

Introduction

Strategic Planning Process

Albemarle County is a community in transition, with challenges and opportunities presented by our continued growth, urbanization, and diversity.

Albemarle County believes that to be successful, we must respond strategically to the needs of our citizens and our changing environment while protecting our natural beauty and rural character.

Over the past eleven years, the County has engaged in organizational improvement and strategic planning activities. In 1992, the County initiated a strategic Quality Improvement Program (QUIP), which focused on departmental strategic plans, employee training, and customer service initiatives. In 1994, the County, City, and UVA organized their efforts around a joint "Vision" and strategic initiatives. In 1998, the County Board of Supervisors adopted the County's first official Strategic Plan, which combined County plans, goals, and strategies into one document for clarity and focus.

In April 2002, the County Board of Supervisors focused the County's strategic directions for the next three years, 2003 – 2005. This strategic plan guides the alignment of resources and assists the County in responding effectively to the opportunities presented by our changing circumstances.

Guided by the Board of Supervisors, County leadership developed the 2003 - 2005 Strategic Plan which includes timelines, objectives, strategies,

and detailed action plans for seven specific goals.

Strategic Budgeting Process

At its September 2003 retreat, the Board of Supervisors discussed the need to move forward with more long-term fiscal planning in conjunction with the implementation of the four strategic directions. Staff was directed to move forward with designing a process to align the strategic planning process with the budget process.

The Business Plan is an integral part of the strategic budgeting process and sets specific budget initiatives to accomplish approved strategic goals and objectives.

The Strategic Budgeting Process that you see mapped on page C-3 depicts four separate processes, i.e. the Strategic Plan, the operating budget, the capital improvement budget, and the Business Plan, and how they are linked to each other at various points or dates throughout the fiscal year calendar.

The Strategic Plan begins in September as every 4th year the Board of Supervisors develops a new strategic plan. In the intervening years, the fall Board retreat provides an opportunity for the Board to review the plan's progress and to update it based on new information and data, i.e., "Hot Topics". Both the operating and the capital improvement budgeting processes remain essentially the same along the annual continuum. However, an important new component is the addition of a five-year financial forecast. A financial forecast model has been developed by our financial advisors, Davenport

and Company, and was being used in the FY06 budget process.

Creating the Business Plan

The Business Plan is the fourth process and the new critical piece that links the strategic plan to both the operating and capital budgets. The Business Plan puts wheels under the strategic plan, because as departments begin to analyze their own operations to determine how they can implement the Board's strategic goals, the Business Plan puts forth those projects that will be undertaken in the next fiscal year to address Board priorities and move toward making the vision a reality.

FY06 is the second year for the Business Plan in the County's attempt to link the Board's Strategic Directions to budget goals and initiatives. Departments have developed strategic initiatives in response to the Board's Strategic Plan priorities and those that will be implemented in the next fiscal year are incorporated into the Business Plan. Only new initiatives that are funded in the Board of Supervisors' Adopted Budget are included in this Business Plan. Unfunded new initiatives can be found at the end of the budget message. Ongoing initiatives are also included in this plan.

Future business plans will also include measurable outcomes that are to be achieved, as well as strategic initiatives that are already underway. The strategic initiatives that are developed around the Board's four priority areas are reviewed by the County Executive's Office and the County's Leadership Council and

also by the Board at January/
February work sessions.

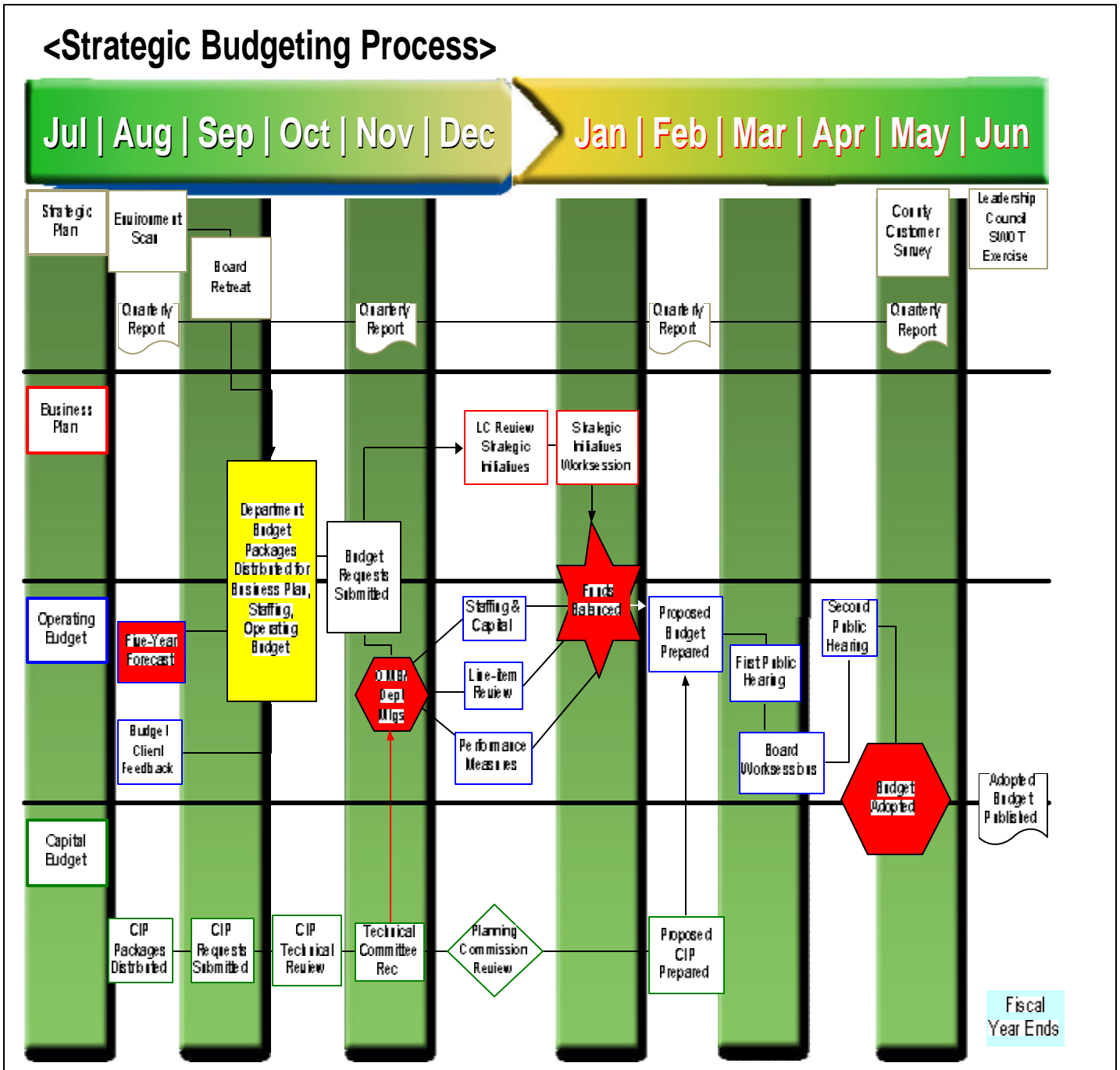
Reading the Business Plan

A Business Plan differs from the budget document that organizes baseline budgets and strategic initiatives by functional areas and departments, not by strategic direction.

