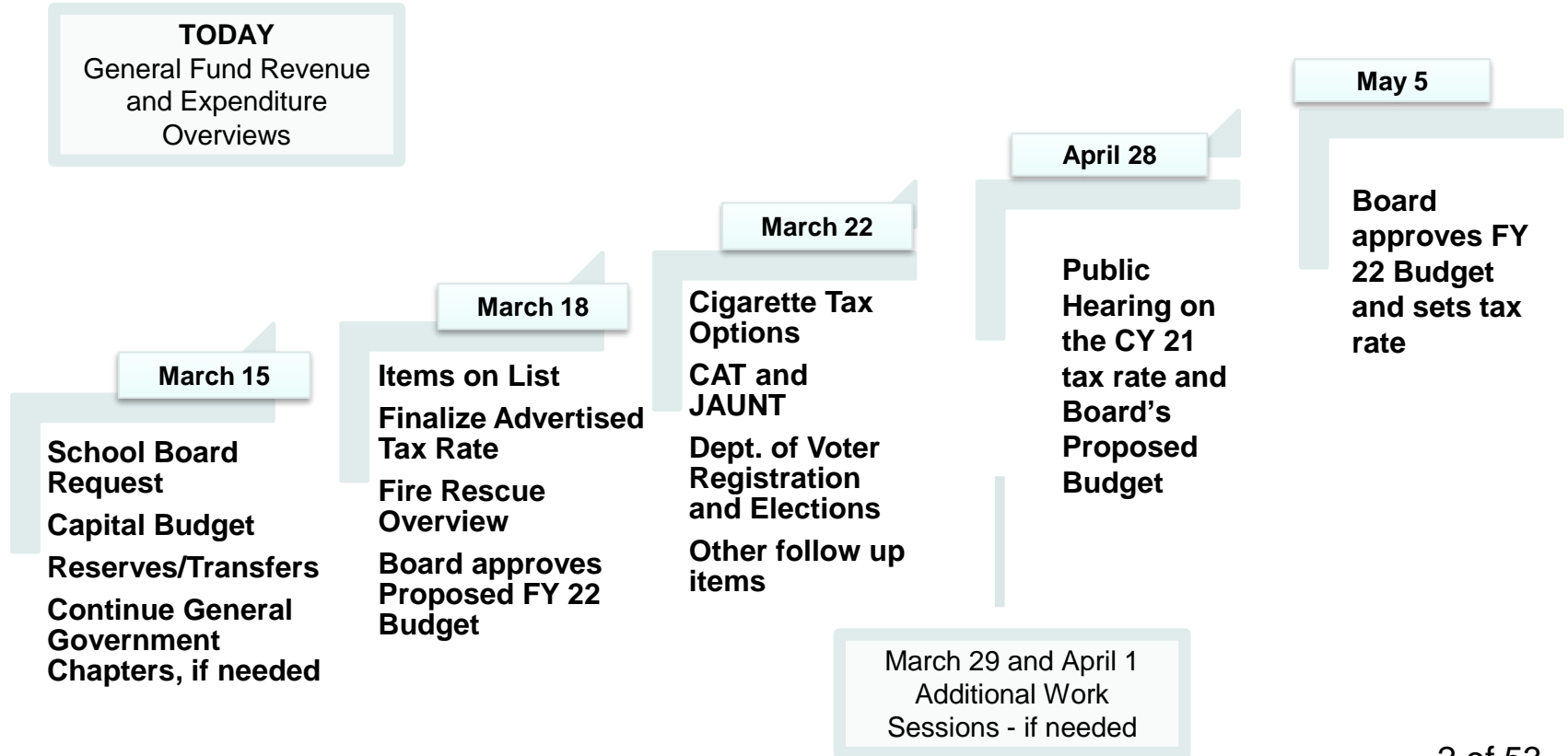


Respond. Recover. Recalibrate.

RESILIENT ALBEMARLE

Fiscal Year 2022
Recommended Budget
Work Session 1
March 10, 2021

FY 22 SCHEDULE



WORK SESSION PROCESS

Along the way:

Interactive Approach
Staff presents information
Board dialogue



Board identify items for
1) “the list” for potential
adjustment
or 2) general questions

Finalizing Board’s Proposed Budget:

March 18



Board finalizes
Proposed Budget and
determines tax rate
for advertisement

Today's Agenda

3:00 p.m. – 3:05 p.m.	Meeting Opening Schedule and Process
3:05 p.m. – 3:25 p.m.	Overview Revenues and Expenditures
3:25 p.m. – 4:05 p.m.	Administration/Broadband
4:05 p.m. – 4:15 p.m.	Judicial
4:15 p.m. – 4:45 p.m.	Public Safety
4:45 p.m. – 4:55 p.m.	<i>Break</i>
4:55 p.m. – 5:10 p.m.	Public Works
5:10 p.m. – 5:30 p.m.	Health and Welfare
5:30 p.m. – 5:40 p.m.	Parks and Recreation
5:40 p.m. – 5:50 p.m.	Community Development
5:50 p.m. – 5:55 p.m.	Intro to Reserves/Transfers
5:55 p.m. – 6:00 p.m.	Meeting wrap up

Overview

3-6-6-12 Model

3 Q4 of FY 20

Maintain essential services,
freeze positions, review
discretionary spending,
preserve case

6 Q1/2 of FY 21

Respond.
Recover.
Recalibrate.

6 Q3/4 of FY 21

Revisit financials, respond
accordingly, implement longer-
term structural changes

12 FY 22

Transitional budget

Our economic outlook is **stabilizing**.
Our community is **adapting**.

Our organization is **transforming for the future**.

