



# **Fiscal Year 2024**

# **Budget Recommendation**

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February 22, 2023

# Agenda

**1**

## **FY 24-28 Strategic Plan**

Strategic priorities for  
the next 5 years

**2**

## **FY 24 Drivers**

Revenues,  
Expenditures, Trends

**3**

## **FY 24 Recommendation**

County Executive's FY 24  
Budget Recommendation

**4**

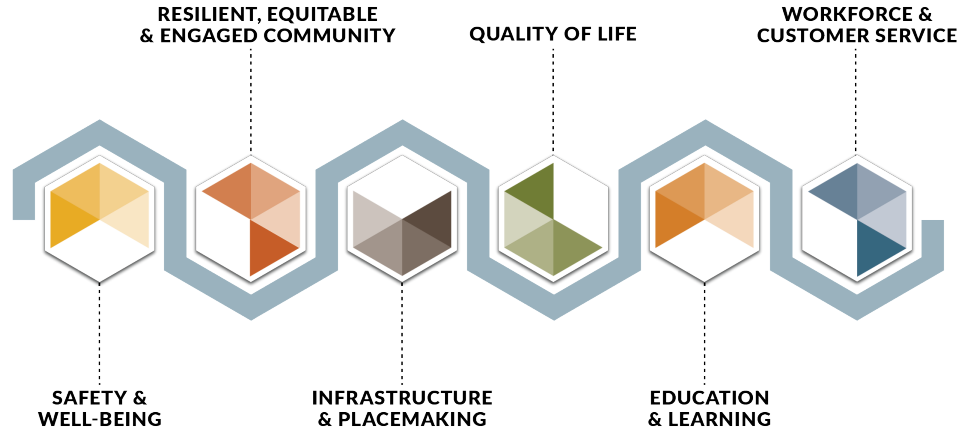
## **Next Steps**

Development calendar &  
prep for work sessions

01

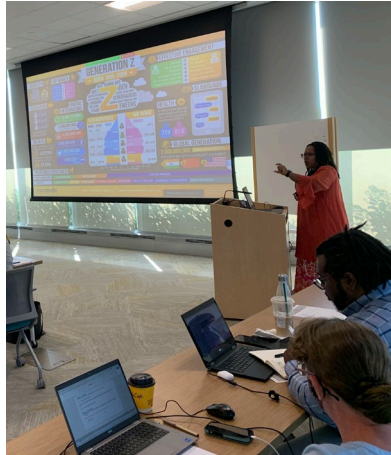
# Strategic Plan

FY 24 – 28  
Strategic Plan



# A Turning Point

After several years of focused efforts to support the community through the COVID-19 pandemic, this Board held its first strategic planning session in August 2022.

