

County Executive's Recommended FY 27 Budget

February 25, 2026

Agenda

1

Principles in Budgeting

Meeting the Community's
Needs

2

Recommended FY 27 Budget

Revenues & Expenditures, Trends,
Drivers

3

Key Investments

Recommendations for Initiatives
and Strategies

4

Next Steps

Schedule Through Adoption

01

PRINCIPLES IN BUDGETING





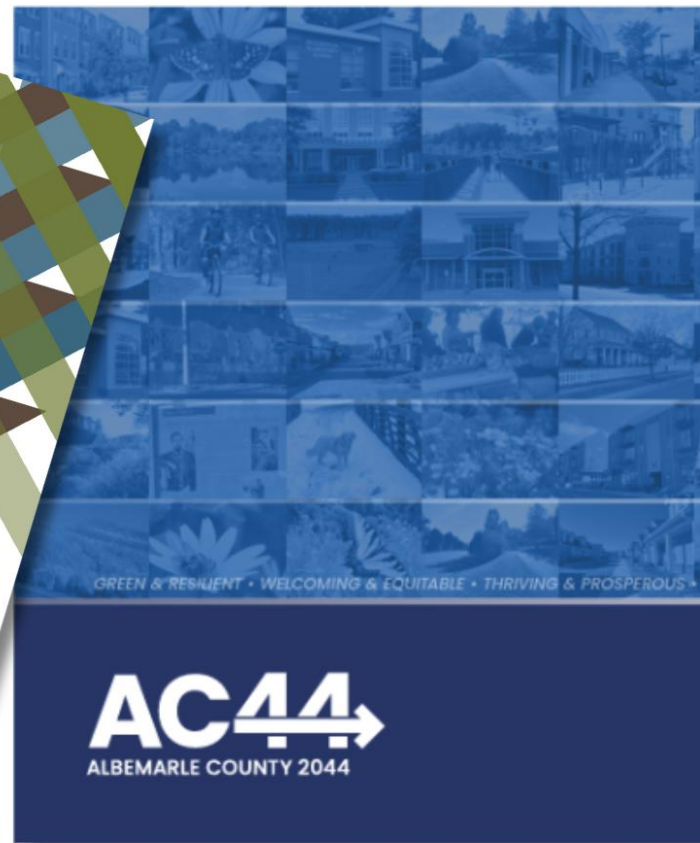
Albemarle County

Economic Development Strategic Plan

A Blueprint to Lead Virginia's
Innovation Economy

2025 - 2030

ALBEMARLE COUNTY, VIRGINIA
STRATEGIC PLAN FY24-28
WEAVING PLANNING, ENGAGEMENT,
AND ACTION TO BUILD OUR FUTURE
Adopted October 2022



Six Strategic Goals



Securing the Future: Sound Financial Policies



**INCREASED
FISCAL
FLEXIBILITY**



**REDUCED
BORROWING
COSTS**



**MAXIMIZE
TAX
DOLLARS**



**INCREASED
PUBLIC
CONFIDENCE**



**ABILITY TO
DO MORE
OVER TIME**

AAA/AAA/Aaa

Bond Rating

Commitment to Performance Improvement and Cost Savings



**PROCESS & SYSTEMS
MODERNIZATION**



**STAFFING & EFFICIENCY
STUDIES TO ENSURE
ALIGNMENT TO SERVICE
DEMANDS**



**PERFORMANCE
MEASUREMENT**



**REDUCTION OF
POSITIONS FOLLOWING
RE-ENGINEERING OVER
2 YEARS**

02

RECOMMENDED BUDGET



Balancing Considerations

Economic Outlook

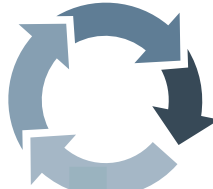
“Continued uncertainty”

5-Year Financial Plan

Evolving tax base and
multi-year planning

Strategic Plan

Safety & Well-being; Resilient, Equitable,
& Engaged; Infrastructure & Placemaking;
Quality of Life; Education & Learning;
Workforce & Customer Service



Revenues

Strong state revenues for Public
Schools, not guaranteed in FY 29

Obligations

Operating new schools,
Expiring grants for Fire Rescue Services,
FY 27- 31 CIP with increasing debt

Financial Policies

Budget Stabilization Reserve,
borrowing capacity,
maintaining AAA/Aaa/AAA



FY 27 **Balanced** on Current Tax Rates



Budgeting Strategies



OBLIGATIONS - Ensure we fund obligations we've committed to and maintain service expectations from the community



