

County of Northampton, Virginia



Annual Operating Budget 2010-2011

ABOUT THE COVER

The Eastern Shore Southern Gateway Welcome Center began as an idea for an outdoor kiosk to house brochures for local businesses and attractions in the parking lot of the North Toll Plaza Rest Area at the Chesapeake Bay Bridge-Tunnel. Northampton County obtained TEA-21 grant funding to construct such a kiosk; but after much discussion, it was determined that this would not serve the area well and the project was put on hold.

In 2006, a partnership was formed between the Eastern Shore Tourism Commission and the Chesapeake Bay Bridge-Tunnel, in which the CBBT agreed to permit the Eastern Shore Tourism Commission to operate a temporary welcome center within the minimal lobby space of the existing rest area building. This pilot program served more than 8,000 travelers that passed through the rest area building between Memorial Day and Labor Day weekends, offering them information on the Eastern Shore and its surrounding areas. The pilot program was continued throughout the tourist seasons of 2007 and 2008, greeting more than 10,000 and 12,000 visitors, respectively.

With the renovation of the Bridge-Tunnel's existing rest area in the North Toll Plaza parking lot looming in the future, Northampton County and the Chesapeake Bay Bridge-Tunnel worked to have the TEA-21 grant funds redirected to "bricks and mortar," rather than open kiosk. This redirection of funds would allow more than \$90,000 to be dedicated to construction costs of a larger, central space within the confines of the Bridge-Tunnel's rest area building, and such space would be dedicated to the Eastern Shore Tourism Commission for the full-time operation of the Eastern Shore Southern Gateway Welcome Center.

Renovations to the existing rest area building began in 2008 and the building, including the Welcome Center area, were completed in August of 2009. The Eastern Shore Tourism Commission staffs the center with four part-time and one full-time staff members. Additional assistance is provided by a group of volunteers. Featured on the cover is Allan Burns, Welcome Center Manager.

GMB Architects of Salisbury, MD was hired to design the space and L. J. Kellam Construction, LLC of Belle Haven, VA served as contractor, bringing the design of an Eastern Shore gazebo to life.

The Welcome Center is a state-of-the-art facility offering brochure information for local, Eastern Shore businesses and attractions as well as advertising opportunities for those businesses, providing an even greater exposure to the travelers who stop and visit. Currently, the Welcome Center is open seven days a week, from 8:30 a.m. - 4:30 p.m. The rest area facilities and vending area are open year-round, 24 hours a day.

COUNTY OF NORTHAMPTON, VIRGINIA
ANNUAL OPERATING BUDGET

FISCAL YEAR 2011
(July 1, 2010 through June 30, 2011)

BOARD OF SUPERVISORS

Laurence J. Trala, Chairman
Willie C. Randall, Vice Chairman
Oliver H. Bennett
H. Spencer Murray
Richard B. Tankard
Jeffrey K. Walker

COUNTY OFFICIALS

Katherine H. Nunez, County Administrator
Glenda E. Miller, Director of Finance
Bruce D. Jones, Jr., County/Commonwealth Attorney
Ilva M. James, Treasurer
Anne G. Sayers, Commissioner of Revenue
Traci W. Johnson, Clerk of Court
John P. Robbins, Jr., Sheriff
Theresa A. Wiser, Registrar

BOND COUNSEL

McGuireWoods LLP
One James Center
901 East Cary Street
Richmond, Virginia 23219

INDEPENDENT AUDITOR

Robinson, Farmer, Cox Associates
401 Southlake Boulevard, Suite C-1
Richmond, Virginia 23236

COUNTY OF NORTHAMPTON

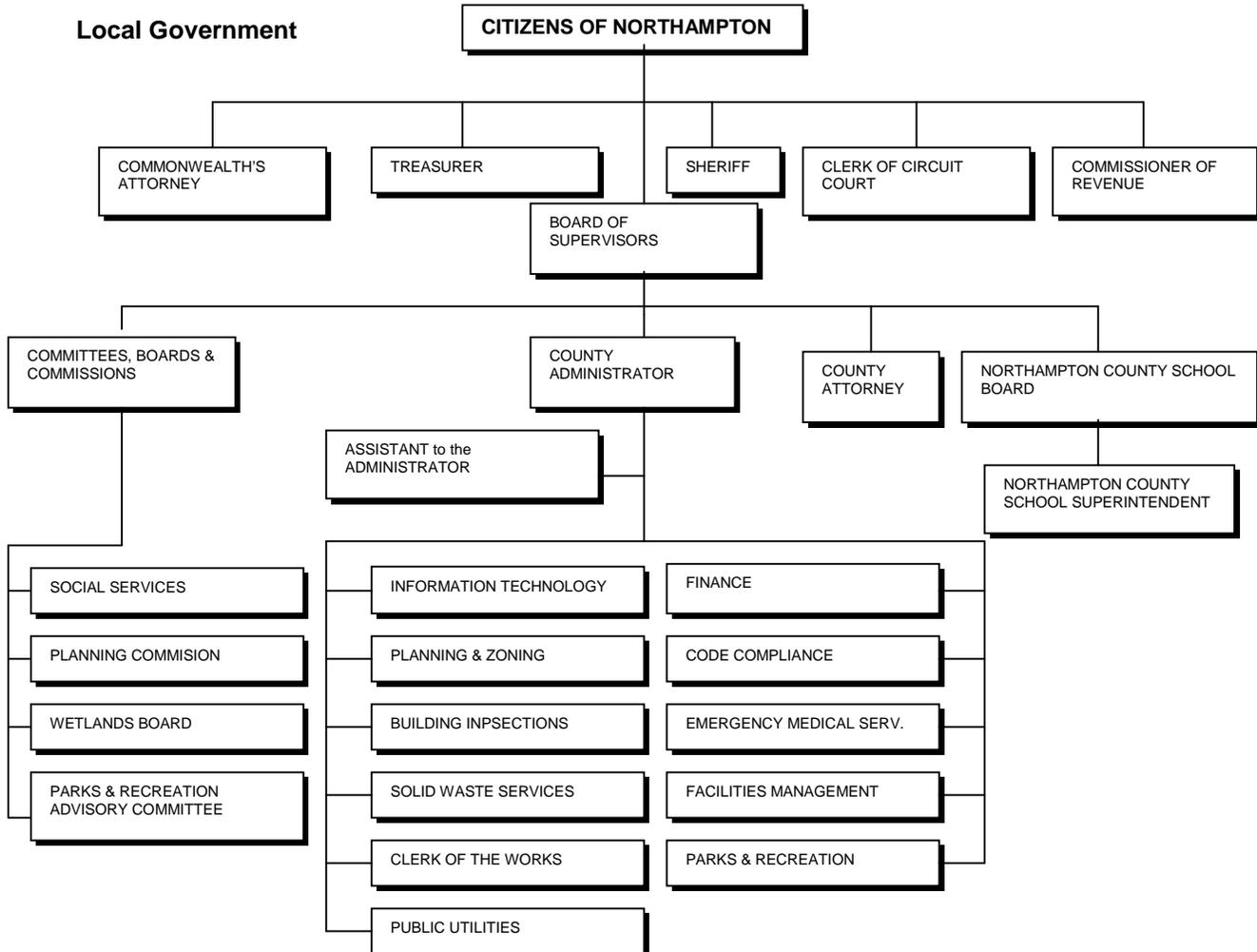
(Physical address)
7247 Young Street, Machipongo, VA 23405
(Mailing address)
P.O. Box 66, Eastville, VA 23347
757-678-0440

www.co.northampton.va.us

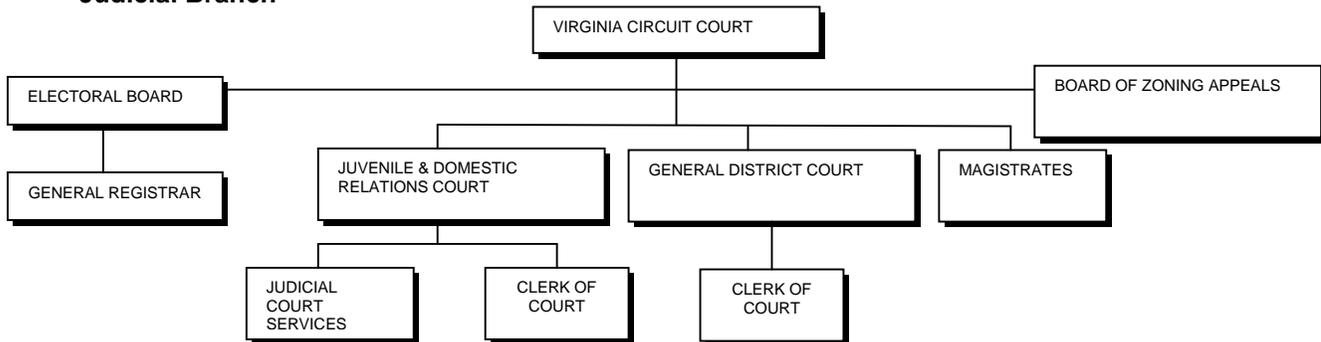
COUNTY OF NORTHAMPTON, VIRGINIA

ORGANIZATION CHART

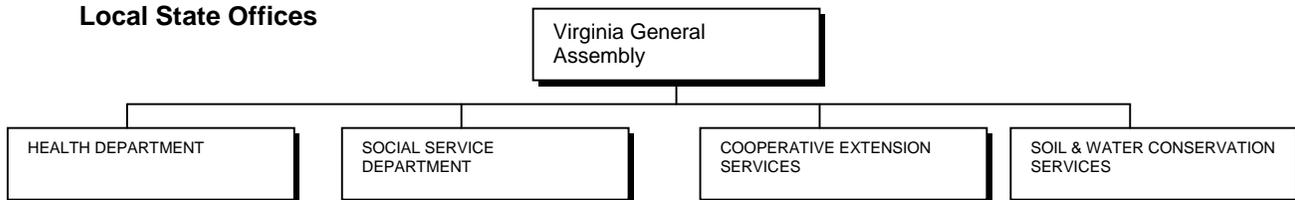
Local Government



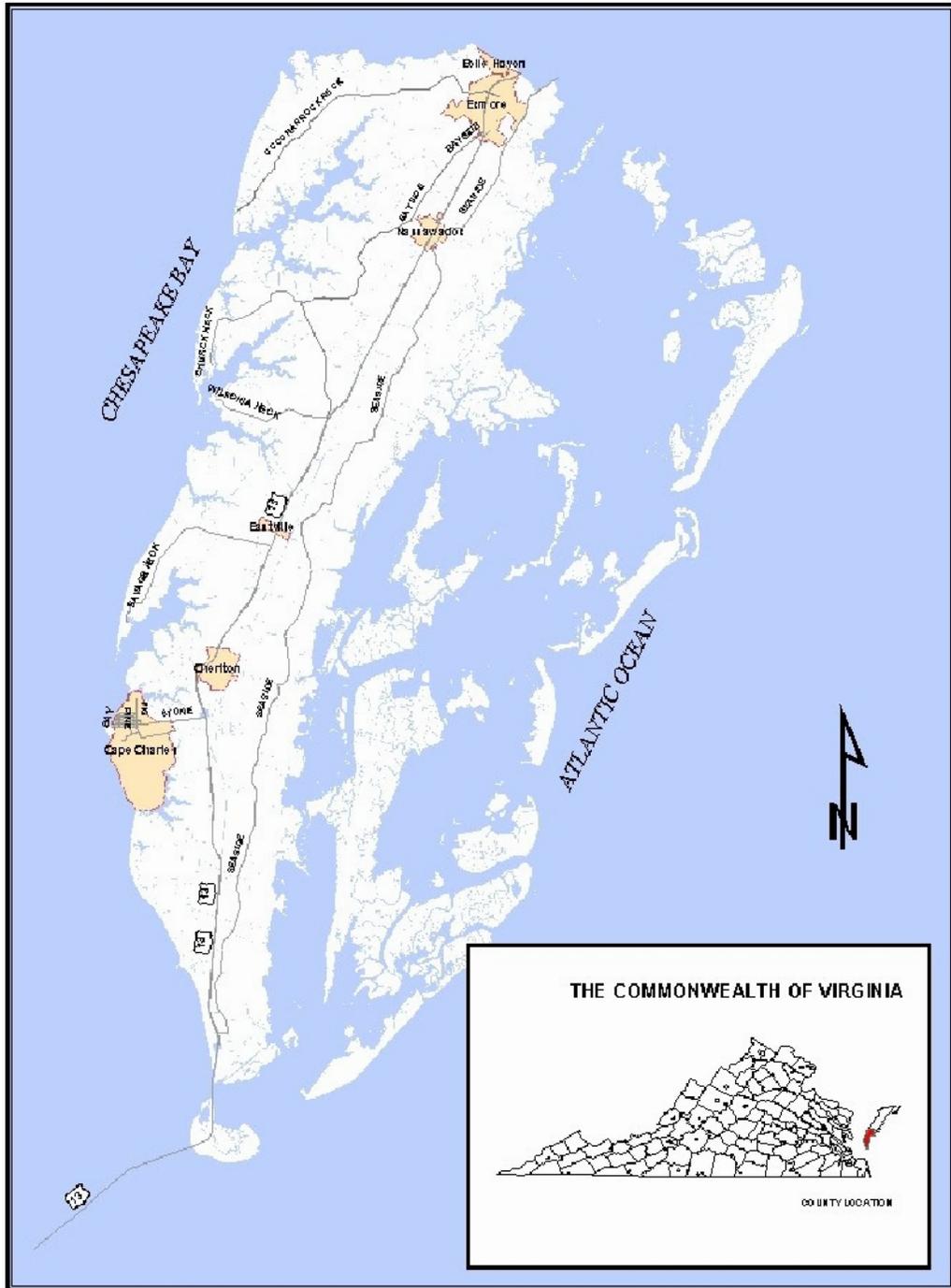
Judicial Branch



Local State Offices



COUNTY OF NORTHAMPTON, VIRGINIA





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**County of Northampton
Virginia**

For the Fiscal Year Beginning

July 1, 2009

A handwritten signature in black ink, appearing to be 'H.R.' followed by a flourish.

President

A handwritten signature in black ink, appearing to be 'Jeffrey R. Erwin'.

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA), a national organization, each year recognizes budgets that meet certain rigorous standards. To achieve this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide and as a communications medium. The award is valid for a period of one year only. Northampton County has received this award for each of its budget documents since FY04. We believe our current budget continues to conform to the program requirements and will be submitting it to GFOA to determine its eligibility for another award.

TABLE OF CONTENTS

Reader's Guide	1
Introduction & Demographics	2
Budget Process	8
Budget Calendar	10
BUDGET MESSAGE (County Administrator's Transmittal Letter)	11
FINANCIAL STRUCTURE AND POLICIES	
Fund Structure and Basis of Accounting	33
Summary of Annually Budgeted Funds, Functions and Departments	36
Financial Policies	39
BUDGET SUMMARIES	49
Appropriation and Tax Rate Resolution.....	50
Summary of Revenues, Expenditures and Changes in Fund Balances	56
Prior Years' Actual, Current Year Budget and Approved Budget by Fund	58
Multi-year Projections.....	66
REVENUE ANALYSIS	69
Revenue Estimates by Fund	78
GENERAL ADMINISTRATION	93
Board of Supervisors	95
County Administrator	99
County Attorney	102
Independent Auditor	102
Commissioner of the Revenue	103
General Reassessment.....	105
County Treasurer	106
Finance	108
Information Technology.....	111
Electoral Board.....	112
JUDICIAL ADMINISTRATION	119
Circuit Court	121
General District Court.....	121
Magistrates.....	122
Juvenile and Domestic Court	123
Clerk of the Circuit Court	124
Victim/Witness Program	126
Commonwealth Attorney	127
PUBLIC SAFETY	129
Sheriff.....	131
Ambulance and Rescue	134
Fire Prevention and Detection.....	134

TABLE OF CONTENTS

PUBLIC SAFETY (CONT.)

Emergency Medical Services	135
Judicial Court Services	138
Building Inspections	140
Animal Control	143
Emergency Services	145
Care and Confinement of Prisoners.....	146

PUBLIC WORKS

Public Works Administration	149
Solid Waste Services	151
Facilities Management	152
Public Utilities.....	155

HEALTH AND WELFARE

Local Health Department	159
Chapter X Board (CSB)	161
Welfare Administration	161
State & Local Hospitalization	162
Comprehensive Services Act.....	162
Social Services Operations	163

EDUCATION.....

Community College.....	169
Other Education Expenses	171
School Operations	172

PARKS, RECREATION AND CULTURAL.....

Parks and Recreation	177
Harbors and Boat Ramps	179
Libraries	180

COMMUNITY DEVELOPMENT.....

Planning and Zoning	183
Community Development.....	185
Code Compliance	187
Economic Development	188
Wetlands and Architectural Review Board	189
Planning Commission	190
Other Economic Development	190
Soil and Water Conservation	191
Extension Service - Administration	191
Extension Service - Johnson Grass	192
Extension Service – Grant Programs.....	196

TABLE OF CONTENTS

DEBT SERVICE	199
Debt Service Overview	201
Debt Service Departments	203
Debt Services Schedules	206
OTHER EXPENDITURES	211
Insurance	213
Transfers Out	214
Contingency	214
CAPITAL PROJECTS	
Capital Improvement Plan	215
Capital Project Budget Status	219
Capital Plan Impact on Operating Budget	222
APPENDICES	
Appendix A: Full-Time Personnel	225
Appendix B: Board of Supervisors' Legislative Agenda.....	229
Appendix C: Glossary.....	231
Index	237

READER’S GUIDE AND DOCUMENTS RELATING TO THE ANNUAL OPERATING BUDGET

The purpose of this document is to provide useful, concise information about Northampton County financial plans and operations to residents, elected officials, and interested parties. The budget is organized along functional lines and includes a narrative discussion of each department’s major objectives, operating plans and any significant changes in operations. Each narrative also provides a breakdown of expenditures by personnel, operating, capital and debt allocations.

ISSUES OF MAJOR INTEREST

	<u>PAGE</u>
Fund Balance Projections.....	56
Debt Service Schedules	206
Multi-Year Budget Projections	66
Revenue Projections by Fund	78
Capital Improvement Plan	215
School Funds.....	172
Budget Narrative and Strategies	11

For a complete listing of budget topics, please refer to the Table of Contents. For an alphabetical listing by department, please see the Index.

DOCUMENTS RELATING TO THE ANNUAL OPERATING BUDGET

In addition to the Annual Operating Budget, the County prepares several other documents that relate to county operations and finances. These include:

Quarterly Financial Report – This document details each department’s monthly expenditures in relation to the adopted budget and discusses trends and other issues in revenue collection and expenditures.

School Budget – This document details the School Board operations and funding requests.

Comprehensive Annual Financial Report – This document presents the County’s financial statements at June 30th of each year. This report is generated in accordance with the Governmental Accounting Standards Board (GASB), Financial Accounting Standards Board (FASB), and the Auditor of Public Accounts of the Commonwealth of Virginia standards. This report is subject to an annual audit by an independent accounting firm.

Board of Supervisors’ Strategic Plan– This document details goals and objectives for the County as a whole and individual departments for the next five years.

Comprehensive Plan– The Comprehensive Plan provides findings and analyses for the County as a whole with respect to: natural conditions, population and demographics, economy, housing, transportation, utilities, and community facilities and services. It is the purpose of the plan to provide a sound basis for the preparation of detailed functional plans which will serve as a general guide in the day-to-day decisions of County government.

THE COUNTY OF NORTHAMPTON, VIRGINIA

Northampton County (the "County") comprises the southernmost portion of the Eastern Shore of Virginia (the "Eastern Shore") bordered on the north by Accomack County, Virginia, on the west by the Chesapeake Bay and on the east by the Atlantic Ocean. At the southern end of the County is the Chesapeake Bay Bridge-Tunnel, connecting the County to the Hampton Roads area of Virginia. The County encompasses a land area of approximately 355 square miles. The County's population was 13,093 according to the 2000 census. The County is a full-service County and provides a variety of services to its citizens as authorized by the laws of the Commonwealth of Virginia. The County is authorized to issue general obligation bonds, generally subject to voter referendum.



Overview of Governmental Organization



Northampton County was formed as an independent county in 1634 and is organized under the traditional county form of government. The Board of Supervisors, which establishes policies for the administration of the County, is the governing body of the County. The Board is composed of six members, one member elected from each of six election districts. A member must be a resident of the district in which he or she serves. Members are elected for staggered four-year terms every two years. Each year the Board elects a Chairman and Vice Chairman from among its members. In addition to the County Board, other elected County officials include the Commonwealth's Attorney, Commissioner of the Revenue, Treasurer, Sheriff, and Clerk of the Circuit Court.

The Board appoints a County Administrator to serve as the chief executive officer of the County. The County Administrator serves at the pleasure of the Board, implements its policies, directs business and administrative procedures, and recommends officials to be appointed by the Board. The County Administrator is currently assisted by eleven staff departments and offices including County Attorney; Finance; Information Technology; Planning and Zoning; Code Enforcement; Building Inspections; Public Works; Facilities Management; Solid Waste Services; Emergency Medical Services; Parks and Recreation; Public Utilities and Clerk of the Works.

The Northampton County public schools are governed by the Northampton County School Board, which is composed of eight members who are appointed by the County Board of Supervisors. A Superintendent is appointed by the School Board to administer the operations of the County's public schools. The School Board functions independently of the County Board but is required to prepare and submit an annual budget to the County Board of Supervisors for its consideration. Because the School Board can neither levy taxes nor incur indebtedness under Virginia law, the local costs of the school system are in large part provided by appropriation from the County's General Fund. The costs of constructing school facilities are generally provided by capital appropriations from the County's General Fund, through State Literary Fund loans, Qualified Zone Academy Bonds, and through the Virginia Public School Authority.

In Virginia, cities and counties are not overlapping units of government. However, there are no incorporated cities within the boundaries of the County. There are six incorporated towns all or partly located in Northampton County, the largest of which are the Town of Exmore with a population of 1,349 and the Town of Cape Charles with a population of 1,464, and the others of which are the Towns of Cheriton, Eastville, Nassawadox and Belle Haven. These towns are underlying units of government within the County, and the ordinances and regulations of the County are, with certain limitations prescribed by State law, generally effective in them. Property in these towns is subject to County taxation

and the County provides certain services to their residents. These towns may also incur general obligation indebtedness without the prior approval of the County.

While renovations are underway at the historic courthouse in Eastville, the executive offices of the County are temporarily located at 7247 Young Street, Machipongo, Virginia 23405. The County's central telephone number is (757) 678-0440.

DEMOGRAPHIC FACTORS

POPULATION CHARACTERISTICS

Northampton's population has increased and decreased intermittently since 1970. In 2000, the County had 13,093 residents. It is expected that the County's population will increase gradually to 13,990 by 2010 based on the projections of the Weldon Cooper Center for Public Service, University of Virginia. The following table presents population figures for selected years and estimates for 2010, 2020, and 2030.

POPULATION AND RATES OF CHANGE (ACTUAL AND PROJECTED)

<u>Year</u>	<u>Population</u>	<u>Rate of Change</u>
1970	14,442	N/A
1980	14,625	1.30%
1990	13,061	-10.7%
2000	13,093	0.30%
2010 ⁽¹⁾	13,990	6.85%
2020 ⁽¹⁾	14,932	6.73%
2030 ⁽¹⁾	15,931	6.69%

Sources: Years 1970 –2000: U.S. Department of Commerce, Bureau of the Census; Years 2010-2030: Weldon Cooper Center for Public Service, University of Virginia

⁽¹⁾ Projected

Northampton County's economy, traditionally based on seafood and agriculture, is becoming increasingly diverse. Recently, the County has experienced growth in the area of shellfish cultivation, or aquaculture. According to data compiled by the Virginia Department of Agriculture in January of 2000, annual statewide aquaculture sales amount to approximately \$24.5 million, a large portion of which occur on Virginia's Eastern Shore. Northampton County is currently home to three commercial hatcheries that are active in this industry.

The local economy is very entrepreneurial when compared to other regions. Ten percent of all workers are self-employed compared to five percent in the entire state of Virginia.

ECONOMIC HISTORY

From Colonial times to the present, agriculture has been the mainstay of the Eastern Shore economy. Early farmers grew tobacco and later turned to livestock, some of which freely grazed on the seaside barrier islands. Eventually these farms raised grain crops and produce. Agriculture is still estimated to represent approximately 18% of the local economy. During the 1880's, the arrival of the railroad stimulated the local economy and literally changed the face of the Eastern Shore. Built down the spine of the peninsula, towns and villages sprang up along the line.

Watermen have been active on the shore for generations. Once abundant, oysters were a mainstay of the seafood industry along with the famed blue crab, clams and scallops. Waterfront villages

and towns enjoyed a healthy economy as watermen brought in their catch and seafood packing, oyster shucking and crab picking houses stayed busy. Though oysters are not as abundant today due to over-harvesting and disease, blue crabs from the Eastern Shore are still a sought after commodity. Clam aquaculture or water farming is a multi-million dollar industry with operations in Willis Wharf, Chincoteague and Cherrystone Creek.

UNEMPLOYMENT

The following table presents the County's and other jurisdictions unemployment rates over the last ten years.

Average Annual Unemployment Rates

Calendar Year	<u>Northampton County</u>	<u>Commonwealth of Virginia</u>	<u>United States</u>
2001	4.0	3.5	4.8
2002	5.9	4.1	5.8
2003	5.7	3.6	5.4
2004	4.3	3.7	5.5
2005	4.9	3.5	5.1
2006	4.4	3.0	4.6
2007	4.1	3.8	4.6
2008	5.5	4.0	5.8
2009	9.7	7.1	7.5
May 2010	9.3	6.9	8.3

Source: Virginia Employment Commission

INCOME

Per capita personal income for Northampton County in 2008 was \$33,514, the latest year for which data was available. Selected per capita personal income data for Northampton County and other jurisdictions is as follows:

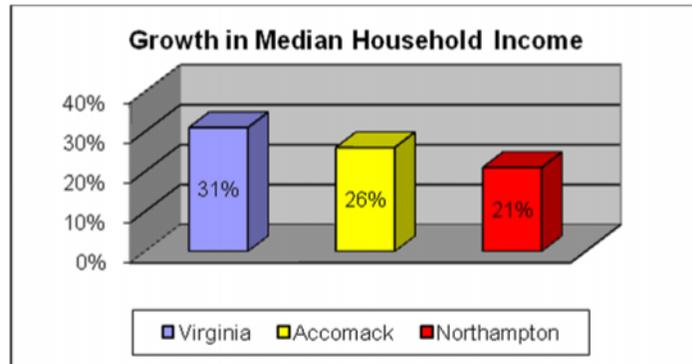
Per Capita Personal Income Selected Years

<u>Year</u>	<u>Northampton County</u>	<u>Commonwealth of Virginia</u>	<u>United States</u>
1999	19,321	29,299	27,843
2000	21,049	31,120	29,469
2001	22,547	32,338	30,413
2002	23,001	33,018	30,814
2003	24,057	33,993	31,487
2004	24,660	36,175	33,041
2005	25,502	37,503	34,471
2006	26,481	39,540	36,714
2007	32,413	43,158	39,392
2008	33,514	44,075	40,166

Source: U.S. Department of Commerce, Bureau of Economic Analysis

Since 2000, Northampton County's median household income has been growing at a slower rate than that of Accomack County or the State of Virginia as evidenced below.

	<u>2000</u>	<u>2008</u>	<u>% Increase</u>
Virginia	46,789	61,210	31%
Accomack	29,809	37,564	26%
Northampton	28,405	34,424	21%



The following chart reflects the number of households by income levels on the eastern shore of Virginia. The area's growing popularity with retirees and those seeking vacation homes has clearly had a dramatic affect on this indicator.

	<u>1990</u>	<u>2000</u>	<u>% Change</u>
< \$25,000	10,799	8,730	-19%
\$25,000 to \$49,999	5,113	6,802	+33%
\$50,000 to \$74,999	1,222	2,958	+142%
\$75,000 to \$99,999	325	1,062	+227%
\$100,000 or more	275	1,037	+277%

EMPLOYMENT

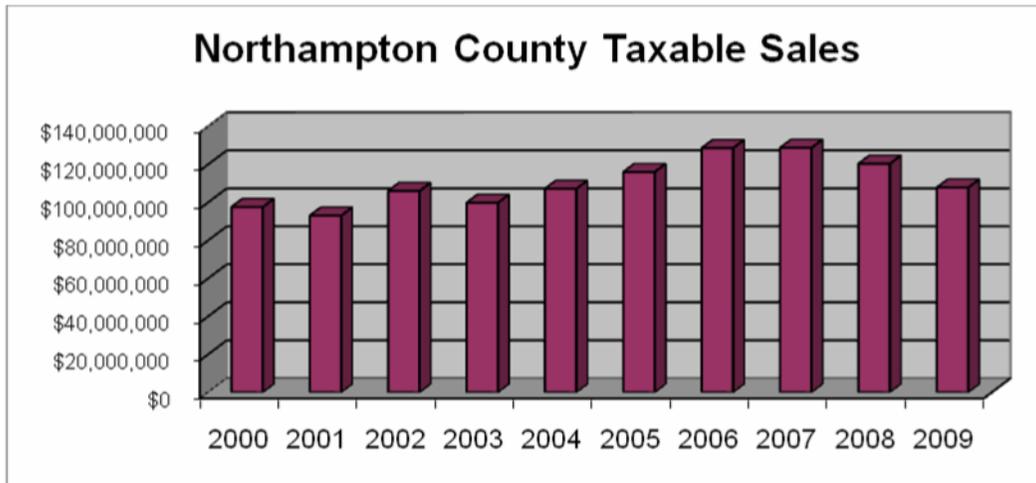
The following table reflects the breakdown of employment by industry in Northampton County for the quarter ending December 31, 2009.

<u>Industry</u>	<u>Employment</u>	<u>Percentage</u>
Health Care & Social Assistance	1,034	21.45%
Government (Federal, State & Local)	961	19.93%
Agriculture, Forestry, Fishing & Hunting	631	13.09%
Retail Trade	575	11.93%
Manufacturing	467	9.69%
Accommodation & Food Services	391	8.11%
Other Services	290	6.01%
Construction	167	3.46%

Non-Disclosable (Utilities, Information, Educational Serv., Entertainment & Recreation)	151	3.13%
Finance & Insurance	87	1.81%
Wholesale Trade	67	1.39%
Total	4,821	100.00%

Source: Virginia Employment Commission

Northampton County has experienced a 10.5% increase in taxable sales over the last ten years, however, sales for 2008 and 2009 reflect declines of 6.5% and 10.4% respectively; and the first quarter of 2010 reflects a 9.7% decrease from the same quarter last year.



HOUSING

According to the 2000 U.S. Census (the most recent data available), there were 6,547 total housing units (including rental apartments) located in the County of Northampton, of which 5,321 were occupied. Of those occupied units, the following table presents data regarding their respective types of occupancy.

HOUSING UNITS BY OCCUPANCY

	<u>2000</u>
Owner Occupied	3,649
Renter Occupied	<u>1,672</u>
Total:	5,321

Source: U.S. Department of Commerce, Census Bureau, 2000 Census



The County's dependence on property tax revenue continues to increase. For FY11, property tax revenue is expected to generate 67.5% of General Fund revenues compared to 50% in FY04. Residential real estate is the fastest growing portion of the tax base. The residential portion of current year real estate tax revenue was 80% of the total real estate tax base for the 2009 tax year. By comparison, in 2000, it was only 64%. For FY11, current year real estate tax revenues are expected to increase by only .66% over FY10. Overall property tax revenue is expected to increase by .5%.

TRAVEL AND TOURISM

Tourism remains one of the County's primary industries due to its location between the Atlantic Ocean and the Chesapeake Bay. According to the Virginia Division of Tourism, preliminary figures indicate that travel expenditures in the County exceeded \$62,736,875 in 2008 and approximately 764 tourism-related jobs are located in the County. Travel expenditures increased by .1% over 2007, while the number of tourism related jobs fell by 2.5%. Major tourism spots on the Eastern Shore of Virginia include the Assateague Island National Seashore, the Chincoteague National Wildlife Refuge, Kiptopeke State Park, the Eastern Shore National Wildlife Refuge and the NASA/Wallops Island Visitor Center.



Northampton County's tourism program is directed by the Eastern Shore of Virginia Tourism Commission, a joint commission created by the Boards of Supervisors of Accomack and Northampton Counties in 1984. The Commission's mission is to advertise, promote, and market the two counties as a vacation destination and is funded jointly by each County. Additional funding is provided by local businesses in the form of tax-deductible patronships. Beginning in FY08, Northampton County raised the transient occupancy tax on lodging from 2% to 5% and dedicated the additional 3% to fund tourism programs within the County. A portion of the additional funding is ear-marked for capital projects related to tourism within the County. Since FY09, a portion of these funds have been released as part of a local competitive grant program.



The Eastern Shore Tourism Commission has recently adopted a strategy for tourism on the Eastern Shore of Virginia. The stated vision includes transforming Virginia's Eastern Shore into a well-known brand used to market everything from the tourism experience to farm produce and shellfish. The vision would also promote the Eastern Shore of Virginia as an environmental beacon, where family farms and historic villages co-exist with a teeming fishery, rich oyster and clam beds, and a vast wilderness of marsh and barrier islands of global ecological significance. The Tourism Commission intends to promote the development of a high dollar-low impact tourism industry which plays to the natural strengths of the shore, including its uniqueness. The Tourism Commission would encourage a vibrant tourist industry including eco-tourism, agri-tourism, and historical tourism to generate economic opportunities that capitalize on the special qualities of the shore.

BUDGET PROCESS

The annual operating budget is one of the most important documents presented to the Board of Supervisors. It is primarily intended to create a financial plan that reflects the priorities established by the Board of Supervisors for the County. It reflects the County's commitment to maintaining necessary services and improving the quality of service while keeping the impact of taxes to the citizens at a minimum.

The County operates under an annual budget adopted in accordance with the provisions of the Code of Virginia. The budget is the legal basis of the budgetary accounting system and the standard by which proposed expenditures are measured. The balanced budget must be adopted prior to the beginning of the fiscal year. The budget is subject to public inspection and a public hearing prior to its adoption. The budget is considered balanced when net revenue equals appropriations.

The budget is adopted on a departmental basis and is prepared using the modified accrual basis of accounting for all funds. Departmental appropriations that have not been expended by the end of the fiscal year shall be returned to the County's fund balance. Unspent grant revenue or awards are subject to carryover, but must be presented to the Board for "re-appropriation."

Appropriations designated for capital projects do not lapse at the end of the fiscal year but remain appropriations until the completion of the project or until the Board of Supervisors, by appropriate resolution, amends or eliminates the appropriation. Upon completion of a capital project, staff is authorized to close out the project and transfer to the funding source any remaining balances.

Department Heads and Constitutional Officers may approve transfers within their own operating budgets (with the exception of transfers affecting salaries and related accounts.) The County Administrator is authorized to transfer budgeted amounts between departments, but any revisions that alter total expenditures must be approved by the Board of Supervisors through legislative action. All supplemental appropriations must be reported in a public meeting of the Board of Supervisors and made a matter of record in the minutes.

The preparation of the budget not only requires structured guidelines but also the participation and cooperation of many participants and a carefully scheduled series of events. The following summarized budget cycle is followed by the County in the formulation of the budget.

Gather Historical Data

During the first phase of the budget process the accumulation of past financial information is prepared and analyzed. Expenditure data is segregated by operational departments to be used by department heads and management for performance evaluation and projection of resources required to meet departmental objectives. Revenue data is segregated by fund and reviewed to identify historical trends.

Preparation of Departmental Requests and Revenue Estimates

Specific instructions and general guidance for budget preparation are communicated to department heads by the County Administrator and Finance Department based on the Board of Supervisors' adopted goals and objectives. Department heads prepare comprehensive request documentation through the County's budgeting software with detailed transactions for each line item request and attached documentation as necessary. Estimating departmental year-end expenditures for operating and capital outlay expenditures is the primary responsibility of the department head, as are budget requests for the new budget year. Personnel expenditure estimates and all revenue estimates are prepared by the Finance Director and reviewed by the County Administrator.

BUDGET PROCESS (CONT.)

Consolidate Preliminary Budget

Departmental requests are submitted to the Finance Director and consolidated with revenue projections into an overall worksheet. At this point the focus of attention shifts from the departmental basis to the fund basis. Departmental requests are analyzed in coordination with the County's Capital Improvement Plan and the formal budget reviews begin.

Evaluate Service Priorities and Objectives

The evaluation of service priorities and objectives is an important step in developing a fiscal plan that will achieve the County's desired program of service for the ensuing year. The County's Comprehensive and Strategic Plans are compared to departmental requests to ensure that the budget document reflects the service priorities of the Board of Supervisors and the citizens of Northampton County.

Balance Proposed Budget

After the County's program of service priorities has been re-evaluated and established, a balanced plan for funding must be formulated. Through careful assessment of funding requirements and financing opportunities, a proposed budget document is organized into final format and submitted to the Board of Supervisors for legislative review.

Legislative Review

The Board of Supervisors reviews the budget thoroughly and may request special work sessions with the County Administrator and Finance Director. The Board may also appoint a subcommittee for this purpose. Departmental goals and objectives are reviewed by the legislative board at this time to ensure their adherence to County goals and policies. A copy of the proposed budget will be available for public inspection and a public hearing will be scheduled prior to the formal adoption of the budget.

Budget Adoption

The adoption of the annual operating budget is the culmination of extensive reviews of budget requests by department heads, Administration and the Board of Supervisors. Adoption of the budget and related appropriation resolution by the Board establishes the legal authority to incur expenditures in the ensuing fiscal year.

Budget Amendments

Department Heads and Constitutional Officers may approve transfers within their own operating budgets (with the exception of transfers affecting salaries and related accounts.) The County Administrator is authorized to transfer budgeted amounts between departments, but any revisions that alter total expenditures must be approved by the Board of Supervisors through legislative action. All supplemental appropriations must be reported in a public meeting of the Board of Supervisors and made a matter of record in the minutes.

Per the Code of Virginia, any supplemental appropriation which increases the total budget by more than \$500,000 or 1% of the total budget will be advertised for a public hearing at least seven days prior to the Board of Supervisors approval of appropriation.

If deficits appear to be forthcoming within a fiscal year, recommended spending reductions would be proposed by the County Administrator during the fiscal year in order to sufficiently offset the deficit.

BUDGET CALENDAR

November:

- ✓ Finance Director and County Administrator establish schedule
- ✓ Preliminary revenue estimates are formulated
- ✓ Current budget reviewed and expenditure targets verified

December/January:

- ✓ Distribute budget instructions to department heads and constitutional officers
- ✓ Budget requests and goals and objectives are formulated by department heads and constitutional officers
- ✓ School Board budget is requested
- ✓ Request all outside agencies to submit requests for contributions

January/February:

- ✓ Receive budget requests and year-end estimates from departments and constitutional officers by February 15th
- ✓ Request School Board's estimate of request for local contribution
- ✓ Finance Department reviews department budget submissions and goals and objectives
- ✓ Revenue estimates are revised

March:

- ✓ The Finance Director and County Administrator balance appropriations to estimated revenues to develop a recommended budget
- ✓ Revenues are refined

April/May:

- ✓ Receive School Board's official budget request
- ✓ County Administrator submits a recommended budget to the Board of Supervisors
- ✓ If necessary, Board of Supervisors holds work sessions to review the proposed budget and make necessary changes
- ✓ Public Hearing on the budget is advertised at least seven days prior to hearing

May/June:

- ✓ Public Hearing is held
- ✓ Board of Supervisors adopts the budget and appropriation resolution, and fixes tax rates and other fees for the fiscal year
- ✓ Staff posts budget in accounting system in preparation of the new fiscal year beginning July 1st

NORTHAMPTON COUNTY



Katherine H. Nunez
County Administrator

P.O. Box 66
16404 Courthouse Road
Eastville, VA 23347
Phone: (757) 678-0440
FAX: (757) 678-0483

6/28/2010

The Honorable Chairman and Members of the Board of Supervisors
County of Northampton
16404 Courthouse Road
Eastville, VA 23347

Dear Members of the Board:

I am pleased to submit the adopted Fiscal Year 2011 Annual Operating Budget for Northampton County which includes information on expected revenue and planned expenditures for each of the County's funds.

The Fiscal Year 2011 Budget totals \$40,985,015, a reduction of 5.42% from the amended Fiscal Year 2010 budget. This budget has been developed under extremely difficult financial conditions at the national, state and local level, as this country has been faced with a deep recession and collapse of one of the most significant industry sectors – the housing market. Locally, the declining housing market and its subsequent impact on our real estate taxes has been forecast for over two years, with Fiscal Year 2011 projected to bear the brunt of this downturn in the market which has proven to be the case to date.

Prior to developing the Fiscal Year 2011 budget, the County was forced to refine and reduce operational expenses to the Fiscal Year 2010 budget due to revenue projections not being met. The county implemented expenditure reductions ranging from expenses involving travel, training and office supplies to personnel furloughs of 2 days up to 10 days based upon pay grade and reduction of salaries for the Board of Supervisors and renegotiated contracts for insurance and audit services. Additionally, the state imposed reductions to the funding for the constitutional offices that required reductions and vacancy freezes to offset this loss of state funding. Overall, the county implemented a mid-year reduction to the Fiscal Year 2010 budget of \$1.8 million or 4%.

Against this backdrop, the Board requested that the Fiscal Year 2011 Budget be crafted so that no increase in tax rates would be required to fund a balanced budget and to further examine and implement program efficiencies to achieve continued reductions in ongoing operational expenses. In addition, through expressed interests of several commercial vendors, we were required to study and propose a new tax rate structure specific to commercial solar generation plants.

One of the issues identified in the FY10 budget process was the One Year Land Use program and its increased usage and the need to determine the best means of preservation of active farmland and forestal production through a tax perspective under the legally available programs. It was determined that the implementation of the One Year Land Use program in 2004 enabled land speculators and real estate developers to receive a tax reduction for short-term crop and forestal production in anticipation of future development of the property to a higher, more intensive use such as residential development. This was not the intention of the Board when this program was instituted; their intent was to provide a long-term program that enabled and supported agriculture, recognizing that land values were a key economic factor requiring assistance for agricultural properties. The Board determined that the One Year Land Use program needed to be abolished and to only support the creation or expansion of existing Agricultural-Forestal Districts (AFDs) which are created by local ordinance and have been established with a 10 year time frame and allow those included parcels to receive the land use recognition for a significantly reduced

tax assessment. This change in policy created a flood of applications to convert property from the One Year Land Use program to the 10 Yr. AFD program; however, it resulted in a reduction in the cost of the exonerations (which also includes preservation easements) from \$1,386,930 for FY10 to \$1,328,980 for FY11 when only land in long-term agricultural and forestal production was petitioned to move into the AFD program.

The inclusion of Economic Development funds in the FY10 budget has allowed for several significant investments in infrastructure to assist commercial enterprise to occur: repairs to a barge float for the industrial transport rail system and a line of credit for Broadband Authority as match for a \$1,000,000 grant to expand high-speed broadband fiber. Additionally, these funds were used to develop marketing materials to promote Northampton County. Therefore, these funds were again provided within the FY2011 budget as a key strategy in providing an expanded revenue base for the County.

The tax rate structure was maintained without any increase in the rates for the Fiscal Year 2011 budget, which puts the real estate tax at \$.49 per \$100 assessed value. As a result of interest from several solar generation companies to locate in the county, we worked with them to develop an appropriate zoning ordinance as well as accompanying tax structure for handling these types of facilities. The solar generation rate is set at \$.49 per \$100 assessed value and has been adopted as a real property rate, not a personal property or business rate. While an application has not yet been filed to construct a plant, the anticipated range of capital investment for one plant is \$80,000,000.

The county did not include any funds in the Fiscal Year 2011 budget to commence the 4-Year Reassessment Cycle as a result of the stagnating housing market and has chosen to delay the reassessment for at least one year. Based upon the cost impact for conducting the reassessment and in light of the nominal market activity, it was determined that it would be better to defer this project until there has been increased market activity.

The Fiscal Year 2011 budget did not include any funding for personnel salary increases and did not support any increases in staffing levels. The Compensation Board removed the hiring delay/freeze for the Constitutional Officers which finally allowed some vacancies in the law enforcement division to be filled. The County experienced a significant increase in its health insurance plans as a result of our claims usage which required us to alter the plan benefits to reduce the increase to only a 15% increase in premiums which has been solely absorbed by the employees. The County was able to retain its replacement cycle for law enforcement vehicles and to continue the replacement schedule for school buses through our contribution to the School Operating Fund.

The biggest challenge faced in the Fiscal Year 2011 budget centered around a projected reimbursement from the Commonwealth of Virginia for the remaining construction expenses for the Eastern Shore Regional Jail. It was anticipated that this reimbursement in the amount of \$3,353,992 would be provided in the spring of 2010; however, the state budget was passed without any provisions for funding this reimbursement even though it had been approved by the Department of Corrections. Due to its own budgetary challenges, the state was not able to meet this obligation; this left a shortfall in our projected debt schedule for Fiscal Year 2011 of \$794,768. We were required to make reductions in our operational expenditures to accommodate this gap in our budget. We are still working with our local legislative leaders and state agency heads to develop a plan for the state to meet this obligation in the coming budget cycle.

The other significant issue raised during budget deliberations concerned the level of contribution provided to the School District in light of continued declining enrollment as well as the increased level of funding received at the state level due to the utilization of the revised Local Composite Index and the influx of funds from the American Recovery and Reinvestment Act. This budget does reduce the County's school contribution by \$814,088 or 10% from the prior year. This reduction is not a reflection of lack of support for education but is indicative of the infusion of the state and federal aid and an ongoing working relationship with the school to examine improved management efforts to consolidate and reduce operational expenditures to provide greater efficiency and effectiveness.

The County is on the tail end of finishing the 2002 Comprehensive Capital Plan. The fifth manned waste collection center encountered road blocks in permitting which delayed its construction. Work began on this project in early summer 2010 and will be finished in November 2010. There is only one district left, District 4, to open and operate a manned waste collection center but the County has been unsuccessful in securing land to meet our needs for this project. The County is progressing on the renovation of its Administration Building and expansion into the old 1899 Courthouse. As a result of the renovation project, County offices have temporarily relocated to the former middle school in Machipongo which has allowed our operational budget to be reduced as we achieve certain cost savings from our new temporary home. In our old offices, space was severely constrained and departments were split up and moved to other parts of the building due to office limitations; heating and cooling systems were patchworked together to meet the growing needs of the building with little efficiency of use and cost. Our temporary offices have allowed all staff within a department to reside under one office roof, a centralized office supply room and copy room has been established and the building is relatively new in comparison with our old office building. Renovation work has commenced with the abatement remediation efforts first underway for removal of lead and asbestos and will commence demolition of the interior spaces next. The County was successful in receiving an Energy Efficiency Block Grant from the American Recovery and Reinvestment Act for the installation of geothermal wells which will provide all of the heating and cooling for the renovated Administration building, which is projected to significantly reduce the electrical costs for the building upon our return. Design work has been completed for the Juvenile & Domestic Relations Court Services (Probation) building and construction is anticipated to commence in later fall 2010.

It seems that each budget year has proven more challenging than the last as economic conditions continue to decline, responsibilities are shed from the state and passed on to the localities in their attempts to balance the budget without tax increases, and the county is then faced with critical choices of reduction in core services vs. increase in local revenue through tax rate increases. The County continues to react to the ever-changing climate and to re-evaluate its proposed budget to ensure our fiscal well-being. The efforts and oversight provided by the County's staff, particularly our Finance Director Glenda Miller, are invaluable in this challenge.

COUNTY MISSION AND VISION

The mission of the Northampton County Government is to provide the necessary services to protect the health, safety, welfare, environment and quality of life of our citizens consistent with the communities' values and priorities. This mission is accomplished by encouraging citizen involvement, by preserving the County's fiscal stability, traditional values and unity of our people through the implementation of effective and efficient government programs; consensus building; managing the County's natural, cultural, and historic resources; planning for the future; and representing citizen needs and desires to other levels of government.

GOALS AND OBJECTIVES

The organization-wide goals upon which the budget was developed support the board-adopted Strategic Plan and are as follows:

- **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- US Route 13 – explore and capture funds to continue to implement changes to further the goals of VDOT's Access Management Plan
- Full funding for Accomack Northampton Regional Housing Authority and Affordable Northampton County Housing Authority & clarify role of BOS and ANPDC on this issue
- Expansion of recreation opportunities for youth and encourage private sector possibilities for expansion of recreation opportunities

- Restructuring EMS System
- Update Hurricane Preparedness Plan

Medium-term Goals - 2010/2011

- US Route 13 – Pursue funding to implement VDOT Access Management Plan
- Develop plan of target areas for affordable housing and forward to Accomack Northampton Regional Housing Authority and Affordable Northampton County Housing Authority for action (i.e., Cheapside, Treherneville)
- Explore relationship with Randy Custis Park

Short-term Goals - 2010

- Work in tandem with School Board to develop FY2011 budget
- Create Proffer Committee and review/revise Proffer Policies
- Review the requirements of the Rental Inspection Program/determination to retain or repeal ordinance
- Drainage, County wide Comprehensive plan to begin process of clearing ditches in the more heavily impacted neighborhoods
- Update Emergency Operations Plan

- **Organization-wide Overall Goal - Invigorate the economic viability of the County, while managing growth in such a way as to preserve the existing natural resources and tranquil rural life style.**

Long-term Goals - Beyond 2012

- Develop educational campaign for promotion of recycling

Medium-term Goals - 2010/2011

- Subdivision Ordinance – review for compliance with revised Comprehensive Plan and Zoning Ordinance
- Finalize Town Edge Plans
- Historic Corridor Designation for Rte. 184 (Stone Road) and Old Cape Charles Road in Cape Charles
- Pursue legislation for creation of Agricultural Enterprise Zone
- Encourage Industrial Development along with Block Commercial Development in the Land Use Section of the Comp Plan
- Evaluate elevation requirements for structures located near tidal waters

Short-term Goals - 2010

- Overview/review of Zoning Ordinance thru a Steering Committee to forward recommendations to BOS for any action by Planning Commission.
- Finalize Town Edge Plans
- Create Watershed Management Plan
- Review Comprehensive Plan
- Establish structure/composition of a Public Service Authority (PSA)
- Establish Economic Development Advisory Committee
- Review of potential incentives that County may wish to adopt
- Gain better understanding of present employers, understand their needs
- Re-activate the Industrial Development Authority in terms of purpose and mission
- Resolve all issues associated with STIP property, specifically the Nature Preserve Property and the 2 acre leased property
- Annually update the CEDS (Comprehensive Economic Development Strategy) through the ANPDC

- **Organization-wide Overall Goal - Maintain a reasonable County tax structure by effectively and responsibly balancing the increasing demands for services with available resources to achieve maximum value for our citizens.**

Long-term Goals - Beyond 2012

- Lower Taxes on Existing Businesses

Medium-term Goals - 2010/2011

- Explore “lease” option re: delinquent tax properties
- Explore joint purchasing of health insurance benefits with Accomack County/county-wide

Short-term Goals - 2010

- Inventory of County property for potential sale and/or economic development reuse
- Completion of grants for wastewater service for communities (north & south)
- Sell holdings on east side of Courthouse Road
- Develop payment plan parameters/policy re: tax collections
- Increase frequency of Delinquent Tax Sales and take necessary steps to exhaust all options before referring a delinquent tax property to the County Tax Attorney if the property is the primary residence of the tax payer
- Consider bi-annual tax billing
- Review use of technology to assist with tax collections
- Institute tax lien program
- Review County policy re: boundary adjustments
- Improve Town/County relations & communications and institute quarterly joint work sessions

- **Organization-wide Overall Goal - Maintain a Capital Improvement Program to address capital expenditures for infrastructure and required services.**

Long-term Goals - Beyond 2012

- Combined facilities with school garage & county maintenance
- Morley’s Wharf – Boat Slips
- Willis Wharf & Oyster Harbor – permanent restrooms
- Community Docking
- Acquire bayside beach in Northern half of county
- Investigate feasibility of a firing range at closed landfill and examine private sector possibilities of providing a firing range

Medium-term Goals - 2010/2011

- Extend water & wastewater service to County property across from old Courthouse
- Examine water line to high school/upgrade
- Work with Health Department to relocate further south (possibly to middle school)
- Devise strategy for Raccoon Park (Firing Range)

Short-term Goals - 2010

- Implement grant funds for renovation of Indiantown Park
- Get nighttime lighting to be more dark-sky friendly for the County-owned properties. Seek grant funding to accomplish this goal.
- Examine reuse options for Willow Oak property
- Renovate Admin buildings and utilize 1914 jail and re-examine priority of this construction
- EMS location – purchase existing site or relocate to former middle school
- Determine use/access of birding walkway @ landfill

- **Organization-wide Overall Goal - Promote the development of an accountable, responsive local government with demonstrated efficiency and effectiveness.**

- Long-term Goals - Beyond 2012**

- Study feasibility of curbside pick-up for recycling

- Medium-term Goals - 2010/2011**

- Computer/Technology Recycling Event
 - Beautify Waste Collection Centers and sponsor competitive beautification program for the 6 centers

- Short-term Goals – 2010**

- Complete construction and beautify sites of remaining two waste collection centers.
Status: (6 Sites Planned)
 - Birdsnest: Opened January 1, 2006
 - Bayview: Opened July 1, 2006
 - Wardtown: Opened September 1, 2006
 - Hare Valley: Opened June 1, 2008
 - Eastville: Working to locate land for this purpose.
 - Cheapside: Under construction
 - Institute recycling for County offices
 - Review BOS policy re: disposal restrictions @ waste collection centers
 - Establish litter campaign; examine penalties allowed in Code & in local ordinance
 - Examine feasibility of Probationer use in other aspects of County Maintenance
 - Examine shared services with schools (payroll, facilities management, fuel purchasing, leasing/financing services, purchases, accounts payable)

- **Organization-wide Overall Goal - Facilitate the development of a quality educational environment that provides for high quality educational and job readiness skills for all Northampton County residents.**

- Medium-term Goals - 2010/2011**

- Examination of Capital Plant

- Short-term Goals - 2010**

- Cafeteria Wall Repair – Adhere to time line for repairs with start date for June 2010
 - Finalize Capital Improvement Plan for School
 - Study regionalization opportunities with Accomack County Schools, i.e. purchasing

For more detailed information on how these goals will be achieved, please note the “Goals” sections listed under the individual departments in the budget document.

BUDGET OVERVIEW

The total FY11 budget of \$ 40,985,015 reflects a 5.42% decrease from the amended FY10 budget due to continued declines in local and state revenue resulted from the national recession. The following table summarizes the final adopted budget:

Fund Expenditures	FY09 Actual	FY10 Amended Budget	FY11 Adopted Budget	FY11-FY10 Variance	FY11-FY10 % Change
General Fund	\$23,882,479	23,442,738	22,673,403	(\$769,335)	-3.28%
Less Transfers	(\$13,409,623)	(\$13,055,987)	(\$12,923,995)	\$131,992	-1.01%
Net General Fund	\$10,472,856	\$10,386,751	\$9,749,408	(\$637,343)	-6.14%
Social Services Fund	\$3,307,647	\$3,417,704	\$3,380,109	(\$37,595)	-1.10%
Less Transfers	(\$77,513)	(\$69,000)	(\$77,500)	(\$8,500)	12.32%
Net Social	\$3,230,134	\$3,348,704	\$3,302,609	(\$46,095)	-1.38%
Services					
Purch. of Devpt. Rights	\$80,561	\$0	\$0	\$0	N/A
ES Regional Jail Fund	\$3,347,871	\$3,406,555	\$3,465,358	\$58,803	1.73%
IDA Debt Service	\$4,657	\$0	\$0	\$0	N/A
General Debt Service	\$12,494,902	\$2,913,264	\$2,940,279	\$27,015	0.93%
School Debt Service	\$1,058,501	\$1,408,432	\$1,319,056	(\$89,376)	-6.35%
Public Utilities Fund	\$86,402	\$141,714	\$119,960	(\$21,754)	-15.35%
School Operating Funds	\$21,383,600	\$21,726,828	\$20,088,345	(\$1,638,483)	-7.54%
Net Grand Total	\$52,159,484	\$43,332,248	\$40,985,015	(\$2,347,233)	-5.42%

Note: In this presentation, transfers between budgeted funds have been subtracted for a more accurate representation of the total approved budget.

REVENUES GENERAL FUND

The approved budget incorporates a real estate tax rate of \$0.49 per \$100 of assessed value, the same as that adopted for FY09 and FY10. The increase in the real estate tax base (from new construction/improvements) is expected to generate \$19,446 in additional tax revenue for FY11. The entire property tax revenue category is projected to decrease by \$58,420 or .3% from the budgeted amount for FY10. The property tax category includes collections on delinquent taxes, as well as penalties and interest, which have improved in recent years due to participation in the state debt set-off program and a collections contract with an attorney who is pursuing delinquent tax property sales.

In an effort to prevent further erosion of the tax base and still promote the goal of preserving farmland, forests and open space in the County, the FY11 budget reflects the discontinuation of the one-year land use program which was implemented in June 2004. Two other programs are still available including Agricultural & Forrestral Districts (AFDs) and Preservation Easements (land use assessment required by state statute). AFDs are governed by a Board-adopted policy and require a ten-year commitment from the property owner. Both AFDs and Preservation Easements entitle the property owner to reduced assessments on each acre of included land. . Many properties in the one-year program were transferred into AFDs, but a total of \$66,969 was added back in tax revenues due to the elimination of the one-year land use taxation program. For FY11, the two remaining categories are estimated to reduce the real estate tax levy of the County as follows:

AFD's	\$995,114
Conservation Easements	<u>\$333,866</u>
Total	\$1,328,980

The total reduction is the equivalent of approximately 5.4 cents on the real estate tax rate, or 8.8% of total current-year property tax revenue.

Personal property tax revenue for FY11 is estimated at \$270,424 below the amended budget estimate for FY10 due to declining vehicle sales and values and the resulting lower supplemental billings. The Merchants Capital tax was eliminated in FY10 and resulted in a reduction of \$92,520; however this loss was partially offset by the implementation of a business license fee which is estimated to generate \$20,000. Because Northampton County's tax rate on boats was substantially higher than other cities and counties with proximity to the Chesapeake Bay, all boats are now taxed at the reduced rate of \$0.99 per \$100 in assessed value. The farm equipment tax rate will remain at the reduced rate of \$1.43/\$100. This rate was reduced from \$2.16/\$100 value to \$1.43/\$100 in FY06 at the request of the Northampton County Farm Bureau.

The Personal Property Tax Relief Act (PPTRA) was modified by the General Assembly in 2005. The modifications capped the amount localities receive from the state for personal property tax relief for vehicles. The new legislation established a fixed amount for each locality to be used for providing tax relief for vehicles valued at less than \$20,000. The new PPTRA became effective with the 2006 tax year and is based on the amount collected for 2004 taxes through December 2005. The total amount Northampton County receives under the new program is \$1,421,960. This amount will enable the County to provide car tax relief of 60% up to the first \$20,000 in value for FY11.

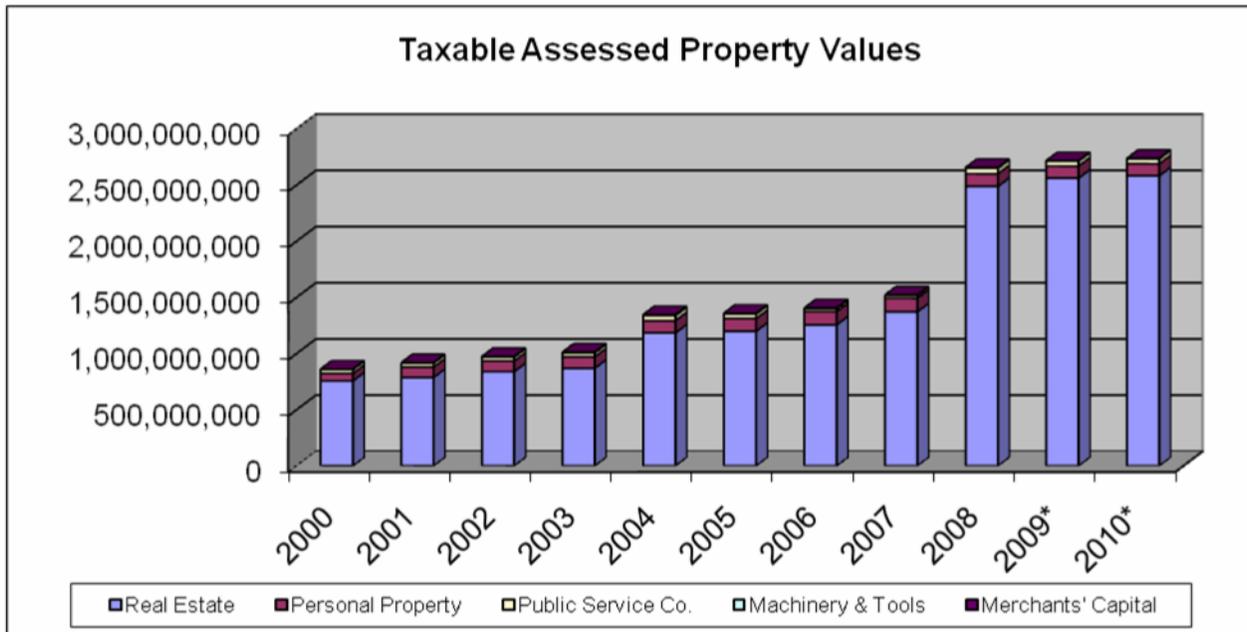
Assessed values for real estate were estimated by using actual assessments for FY10, adding estimated supplements, current-year building permit values and subtracting the reduction in values expected to result from the remaining land use taxation programs. Each category of property tax revenue is estimated based on the previous year's first-year collection rate. One cent in real estate tax at the 95% collection rate generates approximately \$244,921. Tax rates and estimated revenues for FY11 are as follows:

Property Class	2010 Est. Assessed Val.	Rate/\$100	Levy (Net of Exonerations)	Coll. Rate	Yr. End Est.	General Fund	Debt Service Fund
Real Estate	\$2,578,113,628	\$0.49	\$12,588,993		\$11,822,113	\$9,891,972	\$1,930,141
Public Service Companies*	\$44,077,500		\$257,426		\$257,426	\$223,083	\$34,344
Personal Property-Regular**	\$91,676,600	\$4.10	\$1,906,610		\$1,582,487	\$1,582,487	\$0
Subtotal Boats	\$9,799,700	\$0.99	\$87,588	92.32%	\$80,861	\$80,861	\$0
Subtotal Farm Equipment	\$5,860,700	\$1.43	\$81,594	98.82%	\$80,632	\$80,632	\$0
Subtotal Mobile Homes	\$4,428,100	\$0.49	\$19,973		\$13,981	\$13,981	\$0
Subtotal Machinery & Tools	\$2,827,200	\$2.25	\$63,351		\$63,322	\$63,322	\$0
Subtotal Heavy Equipment	\$265,300	\$2.86	\$7,588		\$6,374	\$6,374	\$0
Business Personal Property Late Filing Fees			\$9,231	81.14%	\$7,490	\$7,490	
Totals	\$2,737,048,728		\$15,022,355		\$13,914,685	\$11,950,201	\$1,964,484

*Public Service Companies values are made up of 97% real estate and 3% personal property and are taxed at the applicable rates.

