



# Albemarle County

## Legislation Text

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**File #:** 23-484, **Version:** 1

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**AGENDA DATE:** 12/13/2023

**TITLE:**

Five-Year Financial Plan Work Session

**SUBJECT/PROPOSAL/REQUEST:** Work session on the five-year financial plan

**ITEM TYPE:** Regular Information Item

**STAFF CONTACT(S):** Richardson, Sumner, Shifflett, Bowman, Davidson, Vinzant

**PRESENTER (S):** Bowman, Shifflett

**LEGAL REVIEW:** Not Required

**REVIEWED BY:** Jeffrey B. Richardson

**BACKGROUND:** Long-range financial planning is part of the County's adopted financial policies. The Five-Year Financial Plan includes a review of revenue trends and expenditures from the prior years' projections of revenues and expenditures, as well as future costs and the financing of the Capital Improvement Plan. A long-range financial plan is different from the annual budget in that it emphasizes where the County may be headed at the end of the plan rather than the coming fiscal year. This planning can provide a helpful framework to inform the annual budget to ensure funding recommendations are aligned with County priorities. It also provides a framework to illuminate discussion around questions such as:

- a) Are the County's operating and capital plans in alignment? For example, if the County starts constructing a new facility in the capital budget, is it able to open and operate it in a future operating budget - can the decisions being made today be afforded in future years?
- b) What long-term strategies or policies could be considered to change the long-term trajectory of the financial plan?

The Five-Year Financial Plan is the next step in the County's long-term financial planning process, where to date:

- On August 16, the Board approved the FY 25 operating and capital budget calendar
- On October 4, the Board received an Economic Outlook Report
- On November 15, the Board held the first Five-Year Financial Plan work session that focused on County Government services.
- On December 6, the Board held a joint Five-Year Financial Plan work session with the School Board.

Next, in accordance with the budget development schedule, prior to the annual budget process the Board will hold its final long-range financial planning work session to review information on December 13.

**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:** During this work session, staff will present and facilitate continued discussion on the Five-Year Financial Plan presented on November 15, 2023, to include Tax Relief for the Elderly and Disabled and workforce stabilization. The assumptions in the plan will continue to be updated in the annual budget development process and subsequent financial plans.

**BUDGET IMPACT:** Long-range financial planning connects long-range fiscal planning with strategic priorities and provides an important context for the annual budget process.

**RECOMMENDATION:**

Staff recommends that the Board share feedback and questions on the long-range Five-Year Financial Plan.

**ATTACHMENTS:** None