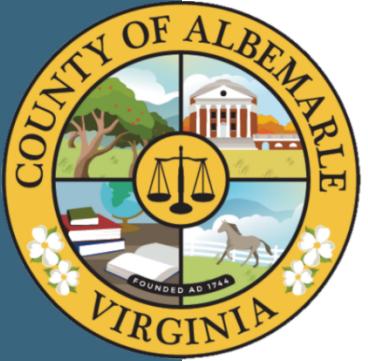


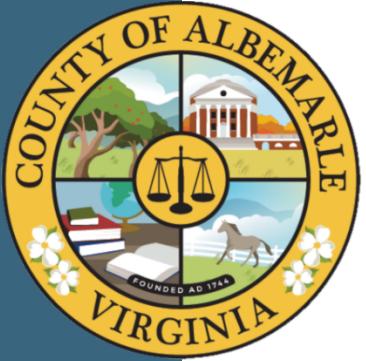
Five-Year Financial Plan Work Session

November 19, 2025



Timeline

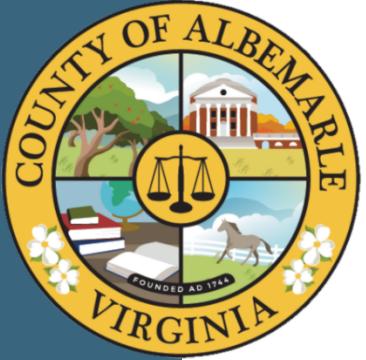
- Aug 20 Approval of FY 27 Budget Calendar
Strategic Plan Execution and Reporting (SPEAR) Report
- Oct 15 Economic Outlook Report, Public Safety Studies
- Nov 19 **Five-Year Financial Plan work session**
- Dec 3 Five-Year Financial Plan work session, with School Board