**Does NOT include Personal Property Tax Relief Act (PPTRA) revenue from state of \$1,421,960 at 100% collection rate.

The chart below depicts the growth in taxable assessed values over the last ten years.



Total taxable assessed values for all types combined decreased by .75% from FY10. Property tax revenues for Public Service Companies have been estimated at FY10 revenue levels. Personal property tax is levied on the tangible property of individuals and businesses. For individuals, this is primarily associated with automobiles. For business, examples include motor vehicles, machines, fixtures and tools. Vehicle values were estimated based on actual billings during FY10 which included the effects of the ongoing recession on vehicle sales and values.

FY11 General Fund revenues are shown below. Major sources include the property tax, sales tax, consumer utility tax and intergovernmental revenue from the state and federal governments.

The County's fee schedules remained substantially unchanged for FY11, however planning and zoning fees were reviewed and adjusted to more accurately reflect the cost of providing various services. The impact on total estimated revenues generated was negligible.

Northampton County experienced a high rate of growth in recordation tax revenues in prior years due to the active local real estate market and the fact that low mortgage rates were increasing the number of re-financings. However, since 2005 these revenues have declined significantly. The budget for FY11 reflects an increase of \$40,600 from the FY10 adopted budget based on the most recent estimates for actual FY10 revenues.

Building Permit Fees are estimated to generate \$140,000 in FY11. This includes the expected issuance of a permit for the new Hampton Inn in the southern part of the County. The year-end revenue estimate for FY10 is \$77,000. This is a direct reflection of the slow real estate market during FY10.

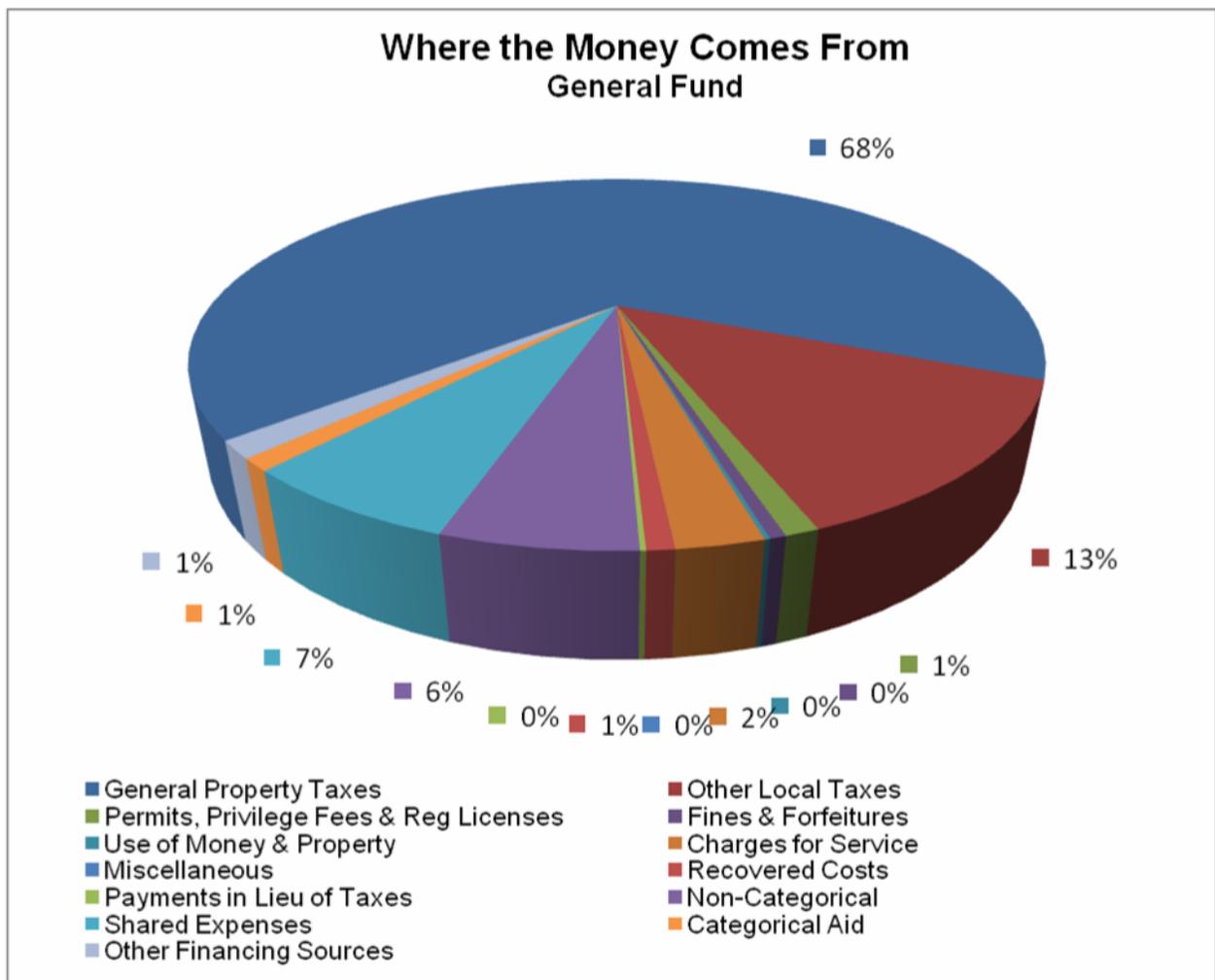
The Food and Beverage Tax was approved by voter referendum in the fall of 2002 and is estimated to generate \$260,000 in FY11. This revenue is down by 23.7% since 2005 due to the adoption of the Food and Beverage Tax by several towns located within the County.

The telephone portion of the Consumer Utility Tax and the Mobile Telecommunications Tax were replaced beginning January 1, 2007 by the new state-administered communications sales and use tax. The revenue from the new tax is estimated under the Other Local Taxes section of General Fund revenues and was designed to be revenue neutral with the losses in the Consumer Utility Tax and Mobile

Telecommunications Tax revenue categories. For FY11, the tax will generate \$529,614. New legislation adopted during the spring of 2010 will allow the County to receive its distribution of this tax based on a new allocation. This change will result in an increased allocation of the Communications Sales & Use tax to the 911 Commission from Northampton County. The rate will increase to from 29.79% to 32.79% and will generate \$22,700 in additional revenue for the 911 Commission.

Sales Tax revenues for FY10 have been estimated at a decrease of \$62,499 from the FY10 amended budget based on estimates provided by the state. Of the sales tax revenues it receives, the County forwards 19% of half that amount to towns located within the County. The amounts are allocated based on school-aged children residing within the town limits.

As part of the Commonwealth of Virginia's budget reductions, Northampton County's funding for ABC Profits and Wine Taxes totaling \$11,395 has been eliminated. The funding formula for the Clerk of Court's Excess Fees has also been changed so the County now receives only one third rather than two thirds resulting in a loss of approximately \$22,680. The state also implemented overall reductions to locality funding for FY09 and FY10. Northampton County's reductions in this category for each of the two years totaled \$191,891 and 192,013 respectively. For FY11 and FY12, the state has increased these reductions and \$230,415 is expected for FY11. The Board of Supervisors has chosen to remit this amount to the state rather than cutting services in particular departments. The departments that would have been directly affected include all Constitutional Officers, Registrar & Electoral Board, Eastern Shore Library and Child Youth Services.

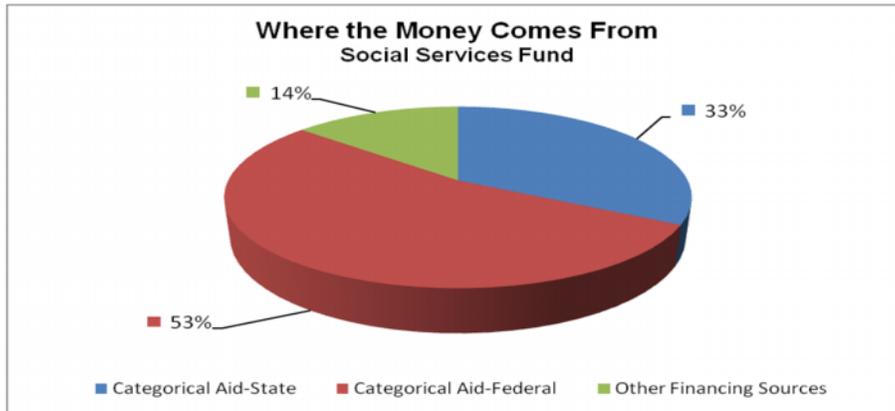


SOCIAL SERVICES FUND

The Social Services Fund reflects an overall decrease of 1%. State and federal revenues are budgeted at \$1,104,532 and \$1,808,611 respectively. For FY11, estimated state revenues reflect a decrease of 4.5% from FY10. Federal revenues reflect an increase of \$39,431 or 2.2%.

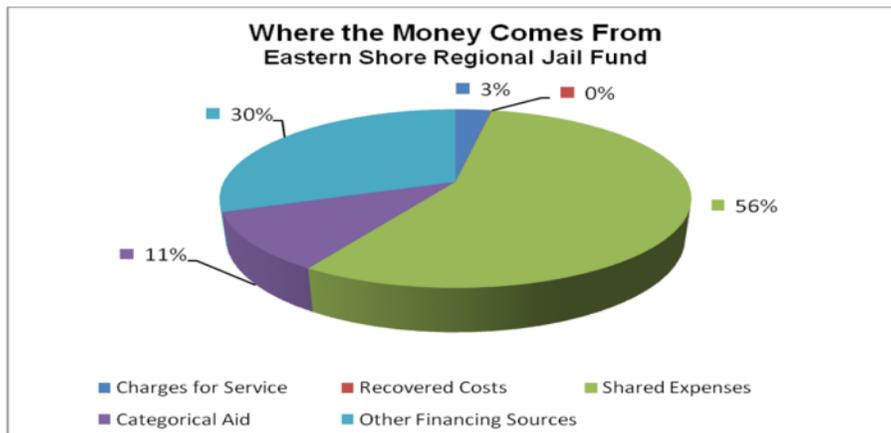
The FY11 budgeted local contribution has been approved for \$24,577 less than FY10. This represents a five percent reduction due to the decline in local revenues. The FY10 contribution was five percent less than the original prior year amount as well. In addition to the services delivered by the department, it is estimated that almost 25 million dollars is received annually by eligible residents.

The following chart reflects revenue sources for the Social Services Fund.



EASTERN SHORE REGIONAL JAIL OPERATING FUND

The County's approved local contribution for the operation of the Eastern Shore Regional Jail is \$1,050,801 for FY11. This represents a decrease of \$16,345 or 1.5% from the approved contribution for FY10. The delay of contracts with other agencies for the housing of prisoners (which were expected to generate over \$900,000 annually) has significantly increased the amount of local contribution necessary for jail operations. The federal government has implemented a moratorium on all new contracts for prisoner housing. Once the moratorium is lifted and these revenues are realized, the burden on local tax payers for this fund will be greatly reduced. The state is expected to contribute a total of \$2,310,757 through a combination of reimbursements from the Compensation Board and a per diem rate for the number of prisoners housed. The Compensation Board reimbursement included reductions for four positions beginning in FY11, however, per diem amounts are expected to increase by approximately \$146,097 due to housing more state prisoners.



SCHOOL FUNDS

State Revenues - State revenues will provide a total of \$1,609,931 in sales tax funding and \$7,020,639 in categorical aid for Northampton County Public Schools in FY11. The categorical aid figure includes \$168,221 in federal stimulus funds passed through the state in order to minimize the effects of state budget reductions. During FY10, \$480,892 in State Fiscal Stabilization Funds (federal ARRA pass-through funds) was originally allocated to Northampton County, during mid-year; another \$264,315 was used by the state to supplement basic aid general funds. Without the stimulus funding, the School Board's budget for FY10 would have reflected a decrease of \$745,207 or 10.6% in state funding. State funding was reduced as the result of a projected decrease in sales tax revenues and other state budget reductions resulting from the nationwide recession. State funding is distributed based on the Composite Index which is calculated every two years and which was adjusted most recently for FY11. The Composite Index is calculated based on a number of factors. They include the True Value of Property (local and state-wide), Adjusted Gross Income (local and state-wide) and Taxable Retail Sales (local and state-wide). Each of these factors is first compared to the Adjusted Daily Membership (ADM) (local and state-wide), and then to the population (local and state-wide). The formula weights True Property Values at 50%, Adjusted Gross Income at 40% and Taxable Retail Sales at 10%. Northampton County's changing demographics, including increasing real estate values, increasing incomes, and declining enrollment, have contributed to the rapid rise in the index. School revenues are derived from the following sources:

Sales Tax – Includes revenue from a 1 percent portion of the State sales tax returned to localities, designated for public school education. This component of State sales tax is distributed on the basis of a locality's school age population. In addition to the 1 percent portion, as part of the one-half cent sales tax increase approved by the General Assembly beginning in FY05, one quarter of the additional one-half cent is now allocated to school divisions. The FY11 estimated sales tax amount is \$1,609,931, an increase of \$43,128 from the amended budget for FY10; however, it is an \$80,243 decrease from the original projection for FY10.

Standards of Quality Funds – These funds are distributed upon an "equalized" formula that takes into account a locality's ability to pay. This "composite index" is applied to various revenue accounts to ensure an equitable distribution of State funds to all school districts. The State shares the costs to fund the Standards of Quality (SOQ). Northampton County's Composite Index is .5109 for FY11 and FY12, compared with .5482 for FY09 and FY10. For FY11, the State will provide 48.91% of the estimated SOQ costs with the County providing 51.09%. This is the second biennium in which the County's share of the composite index has exceeded the state share. For each SOQ item, the State has established a per pupil cost for each locality based upon the school district's cost experience and the State's established staffing for the specific initiative. State revenue from the item is established by multiplying the number of students in average daily membership by the pupil amount, then by the composite index.

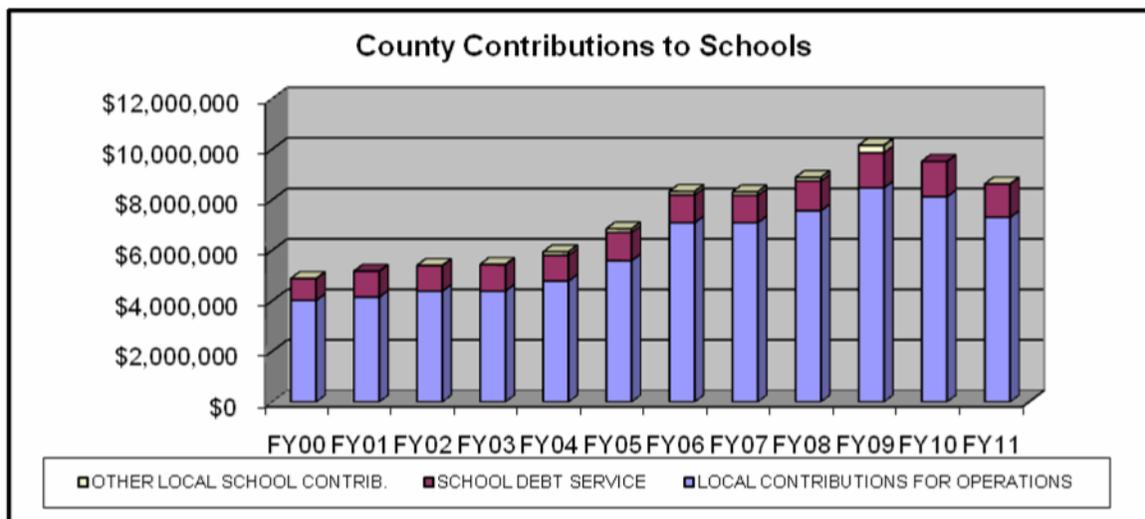
State Categorical Funds – This funding stream is offered as an offset to specific services provided by the local school district. Funds are provided in direct relation to the cost and level of service provided. These include funding for career and technical education, special education, alternative education programs and special grants.

Federal Funds – Amounts in this section of the revenue budget represent the Federal offset of certain specific programs. Some of these programs require a local funding match, while other programs are fully funded. Most of the fully funded programs are mandated or grant initiatives. Federal funds for FY11 total \$3,379,482, a decrease of \$1,210,817 from the amended FY10 budget. Often, additional federal grants are awarded during the fiscal year and added to the budget by amendment.

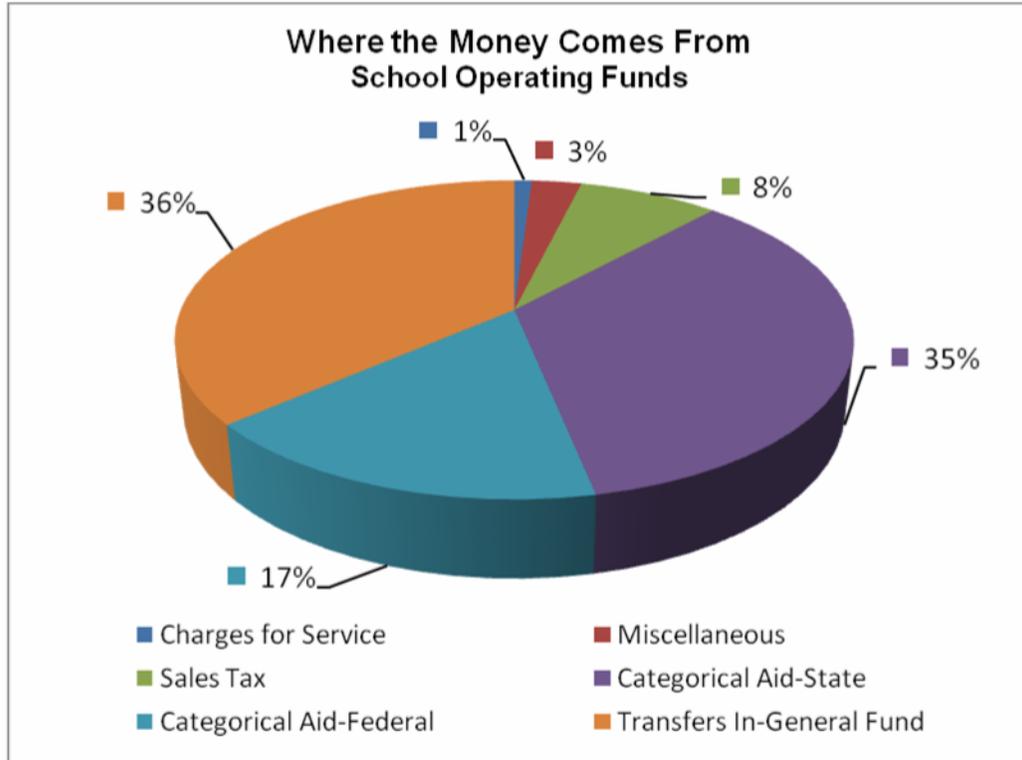
Miscellaneous Revenue – Includes funds representing fees and specific cost recoveries. Miscellaneous revenues, including Charges for Service, are expected to generate \$770,300 for FY11, a decrease of \$138,161 below the FY10 amended budget.

Local Contribution – Includes funds for regular school operation, including the local share of the State Standards of Quality. Additional funds are appropriated for Debt Service. The local operating contribution for FY11 reflects a decrease of \$814,088 or 10% due to declining local revenues, declining enrollment and the amount of surpluses remaining in the previous two years' operating budgets. For the year ended June 30, 2009, the school system has a surplus of \$604,694 which was ear-marked for future capital needs. For FY10, School Administration has projected a surplus of approximately \$425,000 pending final audited financials. The local contribution includes amounts for lease-purchase (debt service) payments totaling \$329,000. This will fund the fourth year of a bus replacement schedule adopted as part of the school's capital improvement plan. For FY11, the County will fund the school debt service fund in an amount of \$1,319,056, a decrease of \$89,376 under FY10. This amount includes payments on a five-year lease purchase for two six-classroom modular units for each elementary school. Pending completion of the annual audit, the Board of Supervisors declined to include language in the appropriation resolution that would automatically allow surplus school operating funds from FY10 to be used for the funding of future capital projects.

	LOCAL CONTRIBUTIONS FOR OPERATIONS	SCHOOL DEBT SERVICE FUND	OTHER LOCAL SCHOOL CONTRIB.	GRAND TOTAL
FY00	\$4,018,898	\$863,653	\$0	\$4,882,551
FY01	\$4,151,858	\$1,019,334	\$0	\$5,171,192
FY02	\$4,385,839	\$1,014,101	\$0	\$5,399,940
FY03	\$4,388,969	\$1,043,177	\$6,164	\$5,438,310
FY04	\$4,783,603	\$1,024,600	\$129,793	\$5,937,996
FY05	\$5,592,416	\$1,122,800	\$132,838	\$6,848,054
FY06	\$7,092,289	\$1,107,900	\$130,317	\$8,330,506
FY07	\$7,092,289	\$1,088,100	\$132,468	\$8,312,857
FY08	\$7,565,614	\$1,183,075	\$134,030	\$8,882,719
FY09	\$8,470,611	\$1,392,155	\$290,303	\$10,153,069
FY10	\$8,122,081	\$1,396,782	\$0	\$9,518,863
FY11	\$7,307,993	\$1,319,056	\$0	\$8,627,049



A one-year Literary Loan anticipation note for \$1,390,000 was issued for a repair project at the High School during FY09 and was refinanced during FY10 for a three-year term pending the State's funding of the Literary Loan program. The interim financing is an interest only loan with an annual payment of \$46,914 for FY11. Northampton County is eleventh in priority within the state to receive funding, however, given the state's revenue declines and the absence of stimulus funding beyond FY11, it is unclear when the program might be reconsidered.



EXPENDITURES

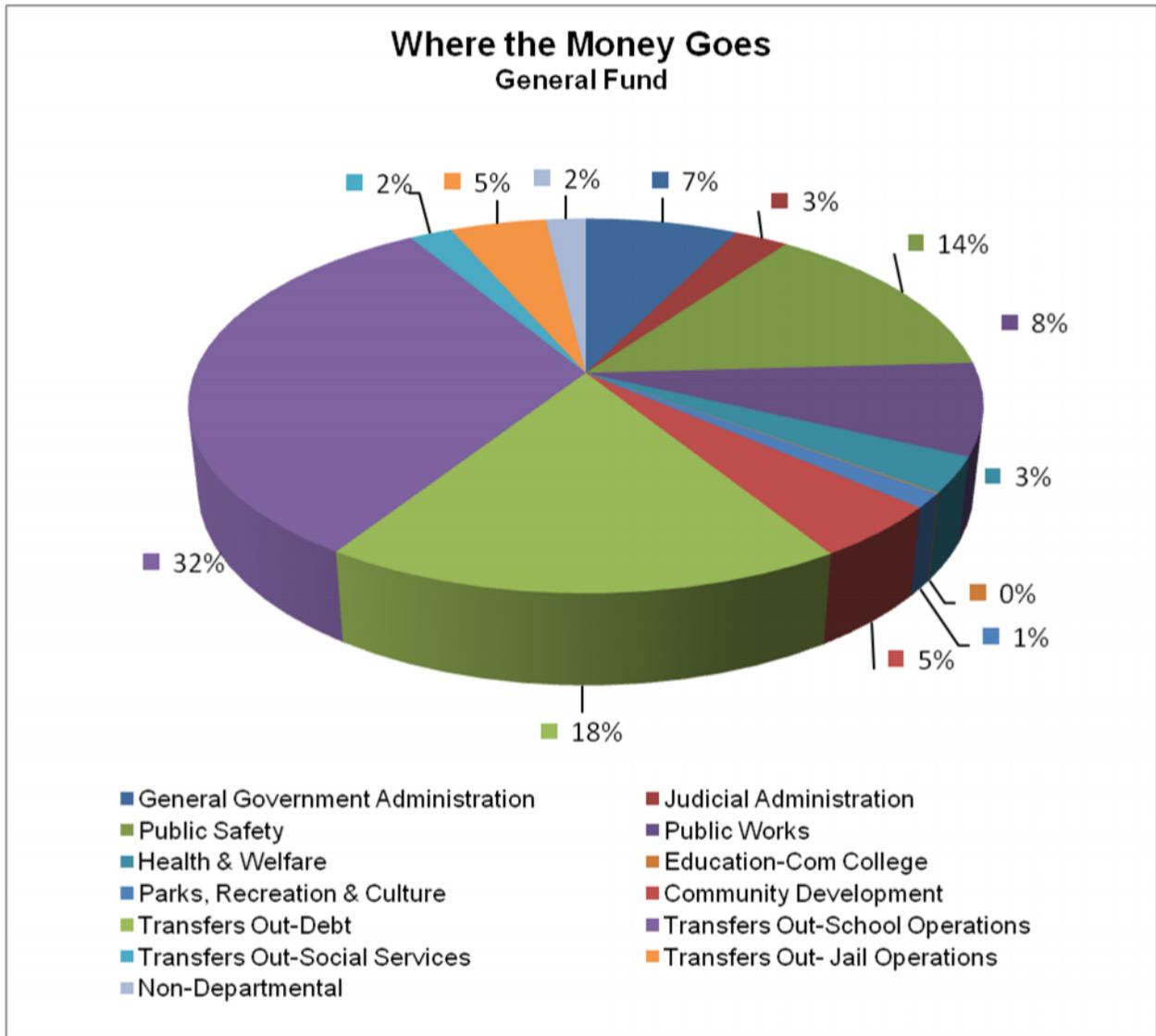
GENERAL FUND

Since FY09, General Fund expenditures have decreased by a total of \$1,250,243. This reduction includes reductions to the local contribution to schools and all regionally funded agencies. There have been significant declines in General Administration, Judicial Administration, Education and Community Development. For FY11, net General Fund expenditures (after interfund transfers) are \$9,749,408 compared to \$10,386,751 for the FY10 amended budget. The decrease of \$637,343 results from decreases in every department with the exception of Public Safety and the increase in that category is driven by a grant program for the purchase of an ambulance. Reduction levels in departments were based upon department responsibilities and the impact on revenue generation. Although health insurance premiums increased by 15% for FY11, the County's expense for employee benefits in the General Fund remains steady due to the fact that the increase will be passed on to the employees through pre-taxed payroll deductions. This is the second year the entire amount of the increase will be borne by the employees.

As an additional cost-saving effort, the County restructured all utility billings and adjusted its usage which allowed additional savings for FY10 and FY11. Two new programs were included in the FY10 budget; funding for a volunteer fire/rescue incentive program (\$7,000) and funding for an economic development initiative (\$85,000). Both of these programs were continued for FY11. Funding for the opening of the Cheapside Waste Collection Center is included in the budget. General Fund transfers to other funds decreased by 10% for school operations and 5% for social services.

In July 2005, the Board of Supervisors voted to adopt an ordinance for the creation of a Purchase of Development Rights Program. The intent of this program is to protect productive farmland and associated forest lands, groundwater recharge areas and surface water, as a foundation for a strong rural community, a healthy environmental and a thriving economy through the purchase of development rights in the form of conservation easements. In June 2007, the Board of Supervisors adopted a revised Transient Occupancy Tax Ordinance that dedicated 1% of the Transient Occupancy Tax to the Purchase of Development Rights Program on an annual basis. The County's contributions to this fund will be used to match/leverage other state and federal funds. The FY11 adopted budget did not include a contribution to this fund, but the Board of Supervisors plans to revisit the issue in January after a review of the Transient Occupancy Tax revenue collections. An estimated deposit of \$50,800 was advanced during FY09 to the Purchase of Development Rights Fund in order to complete the first purchase so no contribution was included in the FY10 budget either.

The chart below reflects the approved funding levels for General Fund departments.



CONTRIBUTIONS TO OUTSIDE AGENCIES

The County makes a number of contributions each year to outside agencies through its General Fund. The Northampton County Board of Supervisors adopted a policy on contributions in November 2004 and amended it in December 2005. The amended policy states that the Northampton County Board of Supervisors:

- » refrains from making donations to any religious or charitable organization;
- » refrains from donating to trade organizations, labor unions, and political organizations;
- » reserves the right to make donations to the volunteer fire and rescue services organizations located in Northampton County;
- » reserves the right to donate money (equivalent to any county fees incurred) to organizations that incur county fees in the performance of a service or services that the County Administrator deems necessary or desirable. Without exception, the County Administrator's written approval must be secured by an organization prior to the commencement of any service for which it expects to be reimbursed.

The revised policy eliminated the County's ability to participate in challenge grants administered by the Commonwealth of Virginia or Federal agencies. Accomack and Northampton Counties fund several agencies jointly through formal agreements and for FY11, Northampton County funding was adjusted to conform with those agreements in light of the Accomack approved budget for FY11 which included numerous reductions.

Listed in the following table are the agencies that requested funding for FY11 and the amount included in the approved budget.

Agency	2010 Actual Amount	2011 Departmental Requests	2011 Approved Budget	FY11-FY10	% Change
A-N Animal Control Facility	\$22,248.00	\$30,735.00	\$33,082.00	\$10,834.00	49%
A-N Housing & Redevpt. Corp.	\$4,747.00	\$4,747.00	\$4,747.00	\$0.00	0%
A-N PDC-Groundwater Comm.	\$12,915.00	\$18,915.00	\$15,610.00	\$2,695.00	21%
A-N Planning District Comm.	\$33,281.00	\$33,281.00	\$32,518.00	(\$763.00)	-2%
A-N Transportation District Comm	\$6,704.00	\$6,704.00	\$6,704.00	\$0.00	0%
Assoc. /Pres. of Va. Antiquities	\$0.00	\$0.00	\$0.00	\$0.00	N/A
Cape Charles Chamber of Comm.	\$0.00	\$0.00	\$0.00	\$0.00	N/A
Cape Charles DMV Office	\$0.00	\$0.00	\$0.00	\$0.00	N/A
Cape Charles-Other Contribution	\$0.00	\$105,000.00	\$0.00	\$0.00	N/A
Challenge Grant Pass-Thru&Mtch	\$0.00	\$0.00	\$0.00	\$0.00	N/A
Cheriton - DMV Office	\$0.00	\$15,000.00	\$0.00	\$0.00	N/A
Eastern Shore Public Library	\$106,420.00	\$109,919.00	\$106,665.00	\$245.00	0%
Eastern Shore Task Force	\$4,125.00	\$4,125.00	\$4,125.00	\$0.00	0%
ES Area Agency on Aging	\$9,494.00	\$9,400.00	\$9,400.00	(\$94.00)	-1%
ES Community College	\$20,723.00	\$20,723.00	\$20,723.00	\$0.00	0%
ES Community Services Board	\$57,855.00	\$57,855.00	\$57,855.00	\$0.00	0%
ES Emerg. Medical Serv. Council	\$11,148.00	\$11,605.00	\$11,148.00	\$0.00	0%
ES Fire Training Center/Acc Co.	\$6,700.00	\$13,700.00	\$13,700.00	\$7,000.00	104%
ES of VA Barrier Island Center	\$45,879.00	\$0.00	\$0.00	(\$45,879.00)	-100%
ES of VA Public Serv. Authority	\$0.00	\$0.00	\$0.00	\$0.00	N/A
ES of VA Res Cons & Devpt Comm.	\$7,268.00	\$7,268.00	\$7,268.00	\$0.00	0%
ES Soil & Water Conserv District	\$10,898.00	\$10,898.00	\$10,898.00	\$0.00	0%
ESVA 911 Commission	\$186,735.00	\$221,432.00	\$244,206.00	\$57,471.00	31%
HR Small Business Devpt. Center	\$0.00	\$5,000.00	\$0.00	\$0.00	N/A
NC Fire & Rescue Commission	\$13,195.00	\$14,000.00	\$14,000.00	\$805.00	6%

Agency	2010 Actual Amount	2011 Departmental Requests	2011 Approved Budget	FY11-FY10	% Change
NC Health Department	\$353,319.00	\$353,319.00	\$353,319.00	\$0.00	0%
NC Social Services-CSA Program	\$277,333.00	\$277,333.00	\$277,333.00	\$0.00	0%
Northampton Co. Master Gardeners	\$0.00	\$0.00	\$0.00	\$0.00	N/A
Northampton Memorial Library	\$15,500.00	\$20,000.00	\$15,500.00	\$0.00	0%
Southeast Rural Comm Asst Proj.	\$2,000.00	\$2,000.00	\$2,000.00	\$0.00	0%
SPCA License Plate Pass-Thru	\$0.00	\$200.00	\$200.00	\$200.00	N/A
Star Transit	\$36,250.00	\$62,300.00	\$62,300.00	\$26,050.00	72%
VA Dept. of Forestry	\$2,324.00	\$2,790.00	\$2,790.00	\$466.00	20%
VA Dept. of Medical Asst Service	\$0.00	\$0.00	\$0.00	\$0.00	N/A
VA's Broadband Internet Project	\$0.00	\$0.00	\$0.00	\$0.00	N/A
VA's ES Tourism Commission	\$108,462.00	\$134,455.00	\$134,455.00	\$25,993.00	24%
VJCCA Program/Accomack Co.	\$345.00	\$2,500.00	\$2,500.00	\$2,155.00	625%
Vol Fire Dept - Cape Charles	\$21,000.00	\$21,000.00	\$19,000.00	(\$2,000.00)	-10%
Vol Fire Dept - Cheriton	\$21,000.00	\$21,000.00	\$19,000.00	(\$2,000.00)	-10%
Vol Fire Dept - Eastville	\$21,000.00	\$21,000.00	\$19,000.00	(\$2,000.00)	-10%
Vol Fire Dept - Exmore/Community	\$21,000.00	\$21,000.00	\$19,000.00	(\$2,000.00)	-10%
Vol Fire Dept - Nassawadox	\$21,000.00	\$21,000.00	\$19,000.00	(\$2,000.00)	-10%
Totals	\$1,460,868.00	\$1,660,204.00	\$1,538,046.00	\$77,178.00	5%

SOCIAL SERVICES FUND

The Social Services Fund budget includes local funds of \$466,966, a decrease of \$24,577 from the FY10 approved budget. A five percent reduction was implemented by the County the past two budget years due to declining General Fund revenues. The department's expenditures operate programs to prevent dependency and encourage self-sufficiency; preserve and restore family stability as well as promote and protect the well-being of adult protective services, foster care, employment services, food stamps, temporary assistance to needy families, Medicaid and child care.

EASTERN SHORE REGIONAL JAIL OPERATING FUND

The Eastern Shore Regional Jail became operational in May, 2007 and due to its regional characteristics and the oversight of a separate board, the activities were budgeted in a separate fund beginning in FY08. The operating budget for FY11 totals \$3,465,358 and includes a total of 56 budgeted positions. In order to adjust for reduced Compensation Board reimbursements, three Corrections Officer positions and one partially-reimbursable Medical Technician's position were eliminated. Expenditures for salaries and benefits comprise 79% of the total budget. Of the budgeted positions, 51 are eligible for full salary reimbursement from the Comp. Board, 4 are eligible for 2/3rds funding and one is funded in full by the County. Expenditures for operations include items such as utilities and maintenance for the new facility, food, medical supplies, communications expenses, etc. In FY09, the County expected to fund 24% of the budget by user charges generated from housing prisoners of other localities and the federal government, thereby reducing the financial burden to the taxpayers of the County. Due to a moratorium on additional contracts for housing federal prisoners however, only \$100,000 was generated from other localities. For FY11, the County included a local contribution of \$1,050,801. Some additional revenues for housing have been budgeted for FY11 due to an increase in the population of state prisoners and the associated per diem reimbursements.

SCHOOLS FUND

The proposed budget received from the School Board requested level funding in the County's operational contribution of \$8,122,081. The approved budget includes operational funding of \$7,307,993 which includes a total of \$329,000 for lease-purchase payments for new school buses (the fourth year of funding for the School Board's vehicle replacement schedule). For the year ended June 30, 2009, the school system had a surplus of \$604,694 which was ear-marked for future capital needs. For FY10, School Administration has projected a surplus of approximately \$425,000 pending final audited financials. Declining local revenues and the previous years' unspent expenditure appropriations were considerations in the Board's decision to reduce the local operating contribution.

In addition to the local contribution, the County funded an additional \$1,319,056 in debt service for FY11. Declining enrollment continues to negatively impact the amount of funding available from the state. More detailed information on the impact of these factors is included in the Revenue Analysis section of this document under "School Revenues".

DEBT SERVICE FUNDS

The County operates debt service funds for debt associated with the school system and other general debt including the County Complex, Regional Jail, Landfill Closure and Transfer Station. Funding for the repayment of school debt comes directly from the County's General Fund. For the remaining debt, debt service is funded in accordance with a plan developed by the County's financial advisors. The County is currently contributing to a debt service fund which is designed to cover all current and future debt service anticipated as part of the County's Capital Improvement Plan. For FY11, in accordance with the plan, eight cents of the property tax levy will be transferred to this fund to adequately cover the required debt service. Revenues in the General Debt Service Fund are generated through a combination of the special tax levy, growth in the existing tax base; savings achieved through the bond program and rent payments from the department of Social Services for their new building. Other sources of funding have included proceeds from the sale of the STIP park and part of the reimbursement from the state for construction of the regional jail.

A delay in the state's reimbursement of additional eligible construction costs for the jail construction in the amount of \$3,353,992 has resulted in a situation in which the County has not been able to use those funds as a funding source for debt service payments in FY10 and FY11. These funds were intended to cover the gap in funding necessary for some of the County's highest debt service years (FY10-FY13). When it became clear the funds would not be received during FY10 as expected, additional appropriations of \$440,816 in the debt service fund's balance, \$71,022 from other sources and \$306,500 from interest earnings on financing proceeds were substituted in order to meet the annual debt service requirement. For FY11, the General Fund transfer includes not only the amount generated by eight cents of the tax levy, but an additional \$794,768 to close the gap caused by the delay in the state reimbursement. While County officials are hopeful that the state will meet its obligation and provide the additional jail reimbursement owed either as a one-time full payment of \$3,353,992 or spread out over 3 or 4 years in installment payments, at this time no written confirmation from the state on this matter has been secured.

Debt service expenditures included in these funds are as follows:

Fund Expenditures	FY09 Actual	FY10 Amended Budget	FY11 Adopted Budget	FY11-FY10 Variance	FY11-FY10 % Change
IDA Debt Service	\$4,657	\$0	\$0	\$0	N/A
General Debt Service	\$12,494,902	\$2,913,264	\$2,940,279	\$27,015	0.93%
School Debt Service	\$1,058,501	\$1,408,432	\$1,319,056	(\$89,376)	-6.35%

In the General Debt Service Fund, FY09 included the payoff of \$9,822,050 in a five year note associated with the state's portion of funding for the regional jail. This payoff took place in December, 2008. The County expects to receive another \$3,353,992 in additional reimbursement from the state for the same project as detailed above. A large portion of these funds will be used to offset future debt service that would otherwise have been funded through General Fund transfers. Additional information on the County's debt position can be found in the Debt Service section of this document.

EMPLOYEE COMPENSATION

The Board seeks to maintain a competitive compensation program to attract, retain and motivate qualified employees. The budget however does not include any cost-of-living or merit adjustments for the board of supervisors' employees or constitutional offices. The compensation changes discussed here do not include employees of the School System, Social Services or the 911 Commission employees which are determined by those respective Boards.

For FY11, the County's retirement contribution will increase from 12.44% to 12.86% of the employees' salary for employees hired prior to July 1, 2010. New legislation passed in the spring of 2010 gave localities the option to continue to pay for the employee contribution of 5% or to require employees hired after July 1, 2010 to pay that portion through a pre-taxed payroll deduction. The Northampton County Board of Supervisors chose to require new County employees to pay the employee contribution. There will be a reduction from .79% to .28% in the premiums for group life insurance coverage. During FY10, as part of mid-year budget amendments, the state gave a life insurance premium holiday for the fourth quarter in order to help localities absorb other budget reductions.

For FY10 and FY11, health insurance premiums increased by 15% each year. The budgeted County contribution remains unchanged at \$4,349 annually; therefore, the entire increase will be paid by the employees through payroll deduction. All plans require an employee contribution. Plan benefits were scaled back for FY11 in order to reduce the amount of the increase from 29.5% overall to 15%, however, because the employees pay for the entire amount of the increase, the average employee payroll deduction rose by 34%; from \$188.88 to \$253.20 per month. The cost of dental insurance premiums will increase by 13.4% per employee per year for FY11. The entire amount of the increase will be paid by the employees through payroll deductions.

CHANGES IN BUDGETED POSITIONS

The FY11 General Fund budget includes no new positions. Four positions were eliminated in the Eastern Shore Regional Jail due to Compensation Board reductions. They consisted of 3 Corrections Deputies and 1 partially state-funded Medical Technician's positions. The School Board also voted to eliminate the School Resource Officer (whose salary was previously reimbursed by the school system) after the budget was finalized and the local contribution amount was known. This change is not reflected in the budgeted full-time positions chart since it was not known until after July 1, 2010. Also eliminated in the FY11 budget was the Family & Human Development Position in Extension Services and a Clerk's position in Social Services. In summary, a total of seven positions have been eliminated for FY11 not including the School Division reductions.

CAPITAL OUTLAY

The FY11 budget includes funding for capital outlay in the amount of \$270,425 as follows:

Account Number	Description	2010 Amended Budget	2011 Departmental Requests	2011 BOS Approved	FY11 - FY10	% Change
Fund	100	General				
58750	EDP Equipment	\$18,000.00	\$0.00	\$0.00	(\$18,000.00)	-100%
Information Technology		\$18,000.00	\$0.00	\$0.00	(\$18,000.00)	-100%
58400	Machinery & Equipment	\$40,000.00	\$0.00	\$0.00	(\$40,000.00)	-100%
58600	Animals	\$15,325.00	\$0.00	\$0.00	(\$15,325.00)	-100%
58650	Motor Vehicles & Equipment*	\$79,232.00	\$103,369.00	\$81,370.00	\$2,138.00	3%
Sheriff		\$134,557.00	\$103,369.00	\$81,370.00	(\$53,187.00)	-40%
57850	Construction/Improvements	\$0.00	\$275,000.00	\$0.00	\$0.00	
58650	Motor Vehicles & Equipment**	\$0.00	\$164,206.00	\$164,206.00	\$164,206.00	
Emergency Medical Services		\$0.00	\$439,206.00	\$164,206.00	\$164,206.00	+++
58650	Motor Vehicles & Equipment*	\$0.00	\$0.00	\$24,849.00	\$24,849.00	
Animal Control		\$0.00	\$0.00	\$24,849.00	\$24,849.00	+++
57850	Construction/Improvements	\$101,069.00	\$0.00	\$0.00	(\$101,069.00)	-100%
Harbors & Boat Ramps		\$101,069.00	\$0.00	\$0.00	(\$101,069.00)	-100%
Fund Total: General Fund		\$253,626.00	\$542,575.00	\$270,425.00	\$16,799.00	7%

*Funding for three sheriff's patrol vehicles and the animal control vehicle is planned through lease purchase proceeds.

**Funding from grant proceeds.

FUND BALANCE

The FY11 General Fund budget includes an appropriation of \$139,329 in fund balance. This amount is intended to fund a portion of the shortfall which resulted from the delay of the state's portion for the construction of the regional jail.

The adopted fund balance policy states that unreserved fund balance should not fall below 8% of the combined operating expenditures of the general, social services, eastern shore regional jail and school operating funds (less interfund transfers). Based on year-end estimates, the percentage should be approximately 8.98% at June 30, 2010.

When fund balance is used, it can be identified under two categories: one-time, capital items and operational budget funding. Historically, fund balance has not been utilized to support the operational departmental budgets; however, based upon the current economic crisis and the likelihood of receiving reimbursement from the state since the amount has been approved by the Board of Corrections, the Board of Supervisors determined that the use of fund balance for FY11 to assist in the budget development was in keeping with their financial policies and goals to maintain a reasonable tax structure.

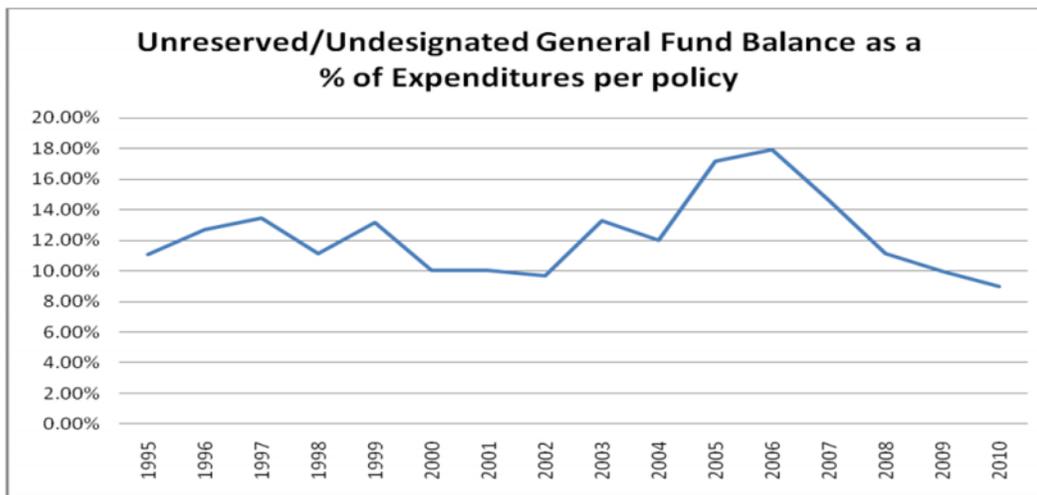
The Eastern Shore Regional Jail Fund, Social Services Fund and School Funds have not historically accumulated a separate fund balance (except for a small amount designated for scholarships, etc.); therefore general fund balance must be sufficient to cover unexpected cash flow needs and lagging revenue collections in those funds when necessary.

Beginning with the FY07 fiscal year, the Board took action to allow the School Operating Fund to accumulate a reserved fund balance with any unspent appropriations for the purpose of funding projects

included in their approved capital improvement plan. For FY09, \$250,000 in unanticipated revenue from the spring FY08 revision of pupil enrollment was allowed to carry forward for use in FY09 for school operations. However, at the end of FY10, audited financial statements revealed that not only was the remaining \$227,377 (rather than the \$250,000 estimated) from FY08 not needed, an additional \$377,317 in FY09 revenues was unspent creating a fund balance of \$604,694 to be used for capital projects. At June 30, 2010, these funds remain unappropriated, but it is expected that they will be appropriated by budget amendment and used during FY11. For FY10, the School Division administration has estimated that they will have approximately \$425,000 in unspent appropriations. The Board of Supervisors has stated that they will wait for the final audited financials before making a decision regarding the transfer of those funds to the capital project fund.

The Debt Service Funds had a combined fund balance of \$2,163,730 at June 30, 2009. This includes \$719,332 in a debt service reserve fund that was required as part of the 2002 bond financing. It also includes \$440,807 which has been accumulated for future debt service payments as part of the County's capital financing plan and another \$1,003,591 in sinking fund payments which is reserved for the future payment of QZAB debt.

The following table reflects unreserved general fund balances at June 30th since FY95:



ECONOMIC FACTORS AFFECTING THE BUDGET

The County's financial performance and planning is impacted by global, national and local economic factors. Local economic indicators improved greatly during the 1990s, but have shown a decline since 2000 partly due to the recession. Supporting data is provided on pages 3-7 of the budget document. Since 2001, the County's unemployment rate has risen from 4% to 9.3% compared to the nationwide rate of 8.3%. Although Northampton County's median household income has risen from \$28,405 to \$34,424 since 2000, it has fallen behind the growth rates of neighboring Accomack County and the Commonwealth of Virginia..

Since FY07, the County's revenues have been impacted greatly by the ongoing adjustment in the housing sector nationwide. Revenue estimates for FY11 from housing-related activities are down by approximately \$85,538 or 16% from the FY08 actual collections. Although officials expect the economy to improve gradually over the next year or two with a slow housing recovery and gradual improvement in credit conditions, much uncertainty remains surrounding that outlook. Locally, real estate activity has slowed considerably, housing inventories are high, length of time on the market has increased, and a large percentage of the sales taking place within the County involve distressed properties rather than typical arm's length transactions.

The County's budget has been greatly affected by the increase in energy prices. Over the past several years, the County's operating budget has absorbed significant increases in gasoline prices as well as a 25% increase in electric rates from the only available provider. In addition, the construction of new County buildings has increased energy requirements due to the additional square footage. The energy budgets in the County operating budget (heating oil and electricity) have increased by \$254,484 since 2007.

LEGISLATIVE FACTORS AFFECTING THE BUDGET

The County continues to be negatively affected by changes imposed by the Virginia General Assembly. The cap on PPTR (Personal Property Tax Relief) has limited the amount of funds localities may receive in order to lower the tax burden on individual tax payers' personal vehicles. In an effort to balance the state's budget, localities were directed to remit lump sum payments to the state or receive less in revenues for FY09 and FY10. For Northampton County the amounts are \$191,891 and \$192,013 respectively. The state has now extended and increased these payments for FY11 and FY12. For FY11, the County estimated it must remit a total of \$230,415. ABC Profits and Wine Taxes have been completely eliminated as a revenue source for the most recent and previous bienniums, and reimbursements for constitutional officers have been reduced and only partially restored with federal stimulus funding.

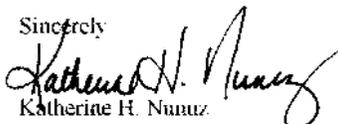
The 2007 session of the General Assembly passed legislation (SB1166) requiring all sheriffs' deputies be covered with enhanced benefits for hazardous duty positions with the Virginia Retirement System (VRS) no later than July 1, 2008. The additional cost to Northampton County for this mandatory benefit is approximately \$156,450 for FY10.

The Board of Supervisors adopts a legislative agenda annually which is submitted to the Virginia Association of Counties for its support in the upcoming General Assembly session. The County requests support and works through its representatives in the state Senate and House to advance these legislative goals. The complete current agenda is shown in Appendix B and includes such items as granting the same revenue diversification avenues available to cities to counties, opposition to any dilution of zoning and land use regulatory authorities of counties, and supporting full funding by the state of the Standards of Learning. These items may impact future operating budgets of the County.

GFOA DISTINGUISHED BUDGET AWARD

The Government Finance Officers Association of the United States and Canada (GFOA), a national organization, each year recognizes budgets that meet certain rigorous standards. To achieve this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide and as a communications medium. The award is valid for a period of one year only. Northampton County has received this award each year beginning with the FY04 budget document. We believe our current budget continues to conform to the program requirements and will be submitting it to GFOA to determine its eligibility for another award.

I would like to thank the staff for their many hours of hard work and their contribution to the development of this budget. The input and guidance provided by the Board of Supervisors reflects a commitment to improving the level of services for the betterment of the citizens of Northampton County.

Sincerely

Katherine H. Nunuz
County Administrator

COUNTY OF NORTHAMPTON, VIRGINIA

FUND STRUCTURE AND BASIS OF ACCOUNTING

FUND STRUCTURE

The accounts of the County are organized on the basis of funds, each of which is considered to be a separate accounting entity. Each fund is a separate set of self-balancing accounts that consists of assets, liabilities, fund equity, revenues, and expenditures. The County's financial statements present two different kinds of statements (government-wide and fund), with two different approaches and views of the County finances. The government-wide statements provide information on the overall financial status of the County. This method is comparable to the method used in private industry. The fund financial statements focus on the individual funds of the County government, reporting the operations in more detail than the government-wide statements. When presented in a single report (the County's Comprehensive Annual Financial Report), both perspectives allow the user to address relevant questions, broaden the basis for comparison, and enhance the County's accountability. The various funds presented in the financial statements are as follows:

Governmental Funds – The governmental funds report most of the County's basic services. The governmental funds serve essentially the same function as the governmental activities in the government-wide financial statements. The governmental fund financial statements focus on near-term cash flows and the amount of spendable resources available at the end of the fiscal year. The individual governmental funds are:

General Fund – The General Fund is the general operating fund of the County. This fund accounts for all revenues and expenditures of the County which are not accounted for in other funds. The General Fund is considered a major fund for financial reporting purposes.

Special Revenue Funds – Special Revenue Funds account for the proceeds of specific revenue sources (other than those derived from special assessments, or dedicated for major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action. Special Revenue Funds consist of the Social Services (VPA) Fund, Eastern Shore Regional Jail Fund, Purchase of Development Rights Fund, East, West Fairview and Culls CDBG Project Funds, the Parks and Recreation Project Fund, the Broadband Project Fund, Sale of Forfeited Assets Fund, and the HMGP Home Elevation Project Fund. The Social Services Fund and the Eastern Shore Regional Jail Fund are considered major funds for financial reporting purposes.

Debt Service Funds – Debt Service Funds of the County include the Industrial Park Debt Service Fund, the School Debt Service Fund and the General Debt Service Fund.

Capital Projects Funds – The County currently has several Capital Project Funds including the 2002 Bond Capital Project Fund, the Regional Jail Capital Project Fund, the Administration Renovation and Landfill Closing Fund, the Literary Loan Project Fund and the QZAB Capital Project Fund.

Proprietary Funds – Proprietary funds are used to account for business-type activities and can be one of two types; enterprise funds or internal service funds. The County has one proprietary fund, an enterprise fund called the Public Utilities Fund. The activities of the fund are financed through user fees and the fund is anticipated to be self-supporting for FY11.

Fiduciary Funds (Agency Funds) account for assets held by a governmental unit in a trustee capacity or as an agent or custodian for individuals, private organizations, other governmental units, or other funds. In Northampton County, these funds are all Agency Funds, and consist of the IDA Operating Fund, Special Welfare Fund, E-911 Local and Capital Funds, Mental Health and Retardation Fund, Local Sales Tax Fund, Building Inspection Fees Fund, and the State Health Department Fees Fund.

Many of the County's funds operate under project-length budgets and are therefore not included in the County's Annual Operating Budget. Since Fiduciary Funds are assets held in a trustee capacity for other organizations, the County does not adopt budgets for those funds or report on their budget status in its financial statements. The following matrix reflects the budgeting methods for all funds of the County.

COUNTY OF NORTHAMPTON, VIRGINIA

FUND STRUCTURE AND BASIS OF ACCOUNTING (CONT.)

Fund Type	Fund Name	Annual Operating Budget	Project Length Budget	Agency Funds (No County Budget)
Governmental:				
	General Fund	X		
	Special Revenue Funds:			
	Social Services (VPA) Fund	X		
	Eastern Shore Regional Jail Fund	X		
	Purchase of Development Rights Fund	X		
	East Fairview CDBG Project Fund		X	
	West Fairview CDBG Project Fund		X	
	Parks & Rec EDI Project Fund		X	
	Sale of Forfeited Assets Fund		X	
	HMGP Home Elevation Project Fund		X	
	Debt Service Funds:			
	General Debt Service Fund	X		
	Industrial Park Debt Service Fund	X		
	School Debt Service Fund	X		
	Capital Project Funds:			
	2002 Bond Capital Project Fund		X	
	Regional Jail Capital Project Fund		X	
	Admin. Renovations & Landfill Closure		X	
	Literary Loan Project Fund		X	
	QZAB Capital Project Fund		X	
Proprietary				
	Enterprise Fund:			
	Public Utilities Fund	X		
Fiduciary				
	Agency Funds:			
	Eastern Shore of VA Broadband Fund			X
	E-911 Operating and Capital Funds			X
	Special Welfare Fund			X
	NC Tourism Capital Fund			X
	Local Sales Tax Fund			X
	Building Inspection Fees Fund			X
	State Health Dept. Fees Fund			X
Component Unit School Board:				
	School Operating Funds	X		

COUNTY OF NORTHAMPTON, VIRGINIA

FUND STRUCTURE AND BASIS OF ACCOUNTING (CONT.)

BASIS OF ACCOUNTING

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 45 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Proprietary Funds account for operations that are financed in a manner similar to private business enterprises. The Proprietary Funds utilize the accrual basis of accounting where the measurement focus is upon determination of net income, changes in net assets, financial position, and cash flows.

Fiduciary Funds account for assets held by the government in a trustee capacity or as agent or custodian for individuals, private organizations, other governmental units, or other funds. These funds include the County's Agency Funds. Fiduciary funds utilize the accrual basis of accounting as described in the Proprietary Funds presentation.

BASIS OF BUDGETING

The County's Annual Operating Budget is adopted on a modified accrual basis for all included funds. The budgetary basis and the accounting basis are the same for all governmental funds. The modified accrual basis (also used for the fund financial statements) recognizes revenues as they are measurable and available to meet the current period's expenditures, and recognizes expenditures as they are incurred. The accrual basis (used for the government-wide financial statements and the fund financial statements for proprietary funds) recognizes revenues as they are earned and expenses when a liability is incurred.

FIXED ASSETS, CAPITALIZATION, AND DEPRECIATION

The standard for capitalization of tangible property is \$5,000 or more per unit with an expected useful life greater than one year. Depreciation is provided over estimated useful lives of assets using the straight-line method. When assets are sold or retired, their cost and related accumulated depreciation are removed from the accounts and the gains or losses are reflected on the income statement.

COUNTY OF NORTHAMPTON, VIRGINIA

SUMMARY OF BUDGETED FUNDS, FUNCTIONS, AND DEPARTMENTS

FUND	FUNCTION	DEPARTMENT
GENERAL FUND		
	GENERAL ADMINISTRATION	BOARD OF SUPERVISORS COUNTY ADMINISTRATOR COUNTY ATTORNEY INDEPENDENT AUDITOR COMMISSIONER OF REVENUE GENERAL REASSESSMENT COUNTY TREASURER FINANCE INFORMATION TECHNOLOGY ELECTORAL BOARD
	JUDICIAL ADMINISTRATION	CIRCUIT COURT GENERAL DISTRICT COURT MAGISTRATES JUVENILE & DOMESTIC COURT CLERK,CIRCUIT COURT VICTIM-WITNESS PROGRAM COMMONWEALTH ATTN.
	PUBLIC SAFETY	SHERIFF AMBULANCE & RESCUE FIRE PREVENTION EMERGENCY MEDICAL SERVICES BUILDING INSPECTIONS ANIMAL CONTROL ANIMAL CONTROL - CONTRIBUTION EMERGENCY SERVICES JUDICIAL COURT SERVICES CARE & CONFINEMENT OF PRISONERS
	PUBLIC WORKS	PUBLIC WORKS ADMINISTRATION SOLID WASTE SERVICES FACILITIES MANAGEMENT

COUNTY OF NORTHAMPTON, VIRGINIA

SUMMARY OF BUDGETED FUNDS, FUNCTIONS, AND DEPARTMENTS

FUND	FUNCTION	DEPARTMENT
	HEALTH & WELFARE	LOCAL HEALTH DEPT. CHAPTER X BOARD (CSB) WELFARE ADMINISTRATION STATE & LOCAL HOSPITAL COMPREHENSIVE SERVICES ACT
	EDUCATION	COMMUNITY COLLEGE OTHER EDUCATIONAL EXPENSES
	PARKS, REC. & CULTURAL	PARKS & RECREATION HARBORS & BOAT RAMPS REGIONAL LIBRARY LOCAL LIBRARY
	COMMUNITY DEVELOPMENT	PLANNING & ZONING COMMUNITY DEVPT. CODE COMPLIANCE ECONOMIC DEVELOPMENT WETLANDS & ARCH. REVIEW JOINT LOCAL PLANNING COMM. OTHER ECONOMIC DEVPT. SOIL & WATER CONSERVATION EXTENSION SERVICE – ADMIN. EXTENSION SERVICE-JOHNSON GRASS
	NON-DEPARTMENTAL	WORKER'S COMP. INS. GENERAL INSURANCE TRANSFERS TO OTHER FUNDS GENERAL DEBT SERVICE CONTINGENCY
SOCIAL SERVICES (VPA) FUND		
	HEALTH & WELFARE	OPERATIONS

COUNTY OF NORTHAMPTON, VIRGINIA

SUMMARY OF BUDGETED FUNDS, FUNCTIONS, AND DEPARTMENTS

FUND	FUNCTION	DEPARTMENT
PURCHASE OF DEVELOPMENT RIGHTS FUND		
	COMMUNITY DEVELOPMENT	COMMUNITY DEVPT.
EASTERN SHORE REGIONAL JAIL FUND		
	PUBLIC SAFETY	OPERATIONS
IDA DEBT SERVICE FUND		
	DEBT SERVICE	DEBT SERVICE
GENERAL DEBT SERVICE FUND		
	DEBT SERVICE	DEBT SERVICE
SCHOOL DEBT SERVICE FUND		
	DEBT SERVICE	DEBT SERVICE
PUBLIC UTILITIES FUND		
	PUBLIC WORKS	OPERATIONS
SCHOOL OPERATING FUNDS		
	EDUCATION	OPERATIONS

COUNTY OF NORTHAMPTON, VIRGINIA

FINANCIAL POLICIES

Overview

The first goal of the County's Strategic Plan is to develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for its citizens. Northampton County strives to meet and improve the delivery of service to its citizens through sound fiscal management. The Board of Supervisors and county staff have committed themselves to this responsibility through the establishment of financial management policies and programmatic goals which demonstrate sound resource management and a high level of public accountability.