MULTI-YEAR PLANNING - Leverage past strategic decisions to bridge to the future and position the County for future success



STRATEGIC PLAN AS GUIDE - Align funding to make progress across all six Strategic Plan goals

Obligations

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
- Operating impacts of capital projects
- Capital needs
- Revenue Sharing Agreement
- CASPCA

\$9.0 M

One-Time Health Transfer

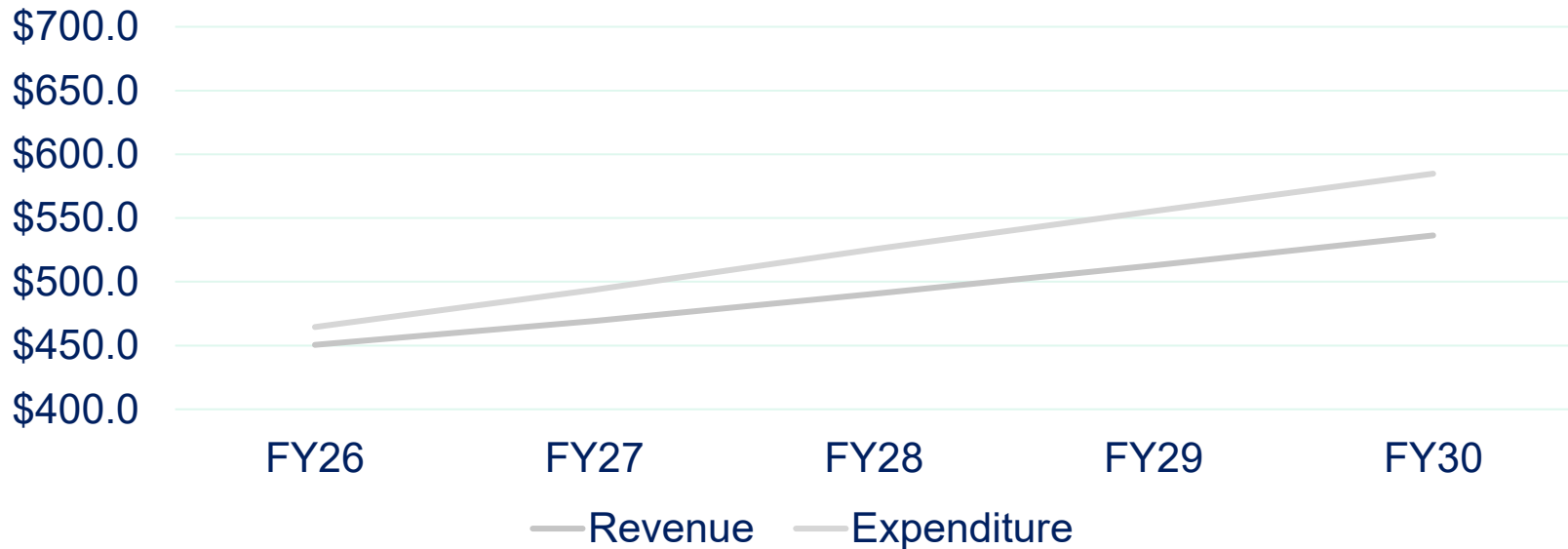
FY 27+

**FY 27
and
Beyond**

- Operating Costs for Two New Schools
- Expiring FEMA SAFER Grants
- Key Partner Agency Agreements Growing – Including CASPCA, ECC, CAT, and RSWA
- Maintaining Market-based Compensation
- Changing Federal Funding Landscape
- Revenue Sharing Agreement
- Increasing Debt Service Payments

