



**FY 23 Recommended Budget
Work Session #2:
Public Schools &
Capital Improvement Program
March 14, 2022**

Schedule



Today

Public Schools and Capital Improvement Program

Mar 17, 23, 30 & Apr. 6

Mar 17 - Propose tax rate and budget for advertisement and public hearing

Mar 23 – Athletic Fields

Mar 30 – ARPA, Housing Initiatives, Boys & Girls Club

Apr 6 – If needed



Apr 27

Public Hearing on the CY 22 tax rate and Board's Proposed Budget



May 4

Board approves FY 23 Budget and sets tax rate

Work Session Process

- Interactive approach
- Staff presents info at level in between County Executive presentation & detailed budget document
- Includes many pauses for Board of Supervisors, questions, dialogue and identify items for:
 1. “The list” for potential adjustment and future Board discussion
 2. General information
- Responses outside of work sessions are posted to the website for transparency

Today's Agenda

- School Board Request
- Capital Improvement Plan & Capital Budget
 - Development Process
 - Expenditures
 - FY 23 Capital Budget
 - Revenues
- Debt Management



School Board's Funding Request



**FY 23 – 27 Capital Improvement Plan (CIP)
&
FY 23 Capital Budget
Pages 260 - 290**

Transformative Capital Investments



FY 21 & FY 22

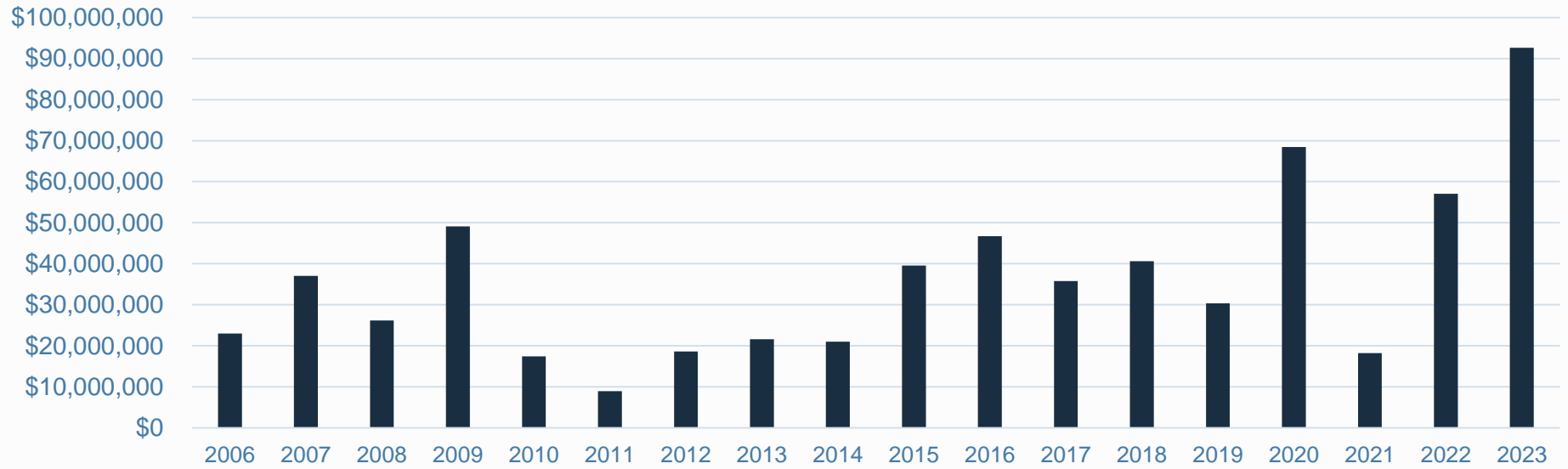
FY 21 Capital Budget

- Adopted in May 2020 during the early stages of the pandemic
- County paused several capital projects
- FY 21 – 25 CIP was not adopted.

FY 22 Capital Budget

- Board of Supervisors & School Board agreed to a simplified process
- CIP Advisory Committee developed a proposal for the remainder of FY 21 and FY 22
- Did not include a 5-year CIP given the level of uncertainty

FY 23 – 27 CIP is the first recommended CIP since the onset of the pandemic in the spring of 2020.



