

County Executive's Recommended FY 27 Budget

Work Session #4: Propose Budget and Tax Rates for Advertisement

March 18, 2026

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

FY 27 Budget Calendar

Agenda

Updates from Prior Work Sessions

- Review of Recommended Technical Adjustments
- Consideration of Board requested adjustments, e.g. “parking lot” topics

Break, if Board desires

Board Action

- Board proposes tax rates for advertising
- Approval of FY 2027 Proposed Budget for Advertising

Updates from Prior Work Sessions

Recommended Technical Updates General Fund

| Revenues | Adjustment |
|---|---|
| Staff review of annual revenue projections | \$0 |
| Expenditures | Adjustment |
| Albemarle Charlottesville Regional Jail | -\$258,827 |
| Charlottesville Area Transit | -\$150,814 |
| Blue Ridge Juvenile Detention Center | -\$44,136 |
| Agency Change Due to Administrative Error – Reclaimed Hope Initiative | +\$40,000 |
| Reserve for Contingencies, after above changes | \$814,177 ongoing \$510,162 one-time |

Recommended Technical Updates Other Special Revenue Fund

| Revenues | Adjustment |
|---|-------------------|
| Opioid Abatement Fund – State Revenue | +\$125,499 |
| Expenditures | Adjustment |
| Opioid Abatement Fund – Contingency Reserve | +\$125,499 |
| Total Change | \$125,499 |

Potential Funding Sources for Board-Requested Adjustments

Ongoing

- Ongoing amount of Reserve for Contingencies, \$814k
- Reprioritizing use of ongoing funding

One-time

- One-time amount Reserve for Contingencies, \$510k
- Reprioritizing use of one-time funding

CIP Adjustments

- \$394k available from CIP Advancing Strategic Priorities Reserve
- Reprioritizing capital projects

Tax Rate – Value of a Penny

Real Estate, Public Service, Mobile Homes

Each penny on the tax rate = \$3.3 M

Funding if split by formula:

- Capital & Debt (10%): \$333k
- Public School Operating (54%): \$1.8 M
- County Gov't. Operating (36%): \$1.2 M

One-time funds generated in FY 26: \$1.67 M

Personal Property & Machinery & Tools

Each penny on the tax rate = \$113k

Funding if split by formula:

- Capital & Debt (10%): \$11k
- Public School Operating (54%): \$61k
- County Gov't. Operating (36%): \$41k

One-time funds generated in FY 26: \$57k

Board-Requested Adjustments

Parking Lot Topics

1. Budgeting the CAT technical update: ongoing vs one-time savings in FY 27
2. Albemarle County Emergency Relief Program (ACERP)
3. Affordable Housing Investment Fund
4. Schools Operating and CIP transfers in follow up to School Board's presentation
5. Human Services Funding Process Agencies
6. Arts & Cultural Process Agencies
7. Community Non-Profit Capital Request Process
8. Tax Rate and Dedicated Tax Rate modifications

1. Budgeting the CAT technical update: Ongoing vs One-time savings in FY 27

Background: A Board member suggested budgeting \$151k in savings from CAT update as one-time rather than ongoing

Option A – CAT technical update savings budgeted as ongoing savings

Reserve for Contingencies, prior to other Board adjustments:

- Ongoing: \$814k
- One-time: \$510k

Option B – CAT technical update savings budgeted as one-time savings

Reserve for Contingencies, prior to other Board adjustments:

- Ongoing: \$663k
- One-time: \$661k

Option C - CAT technical update savings budgeted as one-time savings for TBD transit in FY 27

Reserve for Contingencies, prior to other Board adjustments:

- Ongoing: \$663k
- One-time: \$510k

Separate FY 27 Transit Contingency

- One-time: \$151k

2. Albemarle County Emergency Relief Program (ACERP)

Emergency assistance funding that includes a total of \$360k of local funding in FY 27 to address urgent, one-time financial needs.

