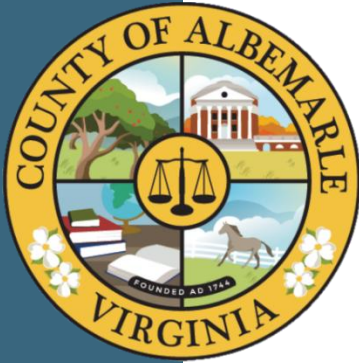


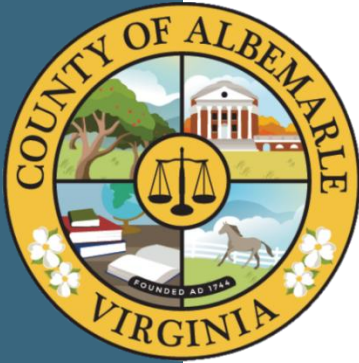
# Five-Year Financial Plan Work Session

November 19, 2025



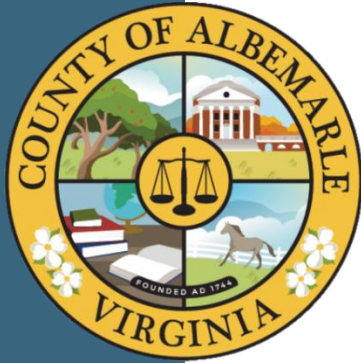
# Timeline

- Aug 20      Approval of FY 27 Budget Calendar  
Strategic Plan Execution and Reporting (SPEAR) Report
- Oct 15      Economic Outlook Report, Public Safety Studies
- **Nov 19**      **Five-Year Financial Plan work session**
- Dec 3      Five-Year Financial Plan work session, with School Board
- Feb 25      County Executive's Recommended Budget Presented



# Agenda & Desired Outcomes

- 1) Inform Board on assumptions & Strategic Plan alignment
  - Introduction to Five-Year Planning
  - Revenues
  - Expenditures
  
- 2) Receive Board discussion & feedback
  - What does the plan do well?
  - What may be missing?



# Introduction: Long-range Financial Planning

Part of County's adopted Financial Management Policies

Consideration for:

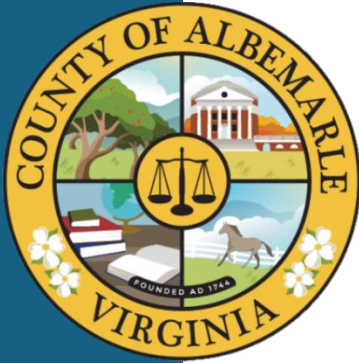
- Impacts of both the operating and capital budgets
- Long-term strategy or policy discussions to shape the future

Not only about dollars

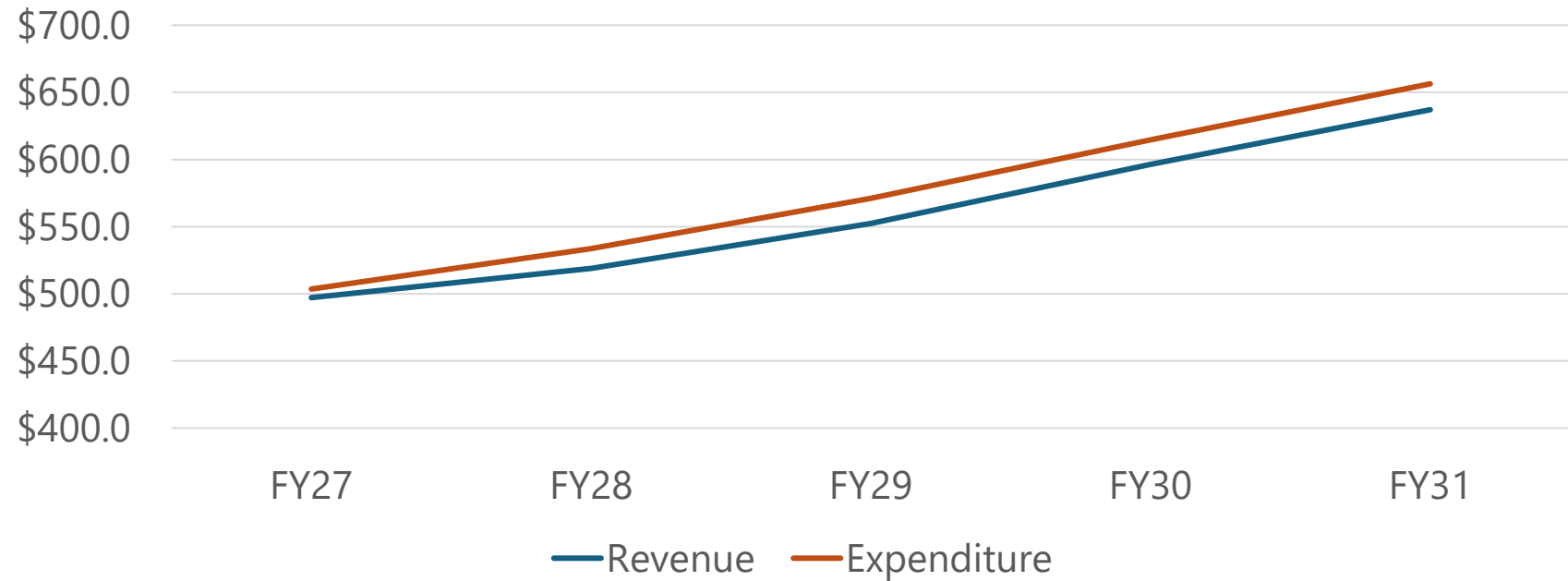
- Results of funding provided and/or policy levers utilized to date
- Future potential policy discussions