Accounting Policy

1) General

- a) An accounting policy addresses the accounting methods utilized in the different fund types for revenues, expenditures, assets, liabilities and fund equity.
- b) An accounting policy also addresses the process through which revenues are collected and disbursements made.

2) Standards

- a) Generally Accepted Accounting Principles (GAAP).
- b) National Council on Governmental Accounting Statements.
- c) Governmental Accounting Standards Board (GASB).
- d) Financial Accounting Standards Board (FASB).
- e) Accounting Principle Board opinions.
- f) Accounting Research Bulletins.
- g) Code of Virginia.
- h) Commonwealth of Virginia's Library and Archives Public Records Management.

3) Financial Statements

- a) All activities for which the County exercises oversight responsibility are incorporated into the financial statements to form the reporting entity.
- b) The School Board and all of its funds (School, Cafeteria, Lunch Room, Health Grant, Capital Development and Scholarship) are classified as a discreetly presented component unit of the financial reporting entity.
- c) The Comprehensive Annual Financial Report (CAFR) will be prepared at the conclusion of the County audit.

Accounting Policy (Cont.)

4) Fund Accounting

- a) Accounts are organized on the basis of funds, each of which is considered to be a separate accounting entity.
- b) Operations of each fund are accounted for with a separate set of self-balancing accounts which comprise its assets, liabilities, fund equities, revenues and expenditures, or expenses, as appropriate.
- c) Modified accrual basis of accounting will be followed by the governmental funds and agency funds with revenues recognized when measurable and available and expenditures recognized when incurred, with the exception of interest on long-term debt, which is recognized when due.
- d) Accrual basis of accounting will be followed by the proprietary fund types with revenues recognized when earned and expenses recognized when incurred.

5) Capitalization & Depreciation Policy (Fixed Assets)

- a) Fixed assets shall be capitalized for unit costs greater than a \$5,000 expenditure.
- b) Fixed assets shall be depreciated over the estimated useful life of the asset using the straight-line method as follows:
 - i. Buildings: 20 – 30 years
 - ii. Equipment: 5-15 years
 - iii. Assets acquired during the fiscal year will be depreciated on a monthly basis.

Audit Policy

1) General

Audit policy provides guidance on the selection of an independent accounting firm to provide opinions and/or reports on the County's financial statements and internal controls in compliance with federal and state standards.

2) Standards

- a) Generally Accepted Auditing Standards (GAAS).
- b) Government Auditing Standards issued by the Comptroller General of the United States.
- c) Specifications for Audit of Counties, Cities and Towns issued by the Auditor of Public Accounts of the Commonwealth of Virginia.
- d) Office of Management and Budget (OMB) Circular A-128 and Compliance Supplement for Single Audits of State and Local Governments.
- e) Code of Virginia

Audit Policy (Cont.)

3) Planning and Performance

- a) To obtain reasonable assurance as to whether the financial statements are free of material misstatement by examining on a test basis evidence supporting the amounts and disclosures in the financial statements.
- b) To maintain compliance with the Single Audit Act.
- c) To perform additional audits of County, School Board and constitutional officer activities based upon risk assessment of activity, function or process.

4) Selection of Auditors

- a) Auditors will be selected to perform annual audits through a request for proposal (RFP) process every three years, unless otherwise approved by the Board of Supervisors.
- b) Auditors will review the Comprehensive Annual Financial Report (CAFR) for submission to the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting.

5) Opinions on Financial Statements

- a) Financial statements present fairly, in all material respects, the financial position of the County as of year-end and the results of its operations and cash flows of its proprietary funds for the year then ended in conformity with generally accepted accounting principles.
- b) Other data included in the CAFR designated in the statistical section is not audited and accordingly has no opinion.

Budget Policy

1) General

- a) The County's budget policy will address the processes by which a budget is formulated from departmental requests to Board of Supervisors adoption.
- b) A budget policy addresses the authorization levels for the approval of the annual budget and all budget adjustments for revenues and expenditures of all funds.

2) Standards

- a) Generally Accepted Accounting Principles (GAAP).
- b) Uniform Financial Reporting Model of the Auditor of Public Accounts of the Commonwealth of Virginia.
- c) Government Finance Officers Association's Criteria for Distinguished Budget Award.
- d) Code of Virginia.

Budget Policy (Cont.)

3) Budget Objectives

- a) The County Administrator will identify proposed budget objectives and budget schedule to be presented to the Board of Supervisors.
- b) The budget objectives will be used as the foundation in the formulation of the County Administrator's recommended budget and the budget schedule will identify important dates throughout the budget preparation and adoption period.
- c) The following objectives shall be annual budget objectives:
 - i. Adoption of budget and review of the Capital Improvements Plan.
 - ii. Funding of schools through a reasonable funding formula.
 - iii. Anticipated property tax rate levels.
 - iv. Provision of adequate employee compensation.
 - v. Compliance with financial policies and maintaining bond ratings.
 - vi. Vehicle replacement program.
- d) The following items will occur in conjunction with the budget preparation and adoption process unless it has been determined that the proposed item is needed in a more expedited manner, in which case the Board of Supervisors approval is required.
 - i. Ordinance changes involving fee/rate changes.
 - ii. New positions or changes to existing positions.
 - iii. Reimbursement resolutions for debt financed capital projects that would allow certain appropriated expenditures to occur prior to the receipt of debt proceeds.
 - iv. Approval of acquisition of vehicles.

4) Capital Improvements Program (CIP)

- a) CIP is a plan for capital expenditures and a means of financing facilities, equipment and vehicles during the next five years with a unit cost greater than \$50,000.
- b) Included in the CIP formulation is the operating impact of the proposed project, including personnel, operating expenditures, capital outlay and debt service.
- c) To the extent feasible, general government projects will be funded by General Fund revenues (i.e., "pay-as-you-go funding").

Budget Policy (Cont.)

5) Budget Preparation

- e. The Finance Department and County Administrator will establish a budget schedule by December 1, which will include important dates throughout the budget preparation period.
- f. All departments, excluding the School Board, will submit their requested budget to the Finance Department by February 15, with the requested budget providing detail to personnel, operating and capital requests, including five year capital improvement program requests, and performance objectives.
- g. County Commissions, Volunteer Organizations and Other Organizations
 - i. All community organizations shall submit their requests for contributions to the Finance Director.
 - ii. The Volunteer Associations for Fire and Emergency Medical Services (EMS) shall assist in the formation of the Fire and EMS budgets, respectively.
 - iii. The Community Services Board and Social Services Board shall approve the departmental budget of their respective organizations prior to submission to the County Administrator.
- d) The School Board is requested to submit their budget request by February 15.
- e) At the Board of Supervisors' meeting on the second Monday in April, the County Administrator shall submit to the Board of Supervisors a proposed budget, which includes proposed expenditures, segregated at the departmental level between personal services, operating expenditures and capital outlay, and a means of financing the expenditures for the fiscal year commencing July 1.
- f) A consolidated public hearing on the budget, ordinance changes and personal property tax rates with a separate public hearing on the real property tax rate, if applicable, shall be held no later than five weeks after the County Administrator submits the proposed budget to obtain citizen comments.
- g) The consolidated public hearing notices shall appear at least seven days prior to the public hearing date.

6) Budget Adoption

- a. Following the public hearing, the Board of Supervisors adopts a balanced budget. The budget is considered balanced when net revenue equals appropriations.
- b. The budget is legally enacted through passage of an appropriations resolution for all governmental and proprietary fund types that places legal restrictions on expenditures at the function level or category level.
- c. For all funds except the School Funds, the level of control (level at which expenditures may not exceed budget) is the function level as established by the Commonwealth of Virginia Auditor of Public Accounts.
- d. For the Education Funds, the level of control is the activity level as established by the Commonwealth of Virginia Department of Education.

Budget Policy (Cont.)

- e. Although legal restrictions on expenditures are established at the function or activity level, effective administrative control over expenditures is maintained through the establishment of more detailed line-item budgets.
 - f. At all times the County will maintain compliance with the Code of Virginia in appropriating, advertising public notices, ordinance changes, requests for referendums and any other legal restrictions imposed upon localities.
 - g. The Adopted Budget Document will be forwarded to the GFOA and other interested parties within 90 days of budget adoption for the Distinguished Budget Award program.
- 7) Budget Amendments
- a) Department Heads and Constitutional Officers may approve transfers within their own operating budgets (with the exception of transfers affecting salaries and related accounts.) The County Administrator is authorized to transfer budgeted amounts between departments, but any revisions that alter total expenditures must be approved by the Board of Supervisors through legislative action. All supplemental appropriations must be reported in a public meeting of the Board of Supervisors and made a matter of record in the minutes.
 - b) Per the Code of Virginia, any supplemental appropriation which increases the total budget by more than \$500,000 or 1% of the total budget to be advertised for a public hearing at least seven days prior to the Board of Supervisors approval of appropriation.
 - c) If deficits appear to be forthcoming within a fiscal year, recommended spending reductions would be proposed by the County Administrator during the fiscal year in order to sufficiently offset the deficit.
- 8) Budgetary Accounting
- a) Budgets are adopted on a modified accrual basis for all government funds and on full accrual for the proprietary fund. The budgetary basis and the accounting basis are the same. The modified accrual basis recognizes revenues as they are measurable and available to meet the current period's expenditures, and recognizes expenditures as they are incurred. Full accrual recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.
 - b) All budget data in the Comprehensive Annual Financial Report represents the revised budget (adopted budget, re-appropriations, supplemental appropriations and budget transfers).

Debt Policy

1. General

A debt policy addresses the level of indebtedness the County can reasonably expect to incur without jeopardizing its existing financial position and ensures the efficient operation of the County. The debt policy is to be used in conjunction with the Annual Operating Budget, the Capital Improvement Program (CIP) and the County's other financial policies.

2. Standards

- a. National Federation of Municipal Analysts
- b. Government Accounting Standards Board
- c. Government Finance Officers Association (GFOA)

3. Planning and Performance

- a. The planning, issuance and review of outstanding and proposed debt issuances will ensure that compliance with the debt policy is maintained.
- b. The County may issue debt for the purpose of acquiring or constructing capital projects including buildings, machinery, equipment, furniture and fixtures.
- c. Debt issuances will be pooled together when feasible to minimize issuance costs.
- d. Whenever a need for financing is identified, an analysis will be completed to determine the optimum type of financing to be used which will consider issuance costs, required debt service reserves, flexibility of terms and any other factors deemed appropriate.
- e. The County will issue debt only as authorized by the Code of Virginia.
- f. The County will establish a Capital Improvements Plan which will include all debt-related projects, and which will identify the debt service impact on operations and tax rates.

4. Issuance Guidelines

- a. The County will not use long-term borrowing to finance current operating needs.
- b. Long-term debt will be issued only in compliance with all aspects of the debt policy.
- c. The maturity of any debt will not exceed the expected useful life of the project for which the debt is issued.
- d. Each project proposed for financing will include an analysis for potential tax impact and future operating costs associated with the project and its debt service.
- e. Debt as a percentage of the assessed value of real estate will not exceed 4%.
- f. The ratio of debt service expenditures as a percent of governmental fund expenditures should not exceed 12%.
- g. The County recognizes the importance of underlying and overlapping debt in analyzing financial condition. The County will regularly analyze total indebtedness including underlying and overlapping debt.
- h. The County will follow a policy of full disclosure in every financial report and in Official Statements related to bond issues.
- i. All issuances of debt require the approval and appropriation of the proceeds by the Board of Supervisors.
- j. When it has been determined that a project will be financed, the Board of Supervisors may use the County's general funds to initiate the project with the intent of reimbursing the funds after the proceeds of the financing are received by adopting a reimbursement resolution prior to incurring project-related expenses.
- k. In most cases, proceeds of bond issues will be invested with Virginia State Non-arbitrage Program (SNAP) in order to track any arbitrage liability that may accumulate from interest earnings.

Fund Balance Policy

1. General

- a. The term *fund balance* describes the net assets of the County's governmental funds calculated in accordance with generally accepted accounting principles (GAAP). It is intended to serve as a measure of the financial resources available in a governmental fund. The County's policy on fund balance recognizes the importance of this measure in determining credit worthiness to bond rating agencies, investors and others interested in the economic condition of the County. This policy establishes a minimum acceptable level of unreserved general fund balance and describes the factors which were considered in order to establish it. This policy also establishes the action to be taken if fund balance falls below the minimum acceptable level.

2. Standards

- a. Governmental Accounting Standards Board (GASB)
- b. Government Finance Officers Association (GFOA)

3. Planning

- a. Reserved – Reservations of fund balance will be recorded in all governmental funds in accordance with generally accepted accounting principals. The County will reserve portions of fund balance as needed for outstanding encumbrances, amounts reserved for future debt service, capital outlay and perpetual care.
- b. Unreserved – Unreserved fund balance is the portion of fund balance in governmental funds that is available for spending. It is essential that an adequate level of unreserved fund balance be maintained to mitigate current and future risks (e.g. revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates.
 - i. Unreserved fund balance in governmental funds other than the general fund will be reviewed on an annual basis in order to determine an appropriate level, whether adjustments are necessary, and what actions to take in order to achieve those adjustments.
 - ii. In order to establish an appropriate level of unreserved fund balance in the general fund, the following factors were considered:
 1. Predictability of revenues and volatility of expenditures – The County's general fund revenue sources are very stable and predictable, however because of the annual tax billing, cash flows are much greater in the late fall and winter than in the spring and summer. The level of the County's unreserved general fund balance must be sufficient at June 30th of each year to cover this fluctuation in revenue collection. General fund expenditures are generally stable and spread fairly evenly over the course of the year. The County does experience unanticipated expenditures due to a variety of events including equipment breakdowns, funding requests from other agencies, and natural disasters.
 2. Availability of resources in other funds/drains upon resources from other funds – The vast majority of resources in other funds is reserved for a specific purpose and is therefore not available. The County has a component unit school board fund and a social services fund that accumulate no fund balance. These funds combined are larger than the County's general fund. The County's unreserved general fund balance must be sufficient to cover fluctuations in the revenue of these funds and to cover any reimbursable expenditures of those funds prior to reimbursement by other agencies.

Fund Balance Policy (Cont.)

3. Liquidity –The County experiences some liquidity issues due to the annual tax billing cycle. Other factors affecting liquidity are the financing of initial capital project expenses with general fund balance. These expenditures are reimbursed once the financing proceeds are received. The County also frequently has grant-funded capital projects underway, which are funded on a reimbursement basis. Unreserved general fund balance should be sufficient to cover these liquidity issues.
4. Designations – Some portions of unreserved general fund balance may be designated for a specific purpose and may require higher levels as appropriate.
5. GFOA's recommendation – GFOA recommends that all general-purpose governments maintain at a minimum unreserved general fund balance of five to fifteen percent of regular general fund operating revenues and no less than one to two months of regular general fund operating expenditures.

4. Performance

Based on the factors listed above, the following policy has been adopted by the Board of Supervisors of Northampton County:

Unreserved fund balance in the general fund shall be measured annually at June 30th, and shall be an amount equal to at least 8% of the combined budgeted expenditures of the General Fund, Social Services Fund, Eastern Shore Regional Jail Fund and School Operating Fund (net of interfund transfers) for the fiscal year ending on that day. In determining the level of fund balance for purposes of year-end disclosure in the Comprehensive Annual Financial Report, combined actual operating expenditures (net of interfund transfers) of the General Fund, Social Services Fund, Eastern Shore Regional Jail Fund and School Operating Fund shall be used and the percentage shall also meet the minimum 8% reserve balance. If at any time the unreserved fund balance falls below the minimum acceptable amount, appropriate action will be taken by the Board to either increase revenues or reduce expenditures in the current fiscal year in order to bring the next year's fund balance amount to an acceptable level.

THIS PAGE LEFT BLANK INTENTIONALLY

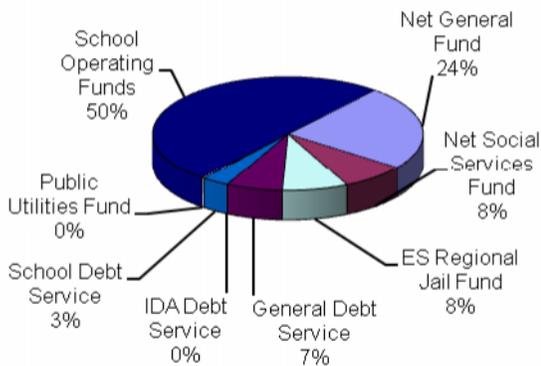
COUNTY OF NORTHAMPTON, VIRGINIA

Total Budget Summary

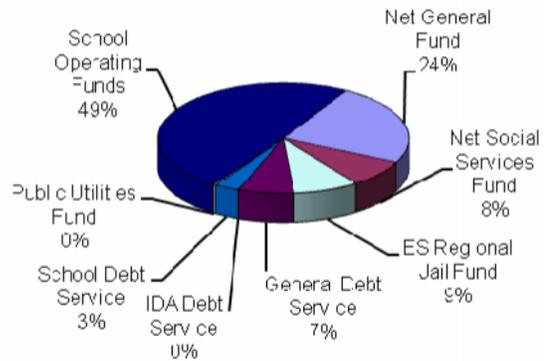
Fund Expenditures	FY09 Actual	FY10 Amended Budget	FY11 Adopted Budget	FY11-FY10 Variance	FY11-FY10 % Change
General Fund	\$23,882,479	23,442,738	22,673,403	(\$769,335)	-3.28%
Less Transfers	(\$13,409,623)	(\$13,055,987)	(\$12,923,995)	\$131,992	-1.01%
Net General Fund	\$10,472,856	\$10,386,751	\$9,749,408	(\$637,343)	-6.14%
Social Services Fund	\$3,307,647	\$3,417,704	\$3,380,109	(\$37,595)	-1.10%
Less Transfers	(\$77,513)	(\$69,000)	(\$77,500)	(\$8,500)	12.32%
Net Social Services	\$3,230,134	\$3,348,704	\$3,302,609	(\$46,095)	-1.38%
Purch. of Devpt. Rights	\$80,561	\$0	\$0	\$0	N/A
ES Regional Jail Fund	\$3,347,871	\$3,406,555	\$3,465,358	\$58,803	1.73%
IDA Debt Service	\$4,657	\$0	\$0	\$0	N/A
General Debt Service	\$12,494,902	\$2,913,264	\$2,940,279	\$27,015	0.93%
School Debt Service	\$1,058,501	\$1,408,432	\$1,319,056	(\$89,376)	-6.35%
Public Utilities Fund	\$86,402	\$141,714	\$119,960	(\$21,754)	-15.35%
School Operating Funds	\$21,383,600	\$21,726,828	\$20,088,345	(\$1,638,483)	-7.54%
Net Grand Total	\$52,159,484	\$43,332,248	\$40,985,015	(\$2,347,233)	-5.42%

* For FY09 actual, includes \$246,536 which was transferred to a sinking fund for the future retirement of QZAB debt.

FY10 Amended Budget



FY11 Adopted Budget



COUNTY OF NORTHAMPTON, VIRGINIA

APPROPRIATION RESOLUTION

A RESOLUTION TO APPROPRIATE DESIGNATED FUNDS AND ACCOUNTS FROM DESIGNATED ESTIMATED REVENUES FOR FY11 FOR THE ANNUAL OPERATING BUDGET FOR THE COUNTY OF NORTHAMPTON

BE IT HEREBY RESOLVED by the Board of Supervisors of the County of Northampton that:

1. For the fiscal period beginning the first day of July 2010, and ending the thirtieth day of June, 2011, the following amounts are hereby appropriated for the office and activities shown below in accordance with the duly adopted budget for the fiscal year ending June 30, 2011:

General Fund

Revenues

General Property Taxes	\$15,302,158
Other Local Taxes	\$2,941,172
Permits, Privilege Fees & Reg Licenses	\$222,050
Fines & Forfeitures	\$105,000
Use of Money & Property	\$34,500
Charges for Service	\$562,732
Miscellaneous	\$1,000
Recovered Costs	\$177,598
Payments in Lieu of Taxes	\$38,000
Non-Categorical	\$1,256,880
Shared Expenses	\$1,478,553
Categorical Aid	\$230,712
Other Financing Sources	\$323,048
Total	<u><u>\$22,673,403</u></u>

Expenditures

General Government Administration	\$1,664,381
Judicial Administration	\$588,107
Public Safety	\$3,211,949
Public Works	\$1,796,481
Health & Welfare	\$690,307
Education	\$20,723
Parks, Recreation & Culture	\$278,747
Community Development	\$1,061,791
Non-Departmental	\$13,360,917
Total	<u><u>\$22,673,403</u></u>

APPROPRIATION RESOLUTION (CONT.)

Social Services Fund

Revenues

Categorical Aid	\$2,913,143
Other Financing Sources	\$466,966
Total	\$3,380,109

Expenditures

Welfare/Social Services	\$3,302,609
Transfers Out	\$77,500
Total	\$3,380,109

Eastern Shore Regional Jail

Revenues

Charges for Service	\$102,300
Recovered Costs	\$1,500
Shared Expenses	\$1,939,957
Categorical Aid	\$370,800
Other Financing Sources	\$1,050,801
Total	\$3,465,358

Expenditures

Public Safety	\$3,465,358
Total	\$3,465,358

General Debt Service

Revenues

Recovered Costs	\$161,100
Other Financing Sources	\$2,779,179
Total	\$2,940,279

Expenditures

Non-Departmental	\$2,940,279
Total	\$2,940,279

School Debt Service

Revenues

Other Financing Sources	\$1,319,056
Total	\$1,319,056

Expenditures

Non-Departmental	\$1,319,056
Total	\$1,319,056

APPROPRIATION RESOLUTION (CONT.)

Public Utilities Fund

Revenues

Charges for Service	\$119,960
Total	\$119,960

Expenditures

Public Works	\$119,960
Total	\$119,960

School Operating

Revenues

Miscellaneous	\$570,300
Categorical Aid	\$8,445,194
Other Financing Sources	\$7,307,993
Total	\$16,323,487

Expenditures

School Instruction	\$10,619,342
School Admin., Attendance & Health	\$2,005,278
School Pupil Transportation Services	\$1,292,395
School Operation & Maintenance Services	\$2,030,785
Technology	\$375,687
Total	\$16,323,487

School Federal Grants Fund

Revenues

Categorical Aid	\$2,920,544
Total	\$2,920,544

Expenditures

School Instruction	\$2,920,544
Total	\$2,920,544

School Food Services Fund

Revenues

Charges for Service	\$200,000
Miscellaneous	\$0
Categorical Aid	\$644,314
Total	\$844,314

Expenditures

School Food Services	\$844,314
Total	\$844,314

APPROPRIATION RESOLUTION (CONT.)

2. The County Administrator is authorized to transfer budgeted amounts between line items, classifications, departments and projects, but any revisions between funds or revisions that alter total expenditures must be approved by the Board of Supervisors through legislative action. All supplemental appropriations must be reported in a public meeting of the Board of Supervisors and made a matter of record in the minutes.
3. Appropriations designated for capital projects will not lapse at the end of the fiscal year but shall remain appropriations until the completion of the project or until the Board of Supervisors, by appropriate resolution, amends or eliminates the appropriation. Upon completion of a capital project, staff is authorized to close out the project and transfer to the funding source any remaining balances.
4. The Board of Supervisors agrees to reconsider funding for the Purchase of Development Rights Fund pending the successful application for state matching funds.
5. The Board of Supervisors agrees to consider restoring funding to FY10 levels for the volunteer fire departments after a review of revenue collections at January 1, 2011.
6. Because the Board of Supervisors has determined that it may be necessary or desirable to advance money to pay initial costs of acquiring the equipment approved for lease-purchase as part of the annual budget process, the Board of Supervisors declares official intent under Treasury Regulations Section 1.150-2 that it reasonably expects to reimburse advances made by the County to pay the initial costs of acquiring the equipment approved for lease-purchase as part of this annual appropriation resolution. For FY11, these items include three Sheriff's vehicles and an Animal Control vehicle. The maximum amount of debt or other financing expected to be issued in one series for the equipment is \$106,219.
7. Per the Code of Virginia, any supplemental appropriation which increases the total budget by more than \$500,000 or 1% of the total budget will be advertised for a public hearing at least seven days prior to the meeting date. The Board of Supervisors may adopt such amendment at the advertised meeting, after first providing a public hearing on the proposed budget amendments.
8. If deficits appear to be forthcoming within a fiscal year, recommended spending reductions would be proposed by the County Administrator during the fiscal year in order to sufficiently offset the deficit.
9. In accordance with the requirements set forth in Section 58.1-3524(C) (2) and Section 58.1-3912(E) of the Code of Virginia, as amended by Chapter 1 of the Acts of Assembly (2004 Special Session 1) and as set forth in item 503.E (Personal Property Tax Relief Program) of Chapter 951 of the 2005 Acts of Assembly any qualifying vehicle situated within the County commencing January 1, 2010 shall receive personal property tax relief in the following manner:
 - a. Personal use vehicles valued at \$1,000 or less will be eligible for 100% tax relief;
 - b. Personal use vehicles valued at \$1,001 to \$20,000 will be eligible for 60% tax relief;
 - c. Personal use vehicles valued at \$20,001 or more shall only receive 60% tax relief on the first \$20,000 of value; and
 - d. All other vehicles which do not meet the definition of "qualifying" (business use vehicles, farm use vehicles, motor homes, etc.) will not be eligible for any form of tax relief under this program.

APPROPRIATION RESOLUTION (CONT.)

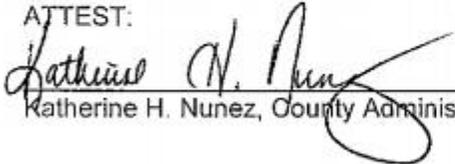
In accordance with Item 503.D.1., the entitlement to personal property tax relief for qualifying vehicles for tax year 2005 and all prior years shall expire on September 1, 2006. Supplemental assessments for tax years 2005 and prior that are made on or after September 1, 2006 shall be deemed "non-qualifying" for purposes of state tax relief and the local share due from the taxpayer shall represent 100% of the tax assessable.

10. Tax Rates for Tax Year 2010 are proposed to be set as follows:

	<u>Tax Year 2009 (Current)</u>	<u>Tax Year 2010 (Proposed)</u>
Real Estate:	\$.49 per \$100 assessed value	\$.49 per \$100 assessed value
Mobile Homes:	\$.49 per \$100 assessed value	\$.49 per \$100 assessed value
Tangible Pers. Property	\$4.10 per \$100 assessed value	\$4.10 per \$100 assessed value
Boats	\$.99 per \$100 assessed value	\$.99 per \$100 assessed value
Machinery & Tools	\$2.25 per \$100 assessed value	\$2.25 per \$100 assessed value
Merchant's Capital	\$0.00 per \$100 assessed value	\$0.00 per \$100 assessed value
Farm Mach. & Equip.	\$1.43 per \$100 assessed value	\$1.43 per \$100 assessed value
Heavy Construction	\$2.86 per \$100 assessed value	\$2.86 per \$100 assessed value
Solar Installations	\$0.00 per \$100 assessed value	\$.49 per \$100 assessed value

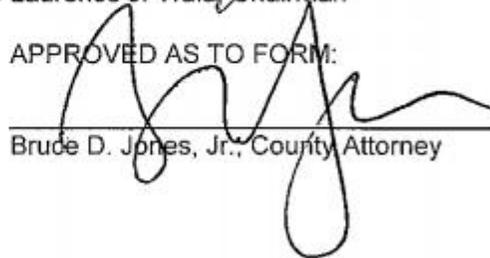
Approved this 28th day of June, 2010.

ATTEST:


 Katherine H. Nunez, County Administrator


 Laurence J. Trala, Chairman

APPROVED AS TO FORM:


 Bruce D. Jones, Jr., County Attorney

THIS PAGE LEFT BLANK INTENTIONALLY

SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FISCAL YEAR: 2010-2011

	GENERAL FUND	SPECIAL REVENUE FUNDS		
	GENERAL FUND	SOCIAL SERVICES FUND	PURCH OF DEVPT RIGHTS FUND	ES REGIONAL JAIL FUND
REVENUES:				
PROPERTY TAXES	15,302,158	0	0	0
OTHER LOCAL TAXES	2,941,172	0	0	0
PERMITS & PRIVILEGE FEES	222,050	0	0	0
FINES & FORFEITURES	105,000	0	0	0
USE OF MONEY & PROPERTY	34,500	0	0	0
CHARGES FOR SERVICES	562,732	0	0	102,300
MISCELLANEOUS	1,000	0	0	0
RECOVERED COSTS	177,598	0	0	1,500
NON-CATEGORICAL	1,256,880	0	0	0
SHARED EXPENSES	1,478,553	0	0	1,939,957
STATE-EDUCATION	0	0	0	0
STATE-SOCIAL SERVICES	0	1,104,532	0	0
OTHER STATE	190,302	0	0	370,800
PAYMENT IN LIEU OF TAXES	38,000	0	0	0
FEDERAL-EDUCATION	0	0	0	0
FEDERAL-SOCIAL SERVICES	0	1,808,611	0	0
OTHER FEDERAL	40,410	0	0	0
OTHER FINANCING SOURCES	106,219	0	0	0
TRANSFERS FROM OTHER FUNDS	77,500	466,966	0	1,050,801
TOTAL REVENUES	22,534,074	3,380,109	0	3,465,358
EXPENDITURES:				
GENERAL GOVERNMENT ADMIN.	1,664,381	0	0	0
JUDICIAL ADMINISTRATION	588,107	0	0	0
PUBLIC SAFETY	3,211,949	0	0	3,465,358
PUBLIC WORKS	1,796,481	0	0	0
HEALTH & WELFARE	690,307	3,302,609	0	0
EDUCATION	20,723	0	0	0
PARKS, RECREATION & CULTURE	278,747	0	0	0
COMMUNITY DEVELOPMENT	1,061,791	0	0	0
INSURANCE	116,718	0	0	0
TRANSFERS OUT	12,923,995	77,500	0	0
DEBT SERVICE	245,204	0	0	0
CONTINGENCY	75,000	0	0	0
TOTAL EXPENDITURES	22,673,403	3,380,109	0	3,465,358
NET INCREASE/(DECREASE)	(139,329)	0	0	0
BEGINNING FUND BALANCES*	3,582,000	0	19,030	0
ENDING FUND BALANCES**	3,442,671	0	19,030	0

*ESTIMATED FOR FY10

**ESTIMATED FOR FY10 AND FY11

DEBT SERVICE FUNDS		PROPRIETARY	COMPONENT UNIT	BUDGET	BUDGET	ACTUAL
GENERAL DEBT SERVICE FUND	SCHOOL DEBT SERVICE FUND	FUND PUBLIC UTILITIES FUND	SCHOOL OPERATING FUNDS	FY11 TOTAL ALL FUNDS	FY10 TOTAL ALL FUNDS	FY09 TOTAL ALL FUNDS
0	0	0	0	15,302,158	15,360,578	14,963,492
0	0	0	0	2,941,172	2,916,019	2,906,279
0	0	0	0	222,050	232,280	114,630
0	0	0	0	105,000	130,000	238,126
0	0	0	0	34,500	153,140	126,584
0	0	119,960	200,000	984,992	963,273	586,967
0	0	0	570,300	571,300	715,153	878,685
161,100	0	0	0	340,198	341,600	9,596,902
0	0	0	0	1,256,880	1,319,541	1,307,051
0	0	0	0	3,418,510	3,483,786	2,837,030
0	0	0	8,630,570	8,630,570	8,105,987	9,146,519
0	0	0	0	1,104,532	1,156,981	1,095,751
0	0	0	0	561,102	399,549	359,349
0	0	0	0	38,000	44,031	38,016
0	0	0	3,379,482	3,379,482	4,590,299	2,593,958
0	0	0	0	1,808,611	1,769,180	1,744,854
0	0	0	0	40,410	428,316	934,552
0	0	0	0	106,219	79,232	1,276,014
2,779,179	1,319,056	0	7,307,993	13,001,495	13,450,115	14,205,133
2,940,279	1,319,056	119,960	20,088,345	53,847,181	55,639,060	64,949,892
0	0	0	0	1,664,381	1,708,757	1,716,128
0	0	0	0	588,107	602,018	702,774
0	0	0	0	6,677,307	6,568,814	6,372,900
0	0	119,960	0	1,916,441	1,977,248	1,743,396
0	0	0	0	3,992,916	4,022,710	3,780,117
0	0	0	19,759,345	19,780,068	21,526,211	21,827,871
0	0	0	0	278,747	399,190	226,707
0	0	0	0	1,061,791	1,433,187	1,237,889
0	0	0	0	116,718	129,732	126,342
0	0	0	0	13,001,495	13,124,987	14,029,945
2,940,279	1,319,056	0	329,000	4,833,539	4,885,697	13,879,946
0	0	0	0	75,000	78,684	37,404
2,940,279	1,319,056	119,960	20,088,345	53,986,510	56,457,235	65,681,419
0	0	0	0	(139,329)	(818,175)	(731,527)
739,102	1,250,127	0	604,694	6,194,953	6,658,885	7,390,412
739,102	1,250,127	0	604,694	6,055,624	5,840,710	6,658,885

GENERAL FUND BUDGET SUMMARY

	FY07 ACTUAL	FY08 ACTUAL	FY09 ACTUAL	FY10 BUDGET	FY11 BUDGET
REVENUES:					
PROPERTY TAXES	11,798,754	12,170,249	14,963,530	15,360,578	15,302,158
OTHER LOCAL TAXES	2,934,816	3,199,129	2,906,279	2,916,019	2,941,172
PERMITS & PRIVILEGE FEES	322,274	293,445	238,126	232,280	222,050
FINES & FORFEITURES	107,829	136,138	114,630	130,000	105,000
USE OF MONEY & PROPERTY	299,806	242,624	105,333	143,500	34,500
CHARGES FOR SERVICES	274,427	171,372	425,142	417,906	562,732
MISCELLANEOUS	38,480	3,424,342	274,213	33,572	1,000
RECOVERED COSTS	59,814	175,093	177,697	180,500	177,598
NON-CATEGORICAL	1,565,029	1,526,036	1,307,050	1,319,541	1,256,880
SHARED EXPENSES	2,151,924	1,647,809	1,650,933	1,529,080	1,478,553
OTHER STATE	340,206	128,048	122,235	174,846	190,302
PAYMENT IN LIEU OF TAXES	31,803	44,031	38,016	44,031	38,000
OTHER FEDERAL	247,574	94,702	86,272	428,316	40,410
OTHER FINANCING SOURCES	394,600	502,116	820,000	79,232	106,219
TRANSFERS FROM OTHER FUNDS	171,633	176,384	90,516	75,978	77,500
BUDGETED USE OF FUND BALANCE	0	0	0	377,359	139,329
TOTAL REVENUES	20,738,969	23,931,518	23,319,972	23,442,738	22,673,403
EXPENDITURES:					
GENERAL ADMINISTRATION	1,694,307	2,427,315	1,716,128	1,708,757	1,664,381
JUDICIAL ADMINISTRATION	698,804	824,290	702,773	602,018	588,107
PUBLIC SAFETY	4,762,673	3,008,257	3,025,029	3,162,259	3,211,949
PUBLIC WORKS	1,748,983	1,363,980	1,658,707	1,835,534	1,796,481
HEALTH & WELFARE	596,867	757,440	711,146	690,307	690,307
EDUCATION	23,025	23,025	915,201	65,983	20,723
PARKS, RECREATION & CULTURAL	308,779	396,876	226,707	399,190	278,747
COMMUNITY DEVELOPMENT	1,005,193	925,992	1,157,328	1,433,187	1,061,791
INSURANCE	214,101	238,480	126,342	129,732	116,718
TRANSFERS TO OTHER FUNDS	9,909,453	14,819,552	13,409,623	13,055,987	12,923,995
CAPITAL PROJECTS	0	0	0	0	0
DEBT SERVICE	137,105	233,510	237,258	297,401	245,204
CONTINGENCY	0	0	37,404	62,383	75,000
TOTAL EXPENDITURES	21,099,290	25,018,717	23,923,646	23,442,738	22,673,403

SOCIAL SERVICES FUND BUDGET SUMMARY

	FY07 ACTUAL	FY08 ACTUAL	FY09 ACTUAL	FY10 BUDGET	FY11 BUDGET
REVENUES:					
MISCELLANEOUS	11,315	8,312	5,098	0	0
RECOVERED COSTS	0	0	0	0	0
WELFARE REIMBURSEMENT-STATE	848,365	1,017,878	1,095,751	1,156,981	1,104,532
FOSTER CARE	0	0	0	0	0
WELFARE REIMBURSEMENT-FEDERAL	1,934,479	1,799,427	1,744,853	1,769,180	1,808,611
TRANSFER FROM GENERAL FUND	521,367	498,524	461,945	491,543	466,966
TOTAL REVENUES	3,315,526	3,324,141	3,307,647	3,417,704	3,380,109
EXPENDITURES:					
ADMINISTRATION	1,965,989	1,821,057	1,818,438	2,020,912	2,028,613
PUBLIC ASSISTANCE	657,961	777,308	686,152	710,156	647,990
OTHER WELFARE SERVICES	475,709	535,465	564,381	601,335	626,006
TRANSFERS TO OTHER FUNDS	215,867	190,311	238,676	69,000	77,500
CONTINGENCY	0	0	0	16,301	0
TOTAL EXPENDITURES	3,315,526	3,324,141	3,307,647	3,417,704	3,380,109

PURCHASE OF DEVELOPMENT RIGHTS FUND

	FY07 ACTUAL	FY08 ACTUAL	FY09 ACTUAL	FY10 BUDGET	FY11 BUDGET
REVENUES:					
TRANSFER FROM GENERAL FUND	0	0	99,281	0	0
TOTAL REVENUES	0	0	99,281	0	0
EXPENDITURES:					
COMMUNITY DEVELOPMENT	0	0	80,561	0	0
TOTAL EXPENDITURES	0	0	80,561	0	0

EASTERN SHORE REGIONAL JAIL FUND BUDGET SUMMARY

	FY07 ACTUAL	FY08 ACTUAL	FY09 ACTUAL	FY10 BUDGET	FY11 BUDGET
REVENUES:					
CHARGES FOR SERVICES	0	85,141	135,162	160,000	102,300
RECOVERED COSTS	0	0	2,693	0	1,500
SHARED EXPENSES	0	2,016,506	1,186,098	1,954,706	1,939,957
OTHER STATE	0	259,696	237,114	224,703	370,800
OTHER FEDERAL	0	0	848,280	0	0
TRANSFERS FROM OTHER FUNDS	0	868,785	938,524	1,067,146	1,050,801
TOTAL REVENUES	0	3,230,128	3,347,871	3,406,555	3,465,358
EXPENDITURES:					
PUBLIC SAFETY	0	3,230,128	3,347,871	3,406,555	3,465,358
TOTAL EXPENDITURES	0	3,230,128	3,347,871	3,406,555	3,465,358

GENERAL DEBT SERVICE FUND BUDGET SUMMARY

	FY07 ACTUAL	FY08 ACTUAL	FY09 ACTUAL	FY10 BUDGET	FY11 BUDGET
REVENUES:					
USE OF MONEY & PROPERTY	794	498	0	9,640	0
MISCELLANEOUS	0	0	0	25,000	0
RECOVERED COSTS	161,139	161,139	9,416,512	161,100	161,100
TRANSFER FROM GENERAL FUND	976,303	2,180,872	2,100,306	1,970,208	2,779,179
TRANSFER FROM GLEBE FUND	0	0	0	0	0
TRANSFER FROM CAPITAL PROJECT	0	0	132,000	306,500	0
BUDGETED USE OF FUND BALANCE	0	0	0	440,816	0
TOTAL REVENUES	1,138,236	2,342,509	11,648,818	2,913,264	2,940,279
EXPENDITURES:					
PRINCIPAL	587,000	607,000	11,141,334	1,317,245	1,396,819
INTEREST & FISCAL CHARGES	689,570	990,336	1,353,568	1,596,019	1,543,460
CONTINGENCY	0	0	0	0	0
TOTAL EXPENDITURES	1,276,570	1,597,336	12,494,902	2,913,264	2,940,279

SCHOOL DEBT SERVICE FUND BUDGET SUMMARY

	FY07 ACTUAL	FY08 ACTUAL	FY09 ACTUAL	FY10 BUDGET	FY11 BUDGET
REVENUES:					
VPSA 2003D BOND REFUNDING	9,353	0	0	0	0
USE OF MONEY & PROPERTY	0	14,694	21,251	0	0
TRANSFER FROM GENERAL FUND	1,076,865	1,160,597	1,305,037	1,408,432	1,319,056
TOTAL REVENUES	1,086,218	1,175,291	1,326,288	1,408,432	1,319,056
EXPENDITURES:					
EDUCATION	0	0	0	0	0
PRINCIPAL	849,683	969,802	1,079,924	1,193,572	1,150,587
INTEREST & FISCAL CHARGES	227,182	205,489	225,114	214,860	168,469
TOTAL EXPENDITURES*	1,076,865	1,175,291	1,305,038	1,408,432	1,319,056

*These expenditures include amounts deposited each year in sinking funds for the future payment of QZAB's. These amounts are not shown as expenditures on a GAAP basis, but as reserved fund balance within the debt service fund. They are included here for comparison purposes with the current budget.

PUBLIC UTILITIES FUND BUDGET SUMMARY

	FY07 ACTUAL	FY08 ACTUAL	FY09 ACTUAL	FY10 BUDGET	FY11 BUDGET
REVENUES:					
CHARGES FOR SERVICES	0	18,300	26,663	133,487	119,960
SHARED EXPENSES	0	0	0	0	0
OTHER STATE	0	0	0	0	0
TRANSFERS FROM OTHER FUNDS	0	0	59,739	8,227	0
TOTAL REVENUES	0	18,300	86,402	141,714	119,960
EXPENDITURES:					
PUBLIC WORKS	0	24,139	84,689	141,714	119,960
TOTAL EXPENDITURES	0	24,139	84,689	141,714	119,960

SCHOOL OPERATING FUNDS BUDGET SUMMARY

	FY07 ACTUAL	FY08 ACTUAL	FY09 ACTUAL	FY10 BUDGET	FY11 BUDGET
REVENUES:					
MISCELLANEOUS	658,632	559,263	408,466	656,581	570,300
CHARGES FOR SERVICES	514,786	275,106	190,908	251,880	200,000
STATE SCHOOL REVENUE	11,155,117	11,617,616	9,146,519	8,105,987	8,630,570
FEDERAL SCHOOL REVENUE	2,813,560	2,445,430	2,593,958	4,590,299	3,379,482
TRANSFERS FROM OTHER FUNDS	7,129,748	8,054,070	9,013,127	8,122,081	7,307,993
OTHER FINANCING SOURCES	0	0	456,014		0
BUDGETED USE OF FUND BALANCE	0	0	0	0	0
TOTAL REVENUES	22,271,843	22,951,485	21,808,992	21,726,828	20,088,345
EXPENDITURES:					
INSTRUCTION	15,940,145	15,384,214	13,978,638	15,110,623	13,539,886
ADMINISTRATION/HEALTH	1,495,401	2,229,167	2,064,858	2,205,580	2,005,278
PUPIL TRANSPORTATION	1,363,293	1,234,360	1,515,046	1,075,474	963,395
OPERATIONS/MAINTENANCE	2,343,774	2,228,811	2,291,998	1,987,553	2,030,785
OTHER NON-INSTRUCTIONAL	0	426,676	0	0	0
TECHNOLOGY	28,398	265,322	195,174	236,684	375,687
SCHOOL FOOD SERVICES	1,096,542	967,788	866,955	844,314	844,314
TRANSFERS TO OTHER FUNDS			381,646	0	0
DEBT SERVICE			89,285	266,600	329,000
TOTAL EXPENDITURES	22,267,553	22,736,338	21,383,600	21,726,828	20,088,345

MULTI-YEAR PROJECTIONS

General Fund projections for FY2012, FY2013, and FY2014 are formulated using a combination of statistical forecasting techniques, regional economic data and local government operational experience.

Six months prior to the new fiscal year, the County's annual financial audit is usually complete. The success of the previous year's revenue and expenditure forecasts are compared and cross-checked against the actual audited financial statements to see if any refinement needs to be made to the model. Should any changes be required, they are made and refined forecasts are run for the upcoming fiscal year.

The revised estimates are cross-checked a second time against a variety of forecasted economic data with special emphasis on the consumer price index, local population, retail sales, building and construction activity data, employment, wages, interest rates and federal/state funding to ensure the forecast is still consistent with future economic expectations. Continuing refinements are made as required as the budget is prepared.

The estimates below were compiled by applying various growth rates to the categories of revenue sources. Revenue from property taxes has historically increased an average of 5% per year, but given the recent slowing of development activity and the national real estate market crisis, expectations for growth in the tax base over the next few years have been reduced. The County conducted a general reassessment of real estate for 2008 which brought assessment values to approximately 97% of true market values as determined by actual sales. Growth rates for property taxes (real estate and personal) are estimated to grow at a rate of .5% in FY12, 1% in FY13 and 2.5% in FY14 reflecting the slow economic recovery expected. Other Local Taxes and Charges for Services categories are projected to grow at a rate of 3% for all three years. Non-Categorical State revenue projections assume stability in the PPTRA reimbursement and the restoration of state revenue reductions (\$230,415) in FY13. Other state revenue sources are projected to grow at 1%.

The model's expenditure estimates were compiled using a 2% increase in personnel expenses for FY12 and 4% increase for FY13 and FY14. This rate was designed to include expenses for increases in benefits such as retirement, health and dental insurance and any cost-of-living or merit increases made available. An overall 3% increase for most operating expenses was used. Operating expenses also include amounts required for the County's computer replacement schedule. Operating transfers to other funds include \$85,000 each year for lease payments to continue a regular replacement schedule for school buses as well as \$168,221 to potentially replace stimulus stabilization funds received in FY11 for school operations. Capital Outlay expenditures were based on replacement schedules for all equipment.

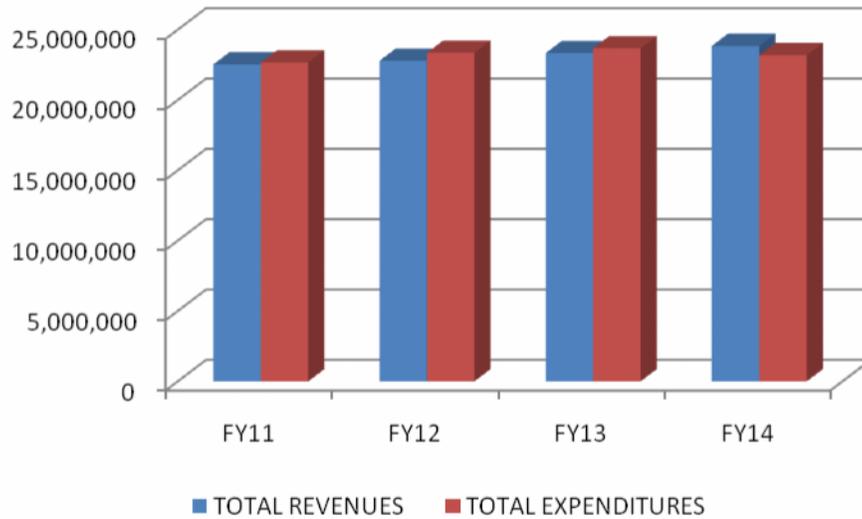
Due to continuing revenue shortfalls across the board as a result of the current economic recession, the County is expected to use a portion of unrestricted, unreserved General Fund balance during FY11 which will be the fifth consecutive year. The Board of Supervisors has recommended budget reductions in several areas and is working to identify creative ways to deal with a continued retraction in the local economy. Estimates for future years reflect continued pressure on the general fund budget as the growth of expenditures is expected to exceed revenue growth for FY12 and FY13. One contributing factor is the expense of the reassessment of real estate which is required by Virginia Code. The estimated cost of \$500,000 is anticipated to be divided between FY12 and FY13. Additional expenditure reductions, efficiency measures and potential revenue sources are being identified and evaluated by the Board of Supervisors based on the impact to service delivery.

Increases in Virginia Retirement Systems contributions scheduled to begin in FY12 have for the "Line-of-Duty" benefit for sworn law enforcement personnel have not been included in this analysis because the actuarial rates are not yet known. These costs have been previously funded by the state, but new legislation will shift this burden to localities starting in FY12.

MULTI-YEAR PROJECTIONS

GENERAL FUND REVENUE AND EXPENDITURE PROJECTIONS (CONT.)

Below is a graph which reflects General Fund Revenue and Expenditure projections:



Below is a table summarizing the General Fund Revenue and Expenditure projections:

	APPROVED FY11	PROJECTED FY12	PROJECTED FY13	PROJECTED FY14
REVENUES:				
PROPERTY TAXES	15,302,158	15,378,669	15,532,455	15,920,767
OTHER LOCAL TAXES	2,941,172	3,029,407	3,120,289	3,213,898
PERMITS & PRIVILEGE FEES	222,050	223,160	225,392	231,027
FINES & FORFEITURES	105,000	106,050	107,111	108,182
USE OF MONEY & PROPERTY CHARGES FOR SERVICES	34,500	34,845	35,193	35,545
MISCELLANEOUS	1,000	1,030	1,061	1,093
RECOVERED COSTS	177,598	182,926	188,414	194,066
NON-CATEGORICAL	1,256,880	1,258,840	1,491,215	1,493,175
SHARED EXPENSES	1,478,553	1,493,339	1,508,272	1,523,355
OTHER STATE	190,302	192,205	194,127	196,068
PAYMENT IN LIEU OF TAXES	38,000	38,380	38,764	39,151
OTHER FEDERAL	40,410	41,622	42,871	44,157
OTHER FINANCING SOURCES	106,219	150,011	170,061	146,370
TRANSFERS FROM OTHER FUNDS	77,500	79,825	82,220	84,686
TOTAL REVENUES	22,534,074	22,789,923	23,334,447	23,846,452

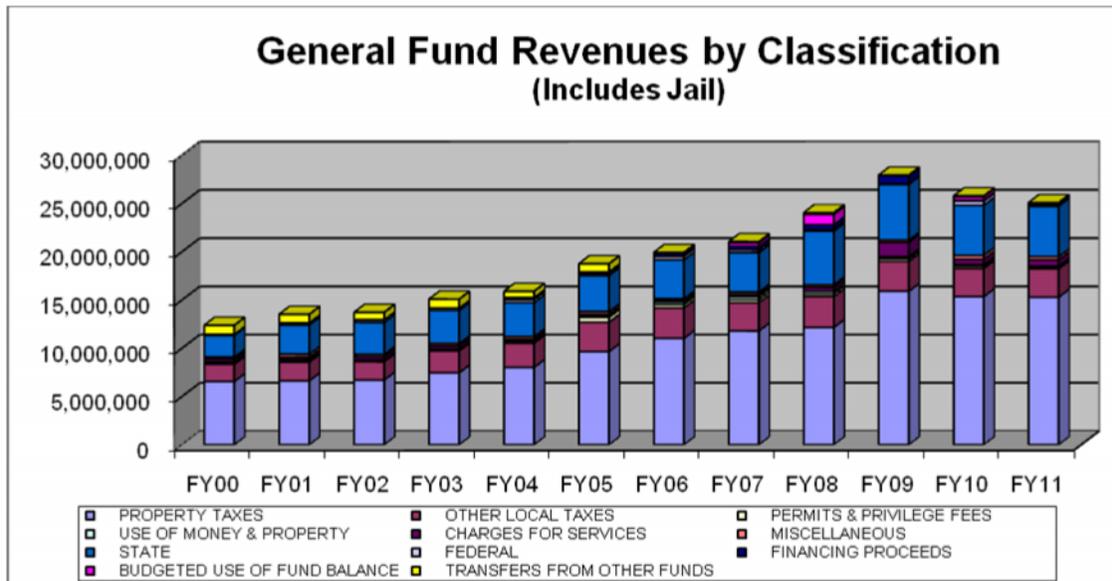
GENERAL FUND REVENUE AND EXPENDITURE PROJECTIONS (CONT.)

	APPROVED FY11	PROJECTED FY12	PROJECTED FY13	PROJECTED FY14
EXPENDITURES:				
GENERAL ADMINISTRATION	1,664,381	1,946,290	2,007,298	1,822,735
JUDICIAL ADMINISTRATION	588,107	600,682	622,197	646,240
PUBLIC SAFETY	3,211,949	3,133,257	3,231,752	3,366,518
PUBLIC WORKS	1,796,481	1,843,829	1,907,299	1,945,712
HEALTH & WELFARE	690,307	711,016	718,126	739,670
EDUCATION	20,723	21,345	21,558	22,205
PARKS, RECREATION & CULTURAL	278,747	286,082	309,587	301,939
COMMUNITY DEVELOPMENT	1,061,791	1,113,868	1,114,374	1,152,873
INSURANCE	116,718	120,220	121,422	125,064
TRANSFERS TO OTHER FUNDS	8,825,760	9,124,514	9,225,147	9,357,515
CAPITAL PROJECTS	0	0	0	0
DEBT SERVICE	4,343,439	4,382,490	4,327,525	3,635,995
CONTINGENCY	75,000	75,000	75,000	75,000
TOTAL EXPENDITURES	22,673,403	23,358,593	23,681,286	23,191,467
NET INCREASE/(DECREASE)	(139,329)	(568,670)	(346,839)	654,986
BEGINNING YEAR FUND BALANCE	3,582,000	3,442,671	2,874,001	2,527,162
PROJECTED ENDING FUND BALANCE	3,442,671	2,874,001	2,527,162	3,182,148

REVENUE ANALYSIS

General Fund Revenues

There are many factors used to assess and monitor financial condition. One of the primary factors influencing financial condition is revenue. The following chart provides a part of the financial picture for determining the County's overall financial condition. For all charts in this section, the revenues shown for 2010 and 2011 are based on budget estimates; all other years are actual collections. Under ideal conditions, revenues grow at a rate equal to or greater than inflation and expenditures, and should be flexible to allow for adjustments to changing conditions. General Fund revenues (including appropriated fund balance) for FY11 have decreased by \$769,335 with decreases in several revenue categories largely to the ongoing recession. The largest decreases are expected in property tax revenue and state and federal revenue, and the use of fund balance.



Property Taxes

In the General Fund, revenues from property taxes are projected to decrease by \$58,420, a negligible change from FY10. Declines in vehicles values and sales have contributed to the continued decline in property tax revenues.

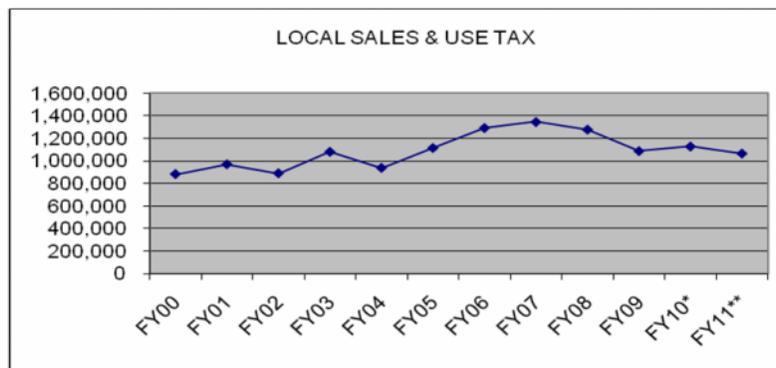
Assessed values for real estate have increased by .15% over FY10, and personal property values are expected to decline slightly. Revenue estimates for the budget are based on a first-year collection rate of 94.49% for real estate and 83% for personal property taxes. Each cent in real estate tax at the 94.49% collection rate generates approximately \$244,921.

Other local Taxes

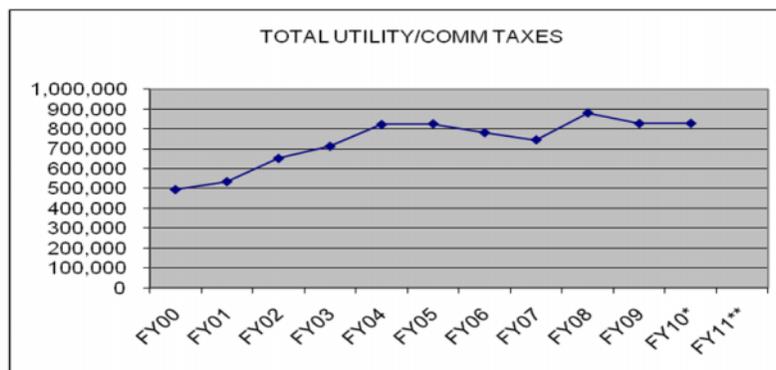
The County anticipates an increase of \$25,153 in other local taxes. This is the result of a \$62,499 decrease in sales tax estimates for FY11 and an anticipated increase in recordation fees due to recovering real estate activity. The Recordation Fees for FY11 represent an increase of \$40,600 from the FY10 amended budget. Revenue from the Communication Sales and Use Tax is expected to increase by \$21,472 mostly due to legislation adopted by the General Assembly which increases the portion allocated to Northampton County based on E-911 Tax rates at the time the new tax was implemented. The allocation was originally based on revenue received during FY06 which contained only a partial year of E-911 Taxes at the higher rate. The allocation of Communication Sales & use Tax will now be adjusted as if the entire year had reflected the higher E911 Tax rate.

In FY08, the General Assembly approved an additional 3% levy to transient occupancy taxes in Northampton County with proceeds from the additional amount earmarked for tourism. The budget estimate for the tourism share for FY11 is \$134,454. Total transient occupancy taxes are expected to remain at FY10 levels. One-half of the County's original tax of 2% has since been dedicated annually to the Purchase of Development Rights program, however, due to continuing revenue shortfalls, this portion of the transient occupancy tax was used to balance the General Fund budget. The Board of Supervisors plans to reconsider this issue at mid-year in order to fund the Purchase of Development Rights Program if revenues are stronger than anticipated

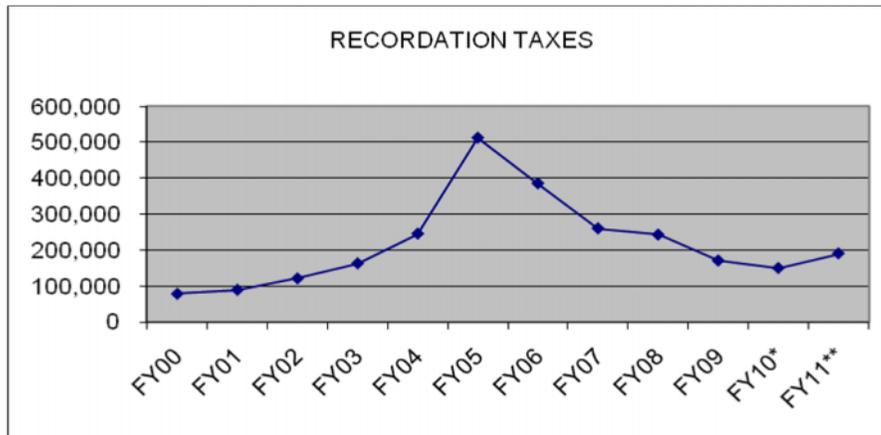
Local Sales Tax – Local sales tax is a point of sale tax collected by the merchant and remitted through the Commonwealth of Virginia to the locality. Of the 5.0% sales tax which is collected on each sale, 1% represents the local share and 4.0% is the state share. Of the sales tax revenues it receives, the County forwards 19% of half that amount to towns located within the County. The budget for FY11 reflects a decrease of 6% based on the current level of local receipts and an estimate provided by the state which is consistent with the latest economic assumptions utilized for forecasting State General Fund Revenues.



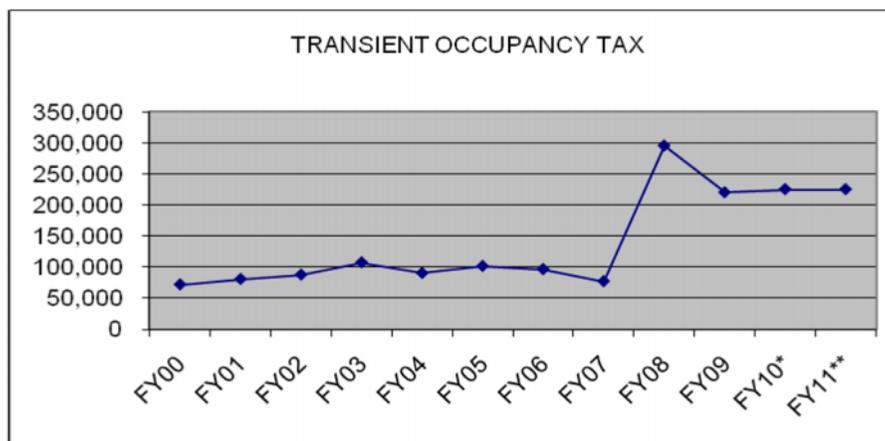
Communications Sales & Use Tax – This tax became effective January 1, 2007 and is applied to all telephone, gas, cable, satellite, voice over internet (VoIP) and electric service recipients residing within the County. It replaced the Consumer Utility Tax on telephones, E-911 Service Tax, Mobile Communications Tax and the Cable Franchise Fee and was planned by the state to be revenue neutral for localities. Residential growth has caused this tax to increase as more homeowners use the various utility services. A portion of this tax (29.79%) which represented the historical proportion of the 911 tax in relation to all taxes replaced by the Communications Sales & Use Tax has been earmarked for transfer to the 911 Commission's operating fund each year since the new tax was implemented. However, new legislation adopted during the spring of 2010 will allow the County to receive its distribution of this tax based on a new allocation (as if the 911 Commission's rate increase prior to June 30, 2005 had been in effect for the entire year of FY06 collections rather than seven months). This change will result in an increased allocation of the Communications Sales & Use tax to the 911 Commission from Northampton County. The rate will increase to 32.79% which is expected to generate \$22,700 in additional revenue for the 911 Commission.