\$980k was invested in the program through the general fund between FY 24 – FY 26, and an additional \$545k over that time from ARPA/ARPA Reserve Funds, for a total of \$1.5 M.

| FY 26 Distribution (Jul-Dec) | |
|-------------------------------------|-----------|
| Total funds | \$263,174 |
| Monthly Avg | \$42,000 |
| Households Applied | 396 |
| Households Approved | 214 |
| Eviction Avoidance | 68% |
| Utility Shutoff | 31% |

INVESTMENT IN **ACTION**

3. Affordable Housing



SUPPORTS GOALS:

2

4

\$5 M

AFFORDABLE HOUSING INVESTMENT FUND



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



**\$22 M investment into fund
since FY 19**

4. Schools Operating and CIP transfers direction by FY 27 Adopted Budget, April 22

1. Public School Operating Fund

A. County Executive Recommended

Total of \$304.9 million, increase of \$20.7 million or 7.3% from FY 26 Adopted

B. School Board Requested:

Operations balanced on \$307.2 million, increase of \$23.0 million or 8.1% from FY 26 Adopted

C. Other amount as determined by the Board of Supervisors

2. One-time transfer to CIP

A. County Executive Recommended

\$6.4 million, sent from General Fund directly to CIP

B. School Board Requested:

\$4.1 million, sent from the General Fund to the Public Schools Operating Fund, then to CIP

C. Other amount as determined by the Board of Supervisors

4. Schools Operating and CIP transfers direction by FY 27 Adopted Budget, April 22 *or Future Process*

3. Use of CIP Placeholder

A. County Executive Recommended

To be determined, planned in FY 31 of Recommended CIP

B. School Board Requested

To be determined for Public School projects

4. Total Placeholder Amount

A. County Executive Recommended

Includes additional \$6.4 million transferred in FY 28 for total FY 31 placeholder of \$12.8 million

B. School Board Requested

Would be part of FY 28 process

C. Other amount as determined by the Board of Supervisors & can be revised in FY 28 budget and FY 28-32 CIP process

5. Community Non-profits: Human Services Funding Process

| HEALTH AND WELFARE COMMUNITY AGENCIES | | | | | | |
|---|------------------|------------------|------------------|------------------|------------------------------|---------------------------------------|
| | FY 25 Actual | FY 26 Adopted | FY 27 Request | FY 27 Recomm | # of County Beneficiaries | County % of Total Beneficiaries |
| Human Services Funding Process Agencies | | | | | | |
| Communities in Schools - NOVA | 0 | 0 | 62,500 | 31,250 | 209 | 22.0% |
| Computers4Kids | 15,351 | 0 | 25,000 | 0 | 41 | 36.3% |
| Foothills Child Advocacy Center | 46,583 | 91,797 | 130,000 | 97,527 | 80 | 29.4% |
| The Fountain Fund | 18,200 | 21,380 | 50,000 | 22,811 | 60 | 27.4% |
| Offender Aid Restoration (OAR) - Therapeutic Docket | 59,486 | 59,489 | 139,755 | 63,502 | 42 | 79.2% |
| On Our Own | 10,279 | 15,279 | 15,279 | 15,279 | 3,750 | 25.0% |
| ReadyKids | 77,187 | 194,391 | 272,700 | 213,968 | 341 | 34.3% |
| EXPENDITURE TOTAL | \$227,086 | \$382,336 | \$695,234 | \$444,337 | | |