Last Year's

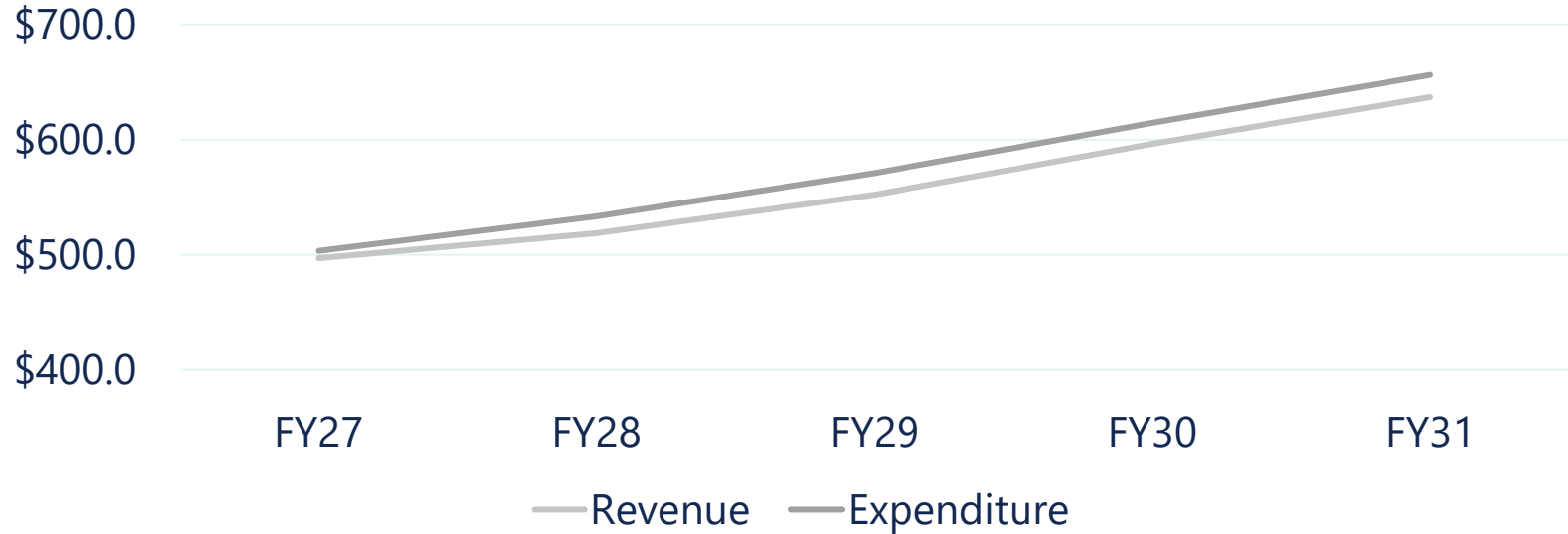
Five-Year Revenues & Expenditures



% 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

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

Why Tax Base Diversification Matters

Property Type	2015 %	2025 %	Service Cost Per \$1 Received
Residential & Multi-Family	65.3%	73.6%	\$1.31
Agricultural	19.7%	15.1%	\$0.54
Commercial/Industrial	15.0%	11.3%	\$0.32

Commercial revenue helps offset residential service costs.

Two Periods in Projected FY 27-31 Five-Year Plan

FY 27 - 28

Revenue Outlook: “Continued Uncertainty”