Capital Budget

FY 2006 – 2023

Recommended

**Existing
Projects
already
approved:**

**FY 22 &
Prior
\$146.3M**

Examples:

- Elementary School Additions & Improvements: Crozet, Scottsville, Red Hill, Mountain View
- Neighborhood Improvements Funding Initiative (NIFI) Projects
- Sidewalk projects
- Southern Convenience Center
- Western Park Phase 1A
- Economic Development Funding for Public Private Partnerships (P3's)
- Transportation Leveraging Program
- Maintenance & Replacement projects and programs

Working Differently to make Transformative Capital Investments

- Financial services: Procurement, Accounting, Treasury, Budget
- Legal services
- Project Management for County Government & Public Schools

Working Differently to make Transformative Capital Investments

Bond Issuances & Refinancing

- Summer 2021 bond issuance at record low interest rates
- March 2022 refinancing anticipated to save \$2.6M over the remaining life of the loan

Updated Assumptions & Projections

- Staff update of borrowing assumptions
- Updated FY 22-27 revenue projections
- Pandemic ongoing: Impacts to project costs, schedules and lead times affecting ability to execute

Policy options not available in FY 21 budget development

- Investing one-time funding
- Leveraging state and federal revenues
- State enabling authority

CIP Advisory Committee & Recommendation



**Oct 20, 2021
Joint Board
Work Session**

**Recommended
Draft FY 23 – 27
CIP will be
guided by:**

1) Current project obligations

- \$146.3M in previously approved projects in FY 22 and prior

2) Maintenance/replacement programs and obligations

- \$144.0M in prioritized projects

3) Focus of the CIP Advisory Committee: New projects aligned with the following criteria:

- Strategic Plan and new reality due to the pandemic
- Ability to Execute
- Ongoing operating cost impacts
- Equity statement for projects

Maintenance, Replacement, & Obligations

\$144.0M

Aligned with ability to execute. Examples:

- County Government and Public Schools Facilities Maintenance/Replacement Programs
- Fire Rescue Apparatus Replacement Program
- Ivy Landfill Remediation (Rivanna Solid Waste Authority)
- Public Schools Technology Program
- School Bus Replacement Program

Of note:

- Courts Complex-General District Court Renovation and Addition construction
- Core Systems Modernization

Core Systems Modernization

- Provide community and employees contemporary, digital government solutions
- Priority work is replacement and/or implementation of several operational systems
 - First Human Resource Information System (HRIS)
 - Replacement of Community Development System
 - Replacement of Financial System (ERP)
 - Replacement of Tax Billing
 - Launch of Customer Relationship Management (CRM)

Core Systems Modernization: Opportunity

- Strategy includes:
 - Policy and process reengineering
 - Dedicated full-time resources
 - Developing requirements
 - Technical expertise for implementation
 - Change Management/Training
- ADP Payroll and Camino Application Submittal are first steps to reframe efficacy & efficiency, decrease manual interventions, and provide data/reporting improvements

**Committee
Agreed with
Draft CIP
+
Recommended
Additional
Projects for
Consideration**

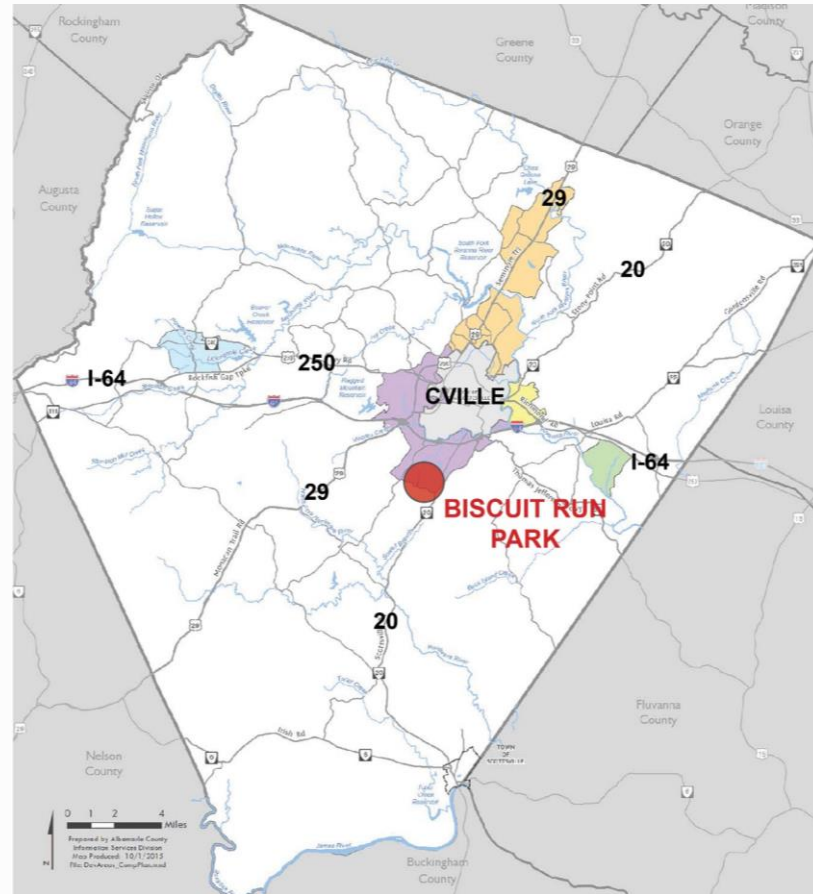
Draft CIP presented to Advisory Committee:

- Biscuit Run - Phased Portions

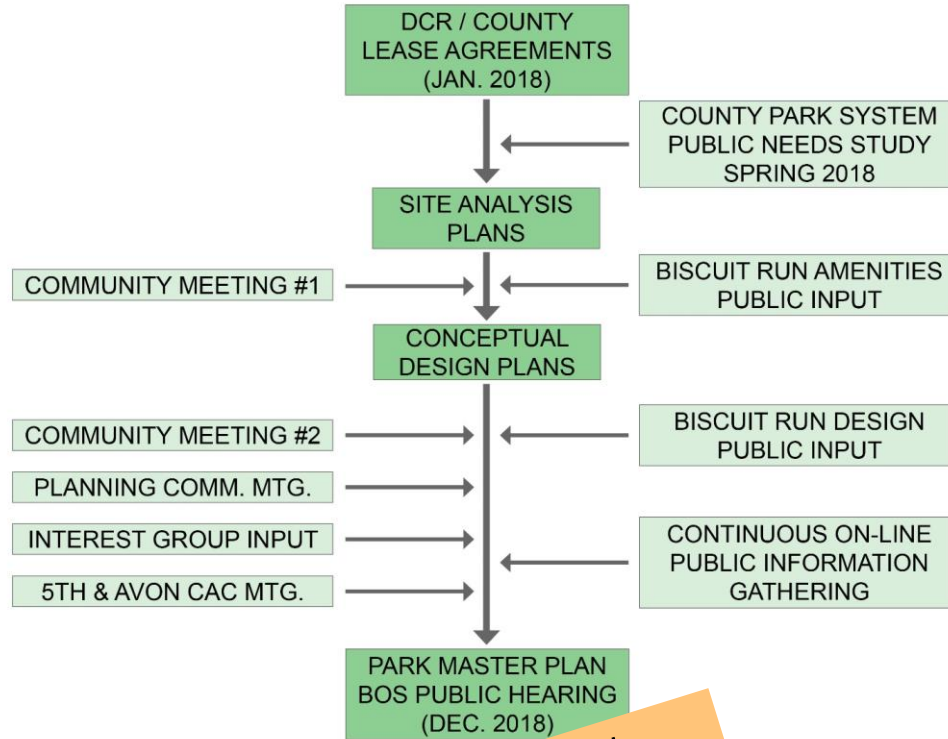


Biscuit Run Park

- Approx. 1,190 acres
- 2018: Albemarle County & DCR Agree to a 99-yr. Property Lease
- Terms:
 - ✓ 80% to Remain Forested (960 acres)
 - ✓ 5% Maximum Impervious Surface (60 acres)
 - ✓ DCR Recreational use Restrictions:
 - ✓ No Golf Course
 - ✓ No Permanent Stadium Seating
 - ✓ DCR Requirements for:
 - ✓ Natural Heritage Preservation
 - ✓ Riparian Buffer Protection
 - ✓ Invasive Plant Species Removal