Framework for annual budget development processes

Assumptions based on best information available *as of today*

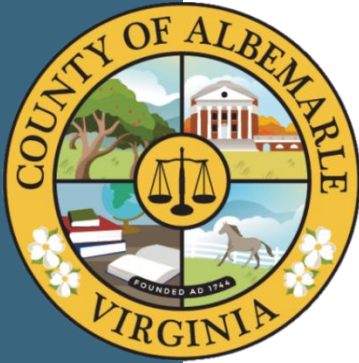


# Five-Year Revenues & Expenditures

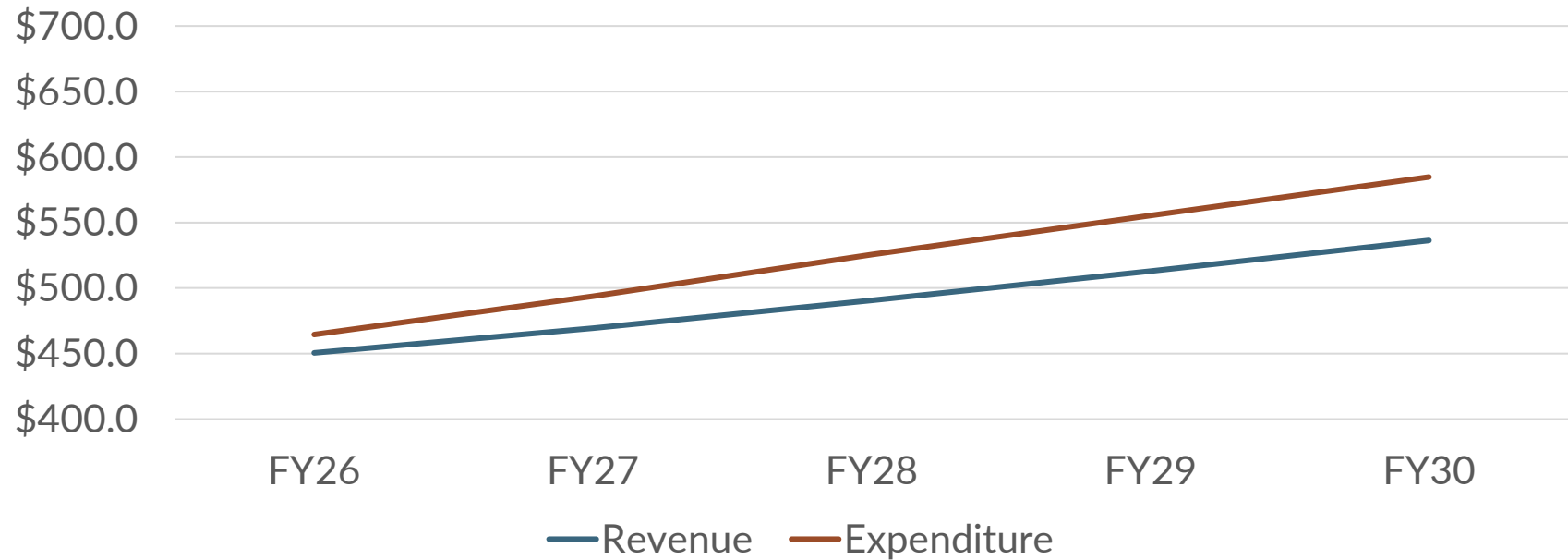


% Gap	-1.3%	-2.8%	-3.4%	-3.0%	-3.0%
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Provides funding to Capital & Debt and School operations based on allocation of local tax revenue formula