The Business Plan organizes the FY06 budget initiatives under the Board's Strategic Directions. Under each Strategic Direction there are two different types of initiatives. First are the **Ongoing Initiatives**, which are projects or programs that have been funded in a prior year of the Strategic Plan, but will be continued into the next fiscal year.

The second category of initiatives in the Business Plan is **New Initiatives**, which include new projects or programs that are funded in the next fiscal year. These may include both operating and capital funded initiatives.

Strategic Budgeting Process



Environmental Profile

Population Trends

Between 1990 and 2000, the Charlottesville metropolitan area, which includes Charlottesville, Albemarle County, Greene County, Fluvanna County, and Nelson County, had the second-fastest growth rate in Virginia. The average annual population growth rate for Albemarle County over the past fifteen years has been approximately 2%. If the County continues to grow at that rate, the County's population would reach 101,600 by the year 2010. Weldon Cooper's most recent provisional population estimate for 2004 is 90,100.

According to the U.S. Census, the median age of Albemarle County residents was 37.4 in 2000, compared to 31.7 in 1990. Twenty-five percent of the population was under age 18, and the fastest growing segment of the population over the past ten years is those persons in the 55 to 65 age group.

Ageing Population: According to the Census, the County's population is aging, with the percentage of the population older than 65 increasing from 8% to 12% and the population ages 45 to 64 increasing from 18% to 23% between 1990 and 2000. Twenty-nine percent of the population is between the ages of 25 and 44. This is the largest portion of the population by age category.

Diversity: Sixteen percent of the County's population is non-white, with the largest percentage growth between 1990 and 2000 in the Hispanic population. In 2000, the Asian and Hispanic populations each make up 3% of the total population. Ten percent of the population is African American.

Growth: Consistently since 1993, net migration is

contributing more to Albemarle County's population growth than natural increase. In 2001, 67% of the population growth is attributed to migration and 33% is attributed to natural increase.

Economic Profile

Albemarle County enjoys a stable economy characterized by a relatively high-skilled and educated labor force and a very low unemployment rate. The predominant economic sectors are government, UVA, services, trade, and manufacturing.

Business Activity: Business activity in the County has steadily increased over the past decade. Since 1992 taxable sales have doubled, achieving a volume of \$1.034 billion in 2003. Food and merchandise sales continue to account for nearly half of the County's retail sales.

Median Income Levels: In 1999, the median household income in Albemarle County was \$50,749 and the median family income was \$63,407. This is the 16th highest median income among Virginia's 95 counties.

Poverty Profile: Seven percent of Albemarle's population is living in poverty; this is below the statewide level of 10%. The percent of persons who live below poverty level income is decreasing. The percent of

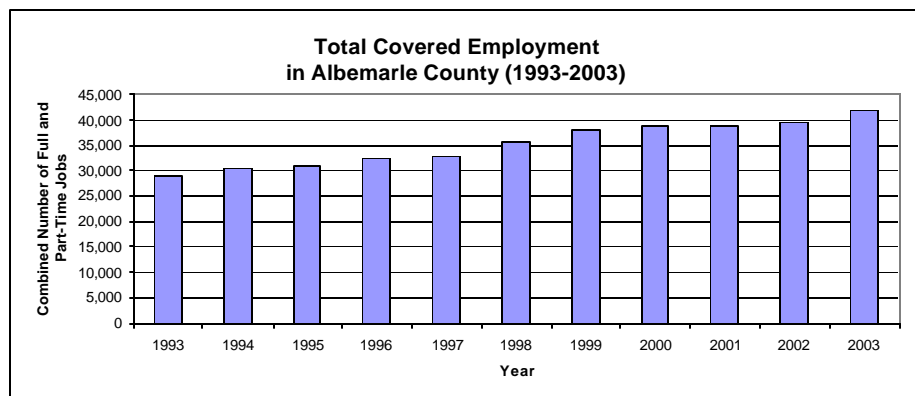
children below poverty has decreased and is below the state average.

Twenty percent of Albemarle's population is considered the "working poor." This percentage of persons with earnings below 200% of poverty decreased by 1.6% between the years of 1990 and 2000.

The Hispanic population had the highest percentage of persons living in poverty in 1999.

The percent of elderly below poverty (4.7%) in Albemarle County is below the state percentage (9.5%). The number of elderly below poverty in Albemarle has declined since 1979.

Employment: Between 1993 and 2003, Albemarle County experienced steady net job growth, with the exception of a slight decline that took place in 2001. Over the past several years, however, the service sector has become increasingly important as a source of employment, while manufacturing has become less important. Between 1999 and 2003, for example, state government (a category that includes jobs at the University of Virginia) grew from 20.8% to 25.6% of Albemarle's total employment base, while manufacturing positions declined from 12.1% to 6.6% of the total.



The average annual employment in all of Albemarle's job sectors was 38,037 in 1999 and 41,875 in 2004.

Albemarle County enjoys a very low unemployment rate, which has remained below the state and national averages for the past several years. From 1993 through 2003 Albemarle's annual unemployment rate was typically lower than selected peer Virginia counties, the State of Virginia, and the United States. Over this period the County averaged 1.95%, while the State of Virginia averaged 3.85% and the United States averaged 5.28%. Albemarle County's annual unemployment rate in 2003 was 2.7% compared to the state-wide average of 3.5% and the national average of 5.5%. Albemarle's unemployment rate for 2004 was 2.1%

Weekly Wage: The weighted average weekly wage in Albemarle County is high and has increased since 1999. In inflation-adjusted dollars, there was a total increase of 4.5% in the weighted average weekly wage between 1999 and 2003.

Workforce: Seventy-eight percent of working mothers have children between the ages of 6 and 17.

The participation of males in the workforce (72%) is greater than that of females (61%). Labor participation among both males and females has increased over

the last three decades.

Fourteen percent of Albemarle County's families are female headed households. While this percentage is lower than the state's level, Albemarle County's female headed households with children under the age of 18 have doubled from 1990 to 2000, going from 4.7% of the population to 8.6% of the population.

Fifty-one percent of jobs in Albemarle County are filled by non-residents.

Educational Attainment : The educational attainment level of the workforce is high and increasing. Since 1990, there has been a 9% increase in the percent of the population over age 25 who have obtained a Bachelor's degree or higher.

Land Development Trends

Rural Areas: In 2002, an estimated 49.3% of the population lived in rural areas and 50.7% in urban areas of Albemarle County. According to the 2002 Census of Agriculture 38.16% of the County is considered farmland. This is down from 86.6% of the County's acreage in the 1920's.