Park Design and Approval Process

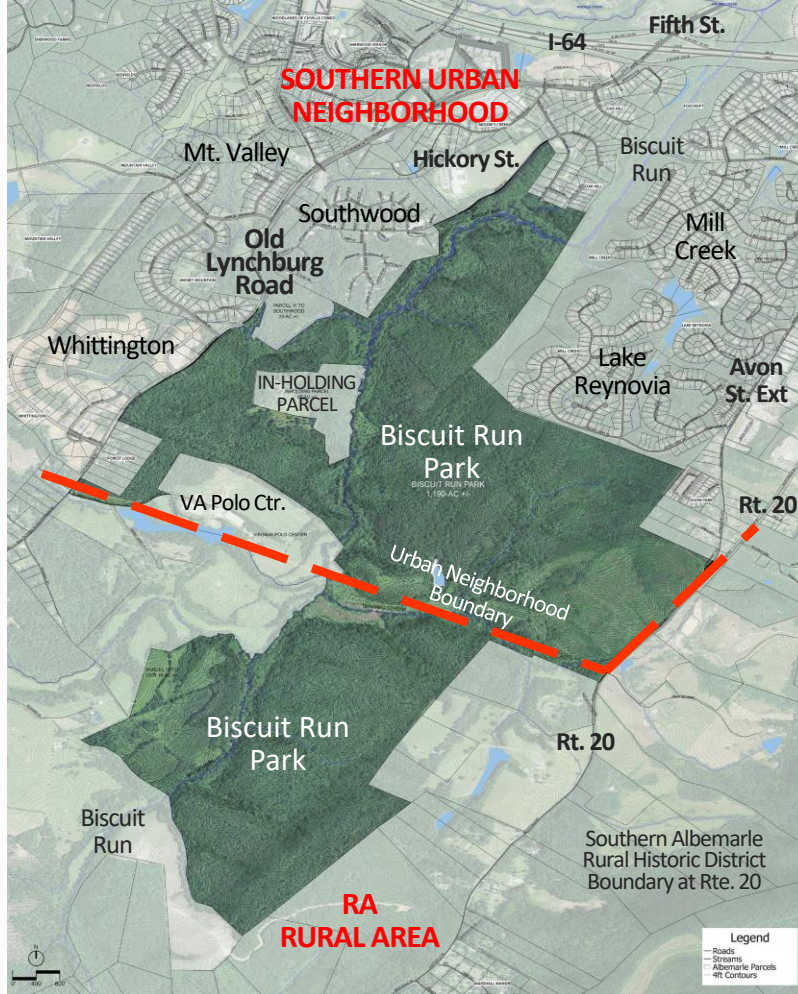


✓ DCR Approval:
✓ May 2019

Park Development Program & Activities

County Needs Study & Biscuit Run Public Input

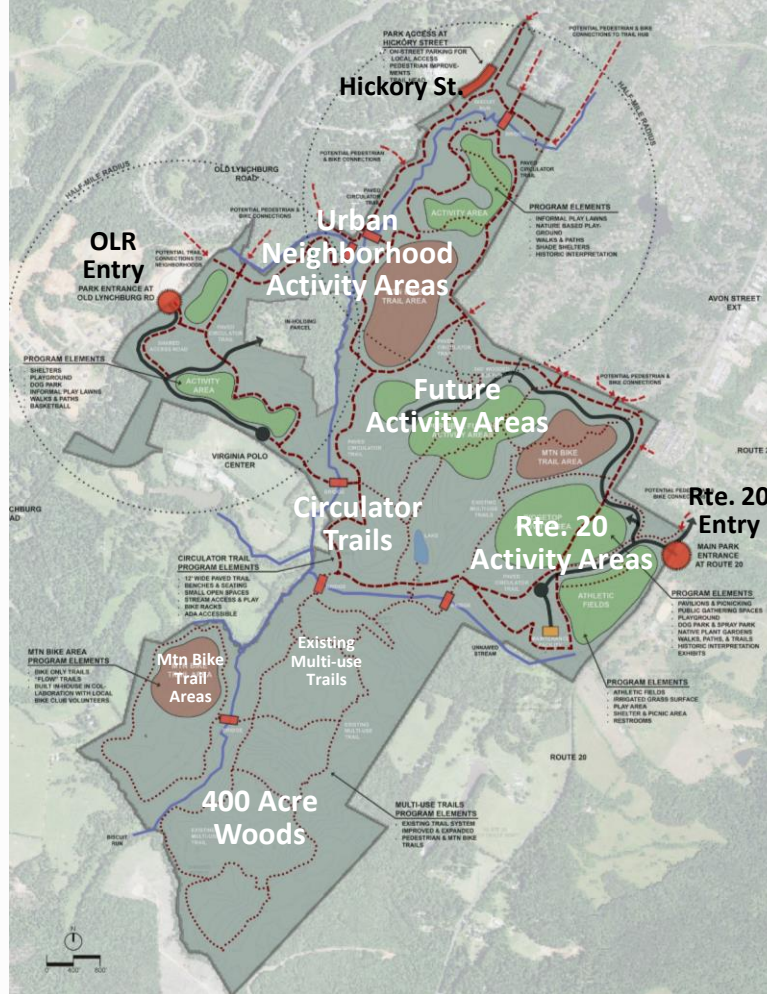
Programming / Activities	Priority
Walking, Hiking, and Biking Trails	HIGH
Youth Athletic Fields – Diamond & Multi-Purpose	
Open space / Conservation Parks	
Small Neighborhood Parks	
Large Community Parks	
Aquatic Facilities	
Off-Leash Dog Parks	
River Access / Boat Launches	
Pavilions and Picnic Shelters	
Playgrounds	



Site Context

- Vehicular Access From I-64, Old Lynchburg Road, Hickory St., and Rte. 20
- Park Straddles Southern Urban Neighborhood Boundary Line
- Private 38 Acre In-holding Parcel
- Southern Albemarle Rural Historic District

Park Master Plan



- Vehicular Entrances at Rte. 20 and Old Lynchburg Road
- On-street Parking at Hickory Street
- Urban Neighborhood Activity Areas
- Rte. 20 Activity Areas (Sports complex)
- Paved Circulator Trail System
- 400 Acre Woods
- New Mtn. Bike Flow Trail Areas
- Utilize & Improve the Existing Multi-use Trails
- Conserve and Protect Existing Natural & Cultural Resources