Recommended Budget Supports

FY 20-22 Strategic Plan

Climate Action
Planning

Outdoor
Recreational
Parks and
Amenities

Economic
Development
Program

School Space
Needs

Infrastructure
Planning

Aging Urban
Neighborhood
Revitalization

Court Complex
Expansion/
Upgrade

Rio/29 Area
Redevelopment

Broadband
Expansion

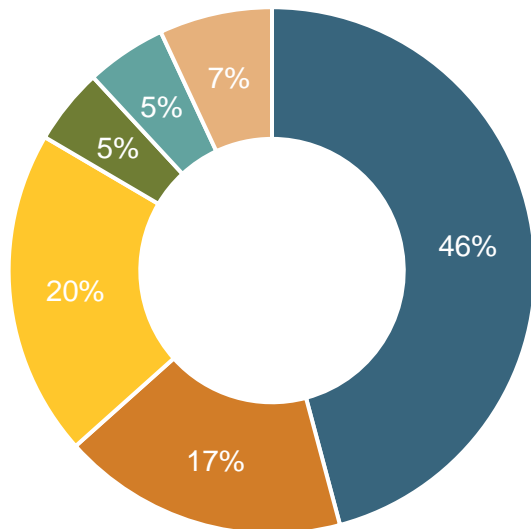
Quality Government Operations

Workforce
Stabilization

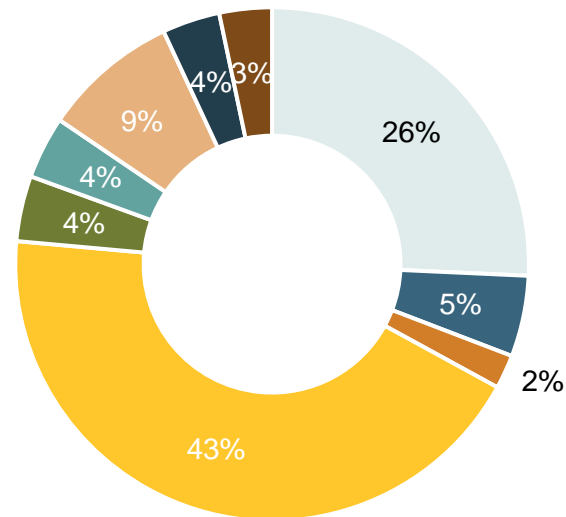
Economic
Outlook

Financial Foundation

FY22 Total Revenues & Expenditures: \$466,071,084



- Total Budget Revenue ■ Property Taxes
- Other Local Revenue ■ State Revenue
- Federal Revenue ■ Use of Fund Balance
- Borrowed Proceeds



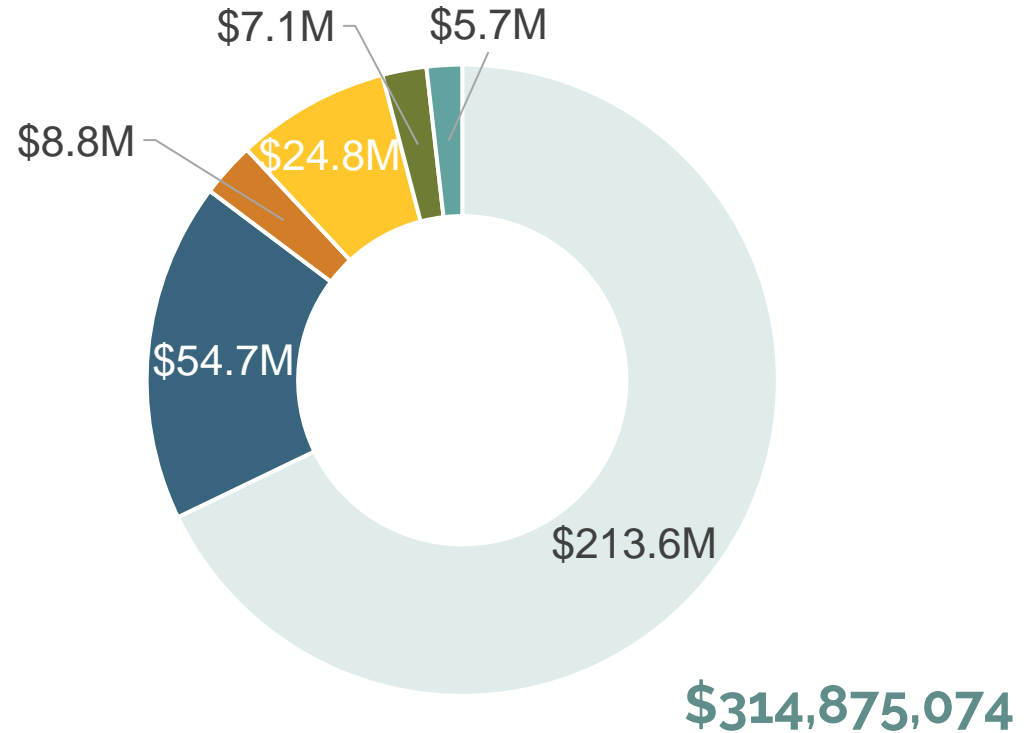
- General Govt Operations ■ Other Gen Govt Funds
- General Govt Debt Service ■ School Div Operations
- School Special Revenue ■ School Debt Service
- General Government Capital ■ School Division Capital
- Revenue Sharing

General Fund Revenue Overview

pages 33 - 46

General Fund Revenues, page 33

- General Property Taxes
- Other Local Taxes
- Other Local Revenue
- State Revenue
- Federal Revenue