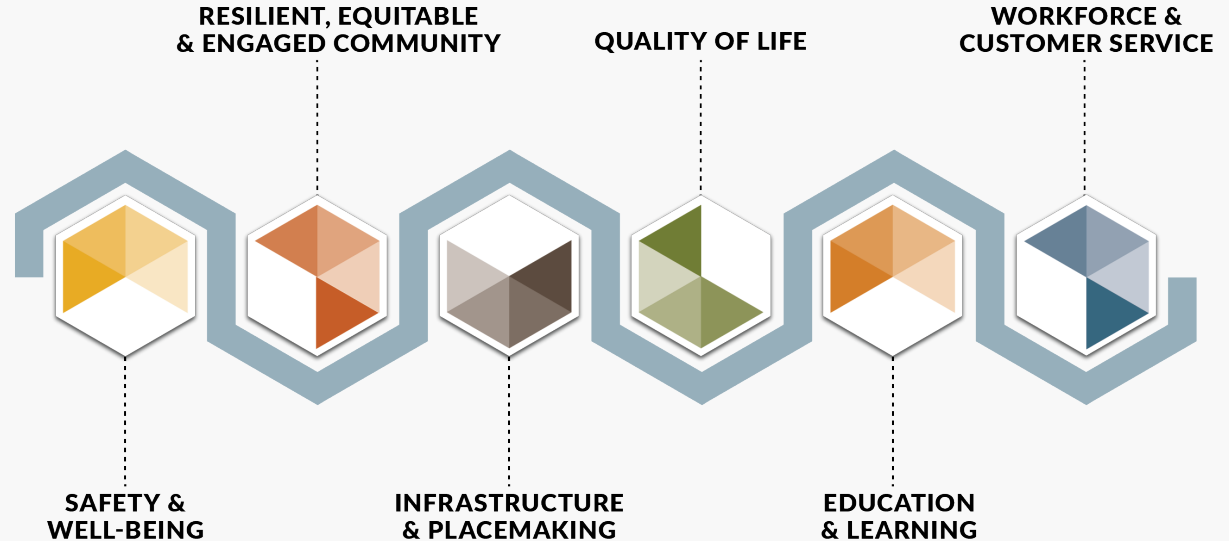


## OUR VISION

*Albemarle County envisions a community with the following:*

- **ABUNDANT NATURAL, RURAL, HISTORIC, AND SCENIC RESOURCES**
- **HEALTHY ECOSYSTEMS**
- **ACTIVE AND VIBRANT DEVELOPMENT AREAS**
- **A PHYSICAL ENVIRONMENT THAT SUPPORTS HEALTHY LIFESTYLES**
- **A THRIVING ECONOMY**
- **EXCEPTIONAL EDUCATIONAL OPPORTUNITIES**

*For present and future generations.*



1

## SAFETY & WELL-BEING

*Nurture a safe and healthy community.*

2

## RESILIENT, EQUITABLE & ENGAGED COMMUNITY

*Design programs and services that promote an equitable, engaged and climate-resilient community.*

3

## INFRASTRUCTURE & PLACEMAKING

*Invest in infrastructure and amenities that create connection, opportunity, and well-being.*

4

## QUALITY OF LIFE

*Encourage a vibrant community with economic and recreational opportunities that serve all community members.*

5

## EDUCATION & LEARNING

*Support exceptional educational opportunities.*

6

## WORKFORCE & CUSTOMER SERVICE

*Recruit & retain engaged public servants who provide quality government services to advance our mission.*

# Balancing Considerations

## Economic Outlook

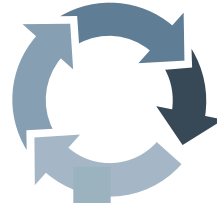
Economic cooling expected

## 5-Year Financial Plan

Strengthen Budget;  
maintain existing CIP

## Strategic Plan

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



## Revenues

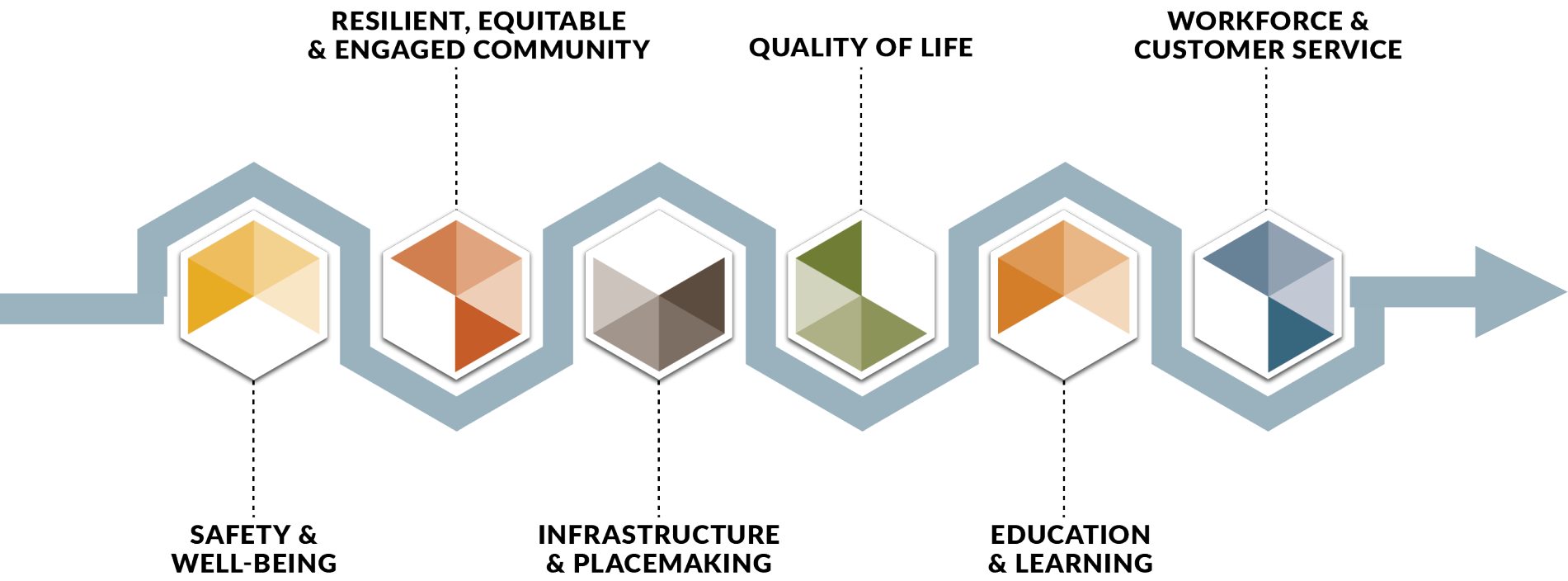
Projections for FY 24 tempered  
with out-year expectations

