

# BUDGET MESSAGE

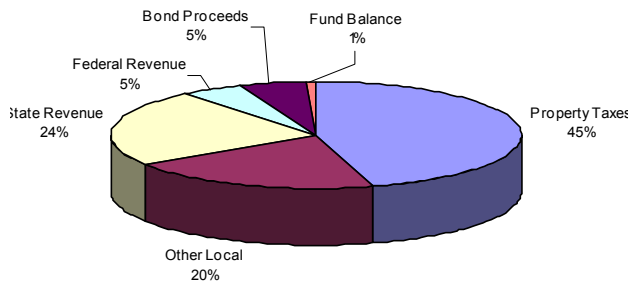


The Honorable Members of the Board of Supervisors  
 County of Albemarle  
 401 McIntire Road  
 Charlottesville, Virginia 22902

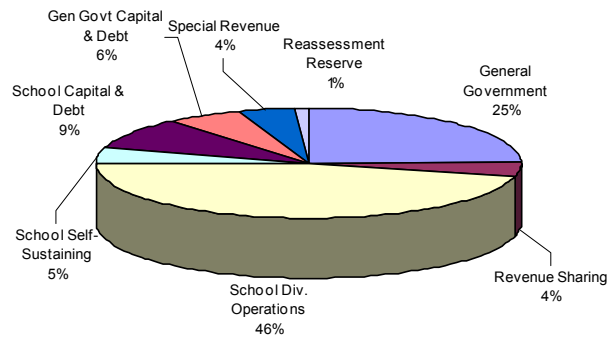
**Dear Honorable Members of the Board of Albemarle County:**

On behalf of the administration of the County of Albemarle, I am pleased to present to you and the citizens of Albemarle County the County’s Fiscal Year 07/08 recommended combined capital and operating budget totaling \$315.4 million, a total increase of \$16.8 million or a 5.6% increase over FY 06/07. The County’s proposed budget continues to provide 60% of all revenues to support the School Division’s operating and capital needs and 35% of revenues to support local government operations and capital. The remaining 5% of all revenues covers the County’s \$13.2 million commitment to the revenue sharing agreement with the City of Charlottesville and the \$3.5 million reassessment reserve. This budget is built on the current real property tax rate of \$0.74/\$100 of assessed valuation and a Personal Property tax rate of \$4.28/\$100 of assessed valuation.

**FY 07/08 RECOMMENDED REVENUES**  
 \$315,405,892



**FY 07/08 RECOMMENDED EXPENDITURES**  
 \$315,405,892



To present a more comprehensive picture of the County’s budget to the Board and citizens, this financial document is more than the County’s FY 08 proposed operating budget. This financial

<b>MOST RECENT ANNUAL REASSESSMENT INCREASES</b>	
<b>Locality</b>	<b>Increase</b>
Orange County	25%
Greene County	24%
Fluvanna County	21%
Goochland County	18.5%
Albemarle	14.9%
Charlottesville	14.6%

plan includes information on expected revenues, our recommended FY 07/08 operating budget, our FY 07/08 - FY 11/12 Capital Improvements Program budget and our annual Business Plan which links our strategic plan to both the operating and capital budgets. The Business Plan features both the recommended expenditures for the County’s upcoming capital initiatives and clarifies their impacts and relationships with the County’s operating budget.

Effective for January 2007 the County completed a biannual property tax reassessment, in accordance with Virginia law that requires localities to assess property at 100% of fair market value. Albemarle County has consistently ranked among the top jurisdictions in the state in statewide Assessment/Sales Ratio studies conducted by the Virginia Department of Taxation. Albemarle County's annual reassessment increase averaged 14.90%, reflecting the local community's strong housing market and mirrored reassessment increase rates across much of the commonwealth. Reassessments in Albemarle County will be done on an annual basis beginning next year, so property owners will receive their next reassessment in January, 2008. An annual process will allow reassessments to more closely and accurately parallel recent activity in the local real estate market.

The County recognizes its responsibility to fund educational needs, provide infrastructure in our Master Planned areas and to provide for other critical capital needs for our growing county. We also recognize the potential financial burden that our recent tax reassessment places on our taxpayers. Therefore, this proposed budget includes a reserve of \$3.5 million to be used at the Board's discretion to fund critical capital or school needs, or to be returned to the taxpayers as a tax rate reduction.

### **Financial Planning with a Purpose**

Albemarle County's Strategic Planning Process is the foundation of our service and operations delivery. We believe that before we can best use our available resources, we must first understand the needs and desires of county residents and the factors that will affect us in the future. Working in partnership with citizens and the Board of Supervisors, we develop goals and objectives to respond to community priorities and create strategies that define actions and identify resources to attain our goals. The most recent strategic plan, which is included in full as part of this document, takes our financial planning to a higher level by creating a focus on long-range comprehensive funding strategies. Our Strategic Plan helps assure that our efforts are purposefully designed and focused to meet present and future needs.

