

Summary Financial Report (Major Revenue Section)- continued

The following major revenue sources represent more than 87% of total budgeted revenue for all appropriated funds.

Real Estate Taxes-Current & Delinquent



OVERVIEW:

Real estate taxes represent the County's single largest revenue source accounting for 37% of all estimated revenue for FY22. The County's total real estate tax rate is composed of separate rates levied for the General Fund, School Debt Service Fund, Consolidated EMS fund, Greenback Ville/Captains Cove Mosquito Control Fund and District Fire Funds. The revenues shown below and in the graph include all real estate taxes except for those associated with public service corporations regardless of what purpose they were levied for.

HISTORICAL DATA:

Fiscal Year	Annual Target	First Reporting Quarter	Remainder	Percent Collected
2018	20,164,731	906,212	19,258,519	4%
2019	20,691,972	702,323	19,989,649	3%
2020	20,987,946	708,585	20,279,361	3%
2021	22,536,444	471,851	22,064,593	3%
2022	21,655,029	687,930	20,967,099	3%

TAX RATES:

Taxing District	Tax Year					
	2016	2017	2018	2019	2020	2021
Atlantic	0.61	0.61	0.61	0.61	0.61	0.61
GrBville/Capts. Cove Mosq. Control	0.635	0.635	0.635	0.635	0.635	0.635
Metompkin	0.61	0.61	0.61	0.61	0.61	0.61
Lee	0.61	0.61	0.61	0.61	0.61	0.61
Pungoteague	0.61	0.61	0.61	0.61	0.61	0.61
Chincoteague	0.49	0.49	0.48	0.48	0.48	0.48

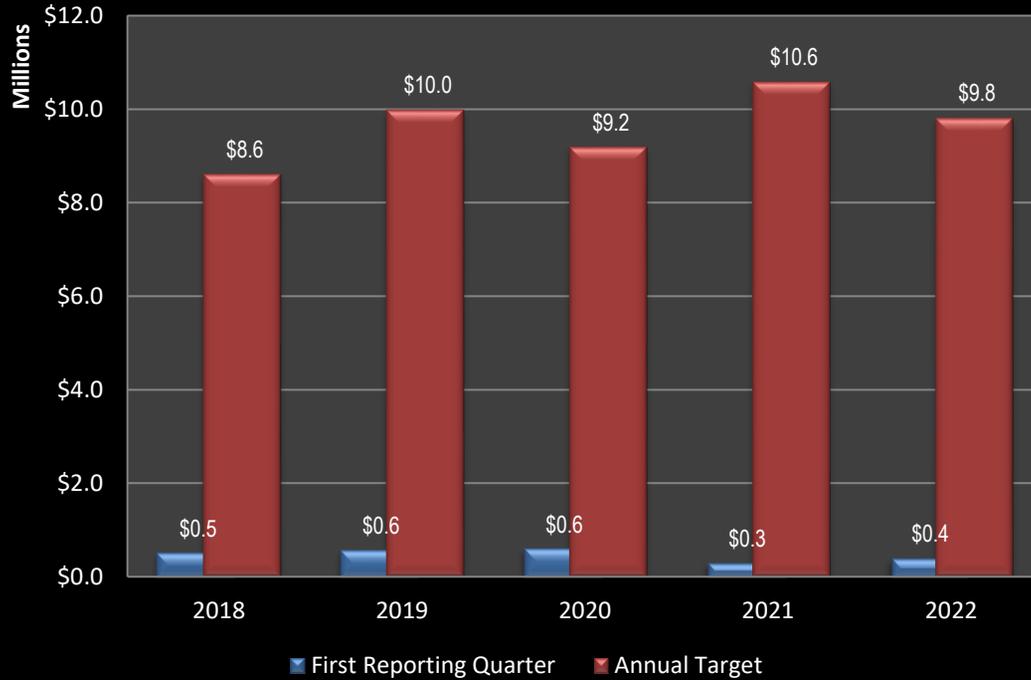
REAL ESTATE LEVY HISTORY:

Tax Year (Calendar)	Original 6/5 & 12/5 Levy	% increase (decrease)
2018	20,236,654	-4.9%
2019	20,660,777	2.1%
2020	21,700,719	5.0%
2021	21,883,111	0.8%
2022		

COMMENTS:

Current Year Budget Estimate: FY22 budget has set an expectation of 95.7% collection rate for installment 1 and 91.2% collection rate for installment 2. No rate increase was adopted for the fiscal year 2022.

