

ACTIVATING THE  
STRATEGIC PLAN TO

STRENGTHEN OUR FOUNDATION

# **FY 24 Recommended Budget Work Session #4:**

## **Transit**

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March 22, 2023

# Calendar

## March

### Work Sessions

- ~~1<sup>st</sup> Public Hearing on~~
- ~~Recommended Budget~~
- ~~8<sup>th</sup> General Fund~~
- ~~13<sup>th</sup> School Board, CIP~~
- ~~15<sup>th</sup> Proposed Budget, Tax Rate~~
- 22<sup>nd</sup> Work Session: Transit
- 29<sup>th</sup> Work Session:  
Workforce Stabilization

## April

### Public Input

- ~~12<sup>th</sup> Work Session TBD~~
- ~~19<sup>th</sup> Work Session TBD~~
- 26<sup>th</sup> Public Hearings
- TBA Engagements

## May

### Adoption

- 3<sup>rd</sup> Approve and appropriate budget
- Set tax rate

# Agenda

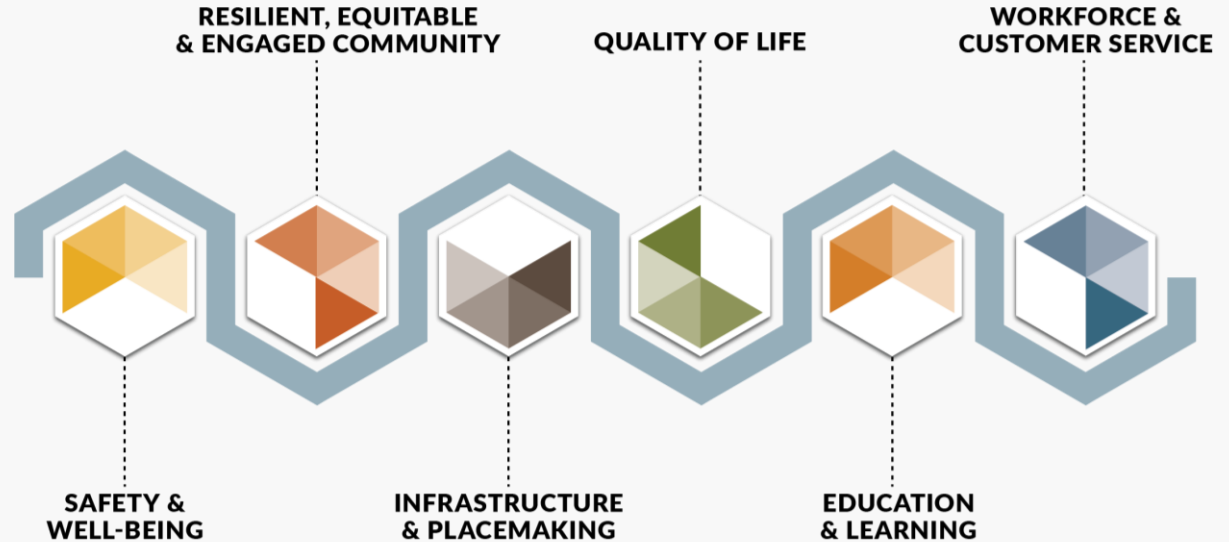
- FY 24 General Fund Transit Expenditures
  - County Budget Overview
  - CAT Budget Request Discussion
  - Jaunt Budget Request Discussion
  - Staff Recommendations
- Follow Up from Previous Work Sessions

## OUR VISION

*Albemarle County envisions a community with the following:*

- **ABUNDANT NATURAL, RURAL, HISTORIC, AND SCENIC RESOURCES**
- **HEALTHY ECOSYSTEMS**
- **ACTIVE AND VIBRANT DEVELOPMENT AREAS**
- **A PHYSICAL ENVIRONMENT THAT SUPPORTS HEALTHY LIFESTYLES**
- **A THRIVING ECONOMY**
- **EXCEPTIONAL EDUCATIONAL OPPORTUNITIES**

*For present and future generations.*



# Where do FY 24 increased General Fund Revenues go?

**\$14.6 M**

## Public Schools

Operating funds by formula

**\$12.5 M**

## Workforce Stabilization

Salary and benefits; new positions; Class & Comp implementation

**\$5.9 M**

## Schools Capital

Increased project costs & debt service

**\$2.2 M**

## Government Capital

Increased project costs & debt service

~~**\$3.5 M**~~

## Partner Agencies

Rising costs for services

**\$3.2 M**

# What Transit means for Albemarle County

- Albemarle County is part of a regional Transit network
- Utilizes two main service providers (leveraging state and federal dollars) as well as other regional partners
- Regional Transit Partnership
  - Regional Transit Vision Plan
  - Regional Transit Governance Study

# What Transit means for Albemarle County

- Charlottesville Area Transit (CAT)
  - Provides fixed route service in the urban zone
  - Microtransit Pilot Program
- Jaunt
  - Provides mandated ADA services related to CAT fixed routes (contracted through CAT)
  - Provides Urban and Rural on-demand services
- Focus on FY24 Budget Requests with future work session on service level discussions

# **General Fund Transit Expenditures Overview**

**pages 218-219**



1

SAFETY & WELL-BEING

2

RESILIENT, EQUITABLE &  
ENGAGED COMMUNITY

3

INFRASTRUCTURE &  
PLACEMAKING

4

QUALITY OF LIFE

5

EDUCATION &  
LEARNING

6

WORKFORCE &  
CUSTOMER SERVICE

## FY 24 Proposed Budget

Transit

- Microtransit Reserve of \$175,000 in FY 24 to fund the remainder of the County's microtransit demonstration grant match
- The Regional Transit Partnership (RTP) continues ongoing operations at \$25,000
- Afton Express continues ongoing operations at \$5,677
- \$98,000 for financial analysis of the County's transit systems

1

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## FY 24 Proposed Budget

### Transit

- FY 24 Budget Requests represent the continuation of existing services
- Charlottesville Area Transit (CAT)
  - Total budget request of \$1,300,000 an increase of \$300,000.
- Jaunt
  - Level funded at \$2,309,213
  - Transit Reserve – Jaunt - \$1,008,731 represents Jaunt’s requested increase for FY 24
- One-time Revenue of \$549K to partially offset Jaunt increase

# **Charlottesville Area Transit (CAT) Budget Request Overview**



# CAT

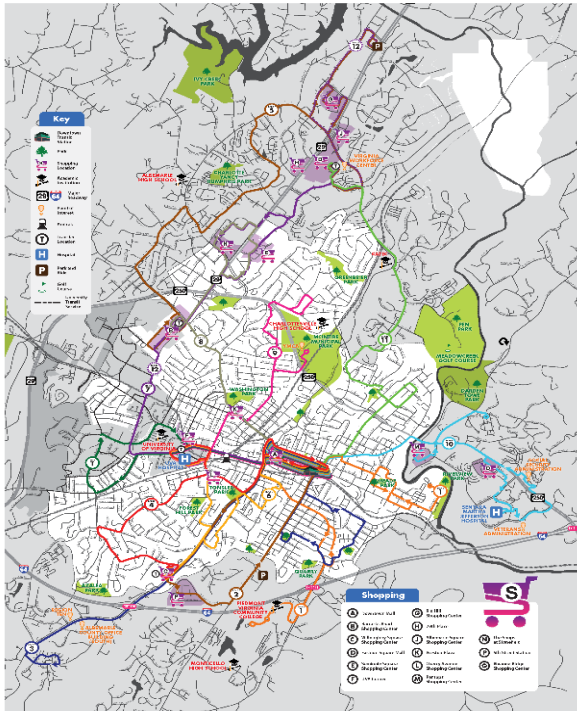
*charlottesville area transit*

Garland W. Williams

Director of Transit

Overview – Questions and Answers

# CAT – Service Summary



## Pre-COVID

- 13 routes (including Trolley)
- Service span generally 6 am to 12 midnight
- Limited Sunday service (4 routes)
- Accessibility (within ¼ mile of weekday service):
  - 62,500 population
  - 19,700 minority population
  - 4,500 low-income households
  - 2,850 no-vehicle households

