



County Executive's Recommended FY 26 Budget

Work Session #4: **Propose Budget & Tax Rates for Advertisement**

March 19, 2025

March

- ~~5~~ — ~~Public Hearing on~~
~~Recommended Budget~~
- ~~10~~ — ~~Work session~~
- ~~12~~ — ~~Work session~~
- ~~17~~ — ~~Work session~~
- ~~18~~ — ~~Town hall: The Center~~
- 19** — Work session: Board
proposes budget and sets
maximum tax rate for
advertisement
- 20** — Town hall: Monticello HS
- 24** — Town hall: Sentara
Conference Room
- 26** — Work session (if needed)
- 27** — Town hall: Yancey
Community Center

April

- 7** — Work session (if needed)
- 9** — Town hall: WAHS
- 10** — Town hall: North Fork
- 14** — Town hall: Journey MS
- 23** — Public Hearing
- 30** — Public Hearing

May

- 7** — Board approves and
appropriates FY 26 Budget
and sets tax rates

FY26 Budget Calendar

March 19 Work Session Agenda

1. Complete remaining budget chapters from prior work sessions:

- Community Development Department & Transit
- Parks, Recreation, and Culture
- Administration
- Position Changes & Re-engineering

2. Updates from Prior Work Sessions:

- Recommended technical adjustments
- Consideration of Board requested adjustments

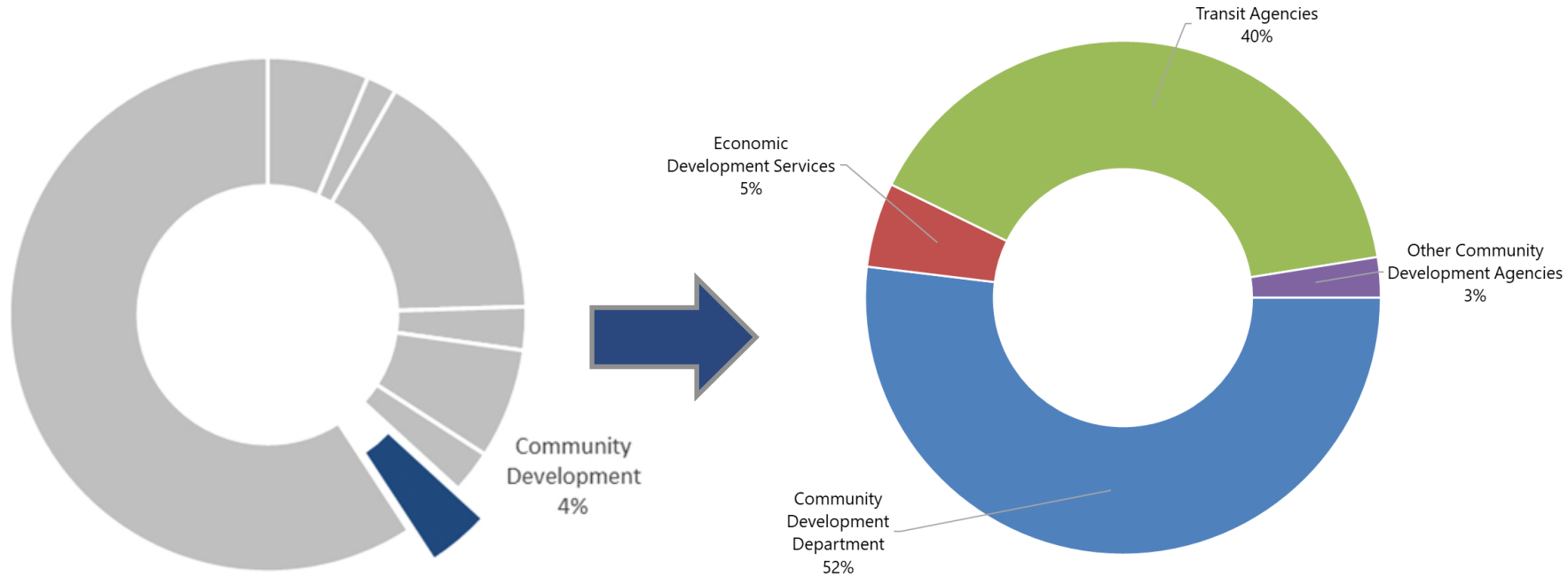
3. Board Action:

- Board proposes tax rates for advertising
- Approval of FY 2026 Proposed Budget for advertising