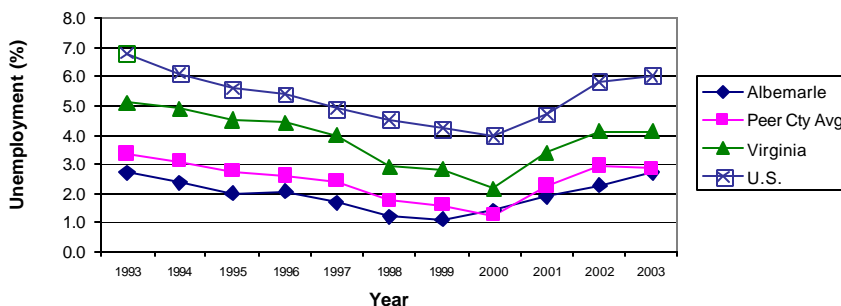
About 690 square miles (95%) of the County are designated as the County's Rural Areas. According to the U.S. Department of Forestry, approximately 59% of

the County is forested. The majority of the County's parks and natural areas are located in the Rural Areas. Over 14,000 acres of the northwestern edge of the County (approximately 3% of the Rural Areas) are included in the Shenandoah National Park. Several tools are in place to protect the Rural Areas. Albemarle County offers a use-value taxation program that reduces tax for lands in agricultural, forestal, horticultural, and open space uses. As of spring 2003, the County's voluntary agricultural and forestal districts program helped prevent intensification of use on nearly 65,000 acres of land. Another tool is the County's voluntary Acquisition of Conservation Easements (ACE) program, under which the County purchases conservation easements on qualifying properties. During the program's first three years, ACE has protected 3,722 acres.

There has been a relatively steady rate of residential development in the Rural Areas. From 1993 to 2000, Rural Areas population growth (1.49% annually) was only slightly slower than the rate for the Development Areas (1.94% annually). During the period of 1985 to 2002, the number of development right lots (under 21 acres) created per year ranged from 171 to 340. In total, between 1985 and 2002, 3,000 development right lots were created, converting over 15,000 acres of the Rural Areas to potential residential use. The 323 new lots created in 2003 represents a relatively high amount of activity. Of the 1,720 new housing starts in 2003, 298 units (28% of new housing starts) were located in the Rural Areas.

Development Areas: The County's rural protection and preservation strategies are complemented by the County's efforts to create urban areas that offer attractive amenities to residents and business owners. The County encourages development in designated areas

Albemarle's unemployment rate is lower than the average of peer Virginia counties, Virginia, and the United States



that include urban areas, communities, and villages. In 2003, 781 housing starts (72%) occurred in the designated Development Areas.

Of the 608 new subdivision lots created, 285 (47%) were located in the County's Development Areas.

Between 1997- 2002, 93% of non-residential development occurred in the County's Development Areas. Fourteen major non-residential site development plans were approved in 2003. These plans represented 209,377 square feet of commercial/retail services space, 59,955 square feet of industrial space, and 9,980 square feet of public/institutional space.

Historic Resources: More than 2,000 buildings and structures and 400 archaeological sites have been identified as potential historic resources in the County.

Housing Profile

As of October 2004, the total number of dwelling units in Albemarle County was 34,917. Of these, 23,320 were single-family detached homes, 2,195 were single-family townhouses, and 1,183 were single-family attached. There were 272 duplexes, 6,638 multi-family homes, and 1,309 mobile homes.

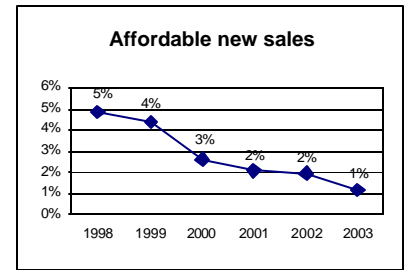
In 2003, 1,079 new dwelling units were constructed. Median sale prices for both new and resale single family homes are increasing. For 2003, the Charlottesville Area Association of Realtors reported a median sales price of \$266,000 for all home sales in the County. Note that in 2003, 87 families awaited housing assistance from the County.

In 2000, 66% of the housing in Albemarle was owner occupied, similar to the statewide rate of 68%. Owner occupied housing has increased slightly from 60% in 1980.

According to the 2000 Census, Albemarle County has a high median gross rent cost of \$712 per month, well above the state median gross rent of \$650. However, when rent is viewed as a percentage of household income, Albemarle's median rent burden is 26%, similar to the State's rent burden, and to the rent burdens of the comparison counties of Stafford, James City, Henrico, and Hanover. In 2000, 19% of homeowners paid more than 30% of their monthly income towards housing costs. In 2000, 38% of renters paid more than 30% of their income for their rental unit. This is higher than the state-wide rate of 34%.

Fifty-six percent of the homes in Albemarle County were assessed over the affordable housing threshold dollar figure in 2002. Maximum affordability is calculated using 80% of the area median income published by the U.S. Department of Housing and Urban Development. Housing is affordable if a household pays 30% or less of household income for housing costs. In 2003, using this criteria and based on a 5.67% mortgage rate, the maximum "affordable" house in Albemarle County would be one that is assessed at \$192,000.

The number and percent of "affordable" new housing has decreased since 1998.

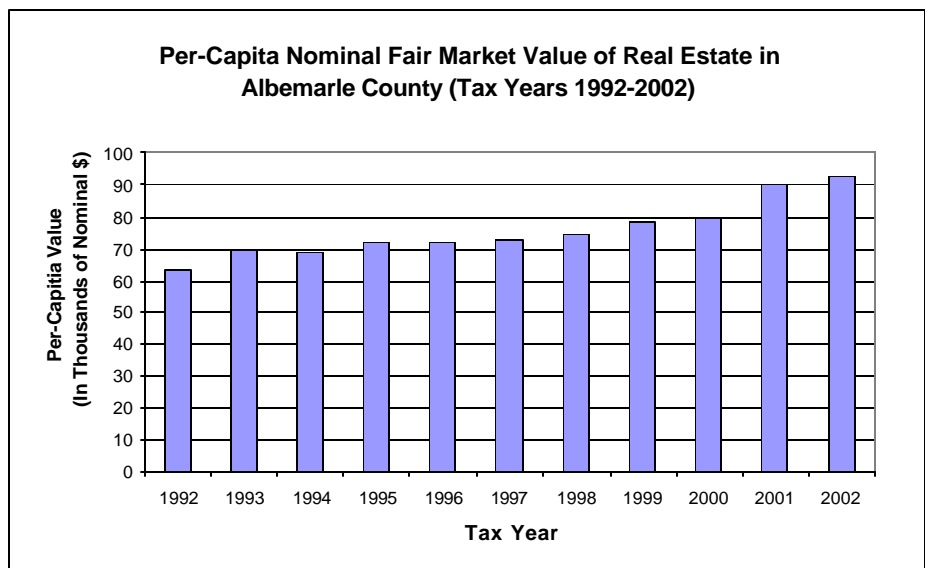


Households earning less than 30% of the Area Median Income (AMI) face the greatest shortage of affordable housing, with 87% of these households not living in affordable housing. Based on observations of the County's Housing Office staff, most of the affordable rental opportunities are in properties that are five years or older.

Financial Condition

Financial Information

Albemarle County received a AAA bond rating in February, 2003 based on "strong financial operations characterized by healthy reserve levels and ample operating flexibility. Moody's believes that the County's financial operations, characterized by ample reserve levels, will remain strong given conservative management practices and healthy revenue streams." According to Moody's, "the County's debt burden, 1.4% of assessed value, is modest, reflecting the county's



policy of financing a significant portion of its capital needs with pay-as-you-go sources."

The County's debt service remains well within its debt policy guidelines of less than 2% of assessed value and less than 10% of general and school fund revenues.

Business, professional, and occupational license (BPOL) nominal tax revenue increased steadily from 1997 through 2001, but declined slightly in 2002. Per-capita nominal BPOL tax revenue increased by \$30 between 1994 and 2001, but also declined slightly in 2002. Per capita constant dollar BPOL tax revenue increased, overall, between 1994 and 2002, rising from roughly \$61 to \$79 between these years.