Recordation Tax – Recordation Taxes are levied on deeds of trust, mortgages, leases and contracts. These revenues are collected by the Clerk of the Circuit Court and remitted to the County. Fees charged for recording these documents are based on the size of the transactions (i.e. sales price). Northampton County experienced a high rate of growth in these revenues, peaking in FY05 at \$511,569, due to the active local real estate market and the fact that low mortgage rates were increasing the number of re-financings. However, since that time these revenues have declined significantly, and for FY10 receipts are estimated to total \$168,473. The budget for FY11 is \$190,000 based on the most recent monthly revenues. Much of the dramatic increase during FY05 was due to an increase in the state levied tax adopted by the General Assembly as part of the State’s budget plan. The local rate is equal to one-third of the state rate.

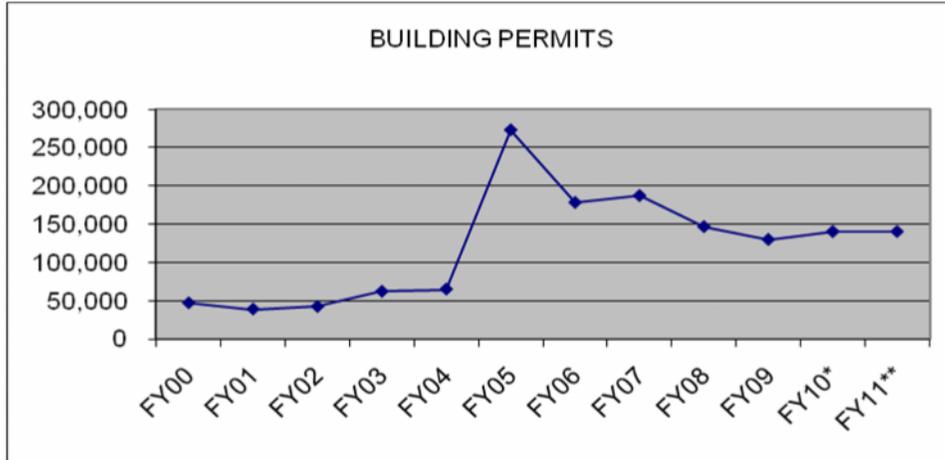


Transient Occupancy Tax – Transient Occupancy Tax is a tax of 5% of the charge for the occupancy of any room or space for rent. These include hotels, motels, houses, campgrounds, and weekly rentals. During the spring of 2007, the Virginia General Assembly approved a bill to amend §58.1-3819 allowing Northampton County to increase this tax from 2% to 5% with the additional amount designated and spent solely for tourism. In the FY11 budget, revenues are budgeted at \$225,000 which is the amount generated by the entire 5%, with \$134,454 earmarked for the County’s contribution to the Tourism Commission. One-half of the County’s previous tax of 2% has also been dedicated annually to the Purchase of Development Rights program, however the Board of Supervisors has chosen not to designate these revenues for FY11. They plan to review revenue collections at mid-year in order to make a decision regarding funding the Purchase of Development Rights program.

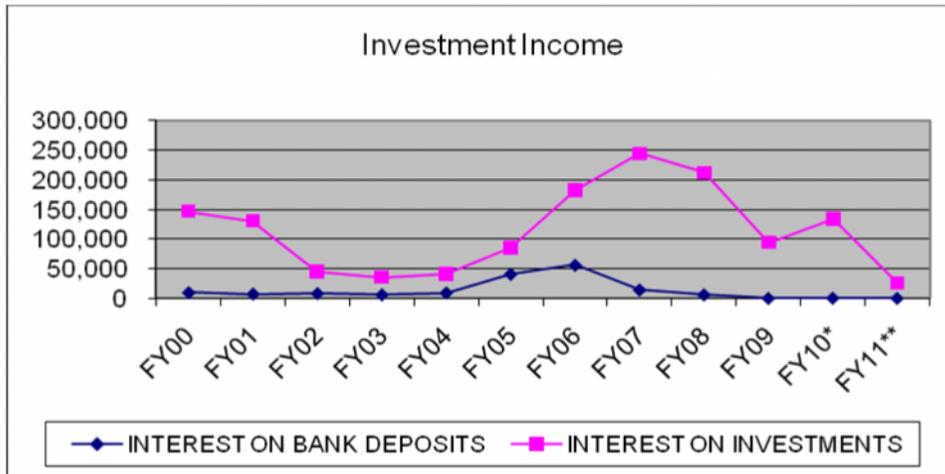


Other Local Revenue

Building Permits – This category includes all building, electrical, plumbing and heating permit fees. Fees are calculated on a square footage basis. Due to approved rate increases, revenues grew by over \$200,000 from FY04 to FY05. The rate increases were designed to more adequately fund the cost of the County’s building inspection program. For FY11, revenues are estimated at \$140,000 based on year-end estimates for FY10 and specific projects that are currently underway. The pace of building activity has slowed considerably since FY05 and revenues are expected to fall short of FY10 budget estimates by \$62,000. The County dedicates 10% of all permits to the local fire districts.



Interest on Investments – The FY11 budget includes revenues of \$25,400 in interest on investments. Due to financial market conditions and low interest rates, the County’s revenues in this category have declined. Year-end actual revenues for FY10 are expected to be \$108,000 below original budget estimates and the estimate for FY11 was developed accordingly.



General Fund State Revenue

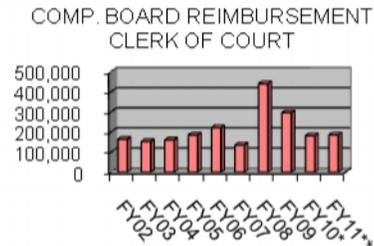
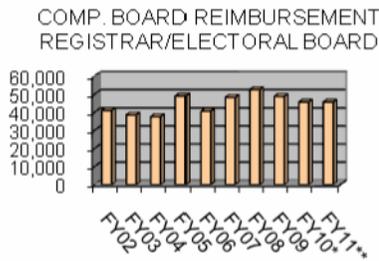
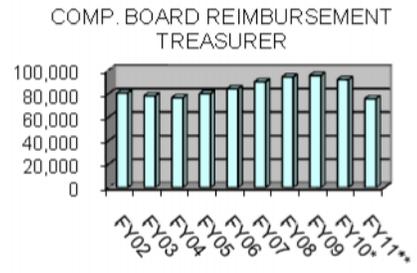
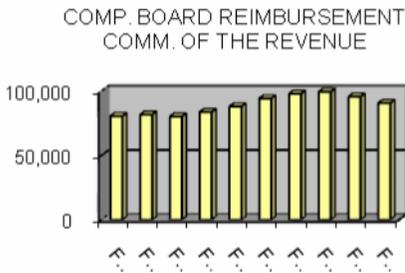
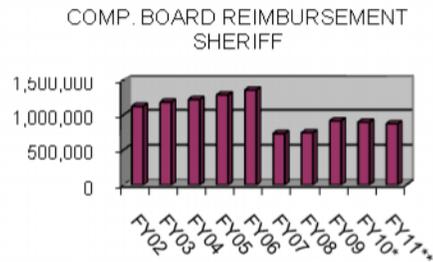
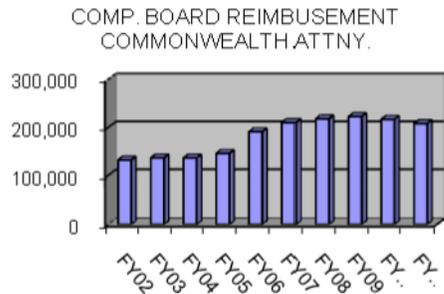
The FY11 general fund budget includes revenues from the Commonwealth of Virginia totaling \$2,925,735 a decrease of \$97,732 from the FY10 amended budget estimate. In addition to the revenue decrease, the County has included a reimbursement of \$230,415 in its budgeted expenditures. This amount will be payable to the state for the County’s share of reductions to localities as a result of the state’s 2010-12 biennium budget shortfall. Localities were given a choice by state legislators between reductions to state funding, which would be deducted from programs as determined by the County’s

Board of Supervisors, or of making the reimbursement payment. The County remitted \$192,013 in FY10 and \$191,891 during FY09.

Many state shared revenues were reduced over the past few years due to the State's budget difficulties. Reductions in Compensation Board reimbursements made during FY02 and FY03 have never been restored. Additional cuts were made twice during FY10 and approved budgets for FY11 do not include any salary adjustments for constitutional officers and their staffs.

Revenue from the Personal Property Tax Relief Act (PPTRA) is included in this category as well. The County receives a capped amount of \$1,421,960 annually. For FY11, this amount will enable the County to provide car tax relief of 60% up to the first \$20,000 in value.

The following charts reflect the trend in Compensation Board reimbursements since 2002:

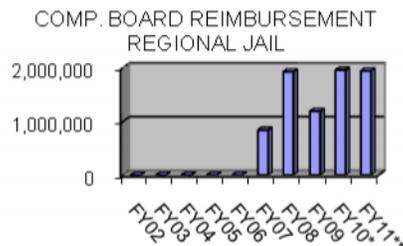


General Fund Federal Revenues

The amount of general fund federal revenue the County expects to receive for FY11 has decreased by \$387,906 from the FY10 adopted budget. The largest single item of decrease is a pass-through grant for the Barrier Islands Center project which will ultimately be carried over by budget amendment of \$243,121. Other grant awards received during FY10 were for highway safety, technology improvements and miscellaneous law enforcement projects. These grants are usually awarded throughout the year and added to the budget through amendments. Total general fund federal revenues anticipated for the initial FY11 budget are \$40,410.

Eastern Shore Regional Jail Revenues

The Eastern Shore Regional Jail opened during FY07 and is funded through a combination of state and local revenues. The adopted budget for FY11 totals \$3,465,358. State funding totals \$2,310,757 and includes a Compensation Board reimbursement primarily for salaries which is estimated at \$1,939,957 for FY11. The estimated reimbursement is based on a total of 60 budgeted positions. Of the budgeted positions, 54 are eligible for full salary reimbursement from the Comp. Board, 5 are eligible for 2/3rds funding and one is funded in full by the County. The state also contributes funding based on a daily per diem rate for prisoners. For FY11 this estimate is \$370,800, an increase of \$146,097 over the amended budget for FY10 due to the housing of more state prisoners. The FY11 budget includes charges for service of \$102,300 based on estimates expected to be generated from providing contracted housing for prisoners of other agencies. The General Fund will contribute \$1,050,801 or 30% of the total budget for the fund's operations. The General Fund's contribution is \$16,345 less than the amended budget amount for FY10, largely due to the increase in per diem revenue from the state. The Compensation Board funding for the Eastern Shore Regional Jail is shown below:



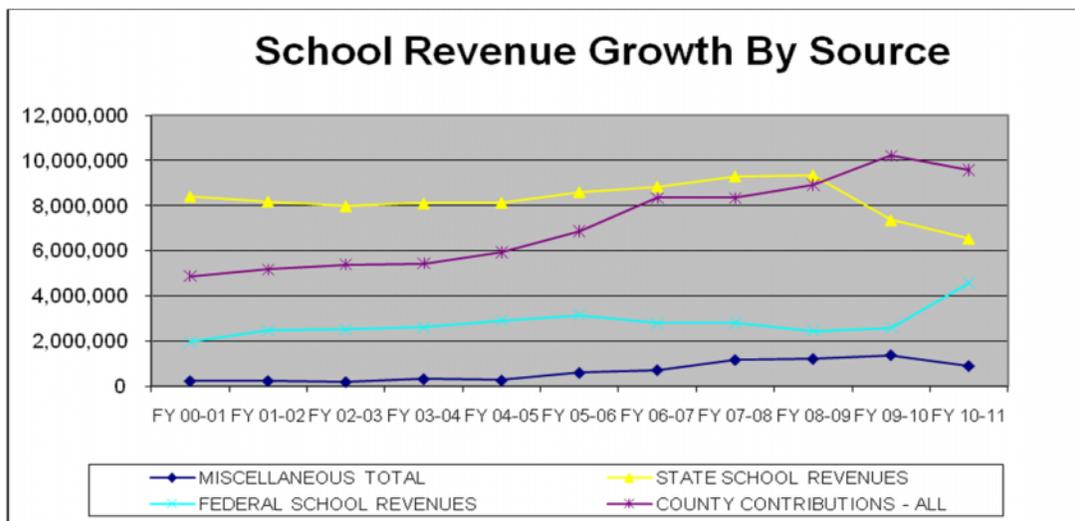
School Fund Revenues

State Revenues - State revenues will provide a total of \$1,609,931 in sales tax funding and \$7,020,639 in categorical aid for Northampton County Public Schools in FY11. The School Board's total budget for FY11 reflects an increase of \$524,583 or 6.5% in state funding above the amended FY10 budget.

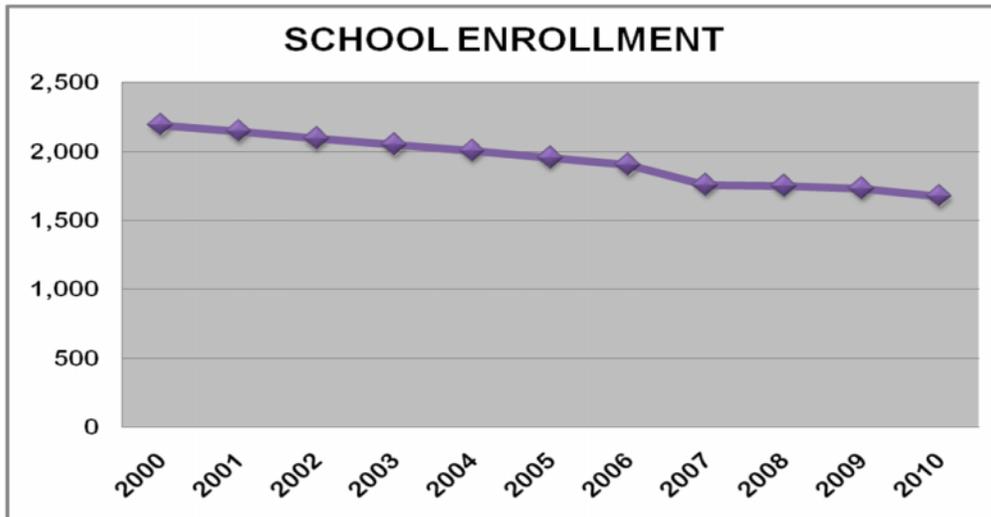
The Composite Index is a formula the State uses to distribute funds for the "Standards of Quality" (SOQ) school programs. The index was designed to achieve an equitable distribution of State funds to all school districts. The Composite Index is calculated based on a number of factors. They include the True Value of Property (local and state-wide), Adjusted Gross Income (local and state-wide) and Taxable Retail Sales (local and state-wide). Each of these factors is first compared to the Adjusted Daily Membership (ADM) (local and state-wide), and then to the population (local and state-wide). The formula weights True Property Values at 50%, Adjusted Gross Income at 40% and Taxable Retail Sales at 10%. This calculation results in a composite index for ADM and a composite index for population (per

capita). The ADM composite index is then weighted at 66% and the per capita composite index at 33%. These two figures are multiplied by 45% to determine the final Composite Index used to distribute the State SOQ funds.

For the FY11 and FY12 budget years, the County's composite index decreased from 54.88% to 51.09%. This small decrease in the index has created additional annual revenue to the Northampton County taxpayers of approximately \$487,542. It is the first decrease in the recalculation in many years because rising real estate values (in primarily waterfront property), have driven the "True Property Value" (based on actual sales) up at a rapid rate. Because the "True Property Values" component of the Composite Index calculation is weighted the heaviest (50% of the formula), Northampton County has been greatly affected by previous re-calculations. In addition to escalating real estate values, the County has seen its Average Daily Membership (ADM) fall dramatically since 1995. This trend is due to the fact that most of the homes being sold in the County are second homes or retirement homes in waterfront and golf course communities. The County's population is changing from young working families with school age children to older adults and retirees and adjusted gross incomes are increasing at a faster rate than that of the state overall. If the composite index were still at the 1995 level of 28.97%, Northampton County schools would have received over \$1.7 million in additional revenue from the state for each of the two years of the biennium.



School enrollment has been on the decline since 1995 when it peaked at 2,501 students. The enrollment figures estimated by the school system for FY11 totaled 1,675. The Northampton County Public Schools final ADM for FY10 was 1,696.55. The total estimated cost for Standards of Quality programs, and most lottery funded programs is shared between the State and County based on the composite index. Total enrollment loss since 1995 is 826 students. If enrollment were still at the 1995 level of 2,501 students, Northampton County schools would receive approximately 2.15 million in additional revenue from the state for FY11 and FY12.



School revenues are derived from the following sources:

Sales Tax – Includes revenue from a 1 percent portion of the State sales tax returned to localities, designated for public school education. This component of State sales tax is distributed on the basis of a locality’s school age population. In addition to the 1 percent portion, as part of the one-half cent sales tax increase approved by the General Assembly beginning in FY05, one quarter of the additional one-half cent is now sent back to school divisions. The FY11 estimated sales tax amount is \$1,609,931, an increase of \$43,128 from the amended budget for FY10.

Standards of Quality Funds – These funds are distributed upon an “equalized” formula that takes into account a locality’s ability to pay. This “composite index” is applied to various revenue accounts to ensure an equitable distribution of State funds to all school districts. The State shares the costs to fund the Standards of Quality (SOQ). Northampton County’s Composite Index is .5109 for FY11 and FY112, compared with .5488 for FY09 and FY10. For FY11, the State will provide 48.91% of the estimated SOQ costs with the County providing 51.09%. This is only the second biennium in which the County’s share of the composite index has exceeded the state share. For each SOQ item, the State has established a per pupil cost for each locality based upon the school district’s cost experience and the State’s established staffing for the specific initiative. State revenue from the item is established by multiplying the number of students in average daily membership by the pupil amount, then by the composite index.

State Categorical Funds – This funding stream is offered as an offset to specific services provided by the local school district. Funds are provided in direct relation to the cost and level of service provided. These include funding for career and technical education, special education, alternative education programs and special grants.

Federal Funds – Amounts in this section of the revenue budget represent the Federal offset of certain specific programs. Some of these programs require a local funding match, while other programs are fully funded. Most of the fully funded programs are mandated or grant initiatives. Federal funds for FY11 total \$3,379,482, a decrease of \$1,210,817 from the amended FY10 budget. Often, additional federal grants are awarded during the fiscal year and added to the budget by amendment. For FY10, mid-year budget amendments resulted in an increase in federal revenue of \$1,758,457 over the original adopted budget.

Miscellaneous Revenue – Includes funds representing fees and specific cost recoveries. Miscellaneous revenues, including Charges for Service, are expected to generate \$770,300 for FY11, a decrease of \$138,161 below the FY10 amended budget.

Local Contribution – Includes funds for regular school operation, including the local share of the State Standards of Quality. Additional funds are appropriated for Debt Service. The local contribution for FY11 reflects a decrease of \$814,088 or 10%. For the year ended June 30, 2009, the school system has a surplus of \$604,694 which was ear-marked for future capital needs. For FY10, the School Administration has projected a surplus of approximately \$425,000 pending final audited financials. The local contribution includes amounts for lease-purchase payments totaling \$329,000. This will fund the fourth year of a bus replacement schedule adopted as part of the school's capital improvement plan. For FY11, the County will fund the school debt service fund in an amount of \$1,319,056, a decrease of \$89,376 under FY10. This amount includes payments on a five-year lease purchase for two six-classroom modular units for each elementary school.

Social Services Fund Revenues

Social Services revenues total \$3,380,109 and are primarily state and federal aid to Social Services programs with matching funds of \$466,966 in county funding. The local portion is a decrease of \$24,577 or 5% below the amended budget for FY10. The department's revenues fund programs to prevent dependency and encourage self-sufficiency; preserve and restore family stability as well as promote and protect the well-being of adult protective services, foster care, employment services, food stamps, temporary assistance to needy families, Medicaid and child care. In addition to the services delivered by the department, it is estimated that almost 25 million dollars is received by eligible residents.

REVENUE ESTIMATES

Account	Description	2007 Actual Amount	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget
Fund 100 - General Fund						
40000	Real Estate	8,799,274	9,243,039	11,857,444	12,392,896	12,623,215
40025	Public Service Co.s (Real & PP)	174,952	181,558	311,300	298,122	268,664
40050	Personal Property - Other	2,030,443	2,045,194	2,082,894	2,075,411	1,807,487
40075	Boat Taxes	123,736	125,893	77,120	91,934	89,961
40100	Mobile Home Taxes	28,922	27,786	25,348	24,052	25,838
40125	Farm Equipment	77,331	70,297	79,307	72,208	81,957
40150	Heavy Equipment	14,500	8,589	10,553	11,373	8,374
40175	Machinery & Tools Taxes	99,380	79,346	61,227	60,128	63,322
40200	Merchant Capital Taxes	79,095	89,879	100,696	1,500	850
40250	Penalties	145,033	131,856	150,778	140,000	145,000
40275	Interest	208,470	155,984	195,011	180,000	180,000
40300	BPP Late Filing Penalty	17,616	10,826	11,815	12,954	7,490
		11,798,754	12,170,249	14,963,492	15,360,578	15,302,158
Total: General Property Taxes		11,798,754	12,170,249	14,963,492	15,360,578	15,302,158
40325	Sales & Use Tax	1,346,943	1,279,050	1,086,465	1,127,346	1,064,847
40350	Consumer Utility Tax	405,185	305,629	320,085	320,000	330,226
40375	Mobile Telecommunications Tax	66,425	16,800	0	0	0
40400	Business License Tax	13,725	20,424	16,355	50,300	50,300
40425	Franchise License Tax	12,037	20	20	0	0
40450	Motor Vehicle License Tax	225,189	216,952	260,703	275,231	275,970
40475	Bank Stock Tax	0	0	9,615	5,000	9,615
40500	Recordation Taxes	260,165	242,592	170,827	150,000	190,600
40525	Taxes on Wills	7,028	7,518	4,228	5,000	5,000
40550	Transient Occupancy Tax	77,148	294,922	220,011	225,000	225,000
40575	Food & Beverage Tax	281,684	257,200	310,956	250,000	260,000
42675	Communications Sales & Use Tax	239,287	558,021	507,013	508,142	529,614
		2,934,816	3,199,129	2,906,279	2,916,019	2,941,172
Total: Other Local Taxes		2,934,816	3,199,129	2,906,279	2,916,019	2,941,172
40650	Animal Licenses	7,075	6,058	5,129	6,000	6,000
40675	Building Permits	187,077	146,469	129,673	140,000	140,000
40700	10% BP for Fire Services	18,558	15,115	13,196	14,000	14,000
40725	Rehab. Structure App. Fee	1,541	1,084	1,056	500	500
40750	Certificate of Occupancy	14,220	0	9,600	0	0
40775	Health Dept. Fees - Local	26,335	10,650	7,940	9,000	9,000
40800	Land Use Application Fees	10,461	54,342	15,239	5,000	0
40825	Transfer Fees	802	756	674	780	800
40850	Planning & Zoning Fees	56,207	58,971	55,620	57,000	51,750
		322,274	293,445	238,126	232,280	222,050
Total: Permits, Privilege Fees & Reg Lic		322,274	293,445	238,126	232,280	222,050

Account	Description	2007 Actual Amount	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget
40875	County Fines	107,828	136,138	114,630	130,000	105,000
		107,828	136,138	114,630	130,000	105,000
Total: Fines & Forfeitures		107,828	136,138	114,630	130,000	105,000
40900	Interest on Bank Deposits	14,374	6,143	76	500	100
40925	Interest on Investments	244,464	211,916	94,459	134,000	25,400
40975	Rent of General Property	40,968	24,565	10,798	9,000	9,000
		299,806	242,624	105,333	143,500	34,500
Total: Use of Money & Property		299,806	242,624	105,333	143,500	34,500
41000	Court Cost - Other	848	0	848	1,500	848
41025	Excess Fees of Clerk of Court	65,538	3,902	0	750	0
41050	Jail Admission Fees	3,568	(106)	0	0	0
41075	Non-Consecutive Jail Time Fees	33	0	0	0	0
41100	Weekender Jail Fees	9,700	0	0	0	0
41125	Jail Inmate Med. Co-Pay	2,551	0	0	0	0
41150	Jail Work Release	3,500	0	0	0	0
41175	Jail Telephone Commissions	27,427	0	0	0	0
41200	In-Mate Social Security Receipts	2,200	0	0	0	0
41225	Courthouse Security Fees	47,616	89,502	86,497	90,000	87,500
41250	Courthouse Maintenance Fees	23,295	22,208	21,100	21,000	22,500
41275	Chgs. for Commonwealth Attorney	848	671	685	500	675
41280	Ambulance Fees	0	0	0	0	65,000
41300	Sale of Maps, Surveys, Etc.	188	106	76	100	0
41325	Chgs. Waste Collection&Disposal	42,627	19,554	22,704	21,792	50,410
41350	Residential Waste	160	211	35,589	46,457	53,727
41375	Commercial Waste	4,083	6,002	186,138	181,103	211,313
41425	Construction Debris	149	123	27,790	9,235	6,498
41450	Tires	91	400	1,142	659	257
41475	Metal	840	481	131	132	10,033
41500	Brush	7,513	9,782	9,060	16,196	1,671
41525	Recreation Fees - Other	14,820	15,440	16,044	0	0
41530	Parks & Rec - Admission Fees	0	0	0	1,922	2,500
41550	Facilities Rental	0	0	0	600	600
41575	Summer Camp Fees	0	0	1,418	9,600	12,800
41600	Softball fees	0	0	1,200	4,000	5,600
41625	Basketball Fees	0	0	0	7,500	10,300
41650	Volleyball Fees	0	0	0	0	1,000
41700	Harbor Fees - Other	16,591	0	0	1,860	0
41725	Boat Slip Rentals	(720)	0	12,234	0	0
41775	CAMA Access	960	3,095	2,487	3,000	3,000
41965	Grant Administration Fees	0	0	0	0	16,500
		274,427	171,371	425,142	417,906	562,732
Total: Charges for Services		274,427	171,371	425,142	417,906	562,732

Account	Description	2007 Actual Amount	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget
42000	Expend. Refund	0	116	0	0	0
42025	Gifts & Donations	10,840	0	0	1,250	0
42030	Sale (Loss) of Land & Bldgs.	0	3,331,860	250,000	0	0
42050	Sale(Loss) of Equipment	0	12,647	13,687	0	0
42075	Insurance Adjustments	23,042	28,153	13,215	31,434	0
42100	Primary Filing Fees	0	0	0	0	0
42375	Other Miscellaneous	4,598	51,567	(2,689)	888	1,000
		38,480	3,424,342	274,213	33,572	1,000
Total: Miscellaneous		38,480	3,424,342	274,213	33,572	1,000
42400	Recovered Costs - General	52,412	151,242	121,224	170,000	70,200
42415	Recovered costs from RE Tax Auc.	0	0	38,791	0	62,368
42425	Reimb.-Internal	0	14,853	13,633	4,500	43,030
42450	Reimb. DMV Abandoned Vehicles	0	7,350	3,400	5,000	1,000
42475	Reimb. Code Enforcement-Other	7,402	1,513	650	1,000	1,000
42480	Reimb. Costs - Street Signs	0	136	0	0	0
		59,814	175,093	177,697	180,500	177,598
Total: Recovered Costs		59,814	175,093	177,697	180,500	177,598
42500	Payment in Lieu of Taxes	31,803	44,031	38,016	44,031	38,000
		31,803	44,031	38,016	44,031	38,000
Total: Payments in Lieu of Taxes		31,803	44,031	38,016	44,031	38,000
42525	ABC Profits	5,563	5,118	0	0	0
42550	Wine Taxes	5,832	5,832	0	0	0
42575	Mobile Home Titling Taxes	36,642	24,335	17,581	15,000	15,000
42600	Recordation Taxes - State	40,331	62,767	55,281	68,787	46,216
42625	Rolling Stock Taxes	2,603	3,598	1,924	3,500	1,924
42650	Auto Rental Taxes	2,838	2,419	2,188	2,300	2,188
42700	PPTRA Reimbursement	1,471,220	1,421,967	1,421,967	1,421,967	1,421,967
42710	Reduction in State Aid to L Govt	0	0	(191,891)	(192,013)	(230,415)
		1,565,029	1,526,036	1,307,051	1,319,541	1,256,880
Total - Non-Categorical		1,565,029	1,526,036	1,307,051	1,319,541	1,256,880
42725	Clerk of Circuit Court	135,937	440,379	295,896	182,157	186,172
42750	Commissioner of the Revenue	94,213	97,829	99,443	95,705	90,571
42775	Commonwealth's Attny	209,818	217,777	222,514	216,779	207,815
42800	Treasurer	90,145	94,245	95,493	91,987	75,771
42825	Sheriff	1,573,546	745,111	915,263	896,666	872,638
42875	Registrar/Electoral Board	48,175	52,467	48,728	45,586	45,586
42900	Medical Examiner	90	0	0	200	0
		2,151,924	1,647,809	1,677,338	1,529,080	1,478,553
Total: Shared Expenses		2,151,924	1,647,809	1,677,338	1,529,080	1,478,553

Account	Description	2007 Actual Amount	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget
43925	Local Jails	206,790	0	0	0	0
43950	Litter Control	9,307	10,844	10,561	10,561	8,125
43975	Fire Program	23,018	25,017	25,825	25,825	26,182
44000	Game & Inland Fisheries	0	31,494	0	0	0
44025	Health Dept. Settlement	10,164	0	0	0	0
44035	Virginia Dept. of Health Grant	0	0	0	5,580	0
44050	Other State Grants	0	0	27,000	0	0
44075	Four for Life	9,468	18,298	11,605	11,605	11,148
44100	Ches. Bay Local Asst. Grant	1,817	0	0	0	0
44125	Va. Rescue Squad Asst. Grant	31,696	0	0	0	0
44150	Va. Port Authority Grant	8,391	6,110	0	70,222	0
44175	DMV Grant	18,694	2,441	26,405	7,715	0
44200	Pesticide Recycling/Johnson Gras	1,843	827	1,840	1,850	1,850
44250	VADC&R Septic Pumpout Grant	2,697	0	0	0	0
44275	VA ABC Grant	4,987	0	0	0	0
44280	VA Dept. of Emergency Mgmt.	815	0	0	0	0
44285	The Library of Virginia	10,520	0	0	0	0
44290	Records Preservation Grant	0	0	4,998	0	0
44295	Va. Dept. of Housing & Comm Devp	0	14,000	14,000	3,000	0
45175	Victim/Witness Grant	0	19,017	0	20,238	19,632
45225	Off. Of Emerg. Services	0	0	0	18,250	123,365
		340,206	128,048	122,235	174,846	190,302
Total: State Categorical Aid-Other		340,206	128,048	122,235	174,846	190,302
45175	Victim/Witness Grant	16,634	0	17,836	0	0
45250	Terrorism Prevention-DCJS	29,172	0	0	0	0
45300	US Dept. of Justice COPS Grant	25,815	0	0	40,000	0
45325	VDEM Homeland Security Grant	3,112	47,300	0	0	0
45350	Byrne Justice Asst. Grant	8,511	0	4,531	1,816	0
45351	ARRA - Byrne Justice Asst. Grant	0	0	0	17,250	6,204
45376	USDA Grant - Rural Assistance	0	0	0	15,325	34,206
45450	VDOT -Barrier Island Center Grt	139,448	22,662	0	289,000	0
45460	Federal Emergency Mgmt. Agency	3,344	0	0	0	0
45465	Nat'l Oceanic & At. Admin (NOAA)	0	0	0	40,000	0
45475	Highway Safety Grant Agreement	21,538	24,740	0	24,925	0
45480	CJ Info Tech Imp Grant - DCJS	0	0	37,500	0	0
		247,574	94,702	59,867	428,316	40,410
Total: Federal Categorical Aid-Other		247,574	94,702	59,867	428,316	40,410
47000	Lease-Purchase Proceeds	394,600	502,116	820,000	79,232	106,219
		394,600	502,116	820,000	79,232	106,219
Total: Financing Proceeds		394,600	502,116	820,000	79,232	106,219

Account	Description	2007 Actual Amount	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget
48025	Transfer from Social Services Fu	54,728	69,457	77,513	69,000	77,500
48030	Transfer from ARRA Fund	0	0	0	0	0
48035	Transfer from Ext Serv. Grt Fund	0	0	639	0	0
48050	Transfer from Forfeited Assets F	4,507	8,037	845	6,978	0
48075	Transfer from Capital Project Fu	112,397	98,890	49,032	0	0
48090	Transfer from Special Welfare Fu	0	0	0	0	0
48300	Transfer from Literary Loan Proj	0	0	40,000	0	0
		171,633	176,384	168,029	75,978	77,500
Total: Transfer from Other Funds		171,633	176,384	168,029	75,978	77,500
49000	Appropriated Fund Balance	0	0	0	377,359	139,329
		0	0	0	377,359	139,329
Total: Appropriated Fund Balance		0	0	0	377,359	139,329
General Fund Revenue Total		20,738,968	23,931,518	23,397,447	23,442,738	22,673,403

REVENUE ESTIMATES

Account	Description	2007 Actual Amount	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget
Fund 210 - Social Services Fund						
42000	Expend. Refund	11,315	8,312	5,098	0	0
42075	Insurance Adjustments	0	0	0	0	0
		11,315	8,312	5,098	0	0
Total: Miscellaneous		11,315	8,312	5,098	0	0
42925	Welfare Reimb. - State	793,636	1,017,878	1,095,751	1,156,981	1,104,532
42950	Foster Care	0	0	0	0	0
42975	Cost Allocation Reimbursement	54,728	0	0	0	0
		848,365	1,017,878	1,095,751	1,156,981	1,104,532
Total: State Categorical Aid-Welfare		848,365	1,017,878	1,095,751	1,156,981	1,104,532
42975	Cost Allocation Reimbursement	0	69,457	77,513	69,000	77,500
44650	Welfare Reimb. - Federal	1,934,479	1,729,970	1,640,225	1,700,180	1,731,111
44651	ARRA - Social Services	0	0	27,116	0	0
		1,934,479	1,799,426	1,744,854	1,769,180	1,808,611
Total: Federal Categorical Aid-Welfare		1,934,479	1,799,426	1,744,854	1,769,180	1,808,611
48000	Transfer from General Fund	521,367	498,524	461,945	491,543	466,966
48030	Transfer from ARRA Fund	0	0	0	0	0
		521,367	498,524	461,945	491,543	466,966
Total: Transfer from Other Funds		521,367	498,524	461,945	491,543	466,966
Social Services Fund Revenue Total		3,315,526	3,324,141	3,307,647	3,417,704	3,380,109

REVENUE ESTIMATES

Account	Description	2007 Actual Amount	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget
Fund 225 - Eastern Shore Regional Jail Fund						
41030	Jail Contracted Housing Charges	0	72,330	99,780	144,000	92,400
41050	Jail Admission Fees	0	3,948	4,289	11,100	3,700
41075	Non-Consecutive Jail Time Fees	0	0	0	0	0
41100	Weekender Jail Fees	0	0	0	0	0
41125	Jail Inmate Med. Co-Pay	0	5,863	2,006	2,900	5,000
41150	Jail Work Release	0	0	0	0	0
41175	Jail Telephone Commissions	0	0	26,687	0	0
41200	In-Mate Social Security Receipts	0	3,000	2,400	2,000	1,200
		0	85,141	135,162	160,000	102,300
Total: Charges for Services		0	85,141	135,162	160,000	102,300
42405	Reimb. - Extradition Costs	0	0	2,693	0	1,500
		0	0	2,693	0	1,500
Total: Recovered Costs		0	0	2,693	0	1,500
42850	ES Regional Jail	0	2,016,506	1,186,098	1,954,706	1,939,957
		0	2,016,506	1,186,098	1,954,706	1,939,957
Total: Shared Expenses		0	2,016,506	1,186,098	1,954,706	1,939,957
43925	Local Jails	0	259,696	237,114	224,703	370,800
		0	259,696	237,114	224,703	370,800
Total: State Categorical Aid-Other		0	259,696	237,114	224,703	370,800
45500	ARRA Fiscal Stabilization Funds	0	0	848,280	0	0
		0	0	848,280	0	0
Total: Federal Categorical Aid-Other		0	0	848,280	0	0
48000	Transfer from General Fund	0	868,785	938,524	1,067,146	1,050,801
48030	Transfer from ARRA Fund	0	0	0	0	0
48050	Transfer from Forfeited Assets F	0	0	0	0	0
		0	868,785	938,524	1,067,146	1,050,801
Total: Transfer from Other Funds		0	868,785	938,524	1,067,146	1,050,801
Eastern Shore Regional Jail Revenue Total		0	3,230,128	3,347,871	3,406,555	3,465,358

REVENUE ESTIMATES

Account	Description	2007 Actual Amount	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget
Fund 229 - Purchase of Devpt. Rights Fund						
48000	Transfer from General Fund	0	0	99,281	0	0
		0	0	99,281	0	0
Total: Transfer from Other Funds		0	0	99,281	0	0
<hr/>						
Purchase of Devpt. Rights Fund Revenue Totals			0	99,281	0	0

REVENUE ESTIMATES

Account	Description	2007 Actual Amount	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget
Fund 401 - General Debt Service Fund						
40925	Interest on Investments	794	498	0	9,640	0
		794	498	0	9,640	0
Total: Use of Money & Property		794	498	0	9,640	0
42375	Other Miscellaneous	0	0	0	25,000	0
		0	0	0	25,000	0
Total: Miscellaneous		0	0	0	25,000	0
42400	Recovered Costs - General	0	0	0	161,100	161,100
42410	Reimb. from State for Reg Jail	0	0	9,416,512	0	0
		0	0	9,416,512	161,100	161,100
Total: Recovered Costs		0	0	9,416,512	161,100	161,100
48000	Transfer from General Fund	976,303	2,221,157	1,939,142	1,970,208	2,779,179
48025	Transfer from Social Services Fu	161,139	120,854	161,164	0	0
48075	Transfer from Capital Project Fu	0	0	132,000	306,500	0
		1,137,442	2,342,011	2,232,306	2,276,708	2,779,179
Total: Transfer from Other Funds		1,137,442	2,342,011	2,232,306	2,276,708	2,779,179
49000	Appropriated Fund Balance	0	0	0	440,816	0
		0	0	0	440,816	0
Total: Appropriated Fund Balance		0	0	0	440,816	0
General Debt Service Fund Revenue Totals		1,138,236	2,342,509	11,648,818	2,913,264	2,940,279

REVENUE ESTIMATES

Account	Description	2007 Actual Amount	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget
Fund 490 - School Debt Service Fund						
40925	Interest on Investments	9,353	14,694	21,251	0	0
		9,353	14,694	21,251	0	0
Total: Use of Money & Property		9,353	14,694	21,251	0	0
48000	Transfer from General Fund	1,076,865	1,160,597	1,305,038	1,396,782	1,319,056
48100	Transfer from School Oper Fund	0	0	0	0	0
48300	Transfer from Literary Loan Proj	0	0	0	11,650	0
		1,076,865	1,160,597	1,305,038	1,408,432	1,319,056
Total: Transfer from Other Funds		1,076,865	1,160,597	1,305,038	1,408,432	1,319,056
School Debt Service Fund Revenue Totals		1,086,218	1,175,291	1,326,289	1,408,432	1,319,056

REVENUE ESTIMATES

Account	Description	2007 Actual Amount	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget
Fund 501 - Public Utilities Fund						
41510	Water Charges	0	9,150	13,332	38,879	43,999
41515	Wastewater Charges	0	9,150	13,332	74,608	75,961
		0	18,300	26,663	113,487	119,960
Total: Charges for Services		0	18,300	26,663	113,487	119,960
47880	Transfer-General Fixed Assets	0	0	0	0	0
48000	Transfer from General Fund	0	0	59,739	28,227	0
48030	Transfer from ARRA Fund	0	0	0	0	0
		0	0	59,739	28,227	0
Total: Transfer from Other Funds		0	0	59,739	28,227	0
Public Utilities Fund Revenue Totals		0	18,300	86,402	141,714	119,960

REVENUE ESTIMATES

Account	Description	2007 Actual Amount	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget
Fund 910 - School Operating Fund						
42050	Sale(Loss) of Equipment	0	0	0	0	0
42075	Insurance Adjustments	0	0	0	0	0
42375	Other Miscellaneous	658,632	559,263	408,466	523,091	570,300
		658,632	559,263	408,466	523,091	570,300
Total: Miscellaneous		658,632	559,263	408,466	523,091	570,300
43000	State Sales Tax	1,992,541	1,789,587	1,679,861	1,566,803	1,609,931
43025	Basic School Aid	5,123,202	5,328,177	4,272,516	3,780,754	4,269,766
43050	Primary Class Size Payments	265,798	272,140	240,858	223,298	219,250
43075	Gifted & Talented	43,771	45,124	36,863	36,026	36,866
43100	Remedial Education	231,665	226,906	179,610	175,529	214,642
43125	Enrollment Loss	173,917	0	55,905	26,367	0
43150	Alternative Education	69,430	75,744	63,081	66,677	62,497
43180	Compensation Supplement	0	31,545	0	0	0
43200	Special Education	772,929	796,823	706,709	684,486	556,266
43225	Summer Remedial School	68,830	48,189	5,660	16,633	21,281
43250	Textbook Payments	107,057	110,367	92,958	0	43,043
43275	School Food	0	0	0	11,563	0
43300	Pupil Transportation	2,330	1,340	5,138	0	0
43325	Vocational Ed. - SOQ	183,624	189,301	87,988	89,720	122,067
43350	Vocational Ed. - Categorical	25,000	33,581	29,472	5,199	4,472
43375	State Technology	206,000	386,000	206,000	180,000	180,000
43400	Social Security - Instruct	288,247	297,158	239,219	234,550	233,484
43450	Retirement - Instruction	365,113	445,737	309,024	226,885	138,452
43475	Group Life	17,081	15,408	10,196	6,132	8,192
43525	State Salary Adj. Funds	136,650	333,849	0	0	0
43550	Remediation - SOL	0	11,921	0	0	0
43575	Special Ed - Homebound	13,426	10,597	8,065	6,043	6,902
43600	Special Ed. - Fostercare	0	0	11,425	0	0
43610	Regular Foster Care	0	0	1,101	23,752	20,706
43625	Migrant Program - State	0	6,292	0	0	0
43650	Reading Intervention	15,013	26,690	19,406	19,406	20,805
43655	Mentor Teacher Prog-Alt Licensur	0	0	3,684	1,112	2,155
43660	Jobs for Virginia Graduates	0	15,382	0	21,000	0
43665	Mentor Teacher Grt Hard to Staff	0	0	1,085	15,687	0
43675	Other State Grants	34,329	49,329	20,710	4,804	17,877
43680	ISAEP (GED Prep Payments)	0	7,859	7,859	7,859	7,859
43685	School Breakfast	0	0	0	9,966	0

Account	Description	2007 Actual Amount	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget
43690	Adult Education	0	0	0	2,638	2,638
43700	At Risk	361,879	384,173	291,632	259,102	335,402
43725	Virginia Preschool Initiative	176,600	190,451	168,069	186,000	213,000
43750	English As A 2nd. Language	66,016	79,828	80,171	67,632	73,659
43775	SOL Algebra	29,091	25,592	19,822	18,436	19,836
43780	Project Graduation	0	0	0	10,474	0
43800	School Construction	123,696	121,990	272,664	13,617	0
43825	Special Ed. - Jails	0	0	1,965	16,514	4,146
43850	Support for Const., Op., Text	247,476	245,210	0	69,794	0
43860	Stimulus -ARRA- Education Oper.	0	0	0	0	0
		11,140,711	11,602,290	9,128,718	8,084,458	8,445,194
Total: State Categorical Aid-Schools		11,140,711	11,602,290	9,128,718	8,084,458	8,445,194
43860	Stimulus -ARRA- Education Oper.	0	0	0	480,892	0
		0	0	0	480,892	0
Total: Federal Categorical Aid-Schools		0	0	0	480,892	0
47000	Lease-Purchase Proceeds	0	0	456,014	0	0
		0	0	456,014	0	0
Total: Financing Proceeds		0	0	456,014	0	0
48000	Transfer from General Fund	7,129,748	8,001,646	8,601,297	8,122,081	7,307,993
48030	Transfer from ARRA Fund	0	0	0	0	0
48150	Transfer from School Textbook Fu	0	52,424	0	0	0
48175	Transfer from School Health Grt	0	0	30,185	0	0
48200	Transfer from School Debt Fund	0	0	0	0	0
48225	Transfer from School Federal Grt	0	0	329,460	0	0
		7,129,748	8,054,070	8,960,942	8,122,081	7,307,993
Total: Transfer from Other Funds		7,129,748	8,054,070	8,960,942	8,122,081	7,307,993
School Operating Fund Revenue Totals		18,929,091	20,215,623	18,954,139	17,210,522	16,323,487

REVENUE ESTIMATES

Account	Description	2007 Actual Amount	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget
Fund 920 - School Federal Grants Fund						
44675	Title I Part A (Basic Programs)	0	0	791,237	1,311,241	880,147
44676	ARRA Title I Part A (Basic Prog)	0	0	0	314,078	314,079
44678	Title I Part B Reading First Grt	0	0	146,057	37,001	0
44680	Title I Part C (Migrant)	0	0	74,397	170,428	101,367
44775	Other Federal Grants	0	0	2,592	338,472	603,037
44850	Title II Part A (Teacher Quality	0	0	136,443	280,802	183,811
44855	Title II A (Teles) Other Fed Fun	0	0	1,903	0	0
44890	Title II Part D (Technology)	0	0	157	14,799	7,936
44891	ARRA - Title II Part D (Tech)	0	0	0	10,046	0
44930	Title III Part A (Language Acq)	0	0	13,520	55,770	21,311
44950	Title IV Part A (Drug Free)	0	0	14,991	33,434	11,456
44960	Title V Part A (Innovative Prog)	0	0	1,838	3,709	0
45000	Title VI-B Special Education 611	0	0	345,707	620,911	426,621
45001	ARRA Title VI-B Special Ed. 611	0	0	0	242,786	242,786
45005	Title VI-B Special Education 619	0	0	13,142	39,269	15,257
45006	ARRA Title VI-B Special Ed. 619	0	0	0	8,176	8,176
45010	Title VI-B Rural&Low Income Schs	0	0	66,594	25,860	46,966
45080	History Grant Proceeds	0	0	269,850	65,615	0
45090	CTE/Perkins Grant	0	0	61,392	57,595	57,594
45095	Consortium Incentive Grants math	0	0	0	0	0
48031	ARRA McKinney-Vento Education	0	0	0	42,000	0
		0	0	1,939,822	3,671,992	2,920,544
Total: Federal Categorical Aid-Schools		0	0	1,939,822	3,671,992	2,920,544
<hr/>						
School Federal Revenue Grants Fund Revenue Totals		0	0	1,939,822	3,671,992	2,920,544

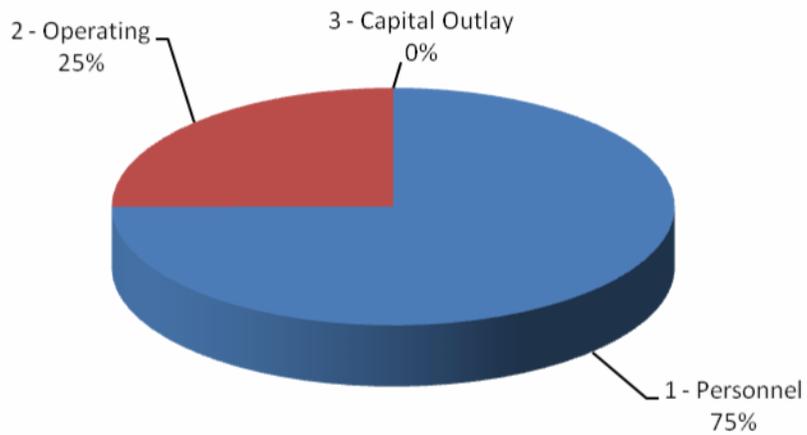
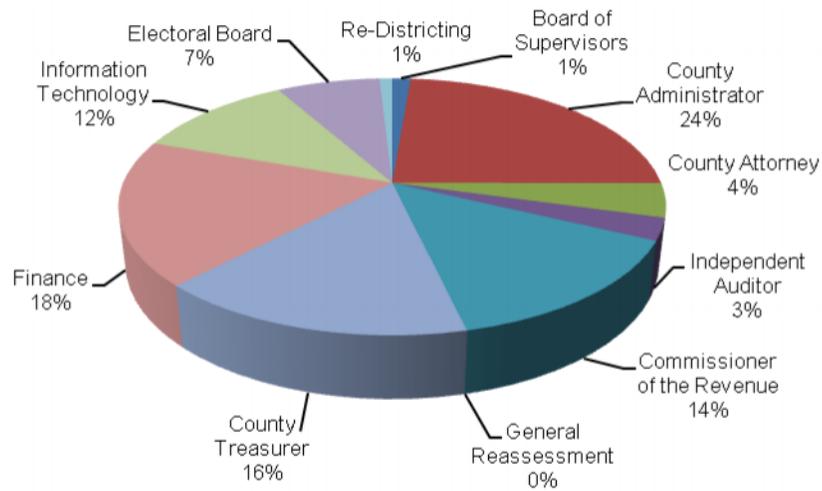
REVENUE ESTIMATES

Account	Description	2007 Actual Amount	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget
Fund 921 - School Food Service Fund						
41875	Student Sales-School Food Servic	0	0	0	251,880	200,000
41900	Ala Cart/Adult Food Sales- School	0	0	0	0	0
		0	0	0	251,880	200,000
Total: Charges for Services		0	0	0	251,880	200,000
42375	Other Miscellaneous	514,786	275,106	190,908	133,490	0
		514,786	275,106	190,908	133,490	0
Total: Miscellaneous		514,786	275,106	190,908	133,490	0
43900	State Food Service Revenue	14,406	15,326	17,801	21,529	185,376
		14,406	15,326	17,801	21,529	185,376
Total: State Categorical Aid-Schools		14,406	15,326	17,801	21,529	185,376
45125	Federal Food Service Revenue	619,645	665,326	654,136	437,415	458,938
		619,645	665,326	654,136	437,415	458,938
Total: Federal Categorical Aid-Schools		619,645	665,326	654,136	437,415	458,938
48030	Transfer from ARRA Fund	0	0	0	0	0
48100	Transfer from School Oper Fund	0	0	52,186	0	0
		0	0	52,186	0	0
Total: Transfer from Other Funds		0	0	52,186	0	0
School Food Services Fund Revenue Totals		1,148,837	955,758	915,031	844,314	844,314

COUNTY OF NORTHAMPTON, VIRGINIA

General Administration-All Funds

\$1,664,381



General Administration-All Funds

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Board of Supervisors	394,444	38,418	33,383	21,843	(11,540)	-35%
County Administrator	363,232	427,821	420,931	394,833	(26,098)	-6%
County Attorney	71,789	71,737	71,369	71,498	129	0%
Independent Auditor	47,481	43,709	42,000	46,000	4,000	10%
Commissioner of the Revenue	235,882	241,361	227,105	237,226	10,121	4%
General Reassessment	447,064	4,633	0	0	0	N/A
County Treasurer	253,695	270,084	266,589	263,993	(2,596)	-1%
Finance	284,961	310,487	307,298	304,036	(3,262)	-1%
Information Technology	208,033	190,524	218,390	188,668	(29,722)	-14%
Electoral Board	120,735	117,353	121,692	121,284	(408)	0%
Re-Districting/Census	0	0	0	15,000	15,000	N/A
Total - General Administration	2,427,315	1,716,128	1,708,757	1,664,381	(44,376)	-3%

BOARD OF SUPERVISORS

DESCRIPTION

The Board of Supervisors consists of six representatives, one from each of the County's six voting districts. Supervisors are elected for staggered, four-year terms. The Board is the policy-making body of the County and is vested with all rights and powers as specified by the state law known as the County Board Form (Section 15.2-400 through Section 15.2-418). The Board takes action by the adoption of ordinances or resolutions.

The Board elects annually a chairman who presides at each Board meeting and serves as the official head of the County government. A vice chairman is elected as well and serves in the absence of the chairman. This election occurs in January of each calendar year.

GOALS

- **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- US Route 13 – explore and capture funds to continue to implement changes to further the goals of VDOT's Access Management Plan
- Full funding for Accomack Northampton Regional Housing Authority and Affordable Northampton County Housing Authority & clarify role of BOS and ANPDC on this issue
- Expansion of recreation opportunities for youth and encourage private sector possibilities for expansion of recreation opportunities
- Restructuring EMS System
- Update Hurricane Preparedness Plan

Medium-term Goals - 2010/2011

- US Route 13 – Pursue funding to implement VDOT Access Management Plan
- Develop plan of target areas for affordable housing and forward to Accomack Northampton Regional Housing Authority and Affordable Northampton County Housing Authority for action (i.e., Cheapside, Treherneville)
- Explore relationship with Randy Custis Park

Short-term Goals - 2010

- Work in tandem with School Board to develop FY2011 budget
- Create Proffer Committee and review/revise Proffer Policies
- Review the requirements of the Rental Inspection Program/determination to retain or repeal ordinance
- Drainage, County wide Comprehensive plan to begin process of clearing ditches in the more heavily impacted neighborhoods
- Update Emergency Operations Plan

- **Organization-wide Overall Goal - Invigorate the economic viability of the County, while managing growth in such a way as to preserve the existing natural resources and tranquil rural life style.**

Long-term Goals - Beyond 2012

- Develop educational campaign for promotion of recycling

BOARD OF SUPERVISORS (CONT.)

Medium-term Goals - 2010/2011

- Subdivision Ordinance – review for compliance with revised Comprehensive Plan and Zoning Ordinance
- Finalize Town Edge Plans
- Historic Corridor Designation for Rte. 184 (Stone Road) and Old Cape Charles Road in Cape Charles
- Pursue legislation for creation of Agricultural Enterprise Zone
- Encourage Industrial Development along with Block Commercial Development in the Land Use Section of the Comp Plan
- Evaluate elevation requirements for structures located near tidal waters

Short-term Goals - 2010

- Overview/review of Zoning Ordinance thru a Steering Committee to forward recommendations to BOS for any action by Planning Commission.
- Finalize Town Edge Plans
- Create Watershed Management Plan
- Review Comprehensive Plan
- Establish structure/composition of a Public Service Authority (PSA)
- Establish Economic Development Advisory Committee
- Review of potential incentives that County may wish to adopt
- Gain better understanding of present employers, understand their needs
- Re-activate the Industrial Development Authority in terms of purpose and mission
- Resolve all issues associated with STIP property, specifically the Nature Preserve Property and the 2 acre leased property
- Annually update the CEDS (Comprehensive Economic Development Strategy) through the ANPDC

- **Organization-wide Overall Goal - Maintain a reasonable County tax structure by effectively and responsibly balancing the increasing demands for services with available resources to achieve maximum value for our citizens.**

Long-term Goals - Beyond 2012

- Lower Taxes on Existing Businesses

Medium-term Goals - 2010/2011

- Explore “lease” option re: delinquent tax properties
- Explore joint purchasing of health insurance benefits with Accomack County/county-wide

Short-term Goals - 2010

- Inventory of County property for potential sale and/or economic development reuse
- Completion of grants for wastewater service for communities (north & south)
- Sell holdings on east side of Courthouse Road
- Develop payment plan parameters/policy re: tax collections
- Increase frequency of Delinquent Tax Sales and take necessary steps to exhaust all options before referring a delinquent tax property to the County Tax Attorney if the property is the primary residence of the tax payer
- Consider bi-annual tax billing
- Review use of technology to assist with tax collections
- Institute tax lien program
- Review County policy re: boundary adjustments
- Improve Town/County relations & communications and institute quarterly joint work sessions

BOARD OF SUPERVISORS (CONT.)

- **Organization-wide Overall Goal - Maintain a Capital Improvement Program to address capital expenditures for infrastructure and required services.**

Long-term Goals - Beyond 2012

- Combined facilities with school garage & county maintenance
- Morley's Wharf – Boat Slips
- Willis Wharf & Oyster Harbor – permanent restrooms
- Community Docking
- Acquire bayside beach in Northern half of county
- Investigate feasibility of a firing range at closed landfill and examine private sector possibilities of providing a firing range

Medium-term Goals - 2010/2011

- Extend water & wastewater service to County property across from old Courthouse
- Examine water line to high school/upgrade
- Work with Health Department to relocate further south (possibly to middle school)
- Devise strategy for Raccoon Park (Firing Range)

Short-term Goals - 2010

- Implement grant funds for renovation of Indiantown Park
- Get nighttime lighting to be more dark-sky friendly for the County-owned properties. Seek grant funding to accomplish this goal.
- Examine reuse options for Willow Oak property
- Renovate Admin buildings and utilize 1914 jail and re-examine priority of this construction
- EMS location – purchase existing site or relocate to former middle school
- Determine use/access of birding walkway @ landfill

- **Organization-wide Overall Goal - Promote the development of an accountable, responsive local government with demonstrated efficiency and effectiveness.**

Long-term Goals - Beyond 2012

- Study feasibility of curbside pick-up for recycling

Medium-term Goals - 2010/2011

- Computer/Technology Recycling Event
- Beautify Waste Collection Centers and sponsor competitive beautification program for the 6 centers

Short-term Goals – 2010

- Complete construction and beautify sites of remaining two waste collection centers.
Status: (6 Sites Planned)
 - Birdsnest: Opened January 1, 2006
 - Bayview: Opened July 1, 2006
 - Wardtown: Opened September 1, 2006
 - Hare Valley: Opened June 1, 2008
 - Eastville: Working to locate land for this purpose.
 - Cheapside: Under construction
- Institute recycling for County offices
- Review BOS policy re: disposal restrictions @ waste collection centers
- Establish litter campaign; examine penalties allowed in Code & in local ordinance

BOARD OF SUPERVISORS (CONT.)

- Examine feasibility of Probationer use in other aspects of County Maintenance
 - Examine shared services with schools (payroll, facilities management, fuel purchasing, leasing/financing services, purchases, accounts payable)
- **Organization-wide Overall Goal - Facilitate the development of a quality educational environment that provides for high quality educational and job readiness skills for all Northampton County residents.**

Medium-term Goals - 2010/2011

- Examination of Capital Plant

Short-term Goals - 2010

- Cafeteria Wall Repair – Adhere to time line for repairs with start date for June 2010
- Finalize Capital Improvement Plan for School
- Study regionalization opportunities with Accomack County Schools, i.e. purchasing

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 1101 Board of Supervisors						
1 - Personnel	25,846	25,837	14,983	13,078	(1,905)	-13%
2 - Operating	368,598	12,582	18,400	8,765	(9,635)	-52%
Department Total: Board of Supervisors	394,444	38,418	33,383	21,843	(11,540)	-35%

FUTURE ISSUES

- Declining school age population
- Lack of industry/jobs/tax base
- Increasing state mandates without funding sources to cover them
- Protecting prime agricultural lands and open space from residential development

COUNTY ADMINISTRATOR

DESCRIPTION

Appointed by the Board of Supervisors, the County Administrator is the Chief Administrative Officer of the County and is responsible for the implementation and execution of policies established by the Board. In addition to daily administrative duties, the County Administrator is also responsible for the development of the annual budget, recommends service delivery and policy implementation, provides an operational framework under which County employees work, and ensures that all affairs of the County are carried out in an effective and responsible manner. The County Administrator also serves as the Director of Civil Defense. Operating under the direct supervision of the County Administrator is the Assistant to the County Administrator as well as the legislative department heads.

GOALS

- **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- US Route 13 – explore and capture funds to continue to implement changes to further the goals of VDOT's Access Management Plan
- Full funding for Accomack Northampton Regional Housing Authority and Affordable Northampton County Housing Authority & clarify role of BOS and ANPDC on this issue

Medium-term Goals - 2010/2011

- US Route 13 – Pursue funding to implement VDOT Access Management Plan

Short-term Goals - 2010

- Work in tandem with School Board to develop FY2011 budget

- **Organization-wide Overall Goal - Invigorate the economic viability of the County, while managing growth in such a way as to preserve the existing natural resources and tranquil rural life style.**

Short-term Goals – 2010

- Review of potential incentives that County may wish to adopt
- Resolve all issues associated with STIP property, specifically the Nature Preserve Property and the 2 acre leased property

- **Organization-wide Overall Goal - Maintain a reasonable County tax structure by effectively and responsibly balancing the increasing demands for services with available resources to achieve maximum value for our citizens.**

Short-term Goals – 2010

- Inventory of County property for potential sale and/or economic development reuse
- Completion of grants for wastewater service for communities (north & south)
- Sell holdings on east side of Courthouse Road
- Review County policy re: boundary adjustments
- Improve Town/County relations & communications and institute quarterly joint work sessions

COUNTY ADMINISTRATOR (CONT.)

