



Albemarle County

Legislation Details (With Text)

File #: 23-222 **Version:** 1 **Name:**
Type: Resolution **Status:** Action Items
File created: 3/21/2023 **In control:** Board of Supervisors
On agenda: 5/3/2023 **Final action:**
Title: Adoption of Calendar Year 2023 Tax Rates, Fiscal Year (FY) 24 Budget, FY 23 Revised and FY 24 Pay Scales, Borrowing Resolution, FY 24-28 Capital Improvements Plan (CIP), and Appropriation of the FY 24 Budget.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Att.A - Resolution to Set CY23 Tax Rates, 2. Att.B - Resolution to Adopt the FY 24 Budget, 3. Att.C - Salary Scale Resolution, 4. Att.D - Annual Resolution of Appropriation, 5. Att.E - Borrowing Resolution, 6. Att.F - Resolution to adopt the FY 24 - 28 Capital Improvement Plan

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

AGENDA DATE: 5/3/2023

TITLE:

Adoption of Calendar Year 2023 Tax Rates, Fiscal Year (FY) 24 Budget, FY 23 Revised and FY 24 Pay Scales, Borrowing Resolution, FY 24-28 Capital Improvements Plan (CIP), and Appropriation of the FY 24 Budget

SUBJECT/PROPOSAL/REQUEST: Request adoption of Calendar Year 2023 tax rates, Fiscal Year (FY) 24 Budget, FY 23 revised and FY 24 pay scales, borrowing resolution, FY 24-28 Capital Improvements Plan (CIP), and appropriation of the FY 24 Budget

ITEM TYPE: Regular Action Item

STAFF CONTACT(S): Richardson, Rosenberg, Birch, Bowman, Davidson, Vinzant, Mitchell, Unsworth, Gardner, Rice

PRESENTER (S): Andy Bowman

LEGAL REVIEW: Yes

REVIEWED BY: Jeffrey B. Richardson

BACKGROUND: At the May 3, 2023 Board's meeting, staff will ask the Board to consider the following items:

1) Adoption of the Resolution to Set Calendar Year 2023 Tax Rates: The Board held a public hearing on the proposed 2023 calendar year tax rates on April 26, 2023. The 2023 calendar year tax rates are for the year beginning January 1, 2023 and ending December 31, 2023.

2) Adoption of the FY 24 Operating and Capital Budget: The Board held a public hearing on the Fiscal Year

2024 (FY 24) Proposed Budget on April 26, 2023. The budget presented for adoption includes the Board's FY 24 Proposed Budget plus any adjustments made by the Board or School Board in subsequent work sessions and is for the fiscal year beginning July 1, 2023 and ending June 30, 2024.

3) Adoption of the Resolution to Revise FY 23 and Set FY 24 Pay Scales: The Board held a Workforce Stabilization Budget Work Session on March 29, 2023. As part of that work session, staff presented a new pay scale for County Government classified employees. County Government also maintains separate Public Safety pay scales for the Police Department, Sheriff's Office, and Department of Fire Rescue.

4) Adoption of the Annual Resolution of Appropriations: To provide the authority from the Board to spend these funds, the Board's adoption of an Annual Resolution of Appropriations for the fiscal year ending on June 30, 2024 is required.

5) Adoption of the Resolution of Official Intent to Reimburse Expenditures with Proceeds of a Borrowing: In addition, the Board's adoption of a Resolution of Official Intent to Reimburse Expenditures with Proceeds of a Borrowing is required to provide the County with the authority to use bond proceeds to reimburse capital program expenditures for the specified projects.

6) Adoption of the FY 24 - 28 Capital Improvement Plan (CIP): This reflects the adopted FY 24 Capital Budget plus the out years of the plan, FY 25 - FY 28, reviewed with the Board of Supervisors during the budget development process. FY 25 - 28 will inform future long-range financial planning and are not requested for appropriation.

