



**Adoption of Calendar Year 2022 Tax Rates, Budget-Related Ordinances, Fiscal Year (FY) 23 Budget, Borrowing Resolution, FY 23-27 Capital Improvements Plan (CIP), & Appropriation of the FY 23 Budget
May 4, 2022**

Budget Development Process



Mar 2

Recommended Budget Public Hearing

Mar 9, 14, 17, 23, 30, Apr. 6, 27

Budget Work Sessions



Apr 20

Public Hearings on budget-related ordinances

Apr 27

Public Hearings on the CY 22 real estate tax rate and Board's Proposed Budget



May 4

Adopt CY 22 Tax Rates, Budget-Related Ordinances, FY 23 Budget, Borrowing Resolution, FY 23-27 CIP, and Appropriate FY 23 Budget



Desired Outcomes

1. Adopt the Resolution to Set Calendar Year 2022 Tax Rates
2. Adopt the following:
 - a) amend the Food and Beverage Tax Ordinance
 - b) amend the Transient Occupancy Tax Ordinance
 - c) impose a Disposable Plastic Bag Tax
3. Adopt the FY 23 Budget Resolution approving the FY 23 Budget as recommended by the County Executive and amended by the Board of Supervisors
4. Adopt the Annual Resolution of Appropriations
5. Adopt the Resolution of Official Intent to Reimburse Expenditures with Proceeds of a Borrowing
6. Adopt the FY 23 - 27 Capital Improvement Plan

Tax Rate Resolutions and Ordinances



Proposed Tax Rates

Tax	Current Rate	Proposed Rate	Effective Date
Real Estate, Mobile Homes, Public Service	\$0.854 per \$100 assessed value	\$0.854 per \$100 assessed value	Jan. 1, 2022
Personal Property, Machinery & Tools	\$4.28 per \$100 assessed value	\$3.42 per \$100 assessed value	Jan. 1, 2022
Food & Beverage Tax	4%	6%	July 1, 2022
Transient Occupancy Tax	5%	8%	July 1, 2022
Disposable Plastic Bag Tax	N/A	\$0.05 for each disposable bag	Jan. 1, 2023

1. Adopt the Resolution to Set Calendar Year 2022 Tax Rates

Discussion:

The FY 23 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.

Recommendation:

Staff recommends that the Board adopt the Resolution to Set Calendar Year 2022 Tax Rates (Attachment A)

2a. Amend the Food and Beverage Tax Ordinance

Discussion:

If adopted, the proposed ordinance would revise Chapter 15, Taxation, Article 10, Food and Beverage Tax. The food and beverage tax would increase from four percent to six percent, effective July 1, 2022.

Recommendation:

Staff recommends that the Board adopt the proposed ordinance to amend the Food and Beverage Tax (Attachment B)

2b. Amend the Transient Occupancy Tax Ordinance

Discussion:

If adopted, the proposed ordinance would revise Chapter 15, Taxation, Article 9, Transient Occupancy Tax. The transient occupancy tax would increase from five percent to eight percent, effective July 1, 2022.

Recommendation:

Staff recommends that the Board adopt the proposed ordinance to amend the Transient Occupancy Tax (Attachment C)

2c. Impose a Disposable Plastic Bag Tax

Discussion:

- Virginia Code grants localities the authority to impose a five cent per bag tax on disposable plastic bags, with some exclusions.
- Revenues from such tax must be used for programs supporting environmental efforts.
- If adopted, the proposed ordinance would create a new article (Article 8.1) to County Code Chapter 15, Taxation. The effective date for the tax would be January 1, 2023.

Recommendation:

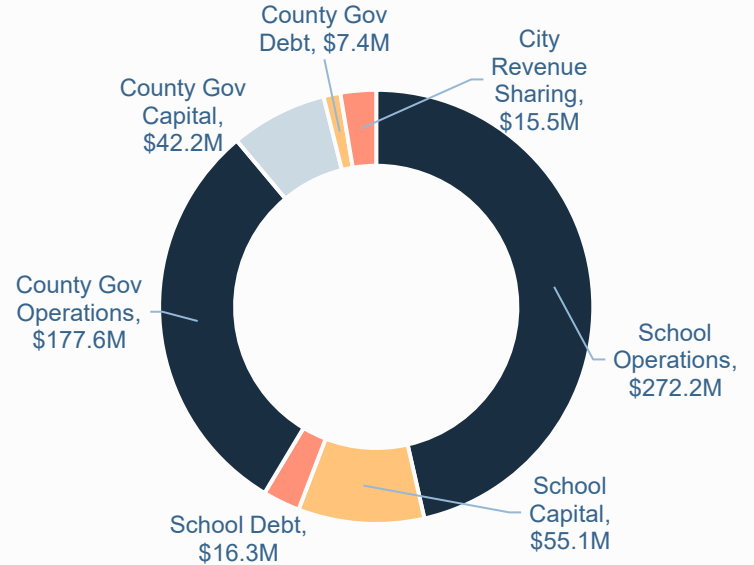
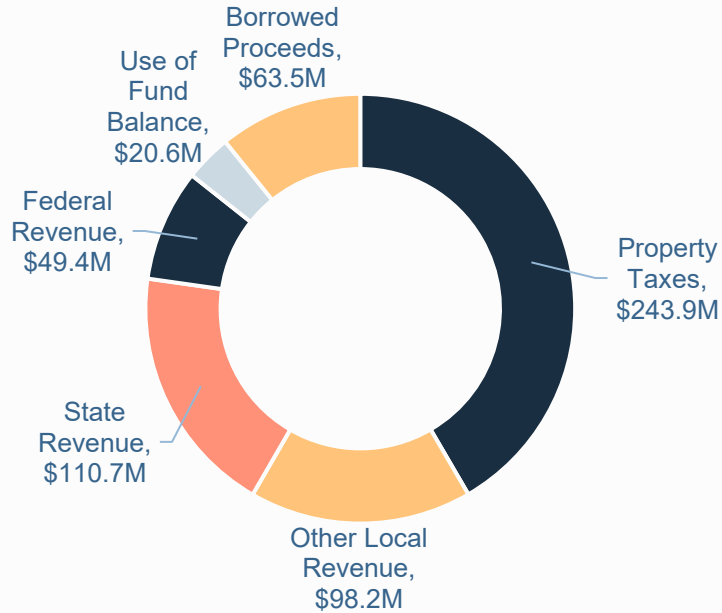
Staff recommends that the Board adopt the proposed ordinance to impose a Disposable Plastic Bag Tax (Attachment D)