- **Organization-wide Overall Goal - Maintain a Capital Improvement Program to address capital expenditures for infrastructure and required services.**

Long-term Goals - Beyond 2012

- Investigate feasibility of a firing range at closed landfill and examine private sector possibilities of providing a firing range

Medium-term Goals - 2010/2011

- Devise strategy for Raccoon Park (Firing Range)

Short-term Goals - 2010

- Get nighttime lighting to be more dark-sky friendly for the County-owned properties. Seek grant funding to accomplish this goal.
- Examine reuse options for Willow Oak property
- Renovate Admin buildings and utilize 1914 jail and re-examine priority of this construction
- EMS location – purchase existing site or relocate to former middle school
- Determine use/access of birding walkway @ landfill

- **Organization-wide Overall Goal - Promote the development of an accountable, responsive local government with demonstrated efficiency and effectiveness.**

Long-term Goals - Beyond 2012

- Provide an organizational framework that is progressive and results-oriented in meeting the needs of Northampton County residents.
- Explore and promote cooperation with independent offices, agencies and governments in the region to enhance the delivery of services to the Northampton County residents.

Short-term Goals – 2010

- Examine shared services with schools (payroll, facilities management, fuel purchasing, leasing/financing services, purchases, accounts payable)
- Provide positive and effective leadership and direction to County staff by:
 - ✓ communicating the mission, vision, and values to all county staff as defined in the adopted Strategic Plan, and
 - ✓ conducting regularly scheduled staff meetings with department heads and line staff to inform them of significant activities; provide training; conduct strategic planning, etc
- Continue to develop the County's performance planning, measurement and benchmarking process to monitor efficiency and effectiveness by:
 - ✓ having a completed set of goals, objectives, and measures from each department and agency under the direct supervision of the County Administrator, and
 - ✓ continuing to collect periodic reports from each department and agency and keeping the governing body apprised of same.
- Provide timely, accurate and reliable information to the Board of Supervisors, Northampton County residents, and others by:
 - ✓ continuing to complete and distribute Board agenda packages at least 72 hours prior to the meeting date.

COUNTY ADMINISTRATOR (CONT.)

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 1201 County Administrator						
1 - Personnel	229,054	249,504	245,524	251,315	5,791	2%
2 - Operating	134,178	178,317	175,407	143,518	(31,889)	-18%
3 - Capital Outlay	0	0	0	0	0	
Department Total: County Administrator	363,232	427,821	420,931	394,833	(26,098)	-6%

SERVICE LEVELS

As Northampton County continues to grow and citizens require and demand both more efficiency and effectiveness from their County government, the Board of Supervisors has adopted, and the County Administrator is charged with implementing, the goals and objectives of the County's Five Year Strategic Plan. Each department head has committed to the responsibility of implementing the goals as they relate to their respective departments and will be held accountable for the results.

MEASUREMENTS

	(Actual) FY 08	(Actual) FY 09	(Estimated) FY 10
<i>Workload:</i>			
Number of Bd. Agenda pkts.	35	35	35
<i>Effectiveness:</i>			
Percentage of citizen concerns promptly satisfied	100%	100%	100%
Percentage of Board Agendas delivered on time	100%	100%	100%
Establish monthly dept. head meeting	11	11	11
Establish monthly financial team meeting	12	12	12

FUTURE ISSUES

As always, each new fiscal year poses operational and budgetary challenges that are unforeseen when the budget is in the process of being prepared. In addition, each year the Virginia General Assembly, as well as the federal government, introduces new laws and regulations which often result in unfunded mandates. The County will remain diligent in the tracking of these laws and regulations to anticipate any negative impacts. Continued changes in the Composite Index will present a significant challenge to overcome if the County is to continue its current level of services to the community.

COUNTY ATTORNEY

DESCRIPTION

The County Attorney provides legal advice and counsel to the Board of Supervisors, the County Administrator and other department heads of County offices. In addition the County Attorney, with some exceptions, represents the County in litigation in which the County is a party. During FY05, the Board of Supervisors approved a contract with a local attorney to provide additional assistance in this area. Beginning in FY06, the contract amount previously paid by this department for outside legal assistance was re-allocated to fund a supplement for an Assistant Commonwealth Attorney (see Commonwealth Attorney department, page 103).

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 1204 County Attorney						
1 - Personnel	67,659	69,324	69,119	69,083	(36)	0%
2 - Operating	4,130	2,413	2,250	2,415	165	7%
Department Total: County Attorney	71,789	71,737	71,369	71,498	129	0%

FUTURE ISSUES

As the County continues to grow, personnel disputes, planning, zoning, contract disputes, tax disputes, ordinance amendments, legal research and County Code updates will be the focus of the County Attorney. Increased development and regulatory changes will require substantially more work by the County Attorney's office. As a result of these changes, there will likely be an increase in zoning appeals that will require defense by the County Attorney's office.

INDEPENDENT AUDITOR

DESCRIPTION

The Independent Auditor is to audit all funds of the County in accordance with generally accepted accounting principles, the standards for financial audits contained in the Governmental Auditing Standards issued by the Comptroller General of the United States; the provisions of OMB Circular A-128, Audits of State and Local Governments; and the specifications for Audits of Counties, Cities and Towns. The Auditor shall review and report on all financial statements and internal controls.

GOALS

- To ensure the County maintains proper and adequate financial and internal controls and operates using generally accepted accounting principles.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 1208 Independent Auditor						
2 - Operating	47,481	43,709	42,000	46,000	4,000	10%
Department Total: Independent Auditor	47,481	43,709	42,000	46,000	4,000	10%

COMMISSIONER OF THE REVENUE

DESCRIPTION

The Commissioner of the Revenue is responsible for the assessment of real estate and personal property, processing of state income tax returns, processing state estimated taxes, providing assistance in the preparation of federal and state returns, online keying of returns for faster processing of refunds, updating and correcting county tax maps, visiting and assessing all new construction within the county, determining qualifications for use-value taxation in Agricultural and Forestry Districts and other areas of the County, research and transfer of all real property by deed or will, providing assistance to attorneys, surveyors, realtors and property owners with real estate assessment information. It is also responsible for recording tax exemptions for the elderly and handicapped, administration of service districts, administration and collection of transient occupancy tax and the food and beverage tax, discovery and listing of all personal property within the county, bank franchise taxes, administration of the Personal Property Tax Relief Act, tax prorations and other assistance to the public regarding taxes. Beginning in FY08, the office began to handle the collection of charges imposed by the Code Compliance department. The Commissioner of the Revenue is a Constitutional Officer and receives funding from the Commonwealth of Virginia and from the County. The Commissioner of the Revenue is an elected position and serves a four-year term.

GOALS

- **Organization-wide Overall Goal - Promote the development of an accountable, responsive local government with demonstrated efficiency and effectiveness.**

Long-term Goals - Beyond 2012

- Continue or increase, if possible, the current level of service while maintaining as small a staff and budget as possible.
- Deliver all required duties in a timely manner.
- Improve working relationship with the County Treasurer's office.
- Consolidate all department employees in a single location.

Short-term Goals – 2010

- Keep staff enthusiastic and dedicated in the face of state budget cuts.
- Cross-training of staff in order to provide better coverage during absences and vacancies.

- **Organization-wide Overall Goal - Maintain a reasonable County tax structure by effectively and responsibly balancing the increasing demands for services with available resources to achieve maximum value for our citizens.**

Short-term Goals – 2010

- Consider bi-annual tax billing

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 1209 Commissioner of the Revenue						
1 - Personnel	203,409	214,355	207,158	210,123	2,965	1%
2 - Operating	32,473	27,006	19,947	27,103	7,156	36%
Department Total: Commissioner of the Revenue	235,882	241,361	227,105	237,226	10,121	4%

COMMISSIONER OF THE REVENUE (CONT.)

SERVICE LEVELS

MEASUREMENTS

Workload:

	Actual <u>FY04</u>	Actual <u>FY05</u>	Actual <u>FY06</u>	Actual <u>FY07</u>	Actual <u>FY08</u>
Real Estate Parcel Count	13472	13769	14269	14582	14922
Real Estate Transfers	671	1440	1281	913	1018
Agric./ Forestal District Accts	95	107	154	158	34
Conservation Easement Accts	13	15	43	69	97
Tax Relief for the Elderly & Handicapped Applications	43	26	79	47	66
Tax Relief for Rehabilitated Structures - completed	3	9	15	22	27
Building Permits Worked	766	964	1214	572	411
Mobile Homes Assessed	949	950	918	898	1060
Boats Assessed	2285	2299	2340	2343	2450
DMV Accounts Assessed	14982	15659	18655	16648	17008
Personal Property Tax Relief Accounts	11139	11677	12091	13059	N/A
Business Personal Property Accounts	1239	1293	1269	1055	1046
State Income Tax Returns Processed	3182	1958	1744	3493	3096
Estimated Income Tax Returns Processed	368	379	374	365	416
Tax Due Income Tax Returns Processed	580	615	497	533	N/A
Active Food & Beverage Accounts	N/A	31	22	28	28
Active Transient Occupancy Tax Accounts	N/A	36	34	34	36
Land Use Accounts	N/A	230	375	403	409

ACCOMPLISHMENTS

- Access to tax maps for the public and private sector has been improved by locating terminals for public use in the Commissioner of Revenue's, Clerk of Court's and planning & zoning offices.
- Internet access to tax maps and CAMA data is now available to the public and other county departments may access the information from their computers.
- Land transfer information is shared with the Clerk of Court in a more timely manner due to a direct computer link between the two offices.
- Commissioner and Deputies have received "Masters" designation through the Weldon Cooper Center for Public Service of the University of Virginia and the Commissioners of Revenue Association.

FUTURE ISSUES

- Retaining experienced personnel. Workloads have increased over the last seventeen years with no increase in staff positions.
- Storage space for records, perhaps through electronic media.

GENERAL REASSESSMENT

DESCRIPTION

The Board of Assessors periodically hires a private firm to perform a complete reassessment of real estate within the County. The firm gathers information on sales and building costs to set guidelines for the general reassessment. Field visits to each property are conducted, buildings and improvements are inventoried and listed on property record cards, corrections are made and market value is calculated. Once market value is calculated, an appraiser visits the property to check for accuracy, notices are sent to property owners, appeals are heard, changes and corrections are incorporated and assessment rolls are prepared and certified. The Board of Equalization is appointed by the Circuit Court Judge to hear testimony on appealed assessments, to change or reaffirm, notify owners and make corrections to county tax rolls. A General Reassessment was completed for tax year 2008 which impacted FY09 tax revenues.

GOALS

- To provide an accurate inventory and appraisal of all real estate within Northampton County in order to equalize the tax burden for County residents.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 1210 General Reassessment						
1 - Personnel	0	0	0	0	0	
2 - Operating	447,064	4,633	0	0	0	
Department Total: General Reassessment	447,064	4,633	0	0	0	+++

COUNTY TREASURER

DESCRIPTION

The responsibilities of the County Treasurer in Northampton County are two-fold: (1) to accomplish those certain duties as set out in the Code of Virginia as responsibilities of the office, that is to receive and deposit all county funds and certain state and federal funds and the safekeeping of those funds, and (2) to perform certain duties of accounting and financial management not assigned to the office by state law. The Treasurer also manages the investment of available funds and represents the County in all banking activities. The Treasurer works in conjunction with the Finance Director on the financial operations of the County. The Treasurer is a constitutional officer and is elected every four years.

GOALS

- **Organization-wide Overall Goal - Maintain a reasonable County tax structure by effectively and responsibly balancing the increasing demands for services with available resources to achieve maximum value for our citizens.**

Long-term Goals - Beyond 2012

- Continued timely collection of real estate and personal property tax bills and other local taxes.

Short-term Goals – 2010

- Enforce prompt collection procedures for taxes due by using the Court system for Warrants in Debt, Interrogatories and garnishments, and also by working with an attorney for the collection of delinquent real estate taxes and subsequent sale of eligible properties and providing updated balances to the finance department to be used in pursuing debt off set and DMV collections of personal property taxes.
- Maximize existing revenue streams by improving first year tax collection rates to 98% for real estate and 94% for personal property taxes.
- Develop payment plan parameters/policy re: tax collections
- Increase frequency of Delinquent Tax Sales and take necessary steps to exhaust all options before referring a delinquent tax property to the County Tax Attorney if the property is the primary residence of the tax payer
- Consider bi-annual tax billing
- Review use of technology to assist with tax collections
- Institute tax lien program

- **Organization-wide Overall Goal - Promote the development of an accountable, responsive local government with demonstrated efficiency and effectiveness. Obtain correct monthly payments reports and balance due reports from new computer software to enable office to operate more efficiently.**

Long-term Goals - Beyond 2012

- Continue to serve the needs of the public with a highly qualified and informed staff.

Short-term Goals – 2010

- Continue to upgrade computer equipment and programs as funds become available that will enable the office to become more efficient.
- Continue the use of credit cards and bank lockbox for payment of taxes.
- Keep staff motivated following reduction in budgeted positions.

COUNTY TREASURER (CONT.)

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 1213 County Treasurer						
1 - Personnel	207,677	212,935	210,207	211,086	879	0%
2 - Operating	46,017	57,149	56,382	52,907	(3,475)	-6%
3 - Capital Outlay	0	0	0	0	0	
Department Total: County Treasurer	253,695	270,084	266,589	263,993	(2,596)	-1%

SERVICE LEVELS

MEASUREMENTS

	(Actual) <u>FY07</u>	(Actual) <u>FY08</u>	(Actual) <u>FY09</u>	(Estimate) <u>FY10</u>	(Estimate) <u>FY11</u>
<i>Workload:</i>					
Manual journal entries posted	524	1,248	1,200	1,560	2,000
Print and mail tax bills	35,000	40,000	45,000	48,000	48,000
Processed checks	22,000	25,000	27,000	31,800	31,000
Deposits	1,895	3,000	3,800	3,800	3,900
Maintained and reconciled Bank Accounts	13	12	11	9	11
Maintained and reconciled Investment Accounts	12	9	9	5	5

ACCOMPLISHMENTS

- The department has begun working with an attorney in a process to increase collection of delinquent real estate taxes. If taxes remain delinquent after a series of demand letters, advertisements and public notices in accordance with Virginia Code section 58.1-3965, land sales will be conducted with the attorney's assistance.
- Bank statements are reconciled within 10 days of receipt.
- The department entered an agreement with the bank for overnight investment of available funds to provide the county with a higher monthly rate of interest.
- The department implemented the use of a lockbox for payment of current year taxes which enables same-day deposits into the local bank account and provides a higher interest rate.

FUTURE ISSUES

- To obtain larger office space to accommodate employees and equipment in order to improve working conditions.
- To continue to employ experienced, qualified personnel.
- To upgrade and improve office web site.

FINANCE

DESCRIPTION

The Finance Department works in conjunction with the County Treasurer's Office to ensure the financial integrity of the County government's operations. Its responsibilities include financial reporting, budget preparation and monitoring, debt management and financial accounting. The department performs activities such as payroll and accounts payable and reports monthly to the Board of Supervisors on the County's financial position and budget performance. The department is also responsible for maintaining fixed asset records, grant reporting and preparation of the Comprehensive Annual Financial Report (CAFR).

GOALS

- **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- Prepare financial reports that enable the Board of Supervisors and the County Administrator to ascertain the County's financial position and plan for its future.
- Ensure fiscal integrity through internal controls that safeguard assets and ensure compliance with laws and regulations.

Short-term Goals - 2010

- Work in tandem with School Board to develop FY2011 budget
- Prepare and monitor the annual budget and all project-length budgets for compliance with all laws and regulations.
- Prepare CAFR (Comprehensive Annual Financial Report) in compliance with all laws and regulations.
- Continue to improve effectiveness of management reports by fully utilizing the new, automated reporting capabilities of the new financial software that was purchased in FY07.
- Ensure timely and accurate payment, reconciliation, and reporting of employee wages and related deductions.
- Plan and control operating and capital expenditures in a fiscally responsible manner and within adopted County policies and procedures.
- Provide continuing education and training for staff in governmental accounting, internal controls, procurement, human resource management and other related topics.
- Continue to expand Human Resource services offered to departments by utilizing capabilities of new financial software to track and report leave and improve other areas of reporting related to payroll and human resource management.
- Determine and remit the County's arbitrage rebate liability, if any, associated with the financing proceeds for the ongoing capital improvement plan.

- **Organization-wide Overall Goal - Maintain a reasonable County tax structure by effectively and responsibly balancing the increasing demands for services with available resources to achieve maximum value for our citizens.**

Long-term Goals - Beyond 2012

- Assist the Board of Supervisors in their effort to lower taxes on existing businesses

Medium-term Goals - 2010/2011

- Explore "lease" option re: delinquent tax properties
- Explore joint purchasing of health insurance benefits with Accomack County/county-wide

FINANCE (CONT.)

Short-term Goals - 2010

- Develop payment plan parameters for delinquent personal property taxes/policy re: tax collections
- Participate in review of bi-annual tax billing
- Review use of technology to assist with tax collections
- Institute tax lien program
- Continue to improve the collection of personal property taxes by increasing in-house collection efforts (through additional mailings prior to employing collection agency) and continued use of the DMV Stop Program, Debt Set Off Program, collection agencies, garnishments and warrants in debt.

- **Overall Goal - Promote the development of an accountable, responsive local government with demonstrated efficiency and effectiveness.**

Short-term Goals – 2010

- Examine shared services with schools (payroll, facilities management, fuel purchasing, leasing/financing services, purchases, accounts payable)
- Continue to monitor compliance with the County's procurement policy including the use of purchase orders and encumbrance accounting.
- Complete cross-training of all department employees to provide better service during employee absences.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 1220 Finance						
1 - Personnel	224,954	262,092	261,443	265,693	4,250	2%
2 - Operating	60,008	48,394	45,855	38,343	(7,512)	-16%
Department Total: Finance	284,961	310,487	307,298	304,036	(3,262)	-1%

SERVICE LEVELS

MEASUREMENTS

	(Actual) <u>FY 07</u>	(Actual) <u>FY 08</u>	(Actual) <u>FY 09</u>	(Actual) <u>FY 10</u>
<i>Workload:</i>				
Paychecks and EFT's processed*	6,860	7,454	7,758	7,652
Accounts payable checks prepared	3,653	3,996	3,534	3,508
Accounts payable invoices processed	7,078	7,161	6,476	6,354
Bank accounts reconciled monthly	11	9	9	4
DMV Stops	276	126	141	130
Debt Setoff Transactions (matches)	N/A	N/A	1,206	1,281

*Changed from semi-monthly to bi-weekly payroll cycle in FY07. New software (FY07) counts each deposit to a separate bank as a separate EFT.

Efficiency:

Staff cost/gross \$ accounts payable transaction	.01	.01	.01	.01
Staff cost/gross \$ of payroll transaction	.01	.01	.01	.01

FINANCE (CONT.)

<i>Effectiveness:</i>	(Actual) <u>FY 07</u>	(Actual) <u>FY 08</u>	(Actual) <u>FY 09</u>	(Actual) <u>FY 10</u>
Certificate of Achievement by GFOA	Yes	Yes	Yes	Yes
Distinguished Budget Presentation Award	Yes	Yes	Yes	Yes
Submitted CAFR to APA by Nov. 30 th	Yes	Yes	Yes	Yes

Productivity:

% of Bank Accounts reconciled in 15 days	100%	90%	95%	100%
Del. Personal Property Tax revenue collected	\$193,678	\$172,934	\$223,579	\$243,083

ACCOMPLISHMENTS

During the current year, the Finance Department accomplished the following:

- Coordination of annual jail cost audit for FY09.
- Received GFOA's Distinguished Budget Award for FY10 budget document
- Received GFOA's Certificate of Achievement for Excellence in Financial Reporting for FY09 CAFR
- Continued to work with financial advisors to complete the plan for financing the remainder of the County's planned capital projects in the most cost effective manner and to meet current cost estimates and spend-down requirements for the projects.
- Arranged lease-purchase financing for various equipment items included in the FY10 budget at an interest rate of approximately 3.34%.
- Completed Arbitrage Rebate Analysis for each debt issue to comply with federal guidelines.

FUTURE ISSUES

During FY10, the department relocated to temporary office space as a result of the renovation of the existing administration offices and old courthouse facility. The department's return to the historic courthouse in Eastville will take place during FY12.

Additional capabilities from the new accounting software will continue to be implemented to improve the department's reporting abilities, the operating efficiency of the department, and the department's ability to provide outstanding customer service. In an effort to optimize work flow patterns, decentralization of the accounts payable, purchase order and payroll data entry will continue to be expanded to user departments as part of the transition to the new financial software. The department will continue to strengthen its effectiveness in Human Resource Management.

INFORMATION TECHNOLOGY

DESCRIPTION

The Information Technology (IT) Department provides computer support services to County Departments and Constitutional Offices. IT provides assistance with the development, operation and maintenance of computer systems in order to increase staff productivity and efficiency through improved information systems and services. The IT Department is also responsible for development, implementation, administration and maintenance of the County's enterprise systems. Currently, the County's main computer system provides high-speed internet access, data processing and support services to county staff. The IT department also administers the County's email and website. In FY11 the IT Department will continue to support the County Departments and Elected Offices as new facilities become operational and more advanced systems are implemented throughout the County.

GOALS

- **Overall Goal - Promote the development of an accountable, responsive local government with demonstrated efficiency and effectiveness.**

Long-term Goals - Beyond 2012

- Enhance current infrastructure to better serve all County Departments and Constitutional Offices with reliable, secure and accurate data.
- To plan, implement and maintain cost efficient computer software and hardware applications that can grow with the County's needs.

Medium-term Goals - 2010/2011

- Computer/Technology Recycling Event

Short-term Goals - 2010

- Coordinate and develop eGOV opportunities so that citizens are ensured timely access to County services and operations.
- Coordinate IT systems within new County complex.
- Develop and maintain current information on County website.
- Design and network a new computer lab from retired equipment to improve staff IT skills with onsite training opportunities.
- Create new intranet system between departments both on and off campus to provide greater information sharing.
- Expand remote access to offsite County offices for greater data sharing and greater efficiency.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 1240 Information Technology						
1 - Personnel	94,996	137,169	137,535	139,284	1,749	1%
2 - Operating	130,271	53,355	62,855	49,384	(13,471)	-21%
3 - Capital Outlay	(17,234)	0	18,000	0	(18,000)	-100%
Department Total: Information Technology	208,033	190,524	218,390	188,668	(29,722)	-14%

INFORMATION TECHNOLOGY (CONT.)

ACCOMPLISHMENTS

- Assisted in the move of several County departments and offices to the temporary office space in Machipongo. This required moving data and voice systems while maintaining connectivity to remote County offices
- Assisted in the move of the Court Services Unit in Eastville.
- Assisted in the implementation of a new Electronic Poll Book System at the Voter Registration Office.
- Began the transition to virtual servers for several critical systems in the Northampton County Sheriff's Office.
- Upgraded the core of the County's VoIP phone system.
- Upgraded the internal paging system at the Department of Social Services
- Upgraded the core network at the 911 center after lightning damage.
- Continued to expand the County's website for greater information sharing and easier navigation.

FUTURE ISSUES

The IT department will continue to expand data sharing ability between departments. During FY11 the department will assist in system design and installation for new and renovated County facilities. The department will continue to oversee and maintain County's data and voice networks and their infrastructure. The IT staff will further development of the County's intranet and website. With ever growing security threats the department will continue to monitor and increase the network security.

ELECTORAL BOARD

DESCRIPTION

This Department is composed of the Electoral Board, General Registrar, Deputy Registrar and Assistant Registrars, who are responsible for all aspects of voter registration and election administration in Northampton County. In addition, a Machine Custodian is charged with the responsibility of maintaining, testing and programming voting machines. The Electronic Pollbook custodian is charged with the responsibility of maintaining, testing and programming the electronic pollbooks.

The Northampton County Board of Elections is a bipartisan board responsible for ensuring uniformity, fairness, accuracy and purity in all elections held in Northampton County. This board promotes the proper administration of election laws, and campaign finance disclosure compliance. The Board is comprised of three members. The three members are appointed on a staggered term basis. This ensures that a majority of the board is familiar with election procedures and assures uniformity in the conduct of elections. Each member is appointed in February for a three-year term to begin on March 1 of that year. The term expires at midnight on the last day of February in the third year following appointment by the Circuit Court Judge. The Judge acts on the basis of nominations made by the political parties. Two electoral board members shall be of the political party which cast the highest number of votes for Governor in the last election.

The Electoral Board is further charged with the responsibility of appointing the General Registrar. The responsibility to appoint is accompanied by the responsibility for oversight of performance.

The Code of Virginia mandates that the Electoral Board meet in February and March of each year. In February of each year they review appointment of Officers of Election to serve for one year. Each appointee must be notified of appointment and complete qualifying documentation to be review by the Board. Each March the Board holds a reorganization meeting.

ELECTORAL BOARD (CONT.)

The Board is responsible for the training of Officers of Election and must insure that the polling places meet all handicapped accessibility standards. This is done by auditing polling places with organizations such as the Center for Independent Living. In addition, Board members must be available and visit the polling places throughout the day on Election Day to oversee the operations. The Board must ensure the security of the electoral process and develop plans to provide for continuity of operations. They are charged with developing and maintaining a security plan for all election materials and equipment to be filed with and approved by the State Board of Elections. In compliance with the Code of Virginia requirements, they must meet following each election to canvas votes and prepare abstracts. Annual State Board Training is mandatory. Although not mandated, attending workshops and the annual meeting of the Virginia Electoral Board Association is a valuable tool in obtaining the training and knowledge necessary to stay current with mandates from the State Board of Elections and law changes.

Salaries of the General Registrar and Board members are established by the General Assembly and are reimbursed to the locality by the State Compensation Board. Salary reimbursement may be as high as 100% of the actual expense.

The Office of the Electoral Board and General Registrar is committed to providing each citizen of Northampton County with the opportunity to exercise his or her right to vote in an efficient and equitable manner in accordance with the Constitutions of the United States and the Commonwealth of Virginia and the Code of Virginia.

The General Registrar is appointed by the Electoral Board. The General Registrar is charged with implementing procedures used to properly register voters, maintain voter registration records, maintain the registrar's office including establishing duties of assistant registrars and ensuring uniformity, fairness and legality of the registration process in Northampton County. The General Registrar is charged with developing and maintaining a Continuity of Operations Plan for the office. In addition, the registrar carries out State Board of Elections policies and duties delegated by the Electoral Board.

Because the Electoral Board does not maintain office hours on a daily basis, they delegate many duties to the General Registrar and her staff. These duties include but are not limited to checking petitions, accepting reports from candidates, keeping track of filings, corresponding with candidates, preparing reports for the State Board of Election and the processing of Absentee Ballots.

The job is multifaceted with varied duties. Attending mandatory State Board of Elections Training, District workshops, Certification Training and Association meetings provide training necessary to stay current with technology, laws and procedures. The office functions include document review, preparation of materials for the Officers of Election, preparation of election results, training of Officers of Election, and reviewing reports provided by the State Board before and after each election for accuracy. With the advent of the statewide computer system, we are now charged with the duty of creating many documents and reports formally supplied by the State Board.

In 2009 The Code of Virginia § 24.2-228.1 was amended to allow localities, with a population of 15,000 or less, to conduct Special elections to fill vacancies for constitutional offices at the next November election rather than at a date set by the court. Prior to this time Northampton County held Special Elections to fill the vacancy. One Special Election resulted in a turnout of 2%. Before 2000, all vacancies for constitutional offices were filled by judicial appointment.

Each Political Party has the option of conducting a Primary every June. Additionally, every four years there is the possibility of a February Presidential Primary in addition to a June Primary. Although, the state has helped to defray some costs of Presidential Primary Elections, legislation must be passed authorizing this expenditure and therefore cannot be guaranteed.

ELECTORAL BOARD (CONT.)

The General Registrar works closely with the town clerks. Northampton County has 5 incorporated towns wholly contained within its boundaries and a sixth town which is shared with Accomack County. Town elections are conducted in May of even numbered years. The number of voter registration applications and absentee ballot requests are a direct result of population growth and voter interest in each election. In addition, the number of elections and the number of candidates are some of the influences which cause cyclical fluctuations in the agency workload and expenses. Each candidate in a town election must file a Declaration of Candidacy and Certificate of Candidate Qualification with the General Registrar who in turn reviews each document and certifies their accuracy to the Electoral Board and State Board of Elections. The General Registrar also assists each candidate with requirements regarding advertising and finances. The Electoral Board is required to certify all local elections to the State Board of Elections and prepare abstracts to be retained permanently in the Electoral Board records for all elections.

The Registrars' office provides information on candidate requirements and works closely with the machine vendor and other suppliers of materials needed for the function of the office.

For each election the Electoral Board employs a Machine Custodian. The current Machine Custodian was trained by a representative of Sequoia Voting Systems and Atlantic Election Service.

The actual programming of the ballot cartridge is performed by Atlantic Election Service. The ballots must go through an approval process by the State Board of Elections. The machine cartridges must then be programmed for normal voting and for handicapped voting, with a verbal description of the process for voting on the machine in addition to the offices and names of the candidates for each election.

The function of the Custodian is to test and program the voting machines with the ballots that have been prepared by the voting machine vendor, Atlantic Election Service. A member of the Electoral Board is always present when the Custodian programs ballots and each party is notified as to the time and place this will occur. Independent candidates are notified as well.

The Machine Custodian is responsible for the delivery and pick up of the voting booths and voting machines. The voting booths are delivered to the polling places to be used in the event that a voter is unable to use the voting equipment. The custodian also delivers and picks up the signage to each polling place. At times, the assistance of the Public Works Department is required to accomplish this task. The cooperation between departments helps to minimize the cost of these tasks and to accomplish them in an efficient manner. On Election Day, the Custodian is on call from 5:00 a.m. until all machines have been closed and reports printed.

In the May 2010 Town Elections, the county will begin the transition from paper pollbooks to electronic pollbooks. With the use of Help America Vote monies, the county purchased electronic pollbooks. These are laptop computers, which have had all programming removed except for the pollbook program. The County Information and Technology (IT) Department assists in the maintenance, testing and programming of these units. The Registrar downloads the files from the State Board secure website on the Sunday before the election. These files must be incorporated into the Electronic Pollbook Program and with the assistance of the IT Department each laptop is tested and programmed for use at the polls.

ELECTORAL BOARD (CONT.)

GOALS

- **Organization-wide overall goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Short-term Goals - 2010

- Provide each citizen of Northampton County with the opportunity to exercise his or her right to vote in an efficient and equitable manner in accordance with the Constitutions of the United States, the Commonwealth of Virginia and the Code of Virginia.
- Work with County Attorney to obtain Justice Department approval for the relocation of the Voter Registration Office.
- Reorganize filing system in preparation for the office move.
- As a cost saving measure, post notices on the website vs. paid advertisements, where the law allows.
- Provide more links on County webpage to answer frequently requested information. This will make the website more useful to the public and will hopefully encourage the public to utilize the county website as a good source of information 24 hours a day

- **Overall Goal - Promote the development of an accountable, responsive local government with demonstrated efficiency and effectiveness.**

Long-term Goals - Beyond 2012

- Develop ways disseminate more information to the public and to educate the electorate and combat misinformation with accurate information.

Short-term Goals - 2010

- Develop motivational programs to encourage voter registration and greater participation by voters on Election Day.
- As mentioned above, departmental cooperation continues to provide efficient and effective government.
- Establish a program to provide an overview for prospective Officers of Election. Possibly a computer slideshow to explain the basic requirements to serve on Election Day.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 1301 Electoral Board						
1 - Personnel	85,897	87,934	87,949	87,541	(408)	0%
2 - Operating	34,838	29,419	33,743	33,743	0	0%
3 - Capital Outlay	0	0	0	0	0	
Department Total: Electoral Board	120,735	117,353	121,692	121,284	(408)	0%
Department: 1302 Re-Districting/Census						
2 - Operating	0	0	0	15,000	15,000	
Department Total: Re-Districting/Census	0	0	0	15,000	15,000	+++

ELECTORAL BOARD (CONT.)

SERVICE LEVELS

The new computer system implemented by the State Board of Elections does not provide the statistics needed to describe the total transactions that took place in this office this year.

Absentee balloting, for the November 2008 Presidential Election, resulted in the issuance of 1,142 Absentee Ballots of those 722 of the applicants applied for an absentee ballot in the office of the General Registrar and 665 voted on the voting equipment. Eighteen percent of the voters, in that election, voted by Absentee Ballot. We believe this is a foretaste of the minimum workload, should the legislature pass no excuse absentee voting, which is currently under consideration.

MEASUREMENTS

	<u>ACTUAL FY06</u>	<u>ACTUAL FY07</u>	<u>ACTUAL FY08</u>	<u>ACTUAL FY09</u>
ELECTION MEASUREMENTS				
Indicator:				
Polling places that are handicapped accessible by state standards	6	6 + CAP	*6 + CAP	6+ CAP
Polling places that are in compliance with HAVA (voting machine)	6	6 + CAP	*6 + CAP	6+ CAP
Polling places that are in compliance with regard to size	6	6 + CAP	*6 + CAP	6+ CAP
Percentage of average November voter turn out	41%	50%	72%	44%
Outcome:				
Registered Voters (November election)	8540	8621	9117	8997
Machines/precinct	3	3	3 or 4	3 or 4
Machine in Central Absentee Precinct	1			
Officer/precinct	6 + 3 CAP	7 + 3 at CAP	9 + 5 at CAP	7 + 3 at CAP

ACCOMPLISHMENTS

- Campaign Finance forms and the E-filing program, located on the State Board of Elections website, were downloaded and made available for candidates. Assistance was provided to prospective candidates for the November 2009 election.
- The Electoral Board continued to enhance voter outreach and education programs by demonstrating electronic voting machines to organizations servicing those with disabilities.
- Continued cooperation with the Code Compliance Department has enabled us to keep our maps current and our street file records accurate. A mandatory requirement in insuring the voter is registered at the correct address.

ELECTORAL BOARD (CONT.)

- Each year we contact the High Schools to request they allow us to provide their students with the opportunity to register to vote.
- The reorganization of the office space, prior to the Presidential Election, proved to be the correct decision. It enabled the additional staff and volunteers needed to accommodate the 772 voters, who came to the office to vote, to perform the function efficiently. This reorganization provided us with the data and first hand experience in the effective use of office space to accommodate traffic flow during our peak times.
- We receive many positive comments from the public regarding efficiency and quality of service. Following the 2008 Presidential Election, we received a letter containing positive comments from the lawyer coordinating an effort called "Protect the Vote" regarding the good quality of the election process in our county. The county Board of Supervisors presented our office with a Resolution of Commendation, at a board meeting in January 2009.
- The implementation of the Virginia Election and Registration Information System (VERIS) by the State Board of Election created many challenges for everyone throughout the state. The General Registrar ended her term of 3 years as a member of a 4 person team, selected by the registrars, to work with the State Board of Elections in identifying needs and solutions to improvements of the statewide computer system.
- The General Registrar and her Deputy served as part of a Retention Workgroup. The Library of Virginia requested the assistance of registrars knowledgeable of the current retention schedule. Their desire was to update the schedule by listing items that were omitted, updating those items which have undergone a document name change or have become obsolete. In addition, now that many documents are available electronically, they wanted to make the retention schedule applicable to the needs of the public.
- The Office of the General Registrar has worked with the United States Postal Service, District Office to correct inaccurate Northampton County street addresses in their data base.

FUTURE ISSUES

Voter outreach will continue to be needed with regard to the use of the electronic voting equipment. It is the department's desire to further develop a public information program to encourage registration and voting. The General Registrar and her staff are available to speak to organizations and groups and willing to train them in the completion of the Voter Registration Application. Training to organizations and groups is also available on Absentee Ballot requirements.

Again this year, bills have been introduced regarding "Early and "No Excuse" Absentee Voting. If any of these bills pass, they will impact our budget by increasing our staffing needs.

Population shifts and redistricting changes, along with an increase in Absentee and Early voters may necessitate the purchase of additional voting machines and possibly replacing the paper ballots used in absentee voting to an optical scan ballot. This would require the purchase of a minimum of 2 optical scan machines for the Central Absentee Precinct (CAP).

The General Registrar continues her work as a team member of those selected to assist in testing the Virginia Election and Registration Information System (VERIS). This work has been vital in improving the operation of the system.

ELECTORAL BOARD (CONT.)

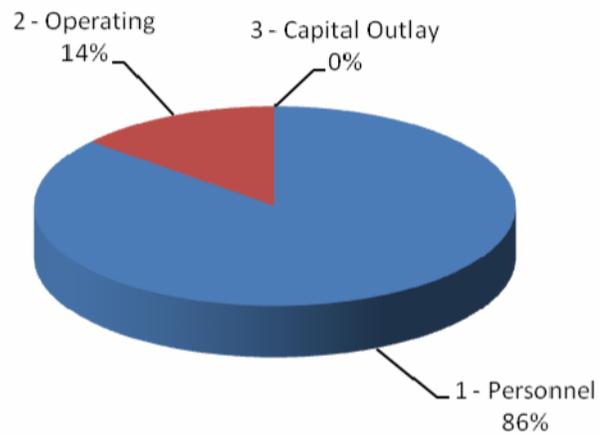
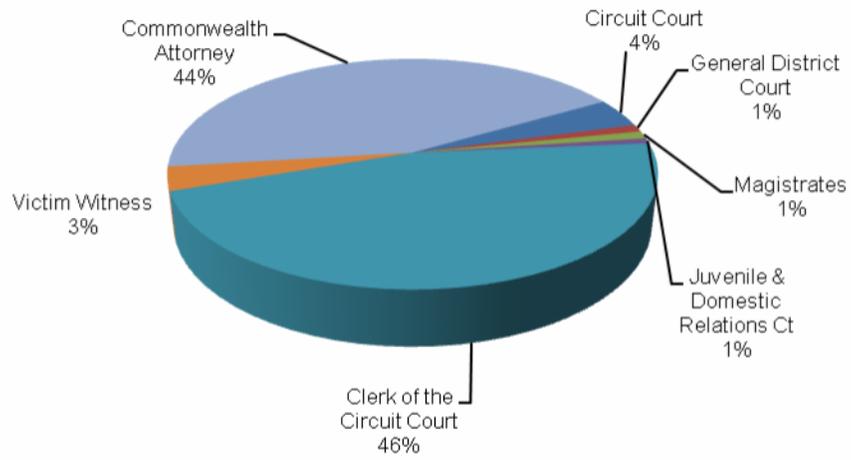
It is anticipated that the department will be moving to new offices in 2011. This move will require Justice Department approval and the mailing out of voter cards to all registered voters. These things will have to be accomplished within the timeline required by law regarding moving and mailing notices to all registered voters.

Redistricting in 2011 will require us to revise the street data base in the VERIS computer system. We submit requests for updated maps from the county and will require a Justice Department submission. Voter cards are mandated to be mailed to all affected voters. In addition, the possibility of relocating polling places will require the same actions listed above. It is hoped that the Board of Supervisors will hire an outside firm to expedite the drawing of district lines to possibly avoid the expense of a Special Election.

COUNTY OF NORTHAMPTON, VIRGINIA

Judicial Administration – All Funds

\$588,107



Judicial Administration – All Funds

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Circuit Court	29,256	24,137	27,592	24,432	(3,160)	-11%
General District Court	6,557	6,318	6,057	5,952	(105)	-2%
Magistrates	10,421	10,460	9,814	6,203	(3,611)	-37%
Juvenile & Domestic Relations Ct	4,597	5,081	4,797	4,516	(281)	-6%
Clerk of the Circuit Court	505,205	382,475	274,300	270,860	(3,440)	-1%
Victim Witness	19,173	17,836	19,632	19,630	(2)	0%
Commonwealth Attorney	249,080	256,466	259,826	256,514	(3,312)	-1%
Total - Judicial Administration	824,290	702,773	602,018	588,107	(13,911)	-2%

CIRCUIT COURT

DESCRIPTION

The Circuit Court is a trial court of general jurisdiction that has authority to try both civil and criminal cases. The Supreme Court of Virginia establishes the rules of practice and procedures for the Circuit Court. The Circuit Court Judge is appointed to an eight-year term by the General Assembly. The Circuit Court has appellate jurisdiction over all appeals from the General District Court and Juvenile and Domestic Relations Court. A final judgment of the Circuit Court may be appealed to the Virginia Court of Appeals or the Supreme Court of Virginia, depending on the nature of the case.

GOALS

- **Organization-wide overall goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- To hear and determine criminal and civil cases, suits, and causes filed in the Northampton County Circuit Court, with the objective of administering justice to those coming before the court in a fair and expeditious manner pursuant to applicable state and federal law.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 2101 Circuit Court						
2 - Operating	29,256	24,137	27,592	24,432	(3,160)	-11%
Department Total: Circuit Court	29,256	24,137	27,592	24,432	(3,160)	-11%

GENERAL DISTRICT COURT

DESCRIPTION

The General District Court of Northampton County is responsible for processing traffic tickets, criminal and civil warrants, receiving and processing payments and preparing court dockets. In addition, the office provides assistance to the Judge as well as to the public. The Court holds session two days a week in the Northampton County Court House.

GOALS

- **Organization-wide overall goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- To maintain a high level of service to the public as well as other agencies who do business with the Court system.

GENERAL DISTRICT COURT (CONT.)

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 2102 General District Court 2 - Operating	6,557	6,318	6,057	5,952	(105)	-2%
Department Total: General District Court	6,557	6,318	6,057	5,952	(105)	-2%

MAGISTRATES

DESCRIPTION

The Office of the Magistrate is an integral part of Virginia's Judicial System. Magistrates are sworn judicial officers who undergo extensive training with the Chief Magistrate in their respective office location and also at the Supreme Court of Virginia. Each Magistrate must pass a comprehensive certification examination administered by the Supreme Court of Virginia and must be certified within six months of appointment. Subsequently, Magistrates must participate in two Continuing Legal Education conferences each year in order to qualify for reappointment.

The Commonwealth of Virginia funds salary and training expenses of the office. As judicial officers, Magistrates are vested with the authority to administer sworn oaths and to take acknowledgements; to conduct probable cause hearings and determine the existence of sufficient probable cause in order to issue a summons, arrest warrant or search warrant; to conduct bail determination hearings and admit to bail or commit to jail all persons charged with criminal offenses; to issue emergency protective orders, emergency custody orders, and temporary detention orders. Magistrates are empowered to act as Conservators of the Peace and perform numerous other duties for the citizens of the Commonwealth. Magistrates must be available twenty-four hours a day, three hundred sixty-five days a year to all law enforcement officers, other government agencies, and the general public. The Code of Virginia states that the respective counties must provide the facility, furniture and equipment necessary for the efficient operation of the office as well as providing convenient access to the public and law enforcement officers. A Chief Magistrate and four Magistrates are responsible for performing all duties incumbent upon the Office of the Magistrate in the Second-A Judicial District.

GOALS

- **Organization-wide overall goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Short-term Goals - 2010

- Develop a financial plan to maintain and improve our ability to deliver magistrate services, which enhance the County by providing an improved quality of life and safe living environment for our citizens.
- Maintain superior standards of ethical conduct, that the integrity and independence of the judicial system will be preserved.
- Perform the duties of the Office impartially, diligently and without bias of any kind.
- Be accountable to the County for expending no more than the budget granted and use good stewardship in the use of the facility and equipment.

MAGISTRATES (CONT.)

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 2103 Magistrates						
1 - Personnel	1,190	9,578	5,764	3,978	(1,786)	-31%
2 - Operating	9,231	882	4,050	2,225	(1,825)	-45%
Department Total: Magistrates	10,421	10,460	9,814	6,203	(3,611)	-37%

ACCOMPLISHMENTS

Numerous programming upgrades to the video-teleconferencing system continue to enable us to become more efficient and effective in delivering magistrate services to our citizens, law enforcement and other governmental agencies. We have also had our video-teleconferencing hardware replaced in Accomack and Northampton Counties this year. This new state-of-the-art equipment is more intuitive and more forgiving of telephone line errors. Connectivity is instantaneous with advanced audio and video capabilities. We continue to improve our office systems to become more efficient and we have revised our scheduling to allow for additional office coverage.

JUVENILE AND DOMESTIC COURT

DESCRIPTION

The Juvenile and Domestic Relations District Court is responsible for processing all petitions, motions and traffic summonses coming before the Court against juveniles. It also has the responsibility of processing all criminal warrants against adults for crimes committed against their spouse, boyfriend, girlfriend and parties who have children together. In addition, the office is responsible for processing petitions for child and spousal support and petitions for protective orders.

The Court's Clerk assists the Judge, in court, during trials and hearings, prepares and distributes dockets, subpoenas, notices, summonses, orders and the collection of Court fines and costs. Court is held 2-3 days per week, however, the Court Clerk's office is open five days per week.

GOALS

- **Organization-wide overall goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- To maintain the highest level of service to the public as possible.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 2104 Juvenile & Domestic Relations Ct						
2 - Operating	4,597	5,081	4,797	4,516	(281)	-6%
Department Total: Juvenile & Domestic Relations Ct	4,597	5,081	4,797	4,516	(281)	-6%

CLERK OF THE CIRCUIT COURT

DESCRIPTION

The Circuit Court Clerk is an elected official for a term of eight years, responsible for administration of the Northampton County Circuit Court through a variety of judicial, non-judicial and fiscal activities. Judicial functions include processing all criminal and civil cases coming before the Court, providing staff to the Judge during all trials and hearings. In addition, the Clerk's staff prepares records, maintains court orders, subpoenas and pleadings, and manages the Court's docket and juries. Non-judicial functions of the Clerk's office include admitting or denying wills to probate, qualifying executors and guardians, and recording all land records, deeds, powers of attorney and real estate transactions. The office also processes and records judgments, financing statements, marriage licenses, passports and concealed weapons permits, and handles a variety of appointments.

Fiscal responsibilities of the Clerk include, but are not limited to, investing and maintaining Trust and Condemnation funds; collecting court costs and fines related to criminal and civil actions, fiduciary matters, real estate transfer fees, recording taxes and any other fees authorized by statute. The Clerk is also the general receiver for funds collected by the General District and Juvenile & Domestic Relations Courts, and is responsible for disbursement of all funds to the State Treasury, the County Treasurer and to Treasurers of Incorporated Towns within the county.

GOALS

- Organization-wide overall goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.

Long-term Goals - Beyond 2012

- The Clerk's goal is to provide outstanding public service in a secure and efficient atmosphere, while keeping revenues on the incline and daily operations promptly executed by well trained Deputies demonstrating knowledge, loyalty and vision.
- To maintain an office of good moral character that is highly respected within the community.

Short-term Goals - 2010

- Departmental short-term goal - To provide maintenance of court related records.
- Departmental short-term goal - To be found in complete compliance of duties authorized by the Code of Virginia and the laws and ordinances of the County of Northampton.

- Organization-wide overall goal - Promote the development of an accountable, responsive local government with demonstrated efficiency and effectiveness.

Long-term Goals - Beyond 2012

- To properly and efficiently provide non-judicial services to the general public.

Short-term Goals - 2010

- To provide attorneys and the public with an effective means of recording and accessing information related to the County's land records.

CLERK OF THE CIRCUIT COURT (CONT.)

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 2106 Clerk of the Circuit Court						
1 - Personnel	294,521	257,694	233,014	233,074	60	0%
2 - Operating	210,684	124,781	41,286	37,786	(3,500)	-8%
3 - Capital Outlay	0	0	0	0	0	
Department Total: Clerk of the Circuit Court	505,205	382,475	274,300	270,860	(3,440)	-1%

SERVICE LEVELS

MEASUREMENTS

<i>Workload:</i>	(Actual) <u>FY 04</u>	(Actual) <u>FY 05</u>	(Actual) <u>FY 06</u>	(Actual) <u>FY07</u>	(Actual) <u>FY08</u>
Criminal Cases Commenced	387	379	477	432	539
Law Cases Commenced	217	188	235	361	599
Wills/Estates Initiated	150	210	113	93	261
Judgments/Admin Liens/Notices	1258	1013	1217	1472	1171
Deeds Recorded	4607	4649	3560	3320	2769
Financing Statements	89	113	44	30	51
Fictitious Names	47	56	55	54	45
Marriage Licenses	94	114	86	67	95
Notary Qualified	60	78	42	65	36
Concealed Hand Gun Permits Issued	37	28	29	70	95
Passports	118	126	208	196	224
Restitution	N/A	N/A	53	200	161

FUTURE ISSUES

Future issues for FY11 will focus on the much needed restoration of the plats and plat storage.

VICTIM/WITNESS PROGRAM

DESCRIPTION

The Northampton County Victim/Witness Assistance Program provides services to victims and witnesses of crime as required by the Federal Victims of Crime Act and Virginia's Crime Victim and Witness Rights Act. The program currently employs one part-time program director. Funding is provided by the Virginia Department of Criminal Justice and is based in part on the number of victims served.

GOALS

➤ **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- To effectively offer support, advocacy and information to the victims and witnesses of crime by providing guidance and emotional support throughout the judicial process as well as education in the areas of financial assistance and personal security as required by law.
- To aid the maximum number of victims and witnesses of crime in Northampton County by ensuring that their rights are protected and that they are aware of their responsibilities under the law.

Short-term Goals - 2010

- To provide the Department of Criminal Justice Services with a Quarterly Progress Report specifying, in statistical and narrative form, each of the 32 services offered to each victim as well as other accomplishments of the Northampton County Victim/Witness Program.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 2107 Victim Witness						
1 - Personnel	18,322	13,257	19,632	19,630	(2)	0%
2 - Operating	851	4,579	0	0	0	
Department Total: Victim Witness	19,173	17,836	19,632	19,630	(2)	0%

SERVICE LEVELS/MEASUREMENTS

Workload (Annual Target per DCJS = 104):

	Actual FY 05	Actual FY 06	Actual FY 07	Actual FY08	Actual FY 09
Victims served	93	103	105	83	152

FUTURE ISSUES

The program continues to improve efficiencies in operation in order to increase both the number of victims served and the quality of services offered while continuing to function on the same part-time basis.

COMMONWEALTH ATTORNEY

DESCRIPTION

The Commonwealth Attorney is an elected Constitutional Officer whose term is four years. This office is responsible for providing the Commonwealth of Virginia with legal representation in the form of prosecution of all criminal cases in the General District Court, Circuit Court and Juvenile and Domestic Relations Courts, plus handling many civil penalties and forfeitures. Legal advice is provided for many law enforcement agencies and officers. Revenue is received from the State Compensation Board to defray the costs of the office. Beginning with FY06, the budget includes funding for an Assistant Commonwealth Attorney. The Compensation Board reimburses the County for the majority of the expenses associated with this position.

GOALS

- **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- The Commonwealth Attorney's goal is to discharge his responsibilities competently and efficiently.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 2201 Commonwealth Attorney						
1 - Personnel	241,129	249,053	253,114	250,134	(2,980)	-1%
2 - Operating	7,951	7,412	6,712	6,380	(332)	-5%
3 - Capital Outlay	0	0	0	0	0	
Department Total: Commonwealth Attorney	249,080	256,466	259,826	256,514	(3,312)	-1%

FUTURE ISSUES

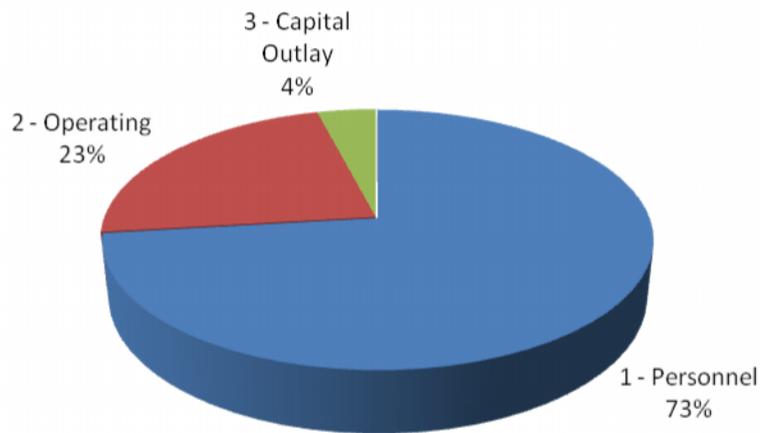
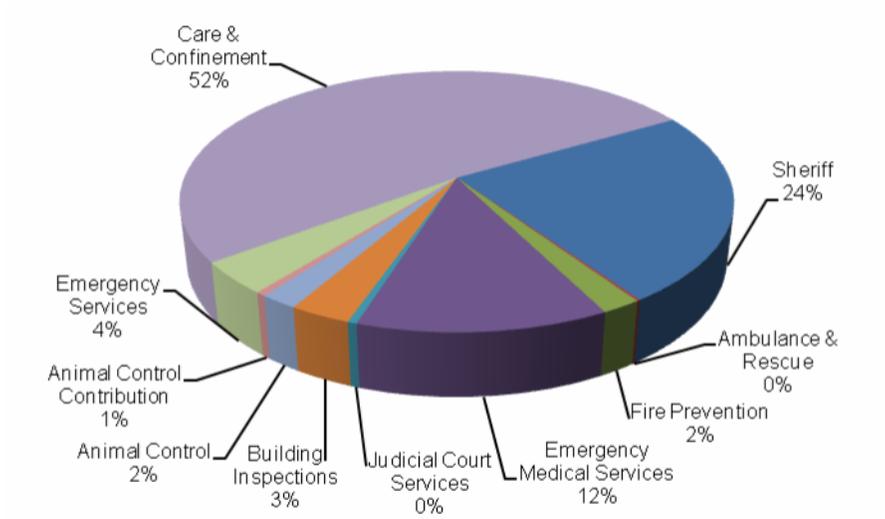
Funds received from the Compensation Board are not sufficient to compensate part-time secretarial help even to the extent necessary to provide such help when the single full-time secretary/administrator employee is on vacation to which she is entitled.

THIS PAGE LEFT BLANK INTENTIONALLY

COUNTY OF NORTHAMPTON, VIRGINIA

Public Safety – All Funds

\$6,677,307



Public Safety – All Funds

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Sheriff	1,645,696	1,697,984	1,762,141	1,581,557	(180,584)	-10%
Ambulance & Rescue	10,510	19,393	11,605	11,148	(457)	-4%
Fire Prevention	131,662	140,480	135,044	131,044	(4,000)	-3%
Emergency Medical Services	548,759	587,557	660,689	829,474	168,785	26%
Judicial Court Services	56,718	25,284	45,270	30,500	(14,770)	-33%
Building Inspections	196,718	203,524	200,087	203,022	2,935	1%
Animal Control	121,541	87,405	96,542	125,916	29,374	30%
Animal Control Contribution	33,073	23,573	30,935	33,282	2,347	8%
Emergency Services	263,582	239,829	219,946	266,006	46,060	21%
Care & Confinement	3,230,128	3,347,871	3,406,555	3,465,358	58,803	2%
Total - Public Safety	6,238,385	6,372,900	6,568,814	6,677,307	108,493	2%

SHERIFF

DESCRIPTION

The Sheriff is a Constitutional Officer of the Commonwealth of Virginia and is elected by the citizens of Northampton County to serve as their chief law enforcement officer. To discharge this duty, he is empowered by the Code of Virginia to appoint deputies and civilian staff to affect his charges. The Sheriff's Office is comprised of law enforcement and the county jail. The law enforcement division, as described here, is the single largest unit in the Sheriff's Office.

The role of law enforcement is varied and covers a broad spectrum of activities. Typical tasks include preventive patrol, responding to calls from citizens, detection and arrest of suspected offenders, traffic management and traffic safety, criminal investigations, reducing drug related crimes, and serving of civil process. The civil process portion includes delivery of all warrants, subpoenas, summons, bills of complaint, motion for judgments, levies and other such notices. The Animal Control Deputies came under the supervision of the Sheriff on July 1, 2004. This unit is comprised of two law enforcement officers. The Sheriff's Office dispatches for all county deputies, the Town of Exmore, the Town of Eastville and the Town of Cape Charles. They also relay messages to Virginia Marine Resources, Game Wardens, and the Kiptopeke State Park rangers.

The Sheriff's Office law enforcement division has a full time staff of 26 which includes the Sheriff, Deputies, Investigators, School Resource Officer, Communication Officers, Animal Control Officers, three courthouse security deputy sheriffs, and one Administrative Staff Specialist. Northampton County Sheriff's Office has only one deputy in the School Resource Officer Program for fiscal year 2010. This decrease from three School Resource Officers to only one School Resource Officer was the decision of the Northampton County School Administration.

The Sheriff's Office offers a Senior Outreach Program for any citizen of the County. This program was especially designed for the shut-in or elderly citizens of the County. The citizens have the choice of calling into the Communication Officer or being called one time during the day. If no contact is made, then a deputy is dispatched to check on the citizen along with calling their contact person. This provides a sense of security to those citizens. The program currently has over 40 citizens participating.

Northampton County Sheriff's Office periodically receives grants from both federal and state governments for specific law enforcement programs and activities.

In fiscal year 09, the Sheriff's Office received 4 grants.

- Federal Stimulus Grant – This grant is for a three period and was in the amount of \$17,250.00. This grant will be used to pay the air card service for the mobile laptops units in their patrol vehicles. The mobile units and the software were all purchased on previous grants. Without these grant funds, the Sheriff's Office would not be able to maintain the air card service as the county deleted this item from our current operating budget. The air card service is around \$520.00 per month.
- Department of Motor Vehicle Grants - There were two DMV grants due to the end date of the grant, two fall within the fiscal year. The first DMV grant which started on October 1, 2008 and will end on September 30, 2009, was in the amount of \$25,225.00. Funds needed to match were \$5,150.00 which came from the purchase of gasoline for the patrol vehicles. Overtime funds on this grant are \$20,000.00. Equipment purchased included one laser radar unit and one Eagle radar unit in the amount of \$5,225.00. All traffic fines collected from the overtime hours by the deputies goes to the county as revenue.

SHERIFF (CONT.)

- The second DMV grant was for \$24,925.00. The grant started on October 1, 2009 and will end on September 30, 2010. The match from the county was \$7225.00 which came from purchase of gasoline. \$20,000.00 was used for overtime for the deputies to do speed enforcement in the county. Equipment purchased with the \$4,925.00 was personal cameras and led power flare kits. All traffic fines collected from the overtime hours by the deputies goes to the county as revenue.
- Department of Criminal Justice Byrne Justice Assistance Grant - This grant was awarded to Northampton County Sheriff's Office in the amount of \$1,816.00 with the county provided a match of \$202.00. Items purchased through this grant included external flashes, compact flash cards, and rechargeable batteries for the investigator's cameras; a weather station along with the weather link which provided weather information directly into the Sheriff's Office; loading ramps for the ATV's and some safety and crime prevention products to be used during safety talks and demos in the schools. This grant has been completed.
- U.S. Department of Justice, Office of Community Oriented Policing Services – This grant is in the amount of \$40,000.00. The Sheriff's Office is in the process of receiving bids to replace the dispatch console. The current console was purchased through a grant about 10 years ago and has been hit by lightning several times. Motorola no longer manufactures the console we presently have and does not have parts for the console. The time frame for this grant is three years to be completed by March 10, 2012.
- United States Department of Agriculture/Rural Development – This grant in the amount of \$15,325.00 is for the purchase and training of a new tracking K-9 for Northampton County Sheriff's Office. The current tracking dog, Storm, has reached his limits and abilities to perform. It is time for his retirement. This grant will allow the Sheriff's Office to continue to have a K-9 unit. The funds will be used to purchase the canine, training for canine and officer, kennel, run, and equipment needed.

Without grants like those listed above, Northampton County Sheriff's Office would not be able to purchase much of the equipment which we currently have on the patrol vehicles. All of this equipment is used to provide a better way of life and safety for all of the citizens of Northampton County.

GOALS

- **Organization-wide overall goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- Support the citizens in the pursuit of their freedoms, rights and privileges as guaranteed by the Bill of Rights and the Constitution of the United States by enforcing the law, codes and statutes of the United States, the Commonwealth of Virginia and the County of Northampton.
- Use whatever resources are available in as fiscally prudent a manner as possible to provide for the areas of responsibility of the Sheriff's Office.

SHERIFF (CONT.)

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 3102 Sheriff						
1 - Personnel	1,209,834	1,275,163	1,348,585	1,264,161	(84,424)	-6%
2 - Operating	299,277	309,740	278,999	236,026	(42,973)	-15%
3 - Capital Outlay	136,585	113,081	134,557	81,370	(53,187)	-40%
Department Total: Sheriff	1,645,696	1,697,984	1,762,141	1,581,557	(180,584)	-10%

SERVICE LEVELS

MEASUREMENTS

	(Actual) <u>2005</u>	(Actual) <u>2006</u>	(Actual) <u>2007</u>	(Actual) <u>2008</u>	(Actual) <u>2009</u>
<i>Workload:</i>					
Calls for Service	2067	2011	2397	3384	3372
Arrests made	682*	1036*	799*	977	838
Traffic Summons	983	1416	2382	1777	2177
Civil Process	6395	5377**	4889**	4266**	4597**
Court Days (3 courts)	316	299	304	304	312

* Note the reduction in arrests made is due to change in programs for law enforcement stats. One program added traffic into arrests made and the new one does not.

** A citizen of Northampton County has started a civil process business and has undercut the Sheriff's fees in order to obtain business. That plus the fact that Riverside Memorial Hospital contracts with a law firm in the Tidewater area to do their civil process and they use a private process server from the Tidewater area. It would greatly help the Sheriff's Office if the local hospital would again allow the Sheriff's Office to serve their civil process.

ACCOMPLISHMENTS

In September of 2008, the Northampton County Sheriff's Office moved into a newly remodeled building which had been classified as the Temporary Housing Unit. When the Sheriff's Office moved, the communications center for the Sheriff's Office also moved into the building. In addition to space for the Sheriff, Major, administrative staff, communications officers and supervisor, deputies, and investigators, there are two conference rooms. The larger of the conference rooms has been designed so that it can also function as office space for the Emergency Operations Center in a disaster situation.