STRATEGIC PLAN: Mission - To enhance the well-being and quality of life for all community members through the provision of the highest level of public service consistent with the prudent use of public funds

DISCUSSION:

1) Adoption of the Resolution to Set Calendar Year 2023 Tax Rates: The FY 24 budget is based on a real estate tax rate of \$0.854 per \$100 of assessed valuation and a personal property tax rate of \$3.42 per \$100 of assessed valuation, as set forth in Attachment A.

2) Adoption of the FY 24 Operating and Capital Budget: The FY 24 Budget for the Board's approval is detailed in Attachment B and is based on the FY 24 Proposed Budget plus the adjustments detailed below:

Board of Supervisors Adjustments

All amounts in this executive summary and attachments reflect budget decisions made through the April 19, 2023 work session, and include:

- Allocating \$1,008,731 from the Transit Reserve to Jaunt.
- Allocating \$125,000 from the Reserve for Contingencies to the Tax Relief for the Elderly and Disabled Program.
- Allocating \$55,093 from the Reserve for Contingencies to the Department of Human and Social Services to accelerate an additional Housing position from a January 2024 to a July 2023 start date.
- Allocating \$27,842 from the Reserve for Contingencies to various departments to provide compensation increases for the following Boards and Commissions: Architectural Review Board, Board of Zoning Appeals, Equalization Board, Fire Prevention Board of Appeals/Local Board of Building Code Appeals, and Planning Commission.
- Added \$2,709,538 to the CIP for Darden Towe Park Field Rebuild. Funding for this project is planned over four years and made up of \$1,586,663 in borrowed proceeds, \$777,366 for the City of Charlottesville share, \$262,000 in proffer revenue, and allocates \$331,541 from the Advancing Strategic Priorities Reserve in the Capital Budget to provide the remaining funding for the project and related debt service. In FY 24, the amount of the total project requested for adoption and appropriation is \$604,368 for the first phase.

Adjustments made during subsequent meetings will be made within the attached resolution prior to adoption and reviewed as part of the staff presentation on May 3, 2023.

County Executive Recommended Adjustments

The County Executive recommends the following budget-neutral adjustment to the FY 24 budget:

- Allocate \$275,000 from the Business Process Optimization Reserve to various departments for the following purposes in support of the Core Systems Modernization project:
 - \$146,300 to the Department of Finance & Budget for a Deputy Controller position.
 - \$128,700 to the Department of Information Technology for an Integration Specialist position.
- In the Proposed Budget, the Athletic Fields (at Biscuit Run Park) and Biscuit Run Park capital projects were identified separately. It is recommended these projects be combined into one total for purposes of administering the project and future financial reporting. The Darden Towe Field Rebuild Project is recommended to be appropriated and reported separately from the Biscuit Run Park project.

Public Schools Adjustments

All amounts in this executive summary and attachments reflect budget decisions made through the April 19, 2023 work session. The School Board held a budget work session on April 27, 2023. Adjustments made during that meeting will be made within the attached Resolution prior to adoption and reviewed as part of the staff presentation on May 3, 2023.

3) Adoption of the Resolution to Revise FY 23 and Set FY 24 Pay Scales

This resolution (Attachment C) is to:

- Revise the FY 23 Classified Pay Scales to reflect recommendations resulting from the Compensation and Classification Study. This revision will be effective May 6, 2023.
- Adopt the FY 24 Pay Scales. Classified and Public Safety pay scales to be effective as of July 1, 2023 for employees on the 14-day pay cycle and July 1, 2023 for employees on the 28-day pay cycle. These dates are based on the start of the first pay period in FY 24.

4) Adoption of the Annual Resolution of Appropriations

The Resolution of Appropriations appropriates the total County Budget, including both County government and Public School operating and capital funds, Public School special revenue funds, and other County government funds appropriations in a single resolution (Attachment D). The Annual Resolution includes the following:

Board of Supervisors Adjustments

All amounts in this executive summary and attachments reflect budget decisions made through the April 19, 2023 work session. Adjustments made during subsequent meetings will be made within the attached Resolution prior to adoption and reviewed as part of the staff presentation on May 3, 2023.

