

# Northampton County



Finance Department  
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## MEMORANDUM:

**TO:** Board of Supervisors Finance Committee  
**FROM:** John D. Chandler, Director of Finance  
**DATE:** March 23, 2021  
**RE:** FY 2022 Expenditures

I am pleased to provide the following Summary of Expenditures with regard to the FY 2022 County Budget separated into major topics as outlined below. This summary reflects the requirements submitted by the **Department Heads** and recommendations from the **Finance Director and County Administrator**.

### Expenditure Report

Herein are the FY 2022 budgets summarized by Fund. The report shows expenses for FY 2018, FY 2019, FY 2020, FY 2021 Adopted Budgets, FY 2022 Departmental Requests & FY 2022 Finance Director/County Administrator Recommendations. Calculations include the difference between the FY 2021 Adopted Budget vs. FY 2022 Finance Director/CA recommendations and FY 2022 CA vs. FY 2022 Department Requests. The Commonwealth budget provides a 5% raise for all DSS and Constitutional officers and Compensation Board funded positions. The County is proposing to provide a 1.92% COLA and 2 steps (1.5% steps) totaling 5% for all County employees. The total budget impact on the raises is approximately \$307k + \$83k benefits (FICA, VRS, WC & Life) net of insurance (\$89k) savings and increased Comp. Board (\$95k) contribution. Insurance medical expenses are based on the County continuing to use The Local Choice (TLC) with renewal savings in employer contributions and stable or decreased premiums for all employees. The County continued an 80% (TLC requirement) contribution for single employee premiums. The employer proposed insurance contribution will decrease from \$290.50 per pay period to \$270.50 and a decrease to the wellness plan from \$64 per pay period to \$62.50 resulting in approximately \$88,728 that will help fund employee raises discussed above. Additionally, the County budgeted, in Contingency,  $\frac{3}{4}$  of employee historical non participation of employer medical and wellness benefits resulting in a \$114,480 budget savings.

### Capital Outlays

**Section I** contains a detail/summary of capital outlays by department for multiple funds.

### Operating Request

**Section II** contains a summary, by department, of the changes from FY 2022 County Administrator amounts vs. FY 2021 adopted budget for operating items.

### Outside Agency Requests

**Section II** also contains a summary of requests made by outside agencies and departments such as fire and rescue stations, libraries, plus economic and community development entities.

## **Personnel Requests**

**Section III** contains three new personnel positions/changes. One additional position in EMS to provide coverage due to no Cape Charles volunteer shifts, Information Technology (IT) due to increased technology/responsibilities/work load and a change from two PT employees to one FT employee in Facilities Management to handle additional responsibilities and workload.

## **Transfers Out**

**Section IV** In addition to Federal and State assistance, fines, penalties and other sources of revenue, the County supports all departments with General Fund monies. Section IV also contains a summary of the funding provided to departments in order for them to meet their operational requirements.

## **Schools**

The School Board's Proposed Budget for Fiscal Year 2022 is expected to include a request for approximately \$300,000 more in County funds over FY 2021. Note, the School Board used \$293,105 of School Operating Fund Balance to meet the funding request gap for the FY 2021 budget, with \$265,280 going toward recurring needs and \$27,825 for one-time projects. The proposed FY 2022 budget will include a continuation of this practice. If this is not duplicated in FY 2022, the County would have to provide \$565,280 more than is currently provided to fund the full amount of the School Board's estimated request.

## **Budget Requests – Board of Supervisors**

### **The Board focus has been:**

- Economic and Community Development opportunities
- Provide required resources to complete all elements of the Comprehensive Plan
- Develop a plan for a potential Community Center at the Machipongo School
- Secure internal and external resources needed to update County Zoning Ordinances (legal compliance, use definitions, districts and performance)
- Continue the program to demolish dangerous structures focusing on the towns
- Continue County/School efforts to enhance/remodel the Northampton Middle/High School