6. Community Non-profits: Arts, Cultural & Festival Process

| RECREATION AND CULTURAL COMMUNITY AGENCIES | | | | | | |
|---|-----------------|------------------|------------------|-----------------|------------------------------|---------------------------------------|
| | FY 25 Actual | FY 26 Adopted | FY 27 Request | FY 27 Recomm | # of County Beneficiaries | County % of Total Beneficiaries |
| Cultural, Arts, and Festival Agencies | | | | | | |
| Charlottesville Ballet | \$2,500 | \$2,500 | \$103,000 | \$0 | 3,898 | 19.0% |
| Charlottesville Band | \$8,000 | \$8,000 | \$11,000 | \$5,000 | 6,250 | 50.0% |
| Front Porch | \$2,500 | \$2,500 | \$10,000 | \$5,000 | 3,300 | 30.0% |
| Jefferson School African American Heritage Center | \$0 | \$2,500 | \$15,000 | \$10,000 | 1,788 | 65.0% |
| Live Arts | \$15,000 | \$15,000 | \$18,000 | \$12,500 | 809 | 60.0% |
| Paramount Theater | \$2,500 | \$2,500 | \$20,000 | \$5,000 | 8,250 | 55.0% |
| Virginia Discovery Museum | \$5,000 | \$5,000 | \$20,000 | \$2,500 | 13,200 | 22.0% |
| Virginia Film Festival | \$12,500 | \$12,500 | \$15,000 | \$12,500 | 7,095 | 30.0% |
| Total Agency Contributions | \$48,000 | \$50,500 | \$212,000 | \$52,500 | | |

7. Community Non-profits: Capital Request Process

Dogwood Vietnam Memorial Foundation

- Project to establish pedestrian bridge and parking area adjacent to the Memorial, located in the southeast corner of McIntire Park

FY 27 Recommended funding of \$250,000

- Amount matches the City of Charlottesville's planned contribution
- \$600,000 was requested from the County



8. Set Tax Rate for Advertisement



FY 27 **Balanced** on Current Tax Rates



Real Estate Tax Revenue

Increase of \$20.5 M or 7.6%

- Calendar Year (CY) 2026 overall reassessments + 6.2% from CY 2025
- Additional impacts for new constructions, land divisions, other adjustments

Tax Rate

- Recommended rate of \$0.894 per \$100 of assessed value
- “Lowered” or “Effective” Tax Rate: \$0.842 per \$100 of assessed value

Tax Relief for the Elderly and Disabled

- Increases \$476k or 20%, based on Board action in December 2025

Real Estate Tax Revenue

Value of a Penny on the Tax Rate

- Each penny = \$3.3 M, funding if split by formula:
 - *Capital & Debt (10%):* *\$0.3 M*
 - *Public School Operating (54%):* *\$1.8 M*
 - *County Gov't. Operating (36%):* *\$1.2 M*

Personal Property Taxes

Recommended rate of \$4.28 per \$100 of assessed value

Revenue primarily (84%) from personal vehicles but also applies to:

- Business Tangible Personal Property, rate must be the same tax rate as personal property
- Machinery & Tools Tax, rate must not exceed personal property rate
- Other Personal Property, rate must not exceed personal property rate or in some cases, machinery and tools rate

Personal Property Tax Relief, provided by State, for qualifying vehicles:

- Full relief (100%) of qualifying vehicles assessed at \$1,000 or less
- Partial relief (39%) for portion of vehicles assessed between \$1,001 to \$20,000
- No relief (0%) for vehicles assess above \$20,000

Personal Property & Machinery & Tools Tax Revenue

Personal Property & Machinery & Tools

Each penny on the tax rate = \$113k funding split by formula:

- *Capital & Debt (10%):* \$11k
- *Public School Operating (54%):* \$61k
- *County Gov't. Operating (36%):* \$41k

Motion to Advertise the 2026 Tax Rates for Public Hearing

I move that the Board advertise the following rate for public hearing for the 2026 tax year:

- **\$0.894/\$100** of assessed value for real estate, public service property, and manufactured homes;

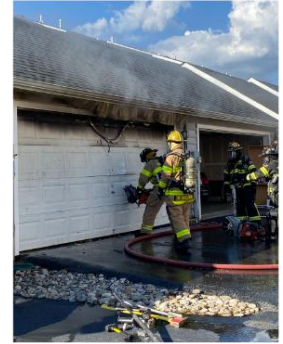
If Board desires to increase these rates: **Motion to Advertise the 2026 Tax Rates for Public Hearing**