**Complete remaining chapters
from prior work sessions**

Community Development

\$19.2 million





INVESTMENT IN COMMUNITY DEVELOPMENT

SUPPORTS GOALS:

4

6

AC44

Phase 3 development of
implementation plan

Zoning Ordinance Update

**Ordinance
Updates**

Form Based Code Phase 2

Data Centers Re-Zoning

**Core Systems
Modernization
&
Centralization**

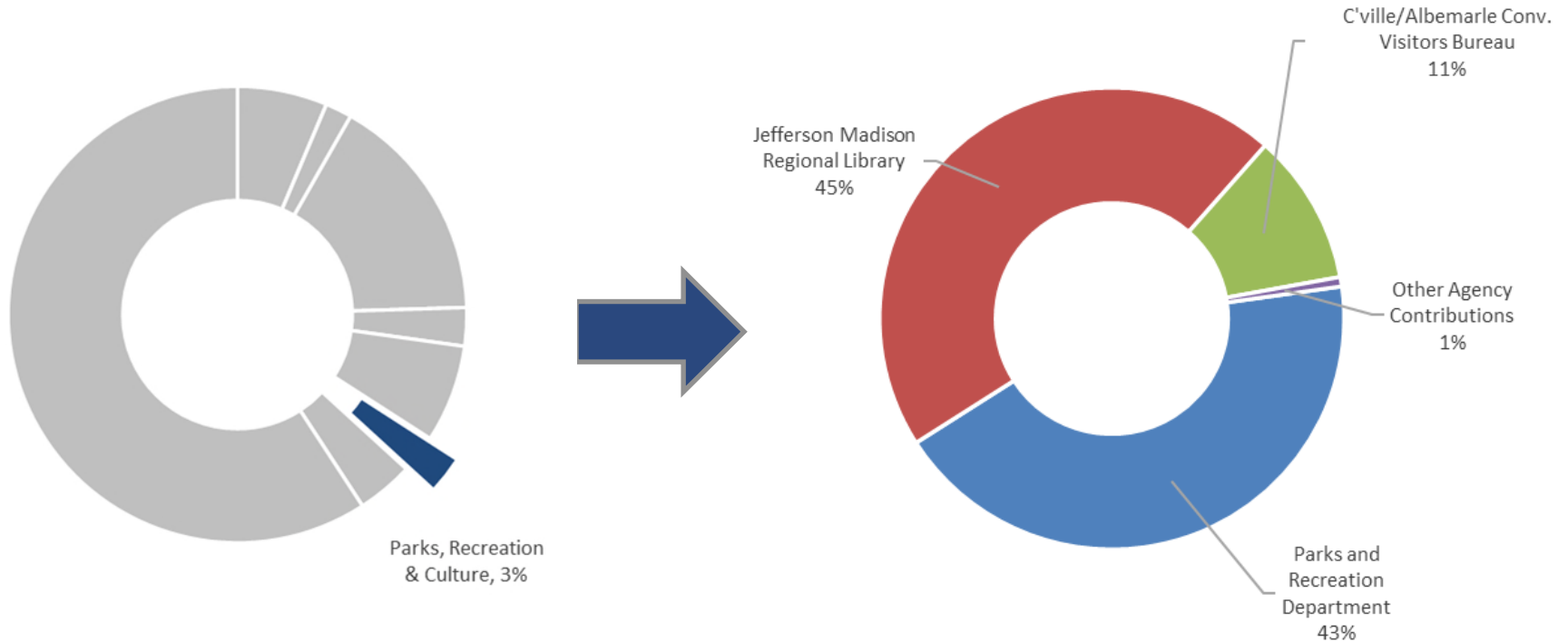
Continue to modernize
business processes

Transit Agency Contributions

- **Charlottesville Area Transit (CAT)** increases by \$822,194, with the increase primarily due to:
 - Completely phasing out federal pandemic relief funding
 - Increased salary and benefits costs including market and health care costs as well as addition of new FTEs
- **Micro-CAT:** Decrease of \$441,887 to represent the full year operational costs based upon the current contract.
- **Jaunt** increases by \$206,216 to provide the County's share of the costs for existing services
- **Regional Transit Partnership (RTP)** continues ongoing operations at \$26,750
- **Afton Express** continues ongoing operations at \$6,286

Parks, Recreation, & Culture

\$12.9 million



INVESTMENT IN

PARKS, RECREATION, AND CULTURE

SUPPORTS GOAL:

4

Opening New Parks

\$124K for a full-year of operations at Biscuit Run and ½ year at Rivanna Village