Development Cost Summary/Phasing

Phase 1

- Rte. 20 Entrance
- Paved Access Rd., Trailhead Pkg. & Restrooms
- Water & Sewer Utilities for Rte. 20 Activity Areas
- Hickory St. Trailhead with Gravel On-street Parking
- Park Maintenance Building & Equipment Yard
- Mtn. Bike Area & Multi-use Trails by County Staff and Volunteer Groups
- Invasive Plant Removal

*\$6.5M - \$7.5M Total Cost

Phase 2

- Part-1, Circulator Trail (3.1 Miles)
- 4 Grass Athletic Fields with Parking
- Playground and Picnic
- Hilltop & Neighborhood Areas Clearing with Lawns and Meadows
- Mtn. Bike Area & Multi-use Trails by County Staff and Volunteer Groups

*\$13.0M - \$14.0M Total Cost

Phase 3

- Part-2, Circulator Trail (3.4 Miles)
- 2-4 Grass Athletic Fields with Parking
- Access Road Extension
- Mtn. Bike Area by County Staff and Volunteer Groups

*\$11.5M - \$12.5M Total Cost

***2018 estimated costs**

PHASE 1,2, & 3 TOTAL: *\$31.0M - \$34.0M

FUTURE PHASES TOTAL: To Be Determined

Updated Development Cost Summary/Phasing

Phase 1a - Approved

- Park Entrance off RT 20
- Parking with 75 spaces
- Restrooms
- Trail Head & Kiosk
- Open/Green Space
- 5+ Miles of Multi-Use Trails

\$2.6 Million

Phase 1b - Request

- 4 Natural Turf Athletic Fields w/ irrigation
- Maintenance Facility and Equipment Yard
- Utilities
- BR Connector Trail 2.3 miles (5th St to Main loop Trail in Biscuit Run)
- Park Extension Roads w/ parking lots
- Paved Trail Head & kiosk w/ 50 spaces of Street Parking on Hickory Street
- Trail Bridges, Boardwalks & Kiosk

\$8.1 Million

Timeline for Phase 1a and 1b

Phase 1a

Based on consultant's estimated schedule, construction to begin in March 2023 with substantial completion in early fall of 2023

Phase 1b

FY 23 – Design Services

FY 24 - Construction

Future Park Development Summary

- 2-4 Natural Turf Athletic Fields w/ irrigation
- Circulator Trail – 6+ Miles of Paved Trail Surface with Neighborhood Connections
- Playgrounds and Large Pavilions
- Additional Multi-Use Trails Development by Staff and Volunteers
- Open Green Space
- Hill Top Neighborhood Activity Areas with Lawns, Meadows, Small Pavilions, Picnic Areas and Play Structures
- Future Park Development Total – To Be Determined

**Committee
Agreed with
Draft CIP
+
Recommended
Additional
Projects for
Consideration**

Draft CIP presented to Advisory Committee:

- Northern Convenience Center
- Street Sweeper



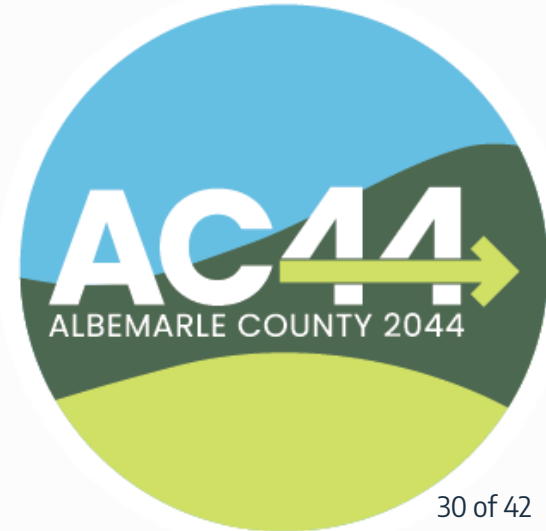
**Committee
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**Recommended
Additional
Projects for
Consideration**

Draft CIP presented to Advisory Committee:

- Transportation Leveraging Program
- Placeholder for future Strategic Plan/Comprehensive Plan Updates



**Committee
Agreed with
Draft CIP**

+

**Recommended
Additional
Projects for
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Draft CIP presented to Advisory Committee:

- School Capacity #1 – High School Capacity and Improvements - Center II
- School Capacity #2 – Elementary School #1
- Indoor Air Quality (Public Schools)



**Committee
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Additional
Projects for
Consideration**

CIP Advisory Committee indicated the strongest priority support for these projects:

- School Capacity #3 – Elementary School #2
- Increased Transportation Leveraging Program funding
- Initial Public Schools Renovations funding

Responding to CIP Advisory Committee Recommendations

School Capacity #3 – Elementary School #2

- Design Funding included in FY 27
- Construction Funding to follow in FY 28

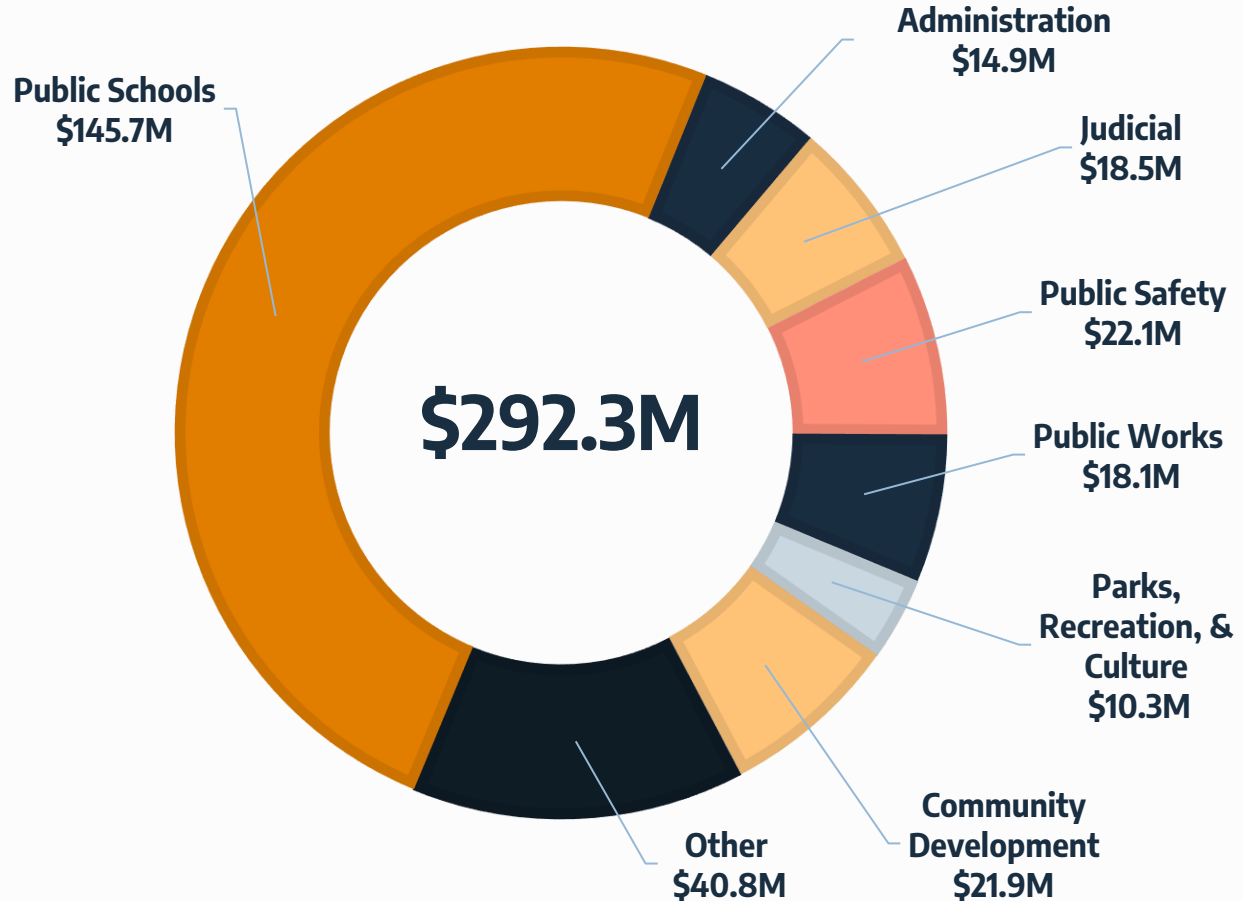
Increased Transportation Leveraging Program funding

