

## Composite Index & Triennial Census Considerations

- Albemarle County is one of 97 counties who saw their Composite Index ratios rise for the 2010-2012 biennium.
- Albemarle County had the sixth largest increase in its Composite Index in the Commonwealth. This is due largely to the fact that houses prices in Albemarle County had not begun their slide in 2007, the year of housing market data for the 2010-2012 Composite Index biennium. Real Estate assessments subsequently fell for 2008 and for 2009, further eroding the local tax base, which funds about 70 percent of Albemarle County Public Schools' annual budget, a much larger percentage than many localities.
- Albemarle County will see a reduction in state funding of \$5.22 million next fiscal year due to the changes in the Composite Index.
- Albemarle County's Composite Index calculation does not take into account the \$18 million revenue sharing payment made to the City of Charlottesville. By including those \$18 million as revenues Albemarle has available to fund education, the Composite Index formula creates a state SOQ funding amount for Albemarle County that is \$2.6 million lower than it should be if based on actual available revenues.

### Losses in Funding for Albemarle County

Basic Aid reductions by Gov. Kaine	<b>\$363,000</b>
Composite Index Changes	<b>\$5,228,328</b>
Reduction in State Stabilization ARRA Funds	<b>\$2,400,000</b>
Elimination of state technology subsidies (Kaine's budget)	<b>\$ 750,000</b>
Elimination of Triennial Census	<b>~\$1,000,000</b>
Other Basic Aid reductions by Gov. McDonnell	<b>\$ ~1,000,000</b>

**Total Operational, Grant, CI, VRS, & ARRA funding losses to Albemarle County**  
**~ \$10.8 million**

### Local Revenue Shortfall for Albemarle

Next Year (2010-11)                      ~\$4 million

**Total Local and State Revenue Reductions for 2010-11: ~\$14.8 million**

Albemarle County Public Schools  
2009-10 Adopted Budget: \$148.9 million

***The total reductions amount to 10% of  
Albemarle County Schools' Budget***

- The delay in implementation of the Composite Index until 2011-2012 allowed Albemarle County time to plan for the significant reduction in state funding as a result of CI changes. It also allowed reductions to be taken over a two-year period, allowing for the basic aid and ARRA funds reduction, as well as the state's passed on costs for Virginia Retirement System and the loss of state technology grants to be absorbed for 2010-11, while the CI reduction could be taken in the following year. This minimizes the drastic nature of the reductions by spreading over two years.
- Albemarle County strongly urges legislators to **delay the implementation of the Composite Index changes until 2011-2012** so as not to encumber the state's 2010-2011 budget with the additional \$29 million needed to support the changes, and to stem the domino effect the reductions will have for the 97 localities who are adversely affected by the change. Albemarle County also **does not support the elimination of the triennial census**, as it will adversely impact many localities, especially those with fluctuations due to universities.