. She said that she had listened to Dr. Yeung's idea regarding the BPOL, but it was not a conversation they could have today. She said that to implement anything with BPOL would be a long process.

Ms. Bohmke said that regarding public safety raises, she was not concerned about the impact on their tax rate, as that decision had been made based on the Sheriff's recommendations. She said that she did question why they were including unfilled positions in the budget. For example, the Sheriff Department had vacant positions that were difficult to fill, and they were still funding them. She said that similarly, their schools had a high vacancy rate, and she was not sure why they were building those costs into the budget.

Ms. Bohmke said that she still had questions about the budget and would prefer to have a productive conversation about it; that was why she sent her text message. She said that she wanted to emphasize that they needed to make some difficult decisions today. She said that she had been diligently working to understand the financial aspects of this situation, asking questions, and researching potential opportunities that could benefit the community as a whole.

Ms. Bohmke said that as it pertained to the data center revenues, they would be collecting real estate taxes on those parcels. She said that one parcel, the Stafford Technology Campus (STC), had generated $302 million in revenue. She said that they did not have any data centers up and operating right now, so those revenues would likely not be available until approximately another year or year and a half.

Ms. Light said that she was hopeful that some of these projects would be implemented in 2027, but it was likely that they would be looking at 2028, 2029, or 2030.

Ms. Bohmke said that she had also asked about the installation of the turf fields at Embrey Mill, which would be nice, but seemed unnecessary. She said that she had a friend who worked there who convinced her they were kind of necessary, so she asked the question in the portal and crossed it off the list. She said that they had discussed the $1.575 million parking lot at Pratt Park, and she looked at pulling it off the list. She said that she would like to pull that whole thing off and go back to Stafford High School's concession stand.

Ms. Bohmke said that Ms. Krauss had provided her with information on the Stafford High School project, which included expanding the concession stand, bathroom, locker rooms, and other facilities. She said that the renovation of everything was $1.9 million. She said that they had $764,000 in proffered money available, which could be used to start the design of the Stafford High School project. She believed this project was warranted, and it was a shame the current concession stand looked the way it did. She said that she would like to propose to the Board that they use some of the proffer money to begin designing the Stafford High School project, as it was not currently impacting their tax rate.

Mr. Diggs said that they had already addressed this topic at their previous meeting.

Ms. Allen said that she thought they had all agreed to it.

Ms. Bohmke said that they had agreed to use the proffer money, but she did not think they had agreed to taking some of the Pratt money. She said that she was suggesting that they let the Pratt project go for now, so they could save $1.5 million. She said that instead, they could use the proffers and Pratt money to fund the pre-work for the Stafford High School concession stand design this coming year. She said that by canceling the Pratt Park parking project, they could allocate the $1.5 million to the Stafford High School project.

Mr. Diggs asked what the impact would be on the schools. He asked if they were currently able to use the concession stand.

Jason Towery, Executive Director of Facilities and Maintenance for Stafford County Public Schools, said that the facility was usable. He said that they had been conducting health and safety work there over the past few weeks and their goal was to get the facility back online within the next two weeks. He said that the big issue was that they got long lines for the bathrooms during events, so that was the main problem they were trying to address.

Ms. Bohmke asked if they could use port-a-potties during football games.

Mr. Towery said that they were already using port-a-potties.

Ms. Bohmke asked if the schools could spend the money she had proposed be taken from proffers and Pratt park and use that for the design work.

Mr. Towery said that yes, they could dedicate some time to exploring the design. He said that he believed they had a couple of creative ideas that could help save funds. He said that while he was not sure there was a significant amount to design, they had actually discussed reusing the design of the stand they were currently working on for High School 6, and potentially using that as a basis. He said that he thought it was likely that they would not need a substantial amount of money to get the design to a point where they could implement something quickly, certainly not the full $700,000.

Ms. Light said that the funding for the Pratt Park parking lot repavement came from their 3R funding. She said that according to the Board's policy, 3% of their expenditures were allocated to 3R funding. She said that they had previously discussed this at the Capital Improvement Plan meeting last week, where it was decided to reallocate the funding to the schools. She said that she was unsure if reducing their 3% allocation to 3R funding would have a direct impact on lowering the tax rate.

Mr. Diggs said that it would not affect it, so he would rather continue with what they had planned to do last time.

Ms. Light said that if the Board had any questions about that, they could adopt the $1.5 million budget item today to be held for a future discussion. She said that this might give the schools the opportunity to finalize their plans and provide the Board with a clearer understanding, allowing them to feel more comfortable moving forward with the appropriation at a future date.

Mr. English asked if the Boots Program could help with constructing the concession stand.

Mr. Towery said that that was a great point. He said that he believed there was potential to keep them involved, although he was not sure they could make a significant impact on the project due to the type of work required. He said that nevertheless, they could certainly explore the possibility.

Ms. Bohmke said that Poplar Road and Truslow Road turn lanes were included in their Transportation funding. She said that she understood that Laura Sellers had mentioned at their last meeting that they would be conducting a study on both Truslow Road and Poplar Road, as well as a potential roundabout in the area. She asked if someone could explain to her how the $407,000 was being allocated between these two roads.

Ms. Bohmke said that it looked like they had spent about $700,000 spent this year, broken down between the two roads, and $407,000 would be allocated for the upcoming fiscal year. She said that the CTB was interested in conducting a study on the entire corridor, so she was wondering how they were utilizing this money.

Mr. Counsell said that the Board supported the staff's suggestion and also proposed utilizing revenue sharing more efficiently for that project. He said that as a result, the design was proceeding, although there was no definitive schedule. He said that when the new school opened and the existing traffic at that intersection was affected, it would be most impacted. He said that currently, the intersection performs at an F-level of efficiency on VDOT's operational scale. He said that to get a head start, they were trying to make this project better suited for a Smart Scale project.

Mr. Counsell said that if the Board desired to delay this project for a year or so and allocate the funds elsewhere, they could adjust. He said that however, they were currently in the design phase, and VDOT was recommending a roundabout, which had increased the expected cost by more than double. He said that they needed to work with VDOT to determine what would be approved and what would be the best project to score on a state grant. He said that they were currently starting this process with VDOT. He said that it was essential to work with VDOT now to avoid having to make significant changes later. He said that at this point, the design was approximately 30% complete, and they were working closely with VDOT to create the best possible project.

Ms. Bohmke said that that was the Truslow-Poplar intersection. She asked about the intersection coming out of the school, coming out onto Truslow Road.

Mr. Counsell said that that one would be included in the study that VDOT was conducting.

