



Albemarle County

Legislation Text

File #: 24-232, Version: 1

AGENDA DATE: 5/1/2024

TITLE:

Adoption of Calendar Year 2024 Tax Rates, Fiscal Year (FY) 25 Budget, FY 25 Pay Scales, Borrowing Resolution, FY 25-29 Capital Improvements Plan (CIP), and Appropriation of the FY 25 Budget

SUBJECT/PROPOSAL/REQUEST: Request adoption of Calendar Year 2024 tax rates, Fiscal Year (FY) 25 Budget, FY 25 pay scales, borrowing resolution, FY 25-29 Capital Improvements Plan (CIP), and appropriation of the FY 25 Budget

ITEM TYPE: Regular Action Item

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

PRESENTER (S): Andy Bowman

LEGAL REVIEW: Yes

REVIEWED BY: Jeffrey B. Richardson

BACKGROUND: At the May 1, 2024 Board meeting, staff will ask the Board to consider the following items:

- 1) Adoption of the Resolution to Set Calendar Year 2024 Tax Rates:** The Board held public hearings on the proposed 2024 calendar year real estate and personal property tax rates on April 24, 2024. The 2024 calendar year real estate and personal property tax rates are for the year beginning January 1, 2024 and ending December 31, 2024.
- 2) Adoption of an Ordinance to Increase the Transient Occupancy Tax Rate:** The Board held a public hearing on a proposed increase to the transient occupancy tax rate on April 24, 2024.
- 3) Adoption of the FY 25 Operating and Capital Budget:** The Board held a public hearing on the Fiscal Year 2025 (FY 25) Proposed Budget on April 17, 2024. The budget presented for adoption includes the Board's FY 25 Proposed Budget plus technical adjustments recommended by the County Executive and Board of Supervisors amendments and is for the fiscal year beginning July 1, 2024 and ending June 30, 2025.
- 4) Adoption of the Resolution to Set FY 25 Pay Scales:** County Government maintains a Classified Employee pay scale and separate Public Safety pay scales for the Police Department, Sheriff's Office, and Department of Fire Rescue.
- 5) 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, 2025 is required.

6) 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.

7) Adoption of the FY 25 - 29 Capital Improvement Plan (CIP): This reflects the adopted FY 25 Capital Budget plus the out years of the plan, FY 26 - FY 29, reviewed with the Board of Supervisors during the budget development process. FY 26 - 29 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 2024 Tax Rates: The FY 25 budget is based on a real estate tax rate of \$0.854 per \$100 of assessed valuation and a personal property tax rate of \$3.96 per \$100 of assessed valuation, (increased from \$3.42 per \$100 of assessed valuation), as set forth in Attachment A. The 2024 calendar year tax rates are for the year beginning January 1, 2024 and ending December 31, 2024.

2) Adoption of an Ordinance to Increase the Transient Occupancy Tax Rate: If adopted, the proposed ordinance (Attachment B) would revise Chapter 15, Taxation, Article 9, Transient Occupancy Tax. The transient occupancy tax rate would increase from eight percent to nine percent, effective July 1, 2024.

3) Adoption of the FY 25 Operating and Capital Budget: The FY 25 Budget for the Board's approval is detailed in Attachment C and is based on the FY 25 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 March 27, 2024 budget 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 1, 2024.

County Executive Recommended Adjustments

The County Executive recommends the following budget-neutral adjustments to the FY 25 budget:

- Allocate \$100,380 from the Department of Facilities and Environmental Services to the Department of Information Technology for a Systems Analyst position as part of a reorganization.
- Allocate \$114,560 from the Albemarle County Regional Jail (ACRJ) to the Reserve for Contingencies based on updated cost estimates from ACRJ.
- Allocate \$164,355 from the Department of Social Services (DSS) to the Police Department and \$57,969 from DSS to the Fire Department for their portions of the Human Services Alternative Response Team costs.

Public Schools Adjustments

All amounts in this executive summary and attachments reflect budget decisions made through the March 27, 2024 work session. The School Board held a budget work session on April 25, 2024. 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 1, 2024.

4) Adoption of the Resolution to Set FY 25 Pay Scales

This resolution (Attachment D) is to adopt the FY 25 Pay Scales. The Classified and Public Safety pay scales will be effective as of July 1, 2024 for all County employees.

5) 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 E). The Annual Resolution includes the following:

Board of Supervisors Adjustments

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Public Schools Adjustments

All amounts in this executive summary and attachments reflect budget decisions made through the March 27, 2024 work session. The School Board held a budget work session on April 25, 2024. 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 1, 2024.

County Executive Authority

The appropriation resolution authorizes the County Executive to do the following, with all such transfer or distributions will be reported to the Board of Supervisors as part of the County's quarterly financial report, in accordance with current practice:

- 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
- Efficiencies and Other Savings

Capital Funds

- Advancing Strategic Priorities Reserve in CIP
- 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.

6) 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 F, allows the County to use bond proceeds to reimburse the County for capital program expenditures.

7) Adoption of the FY 25 - 29 Capital Improvement Plan (CIP), Attachment G: All amounts in the executive summary and attachments reflect budget decisions made through the March 27, 2024 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 1, 2024.

BUDGET IMPACT: Adoption of the budget, tax rates, and related ordinances by the Board will establish the Fiscal Year 2025 Operating and Capital Budgets and Calendar Year 2024 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 26 - 29 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 2024 Tax Rates (Attachment A);
- 2) adopt the attached ordinance to increase the transient occupancy tax rate(Attachment B);
- 3) Adopt the attached FY 25 Budget Resolution approving the FY 25 Budget as recommended by the County Executive and amended by the Board of Supervisors (Attachment C);
- 4) adopt the attached Resolution to Set FY 25 Pay Scales (Attachment D);
- 5) adopt the attached Annual Resolution of Appropriations (Attachment E);
- 6) adopt the attached Resolution of Official Intent to Reimburse Expenditures with Proceeds of a Borrowing (Attachment F); and
- 7) adopt the FY 25 - 29 Capital Improvement Plan (Attachment G).

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 2024 Tax Rates
- B - Amendment to Transient Occupancy Tax Rate
- C - Resolution to Adopt the FY 25 Operating and Capital Budget
- D - Resolution to Set the FY 25 Salary Scales
- E - Annual Resolution of Appropriations
- F - Borrowing Resolution
- G - Resolution to Adopt the FY 25 - 29 Capital Improvement Plan