### **The Staff's focus has been:**

- Continue developing/implementing a plan for expansion of the Bayview Convenience Center
- Fill and maintain authorized staff levels
- Continue to use grant funding to complete Brownfield studies and make recommendations based on results
- Support new business initiatives with timely responses to planning and permitting
- Equitable pay for all employees
- Required Capital enhancements to meet County needs
- Maintain existing equipment/assets in proper working order
- Continue efforts to increase collection % rates on Current Year Taxes due
- Maximize return on investment on County Cash balances

## Summary Expenditure Report – Pre-COVID-19

Account Number	Account Description	2018 Actual Amount	2019 Actual Amount	2020 Actual Amount	2021 Adopted Budget	2022 Departmental Requests	2022 County Admin. Rec.	FY22 CA - FY21 Adopted	FY22 CA - FY22 Dept. Req.
100 - General		\$ 26,936,653	\$ 27,843,623	\$ 29,706,874	\$ 30,453,869	\$ 33,168,704	\$ 34,717,260	\$ 4,263,391	\$ 1,548,556
221 - Harbor Improvement Fund		\$ 92,741	\$ 347,107	\$ 73,025	\$ 65,001	\$ 529,000	\$ 529,000	\$ 463,999	\$ -
225 - Eastern Shore Regional Jail		\$ 3,938,416	\$ 4,130,467	\$ 4,591,745	\$ 4,258,402	\$ 4,272,069	\$ 4,571,143	\$ 312,741	\$ 299,074
310 - Capital Reserve		\$ 9,500	\$ 109,998	\$ -	\$ 1,545,328	\$ 2,168,290	\$ 1,413,773	\$ (131,555)	\$ (754,517)
401 - General Debt Service		\$ 2,762,331	\$ 2,758,938	\$ 2,762,181	\$ 2,785,793	\$ 2,467,298	\$ 2,467,298	\$ (318,495)	\$ -
490 - School Debt Service		\$ 120,433	\$ 2,263,985	\$ 118,436	\$ 1,375,065	\$ 1,169,457	\$ 1,169,457	\$ (205,608)	\$ -
501 - Public Utilities Fund		\$ 222,651	\$ 199,218	\$ 264,397	\$ 321,867	\$ 207,323	\$ 209,055	\$ (112,812)	\$ 1,732

### Summary: Major Items/Changes FY21 vs. FY22 by Fund

	FY21	Change	FY22
<b>100 General Fund</b>			
I. Capital items Total Budget	\$1,382,609	(\$223,761)	\$1,158,848
II. Operating Total Budget	\$5,896,763	\$2,413,770	\$8,310,533
III. Personnel Total Budget	\$9,032,168	\$725,423	\$9,757,591
IV. Transfer to Other Funds Budget	\$14,142,329	\$1,347,959	\$15,490,288
<b>Total FY 2022 vs. FY 2021</b>	<b><u>\$30,453,869</u></b>	<b><u>\$4,263,391</u></b>	<b><u>\$34,717,260</u></b>

<b>221 Harbor Improvement Fund</b>			
I. Capital items Budget	\$65,000	\$464,000	\$529,000
<b>Total FY 2022 vs. FY 2021</b>	<b><u>\$65,000</u></b>	<b><u>\$464,000</u></b>	<b><u>\$529,000</u></b>

<b>225 Eastern Shore Regional Jail (ESRJ) Fund</b>			
I. Capital items Budget	\$0	\$0	\$0
II. Operating Budget	\$1,043,282	\$128,601	\$1,171,883
III. Personnel Budget	\$3,215,120	\$116,615	\$3,331,735
IV. Transfer to Other Funds Budget	\$0	\$67,525	\$67,525
<b>Total FY 2022 vs. FY 2021</b>	<b><u>\$4,258,402</u></b>	<b><u>\$312,741</u></b>	<b><u>\$4,571,143</u></b>

<b>401 General Debt Service Fund</b>			
<b>Total Change FY 2022 vs. FY 2021</b>	<b><u>\$2,785,793</u></b>	<b><u>(\$318,495)</u></b>	<b><u>\$2,467,298</u></b>

