

**FY 25 Recommend Budget
Board of Supervisors Questions & Answers - #2**

- 1. Do we have any indication that the Plastic Bag Tax is working to reduce the use of plastic bags? In terms of actual revenue what was our initial estimates and how do the actual collections compare – higher, lower, in line with expectations?**

Answer: The Plastic Bag Tax was enacted in FY 23, with collections to begin mid-year FY 23 (January 2023). Staff researched the limited actual collections of other Virginia localities and collection projection methods used in those localities to formulate the initial revenue estimate of \$20,000 for those first 6 months of collection in FY 23. Actual collections for FY 23 were \$47,233. At the time of the FY 24 Adopted the County only had the first 2 months of actual collection data, and staff determined that doubling the initial 6-month estimate was the most accurate methodology, given the limited data available on actual collections. In reviewing the actual collections for the first 10 months of the program, the FY 24 revenue projection has been revised to \$115,000, with a slight increase to \$120,000 for the FY 25 Recommended Budget.

There is limited comparable data available on the actual amount of plastic bags being used by consumers prior to the enactment of the tax, so it is not possible to report any definitive indication of behavior change by consumers. As we continue to receive additional collection data, staff will examine if the data supports any changes or continuation of trends in the number of bags being used.

- 2. In terms of 5-year financial planning, strategic workforce stabilization planning, etc. Do we have a sense of what is needed to keep us ahead of the market in terms of compensation? If we want to be ahead of the market in 5 years - do we have a way to theorize this? Similar in how we look ahead to other elements of the budget.**

Answer: In the Five-Year Plan, we have planned for 3% cost of living increases in the out years to keep up with our competitive market and an additional 2% merit increase for the general government pay scale. This was staff's recommendation to theorize our ability to be ahead of market. The 2% merit is not intended for use until FY 26 as we build a performance program in FY 25, post-COVID. This aligns the general government pay scale with the 2% step increase per year for the Public Safety Pay Scale.

The 3% salary adjustment is a planning number and annual decisions are based on cost-of-living changes, market adjustments, and affordability with respect to community and organizational needs.

- 3. On page 68 of the budget, we have an expected increase of \$19,618 due to the sale of surplus property. What property does that include? On page 67-68, There are charts for The Use of Money and Property and charts for Miscellaneous revenues that both mention property – are there two different properties that we sell that applies to both of these categories.**

Answer: The Surplus property included in the Miscellaneous revenue charts includes tangible property such as vehicles, furniture, equipment, and public safety apparatus and gear that is no longer needed by the County.

Revenue from the Use of Money and Property is primarily interest income on County investments and rent revenue generated from the rental of County properties, not from the sale of County property.

4. How do Albemarle County fund balance policies compare to other Virginia AAA/Aaa counties?

Answer: The county's financial advisors have prepared the research for this comparison, attached.

5. Decline in the Clerk of Court fees, is this the same that is in the judicial department? The decrease in Clerk of Court fees versus Excess fees described in the chapter. Are excess fees different?

Answer: Yes, both of the descriptions of a reduction in Clerk of Court fees refer to the same pool of various forms of Technology Trust Fund (TTF) collections that the Clerk of Courts office takes in. Each clerk's office is tasked with a target amount that they are to pay to the state treasury to fund the TTF, which disburses a budgeted amount to each office annually. If additional fees are collected, those are remitted back to the office as "Excess Fees". If an office does not generate enough fees to reach their targeted amount, that can have an impact on the amount transferred to the locality from their individual TTF budget. TTF funds are collected predominantly during land recording, but also from other filings in both the civil and criminal divisions. The Clerk of Court's office is applying these funds to updating the land records management system, offsetting the cost of one of their largest operational expenses.

No, these are not different, both of the descriptions of a reduction in Clerk of Court fees refer to the same pool of various forms of Technology Trust Fund (TTF) collections that the Clerk of Courts office takes in.

6. Please provide additional information on the revenue collected related to the \$2 bag ticket sales. What will the revenue volume be at the Keene center related to the \$2 ticket sales?

Answer: For the period from July 1, 2023 to March 9, 2024, Tag-a-Bag sales for the Southern Area Convenience Center (SACC) (counted as those tags sold from Green Mountain Country Store and Browns Market) totaled 5200 tags. Rivanna Solid Waste Authority (RSWA) sell the bags to those stores for \$1/tag, and the stores sell the tags to customers for \$2/tag. The stores net \$1/tag for their administrative expense. The sale of 5200 bags netted \$5200 in revenue to RSWA.

The rest of the Tag-a-Bag program (those sold at Ivy or from our Administration office) consisted of 11,417 tickets and revenue of \$22,834 during this same period. We estimate sales of 7,000 to 8,000 tickets per year for bags to be disposed at the SACC, and 17,000 to 18,000 tickets per year for disposal at Ivy, for a total estimated annual program revenue of about \$42,500.

Note: a "bag" for our purposes = a 32-gallon bag (not a 13-gallon kitchen bag).