

Bell Creek CDA Fund

FUNCTIONAL AREA: Community Development

DESCRIPTION

This fund accounts for revenue collected revenue on behalf of the Bell Creek Community Development Authority (CDA) for the repayment of \$15,980,000 of bonds issued in 2003 to finance infrastructure improvements to the Bell Creek CDA District. The District consists of 325 acres of land within the county containing mixed-use development with residential, retail, commercial and light industrial properties. The Board of Supervisors, at the request of the Bell Creek CDA, adopted a special assessment levy on properties within the District to repay the bonds. Neither the faith and credit of the Bell Creek CDA, nor the faith and credit of the County, are pledged to the payment of the principal of or interest on the bonds. Accordingly, these bonds are not reported as County debt.

FOR ADDITIONAL INFORMATION

<https://www.hanovercounty.gov/420/Bell-Creek-Community-Development-Authority>

BUDGET SUMMARY	FY20 Actual	FY21 Budget	FY22 Budget	% Change FY21 to FY22
Expenditures	161,650	157,000	160,000	1.9%
Operating	161,650	157,000	160,000	1.9%
Revenues	159,943	157,000	160,000	1.9%
Local Revenue				
Assessments	159,943	157,000	160,000	1.9%
Generated Revenue	100.0%	100.0%	100.0%	
Contribution from the General Fund	0.0%	0.0%	0.0%	

BUDGET HIGHLIGHTS

- The Revenue budget for assessments is set based on expected growth from prior year actuals.
- At June 30, 2020, the remaining bonds outstanding were \$1,046,000.

Lewistown CDA Fund

FUNCTIONAL AREA: Community Development

DESCRIPTION

This fund accounts for revenue collected on behalf of the Lewistown Commerce Center Community Development Authority (Lewistown CDA) for the repayment of \$37,675,000 of bonds issued in 2007 to finance land acquisition and infrastructure improvements in the Lewistown CDA District. The bonds were subsequently amended and restructured. The District consists of 186.5 acres of land within the county. The District originally included commercial, retail and recreational properties. A portion of the District was rezoned in 2018 to allow residential development.

Pursuant to the terms of a special assessment agreement between the County, the Lewistown CDA and the developers, the bonds are repaid from (1) a special real property tax collected by Hanover County against taxable real property within the District, (2) incremental tax revenues consisting of specified percentages of incremental real and personal property, hotel occupancy and the County’s portion of sales tax revenues collected and, if necessary, (3) special assessments imposed and collected by the County at the request of the Lewistown CDA on taxable real property within the District.

Neither the faith and credit of the Lewistown CDA, nor the faith and credit of the County, are pledged to the payment of the principal of or interest on the bonds. Accordingly, these bonds are not reported as County debt.

FOR ADDITIONAL INFORMATION

<https://www.hanovercounty.gov/426/Lewistown-Community-Development>

BUDGET SUMMARY	FY20 Actual	FY21 Budget	FY22 Budget	% Change FY21 to FY22
Expenditures	1,306,752	1,762,000	1,871,000	6.2%
Operating	1,306,752	1,762,000	1,871,000	6.2%
Revenues	1,331,225	1,762,000	1,871,000	6.2%
Local Revenue				
Assessments	644,636	1,200,000	1,236,000	3.0%
Transfers In				
Transfer from General Fund	686,589	562,000	635,000	13.0%
Generated Revenue	48.4%	68.1%	66.1%	
Contribution from the General Fund	51.6%	31.9%	33.9%	

BUDGET HIGHLIGHTS

- The General Fund collects generated revenue on behalf of the Lewistown Commerce Center CDA and transfers that revenue to this fund ('Transfers In'). Generated revenue is expected to increase in FY22 as public health conditions improve and the COVID-19 pandemic subsides.
- At June 30, 2020, the remaining bonds outstanding were \$16,963,000.