Note: 2019 School Bond interest only paid from Bond proceeds \$939,739 vs. GF

<b>490 School Debt Fund</b>			
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<b>Total Change FY 2022 vs. FY2021</b>	<b><u>\$1,375,065</u></b>	<b><u>(\$205,608)</u></b>	<b><u>\$1,169,457</u></b>
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<b>501 Public Utilities Fund</b>			
<b>I. Capital items Budget</b>	\$110,000	(\$100,000)	\$10,000
<b>II. Operating</b>	\$152,840	(\$9,905)	\$142,935
<b>III. Personnel</b>	\$59,027	(\$2,907)	\$56,120
<b>Total Change FY 2022 vs. FY2021</b>	<b><u>\$321,867</u></b>	<b><u>(\$112,812)</u></b>	<b><u>\$209,055</u></b>

## FY22 Revenue Enhancements - since Board presentation

<b>GF Revenue Change:</b>	<b>\$ Change from Board Revenue Presentation vs. CA Budget</b>
<b>Real Estate Property Taxes Based on actual collections YTD adjusted from 94% to 97%</b>	<b>\$513,415</b>
<b>Personal Property Taxes Based on actual collections YTD adjusted from 82% to 87%</b>	<b>\$148,245</b>
<b>Sales Taxes – Last 12 months = \$1.642m to \$1.6m</b>	<b>\$50,000</b>
<b>Games of Skill Distribution – Removed from GA budget</b>	<b>(\$84,000)</b>
<b>Fines</b>	<b>\$25,000</b>
<b>Shared Expenses Commonwealth COIN increase - added 5% raise July 1, 2021</b>	<b>\$165,470</b>
<b>Other State Grants – Commonwealth Budget for Middle School/Community Center enhancements</b>	<b>\$2,000,000</b>
<b>Total Revenue Enhancements</b>	<b><u>\$2,818,130</u></b>

## Detail: Major Items/Changes FY22 vs. FY21 by Fund

<b>100 General Fund</b>	<b>\$30,453,869</b>	<b>\$4,263,391</b>	<b>\$34,717,260</b>
<b>I. Capital items Total Budget</b>			
			<b>FY22</b>
<b>FY22 Requests</b>			
A. ESPL Expansion - Heritage Center			\$200,000
B. IT Servers/Hardware/Software			\$45,400
C. Replacement QRV – 2011 / 165k+ miles (Applied for Virginia Rescue Squad Grant with budgeted revenue of 50% grant of \$30,000. If the grant is approved, we could receive up to 80% grant)			\$60,000
D. Sheriff vehicles Qty. 2 (needs 3) (Replacing two Dodge high mileage Chargers)			\$91,500