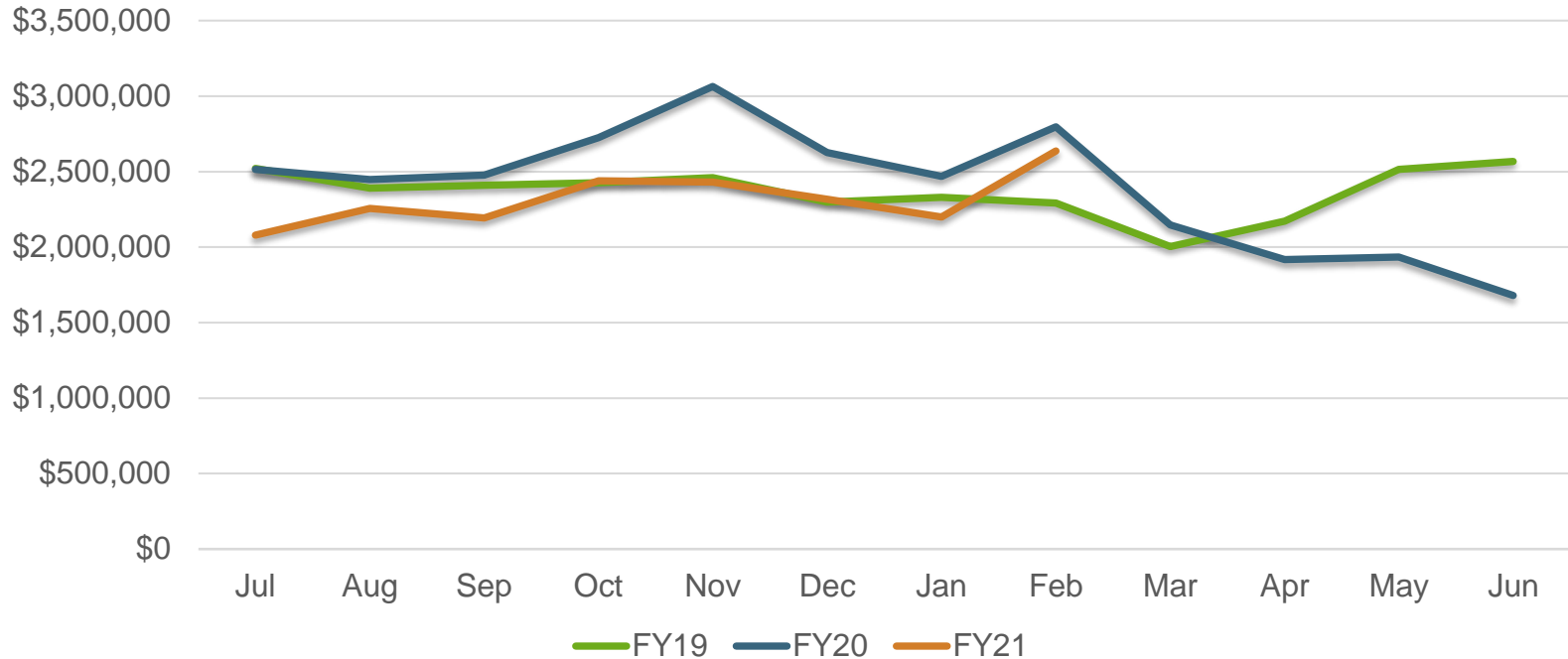
Real Estate Property Taxes

- Calculated at the current rate of \$0.854 per \$100 of assessed value
- Expected to generate \$173M or 55% of General Fund revenues
- Each penny on the real estate tax rate yields ~\$2.1M in estimated collectable real estate tax revenues
- “Lowered” or “Effective” Tax Rate would be \$0.842 per \$100 of assessed value
- Tax Relief for Elderly/Disabled Program: \$1.3M total, 7% increase

Summary of FY 22 Revenue Projection

- February 17, 2021: Second Quarter Financial Report
 - In total, pandemic impacts on County revenues have not been as significant as was projected in April 2020
 - FY 21 Projected ongoing revenues are 2.5% above FY 21 Adopted
- FY 22 Recommended ongoing revenues are 4.7% above FY 21 Adopted
 - Primarily reflects FY 21 Projected + modest growth in FY 22
 - Consumer driven revenues are stabilizing, but have not returned to pre-pandemic levels

Actual Sales, Meals, & Transient Occupancy Taxes by Month



Use of Fund Balance, page 46

- After FY 20 audit, unassigned fund balance above policies = \$7.5 M
- That is recommended to be allocated in FY 21 and FY 22 with the prioritization shown as a framework
- Most notable items will be discussed are part of General Fund expenditures on March 10 and 15

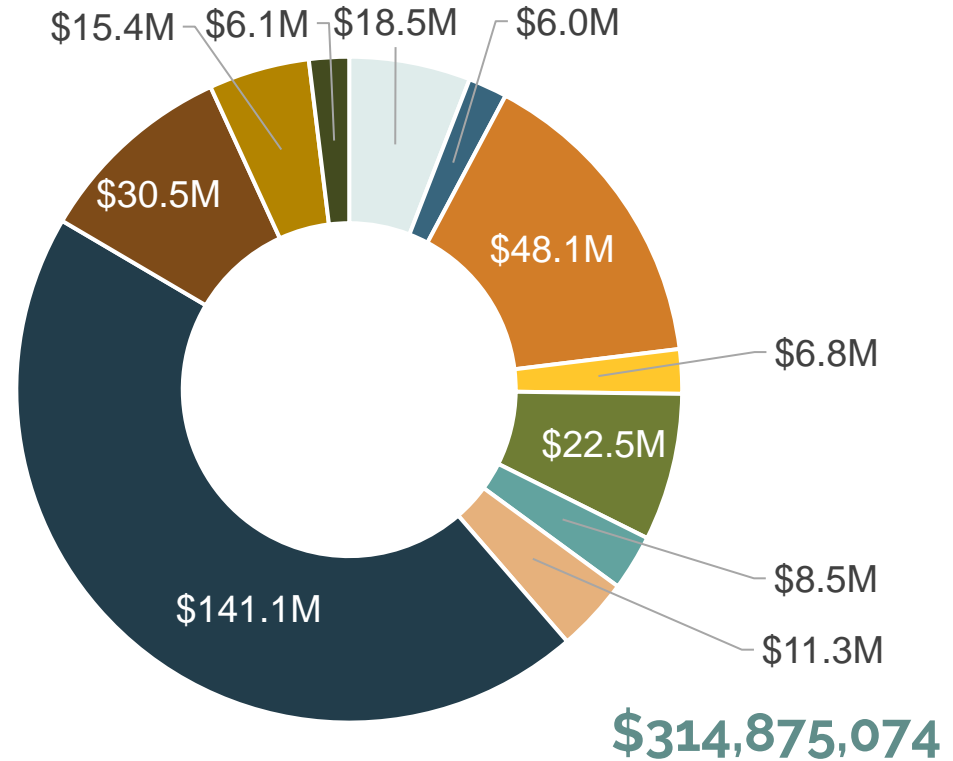


General Fund Expenditure Overview

pages 47 - 54

General Fund Expenditures, page 47

- Administration
- Judicial
- Public Safety
- Public Works
- Health & Welfare
- Parks & Recreation
- Community Development
- Transfers to Schools
- Transfers to CIP/Debt
- Revenue Sharing
- Other



Work Force Stabilization

- \$15 minimum wage: \$280k
- 2% market adjustment, including public safety pay plan: \$1.2 million
- Health insurance employer share: \$75k
 - Rate increases in PY 20 and PY 21 mostly offset by a planned one-month holiday in FY 22
 - No health insurance cost increase for employees

Position Change Summary, page 54

Position	FTE Count
Firefighter/EMT & ACFR Training	6
Broadband Office	2
Family Preservation, DSS	2* <i>Funded by State</i>