Debt Service Fund

FUNCTIONAL AREA: Nondepartmental

DESCRIPTION

Debt service is the cost of paying principal and interest on borrowed money. The County borrows money through financing mechanisms that include general obligation bonds, revenue bonds, lease-purchase arrangements and loans from the Virginia Department of Education Literary Loan Fund.

The Constitution of Virginia and the Virginia Public Finance Act provide the County with authority to issue general obligation debt secured solely by the pledge of its full faith and credit. The issuance of general obligation bonds must have been approved by public referendum, unless such bonds are issued to certain state authorities. In the Commonwealth of Virginia, there is no statutory limitation on the amount of general obligation debt the County may incur. Debt secured solely by revenues generated by the system for which the bonds were issued (revenue bonds) may be issued in any amount without a public referendum.

The process of debt funding begins with the Five-Year Capital Improvements Program (CIP). The Board of Supervisors approves the source of funding for all projects in the CIP, including debt-funded projects using bond proceeds. The five-year plan for issuance of debt is designed to minimize fluctuations of annual debt service requirements and maintain compliance with debt ratio policies.

The County’s commitment to established debt and financial management policies has enabled the County to achieve AAA bond ratings from all three rating agencies: Fitch Ratings, Standard & Poor’s and Moody’s Investors Service.

BUDGET SUMMARY	FY20 Actual	FY21 Budget	FY22 Budget	% Change FY21 to FY22
Expenditures	37,742,855	18,811,920	18,888,630	0.4%
Operating	18,233	25,700	25,800	0.4%
Debt Service	37,724,622	18,786,220	18,862,830	0.4%
Principal	13,855,812	12,586,330	12,850,750	2.1%
Interest	6,211,304	6,049,890	5,943,080	-1.8%
Issuance Costs	309,923	150,000	69,000	-54.0%
Pmt Refund Debt Escrow Agent	17,347,583	-	-	----
Revenues	37,771,659	18,811,920	18,888,630	0.4%
Local Revenue	349,626	-	26,860	----
Misc Rev VPSA Credits	13,300	-	26,860	----
Investment Income	336,326	-	-	----
Long-term Debt	17,691,945	150,000	69,000	-54.0%
Intergovernmental	66,258	-	-	----
Fed BABs Debt Service	66,258	-	-	----
Transfers In	19,663,830	18,661,920	18,792,770	0.7%
Transfer from General Fund	19,663,830	18,661,920	18,792,770	0.7%
Generated Revenue	47.9%	0.8%	0.5%	
Contribution from the General Fund	52.1%	99.2%	99.5%	