AMBULANCE AND RESCUE

DESCRIPTION

The Northampton County approved budget includes a contribution to the Eastern Shore Medical Services Council, which is a pass through of the Four-For-Life funds distributed by the Virginia Department of Health, Office of Emergency Medical Services. Historically the County also made contributions to the local rescue squads located in individual towns within the County. These contributions were discontinued after FY03 at the local rescue squads' request. These funds are used instead by the Northampton County Department of EMS to provide holiday assistance (staff) to those agencies.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 3203 Ambulance & Rescue						
2 - Operating	10,510	19,393	11,605	11,148	(457)	-4%
Department Total: Ambulance & Rescue	10,510	19,393	11,605	11,148	(457)	-4%

FIRE PREVENTION & DETECTION

DESCRIPTION

Northampton County does not operate a paid fire department but contributes annually to each of the local volunteer fire departments located in individual towns within the County. The County contributes to fire departments in Nassawadox, Eastville, Exmore, Cape Charles, and Cheriton. There is also an annual contribution to the VA Dept. of Forestry and contributions for a regional fire training center located in Accomack County.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 3204 Fire Prevention						
2 - Operating	131,662	140,480	135,044	131,044	(4,000)	-3%
3 - Capital Outlay	0	0	0	0	0	
Department Total: Fire Prevention	131,662	140,480	135,044	131,044	(4,000)	-3%

EMERGENCY MEDICAL SERVICES

DESCRIPTION

The Northampton County Department of Emergency Medical Services (EMS) currently employs, ten (10) full-time providers, ten (10) part-time providers of various levels of certification, from Basic Emergency Medical Technician to Paramedic. Among these employees is an established chain of authority, which includes an EMS Director/Chief, EMS Captain and 3 EMS Lieutenants. These officers share responsibilities as the Infectious Disease Designated Officer, Human Resource Officer, Safety and Health Officer, Training Officer, Public Information Officer, and Privacy Officer.

The department provides the following two types of coverage:

- The first is 6am to 6pm Monday through Friday, consistently staffing two (2) ambulances, one in the south at Cape Charles Rescue Service and one in the north at Community Fire Company.
- The second is Advanced Life Support (ALS) zone coverage on nights, weekends and holidays. Our quick response vehicle, typically staffed with an Intermediate or Paramedic, answers any call dispatched in Northampton County. This ALS provider assists both volunteer and other career staff as necessary.

The Mission of the Northampton County Department of EMS is to supplement the volunteer rescue squads with advanced life support providers who are able to reduce response time and deliver the highest quality emergency care to those in need. In addition, through leadership and goals facilitate cooperation, planning and implementation within and between the rescue squads and fire departments.

GOALS

- **Organization-wide Overall goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- Restructuring EMS System
- Update Hurricane Preparedness Plan
- To promote a business-friendly environment through enhancement of public safety specific to Fire/EMS by ensuring 24 hour / 7 day a week EMS and fire coverage through promotion, enhancement and recognition of our existing volunteer organizations.

Short-term Goals - 2010

- Facilitate monthly Northampton County Fire/Rescue Commission Meetings.
- Facilitate as needed EMS Station Liaison Meetings.
- Recruitment and retention of volunteer EMS providers/workers county-wide.
- Strive to meet the 20 minute "Responding Interval Standard" (currently 20 minutes, per the "Local Emergency Response Plan), for all calls, through the movement of units and/or personnel to strategic locations.
- Consistently provide Intermediate/Paramedic level care county-wide, 24/7, by staffing ALS Zone, 24/7.
- Staff one ambulance nights, weekends & holidays as a supplement to volunteer agencies; guaranteeing an available ambulance to answer calls should a volunteer ambulance be unable to respond during the established "unit mobilization interval" (currently 8 minutes, per the "Local Emergency Response Plan"), while continuing to staff two other ambulances 12 hours, 5 days a week.

EMERGENCY MEDICAL SERVICES (CONT.)

- **Organization-wide Overall goal - Maintain a Capital Improvement Program to address capital expenditures for infrastructure and required services.**

Short-term Goals - 2010

- EMS location – purchase existing site or relocate to former middle school

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 3205 Emergency Medical Services						
1 - Personnel	507,820	544,156	598,484	608,373	9,889	2%
2 - Operating	40,908	43,296	62,205	56,895	(5,310)	-9%
3 - Capital Outlay	31	105	0	164,206	164,206	
Department Total: Emergency Medical Services	548,759	587,557	660,689	829,474	168,785	26%

SERVICE LEVELS

MEASUREMENTS

	Actual <u>2006</u>	Actual <u>2007</u>	Actual <u>2008</u>	Actual <u>2009</u>
Workload:				
# of EMS Dispatched Calls	2,066	2169	2439	2572
# NCEMS Responded To	1914	2101	2365	2409
# NCEMS Provided Essential Personnel	1433	1507	1819	1865
# NCEMS ALS Transports	613	622	733	727
# NCEMS BLS Transports	456	473	525	610
# NCEMS Medical Assist Calls	481	657	546	544
# of NCEMS hours of in-house EMS training	48	30	32	32
# of NCEMS Working Cardiac Arrests	13	21	13	14
# of NCEMS Patients Defibrillated	5	4	3	3
Efficiency:				
Average DAY RESPONSE Time	N/A	9.17	9.85	10.46
Average NIGHT/WEEKEND/HOLIDAY RESPONSE Time	N/A	14.11	14.42	14.82
Average Drive Time	N/A	7.02	6.55	6.89
Average "Out the Door" Time	N/A	4.93	6.18	6.35
Average Time Spent at Hospital	N/A	31.68	35.08	33.00
Average Call Completion Time	N/A	59.15	76.95	75.18
Out the Dorr time = time from alert to responding				
Drive time = time from responding to on scene				
Response time = time of alert to on scene				

EMERGENCY MEDICAL SERVICES (CONT.)

Service Quality:

# of EMS Charts requiring follow-up action	263	353	N/A	N/A
total # of career man hours provided	17772	17820	17837	17837
# of part-time manhours	4128	4939	4986	5340
# of holiday overtime hours	430	281	268	184
Percentage of DAY Calls, ambulance on scene in 20 mins.	N/A	96%	95%	93%
Percentage of NIGHT/WEEKEND/HOLIDAY Calls, ambulance on scene in 20 mins.	N/A	88%	87%	87%
# of EMS Certified Providers at end of year	57	31	N/A	N/A

ACCOMPLISHMENTS

- Strategically located an office in the Machipongo area;
 - Established NCEMS office at 13294 Lankford Highway on 01/01/2003.
 - NCEMS office located halfway between Community Fire Company and Cape Charles Rescue.
 - NCEMS Office serves as home base for mid-county zone response vehicle/ALS provider.
 - NCEMS provides office space for EMS Director, desk space for officers and employees, area for bi-monthly staff training and monthly staff meetings, bunk facilities, kitchenette, shower and lounge.
- Established ALS zone response on nights, weekends and holidays to supplement volunteer staffing, September 2003.
- Currently meeting established 20 minute "Responding Interval Standard", 90% of the time, as set forth by the "Local Emergency Response Plan", adopted February 2003.
- Implemented web-based EMS Charting System, including extensive chart review process for QA/QI program, March 2004.
- New salaries set July 1, 2005, enabling us to be more competitive, and allowing us to better retain current employees and recruit qualified providers.
- Established NCEMS volunteer program, July 2005.
- All employees completed NIMS700 training in December 2005.
- Gathering useful statistical information.
- Providing NCEMS personnel on nearly 70% of the calls in Northampton County.
- Emergency Generator installed at NCEMS office, bringing us to having generated power at all the stations we currently staff (Cape Charles Rescue, Machipongo Station and Community Fire Company).
- Purchased a new 2007 Dodge Durango to serve as our primary ALS Quick Response vehicle. With the acquisition of a Sheriff's Department radio and SURGE radio, the 2004 Chevrolet Tahoe will be able to function primarily as an incident command vehicle, while serving as a back-up Quick Response vehicle. Both are up and functional.

FUTURE ISSUES

- Significant need for garage facility to house vehicles and equipment, due to outside temperature extremes and safety of ingress and egress by EMS providers.
- Continual increase in call volume (demand) and continual decline in volunteers (resources), thus forcing Northampton County to further increase career staff.

JUDICIAL COURT SERVICES

DESCRIPTION

The 2A District Juvenile and Domestic Relations Court Service Unit represent the Community Services Division of the Virginia Department of Juvenile Justice. This Unit is comprised of one Director, one Supervisor, one Senior Intake Officer, five Probation and Parole Officers, one VJCCCA Grant Outreach Officer and three secretaries, for a total of twelve full time employees.

This Court Service Unit is responsible for the following activities, services, and duties:

- 1) Magisterial type duties (during normal work hours) for the issuance of juvenile petitions for acts of criminality committed by individuals under the age of eighteen.
- 2) On-call responsibility, outside of normal work hours, seven (7) days a week/ 365 days a year, to all Law Enforcement officers that request assistance and/or the detention of delinquent youth.
- 3) Court Service Unit staff is available during normal work hours for the issuance of petitions relating to custody, visitation, child abuse/neglect, family abuse, child support, spousal support, and all other matters regarding juvenile and domestic relations issues for the citizens of Northampton County.
- 4) Monitoring and supervision of those juveniles placed on probation by the Judge of the 2A District Juvenile Court. In addition, youth placed on probation or parole by Courts outside of the Commonwealth, who move to this community, are supervised and monitored by the 2A District Court Service Unit.
- 5) Monitoring and supervision of those juveniles placed on probation via diversion contracts entered into by juveniles, victims and law enforcement officials.
- 6) Monitoring and supervision of those juveniles placed on parole by the Virginia Department of Juvenile Justice following their placement in secure facilities in the Commonwealth.
- 7) Monitoring and supervision of those juveniles found to be involved in truancy and/or runaway behavior.
- 8) Court Service Unit staff provides drug testing services to the Juvenile and Domestic Relations Court for all youth and adults appearing before the Court when such services are requested.
- 9) Court Service Unit staff provides curfew, house arrest, and electronic monitoring enforcement 24 hours a day, 7 days a week as required by the Court.
- 10) Additionally, the staff of the 2A Court Service Unit provides a wealth of information to the citizens of Northampton County as regards those difficulties that arises from failed relationships in which minor children are involved. Families that are experiencing difficulties with their adolescent children turn to our staff to provide information regarding needed services that may be available through other community resources.

JUDICIAL COURT SERVICES (CONT.)

The 2A District Court Service Unit is currently down three probation officers and we anticipate hiring one officer by April 1, 2009. We will continue to petition the Department of Juvenile Justice to allow us to fill our two remaining slots. We currently are allotted twelve positions to provide equivalent services to the citizens of Northampton County, Virginia.

GOALS

- **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- The mission of the Department of Juvenile Justice is to protect the public through a balanced approach of comprehensive services that prevent and reduce juvenile delinquency through partnerships with families, schools, communities, law enforcement and other agencies, while providing the opportunity for delinquent youth to develop into responsible and productive citizens.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 3303 Judicial Court Services						
2 - Operating	56,718	25,284	45,270	30,500	(14,770)	-33%
Department Total: Judicial Court Services	56,718	25,284	45,270	30,500	(14,770)	-33%

BUILDING INSPECTIONS

DESCRIPTION

The Building Department administers the building and construction regulations and associated laws of the Commonwealth and County, in a courteous, responsive, and professional manner, contributing to the safety, well being and general interest of citizens.

Administration includes:

1. Timely issuance of building permits
2. Timely performance of building inspections
3. Keeping accurate records.
4. Public education of building and construction code requirements
5. When necessary, legal enforcement of the construction codes

GOALS

- **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- To begin using the internet to accept and issue building permits.
- To maintain expedient plan review and permit processing. The department's target is to perform an initial plan review of all permit applications within 2 days of receipt of application by the building department. If permit / plans are deficient, contact applicant via telephone, email or letter.

Short-term Goals - 2010

- Review the requirements of the Rental Inspection Program/determination to retain or repeal ordinance
- To maintain continued level of service with a greatly reduced budget.
- To use slow period to clear out back log of old permits and perform associated inspections.
- To perform quality building inspections within 24 hours of receipt of inspection request.
- Continue to attend training opportunities as they present themselves.
- Perform public education about upcoming changes to the building code to help contractors better understand the building regulations.
- Continued certification of inspectors so they are certified in all aspects of inspections.

- **Organization-wide Overall Goal - Invigorate the economic viability of the County, while managing growth in such a way as to preserve the existing natural resources and tranquil rural life style.**

Medium-term Goals - 2010/2011

- Evaluate elevation requirements for structures located near tidal waters

BUILDING INSPECTIONS (CONT.)

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 3401 Building Inspections						
1 - Personnel	175,588	185,760	186,001	189,981	3,980	2%
2 - Operating	21,130	17,765	14,086	13,041	(1,045)	-7%
Department Total: Building Inspections	196,718	203,524	200,087	203,022	2,935	1%

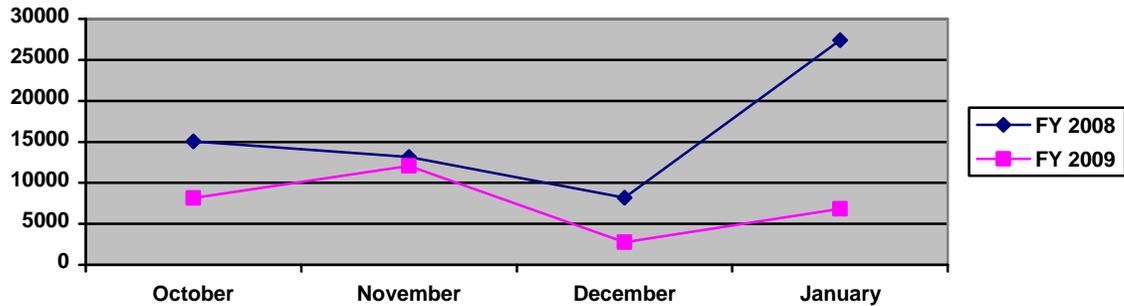
Permit Fees Received

FY Year	Permit Fees Received*
FY 2007	\$187,077
FY 2008	\$146,469
FY 2009 – 7/08-	\$129,673
FY 2010	\$77,143

* Does not include 1.75% State Levy and 10% Fire Services Levy

Trends

Number of Building Inspections



SERVICE LEVELS:

Average Initial Plan Review Time: 2 days

(time from when permit arrives in Building Official's office until initial review and comments are complete)

Average Inspection Request Response Time: 1 working day

MEASUREMENTS

	ACTUAL <u>FY07</u>	ACTUAL <u>FY08</u>	ACTUAL <u>FY09</u>	ACTUAL <u>FY10</u>
WORKLOAD:				
Permits Issued	400	411	350	324
Inspections Performed	1488	1667	1500	1049

BUILDING INSPECTIONS (CONT.)

EFFICIENCY:

Inspections completed per inspector	886	744	834	525
Permits issued per Technician	400	411	350	324

SERVICE QUALITY:

Percent of Permits reviewed within 2 business days of receipt by building department	N/A	91%	100%	100%
Percent of inspections performed on day requested	N/A	97%	100%	100%

ACCOMPLISHMENTS

- Timely inspection responses. Although the department has not been formally tracking this measure, the sense in the department is that most people obtain their inspections within the time frame that they request, and it is extremely rare when there is more than 1 day's delay between when an inspection is requested and when it is done.
- A method to pay for permits with a credit card, using a third party process has been implemented.
- Timely issuance of permits. Permits are generally reviewed within 2-3 days of reaching the building officials office. The department has heard virtually no complaints about the time it takes to process the permits once they have cleared Zoning.
- The Building Official and Building Inspector both completed mandatory code change training in the summer of 2008, and successfully maintained their certifications.
- The Building Official and Inspector both complete a state sponsored "Wind Resistant Construction / Braced Walls" class in the summer/fall of 2008.
- The building inspector has received his and 1 & 2 Family Building and Plumbing Inspectors Certification. He has taken the 1 & 2 Family Mechanical Code Academy course and is scheduled to take the Electrical inspector's course in April 2009.

FUTURE ISSUES

- Use of hand-held field computers to encourage more accurate and timely data entry.
- Bringing electrical inspections into the County Building Department (stop using third party electrical inspector.)
- Continued Certification of Building Inspectors.
- Use of Internet to receive, process and issue permits

ANIMAL CONTROL

DESCRIPTION

The Animal Control Department is responsible for public safety relating to animals, enforcement of state and local animal laws and ordinances, animal welfare and protection, and animal control for the County. The Department is also responsible for providing the citizens of the County with information and education concerning animal laws, animal care, animal population control, and rabies control. Two full-time employees staff the Department. On July 1, 2004 the function of animal control came under the supervision of the Sheriff's department. There are currently two animal control deputies who have both completed basic law enforcement training.

Since July 1, 2004, strays and abandoned animals have been taken to the new Eastern Shore Regional Animal Shelter. Northampton County and Accomack County partnered to build and operate the new facility in order to lower animal control costs for both counties. Accomack County operates and manages the facility. Beginning in FY06, Northampton County has budgeted a contribution to Accomack County for its share (one-third) of the estimated operating costs of the facility. This has reduced total operating costs for animal control, including the two animal control officers, for Northampton County by over \$35,000.

GOALS

- **Organization-wide overall goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- To educate the citizens of Northampton County about the dangers of rabies, current animal laws, and proper animal care.
- To continually research, develop and institute programs to improve citizen compliance with state and local laws, to improve animal control services, to increase adoption rates, to increase the return of lost animals to their owners, and to decrease the number of stray and unwanted pets.

- **Organization-wide overall goal - Promote the development of an accountable, responsive local government with demonstrated efficiency and effectiveness.**

Long-term Goals - Beyond 2012

- To provide the citizens of Northampton County with efficient and effective animal control services.

Short-term Goals - 2010

- Continue operation of the Eastern Shore Animal Shelter with Accomack County.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 3502 Animal Control						
1 - Personnel	84,173	70,682	89,068	89,820	752	1%
2 - Operating	15,126	16,723	7,474	11,247	3,773	50%
3 - Capital Outlay	22,242	0	0	24,849	24,849	
Department Total: Animal Control	121,541	87,405	96,542	125,916	29,374	30%
Department: 3503 Animal Control Contribution						
2 - Operating	33,073	23,573	30,935	33,282	2,347	8%
Department Total: Animal Control Contribution	33,073	23,573	30,935	33,282	2,347	8%
Total Animal Control	154,614	110,978	127,477	159,198	31,721	25%

ANIMAL CONTROL (CONT.)

SERVICE LEVELS MEASUREMENTS

Workload:

Calendar Year 2005

Animals transported to Eastern Shore Regional
Animal Shelter by Northampton County Dogs 265 Cats 487

Calendar Year 2006

Animals transported to Eastern Shore Regional
Animal Shelter by Northampton County Dogs 259 Cats 444

Calendar Year 2007

Animals transported to Eastern Shore Regional
Animal Shelter by Northampton Animal Control Dogs 159 Cats 408 1 Ferrett

Calendar Year 2008

Animals transported to Eastern Shore Regional
Animal Shelter by Northampton Animal Control Dogs 233 Cats 325

Calendar Year 2009

Animals transported to Eastern Shore Regional
Animal Shelter by Northampton Animal Control Dogs 248 Cats 280

Efficiency:

Response time to all animal control calls in Northampton County is within 24 hours. There is one animal control deputy on duty seven days a week until 8 p.m. excluding holidays. In the evenings and on holidays, one animal control deputy is on call for emergencies only. Otherwise the call will be given to the animal control officer when he/she marks on duty the following day. The animal control deputies responded to 685 calls during the calendar year of 2009.

Dog and cat license for 2009: 15 kennel license; 521 unsexed animals; 94 males animals; 53 female animals; total fees received for the sale of these licenses were \$4,829.00 with the cost of the tags to the Sheriff's Office in the amount of \$615.00.

ACCOMPLISHMENTS

In fiscal year 2009, the animal control vehicles were both equipped with covered shelter for the animals by placing a caps on the trucks and purchasing a slide out bed so that the animal cages and traps could be accessed easily by the deputies.

FUTURE ISSUES

Despite the fact that the new Eastern Shore Regional Animal Facility opened July, 2004, with the increase in unwanted and stray animals, there may be a need in the near future to add an additional wing to the building.

EMERGENCY SERVICES

DESCRIPTION

The line items in this function represent estimated costs associated with the operation of the Emergency Operations Center, production of an Emergency Preparedness Brochure, pass-through of Northampton County's share of tax funding, as well as additional operating funds, for the Regional 911 Commission and the expenditure of state and federal homeland security funds, and expenses associated with travel to various meetings and conferences relating to emergency management.

GOALS

- **Organization-wide Overall goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- Update Hurricane Preparedness Plan
- Establish an Emergency Operations and 9-1-1 Dispatch Center

Short-term Goals – 2010

- Update Emergency Operations Plan
- Investigate the feasibility and financial impact of establishing 911 dispatch of Fire and EMS, in conjunction with the Sheriff's Office dispatch center.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 3505 Emergency Services						
2 - Operating	263,582	239,829	219,946	266,006	46,060	21%
Department Total: Emergency Services	263,582	239,829	219,946	266,006	46,060	21%

ACCOMPLISHMENTS

- Updated Emergency Operations Plan dated 1988 – July 2005.
- Completed Local Capability Assessment for Readiness – June 2005 & June 2006.
- Partnered with Northampton County School System to purchase generator for High School.
- Placed in service the first Thermal Imaging Camera in County. Now there are three.
- Received grant funding for 33 Public Access Automatic External Defibrillators, over three year period. Grant complete June 2006.
- FY06 - Updated boat belonging to the Sheriff's Office, with new motor and other items.
- FT06 - Purchased two (2) ATV's for the Sheriff's Office.
- FY07 - Participated in three drills; Anhydrous Ammonia Leak (table-top @ National Guard Facility), Pandemic Flu (functional exercise @ Shore Bank) and EOC Exercise (NC Administration).
- FY08 – Participated in two drills; Hurricane Exercise (functional exercise @ Chincoteague Municipal Center) and EOC Training Workshop (NC Administration).
- FY08 – partnered with Accomack County to offer two CERT Courses
- FY08 – procurement and installation of Reverse 911 System

EMERGENCY SERVICES (CONT.)

FUTURE ISSUES

- Full compliance with the National Incident Management System requirements
- Interoperable Communications.
- Sheltering of people & pets.
- Development of informational website.
- Revision of Emergency Operations Plan.

CARE & CONFINEMENT OF PRISONERS

DESCRIPTION

The confinement facility division of the Sheriff's Office is responsible for the housing, care and security of adult male and females that have been remanded to it either by the court or temporarily while awaiting adjudication. Since it is considered a local facility, inmates can be housed for a period up to one year. If they are sentenced for a period in excess of a year, they are transferred to a state facility. It is the responsibility of the Sheriff's Office to transport any inmate that has been sentenced to one year or more to the Department of Corrections no matter where the facility is located. It is also the responsibility of the Sheriff's Office to transport any person who is to be extradited back to our jurisdiction to answer charges that have been filed here by not only our agency but each incorporated town, the State Police, the Chesapeake Bay Bridge Tunnel Police, Virginia Marine Resource Commission, Kiptopeke State Park, or any other agency that could levy charges in our jurisdiction.

On May 23, 2007 the Eastern Shore Regional Jail became operational, replacing the existing jail which was built in 1914 and a temporary jail which was added in September 2004. Starting in FY08, activities of the department have reclassified from a department of the General Fund to a separate special revenue fund. The new jail originally had a total of sixty budgeted full-time positions which included a superintendent, 47 correctional deputies, and a facilities manager. In FY11, Compensation Board reductions resulted in the elimination of four positions, three correctional deputies and one medical technician. The County receives reimbursement from the Compensation Board for the base salaries of most of the positions. Four remaining support positions are funded by the Compensation Board at 2/3rds of the base salaries and only one is completely County funded.

GOALS

- **Organization-wide overall goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Short-term Goals - 2010

- Continue to make the transition to the new regional facility by fine-tuning operational procedures and the continuation of staff training.

FINANCIAL ACTIVITY

Department: 3302 Care & Confinement						
1 - Personnel	2,323,453	2,525,447	2,692,911	2,730,979	38,068	1%
2 - Operating	906,675	794,363	713,644	734,379	20,735	3%
3 - Capital Outlay	0	28,062	0	0	0	
Department Total: Care & Confinement	3,230,128	3,347,871	3,406,555	3,465,358	58,803	2%

CARE & CONFINEMENT OF PRISONERS (CONT.)

SERVICE LEVELS MEASUREMENTS

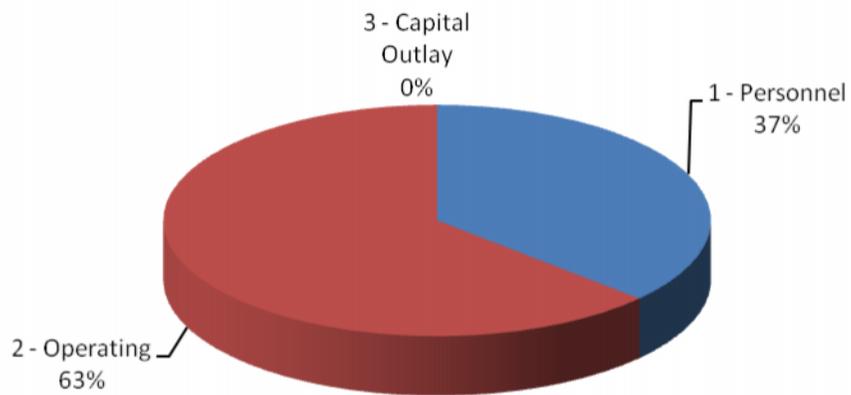
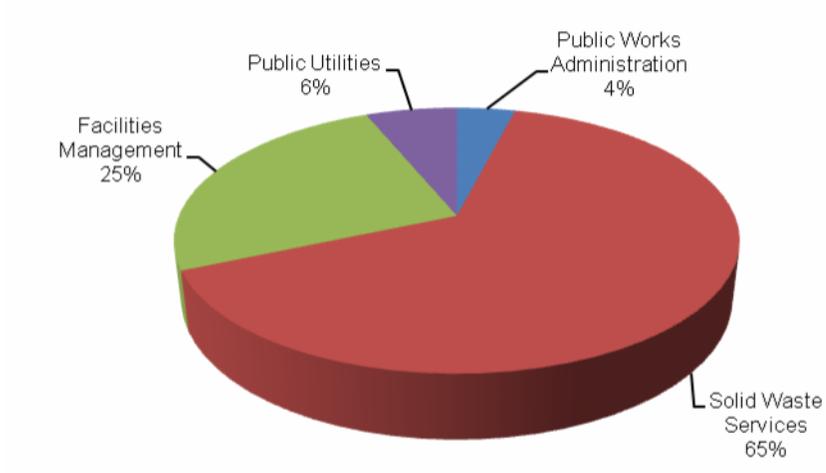
<i>Workload:</i>	<u>FY 09</u>	<u>FY 10</u>	(Actual) <u>FY 11</u>	(Estimated)	(Estimated)
Local Prisoner Days	29,097	33,100	37,100		
Inmate Transports	321	315	310		
Mental patient transports	19	25	30		
Out of state extraditions	9	12	15		

THIS PAGE LEFT BLANK INTENTIONALLY

COUNTY OF NORTHAMPTON, VIRGINIA

Public Works – All Funds

\$1,916,441



Public Works – All Funds

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Public Works Administration	85,331	74,660	73,154	76,591	3,437	5%
Solid Waste Services	757,900	909,562	1,242,583	1,236,528	(6,055)	0%
Facilities Management	520,749	674,485	519,797	483,362	(36,435)	-7%
Public Utilities	25,566	86,402	141,714	119,960	(21,754)	-15%
Total - Public Works	1,389,546	1,745,109	1,977,248	1,916,441	(60,807)	-3%

PUBLIC WORKS ADMINISTRATION

DESCRIPTION

The Department of Public Works is responsible for the operations of Solid Waste Services, Facilities Management, Harbors, Boat Ramps and the Utility Operations department of the County. The County is managing the operation and maintenance of the new Wastewater Treatment Plant that was recently constructed as part of the Eastern Shore Regional Jail project. The County will assume operational responsibility the Bayview water & sewage treatment system upon completion of that Community Development Block Grant program. In addition, the County has assumed the operational responsibility for water and wastewater treatment systems of the Middle School.

GOALS

- **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- To provide preventive maintenance and repairs to County property and facilities in order to provide a safe, clean productive environment for County employees and the citizens of Northampton County.
- To support other County Departments as needed.

Short-term Goals - 2010

- To provide safe drinking water and environmentally sound wastewater treatment services to the new Northampton County Government Complex, the County Middle School facilities and the Bayview community.
- Assist in the improvement of the Indiantown Park facilities.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 4101 Public Works Administration						
1 - Personnel	85,078	74,637	73,154	76,591	3,437	5%
2 - Operating	253	23	0	0	0	
Department Total: Public Works Administration	85,331	74,660	73,154	76,591	3,437	5%

FUTURE ISSUES

The water and sewer systems that serve the Northampton County Government Complex are now over two years old and the warrantee period has passed. This past year has been expensive in terms of parts, labor and laboratory fees. It is assumed that this trend will continue. The addition responsibility of the Operation and Maintenance of the wastewater treatment ponds, at the Middle School will also add to the O&M budget for this department.

The Bayview Community water and wastewater systems were placed into operation in 2003. A limited amount of maintenance was performed on the water system up until the end of 2005. After 2005 maintenance was limited to routine sampling for bacteriological contamination and chemical analysis of the source water. The water system still needs a bacteriological sampling plan, a lead and copper survey & sampling plan and backflow survey & monitoring and to develop a Consumer Confidence Report (CCR) for distribution to all water customers. This information is according to the Virginia Department of Health / Office of Water Programs.

PUBLIC WORKS ADMINISTRATION (CONT.)

The Bayview wastewater collection and treatment system was placed in service in 2003 at the same time as the water system. According to Artie Miles, the one-time PSA representative, there has been no maintenance performed on this system since it was installed. Although the system was well designed the maintenance to “catch-up” will be extensive. All of the septic tanks that serve the first buildings that were constructed first are due to be pumped out. Since the privately owned sewage lagoons were closed by the DEQ, all material removed from septic tanks must now be transported to Maryland. The cost for this service has increased from under \$100.00 per load to \$300.00 and will probably increase in the near future.

SOLID WASTE SERVICES

DESCRIPTION

The Solid Waste Management & Recycling Department is responsible for solid waste collection and disposal in Northampton County including the operation of the County’s landfill and transfer station. The Department is also responsible for developing and administering countywide recycling programs designed to reduce and eliminate waste. This system includes one county-owned landfill, one county-owned transfer station, up to six manned waste collection centers and a limited number of public and private greenbox (dumpster) sites. The disposal portion of the landfill ceased during CY 2009 with the opening of the Transfer Station, collecting solid waste for transportation and disposal off-the-Shore. At this writing, four waste collection centers are in operation. The site for one of the two remaining centers, Cheapside, has been acquired and the design phase is on-going with operations commencing July 2010. The last remaining site for the Eastville District, has yet to be acquired but is anticipated to be operational by January 2011. Even after the closure and capping of the landfill, brush and batteries will still be accepted as these items are not buried on-site.

GOALS

- **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- Once the system for waste collection is established, improve the appearance and safety of the operation.

Short-term Goals – 2010

- Improve refuse disposal sites by developing six waste collection center sites and discontinue greenbox site collections.

- **Organization-wide Overall Goal - Promote the development of an accountable, responsive local government with demonstrated efficiency and effectiveness.**

Long-term Goals - Beyond 2012

- Study feasibility of curbside pick-up for recycling
- Continue the implementation of the transfer station which will handle not only the County's waste but would be able to handle waste from Accomack County for disposal off-shore.

Medium-term Goals - 2010/2011

- Computer/Technology Recycling Event
- Beautify Waste Collection Centers and sponsor competitive beautification program for the 6 centers

SOLID WASTE SERVICES (CONT.)

Short-term Goals – 2010

- Complete construction and beautify sites of remaining two waste collection centers.
Status: (6 Sites Planned)
 - Birdsnest: Opened January 1, 2006
 - Bayview: Opened July 1, 2006
 - Wardtown: Opened September 1, 2006
 - Hare Valley: Opened June 1, 2008
 - Eastville: Working to locate land for this purpose.
 - Cheapside: Under construction
- Institute recycling for County offices
- Review BOS policy re: disposal restrictions @ waste collection centers
- Establish litter campaign; examine penalties allowed in Code & in local ordinance
- Examine feasibility of Probationer use in other aspects of County Maintenance
- Develop a plan for identifying duties of existing landfill crew and staffing of waste collection centers and transfer station.
- Continue operation of recycling centers at the waste collection sites to help meet state-mandated recycling rate.

- **Organization-wide Overall Goal - Maintain a Capital Improvement Program to address capital expenditures for infrastructure and required services.**

Long-term Goals - Beyond 2012

- Investigate feasibility of a firing range at closed landfill and examine private sector possibilities of providing a firing range

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 4204 Solid Waste Services						
1 - Personnel	384,206	399,540	431,908	418,634	(13,274)	-3%
2 - Operating	366,114	510,022	810,675	817,894	7,219	1%
3 - Capital Outlay	7,580	0	0	0	0	
Department Total: Solid Waste Services	757,900	909,562	1,242,583	1,236,528	(6,055)	0%

SERVICE LEVELS

MEASUREMENTS

	Actual <u>CY 06</u>	Actual <u>CY 07</u>	Actual <u>CY 08</u>	Actual <u>CY 09</u>	Estimate <u>CY 10</u>
<i>Workload:</i>					
Tons received at landfill	11,188	14,137	19,652	16,992	17,000
Per capita waste generation	4.69 lbs/p/d	5.92 lbs/p/d	8.22 lbs/p/d	7.11 lbs/p/d	7.11 lbs/p/d
Tipping fee	\$51/ton	\$51/ton	\$51/ton	\$61/ton	\$61/ton
<i>Efficiency:</i>					
Annual Revenues	\$49,255	\$39,317	\$119,038	\$382,216.28	\$380,000
Annual Expenditures	\$1,008,588	\$630,523	\$778,031	\$948,424.02	\$900,000
Recycling Rate	1.8%	7.6%	28.8%	N/A	N/A

SOLID WASTE SERVICES (CONT.)

ACCOMPLISHMENTS

- Establish waste collection centers and transfer station: Four centers are operational; the fifth site is in the design phase and site acquisition is on-going for the final sites.
- The transfer station was constructed and commenced operation in April 2009.
- Five greenbox sites have been closed with the establishment of the Birdsnest Waste collection center.
- Two greenbox sites were closed with the establishment of the Bayview Waste Collection center.
- Three greenbox sites were closed with the establishment of the Wardtown Waste Collection center.
- One greenbox site was closed with the establishment of the Hare Valley Waste Collection center.
- The recycling component of the waste collection center operation is being provided by a third party vendor. This is a pilot program that offers single stream recycling and has been overwhelmingly received by the public.

FUTURE ISSUES

Establishment of a transfer station was key to the on-going success of the County's solid waste system. Staff will continue to refine its operations as well as the 30-year maintenance requirements associated with the capped site. One significant future issue is the County's mandate to reach the State's 15% recycling goal for rural counties. This goal was recently reduced from 25%. Like most rural localities, Northampton has found this goal to be a challenging one. Staff believes that since the recycling component has been installed at the four operational waste collection centers, this goal has become significantly more attainable.

FACILITIES MANAGEMENT

DESCRIPTION

The Facilities Management Department provides maintenance, repairs and minor alterations on all County-owned property, equipment and facilities other than vehicles and property owned by the school system. This department also provides grounds maintenance and custodial services for all county buildings and grounds. This department provides: basic maintenance, repairs and installation of building related mechanical equipment, electrical systems, plumbing, sanitation, and furnishings; maintenance of interiors and exteriors of buildings, parking lots, boat ramps, no-wake signs, fences and similar structures; support of the emergency services department during hurricanes, winter storms and similar events.

GOALS

- **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- To provide preventive maintenance and repairs to County property and facilities in order to provide a safe, clean, productive environment for County employees, the citizens of Northampton County and anyone that uses County facilities.
- Support other County Departments as needed.

- **Organization-wide Overall Goal - Maintain a reasonable County tax structure by effectively and responsibly balancing the increasing demands for services with available resources to achieve maximum value for our citizens.**

Short-term Goals - 2010

- Inventory of County property for potential sale and/or economic development reuse

- **Organization-wide Overall Goal - Maintain a Capital Improvement Program to address capital expenditures for infrastructure and required services.**

Long-term Goals - Beyond 2012

- Combined facilities with school garage & county maintenance

Medium-term Goals - 2010/2011

- Work with Health Department to relocate further south (possibly to middle school)

Short-term Goals - 2010

- Get nighttime lighting to be more dark-sky friendly for the County-owned properties. Seek grant funding to accomplish this goal.
- Examine reuse options for Willow Oak property
- Renovate Admin buildings and utilize 1914 jail and re-examine priority of this construction
- EMS location – purchase existing site or relocate to former middle school
- Determine use/access of birding walkway @ landfill

FACILITIES MANAGEMENT (CONT.)

- **Organization-wide Overall Goal - Promote the development of an accountable, responsive local government with demonstrated efficiency and effectiveness.**

Short-term Goals – 2010

- Examine feasibility of Probationer use in other aspects of County Maintenance
- Examine shared services with schools (payroll, facilities management, fuel purchasing, leasing/financing services, purchases, accounts payable)
- Respond to Northampton County Citizen inquiries and concerns within 24 hours.
- Continue implementing an energy management program to reduce utility costs. Establish baseline energy usage for County buildings and begin to replace lighting and light fixtures in older office buildings with “Energy Star” approved lighting and light fixtures.
- Improve on the response time and quality of maintenance repairs.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 4302 Facilities Management						
1 - Personnel	241,563	184,894	150,443	159,402	8,959	6%
2 - Operating	279,186	348,218	369,354	323,960	(45,394)	-12%
3 - Capital Outlay	0	141,373	0	0	0	
Department Total: Facilities Management	520,749	674,485	519,797	483,362	(36,435)	-7%

FUTURE ISSUES

As the County complex grows, there will be more buildings and grounds to clean and maintain. These needs will be better defined and a plan implemented on how these buildings will be cleaned, serviced, and maintained. As the existing old courthouse complex is refurbished, the additional building square footages will increase the staffing requirements of the Facility Management Department. This Department has recently taken over the maintenance and some janitorial duties at the Middle School. The maintenance requirements for these buildings are quite extensive and are stretching current staff. Facilities Management staff are currently in the process of making modifications to one wing of the Middle School to allow the entire County Administrative Section to be moved to this location. This will allow contractors to have complete access to the old Courthouse Complex. Every effort will be made to make sure that Northampton County citizens will access to the services that they require during this transition.

PUBLIC UTILITIES

DESCRIPTION

The County is managing the operation and maintenance of the new Wastewater Treatment Plant, serving the County Complex the wastewater treatment ponds and water system at the Middle School and preparing to assume operational control of the Bayview water & sewage treatment system upon completion of that Community Development Block Grant program. A water/wastewater operator Trainee has been hired to maintain the water and wastewater systems of the Northampton County Government Complex, the Middle School and the Bayview community. The Director of Public Works is currently training the employee in his duties. Utility activities are budgeted in a separate proprietary fund, but supervised by the Director of Public Works.

Operation and maintenance of the new system that serves the Regional Jail Complex will require a substantial operation and maintenance budget this year. Operational costs of operating the County WWTP were high this year, we absorbed some costs for the operation of the Bayview systems and the additional O&M costs for the acquisition of the Middle School water and sewer systems. Currently we have an informal mutual assistance agreement with Cape Charles Wastewater Treatment Plant. They are performing some basic laboratory analysis and the Director of Public Works is providing operational assistance to them and the water treatment plant.

The Bayview Community water system was placed into operation in 2003. A limited amount of maintenance was performed on the water system up until the end of 2005. After 2005 maintenance was limited to routine sampling for bacteriological contamination and chemical analysis of the source water. The water system still needs a bacteriological sampling plan, a lead and copper survey & sampling plan and backflow survey & monitoring and to develop a Consumer Confidence Report (CCR) for distribution to all water customers. This information is according to the Virginia Department of Health / Office of Water Programs. The Bayview wastewater collection and treatment system was placed in service in 2003 at the same time as the water system. According to Artie Miles, the former PSA representative, there has been no maintenance performed on this system since it was installed. Although the system was well designed the maintenance to "catch-up" will be extensive. At the end of November the contract waterworks operator for Bayview resigned. In December of 2009 the County took over this responsibility. We are now collecting the required monthly bacteriological samples. The Director of Public Works has been working with the Bayview Citizens for Social Justice to insure that the water and wastewater system remain operational until the County assumes operational control.

At the present time the Bayview water system does not have the State required storage capacity. This item needs to be addressed ASAP. An additional atmospheric water storage tank has recently been installed but has not been approved for service by the VDH Office of Drinking Water. The failing drip irrigation system that serves the "Culls Woods" Apartments has been replaced and is working properly. County Public Utilities Department is monitoring this new system as well as the original wastewater system.

Starting the first of 2009 the Utility Department has assumed the responsibility for the operation and maintenance of the water and wastewater treatment systems at the Middle School. The equipment for these systems are old but have been maintained fairly well. The largest expense has been the increased laboratory analysis as required by the Department of Environmental Quality.

PUBLIC UTILITIES (CONT.)

GOALS

- **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- Operate and maintain the water and wastewater systems of the Northampton County Government Complex, the Middle School and the Bayview community and be a part of a Public Service Authority that can supply water and wastewater treatment services to all of the citizens of Northampton County.

- **Organization-wide Overall Goal - Maintain a Capital Improvement Program to address capital expenditures for infrastructure and required services.**

Medium-term Goals - 2010/2011

- Extend water & wastewater service to County property across from old Courthouse
- Examine water line to high school/upgrade

- **Organization-wide Overall Goal - Promote the development of an accountable, responsive local government with demonstrated efficiency and effectiveness.**

- Continue to train the new water/wastewater technician and implement operating procedures for the smooth transition of the Bayview Community water and wastewater systems.

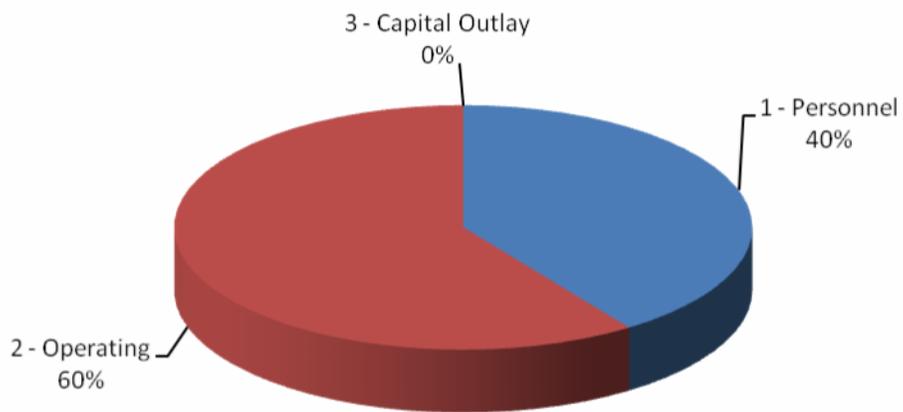
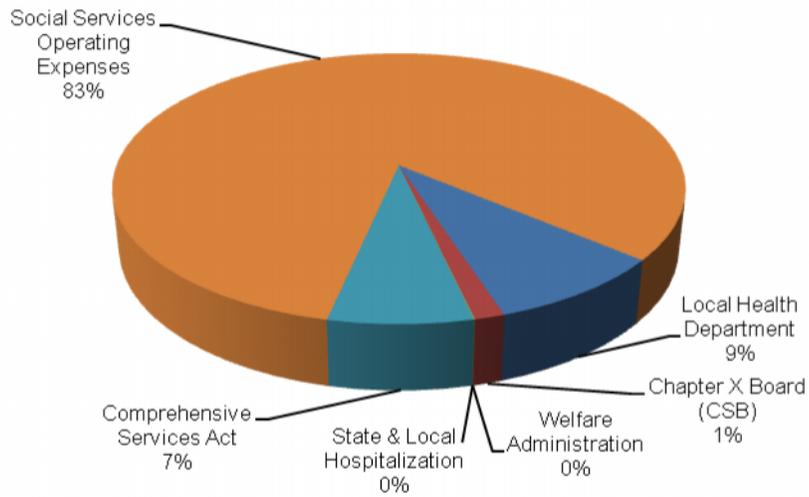
FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 4500 Public Utilities						
1 - Personnel	23,782	56,875	70,770	50,725	(20,045)	-28%
2 - Operating	357	27,814	70,944	69,235	(1,709)	-2%
3 - Capital Outlay	0	0	0	0	0	
Department Total: Public Utilities	24,139	84,689	141,714	119,960	(21,754)	-15%
Department: 9550 Depreciation						
2 - Operating	1,427	1,713	0	0	0	
Department Total: Depreciation	1,427	1,713	0	0	0	+++
Total Public Utilities	25,566	86,402	141,714	119,960	(21,754)	-15%

COUNTY OF NORTHAMPTON, VIRGINIA

Health & Welfare – All Funds

\$3,992,916



Health & Welfare – All Funds

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Local Health Department	353,319	353,319	353,319	353,319	0	0%
Chapter X Board (CSB)	58,272	58,272	57,855	57,855	0	0%
Welfare Administration	1,450	1,800	1,800	1,800	0	0%
State & Local Hospitalization	6,186	20,422	0	0	0	N/A
Comprehensive Services Act	338,213	277,333	277,333	277,333	0	0%
Social Services Operating Expenses	3,133,830	3,068,971	3,332,403	3,302,609	(29,794)	-1%
Total - Health & Welfare	3,891,270	3,780,117	4,022,710	3,992,916	(29,794)	-1%

HEALTH & WELFARE

DESCRIPTION

Northampton County's General Fund makes contributions to several other agencies that provide health and welfare services to the residents of the County. These include the Northampton County Health Department and the Eastern Shore Community Services Board (Chapter X Board), which provides mental health, mental retardation and substance abuse services to the community. Contributions are also made to the local Social Services Board, the State/Local Hospitalization Program, and the Comprehensive Services Act Program which is administered by Accomack County.

FINANCIAL ACTIVITY

Local Health Department:

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 5101 Local Health Department						
2 - Operating	353,319	353,319	353,319	353,319	0	0%
Department Total: Local Health Department	353,319	353,319	353,319	353,319	0	0%

Chapter X Board:

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 5205 Chapter X Board (CSB)						
2 - Operating	58,272	58,272	57,855	57,855	0	0%
Department Total: Chapter X Board (CSB)	58,272	58,272	57,855	57,855	0	0%

HEALTH & WELFARE (CONT.)

Welfare Administration:

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 5301 Welfare Administration						
2 - Operating	1,450	1,800	1,800	1,800	0	0%
Department Total: Welfare Administration	1,450	1,800	1,800	1,800	0	0%

State and Local Hospitalization Program:

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 5304 State & Local Hospitalization						
2 - Operating	6,186	20,422	0	0	0	
Department Total: State & Local Hospitalization	6,186	20,422	0	0	0	+++

Other Welfare (Comprehensive Services Act):

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 5309 Comprehensive Services Act						
2 - Operating	338,213	277,333	277,333	277,333	0	0%
Department Total: Comprehensive Services Act	338,213	277,333	277,333	277,333	0	0%

SOCIAL SERVICES

DESCRIPTION

The Northampton County Department of Social Services' mission is to provide benefits and services to the citizens of Northampton based on programs established by local, state and federal laws and policy. The department's focus is to prevent dependency and encourage self-sufficiency; preserve and restore family stability as well as promote and protect the well-being of adult protective services, foster care, employment services, food stamps, temporary assistance to needy families, Medicaid and child care. The Northampton County Department of Social Services is administered by a board of three members which represents the county. This board meets the third Tuesday of each month at 8:15 a.m. in the Social Services Building.

In general, local social services agencies administer programs designed to protect and improve the welfare and functioning of certain individuals and families. Programs are designed (1) to provide certain benefits and assistances that will attempt to insure adequate standard of living and care, (2) to protect certain individuals, such as children and elderly or disabled adults, from harm, negligence, or exploitation by others; (3) to assist individuals to better care for themselves; (4) to assist individuals or families to become independent as possible of social services.

Local Agency Organization

Local agencies are established through the Code of Virginia. Through 120 agencies, they represent every independent city and county within the Commonwealth. Our department answers to a three member administrative board appointed by local government.

Similar to the local agencies, the State Department of Social Services operates under an administrative board. The State Board is appointed by the Governor, as is the Commissioner. The Administrative Board establishes program and personnel policy for the State Department and local agencies.

State Department Relationship to Local Agencies

Local agencies are considered to be locally administered under state supervision. That is, local agencies follow personnel and program policies established by the State Department of Social Services, while being operated by the local government through the administrative capacity of its local social services board.

The majority of assistance and social services programs have been created and enacted by the federal government. Program and operational options are allowed by the various federal programs. The State Social Services Board, through the State Department staff reviews and establishes the options to be enacted. In this manner, program policy is established by the State Department and then implemented by local agencies. Additionally, oversight, quality control, and policy consultation are provided by the State Department. There are more than 50 programs administered by this multi-leveled system. Minimal policy options are allowed to the local agencies.

Similarly, the State Department establishes local agency personnel policy through the division of Human Resources Management. Such responsibility is established through the Code of Virginia. Through these operations, the State Department establishes and provides oversight over all aspects of local agency staff management from classification and compensation processes, to position creation, local agency hiring processes, and staff management policies, such as leave and other personnel policies. The local agency, through its Board retains the authority in the processes of selection, hiring, and termination of staff. .

SOCIAL SERVICES (CONT.)

Agency Programs and Services

Local agencies are divided into two primary areas; **benefit, or assistance programs**, and **service programs**. The following is a description of the major programs.

Assistance Programs

TANF- Temporary Assistance to Needy Families: Originally established to provide for basic costs of maintenance for single parents with dependent children, the program changed under the Virginia Independence Program Act (VIP), the state's 1995 welfare reform initiatives, and 1996 Federal Welfare Reform legislation. These legislative changes focus on moving families from dependence upon public assistance to self-sufficiency.

Food Stamps: Initially established as a program to support agricultural production, this program has grown into a major support program for the food costs associated with families and individuals. The program provides food purchasing assistance based upon an assistance unit's adjusted income.

Medicaid: More than any other service, this program has seen extensive changes in the last several years. Beginning as medical assistance to TANF clients, foster care children, and the elderly and disabled, it has now been expanded to include children in families with incomes at or less than 200% of poverty level. Working poor are now offered health insurance premium payments if coverage is offered through their employers, but they are unable to afford the cost. As well, coverage has been increased for persons eligible for part A Medicare, but unable to afford part B.

Auxiliary Grants: Through this program, monetary assistance is provided to adults to assist them in securing adult home placements.

General Relief: This Program was discontinued effective July 1, 2010.

State and Local Hospitalization: Funding for this program has been discontinued.

Service Programs

Service programs are divided into types: direct services as provided by the agency social work staff, and purchased services, which the social workers contract to have provided for their clients to resolve individual or familial issues. For all direct service areas, there are purchased services available to assist the social worker. The major programs are as follows;

Child Protective Services: Designed to provide protection for children, this program provides investigations and interventions in child abuse and neglect situations. Extensive work is conducted in attempting to help families resolve issues of abuse or neglect. Associated with this program are funds for purchasing counseling and treatment, along with preventive funds whereby the agency can pay rent, lodging, or for emergency care to prevent children from having to come into foster care.

SOCIAL SERVICES (CONT.)

Foster Care: For those children, where there has been major disruption within their parental home, foster care is offered as a service. They will come into care either through a request by their parents, or due to Court or emergency action by the protective services workers. The primary and immediate goal of foster care is to reunite the children with their parents. Therefore, extensive direct and purchase services are available to these children and their families. In addition, other local agencies seek foster care placements as a mechanism to provide funding for services.

Adoption Services: Through recent years, adoption has moved from a service involved in placing newborn infants to one focusing more on services to hard to place children with disabilities, and to independent adoptions, in which the Circuit Court orders the agency to provide home studies.

Adult Services: This category of service is divided into (1) adult services and (2) Adult Protective Services. The former provides those services that will assist individuals to maintain as high a level of independent functioning as possible, thereby reducing their need for more costly adult home or nursing home care. Adult protective services are responsible for investigating and providing services to disabled or elderly adults who are victims of abuse, neglect, or exploitation.

VIEW (Virginia Initiatives for Employment not Welfare): As a part of the Virginia Independence Program (VIP), this program targets those individuals who have the capacity to become independent of public assistance. As such, it provides extensive training, education, and counseling services. As well, there exists several day care programs designed to assist the individual in maintaining employment, along with the purchase of education, training, and other services necessary to support change in the individual.

Child Care: In an effort to assist individuals in gaining skills for employment, entering the job market, and maintaining employment, day care programs have been implemented. These services cover the VIEW client in training or education, the client in training or education, and the client who is in transition between assistance and full independence through employment. As well, Fee System Day Care has begun to provide extensive services to the working family based on income of less than or equal to 130% of poverty level.

GOALS

- **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- The department is committed to the goal of excellence in delivery of services to individuals, families, and the community by:
 - Preventing dependency
 - Encouraging self-sufficiency
 - Preserving and restoring families
 - Promoting and protecting the well-being of children, the elderly and disabled

SOCIAL SERVICES (CONT.)

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 5300 Welfare Personnel Expenses						
1 - Personnel	1,572,113	1,634,844	1,581,525	1,608,476	26,951	2%
Department Total: Welfare Personnel Expenses	1,572,113	1,634,844	1,581,525	1,608,476	26,951	2%
Department: 5301 Welfare Administration						
2 - Operating	248,944	183,594	439,387	420,137	(19,250)	-4%
Department Total: Welfare Administration	248,944	183,594	439,387	420,137	(19,250)	-4%
Department: 5302 Public Assistance						
2 - Operating	777,308	686,152	710,156	647,990	(62,166)	-9%
Department Total: Public Assistance	777,308	686,152	710,156	647,990	(62,166)	-9%
Department: 5305 Other Welfare Services						
2 - Operating	535,465	564,381	601,335	626,006	24,671	4%
Department Total: Other Welfare Services	535,465	564,381	601,335	626,006	24,671	4%
Department: 9600 Transfers Out						
4 - Debt	120,854	161,164	0	0	0	
5 - Transfers to Other Funds	69,457	77,513	69,000	77,500	8,500	12%
Department Total: Transfers Out	190,311	238,676	69,000	77,500	8,500	12%
Department: 9900 Contingency						
2 - Operating	0	0	16,301	0	(16,301)	-100%
Department Total: Contingency	0	0	16,301	0	(16,301)	-100%
Fund Total: Social Services	(3,324,141)	(3,307,647)	(3,417,704)	(3,380,109)	37,595	-1%

SERVICE LEVELS

MEASUREMENTS

<i>Workload:</i>	(Actual) <u>FY 09</u>	(Estimated) <u>FY10</u>	(Estimated) <u>FY11</u>
Number of Food Stamp Households	1275	1446	1500
Value of Food Stamps	3.65M	3.8M	3.9M
Number of Medicaid recipients	3103	3300	3300
Value of Medicaid	16M	8M	8M
Number of families in TANF	95	115	115
Value of TANF	300,000	312,000	312,000
Number individuals receiving energy assistance*	1382	1400	1450
Value of Energy Assistance	.6M	.612M	.630M
Number of Adult Service Cases	73	67	80
Number of Child Protective Services Complaints	47	47	65
Number of Children receiving Child Care Services	234	216	230
Number of Foster Care Children	20	18	16

SOCIAL SERVICES (CONT.)

<i>Workload:</i>	(Actual) <u>FY 09</u>	(Estimated) <u>FY10</u>	(Estimated) <u>FY11</u>
Number of Family Stabilization Cases	31	24	35
Number of Home Studies completed	9	5	5
Number served through Employment Services	104	115	125
Number of Adult Protective Service complaints	37	36	50
Number of Auxiliary Grants	23	25	26
General Relief	34	26	12

*duplicated for heating, crisis and cooling

FUTURE ISSUES

Our vision as a staff is to create a collaborative, responsive, professional environment to protect, empower and strengthen families.

In the future the department will continue to:

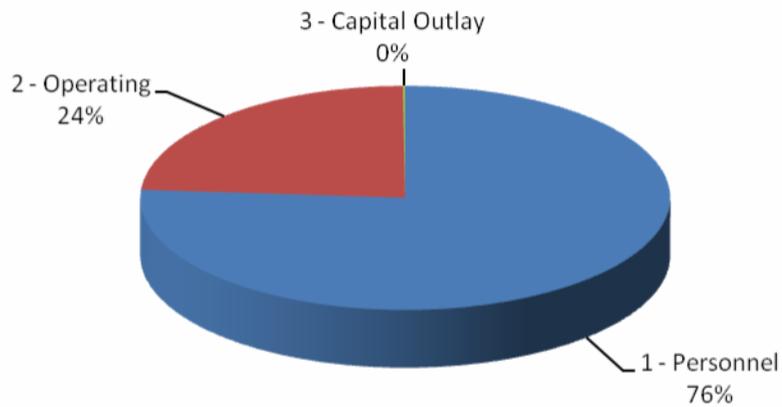
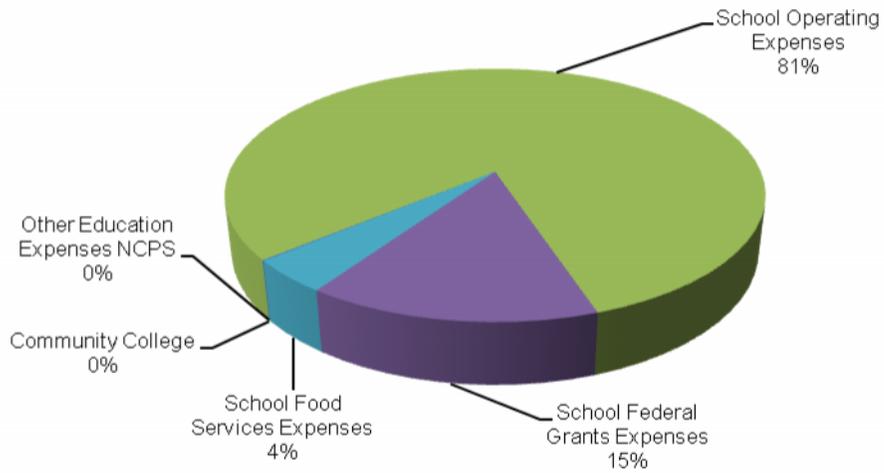
1. Provide agency-wide customer service
2. Enhance or expand special initiatives and community partners
3. Maintain and enhance efficient information management systems
4. Assure continuous quality improvement
5. Foster social and economic independence
6. Maximize state and federal revenues
7. Protect vulnerable children and adults

THIS PAGE LEFT BLANK INTENTIONALLY

COUNTY OF NORTHAMPTON, VIRGINIA

Education – All Funds

\$19,780,068



Education – All Funds

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Community College	23,025	21,784	21,136	20,723	(413)	-2%
Other Education Expenses NCPs	0	893,417	44,847	0	(44,847)	-100%
School Operating Expenses	20,029,055	18,487,538	16,943,922	15,994,487	(949,435)	-6%
School Federal Grants Expenses	0	1,939,822	3,671,992	2,920,544	(751,448)	-20%
School Food Services Expenses	904,591	866,955	844,314	844,314	0	0%
Total - Education	20,956,672	22,209,515	21,526,211	19,780,068	(1,746,143)	-8%

COMMUNITY COLLEGE

DESCRIPTION

Northampton County makes an annual contribution toward the operations of the local Community College. In addition, in FY06 a federal grant of \$140,000 was approved for pass-through for the construction of a workforce development center.

GOALS

- **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- To provide continuing education to citizens of the County.

- **Organization-side long-term goal - Invigorate the economic viability of the County, while managing growth in such a way as to preserve the existing natural resources and tranquil rural life style.**

Long-term Goals - Beyond 2012

- To promote economic development by offering training opportunities to the employees of local businesses.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 6501 Community College						
2 - Operating	23,025	21,784	21,136	20,723	(413)	-2%
Department Total: Community College	23,025	21,784	21,136	20,723	(413)	-2%

OTHER EDUCATION EXPENSES

DESCRIPTION

New in FY09, this department is funded through the County's General Fund and will account for the one-year lease of a modular classroom unit at the high school and the purchase of two modular classroom units for the elementary schools through lease-purchase financing. The expense budget shown for FY10 is to fund the removal of the unit following high school renovations.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 6505 Other Education						
Expenses NCPS						
2 - Operating	0	194,641	44,847	0	(44,847)	-100%
3 - Capital Outlay	0	698,776	0	0	0	
Department Total: Other Education	0	893,417	44,847	0	(44,847)	-100%
Expenses NCPS						

SCHOOL OPERATIONS

DESCRIPTION

The School Operating Funds provide support for the county-wide school system which, until FY09, consisted of two elementary schools, a middle school, and a high school. Funding for the County's public schools is derived from the County's general fund, and the state and the federal governments. Due to severe funding constraints brought about through a combination of the rising composite index and declining school enrollment, the middle school was closed at the end of FY08 and students attending sixth and seventh grades will now attend the elementary schools while eighth graders will attend the high school. The Northampton Middle School closure was precipitated by several factors. First, the Virginia Composite Index for Northampton increased from .3925 to .5488 resulting in a loss of over \$1.9 million in state aid. The middle school was built for 650 students and housed only 370 students. In addition to the increased composite index and declining enrollment, the 54 year old structure needed over \$2.2 million in renovations to repair the crumbling original foundation, inadequate bathroom facilities, and other structural issues. Since the elementary schools were under capacity, the decision was made to close the Middle School at the end of the 2007-2008 school year.