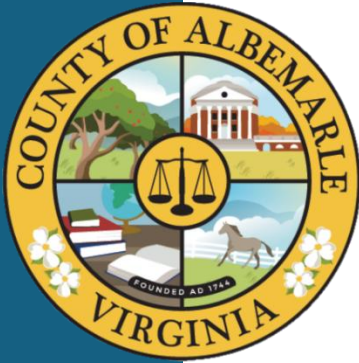


# Last Year's Five-Year Revenues & Expenditures



% Gap	-3.1%	-5.2%	-7.1%	-8.3%	-9.0%
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Provides funding to Capital & Debt and School operations based on allocation of local tax revenue formula

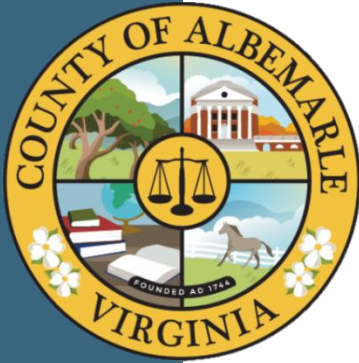


# Comparing Five-Year Plans

Annual % Gap	FY27	FY28	FY29	FY30
FY26-FY30 Plan	-5.2%	-7.1%	-8.3%	-9.0%
FY27-FY31 Plan	-1.3%	-2.8%	-3.4%	-3.0%

What has most significantly changed?