## Existing Commitments

5-Year CIP, staffing  
commitments

## Financial Policies

Stabilization Reserves,  
borrowing capacity,  
maintaining AAA/Aaa/AAA



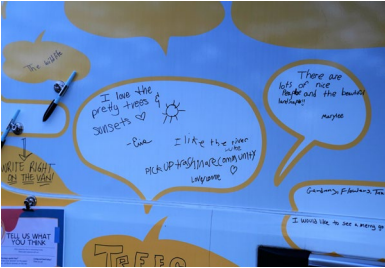


# Balanced on Current Tax Rates



# 02

# Financial Drivers



# Economic Outlook



## Annual Economic Outlook Report for Albemarle County, Virginia

Prepared by  
Sheryl D. Bailey, Ph.D., Visiting Professor of Practice  
Principal Project Lead  
School of Public and International Affairs  
Virginia Tech

“Given the identified history of Albemarle County’s economic indicators generally following state and national economic trends...the report...recommends it prudent for Albemarle County to also anticipate an economic cooling with the accumulating signals of a likely economic slowdown in the U.S., state, and globally.”

# ECONOMIC INDICATORS



**-16.2%**

Vehicle  
Values



**-18.9%**

Residential  
dwelling unit  
Certificates of  
Occupancy



**-12.0%**

Recorded  
Deeds  
tax revenue



**+13.46%**

Real Property  
Assessment  
values



**+16.0%**

Consumer-  
Driven  
Revenues



**+11.6%**

Business-  
Driven  
Revenues

*Year over year*

# ECONOMIC INDICATORS



**+0.94%**

Population  
growth  
estimate



**+6.5%**

Inflation/CPI  
(YoY)