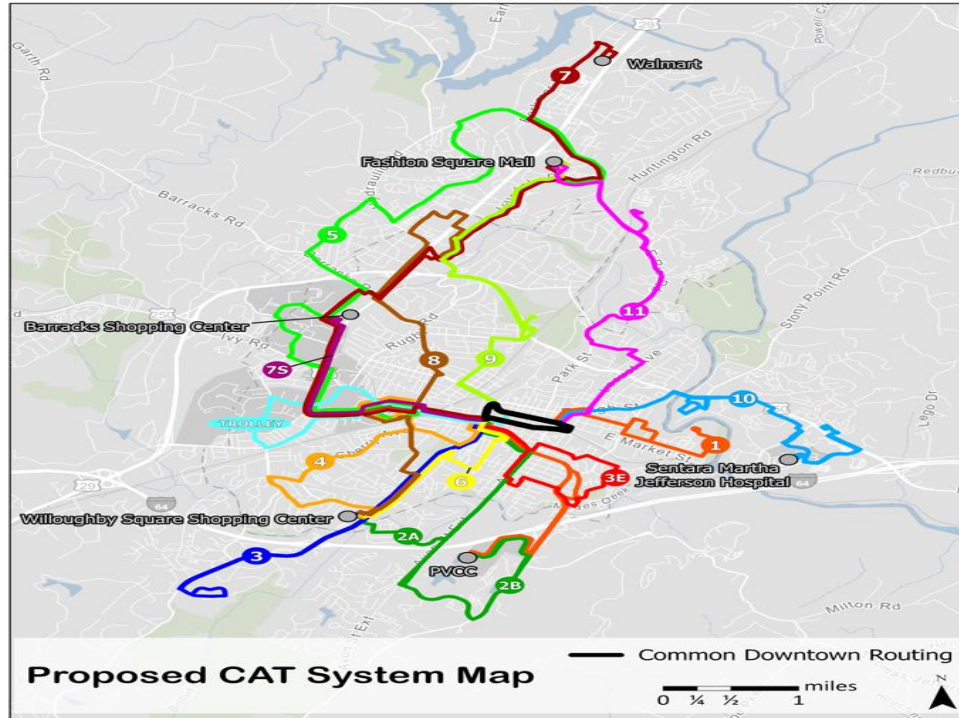
## COVID

- No changes in coverage
- Evening service ended by 9PM (currently operating to 10:30PM)
- Reduced frequency on select routes
- Sunday service eliminated (cleaning day)

The Following CAT routes provide service to Albemarle County



# TRANSIT



# Revenue and Expenditure Drivers – FY24

- Revenues:
  - Federal – 38.8%
  - State – 25.9%
  - City of Charlottesville – 23.6% (after Fed & State credits applied)
  - Albemarle County – Purchased Service – 10.8% (after Fed & State credits applied)

**Note: Ridership performance is a major driver of State Funding.**

- Expenditures
  - Service levels for each jurisdiction (total miles and operator hours)
  - Full-time staff levels – converting temporary to full-time
  - Fuel Costs (Diesel and Gasoline)
  - Repairs and Maintenance (parts, materials, and supplies)
  - % of Pay Increases (21.3% in one year)



# Priorities for FY24

- Focus on restoring pre-pandemic service levels
- Improve service on Route 6 (with service to Crescent Halls and South 1<sup>st</sup> Street) – 30-minute frequency
- Hire more operators and mechanics
- Introduce Micro-transit service in Albemarle County
- Improve reliability and frequency (better vehicles)
- Right-size the post-pandemic service model
- Add service to Route 2 – create a trunk line pattern with 2A & 2B





# Revenue Assumptions for FY24 City Manager's Proposed Budget

Source	Amount
Federal Operating Assistance	\$2,867,365
CARES/ARP	\$1,787,930
State Operating Assistance	\$2,729,126
State Grant – TRIP Grant (Zero Fare)	\$ 376,454
Local – City of Charlottesville	\$2,825,000
Purchased Service – Albemarle County	\$1,300,000 (requested)
Purchased Service – UVA payment (Trolley Service)	\$ 84,900
Advertising	\$ 25,000
Federal Operating Assistance – Jaunt pass-thru (ADA)	\$2,290,395
<b>Total FY 24 Revenue Funding</b>	<b>\$14,286,170</b> (minus Jaunt \$11,995,775)

# Expenditure Assumptions FY24 City Manager's Proposed Budget

## Operations

Personnel Expenditures	\$5,630,866
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Operating Expenditures	\$1,104,442
------------------------	-------------

<b>Total Cost for Operations</b>	<b>\$6,735,308</b>
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## Administration

Personnel Expenditures	\$ 782,394
------------------------	------------

Operating Expenditures	\$ 906,717
------------------------	------------

Jaunt pass-through (ADA)	\$2,290,395
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<b>Total Cost for Administration</b>	<b>\$3,979,506</b>
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## Maintenance

Personnel Expenditures	\$1,404,879
------------------------	-------------

Operating Expenditures	\$1,692,957
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<b>Total Cost for Maintenance</b>	<b>\$3,097,836</b>
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## Marketing

Personnel Expenditures	\$ 94,839
------------------------	-----------

Operating Expenditures	\$124,902
------------------------	-----------

<b>Total Cost for Marketing</b>	<b>\$219,741</b>
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## Safety and Security

Personnel Expenditures	\$210,985
------------------------	-----------

Operating Expenditures	\$ 42,794
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<b>Total Cost for Safety and Security</b>	<b>\$253,779</b>
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**Total Estimated Cost for FY  
24**

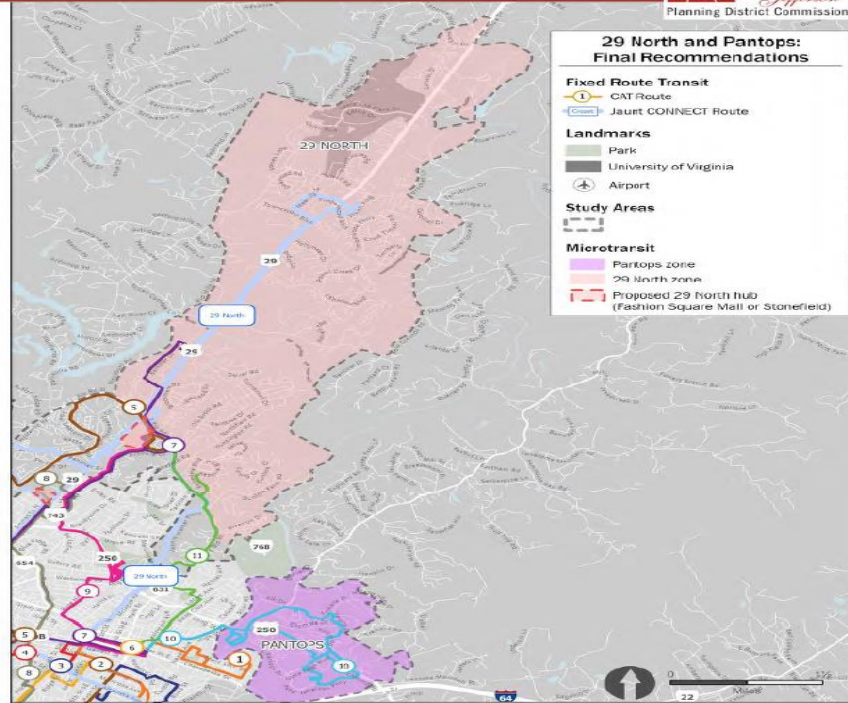
**\$14,286,170**

# Specific Network Improvements

- Improved service between UVA campus/Hospital and US 29 corridor (Routes 5 and 7)
- New crosstown service from south Charlottesville to US 29 corridor (Route 8)
- Proposed routes operating at 30-minute or better all-day weekday (Routes 2, 3, 5, 6, 7, 10, Trolley)
- Additional weekend service coverage (Routes 1, 3, 10)
- New coverage in county along Mill Creek Drive and to Monticello High School (Route 2B)
- New coverage in city with Route 5 extended to UVA Hospital
- Provide 60-minute or better weekday service on all routes

# Micro-transit

ALBEMARLE COUNTY TRANSIT EXPANSION STUDY



# Priorities for FY24

- Introduce Micro-transit service in Albemarle County
  - This microtransit service (and operator) will operate under the CAT umbrella of services (not a stand-alone entity).
  - 6:30 a.m. to 9:00 p.m., Monday through Saturday\*
  - US-29 North zone
  - Pantops zone

# Revenue & Expenditure Assumptions for FY24 Micro-transit

Source – Revenues	Amount
State Demonstration Project Grant	\$1,552,000
Albemarle County – Local Match	\$ 388,000
<b>Total FY 24 Revenue Funding</b>	<b>\$1,940,000</b>