- Changing federal landscape
- Virginia & federal relationship
- Local economy

Significant Expenditure Obligations

FY 29 - 31

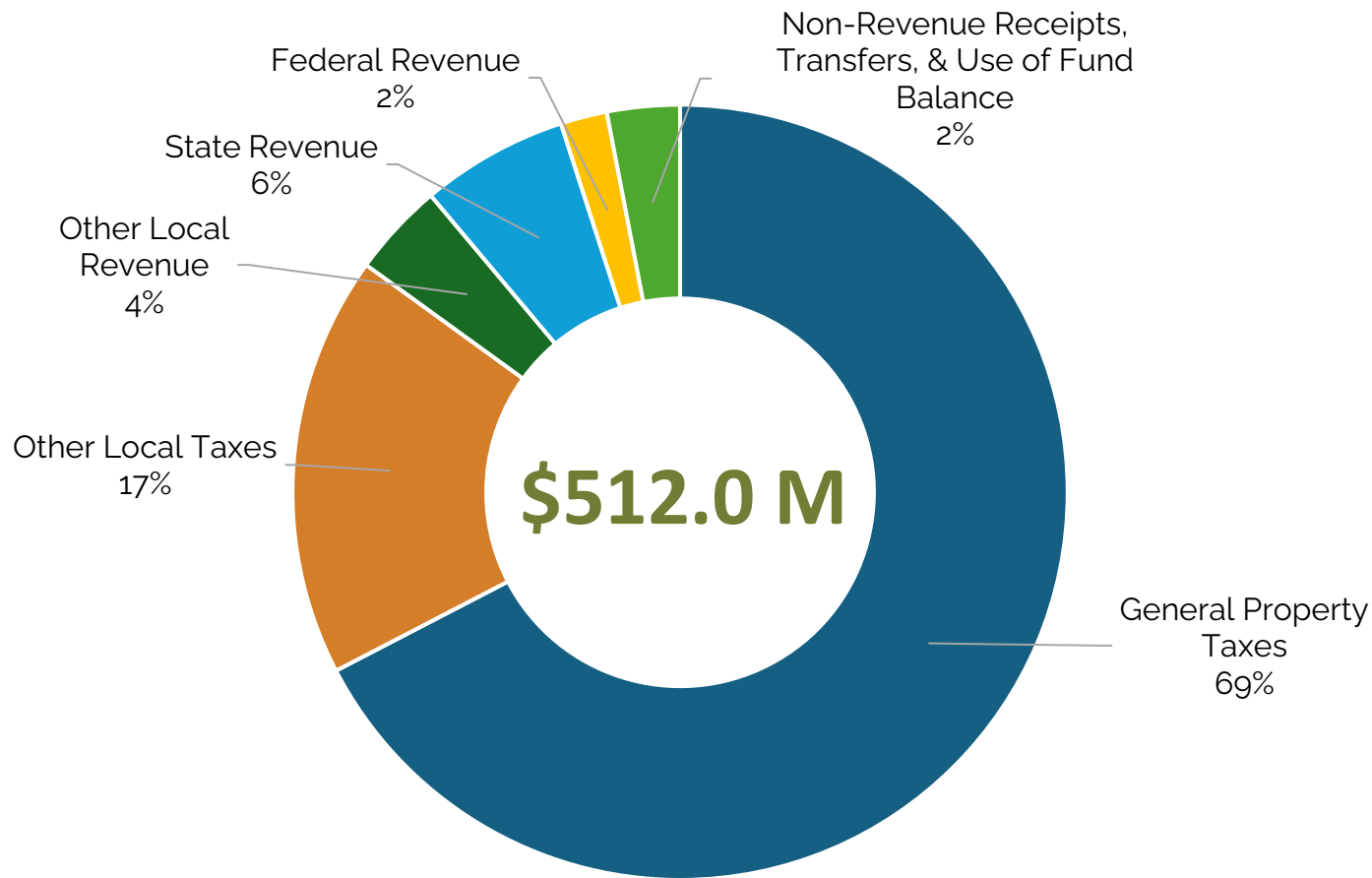
Revenue Outlook: Improved Revenue Projections

- Changing tax base composition

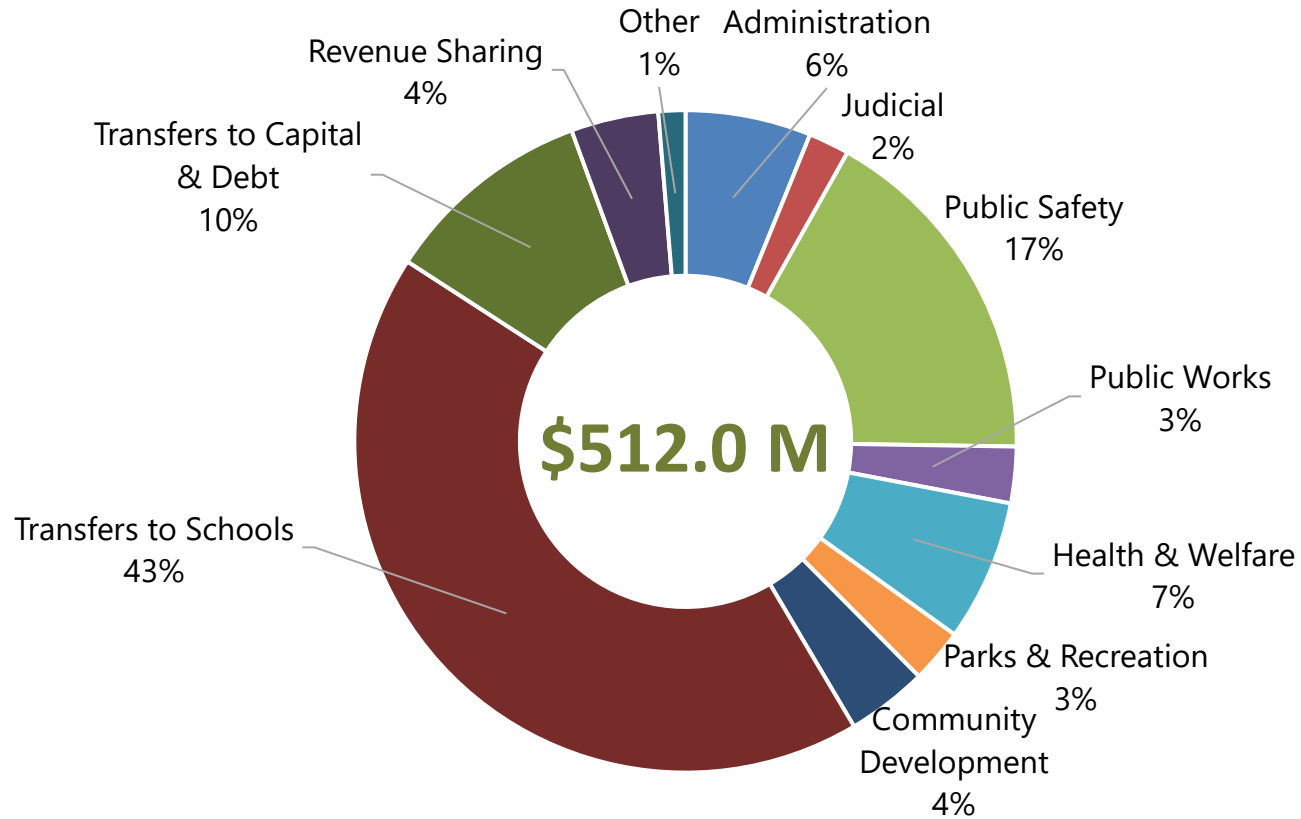
Obligations & More Robustly Advance Strategic Plan Goals

