

# **County Executive's Recommended FY 27 Budget**

## **Work Session #1:**

# **General Fund Revenues & Expenditures**

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March 9, 2026

# March

- ~~4~~ ~~Public Hearing on~~  
~~Recommended Budget~~
- 9** Work Session
- 11** Work Session
- 16** Work Session
- 18** Work Session: Board  
Proposes Budget and Sets  
Maximum Tax Rate for  
Advertisement
- 19** Town Hall: The Center
- 23** Town Hall: WAHS
- 25** Town Hall: COB 5<sup>th</sup> Street
- 26** Town Hall: Yancey  
Community Center
- 30** Town Hall: Lakeside MS

# April

- 1** Work Session (If Needed)
- 2** Town Hall: Albemarle HS
- 15** Public Hearing on CY 26  
Tax Rates and Board's  
Proposed Budget
- 22** Board Approves and  
Appropriates FY 27  
Budget and Sets Tax Rates

## FY 27 Budget Calendar

# Work Session Process

- Staff present info at level of detail in between County Executive presentation & detailed budget document
- Includes many pauses for Board of Supervisors questions, dialogue and identify items for:
  - “The list” for potential adjustment and future Board discussion
  - General information
- Responses outside of work sessions are posted to the website for transparency

# Agenda

**Total Budget, pages 76-77**

**General Fund Revenues, pages 85-101**

**General Fund Expenditures, Compensation**

*Break, if Board desires*

**Public Safety, pages 145-155**

**Judicial, pages 133-141**

# Balancing Considerations

## Economic Outlook

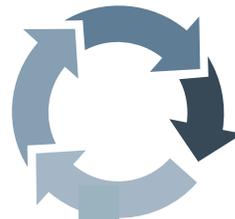
“Continued uncertainty”

## 5-Year Financial Plan

Evolving tax base and multi-year planning

## Strategic Plan

Safety & Well-being; Resilient, Equitable, & Engaged; Infrastructure & Placemaking; Quality of Life; Education & Learning; Workforce & Customer Service



## Revenues

Strong state revenues for Public Schools, not guaranteed in FY 29

## Obligations

Operating new schools, Expiring grants for Fire Rescue Services, FY 27- 31 CIP with increasing debt

## Financial Policies

Budget Stabilization Reserve, borrowing capacity, maintaining AAA/Aaa/AAA

# Budgeting Strategies



**OBLIGATIONS** - Ensure we fund obligations we've committed to and maintain service expectations from the community

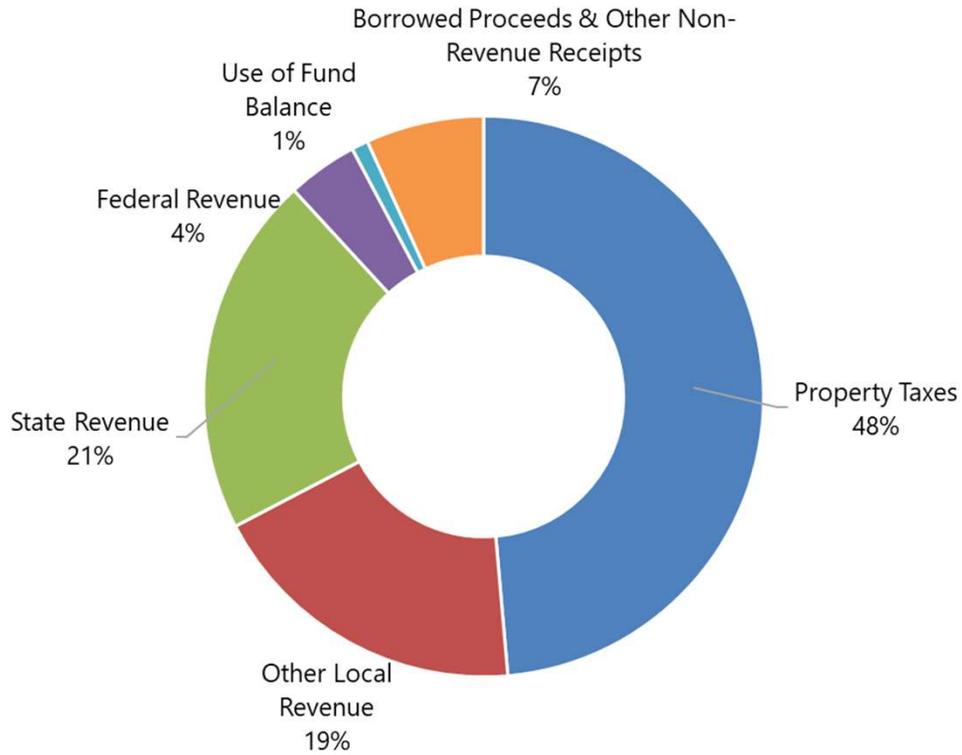


**MULTI-YEAR PLANNING** - Leverage past strategic decisions to bridge to the future and position the County for future success