Source – Expenditures	Amount
Salary and Wages	\$1,704,250
Advertising & Promotion Media	\$ 135,000
Professional Services (\$80,000) /Services & Maintenance Contracts (\$20,750)	\$ 100,750
<b>Total FY 24 Expenditure Funding</b>	<b>\$1,940,000</b>



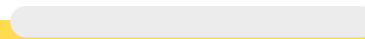
# **QUESTIONS AND DISCUSSION**

# County Engagement Efforts with Jaunt

- How did we get here
  - Audit Findings
  - Virginia Department of Rail and Public Transportation Cure Letter
  - New Jaunt Leadership
- County Responses to State Findings
  - Memorandum of Agreement
  - Quarterly Reports
  - Increased staff engagement with Jaunt
  - Jaunt Board Representation
  - Staff Reports to Board of Supervisors

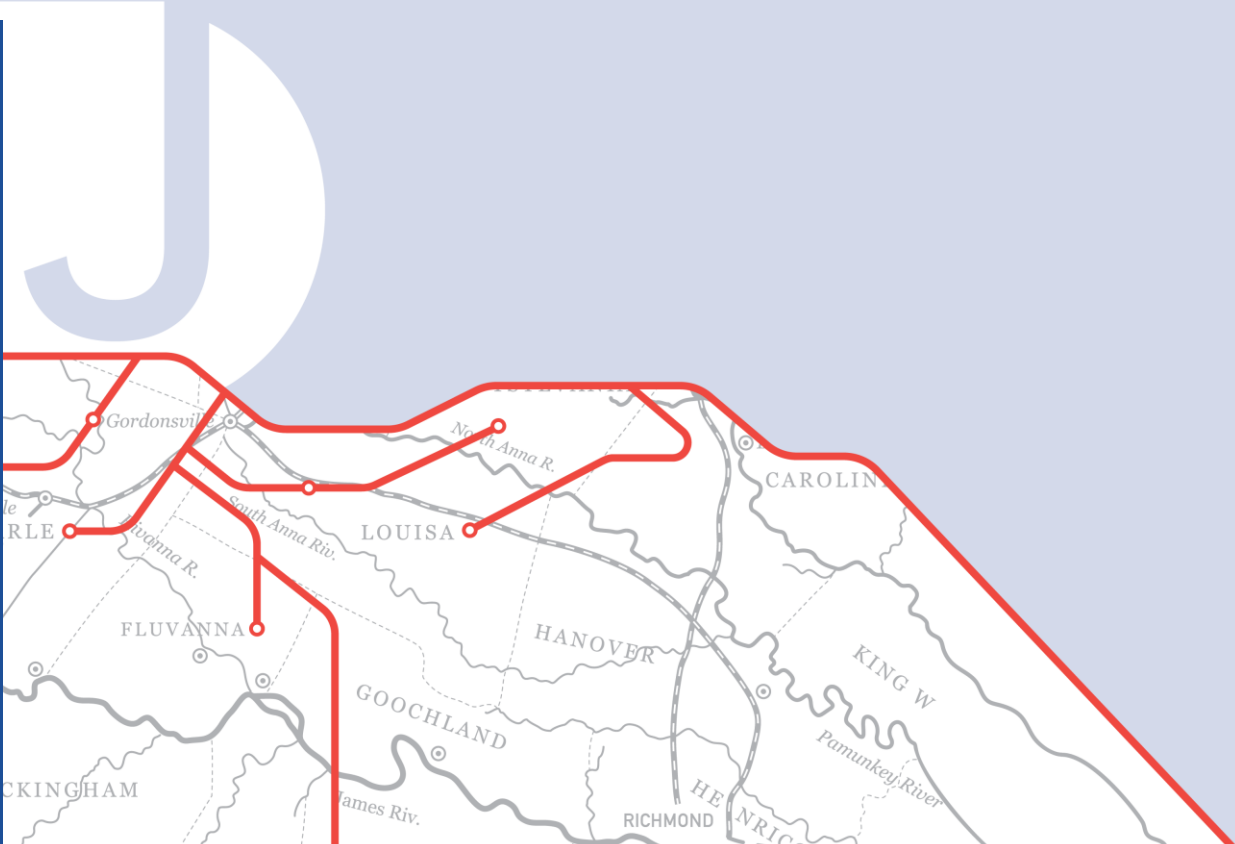


# Jaunt Budget Request Overview



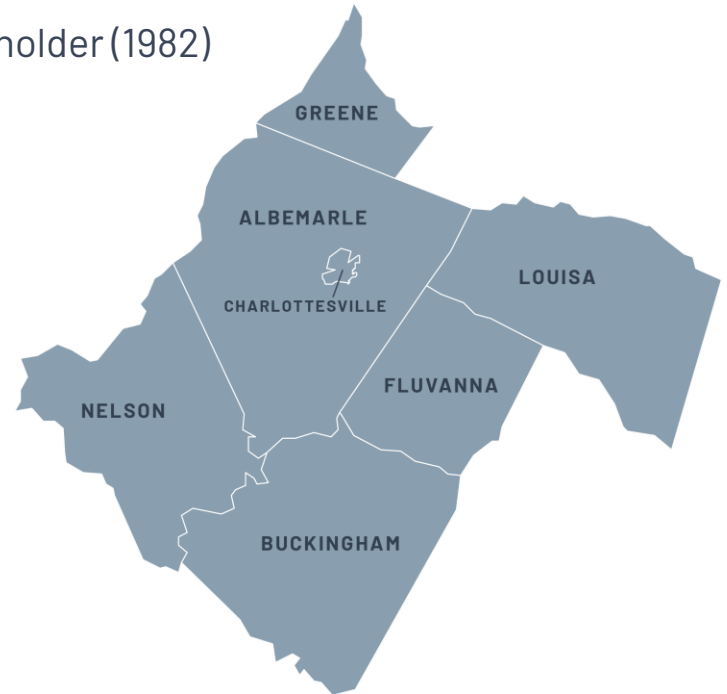
# Albemarle Board of Supervisor's Transit Work Session

March 22, 2023



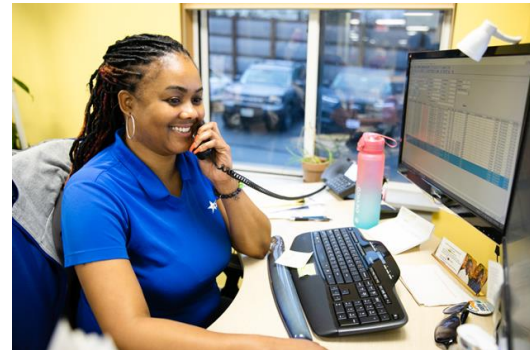
# How Funding and Costs Work: Organizational Framework

- Jaunt public service corporation owned by 5 governmental entities, serving 7 jurisdictions plus nonprofit agencies.
- Albemarle County founding stockholder (1982)
- Other stockholders:
  - Louisa County
  - City of Charlottesville
  - Nelson County
  - Fluvanna County
- Others—not stockholders:
  - Greene County
  - Buckingham County



# Jaunt Shared Resource s

- Jaunt shares resources among jurisdictions
  - Vehicles
  - Administrative/Operations Facility
  - IT infrastructure; state of the art scheduling software
  - Call Center (Reservations)
  - Vehicle maintenance
  - Accounting and grants
  - Planning and marketing



