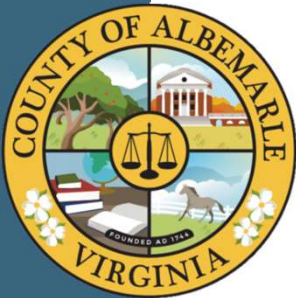


Five-Year Financial Plan Work Session

December 13, 2023

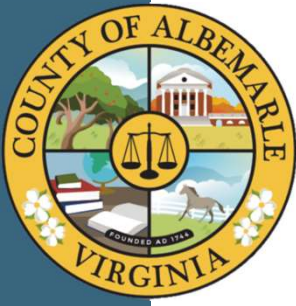


Timeline

- Oct 4 Economic Outlook Report presented by Dr. Sheryl Bailey
- Nov 1 County Transit Analysis: Phase 1
- Nov 15 Five-Year Financial Plan work session
- Dec 6 Five-Year Financial Plan work session, with School Board

- Dec 13 Five-Year Financial Plan work session
 - Tax Relief for the Elderly and Disabled Program
 - Fire Rescue System

- Feb 21 County Executive Recommended Budget Presentation



Real Estate Tax Relief for the Elderly & Disabled Program

Desired Outcome

- Receive direction on modifications for FY 25 budget
 - Staff would return with a proposed ordinance to implement changes in Calendar Year (CY) 24

Presentation

1. Overview of current program
2. Results of 2023 changes & participant data
3. Options for further revisions
4. Board discussion

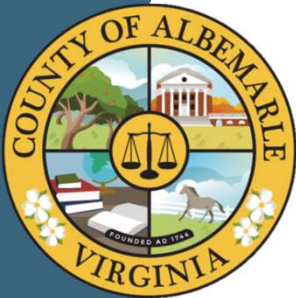


1. Overview of Current Program

- Applicant is at least 65 years old or totally and permanently disabled (medically determined)
- Applicant is the title holder of the property
- Applicant's property seeking tax relief may not be used in a business
- Applicant must meet certain income and financial net worth criteria

Criteria	Amount		
Income	\$0-\$41,925	\$41,926 - \$62,888	\$62,889-\$83,850
Net Worth*	\$0-\$250K		
% Relief	100%	75%	50%

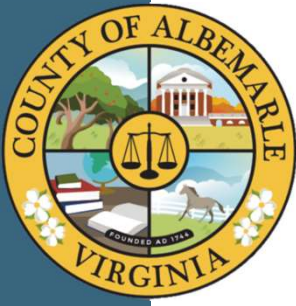
**Net worth excludes applicant's subject dwelling & land up to 10 acres
For example, dwelling & first 10 acres are excluded on 15 acre residence*



2. Results of 2023 Changes & Participant Data

April 2023, Board approved for CY 23:

- Increase **income** criteria based on 80% Area Median Income for family of 4, an annual update
- Increase **net worth** criteria from \$200k to \$250k



Results of 2023 Changes & Participant Data

17 newly eligible applicants, budget impact & relief of \$40,000

- Income
 - 3 newly eligible applicants
 - \$6,000 budget impact
- Net Worth
 - 12 newly eligible applicants
 - \$30,000 budget impact
- 2 people newly eligible based on both
 - \$4,000 budget impact



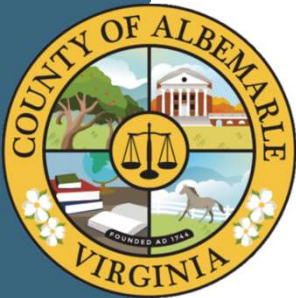
Results of 2023 Changes & Participant Data

94% of applicants received relief in 2023, up from 89% in 2022

- Average income of applicants: \$32,000
- Average net worth of applicants: \$48,000

