

Other Funds Summary

	FY20 Actual	FY21 Budget	FY22 Budget	% Change FY21 to FY22
Expenditures - by Fund	302,041,614	302,956,765	322,244,436	6.4%
Fiduciary Funds				
Custodial Funds				
Bell Creek CDA Fund	161,650	157,000	160,000	1.9%
Lewistown CDA Fund	1,306,752	1,762,000	1,871,000	6.2%
Governmental Funds				
Debt Service Fund	37,742,855	18,811,920	18,888,630	0.4%
School Funds				
Food Services Fund	5,239,405	7,604,475	7,311,275	-3.9%
Schools Operating Fund	187,418,789	193,877,503	201,169,205	3.8%
Special Revenue Fund				
Economic Development Authority Fund	86,391	87,295	94,230	7.9%
Proprietary Funds				
Enterprise Funds				
Airport Fund	316,851	572,206	1,376,623	140.6%
Public Utilities Fund	29,662,250	32,071,466	41,711,188	30.1%
Internal Service Fund				
Self-Insurance Fund	40,106,671	48,012,900	49,662,285	3.4%
Revenues	317,231,470	302,956,765	322,244,436	6.4%
Local Revenue	90,533,953	87,315,353	89,889,079	2.9%
Long-term Debt	17,691,945	150,000	69,000	-54.0%
Intergovernmental	102,704,772	100,441,604	103,602,675	3.1%
Use of Planned Surpluses	-	2,720,212	11,158,742	310.2%
Transfers In	106,300,799	112,329,596	117,524,940	4.6%
Generated Revenue Percent	66.5%	62.9%	63.5%	
General Fund Revenue Percent	33.5%	37.1%	36.5%	

FTE SUMMARY	FY21 Budget	FY21 Amended	FY22 Budget	FTE Chg from FY21 Amended
Full-time Equivalents (FTE)	2,600.3	2,600.3	2,603.5	3.2
Full-time Positions	2,451.0	2,451.0	2,460.2	9.2
Part-time Positions	149.3	149.3	143.3	(6.0)

The above summary excludes the Airport CIP, Public Utilities CIP and School Improvements Funds. Budget summaries for CIP funds are available in the CIP section of this document.

Bell Creek CDA Fund

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

DESCRIPTION

The Bell Creek Community Development Authority (CDA) was created in 2002 and consists of 325 acres of land within the county. The property encompasses a mixed-use development and provides commercial development with retail space including a shopping center known as The Shoppes at Bell Creek, a light industrial park and a residential development on 167 acres known as The Bluffs at Bell Creek.

The Bell Creek Community Development Special Assessment Bonds were issued in 2003 in the total principal amount of \$15,980,000. The bonds were issued to finance the acquisition and construction of roads and road improvements, water and sanitary sewer improvements, stormwater management improvements and certain other infrastructure improvements. The Board of Supervisors, at the request of the Bell Creek CDA, adopted a special assessment levy on residential, retail, commercial and light industrial properties within the authority to repay the bonds.

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 Percent	100.0%	100.0%	100.0%	
General Fund Revenue Percent	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 totaled \$1,046,000.

Lewistown CDA Fund

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

DESCRIPTION

The Lewistown Commerce Center Community Development Authority (CDA) was created in 2006 and consists of 186.5 acres of land within the county. The property is part of a business complex (The Shops at Winding Brook) expected to provide commercial and retail spaces, recreation and tourism facilities and other amenities that are expected to be developed in phases by different entities. A portion of the CDA was rezoned in 2018 to allow residential development.

The Lewistown Commerce Center Community Development Authority Revenue Bonds were issued in 2007 in the total principal amount of \$37,675,000. The bonds were issued to finance the acquisition of certain land and the construction of certain infrastructure improvements.

Pursuant to the terms of a Special Assessment Agreement between the County, the Authority and the Developers, the bonds will be payable from (1) a Special Real Property Tax on taxable real and leasehold 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 Authority on taxable real property within the District.