Public Schools Adjustments

All amounts in this executive summary and attachments reflect budget decisions made through the April 19, 2023 work session. The School Board held a budget work session on April 27, 2023. Adjustments made during that meeting will be made within the attached Resolution prior to adoption and reviewed as part of the staff presentation on May 3, 2023.

County Executive Authority

The appropriation resolution authorizes the County Executive to do the following. In accordance with current practice, all these transfers or distributions will be reported to the Board of Supervisors as part of the County's quarterly financial reports.

- A) administratively approve budget transfers of unencumbered funds of up to \$500,000.00 per fund in the fiscal year from one classification, department, or project to another within the same fund;
- B) allocate funding between the below identified classifications and the appropriate budget line-items for expenditure:

Expenditure Classifications Eligible for Transfer Under this Resolution:

General Fund

- Business Process Optimization Reserve
- Climate Action Pool
- Reserve for Contingencies
- Salary and Benefits Reserve

Capital Funds

- Advancing Strategic Priorities Reserve in CIP
- Economic Development Funding for Public-Private Partnerships (P3s)
- Transportation Leveraging Fund

C) allocate salary lapse between department budgets;

D) administratively approve the carry forward of outstanding grants and capital projects and programs from year to year;

E) close out Capital projects and transfer any unencumbered residual funds to the Capital Improvement Fund fund balance;

F) close out grant funds; including the transfer of any unencumbered residual funds to the appropriate fund's fund balance.

G) administratively approve the carry forward of outstanding balances up to \$24,000,000 for estimated encumbered purchase orders.

5) Adoption of the Resolution of Official Intent to Reimburse Expenditures with Proceeds of a Borrowing: The Resolution of Official Intent to Reimburse Expenditures with Proceeds of a Borrowing, Attachment E, allows the County to use bond proceeds to reimburse the County for capital program expenditures.

6) Adoption of the FY 24 - 28 Capital Improvement Plan (CIP), Attachment F: All amounts in the executive summary and attachments reflect budget decisions made through the April 19, 2023 work session. Adjustments made during subsequent meetings will be made within the attached resolution prior to adoption and reviewed as part of the staff presentation on May 3, 2023.

BUDGET IMPACT: Adoption of the budget, tax rates, and related ordinances by the Board will establish the Fiscal Year 2024 Operating and Capital Budgets and Calendar Year 2023 tax rates and provide the authority from the Board to spend funds included in the budget. For the adoption of the Capital Improvement Plan, FY 25 - 28 will inform future long-range financial planning and are not requested for appropriation.

RECOMMENDATION:

Staff recommends that the Board:

- 1) adopt the attached Resolution to Set Calendar Year 2023 Tax Rates (Attachment A);
- 2) adopt the attached FY 24 Budget Resolution approving the FY 24 Budget as recommended by the County Executive and amended by the Board of Supervisors (Attachment B);
- 3) adopt the attached Resolution to Revise FY 23 and Set FY 24 Pay Scales (Attachment C);
- 4) adopt the attached Annual Resolution of Appropriations (Attachment D);
- 5) adopt the attached Resolution of Official Intent to Reimburse Expenditures with Proceeds of a Borrowing (Attachment E); and
- 6) adopt the FY 24 - 28 Capital Improvement Plan (Attachment F).

If adjustments are desired during the meeting, changes will be made within the attached Resolutions prior to adoption.

ATTACHMENTS:

A - Resolution to Set Calendar Year 2023 Tax Rates

B - Resolution to Adopt the FY 24 Operating and Capital Budget

C - Resolution to Revise FY 23 and Set the FY 24 Salary Scales

D - Annual Resolution of Appropriations

E - Borrowing Resolution

F - Resolution to adopt the FY 24 - 28 Capital Improvement Plan