Debt Service Fund

BUDGET HIGHLIGHTS

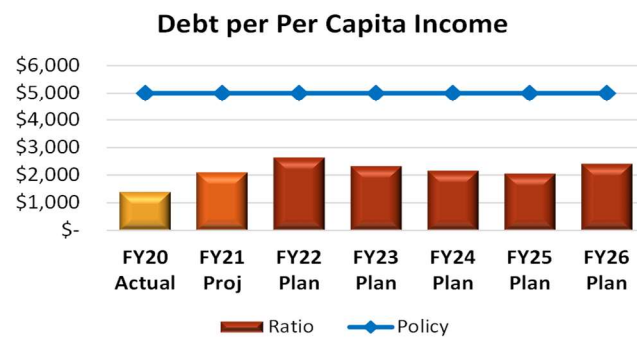
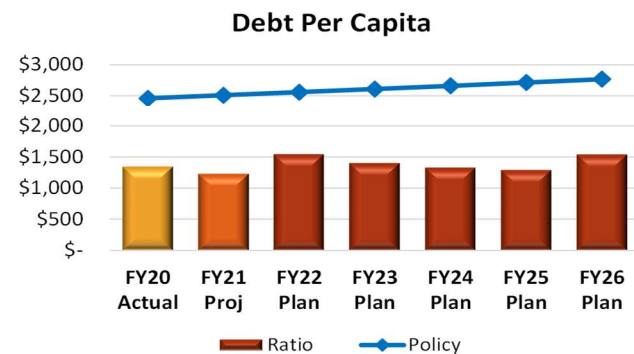
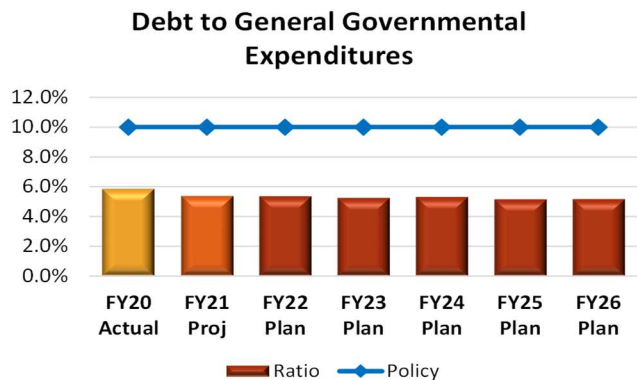
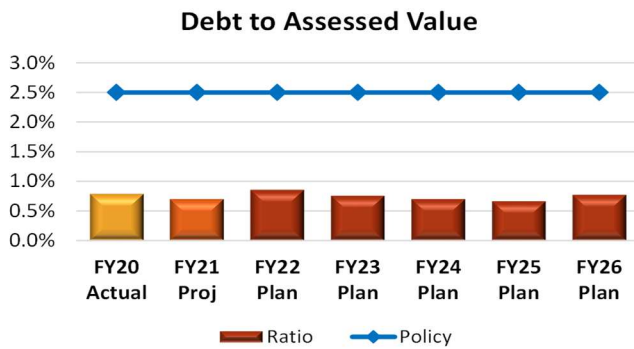
- As of June 30, 2020, the County had outstanding debt funded by general government expenditures of \$152.6 million.

ADDITIONAL REFERENCES

- Principal and interest to maturity for the County’s noncurrent liabilities are detailed in the Notes to Financial Statements section of the County's Comprehensive Annual Financial Report.
<https://www.hanovercounty.gov/283/Comprehensive-Annual-Financial-Report>
- Ratings and official statements including the purpose of each issuance are available on the Electronic Municipal Market Access (EMMA) website operated by the Municipal Securities Rulemaking Board (MSRB).
<https://emma.msrb.org/>

DEBT RATIO LIMITS

The Commonwealth of Virginia does not impose a legal limit on the amount of long-term indebtedness the County can incur or have outstanding. The Board of Supervisors, however, has imposed the following debt ratio limits in the County's financial policies: debt per capita (\$2,557 for FY22 and growing by 2% annually); debt to assessed value (2.5%); debt service to general (non-capital) governmental expenditures (10%); and debt per capita income (\$5,000). The following graphs illustrate the County’s actual (FY20), projected (FY21) and five-year plan (FY22-FY26) compliance with the debt ratio limits:



Food Services Fund

FUNCTIONAL AREA: Education

DESCRIPTION

The Food Services Fund accounts for operation of the HCPS school nutrition program. All schools participate in the National School Breakfast and Lunch Program, which provides subsidized meals to eligible students at reduced or no cost. An a la carte food service program is also available at the high schools. Revenues that support the program are from school-based lunch and breakfast sales coupled with federal and state funding based upon the anticipated participation levels for free, reduced and paid meals.

FOR ADDITIONAL INFORMATION

http://hcps.us/departments/school_nutrition

BUDGET SUMMARY	FY20 Actual	FY21 Budget	FY22 Budget	% Change FY21 to FY22
Expenditures	5,239,405	7,604,475	7,311,275	-3.9%
Salaries & Fringe Benefits	2,617,268	3,863,043	3,686,338	-4.6%
Operating	2,611,162	3,716,432	3,599,937	-3.1%
Capital Outlay	10,975	25,000	25,000	0.0%
Revenues	5,545,381	7,604,475	7,311,275	-3.9%
Local Revenue	3,103,874	4,990,025	4,629,922	-7.2%
Charges for Services	3,055,320	4,680,025	4,319,922	-7.7%
Miscellaneous	53,071	310,000	310,000	0.0%
Use of Money & Property	(4,517)	-	-	----
Intergovernmental	2,441,507	2,614,450	2,681,353	2.6%
Categorical Federal Aid	2,357,751	2,534,000	2,600,903	2.6%
Categorical State Aid	83,756	80,450	80,450	0.0%
Generated Revenue	100.0%	100.0%	100.0%	
Contribution from the General Fund	0.0%	0.0%	0.0%	