Adaptive Recreation

\$133K contribution to City-County joint Adaptive Recreation Program

Implementing CIP

Darden Towe, Biscuit Run Phase 1B, & Urban Pocket Park

Invasive Species Management

\$33K to expand the Invasive Species Management Program

Parks, Recreation, & Culture

Notable Changes

Jefferson Madison Regional Library (JMRL)

- Increase of \$386k or 7.0%
- Reflects County's share of existing library systems costs per regional agreement

Charlottesville Albemarle Convention & Visitors Bureau

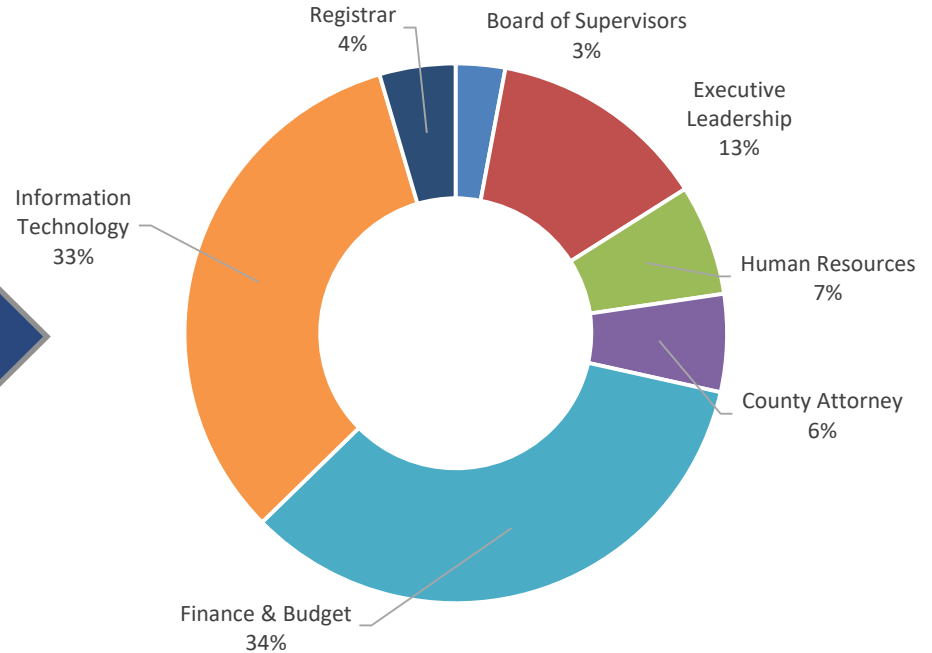
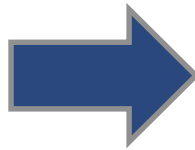
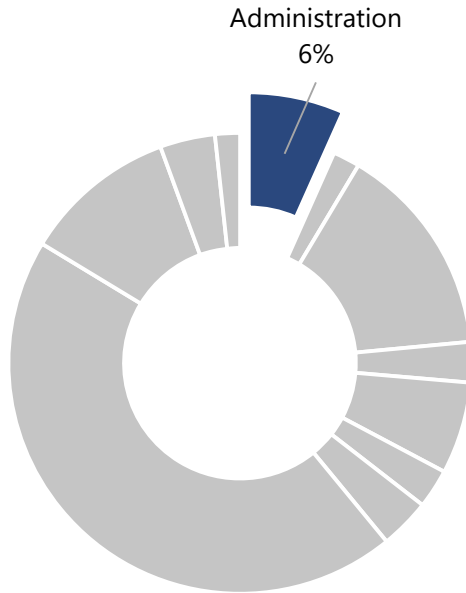
- Increase of \$223k or 19.4% based on regional agreement
- Funded by related transient occupancy tax revenues

Cultural, Arts & Festivals Agencies

- In FY 25 Budget process, application and review process simplified and focused on qualification as eligible program request
- Reclassify agencies into one of four categories: Larger programs that bring visitors & support local economy, Smaller local cultural programs, Arts-focused, Recreational or educational opportunities
- Funding recommendations placed less emphasis on existing vs new County funding
- FY 26 Recommended = 17 agencies totaling \$85,500

Administration

\$30.4 million





INVESTMENT IN ADMINISTRATION

SUPPORTS GOALS:

2

6

Core Systems Modernization & Centralization

\$450k for the new
financial
management system

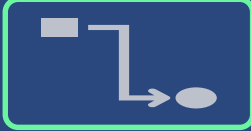
Voter Registration & Elections

Fully funded
request

Board Meeting Minutes Support

\$30k for meeting
minutes preparation

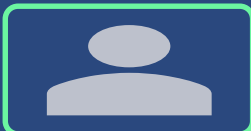
Performance & Strategic Management



Process review & Improvement



Technology solutions



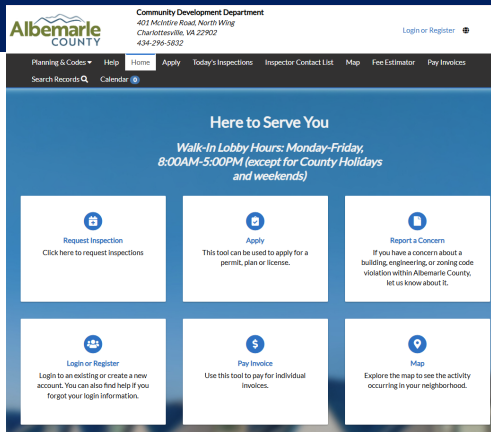
Customer service enhancements



Repurposing of staff roles

INVESTMENT IN WORKFORCE & SERVICE DELIVERY

Cost Savings and Efficiencies



SUPPORTS GOAL:

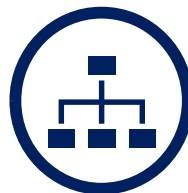
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11.7

**VACANT FTEs
ELIMINATED AFTER
RE-ENGINEERING**



**COMMITMENT TO \$1M IN
ANNUAL COST SAVINGS**



**SYSTEMS MODERNIZATION,
SPACE MANAGEMENT,
EFFICIENCY STUDIES**

FY 26 Position Changes Summary

Category	Position	FTE
Eliminated Positions	<ul style="list-style-type: none">AdministrationJudicialPublic WorksHealth & WelfareCommunity Development Subtotal, Eliminated Positions	(5.7) (0.5) (2.0) (3.0) (0.5) (11.7)
Health & Safety	<ul style="list-style-type: none">Police Officers	6.0
	Net Position Change	(5.7)

Efficiencies & Re-engineering

Efficiency	FY 25 Savings	Ongoing Savings
Human Resources Reorganization	\$50k	\$54k
Financial Management System Implementation Efficiencies	\$60k	\$90k
Department of Social Services Reorganizations	\$105k	\$213k
Broadband Accessibility & Affordability Reorganization	\$92k	\$183k
Total	\$307k	\$539k

Updates from Prior Work Sessions

Recommended Technical Updates

Revenues	Adjustment
School Resource Officers Transfer from Schools	+\$252,402
Correction: Technology Licensing Fees from Schools & Partner Agencies	-\$194,154
Correction: Water Resources Transfer	-\$97,232
Staff review of other revenue projections	\$0
Expenditures	Adjustment
Albemarle Charlottesville Regional Jail, one-time	-\$491,096
School Resource Officers, including one-time costs	+\$478,967
Blue Ridge Juvenile Detention Center	+\$29,562
Remove Agencies due to Eligibility Requirements	-\$27,500
Transit Contingency to CAT, remaining transit contingency eliminated	-\$177,806
Reserve for Contingencies, after above changes	\$206,756 ongoing \$677,907 one-time

School Fund: Updated Gap after Technical Adjustment

For each scenario, the number of pennies is rounded up to the nearest tenth of a penny, which provides more than needed to cover the gap

		Pennies on Real Estate Tax Rate: Dedicated to Schools	Pennies on Real Estate Tax Rate: Allocated by Formula
FY 26 Funding Gap: \$557,779	Pennies	0.2	0.4
	Dollars	\$619,602	\$669,170
Recurring Gap Beyond FY 26: \$1,491,836	Pennies	0.5	0.9
	Dollars	\$1,549,005	\$1,505,633

Consideration of Board Requested Adjustments

Ongoing

- Ongoing amount of Reserve for Contingencies, \$207k
- Reprioritizing use of ongoing funding

One-time

- One-time amount Reserve for Contingencies, \$678k
- Reprioritizing use of one-time funding

CIP Adjustments

- \$1.9 M available from CIP Advancing Strategic Priorities Reserve
- Reprioritizing capital projects

CIP Advancing Strategic Priorities Reserve

Established in FY 20

Purpose

- Reserve to support potential Strategic Plan priority projects or to provide funding for other emerging organizational needs.