A brief description of school programs is listed below.

- **Elementary Education:** Instruction focuses on developmental processes in basic skill areas. Houghton-Mifflin Reading, with a strong attention on phonics, exists. Process writing, literature-based learning, cooperative learning, and hands-on learning in all core subjects are emphases. Breakthrough to Literacy programs support initial language arts skill development in preschool through second grade.
- **Middle Level Education:** Instruction focuses on teaming for the benefit of student learning and instruction based on the middle school concept. Exceptional student recognition ceremonies exist at this level. Accelerated Reading and Math programs motivate students to read and calculate. These programs provide incentive-based academics.
- **High School Education:** Instruction is based on a 4 x 4 block schedule. There are four, ninety-minute blocks of instruction each semester. This eight-course school year allows for in-depth study to occur. College-preparatory classes, dual enrollment classes (earning college credit), and challenging career and technical courses (earning national certifications) are offered. *High Schools That Work* and *TECH Prep* programs are among many initiatives.
- **Teacher Enhancement/Recruitment:** National Board Certification is offered in Northampton School Division. Currently, there are several teachers in the program. One teacher has just received National Board Certification and is the only teacher on the Shore to do so. Recent research studies support the link between national board certified teachers and the highest student achievement in the classroom. This budget supports a stipend for Nationally Board Certified Teachers.
- **Career and Technical Education:** Students in the career and technical courses may earn national certifications in Auto Service Technology, Building Trades, Business Information Systems, Drafting, and Health and Medical Sciences.
- **Arts Education:** There is instruction in the fine and performing arts in K-12. Secondary courses include band, theater, beginning and advanced photography, and art. Developing a choral program is a future goal.

SCHOOL OPERATIONS (CONT.)

- **College Preparation/Partnerships:** Honors classes, advanced placement classes, distance learning opportunities, internships, and independent studies support dual enrollment opportunities with Eastern Shore Community College. Many students qualify for college credit upon graduation. Other dual enrollment programs are available at colleges in our locale. This budget reflects dual enrollment costs, NOVA NET classes, and staff development funds for on-site classes, funded with grant monies.
- **Gifted Education:** Each elementary has a full-time teacher of the gifted. Program coordination is provided at the middle and high school level. There is an identification process (PADI) at an early age to identify potentially gifted students. Academic programs and competitions, as well as Governor's School Programs, challenge students beyond the classroom. This budget supports modest stipends for coordinators of the Odyssey of the Mind Coaches.
- **Special Education:** In accordance with Federal and State Regulations and our desire to attend to all students' needs, strong special education opportunities are available. Students with the following disabilities are serviced: autism, deafness, deaf-blindness, developmental delay, hearing impairment, mental retardation, orthopedic impairments, other health impairments, emotional disturbance, severe and profound disability, specific learning disability, speech and/or language impairment, traumatic brain injury, and visual impairment. A school psychologist and several resource specialists provide support to enable each student to be successful and receive what he/she needs.
- **Alternative Education:** The T.E.C.H. Center program offers alternative education to students whose needs require a different type of classroom instruction. Small student-teacher ratios, social skills development, and adult intervention opportunities are designed based on each student's Alternative Education Plan (AEP). NOVA NET Licenses are included in this budget for use by the students with alternative education needs and post-high school students in need.
- **Title I Education:** Federal funding supports the Division's efforts to meet high academic standards and provide opportunities for each child to succeed. Extra help is provided in reading and math for students who require that support. Parental involvement is a key component in this program.
- **Migrant Education:** Seasonal and year-round migrant children and adults are served throughout the school year and in the summer through the ESL program, funded federally and locally. This budget includes summer school for migrant students, as mandated by the State.
- **Technology:** Northampton is preparing students to be competitive in the world of technology. All students have access to technology throughout the day. All schools are linked with a signal to receive television programming from WHRO. All schools are fully networked and satellites in two schools provide distance-learning possibilities.
- **Community Partnerships:** There are several community partnerships with Northampton County Schools. Included are Habitat for Humanity, Books for Eastern Shore Tots (BEST), Relay for Life, Walk Smart Virginia Program, Bay Creek Golf Course, Boys and Girls Clubs of America, Eastern Shore of Virginia Birding Festival participation, Eastern Shore Chamber of Commerce, YMCA, amongst others.

SCHOOL OPERATIONS (CONT.)

GOALS

- **Organization-wide Overall Goal - Promote the development of an accountable, responsive local government with demonstrated efficiency and effectiveness.**

Short-term Goals – 2010

- Examine shared services with schools (payroll, facilities management, fuel purchasing, leasing/financing services, purchases, accounts payable)

- **Organization-wide Overall Goal - Facilitate the development of a quality educational environment that provides for high quality educational and job readiness skills for all Northampton County residents.**

Long-term Goals - Beyond 2012

- Departmental long-term goal - Our mission is to insure that each child will be assisted with the best human and material resources to achieve his or her greatest potential.

Medium-term Goals - 2010/2011

- Examination of Capital Plant

Short-term Goals - 2010

- Cafeteria Wall Repair – Adhere to time line for repairs with start date for June 2010
- Finalize Capital Improvement Plan for School
- Study regionalization opportunities with Accomack County Schools, i.e. purchasing

SCHOOL OPERATIONS (CONT.)

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Fund: 910 School Operating						
Department: 6000 School Instruction						
2 - Operating	19,483,572	12,325,092	11,438,631	10,619,342	(819,289)	-7%
Department Total: School Instruction	19,483,572	12,325,092	11,438,631	10,619,342	(819,289)	-7%
Department: 6100 School Admin, Attendance&Health						
2 - Operating	24,597	2,064,858	2,205,580	2,005,278	(200,302)	-9%
Department Total: School Admin, Attendance&Health	24,597	2,064,858	2,205,580	2,005,278	(200,302)	-9%
Department: 6200 School Pupil Transportation Serv						
2 - Operating	(11,028)	1,515,046	1,075,474	963,395	(112,079)	-10%
Department Total: School Pupil Transportation Serv	(11,028)	1,515,046	1,075,474	963,395	(112,079)	-10%
Department: 6300 School Operation & Maint Services						
2 - Operating	399,806	2,291,998	1,987,553	2,030,785	43,232	2%
Department Total: School Operation & Maint Services	399,806	2,291,998	1,987,553	2,030,785	43,232	2%
Department: 6350 School Other Non-Instructional						
2 - Operating	50,973	43,184	0	0	0	
Department Total: School Other Non-Instructional	50,973	43,184	0	0	0	+++
Department: 6450 School Technology						
2 - Operating	81,136	195,174	236,684	375,687	139,003	59%
Department Total: School Technology	81,136	195,174	236,684	375,687	139,003	59%
Department: 9600 Transfers Out						
5 - Transfers to Other Funds	0	52,186	0	0	0	
Department Total: Transfers Out	0	52,186	0	0	0	+++
Fund Total: School Operating	20,029,055	18,487,538	16,943,922	15,994,487	(949,435)	-6%

SCHOOL OPERATIONS (CONT.)

Fund: 920 School Federal Grants Fund

Department: 6500 School Specific Program Expenses
2 - Operating

	0	1,610,362	3,671,992	2,920,544	(751,448)	-20%
--	---	-----------	-----------	-----------	-----------	------

Department Total: School Specific Program Expenses

	0	1,610,362	3,671,992	2,920,544	(751,448)	-20%
--	---	-----------	-----------	-----------	-----------	------

Department: 9600 Transfers Out

5 - Transfers to Other Funds

	0	329,460	0	0	0	
--	---	---------	---	---	---	--

Department Total: Transfers Out

	0	329,460	0	0	0	+++
--	---	---------	---	---	---	-----

Fund Total: School Federal Grants Fund

	0	1,939,822	3,671,992	2,920,544	(751,448)	-20%
--	----------	------------------	------------------	------------------	------------------	-------------

Fund: 921 School Food Service

Department: 6400 School Food Services
2 - Operating

	904,591	866,955	844,314	844,314	0	0%
--	---------	---------	---------	---------	---	----

Department Total: School Food Services

	904,591	866,955	844,314	844,314	0	0%
--	---------	---------	---------	---------	---	----

Department: 9600 Transfers Out

5 - Transfers to Other Funds

	0	0	0	0	0	
--	---	---	---	---	---	--

Department Total: Transfers Out

	0	0	0	0	0	+++
--	---	---	---	---	---	-----

Fund Total: School Food Service

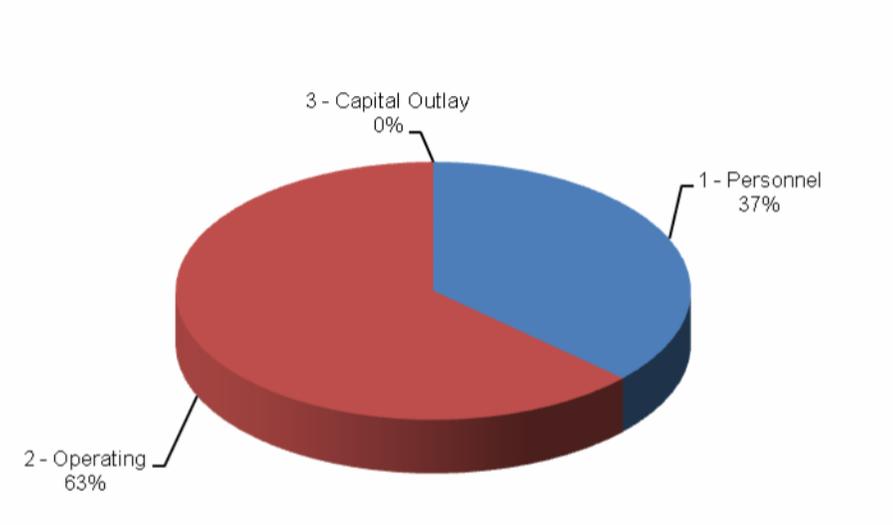
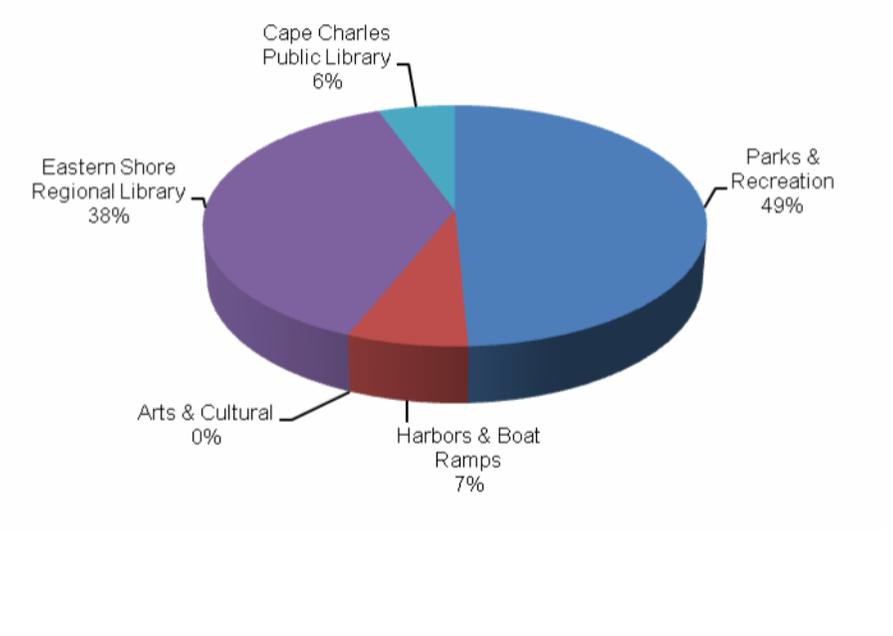
	904,591	866,955	844,314	844,314	0	0%
--	----------------	----------------	----------------	----------------	----------	-----------

Total Education School Operating Funds

	20,933,647	21,294,315	21,460,228	19,759,345	(1,700,883)	-7%
--	-------------------	-------------------	-------------------	-------------------	--------------------	------------

COUNTY OF NORTHAMPTON, VIRGINIA
Parks, Recreation and Cultural – All Funds

\$278,747



Parks, Recreation and Cultural – All Funds

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Parks & Recreation	135,399	111,362	157,009	137,298	(19,711)	-13%
Harbors & Boat Ramps	172,037	21,961	120,261	19,284	(100,977)	-84%
Eastern Shore Regional Library	73,940	77,884	106,420	106,665	245	0%
Cape Charles Public Library	15,500	15,500	15,500	15,500	0	0%
Total - Parks, Recreation & Cultural	396,876	226,707	399,190	278,747	(120,443)	-30%

PARKS & RECREATION

DESCRIPTION

The Northampton County Parks & Recreation Department provides facilities and programs to serve the leisure, social, cultural and recreational needs of the community. Programs are provided at schools, athletic fields, parks and other facilities located throughout the County. The County owns 52 acres at Indiantown Park that consists of wooded trails, soccer fields, softball fields, a picnic shelter, and a disc golf course. The Park also has a recreation building that is used for meetings, parties, dances, family reunions, weddings and receptions. Information is gathered from the community to determine the need for services.

GOALS

- **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- Expansion of recreation opportunities for youth and encourage private sector possibilities for expansion of recreation opportunities

Medium-term Goals - 2010/2011

- Explore relationship with Randy Custis Park
- To promote a wholesome recreational program that will foster a friendly community environment.
- To preserve the native history of Indiantown Park.
- To form partnerships with local businesses, towns and the state for creating recreational opportunities within the County and providing funding for recreational programs.

- **Overall Goal - Maintain a Capital Improvement Program to address capital expenditures for infrastructure and required services.**

Long-term Goals - Beyond 2012

- Acquire bayside beach in Northern half of county

Short-term Goals - 2010

- Implement grant funds for renovation of Indiantown Park
- Determine use/access of birding walkway @ landfill

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 7101 Parks & Recreation						
1 - Personnel	92,947	78,918	115,655	96,866	(18,789)	-16%
2 - Operating	42,452	32,444	41,354	40,432	(922)	-2%
3 - Capital Outlay	0	0	0	0	0	
Department Total: Parks & Recreation	135,399	111,362	157,009	137,298	(19,711)	-13%

PARKS & RECREATION (CONT.)

FUTURE ISSUES

Capital improvements are currently underway at Indiantown Park. Improvements are planned for the main parks building which is used for holding arts classes, summer camp programs and rented by residents for family reunions, weddings and other functions. The improvements include renovations to the bathrooms, roof repair and renovation to the windows and doors.

The soccer field will also be improved and expanded to regulation size. Additionally, lighting will be installed at this field to maximize its availability for usage. A concession stand with public bathrooms will be constructed near the playing fields. Other parts of the project include parking improvements, playground equipment and outdoor seating (picnic tables) as well as grills to complement outdoor entertainment or "family reunion-type" events, improved signage to the park, and additional equipment for maintenance of the park property.

HARBORS & BOAT RAMPS

DESCRIPTION

The Harbors & Boat Ramps Department is responsible for maintenance at the County-owned harbors and marinas in Northampton. These facilities are: Oyster Harbor, Willis Wharf Harbor, Morley's Wharf, and Red Bank Boat Ramp (owned by Game & Inland Fisheries; County just provides maintenance). Oyster Harbor has two floating docks and a large parking area to be maintained. Willis Wharf Harbor is the County's only marina with 50 slips, sanitary facilities and power availability. Morley's Wharf has a large fishing pier and sanitary facilities. Northampton County has recently constructed an expanded parking area for the floating dock (recreational) side of Oyster Harbor. In addition, the County has constructed a pier, portable toilets and a new well to serve the commercial watermen on the south side of the Harbor. In the summer of 2008 all of the deteriorated pilings were replaced at the commercial dock at Oyster. In October and November of 2009 the floating docks at Oyster Harbor were replaced with new light weight floating docks. In addition the gangways that serve the floating docks were completely rebuilt using County staff and local contractors. All of the funding for the floating dock replacement was provided by a grant from the Virginia Port Authority. With the exception of a few hundred dollars, all of these grant funds have been spent.

GOALS

- **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- To provide safe and attractive facilities for both the working watermen, County residents and tourists.
- To maintain and enhance the County's harbors and ramp assets.

Short-term Goals – 2010

- Departmental short-term goal – Reapply for VPA grant funding to further improve County marine facilities.
- Departmental short-term goal – To install a shallow well on the boat ramp side of Oyster Harbor for sanitary reasons.
- Departmental short-term goal – Re-stripe boat ramp parking area

HARBORS & BOAT RAMPS (CONT.)

- **Organization-wide Overall Goal - Maintain a Capital Improvement Program to address capital expenditures for infrastructure and required services.**

Long-term Goals - Beyond 2012

- Morley's Wharf – Boat Slips
- Willis Wharf & Oyster Harbor – permanent restrooms
- Community Docking
- Acquire bayside beach in Northern half of county

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 7107 Harbors & Boat Ramps						
1 - Personnel	5,593	5,684	5,792	5,883	91	2%
2 - Operating	128,840	14,777	13,400	13,401	1	0%
3 - Capital Outlay	37,604	1,500	101,069	0	(101,069)	-100%
Department Total: Harbors & Boat Ramps	172,037	21,961	120,261	19,284	(100,977)	-84%

SERVICE LEVELS

MEASUREMENTS

	(Actual) <u>FY 09</u>	(Estimated) <u>FY 10</u>	(Estimated) <u>FY 11</u>
<i>Workload:</i>			
Maintain infrastructure:			
Docks, slips, power	1/week	1/week	1/week
Customer assistance	1/week	1/week	1/week
<i>Efficiency:</i>			
Frequently check and repair:			
Harbors/docks structure	1/week	1/week	1/week
Easy access by public	80%	80%	80%

FUTURE ISSUES

As the County continues to focus on tourism and its related activities, the County's harbors and boat ramps will be targeted for increased use by residents and tourists. The County may need to investigate the need for fees/charges relating to use of these facilities in the future.

LIBRARIES

DESCRIPTION

Northampton County makes an annual contribution toward the operations of the Eastern Shore Public Library (Regional Library) and the Northampton Memorial Library. The Eastern Shore Public Library serves both Accomack and Northampton Counties. The Northampton Memorial Library is located in the Town of Cape Charles and services the southern half of Northampton County. In addition to the contribution for operations, the Eastern Shore Public Library has requested a contribution of \$200,000 towards the construction of a new branch in the northern part of Northampton County. The FY06 budget was to be the third of three years to include a special tax of 1cent/\$100 valuation to fund this request. The Board of Supervisors approved the extension of this agreement for one additional year (FY07). In past years, the proceeds from the special tax have been shared with the Northampton Memorial Library to fund their capital needs.

GOALS

- **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- To provide the citizens of Northampton County with convenient access to public libraries.

FINANCIAL ACTIVITY

Regional Library:

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 7302 Eastern Shore Regional Library 2 - Operating	73,940	77,884	106,420	106,665	245	0%
Department Total: Eastern Shore Regional Library	73,940	77,884	106,420	106,665	245	0%

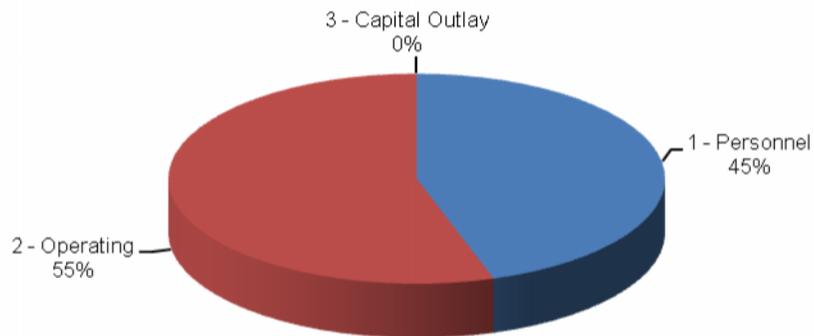
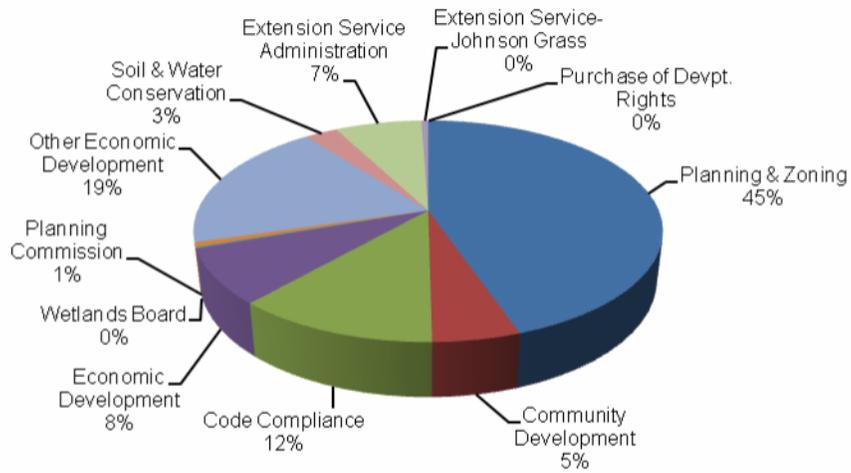
Local Library:

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 7303 Cape Charles Public Library 2 - Operating	15,500	15,500	15,500	15,500	0	0%
Department Total: Cape Charles Public Library	15,500	15,500	15,500	15,500	0	0%

COUNTY OF NORTHAMPTON, VIRGINIA

Community Development – All Funds

\$1,061,791



Community Development – All Funds

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Planning & Zoning	444,858	520,234	556,348	474,581	(81,767)	-15%
Community Development	79,737	55,689	343,790	53,933	(289,857)	-84%
Code Compliance	117,681	119,129	141,984	125,281	(16,703)	-12%
Economic Development	0	0	85,000	85,000	0	0%
Wetlands Board	1,625	1,625	2,100	2,100	0	0%
Planning Commission	9,773	6,925	10,945	7,018	(3,927)	-36%
Other Economic Development	155,239	322,496	169,994	203,459	33,465	20%
Soil & Water Conservation	30,262	35,241	25,813	28,508	2,695	10%
Extension Service Administration	81,138	92,821	91,316	76,006	(15,310)	-17%
Extension Service-Johnson Grass	5,678	3,168	5,897	5,905	8	0%
Purchase of Devpt. Rights	0	80,561	0	0	0	0%
Total - Community Development	925,992	1,237,889	1,433,187	1,061,791	(371,396)	-26%

PLANNING & ZONING

DESCRIPTION

The Department of Planning and Zoning, in conjunction with the boards and commission it staffs, provides services and programs to enhance the physical environment of the County. The Department functions generally to fulfill the state mandate to develop a comprehensive plan to guide growth and development in the county and to regulate land use. In carrying out those functions, the department undertakes various activities with regard to land use, including comprehensive planning and mapping as well as administration and enforcement of the County's zoning, subdivision, erosion and sediment control (E & SC), and wetlands/coastal primary sand dune ordinances. The staff assists the public with land use issues and provides technical support for the Planning Commission, the Wetlands Board, the Board of Zoning Appeals, the Agricultural and Forestal District (AFD) Advisory Committee, the Community Housing Committee, the Purchase of Development Rights Committee, and the Board of Supervisors. The Department provides technical assistance as well as zoning, subdivision, and E & SC administration for the incorporated Town of Eastville. The Department also serves as the E & SC program administrator for the Town of Exmore. Staff is also engaged in a variety of regional planning activities.

The Planning and Zoning budget includes compensation for the 5-member Board of Zoning Appeals (BZA). The BZA members are judicial appointees who serve to consider appeals to various zoning determinations made by staff. The BZA meets on a monthly basis as necessary, and members are compensated at a rate of \$25.00 per meeting attended.

GOALS

- **Organization-wide overall goal - Invigorate the economic viability of the County, while managing growth in such a way as to preserve the existing natural resources and tranquil rural life style.**

Medium-term Goals - 2010/2011

- Subdivision Ordinance – review for compliance with revised Comprehensive Plan and Zoning Ordinance
- Finalize Town Edge Plans
- Historic Corridor Designation for Rte. 184 (Stone Road) and Old Cape Charles Road in Cape Charles
- Encourage Industrial Development along with Block Commercial Development in the Land Use Section of the Comp Plan
- Evaluate elevation requirements for structures located near tidal waters

Short-term Goals - 2010

- Overview/review of Zoning Ordinance thru a Steering Committee to forward recommendations to BOS for any action by Planning Commission.
- Finalize Town Edge Plans
- Create Watershed Management Plan
- Review Comprehensive Plan
- Annually update the CEDS (Comprehensive Economic Development Strategy) through the ANPDC

- **Organization-wide Overall Goal - Maintain a reasonable County tax structure by effectively and responsibly balancing the increasing demands for services with available resources to achieve maximum value for our citizens.**

Short-term Goals - 2010

- Review County policy re: boundary adjustments

PLANNING & ZONING (CONT.)

- **Organization-wide overall goal - Promote the development of an accountable, responsive local government with demonstrated efficiency and effectiveness.**

Long-term Goals - Beyond 2012

- To ensure that sound land use and development practices are employed and guide future development in an efficient and serviceable manner which is protective of Northampton County's predominantly rural, coastal, and ecologically sensitive character.
- To regularly review and revise the County's land use documents and consistently and equitably enforce ordinances.
- To maintain an adequate, high-quality staff to provide efficient, timely service to residents and towns.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 8101 Planning & Zoning						
1 - Personnel	352,214	355,129	363,366	363,613	247	0%
2 - Operating	92,645	165,105	192,982	110,968	(82,014)	-42%
3 - Capital Outlay	0	0	0	0	0	
Department Total: Planning & Zoning	444,858	520,234	556,348	474,581	(81,767)	-15%

ACCOMPLISHMENTS

Planning and Zoning Department staff has continued to implement improved processing and tracking systems to enhance the efficiency of permit application processing and record-keeping and to improve coordination with the County's Building Department. The staff has continued to upgrade our Geographic Information System (GIS) and to acquire associated training and will continue to seek opportunities to maximize the utility of this tool in relation to both long-range and current planning, as well as to the County's Emergency Services function and to other departments. Department staff has continued to receive training on the use of CommunityViz software.

During the past year comprehensive zoning ordinance amendments, including text and map amendments, were finalized and adopted following public hearings in the fall of 2009, concluding a three-year effort to review and revise the county's zoning regulations for compliance with the Land Use Plan adopted in 2006. Also during the past year, staff assisted in a review of the Board of Supervisors' AFD policy and, at the direction of the Board, managed the application and associated public hearing process for a second round of AFD applications during the 2009 calendar year, culminating in forty-eight (48) public hearings on proposed new districts plus additions to new and existing districts in late fall 2009. The continued use of contract engineering review services as a component of the County's E & SC Program has improved project compliance with state standards for erosion and sediment control and storm water management. Staff continues to implement a notification program to advise property owners of the need to have their septic systems pumped every five (5) years as required by provisions in the zoning ordinance for compliance with Chesapeake Bay regulations, and a mailing will be scheduled in this fiscal year.

PLANNING & ZONING (CONT.)

FUTURE ISSUES

During this fiscal year departmental goals with respect to staffing include retention of qualified staff and acquisition and/or maintenance of certifications necessary or desirable for continued effective performance. We will continue to work closely with the Building Department in an effort to reduce the review time for building permit applications. Adoption of an interim stormwater management ordinance is anticipated, followed by development of a stormwater management plan. It is expected that permit-tracking software will be fully implemented during the next year and that functionality of the department's web pages will be enhanced so that forms and more information will be available electronically. In addition, staff will endeavor to evaluate and establish performance measures for the services and functions of the department.

COMMUNITY DEVELOPMENT

DESCRIPTION

Northampton County makes contributions to a number of local agencies including the Agency on Aging, the Housing and Redevelopment Authority, the Resource Conservation and Development Council, and the Accomack-Northampton Planning District Commission. The FY07 budget included a pass-through grant for the Eastern Shore Barrier Island Center.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 8102 Community Development						
2 - Operating	79,737	55,689	343,790	53,933	(289,857)	-84%
Department Total: Community Development	79,737	55,689	343,790	53,933	(289,857)	-84%

CODE COMPLIANCE

DESCRIPTION

The Code Compliance Department enforces the following county ordinances: Dangerous/Derelict structures, Solid Waste, Abandoned Motor Vehicle, Inoperable Motor Vehicle, and Overgrown Grass. This department is also responsible for the assignment of road names, street addresses and the installation street signs for Northampton County. The Assign-A Highway program for litter control within the County is supervised and implemented by this department via the court system with community service assignment.

GOALS

➤ **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- Departmental long-term goal - To provide a safe living environment for the citizens of the county through effective and fair code enforcement.
- Departmental long-term goal - To rid the County of all abandoned/inoperable motor vehicles, ensure all buildings are safe , all grass is compliant with grass ordinance, all solid waste is properly disposed of.

Short-term Goals - 2010

- Departmental short-term goal - Increase enforcement of ordinances by 25% in FY11 - rigorously pursuing the violators by imposing fines and liens as allowed by the ordinances.
- Departmental short-term goal - Coordinate with probation officers and probationers to ensure all roads are litter free.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 8104 Code Compliance						
1 - Personnel	85,861	97,322	98,236	99,016	780	1%
2 - Operating	31,820	21,806	43,748	26,265	(17,483)	-40%
Department Total: Code Compliance	117,681	119,129	141,984	125,281	(16,703)	-12%

SERVICE LEVELS

MEASUREMENTS

<i>Workload:</i>	(Actual) <u>FY08</u>	(Actual) <u>FY09</u>	(Estimate) <u>FY10</u>	(Estimate) <u>FY11</u>
Abandoned Vehicle/Inoperable Vehicles	503	110	200	100
Overgrown Grass	29	30	50	20
Dangerous Structures	7	27	40	25
Solid Waste	15	12	20	155
Assignment 911 addresses	87	82	80	90

CODE COMPLIANCE (CONT.)

ACCOMPLISHMENTS

- Actively enforcing ordinance through paroling neighborhoods as well as by complaint driven information.
- Public awareness of enforcement has resulted in has increased compliance throughout the county.
- Hundreds of abandoned vehicles have been removed and/or properly licensed, dangerous structures have been identified and made safe and/or demolished, overgrown grass lots - property owners are complying
- Many county roads are litter free due to the supervision of the Assign-A-Highway Program – litter control via probationers with court ordered community service

FUTURE ISSUES

Improving communication with the public as it relates to penalties associated with violating county ordinances. The financial aspects associated with compliance with the ordinances of this department inhibit the time the violations being resolved... A continuous open dialogue shall be maintained with the property owners and all involved with the violations to ensure compliance for the safety and well being of the citizens in the community.

ECONOMIC DEVELOPMENT

DESCRIPTION

The Northampton County Board of Supervisors created this category for the FY10 budget in order to assist in attracting and retaining businesses within the County.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 8105 Economic Development						
2 - Operating	0	0	85,000	85,000	0	0%
Department Total: Economic Development	0	0	85,000	85,000	0	0%

WETLANDS & ARCH. REVIEW BOARD

DESCRIPTION

The Wetlands Board meets on a monthly basis as needed to review applications for regulated activities in tidal wetlands and coastal primary sand dunes as defined by the Code of Virginia. The seven-member board is compensated at a rate of \$25 each per meeting attended. It is anticipated that in the coming year the wetlands/coastal primary sand dune ordinance will be reviewed and revised.

The Architectural/Historic Review Board has not yet been constituted. Our current zoning ordinance provides for a six-member board, and members would be compensated at a rate of \$25 each per meeting attended.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 8106 Wetlands Board						
2 - Operating	1,625	1,625	2,100	2,100	0	0%
Department Total: Wetlands Board	1,625	1,625	2,100	2,100	0	0%

PLANNING COMMISSION

DESCRIPTION

The planning commission currently consists of nine members representing each of the six (6) electoral districts in the county plus three (3) at-large members. The commission generally meets monthly to consider zoning petitions (special use permits, zoning map amendments, zoning text amendment) and other ordinance matters under public hearing and to formulate recommendations to the Board of Supervisors. The commission also serves as the planning commission for the Town of Eastville and, for town matters, makes recommendations to the Town Council. The commission also participates in comprehensive plan updates as mandated by Virginia law. During the course of the year, work sessions and recessed meetings are scheduled in addition to regular meetings as needed for thorough consideration and discussion of issues. Commissioners are compensated at the rate of \$25.00 per meeting with a maximum of \$50.00 per month per member.

All but the two (2) newest appointees to the commission have completed the Certified Planning Commissioners' Program offered by the Citizens Planning Education Association of Virginia (CPEAV)/PlanVA, pursuant to the resolution adopted by the Board of Supervisors to encourage certification.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 8107 Planning Commission						
2 - Operating	9,773	6,925	10,945	7,018	(3,927)	-36%
Department Total: Planning Commission	9,773	6,925	10,945	7,018	(3,927)	-36%

OTHER ECONOMIC DEVELOPMENT

DESCRIPTION

Northampton County makes contributions to several outside agencies in order to stimulate local economic development. Over the past several years, these have included the Tourism Commission, Star Transit, the Eastern Shore Public Service Authority and several others. In FY06, the Board of Supervisors eliminated a contribution to the Eastern Shore Economic Development Commission but plans to explore other economic development initiatives.

GOALS

- **Organization-wide Overall Goal - Invigorate the economic viability of the County, while managing growth in such a way as to preserve the existing natural resources and tranquil rural life style.**

Long-term Goals - Beyond 2012

- To stimulate economic development in Northampton County.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 8108 Other Economic Development 2 - Operating	155,239	322,496	169,994	203,459	33,465	20%
Department Total: Other Economic Development	155,239	322,496	169,994	203,459	33,465	20%

SOIL & WATER CONSERVATION

DESCRIPTION

Northampton County makes an annual contribution to the Eastern Shore Soil and Water Conservation District which serves both Accomack and Northampton counties on the southernmost tip of the Delmarva Peninsula. Formed in 1945, the district is dedicated to promoting environmental education through diverse programs including a local Envirothon with teams from each of the five area high schools; an annual design contest for the Eastern Shore Envirothon logo; a conservation poster contest for area students; participation in seven regional festivals; developing schoolyard habitats; numerous in-school and community environmental education presentations; promotion of citizen stewardship programs, leadership in the Eastern Shore Environmental Education Council. The district enjoys as active collaboration with the school districts and many local partners such as Master Gardeners, The Nature Conservatory, and various state and federal agencies.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 8203 Soil & Water Conservation 2 - Operating	30,262	35,241	25,813	28,508	2,695	10%
Department Total: Soil & Water Conservation	30,262	35,241	25,813	28,508	2,695	10%

EXTENSION SERVICE

DESCRIPTION

Virginia Cooperative Extension enables people to improve their lives through an educational process that uses scientific knowledge focused on their issues and needs. Extension responds to the needs of individuals, families, groups and organizations with educational programs in the three broad areas of agriculture and natural resources, family and consumer sciences & community initiatives, and 4-H youth development.

Our vision is:

- To help clientele improve their lives.
- To use a systems approach to programming, with task-oriented work teams that respond to the needs of individuals, groups and organizations.
- To provide residents prompt access to information and programs through an innovative human and technological system.
- To work with the disenfranchised and underserved who need special attention by targeting certain of our resources to programs for low-income groups, those outside the dominant culture, dysfunctional families, limited-resource farmers, at-risk youth and others.
- To fully integrate a culturally diverse paid and volunteer staff in planning, implementing and evaluating programs.
- To collaborate with public and private partners to better utilize our resources, heighten our impact and reach a more diverse audience.
- To capitalize on the respective strengths of Virginia State and Virginia Tech as partners in supporting the extension mission.
- To recruit, manage and reward faculty, support, and volunteer staff to reflect each person's uniqueness and value.
- To have an open and positive administrative environment, based on shared leadership that maintains organizational integrity while providing opportunities for all staff members to fully realize their potential.
- To minimize administrative costs and direct resources to educational programming.

GOALS

- **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Administrative Services for the Northampton County Office

Outreach of all Extension Programs reach over one third of the county population, through workshops, seminars, conferences, newsletters, telephone, mail and e-mail correspondence. The office is on the cutting edge with technology and programming initiatives. The office consists of the following staff: three agents, an administrative assistant, a SCNEP Program Assistant, a part-time clerical aide, a part-time domestic engineer, and a part-time Johnsongrass /Gypsy Moths Coordinator. Staffing needs include: continued clerical assistance.

Agriculture & Natural Resources:

Agriculture and Natural Resources goal is to conduct educational programs that help sustain profitability of agricultural and forestry production while protecting and enhancing land and water resources. Programming efforts address a broad range of problems from traditional agricultural management and production issues in livestock and crops to farm business management, soil and water conservation, land and water quality, the safe use of pesticides, forestry and wildlife, and commercial and consumer horticulture.

EXTENSION SERVICE (CONT.)

Some of the services are:

- Pesticide Safety Training
- Soil Testing and Fertilization Recommendations
- Insect, Disease, and Weed Identification and Control Measures
- Alternative Cropping Systems Training
- Pesticide Container Recycle Program
- Crop Budgeting
- Water Quality & BMP Programming

4-H Youth Development:

4-H is the comprehensive youth development program of Virginia Cooperative Extension. Youth between the ages of 5 and 18 engage in hands-learning experiences under the guidance of adult or teen 4-H volunteers trained by 4-H agents. 4-H programs use experiential learning opportunities to teach the latest research-based subject matter knowledge and to foster skill development in effective citizenship, leadership, and other life skills. In Northampton county, youth participate in community clubs, after school clubs and activities, workshops, 4-H camping and in-school enrichment programs. 4-H members learn how to: make decisions, manage resources, work with others, and utilize effective communication skills. 4-H serves as an effective prevention educational program. Involvement in 4-H reduces the potential for dysfunctional involvement in the community by youth. The mission of 4-H is to develop youth and adults working with those youth to realize their full potential—becoming effective, contributing citizens through participation in research-based, informal, hands-on educational experiences.

Family & Consumer Sciences:

Family and Consumer Sciences programs provide informal education that increases knowledge, influences attitudes, teaches skills, and inspires aspirations. Through the adoption and application of these practices, the quality of individual, family, and community life is improved. Family and Consumer Sciences & Community Initiatives bring specialist, agent, and volunteer expertise together to address the needs and priority issues facing Virginia’s families. Five specific goals are addressed:

Long-term Goals - Beyond 2012

- To provide education from numerous disciplines addressing societal issues of concern to individuals and families
- To assist communities in analyzing the status of families and identifying appropriate community action to meet the needs of families
- To train volunteers and program assistants to assist the Family and Consumer Sciences & Community Initiatives program
- To motivate people to become involved in community issues and to develop leadership potential in those people
- To collaborate with other Extension program areas, and form partnerships with other agencies, community organizations, and educational groups.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 8301 Extension Service Administration						
1 - Personnel	4,803	12,230	12,031	12,080	49	0%
2 - Operating	76,335	80,592	79,285	63,926	(15,359)	-19%
3 - Capital Outlay	0	0	0	0	0	
Department Total: Extension Service Administration	81,138	92,821	91,316	76,006	(15,310)	-17%

EXTENSION SERVICE (CONT.)

FUTURE ISSUES

The ANR Agent/Unit Coordinator provides leadership and supervision to management of the office and project delivery of programs. The agent is the advisory to the Extension Leadership Council. The agent will be responsible for conducting a situation analysis of the county to address critical needs and issues. Future department issues and needs are:

- Increase the number of homeowners in the county
- Provide on-going parenting and grandparenting education programs (Staff needed).
- Provide more youth leadership program to reduce risky youth behavior
- Seek grant funds to upgrade building and develop youth community center in building
- Increase participation in county exercise room
- Increase youth and adult nutrition and wellness programs
- Market entrepreneurial programs and technology initiatives for residents and business community
- Increase membership on Extension Leadership Council
- Partner with other agencies to promote higher education for Northampton County youth
- Develop programming activities to increase family stability
- Seek additional funds to educate limited resource/low wealth individuals

Agriculture & Natural Resources:

Improvement and sustainability of small farm operations

- Develop alternative crops and cropping practices
- Develop new marketing techniques for small specialty growers
- Education and promotion of risk management programs for small growers

Improvement of profitability in small grain, soybean and corn production

- Education and implementation of cost saving practices
- Utilization of federal programs
- Examination of alternative crop production practices

Development of conservation program which will protect the environment while improving profitability

- Promotion and demonstration of minimum tillage- no tillage and conservation tillage

Increase awareness of pesticide safety

- Pesticide Licensing Program
- Educational programs
- Pesticide Container Recycle Program

Increase pest management awareness

- Trap monitoring
- Scouting
- Education and circulation of control information

4-H Youth Development:

The Northampton County 4-H program is being implemented by the 4H Youth Development Agent and a 4-H Youth Development Coordinator. Additional plans include:

- Assist schools in development of outdoor class room and coordinate volunteer assistance
- Provide hands-on in school enrichment programs to reinforce SOL objectives

EXTENSION SERVICE (CONT.)

- Continue to develop leadership training and community service activities for teens
- Increase community clubs by working through church groups and civic organizations
- Increase participation in science, technology and math (STEM) clubs – GIS/GPS, Robotics
- Provide workshops and in-school enrichment events, addressing the issues of preparing youth for work
- Increase enrollment of the Hispanic population in programming activities
- Increase participation in local and state contests

Family & Consumer Sciences:

The Northampton County FCS program has been under intense adjustments over the past year. An increase in programming is expected for 2009. Plans include:

- Increased Financial Management Education for Adults and Youth
 - Increased Family Life Education opportunities, including parenting classes.
 - Training of Financial Counseling Volunteers.
 - Implementation of Faith-Based Programs.
-
- Collaboration with other VCE programming areas to address issues identified in the Unit Situation Analysis.
 - Increased Opportunities for Child Care Providers to earn continuing education credits.

SERVICE LEVELS

MEASUREMENTS

<i>Workload:</i>	(Actual) <u>FY 08</u>	(Estimated) <u>FY 09</u>	(Estimated) <u>FY 10</u>
------------------	--------------------------	-----------------------------	-----------------------------

Family & Consumer Sciences & Community Initiatives:

Parenting and Grandparenting	N/A	100	125
Child Care Provider's Training	N/A	50	75
Housing Counseling & Home Ownership	N/A	N/A	N/A
Home Maintenance & Repair	N/A	50	75
Money Management	20	200	250
Fatherhood Initiative Program	N/A	N/A	N/A
Smart Choice Nutrition Education Program	144	130	130
Exercise Program	N/A	N/A	N/A
Reality Store/Consumer Education for Youth	N/A	N/A	N/A
School Age ChildCare program	N/A	N/A	N/A
Technology and Business Program	N/A	N/A	N/A
Grant Funding and Value Added Programs	\$7,000	\$10,000	\$15,000

Agriculture & Natural Resources:

Small and Commercial Farmers	130	130	130
Gypsy Moth	75	80	100

EXTENSION SERVICE (CONT.)

Pesticide Training	150	200	200
Pesticide Container Recycling	5,000	4,000	4,000
Farming- Vegetable Profitability	100	100	100
Farming- Grain Profitability	150	150	150
Integrated Pest Management	150	200	200
Master Gardener Volunteers	100	75	75
Grant Funding and Value Added	\$10,000	\$5,000	\$10,000

4-H Youth Development:

4-H Enrollment	1,097	1,300	1,500
4-H Adult Volunteers	105	120	150
4-H Teen Volunteers	18	25	35
4-H Community Club and Organizations	6	8	12
4-H Camping Program	59	70	80
4-H Cloverbud Program	15	25	35
Grant Funding for Youth Programs	13,804	\$17,000	\$20,000

EXTENSION SERVICE – JOHNSON GRASS

DESCRIPTION

The Extension Service operates a program supervised by the Agriculture Extension Agent for the elimination of Johnson Grass. Johnson Grass is a tall perennial grass that spreads by creeping rhizomes and is grown for fodder. It is, however, a serious pest on cultivated land.

GOALS

- **Organization-wide Overall Goal - Develop a financial plan to maintain and enhance the community by providing a sound quality of life and a safe living environment for our citizens.**

Long-term Goals - Beyond 2012

- To eradicate Johnson Grass from Northampton County.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 8305 Extension Service-Johnson Grass						
1 - Personnel	1,906	896	1,997	3,005	1,008	50%
2 - Operating	3,772	2,271	3,900	2,900	(1,000)	-26%
Department Total: Extension Service-Johnson Grass	5,678	3,168	5,897	5,905	8	0%

EXTENSION SERVICE GRANTS

DESCRIPTION

This fund records the activity of a variety of small grants received by the County Extension Service. These grants provide services for the citizens of the County from after-school childcare to homeownership education. The County sometimes makes contributions to these grants or approves a general contribution to allow the Extension Service Agent the flexibility of using the funds to the greatest advantage. All grant programs had ended as of June 30, 2008 and no budget was requested for FY09 or FY10.

FINANCIAL ACTIVITY

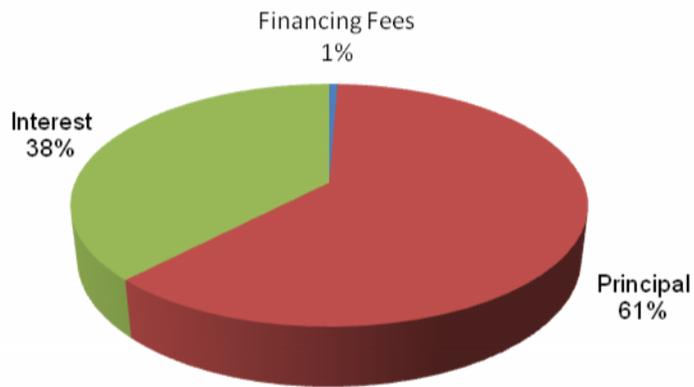
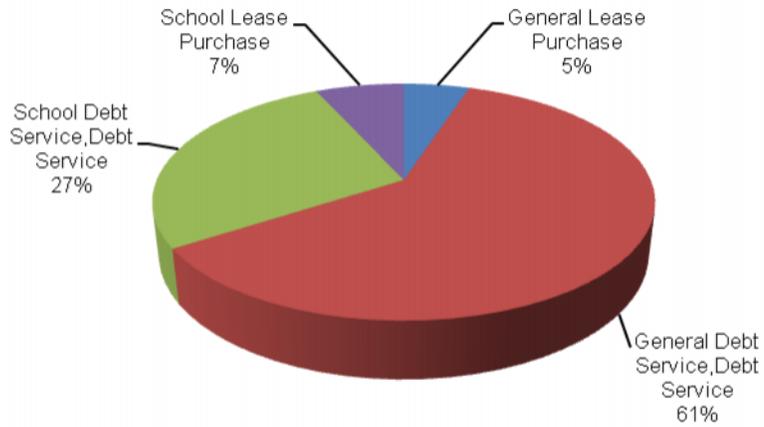
	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Ext. Serv. - After School Prog.	1,343	0	0	0	0	0
Ext. Serv. - Family Preservation	1,172	0	0	0	0	0
Ext. Serv. - Parenting By Supp.	37,304	0	0	0	0	0
Ext. Serv. - After School PartII	44,532	0	0	0	0	0
Ext. Serv. - Homeownership Coord	4,648	0	0	0	0	0
Fund: 215 - Extension Service Grant Expenditure Total	88,999	0	0	0	0	0

THIS PAGE LEFT BLANK INTENTIONALLY

COUNTY OF NORTHAMPTON, VIRGINIA

Debt Service – All Funds

\$4,833,539



Debt Service – All Funds

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
General Lease Purchase	233,509	237,258	297,401	245,204	(52,197)	-18%
General Debt Service	1,597,335	12,494,902	2,913,264	2,940,279	27,015	1%
School Debt Service	1,160,597	1,058,501	1,408,432	1,319,056	(89,376)	-6%
School Lease Purchase	0	89,285	266,600	329,000	62,400	23%
Debt Service	2,991,442	13,879,946	4,885,697	4,833,539	(52,158)	-1%

COUNTY OF NORTHAMPTON, VIRGINIA

DEBT SERVICE OVERVIEW

The Constitution of Virginia, Article VII, Section 10, and the Public Finance Act provide the authority for a County to issue General Obligation (GO) Debt with no limit on the amount of GO Debt that a County may issue. The Northampton County Board of Supervisors adopted a local policy during FY05 which states that the ratio of debt service expenditures as a percentage of governmental fund expenditures should not exceed 12%. For FY11, this ratio will be approximately 11.8%. The policy also set a limit for total outstanding debt at no more than 4% of the assessed value of real estate. For FY11, this ratio will be approximately 1.6%.

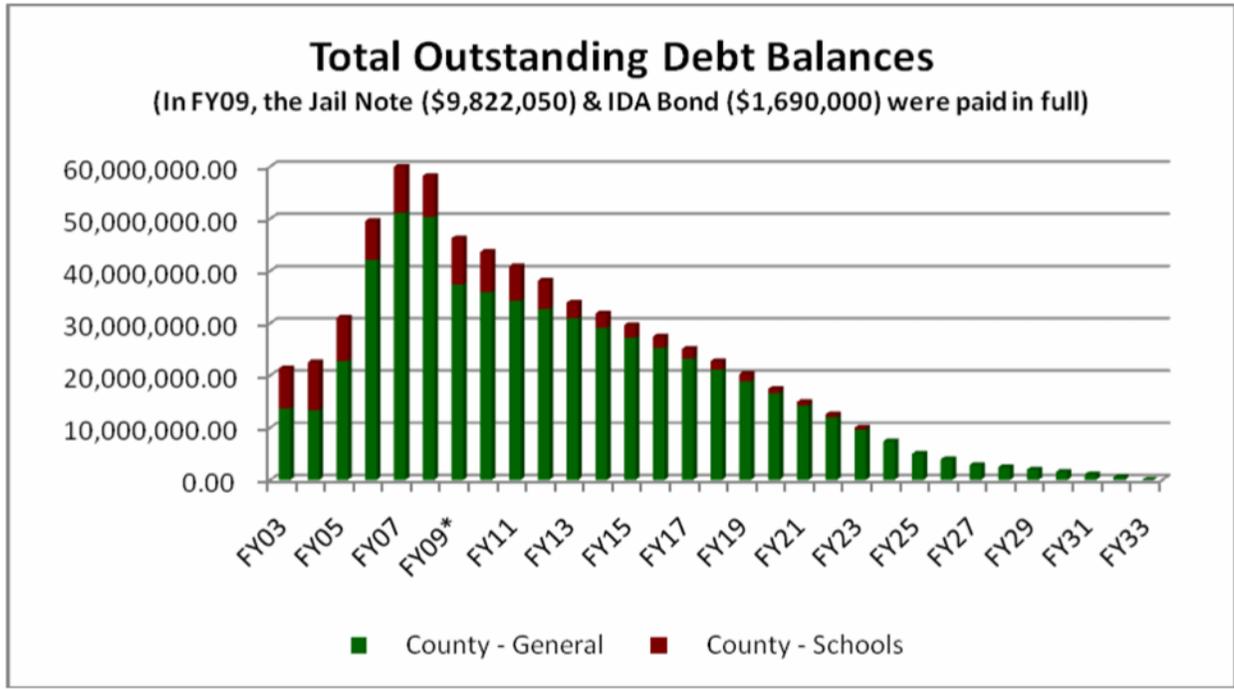
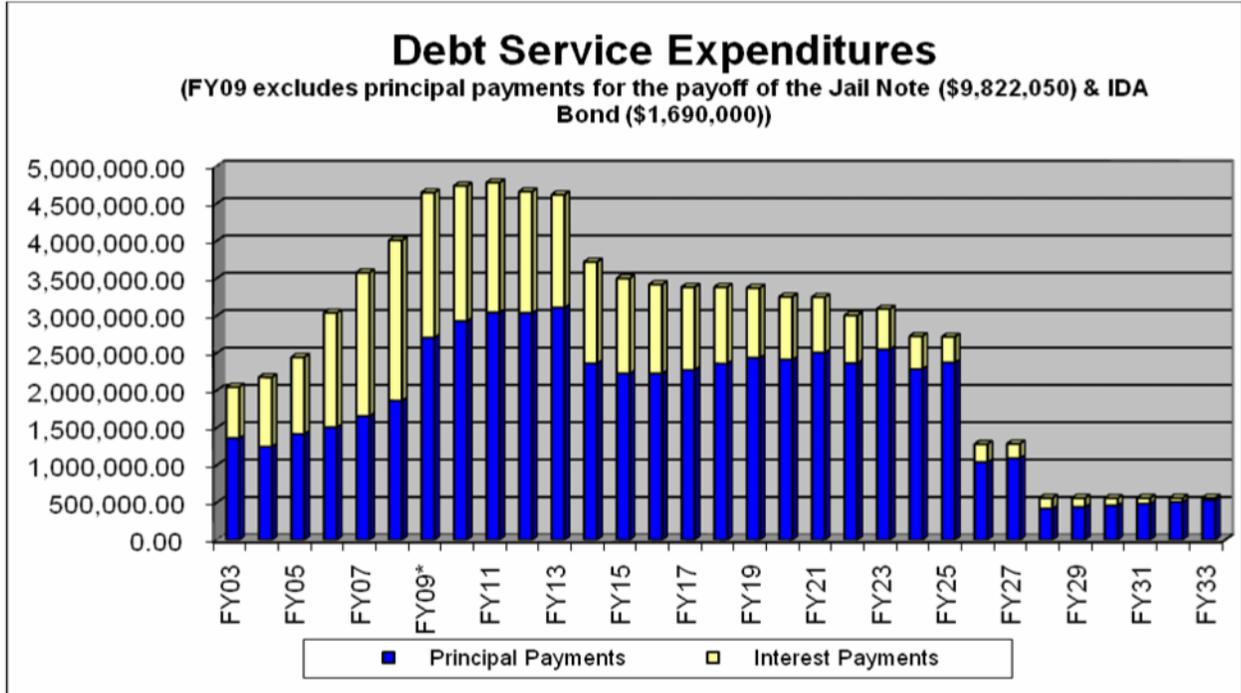
All debt secured by the general obligation of the County must be approved by the Board of Supervisors and a public referendum, with the exception of Virginia Public School Authority (VPSA) Bonds and State Literary Fund Loans which do not need approval by referendum.

The County's outstanding debt at July 1, 2010 is as follows:

General	
Lease-Purchase Obligations	317,307
2002 Lease Revenue Bonds	9,110,000
2005 Regional Jail Bank Qualified Financing	8,810,000
2006 Regional Jail Bank Qualified Financing	9,218,000
2007 County Admin/Landfill Bank Qualified Financing	8,482,471
Subtotal	35,937,778
Schools	
Lease-Purchase Obligations (School Debt Service Fund)	467,538
Lease-Purchase Obligations (School Operating Fund)	900,266
1992 & 1994 Bonds	1,790,153
1999, 2001, 2003 & 2006 QZABs	3,928,159
Literary Loans	145,569
Literary Loan Anticipation Note	1,390,000
Subtotal	8,621,685
Grand Total	44,559,463

COUNTY OF NORTHAMPTON, VIRGINIA

DEBT SERVICE OVERVIEW



GENERAL LEASE PURCHASE DEBT SERVICE

DESCRIPTION

Debt service related to the lease-purchase of equipment items is included in the budget as a department of the General Fund. Each year the Board of Supervisors may approve, as part of the budget process, a decision to finance certain equipment items over a three to five-year time period in order to make their purchase more affordable.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	%
Department: 9800 Debt Service						
4 - Debt	233,509	237,258	297,401	245,204	(52,197)	-18%
Department Total: Debt Service	233,509	237,258	297,401	245,204	(52,197)	-18%

GENERAL DEBT SERVICE

DESCRIPTION

The repayment of debt issued for the first phase of the new municipal complex is recorded in the General Debt Service Fund. This includes the construction of a new County Court facility, waste collection center sites for the collection of solid waste, school buses, a temporary facility for housing prisoners, a new social services facility, and architectural and engineering work for a new county jail. Financing for the construction of the jail began in December, 2004 with approximately 9.8 million borrowed. This was part of the portion that was reimbursed by the state upon project completion. Additional bank-qualified financings were completed in 2005 and 2006 for ten million each for the remainder of the jail project and to complete the waste collection centers and a transfer station. The final bank-qualified financing for the on-going capital improvement plan was completed in 2007 in order to complete the County Administration renovations, close the County landfill, construct a Judicial Court Services facility, and retrofit the Temporary Housing Unit into offices for the Sheriff's department. Tax revenues totaling 8 cents/\$100 valuation are the main source of revenue for the repayment. A portion of the sales proceeds from the Sustainable Technologies Industrial Park property was recorded in this fund to offset the need for future General Fund contributions. The County received a total of \$9,416,512 during FY09 from the state for a portion of its share of construction costs. An additional payment of \$3,353,992 is anticipated for the remaining balance of the state's portion. For more information, please refer to the debt section of the budget message.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	%
Department: 9800 Debt Service						
4 - Debt	1,597,335	12,494,902	2,913,264	2,940,279	27,015	1%
Department Total: Debt Service	1,597,335	12,494,902	2,913,264	2,940,279	27,015	1%

IDA DEBT SERVICE

DESCRIPTION

Northampton County formed its own development company to build, market and manage the Sustainable Technology Park (STIP). The entity's legal name is the Joint Industrial Development Authority of Northampton County and Towns (IDA). The Authority is a political subdivision of the Commonwealth of Virginia with a seven-member board of directors appointed by the governing bodies of Northampton County and the participating towns, Cape Charles, Cheriton and Exmore. In addition to managing the operations of the Sustainable Technology Park, the Authority also serves as a conduit for tax-free financing to the County and other qualified organizations. On February 29, 2008 the STIP property was sold for \$3,331,860. A portion of the proceeds from the sale will be used to pay off the outstanding debt in FY09, and the remainder will be used for future general debt service.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 9800 - Debt Service						
4 - Debt	1,974,116	0	0	0	0	
Debt Service Expenditure Total	1,974,116	0	0	0	0	

SCHOOL DEBT SERVICE

DESCRIPTION

The repayment of all school debt (bonds, literary loans and Qualified Zone Academy Bond loans) is recorded in the School Debt Service Fund. Additional debt related to the schools is a portion of the 2002 Lease Revenue Bonds for the purchase of school buses and a new fuel island, which was approximately \$134,000 per year for five years. Beginning in FY09, debt service for the lease purchase of two modular classroom units is included in this fund.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 9800 Debt Service						
4 - Debt	914,061	1,058,501	1,408,432	1,319,056	(89,376)	-6%
Department Total: Debt Service	914,061	1,058,501	1,408,432	1,319,056	(89,376)	-6%

* \$246,536 of this amount was transferred to a sinking fund for the future retirement of QZAB debt.

SCHOOL LEASE PURCHASE DEBT SERVICE

DESCRIPTION

Debt service related to the lease-purchase of school buses is included in the budget as a component of the School Operating Fund. Each year the Board of Supervisors may approve, as part of the budget process, a decision to finance certain equipment items over a three to five-year time period in order to make their purchase more affordable.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 9800 Debt Service						
4 - Debt	0	89,285	266,600	329,000	62,400	23%
Department Total: Debt Service	0	89,285	266,600	329,000	62,400	23%

COUNTY OF NORTHAMPTON, VIRGINIA

DEBT SERVICE SCHEDULES

For an explanation of the County's Debt Policy, please see page 45. The following tables reflect the County's current outstanding debt for general purposes and the school system.