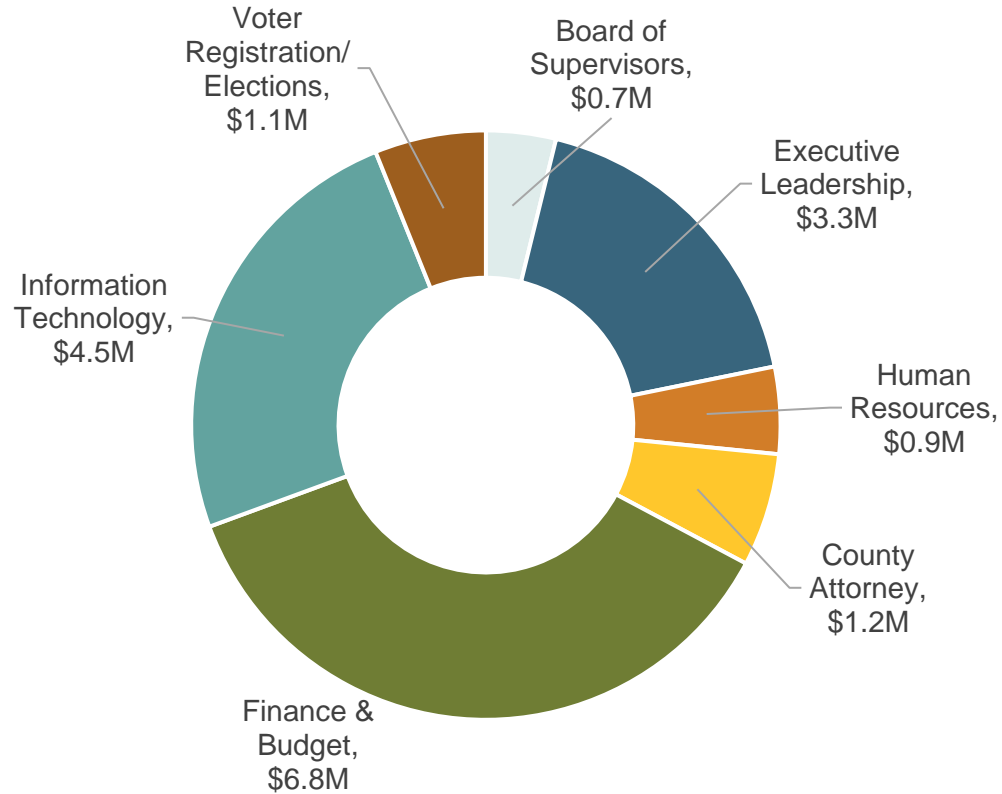
Frozen FTE
19

Administration

Pages 55-70

Administration

\$18.5M



Broadband Access and Affordability Program

*Convene Broadband Authority

Improve Broadband Access and Affordability

BOS Action/Direction

- Provide \$3M in one-time funding to support the expansion of Broadband access and affordability in FY 21 for Infrastructure advancement
 - \$2M from the Pandemic Response, Recovery, and Reconstitution and Contingency Reserve
 - \$1M from Advancing Strategic Priorities Reserve
 - Important Strategic Plan priority
 - Provides leveraging opportunities with the State and direct funding to help accelerate broadband expansion
 - Timing is critical due to the pandemic and highlighted need for access to broadband
- BOS **approved** recommendation and directed staff to bring back appropriation request on March 17th

Background



August 2017 - Albemarle County Broadband Authority (ABBA) – approved/chartered



Summer/Fall 2018 - IT Restructured



Expand Broadband - FY20-22 BOS Strategic Plan



2020 – Global Pandemic
Emphasized Greater Need for Broadband
BOS Direction Fall 2020

Broadband Accessibility and Affordability Program Recommended Summary

Expand Infrastructure

Continue “triage” to meet current/urgent needs of access (i.e. Cell Tower/Fixed Wireless, etc.) – build off CARES Act work

In collaboration with ABBA, develop and execute plan for prioritizing fiber to the home (partnering with ISP’s/drawing down grant funding)

Provide affordability support

Urban and rural affordability access using an economic equity lens

Develop program in conjunction with OEI and DSS

Provide funding to overcome digital divide through grant/voucher programs

Establish Office of Broadband Access (modeling after OEI/EDO)

Infrastructure Expansion Opportunities

- Federal Communications Commission Rural Digital Opportunity Fund (RDOF)
- Virginia Telecommunication Initiative VATI (2021 and 2022)
- Staff estimated approximately 7500 County locations needing fiber (assumes RDOF/VATI 2021 awarded and projects completed)
- Potential Direct Fund Opportunities
- Continue to triage lack of coverage through Fixed Wireless and Community Member Support

Broadband Affordability Program

1

Assist community members with access to State and Federal Broadband Affordability Funding

2

Add funding to current County programs to segment and provide near-term support for offsetting expenses

3

Consider a broadband affordability support model for homes located further from main roads

Broadband Affordability Program

Near term: Support pandemic response with additional, incremental funding to be used towards Community Member Broadband Expenses.

- Initial meetings with DSS, OEI, Pathways, United Way

Longer term: Affordability Program Development in Spring 2021

- Develop staff led Broadband Affordability “Tiger Team”
 - Albemarle County Public Schools (ACPS)
 - Dept of Social Services
 - Office of Equity and Inclusion
 - Communications and Public Engagement
 - Community Partners and Volunteers
- Goal: Design a program synergistic with and based on other available programs.
- *Bring Back Program Recommendation to BOS (TBD)*

Office of Broadband Access

Functions

- Direct support to ABBA
- Stakeholder coordination and collaboration
- Project management
- Constituent services
- Budgeting and reporting