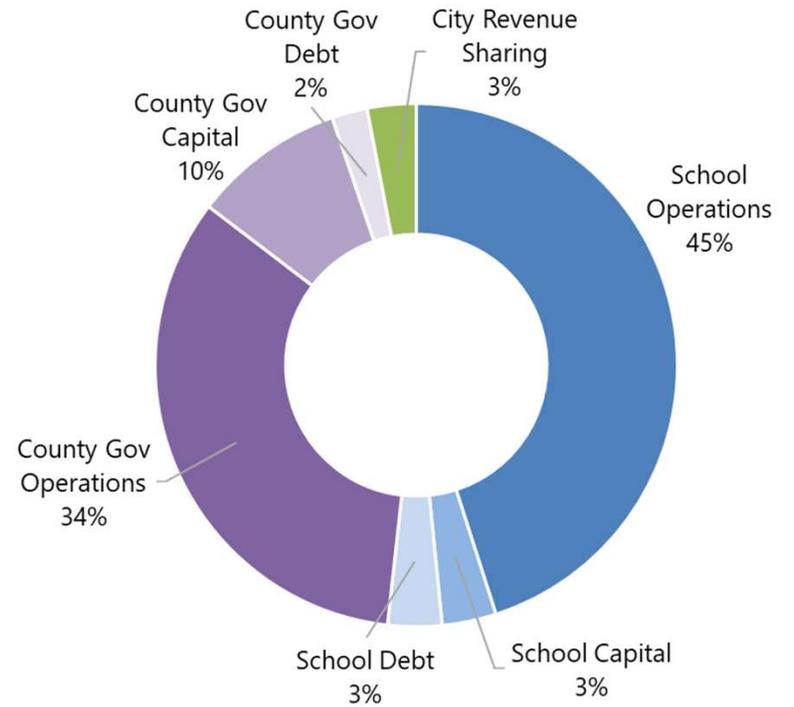


**STRATEGIC PLAN AS GUIDE** - Align funding to make progress across all six Strategic Plan goals

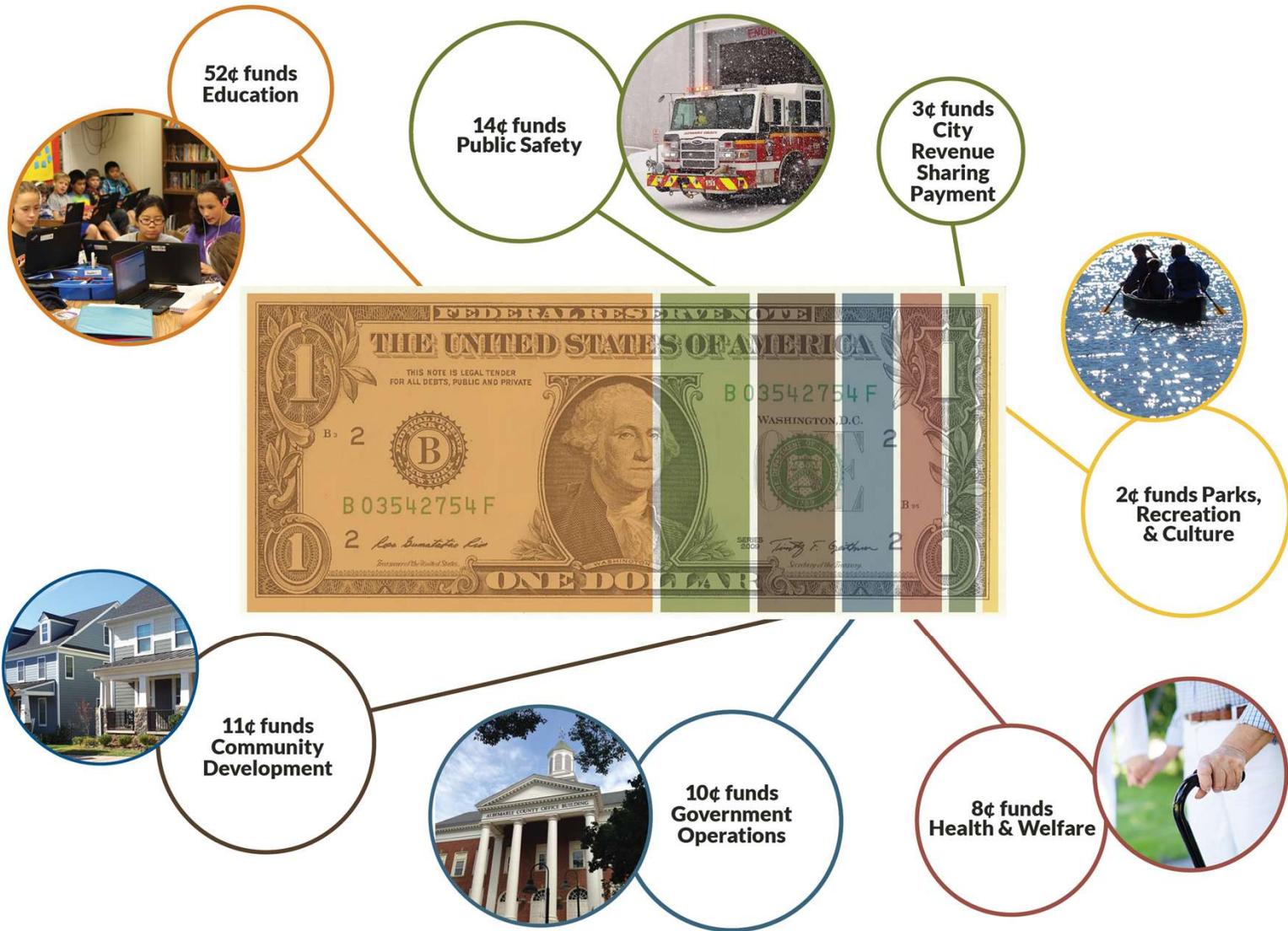
# Revenues



# Expenditures



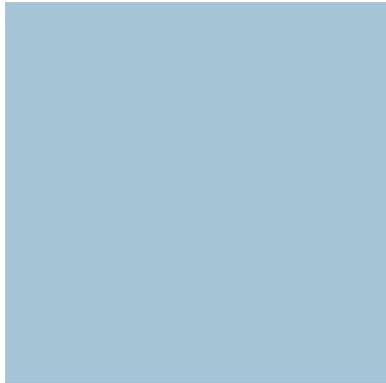
**Total Budget, pages 76-77**



# Total Budget, All Funds Summary pages 76-77

All Funds Budget: \$724.0 M, increases +\$86.0 M or 13.5%, primarily due to the following:

- **+\$32.4 M** or 7.6% increase in General Fund local revenues, reflecting changes in the overall local economy
- **+\$12.9 M** or 17.2% in State revenue to support Public Schools Operating and Special Revenue funds
- **+\$40.8 M** in revenue designated for the Boulders Road capital project, from the state, developer, Economic Development Fund, Economic Development Authority, and bond proceeds
- All other net changes are **-\$0.1 M**