Tax Rates: Local property taxes account for 42% of our entire County budget. Currently, the real estate property tax rate is \$0.76 per \$100 of assessed value. Since 1983, Albemarle County has transferred \$0.10 per \$100 of this collected tax to the City of Charlottesville per a revenue sharing agreement between the jurisdictions, so the County funds its operations on a net property tax rate of \$0.66. This rate is below the 2004 average of \$0.70 for all counties in Virginia and is more in line with the property tax rates of much smaller and more rural counties such as Rockingham and Frederick.

Funding Services: As the County continues to urbanize in the areas around Charlottesville and other designated development areas, we are challenged to be able to provide appropriate levels of services for these higher density areas based on a more rural-oriented tax rate. The State currently does not allow counties to diversify revenue sources in the same ways cities can. Without the flexibility to diversify revenue sources, counties must continue to rely heavily on property taxes to fund needed services

Revenues: Local property taxes are the largest source of revenue for the County. Other local revenue sources and state revenue are the two next largest sources, making up 21% and 26% of all revenues, respectively. The remaining revenues consist of federal revenue, borrowed funds, use of fund balances, and transfers.

During the last five years, the County has had to rely more heavily on real estate taxes, while other sources of income have remained flat or decreased. State and federal revenues as a percentage of the overall County budget have remained relatively constant over the last several years.

Expenditures The largest category of expenditures for the County is School Fund operations, comprising 48% of all expenditures in the FY06 Recommended Budget. Adding capital and debt funding and school self-sustaining funds, the School Division's share of the FY06 Recommended Budget would be 61% of the total County budget. General government operations account for 24% of all expenditures in the FY06 Recommended Budget. Of this, the largest percentage is dedicated to public safety programs.

Customer Expectations

As an important part of the County's ongoing strategic management system, the County contracted with the University of Virginia's Center for Survey Research to conduct a survey of County residents in June and July 2004. Since the Center for Survey Research conducted a similar study in 1994 and 2002, the County is able to track data trends and better understand citizens changing expectations and perceptions.

The goals of the 2004 survey were to determine residents' opinions about quality of life in

Albemarle County, to determine their satisfaction with the government's efforts to achieve its strategic planning goals, to determine residents level of satisfaction with a number of services the County provides, and to measure citizen opinion about the way in which the County is managing growth.

Findings

In the area of "satisfaction with the government's efforts to achieve strategic planning goals":

- Residents were most satisfied with the government's efforts to make the County a safe and healthy community (94%).
- 93% were satisfied with the County's efforts in creating learning opportunities for all ages.
- 90.8% were satisfied with the County's efforts to provide effective, responsive and courteous service to customers.
- Residents were least satisfied with the local government's efforts to promote the development of affordable places to live (48%), to protect and preserve the County's rural character (67%) and to provide needed infrastructure (68.6%).

In the area of "satisfaction with services":

- Overall, 90.6% of respondents said they were satisfied with County programs and services. This finding is not significantly different from 92.8% in 2002, but is significantly higher than the 84.0% who reported they were satisfied in 1994.
- Similarly to 2002, residents were most satisfied with public safety items, with fire protection (95.9%), emergency services (94.3%), safety in business areas (92.6%) and police protection (92.4%). However, only 55.3% reported satisfaction with safety for walkers and cyclists on streets, trails and sidewalks.

- Library services were the second most highly rated service (95.0%).
- The overall satisfaction rating for quality of education in the County schools was 85%. However, 92.3% of those who currently had children who attended Albemarle County public schools reported they were satisfied with the quality of education their children are getting, with 56% being very satisfied.
- Items related to growth management had lower satisfaction ratings. 63% were satisfied with efforts to preserve open space, 56% were satisfied with efforts to support adequate housing, 56.4% were satisfied with efforts to manage growth, and 45.8% were satisfied with public transportation.
- Statistically significant decreases in satisfaction since the 2002 survey were in the area of keeping citizens informed about County government programs and services, efforts to manage growth, ease of getting around by car and public transportation, efforts to protect natural resources and the environment, efforts to preserve open space, emergency rescue services, safety for walkers and bicyclists on streets, trails and sidewalks and efforts to support adequate housing.

In the area of "quality of life" in Albemarle County:

- Citizens continue to indicate that they are happy with the quality of life in Albemarle County. Citizens rated quality of life in Albemarle County as 7.96 on a ten point scale which is not statistically different from the mean rating of 7.92 in 1994 or the mean of 8.10 in the 2002 survey.
- 71% rated the County's quality of life an "8" or better.
- 16% rated the County a "10."
- Those most likely to give a high rating to the County were those who lived in Albemarle County longer, older residents, females, homemakers, those

with higher household incomes, homeowners, those living in single family homes, and those who live in the rural areas, especially in the southwest and southeast areas of the county.

In the area of "government spending":

- About 8 in 10 residents (80.4%) are satisfied with the job the County is doing in giving them value for their tax dollars.
- Almost 2/3 of County residents (64%) favor keeping taxes and services about where they are. Of those who favored change, more citizens support increasing taxes and services (16.6%) than decreasing them (10.4%).

Amendments to the Strategic Plan of Action

At the Board's October, 2004 Strategic Planning Retreat, the Board reviewed information from the 2004 Citizen Survey, strategic challenges identified by County employees, and annual changes in the County's Community Profile data, and made the following amendments to the County's current plan of action:

Issue: Transportation

Action: *Add the following goal to the Strategic Plan* - Develop and implement policies, including financial, that address the County's growing transportation needs.

Issue: Water (ground and surface)

Action: *Add the following objective to the Strategic Plan* - Examine the decision making process and structure for the BOS in the process of plan development and decision making.

Issue: Affordable Housing

Action: While this is already in the strategic plan, over the next year make it more of a focus for the Board thru updates, activity and action. *Add the following*

housing strategies to the Strategic Plan:

- Develop incentives to encourage affordable housing projects.
- Provide comparison benchmarks from other counties facing similar growth issues.
- Examine how to streamline the process, attending to the balance required between 'regulations' and the need.

Issue: Balance Between Rural and Urban Mix

Action: Accelerate the rewrite, comment process and approval of the Comprehensive Plan.

Strategic Plan Framework

VISION

To maintain Albemarle County's stature as a quality community by promoting the values of education and lifelong learning, historic and scenic preservation, safety, affordability, cultural diversity, citizen participation and economic opportunity that make the County a desirable place in which to grow up, raise a family and grow old while preserving our natural resources, rural character and visual beauty for future generations.

MISSION

To enhance the well-being and quality of life for all citizens through the provision of the highest level of public service consistent with the prudent use of public funds.