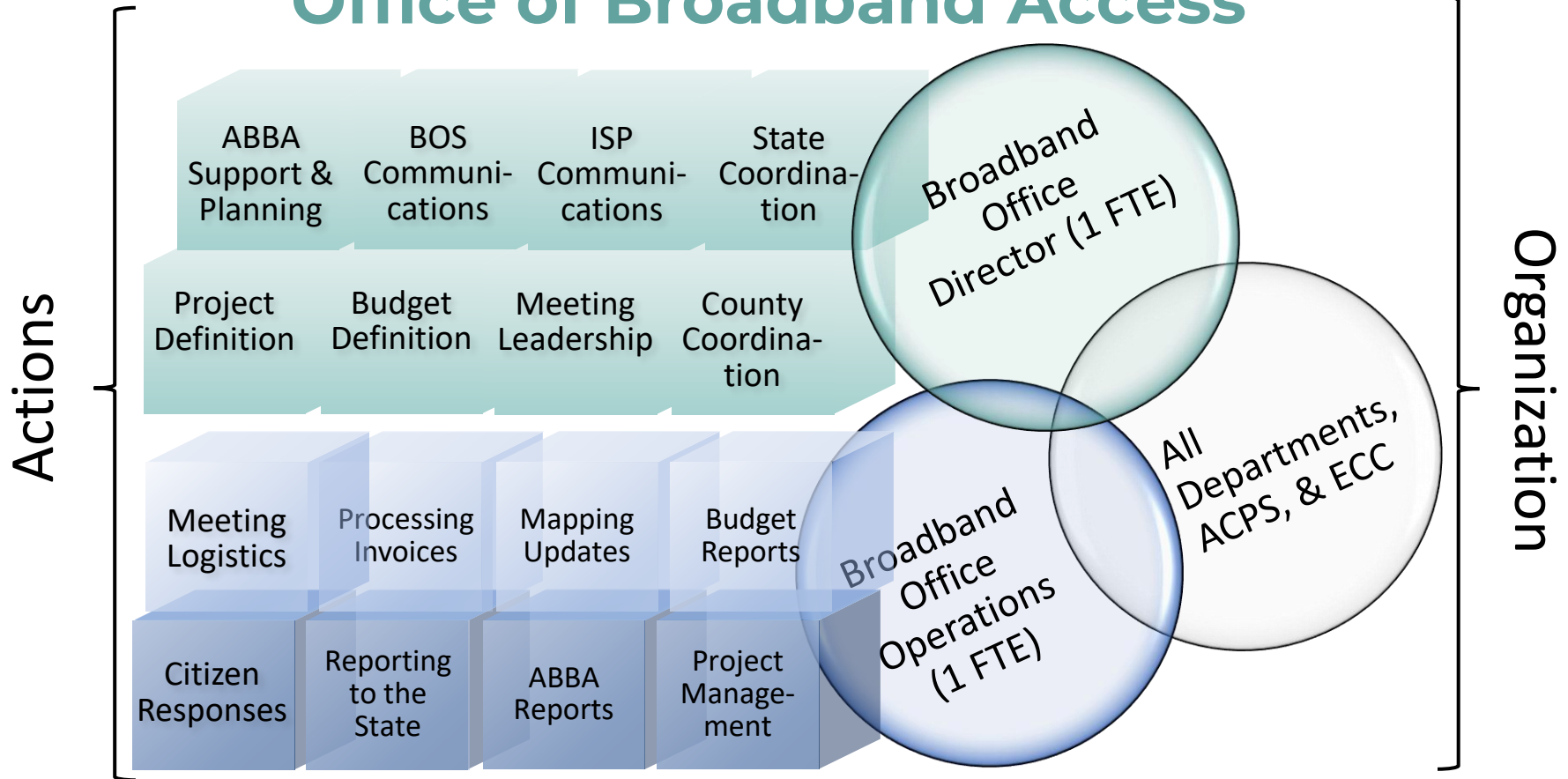
Model

- Economic Development Authority/Economic Development Office structure
- Office of Equity & Inclusion

Structure

- Director reports to County Executive
- 2 FTEs – Director and operations
- Part of County Organizational Structure

Office of Broadband Access



SUMMARY

Improve Broadband Access and Affordability

FY 22 Recommended Budget

- Includes \$536,376 for two full-time employees, related operating costs and an affordability support program.
 - **\$286,376 for BBO**
 - **\$250,000 for Access and Affordability Program**
 - \$350,000 one-time funding from the General Fund for a combined contribution in FY 21 and FY 22 of \$3,000,000 to **Albemarle Broadband Authority Fund**.

SUMMARY

Improve Broadband Access and Affordability

If supported by BOS..

Advance the work of the BBO and utilize 1 time funding to support Access/Affordability program

FY21 – If supported by BOS, staff recommends using \$350K of the \$3Mil to support start up of BBO and Affordability Program (near term/long term development)

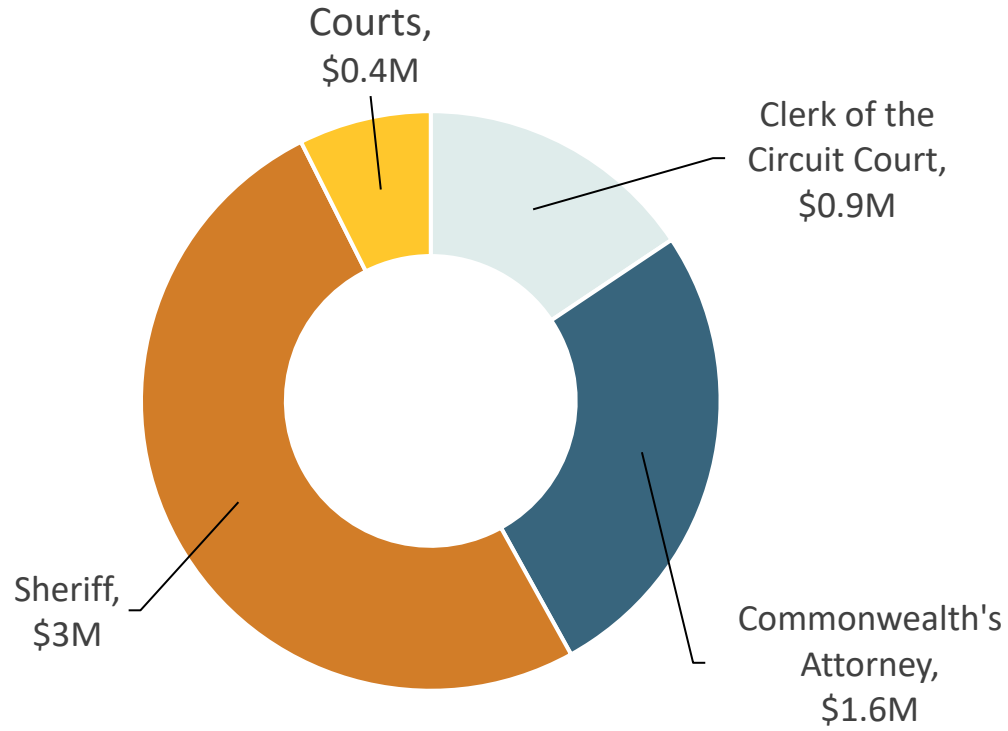
- \$100,000 for BBO start up
- \$250,000 for Access and Affordability Program start up (near term pandemic support)