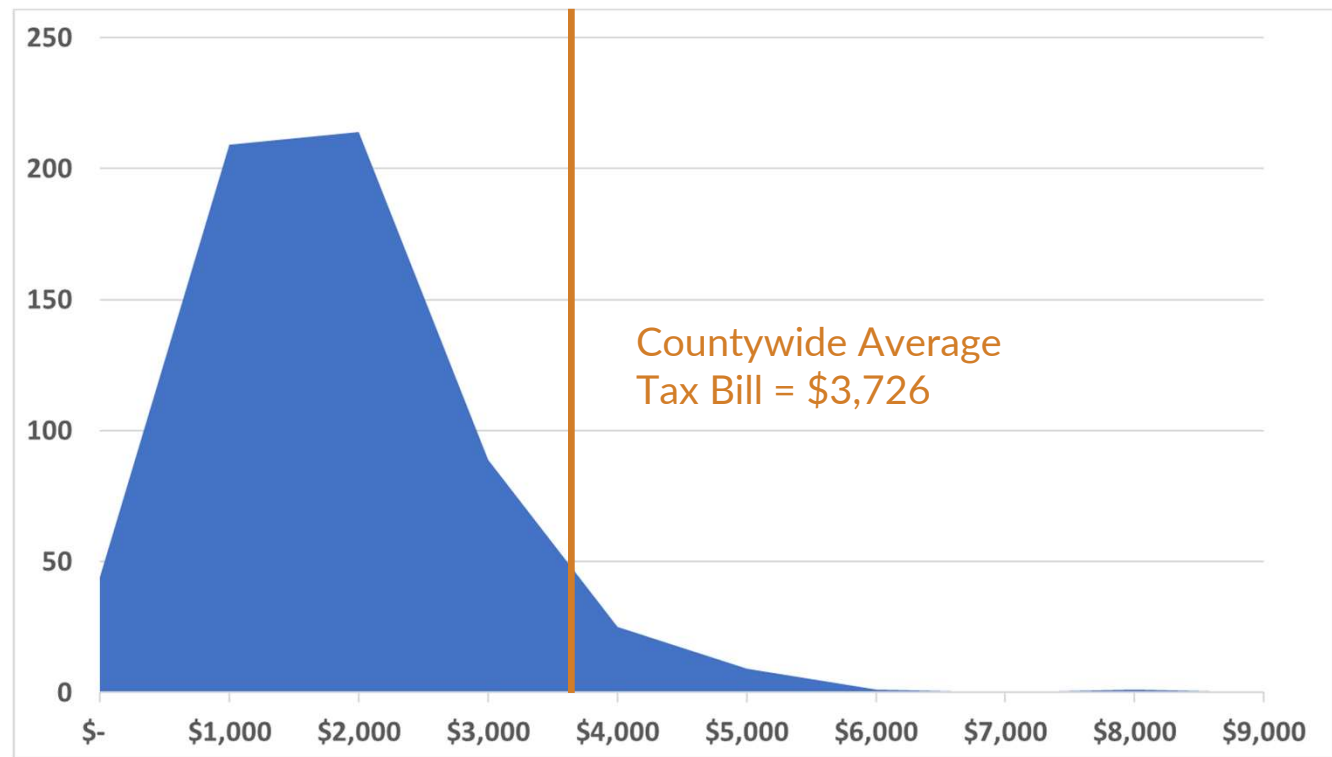
Data by category:

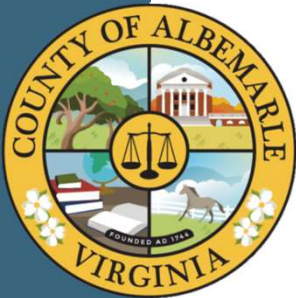
	100% Relief	75% Relief	50% Relief
% of Participants Receiving Relief	73%	22%	5%
Average Relief	\$2,281	\$2,029	\$1,561
Average Assessment	\$230,336	\$268,452	\$317,998



Results of 2023 Changes & Participant Data

Participants who receive 100% Relief and the Amount





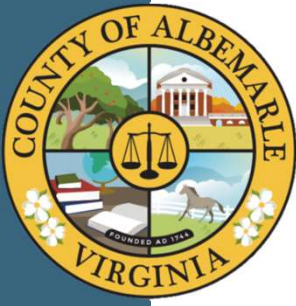
3. Options for further revisions

Options:

- A. Maintain approach on annually adjusting income criteria?
- B. Revise net financial worth criteria?
- C. Consider a property specific cap?
- D. Consider a program-wide cap?

Analysis:

- Expand program with basis that is reasonably understandable
- Ability to implement in CY 24 & system capabilities
- Analyze current program participants
- Changes grounded in prudent financial management



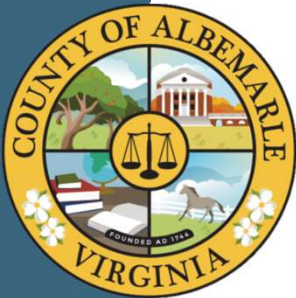
A. Maintain approach on annually adjusting income criteria?