**+6.8%**

Value of Social  
Services benefits  
to residents

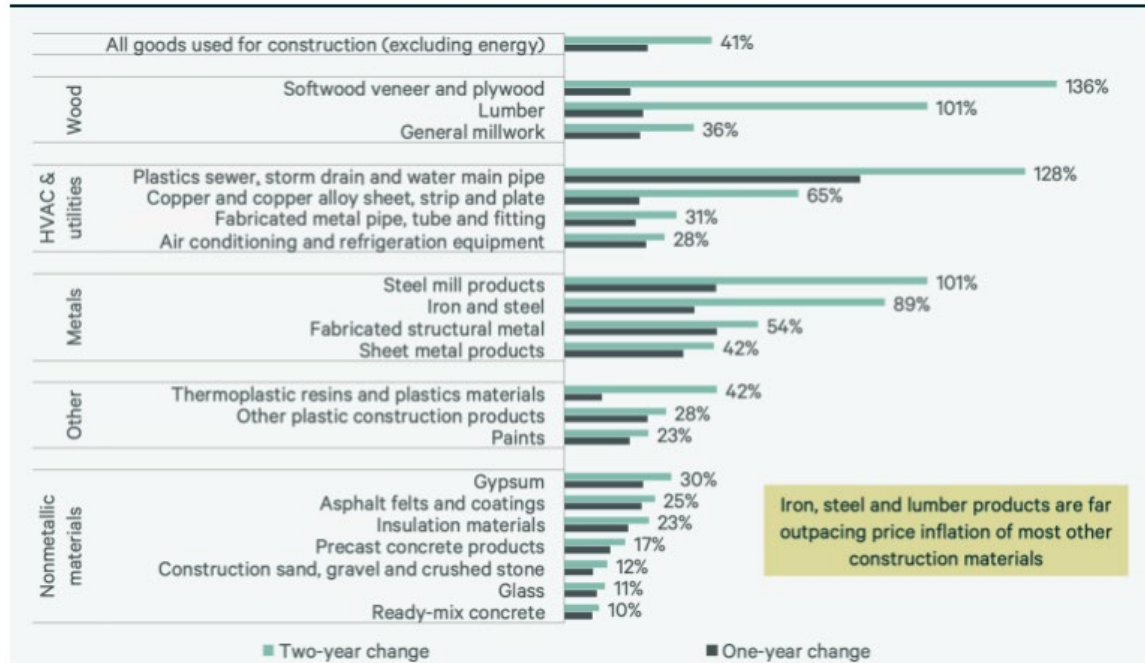


**2.3%**

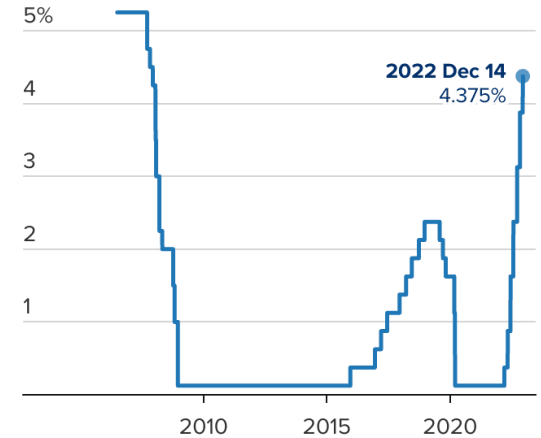
Unemployment  
Rate

# ECONOMIC INDICATORS

Figure 37: Price inflation for select construction commodities, March 2020-March 2022



The federal funds target rate since July 2006



Note: As of Dec. 14, 2022  
From December 2008 to present, data reflects the midpoint of the Federal Reserve's target range.

Chart: Gabriel Cortes / CNBC  
Source: The Federal Reserve Bank of New York



# Rising Costs at Partner Organizations



 = \$100,000

# Economic Outlook



Annual Economic Outlook Report for  
Albemarle County, Virginia

Prepared by  
Sheryl D. Bailey, Ph.D., Visiting Professor of Practice  
Principal Project Lead  
School of Public and International Affairs  
Virginia Tech

“Albemarle County’s history of prudent financial management and its overall solid economic base provide a foundation and community capacity for strategic initiatives.”



# Credit **Worthiness**

<b>AAA</b> Exceptionally Strong <b>Fitch</b>	<b>Aaa</b> Exceptional <b>Moody's</b>	<b>AAA</b> Exceptionally Strong <b>Standard &amp; Poor's</b>
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**03**

**ACTIVATING THE  
STRATEGIC PLAN TO**

**STRENGTHEN OUR FOUNDATION**

The Fiscal Year 2024 Recommended Budget

## FY 23

- Schools capital
- Courts Expansion
- FEMA SAFER I & II
- Community Response
- Biscuit Run Park
- Public Safety Pay Plan
- Southern Convenience
- Core Systems Mod.
- Workforce Stabilization
- Streetsweeper & Vegetation

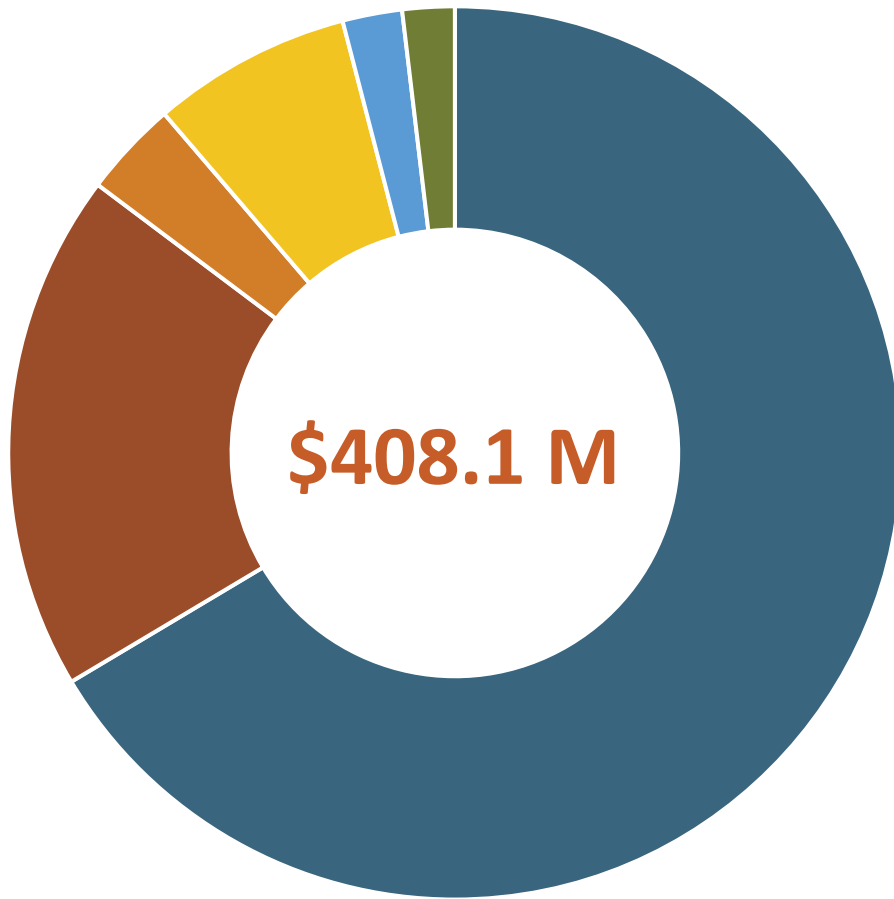
## FY 24

- Schools capital and operating
- Safety & Well-being
- Workforce Stabilization
- Rising Capital costs
- Rising partner agency costs