FY22 Broadband Program Recommendation Discussion/Questions

Judicial

Pages 71-80

Judicial \$6.0M

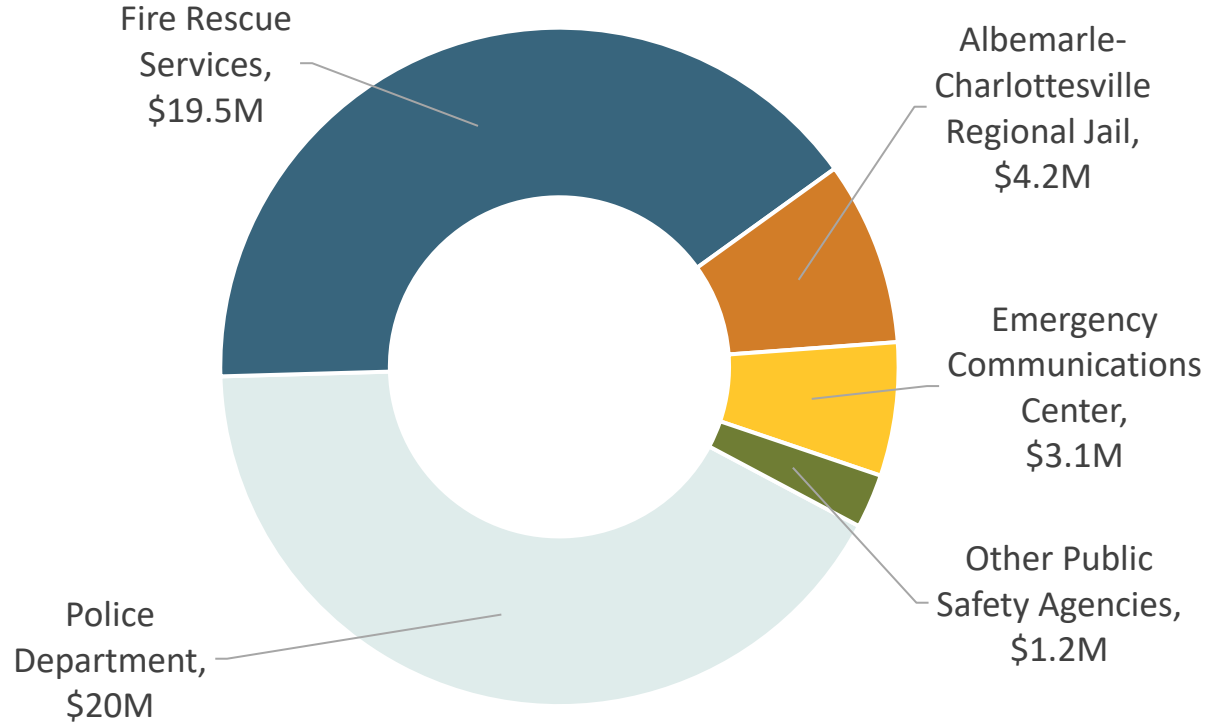


Public Safety

Pages 81-90

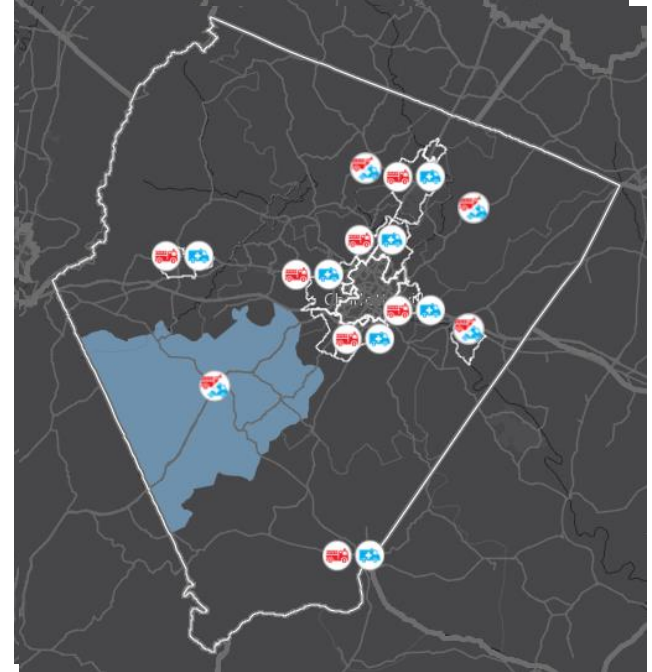
Public Safety

\$48.1M



North Garden Supplemental Staffing Request

- Recommended FY 22 Operating Budget includes \$435k
 - Requested by North Garden Volunteer Fire Company
 - 5 FTE positions to provide supplemental weekday, daytime cross staffing of a fire engine and ambulance
 - Ambulance and Equipment in capital budget
 - Timeline
 - Hire date: September 2021 for training
 - Service planned to begin fall 2022
 - 1 Training Division position