Past Uses

- Southern Convenience Center Development
- Preliminary Design for Reas Ford and Earlysville Road Intersection Improvements
- Rio Road Corridor Study
- Brookhill Proffer Study
- Lambs Lane/Hydraulic Road Study
- Thomas Jefferson Planning District Commission (TJPDC) Safe Streets for All Grant Match

Currently, there is \$1.9 M in unallocated funding.



Set Tax Rate for Advertisement



FY 26 **Balanced** on These Tax Rates



Real Estate Tax Revenue

Increase of \$29.4 M or 12.2%

- +\$12.4 M due to recommended increased tax rate
- Calendar Year (CY) 2025 overall reassessments + 5.1% from CY 2024
- Additional impacts for new constructions, land divisions, other adjustments

Tax Rate

- Recommended rate of \$0.894 per \$100 of assessed value
- “Lowered” or “Effective” Tax Rate: \$0.813 per \$100 of assessed value

Tax Relief for the Elderly and Disabled

- Increases \$232k or 11%, based on Board action in January 2025

Personal Property Taxes

Recommended rate of \$4.28 per \$100 of assessed value

- Rate recommended to return to pre-pandemic levels

Revenue primarily from personal vehicles but also applies to:

- Business Tangible Personal Property, rate must be the same tax rate as personal property
- Other Personal Property, rate must not exceed personal property rate
- Machinery & Tools Tax, rate must not exceed personal property rate

Personal Property Tax Relief, provided by State, for qualifying vehicles:

- Full relief (100%) of qualifying vehicles assessed at \$1,000 or less
- Partial relief (42%) for portion of vehicles assessed between \$1,001 to \$20,000
- No relief (0%) for vehicles assessed above \$20,000

Value of a Penny on Each Tax Rate

Real Estate

- Each penny = \$3.1 M, funding if split by formula:
 - *Capital & Debt (10%):* \$0.3 M
 - *Public School Operating (54%):* \$1.7 M
 - *County Gov't. Operating (36%):* \$1.1 M

Personal Property & Machinery & Tools

- Each penny = \$97k funding split by formula:
 - *Capital & Debt (10%):* \$10k
 - *Public School Operating (54%):* \$52k
 - *County Gov't. Operating (36%):* \$35k

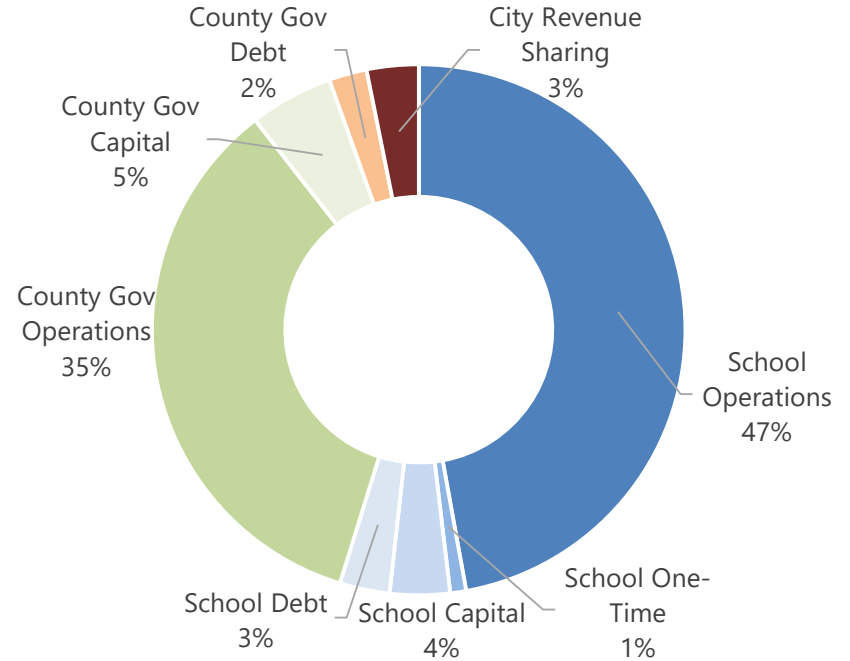
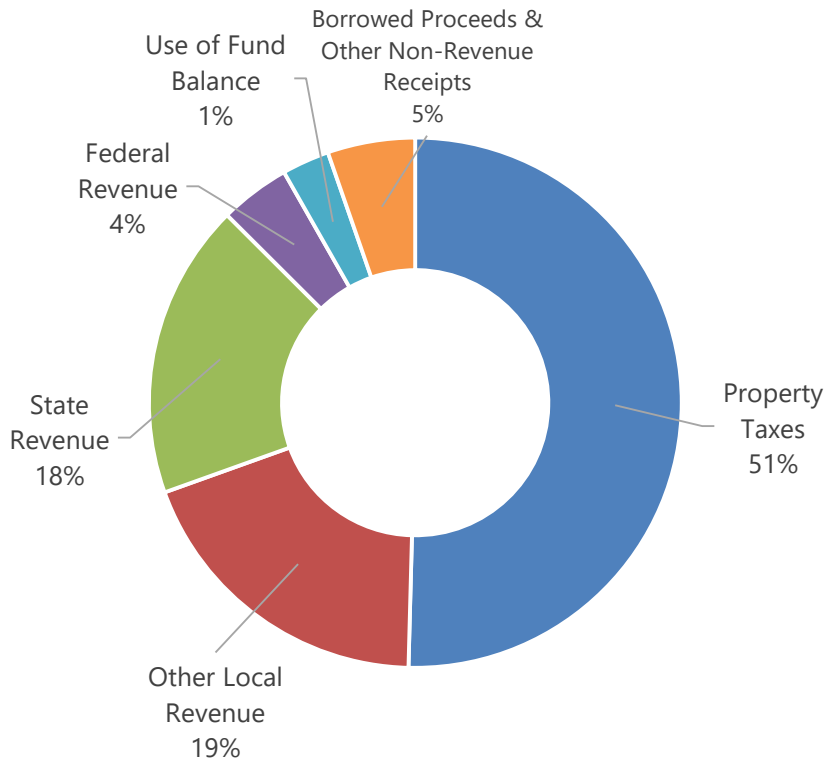
Motion to Advertise the 2025 Tax Rates for Public Hearing