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 Percent	48.4%	68.1%	66.1%	
General Fund Revenue Percent	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.
- At June 30, 2020, the remaining bonds totaled \$16,963,000.

Debt Service Fund

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 Literacy 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 Percent	47.9%	0.8%	0.5%	
General Fund Revenue Percent	52.1%	99.2%	99.5%	

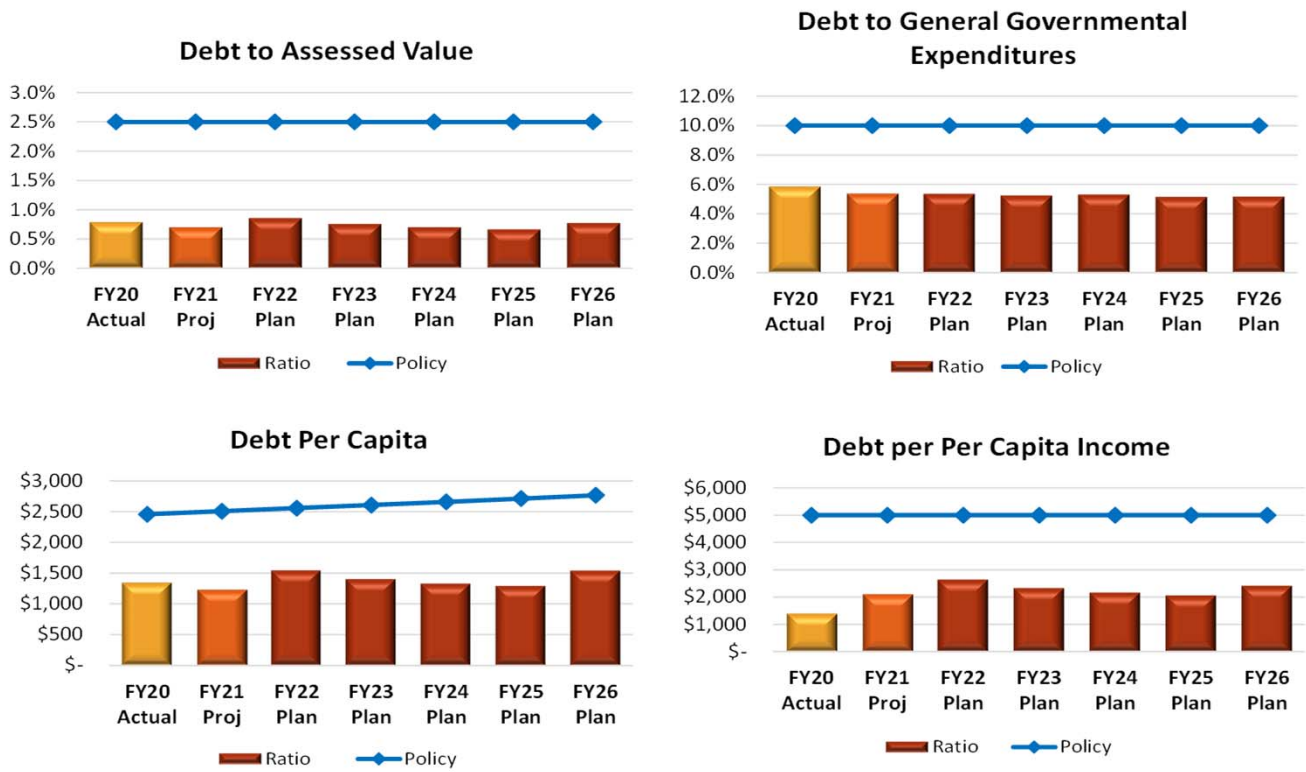
Debt Service Fund

BUDGET HIGHLIGHTS

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

DEBT RATIO POLICIES

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 limits in the County's debt policy: 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 policy:



Food Services Fund**DESCRIPTION**

The Food Services Fund accounts for all of the operations of the school food services 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.