- FY 26 tax rate increases
- Changing tax base & economic outlook in out years



# Five-Year Plan Summary

1. Different trend than past

2. Two-periods within the 5 years:

## **Shorter-term in FY 27 - 28**

- Evolving revenue outlook
- Significant expenditure obligations

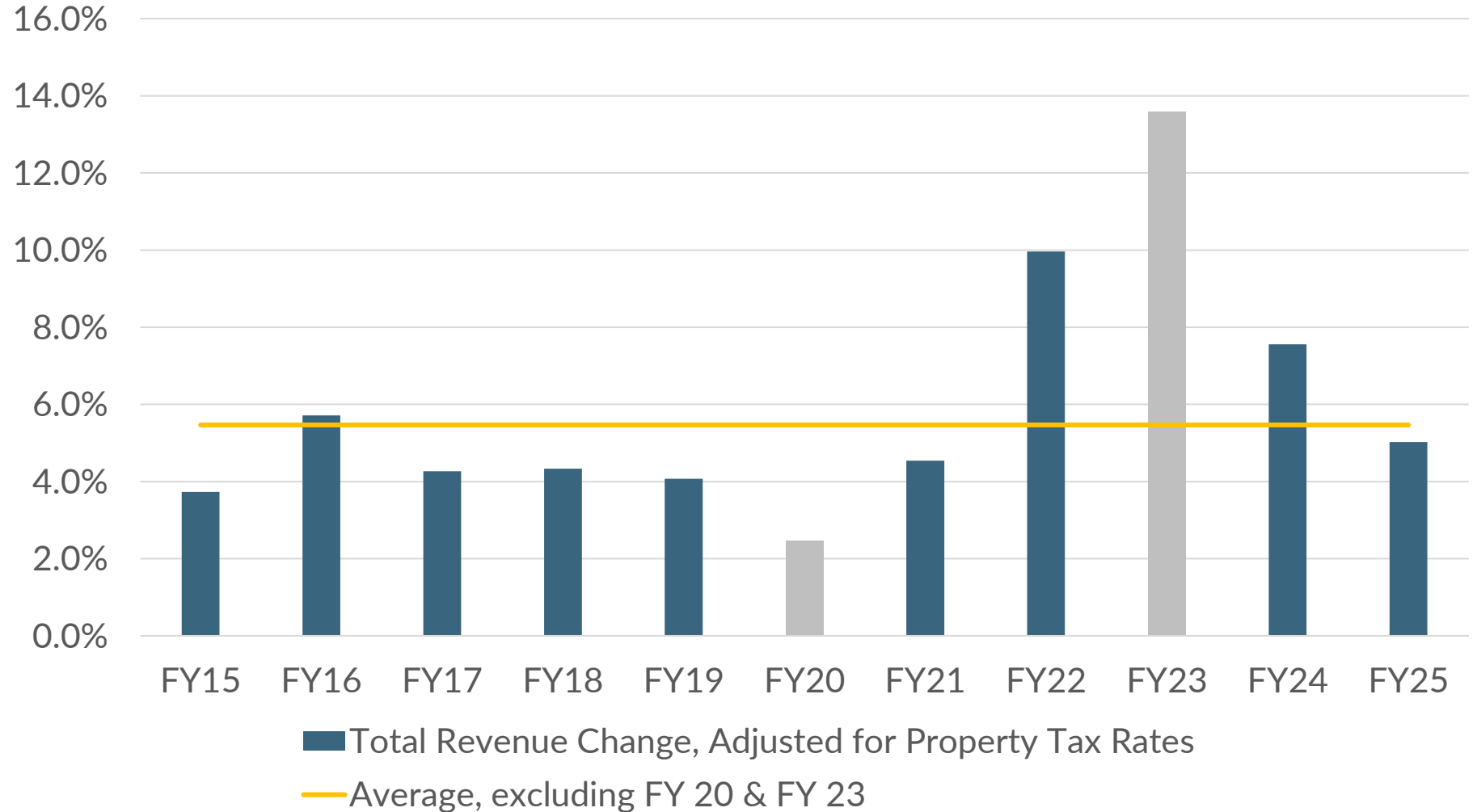
## **Longer-term in FY 29 - 31**

- Strategies & changing tax base
- Obligations & more robustly advancing SP Goals



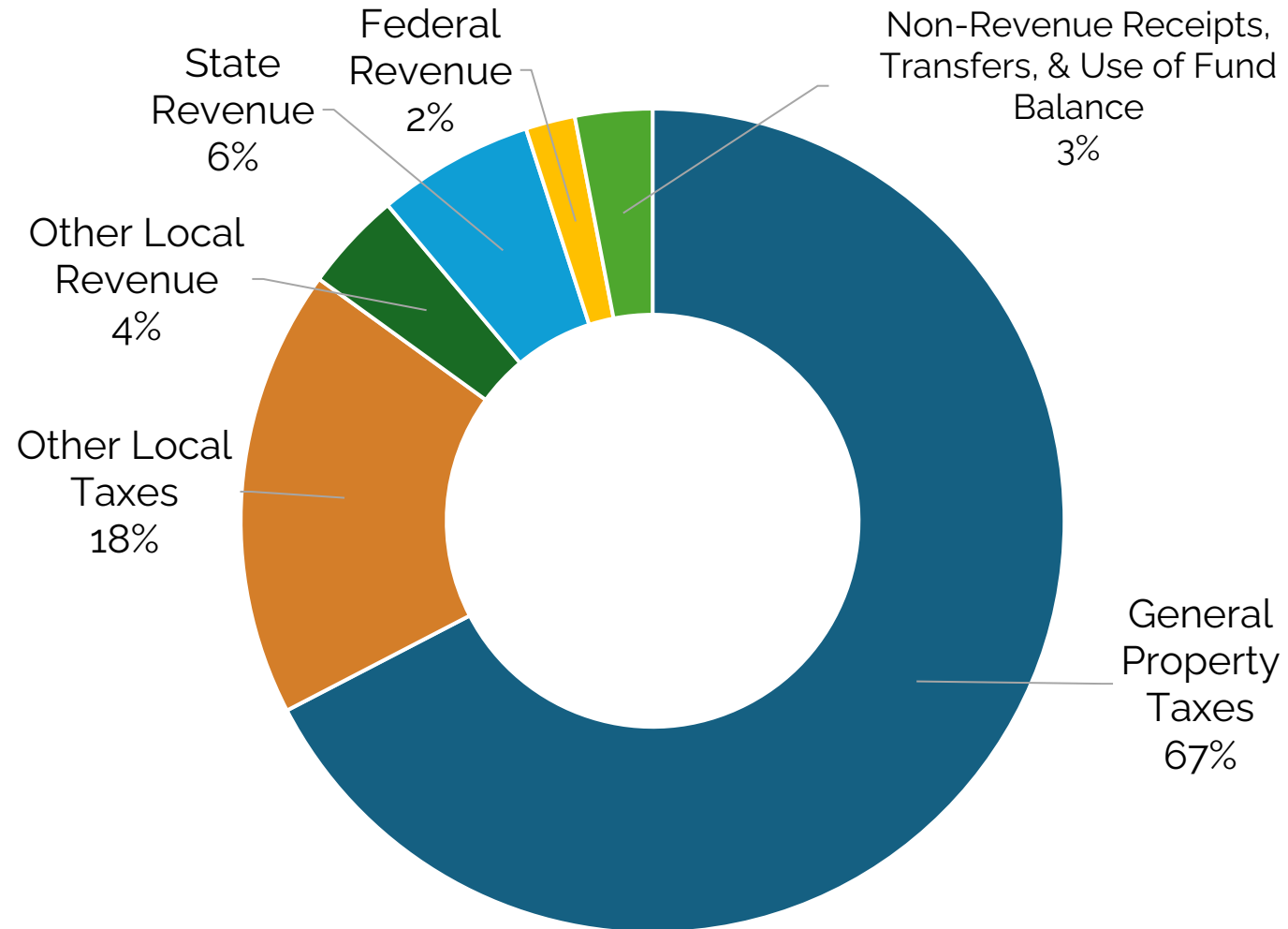
# Revenues: Where has the County been?