BUDGET HIGHLIGHTS

- The decrease in budget from FY21 to FY22 is largely a result of school-based sales. This change is reflected in both Expenditures and Charges for Services.

FTE SUMMARY

	FY21 Budget	FY21 Amended	FY22 Budget	FTE Change from FY21 Amended
Full-time Equivalents (FTE)	129.7	129.7	129.7	-
Full-time Positions	121.0	121.0	115.0	(6.0)
Part-time Positions	8.7	8.7	14.7	6.0

Budgeted FTE for the Schools Operating Fund and Food Services Fund are provided by HCPS.

Schools Operating Fund

FUNCTIONAL AREA: Education

DESCRIPTION

Hanover County Public Schools (HCPS) serves students from pre-kindergarten to 12th grade across traditional, online, trade and technology and alternative education schools. All Hanover schools are fully accredited by the Virginia Department of Education.

Hanover County Public Schools are operated by a seven-member School Board, the members of which are appointed by the Board of Supervisors. A Superintendent of Schools is appointed by the School Board to administer the operations of the public schools. Operations of the School Board are independent of the Board of Supervisors as prescribed by Virginia law.

The Schools Operating Fund is the primary fund for education-related activities. The complete HCPS budget also includes the Food Services Fund and School Improvements Fund. Complete details of all funds can be found in the School Board’s budget, which can be accessed on the HCPS website below.

FOR ADDITIONAL INFORMATION

<http://hcps.us>

BUDGET SUMMARY	FY20 Actual	FY21 Budget	FY22 Budget	% Change FY21 to FY22
Expenditures	187,418,789	193,877,503	203,450,240	4.9%
Salaries & Fringe Benefits	170,215,320	173,724,851	182,683,037	5.2%
Operating	15,533,385	18,638,187	17,902,203	-3.9%
Capital Outlay	1,670,084	1,514,465	2,865,000	89.2%
Revenues	188,153,571	193,877,503	203,450,240	4.9%
Local Revenue	2,066,002	3,054,349	3,043,549	-0.4%
Charges for Services	659,277	842,000	736,000	-12.6%
Miscellaneous	712,999	1,417,749	1,442,749	1.8%
Recovered Costs	314,345	635,000	710,000	11.8%
Use of Money & Property	379,381	159,600	154,800	-3.0%
Intergovernmental	100,155,633	97,827,154	102,385,691	4.7%
Categorical Federal Aid	7,056,695	8,114,327	7,514,450	-7.4%
Categorical State Aid	22,667,980	21,293,379	24,028,895	12.8%
Non-Categorical State Aid	70,430,958	68,419,448	70,842,346	3.5%
Transfers In	85,931,936	92,996,000	98,021,000	5.4%
Generated Revenue	54.3%	52.0%	51.8%	
Contribution from the General Fund	45.7%	48.0%	48.2%	

Schools Operating Fund

BUDGET HIGHLIGHTS

- The budget reflects the input of School Board members, School staff and parent and professional organizational representatives working together. The focus remains on maintaining educational opportunities for students.
- The increases in Salaries & Fringe Benefits includes the countywide compensation adjustment, as well as a salary scale enhancement for teachers, instructional assistants and bus drivers.
- The FY22 CIP includes initial funding for the replacement school which consolidates Henry Clay Elementary and John M. Gandy Elementary on the Gandy site. The remaining funding is planned for FY23. This project is separately budgeted in the CIP section of the document.

