



# Albemarle County

## Legislation Text

---

**File #:** 16-717, **Version:** 1

---

**AGENDA DATE:** 12/14/2016

**TITLE:**

Approval of FY 18 - FY 19 Two Year Fiscal Plan

**SUBJECT/PROPOSAL/REQUEST:** Board approval of FY 18 - FY 19 Two Year Fiscal Plan

**ITEM TYPE:** Regular Action Item

**STAFF CONTACT(S):** Foley, Walker, Letteri, Catlin, Kamptner, Allshouse, L.

**PRESENTER (S):** Lori Allshouse

**LEGAL REVIEW:** Not Required

**REVIEWED BY:** Thomas C. Foley

**BACKGROUND:** The Five Year Financial Plan developed in November, 2015, demonstrated that the cumulative impacts of community and Board aspirations, growing citizen expectations, and service obligations created by population growth would outpace available resources into the future unless significant transformation was achieved. The Board of Supervisors, staff, and public had significant discussions about finding a balance between a realistic level of revenues going forward and the expenditures which can be supported by that revenue. As a result, beginning in April 2016, the County embarked upon a priority based budgeting process that cumulated in the development of a new Strategic Plan and a corresponding FY 18 - FY 19 2 Year Fiscal Plan. The chart below demonstrates the several milestones along the way which cumulated with a [Recommended Balanced 2 Year Fiscal Plan](http://www.albemarle.org/upload/images/forms_center/departments/Strategic_Planning/forms/Albemarle_County_FY18-FY19_Two_Year_Fiscal_Plan.pdf) [<http://www.albemarle.org/upload/images/forms\\_center/departments/Strategic\\_Planning/forms/Albemarle\\_County\\_FY18-FY19\\_Two\\_Year\\_Fiscal\\_Plan.pdf>](http://www.albemarle.org/upload/images/forms_center/departments/Strategic_Planning/forms/Albemarle_County_FY18-FY19_Two_Year_Fiscal_Plan.pdf) that was presented to the Board of Supervisors on Nov. 9,

|                     |  |
|---------------------|--|
| April 2016          | <ul style="list-style-type: none"><li>FY17 Budget adopted including priority driven budget process / balanced Two Year Fiscal Plan</li></ul>   |
| May, 2016           | <ul style="list-style-type: none"><li>Board of Supervisors (BOS) identifies strategic priorities</li></ul>   |
| June, 2016          | <ul style="list-style-type: none"><li>BOS ranks most urgent strategic priorities</li></ul>   |
| July, 2016          | <ul style="list-style-type: none"><li>BOS reviews detailed breakdown of all County programs and services including expenditures for each (Program and Service Inventory)</li></ul>                   |
| July - August, 2016 | <ul style="list-style-type: none"><li>Staff refines strategic priorities to create action objectives to be achieved in the FY17 – 19 Strategic Plan , provides public feedback opportunity</li></ul> |
| September, 2016     | <ul style="list-style-type: none"><li>Joint BOS / School Board work session on the Two Year Plan</li><li>BOS discusses refined action objectives and resource needs</li></ul>                        |
| October 2016        | <ul style="list-style-type: none"><li>BOS continues work on refined action objectives and resources needs and endorses the resulting FY17 – 19 Strategic Plan</li></ul>                              |
| November, 2016      | <ul style="list-style-type: none"><li>Draft balanced Two Year Fiscal Plan which supports the Strategic Plan presented to BOS</li></ul>   |

2016.

**STRATEGIC PLAN:** Through the priority driven budget process, the 2 Year Fiscal Plan supports the Strategic Plan approved by the Board of Supervisors in November 2016.

**DISCUSSION:** The Recommended Two Year Fiscal Plan includes stronger than previously projected revenues, strategic use of new revenue and one time monies, and a focus on transformation activities that will result in reduced costs and improved productivity. The plan does not include real estate tax rate increases for operating expenses and it delays the timing of previously projected real estate tax rate increases projected to be required to support the Capital Improvement Plan (CIP).

The Board has held work sessions on November 9, November 17 and on December 7, 2016 to review, discuss and provide guidance to staff. The final work session is scheduled for December 14<sup>th</sup> at which time staff will request that the Board to approve the Fiscal Plan.

**BUDGET IMPACT:** The FY 18 - FY 19 Two Year Fiscal Plan will inform the FY 18 Budget Development Process.

**RECOMMENDATION:**

Staff recommends the Board approve the FY 18 - FY 19 Two Year Fiscal Plan.