# Types of Funding

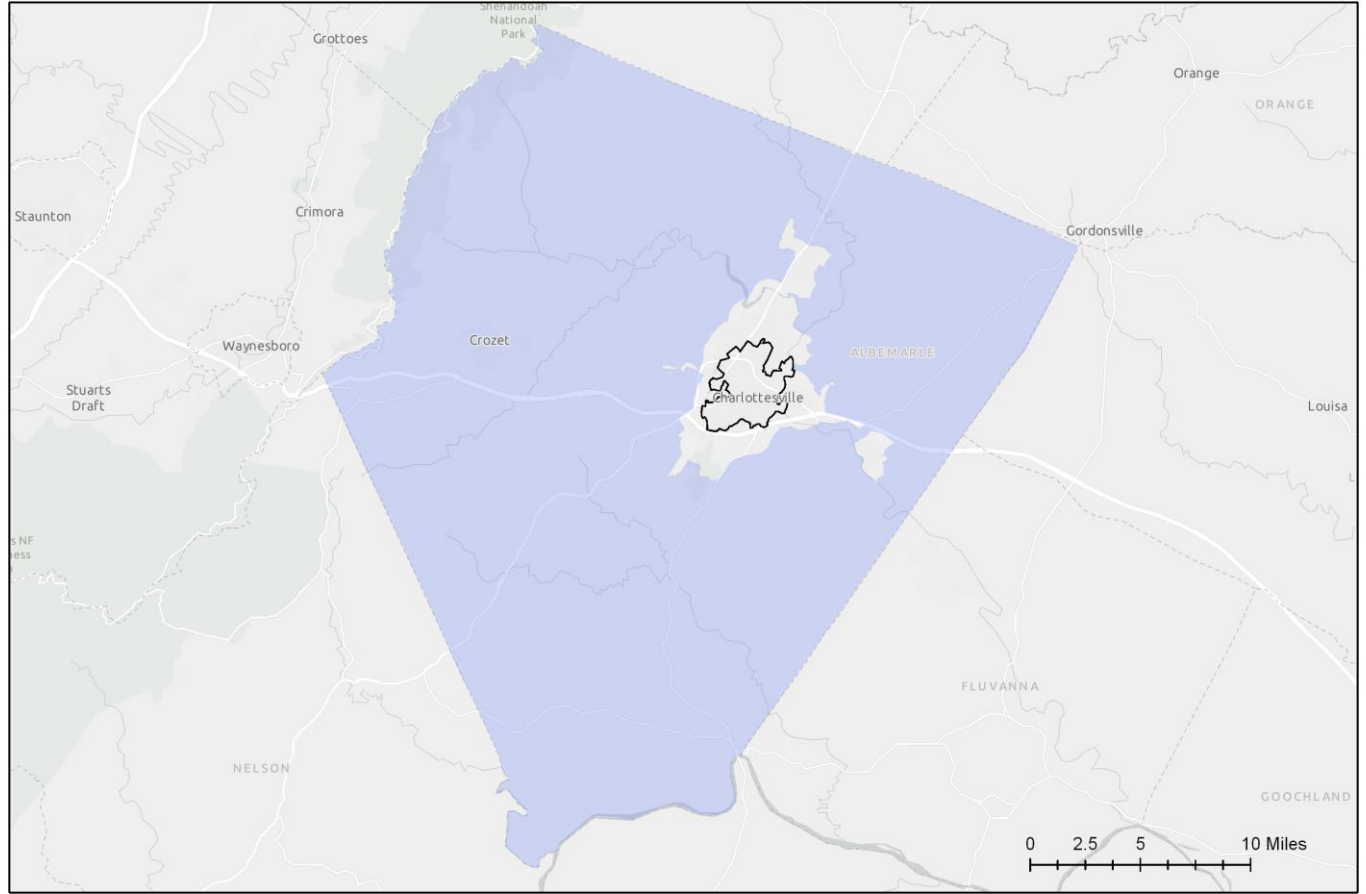
- **Federal**
  - Urban (from CAT and only used for Urban ADA operations)
  - Rural (from state for operations and capital)
    - Historically used wrongly in urban too
  - Can't mix funding uses but can use concurrently if costs are segregated
- **State**—rural and/or urban, can mix funding uses
- **Local**—rural and/or urban, can mix funding uses