- Feb 25 County Executive's Recommended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

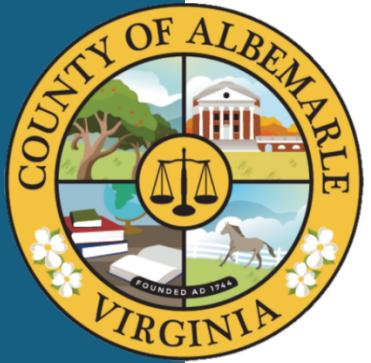
- Impacts of both the operating and capital budgets
- Long-term strategy or policy discussions to shape the future

Not only about dollars

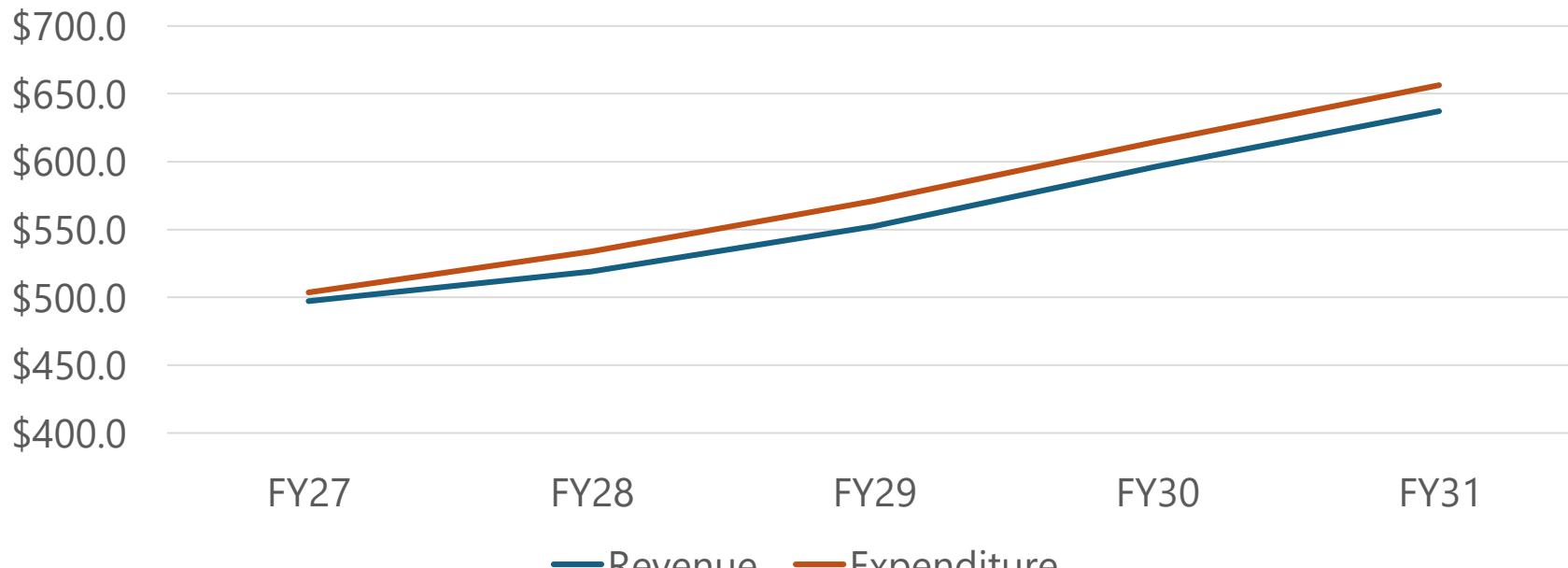
- Results of funding provided and/or policy levers utilized to date
- Future potential policy discussions