Budget Resolutions



FY23 Total All Funds

Revenues & Expenditures: \$586,282,008



From	Amount	To
Office of Equity & Inclusion: Yancey Community Center operations	\$100,435	Parks & Recreation Department
Community Development Department (CDD): Geographic Information Systems services	\$541,132	Information Technology (IT) Department
IT: Records Management Services	\$132,752	CDD
Business Process Optimization Reserve	\$2,950,600	Office of Performance and Strategic Planning and the IT Department
General Fund: Plastic Bag Tax	\$20,000	Special Revenue Fund: Plastic Bag Tax
Central Virginia Small Business Development Center	\$25,000	Community Investment Collaborative



Budget-Neutral Adjustments

From	Amount	To
American Rescue Plan Act (ARPA) Reserve	\$698,410	Housing Fund
ARPA Reserve	\$1,000,000	Boys & Girls Club: Albemarle Campus Club
Reserve for Contingencies	\$116,800	Department of Social Services (DSS): Add 0.25 DSS Specialist position, Accelerate 3 new positions from January 1 to July 1, add 1 Eligibility Worker position
State and Federal Revenues related to above DSS changes	\$55,750	DSS
Athletic Fields Capital Project	\$254,430	Capital Budget: Placeholder for Strategic Plan and Comprehensive Plan Update

April 27 Board of Supervisors Adjustments

From	Amount	To
School Fund, ongoing revenues	(\$1,304,669)	Federal revenue reclassified to School Special Revenue Funds (\$3.1 M) & School Fund +\$1.8 million
Revenues restricted to School Special Revenue Funds	\$18,581,444	School Special Revenue Funds
School Indoor Air Quality Capital Project	\$1,160,000	Combine with “School Maintenance Replacement Program” into 1 line item in the Resolution of Appropriations
School Fund	\$5,024,579	Capital Budget: Public Schools Placeholder, uses to be requested by School Board after State budget adoption

Requested Public Schools Adjustments

3. Adopt the FY 23 Budget Resolution

Discussion:

The FY 23 Budget for the Board's approval is the annual operating and capital budget for all funds and is based on the FY 23 Proposed Budget plus the adjustments detailed on previous slides.

Recommendation:

Staff recommends that the Board adopt the FY 23 Operating and Capital Budget Resolution (Attachment E).

4. Adopt the Annual Resolution of Appropriations

Discussion:

The Annual Resolution of Appropriations provides the Board's authority to spend funds in the FY 23 Budget and includes the County Executive's authority to transfer funding for specific purposes and reported through quarterly financial reports

New this year – authority to administratively approve the carry forward of outstanding balances up to \$18 million for estimated encumbered purchase orders

Recommendation:

Staff recommends that the Board adopt the FY 23 Annual Resolution of Appropriations (Attachment F).

5. Adopt the Resolution of Official Intent to Reimburse Expenditures with Proceeds of a Borrowing

Discussion:

The Resolution of Official Intent to Reimburse Expenditures with Proceeds of a Borrowing allows the County to use bond proceeds to reimburse the County for capital program expenditures.

Recommendation:

Staff recommends that the Board adopt the Resolution of Official Intent to Reimburse Expenditures with Proceeds of a Borrowing (Attachment G).

Capital Improvement Plan Resolution



CIP Expenditures (net of transfers)	FY 23 - 27	
Administration	\$	14,867,000
Judicial	\$	18,500,000
Public Safety	\$	22,069,117
Public Works	\$	18,154,458
Parks, Recreation, & Culture	\$	7,214,156
Community Development	\$	21,916,765
Other	\$	41,436,712
Public Schools	\$	153,173,496
Total CIP Expenditures	\$	297,331,704

FY 23 – 27 Capital Improvement Program

6. Adopt the FY 23 – 27 Capital Improvements Plan

Discussion:

This reflects the adopted FY 23 Capital Budget plus the out years of the plan, FY 24 - FY 27, reviewed with the Board of Supervisors during the budget development process. FY 24 - 27 will inform future long-range financial planning and are not requested for appropriation.

Recommendation:

Staff recommends that the Board adopt the Resolution to Adopt the FY 23 – 27 Capital Improvements Plan (Attachment H).