STRATEGIC DIRECTIONS

1. Provide High Quality Educational Opportunities for Albemarle

2. Protect the County's Natural, Scenic and Historic Resources

3. Enhance the Quality of Life for all Albemarle County Citizens

4. Provide Effective and Efficient County services to the public in a

GOALS

Create accessible opportunities for everyone in the community to learn, ensuring all educational services meet the needs of the changing demographics within the community

Meet the teaching and learning needs of all citizens along an appropriate continuum of ages and stages of development

Ensure the education system meets the workforce preparation needs of current and future employees and employers

Position the County as a recognized leader in educational excellence

GOALS

Protect and/or preserve the County's rural character

Protect and/or preserve the County's natural resources

Provide for environmentally sensitive government operations at the local and regional level

GOALS

Make the County a safe and healthy community in which citizens feel secure to live, work and play

Promote a variety of safe, sanitary & affordable housing types

Develop and implement policies that address the county's growth and urbanization while continuing to enhance the factors that contribute to the quality of life in the county

Develop and implement policies, including financial, that address the County's growing transportation needs

GOALS

Provide effective, responsive and courteous service to our customers

Fund County services in a fair, efficient manner and provide needed public facilities and infrastructure

Strategic Direction

High Quality Educational Opportunities

Albemarle County strives to create accessible opportunities for everyone in the community to learn along an appropriate continuum of ages and stages of development. The County also strives to ensure that the total education system meets the workforce preparation needs of current and future employees and employers.

Life-Long Learning Team: A Life-Long Learning Team was chartered in September 2003 to participate in a 5-month long strategic planning process to develop goals and set priorities for the Board's High Quality Educational Opportunities strategic direction. A broad based community group and Albemarle School Division members developed four life-long learning goals, which are:

- Create accessible opportunities for everyone in the community to learn, ensuring all educational services meet the needs of the changing demographics within the community.
- Meet the teaching and learning needs of all citizens along an appropriate continuum of ages and stages of development.
- Ensure the education system meets workforce preparation needs of current and future employees and employers.
- Position the County as a recognized leader in educational excellence.

An Implementation Team has been meeting during the past year and has completed an on-line survey to determine the gap between community learning needs and existing resources.

They are also developing educational excellence criteria.

Ongoing Initiatives

Henley Addition/Renovation

Lead Department: Schools

FY06 Capital Expenditures:
\$1,000,000

Total Project Expenditures (FY04-FY06): \$4,443,000

This project adds 20,000 square feet to the Henley building and, in turn, increases the capacity from 675 to 900. The addition includes 10 regular classrooms, 3 elective classrooms (Foreign Language, Health, and Enrichment), one strings classroom, and associated spaces, such as restrooms, offices and storage, mechanical rooms, etc.

Murray HS Renovations

Lead Department: Schools

FY06 Capital Expenditures:
\$149,000

Total Project Expenditures (FY04-FY06): \$1,358,000

These funds finalize the improvements to Murray High School necessary to transform the current facility into a more modern, efficiently operating building for high school students. The work has included general remodeling with a new heating/cooling system, replacement of all windows, including the Resource Center, and site work. In 1994, ADA concerns were addressed and the multi-purpose room was

renovated. Window air conditioners are currently being utilized, but the units are very noisy.

Administrative and Instructional Technology

Lead Department: Schools

FY06 Capital Expenditures:
\$1,220,000

Total Capital Expenditures (FY06-FY10): \$6,147,000

This funding provides \$70,000 to Administrative Technology projects to meet the increasing demands for software and data sharing, as well as the regular replacement of the division's 25 servers. In addition, \$1,150,000 is provided to Instructional Technology projects, which include network upgrades and the regular replacement of the division's 70 instructional servers.

(PVCC) Site Work for New Science and Technology Building

FY06 Capital Expenditures:
\$40,100

Total Project Expenditures (FY04-FY07): \$160,400

This is the third year of a four-year PVCC project, which funds the County's share of site work and improvements for a new 30,000 square foot Science and Technology building at Piedmont Virginia Community College (PVCC). The total cost of the project is \$6,250,000. Of this, \$5,000,000 is included in the State's General Obligation Bond package, \$850,000 is for equipment to be funded by state

appropriation, and \$400,000 is for site work and site improvements that by state law must be funded locally. Each of the seven localities in PVCC's service area is being asked to fund a portion of the total cost of the site work based upon their respective shares of enrollment. For Albemarle County, this amounts to \$160,400 (40.1%). All seven localities have committed to the project, and \$200,000 has been collected as of June 30, 2004. Albemarle County has appropriated a total of \$80,200 in previous years in support of this project.

Bright Stars Four-Year Old Program

Lead Department: Department of Social Services

FY06 Operating Expenditures: \$117,000

The 2004 General Assembly approved increasing state support to the At-Risk Four Year Old programs from 60% to 90% of eligible and unserved four-year olds in FY05 and 100% in FY06. As a result of the increased state funding, in June, 2004, the Board of Supervisors approved local matching funds to add a 6th classroom at Woodbrook Elementary for the FY05 year. The six Bright Stars programs serve 96 children at Stone Robinson, Agnor-Hurt, Cale, Scottsville, Greer and Woodbrook. This initiative, which was approved outside of the regular FY05 budget cycle carries over the \$117,000 in additional funding into FY06.

New Initiatives

Monticello High School Auditorium

Lead Department: Schools

FY 06 Capital Expenditures: \$800,000

Total Capital Expenditures (FY06-FY07): \$5,531,000

This project will construct an 850 seat auditorium with a stage, a wings scene shop, storage dressing rooms, and lobby with ticket booth, office, and restrooms. This school was initially constructed without a full auditorium.

Monticello High School Auxiliary Gym

Lead Department: Schools

FY06 Capital Expenditures: \$1,999,000

Monticello High School was designed to accommodate approximately 1,000 students and a plan for future expansion to accommodate 1,500 students implemented. Core spaces, library, cafeteria, etc., were designed to accommodate 1,500 students, but an auxiliary gymnasium is needed to accommodate this growth and a change in programs.

Vehicle Maintenance Facility – Emergency Generator

Lead Department: Schools

FY 06Capital Expenditures: \$165,000

An emergency generator will be installed at the Vehicle Maintenance Facility to provide electricity during power failures, and to allow the facility to continue to provide basic services to clients.

Jouett-Greer Site Reconfiguration

Lead Department: Schools

FY 06 Capital Expenditures: \$200,000

Total Capital Expenditures (FY06-FY07): \$675,000

A portion of the existing paved parking and traffic circulation areas in front of Greer and Jouett will be reconfigured to provide a safer situation for buses and parents. Greer will have modifications to provide a separate parent drop off area, and expand its parking towards Jouett Middle School. Jouett will have new paved areas with the existing grass island to provide sufficient parking and separation of drop-off and bus areas.

Family Support Program

Lead Department: Social Services

FY06 Operating Expenditures: \$165,795

The Family Support Program is an early intervention and prevention program that is a collaborative effort among the Albemarle County DSS (ACDSS), the County schools and partners within the community. Based on the withdrawal of Federal Title IV-E funds, which currently supports the majority of the program costs, ACDSS is requesting local dollars to keep the program operational.

Strategic Direction

Natural, Scenic and Historic Resources

The County believes it has a strong responsibility to practice the value of stewardship in maintaining the beauty and environmental quality of our land for future generations. The natural, scenic and historic resources continue to be the most critically important area to Albemarle citizens, as indicated by surveys and ongoing citizen input at Board meetings and public hearings. Through a number of ongoing policies and programs, the County is increasing its emphasis on rural land protection, water quality and supply, and the development of master plans with strong community participation.