	Current Income Criteria		
Income	\$0-\$41,925	\$41,926- \$62,888	\$62,889-\$83,850
% Relief	100%	75%	50%

	Proposed Income Criteria		
Income	\$0-\$44,400	\$44,401 - \$66,600	\$66,601-\$88,800
% Relief	100%	75%	50%

Analysis:

- Increases highest income threshold from \$83,850 to \$88,800 based on 80% of area median income for family of 4
- Can implement in CY 24 with minimal administrative & system impacts
- FY 25 budget projection = \$60,000



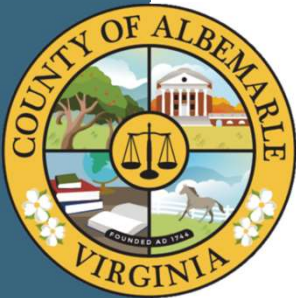
B. Revise Net Financial Worth Criteria?

Current	Proposed
\$0-\$250,000	\$0-\$305,000*

**Proposed amount based on Nov. 2023 inflation data, rounded to the nearest \$5,000 & recommended to be revised when more data is available*

Analysis:

- \$305k = inflation adjusted value of \$200,000 in 2007
- Can implement in CY 24 with minimal administrative & system impacts
- Very limited data available to estimate impact. Based on 2023 data, 3 applicants would become eligible, plus unknown new applicants
- FY 25 budget projection = \$60,000

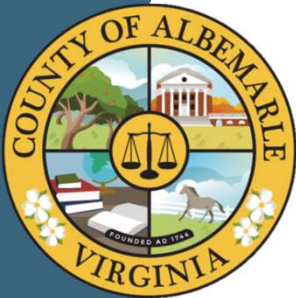


C. Consider Property Specific Cap?

For example, not a proposal: relief could be capped at the median assessed value
CY 23 \$436,300 = credit to tax bill of \$3,726 at 100% relief,
\$2,795 at 75% relief, \$1,863 at 50%

Analysis:

- Adding criteria can increase precision in who the program supports & increase complexity in understanding
- Can implement in County's financial system for CY 24
- Setting a cap would limit program access for individuals above the cap, including those currently in the program
 - In example, reduces relief for 53 participants totaling \$240,000
- Budget impact would depend on the cap set

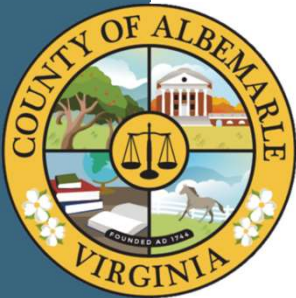


D. Consider Program-wide Cap?

For example, not a proposal: total program relief could be capped at \$2.0 million, shared among eligible applicants

Analysis:

- Adding criteria can increase precision in who the program supports & increase complexity in understanding
 - For example, state Personal Property Tax Relief Act
- Additional impacts to participants
 - Would require change in due dates for first time applicants (April vs. October)
 - Would not immediately communicate relief to participants once eligible
 - The percentage of relief provided may vary each year



D. Consider Program-wide Cap?

For example, not a proposal: total program relief could be capped at \$2.0 million, shared among eligible applicants

Analysis continued:

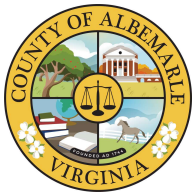
- Financial system changes need further study, implementation might not be possible CY 24
- Setting a cap could limit program access and reduce existing relief for individuals currently in the program
- Budget impact would depend on the cap set



Board Discussion

What option(s) does Board desire in a proposed ordinance for CY 24?

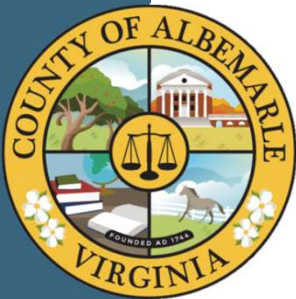
- A. Maintain approach on annually adjusting income criteria?
- B. Revise net financial worth criteria?
- C. Consider a **property specific** cap?
- D. Consider a **program-wide** cap?



Albemarle County Fire Rescue

Strategic Outlook & Needs Assessment





Overview



Outline Fire Rescue's Strategic Direction



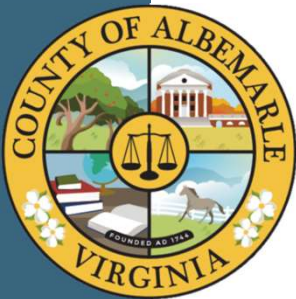
Highlight Recent Improvements



Communicate Current Challenges



Identify Future Needs



ACFR Planning Process



County
Strategic
Plan



Standards of
Cover

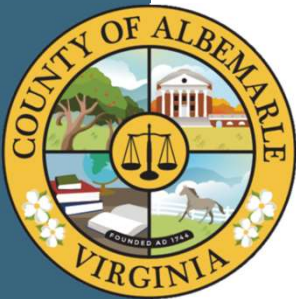


Service
Demands



Workforce
Stabilization

Multi-Year Financial Plan (MYFP)



County Strategic Goals

Fire Rescue's role in advancing the strategy

1

SAFETY & WELL-BEING

Nurture a safe and Healthy Community

2

RESILIENT, EQUITABLE, & ENGAGED COMMUNITY

Design programs and services that promote an equitable, engaged, and climate-resilient community.