I move that the Board advertise the following rates for public hearing for the 2026 tax year:

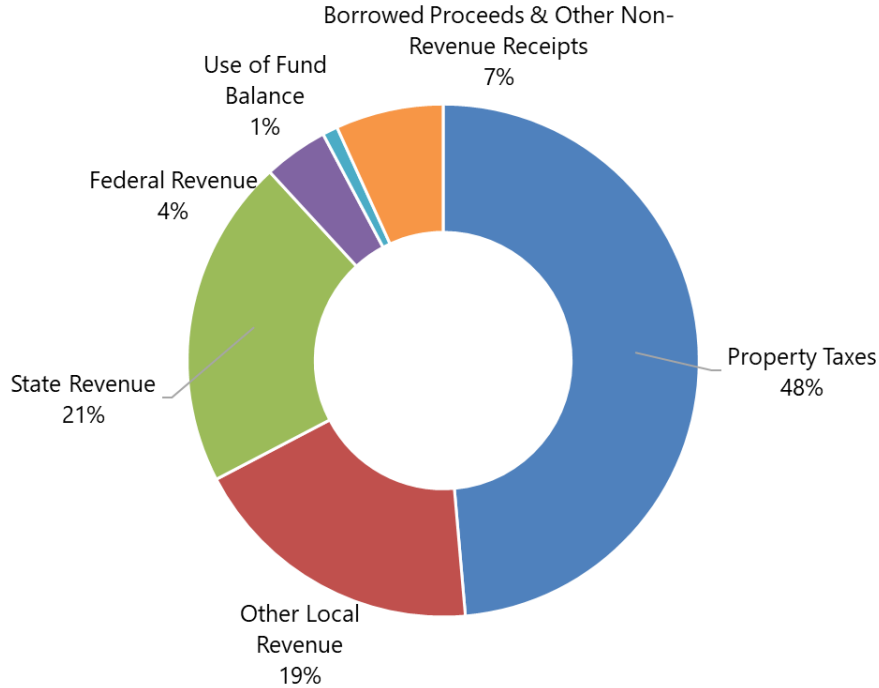
- **\$__/\$100** of assessed value for tangible personal property;
- **\$__/\$100** of assessed value for miscellaneous and incidental tangible personal property employed in a trade or business that is not otherwise classified as machinery and tools, merchants' capital, or short-term rental property, and that has an original cost of less than \$500; and
- **\$__/\$100** of assessed value for machinery and tools.