# Rural Zone (5311 Funding)

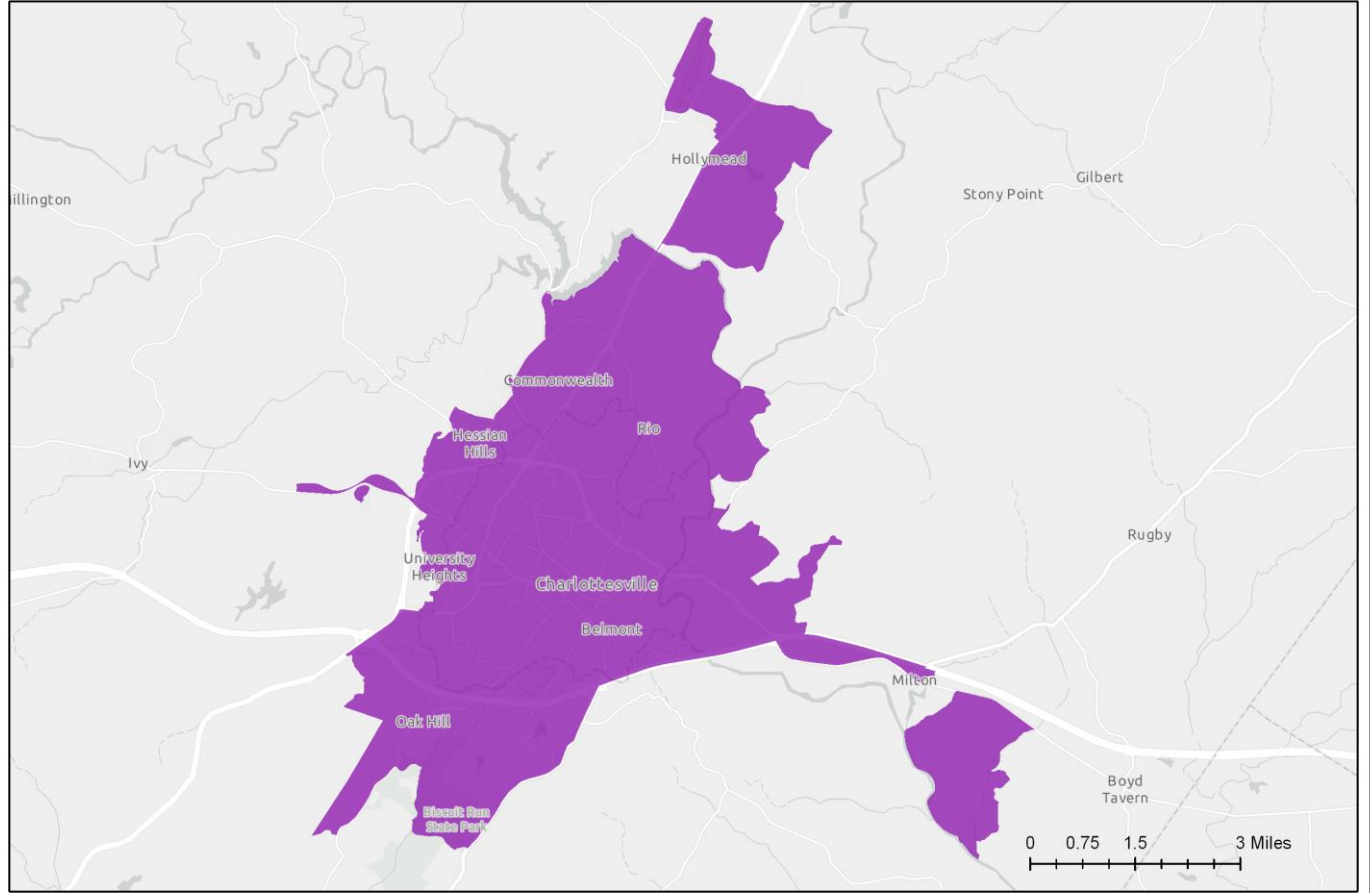


Service  
Types:  
Rural





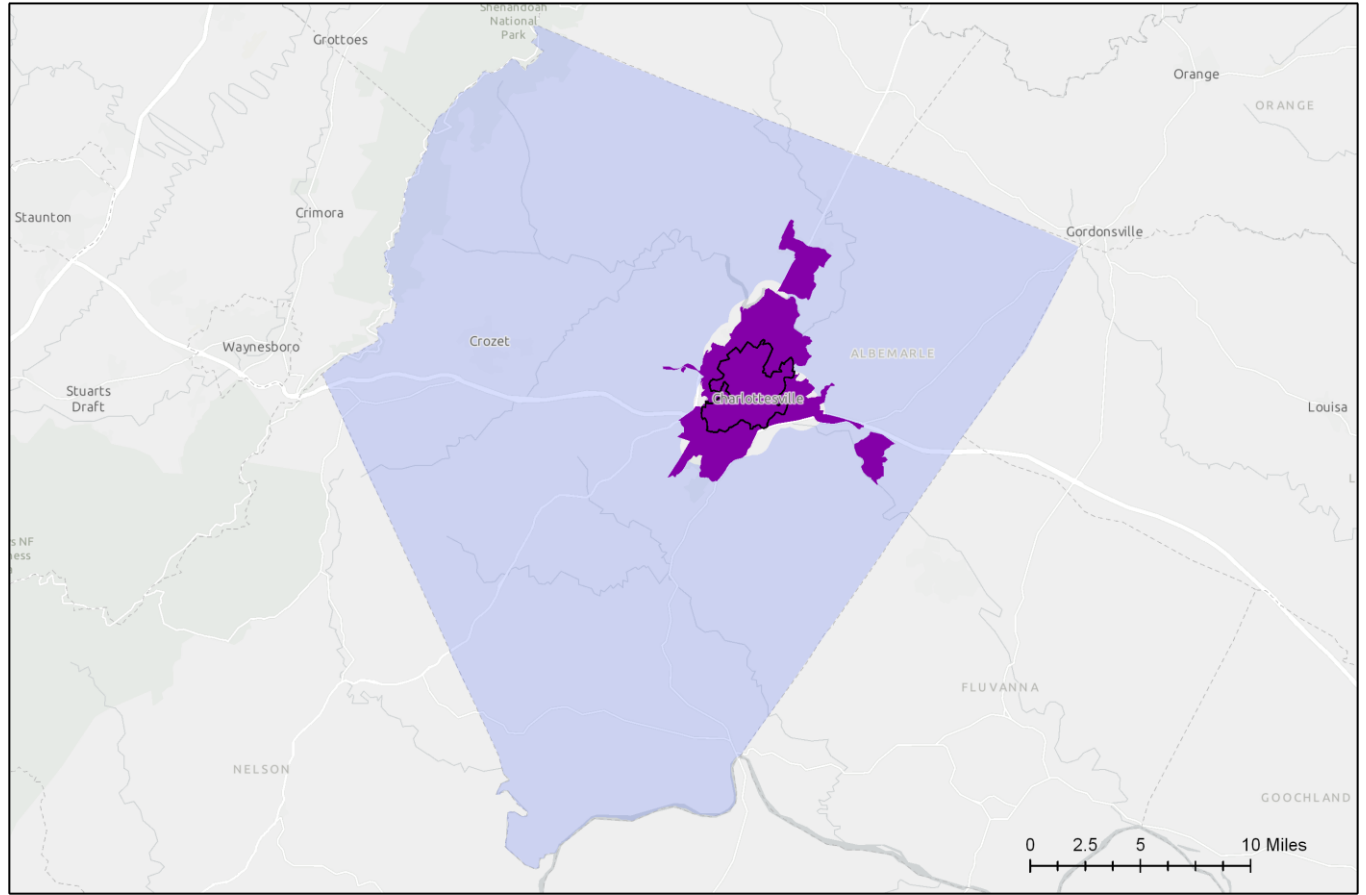
# Charlottesville UZA (Urbanized Area)



Service  
Types:  
Urban



# Rural Zone and UZA

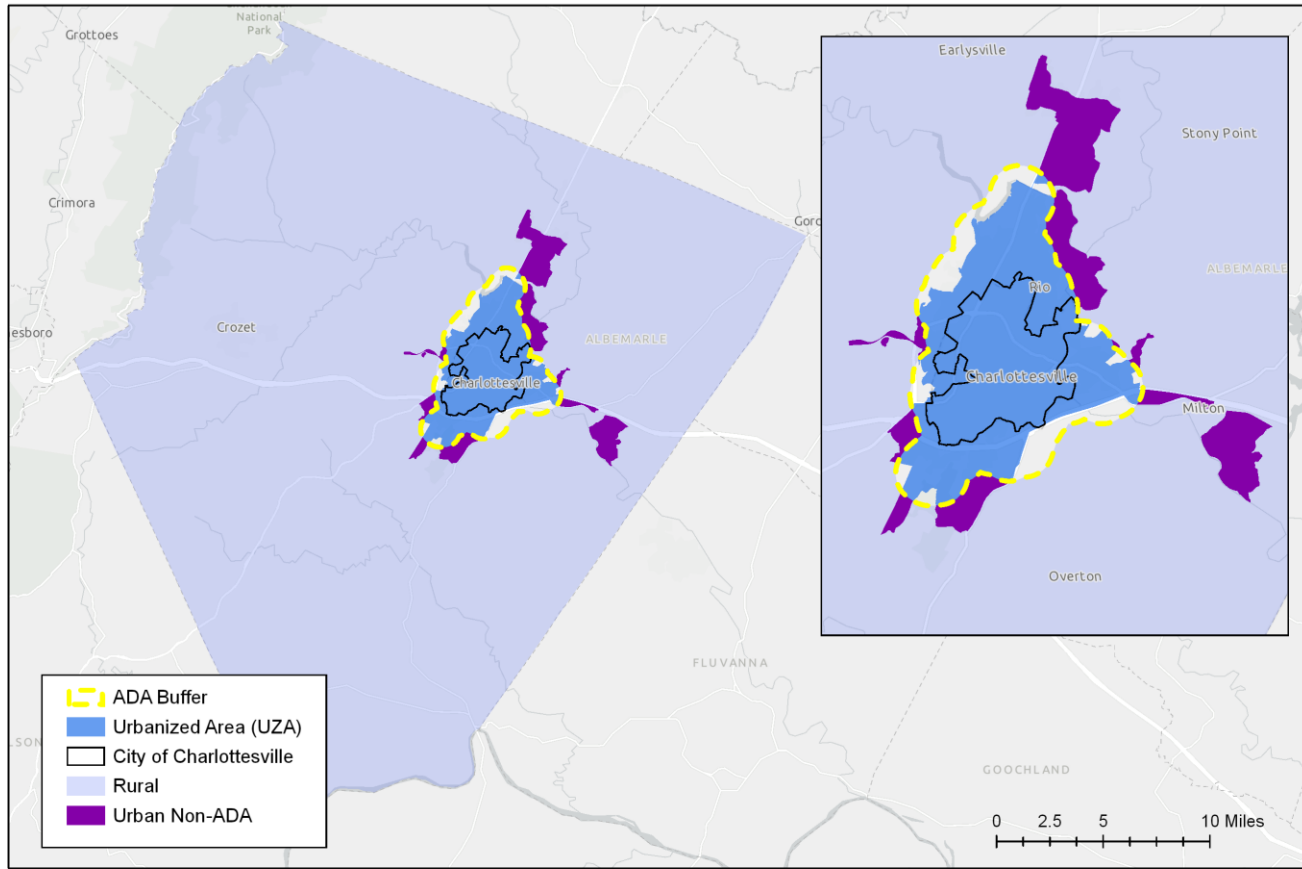


Service  
Types:  
Rural,  
Urban





# Albemarle Funding Zones



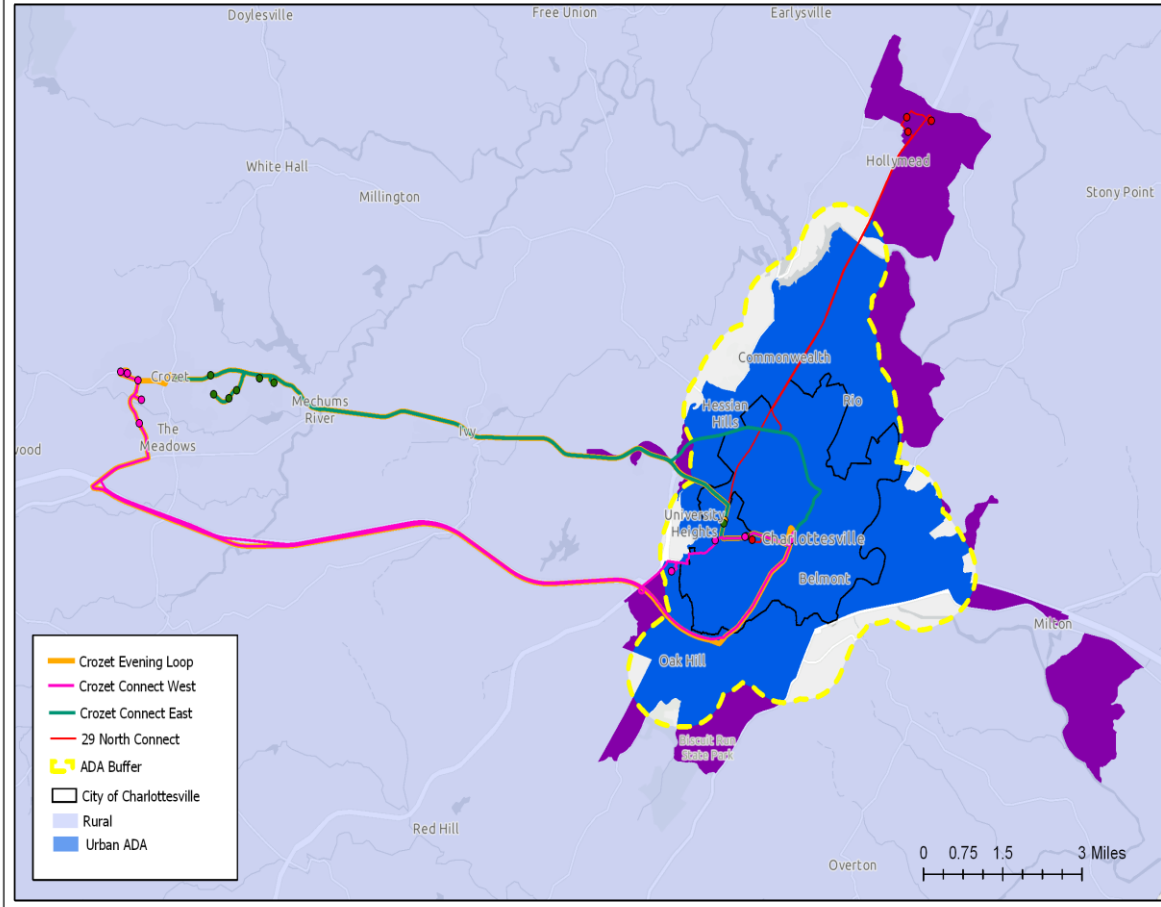
Service  
Types:  
Rural,  
Non-ADA,  
Urban ADA