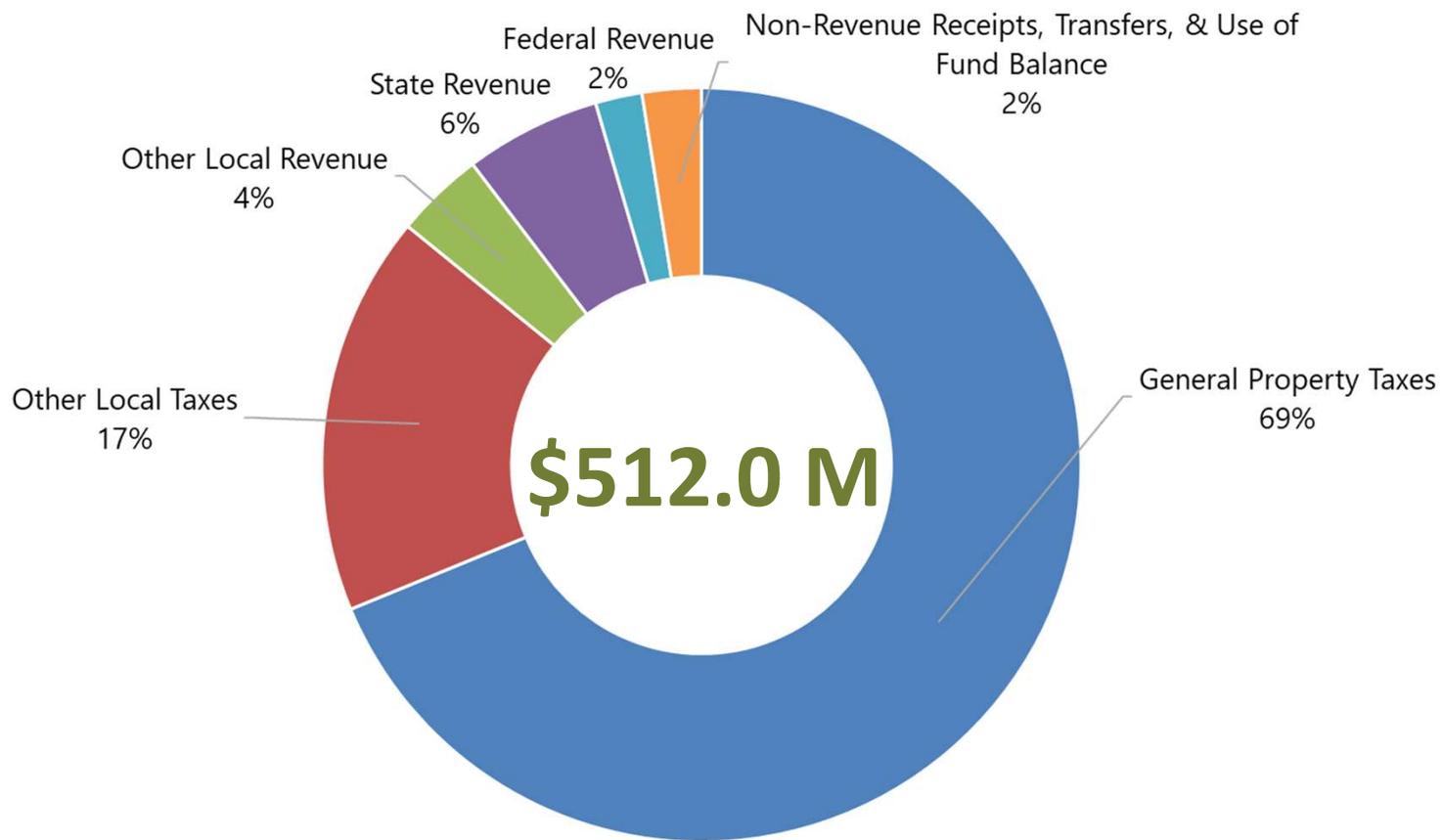
# General Fund Revenues

Pages 85-101



# FY 27 **Balanced** on Current Tax Rates





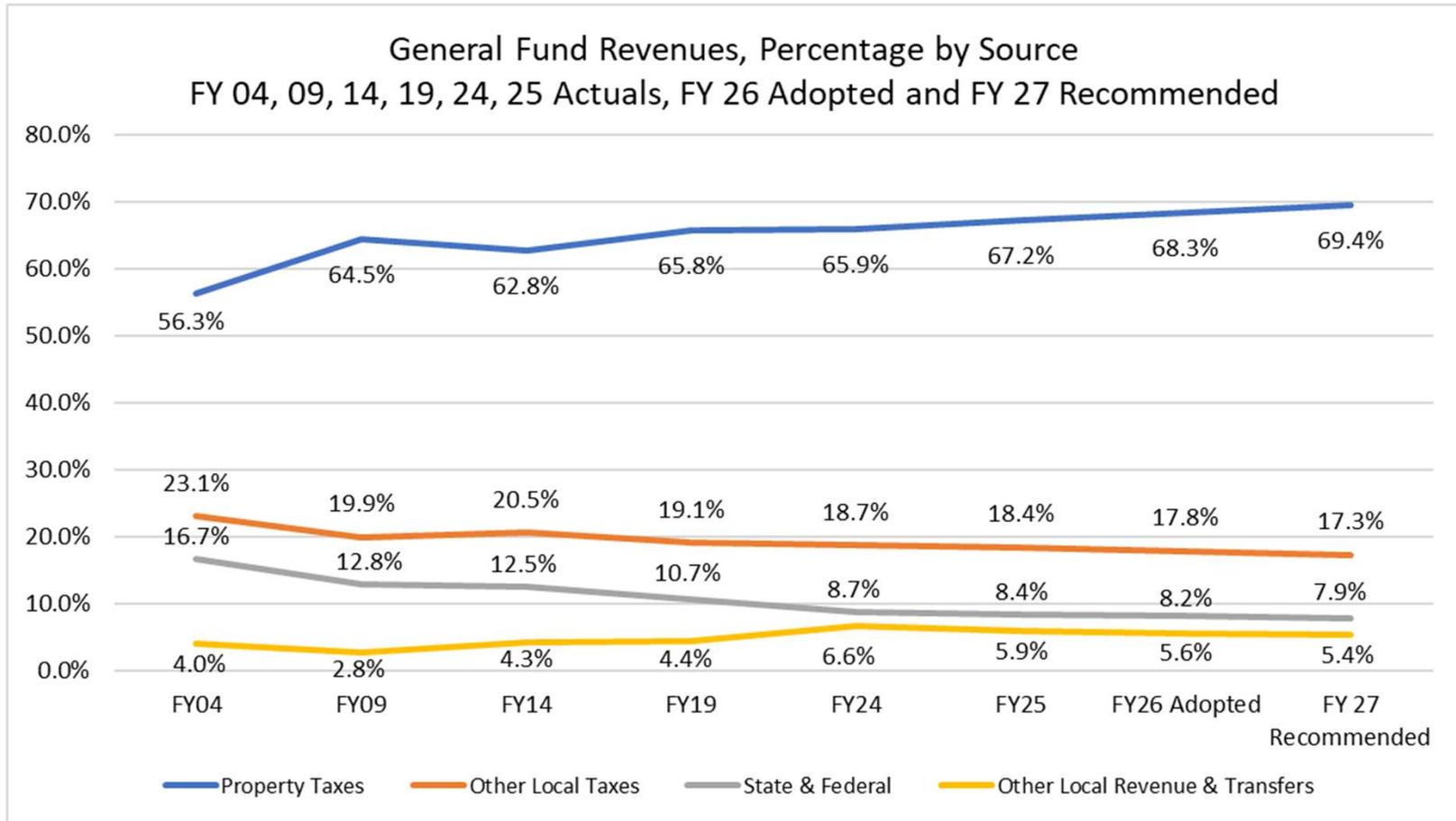
# General Fund Revenues, pages 85-101

# Why Tax Base Diversification Matters

Property Type	2015 %	2025 %	Service Cost Per \$1 Received
Residential & Multi-Family	65.3%	73.6%	\$1.31
Agricultural	19.7%	15.1%	\$0.54
Commercial/Industrial	15.0%	11.3%	\$0.32

*Commercial revenue helps offset residential service costs.*

# Revenue Diversification



# Revenue Diversification: Dillon Rule & Other Local Taxes

*Dillon Rule: A local governing body has only those powers expressly granted by the state*

Other Local Tax	FY 27 \$	FY 27 Rate	Maximum Rate Allowed by State?
Sales	\$27.5 M	1.0%	Yes
Business Licenses	\$20.0 M	Various	Yes, existing categories
Food & Beverage	\$19.2 M	6.0%	Yes
<b>Transient Occupancy</b>	<b>\$5.5 M</b>	<b>9.0%</b>	<b>No</b>
Consumer Utility	\$4.4 M	Various	Yes
Vehicle Registration	\$4.5 M	Various	Yes
Clerk Fees	\$3.5 M	Various	Yes
Bank Franchise	\$1.6 M	80% of State Rate	Yes
Cigarette	\$0.8 M	\$0.40 per pack	Yes
Utility Consumption	\$0.3 M	Per State Formula	Yes

# Real Estate Tax Revenue

## Assessment

- County of Albemarle appraises real estate every year based on 100% Fair Market Value as required by the Code of Virginia

## Real Estate Tax Relief for the Elderly & Disabled (Non-Departmental Chapter)

- Applicant is at least 65 years old or totally and permanently disabled, medically determined
- Applicant is the title holder of the property as of January 1
- Applicant's property seeking tax relief may not be used in a business
- Applicant must meet certain income and financial net worth criteria, updated by the Board in December 2025

# Real Estate Tax Revenue

## Increase of \$20.5 M or 7.6%

- Calendar Year (CY) 2026 overall reassessments + 6.2% from CY 2025
- Additional impacts for new constructions, land divisions, other adjustments

## Tax Rate

- Recommended rate of \$0.894 per \$100 of assessed value
- “Lowered” Tax Rate: \$0.842 per \$100 of assessed value

# Real Estate Tax Revenue

## Value of a Penny on the Tax Rate

- Each penny = \$3.3 M, funding if split by formula:
  - *Capital & Debt (10%):* *\$0.3 M*
  - *Public School Operating (54%):* *\$1.8 M*
  - *County Gov't. Operating (36%):* *\$1.2 M*

# Personal Property Tax Revenue

**Recommended rate remains \$4.28 per \$100 assessed value**

## Assessment

- Vehicles & motorcycles assessed using the clean trade-in value as published in the current year's January issue of the JD Power Official Used Car Guide

## Increase of \$6.9 M or 17.0%

- Factors include: increased collection rates, increased number of vehicles, more specific assessment data, changes in vehicle market

## Personal Property Tax Relief, provided by state, for qualifying vehicles:

- Full relief (100%) for qualifying vehicles assessed at \$1,000 or less
- Partial relief (39%) for portion of vehicles assessed above \$1,000 to \$20,000
- No relief (0%) for portion of vehicles assessed above \$20,000

# Personal Property Tax & Machinery & Tools Revenue

- 84% of total revenues from personal vehicles
- 10% from Business Tangible Personal Property
  - Must be same rate as personal property
  - For tax bill, does not receive personal property tax relief
- 2% from Machinery & Tools
  - Rate must not exceed the personal property rate
- 4% Boats, Airplanes, Manufactured Homes, other
  - Rate must not exceed personal property rate or in some cases, machinery and tools rate

# Personal Property & Machinery & Tools Tax Revenue

## Personal Property & Machinery & Tools

Each penny on the tax rate = \$113k funding split by formula:

- *Capital & Debt (10%):* \$11k
- *Public School Operating (54%):* \$61k
- *County Gov't. Operating (36%):* \$41k

# Other Local Taxes Summary

- **Consumer Driven Taxes: \$61.3 M total, +4.1%**
  - Primarily consists of Sales, Food & Beverage, and Transient Occupancy Taxes
  - Reflects FY 26 year-to-date trends & projected growth in FY 27 at a rate slower than recent averages
  