Framework for annual budget development processes

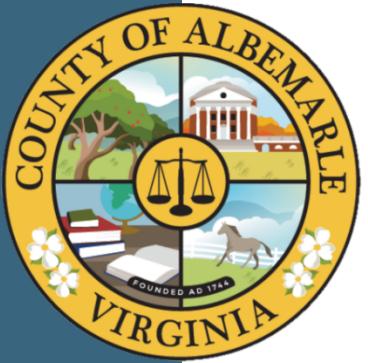
Assumptions based on best information available *as of today*



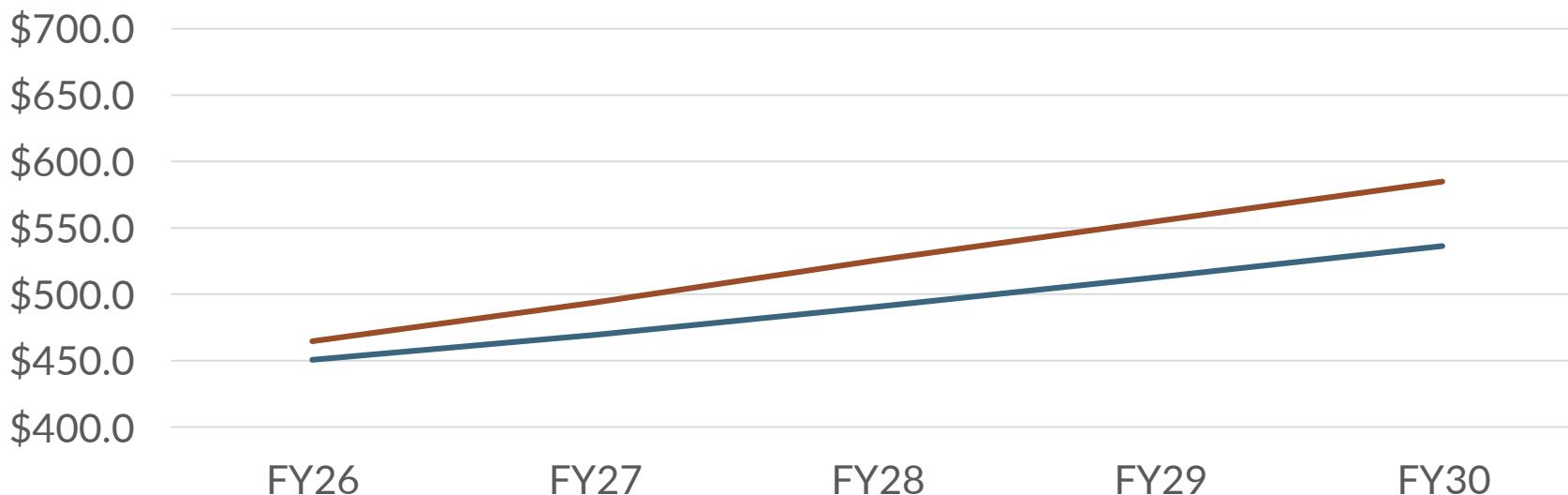
Five-Year Revenues & Expenditures



Provides funding to Capital & Debt and School operations based on allocation of local tax revenue formula

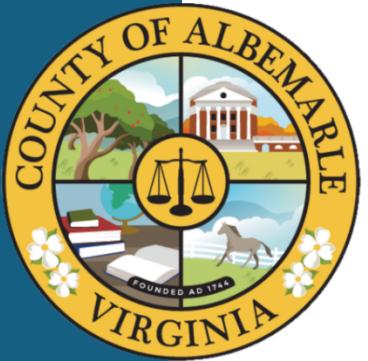


Last Year's Five-Year Revenues & Expenditures



% 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

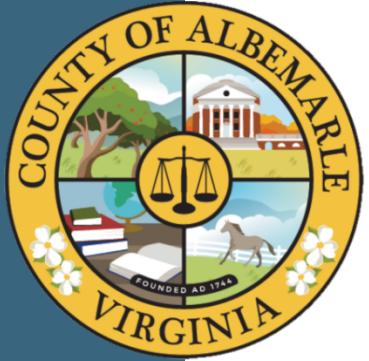


Comparing Five-Year Plans

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

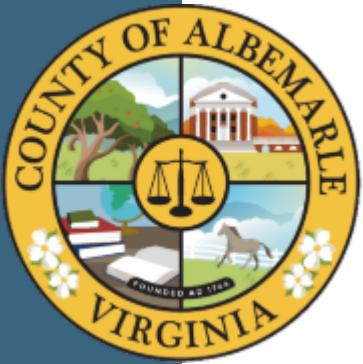
1. Different trend than past
2. Two-periods within the 5 years:

Shorter-term in FY 27 - 28

- Evolving revenue outlook
- Significant expenditure obligations

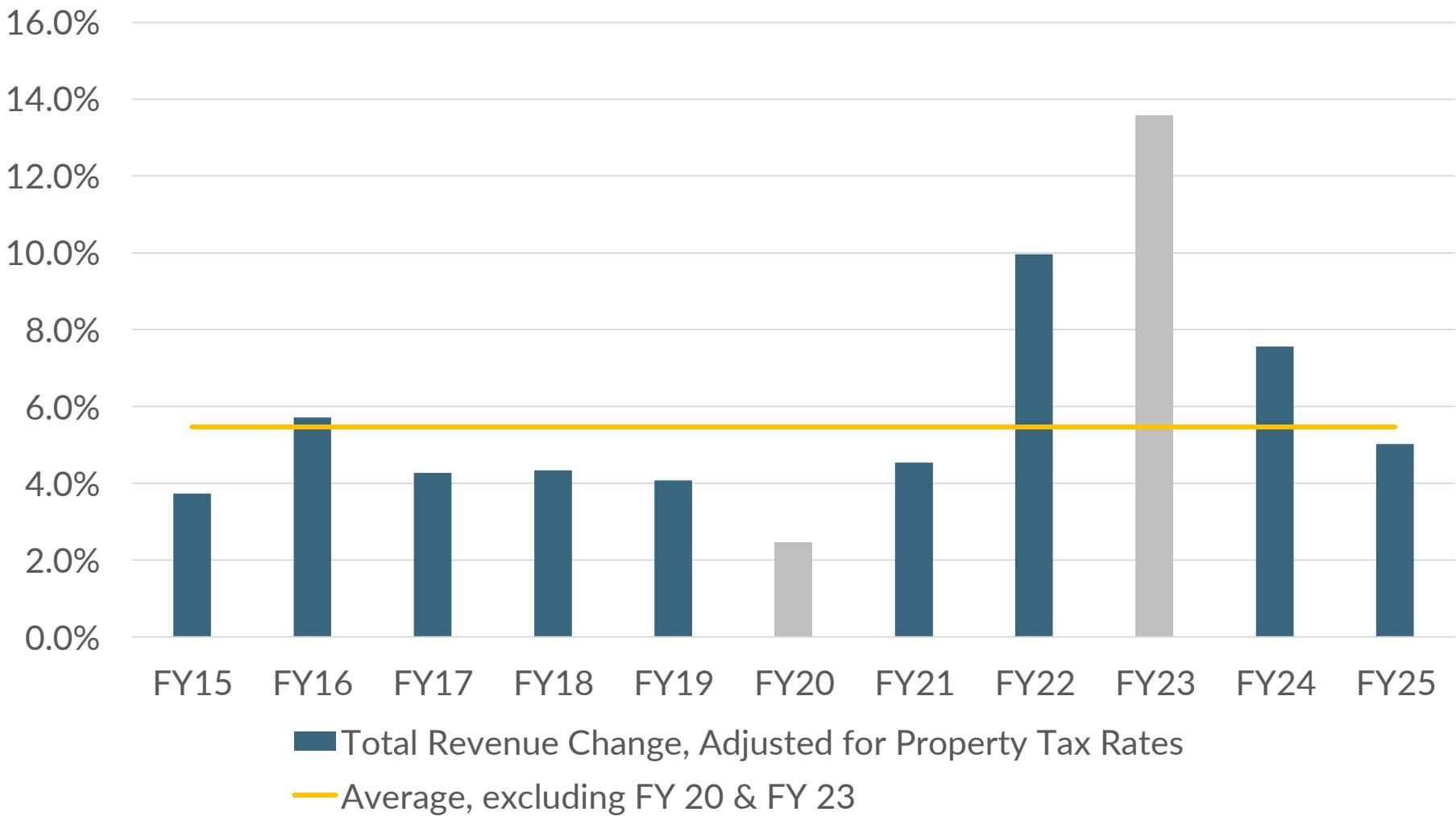
Longer-term in FY 29 - 31

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



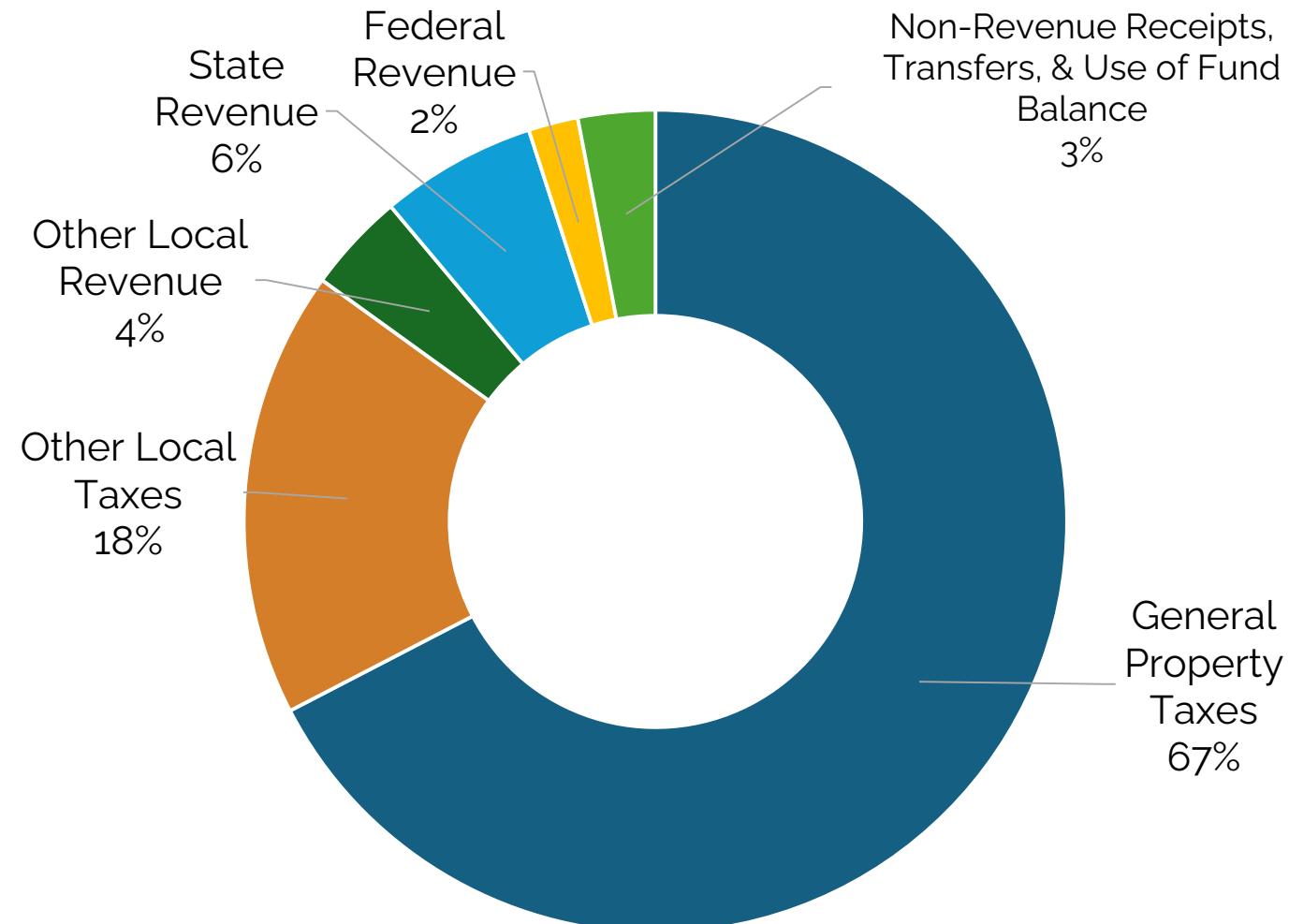
Revenues: Where has the County been?

+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

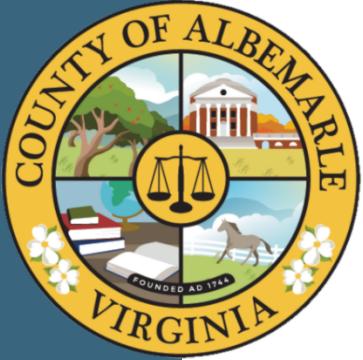
Empower Talent

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

GOAL 5

Compete for Investment

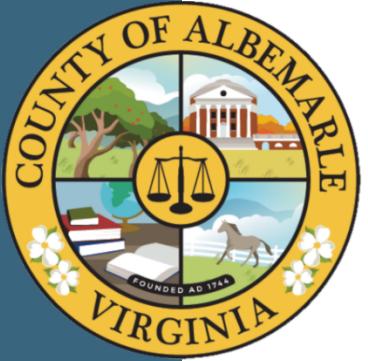
We will position Albemarle as Virginia's most investment-ready county — ready to compete, build, and lead.