Ms. Bohmke said that she appreciated Mr. Counsell answering her question. She said that moving forward, she noticed that Dixon Smith was scheduled to replace the tennis court. She said that she had a side conversation with Mr. Towery prior to the meeting, as she was concerned that many of their other middle schools did not have tennis courts. She said that in fact, she believed it would be more beneficial for their students to play pickleball, as it was likely to be more enjoyable for them. She said that she was wondering if Ms. Vanuch would consider allocating funds from the Rock Hill Elementary project to cover the cost of replacing the track at that location.

Mr. Towery said that this particular track was one of the ones on the list and was experiencing a lot of issues. He said that as a result, most of their elementary schools had a 400-meter track that they used for gym class, although it was not an officially designated track. He said that instead, it was a four- or five-foot-wide walking path that the children used.

Ms. Bohmke said that she believed that some of this funding should be allocated to Hartwood Elementary. She said that this morning, she had visited Hartwood Elementary with Mr. Towery and his staff, as well as the principal. She said that in light of the current situation with the mechanical systems at Hartwood Elementary, she suggested allocating some funding to that school. She said that furthermore, she wanted to inform the public that not all students currently attending Hartwood Elementary School would be attending the new Hartwood Elementary because the new school would be at a different location and some students would go to other schools.

Mr. Diggs said that he believed they needed to discuss what they were eliminating if they were trying to reduce the tax rate by $14 million. He said that he wanted to wrap up the conversation regarding the text messages and social media posts. He said that firstly, he believed they should avoid sharing percentages with the community, as it could be confusing. He said that he was aware that text messages were still being sent out, and he thought they needed to improve their communication to ensure clarity.

Mr. Diggs said that as leaders, they should not operate in fear, but rather be the stable guiding force for the community. He said that they should reassure the public that everything would be okay, even if they were facing challenges. He said that he took issue with any approach that could alarm the community. He said that as leaders, they needed to work together to address these issues. He said that he suggested they move forward with discussing what they were cutting.

Mr. English asked if there were any partner agencies on their list that they were required to fund.

Donna Krauss, Deputy County Administrator, said that there was an obligation with the Health Department, dependent on the state funding they received. She said that George Washington Regional Commission (GWRC) was based on population and per capita. She said that they had Memorandum of Understanding with the library and the jail. She said that she was reviewing her notes to ensure she was not missing any others that were mandated to fund.

Ms. Krauss said that the Rappahannock Area Office on Youth and Group Commission is a quasi-governmental organization established through the Department of Juvenile Justice. She said that as a result, they were entirely reliant on funding from their County, as well as from Spotsylvania County and the City of Fredericksburg. She said that according to the current budget, the amount was $311,322.

Mr. Diggs said that he would like to hear was what projects they were going to cut. He said that he wanted to first provide a word of caution to his colleagues. He said that with the Department of Governmental Efficiency (DOGE) at the federal government level was eliminating positions and people were losing their jobs. He said that those individuals would need assistance, and there had been conversations about whether the government should help in this way. He said that he questioned where needy people would turn if they start taking away funding from nonprofit organizations. He said that to be fair, they could not pick certain organizations not to fund, so they must fund all of them or none of them.

Ms. Vanuch said that she had conferred with Ms. Krauss and confirmed that they could potentially reduce the partner agency line item by $522,964 without affecting the Health Department, RACSB, and the Department on Youth.

Ms. Krauss said that on the partner agency sheet in the Board's budget book, under the Partner Agency Health and Social Services category, which starts with the Rappahannock Area Health District. She said that in their conversations, she had recommended that cutting public health services was not a good practice. She said that they needed public health services, including the health district, despite the challenges it was facing due to federal funding.

Ms. Krauss said that it was their obligation, as stated in the contract signed by Mr. Ashton, to provide public health to their community. She said that the Community Services Board also received state funding for community mental health services. She said that if they did not have other non-profits or governmental organizations providing services, those listed community mental health services were crucial. She said that the Office on Youth, a quasi-governmental agency Dr. Yeung sat on the board of, and three other localities contributed to them serving the youth in the region. She said that they were developed and formed based on the Code of Virginia and DJJ, so there was an obligation there.

Ms. Krauss said that everything else would be eliminated, which included SERVE, Empower House, Thurman Brisben, MICA, Fredericksburg Regional Food Bank, Mental Health America, the Moss Free Clinic, Healthy Generations, Disability Resource Center, Rappahannock Hope House, Legal Aid, Healthy Families, Stafford Junction, Our Casa, Safe Harbor, American Red Cross, Big Brothers Big Sisters, Virginia Community Food Connections, Rappahannock Area Court Appointed Special Actions, Fail Safe, ERA, Rappahannock United Way, Information Services, and Piedmont Dispute Resolutions. She said that the reduction was expected to be approximately $522,000.

Mr. Diggs said that he understood that Stafford had the highest number of homeless individuals in the GWRC region.

Dr. Yeung said that they had likely the second highest number of homeless people. She said that she would not support cutting these organizations, because this $500,000 had an outsized impact on helping people in need. She said that she would like to hear about other areas to cut funding from, because they already had needs for these services and the expected unemployment resulting from federal job cuts would almost certainly exacerbate the issue. She said that this was not the right year to do this. She said that she had previously asked for data about the impacts to these community agencies but had not gotten to that point. She said that she could not support cutting this funding without a clear understanding of the impacts.

Mr. English asked if Stafford was contributing to SERVE Food Pantry's work in other jurisdictions.

Ms. Krauss said that she had reached out to Lee Cheney, the Executive Director of SERVE, to inquire about their practice and protocol for tracking individuals who came to obtain food. She said that SERVE ran two databases. She said that when a client or family member arrived, they must show their ID to verify that they resided in Stafford County. She said that once verified, they could receive food from the pantry and produce market.

Ms. Krauss said that if they resided outside the County, a separate process was followed. She said that they received only governmental food, which was distributed differently. She said that SERVE also received grant funding and other revenue sources, which they used to distribute food to others. She said that County funding was not used to serve anyone other than County residents.

Ms. Gary said that she was not in support of this proposal, as she believed it was incredibly cruel to discuss. She said that it would only instill fear in people to cut services that people desperately needed. She said that this approach did not make logical sense, and it was cruel to even consider such a conversation. She said that she was glad she had heard this proposal, but she was struggling to understand how it could be justified with any morals.

Ms. Gary said that she wanted to emphasize that this approach was not only unjust, but it also had severe consequences for people's mental health. She said that the fear of financial instability was a leading cause of suicidal thoughts, and by cutting services, they would be exacerbating this issue. She said that they must show up for those who needed them, not abandon them. She said that she was not supporting this proposal and would like to hear the next suggestion.