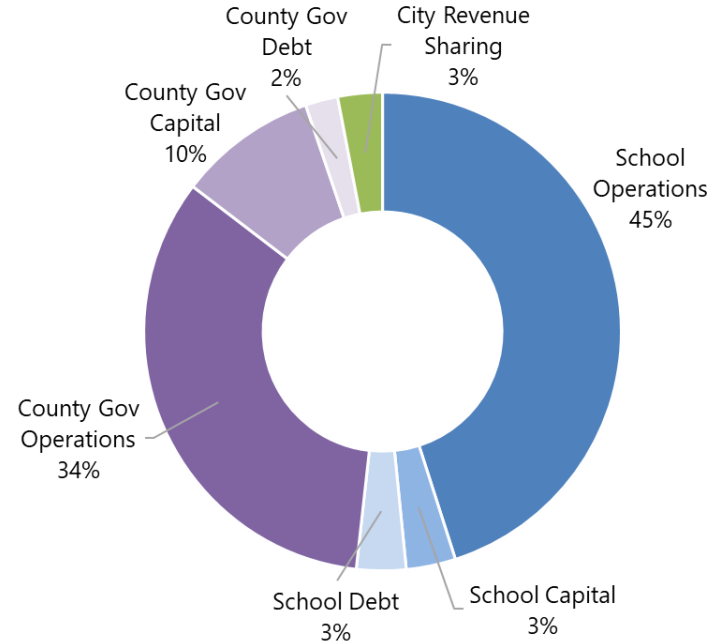
FY 27 Proposed Budget for Advertisement



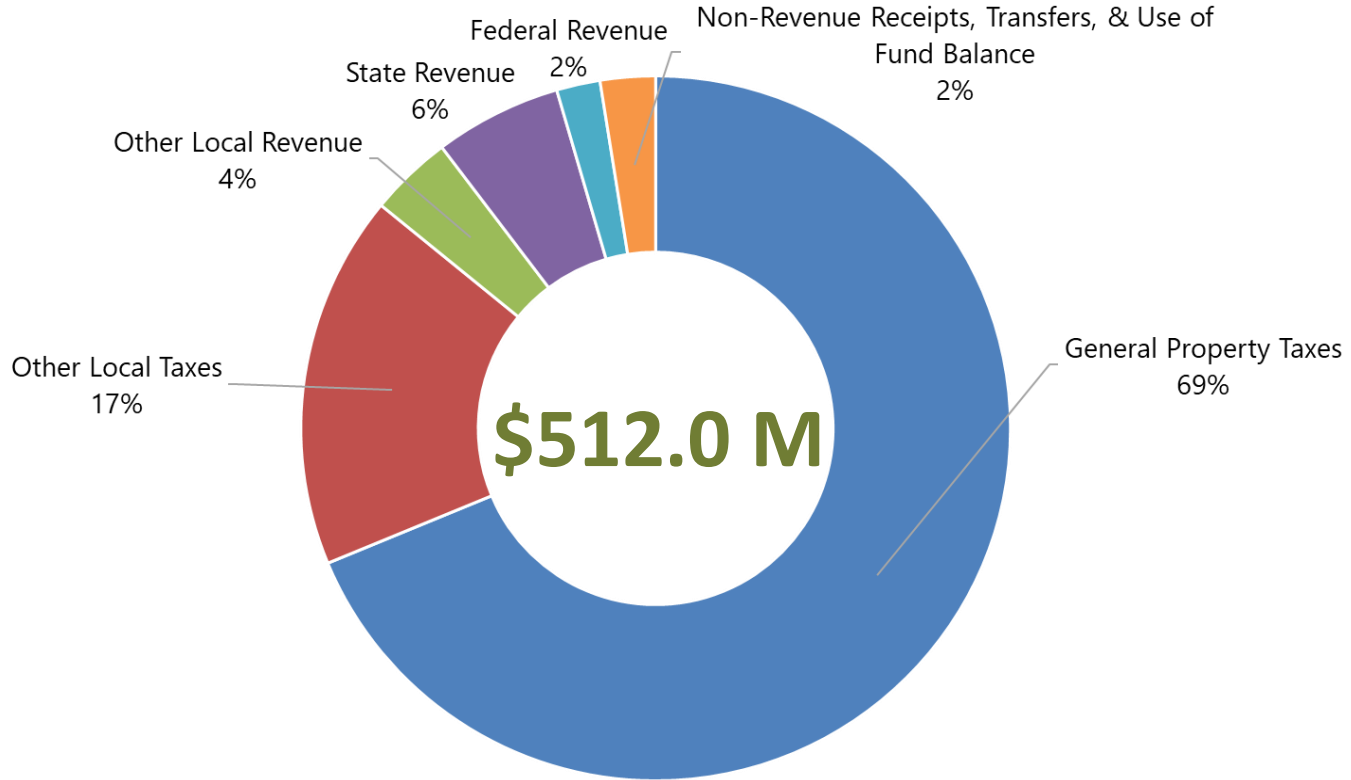
Revenues



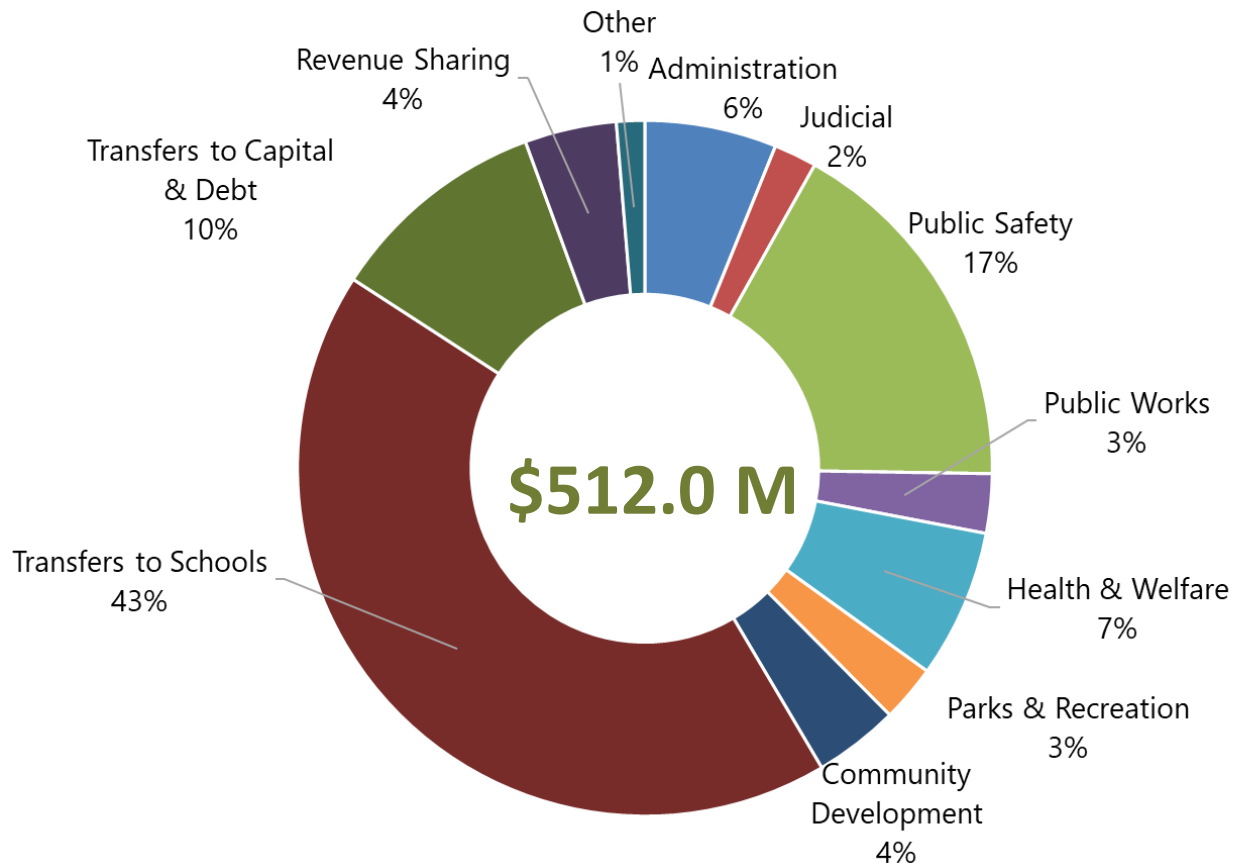
Expenditures



Total Budget \$724.0 M



FY 27 Recommended General Fund Revenues



FY 27 Recommended General Fund Expenditures

FY 27 Capital Budget Projects

| Capital Project and Programs | 2027 |
|---|----------------------|
| Obligations, Maintenance/Replacement, and Ongoing Programs | \$ 32,908,449 |
| Goal 3 - Infrastructure & Placemaking | |
| Transportation Leveraging Program | \$ 13,600,000 |
| Central Library | \$ 857,109 |
| Community Non-Profit Capital Process - Stony Point Roof Replacement | \$ 50,000 |
| Community Non-Profit Capital Process - Scottsville Levee | \$ 87,000 |
| Goal 4 - Quality of Life | |
| Rivanna Futures | \$ 40,800,000 |
| Darden Towe Athletic Fields Rebuild | \$ 792,743 |
| Community Non-Profit Capital Process - Bennett's Village | \$ 250,000 |
| Community Non-Profit Capital Process - Dogwood Memorial | \$ 250,000 |
| Goal 5 - Education & Learning | |
| School Capacity #3 - Northern Elementary School | \$ 4,400,000 |
| Goal 6 - Workforce & Customer Service | |
| COB Space Renovations | \$ 1,400,000 |
| | \$ 95,395,301 |