Ongoing Initiatives

Acquisition of Conservation Easements Program

FY06 Capital Expenditures:
\$1,000,000

Total Capital Expenditures (FY06-FY10): \$2,450,000

This is a program established by the Board of Supervisors by which the County, with available funds, can acquire conservation easements voluntarily offered by landowners. The Board of Supervisors has determined that farm and forestland, clean water and air, and scenic vistas have a public as well as private value. This program serves as one means of assuring that the County's resources are protected and efficiently used. Tourism funds are provided to purchase easements on land that is specifically related to tourism enhancement.

Neighborhood Plan Implementation Program

FY06 Capital Expenditures:
\$217,000

Total Capital Expenditures (FY06-FY10): \$2,596,000

This ongoing project funds capital improvements identified in specific neighborhood plans, including any additional plans that come on line after the completion of the Crozet and subsequent master plans.

Projects in the first five years of the CIP are based on projects identified in the existing plans. These projects focus on sidewalks streetscaping, landscaping, and greenway projects.

FY06 projects: Railroad Avenue Sidewalk, Crozet; Eastern Park Planning and Design; North Downtown Stormwater Study

Ivy Landfill Remediation

FY06 Operating Expenditures:
\$200,000

FY06 Capital Expenditures:
\$640,000

Total Capital Expenditures (FY06-FY10): \$3,037,000

This project funds the capital costs associated with the remediation of the Ivy Landfill, which are required projects to include well monitoring, pumping and treating the effluent, and the potential remediation of the paint pit. In addition, operating expenses include immediate remediation costs.

Master Planning

FY06 Operating Expenditures:
\$115,000

Master Planning will continue to be a major component of the Community Development Department's work in the next fiscal year. FY06 will complete funding for the Northern Development Area Master Plan and address supplemental costs associated with completing the Pantops Plan and starting the Rivanna Village Plan.

New Initiatives

Stormwater Control Program

Lead Department: Community Development

FY06 Operational Expenditures:
\$359,000

FY06 Capital Expenditures:
\$450,000

Total Capital Expenditures (FY06-FY10): \$3,575,000

The operating portion of this initiative funds the new operational expenses listed in the Stormwater Master Plan, as previously presented to the County Board. This includes funding for inspection and maintenance of existing County stormwater facilities, inspection and maintenance of the existing County drainage systems, and funding for the operational expenses associated with the mandated NPDES Permit for operation of the storm sewer system. The capital expenditure of \$450,000 in FY06 continues the County's contribution to ongoing stormwater projects throughout the system.

Strategic Direction

Quality of Life

This strategic direction strives to enhance the quality of life for all Albemarle County citizens by providing the needed infrastructure for our growing population, i.e. roads, sidewalks, libraries, parks, etc. This direction also strives to provide the needed services for a safe and healthy community where our children are able to grow up to be strong and responsible citizens with equal access to our community's diverse opportunities.

Ongoing Initiatives

Station 12- Northside Fire Station

FY06 Capital Expenditures: \$880,000

Total Project Expenditures (FY04-FY08): \$5,666,000

This project provides additional funding for the construction of Fire Rescue Station 12 in the northern development area of Albemarle County. Road/site work is scheduled to begin in July 2005, with construction scheduled to begin in January 2006. The station is scheduled to open in January 2007.

Station 13 – Pantops Fire Station

FY06 Capital Expenditures: \$842,000

Total Project Expenditures (FY04-FY09): \$5,226,000

This project provides funding for the future construction of the Pantops-area Fire/Rescue station and purchase of fire rescue equipment (i.e., engines, ladders, ambulances, etc.). This station will serve the Pantops Mountain urban area. This

station is proposed to be in conjunction with the City of Charlottesville Fire Department.

Apparatus and personnel will be provided by both the City and the County. Details on the partnership are in the very early stages of development. Construction is tentatively scheduled to begin in July 2007.

Volunteer Fire Department/Emergency Medical Services Apparatus Replacement

FY06 Capital Expenditures: \$1,893,000

Total Capital Expenditures (FY06-FY10): \$5,582,000

This project funds the replacement of volunteer fire and EMS apparatus. The apparatus replacement schedule is based on an age and mileage criteria and includes an initiative to standardize apparatus to address interoperability, reliability, and safety issues. This project replaces the previous method in which volunteer fire and rescue departments borrowed funds from a zero interest loan program established by the county.

Volunteer Fire/Rescue Operating Funds

Additional FY06 Operating Expenditures: \$174,302

Total Operating Expenditures FY06: \$1,174,293

The proposed budget for the volunteer fire departments and rescue squads continues the initiative funded in FY05 at 85% of operating costs to 100% of their identified operating costs.

Fire/Rescue Turn-out Gear

FY06 Operating Expenditures: \$75,000

This continues the FY05 initiative to implement an ongoing replacement funding for volunteer and career staff turnout gear replacement.

Fire/Rescue Positions

FY06 Operating Expenditures: \$196,000

This initiative, which was approved outside of the regular FY05 budget cycle, funds 3 new FF/ALS positions. Two of these positions help staff a CARS ambulance, and one position is for Stony Point VFD.

EMS Instructor & EMS Supervisor

Additional Operating Expenditures: \$80,980

Total Operating Expenditures: \$144,467

This initiative for an EMS Supervisor position and EMS Instructor position for Fire Rescue was partially funded in FY05. The EMS Supervisor is a dedicated EMS management position and will facilitate a coordinated, cost-effective, quality care approach. The EMS Instructor assists the Training Division and is primarily focused on Advanced Life Support continuing education for the career and volunteer staff and Basic Life Support training for volunteers.

SPCA Animal Shelter Construction

FY06 Capital Expenditure: \$50,000

Total Project Expenditures (FY03-FY07): \$250,000

This is the fourth year of a five year commitment to fund the construction of the SPCA's new animal care, treatment, and adoption facility, which since 1956, has also served as the pound for both the City of Charlottesville and Albemarle County. The building was completed in FY05.

The County committed to fund \$50,000/year for 5 years.

Revenue Sharing Road Program (ongoing)

FY06 Capital Expenditures:
\$1,000,000

Total Capital Expenditures (FY06-FY10): \$5,000,000

This program provides funds for the construction, maintenance, or improvement of secondary roads. It (1) provides additional state funds for secondary road improvements, since VDOT will match local contributions up to \$500,000 annually; (2) accelerates improvements to secondary road projects by up to three years (VDOT estimate).

The project scheduled for FY06 is Proffit Road from Route 29 to 1.6 miles east to Baker-Butler Elementary School. This project will include sidewalks, bike lanes, curb and gutter and four lanes from Rte. 29 to Worth Crossing and two lanes to Baker-Butler.

Transportation Improvement Program (ongoing)

FY06 Capital Expenditures:
\$1,200,000

Total Capital Expenditures (FY06-FY10): \$8,865,000

This ongoing Transportation Program Fund provides for a more consistent and flexible source for the planning and development of major transportation projects, which are typically high cost projects requiring significant financial commitment to develop and implement. All road projects

identified are the highest priority County projects which, at this time, are either not eligible for VDOT funding and/or will not be designed and constructed within the time frame desired by the County to support orderly development of the County. Other transportation initiatives such as ride share and traffic calming require consistent proactive efforts to develop improvements.

Roadway Landscaping Program (ongoing)

FY06 Capital Expenditures:
\$28,000

Total Capital Expenditures (FY06-FY10): \$980,000

This project funds new landscaping improvements and the maintenance/upgrading of existing landscaping along County roads.