### **Citizen Feedback is the Cornerstone of our Planning**

In order to keep citizen feedback at the center of our continuing strategic planning efforts and budgeting decisions, we conducted another comprehensive survey of county residents in April, 2006. The Center for Survey Research at the University of Virginia again contacted citizens by telephone to ask about community needs, issues and priorities as well as satisfaction with county government services and operations. The results from this survey, like citizen survey results from the past several years, provide direction to the County's strategic planning efforts, including prioritizing goals and objectives that will guide county activities and resource allocation. In fact, a review of our budget demonstrates how citizen priorities have shaped the Strategic Plan and provided the framework for our important programming and budget decisions.

### **Our Budget Responds to Committed Obligations and Community Priorities**

Growth in expenditures outlined in the budget are attributable to two major factors. First, this budget provides funds for County obligations and mandates that are due to either regulation or in response to a policy direction or initiative that has previously been established by the Board. Outlined below are those major obligations/mandates that require a substantial investment of new revenue beyond what was expended last year and represent over 65% of the County's new revenues for FY 07/08.

<b><u>Obligation</u></b>	<b><u>New Revenue</u></b>
School Division Funding Agreement	\$8.9 million
Revenue Sharing Agreement with Charlottesville	3.1 million
Revenue Transfer Policy – Capital Improvements	2.2 million
Public Safety Agency Obligations	1.0 million
Ongoing Fire/Rescue Commitments from last year's budget	0.5 million

Progress towards minimum police staffing standards 0.5 million  
 Landfill Expenses 0.2 million

This recommended budget also is designed to support our citizen’s priorities. Many of the priorities and concerns mentioned in the citizen survey reflect our county’s continuing transition from a predominantly rural and suburban county to an urbanizing locality that is facing challenges and service pressures more similar to a small city. In the midst of this transition, our citizens continue to value the rural character and agricultural heritage that has always defined Albemarle County. Core local government functions such as education, public safety and human services also continue to be critical areas of concern for local residents. Here are some specific ways this budget addresses our citizens’ highest priorities:

**Providing Quality Education**

*What our Citizens Said . . .* Important/Very Important – 99% Satisfied/Very Satisfied – 88%  
*How this budget responds:*

- Provides for renovations at Greer Elementary School and additions at Albemarle High School and Brownsville Elementary School
- Provides \$100 million for school operations
- Provides \$13.3 million for school capital and debt

**Providing Emergency Rescue, Fire and Police Service**

*What our Citizens Said . . .* Important/Very Important – 99% Satisfied/Very Satisfied – 94%  
*How this budget responds:*

- Provides funding to work toward our goal of 1.5 police officers per 1000 population by funding 4 new police officers, currently the County is 21 officers short of reaching this goal
- Funds 6 new firefighters/advanced life support providers at East Rivanna Volunteer Fire Department to meet critical gaps in service. This will provide an engine company and tanker operator Monday – Friday, 6am – 6pm
- Full year funding for Hollymead Fire Rescue Station staff to address gaps in service to the Route 29 North development areas

**Protecting Natural Resources and the Environment**

*What our Citizens Said. . .* Important/Very Important – 99% Satisfied/Very Satisfied – 79%  
*How this budget responds:*

- Provides funding for a Rural/Agricultural support position in Community Development to promote and support agriculture and develop and promote conservation and educational programs
- \$1.6 million earmarked for Acquisition of Conservation Easements and continued funding for community conservation easements partnership
- \$725,000 for the Storm Water Control Program

**Opportunities for Citizen Input**

*What our Citizens Said . . .* Important/Very Important – 99% Satisfied/Very Satisfied – 80%  
*How this budget responds:*

- Funds expanded County Internet Bandwidth to meet increased website usage demands
- Continued funding for the County’s new Community Engagement position
- Funding to continue the Places29 Master Plan and to initiate the Rivanna Master Plan

**Dealing With Growth and Providing Needed Public Facilities and Infrastructure**

*What our Citizens Said. . .* Important/Very Important – 98% Satisfied/Very Satisfied – 72%  
*How this budget responds:*

- Revenue sharing road program sets aside \$1.0 million for construction, maintenance, or improvement of secondary roads and leverages additional money from the state for roads

- Transportation Improvement Program provides \$1.725 million in FY08 for transportation projects
- Sidewalk Construction Program provides \$82,000 in FY08 for sidewalks on Hillsdale Drive from Greenbrier Drive to the existing sidewalk on the east side
- \$72,000 for the Roadway Landscaping Program and the Streetlamp Program in FY08