Ms. Vanuch said that it was not a fun decision, but she found it difficult to ask homeowners for more taxes in order to fund these partner agencies. She said that they could separately coordinate with community engagement to help those impacted by job losses. She said that they could also raise money in the private sector to fund these organizations. She said that she did not feel it was the taxpayer's responsibility to pay for these community agencies and they must keep the tightest budget possible. She said that she felt that Ms. Krauss's assessment was fair and they could eliminate funding to these community agencies in order to achieve budget reductions.

Ms. Bohmke asked if there could be a compromise of cutting the funding in half rather than the full $522,000.

Ms. Allen said that she did not have an answer right now. She said that she felt that she would listen to the proposal if it could reduce the tax rate by a penny, but she had not heard any other suggestions as of yet.

Mr. Ashton said that the staff direction he had given to them was to be unbiased referees of this matter. He said that they were not invested in the outcome and would answer the Board's questions as impartially as possible. He said that although some of the topics they would discuss may be personal to staff, and he was aware that some would be personal to others, they must remain professional and treat the Board with courtesy and respect, just as they would in any other situation. He said that this was the direction he had given to staff throughout their deliberations. He said that if the Board had misunderstood this, he apologized for not making it clearer. He said that his goal was to ensure his staff acted professionally, answered the Board's questions to the best of their ability, and served them well, so they could make the best possible decision.

Ms. Gary said that to clarify, this information from staff was simply a response to a question about potential solutions, and it was not a recommendation.

Mr. Ashton said that his recommendations were what he had presented to the Board a few weeks ago, and everything after that had been their facilitation to ensure the Board made the best decision possible.

Ms. Allen said that she wanted to ensure that nothing was falsely attributed to their staff.

Ms. Gary said that she wanted to make a quick comment regarding this matter. She said that if they began to cut funding for the services below the line, this would have a serious impact on their public safety in terms of their capacity to handle serious issues in their community. She said that Ms. Vanuch's proposal would result in the removal of services for individuals who lacked food, those in abusive relationships requiring a safe haven, which ran counter to responding to their increased calls for domestic abuse, violence, and family problems.

Ms. Gary said that by taking away funding from these organizations and support for youth, they risked creating a community where these individuals would have limited resources, placing an undue burden on their public safety personnel. She said that she believed they were not adequately prepared for this potential outcome, and it would likely lead to a very difficult situation.

Mr. Diggs asked if Ms. Vanuch had anything else to discuss regarding the other partner agencies.

Ms. Vanuch said that there was a discussion between Ms. Bohmke and her regarding funding the Fredericksburg Regional Alliance (FRA) at $165,184. She said that there was an increase in the Economic Development budget, which she believed was intended to cover an audit. She said that however, she was not convinced it was an absolute necessity, given that the EDA was self-funded and generated revenue through property sales. She said that they could potentially wait a year or two before requesting additional funding from the Board of Supervisors, which would save an additional $220,000.

Ms. Bohmke said that she wanted to weigh in on the Fredericksburg Regional Alliance. She said that she had requested a copy of the email sent to their appointees. She said that the letter was sent to the entire board and ten or eight elected officials, and she found it to be very disrespectful. She said that it referenced localities in Loudoun and Prince William, suggesting they should focus on their own business with data center issues, rather than seeking advice from other officials in Northern Virginia. She said that the email also implied that some of them were spending too much time learning information and seeking guidance.

Ms. Bohmke said that the Joint Legislative Audit and Review Commission conducted studies on important projects, including data centers, solar farms, and utility structures. She said that as an elected official, it was her responsibility to work tirelessly for her constituents to protect them, particularly in the event of a data center nearby. She said that she was not beholden to the Fredericksburg Regional Alliance, and she did not want to fund them this year due to the letter's disrespect shown to Loudoun and Prince William County, as well as to all of them on this Board. She said that she wanted to ask a question regarding the letter sent by the executive director.

Ms. Bohmke said that she was struggling to understand the motivation behind his support for the data center developers. She said that it seemed unlikely that an executive director from any region in the Commonwealth would publicly criticize elected officials and the mistakes made by Prince William and Loudoun County regarding their data centers. She said that she was deeply upset by the content.

Ms. Gary said that she believed it was essential that they made decisions based on facts and not emotions or personal feelings. She said that that was not their role. She said that their responsibility was to ensure that they were delivering on the promises they had made to their community and constituents. She said that the FRA played a crucial role in their economic development, and she firmly believed that they needed their support and partnership.

Ms. Gary said that their collaboration had already yielded significant results, such as the DHL project before her time and the Amazon funding Germanna's expansion and workforce development. She said that there were numerous other initiatives that would greatly benefit their community, and for that reason, she was not in favor of that proposal.

Mr. Diggs said that there was consensus from the Board to continue funding the FRA as proposed. He said that he had seen this scenario play out before, and he personally did not allow insults to determine his decision-making. He said that he did not read the letter or email in question, so he was confused about what they were referencing. He said that he would suggest that perhaps they could discuss it with the executive director. He said that he had noticed a pattern that he would not follow, which was that if someone was offended, they would change their vote or attempt to make a point through taking something away from the community.

Mr. Diggs said that he wanted to thoroughly investigate this matter and address the disrespect. He said that in the context of the regional marketing meeting, where they were discussing ways to attract businesses and relieve the tax burden on their community, he could not move forward with a proposal to reduce their funding for that. He said that he was supportive of removing the additional funding from the EDA.

Ms. Bohmke said that her decision on the FRA was not an emotional one. She said that there were additional factors at play that she was not willing to disclose to the public, so she would simply leave it at that. She said that she believed that there was a more significant concern underlying this issue, and they could discuss it further in a private setting.

Ms. Vanuch said that on a related note, last year they gave $146,000 to the FRA, and this year they were requesting a $20,000 increase to that amount.

Ms. Bohmke said that King George pulling out of the FRA, so it was now Stafford, Spotsylvania, Caroline, and the City. She said that they were asking for an additional $11,000 as it related to the rebranding. She said that there was sufficient money in their budget to undertake the rebranding. She said that she did not believe that they needed to allocate funds for this.

Mr. Diggs said that he was willing to meet them in the middle and agree to level-fund the FRA, therefore not giving them the requested increase of $20,000. He said that regarding the Economic Development Authority funding of $60,000, he was comfortable with cutting that amount. He said that there was consensus from the Board to level-fund the FRA and reduce the funding to the EDA by $60,000.

Ms. Allen asked if Ms. Light could possibly keep a tally of the reductions they were proposing in the work session.

Ms. Vanuch said that the proposed general government pay increase of $1.55 million was a significant item on the budget spreadsheet, set to take effect on July 1, 2025. She said that she would like to suggest they move this date to January 1, 2025. She said that the reason for this change was that the public safety department's pay increase was tied to their anniversary date, which was typically in January. She said that this meant that most public safety employees do not receive their pay increase on July 1, but rather in January. She said that by moving the general government pay increase to January 1, it would provide savings of $775,317.