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

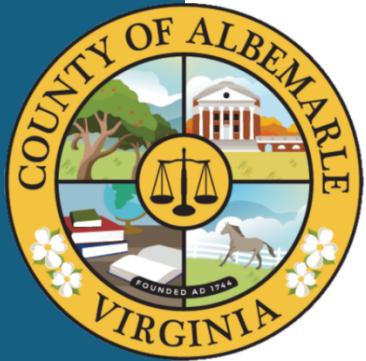
FY 25

- 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

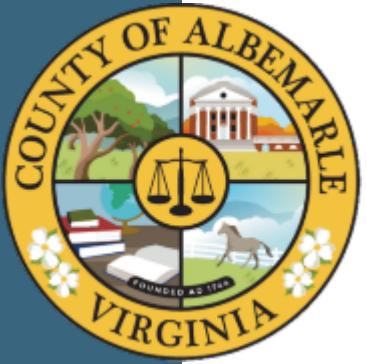
- Salary and reclassification adjustments to maintain market position, comparable to FY 26
- Virginia Retirement System (VRS) Rate Update Year for FY 27
- Health Fund update
- Increase in Revenue Sharing to City of Charlottesville
- Public Safety: continued FEMA SAFER grants pick up, Courts opening, 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





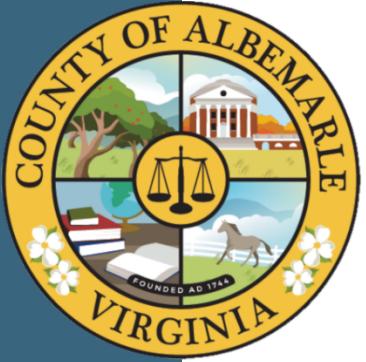
Goal: Workforce & Customer Service

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



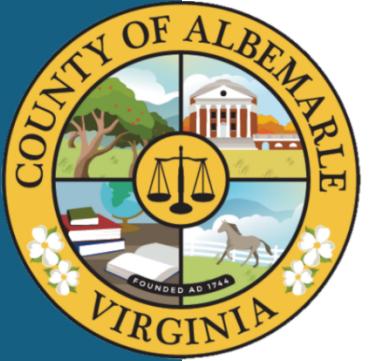
Goal: Workforce & Customer Service

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

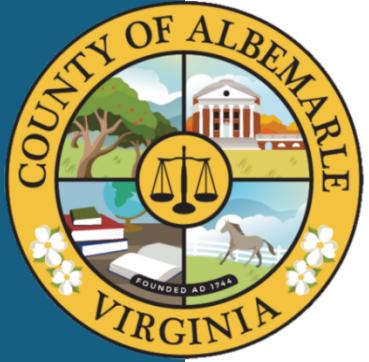


Goal: Safety & Well-Being

*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

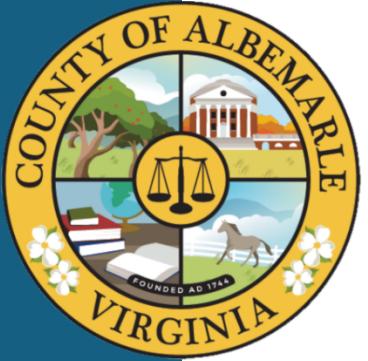


Goal: Safety & Well-Being

*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

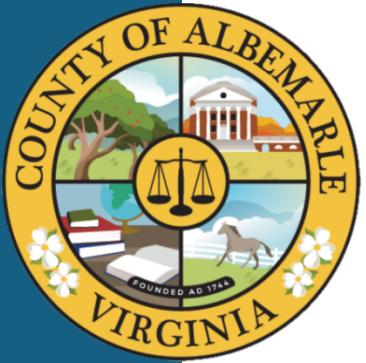
Enhance and develop human services initiatives to assist community in accessing existing resources.

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.

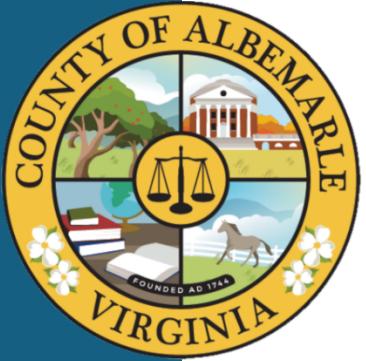
Provides funding to School operations based on allocation of local tax revenue formula