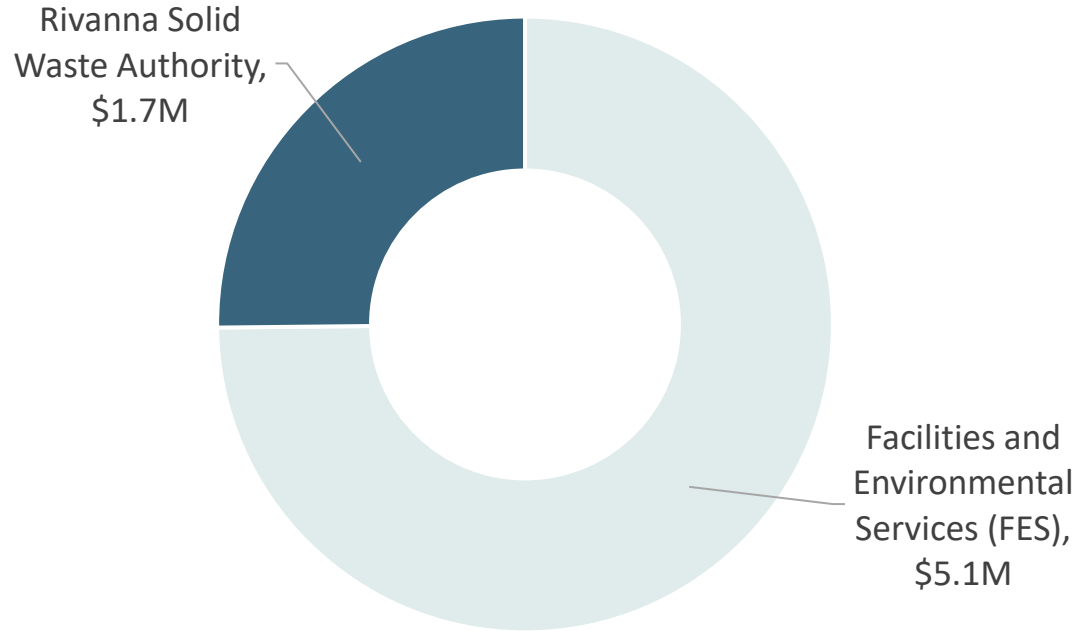


Break

Public Works

Pages 91-98

Public Works \$6.8M

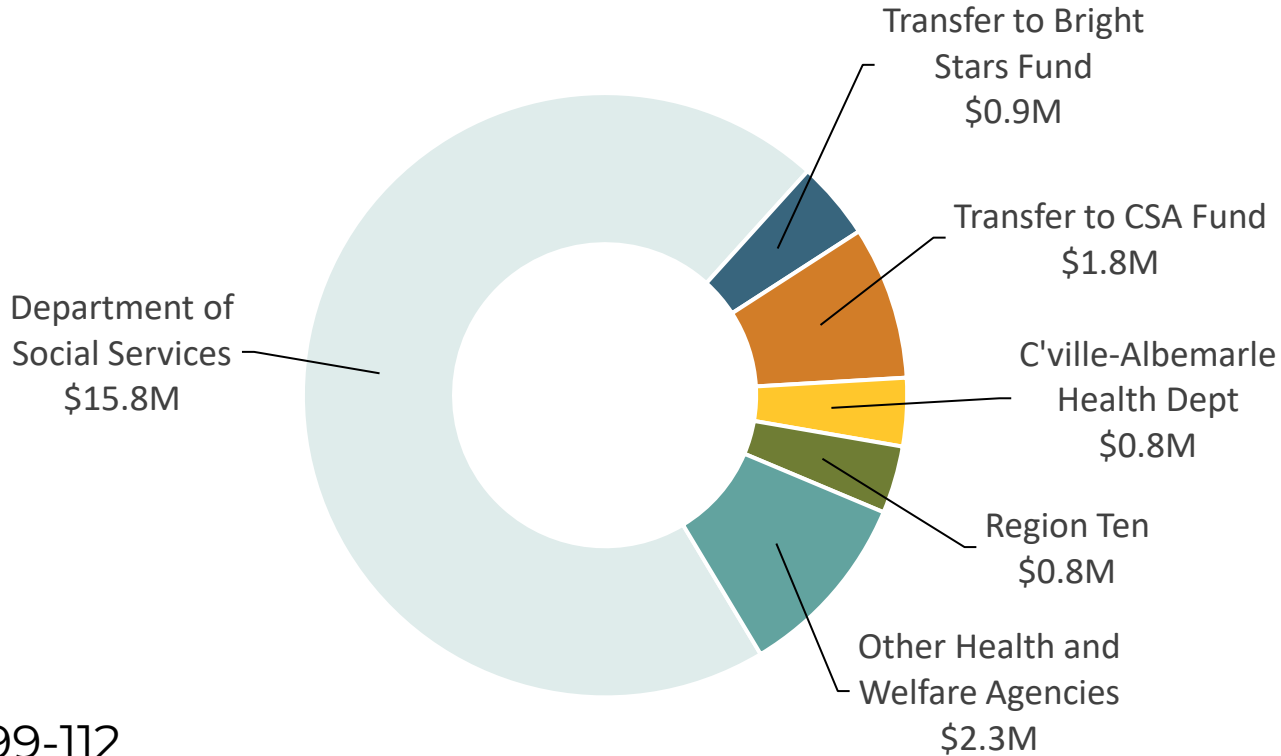


Health and Welfare

Pages 99-112

Health and Welfare

\$22.5M



Agency Budget Review Team (ABRT) Agencies

- 32 Agency applications reviewed by staff and community volunteer review teams.
- Agencies funded in FY 21 and rated “exemplary” or “solid” recommended for same level of funding in FY 22
- Agencies funded in FY 21 and rated “fair” or lower are recommended to be initially funded at 50% of FY 21 with remaining 50% held in contingency. Contingency funding may be released mid-year based on reporting and performance requirements.

Charlottesville Free Clinic
PACEM

- Three new agencies supporting pandemic-related priorities are recommended for funding (one-time monies):

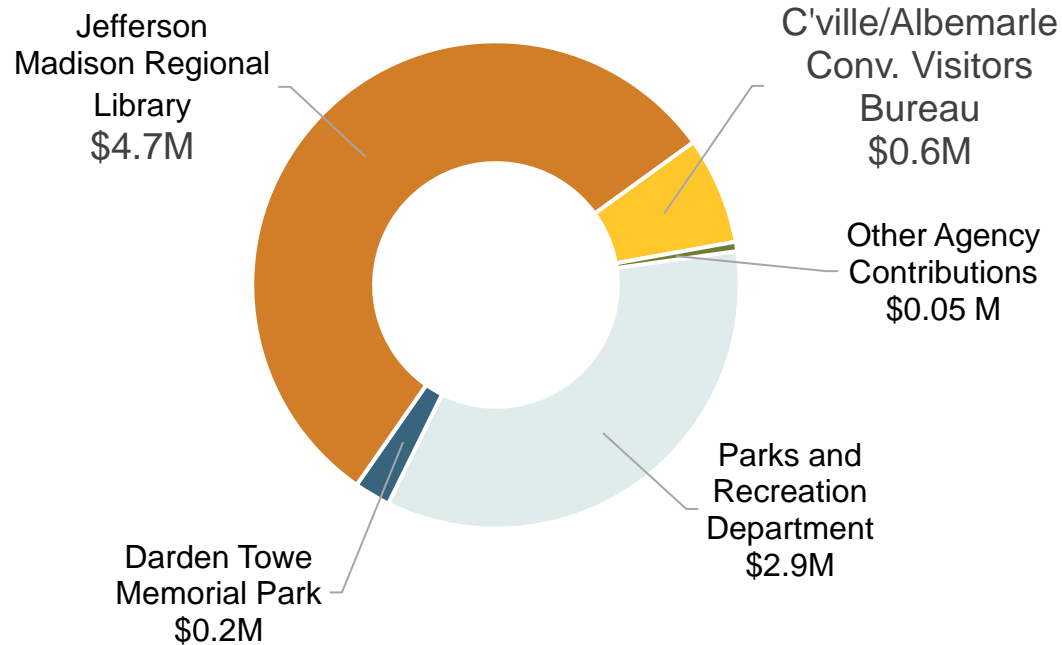
The Local Food Hub
Meals on Wheels
Piedmont Family YMCA