Mr. Ashton said that when addressing pay, there would always be a cleanup issue, and there would also be an expectations management issue for them to handle. He said that they would implement whatever the Board decided to do. He said that to further clarify, this decision would result in an additional $775,000 unfunded mandate for next year, as the base funding would be lower, but the initial funding had been set higher for the upcoming year. He said that as a result, next year's funding would include the $1.55 million added to the base funding.

Ms. Allen said that she had suspected that the issue would be pushed into next year's budget. She said that she was open to considering cuts, but based on the current CIP needs and the look at the budget, she worried that next year's budget would be just as tight and stringent. She said that dumping future salaries or expenses onto the next budget may not be the most prudent decision, given that one was likely to be just as challenging. She said that as Ms. Light had mentioned, the data centers would not alleviate some of that pressure until 2028. She said that she was not able to make a decision on it at this time.

Ms. Gary said that any actions taken this year that would push off expenses into the next year were actions she could not support. She said that it would only make next year even harder. She said that they all knew what was ahead and had discussed it during their budget meetings. She said that they could not put what they knew to be essential.

Dr. Yeung said that she had previously mentioned that she wanted to add two positions, so she did not intend to discuss pay cuts in the County Administrator's lane at this time. She said that that was not within her scope of responsibility. She said that she trusted that when she requested the County Administrator to review salary lapses, they conducted the necessary review and he had started them off with $4 million of savings. She said that that was as far as she was willing to go.

Ms. Vanuch said that every budget year, they started from scratch. She said that revenues changed, expenses fluctuated, and new factors came into play each year. She said that as a result, it appeared that every proposal, including those from the Board, would be subject to a 4-3 split across the line, as there was no desire to make significant cuts. She said that in her opinion, the Board had already made up its mind, and they were being asked to work with that decision because she claimed she could get the budget to zero or a zero percent increase.

Ms. Vanuch said that however, it was clear that no one else was proposing reductions to the budget. She said that she found it frustrating that they had spent the entire two hours discussing potential cuts and negotiating where they could make concessions, but ultimately, it seemed that a 4-3 split would be the outcome. She said that these decisions were difficult, and she believed they should have been coming to the table together, rather than relying on staff to make the decisions.

Ms. Gary said that she was willing to listen to Ms. Vanuch's suggestions, but she was not obligated to agree with all of them. She said that she did not feel that it was appropriate to state that it would always be a 4-3 split when they had not finished the discussion. She said that she would like to hear Ms. Vanuch's plan.

Ms. Vanuch said that she was reviewing each line, but she believed that other Board members should have items that they had examined to reduce costs from the budget.

Mr. Diggs said that he understood Ms. Vanuch was frustrated, but she had previously stated at a Board meeting that she did have a plan, which they had been waiting to hear. He said that the other Board members had been asking those questions and identifying potential areas of the budget to reduce. He said that he was glad Ms. Vanuch was bringing up these items to consider, some of which they had agreed on, others they had not, and others they would revisit. He said that they were moving along and he did not think it would always be a 4-3 split.

Ms. Allen said that she had not voted on two of the items because she had requested more information. She said that just because she was not bringing up certain topics in this work session did not mean that she had not asked those questions; she had asked many questions in her budget meetings with staff. She said that she believed they needed to have a civil conversation, where Board members refrained from making accusations that implied others were not doing their work or putting in the effort.

Mr. English asked if they could pull the Computer-Aided Dispatch (CAD) system from this year's budget, although it was a small amount.

Mr. Ashton said that the Sheriff had reluctantly agreed to do precisely that. He said that however, the Sheriff felt that it was a much-needed project due to the age of the current system. He said that funding for this project was primarily one-time funding. He said that this would result in \$153,000 of savings for this year, depending on the timing of the project, but would push the project out until next year.

Mr. English said that he recommended they eliminate their Board assistant positions, which would save $300,000.

Mr. Diggs said that most of the Board had jobs, and he was sure many of them used their assistants to help manage their workload. He said that in his case, his assistant provided him with a list of tasks to complete for when he finished his work shift and returned to the office. He said that this allowed him to be more responsive to the public and provide a higher level of service. He said that they could not continue to operate at a level where they were not providing the necessary service to their constituents. He said that he felt their Board assistants were crucial in helping them maintain an adequate level of service.

Ms. Allen said that she had experienced technical difficulties, and as a result, the last thing she heard was the County Administrator mentioning something about the Sheriff and CAD.

Mr. Diggs said that they were considering a proposal to eliminate the Board assistant positions.

Ms. Allen said she would absolutely not be in favor of eliminating those positions. She said that the amount of support they provided to help with constituent concerns, she did not feel it would be worth it. She asked if Mr. Ashton could repeat his point about the CAD system.

Mr. Ashton said that the current system was outdated and in need of replacement. He said that if they preferred to delay implementation by a year, that was an option. He said that the majority of the system's funding was coming from one-time sources. He said that what was being seen now was the difference in operational fees between running both systems simultaneously while they implemented the new one. He said that this cost would be revisited in the future when they implemented the new system.

Ms. Allen said that she would reiterate what she had said last year when they made the decision to push Carl Lewis out of the program one year. She said that this was a critical infrastructure project. She said that if the Board was comfortable with pushing this out, she would support it as long as next year's budget was not affected and they did not push it out another year.

Ms. Allen said that she did not want this to become a recurring issue where they were constantly revisiting whether to push the project farther out in order to balance the budget. She said that therefore, she was willing to support a one-year delay if the Sheriff confirmed that he had the capacity to manage it for an additional year. She said that however, when this project returned next year, it could not become an issue again.

Mr. Diggs said that they already knew that next year’s budget would be more difficult, so he did not see the reasoning behind delaying these projects. He said that there was Board consensus to keep the CAD item in the budget.

Dr. Yeung said that she would support eliminating the Board assistant positions if they provided a salary increase to the Board of Supervisors positions.

Ms. Gary said that she would be in favor of eliminating the Board assistant positions if there was an adjustment to the Supervisor positions, while still providing some overall savings. She said that however, she did understand how some Supervisors who had other jobs benefited from assistants helping them manage their workload.

Ms. Bohmke said that she had personally chosen not to utilize an assistant during her final year on the Board. She said that she knew that the Supervisors who had assistants definitely used them, so she believed they should look for other reductions in the Board of Supervisors line item. She said that furthermore, some of their operational budgets in other departments had grown a lot, and perhaps they need to do department-wide reductions.

Dr. Yeung asked the County Administrator if the departments' budget had grown due to hiring necessary positions to run County operations.