+5.5% Average Revenue Growth, FY 15 - 25, excluding FY 20 & FY 23:



# Revenues: Where is the County now?

## FY 26 Adopted General Fund Revenues



# Revenues: Where is the County now?

## 10-Year Analysis: Tax Base Breakdown

Assessment Categories %	2015	2025
Residential	61.4%	68.4%
Multifamily	3.9%	5.2%
Commercial & Industrial	15.0%	11.3%
Agricultural	19.7%	15.1%
Total	100.0%	100.0%

# Cost of Community Services Study

Expenditures (cost) to provide services



# Revenues: Where might the County be going?

## Economic Development Strategic Plan



### GOAL 1

#### Lead in Intelligence & National Security

We will lead Virginia's intelligence and national security innovation economy.

### GOAL 2

#### Discover in Life Sciences

We will grow into the Mid-Atlantic's premier destination for biotechnology and life sciences innovation.

### GOAL 3

#### Grow a Modern Agribusiness Economy

We will transform Albemarle's agricultural legacy into a modern agribusiness economy.

### GOAL 4

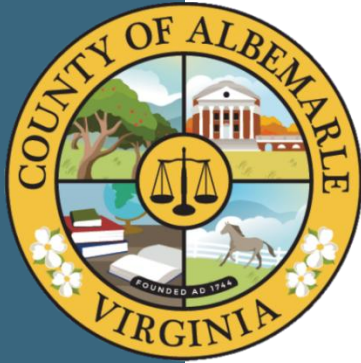
#### Empower Talent

We will make Albemarle the place where talent and entrepreneurs stay, scale, and succeed.

### GOAL 5

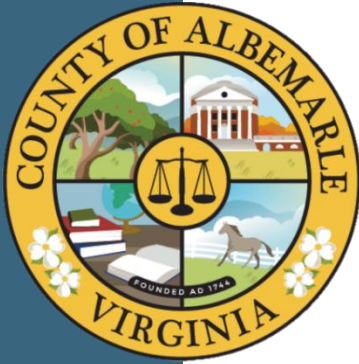
#### Compete for Investment

We will position Albemarle as Virginia's most investment-ready county — ready to compete, build, and lead.



## Revenues: Where might the County be going? October 15 Economic Outlook Report

- U.S. Economy
  - Slower, with modest growth and continued uncertainty ahead
- Virginia's Economy
  - Cooled faster than the nation's economy in First Half of 2025
- Albemarle's Economy
  - Solid economic base, generally follows state & national trends
  - Albemarle County's prudent management provides scope to plan and act proactively



# Five-Year Plan Summary

## 1. Different trend than past

## 2. Two-periods within the 5 years:

### Shorter-term in FY 27 - 28

- Evolving revenue outlook
- Significant expenditure obligations

### Longer-term in FY 29 - 31

- Strategies & changing tax base
- Obligations & more robustly advancing SP Goals

## FY 24

- Schools capital and operating
- Safety & Well-being
- Workforce Stabilization
- Rising Capital costs
- Rising partner agency costs