# Albemarle CONNECT Services



Service  
Types:  
Rural,  
Urban  
ADA,  
Urban  
Non-ADA

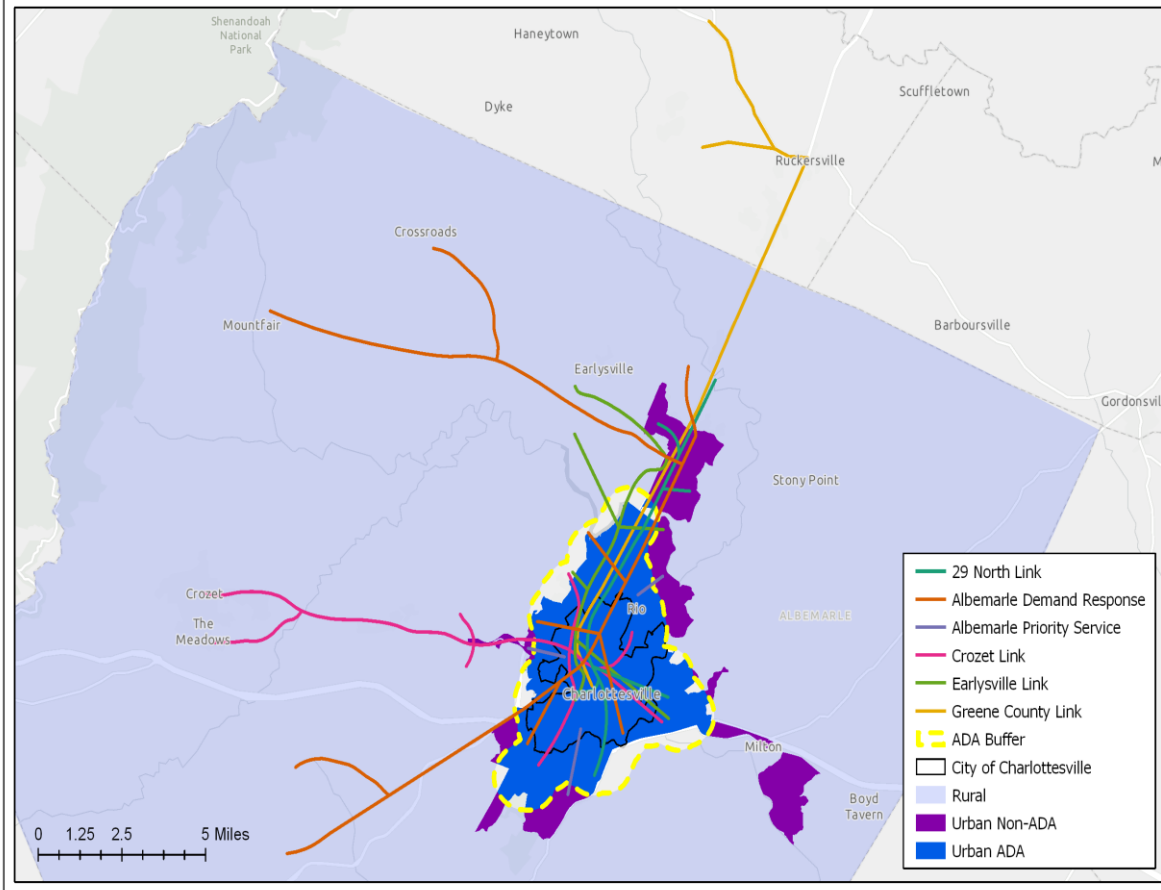




# Demand-Response Services within UZA



Service  
Types:  
Rural,  
Urban  
ADA,  
Urban  
Non-ADA



# Funding Request

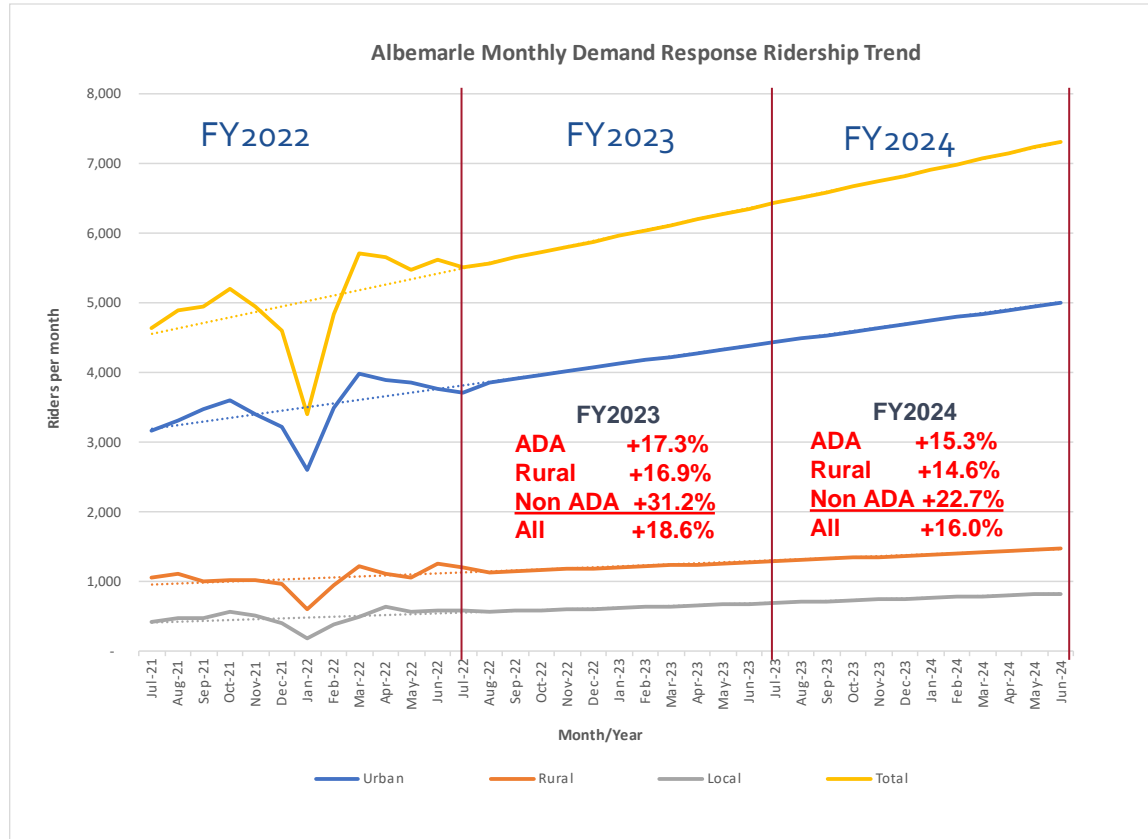
## Local Share for Albemarle County

Item	FY2024	FY2023	FY2022	FY2024	FY2023	FY2022	Change FY24
Operations	\$ 2,903,749	\$ 2,302,913	\$2,178,987	26.1%	5.7%		\$ 600,836
Capital	414,195	6,300	321	6474.3%	1864.4%		\$ 407,895
<b>Totals</b>	<b>\$ 3,317,944</b>	<b>\$ 2,309,213</b>	<b>\$2,179,308</b>	<b>43.7%</b>	<b>6.0%</b>		<b>\$ 1,008,731</b>
<b>Albemarle Service Hours</b>	<b>47,086</b>	<b>40,938</b>	<b>37,399</b>	<b>15.0%</b>	<b>9.5%</b>		