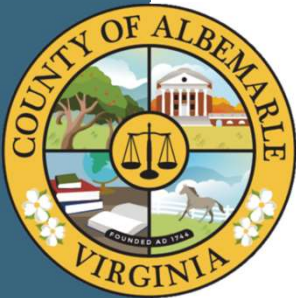
6

WORKFORCE & CUSTOMER SERVICE:

Recruit & retain engaged public servants who provide quality government services to advance our mission.



Provide the highest quality services to protect and preserve the lives, property, and environment of our community.



Standards of Cover



A plan outlining how fire rescue will respond to and mitigate emergencies.

- Adopted by the Board in June 2019
- Components of a Standards of Cover
 - Assessment of risk in the community – foundational to the plan
 - Distribution of fixed and mobile resources
 - Response time objectives
 - Performance evaluation
- Adopted response time objectives:
 - Development Area: 8 minutes, 90% of the time
 - Rural Area: 21 minutes, 90% of the time

Increased Service Demands



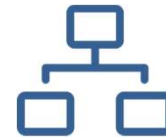
Increase calls for Service

Since 2019, there has been a 20% rise in the number of emergency calls in the development area.



Unfunded State & Federal Mandates

Resources & operational adjustments required to accommodate evolving unfunded State & Federal Mandates.



Examine Support Resources

69 operational FTEs added since FY20 requires the need to examine support resources.



Human services needs

Intertwined with emergency response, particularly for the most vulnerable & underserved population.

Rising needs are stressing Fire Rescue's capacity, requiring additional resources

Workforce Stabilization



Decline in volunteer Fire & EMS personnel

Loss of volunteers are impacting service coverage during crucial evening & weekend periods.



24-months to deploy career fire fighters

Long lead time presents a challenge when planning for volunteer staffing supplement.



Over 100 incidents of Mandatory Overtime in 2023

Mandatory overtime adversely effects employees physical, mental, & emotional wellbeing.