Mr. Ashton said that they had vacancies in many of their critical positions. He said that they had budgeted for a fully staffed account, so they wanted to fill those positions because the needs were there. He said that one of the tools they had used in this budget proposal was to manage those vacancy savings and free up funds while those positions were vacant.

Dr. Yeung said that she wanted to revisit the question she initially raised in one of her one-on-ones, which was to examine the potential savings and lapse. She said that he had already done that, and the result was a $4 million savings. She said that that was one of her key objectives from the start, and she was glad her colleagues agreed with it.

Dr. Yeung said that however, when they cut into the departments, as she mentioned earlier, she did not believe that was the right approach. She said that instead, she thought they should have asked the departments if there were any additional savings to be found.

Ms. Bohmke said that she was not referring to the personnel line. She said that she was discussing the additional operating budgets.

Ms. Vanuch said that a 10% reduction in operating expenditures will save them $700,000.

Mr. Diggs said that he would like to hear Ms. Vanuch's other recommendations for reducing items in the budget.

Ms. Vanuch asked if she was the only one who had anything to propose for reductions, other than the two suggestions by Mr. English and the one from Ms. Bohmke.

Mr. Diggs said that during their earlier budget meetings, many people proposed their cuts.

Ms. Vanuch said that the spreadsheet with the budget items was blank, so she did not see where the Board had made any cuts.

Ms. Light said that they had $18,411 reduced from FRA, $60,000 from EDA, and an additional $13,854 in savings from the BPSA refund. She said that this brought their total to $92,000. She said that the BPSA funds were being held aside for now.

Mr. Diggs said that the Board had previously discussed items to cut, and other than moving items around in the CIP, they were working within the same spreadsheet items for cuts.

Ms. Vanuch asked about the necessity of giving the jail employees a 10% pay raise for the second year in a row.

Ms. Allen said that she had asked that same question and had not yet received an answer from staff.

Dr. Yeung said that she had also asked that question and was told it was a state requirement.

Mr. Ashton said that he pulled the Memorandum of Understanding with the jails, which was dated 1995 and typed on a typewriter. He said that upon reviewing it, he interpreted the MOU to mean that it only required the County Administrator to propose what the jail board had approved. He said that he was bound by the terms of the MOU and could not provide a revised number without the approval of the jail board.

Mr. Ashton said that other jurisdictions had followed the same procedure, adhering to the MOU. He said that the document was somewhat vague regarding what would happen if the County were to be noncompliant with the MOU, which would stand to reason because they could not be compelled to appropriate funds. He said that Ms. Light, who had also reviewed the MOU, noted that it lacked a clear compilation of requirements. He said that he was unsure how the County would handle such a situation.

Ms. Vanuch said that in 2020, they had level-funded the jail. She said that she had reviewed their budget, and it was clear that they were requesting pay increases. She said that however, there was no state mandate for these increases, and they were trying to get on parity with other jurisdictions that had implemented pay scales. She said that in her opinion, it was not the right time to make these changes. She said that in previous years, she had been able to stop the budget from moving forward and had allowed the jail board to make changes for the County Administrator to propose to the Board.

Ms. Vanuch said that she believed it was an area they should seriously look at for level funding. She said that it was worth noting that they were also level-funding the library, as per their MOU. She said that the proposed increase from the jail amounted to $2.158 million.

Dr. Yeung asked if it was a state mandate for the County to provide this funding.

Mr. Ashton said that originally, he thought that when they met with her early on, when she asked the question and they had not received a copy of the Memorandum of Understanding yet, they mistakenly thought it was mandated by the state. He said that upon further investigation, he found no such mandate. He said that instead, he discovered that the only mandate was to propose the jail board recommendation.

Mr. Ashton said that to clarify, Ms. Vanuch's point about the salaries was a significant portion of what they were seeking to fund with the increase. He said that the jail was losing a revenue stream due to an FCC ruling related to the use of personal devices, such as iPads, for email and other purposes. He said that as a result, they would have to revert to a previous method of charging, which would impact their commissary account. He said that specifically, they would lose approximately $800,000 in revenue starting in January, as the FCC had ruled that jails could not charge for communication with loved ones on the outside, forcing them to adopt a snail mail-like process.

Ms. Vanuch said that she did not believe the other localities would be funding the increase; they were considering level-funding as well.

Mr. Diggs said that he was not opposed to level funding, but it sounded like there would be additional costs they would have to pay due to the FCC ruling.

Mr. Ashton said that the amount would be $800,000 in the jail budget for January. He said that Stafford’s share of the cost would be approximately 38% to 40% of that total.

Ms. Vanuch said that they could level-fund the jail and see how revenues come in.

Ms. Gary said that she wanted to express her concern about this proposal, as she believed it was essential to consider the long-term implications of retaining the workforce at the jail. She said that it was already challenging, and she was particularly worried about the younger workers, who were often right out of high school and in their college years. She said that the recruiting and retention process for individuals who wanted to work in a correctional facility was already difficult.

Ms. Gary said that this decision would likely lead to problems. She said that if they proceeded with this, she thought it was crucial that they be prepared and understand that in the near future. She said that if companies like Buc-ee's came in, they would likely offer better pay than the jail, which was already the case. She said that as a result, they would need to increase the pay again.

Ms. Gary said that she hoped that by then, they would have generated sufficient revenue from the data centers to support this increase. She said that she did not want to put them in a position where they were significantly behind, which could be a shock to future Boards. She urged them all to be aware of this potential issue if they decided to move forward with this proposal.

Ms. Allen said that she had previously asked the Sheriff if there would be any legal ramifications of Stafford deciding not to fund the requested increase. She said that the Sheriff had stated that in his conversations with their attorney, they indicated that Stafford could be sued for not complying with the MOU. She said that her next questions would be whether they could sue them or if there would be any other significant repercussions. She said that if it were not a legal issue, she would certainly look to making cuts to the jail budget.

Mr. Diggs asked Ms. Light what the total reductions to the tax rate would be, inclusive of the jail.

Ms. Light said that it would be reduced by almost one penny.

Ms. Gary said that they were all trying to move forward, and she kindly requested that Ms. Vanuch share any relevant information she had that would help them make a collective decision. She said that this would enable them to either affirm their agreement or express their disagreement, and they could then proceed accordingly.

Dr. Yeung said that they could consider increasing the transient occupancy tax (TOT).

Ms. Gary said that increasing the TOT affected partner organizations that helped people find housing. She said that people staying in a hotel for less than 30 days had to pay the transient occupancy tax, which would be paid by those partner agencies. She said that there were some things that state legislators could do to fix that issue, but it was ongoing at this point. She said that she would like to make sure everyone was aware of the increased costs it would place on partner agencies assisting homeless individuals.