- **Other Business Driven Taxes: \$22.7 M total, +3.4%**
  - Primarily consists of Business, Professional, & Occupational Licenses (BPOL) and Bank Franchise Taxes
  - Based upon FY 25 actuals & projected moderate growth in FY 26 and FY 27

# Other Local (Non-Tax) Revenues

- **Other Local Revenue: \$19.6 M total, +4.4%**
  - Primarily interest revenue, EMS Cost Recovery Fees, Inspection and Development Fees, Recovered Costs, and other Charges for Services
  - To be discussed at future Board meetings:
    - March 11 and future: MicroCAT charge for services
    - March 18 & April 15: Community Development fees

# State Revenues

**Total \$29.7 M or 6% of General Fund Revenues**

Total Change: \$0.2 M or 0.6%

- \$15.0 M for Personal Property Tax Relief
- \$3.7 M for reimbursement of Department of Social Services programs
- \$3.4 M for Public Safety support
- \$3.2 M for Constitutional Officers and Registrar
- \$3.0 M for Telecommunications Tax
- \$1.3 M in other sources, mostly vehicle rental tax

# Federal Revenues

## **Total \$10.2 M or 2% of General Fund Revenues**

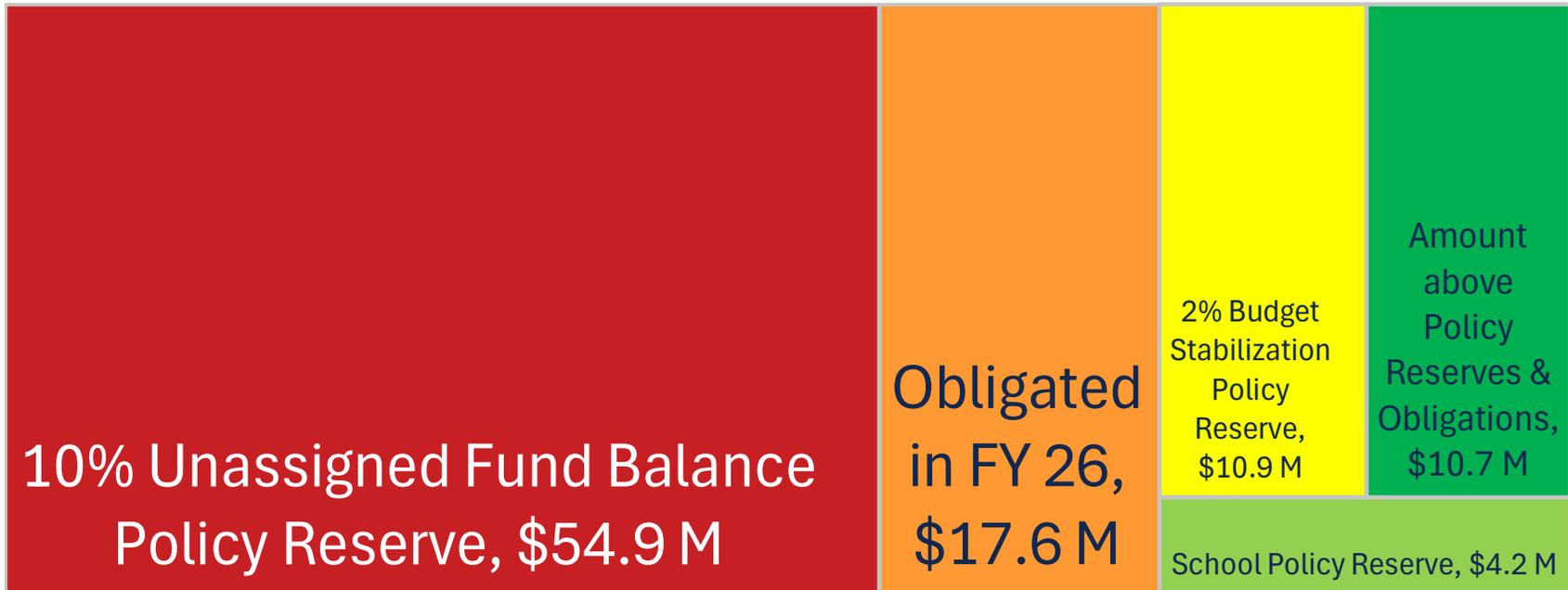
- Total Change: +\$0.8 M or 8.9%
- 99% related to reimbursed expenses in Department of Social Services

## **FY 27 Recommended, beyond the General Fund:**

- \$6.3 M County Government Special Revenue Funds
  - 89% of the amount is the Federal Housing Assistance Fund
- \$0.5 M Public Schools Operating Fund
  - Medicaid reimbursements for special education
- \$12.4 M Public Schools Special Revenue Funds
  - 92% is school lunch/breakfast, special education, Title I reading/math support, and Head Start

# General Fund's Fund Balance

Fund balance is the result of all past General Fund activity, and totaled \$98.3 million at the end of FY 25



# **Financial Management Policies: Use of Budget Stabilization Reserve**

*“The Budget Stabilization Reserve is **intended to be among the strategies available in a difficult budget year** or unanticipated situation. This reserve may be used from time to time as necessary to meet unanticipated one-time emergencies and unanticipated expenditures required to pay **costs necessary to maintain the quality or level of current services** or to smooth/offset revenue fluctuations occurring within a fiscal year. The Budget Stabilization Reserve is not meant to be an ongoing source of funding for the operating budget and **balances utilized should be replenished as quickly as reasonably possible.**”*

# **Use of Budget Stabilization Reserve: Plan & Mitigating Risk**

## **Utilize a portion of the reserve over multiple years:**

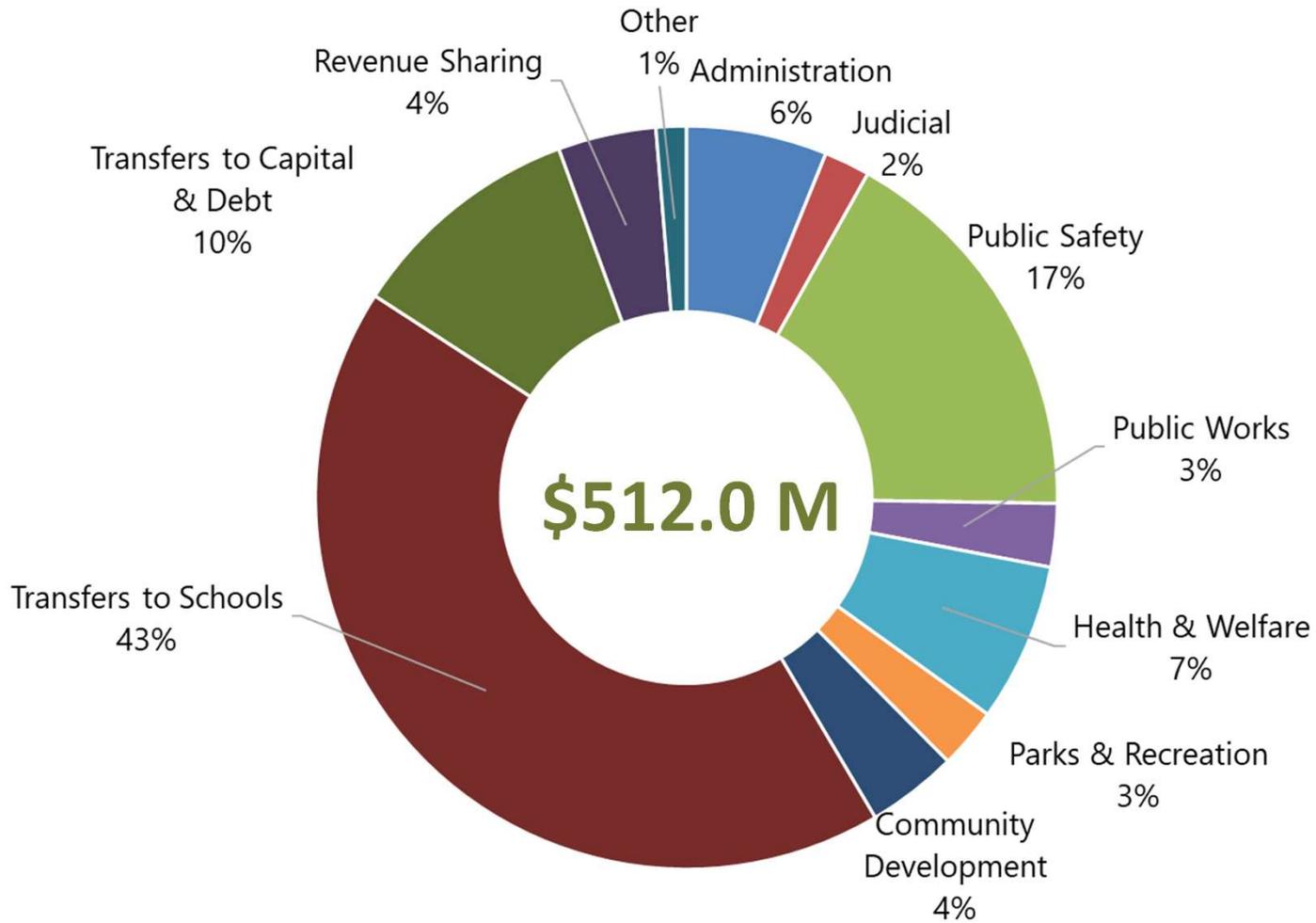
- One-quarter (0.5% of 2.0%) recommended in FY 27
- An additional one-quarter (0.5% of 2.0%) planned in FY 28
- Remaining half (1.0% of 2.0%) is recommended to remain in Budget Stabilization Reserve