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 Percent	100.0%	100.0%	100.0%	
General Fund Revenue Percent	0.0%	0.0%	0.0%	

BUDGET HIGHLIGHTS

- The decrease 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	121.0	-
Part-time Positions	8.7	8.7	8.7	-

Schools Operating Fund

DESCRIPTION

Hanover County Public Schools currently operates 3 separate funds: Schools Operating Fund, 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 School’s website at <http://hcps.us/>.

Hanover County Public Schools’ mission is to be a student-centered, community-driven organization committed to providing all students with exceptional learning experiences in order to prepare them to be confident, ethical, productive citizens. The Hanover County School Board is charged with the responsibility of preserving and enhancing public education in Hanover. The seven-member body is appointed to four-year terms by the Board of Supervisors of Hanover County. The chief administrator and executive officer appointed by the School Board is the Superintendent of Schools.

The quality of the school system has produced many accolades for Hanover’s students and teachers. All Hanover schools are fully accredited by the Virginia Department of Education. In addition, Hanover was the first Virginia school district to receive the U.S. Senate Productivity and Quality Award for Continuing Excellence.

BUDGET SUMMARY	FY20 Actual	FY21 Budget	FY22 Budget	% Change FY21 to FY22
Expenditures	187,418,789	193,877,503	201,169,205	3.8%
Salaries & Fringe Benefits	170,215,320	173,724,851	180,442,002	3.9%
Operating	15,533,385	18,638,187	17,862,203	-4.2%
Capital Outlay	1,670,084	1,514,465	2,865,000	89.2%
Revenues	188,153,571	193,877,503	201,169,205	3.8%
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	100,104,656	2.3%
Categorical Federal Aid	7,056,695	8,114,327	7,514,450	-7.4%
Categorical State Aid	22,667,980	21,293,379	23,213,041	9.0%
Non-Categorical State Aid	70,430,958	68,419,448	69,377,165	1.4%
Transfers In	85,931,936	92,996,000	98,021,000	5.4%
Generated Revenue Percent	54.3%	52.0%	51.3%	
General Fund Revenue Percent	45.7%	48.0%	48.7%	

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 and John M. Gandy Elementary Schools 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)	2,373.6	2,373.6	2,376.8	3.2
Full-time Positions	2,233.0	2,233.0	2,242.2	9.2
Part-time Positions	140.6	140.6	134.6	(6.0)

Economic Development Authority Fund

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

DESCRIPTION

The Economic Development Authority (EDA) was created by ordinance on August 30, 1967, and is a political subdivision of the Commonwealth of Virginia, but has no taxing authority. The EDA consists of 7 members appointed from each magisterial district in the County.

The EDA is 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. 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.

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 Percent	100.0%	100.0%	100.0%	
General Fund Revenue Percent	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

DESCRIPTION

The Hanover County 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, with the services provided by a contracted operator, the airport is able to accommodate corporate aircraft and the businesses that they represent. Services at the facility include flight instruction, aircraft fueling, aircraft charters, aircraft sales, repairs, rentals and aircraft storage.

BUDGET SUMMARY	FY20 Actual	FY21 Budget	FY22 Budget	% Change FY21 to FY22
Expenditures	316,851	572,206	1,376,623	140.6%
Salaries & Fringe Benefits	115,827	116,707	119,710	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	1,376,623	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	76,170	-30.5%
Transfer from General Fund	18,444	109,676	76,170	-30.5%
Generated Revenue Percent	94.3%	80.8%	94.5%	
General Fund Revenue Percent	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.

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.
- 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.