GOALS & OBJECTIVES

- Develop budget proposals to support the stated goal of the Superintendent and School Board of providing an education system that will foster the success of all students
- Provide resources to ensure schools are safe for students, school visitors and employees
- Provide salary and benefit plans that support Hanover’s competitive position and reflect market adjustments where necessary
- Promote instructional programming that supports professional development for staff, curriculum development, career and technical education, state and federal accountability standards, special education services, technology integration and dual enrollment
- Develop and maintain a responsive, systematic approach to long-term building maintenance, construction, custodial services, furniture/equipment replacement, technology (information) system upgrades, other operating efficiencies and long-range financial stability
- Integrate recommendations, as approved by the School Board, from the Facility and Instructional Program Evaluation Committee
- Identify the impact of emerging issues and mandates on the school budget

FTE SUMMARY

	FY21 Budget	FY21 Amended	FY22 Budget	FTE Change from FY21 Amended
Full-time Equivalents (FTE)	2,381.6	2,381.6	2,390.5	8.9
Full-time Positions	2,241.0	2,241.0	2,265.0	24.0
Part-time Positions	140.6	140.6	125.5	(15.1)

Budgeted FTE for the Schools Operating Fund and Food Services Fund are provided by HCPS.

Economic Development Authority Fund

FUNCTIONAL AREA: Community Development

DESCRIPTION

The Economic Development Authority (EDA) is a political subdivision of the Commonwealth of Virginia empowered to acquire, own, lease and dispose of properties, including properties for use by the County, and to finance the same by issuance of revenue bonds. Hanover's EDA is primarily used for considering industrial revenue bond requests and assisting the County in lease revenue bonds. The EDA consists of 7 members appointed from each magisterial district in the County.

The EDA has no taxing authority. Revenue is generated from a management fee of 1/10 of 1% of all outstanding debt issued from inducement resolutions approved by the EDA. Those bonds, representing limited obligations of the EDA, are to be repaid solely from the revenue and receipts derived from the projects funded with the proceeds. The debt outstanding does not constitute a debt or pledge of the faith and credit of the County or the EDA. Accordingly, these bonds are not reported as County debt.

FOR ADDITIONAL INFORMATION

<https://www.hanovercounty.gov/488/Economic-Development-Authority>

BUDGET SUMMARY	FY20 Actual	FY21 Budget	FY22 Budget	% Change FY21 to FY22
Expenditures	86,391	87,295	94,230	7.9%
Operating	86,391	87,295	94,230	7.9%
Revenues	88,560	87,295	94,230	7.9%
Local Revenue	88,560	87,295	94,230	7.9%
Economic Dev Commission Fee	88,560	87,295	94,230	7.9%
Generated Revenue	100.0%	100.0%	100.0%	
Contribution from the General Fund	0.0%	0.0%	0.0%	

BUDGET HIGHLIGHTS

- The budget is based on the estimated volume of outstanding debt. The EDA supported a new bond issuance in FY21, increasing revenues from the management fee.
- The accompanying change in expenditures increases reimbursement to the Economic Development department in the General Fund, which offsets costs associated with managing the EDA.

GOALS & OBJECTIVES

- Promptly service industrial revenue bond requests, other economic development opportunities and, after a thorough study, make timely recommendations to the Board of Supervisors for their consideration

SERVICE LEVELS

	FY20 Actual	FY21 Budget	FY21 Forecast	FY22 Budget
# Outstanding industrial revenue bond issues	2	2	3	3

Airport Fund

FUNCTIONAL AREA: Airport

DESCRIPTION

The Airport Fund accounts for the County’s oversight of the Hanover County Airport. The airport is a 260 acre facility strategically located between Ashland and Richmond, easily accessible to Interstates 95 and 295 for multimodal transportation. The airport is a reliever airport within the Richmond metropolitan service area and serves small-engine and multi-engine aircraft, as well as light business jets. The facility has a 5,400 x 100 foot runway, non-precision landing system and is able to accommodate corporate aircraft and the businesses that they represent. A fixed-base operator (FBO) handles the day-to-day operations of the airport. Services at the facility include flight instruction, aircraft fueling, aircraft charters, aircraft sales, repairs, rentals and aircraft storage.