## **Adherence to Financial Management Policy**

- Staff will recommend, “balances utilized should be replenished as quickly as reasonably possible.”

## **Long-range Planning**

- Plan will be reviewed with the Board as part of future Five-Year Financial planning and annual budget processes



# General Fund Expenditures

# Six Strategic Goals



# INVESTMENT IN **ACTION**

## Stable Workforce



SUPPORTS GOAL:

6

**\$2.9  
M**

**CLASSIFICATION REVIEWS &  
COST-OF-LIVING INCREASE  
FOR CLASSIFIED STAFF**

**\$1.4  
M**

**STAFF TRAINING  
& DEVELOPMENT**



**8% INCREASE TO  
HEALTHCARE FUND**

# Compensation Philosophy & Market Review

Albemarle County Public Schools	City of Staunton	Madison County
August County	City of Virginia Beach	Prince William County
Chesterfield County	Fairfax County	Roanoke County
City of Charlottesville	Fauquier County	Rockingham County
City of Chesapeake	Goochland County	Spotsylvania County
City of Hampton	Hanover County	University of Virginia
City of Harrisonburg	Henrico County	
City of Lynchburg	James City County	
City of Richmond	Loudon County	
City of Roanoke	Louisa County	

**Strategy Impact:**

**FY23**

**FY24**

**FY25**

- |  |  |  |
|--|--|--|
| <ul style="list-style-type: none"> <li>• <b>Vacancy Rate:</b> 8.1%</li> <li>• <b>Turnover Rate:</b> 11.1%</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Vacancy Rate:</b> 4.7%</li> <li>• <b>Turnover Rate:</b> 10.1%</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Vacancy Rate:</b> 4.2%</li> <li>• <b>Turnover Rate:</b> 10.4%</li> </ul> |
|--|--|--|

# Workforce Stabilization & Personnel Budgeting

## ***Employees on the Classified Pay Scale***

- +\$0.6 M for market-based benchmarking and reclassifications
- +\$1.2 M for 2% cost of living adjustment, effective July 1
- +\$1.1 M for a bonus

## ***Employees on Public Safety Pay Scales***

- +\$2.0 M to revise the Police pay scale to maintain competitive positioning within the labor market
- +\$1.0 M to revise the Fire Rescue pay scale to maintenance competitive positioning within the labor market
- +\$0.7 M for 2% step increase

# Compensation Market Outlook

## Classified Pay Plan

- Labor market has stabilized
- Budget proposals include 2–4%
- Commonwealth proposal includes 2% one-time bonus

## Public Safety Pay Plan

### *Fire Rescue:*

- Market adjustments less volatile than previous years

### *Law Enforcement:*

- More volatile than previous years
- Increasing competition between agencies

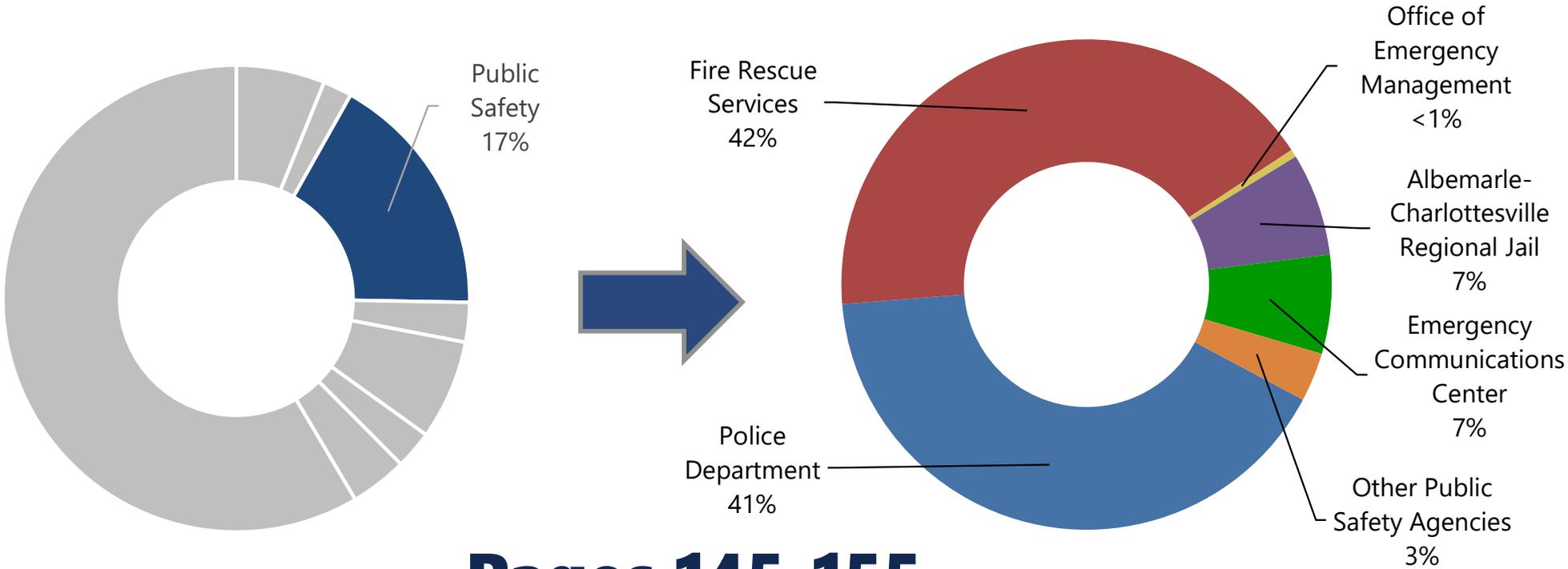
### Current FY26 Data:

- Vacancy Rate: 4.9%
- Turnover Rate: 8.0%

**Break, if Board desires**

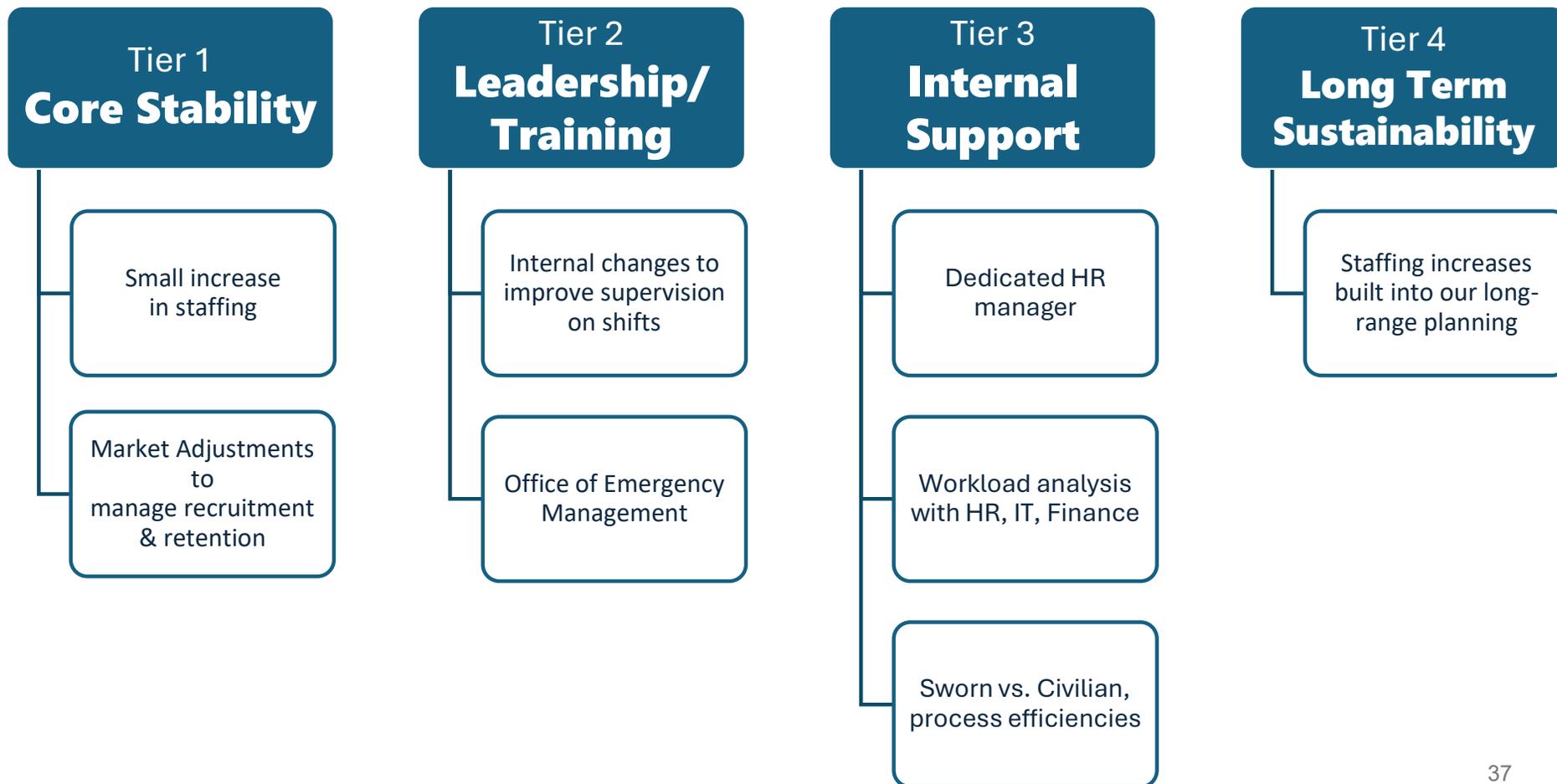
# Public Safety

## \$87.6 million



**Pages 145-155**

# Public Safety Staffing Studies - Implementation



# INVESTMENT IN **ACTION**

## Police Resources



SUPPORTS GOALS:

1

6

3

## NEW OFFICERS



**IMPLEMENT  
RECOMMENDATIONS OF PUBLIC  
SAFETY STAFFING STUDY**

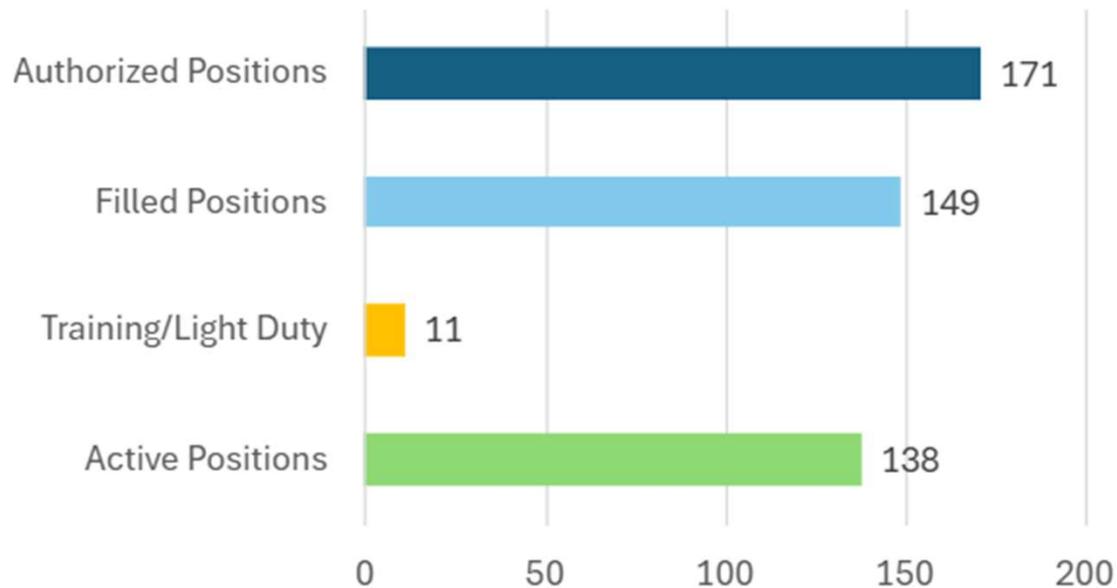


**\$2.3M PAY SCALE & STEP  
ADJUSTMENT**

# Current Staffing

ACPD continues to address the nationwide challenge of recruiting and retaining qualified law enforcement professionals. National data from the International Association of Chiefs of Police (IACP) highlights historic rises in retirements, declines in applicant pools, and increased competition for experienced officers.

ACPD Sworn Personnel



# Crime and Traffic Stats for 2025

ACPD remains focused on reducing crime, enhancing traffic safety, and improving emergency response.

- Calls for Service increased 23% from 2024, and increased 19% over the last 3 years 
- Overall, Part I Crimes decreased for a second straight year by 13% 
- Property crimes (burglary, stolen MV, larceny) declined by 13% 
- Violent crime (homicide, rape, agg. assault, robbery) declined by 23% 
- Gun violence is also down for a second straight year by 30% 
- Traffic crashes decreased 6% from 2024  , but roadway fatalities remained at 7

# Police Response Times

## 2025:

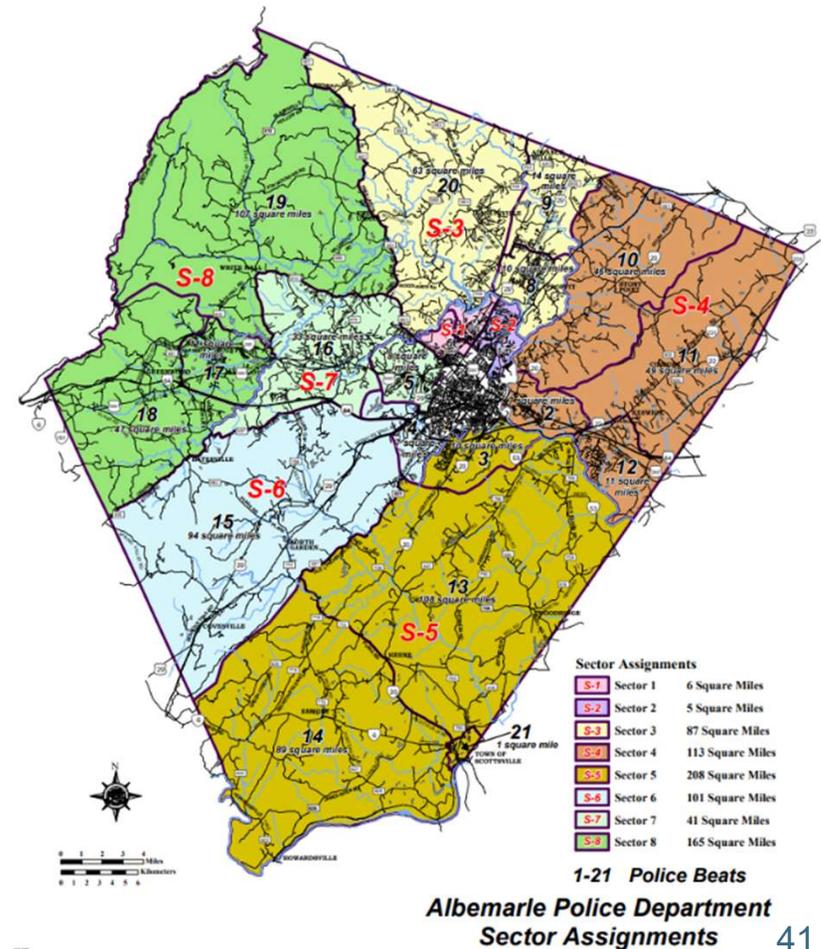
Response Times for Priority I Calls For Service (CFS)