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

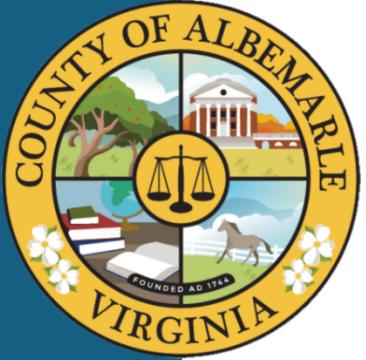


Goal: Resilient, Equitable & Engaged Community

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

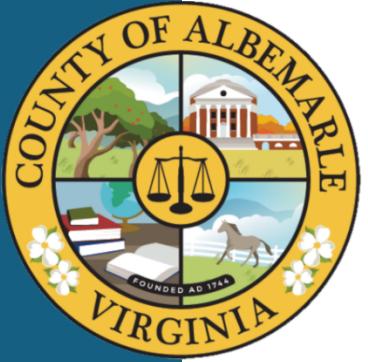


Goal: Resilient, Equitable & Engaged Community

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.

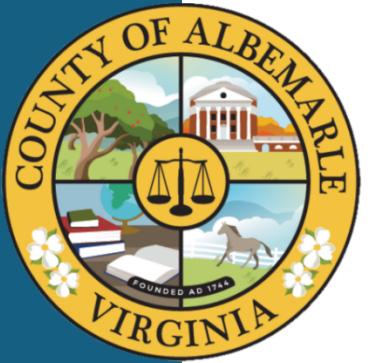


Goal: Infrastructure & Placemaking

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.

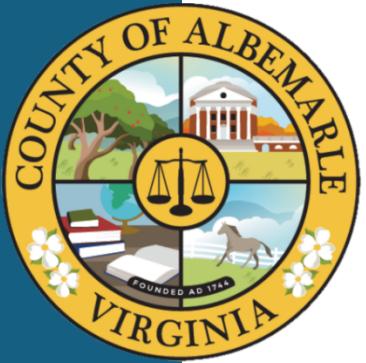
Recent New Funding

- 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

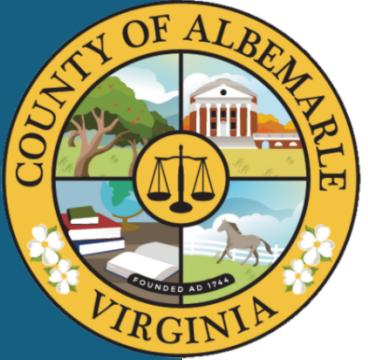
Develop AC44 Comprehensive Plan updates and Zoning modernization.

- 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



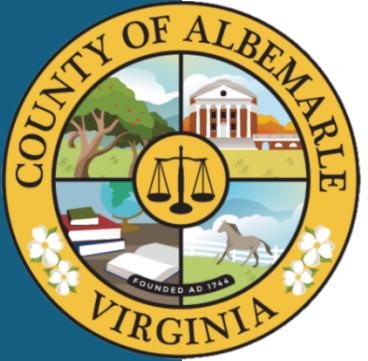
Goal: Quality of Life

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.

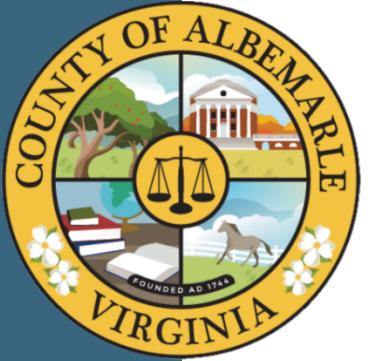
- \$22.2 M invested in the past 6 years

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

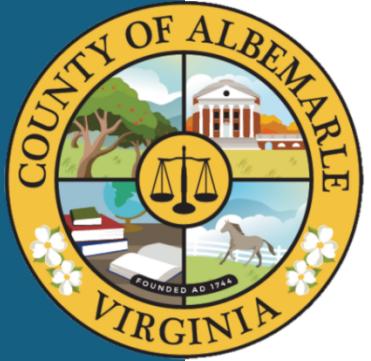
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5YP: Questions for Discussion

Responses to plan and assumptions:

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