FY 27-31 Capital Improvement Plan

(in millions)

| Capital Project and Programs | 2027 | 2028 | 2029 | 2030 | 2031 | Grand Total |
|---|-----------------|------------------|-----------------|-----------------|-----------------|------------------|
| Obligations, Maintenance/Replacement, and Ongoing Programs | \$ 32.91 | \$ 37.36 | \$ 43.36 | \$ 45.06 | \$ 39.48 | \$ 198.17 |
| CIP Priorities Placeholder | \$ - | \$ - | \$ - | \$ - | \$ 12.80 | \$ 12.80 |
| Goal 1 - Safety & Well-Being | | | | | | |
| Community Non-Profit Capital Process - Salvation Army Shelter | \$ - | \$ 0.25 | \$ 0.25 | \$ - | \$ - | \$ 0.50 |
| Goal 3 - Infrastructure & Placemaking | | | | | | |
| Transportation Leveraging Program | \$ 13.60 | \$ - | \$ 4.50 | \$ - | \$ - | \$ 18.10 |
| Central Library | \$ 0.86 | \$ - | \$ 9.68 | \$ - | \$ - | \$ 10.54 |
| Northern Convenience Center Development | \$ - | \$ 1.30 | \$ - | \$ - | \$ - | \$ 1.30 |
| Community Non-Profit Capital Process - Stony Point Roof Replacement | \$ 0.05 | \$ - | \$ - | \$ - | \$ - | \$ 0.05 |
| Community Non-Profit Capital Process - Scottsville Levee | \$ 0.09 | \$ - | \$ - | \$ - | \$ - | \$ 0.09 |
| Goal 4 - Quality of Life | | | | | | |
| Rivanna Futures | \$ 40.80 | \$ - | \$ - | \$ - | \$ - | \$ 40.80 |
| Darden Towe Athletic Fields Rebuild | \$ 0.79 | \$ - | \$ - | \$ - | \$ - | \$ 0.79 |
| Community Non-Profit Capital Process - Bennett's Village | \$ 0.25 | \$ - | \$ - | \$ - | \$ - | \$ 0.25 |
| Community Non-Profit Capital Process - Dogwood Memorial | \$ 0.25 | \$ - | \$ - | \$ - | \$ - | \$ 0.25 |
| Goal 5 - Education & Learning | | | | | | |
| School Capacity #3 - Northern Elementary School | \$ 4.40 | \$ 64.30 | \$ - | \$ - | \$ - | \$ 68.70 |
| School Placeholder | \$ - | \$ - | \$ - | \$ - | \$ 8.00 | \$ 8.00 |
| Goal 6 - Workforce & Customer Service | | | | | | |
| COB Space Renovations | \$ 1.40 | \$ - | \$ - | \$ - | \$ - | \$ 1.40 |
| | \$ 95.40 | \$ 103.21 | \$ 57.79 | \$ 45.06 | \$ 60.28 | \$ 361.74 |

Budget Amendments

County Executive Recommended Technical Adjustments

- Reviewed earlier in March 18 work session

Board recommended adjustments, if any

Motion to Advertise the Proposed FY 27 Budget

I move that the Board authorize staff to advertise for public hearing the FY 27 proposed budget which is the same as the County Executive's Recommended Budget, including any staff recommended changes (and any additional amendment(s) made by the Board of Supervisors).

04

Next Steps



March

- 4 ——— Public Hearing on
——— Recommended Budget
- 9 ——— Work Session
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