- Increased funding by \$1.9M
- Adjusted timing to align with VDOT schedule

Initial Public School Renovation Funding

- \$9.4M included in Renovations over 5 years

FY 23 – 27 CIP Total Expenditures



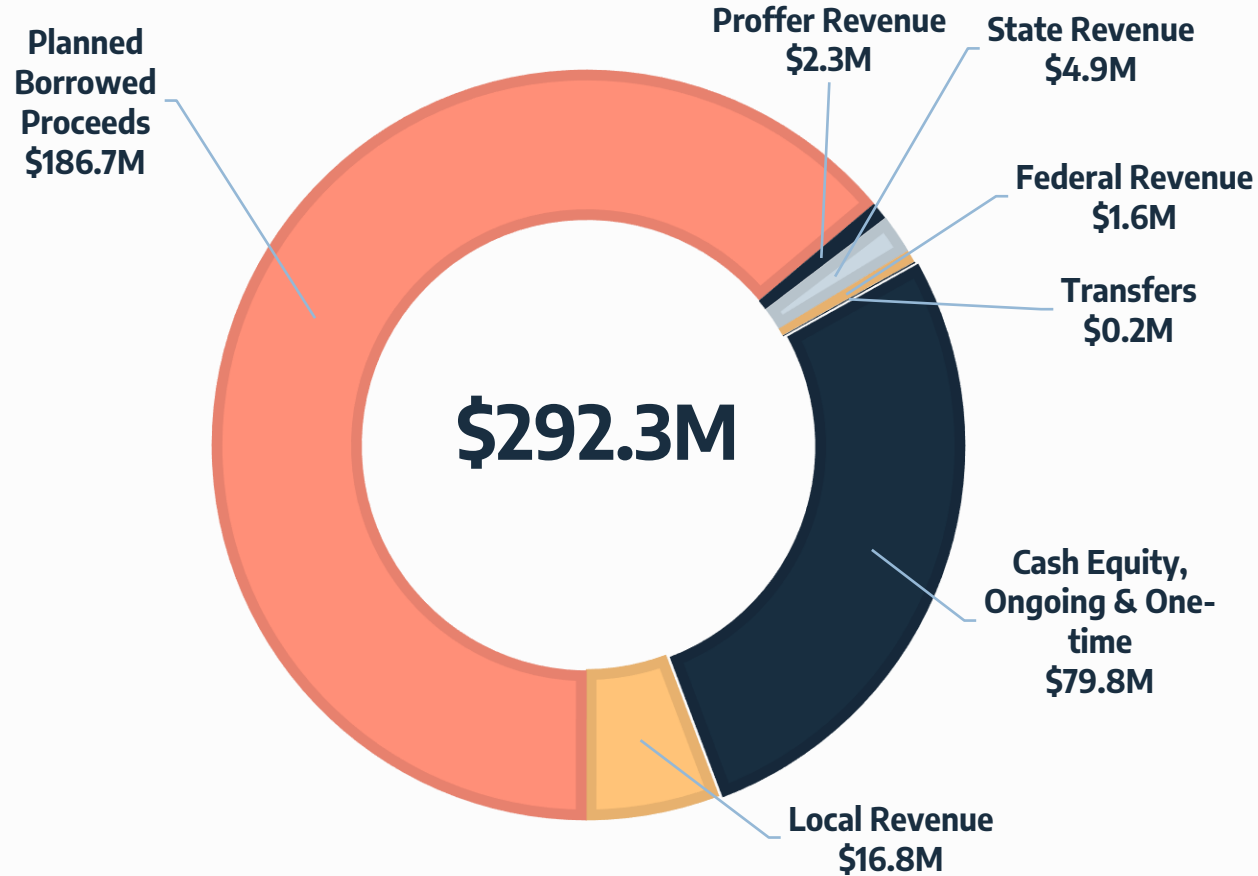
CIP Appropriation Timeline

Project	23	24	25	26	27
Elementary 1		◆	◆		
High School Center	◆				
Elementary 2					◆
School Renovations	◆	◆	◆	◆	◆
Indoor Air Quality	◆	◆	◆	◆	◆
Biscuit Run Park 1B	◆	◆			◆
Courts Construction	◆				
Northern Convenience Center		◆			
Transportation Leveraging	◆	◆	◆	◆	◆
Street Sweeper	◆				
Capacity for Strategic Projects		◆	◆	◆	◆
Maintenance & Replacement	◆	◆	◆	◆	◆
Core Systems Modernization	◆	◆	◆	◆	◆

Projects to be Appropriated in FY 23

- High School Capacity Improvements – Center II
- School Renovations & Indoor Air Quality
- Biscuit Run Park
- Courts Complex – Final Phase
- Transportation Leveraging Program
- Street Sweeper
- Maintenance, Replacement Programs & Obligations
 - Core Systems Modernization

FY 23 – 27 CIP Revenues



FY 23 – 27 CIP Revenues

Unrestricted – Cash Equity considered “pay as you go”

- \$51.7 M ongoing from the General Fund Transfer
- \$28.1 M in one-time funding, examples:
 - one-time General Fund transfers in excess of policy
 - one-time School Reserve Fund and School Fund transfers in excess of policy
 - \$1.5 M from the School Board’s funding request approved March 10 not yet included