FOR ADDITIONAL INFORMATION

<http://www.airnav.com/airport/KOFP>

BUDGET SUMMARY	FY20 Actual	FY21 Budget	FY22 Budget	% Change FY21 to FY22
Expenditures	316,851	572,206	1,376,642	140.6%
Salaries & Fringe Benefits	115,827	116,707	119,729	2.6%
Operating	57,975	131,859	968,439	634.5%
Capital Outlay	-	18,000	-	-100.0%
Debt Service	143,049	305,640	288,474	-5.6%
Principal	95,189	141,733	205,146	44.7%
Interest	47,860	163,907	83,328	-49.2%
Revenues	322,242	572,206	1,376,642	140.6%
Local Revenue	262,424	462,530	483,787	4.6%
Rental Income	217,419	375,630	393,887	4.9%
Rental Rev Tower Lease	45,006	27,900	30,900	10.8%
Reserve for Revenue Transfers	-	50,000	50,000	0.0%
Miscellaneous Refunds	-	9,000	9,000	0.0%
Intergovernmental	41,374	-	816,666	----
Categorical State Aid	11,374	-	66,666	----
Categorical Federal Aid	30,000	-	-	----
Fed Aviation Administration	-	-	750,000	----
Transfers In	18,444	109,676	76,189	-30.5%
Transfer from General Fund	18,444	109,676	76,189	-30.5%
Generated Revenue	94.3%	80.8%	94.5%	
Contribution from the General Fund	5.7%	19.2%	5.5%	

Budget Summary excludes the Airport CIP Fund. Airport CIP Fund information, including project details, is available in the CIP section of this document.

Airport Fund

BUDGET HIGHLIGHTS

- The Salaries & Fringe Benefits increase is the result of a countywide compensation adjustment.
- FY22 Operating expenditures and Intergovernmental Revenues each include more than \$800K in one-time funding to update the Airport Master Plan, which was last approved in 2002.
- Revenues are derived primarily from rental income provided by the FBO and federal and state aid.
- Increases in rental income and the lease agreement for the tower, which is expected to be renewed in calendar 2022, drive growth in Local Revenue.

GOALS & OBJECTIVES

- Maximize grant recovery on eligible projects
- Maintain 60 day turnaround time between invoice and revenue recovery for all grants and capital projects
- Complete capital improvements projects on schedule

SERVICE LEVELS

	FY20 Actual	FY21 Budget	FY21 Forecast	FY22 Budget
Number of based aircraft	111	110	115	120
Aircraft hangar spaces	54	54	54	54
Aircraft tie down spaces	92	92	92	92
Corporate hangars (square feet)*	32,100	32,100	47,100	47,100
<i>*FY21: Newly constructed hanger opened</i>				
Gallons of fuel sold	239,612	260,000	245,000	265,000

FTE SUMMARY

	FY21 Budget	FY21 Amended	FY22 Budget	FTE Change from FY21 Amended
Full-time Equivalents (FTE)	1.0	1.0	1.0	-
Full-time Positions	1.0	1.0	1.0	-

Public Utilities Fund

FUNCTIONAL AREA: Public Utilities

DESCRIPTION

The Department of Public Utilities (DPU) owns, operates and maintains public water and wastewater (sewer) systems in the Suburban Service Area, Town of Ashland, Hanover Courthouse Area and five rural residential subdivisions (collectively, the “System”). Extensions of the System are made in support of and in compliance with the County’s and Town of Ashland’s Comprehensive Plans.

The Public Utilities Fund is a self-supporting enterprise fund whereby the operations and capital expenditures are funded with revenues generated from customer user fees and one-time capacity fees paid at the time of connection to the System. County General Fund tax dollars are not used to fund the System. Although DPU is a tax-exempt part of the County government, it pays a service assessment charge to the General Fund in lieu of taxes for indirect public safety services. The Board of Supervisors establishes and revises both water and wastewater rates and fees and adopts the annual operating and Capital Improvements Program (CIP) budgets.