Multi-Year Tactics

- ✓ **FUNDING BRIDGE:** Use 1% of the 2% Budget Stabilization Reserve to fund County Government current service levels in FY 27 and FY 28
- ✓ **TRANSFER TO THE CIP:** Transfer \$6.4 million to the CIP for projects that will be identified in future years
- ✓ **CONSISTENT SUPPORT TO SCHOOLS:** Protect Public School operating funding if state revenue drops, by building in flexibility to shift local dollars from capital projects to operations



General Fund Revenues



General Fund Expenditures

03

KEY INVESTMENTS



INVESTMENT IN **ACTION**

Police Resources



SUPPORTS GOALS:

1

6

3

NEW OFFICERS



**IMPLEMENT
RECOMMENDATIONS OF PUBLIC
SAFETY STAFFING STUDY**



**\$2.3M TO KEEP SALARIES
COMPETITIVE FOR RECRUITMENT
AND RETENTION**

INVESTMENT IN **ACTION**

Fire Rescue Resources



SUPPORTS GOALS:

1

6

\$1.7M

AMOUNT OF FEMA GRANTS EXPIRING



**\$900K TO KEEP SALARIES
COMPETITIVE FOR RECRUITMENT
AND RETENTION**



**PURSUE A FEMA GRANT TO
IMPLEMENT STAFFING STUDY
RECOMMENDATIONS**

INVESTMENT IN **ACTION**

Sheriff's Office & Court Security



SUPPORTS GOAL:

1

3

NEW DEPUTY POSITIONS



**SUPPORTS DAILY
OPERATIONS AT
COURTHOUSE AND INMATE
TRANSPORTATION**



**OPENED NEW GENERAL
DISTRICT COURT
FACILITY IN FY26**

INVESTMENT IN **ACTION**

Emergency Management



SUPPORTS GOALS:

1

6



**ENSURES A CENTRALIZED
RESPONSE FOR EMERGENCY
MANAGEMENT NEEDS**



**MOVE FROM FIRE RESCUE
TO A SEPARATE, DEDICATED
OFFICE**



**BUDGET NEUTRAL
REORGANIZATION**

INVESTMENT IN ACTION

Schools



SUPPORTS GOAL:

5

\$218 M TRANSFER TO SCHOOL FUND

\$9M

**INCREASE IN LOCAL
FUNDING**



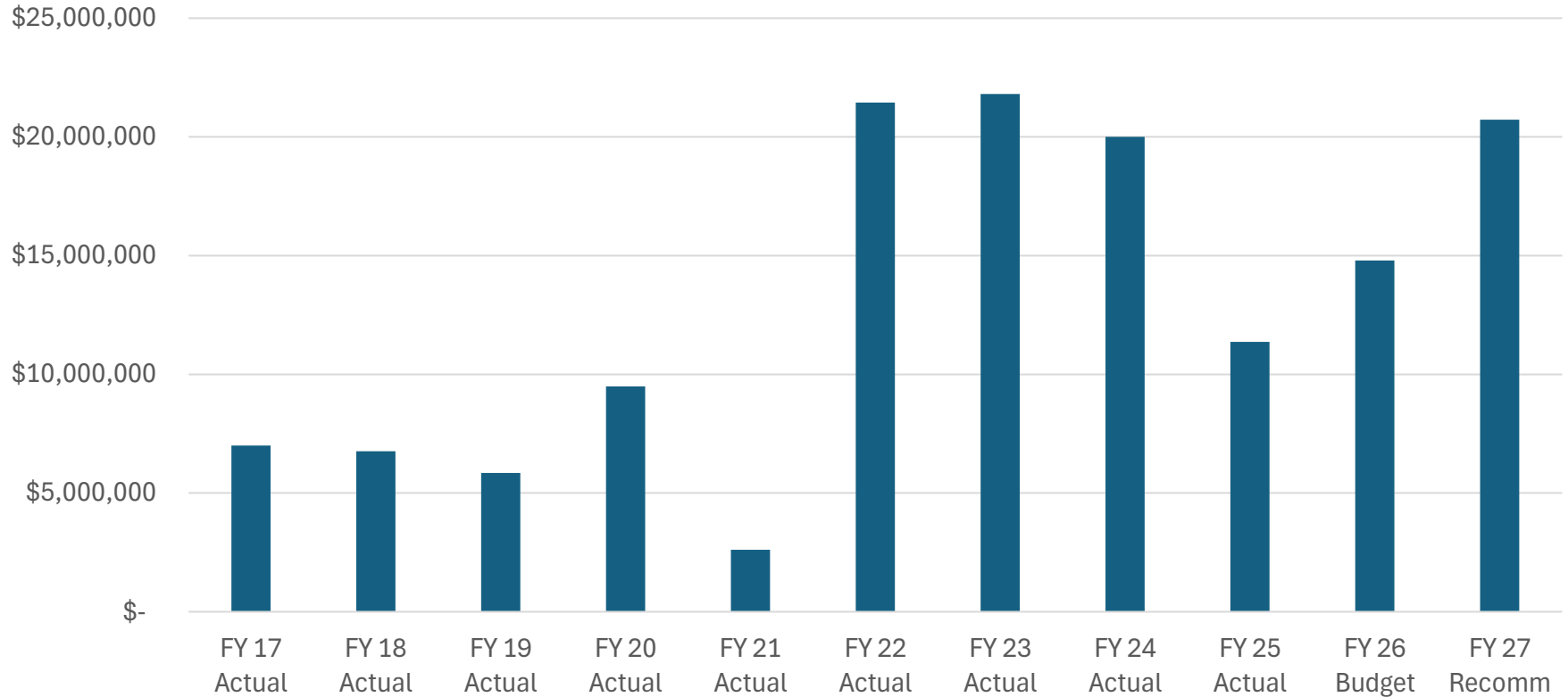
**\$4.3M TO OPERATE
TWO NEW SCHOOLS**



**DESIGN FOR NORTHERN
FEEDER PATTERN
ELEMENTARY SCHOOL**

Public Schools Operating Budget

Year-to-Year Increased Investment: Ongoing Revenue Sources*



* Excludes special revenue funds, use of fund balance, and FY26 \$7.7 one-time transfer from County Gov

INVESTMENT IN **ACTION**

Affordable Housing



SUPPORTS GOALS:

2

4

\$5M

AFFORDABLE HOUSING INVESTMENT FUND



**DEDICATED 0.4 CENT TAX
RATE + \$3.7M ONE-TIME
INVESTMENT**



**20% INCREASE TO THE
ELDERLY AND DISABLED
TAX RELIEF PROGRAM**

INVESTMENT IN **ACTION**

Environmental Services



SUPPORTS GOALS:

2

4

.7¢

**WATER RESOURCES
DEDICATED REVENUE
TOTALING \$2.3M**



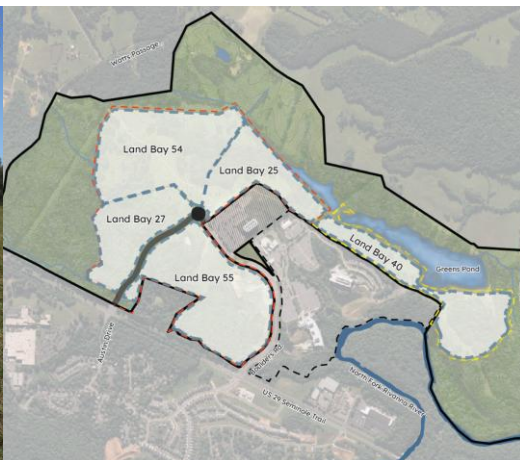
**CLIMATE ACTION ONE-TIME
FUNDING OF \$300K**



**PLASTIC BAG TAX
DEDICATED REVENUE
TOTALING \$140K**

INVESTMENT IN **ACTION**

Economic Development



SUPPORTS GOAL:

4

**\$4.15
M**

**ECONOMIC
DEVELOPMENT ONE-
TIME FUNDING**



**STRENGTHEN AND
DIVERSIFY TAX BASE**



**GROW TARGET SECTORS
THROUGH IMPLEMENTATION OF
THE ECONOMIC DEVELOPMENT
STRATEGIC PLAN**

INVESTMENT IN **ACTION**

Stable Workforce



SUPPORTS GOAL:

6

**\$2.9
M**

**CLASSIFICATION REVIEWS &
COST-OF-LIVING INCREASE
FOR CLASSIFIED STAFF**

**\$1.4
M**

**STAFF TRAINING
& DEVELOPMENT**



**8% INCREASE TO
HEALTHCARE FUND**

INVESTMENT IN ACTION

Partner Agencies

THE BRIDGE LINE
PIEDMONT CASA
AFTON EXPRESS
JAUNT
UNITED WAY
HABITAT FOR HUMANITY
LEGAL AID JUSTICE CENTER
BOYS AND GIRLS CLUB
AHIP
REGION TEN
LOAVES AND FISHES
HEALTH DEPARTMENT
PVCC
THOMAS
RIVANNA CONSERVATION ALLIANCE
EMERGENCY COMMUNICATIONS CENTER
JEFFERSON-MADISON
BLUE RIDGE JUVENILE DETENTION CENTER
SOIL AND WATER CONSERVATION DISTRICT
COMMUNITY INVESTMENT COLLABORATIVE
BLUE RIDGE AREA COALITION FOR HOUSING
VIRGINIA CAREER WORKS - PIEDMONT REGION
SEXUAL ASSAULT RESOURCE AGENCY (SARA)
ALBEMARLE-CHARLOTTESVILLE REGIONAL JAIL
JEFFERSON PLANNING DISTRICT COMMISSION
CENTRAL VIRGINIA SMALL BUSINESS DEVELOPMENT CENTER
CENTRAL VIRGINIA PARTNERSHIP FOR ECONOMIC DEVELOPMENT
CENT. VA. COMMUNITY JUSTICE RESTORATIVE JUSTICE PROGRAM
CHARLOTTESVILLE ALBEMARLE CONVENTION AND VISITORS BUREAU
CHARLOTTESVILLE-ALBEMARLE SPCA
FOOTHILLS CHILD ADVOCACY CENTER
AMERICAN RED CROSS
GEORGIA'S FRIENDS
PIEDMONT HOUSING ALLIANCE
OFFENDER AID RESTORATION (OAR)
CHARLOTTESVILLE FREE CLINIC
PARTNER FOR MENTAL HEALTH
CHARLOTTESVILLE AREA TRANSIT
LITERACY VOLUNTEERS
REGIONAL TRANSIT PARTNERSHIP
PIEDMONT YMCA
PROJECT SAFE NEIGHBORHOOD
CHILD HEALTH PARTNERSHIP
THE FOUNTAIN FUND
WOMEN'S INITIATIVE
ON OUR OWN
THE HAVEN
READYKIDS
CHARLOTTESVILLE HUMAN SERVICES
PACEM

\$40.7 MILLION IN FUNDING ACROSS 68 PARTNER AGENCIES

INVESTMENT IN **ACTION**

Community Services

SUPPORTS GOALS:

1

2

3

4

5

6



**\$14.5M
PUBLIC
SAFETY**



**\$8.2M
TRANSIT**



**\$7.7M
LIBRARIES
& TOURISM**



**\$4.1M
HEALTH &
WELFARE**



**\$3.5M
PUBLIC
WORKS**

INVESTMENT IN **ACTION**

Human Services Funding Program



SUPPORTS GOALS:

1

4

29

**PROGRAMS
FUNDED**

\$

\$1.6M



**SUPPORTS SERVICES LIKE
SHELTERS, FOOD SECURITY,
AND EMERGENCY
ASSISTANCE**

INVESTMENT IN **ACTION**

Capital Improvement Plan

SUPPORTS GOALS:

1

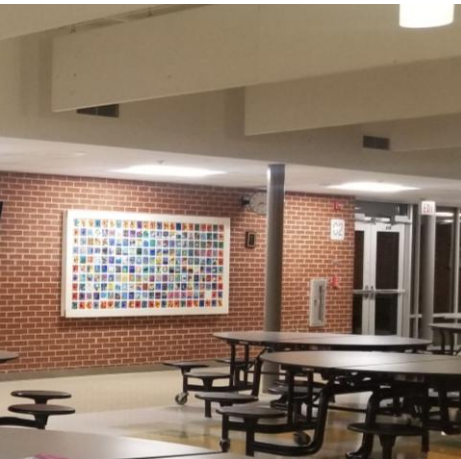
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3

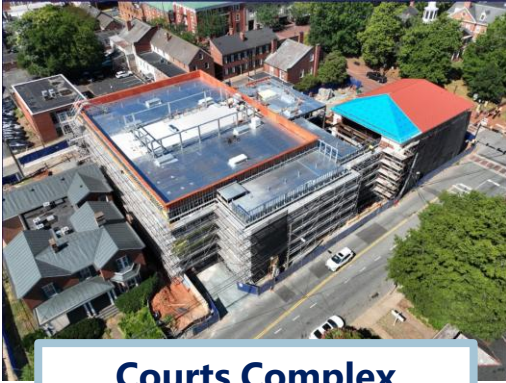
4

5

6



Five Projects Driving Current CIP



Courts Complex



Mountainview Upper Elementary School



ACE Academy at Lambs Lane High School



Rivanna Futures



Northern Feeder Pattern Elementary School

Capital Improvement Plan

Schools Summary

\$196.8 M

	27	28	29	30	31
Northern Feeder Pattern Elementary School	☒	☒	☐	☐	☐
Maintenance and Replacement	☒	☒	☒	☒	☒
School Bus Replacement	☒	☒	☒	☒	☒
Project Management	☒	☒	☒	☒	☒
School Network Infrastructure	☒	☒	☒	☒	☒
School Placeholder	☐	☐	☐	☐	☒

Capital Improvement Plan

Local Government Summary

\$160.3M

	27	28	29	30	31
Transportation Leveraging Program	☒	☐	☒	☐	☐
Boulders Road	☒	☐	☐	☐	☐
Northern Convenience Center	☐	☒	☐	☐	☐
County Office Building Renovations	☒	☐	☐	☐	☐
Central Library Renovation	☒	☐	☒	☐	☐
Community Non-Profits	☒	☒	☒	☐	☐
CIP Priorities Placeholder	☐	☐	☐	☐	☒
Maintenance/Replacement and Ongoing Programs	☒	☒	☒	☒	☒

Key Takeaways From FY27 Recommended Budget

- ✓ **NO PROPOSED CHANGES TO TAX RATES**
- ✓ **OBLIGATIONS CONTINUE TO RISE**
- ✓ **SERVICE DEMANDS EVOLVING TO MEET CHANGING COMMUNITY**
- ✓ **EVOLVING TAX BASE, NEED TO PLAN AHEAD FOR SIGNIFICANT INVESTMENTS**
- ✓ **PRUDENT MULTI-YEAR PLANNING WILL CONTINUE TO HELP SHAPE THE FUTURE**

04

NEXT STEPS



March

- 4** Public Hearing on
Recommended Budget
- 9** Work Session
- 11** Work Session
- 16** Work Session
- 18** Work Session: Board
Proposes Budget and Sets
Maximum Tax Rate for
Advertisement
- 19** Town Hall: The Center
- 23** Town Hall: WAHS
- 25** Town Hall: COB 5th Street
- 26** Town Hall: Yancey
Community Center
- 30** Town Hall: Lakeside MS

April

- 1** Work Session (If Needed)
- 2** Town Hall: Albemarle HS
- 15** Public Hearing on CY 26
Tax Rates and Board's
Proposed Budget
- 22** Board Approves and
Appropriates FY 27
Budget and Sets Tax Rates

FY27 Budget Calendar