## Influencing Factors

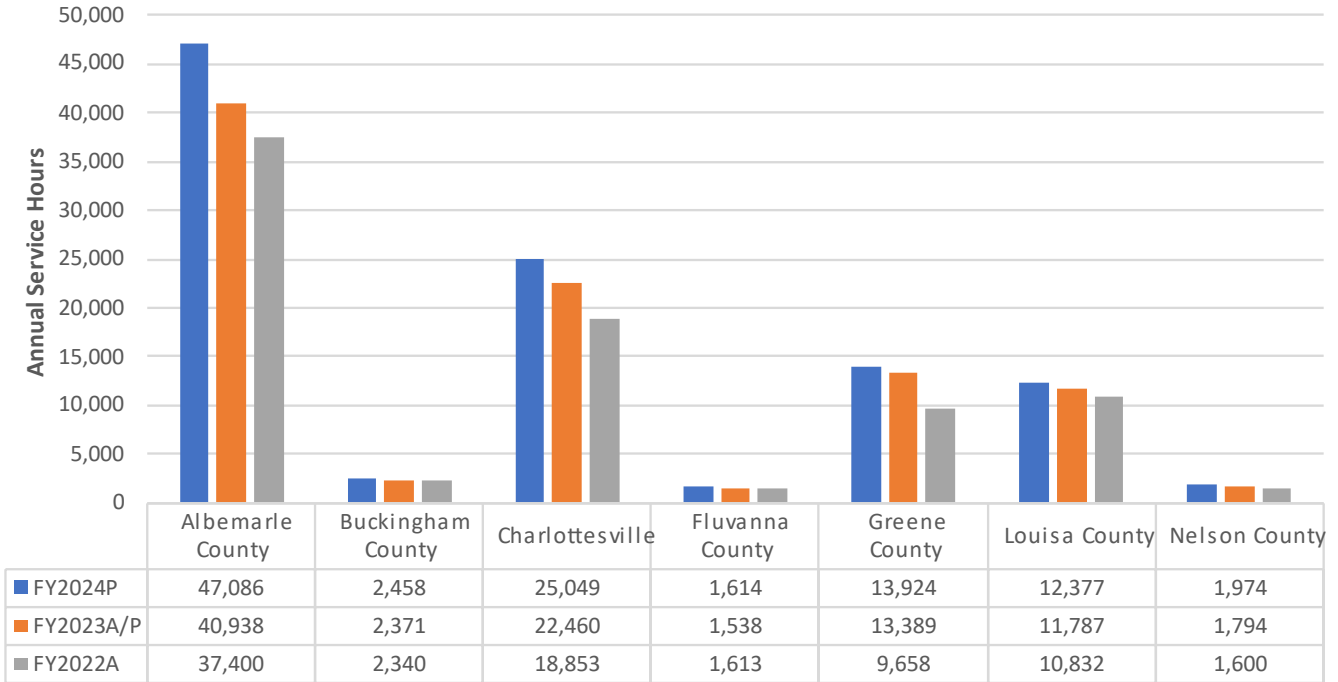
- Increased service demand
- Increased cost for labor
- No federal funding available to Jaunt for Urban non-ADA service
- No federal or state funding available to Jaunt for urban capital

# Service Projections : Based on Riders



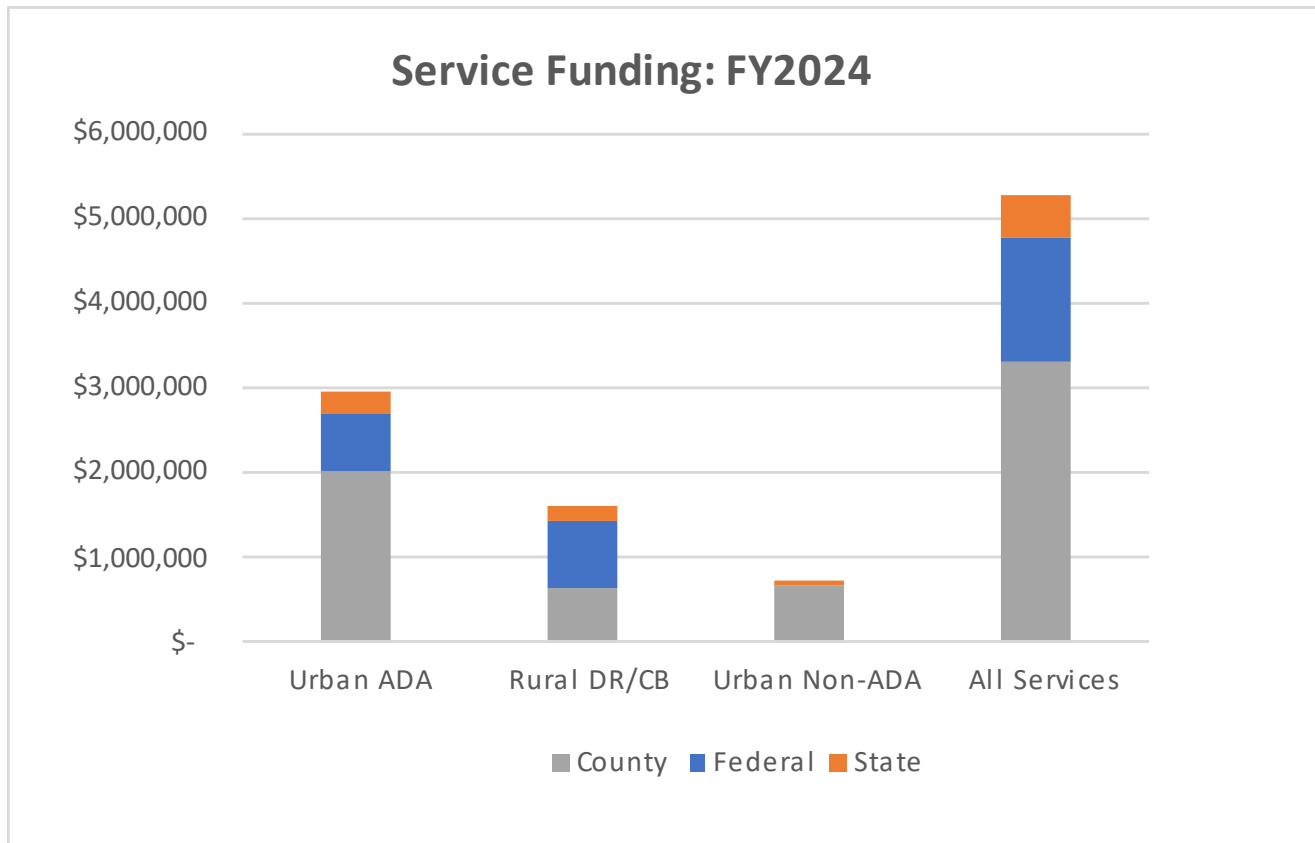
# Service Projections : Service Hours, Miles