DPU develops operating, maintenance and capital construction plans to ensure reliability, adequate capacity and regulatory compliance. Capital needs are impacted by construction in support of the Comprehensive Plans, rehabilitation and maintenance requirements and compliance with state and federal regulations.

FOR ADDITIONAL INFORMATION

<https://www.hanovercounty.gov/413/Public-Utilities>

BUDGET SUMMARY	FY20	FY21	FY22	% Change
	Actual	Budget	Budget	FY21 to FY22
Expenditures	29,662,250	32,071,466	41,711,188	30.1%
Salaries & Fringe Benefits	6,737,113	7,056,739	7,374,273	4.5%
Operating	11,059,537	12,869,874	13,119,956	1.9%
Capital Outlay	914,718	1,066,244	1,143,580	7.3%
Debt Service	1,705,498	1,743,296	1,742,730	0.0%
Transfers Out	9,245,384	9,335,313	18,330,649	96.4%
Revenues	39,912,757	32,071,466	41,711,188	30.1%
Local Revenue	39,912,757	31,351,254	32,052,446	2.2%
Charges for Services	25,698,328	25,550,905	26,383,566	3.3%
Miscellaneous	12,240,493	5,035,000	4,960,000	-1.5%
Permits Fees & Licenses	671,841	475,000	525,000	10.5%
Recovered Costs	315,670	140,349	83,880	-40.2%
Use of Money & Property	986,425	150,000	100,000	-33.3%
Use of Planned Surpluses	-	720,212	9,658,742	1241.1%
Generated Revenue	100.0%	100.0%	100.0%	
Contribution from the General Fund	0.0%	0.0%	0.0%	

Budget Summary excludes the Public Utilities CIP Fund. Public Utilities CIP Fund information, including project details, is available in the CIP section of this document.

Public Utilities Fund

BUDGET HIGHLIGHTS

- FY22 Budget includes \$1.14M in Public Utilities' Service Level Plan (SLP). The SLP includes \$675K for machinery and equipment, \$250K in motor vehicles and \$219K for facility rehabilitation.

GOALS & OBJECTIVES

- Provide reliable water and wastewater service in accordance with applicable regulatory requirements
- Maintain fiscal integrity to provide for system growth, adequate maintenance and replacement of capital to ensure quality service, system reliability and to control future costs
- Emphasize continuing education to maintain staff competency ensuring U.S. Environmental Protection Agency (EPA) regulatory compliance
- Continue implementing the Capital Improvements Program, meeting customer capacity needs in support of the County's and Town of Ashland's Comprehensive Plans and economic development

SERVICE LEVELS

	FY20 Actual	FY21 Budget	FY21 Forecast	FY22 Budget
Water customers	21,995	22,350	22,405	22,790
Wastewater customers	21,436	21,790	21,850	22,230
Customer calls	64,711	69,241	69,241	74,088
Plans reviewed	409	300	350	350
Water distributed (MGD)	8.42	8.71	8.79	8.88
Wastewater collected (MGD)	6.32	6.40	8.30	8.38
Miles of water line maintained	448	449	452	457
Miles of sewer line maintained	407	411	411	415

FTE SUMMARY

	FY21 Budget	FY21 Amended	FY22 Budget	FTE Change from FY21 Amended
Full-time Equivalents (FTE)	95.0	95.0	95.0	-
Full-time Positions	95.0	95.0	95.0	-

Public Utilities Fund

LARGEST CUSTOMERS: WATER

The following table provides annual data on the County’s ten largest water customers for the fiscal year ended June 30, 2020:

	Water Usage*	Water Revenue	% of Total Revenue
Tyson Food	276,900	732,973	4.6%
Kings Dominion	163,983	465,945	2.9%
Doswell Limited Partnership	79,920	231,692	1.5%
Hanover Medical Park	50,986	204,628	1.3%
Randolph - Macon College	43,357	242,532	1.5%
Covenant Woods	24,179	119,761	0.8%
819 Virginia	23,098	86,063	0.5%
Americast	12,908	57,855	0.4%
Caroline County	12,483	59,723	0.4%
The Rutland Foundation	10,495	66,229	0.4%
Total	698,309	2,267,400	14.3%

**in 1,000 gallons*

The ten largest water customers together represent about 14.35% of total water operating and non-operating revenues, with the largest customer representing approximately 4.64% of that total.