Parks, Recreation and Culture

Pages 113-120

Parks, Recreation and Culture

\$8.5M



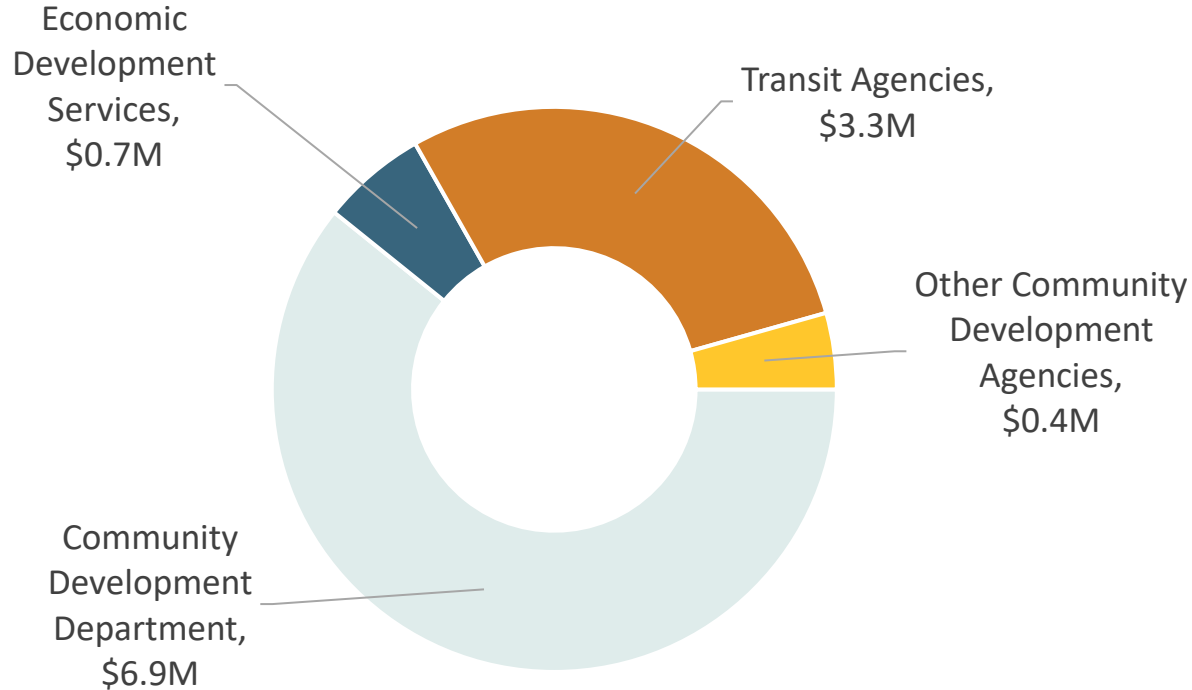
Arts and Cultural Agencies

- Applications Reviewed by County's Cultural and Festival Agency Review Team
- Team recommends continued funding for agencies that received funding in FY 21 and requested funding again in FY 22, with following exceptions:
- Contribution to Chihamba African American Cultural Arts Festival was decreased in FY 21 and not recommended for funding in FY 22
- Provides support for following agencies that have not received funding in FY 21 at \$2,500 each:
 - Charlottesville Symphony Society
 - The Front Porch
 - Live Arts
 - Sin Barreras

Community Development

Pages 121-130

Community Development \$11.3M

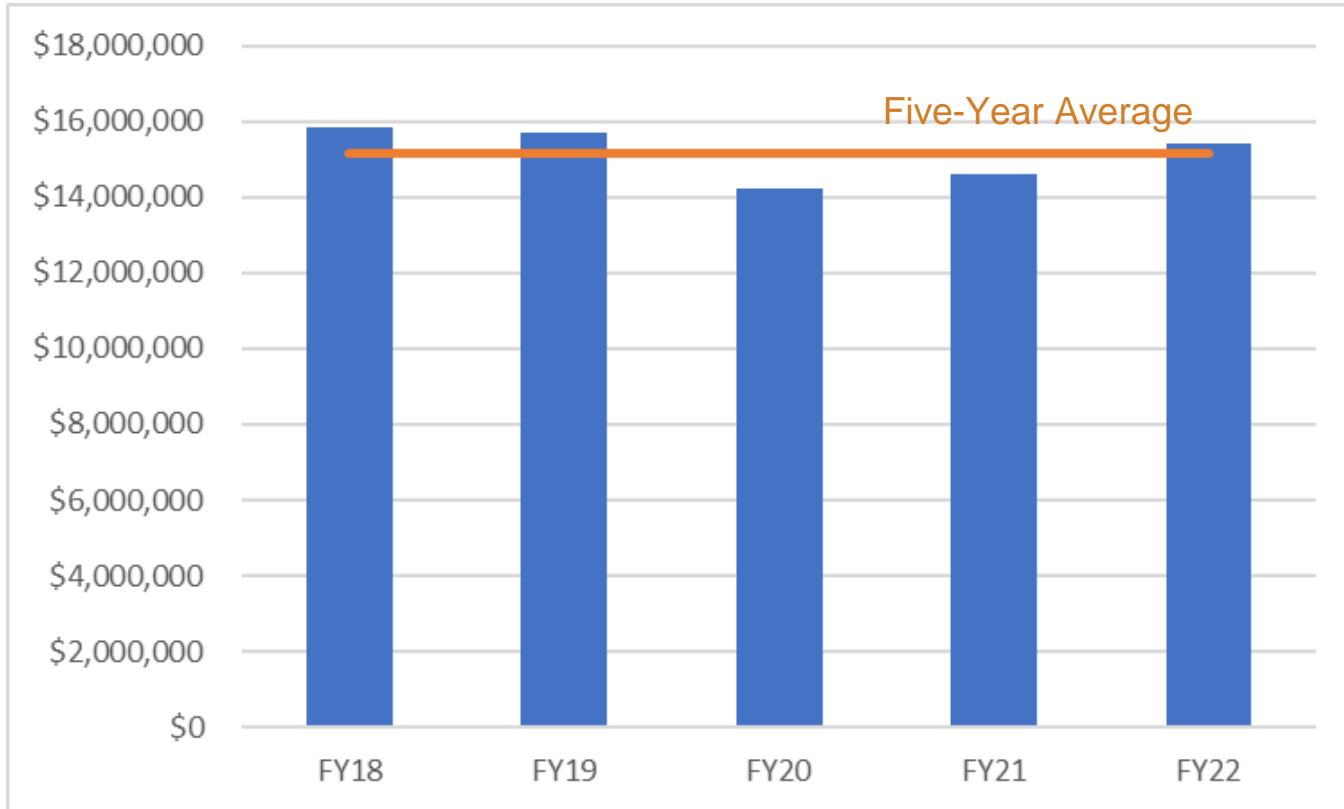


Intro

Non-Departmental

Pages: 131 - 142

Revenue Sharing with the City Pgs. 132-133



Uneven Revenue Impacts

School Division

+6.2% over FY 21 Adopted
\$11.9 million in new revenues

Local Government

+4.7% over FY 21 Adopted
\$2.0 million in unobligated new revenues

Capital Program

Balanced on 0% revenue growth
CIP Advisory Committee recommended projects

Staff's Summary Items Identified for List

Next Steps