Proposed FY06 projects, which include funding from prior years, are landscaping the railroad embankment along the Ivy Road Corridor (route 250 West) from the City limits to the Route 250/29 Bypass and Route 29 Landscaping.

Sidewalk Construction Program

FY06 Capital Expenditures:
\$641,000

Total Capital Expenditures (FY06-FY10): \$2,749,000

This ongoing project provides annual funding for the construction of sidewalks and other pedestrian-related improvements not funded in conjunction with road projects or specific neighborhood plans.

Annual funding for a general sidewalk construction program permits greater flexibility for planning and construction of needed facilities. A new emphasis at the County and Regional Levels (e.g., Comp Plan Review, Neighborhood Model, and CHART), is on developing a multi-modal transportation system, including the

development of pedestrian facilities, and greater County responsibility for the provision and enhancement of public facilities, such as walkways, neighborhood level (pocket) parks, street lighting, roadway landscaping, etc.

Requested FY06 projects include Route 29 North Corridor Pedestrian Study priority recommendations (3 crossings of Rt. 29, Sperry, Mall, and Rio Hill Blocks) and Rio Road, from Fashion Square Mall to Railroad (south side of street).

Scottsville Community Center Improvements

FY06 Capital Expenditures:
\$57,000

Total Project Expenditures (FY03-FY 06): \$394,000

This project completes the development of the Dorrier Park and Scottsville Community Center property according to the master plan developed by the Scottsville Park Development Association. The requested funding is for shelter construction at Dorrier Park.

Greenway Program

FY06 Capital Expenditures:
\$25,000

Total Capital Expenditures (FY06-FY10): \$200,000

This project provides funds to implement the County Greenway Program. These funds are used to purchase land or easements, fund construction, or as matching funds for grants, depending on the opportunities available. While highest priority will be given to developing greenways identified in the Comprehensive Plan, other trail-related opportunities are evaluated for funding as they occur.

In FY05, 2,275 feet were added to the County trail system along Lickinghole Creek and the Rivanna River. Anticipated to be completed in FY05 is a deed of easement between the County

and Rivanna Water and Sewer Authority making the 69 acres Lickinghole Basin property and its trails a part of the County's parks and greenway system. Also anticipated to be completed in FY05 is the upgrading of the Class B trail running from Free Bridge downstream to the River Bend beach area to a Class A trail using 80% funding from a Virginia Recreation Trail Fund grant.

Anticipated projects for FY06 include acquiring the right-of-way and construction of a trail from Crozet Park to Lickinghole Basin and working with State Farm, Martha Jefferson, and Monticello to acquire the necessary right-of-way to continue the Rivanna River Greenway system downstream.

River and Lake Access Improvements

FY06 Capital Expenditures:
\$36,000

Total Capital Expenditures (FY06-FY10): \$191,000

This ongoing initiative provides funding to improve public access to rivers and lakes in Albemarle County with priority in the early years of this program to improve public access to area rivers. Funds will be available for special accessibility projects to public fishing lakes. Albemarle County has several beautiful rivers, most notably the James and Rivanna Rivers, however, current access to these rivers is poor or non-existent. Bank fishing will also be improved particularly for seniors, younger children and those with mobility limitations.

With the development of a formal river access point at Darden Towe Park in 2003, staff continues to explore opportunities for river access in the South Fork Rivanna Reservoir/29 North area and also for portage around Woolen Mills Dam

Paramount Theater Renovation

FY06 Capital Expenditure:
\$33,000

Total Project Expenditures (FY01-FY10): \$330,000

This project provides the sixth year of the County's financial contribution to help restore the historic Paramount Theater.

This project provides the County's financial contribution to help restore the historic Paramount Theater. The theater opened in December 2004. Some of the features of the project include: developing a three-story building adjacent to the Paramount in order to provide additional lobby space, restrooms, community space, community group meetings, corporate and private functions, and community rehearsal space, ensuring that the entire facility is accessible for persons with disabilities. This community center will offer plays, musical performances, fund educational programming for children, and lunchtime speakers on a variety of topics. The theater will also be available for rent to religious, corporate and civic organizations.

New Crozet Library

FY06 Capital Expenditures:
\$424,000

Total Project Expenditures (FY05-FY08): \$5,473,000

Funds are provided to provide the initial design and engineering work for a library in downtown Crozet according to the newly created Crozet master plan. Based on population figures and guidelines from the Community Facilities Plan and State Library, the current Crozet Library does not meet minimum requirements. Usage and population served continues to increase and the need for an expanded library for this community was identified by a library study in December 1999 and a County-funded study in June 2001. The location of the

current facility does not lend itself to expansion of the existing facility.

Affordable Housing Trust Fund

FY06 Operating Expenses:
\$200,000

Funding for this program begins to address the County's identified affordable housing problem by providing assistance to first time homebuyers earning less than 80% of median income. Funding includes \$100,000 in recurring funds and \$100,000 in one-time funds with the intent to replace \$50,000 in one-time funds with recurring funds each year for the next two years.

This is the second year of funding for this program. These funds, combined with the existing \$50,000 in the Albemarle Housing Initiative Fund, will provide a total revolving loan pool of \$250,000 for affordable housing efforts in the County.

New Initiatives

Court Square Sallyport

Lead Department: General Services

FY06 Capital Expenditures:
\$350,000

The sallyport consists of a fully enclosed area next to the existing walkway to the prisoner holding cell. The sallyport will enable Sheriff's Office vehicles to safely offload prisoners into the holding cell. The proposed design includes a fully automated gate system thus preventing prisoner escape during offloading. Work needed includes soil excavation and installation of poured concrete flooring and walls.

Police Officers/Civilian Patrol Assistant

Lead Department: Police Department

FY06 Operating Expenditures:
\$319,077

County recurring cost: \$212,487

This initiative provides three additional officers and one civilian patrol assistant to continue to move the police department towards its strategic plan staffing objective of 1.5 officers per 1,000 population. FY05 was the first year in a five-year strategic plan to move the police department towards realizing this objective. The civilian patrol assistant will assist in the increasing amount of administrative and support duties within the department. The position will handle tasks that are currently being performed by a police officer, freeing up the officer to focus on the higher priority calls for service.

which were planned to be included with the southern elementary school prior to the adoption of the DISC model. This park would include 2 little league baseball fields, 2 full size soccer fields, 2 basketball courts, 2 playground areas, and a picnic shelter with restroom.

Patricia Byrom Forest Preserve Park

Lead Department: Parks and Recreation

FY06 Capital Expenditures:
\$83,000

This request provides funds to develop an access road, parking area, and restroom to serve as a trailhead for the 600 acre Byrom Property which was donated to the County in 2004. This project is scheduled for completion during FY06.

Trail Development and Maintenance

Lead Department: Parks and Recreation

FY06 Operating Expenditures:
\$71,400

This initiative provides the equipment and supplies necessary to improve the ongoing condition of existing park trails and to also build and maintain new trails in the County park system. The recent citizen survey indicated that 20,394 households have a need for natural areas and trails. This was the number one need identified from a list of 27 existing recreation facilities.