LARGEST CUSTOMERS: WASTEWATER

The following table provides annual data on the County’s ten largest wastewater customers for the fiscal year ended June 30, 2020:

	Wastewater Usage*	Wastewater Revenue	% of Total Revenue
Kings Dominion	101,092	496,282	2.7%
Hanover Medical Park	48,734	283,963	1.6%
Randolph - Macon College	37,231	236,473	1.3%
Covenant Woods	16,680	98,293	0.5%
Hanover Crossing, LLC	10,409	65,628	0.4%
Hanover Manufacturing	8,021	45,306	0.2%
Ashland Towne Square Apts	7,579	53,214	0.3%
Americast	7,341	42,559	0.2%
Mill Trace	6,621	47,708	0.3%
Leadbetter Inc	6,270	36,370	0.2%
Total	249,978	1,405,796	7.7%

**in 1,000 gallons*

The ten largest wastewater customers together represent about 7.68% of total wastewater operating and non-operating revenues. with the largest customer representing approximately 2.71% of that total.

Self-Insurance Fund

FUNCTIONAL AREA: Nondepartmental

DESCRIPTION

The Self-Insurance Fund provides for fiscal management of health insurance costs, as well as clinic operations and wellness initiatives. Participating employers include the County, Schools, Pamunkey Regional Library and Pamunkey Regional Jail. This internal service fund pays claims and receives employer contributions and employee health insurance premiums that are set with the intent to recover all costs. Employer health insurance contributions and retiree healthcare liability costs are budgeted as expenditures in departmental budgets and revenues in the Self-Insurance Fund.

BUDGET SUMMARY	FY20 Actual	FY21 Budget	FY22 Budget	% Change FY21 to FY22
Expenditures	40,106,671	48,012,900	49,662,285	3.4%
Salaries & Fringe Benefits	1,661,655	1,896,719	2,060,555	8.6%
Operating	38,445,016	46,116,181	47,601,730	3.2%
Revenues	43,946,131	48,012,900	49,662,285	3.4%
Local Revenue	43,946,131	46,012,900	48,162,285	4.7%
COBRA	196,704	-	-	----
Health Ins Fees - Employee	9,756,626	10,999,500	11,082,667	0.8%
Health Ins Fees - Employer	31,974,540	34,938,400	36,824,278	5.4%
Investment Income	334,046	75,000	75,340	0.5%
OPEB Fees Employer	270,196	-	-	----
Recovered Costs	397,569	-	180,000	----
Retirees	1,016,451	-	-	----
Use of Planned Surpluses	-	2,000,000	1,500,000	-25.0%
Employee Contributions	22.2%	22.9%	22.3%	
Employer Contributions	72.8%	72.8%	74.1%	
Other Funding Sources	5.0%	4.3%	3.5%	
Contribution from the General Fund	0.0%	0.0%	0.0%	

BUDGET HIGHLIGHTS

- Salaries & Fringe Benefits includes increased employer contributions to Health Savings Accounts (HSA) as more employees opt for consumer-driven insurance plans.
- The Operating budget reflects increased pharmacy claims and reinsurance fees, COVID-19 testing for employees and an increase to reserves in the uncertain public health environment.
- Health insurance claims are primarily covered by employee and employer contributions. The Use of Planned Surpluses represents prior year contributions that were not paid out in claims.

FTE SUMMARY

	FY21 Budget	FY21 Amended	FY22 Budget	FTE Change from FY21 Amended
Full-time Equivalents (FTE)	1.0	1.0	1.0	-
Full-time Positions	1.0	1.0	1.0	-