### Urban

- 662 Priority I CFS in an urban area
- 4:20 minute average response time
- 73% of calls responded to in goal time of under 5 min

### Rural

- 227 Priority I CFS in a rural area
- 11:49 minute average response time
- 51% of calls responded to in goal time of under 10 min



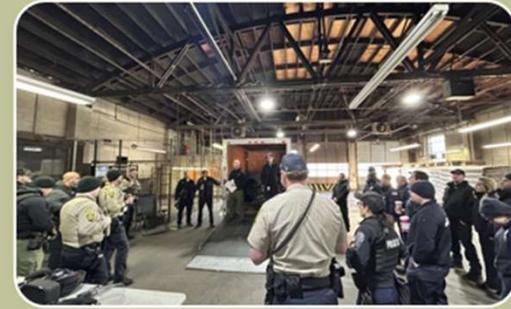
# ACPD Priorities



Recruitment  
and Retention



Employee  
Health and  
Wellness



Training  
&  
Emergency  
Preparedness

# INVESTMENT IN **ACTION**

## Fire Rescue Resources



SUPPORTS GOALS:

1

6

**\$1.7M**

**AMOUNT OF FEMA GRANTS  
EXPIRING in FY 27**



**\$1.3 M PAY SCALE & STEP  
ADJUSTMENT**



**PURSUE A FEMA GRANT TO  
IMPLEMENT STAFFING STUDY  
RECOMMENDATIONS**

# FY25 Seminole Ambulance

Performance: Jan 10 – Feb 28

Reliability

80.2%

↑ 18.2%

Ambulance reliability  
(62.0% → 80.2%)

Response Time

10:36

↓ 0:48 min

90% Response Time  
(11:24 → 10:36)

Workload

278 calls

↓ 30%

Medic 18 Call Volume  
(396 → 278)

# FY25 North Garden 24/7 Staffing

Night and Weekend Performance: Jan 10 – Feb 28

Ambulance Reliability

**86.5%**

↑ **84.0%**

Ambulance Reliability  
(2.5% → 86.5%)

Ambulance Response  
Time

**16:00**

↓ **1:48 min**

90% Response Time  
(17:48 → 16:00)

Engine Response  
Time

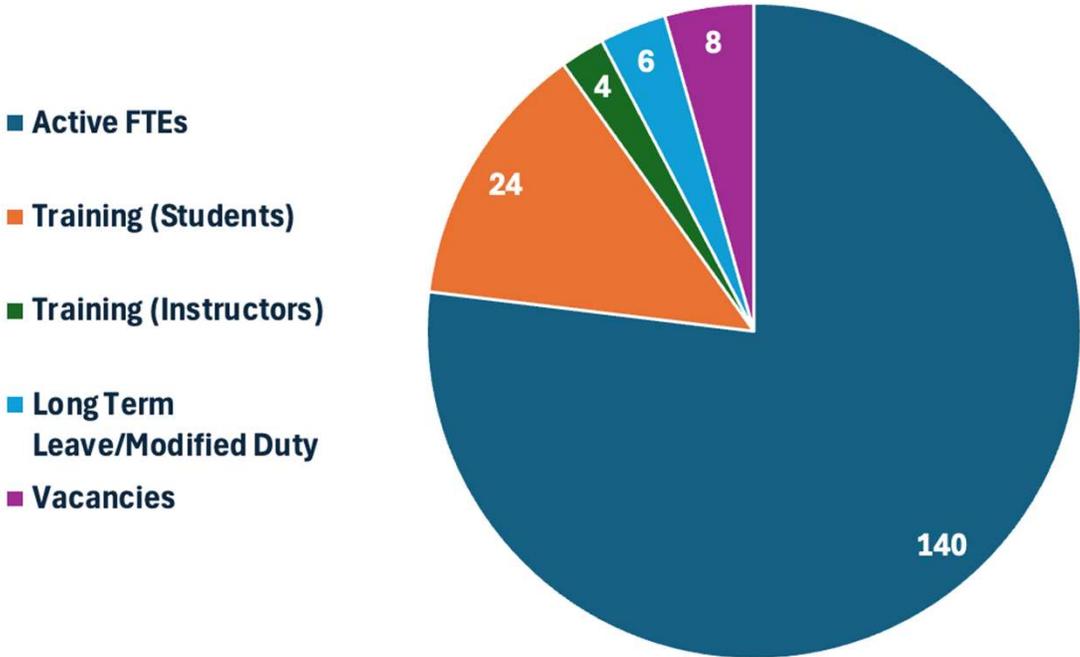
**16:12**

↓ **2:18 min**

90% Response Time  
(18:30 → 16:12)

# Current Staffing

Operations Personnel Status (182 Authorized FTEs)\*



85%

**PERCENT OF FTEs ASSIGNED TO OPERATIONS**



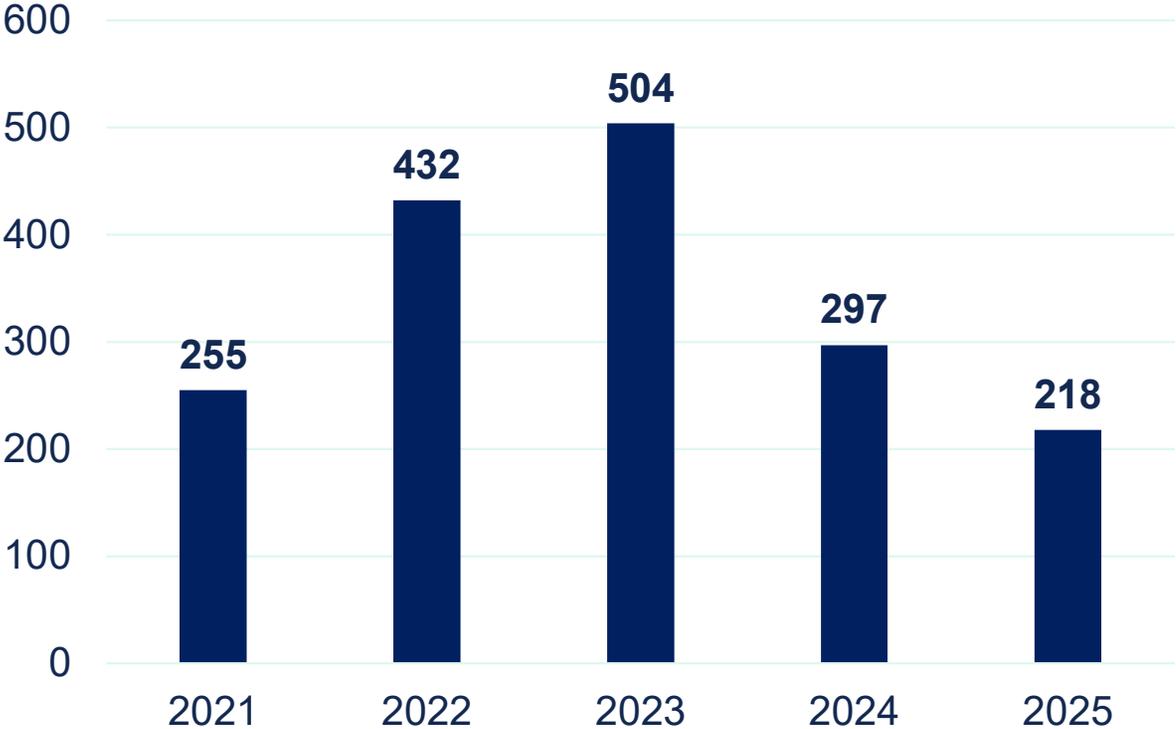
**OPERATIONAL FTEs REQUIRED TO SUPPORT TRAINING**

11.5%

**ATTRITION RATE IN 2025 - DUE LARGELY TO RAPID GROWTH & RETIREMENTS**

\* Includes FTEs assigned to direct Fire/EMS service delivery.