## FY 25

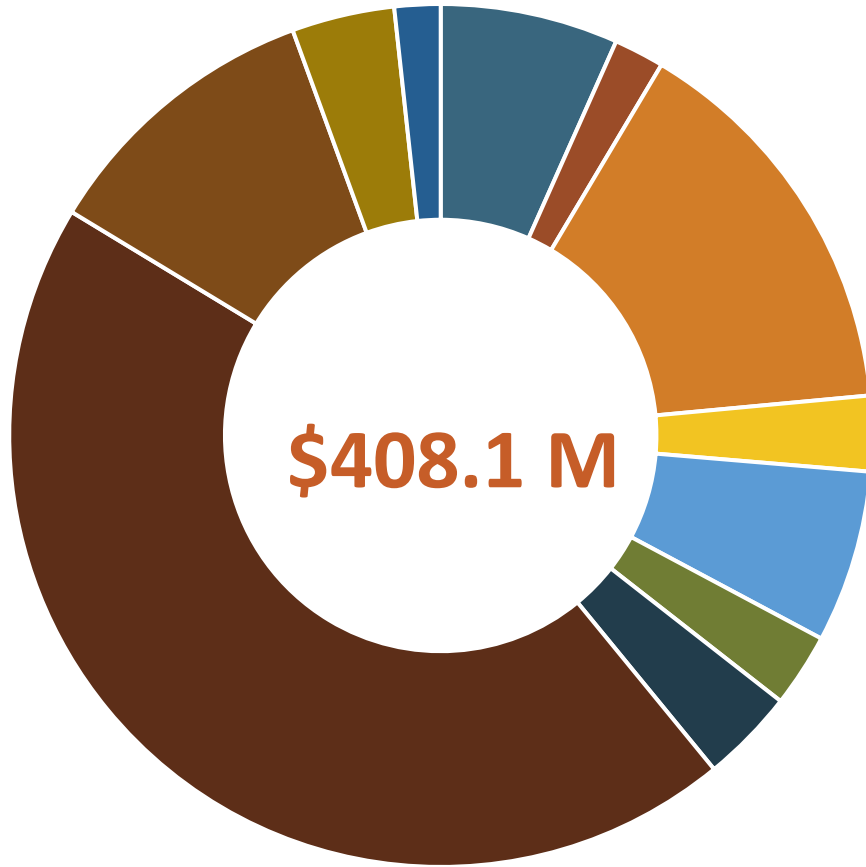
- Strategic priorities
- Operating impacts of capital projects
- Capital needs
- Macroeconomic factors
- Emerging needs