Airport Fund

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

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

DESCRIPTION

The County's Department of Public Utilities (DPU) owns, operates and maintains public water and wastewater 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 operating or capital expenses of the System. The Public Utilities Fund reimburses the County's General Fund for direct services provided to support the department, such as procurement, finance, information technology, human resources and legal. Although DPU is a part of the County government and thus tax exempt, it also 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 its overall operations, maintenance and capital construction plans for the System to ensure operational reliability, adequate capacity and regulatory compliance. Capital needs are impacted by projects constructed in support of the County's Comprehensive Plan, rehabilitation and maintenance requirements of the System and maintaining compliance with state and federal regulations. DPU operates the System with County personnel and maintains the System with both County and private contractor personnel. DPU reads meters, prepares bills and maintains customer accounts. The department's activities extend to providing assistance to other utility purveyors within the County, supporting economic development initiatives and participating in regional approaches to providing water and wastewater services.

EXISTING FACILITIES & SERVICE AREAS

DPU's water system consists of 8 potable water wells, 1 active surface water treatment plant, 7 water pumping stations and 8 storage facilities. Additional water supplies are provided by long-term contracts with the City of Richmond and Henrico County. Rural systems owned and operated by the Department include Georgetown, Dianne Ridge, Oak Hill Estates, Strawhorn, Sinclair Manor and Hanover Courthouse.

The County's wastewater system consists of 4 wastewater treatment plants and 37 wastewater pumping stations. A portion of the wastewater generated in the Suburban Service Area is pumped to Henrico County for treatment under a long-term contract.

WATER SUPPLY CONTRACTS

The County has purchased water from Henrico County since 1974. In 1995 the County negotiated a new agreement with Henrico County to purchase up to 0.775 million gallons per day (MGD). The contract continues until terminated by either Henrico County or Hanover County.

In 1994, the County entered into a contract with the City of Richmond. The term of the Richmond contract is through June 30, 2035, and continues until terminated by either the City of Richmond or Hanover County. The County's available capacity from Richmond is 20 MGD.

Public Utilities Fund

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

WASTEWATER TREATMENT CONTRACT

The County treats most of the wastewater it collects. Since 1979, it has also purchased wastewater treatment services from Henrico County. In 1995, Hanover and Henrico entered a new wastewater agreement, which provides for long-term wastewater treatment services by Henrico. The contract continues until it is terminated by mutual agreement. The contract provides for the treatment of 5.4 MGD, based upon a 90-day rolling average. Wastewater is conveyed to Henrico County's Strawberry Hill Pump Station from Hanover's Beaverdam Creek Pump Station.

RATES, FEES AND CHARGES

The principal sources of revenue for the Public Utilities Fund are user fees and capacity fees. Utility customers are generally billed on a bi-monthly basis. Some commercial customers are billed monthly. The user fee is comprised of a base charge based on meter size, levied regardless of usage, and a commodity charge that is typically based on metered water consumption. The capacity fee is a one-time charge for each new connection to the water and/or wastewater systems. Capacity fees are based on the size of the water meter necessary to serve the new customer. In setting these fees, the goal is to cover projected operating, maintenance, general improvement, rehabilitation and capital costs in a fair and equitable manner. This rate structure applies to both water and wastewater services.

BUDGET SUMMARY	FY20 Actual	FY21 Budget	FY22 Budget	% Change 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 Percent	100.0%	100.0%	100.0%	
General Fund Revenue Percent	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

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

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	-

Self-Insurance Fund

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 accounts for the payment of claims, receives employer contributions and employee health insurance premiums and provides adequate reserves to mitigate increases in claims beyond those anticipated. The revenue for the fund comes primarily from employer contributions and employee premiums that are set with the intent to recover all costs. Each employee pays a premium based on the level of coverage selected in the program. 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%	

BUDGET HIGHLIGHTS

- Health insurance claims are primarily covered employees by employee and employer contributions. The Use of Planned Surpluses represents the reinvestment of prior year contributions in excess of costs for that
- The Operating budget reflects increased pharmacy claims and reinsurance fees, COVID-19 testing for employees and an increase to contingency reserves in the uncertain public health environment.
- Salaries & Fringe Benefits includes increased employer contributions to Health Savings Accounts (HSA) as more employees opt for consumer-driven insurance plans.

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	-

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