Purchase 3 <sup>rd</sup> one with Vacancy savings in FY21			
E. Solid Waste – replace 5 rollofs, 8 green boxes & a spare compactor/container box, plus side beater & dump trailer			\$77,939
F. 15 AED's (27 in FY21 budget) • Replace in 15 Sheriff Vehicles \$25,500			\$25,500
G. Planning - replace 2004 Chevy Tahoe with 150k + miles & 2002 Ford Taurus / small 4WD SUV or Truck			\$61,240
<b>H. Facilities Management</b>			<b>\$597,268</b>
1. Aerator			\$5,800
2. Parking area for JDR			\$6,000
3. Remove Radio Tower			\$7,500
4. Gate @ Public works			\$13,288
5. Parking Courthouse			\$34,500
6. EMS Parking lot (2 phases @ \$35k each)			\$70,000
7. Courthouse 80 Ton HVAC unit			\$175,000
8. Middle School			\$200,000
9. Dump Trailer			\$7,890
10. Scissor Lift			\$8,000
11. Used vehicle replacement			\$10,000
12. Zero Turn replacement mower (Diesel)			\$14,290
13. Used custodial truck			\$15,000
14. New replacement truck			\$30,000
<b>Total Capital Requests</b>	<b>\$1,382,609</b>	<b>(\$223,761)</b>	<b>\$1,158,848</b>
<b>II. Operating Total Budget</b>			
	<b>FY21</b>	<b>Change FY22 vs. FY21</b>	<b>FY22</b>
A. County Administration – Real estate lawyer	\$143,170	\$19,569	\$162,739
B. Commissioner of Revenue & Treasurer Tax software annual maintenance fee \$65k	\$161,485	\$96,109	\$257,594
C. Election Board election requirements	\$62,870	\$20,762	\$83,632
D. Sheriff – outfitting 3 vehicles \$180k	\$432,036	\$102,240	\$534,276
E. Solid Waste – repairs to Wheel Loader & other equipment plus increased tipping fees	\$1,322,484	\$46,565	\$1,369,049
F. Facilities Management \$1,800,000 Middle School Community Center	\$548,218	\$1,849,776	2,397,994
G. ESRL Nassawadox building repairs & 2 Emp. / shift	\$176,519	\$87,099	\$263,618
H. Cape Charles Public Library	\$19,500	\$10,500	\$30,000
I. ESVA 911 Commission	\$270,146	\$82,793	\$352,939
J. ES Drug Task Force	\$5,900	\$0	\$5,900
K. Volunteer Fire – Cape Charles, Cheriton, Exmore/Community, Eastville & Nassawadox	\$150,000	\$0	\$150,000
L. ES Fire Training Center	\$13,700	\$0	\$13,700
M. ES Tourism Commission	\$135,000	\$22,500	\$157,500
N. Hampton Roads Small Business Development	\$1,950	\$50	\$2,000
O. NC Fire & Rescue Commission	\$10,500	\$0	\$10,500
P. VA Dept. of Forestry	\$2,316	\$0	\$2,316
Q. Regional Animal Control Facility	\$35,600	\$0	\$35,600
R. Star Transit	\$106,673	(\$3,761)	\$102,912
S. NC Health Department	\$431,406	\$10,286	\$441,692
T. ES Community Services Board	\$75,635	\$1,939	\$77,574
U. Comprehensive Services Act	\$165,750	\$4,250	\$170,000
V. Eastern Shore Community College	\$24,705	(\$3)	\$24,702

W. ESVA Housing Alliance	\$4,629	\$0	\$4,629
X. ANPDC	\$40,352	\$0	\$40,352
Y. ANTDC Transportation District Commission	\$6,537	\$167	\$6,704
Z. ES Groundwater Committee	\$22,606	\$0	\$22,606
AA. ES Coalition against Domestic Violence	\$14,625	\$375	\$15,000
BB. ES Area Agency on Aging	\$15,600	\$0	\$15,600
CC.ES Resource Conservation & Development	\$7,099	\$182	\$7,281
DD. All other requests	\$1,489,752	62,369	\$1,552,124
<b>Total Operating Requests</b>	<b>\$5,896,763</b>	<b>\$2,413,770</b>	<b>\$8,310,533</b>
<b>III. Personnel</b>			
	<b>FY21</b>	<b>Change FY22 vs. FY21</b>	<b>FY22</b>
A. New EMS position Cape Charles		\$71,323	\$71,323
B. New IT Position		\$64,639	\$64,639
C. 2 PT to FT Facilities Management		\$44,324	\$44,324
D. 5% adjustment Commonwealth approved – Constitutional officers & all County Employees (includes benefits including WC, VRS, FICA & Life)		\$574,000	\$574,000
E. Reduction in County Health Insurance/Wellness Contribution		(\$88,728)	(\$88,728)
F. All others including merit increases, OT, Holiday changes		\$234,955	\$8,914,577
<b>Total Personnel Requests Change</b>	<b>\$9,032,168</b>	<b>\$725,423</b>	<b>\$9,757,591</b>
<b>IV. Transfer to Other Funds Budget</b>			
	<b>FY21</b>	<b>Change FY22 vs. FY21</b>	<b>FY22</b>
A. Northampton County Public Schools	\$8,870,466	\$300,000	9,170,466
B. Dept. of Social Services	\$465,000	\$50,000	\$515,000
C. ESRJ	\$1,905,904	\$29,897	\$1,935,801
D. School Debt & County Debt	\$229,248	\$1,120	\$230,368
E. County Debt Bonds – ESRJ Portion = 56.25%	\$2,626,711	(320,558)	\$2,257,722
F. USDA Loans			\$48,431
G. Transfer to School Project (new sales tax)		\$1,250,000	\$1,250,000
H. NC Tourism Capital	\$45,000	\$37,500	\$82,500
<b>Total FY 2022 vs. FY2021</b>	<b>\$14,142,329</b>	<b>\$1,347,959</b>	<b>\$15,490,288</b>