I move that the Board advertise the following rates for public hearing for the 2025 tax year:

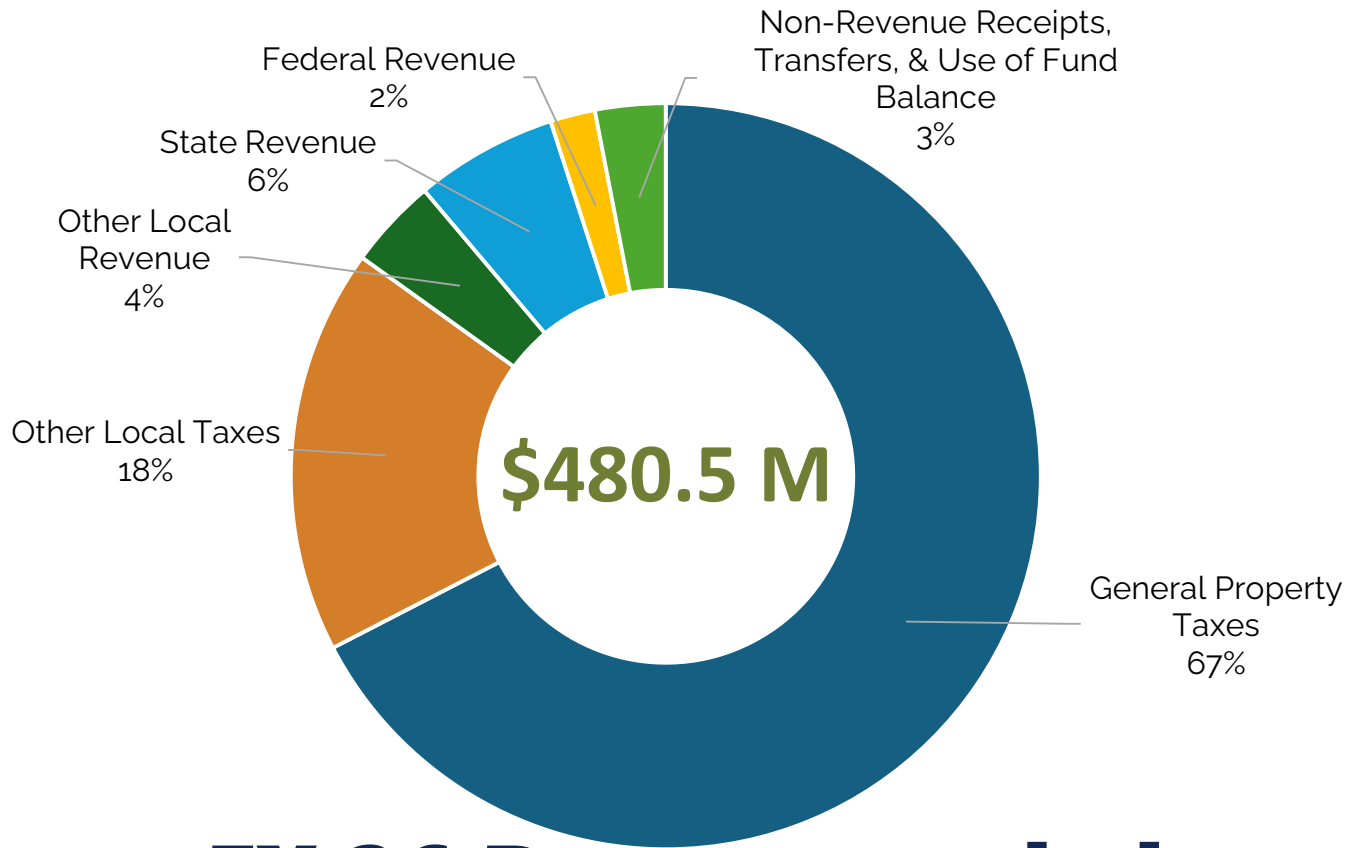
- **\$0.894/\$100** of assessed value for real estate, public service property, and manufactured homes;
- **\$4.28/\$100** of assessed value for tangible personal property;
- **\$4.28/\$100** of assessed value for miscellaneous and incidental tangible personal property employed in a trade or business that is not otherwise classified as machinery and tools, merchants' capital, or short-term rental property, and that has an original cost of less than \$500; and
- **\$4.28/\$100** of assessed value for machinery and tools.