Ms. Vanuch said that to clarify, Dr. Yeung was requesting to increase the transient occupancy tax by 1%, which would require re-advertising the tax, but not suggesting that they would take away the portion of the TOT that had already been allocated to the Parks and Recreation Department. She said that if they were to increase the tax, the additional revenue would specifically go towards funding the City's General Fund. She said that she would support that if they found $1 million in the budget to also cut.

Ms. Bohmke asked if there was something from their Christmas tree funding that could be cut.

Ms. Vanuch said that there was a $5,000 increase.

Ms. Bohmke said that she would recommend removing that increase.

Ms. Vanuch said that their County Administrator discovered an additional $100,000 in vacancy savings. She said that they could also cut the market pay and positions study, which was $550,000. She said that she did not believe that the market was necessarily justifying the provision of large pay raises. She said that at this point, with the increasing tax rate and the current financial constraints, she thought it would be feasible to remove half a million dollars from the budget and readdress the issue in a year when their financial situation may be less challenging.

Mr. Diggs said that next year, they would be facing this issue again, and they would need to address it in the market that included their neighboring localities to the south and north were increasing their personnel pay this year. He said that as a result, he was thinking about how they could retain their staff and keep them there, especially if they were not offering bonuses or other incentives.

Ms. Vanuch said that she believed it was about to become an employer's market. She said that they had been in an employee market since the COVID-19 pandemic, largely due to the influx of cash into the economy from various sources, including ARPA federal funds. She said that many federal contractors were already preparing for hiring freezes and reducing-in-force (RIF) actions. She said that the recent JPMorgan investor call had highlighted the potential for a recession, which could lead to a significant economic downturn. She said that given their heavy reliance on federal government funding for Stafford's workforce, it was crucial that they exercise extreme caution and prepare for the challenges ahead.

Ms. Vanuch said that many of their locals were military personnel who had retired and were now working for the federal government, and they may just put their houses on the market and relocate, which was would crash their local market. She said that a 3% increase in real estate values next year could lead to a crash as well, which was why she was proposing that they adopt a flat tax rate. She said that they must cut everything that was not absolutely necessary to operate the government on a bare minimum, ensuring that they did not have to lay off employees.

Ms. Vanuch said that this was crucial, as in eight to nine months, their financial situation would be dire, and they would be forced to make drastic cuts, similar to what had happened in 2008 when the Board had to reduce spending by 10%, resulting in job losses, including teachers. She said that they must identify what was absolutely necessary to fund and then reassess next year, when the market may have leveled out, and they could have a more informed conversation about their local workforce's needs.

Ms. Vanuch said that to clarify, she did not want to be the one to cut all of these items, but this was her responsibility to make sure they were making wise budgetary decisions. She said that she hoped she was wrong and that next year they could gladly state that the market had leveled out and they had the capacity to fund things as they needed to. She said that they got lucky with the federal funding during COVID-19, which helped them put off having to make these difficult decisions. She said that they used the ARPA funding to take care of all their employees, but they now had to tell everyone they could not afford it this year.

Mr. Diggs said that he had heard them placing blame elsewhere, but it was really the Board's responsibility for the lack of economic development in the community. He said that consequently, their employees and partner agencies would bear the costs, but the accountability rested with the seven Supervisors in their current roles. He said that he was looking at economic development opportunities, and he believed they needed a fundamental shift in mindset. He said that while people may say they were giving businesses everything they wanted, the reality was they were not doing it. He said that he understood Ms. Vanuch's point, but it ultimately was the Board's responsibility to find revenues.

Dr. Yeung said that she needed data in order to make decisions. She said that Ms. Vanuch's statement was well-informed, but she needed concrete evidence to back it up. She said that she had referenced potential future events as reasons to cut, but she needed data to inform her decisions. She said that unfortunately, they did not have the data because they had not taken the initiative to gather it. She said that she would like to bring up the tax bill for reference. She said that she had noticed that the tax rate had fluctuated over the years.

Dr. Yeung said that in 2020, the tax rate was $0.97. She said that in 2021, it remained the same. She said that in 2022, the rate decreased to $0.85, and in 2023, it increased to $0.94. She said that the rate in 2024 was $0.90, and in 2025, it was $0.95. She said that if they went back 20 years, the rate would likely be higher. She said that she brought this up to provide transparency and reassure the public that they were working to keep the tax rate down.

Ms. Bohmke said that in Fairfax County, they were reducing their budget by $60 million, with $12 million reduction in Fire Services and $11 million from their Police Department. She said that according to Jeff McKay, the Chairman of the Board, who had been on the Board for 12 or 16 years, they had never passed a budget without making adjustments to the County Administrator's budget.

Ms. Bohmke said that as everyone knew, this was the Board's responsibility. She said that unfortunately, the County was struggling due to the challenges facing Northern Virginia. She said that she would love to see the Board fund the County Administrator's recommended budget, but it was not realistic this year.

Ms. Allen said that she did not have much else to add, but these were the most disingenuous conversations she had heard in a long time. She said that she did not understand the reasoning behind the dog-and-pony show and pontifications.

Mr. Diggs asked about the Board's thoughts on delaying the market study and position review.

Ms. Allen said that she had more questions to ask about that item, so she could not make a decision at this time.

Dr. Yeung said that she had asked questions about this topic in her one-on-one meetings with staff. She said that they were discussing market studies, positions, and did not see the faces behind these positions. She said that she had been wondering why they could not attract the right people for the work and jobs. She said that she did not want to reverse course here and start over. She said that they had to continue working on improving their pay for their workers to avoid falling behind their competitors and ultimately lose qualified staff.

Mr. Diggs said that there was Board consensus to delay the market pay and positions study to be removed, and to keep the $5 million transfer to schools operating fund.

Ms. Light said that they had a VPSA refund of $13,854. She said that as they had been discussing, she had calculated the 3R savings, which was 3% of their budget. She said that as the budget decreased, this amount decreased, resulting in an additional $84,000. She said that the FRA reduction was $18,411. She said that the EDA reduction was $60,000. She said that with the $550,000 market and position study removed, along with an additional $100,000 in managed vacancy savings, $2.8 million from the jail, and $5,000 for tree lighting, the total reductions amounted to approximately 1.07 pennies, or $2.8 million.

Ms. Gary asked if there was Board consensus to readvertise a higher TOT tax as well.

Mr. Diggs said that he would be supportive of increasing the TOT tax if it would result in removal of a penny from the real estate tax.

Ms. Gary said that she would be in favor of that proposal if they ensured that they revisited and advocated for getting state-level support that could help secure reimbursements for the agencies that provided shelter to individuals in motels.