## Service Hours: FY2022 to FY2024



Jurisdiction

# Service Funding FY2024

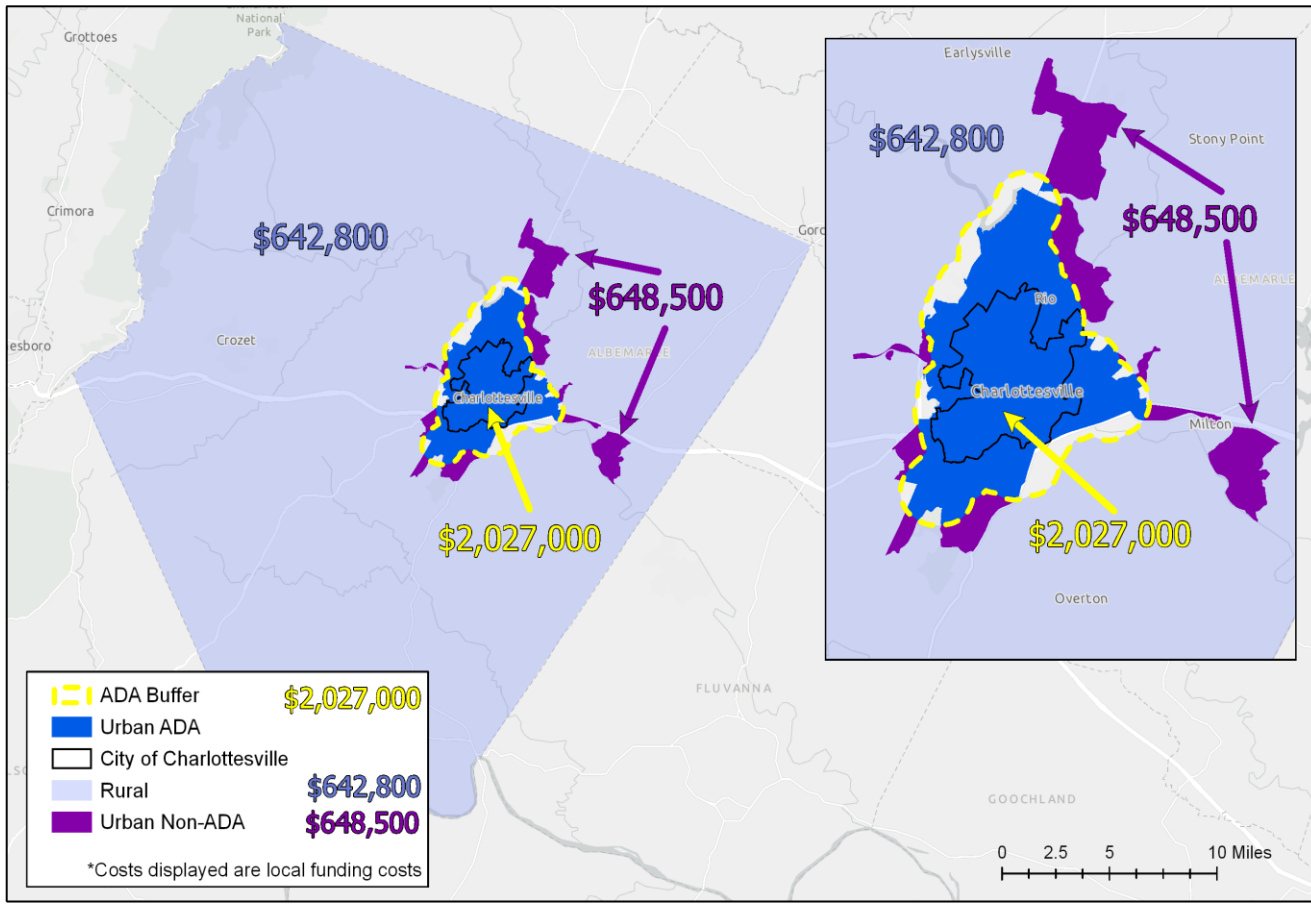




# Albemarle Service Zones



County  
Cost for  
Service  
Types:  
Rural,  
Urban  
ADA,  
Urban  
Non-ADA





# Role of Urban Non-ADA Service

- Part of a multi-modal approach to transit
  - Cost effective way to build a market for fixed route
- Connects rural and ADA zones
- Employment and medical related trips to the non-ADA area

# Urban Non-ADA Rider Profile

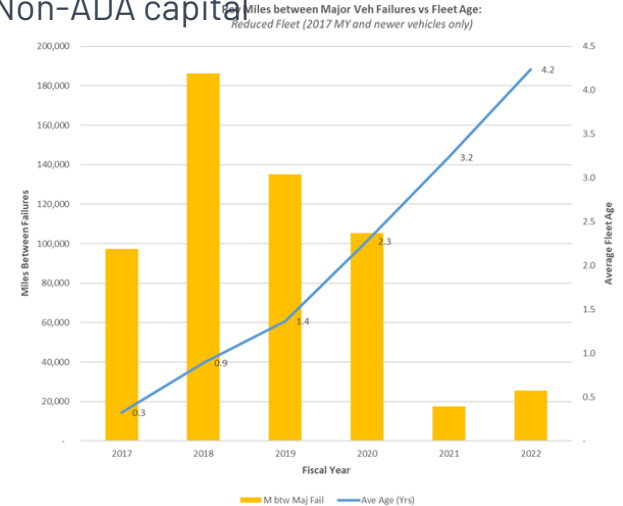


## **Gabrielle Olko**

- 39-year old for resident of Los Angeles
- Has license but is unable to drive
- Uses Jaunt for a wide range of purposes including studying acupuncture

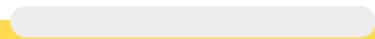
# Budget Challenges : Urban Local & Capital Funding

- Rural—provides access to urban area for rural residents and vice versa
  - Federal funding available
- Urban ADA—federally required service
  - Federal funding available
- Urban Non-ADA—fills service gap; comingling with other services
  - No federal funding available
- Capital Funding
  - No federal funding for Urban ADA or Urban Non-ADA capital
  - Increases burden on County and City
  - Jaunt fleet reaching replacement targets
  - Need technology upgrades



# Questions and Discussion

# Staff Recommendation



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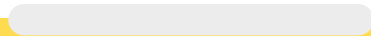
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WORKFORCE &  
CUSTOMER SERVICE

# Staff Recommendation

- Allocate Transit Reserve to Jaunt – to fully fund the FY 24 Jaunt request of \$3,317,944.
- Change would be reflected in the May 3<sup>rd</sup> resolution

# Follow Up Items



# Cultural & Festival Agency Review Process

17 program applications reviewed by Cultural Agency Review Team

- 5 County staff from Communications & Public Engagement, Office of Equity & Inclusion, Parks & Recreation, Economic Development Office
- 13 scoring criteria, developed by Office of Equity & Inclusion in 2020

FY 24 funding recommendations based upon program application rating:

- Above 50 – Fully Fund (both new and existing)
- Existing Programs Between 40 - 50 – Level funding from FY 23
- New Programs Above 40 – \$2,500



# Cultural & Festival Agency Review

Scoring criteria developed by the Office of Equity & Inclusion in 2020

- Service to a Broad Population
- Service to Youth
- Quantity of citizens served
- Quantity of Albemarle County Residents Served
- Measurability of Populations Served
- Contribution to Economic Development
- Contribution to Cultural Infrastructure and/or Heritage
- Contribution to Creative Place Making
- Contribution to Diversity, Equity, and Inclusion
- Financial Benefit to Albemarle County
- Social Benefit to Albemarle County
- Extent to Which the Program Meets the Needs of the Community
- Extent to Which the Program Meets the Needs of Specific Beneficiaries

# Cultural & Festival Agency Review

## Notable Changes

\$83,500 in total recommended, includes:

- \$50,500 total funding for 8 agencies funded in FY 23
- \$23,000 for returning programs (received funding prior to FY 23):
  - Jefferson School African American Heritage Center
  - Sin Barreras
- March 15 Update
  - \$2,500 for Lighthouse Studio (existing agency)
  - \$2,500 for Virginia Theatre Festival (new agency)
- March 22 Update, not recommended for funding:
  - Hatton Ferry & Albemarle Charlottesville Historical Society

# Tax Relief for the Elderly & Disabled

FY 23 to FY 24 Budget increase of \$240,000 or 16% due to:

- Trend projection
- Increasing net income level from \$75,100 to \$83,850 (80% of Area Median Income)
  - Based on 2022 applications, 95 applicants, 13% of total applications, will benefit from the increased income threshold

Requested analysis on the potential impact of raising net worth amount

# Tax Relief for the Elderly & Disabled

Limited data available: County only has net worth data for current applicants, it is unknown to the County until someone applies:

- In 2022, 9 applicants, 1% of total applications, had net worth over \$200,000
- At least 8 applicants would become eligible if the net worth threshold is increased to \$250,000
- Most applicants are well below the current \$200,000 threshold
  - 68% less than \$50k
  - 84% total less than \$100k
  - 95% below \$150k
- Raising this limit may generate more applications than current

# Tax Relief for the Elderly & Disabled

Increasing net worth threshold to \$250,000

- Impact of additional \$125,000, not included in FY 24 Proposed Budget
- If approved, will require additional revenue to fund it or expenditure adjustments elsewhere in order for the budget to remain balanced
- Alternatively, the Board could keep income levels the same and increase the net worth threshold with no total budget impact

What if \$200,000 net worth threshold is adjusted for inflation?

# Tax Relief for the Elderly & Disabled

\$200,000 in January 2007 = \$295,599 in January of 2023

- Impact of additional \$250,000 more than the FY 24 Proposed Budget
- If approved, will require additional revenue to fund it or expenditure adjustments elsewhere in order for the budget to remain balanced
- **Next Steps:** Public hearing and Board action on 4/19

# Calendar

## March

### Work Sessions

- ~~1<sup>st</sup> Public Hearing on  
Recommended Budget~~
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