FY 26 Proposed Budget for Advertisement

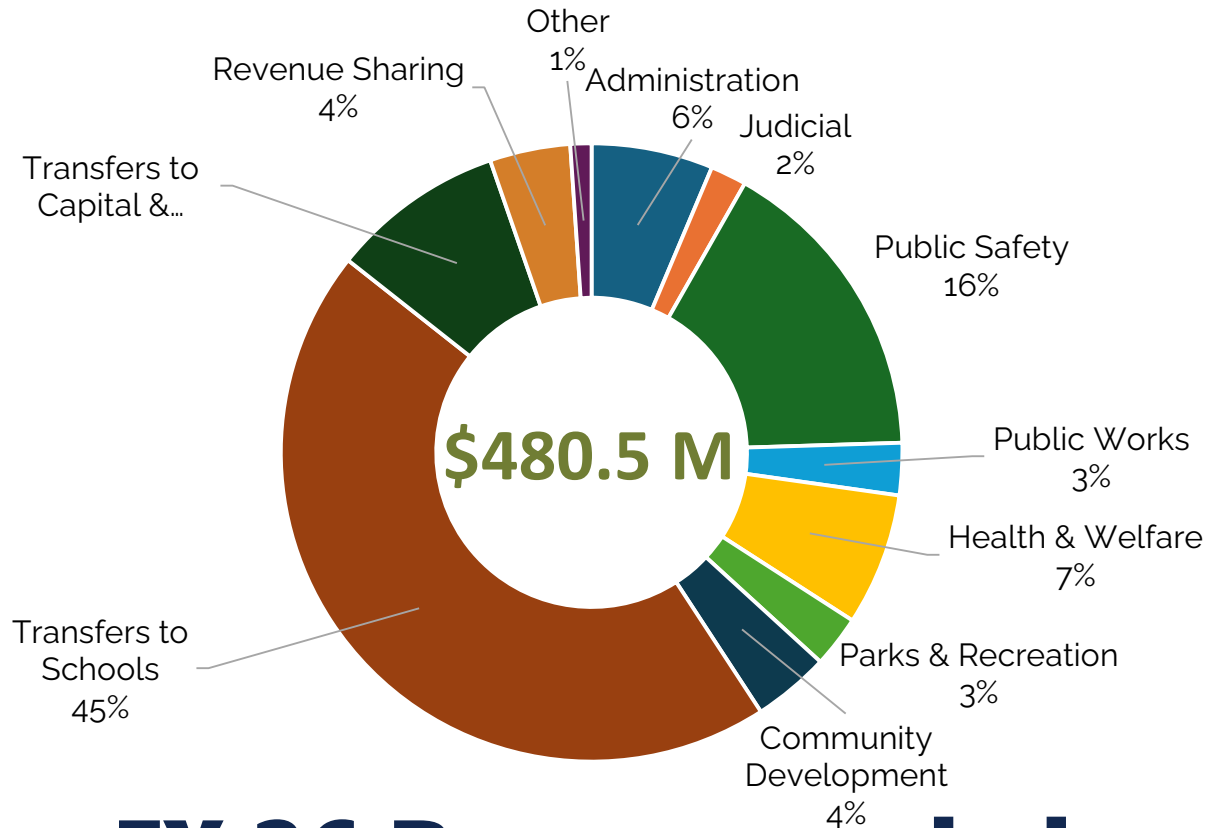




**Total (All Funds) FY 26 Recommended
Budget: \$642.4 M**



FY 26 Recommended General Fund Revenues



FY 26 Recommended General Fund Expenditures

FY 26 Capital Budget Projects

Capital Project and Programs	2026
Obligations, Maintenance/Replacement, and Ongoing Programs	\$ 29,580,391
Goal 1 - Safety & Well-Being	
Courts Facilities Addition/Renovation	\$ 7,500,000
Community Non-Profit - Loaves and Fishes	\$ 40,000
Goal 3 - Infrastructure & Placemaking	
Transportation Leveraging Program	\$ 9,843,035
Goal 4 - Quality of Life	
Biscuit Run	\$ 3,566,750
Urban Pocket Park	\$ 1,500,000
Darden Towe Athletic Fields Rebuild	\$ 772,144
Goal 5 - Education & Learning	
High School Capacity - Center II	\$ 600,000
School Capacity #2 - Southern Elementary School	\$ 600,000
School Renovations	\$ 4,000,000
Goal 6 - Workforce & Customer Service	
County Office Building (COB) Space Renovations	\$ 768,000
	\$ 58,770,320

FY 26-30 Capital Improvement Plan

(in millions)

Capital Project and Programs	2026	2027	2028	2029	2030	Grand Total
Obligations, Maintenance/Replacement, and Ongoing Programs	\$ 29.58	\$ 31.96	\$ 34.48	\$ 43.41	\$ 45.20	\$ 184.63
Goal 1 - Safety & Well-Being						
Courts Facilities Addition/Renovation	\$ 7.50	\$ -	\$ -	\$ -	\$ -	\$ 7.50
Community Non-Profit - Loaves and Fishes	\$ 0.04	\$ -	\$ -	\$ -	\$ -	\$ 0.04
Goal 3 - Infrastructure & Placemaking						
Transportation Leveraging Program	\$ 9.84	\$ 13.60	\$ -	\$ 4.50	\$ -	\$ 27.94
Central Library	\$ -	\$ 0.86	\$ -	\$ 9.68	\$ -	\$ 10.54