Restricted Sources

- Borrowed Proceeds: \$186.7 M in planned borrowed proceeds
 - Bond issuances are planned to be lease revenue bonds in FY 23, FY 25, and FY 27 based on the spending and execution of the projects.
- State: \$4.9 M for current Mountain View, Renovation, and School Bus replacement projects
- Federal: \$1.6 M for School Air Quality project



Debt Management Pages 291 - 299

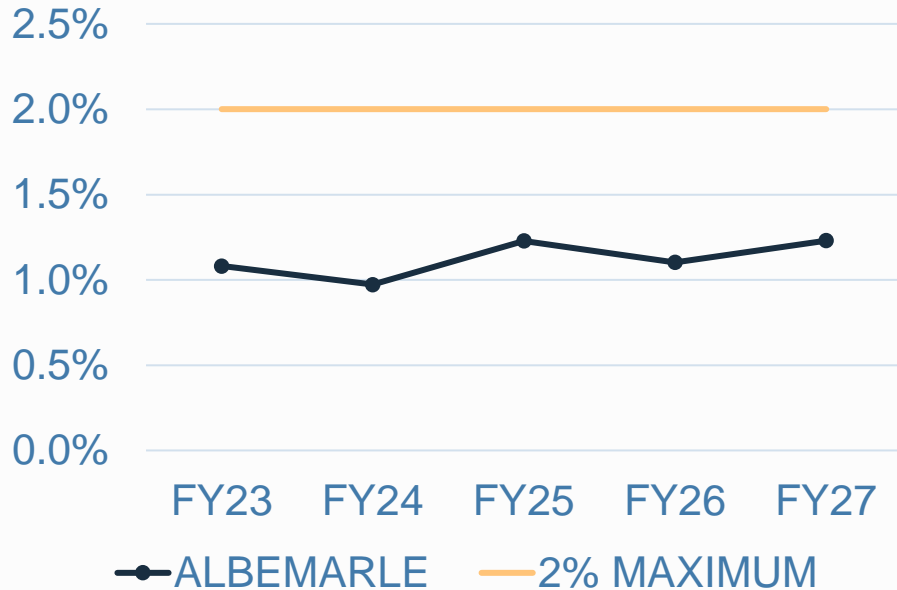
Summary of Debt and Projected Bond Activity

Existing Debt	\$198.8M
Projected New Bonds through FY 27	\$248.5M
Retired Debt through FY 27	(\$115.8M)
Total Projected Debt in FY 27	\$331.5M

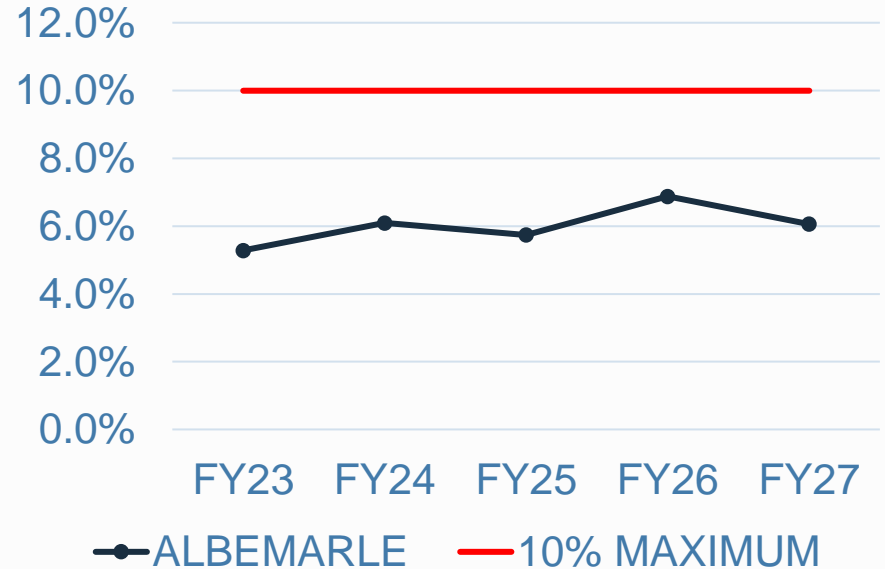
Debt Service interest rates for lease revenue bond issuance are estimated at 3.75% for FY 23 and at 4.75% for all future years.

CIP Comparison to Financial Policies

Outstanding Debt as a Percentage of Assessed Value of Taxable Property



Debt Service as Percentage of General Fund and School Fund Revenues



Schedule



Mar 17

Propose tax rate and budget for advertisement and public hearing



Mar 23, 30 & Apr. 6

Mar 23 – Athletic Fields

Mar 30 – ARPA, Housing Initiatives, Boys & Girls Club

Apr 6 – If needed



Apr 27

Public Hearing on the CY 22 tax rate and Board's Proposed Budget



May 4

Board approves FY 23 Budget and sets tax rate