**-\$4.9 M**

***One-Time***  
**Capital Transfer**

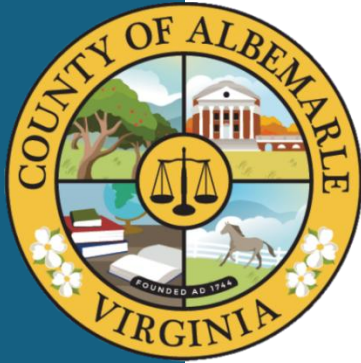
## FY 25

- Courts operations
- SAFER grant wind-down
- Transit grants wind-down
- IT systems
- Revenue sharing
- Workforce

## FY 26

- SAFER & Transit grant wind-downs
- Court operations
- Jail renovation debt service
- Strategic priorities
- Operating impacts of capital projects
- Capital needs

**FY 27+**



# FY 27 & FY 28 Obligations

Total = ~\$10 M (County Gov share) each year

- Salary and reclassification adjustments to maintain market position, comparable to FY 26
- Virginia Retirement System (VRS) Rate Update Year for FY 27
- Health Fund update
- Increase in Revenue Sharing to City of Charlottesville
- Public Safety: continued FEMA SAFER grants pick up, Courts opening, Albemarle-Charlottesville Regional Jail (ACRJ) debt service for renovation, CA-SPCA Contract
- Supplemental Nutrition Assistance Program (SNAP) Benefit Administration costs (result of changes at Federal level, P.L. 119-21)

Public Schools Operating:

- Opening 2 new schools
- Local Composite Index and VRS update year, impact TBD
- Collective bargaining impact to Schools budget

# Six Strategic Goals





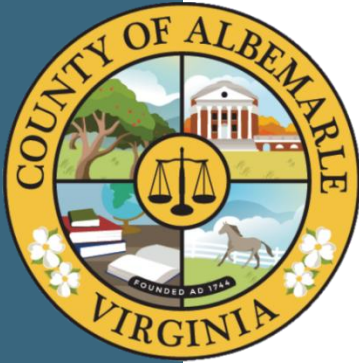
## Goal: Workforce & Customer Service

*Implement a total compensation structure that makes us highly competitive compared to other employers.*

- Market and benefit cost increases in FY 27-31
- Non-public safety positions to support population growth in FY 29-31

*Implement a comprehensive staff development and wellness program to retain highly qualified staff.*

- Training and staff development continued at current levels



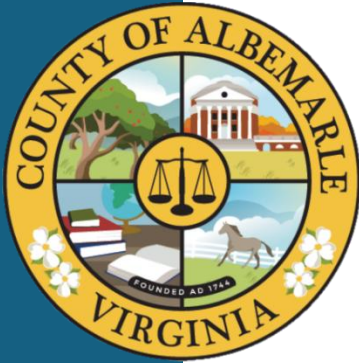
## Goal: Workforce & Customer Service

*Modernize business processes and technology to transform customer service demands.*

- CIP: Five-Year Technology Plan for end-of-life systems
- Re-engineering operations and related performance & re-prioritization
- Cybersecurity

*Implement office space planning and strategies with a focus on improved customer service, efficiency, and employee wellness.*

- Included in years FY 26 – 27 of current CIP

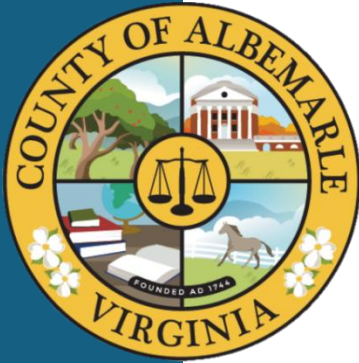


# Goal: Safety & Well-Being

*Support community safety through highly responsive services.*

## Recent New Funding

- HART Team expansion
- Albemarle County Regional Jail Renovation
- Berkmar Ambulance
- Court facilities operations
- Local funding for expiring FEMA SAFER Grants
- Police Officer staffing

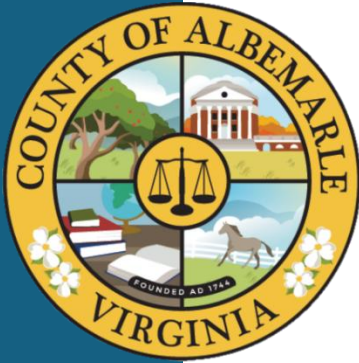


# Goal: Safety & Well-Being

*Support community safety through highly responsive services.*

New Funding in 5 Year Plan assumptions:

- Obligations
  - Court facilities operations
  - ACRJ renovation costs
  - CA-SPCA
  - Locally funding 2 expiring FEMA SAFER Grants
- Public safety staffing study implementation phased in over 5 years of the plan



# Goal: Safety & Well-Being

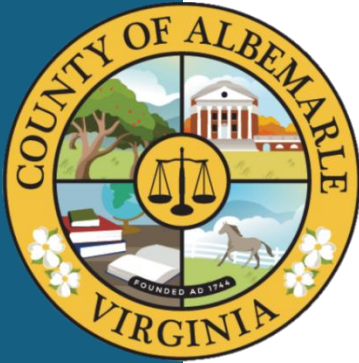
*Enhance and develop human services initiatives to assist community in accessing existing resources.*

Recent new funding:

- Community Assistance Program
- Human services agency/non-profit increase

*Develop County wide public safety long range plan to include emergency preparedness and response.*

- Continuity of Operations Planning



# Goal: Education & Learning

*Collaborate and provide support for the Albemarle County Public Schools Strategic Plan.  
Foster partnerships with CATEC, PVCC and UVA to advance our workforce pipeline,  
economic development, and affordable housing goals.*

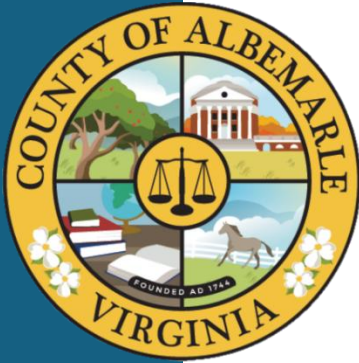
Provides funding to School operations based on allocation of local tax revenue formula

Included in the Adopted FY 26-30 CIP for Public Schools:

- Schools Maintenance and Replacement
- School Bus Replacement Program
- Under Construction: Albemarle Career Exploration (ACE) Academy at Lambs Lane (formerly called High School Center II) & Mountainview Upper Elementary
- FY 27 Design, FY 28 Construction: Northern Elementary School
- School Renovations

Next Steps

- December 3 meeting with School Board

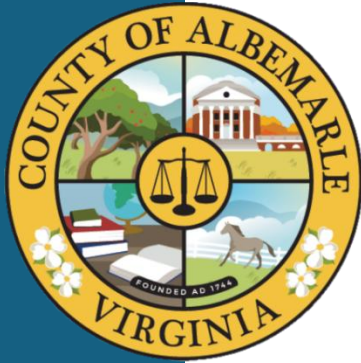


# Goal: Resilient, Equitable & Engaged Community

*Develop tools for integrating climate action and equity into programs and services.*

*Implement the Climate Action Plan.*

- Recent New Funding from FY 26 is included
- Increased ongoing funding for Climate Action Plan implementation, starting FY 28
  - Staff will propose options for one-time funding in FY 27 post-FY 25 audit

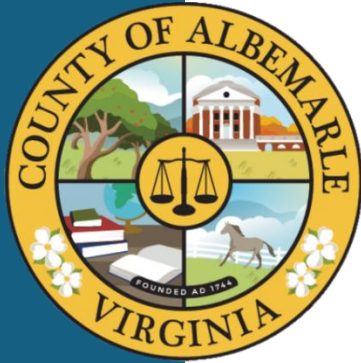


# Goal: Resilient, Equitable & Engaged Community

*Foster community partnerships and engagement around county priorities.*

*Implement stream health initiatives.*

*Identify and mitigate community risk while building, sustaining, and validating the community's capability to respond to and recover from disasters and other natural threats.*

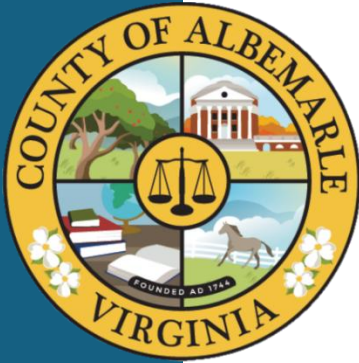


# Goal: Infrastructure & Placemaking

*Deploy county-wide communications through Broadband programming.*

- Implementing current federal, state, & local funding

*Ensure that long range water and wastewater plans are in alignment with our development goals by partnering with Rivanna Water Sewer Authority and the Albemarle County Service Authority.*