Northern Convenience Center Development	\$ -	\$ 1.30	\$ -	\$ -	\$ -	\$ 1.30
Goal 4 - Quality of Life						
Biscuit Run	\$ 3.57	\$ -	\$ -	\$ -	\$ -	\$ 3.57
Urban Pocket Park	\$ 1.50	\$ -	\$ -	\$ -	\$ -	\$ 1.50
Darden Towe Athletic Fields Rebuild	\$ 0.77	\$ 0.80	\$ -	\$ -	\$ -	\$ 1.57
Goal 5 - Education & Learning						
High School Capacity - Center II	\$ 0.60	\$ -	\$ -	\$ -	\$ -	\$ 0.60
School Capacity #2 - Southern Elementary School	\$ 0.60	\$ -	\$ -	\$ -	\$ -	\$ 0.60
School Renovations	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 20.00
School Capacity #3 - Northern Elementary School	\$ -	\$ 4.40	\$ 56.30	\$ -	\$ -	\$ 60.70
Goal 6 - Workforce & Customer Service						
County Office Building (COB) Space Renovations	\$ 0.77	\$ 1.40	\$ -	\$ -	\$ -	\$ 2.17
	\$ 58.77	\$ 58.32	\$ 94.78	\$ 61.59	\$ 49.20	\$ 322.66

Budget Amendments

County Executive Recommended Technical Adjustments

- Reviewed earlier in March 19 work session

Board recommended adjustments, if any

Motion to Advertise the Proposed FY 26 Budget

I move that the Board authorize staff to advertise for public hearing the FY 26 proposed budget which is the same as the County Executive's Recommended Budget, including any staff recommended changes (and any additional amendment(s) made by the Board of Supervisors).



Next Steps



If needed, Work Sessions

Board direction needed on whether to hold or cancel:

- Wednesday, March 26, 3:00 – 6:00 pm
- Monday, April 7, 3:00 – 6:00 pm
 - Could be decided at regular meeting on April 2

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Recommended Budget
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FY26 Budget Calendar