

NORTHAMPTON COUNTY



Finance Department
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MEMORANDUM

TO: Board of Supervisors
FROM: John J. Andrzejewski, Director of Finance
DATE: January 23, 2017
RE: Corrected FY2018 Revenue Projections

The following is a summary of projected FY 2018 revenue. Attached is a Revenue Budget Worksheet Report for the General Fund – Detail (9 pages) and a Tax Calculation spreadsheet (1 page)..

In both of these reports, you will find the following information:

- The last three years of history (Fiscal Year 2014, 2015 and 2016)
- The adopted Fiscal Year 2017 Budget
- Fiscal Year 2018 Projected Revenue
- The difference between the FY2018 Projected Revenue column and the FY2017 Adopted Budget

1. General Property Tax Revenue

A. Real Estate 2018 Tax Revenue (Projected)

\$14,040,208

This represents the largest source of county revenue, real estate taxes. At this time, we do not have the certified Tax Year 2017 assessment from the Commissioner of Revenue. However a realistic estimate is available. The collection rate of 95% was used when calculating the current year real estate tax revenue. This is the same rate that was used in FY17.

FY18 Projected Budget tax revenue	\$14,040,208
FY17 Budgeted Current Year tax revenue	<u>\$13,898,747</u>
Projected increase in tax revenue	\$ 141,461

Delinquent Real Estate Tax Revenue

\$ 620,000

The taxpayers continue to pay their taxes late. Delinquent real estate tax revenue is projected for the FY18 Budget.

B. Public Service Companies Tax

\$ 429,061

Public Service Companies tax revenues decreased from the FY17 Budget. The valuation of public service companies are set by the state. The county has no control over these valuations.

A **\$ 2,919** decrease in projected revenue.

C. Personal Property Tax

\$ 1,846,469

Personal property tax revenues are estimated based on last year's assessment.

A **\$ 38,560** decrease in projected revenue.

D. Boat Taxes

\$ 90,150

A **\$2,760** increase in projected revenue.

E. Mobile Homes

\$ 18,262

A **\$1,573** decrease in projected revenue.

F. Farm Equipment

\$ 122,272

A **\$15,414** increase in projected revenue.

G. Heavy Equipment

\$ 28,438

A **\$17,039** increase in projected revenue.

H. Machinery & Tools	\$ 84,721
A \$5,469 decrease in projected revenue.	
I. Penalties and Interest (for late payments of taxes)	\$ 250,000
A \$50,000 decrease in projected revenue.	
J. BPP Late Filing Penalty (late filing of Business Personal Property)	\$ 8,114
No change	

General Property Taxes projected revenue in FY18 is \$17,710,545. This is a **\$178,351** projected increase from the FY17 Adopted Budget.

2. Other Local Taxes

A. Sales & Use Tax	\$ 1,180,000
A \$17,140 decrease in projected revenue. The county is mandated to send a percentage of the Sales & Use Tax revenue to the towns based on school age populations. The percent that must be used is calculated annually by the Weldon Cooper Center. This number represents the total amount before allocations to the towns.	
B. Consumer Utility Tax	\$ 320,000
A \$3,900 decrease in projected revenue.	
C. Business License Tax (level fund)	\$ 40,000
No change in projected revenue	
D. Motor Vehicle License Tax	\$ 380,000
A \$30,000 increase in projected revenue.	
E. Bank Stock	\$ 10,700
No change in projected revenue.	
F. Taxes on Wills and Recordation	\$ 158,000
A \$12,000 increase in projected revenue.	
G. Transient Occupancy Tax	\$ 320,000
A \$50,000 increase in projected revenue.	
H. Food & Beverage Taxes	\$ 300,000
No change in projected revenue	
I. Telecommunications Taxes	\$ 485,000
A \$21,000 decrease in projected revenue.	

Other Local Taxes projected revenue in FY18 is \$3,213,700, a **\$49,960** increase from the FY17 Adopted Budget.

3. Permits, Privilege Fees & Reg Lic

A. Animal License	\$ 4,000
No change.	
B. Precious Metal Dealer Permit	\$ 200
No change in projected revenue.	
C. Building Permit	\$ 90,000
A \$3,000 increase in projected revenue.	
D. 10% BP for Fire Services	\$ 9,000
A \$300 increase in projected revenue.	

E. Rehab. Structure App. Fee	\$ 900
No change.	
F. Certificate of Occupancy	\$ 1,600
No change.	
G. AFD Application Fees	\$ 0
No change.	
H. Transfer Fees	\$ 500
No change.	
I. Planning & Zoning Fees	\$ 17,500
No change..	