FY 26+



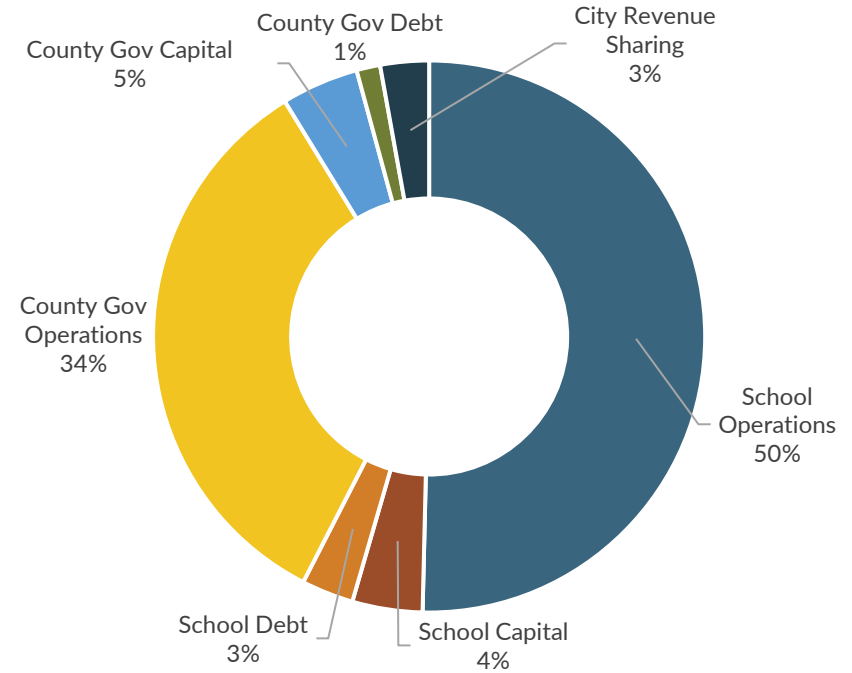
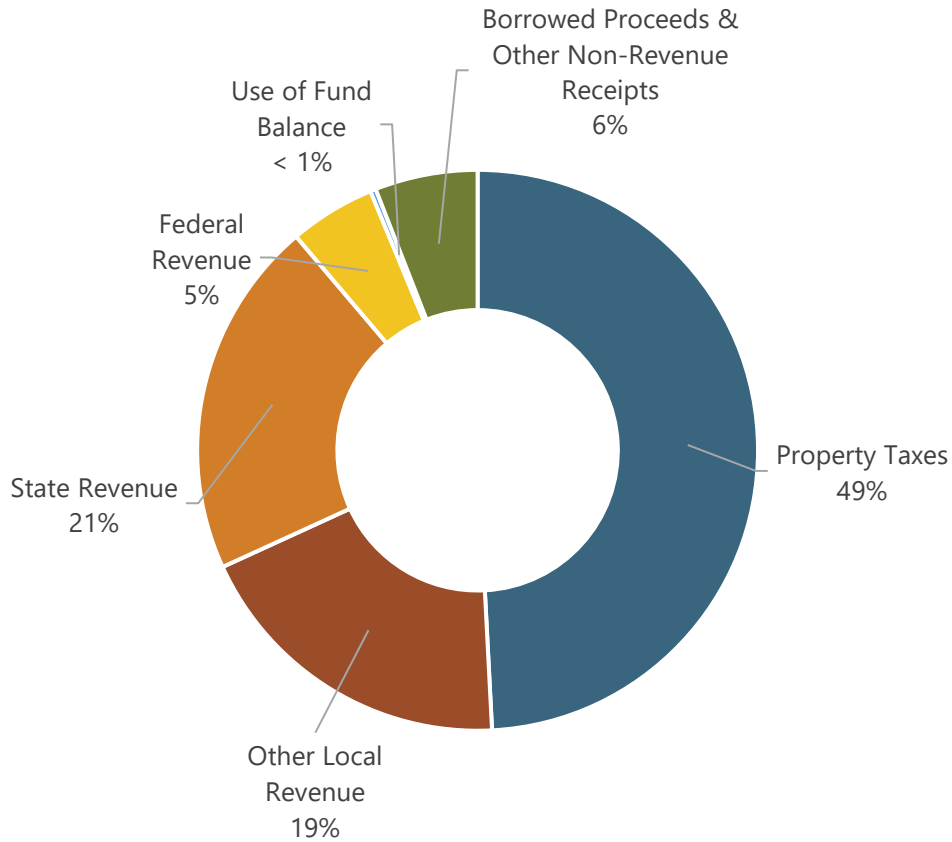
- General Property Taxes \$271.2 M
- Other Local Taxes \$76.8 M
- Other Local Revenue \$14.2 M
- State Revenue \$29.5 M
- Federal Revenue \$8.8 M
- Non-Revenue Receipts, Transfers, & Use of Fund Balance \$7.7 M

# General Fund Revenues



- Administration \$27.2M
- Judicial \$7.7 M
- Public Safety \$61.1 M
- Public Works \$11.5 M
- Health & Welfare \$26.4 M
- Parks & Recreation \$11.3 M
- Community Development \$14.4 M
- Transfers to Schools \$182.0 M
- Transfers to Capital & Debt \$43.9 M
- Revenue Sharing \$15.7 M
- Other \$7.0 M

# General Fund Expenditures



# Total Budget

5

## EDUCATION & LEARNING

*Support exceptional  
educational opportunities.*

## ACPS Operations

Implement strategic plan  
- salary increases, class  
size, student safety



# 2023-2024 Draft Funding Request

*We Will Know Every Student*

5

## EDUCATION & LEARNING

*Support exceptional educational opportunities.*

**Systemwide Renovations**

\$14.3 M  
over 5 years

**Elementary School 1**

\$44.1 M  
Southern feeder pattern

**Elementary School 2**

\$50.6 M  
Northern feeder pattern

**High School Center 2**

\$36.3 M  
Systemwide



1

## SAFETY & WELL-BEING

*Nurture a safe and healthy community.*

### Public Safety Operations Center

JC Penney site renovation for ACPD/ FR warehousing and maintenance

### ACPD Staffing

Squad-based policing 3 officers & 1 Services position

### SAFER Grant

Application for 30 firefighter positions to best align resources with system needs.