Ms. Bohmke asked about the meals tax.

Mr. Diggs said that he would support increasing the meals tax would be able to take a penny off of the real estate tax and provide an additional $3 million in revenue. He said that he did not want to raise taxes at all, but he was very worried about people who felt they might lose their homes because of higher real estate taxes.

Ms. Vanuch said that she believed they should be looking to make cuts in the budget in order to achieve a 0% increase in the real estate tax, then add items back in for funding through the transient occupancy tax and the meals tax. She said that they could hold a public hearing on those two readvertised taxes.

Ms. Light said that she had misunderstood earlier and there actually was not Board consensus to remove the market and positions study, so the total reductions were just under one penny, or $2.4 million. She said that furthermore, Ms. Vanuch had mentioned that 10% was about $700,000, but it actually was about $1 million. She said that there could be significant impacts to departments if they reduce their budgets by $1 million, such as impacts to contracts and services, and it would be a considerable task for staff to handle.

Ms. Vanuch asked about the feasibility of cutting the departmental budgets by 7% and reallocating the budgets as needed, rather than disbursing the department budgets all at once.

Mr. Ashton said that he did not have enough information to provide a full impact assessment. He said that to get to this point and develop the proposal, they had already undergone several iterations with departments, where they had streamlined all department budgets to reduce their requests without significantly disrupting their operations. He said that at this stage, he could not begin to assess what would be feasible in that regard. He said that there were additional complexities that they needed to consider they would likely need to delve deeper into the mechanics of the process to fully understand how to proceed.

Ms. Vanuch said that she believed they should move forward with department budget reductions. She said that another area they could consider was removing the Sheriff's vehicles and instead using one-time funds to cover them, similar to what they had done in the past, which would save $800,000.

Ms. Allen said that she had previously asked a question about the Sheriff's vehicles that she needed to locate the answer to, so she would have to follow up on that.

Ms. Bohmke said that if the Sheriff would be amenable to that, she would support it.

Ms. Gary said that if the Sheriff was in agreement, then she was also in agreement.

Ms. Vanuch said that to clarify, they were not purchasing these items, but rather utilizing one-time funds to cover their costs.

Mr. Diggs said that there was Board consensus to use one-time funds for the Sheriff's vehicles in the amount of $800,000.

Ms. Vanuch said that the Purchase of Development Rights (PDR) position was still open for the Northern Virginia Conservation Trust (NVCT). She said that she was not looking to eliminate the position, but they could potentially move it to the PDR Fund.

Ms. Light said that it was already coming out of the PDR Fund. She said that it could be taken out of the budget and the funds would be returned to PDR.

Ms. Vanuch asked if Ms. Light could clarify the purpose of the listed $89,000.

Ms. Light said that the $89,000 was what was left from rollback funds to go to the PDR programs. She said that specifically, it would be applied to the NVCT MOU to pay for Crow's Nest debt service and the rest of PDR. She said that it could potentially be freed up to go towards debt service, which freed up other revenue sources for Crow's Nest.

Ms. Gary said that Ms. Hassell had recently given a presentation to the Board that demonstrated the significant amount of fundraising they did to amplify their work, so whatever Stafford was putting in, they were receiving a greater return. She said that this was not including the great benefits of conservation in the County, which remained a pointed concern for many of the public.

Ms. Light said that to clarify, the $89,000 represented the remaining rollback taxes that were not allocated to Crow's Nest or the NVCT MOU. She said that this amount could be used for future PDR programs, which would involve putting land into conservation. She said that alternatively, the Board could reallocate this $89,000 to Crow's Nest debt service. She said that in this scenario, PDR funding would be limited to revenues exceeding the budget.

Mr. Diggs asked if Ms. Light could review the reductions made so far.

Ms. Light said that the total reduction was 1.2 cents.

Mr. Diggs said that he could not support any cuts that would affect their staffing. He said that he worried about recruitment and retention of their employees in the community.

Ms. Bohmke said that they often discussed economic development, and she would like to revisit their conversation from the last Board meeting regarding legislative actions taken in Richmond. She said that if those actions had reached the House floor, it was possible they could have secured an additional $5 million in COCA funds. She said that Stafford County was in a unique and somewhat unusual position due to its location and proximity to Quantico.

Ms. Bohmke said that this was one reason why, from an economic development perspective, companies often avoid their area, as they tend to focus on the base rather than residential areas. She said that as a result, she suggested to people at the beginning of the year that they should visit Richmond to advocate for their needs. She said that unlike Hampton Roads, Northern Virginia, or Spotsylvania County, which has a significant retail presence, they were not part of any of these regions.

Ms. Bohmke said that however, they were caught in a peculiar position, as their designation as not being part of Northern Virginia, which was made years ago, no longer accurately reflects their needs. She said that they would need to take bold action to bring attention to the County's deserving needs.

Dr. Yeung said that their state funding situation may change depending on who was elected in the upcoming year. She said that she would be working very hard to make sure Stafford County’s representation at the state level would willingly assist them in achieving their goals and meeting their needs.

Mr. Diggs asked Ms. Light if it was correct that even with the market study and positions review and the partner agencies, they still would not be getting them to a net-zero tax increase.

Ms. Light said that that was correct. She said that with the removal of the study and reductions of partner agencies, they would still be at less than two pennies.

Ms. Gary said that she requested that she hear the rest of the ideas from her colleague regarding this plan. She said that she was seeking to understand any potential cuts that may be proposed and considered whether she agreed with them. She said that as they all had different perspectives, it was a disservice to herself and the rest of the Board if fellow Supervisors did not share this information, allowing them to have a productive conversation. She said that she requested that this information be shared so they could move forward with a thorough discussion.

She said that all of the cuts are listed in the budget book. She said that everything was on the table, and they could review everything. She said that there was nothing being concealed. She said that it was a matter of who has the courage to actually vote on a zero percent tax increase. She said that to be frank, the Chair needed to poll everyone and determine where they stood on the tax rate, and then create a budget around that. She said that it was difficult to form a budget when four Supervisors were unsure of where they stood.

Mr. Diggs said that as they had approached budget season, he thought that they all shared the goal of keeping taxes as low as possible. He said that however, this conversation took a turn when Ms. Vanuch stated from the dais that she had a plan and that they did not have to raise taxes. He said that the community and the Board were left wondering what that plan was, and it had led to a lot of uncertainty. He said that he was worried about this approach, especially given the short notice and the lack of time to thoroughly discuss and debate the plan.

Mr. Diggs said that this level of conversation was noticeably absent from their previous work sessions, and they were only having this discussion now, hours before they voted. He said that they had talked about serving their constituents and having more detailed and honest conversations, but that was not what they had been doing. He said that he did not want the pressure to be solely on Ms. Vanuch, and some of her ideas had been supported, but he could not support all of them.