Permits, Privilege Fees & Reg. Lic projected revenue in FY18 is \$123,700, a **\$3,300** increase from the FY17 Adopted Budget.

4. Fine & Forfeitures

A. Fine & Forfeitures	\$ 588,000
A \$78,000 increase in projected revenue.	
B. E-Summons	\$ 45,000
A \$45,000 increase in projected revenue	

Fine & Forfeitures projected revenue in FY18 is \$633,000, a **\$123,000** increase from the FY17 Adopted Budget.

5. Use of Money & Property

A. Interest on Bank Deposits & Investments	\$ 7,050
A \$3,500 increase in projected revenue.	
B. Rent of General Property	\$ 8,500
No change.	

Use of Money & Property projected revenue in FY18 is \$15,550, a **\$3,500** increase from the FY17 Adopted Budget.

6. Charges for Services

A. Courthouse Security & Maintenance Fees	\$ 206,000
No change.	
B. Ambulance Fees	\$ 125,000
A \$5,000 increase in projected revenue.	
C. Commonwealth's Attorney Fees	\$ 2,800
A \$400 increase in projected revenue.	
D. Waste Collection & Disposal Fees	\$ 564,100
A \$28,415 increase in projected revenue.	
E. Recreation Fees	\$ 35,100
A \$1,200 decrease in projected revenue.	

F. Harbor Fees **\$ 14,000**
A **\$14,000** increase in projected revenue.

G. Sheriff Secondary Employment **\$ 50,000**
A **\$50,000** increase in projected revenue.

Charges for Services projected revenue in FY18 is \$997,000, a **\$96,615** increase from the FY17 Adopted Budget.

7. Other Miscellaneous **\$ 3,000**
No change.

Other Miscellaneous projected revenue in FY18 is \$3,000, no change from the FY17 Adopted Budget.

8. Recovered Costs

A. Recovered Costs – General **\$ 60,000**
A **\$10,000** increase in projected revenue.

B. Recovered Costs RE Tax Auctions **\$ 64,734**
A **\$67,733** decrease in projected revenue.

Recovered Costs projected revenue in FY18 is \$124,734, a **\$57,763** decrease from FY17 Adopted Budget.

9. Payments in Lieu of Taxes **\$ 26,000**

Payments in Lieu of Taxes projected revenue in FY18 is \$26,000, no change from the FY17 Adopted Budget.

10. Non-Categorical

A. Mobile Home Titling Taxes **\$ 10,000**
A **\$2,000** decrease in projected revenue.

B. Recordation Taxes **\$ 45,000**
A **\$521** increase in projected revenue.

C. Rolling Stock Taxes **\$ 2,400**
A **\$500** increase in projected revenue.

D. Auto Rental **\$ 4,500**
No change.

E. PPTRA Reimbursement **\$1,421,967**
This is revenue received from the state at a set amount that does not change.

Non-categorical projected revenue in FY17 is \$1,483,867, a **\$979** decrease from the FY17 Adopted Budget.

11. Shared Expenses

A. Clerk of Court	\$ 195,593
B. Commissioner of Revenue	\$ 88,576
C. Commonwealth Attorney	\$ 237,587
D. Treasurer	\$ 80,124
E. Sheriff	\$1,027,056
F. Registrar/ Electoral Board	\$ 29,302

Shared Expenses represent Compensation Board payments. The FY 2018 has yet to be published. The projected revenue for FY18 uses the FY17 amounts. The total amount is \$1,658,238.

12. State Categorical Aid

A. Litter Control	\$ 9,550
B. Fire Program	\$ 20,760
C. Four for Life	\$ 11,492
D. Pest. Recycling/Johnson Grass	\$ 0
E. Victim/Witness Grant	\$ 44,781

A **\$21,062** increase in projected revenue.

State Categorical Aid projected revenue in FY18 is \$86,583, a **\$19,349** increase from the FY17 Adopted Budget.

13. Federal Categorical Aid

A. Office of Emergency Services Grant	\$ 0
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A **\$7,500** decrease in projected revenue.

Federal Categorical Aid projected revenue in FY18 is \$0, a **\$7,500** decrease from the FY17 Adopted Budget.

14. Transfer from other Funds

A. Transfer from Social Services	\$ 74,546
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A **\$988** increase in projected revenue.

Transfer from other Funds projected revenue in FY18 is \$74,546, a **\$988** increase from the FY17 Adopted Budget.

15. Appropriated Fund Balance

\$ 0

Appropriated Fund Balance in FY18 is \$ 0.

No change.

Please see the attached report for a summary of the revenues just discussed. I will be glad to answer any questions.