### Emergency Management

Continuity of Operations, Emergency Operations, Active Threat Training

1

## SAFETY & WELL-BEING

*Nurture a safe and healthy community.*

### Social Services

Full-year implementation of mid-year staffing in benefits and foster care

### Human Services

Broaden Social Services to Human Services to focus on community well-being, supported by 2 FTEs

### Emergency Assistance Funding

Designating \$260k in local funding – to address urgent, one-time financial needs.

### Health & Welfare Agencies

\$4.3M to sustain human service programs delivered through partners.

1

## SAFETY & WELL-BEING

*Nurture a safe and healthy community.*

**Common-  
wealth  
Attorney**

2.25 FTE to address  
projected workload  
increase

**Public  
Defender**

Increases related to pay  
adjustments

**Courts  
Construction**

Breaks ground in 2023  
after years of planning

2

## RESILIENT, EQUITABLE & ENGAGED COMMUNITY

*Design programs and services that promote an equitable, engaged and climate-resilient community.*

### Equity & Inclusion Trainings

Expand training and learning offerings for staff development

### Arts & Cultural

Funding community programs and events

### Biannual Community Survey

Resident satisfaction survey

### Climate Action

Continue work to meet climate goals

3

## INFRASTRUCTURE & PLACEMAKING

*Invest in infrastructure and amenities that create connection, opportunity, and well-being.*

### Transit

Microtransit pilot; rising cost of services from CAT and JAUNT

### Transportation

Ongoing capital funding to road, bike, ped projects; RAISE & SS4A work

### Solid Waste & Recycling

RSWA Baling Facility, operating funds for Southern Convenience Center

### Public Works

Streetsweeper, vegetation management

4

## QUALITY OF LIFE

*Encourage a vibrant community with economic and recreational opportunities that serve all community members.*

### Biscuit Run Park & Trails

Open Biscuit Run Park; advance grass soccer fields

### Rivanna Village Park

Open Rivanna Village Parks

### Urban Pocket Park

Identify a location and scope for a small urban park

### AC44

Phase 2 development of goals and planning toolkits

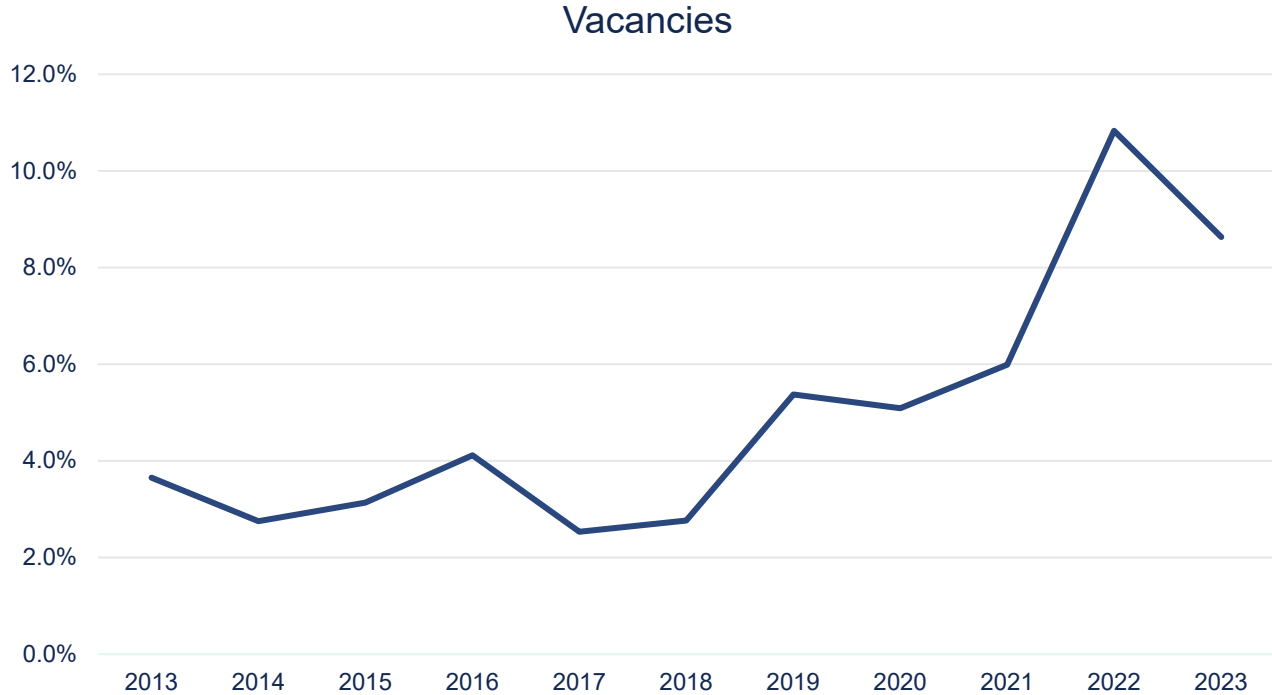
### Housing Fund

\$3.9M in FY 23 revenues to advance affordable housing projects

### Economic Development

Strategic funding for opportunities aligned to Project ENABLE

# Workforce Stabilization



# Employee Benefit Survey

## Near-Term



### More & Flexible Leave

Seeking more time for family and time away for work-life balance.