# Goal: Infrastructure & Placemaking

*Determine the level and extent of services necessary to create a public works department for enhanced maintenance of public rights of way and other infrastructure of public use.*

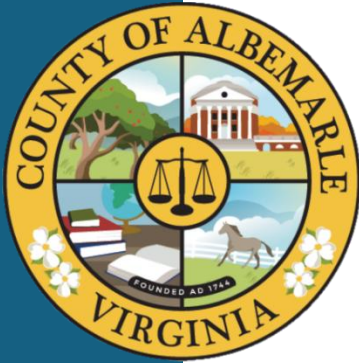
## Recent New Funding

- Litter Collection Program (Disposable Plastic Bag Tax)

*Implement long-range plans to embrace multimodal connectivity.*

## Recent New Funding

- Continuation of existing MicroCAT service (fully funded by County)
- Impacts of the continuation of existing CAT service with decreases in State and Federal grant revenue
- CIP: Transportation Leveraging Program funding



# Goal: Quality of Life

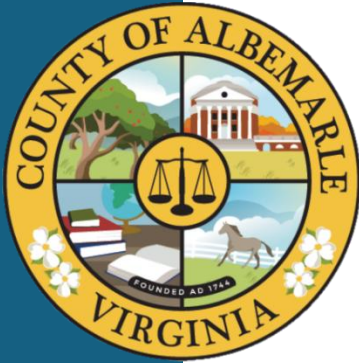
*Develop AC44 Comprehensive Plan updates and Zoning modernization.*

- Continued development of Zoning modernization

*Update Project Enable to include County's role in Economic Development.*

Recent New Funding

- Economic Development Fund
- CIP: Rivanna Futures
  
- Ongoing funds for Economic Development Fund starting in FY 28
  - In FY 27, Staff will propose one-time funding options for the Board's consideration after the final FY 25 audit



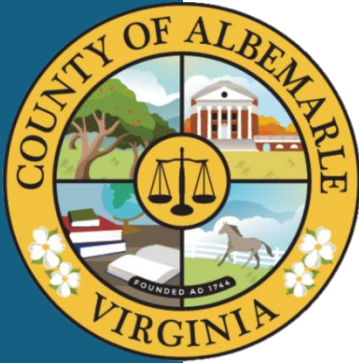
# Goal: Quality of Life

*Integrate parks planning with multi-modal transportation planning across the County.*

*Enhance overall access to parks and recreational opportunities with an emphasis on urban neighborhoods.*

Recent New Funding:

- Biscuit Run
- Athletic Fields



# Goal: Quality of Life

## *Implement Housing Albemarle.*

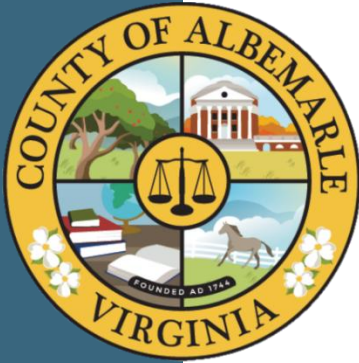
- \$22.2 M invested in the past 6 years

## Recent New Funding

- Dedicated 0.4 cents in funding in FY 26 budget and beyond
  - One-time funding in FY 27 will be recommended for Board consideration after the FY 25 audit is complete
- Expanded Tax Relief for the Elderly and Disabled

## Policy Tool

- Developer incentives tax rebate program



# Five-Year Plan Summary

1. Different trend than past

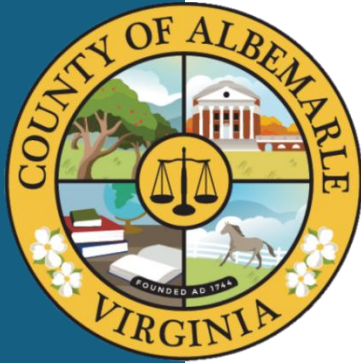
2. Two-periods within the 5 years:

## **Shorter-term in FY 27 - 28**

- Evolving revenue outlook
- Significant expenditure obligations

## **Longer-term in FY 29 - 31**

- Strategies & changing tax base
- Obligations & more robustly advancing SP Goals



# 5YP: Questions for Discussion

Responses to plan and assumptions:

- What does the plan do well?
- What may be missing?