<b>221 Harbor Improvement Fund</b>			
<b>Capital items Budget</b>			
	<b>FY21</b>	<b>Change FY22 vs. FY21</b>	<b>FY22</b>
A. Oyster Parking lot Virginia Port Authority Grant Application			\$475,000
B. Morley's Wharf Restroom Virginia Port Authority Grant Application			\$54,000
<b>Total FY 2022 vs. FY 2021</b>	<b>\$65,000</b>	<b>\$463,000</b>	<b>\$529,000</b>

<b>225 Eastern Shore Regional Jail (ESRJ) Fund</b>			
<b>Capital items Budget</b>	<b>FY21</b>	<b>Change FY22 vs. FY21</b>	<b>FY22</b>
A. ESRJ – None			
<b>Total Capital Requests Change</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Operating Budget</b>			
A. Camera maintenance addition		\$34,588	\$34,588
B. Contracted Housing (Bristol 20X365X\$37X.5)		\$135,050	\$135,050
C. All other requests		(\$41,037)	\$1,002,245
<b>Total Operating</b>	<b>\$1,043,282</b>	<b>\$128,601</b>	<b>\$1,171,883</b>
<b>Personnel Budget</b>			
	<b>FY21</b>	<b>Change FY22 vs. FY21</b>	<b>FY22</b>
A. 5% Commonwealth approved Constitutional officers & FT County Employees		\$188,084	\$188,084
B. Health insurance contribution	\$456,721	(\$29,437)	\$427,284
C. Misc. Increases/decreases	\$2,758,399	(\$42,032)	\$2,716,367
<b>Total Personnel Changes</b>	<b>\$3,215,120</b>	<b>\$116,615</b>	<b>\$3,331,735</b>
<b>Transfer Out to Capital Fund – Bristol 25%</b>		<b><u>67,525</u></b>	<b><u>\$67,525</u></b>
<b>Total FY 2022 vs. FY 2021</b>	<b><u>\$4,258,402</u></b>	<b><u>312,741</u></b>	<b><u>\$4,571,143</u></b>

<b>401 General Debt Service Fund</b>			
	<b>FY21</b>	<b>Change FY22 vs. FY21</b>	<b>FY22</b>
<b>Total FY2022 vs. FY2021</b>	<b><u>\$2,785,793</u></b>	<b><u>(\$318,495)</u></b>	<b><u>\$2,467,298</u></b>

<b>490 School Debt Fund</b>			
	<b>FY21</b>	<b>Change FY22 vs. FY21</b>	<b>FY22</b>
<b>Total Change FY 2022 vs. FY2021</b>	<b><u>\$1,375,065</u></b>	<b><u>(\$205,608)</u></b>	<b><u>\$1,169,457</u></b>

<b>501 Public Utilities Fund</b>			
<b>Capital items Budget</b>	<b>FY21</b>	<b>Change FY22 vs. FY21</b>	<b>FY22</b>
A. Water treatment system (Government Complex) FY21 approved not completed – Additional request to complete			\$10,000
<b>Total Capital Requests Change</b>	<b>\$110,000</b>	<b>(\$100,000)</b>	<b>\$10,000</b>
<b>Operating</b>	<b>\$152,290</b>	<b>(\$9,905)</b>	<b>\$142,935</b>
<b>Transfer-General Fund</b>	<b>\$0</b>		<b>\$0</b>
<b>Personnel</b>	<b>\$59,027</b>	<b>(\$2,907)</b>	<b>\$56,120</b>
<b>Total Change FY 2022 vs. FY 2021</b>	<b><u>\$321,867</u></b>	<b><u>(\$112,812)</u></b>	<b><u>\$209,055</u></b>