COUNTY GENERAL DEBT SERVICE

Obligation	FY10	FY11	FY12	FY13	FY14
2002 Revenue Bonds					
Issued: Sept. 17, 2002					
Interest Rates: 1.7 to 5.0%					
Payment Dates: Feb. 1 & Aug. 1					
O/S Balance-Beginning	9,385,000.00	9,110,000.00	8,825,000.00	8,525,000.00	8,220,000.00
Principal Payments	275,000.00	285,000.00	300,000.00	305,000.00	315,000.00
Interest Payments	439,207.50	429,582.50	419,322.50	408,222.50	396,022.50
O/S Balance-Ending	9,110,000.00	8,825,000.00	8,525,000.00	8,220,000.00	7,905,000.00
2005 BQ Cap. Proj. Financing					
Issued: Oct. 14, 2005					
Interest Rates: 3.84%					
Payment Dates: Dec. 1 & June 1					
O/S Balance-Beginning	9,270,000.00	8,810,000.00	8,330,000.00	7,830,000.00	7,310,000.00
Principal Payments	460,000.00	480,000.00	500,000.00	520,000.00	540,000.00
Interest Payments	355,968.00	338,304.00	319,872.00	300,672.00	280,704.00
O/S Balance-Ending	8,810,000.00	8,330,000.00	7,830,000.00	7,310,000.00	6,770,000.00
2006 BQ Cap. Proj. Financing					
Issued: Jan. 27, 2006					
Interest Rates: 4.24%					
Payment Dates: Dec. 1 & June 1					
O/S Balance-Beginning	9,469,000.00	9,218,000.00	8,932,000.00	8,611,000.00	8,046,000.00
Principal Payments	251,000.00	286,000.00	321,000.00	565,000.00	589,000.00
Interest Payments	401,485.60	390,843.20	378,716.80	365,106.40	341,150.40
O/S Balance-Ending	9,218,000.00	8,932,000.00	8,611,000.00	8,046,000.00	7,457,000.00
2007 BQ Cap. Proj. Financing					
Issued: May 18, 2007					
Interest Rates: 4.40%					
Payment Dates: Dec. 1 & June 1					
O/S Balance-Beginning	8,813,716.00	8,482,471.00	8,136,652.00	7,775,616.00	7,398,695.00
Principal Payments	331,245.00	345,819.00	361,036.00	376,921.00	393,506.00
Interest Payments	387,803.50	373,228.72	358,012.68	342,127.10	325,542.58
O/S Balance-Ending	8,482,471.00	8,136,652.00	7,775,616.00	7,398,695.00	7,005,189.00

Obligation	FY10	FY11	FY12	FY13	FY14
FY06 Lease Purchase/Suntrust					
Issued: May1, 2006					
Interest Rates: 6.43%					
Payment Dates: Nov, May					
O/S Balance-Beginning	134,637.55	69,449.40			
Principal Payments	65,188.15	69,449.40			
Interest Payments	7,629.85	3,368.60			
O/S Balance-Ending	69,449.40	0.00			
FY07 Lease Purchase/Suntrust					
Issued: June 22, 2007					
Interest Rates: 3 Yr-4.02% & 5 Yr-3.99%					
Payment Dates: Sep, Dec, Mar, Jun					
O/S Balance-Beginning	194,989.80	88,946.79	45,356.08		
Principal Payments	106,043.01	43,590.71	45,356.08		
Interest Payments	6,218.71	2,902.13	1,136.77		
O/S Balance-Ending	88,946.79	45,356.08	0.00		
FY08 Lease Purchase/Suntrust					
Issued:					
Interest Rates: 3.1%					
Payment Dates: Aug ,Nov,Feb,May 5th					
O/S Balance-Beginning	71,810.59	36,460.53			
Principal Payments	35,350.06	36,460.53			
Interest Payments	1,820.78	710.31			
O/S Balance-Ending	36,460.53	0.00			
FY09 Lease Purchase/VRA					
Issued: August 22, 2008					
Interest Rates: 2.57%					
Payment Dates:					
O/S Balance-Beginning	88,150.04	49,523.53	10,016.63		
Principal Payments	38,626.51	39,506.90	10,016.63		
Interest Payments	1,850.70	872.94	62.85		
O/S Balance-Ending	49,523.53	10,016.63	0.00		
FY10 Lease Purchase/BB & T					
Issued:					
Interest Rates: 3.34%					
Payment Dates: Aug, Nov, Feb, May 23rd					
O/S Balance-Beginning	79,232.00	72,927.10	47,176.62	20,555.22	
Principal Payments	6,304.90	25,750.48	26,621.40	20,555.22	
Interest Payments	661.59	2,115.48	1,244.56	344.25	
O/S Balance-Ending	72,927.10	47,176.62	20,555.22	0.00	
TOTAL COUNTY GENERAL DEBT SERVICE					
O/S Balance-Beginning	37,506,535.98	35,937,778.35	34,326,201.33	32,762,171.22	30,974,695.00
Principal Payments	1,568,757.63	1,611,577.02	1,564,030.11	1,787,476.22	1,837,506.00
Interest Payments	1,602,646.23	1,541,927.88	1,478,368.16	1,416,472.25	1,343,419.48
O/S Balance-Ending	35,937,778.35	34,326,201.33	32,762,171.22	30,974,695.00	29,137,189.00

EDUCATION DEBT- SCHOOL DEBT SERVICE FUND

Obligation	FY10	FY11	FY12	FY13	FY14
Series 1992 School Bonds					
Issued: July, 1992					
Interest Rates: 4.9 to 6.35%					
Payment Dates: Jan 15 & Jul 15					
O/S Balance-Beginning	2,300,027.00	1,760,153.00	1,197,922.00	611,728.00	
Principal Payments	539,874.00	562,231.00	586,194.00	611,728.00	
Interest Payments	128,775.73	93,918.87	57,456.38	19,422.36	
O/S Balance-Ending	1,760,153.00	1,197,922.00	611,728.00	0.00	
Series 1994A School Bond Refi					
Issued: January 3, 1994					
Interest Rates: 5.5 to 7.5%					
Payment Dates: Jun 15 & Dec 15					
O/S Balance-Beginning	45,000.00	30,000.00	15,000.00		
Principal Payments	15,000.00	15,000.00	15,000.00		
Interest Payments	2,381.25	1,428.75	476.25		
O/S Balance-Ending	30,000.00	15,000.00	0.00		
1999 QZAB					
Issued: Oct. 26, 1999					
Interest Rates: 0%					
Payment Dates: Oct. 29					
O/S Balance-Beginning	525,000.00	350,000.00	175,000.00		
Principal Payments	175,000.00	175,000.00	175,000.00		
Interest Payments	0.00	0.00	0.00		
O/S Balance-Ending	350,000.00	175,000.00	0.00		
2001 QZAB ***					
Issued: Dec. 21, 2001					
Interest Rates: 4.09%					
Payment Dates: Dec. 21					
O/S Balance-Beginning	253,563.06	229,920.64	206,278.22	182,635.80	158,993.38
Principal Payments	23,642.42	23,642.42	23,642.42	23,642.42	23,642.42
Interest Payments	0.00	0.00	0.00	0.00	0.00
O/S Balance-Ending	229,920.64	206,278.22	182,635.80	158,993.38	135,350.96
2003 QZAB ****					
Issued: Dec. 29, 2003					
Interest Rates: 4.09%					
Payment Dates: Dec. 21					
O/S Balance-Beginning	1,576,042.00	1,462,817.00	1,349,592.00	1,236,367.00	1,123,142.00
Principal Payments	113,225.00	113,225.00	113,225.00	113,225.00	113,225.00
Interest Payments	0.00	0.00	0.00	0.00	0.00
O/S Balance-Ending	1,462,817.00	1,349,592.00	1,236,367.00	1,123,142.00	1,009,917.00

Obligation	FY10	FY11	FY12	FY13	FY14
2006 QZAB *****					
Issued: Dec. 22, 2006					
Interest Rates: 5.60%					
Payment Dates: Dec. 28					
O/S Balance-Beginning	1,995,090.00	1,885,421.00	1,775,752.00	1,666,083.00	1,556,414.00
Principal Payments	109,669.00	109,669.00	109,669.00	109,669.00	109,669.00
Interest Payments	0.00	0.00	0.00	0.00	0.00
O/S Balance-Ending	1,885,421.00	1,775,752.00	1,666,083.00	1,556,414.00	1,446,745.00
State Literary Loan					
Issued: June 25, 2002					
Interest Rates: 3%					
Payment Dates: Jul 1					
O/S Balance-Beginning	157,699.75	145,569.00	133,438.25	121,307.50	109,176.75
Principal Payments	12,130.75	12,130.75	12,130.75	12,130.75	12,130.75
Interest Payments	4,730.99	4,367.07	4,003.15	3,639.23	3,275.30
O/S Balance-Ending	145,569.00	133,438.25	121,307.50	109,176.75	97,046.00
State Literary Loan (Suntrust Antic. Note)					
Issued: October 21, 2008 (term 1 yr), refi-Nov 20, 2009 (term 3 yr)					
Interest Rates:3.64%, refir-3.03%					
Payment Dates: Jul 1, Jan 1					
O/S Balance-Beginning	2,768,350.00	1,390,000.00	1,390,000.00	1,390,000.00	
Principal Payments	1,378,350.00	0.00	0.00	1,390,000.00	
Interest Payments	21,601.81	46,913.66	42,117.00	42,117.00	
O/S Balance-Ending	1,390,000.00	1,390,000.00	1,390,000.00	0.00	
FY09 Lease Purchase/VRA					
Issued: August 22, 2008					
Interest Rates: 2.91%					
Payment Dates:					
O/S Balance-Beginning	603,651.19	467,538.00	327,851.21	184,497.00	37,379.08
Principal Payments	136,113.19	139,686.79	143,354.21	147,117.92	37,379.08
Interest Payments	15,757.20	11,840.00	7,819.94	3,694.33	266.32
O/S Balance-Ending	467,538.00	327,851.21	184,497.00	37,379.08	0.00
TOTAL SCHOOL DEBT SERVICE FUND					
O/S Balance-Beginning	10,224,423.00	7,721,418.64	6,570,833.68	5,392,618.30	2,985,105.21
Principal Payments	2,503,004.36	1,150,584.96	1,178,215.38	2,407,513.09	296,046.25
Interest Payments	173,246.98	158,468.35	111,872.72	68,872.92	3,541.62
O/S Balance-Ending	7,721,418.64	6,570,833.68	5,392,618.30	2,985,105.21	2,689,058.96

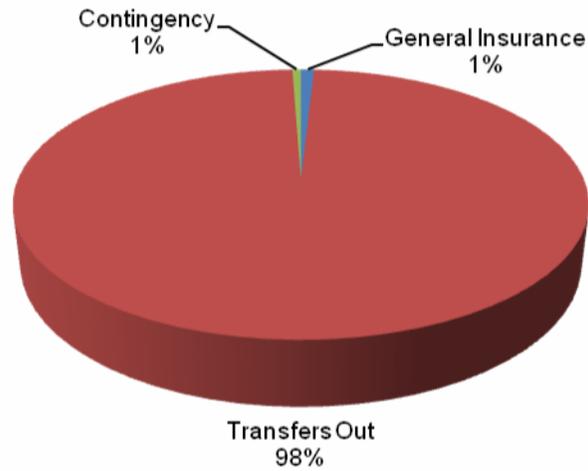
EDUCATION DEBT- WITHIN SCHOOL OPERATING FUND

Obligation	FY10	FY11	FY12	FY13	FY14
Suntrust Sch 01-Bus Equip Lease FY08 (6 buses)					
Issued: Sept. 20, 2007					
Interest Rates: 4.06%					
Payment Dates: Sep 20					
O/S Balance-Beginning	323,001.38	247,005.72	167,924.63	85,632.85	
Principal Payments	75,995.66	79,081.09	82,291.78	85,632.85	
Interest Payments	13,113.86	10,028.43	6,817.74	3,476.67	
O/S Balance-Ending	247,005.72	167,924.63	85,632.85	0.00	
Suntrust Sch 02-Bus Equip Lease FY09 (6 buses)					
Issued: July 18, 2008					
Interest Rates: 4.1739%					
Payment Dates: Jul 18					
O/S Balance-Beginning	456,014.00	372,113.51	284,711.10	193,660.62	98,809.79
Principal Payments	83,900.49	87,402.41	91,050.48	94,850.83	98,809.79
Interest Payments	19,033.51	15,531.59	11,883.52	8,083.17	4,124.21
O/S Balance-Ending	372,113.51	284,711.10	193,660.62	98,809.79	0.00
Suntrust Sch 03-Bus Equip Lease FY10 (4 buses)					
Issued: Oct 7, 2009					
Interest Rates: 3.4946%					
Payment Dates: Oct 30					
O/S Balance-Beginning	356,882.00	281,146.29	214,438.60	145,399.77	73,948.34
Principal Payments	75,735.71	66,707.69	69,038.83	71,451.43	73,948.34
Interest Payments	796.79	9,824.81	7,493.67	5,081.07	2,584.16
O/S Balance-Ending	281,146.29	214,438.60	145,399.77	73,948.34	0.00
TOTAL SCHOOL LEASE-PURCHASE DEBT SERVICE					
O/S Balance-Beginning	1,135,897.38	900,265.52	667,074.33	424,693.24	172,758.13
Principal Payments	235,631.86	233,191.19	242,381.09	251,935.11	172,758.13
Interest Payments	32,944.16	35,384.83	26,194.93	16,640.91	6,708.37
O/S Balance-Ending	900,265.52	667,074.33	424,693.24	172,758.13	0.00

COUNTY OF NORTHAMPTON, VIRGINIA

Other Expenditures – All Funds

\$13,193,213



Other Expenditures – All Funds

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Insurance	238,480	126,342	129,732	116,718	(13,014)	-10%
General Fund Transfer to School Op.	8,001,646	8,601,297	8,122,081	7,307,993	(814,088)	-10%
General Fund Transfer to Social Services	498,524	461,945	491,543	466,966	(24,577)	-5%
General Fund Transfer to ES Reg Jail	868,785	938,524	1,067,146	1,050,801	(16,345)	-2%
General Fund Transfer to Devpt. Rights Fund	0	99,281	0	0	0	
General Fund Transfer to Debt Service Funds	5,359,340	3,248,836	3,366,990	4,098,235	731,245	22%
General Fund Transfer to Public Utilities Fund	0	59,739	28,227	0	(28,227)	-100%
General Fund Transfer IDA Operating Fund	91,257	0	0	0	0	
Social Services Fund Transfer to General	190,311	238,676	69,000	77,500	8,500	12%
Transfers Out	15,009,863	13,648,298	13,144,987	13,001,495	(143,492)	-1%
General, Contingency	0	(3,764)	42,383	75,000	32,617	77%
Social Services, Contingency	0	0	16,301	0	(16,301)	-100%
Contingency	0	(3,764)	58,684	75,000	16,316	28%
Total Other Expenditures	15,248,343	13,770,876	13,333,403	13,193,213	(140,190)	-1%

WORKERS COMPENSATION INSURANCE

DESCRIPTION

The Workers' Compensation system was established to compensate and protect employees who suffer personal injury by accident arising out of and in the course of employment and to protect employers by limiting their exposure from lawsuits arising out of such injuries. The County is a member of the Virginia Municipal Group Self Insurance Association for workers' compensation and employer's liability insurance coverage. This program is administered by a servicing contractor, which furnishes claims review and processing. Each Association member jointly and severally agrees to assume, pay and discharge any liability. The County pays Virginia Municipal Group contributions and assessments based upon classifications and rates into a designated cash reserve fund out of which expenses of the Association and claims and awards are to be paid. In the event of a loss deficit and depletion of all available excess insurance, the Association may assess all members in the proportion which the premium of each bears to the total premiums of all members in the year in which such deficit occurs. Beginning in FY09, these premiums are reflected in the departmental personnel line items.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 9502 Worker's Comp./Unemp. Insurance						
1 - Personnel	104,389	0	0	0.00	0	
Department Totals	104,389	0	0	0.00	0	

GENERAL INSURANCE

DESCRIPTION

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Northampton County is a member of the Virginia Association of Counties Risk Pool (VACoRP) for its property and liability insurance. VACoRP is the leading provider of insurance and risk management services to counties, county school systems and county-related agencies in Virginia. Since VACoRP is open only to these entities, coverage and service has been tailored specifically to meet those needs. This has resulted in broader coverage, responsive claims service, dependable risk management & loss control services at a reasonable and stable cost.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
Department: 9503 General Insurance						
2 - Operating	134,091	126,342	129,732	116,718	(13,014)	-10%
Department Total: General Insurance	134,091	126,342	129,732	116,718	(13,014)	-10%

TRANSFERS OUT

DESCRIPTION

A majority of the following amounts are transferred from the County's General Fund to other County Funds. These transfers support the operations of the School Operating Fund, the Social Services Fund the Eastern Shore Regional Jail Fund, and the County's Debt Service Funds. The transfer from Social Services reflects the reimbursement of a cost allocation for administrative services provided by the County. In the County's Annual Operating Budget, total transfers out may not always equal total transfers in because some transfers are made between funds budgeted on a project-length basis.

FINANCIAL ACTIVITY

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
General Fund Transfer to School Op.	8,001,646	8,601,297	8,122,081	7,307,993	(814,088)	-10%
General Fund Transfer to Social Services	498,524	461,945	491,543	466,966	(24,577)	-5%
General Fund Transfer to ES Reg Jail	868,785	938,524	1,067,146	1,050,801	(16,345)	-2%
General Fund Transfer to Devpt. Rights Fund	0	99,281	0	0	0	
General Fund Transfer to Debt Service Funds	5,359,340	3,248,836	3,366,990	4,098,235	731,245	22%
General Fund Transfer to Public Utilities Fund	0	59,739	28,227	0	(28,227)	-100%
General Fund Transfer IDA Operating Fund	91,257	0	0	0	0	
Social Services Fund Transfer to General	190,311	238,676	69,000	77,500	8,500	12%
Transfers Out	15,009,863	13,648,298	13,144,987	13,001,495	(143,492)	-1%

CONTINGENCY

A contingency is included in the General Fund budget in order to increase flexibility during the year as small unexpected budgetary needs arise. The County Administrator has the authority to transfer funds from contingency to the appropriate department as unexpected circumstances arise during the year. The FY08 and FY09 budgets also included a bonus pool for merit pay for employees of the Board of Supervisors. These amounts were transferred to the appropriate departments during the year as annual performance appraisals were performed and pay for performance was awarded in accordance with the County's personnel policy. Comparison with the prior years may be misleading because these appropriations are transferred out prior to their true expenditure in the user departments. For instance, the amount shown in the 2009 Adopted Budget column reflects that the entire original budget was transferred out during the course of the year.

	2008 Actual Amount	2009 Actual Amount	2010 Amended Budget	2011 Approved Budget	Variance	% Change
General, Contingency	0	(3,764)	42,383	75,000	32,617	77%
Social Services, Contingency	0	0	16,301	0	(16,301)	-100%
Contingency	0	(3,764)	58,684	75,000	16,316	28%

NORTHAMPTON COUNTY, VIRGINIA

CAPITAL IMPROVEMENT PLAN

The County's policy on the County's Capital Improvement Plan may be found under on page 40 of this document. The following details the County's on-going and future capital projects for the next five years.

	AMOUNT	AMORTIZATION	SOURCE OF FUNDING
--	--------	--------------	-------------------

FY04

Courthouse Building	5,263,274	30 Years	2002 Lease Revenue Bonds
----------------------------	-----------	----------	--------------------------

The new Courthouse facility, completed in January 2006, totals 24,500 square feet and provides a long-range solution to the space needs of the Circuit Court, General District Court, Juvenile and Domestic Relations Court as well as the Clerks of each of these courts. In addition, it will provide office space for the Commonwealth Attorney's office. The facility is connected to the regional jail building allowing prisoners to be transferred securely for court appearances.

Waste Collection Centers & Transfer Station-Solid Waste	5,312,030	20 Years	2002 Lease Revenue Bonds and subsequent Bank-Qualified Financings
--	-----------	----------	---

Northampton County has been in the process of securing sites and constructing six (6) manned waste collection centers for collection of the County's solid waste. Each waste collection center site will encompass approximately 1.0 acre or more in each of the six election districts. At this writing, four waste collection centers are in operation (Birdsnest, Bayview, Wardtown & Hare Valley). The sites in District 3 (Birdsnest) and District 5 (Wardtown) were secured through long-term leases; the site in District 2 (Bayview) was acquired through a CDBG Grant through the State; and the site in District 6 (Hare Valley) was acquired from a delinquent taxpayer. Property for the District 1 (Cheapside) site was purchased in April 2009 and construction is expected to be complete by November 2010. The Board is still pursuing various options for property acquisition for the sixth site in the Eastville area.

The County has also constructed a transfer station at the landfill site, which collects solid waste for transportation and disposal off-the-Shore. Establishment of the transfer station was key to the future of the County's solid waste system. With the closure of the landfill, waste must be collected and transported elsewhere. While it was envisioned that the County would use the neighboring Accomack County landfill, rate increases forced the County to re-examine its plans and has since determined that it is more economically feasible to transport the waste off-shore. Ideally, once Accomack County's southern landfill has closed in 2012, it will join Northampton in this endeavor, making the operation of the transfer station even more economically advantageous.

Sheriff's Annex-Temp. Jail	1,269,525	20 Years	2002 Lease Revenue Bonds
-----------------------------------	-----------	----------	--------------------------

This facility was constructed in order to greatly reduce the number of inmates being housed in other facilities due to a limited number of cells. The use of this new facility for housing enabled the County to experience savings due to a reduction in housing costs payable to outside agencies. Since the completion and occupancy of the regional jail, the temporary housing unit has been converted into office space for the Sheriff and law enforcement staff. This will provide close proximity for the jail, courthouse and sheriff's offices resulting in better communications and increased operational efficiencies between these departments.

CAPITAL IMPROVEMENT PLAN (CONT.)

	AMOUNT	AMORTIZATION	SOURCE OF FUNDING
Social Services Building	2,054,964	30 Years	2002 Lease Revenue Bonds
<p>This project has been completed and is now occupied. The facility totals 14,577 square feet and provides a long-range solution for Social Service space needs with room for expansion. The Social Services department pays rent to the County for the new facility which offsets the debt service associated with it. The facility is located in such a way as to allow a future Health Department Building to be co-located adjacent to it so that the training room can be shared by each department in order to save on space.</p>			
Jail Facility- (Arch. & Eng.)	155,968	30 Years	2002 Lease Revenue Bonds
<p>As part of the bond sale in 2002, the County financed a small amount of architectural and engineering costs in preparation for the construction of a regional jail facility. For a description of the regional jail project, see below.</p>			
School Buses & Fuel Pumps	449,585	5 Years	2002 Lease Revenue Bonds
<p>The purchase of several school buses and the construction of a new fuel island and pumps for the County's school system were included in the 2002 bond sale.</p>			
School Projects	2,142,167	15 Years	QZAB Proceeds

These projects include various maintenance and repair projects for the Northampton County Public Schools. The United States Congress enacted a bill called the Tax Payer Relief Act of 1997 that allows schools to borrow at no or nominal interest cost. The intended use for these funds is to create, in each "ACADEMY", resources to help better educate children and better prepare them for their futures (ie. college or the workforce). QZAB is an acronym for Qualified Zone Academy Bond.

FY05

Regional Jail Facility (Construction)	12,378,012	20 Years	2005, 2006 & 2007 Bank- Qualified Financings
<p>(The cost shown represents the County's portion of an estimated \$23,951,626 total construction cost for the regional jail facility, the estimated difference of \$11,573,614 will be funded by the state)</p>			

The Eastern Shore Regional Jail Facility will serve Northampton and Accomack Counties. In accordance with a Community-Based Corrections Plan, the facility has been planned as a 325-bed full service correctional facility to serve the long-term needs of both counties. Phase 1, with a capacity of 145 general confinement beds will primarily service the needs of Northampton County and will enable Northampton County to discontinue use of its existing jail which is out of date in terms of current correctional standards. The mission of the Eastern Shore Regional Jail will be to provide detention of pre-trial and pre-sentenced inmates, and incarceration of post-adjudication inmates. Operational planning has been focused on providing a facility that will:

- » Provide for the detention of inmates in a safe, secure, and humane environment until satisfaction of sentence or release by the courts;
- » Meet or exceed the Minimum Jail Standards established by the Virginia Board of Corrections;
- » Provide a staff-efficient facility that will be operated with an appropriate mix of uniformed, civilian, and contracted personnel; and
- » Maintain public safety and the quality of life in the surrounding community.

CAPITAL IMPROVEMENT PLAN (CONT.)

	AMOUNT	AMORTIZATION	SOURCE OF FUNDING
--	--------	--------------	-------------------

FY06

County Admin. Building Renovations	4,578,000	20 Years	2006 & 2007 Bank-Qualified Financings
---	-----------	----------	--

Because the new courthouse facility is complete and occupied, the vacated space in the old courthouse can be renovated to meet current needs in the Administrative offices as well as the Treasurer's office, Commissioner of the Revenues office and Registrar. Architectural work began during FY07 in order to finalize the scope of work and best plan for meeting these departmental needs. Asbestos and lead paint removal at the site is currently in progress and the County is presently seeking bids for the renovation project.

FY07

Judicial Court Services Facility	628,000	20 Years	2007 Bank-Qualified Financing
---	---------	----------	----------------------------------

A new facility will be constructed adjacent to the new Courthouse for easy access for the Judicial Court Services staff. Construction is scheduled to begin during FY11.

Sheriff's Office Renovations	679,600	20 Years	2007 Bank-Qualified Financing
-------------------------------------	---------	----------	----------------------------------

The Sheriff's Annex / Temporary Jail that was constructed during FY04 to reduce contracted housing costs while the regional jail was under construction was retrofitted during FY09 in order to provide office space for the Sheriff's law enforcement staff.

Landfill Closure	2,178,402	20 Years	2006 & 2007 Bank-Qualified Financings
-------------------------	-----------	----------	--

Due to reaching its capacity, the closure of the Northampton County Sanitary Landfill was substantially completed during FY10.

To close the landfill, the following procedures were required:

A Closure and Post-Closure Plan was prepared and submitted to the Virginia Department of Environmental Quality (VDEQ) for review and approval. The Closure Plan addressed the site location, history and geological characteristics. The Closure Plan also addressed the closure activities to include: closure time frame, performance standard, groundwater monitoring system, leachate collection system, landfill gas collection system, a proposed schedule for actually performing the closure, the posting of the closure notice along with the necessary public notification and the certification by a registered engineer. The Post-Closure Plan addresses the following activities: a post-closure contact person, security, planned maintenance of the facility, a facility inspection and monitoring plan, post-closure uses and training. Included in the Closure and Post-Closure Plans will be the following documents, engineering calculations and construction plans: Closure Drawings, Technical Specifications, Construction Quality Assurance Manual, "HELP" Computer Model Simulations, closure cap stability calculations, soil loss calculations, drainage calculations, Post-Closure inspection forms, Closure and Post-Closure Cost Estimates, a Groundwater Monitoring Plan and a Landfill Gas Monitoring Plan.

Once the Closure and Post-Closure Plans were approved by the VDEQ, Bid Documents were prepared utilizing the approved Closure Drawings, Technical Specifications and Construction Quality Assurance Manual. The project was bid under the laws of Virginia and awarded to the lowest responsive responsible bidder, R.M. Soderquist. Construction activities were monitored by an onsite inspector and once construction was complete, a certification report was prepared and submitted to the VDEQ for concurrence. Once acceptance is received from the VDEQ, a Closure Plat will be prepared and recorded in the Northampton County Courthouse. Closure will then be complete and the 30-year post-closure period will begin.

CAPITAL IMPROVEMENT PLAN (CONT.)

	AMOUNT	AMORTIZATION	SOURCE OF FUNDING
--	--------	--------------	-------------------

FY07

School Projects	2,214,429	16 Years	QZAB Proceeds
------------------------	-----------	----------	---------------

These projects include various maintenance and repair projects for the Northampton County Public Schools. The United States Congress enacted a bill called the Tax Payer Relief Act of 1997 that allows schools to borrow at no or nominal interest cost. The intended use for these funds is to create, in each "ACADEMY", resources to help better educate children and better prepare them for their futures (ie. college or the workforce). QZAB is an acronym for Qualified Zone Academy Bond.

FY09

School Projects	1,378,350	1Year	Literary Loan Ant. Note
------------------------	-----------	-------	-------------------------

This project includes structural repairs to the back wall at Northampton County High School. It was funded through a one-year interim financing in anticipation of receiving a Literary Loan from the Virginia Department of Education. The primary purpose of Literary Fund loans is to provide localities with capital construction funds for the purpose of erecting, altering, or enlarging public school buildings at interest rates lower than a locality could obtain on its own. Due to budget reductions at the state level, the interim financing was extended until the fall of 2012 when it is hoped state funds become available for another subsidy sale for the Literary Fund. Once funded, the term of the loan will be twenty years.

Parks & Recreation Project	247,500	N/A	US Dept. of Housing Grant
---------------------------------------	---------	-----	---------------------------

This project includes structural repairs and other improvements to Indiantown Park. Improvements are planned for the main parks building which is used for holding arts classes, summer camp programs and rented by residents for family reunions, weddings and other functions. The improvements include renovations to the bathrooms, roof repair and renovation to the windows and doors.

The soccer field will also be improved and expanded to regulation size. Additionally, lighting will be installed at this field to maximize its availability for usage. A concession stand with public bathrooms will be constructed near the playing fields. Other parts of the project include parking improvements, playground equipment and outdoor seating (picnic tables) as well as grills to complement outdoor entertainment or "family reunion-type" events, improved signage to the park, and additional equipment for maintenance of the park property.

FY02-FY11

On-going CDBG Projects	4,035,732	N/A	Community Development Block Grants
-------------------------------	-----------	-----	------------------------------------

These projects include Community Development Block Grants for the neighborhoods of East and West Fairview, a home elevation project primarily for the waterfront community of Oyster, Va., and a grant funded by the American Reinvestment and Recovery Act for the construction of a broadband line for internet connectivity from South Hampton Roads to the Maryland border.

NORTHAMPTON COUNTY, VIRGINIA

CAPITAL PROJECT BUDGET STATUS

	Adjusted	Received/Expended To-Date	Encumbered To-Date	Remaining
	Budget	June 30, 2010	June 30, 2010	Appropriation
<u>2002 Bond Capital Project Fund</u>				
Interest on Investment	316,060	418,767		
Accrued Interest	21,875	21,875		
Miscellaneous	0	3,695		
Social Services Reimbursement	75,000	75,000		
2002 Lease-Revenue Bond Proceeds	11,475,000	11,475,000		
Lease-Revenue Bond Proceeds	4,282,499	4,282,499		
Transfer from Regional Jail Project	588,001	588,001		
Total Revenues	16,758,435	16,864,837		
Bond Issuance Cost & Insurance	664,214	664,214	0	0
Courthouse Building	5,271,204	5,265,767	0	5,437
Temporary Housing Unit-Sheriff	1,269,525	1,269,525	0	0
Regional Jail - Initial A & E	155,968	155,968	0	0
Convenience Centers & Debt Payoff(Leachate Pond)	3,294,487	2,318,422	0	976,065
Transfer Station	1,764,169	1,683,148	0	81,021
Social Services Building	2,054,964	2,054,964	0	0
School Buses & Fuel Island and Pumps	449,585	449,585	0	0
Transfer for Cap.Int. and Debt Serv. Reserve Fund	1,834,319	1,834,317	0	2
Total Expenditures	16,758,435	15,695,910	0	1,062,525
	Adjusted	Received/Expended To-Date	Encumbered To-Date	Remaining
	Budget	June 30, 2010	June 30, 2010	Appropriation
<u>Regional Jail Capital Project Fund</u>				
Interest on Investment	876,811	1,470,866		
Miscellaneous	0	4,248		
Lease-Revenue Proceeds	26,606,549	26,606,549		
Transfers from Other Funds	236,800	236,800		
Total Revenues	27,720,160	28,318,463		
Financing Issuance Costs	77,000	68,628	0	8,372
Underwriters Fees	204,799	204,721	0	78
Design Fees	864,673	864,672	0	1
Furniture	355,350	355,349	0	1
Permits, Materials Testing & Inspections	113,693	113,693	0	0
Clerk of the Works/Project Mgmt	155,649	151,419	0	4,230

	Adjusted	Received/Expended To-Date	Encumbered To-Date	Remaining
<u>Regional Jail Capital Project Fund (Cont.)</u>	Budget	June 30, 2010	June 30, 2010	Appropriation
Communications	0	0	0	0
Wells and Water Systems	954,274	954,274	0	0
Wastewater Treatment	1,380,508	1,380,508	0	0
Misc.	992	991	0	1
Site Development & Construction	640,803	640,802	0	1
Construction	18,669,159	18,669,120	0	39
Contingency	101,149	71,869	0	29,280
Transfer to General Fund	127,375	127,374	0	1
Transfer to 2002 Bond Project Fund	588,001	588,001	0	0
Transfer to General Debt Service Fund	438,500	438,500	0	0
Capitalized Interest	3,048,235	3,048,233	0	2
Total Expenditures	27,720,160	27,678,154	0	42,006

	Adjusted	Received/Expended To-Date	Encumbered To-Date	Remaining
<u>Admin. Renovation & Landfill Closure Project Fund</u>	Budget	June 30, 2010	June 30, 2010	Appropriation

Interest on Investment	0	1,587		
Lease-Revenue Proceeds	8,064,002	8,064,002		
Transfer from Capital Project Fund	147,225	147,225		
Total Revenues	8,211,227	8,212,814		
Administration Renovations	4,578,000	447,676	0	4,130,324
Judicial Court Services	628,000	63,664	0	564,336
Landfill Closure	2,317,890	1,979,062	0	338,828
Sheriff's Office's Renovations	652,609	436,036	0	216,573
Transfers to General Fund (Const. Mgmt)	34,728	34,726	0	2
Total Expenditures	8,211,227	2,961,164	0	5,250,063

	Adjusted	Received/Expended To-Date	Encumbered To-Date	Remaining
<u>Parks & Recreation Capital Project</u>	Budget	June 30, 2010	June 30, 2010	Appropriation

US Dept. of Housing & Urban Devpt. Grant	247,500	47,180		
Total Revenues	247,500	47,180		
Project Administration	39,500	22,817	0	16,683
Construction	78,600	36,908	0	41,692
Machinery & Equipment	62,400	0	0	62,400
Site Work	67,000	0	0	67,000
Total Expenditures	247,500	59,725	0	187,775

	Adjusted Budget	Received/Expended To-Date June 30, 2010	Encumbered To-Date June 30, 2010	Remaining Appropriation
<u>QZAB School Projects</u>				
1999 QZAB Proceeds (Remainder)	423,251	423,251		
2004 QZAB Proceeds	2,142,167	2,142,167		
2007 QZAB Proceeds	2,214,428	2,214,428		
Interest on Investment	225,016	226,388		
Appropriated Fund Balance	296,791	0		
Total Revenues	5,301,653	5,006,234		
QZAB Project Expenses	5,301,653	4,754,522	0	547,131
Total Expenditures	5,301,653	4,754,522	0	547,131

	Adjusted Budget	Received/Expended To-Date June 30, 2010	Encumbered To-Date June 30, 2010	Remaining Appropriation
<u>Literary Fund Loan Project</u>				
Interim Financing Proceeds	1,398,277	1,390,000		
Total Revenues	1,398,277	1,390,000		
Issuance Costs	0	33,423	0	(33,423)
Construction	1,346,627	1,309,767	0	36,860
Transfer to General Fund (Reimb.)	40,000	40,000	0	0
Total Expenditures	1,386,627	1,383,190	0	3,437

	Adjusted Budget	Received/Expended To-Date June 30, 2010	Encumbered To-Date June 30, 2010	Remaining Appropriation
<u>CDBG Projects</u>				
East Fairview	1,407,289	1,408,136		
HMGP Home Elevation	1,000,243	568,592		
West Fairview	628,200	106,012		
Broadband ARRA Project	1,000,000	0		
Total Revenues	4,035,732	2,082,740		
East Fairview	1,407,289	1,391,688	0	15,601
HMGP Home Elevation	1,000,243	565,103	0	435,140
West Fairview	628,200	153,388	0	474,812
Broadband ARRA Project	1,000,000	116,156	0	883,844
Total Expenditures	4,035,732	2,226,335	0	1,809,397

NORTHAMPTON COUNTY, VIRGINIA

CAPITAL PLAN IMPACT ON OPERATING BUDGET

The full impact of operating the new regional jail is now evident within the annual budget and is significantly larger than expected. Electric and heating oil expenses for the new facility total \$249,239 for FY11. Although most of the staffs' salaries are reimbursed by the state Compensation Board, the County's contribution for the jail's operations for FY11 is estimated at \$1,050,801. The necessity for significant local supplemental funding for the jail was expected to be offset by revenue generated from contracted housing of prisoners for other localities and the federal prison system. During the spring of 2009, a moratorium was imposed for all federal agencies for new prisoner housing contracts. This has created a strain on the County's General Fund since the County had been in negotiations for a contract that would have generated over \$900K annually. The County has been successful in increasing the number of state inmates housed in the facility which has increased per diem revenues by approximately \$140,000.

The County Administration departments will be expanding into the vacated General District Court area once this area has been renovated. Renovations for the current courthouse are expected to take ten to 12 months to complete with architectural/engineering commencing in the winter of 2010. The Administrative Offices' move into the renovated area will probably take place during the fall of 2011 and is not expected to have a significant impact on the annual operating budget. Geothermal wells will be installed to minimize utility costs and departments will share office supply inventories, copy and work spaces and conference rooms which is expected to result in operational savings and efficiencies. The renovation of the space will include new systems which will reduce costs by increasing energy efficiency.

The construction of a new building for Judicial Court Services is scheduled to begin during FY11. The new facility will be adjacent to the new Courthouse. Furniture and fixtures for the facility are included in the capital project budget and its only impact on the operating budget is expected to be in utilities which are estimated at \$12,000 annually. The building itself will be maintained by the County's Facilities Management Department.

It is anticipated that the waste collection center at Cheapside, will become operational in the first half of FY11. Site acquisition is still on-going for the sixth and final site in the Eastville area. Staff commitments and operational supplies have been included in the FY 11 budget. Infrastructure requirements (compactor equipment, roll-off boxes, etc.) were initially funded in the FY 08 budget, carried forward into the FY 09 and FY 10 budgets, and must again be rolled forward into the FY 11 budget due to the construction delay. The manned waste collection centers have impacted our budget in contrast to the unmanned green box sites, requiring staffing costs in the amount of \$150,000 as well as \$29,000 for the recycling contract. However, these efforts have improved the manner in which trash is collected and how the area around these collection sites is maintained and kept attractive which is a key element in the presentation of the county as a visually appealing location for its residents and visitors alike. The cost of recycling is less than 10% compared to the cost of handling solid waste and allows the county to meet the state requirements that 15% of our total waste stream be recyclable materials. The County has contracted to haul its solid waste from our Transfer Station to a landfill located off the Eastern Shore which is a new expense for the County budget. The closure of the landfill necessitated this change. Through a competitive bid process, we have secured hauling and tipping services in the amount of \$545,000 per year (estimated based upon anticipated solid waste generation) to the King & Queen County landfill operated by Allied Waste; the County attempted to reach an arrangement with Accomack County, our neighboring county, but the cost was approximately \$120,000 over the private contractor price.

Despite the construction of new facilities and the addition of the old Middle School for maintenance, the Facilities Management Department has reduced the Custodial staff from two part time employees to one. The remaining part time employee's primary responsibility will be to clean the Social Services Building. The addition of the old Middle School to the Custodial staff's responsibility will be

handled by the two full time Custodians. There will be a savings of approximately \$9,000.00. The addition of the Middle School has increased the electricity costs by approximately \$32,000; however, these increases have been offset by other energy reduction efforts in other county buildings which has reduced the County's overall electric bill over the last 2 years by a total of \$40,000; fuel oil for heating purposes have increased with the addition of the Middle School, requiring an increase of almost \$50,000 or a 50% increase in the budget.

Future capital projects under consideration for the County include a shared vehicle maintenance facility with the School System and a permanent location for our Emergency Medical Services Department. Funds will be available for at least a portion of these projects through savings achieved from completed capital projects and the interest earned on the financing proceeds during their construction.

THIS PAGE LEFT BLANK INTENTIONALLY

APPENDIX A

FULL-TIME PERSONNEL

	Approved FY07	Approved FY08	Approved FY09	Approved FY10	Requested FY11	Approved FY11
ADMINISTRATION						
County Administrator	1	1	1	1	1	1
Assistant to the County Administrator	1	1	1	1	1	1
Administrative Assistant	1	1	1	1	1	1
Subtotal	3	3	3	3	3	3
FINANCE						
Director of Finance	1	1	1	1	1	1
Human Resources Coordinator	1	1	1	1	1	1
Accounting Technician	2	2	2	2	2	2
Subtotal	4	4	4	4	4	4
INFORMATION TECHNOLOGY						
Director of Information Technology	1	1	1	1	1	1
Information Technology Technician	0	1	1	1	1	1
Subtotal	1	2	2	2	2	2
ELECTORAL BOARD						
Registrar	1	1	1	1	1	1
Assistant	1	1	1	0	0	0
Subtotal	2	2	2	1	1	1
COMMISSIONER OF THE REVENUE						
Commissioner of the Revenue	1	1	1	1	1	1
Deputy II	2	2	2	2	2	2
Deputy I	1	1	1	1	1	1
Subtotal	4	4	4	4	4	4
COUNTY TREASURER						
County Treasurer	1	1	1	1	1	1
Deputy I	1	1	1	1	1	1
Deputy II	1	1	1	1	1	1
Deputy III	1	1	1	1	1	1
Subtotal	4	4	4	4	4	4
COMMONWEALTH/COUNTY ATTORNEY						
Commonwealth Attorney	1	1	1	1	1	1
Assistant Commonwealth Attorney	1	1	1	1	1	1

	Approved FY07	Approved FY08	Approved FY09	Approved FY10	Requested FY11	Approved FY11
Administrative Assistant	1	1	1	1	1	1
Subtotal	3	3	3	3	3	3
CLERK OF THE CIRCUIT COURT						
Clerk of the Circuit Court	1	1	1	1	1	1
Deputy Clerk I	3	1	0	0	0	0
Deputy Clerk II	2	3	3	2	2	2
Deputy Clerk III	1	1	1	1	1	1
Subtotal	7	6	5	4	4	4
SHERIFF						
Sheriff	1	1	1	1	1	1
Administrative Assistant	1	1	1	1	1	1
Law Enforcement Captain	1	1	1	1	1	1
Investigative Deputies	3	3	3	3	3	3
Task Force Deputy	1	1	1	1	1	1
Civil Process Deputy	1	1	1	1	1	1
Courthouse Security Deputy	3	3	3	3	3	3
Road Deputy	8	8	8	8	8	8
School Resource Deputy	2	2	1	1	1	1
Chief Jailer	0	0	0	0	0	0
Corrections Deputy	0	0	0	0	0	0
LIDS Technician II	0	0	0	0	0	0
Communications Supervisor	1	1	1	1	1	1
Communications Officer	5	5	5	5	5	5
Nurse	0	0	0	0	0	0
Cook	0	0	0	0	0	0
Subtotal	27	27	26	26	26	26
CARE & CONFINEMENT OF PRISONERS						
Jail Superintendent	1	1	1	1	1	1
Facilities Maintenance Manager	1	1	1	1	1	1
Correctional Officer	45	45	44	44	44	41
Lieutenant Deputy	1	1	1	1	1	1
Corporal Deputy	1	1	2	2	2	2
Lids Tech	1	1	1	1	1	1
Cook	3	3	4	4	4	4
Secretary	1	1	1	1	1	1
Partially Funded Med. Tech	3	3	5	5	5	4
Record Clerk	1	1	0	0	0	0
Classification Specialist	1	1	0	0	0	0
Treatment Counselor	1	1	0	0	0	0
Subtotal	60	60	60	60	60	56

	Approved FY07	Approved FY08	Approved FY09	Approved FY10	Requested FY11	Approved FY11
EMERGENCY MEDICAL SERVICES						
EMS Director	1	1	1	1	1	1
EMS Captain	1	1	1	1	1	1
Technician	8	8	8	8	8	8
Administrative Specialist	0	0	0	0	0	0
Subtotal	10	10	10	10	10	10
BUILDING INSPECTIONS						
Building Official	1	1	1	1	1	1
Building Inspector	1	1	1	1	1	1
Permit Technician	1	1	1	1	1	1
Subtotal	3	3	3	3	3	3
ANIMAL CONTROL						
Animal Control Deputy	2	2	2	2	2	2
Subtotal	2	2	2	2	2	2
PUBLIC WORKS ADMINISTRATION						
Director	1	1	1	1	1	1
Subtotal	1	1	1	1	1	1
REFUSE DISPOSAL						
Director	1	1	1	1	1	1
Heavy Equipment Operator	3	3	3	3	4	3
Computer Scale Operator	1	1	1	1	1	1
Subtotal	5	5	5	5	6	5
GENERAL PROPERTY/GROUNDS						
Maintenance Worker	2	2	1	1	1	1
Custodian	1	2	2	2	2	2
Subtotal	3	4	3	3	3	3
CLERK OF THE WORKS						
Director	1	1	1	0	0	0
Assistant	1	0	0	0	0	0
Subtotal	2	1	1	0	0	0
PARKS & RECREATION						
Director	1	1	1	1	1	1
Assistant	0	0	0	0	0	0
Subtotal	1	1	1	1	1	1
PLANNING & ZONING						
Director	1	1	1	1	1	1
Zoning Administrator	1	1	1	1	1	1

	Approved FY07	Approved FY08	Approved FY09	Approved FY10	Requested FY11	Approved FY11
Assistant Zoning Administrator	1	1	1	1	1	1
Assistant Planner	1	1	1	1	1	1
Assistant Planner (G.I.S.)	1	1	1	1	1	1
Building & Zoning Technician	1	1	1	1	1	1
Subtotal	6	6	6	6	6	6
CODE COMPLIANCE						
Code Compliance Officer	1	1	1	1	1	1
Litter Control Technician	0	1	1	1	1	1
Subtotal	1	2	2	2	2	2
EXTENSION SERVICE						
Nutrition & Wellness	1	1	0	0	0	0
Plant Science	1	1	1	1	1	1
Family & Human Devpt.	1	1	1	1	0	0
Farm Management	1	1	1	1	1	1
4-H Youth Devpt. Manager	1	1	1	1	1	1
Subtotal	5	5	4	4	3	3
SOCIAL SERVICES						
Director	1	1	1	1	1	1
Service Supervisor	1	1	1	1	1	1
Senior Social Worker	2	2	2	2	2	2
CPS Worker I	1	1	1	1	1	1
Social Worker	4	4	4	4	4	4
Senior Employment Service Supervisor	1	1	1	1	1	1
Aide II	3	3	3	3	3	3
Eligibility Supervisor	2	2	2	2	1	1
Senior Eligibility Worker	3	3	3	3	2	2
Eligibility Intake Worker	3	2	2	2	3	3
Eligibility Worker	7	7	7	7	7	7
Fraud Worker	1	1	1	1	1	1
Office Manager	1	1	1	1	1	1
Account Clerk	1	1	0	0	0	0
Clerk IV	2	2	2	2	3	3
Clerk III	1	1	1	1	0	0
Clerk II	1	0	1	1	1	1
Receptionist	1	1	1	1	1	1
Subtotal	36	34	34	34	33	33
PUBLIC UTILITIES						
Water/Wastewater Operator	0	1	2	1	1	1
Subtotal	0	1	2	1	1	1
TOTAL BUDGETED FULL- TIME POSITIONS						
	190	190	187	183	182	177

APPENDIX B
BOARD OF SUPERVISORS
LEGISLATIVE AGENDA
2009-2010

Priority #

#2 **Implementation of Tobacco Tax:** Amend the Code of Virginia, Section 58.1-3831, to include Northampton County which would enable the County to impose a cigarette tax not to exceed the state tax rate (30 cents/pack on July 1, 2005). Additional revenue which could be generated is estimated to be \$33,000 at a rate of 5 cents/pack, up to \$198,000 at 30 cents/pack.

#1 **Implementation of solid waste fee:** Amend the Code of Virginia, Section 15.2-2159, to include Northampton County with the counties authorized to levy a fee for the disposal of solid waste. Also add language to allow the fee to cover the cost of “disposal” of solid waste since the County will not be operating its own landfill but will be incurring significant costs related to the operation of convenience centers, contracted hauling costs, and landfill tipping fees for disposal in Accomack County’s landfill. For the FY 05 budget year, Northampton County lost approximately \$192,500 in revenue from the anticipated closing of its landfill through the diversion of the waste stream to extend the existing life of the landfill. For the last four fiscal years, the county has seen a continual decline in fees generated to offset the cost of operations.

<u>FISCAL YEAR</u>	<u>COST OF OPERATIONS</u>	<u>FEES GENERATED</u>	<u>DIFFERENCE</u>
FY04	\$440,877	\$154,599	\$286,278
FY05	\$329,541	\$161,262	\$168,278
FY06	\$393,985	\$44,295	\$349,690
FY07	\$607,549	\$50,453	\$557,096

#2 **Zoning Ordinance Penalty Fee Schedule:** Amend the Code of Virginia, Section 15.2-2286(A)(5), increasing the penalties allowed for violation of the County’s Zoning Ordinance.

#1 **Route 13 Corridor:** Request the General Assembly to accept Route 13 within the County of Northampton as a highway corridor for improvement. Said request in conjunction with a request from the County of Accomac for the portion of Route 13 within that said county also be designated a highway corridor for improvement.

#1 **Menhaden Management:** Support legislation that would move the management of menhaden from the state General Assembly to the Virginia Marine Resources Commission and to support limits on the catch of menhaden as is now being proposed by the Atlantic Marine Fisheries Commission.

#3 **Growth Management:** Supports adequate public facilities legislation which would permit localities, as part of their subdivision or zoning ordinance, to determine whether public facilities are adequate to support services which will be required by the proposed subdivision or rezoning.

#3 **Impact Fees:** Support legislation that would allow localities the option to assess impact fees for school construction and other essential government services in lieu of voluntary cash proffers.

- #1 **Ditch Maintenance:** Support legislation to allow localities to require proper maintenance of ditches, on private property, to ensure stormwater doesn't accumulate and impede the safety, health and welfare of citizens within the locality.
- #1 **School Funding:** Support full funding of the State's share of the Standards of Quality, full funding of any categorical educational mandate, including pay raises, and full funding of the State's portion of the Standards of Learning relating to instructional technology. Support increased funding for school construction.
- #3 **Zoning & Land Use Regulatory Authority:** Opposes any further dilution of the zoning and land use regulatory authority of local governments. Supports legislation that would grant localities the tools necessary to adequately meet citizens' increasing transportation, education, public safety, and other vital public infrastructure needs that are driven by rapid residential development.
- #3 **Land Conservation:** Supports increased state funding for the purchase of Conservation easements and other land conservation needs (purchase of development rights).
- #2 **Land Use Taxation:** Supports legislation that would lengthen the land use value taxation roll-back period to at least ten years.
- #2 **Chesapeake Bay Bridge and Tunnel Commission:** Support sustaining organizational structure of CBBT Commission as well as its authority and financial independence from VDOT or any other roads' commission that is in existence or may be created.
- #1 **Groundwater Wells:** Increase in residential testing parameters and the use of seals in water wells to the depth of the aquifer.
- #2 **Elderly & Handicapped Tax Exemption:** Currently, the requirement is that only the income of the owners of the dwelling and any relatives residing in the house must be considered in determining this exemption level. The issue is that there are circumstances where there are other individuals residing in the house who are not related to the primary owner of the dwelling and their income is not being taken into consideration for the determination of this exemption.
- #1 **Use of County's Tax Exempt Status for Building Projects:** Currently, when any county partakes of a building project in which they engage a third party to provide the services, any materials or equipment purchased by that third party on behalf of the County in the construction and equipping of the building is not eligible to utilize the County's tax-exempt status for sales tax on these items. This is a substantial amount of money that must be factored into a project budget.
- #1 **Expand authority on Payment of taxes before issuance of any permit, license or other County approval:** Currently, only outstanding real estate taxes are required to be paid in full in order for an individual to receive a permit or licenses issued by the County. This requirement should extend to all taxes (real or personal property), fees, charges, fines, penalties and/or interest owed.
- #2 **Support the creation of and funding allocation for "Agricultural" Enterprise Zones.** This had been proposed as a bill in the 2005 General Assembly Session (Senate Bill No. 482) but did not pass. As a rural community with significant agricultural enterprises, this type of enterprise zone would provide tremendous financial opportunities for the expansion and maintenance of agricultural enterprise in the county.

APPENDIX C

GLOSSARY

Accrual	A recognition of revenues or expenditures when they are earned or incurred.
Accumulated Depreciation	Total depreciation pertaining to an asset or group of assets from the time the assets were placed in services until the date of the financial statement.
Agency Fund	Agency Funds account for assets held by the government in a trustee capacity or as agent or custodian for individuals, private organizations, other governmental units, or other funds.
ANPDC	Acronym for Accomack-Northampton Planning District Commission.
ANTDC	Acronym for Accomack-Northampton Transportation District Commission.
Appropriation	An authorization granted by the Board of Supervisors to a specified organization, such as a unit of the County Government, to make expenditures and to incur obligations for specific purposes. An appropriation is limited in dollar amount and as to when it may be spent, usually expiring at the end of the fiscal year.
Appropriation Resolution	A legally binding document prepared by the County Administrator which delineates by fund and department all expenditures and revenue adopted by the Board of Supervisors which are reflected in the Adopted Fiscal Plan.
ARRA	American Reinvestment and Recovery Act
Assessed Valuation	The official valuation of property as a basis for property taxation.
Bond	A financing instrument used by local governments to raise capital for specific projects.
BOS	Acronym for Board of Supervisors
Budget	An annual financial plan that identifies revenues, specifies the type and level of services to be provided and establishes the amount of money which can be spent.
CAMA	Acronym for Computer Assisted Mass Appraisal which is a system used to value property for taxation.
Capital Facilities	Fixed assets, primarily buildings, acquired or constructed by the County.

GLOSSARY (CONT.)

Capital Improvement Program	Proposes the acquisition, development, enhancement or replacement of public facilities to serve the County citizenry. The CIP, a reflection of the physical development policies of the County, typically encompasses a five-year period and typically includes projects in excess of \$50,000.
Capital Outlay	Expenditures for items of a substantial nature (more than \$5,000) that are expected to have a useful life of several years. Examples include heavy equipment, vehicles, some computer equipment, etc.
Capitalization	The conversion of an expenditure on a capital outlay item to an asset on the balance sheet. A capitalization threshold is the monetary part of the criteria by which an organization determines whether an asset should be reported on the balance sheet. The criteria also include the item's estimated useful life. Capitalization thresholds may differ from one organization to another depending on materiality; typically, the larger the organization, the higher its capitalization threshold.
Carryover Funds	Unexpended funds from the previous fiscal year which may be used to make payments in the current fiscal year. This may also be referred to as part of beginning fund balance.
Cash Basis	A basis of accounting that recognizes revenues and expenditures as the cash is received or expended.
CDBG	Acronym for Community Development Block Grant
Codified Ordinance	An ordinance related to a specific code, such as the Code of the Commonwealth of Virginia, or the Code of the County of Northampton.
Component Unit	An entity for which the government is considered to be financially accountable. It is reported in a separate column to emphasize that it is legally separate from the County. Northampton County has one discretely presented component unit, the County of Northampton School Board, which was created as a separate legal entity by the County to oversee the operations and management of its publicly funded primary and secondary schools.
Constitutional Officers	Elected officials whose positions are established by the Constitution of the Commonwealth or its statutes. (Clerk of the Circuit Court, Commissioner of the Revenue, Commonwealth's Attorney, Sheriff and Treasurer.)
Contingency	An amount budgeted for unforeseen expenditures or to build fund balance for future expenditure needs.

GLOSSARY (CONT.)

CSA	Acronym for Comprehensive Services Act, a 1993 Virginia Law that provided for the pooling of eight specific funding streams used to purchase services for high-risk youth. These funds are returned to localities with a required state/ local match and are managed by local interagency teams. The purpose of the act is to provide high quality, child centered, family focused, cost effective, community-based services to high-risk youth and their families.
DARE	Acronym for law enforcement program in Drug Abuse Resistance Education.
Debt Service	The amount of payments necessary to retire the debt of the County. Debt service includes principal and interest payments.
Debt Service Fund	Debt service funds account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.
Depreciation	Expense allowance made for wear and tear on an asset over its estimated useful life.
Fiduciary Funds	Fiduciary Funds account for assets held by the government in a trustee capacity or as agent or custodian for individuals, private organizations, other governmental units, or other funds. These funds include the County's Agency Funds.
Fiscal Year	A fixed period of time for which expenditures and revenues are provided in Northampton County. The fiscal year is July 1 through June 30.
Full Time Position	An employment position authorized by the Board of Supervisors and included in the table of authorized positions. Funding may or may not be included in the budget for the positions.
Fund	An accounting entity with a group of self-balancing accounts.
Fund Balance	The difference between costs and revenue. A negative fund balance is sometimes called a deficit.
General Fund	The general operating fund that is used to account for all financial resources except those required to be accounted for in another fund.
General Obligation Debt	A bond secured by a pledge of the issuer's taxing powers (either limited or unlimited). Considered to be the most secure of all municipal debt.

GLOSSARY (CONT.)

GIS	GIS is a technology that is used to view and analyze data from a geographic perspective. The technology is a piece of an organization's overall information system framework. GIS links location to information (such as people to addresses, buildings to parcels, or streets within a network) and layers that information to give a better understanding of how it all interrelates.
Goal	A broad statement of outcomes to be achieved on behalf of the customers.
GPS	Acronym for Global Positioning System., a navigational and positioning system developed by the U.S. Department of Defense, by which the location of a position on or above the Earth can be determined by a special receiver at that point interpreting signals received simultaneously from several of a constellation of special satellites.
HMO	Acronym for Health Maintenance Organization, a type of health insurance plan in which all services must be received within the provider network and through a primary care physician in order for benefits to be paid.
HMGP	Acronym for Hazard Mitigation Grant Program
IDA	Acronym for Industrial Development Authority.
Interfund Transfers	Payments between budgeted funds are classified as interfund transfers and are included in the operating budget as an expenditure of the contributing fund and as a revenue in the receiving fund. In order to avoid duplication of the same financial resources in the budget presentation and to more accurately reflect the size of the total budget, these amounts are subtracted in presentations of the budget as a whole.
Intergovernmental Revenue	Revenue from other governments, such as the State and Federal governments, in the form of grants, entitlements, shared revenue, or payments in lieu of taxes.
IT	Acronym for Information Technology.
Long-Term Debt	Debt with a maturity of more than one year after the date of issuance.
Modified Accrual	Revenues are recorded when susceptible to accrual, i.e., both measurable and available to finance expenditures of the fiscal period.
NOAA	Acronym for National Oceanic and Atmospheric Administration.

GLOSSARY (CONT.)

Object Series	A subsection of a department's budget which groups similar accounts. Personnel, operating and capital outlay are the three major series used.
Objectives	A statement of results to be achieved by a specific period of time in order to accomplish stated goals. Objectives describe specific measurable outputs within a designated time frame.
Operating Budget	The operating budget contains the annual operating costs of an activity or component, including personnel expenses, maintenance and repair and smaller capital expenses.
O/S	Abbreviation for "Outstanding", meaning unpaid. Used in debt service schedules.
Performance Measurements	Provides continuous feedback and identifies where adjustments or corrective actions are needed.
Personal Property	A category of property, other than real estate, so identified for purposes of taxation. It includes personally owned items, corporate property and business equipment. Examples include automobiles, motorcycles, trailers, boats, airplanes, business furnishings, and manufacturing equipment.
PPO	Acronym for Preferred Provider Organization, a type of health insurance plan in which the members have freedom of choice of providers both in and out of network.
Productivity Measures	Data which combines the dimensions of efficiency and effectiveness in a single indicator.
Program	This is a plan or unit under which action may be taken towards meeting and individual or set of goal(s) in the provision of a particular service.
Property Tax Rate	The level at which property values are calculated to determine the amount of taxes to be collected.
Proprietary Funds	Proprietary Funds account for operations that are financed in a manner similar to private business enterprises. The Proprietary Funds utilize the accrual basis of accounting where the measurement focus is upon determination of net income. The County's Public Utilities Fund is its only proprietary fund.
Public Service Property	Property specifically designated for public service use. This includes property purchased or received as a gift by a government. It includes real property such as land and buildings, and other property, such as computers, copiers and cash registers.

GLOSSARY (CONT.)

QZAB	Acronym for Qualified Zone Academy Bond. The United States Congress enacted a bill called the Tax Payer Relief Act of 1997 that allows schools to borrow at no or nominal interest cost. The intended use for these funds is to create, in each "ACADEMY"; resources to help better educate children and better prepare them for their futures (i.e. college or the workforce).
Real Property	Real estate, including land and improvements (building, fencing, paving, etc.) classified for purposes of tax assessment.
Reassessment	A periodic re-appraisal of the value of property to serve as a basis for taxation.
Reserve	A portion of a fund's assets that is restricted for a certain purpose and not available for appropriation.
Revenue	A source of income that provides an increase in net financial resources, and is used to fund expenditures. Budgeted revenue is categorized according to its source, such as local, state, federal and other financing sources.
Service Levels	A descriptive section in the budget narratives, detailing past performance and changes in the quality and quantity of services provided.
Special Assessments	Special Assessments are created by the County in order to raise capital for the cost of a specific project which benefits only a certain group of property owners.
Special Revenue Fund	Special revenue funds account for the proceeds of specific revenue sources (other than those derived from special assessments or dedicated for major capital projects) that are legally restricted to expenditures for specified purposes.
SRO	Acronym for School Resource Officer, a law enforcement officer assigned to work directly with a school or schools.
Straight Line Method	Accounting method for depreciation that reflects an equal amount of wear and tear during each period of an asset's useful life. For instance, the annual straight line depreciation of a \$2,500 asset expected to last five years is \$500.
STIP	Acronym for Sustainable Technologies Industrial Park.
THU	Acronym for Temporary Housing Unit (for prisoners at local jail)
VPA	Acronym for Virginia Public Assistance, also called Social Services.
Workload Measures	Data which indicates the amount of work performed; strictly a volume count; a measure of inputs and outputs.

INDEX OF COUNTY DEPARTMENTS

Ambulance and Rescue.....	134
Animal Control.....	143
Board of Supervisors.....	95
Building Inspections.....	140
Care and Confinement of Prisoners.....	146
Chapter X Board (CSB).....	161
Circuit Court.....	121
Clerk of the Circuit Court.....	124
Code Compliance.....	188
Commissioner of the Revenue.....	103
Commonwealth Attorney.....	127
Community College.....	171
Community Development.....	187
Comprehensive Services Act.....	162
Contingency.....	214
County Administrator.....	99
County Attorney.....	102
County Treasurer.....	106
Debt Service.....	203
Economic Development.....	189
Electoral Board.....	112
Emergency Medical Services.....	135
Emergency Services.....	145
Extension Service.....	192
Extension Service – Johnson Grass.....	196
Extension Service – Grant Programs.....	197
Facilities Management.....	155
Finance.....	108
Fire Prevention & Detection.....	134
General District Court.....	121
General Reassessment.....	105
Harbors and Boat Ramps.....	180
Independent Auditor.....	102
Information Technology.....	111
Insurance.....	213
Planning Commission.....	190
Judicial Court Services.....	138
Juvenile and Domestic Court.....	123
Libraries.....	182
Local Health Department.....	161
Magistrates.....	122
Other Economic Development.....	191
Other Education Expenses.....	171

INDEX OF COUNTY DEPARTMENTS (CONT.)

Parks & Recreation.....	179
Planning and Zoning.....	185
Public Utilities	157
Public Works Administration	151
School Operations	172
Sheriff	131
Social Services Operations.....	163
Soil & Water Conservation.....	191
Solid Waste Services.....	152
State & Local Hospitalization	162
Transfers Out.....	214
Victim/Witness Program	126
Welfare Administration.....	162
Wetlands & Architectural Review Board	190