# Service Reductions



**218**

**SERVICE REDUCTIONS  
IN 2025**



**PREVIOUS FEMA GRANT  
PROVIDED 5 FIREFIGHTERS  
TO LIMIT REDUCTIONS**



**ESCI REPORT INDICATES  
WE NEED AN ADDITIONAL  
6 FIREFIGHTERS TO ENSURE  
ADEQUATE STAFFING**

# INVESTMENT IN **ACTION**

**Fire Rescue Resources**

**SUPPORTS GOALS:**

**1**

**6**

**FEMA SAFER  
Grant**

**Volunteer  
Integration**

**Reengineering**

**ESCI Study**

# INVESTMENT IN **ACTION**

## Emergency Management



SUPPORTS GOALS:

1

6



**ENSURES A CENTRALIZED  
RESPONSE FOR EMERGENCY  
MANAGEMENT NEEDS**



**MOVE FROM FIRE RESCUE  
TO A SEPARATE, DEDICATED  
OFFICE**



**BUDGET NEUTRAL  
REORGANIZATION**

# INVESTMENT IN ACTION

## Regional Public Safety Agencies

SUPPORTS GOALS:

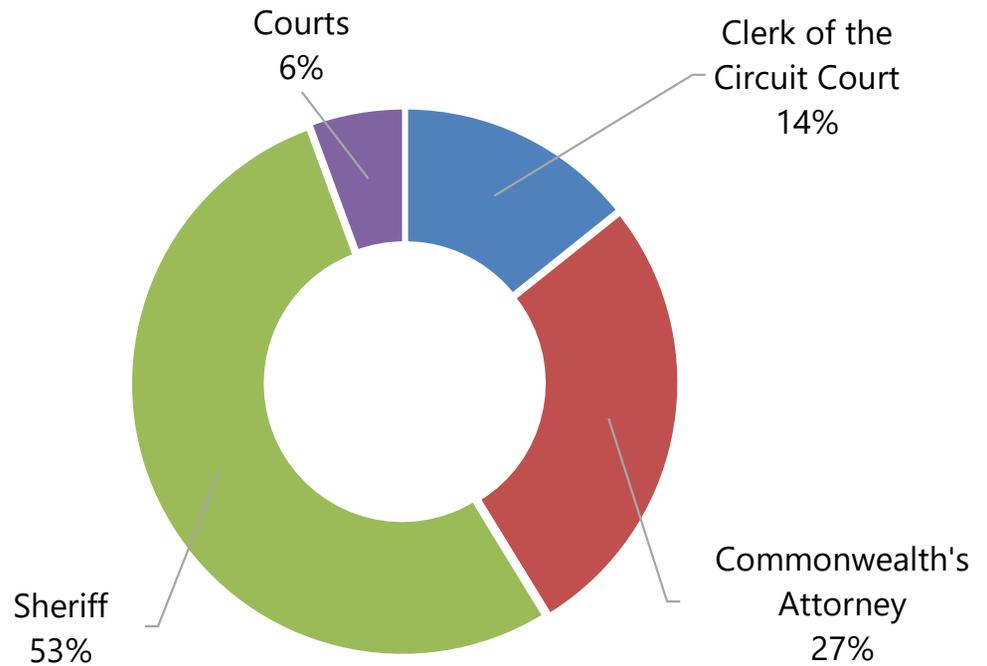
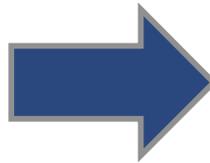
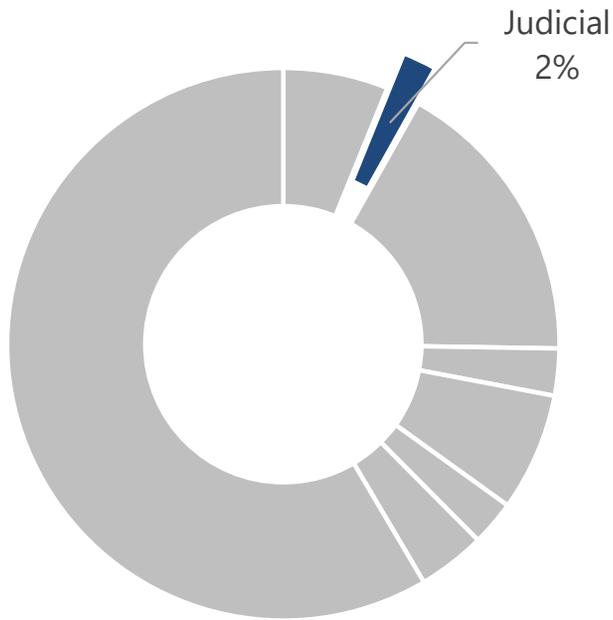
1

6

Regional Partner Changes based on funding agreements and formulas:

- **Emergency Communications Center:** \$430K increase based upon regional funding formula, which is based upon the County's proportion of calls for service
- **Albemarle Charlottesville Regional Jail:** \$1.2 M increase, primarily due to \$940k increase in County's portion of the debt service for ACRJ renovations
- **Charlottesville Albemarle SPCA:** \$695K increase, based upon public animal shelter services contract between City, County and SPCA
- **Blue Ridge Juvenile Detention Center:** \$155K increase based upon a 3-year average of County detention center resident population

# Judicial \$10.2 million



**Pages 132-145**

# INVESTMENT IN **ACTION**

## Sheriff's Office & Court Security



SUPPORTS GOAL:

1

3

### NEW DEPUTY POSITIONS



**SUPPORTS DAILY  
OPERATIONS AT  
COURTHOUSE AND INMATE  
TRANSPORTATION**



**OPENED NEW GENERAL  
DISTRICT COURT  
FACILITY IN FY26**

# INVESTMENT IN ACTION

## Other Judicial

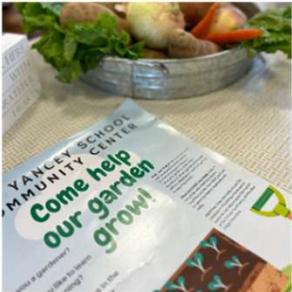
SUPPORTS GOAL:

1

- **Commonwealth's Attorney:** Fully funds operational request
- **Clerk of the Circuit Court:** Fully funds operational request
- **Public Defender:** Increase aligned with recommended cost of living adjustment for pay



# Next Steps



# March

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## FY27 Budget Calendar

# **Upcoming Agenda for Work Session #2**

Wednesday,  
March 11 at 5pm

## **General Fund Expenditures:**

**Non-Departmental, pages 205-215**

**Public Works, pages 159 - 164**

**Health and Welfare, including Affordable Housing Fund & Human Services Funding Process, pages 167 - 177 & 300 - 349**

*Break, if Board desires*

**Community Development including Transit and Economic Development Fund, pages 193 - 201**

**Parks, Recreation, and Culture, pages 181 – 189**

**Administration, pages 117 - 129**