### **A Continuing Focus on Meeting Human Service Needs . . .**

*What our Citizens Said . . .* Important/Very Important – 96%      Satisfied/Very Satisfied – 78%

*How this budget responds:*

- Child Welfare Supervisor and Child Welfare Office Associate to support child protective services and foster care/adoption
- Continues providing \$250,000 in the Albemarle Housing Trust Fund
- Supports Recreation Program expansion

### **We Are Making Progress Towards Our Goals**

In the past year, the County made many strides towards achieving community priorities through our strategic plan:

*We are Supporting a World Class Educational System . . .* 100% of our schools are fully accredited by the Commonwealth of Virginia and 63% of our high school graduates earned Advanced Studies Diplomas, ranking our school division third in the state in this category in 2005. We met or exceeded every growth requirement for student performance on statewide standardized tests in reading and math and we were one of 11 school divisions in Virginia selected for the Governor's Commonwealth Scholars Program.

*We Are Creating a Safe and Secure Community . . .* We began construction on the new Hollymead Fire Rescue Station and hired eight new firefighters to begin providing new ambulance service in that area. We completed the regional 800 megahertz radio system and purchased three new motorcycles and used unmarked traffic vehicles to combat traffic problems on the county's busiest roadways. Through proactive police efforts we experienced a significant decrease in traffic fatalities for the fourth year in a row.

*We are Protecting Our Natural Resources and Environment . . .* The County received a water quality improvement grant from the Virginia Department of Conservation and Recreation to fund the restoration of riparian buffers and hosted a series of free presentations on water quality protection, wildlife habitat, groundwater basis for well owners, and stormwater management for the public. We allocated \$650,000 for future stormwater management projects and hired an environmental compliance manager to spearhead efforts in advancing Albemarle's environmental stewardship in addition to celebrating the one-year anniversary of the successful green roof on the County Office Building

*We are Focused on Exceeding Customer Expectations . . .* Our new on-line tax payment system provided easier, more convenient service to citizens and the new permanent vehicle decal program eliminated the need to replace vehicle decals annually, resulting in savings and public convenience. We transitioned from a biennial to an annual real estate reassessment process to allow a quicker, more accurate reaction to changes in the real estate market and created a counter planner position in the Community Development Department to enhance our service to walk-in customers. Albemarle was ranked in the top ten websites for our population nationally by the Center for Digital Government, the fifth year in a row that the County was recognized.

*We are Addressing the Challenges of Growth . . .* We dedicated \$2 million in new funding in the budget to support priority transportation projects. Our newly created County Transportation Engineer position is focused on accelerating high priority transportation projects. The County joined in regional transit discussions with the City of Charlottesville to identify shared

opportunities for transit improvements, completed the Free Bridge Trail that connects Darden Towe Park with the Old Mills Trail and began construction on a new sidewalk on Rio Road. Master planning continued at Pantops with several community meetings and work sessions with the Planning Commission and at Places29 with two major public charrettes in the spring and summer.

*We are Engaging Our Citizens . . .* We began podcasting Board of Supervisors and School Board meetings and established the Crozet Community Advisory Council to help with community activities related to master plan implementation. We surpassed one million downloads from the Albemarle County website, including citizen board and commission applications and meeting agendas and sent regular A-mails – our county e-news service – to our subscriber list of over 2,200 citizens. We hosted major public open houses on a variety of topics including the Crozet library, rural area phasing and clustering and the mountain overlay district proposals.

### **Special Thanks**

Each year, the Office of Management and Budget (OMB), under the direction of Melvin Breeden, coordinates the general government operating and capital budget process. I want to thank Melvin and recognize, with sincere appreciation, the assistance and cooperation of our Department Heads, constitutional officers, regional agency Directors, School Board and School staff for their many hours of hard work and contributions to this budget. I also want to specifically recognize Brenda Neitz, Laura Vinzant, Steve Allshouse, Richard Wiggans, Robert Walters, Tom Foley, Roxanne White, Lee Catlin, Lori Allshouse, Andy Bowman, Diane Mullins, and Beverly Taylor for their efforts.

In closing, this recommended budget supports the Board of Supervisors' vision for Albemarle County as a community that offers a high quality of life and preserves our natural resources and visual beauty for future generations and is driven by County's obligations, responsibilities and mandates and our citizens' priorities. I look forward to the upcoming discussions with you and the citizens of Albemarle as we move forward with this FY 07/08 financial plan.

Respectfully submitted,

Robert W. Tucker, Jr.  
County Executive