Natural areas and trails also ranked as the most important recreation facilities to respondent households. When asked how existing recreational facilities met their needs, 14,215 households responded that their need for natural areas and trails were only partially met or not met at all. The survey also found that citizens believed that the most important function of the Parks and Recreation Department was to operate parks and facilities that are clean and well maintained.

The current park system contains 29.75 miles of trails. Many of these trails do not receive the necessary level of routine maintenance. Additional trail building opportunities exist as the County has over 2,000 acres of existing parkland. In addition, the Department plans include a new 600 acre trail park to be developed in FY06 and an additional 500+ acre trail park in FY08. Additional miles of trails will be added to the park system each year as the County accepts proffers for the greenway program. Trail development and maintenance will be a primary responsibility of the Community Inmate Workforce Program which was initiated in FY05.

Southern Rural Area Fire/Rescue Personnel

Lead Department: Fire/Rescue

FY06 Operating Expenditures:
\$297,586

This initiative places 3 additional fire/rescue personnel at the Monticello fire station to enhance coverage of the Southern rural area of the County.

Director of General Services

Lead Department: General Services

FY06 Operating Expenditures:
\$93,675

This position will support the strategic plan and comprehensive plan pertaining to the department functions and operations. Major functions include: public works, storm water control program, environmental management system, facility maintenance, capital projects team, custodial, fleet management, and a copy center.

Deputy Sheriff and Part-Time Office Assistant

Lead Department: Sheriff

FY06 Operating Expenditures:
\$66,943

A deputy sheriff position will permit the Albemarle County Sheriff's Office (ACSO) to meet the State code mandated demands of basic security and safety of the courtrooms and courthouses. With the security complications created by the Court Square Enhancement project along with the transition to the Levy Opera House by the J&D Court, there will certainly be additional challenges to safety and security.

The office assistant will permit the ACSO to use clerical help at a lower cost to perform clerical tasks currently being done by deputies at a higher cost to the County.

Strategic Direction

Efficient and Effective Services

This strategic direction involves the provision of the most effective and responsive services to meet our citizen's needs, through the development of county wide customer service standards and the ongoing collection of customer survey data. This priority also focuses on achieving the, most efficient and equitable services, particularly in providing needed public facilities and infrastructure.

Ongoing Initiatives

Juvenile Court Expansion/Renovation

FY07 Capital Expenditures:
\$1,450,000

This project provides for the ongoing costs in FY07 for the complete renovation and expansion of the Juvenile Court and the construction of a new three level parking garage. The facility will house two court rooms, judge's chambers, associated support space and the Sheriff's Office. Construction has started, and it is anticipated that \$1.45 million in additional funding will be needed to complete this project in FY07, if not sooner.

Police Technology Upgrade

FY06 Capital Expenditures:
\$203,000

Total Capital Expenditures (FY06-FY10): \$914,000

This project continues with \$180,000 to provide the Police Department patrol vehicles with laptop computers and Mobile Data Terminal technology. This project will result in increased safety for officers, allow dispatchers to determine patrol car location without the use of valuable voice channels, increase

field productivity, increase dispatch efficiency, streamline operations, automate report writing and encrypt transmissions to prevent unauthorized access.

A second part of the continuing technology upgrade for the Police Department is \$23,000 to install video cameos in all patrol vehicles. The camera and a remote microphone will record the interaction between the officer and traffic violator. This documented recording is critical to the prosecution of "Driving Under the Influence" and other serious traffic/criminal cases.

CityView - Permit Tracking Automation System

FY06 Capital Expenditures:
\$100,000

FY06 Additional Operating Expenditures: \$10,000

This project is an enhancement of CityView to allow internet and touchtone phone access. CityView software is a computerized tracking system used by the County in the review of all types of land development activities such as building permits, zoning clearances, subdivisions, site plans and other applications.

Technology Upgrade County - GIS System

FY06 Capital Expenditures:
\$220,000

Total Project Expenditures (FY04-FY07): \$581,000

This ongoing project consists of upgrading the Geographic Information System (GIS). GIS technology provides a means for the County to utilize the same mapping and database information to more accurately and efficiently view and analyze

spatial data that is currently unavailable or difficult to acquire.

Key Business Systems Upgrade

FY06 Capital Expenditures:
\$450,000

Total Project Expenditures (FY05-FY07): \$1,970,000

The Key Business Systems Upgrade will replace the County's mainframe system with a new system that will provide "state of the art" technology systems for key human resources, financial and program management functions. Work on the Design Phase began in February, with a proposed implementation for the Financial Management System in July, 2006.

Enterprise Agreement

FY06 Operating Expenditures:
\$149,240

This ongoing initiative funds the first full year of the County's decision to enter into the Enterprise Agreement with Microsoft. With this agreement, the County improves employee productivity significantly by having an upgraded and consistent software platform throughout the County. Since beginning the Enterprise Agreement, all users will be updated with Microsoft 2003, which has improved communication between County users. Employees also benefit from home use at no extra cost to the County, as well as the use of Microsoft self-directed training modules.

Since this initiative benefits all departments, the costs are distributed by increasing each department's charges for IT maintenance services.

Vehicle Replacement Fund

FY06 Operating Expenditures:
\$467,835

This initiative is the second year of implementation of a Vehicle Replacement Fund, which will annually replace County vehicles through an enterprise fund that monitors needed replacement, insurance, mileage, maintenance, and depreciation costs. In the second year of the fund, \$467,835 in operating costs is funded through a \$2 per gallon of fuel additional charge in all department budgets, with the remaining \$289,115 funded with one-time funds. Over a three-year period, the one-time funds will be replaced by operating funds.

New Initiatives

Monticello Fire Station Fiber Connection

Lead Department: Fire/Rescue

FY06 Capital Expenditures:
\$161,000

Since opening Station 11, design, construction, and system performance issues have been identified. These problems have been corrected in planning for future stations; however, they still exist at Station 11. A fiber optic connection is required to provide adequate access to the County network, a station alerting system is required, and the lock/building security system must be upgraded to provide for efficient and effective services.

Station 8 – Seminole Trail and CARS Station

Lead Department: Fire/Rescue

FY06 Capital Expenditures:
\$20,000

Two existing stations are in need of replacement in the northern urban ring of Albemarle County. The CARS Berkmar building and the Seminole Trail Fire Station (both located on Berkmar Drive) were built in the early 1970's. This project provides funding to explore the possibilities

associated with combining the two buildings into one facility, determining the appropriate location, and proposing possible station designs that would meet the needs of all stakeholders.

Lane Auditorium Renovations – County Office Building

Lead Department: General Services

FY06 Capital Expenditures:
\$1,180,000

This project will renovate and refurbish the Lane auditorium to serve as a venue for large meetings and productions, while introducing the flexibility to serve as an everyday board room. The architect engaged by the long range space planning committee will develop options to achieve both goals. Current seating capacity in Lane Auditorium is over 500 seats. It is a difficult task to retain the character of the Lane auditorium, and the capacity for handling large events, while installing mechanisms for easy transformation of the space into an appropriate setting for a board meeting hosting 30 people. Auditorium decor will be replaced, including curtains and seats.

Custodians

Lead Department: General Services

FY06 Operating Expenditures:
\$62,962

A lead custodian and a custodian are needed to provide coverage for the new COB 5th Street building.

Retiree Health Insurance

Lead Department: Management & Budget

FY06 Operating Expenditures:
\$200,000