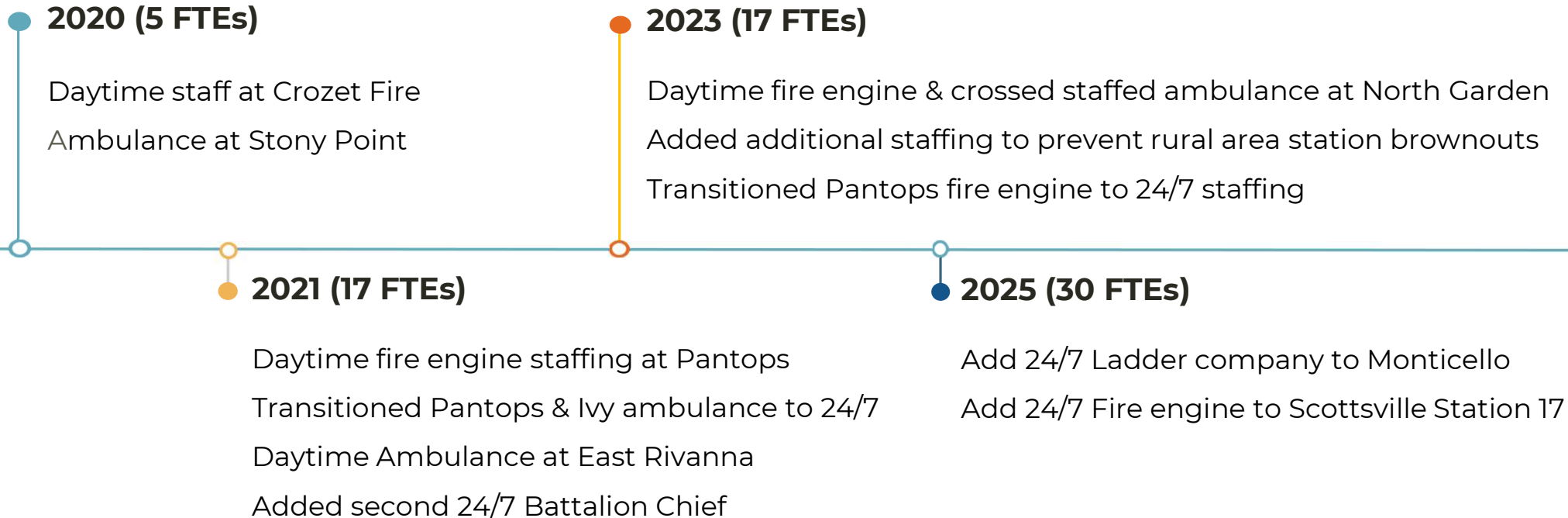
Increase in Service Reductions

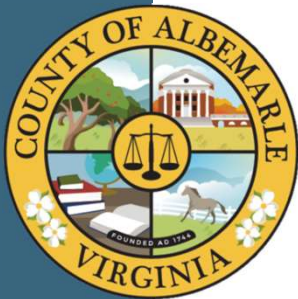
Some communities are experiencing a reduction in service due to career staffing demands and a shortage of volunteers.

Additional resources are needed just to maintain existing services.

Strategic Investments

Maintaining Basic Services





Return on Strategic Investments



Recruitment & Retention

Larger Applicant Pool

Decrease in employee turnover



City-County Mutual Aid Agreement

A no-cost, reciprocal agreement for sharing resources



Ambulance Performance

10% reduction in response times

Paramedic level service provided to critical incidents

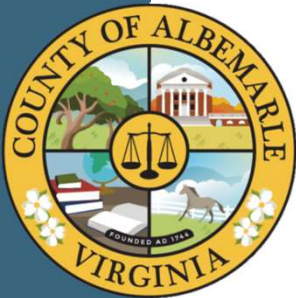


Fire Engine Performance

8% reduction in response times

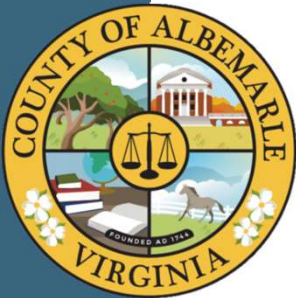
Decreased response time for 2nd & 3rd arriving apparatus

Despite investments in staffing, we fall short of meeting our urban response time standards.



Options for Consideration

3	Maintain current service level + Implement prevention & resiliency programs	More efficiently addresses vulnerable populations. Long-term cost avoidance through implementation of prevention strategies.
2	Maintain current service level	Augment staffing at volunteer stations and add staff to account for increased call volume.
1	Reevaluate Response Models	Reevaluate and optimize the County's emergency response strategies to focus on the distribution of assets and efforts to effectively address the most critical needs.



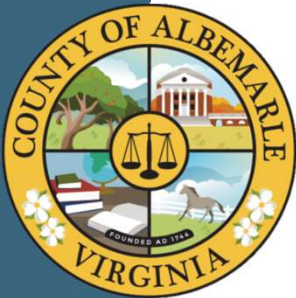
5 Year FTE Forecast

Option 2: Maintain Services Goals: 1 & 6

52 FTEs

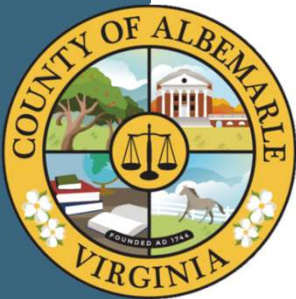
Driving Factors:

- Decline in volunteers require 24/7 career staff at volunteer stations.
- Training & admin staff needed to meet demand.
- Excessive call volume at Medic 18 (Berkmar Rd)
- Changes in drug box exchange regulations, requiring investment in pharmacy coordinator.



5 Year FTE Forecast

Option 2: Maintain Services Goals: 1 & 6	Option 3: Prevention & Mitigation Goals: 1, 2 & 6
52 FTEs	9 Additional FTEs
<p>Driving Factors:</p> <ul style="list-style-type: none">• Decline in volunteers require 24/7 career staff at volunteer stations.• Training & admin staff needed to meet demand.• Excessive call volume at Medic 18 (Berkmar Rd)• Changes in drug box exchange regulations, requiring investment in pharmacy coordinator.	<p>Driving Factors:</p> <ul style="list-style-type: none">• Human Services/MIHC - ensuring the delivery of appropriate services to the right individuals.• Encompass community outreach efforts for vulnerable residents.• Fire protection engineering needed as with increase in mid-rise buildings in urban areas.



Summary



Drives the Progress and Fulfillment of the County's Strategic Plan



Given the rising demands and declining support, more resources are needed to maintain basic services



Strategies focus on:

- **Serving Urban & Underserved Residents**
- **Developing & Training Staff**
- **Building Resilient Communities**
- **Creating Strategic Partnerships**