### Professional Growth

Training, learning, and development to grow skills and hone talent.

## Longer-Term



### Flexible Hours/Locations

Increasing work-from-home, 4-day work weeks, and others



### Systems

Replace outdated systems with modern technology

Options in the survey included more schedule flexibility, onsite perks, and benefits. **Most popular options shown.**



6

## WORKFORCE & CUSTOMER SERVICE

*Recruit & retain engaged public servants who provide quality government services to advance our mission.*

## Core Systems Modernization & Centralization

Human Resources, Community Development, Enterprise Resource Planning, Financial systems projects; meeting organization-wide resource needs comprehensively.

## Workplace

5-year facility renovation to modernize office environment with the customer in mind

## Development & Training

Enhance Learning & Development program

## Compensation

- 4% salary increase for all staff
- 2% step increase to Public Safety Pay Scale
- Employer health insurance increase
- Compensation & Classification Implementation

**ACTIVATING THE  
STRATEGIC PLAN TO**

**STRENGTHEN OUR FOUNDATION**



# **New** Operating Revenues



## **Public Schools**

Operating funds by formula



## **Schools Capital**

Increased project costs & debt service



## **Workforce Stabilization**

Salary and benefits; new positions; Class & Comp implementation



## **Government Capital**

Increased project costs & debt service



## **Partner Agencies**

Rising costs for services

# Capital Improvement Plan

## Schools Summary

\$194.5 M

24 25 26 27 28

**Elementary 1** Southern feeder pattern



**Elementary 2** Northern feeder pattern



**Renovations** Systemwide projects



**Maintenance** Systemwide projects



**School Bus Replacement** Annual fleet cycle



Mountain View expansion construction and High School Center 2 planning underway

# Capital Improvement Plan

## Government Summary

\$122.1 M

24 25 26 27 28

### Transportation Leveraging

Road, bike, pedestrian projects



### Economic Development

ED Fund Investments



### Biscuit Run

Open park & build 2 soccer fields



### RSWA Baler Facility

Recycling infrastructure



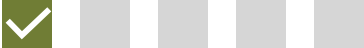
### County Offices Renovations

Workforce stabilization



### Courts

Construction



# Strategic Plan Resource Allocation



**Positions**



**Work Plans**



**Collaborative  
Execution**



**Centralization**

# Grant Applications

## FEMA SAFER

Application for 30 firefighters to address system/resource alignment

## DEQ: Southwood

\$11.8M to address critical sewer issues within Southwood Mobile Home Park

## DEQ: Baling Facility

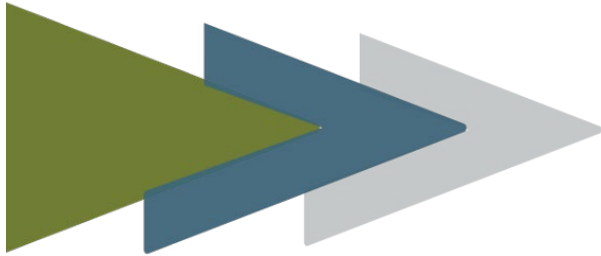
\$4M to offset costs of baling facility to sustain recycling baling capability locally

## USDOT

Reconnecting Communities Grant for \$337k

## VDOT

\$15.8M Avon Street Multimodal Improvements  
\$20.55M 250/Peter Jefferson Pkwy Park & Ride  
\$4.9M Belvedere/Rio Rd



## **Next Steps**

FY 24 Budget Development



# Calendar

## March

### Work Sessions

- 1<sup>st</sup> Public Hearing on Recommended Budget
- 8<sup>th</sup> Operating School Board, CIP
- 13<sup>th</sup> Proposed Budget, Tax Rate
- 15<sup>th</sup> Work Session: Transit
- 22<sup>nd</sup> Work Session: Workforce Stabilization
- 29<sup>th</sup>

## April

### Public Input

- 12<sup>th</sup> Work Session TBD
- 26<sup>th</sup> Public Hearings
- TBA Engagements

## May

### Adoption

- 3<sup>rd</sup> Approve budget
- Set tax rate

**ACTIVATING THE  
STRATEGIC PLAN TO**

**STRENGTHEN OUR FOUNDATION**

**Fiscal Year 2024 Budget Recommendation**