Ms. Vanuch said that in her experience, this Board had difficulty making decisions until the very last minute. She said that the pressure of making the decision brought out the fruitful discussions as the time got closer. She said that she would be voting to approve a zero-percent tax increase. She said that she would be making tough decisions to achieve that, and the community would see that. She said that it would not satisfy everyone, but more people would like their taxes not increasing than the County reducing expenses.

Ms. Vanuch said that during the pandemic, they had decided immediately not to raise taxes, but they had to have a lot of work sessions to work through the details. She said that she could accept that others may think it was valid to raise the taxes to pay for things they felt were essential, but she knew that her constituents did not want their taxes to be raised and she had to represent them.

Ms. Bohmke asked how much funding the schools would be receiving the state.

Chris Fulmer, Chief Operating Officer for Stafford County Public Schools, said that to clarify, they currently had two possible state scenarios, resulting in either a total revenue of $300.1, their best-case scenario, or $287.3, which reverted to last year's biennium budget. He said that the latter scenario would only be a $6.1 million increase over FY25, and either one of these scenarios had to go to a 1.5% funding increase, otherwise they did not get that money and gave it back to the state.

Mr. Fulmer said that the 1.5% cost around 5.5, so they would be doing that or else would be turning the money back to the state. He said that all of their discussion revolved around the funding above this 1.5% threshold. He said that even if they considered the School Board's approved budget, if they were to eliminate all salary increases and took the best-case scenario from the state, they would still face a funding gap, including reducing all discretionary expenditures. He said that if they were to revert to the biennium budget, their worst-case scenario, they would have a $13 million funding gap, without making any further adjustments beyond the 1.5% increase.

Dr. Yeung asked if they still had unfunded mandates and standards of quality (SOQ).

He said that to clarify, he was pulling numbers directly from CalcTool. He said that not all of that funding came directly to their operating fund. He said that he could assure them the number was around $300.2 million, not $302 million.

Mr. Diggs asked what the funding gap would be in the best case scenario.

Mr. Fulmer said that if the funding was $300.2 million, and they reduced all raises to 1.5%, they still had a $200,000 funding gap. He said that he wanted to be clear that they were reducing all raises to 1.5% across the board, which meant they were losing their scale integrity for their step scales for their service staff and teachers. He said that to maintain a step increase for their teachers, they needed to meet a minimum average of 2.5%. He said that to achieve that, it would require an additional $3.6 million.

Ms. Vanuch said that she would propose that they remove the $5 million from the real estate budget and instead advertise the meal tax increase to supplement that increase. She said that this would allow them to easily augment the budget. She said that although it was a wash, she wanted to revisit the idea of achieving a zero tax rate on this budget. She said that if they removed the $5 million, it would result in a tax rate reduction of almost $0.03. She said that otherwise, she would be a no on anything else regarding the meals tax.

Mr. Fulmer said that to clarify, he believed there was a misunderstanding regarding the funding. He said that they required the $5 million plus the additional $3.6 million. He said that therefore, if they went from $5 million to $3.6 million, they would still be $5 million short to achieve the necessary 2.5% raise to maintain their step scale.

Ms. Vanuch said that the schools had to cut more from their budget. She said that they had received a 56% increase in funding from the state and a 33% increase in funding from the locality. She said that there were things they could cut.

Mr. Fulmer said that to clarify, the funding gap was including them cutting all raises down to 1.5%, resulting in a four million dollar increase in health insurance costs. He said that they also had substitute increases, which included adding 500 students, leading to mandatory increases for SOQ and growth positions. He said that to achieve this level of funding, they had to cut all other increases above 1.5%. He said that he was simply presenting the facts of the funding gap, which would occur if they eliminated all raises. He said that this was a School Board decision, and he was not bringing recommendations; he was merely sharing the information.

Mr. English asked if the schools still had a $6 million carryover.

Mr. Fulmer said that yes, that could be used for one-time funds.

He said that they had done that before, and he would not agree to it.

Ms. Bohmke said that they could potentially reallocate that one-time funding to other projects within their existing budget.

Ms. Vanuch said that they could use it for 3R projects.

Dr. Yeung asked if there were any projects the schools could pay for using that reserve.

Mr. Fulmer said that there was an alternative option of cash funding instead of debt financing. He said that he believed Ms. Light was more familiar with the specifics of this option.

Ms. Light said that the debt service for Fiscal Year 26 had already been incurred in the four projects, including arrears that the schools had initiated or would initiate, such as high schools. She said that unfortunately, there was nothing there to consider. She said that if one looked forward, there was approximately $17 million in 3R projects for the schools. She said that it was estimated that around $14 million of this would be bond-funded in Fiscal Year 26, which would have an impact into Fiscal Year 27. She said that the more one-time funding that was allocated to this, the greater the impact would be.

Mr. Diggs asked Ms. Light to review the reductions they had just discussed.

Ms. Light said that they had savings in 3R based on lesser expenditures, VPSA refund was $13,000, FRA, EDA, and managed vacancy savings program was reducing costs by $100,000, $2.2 million for the jail, remove the Sheriff's ongoing costs for vehicles and give them one-time funding of $800,000, and reduce the tree lighting by $5,000. She said that this resulted in a total reduction of 1.7 pennies.

Mr. Diggs asked if the increase in transfer to schools would still not level the tax rate.

Ms. Light said that that would bring them to 3.68 pennies.

Ms. Vanuch said that they could fund school projects for 3R, along with a few other small items. She said that she believed they could get there.

Ms. Allen said that she had been sitting in silence for over 30 minutes, just listening. She said that one point that struck her was the irony of how they advocated for their relationship with Northern Virginia in their arguments when it benefited them, but then distanced Stafford from Northern Virginia in other arguments. She said that she had noticed that some Board members were being deliberately dishonest in their statements about not raising taxes or making difficult cuts. She said that to say that one's role as a Supervisor was to not raise taxes meant that every year it would be the same conversation with no progress being made.

Ms. Allen said that it was disappointing to hear Board members consider cuts to taxes with the hopes that next year other Supervisors might change their minds, but the only time when a member did that was when it was politically expedient for them. She said that this was some of the most disingenuous conversation she had ever heard. She said that finally, she must request that all Supervisors refrain from insulting each other's intelligence.

Ms. Gary said that she was grateful that Ms. Vanuch had presented a significant portion of what she had reviewed and was willing to cut, and she believed that they had made some progress. She said that she was grateful that they could move forward with that at least, so she thanked her.

<u>ADJOURNMENT</u>
The Board adjourned its meeting at 4:05 p.m.

William H. Ashton, II
County Administrator