Personal Prop. Taxes-Current & Delinquent



OVERVIEW:

Personal property taxes represent the County's second largest revenue source accounting for 15% of all FY22 estimated revenue. The County's total personal property tax rate is composed of separate rates levied for the General Fund, School Debt Service Fund, Consolidated EMS fund and District Fire Funds. The revenues shown below and in the graph include all personal property taxes except for those associated with public service corporations regardless of what purpose they were levied for.

HISTORICAL DATA:

Fiscal Year	Annual Target	First Reporting Quarter	Remainder	Percent Collected
2018	8,618,341	518,496	8,099,846	6%
2019	9,996,061	571,857	9,424,204	6%
2020	9,197,935	601,419	8,596,516	7%
2021	10,593,659	305,395	10,288,264	3%
2022	9,822,958	400,239	9,422,719	4%

TAX RATES:

Taxing District	Tax Year					
	2016	2017	2018	2019	2020	2021
Atlantic	3.72	3.72	3.72	3.72	3.72	3.72
Metompin	3.72	3.72	3.72	3.72	3.72	3.72
Lee	3.72	3.72	3.72	3.72	3.72	3.72
Pungoteague	3.72	3.72	3.72	3.72	3.72	3.72
Chincoteague	3.63	3.63	3.63	3.63	3.63	3.63

PERSONAL PROPERTY HISTORICAL LEVY HISTORY:

Tax Year	Original 6/5 & 12/5 Levy	Supplements	Total Levy	(decrease)
2018	9,711,591	653,126	10,364,717	5.81%
2019	10,014,451	251,896	10,266,347	-0.95%
2020	10,218,764	250,340	10,469,105	1.97%
2021	10,865,043	-	10,865,043	3.8%
2022	-	-	-	-

COMMENTS:

Current Year Budget Estimate: The County FY22 personal property tax budget assumed a CURRENT collection rate of 87% for the 12/6/21 levy and 77% for the 6/5/22 levy. Actual collection percentage for the 12/5/20 levy was 87.2% and 72.8% for the 6/7/2021 levy. This is calculated as of June 30, 2021.

Summary Financial Report (Major Revenue Section)- continued

Local Sales and Use Taxes



OVERVIEW:

The Commonwealth of Virginia's sales and use tax rate is 5.3% with 1% remitted back to the jurisdiction from where the tax was collected. A portion of the local sales tax that is remitted back must be disbursed to incorporated towns. The disbursement to the towns is based on school age population. The graph and historical amounts shown are net of these disbursements. Local sales and use taxes make up 8% of estimated revenue for FY22.

HISTORICAL DATA:

Fiscal Year	Annual Target	First Reporting Quarter	Remainder	Percent Collected
2018	3,746,742	1,161,955	2,584,787	31%
2019	4,273,866	1,211,576	3,062,290	28%
2020	4,058,810	1,318,376	2,955,491	32%
2021	4,723,871	1,352,034	2,706,776	29%
2022	4,697,996	1,353,272	3,370,600	29%

COMMENTS:

First quarter sales tax continues to outperform prior year same quarter, although early fall uptick in COVID 19 for the new variant may push towards somewhat less robust sales in the second quarter of the fiscal year.

Recordation Taxes



OVERVIEW:

The Code of Virginia §58.1-3800 authorizes the County to impose a tax on deeds contracts and other instruments in an amount equal to 1/3 of the amount of the state recordation tax. The current state recordation tax is 25 cents per \$100 of property value. In addition to the tax on deeds, a grantor tax is imposed at a rate of 50 cents per \$500 of value with 50% of this retained by the County. These taxes are collected by the Clerk of Circuit Court and distributed to the County on a monthly basis. Recordation taxes make up .6% of total estimated revenue for FY21.

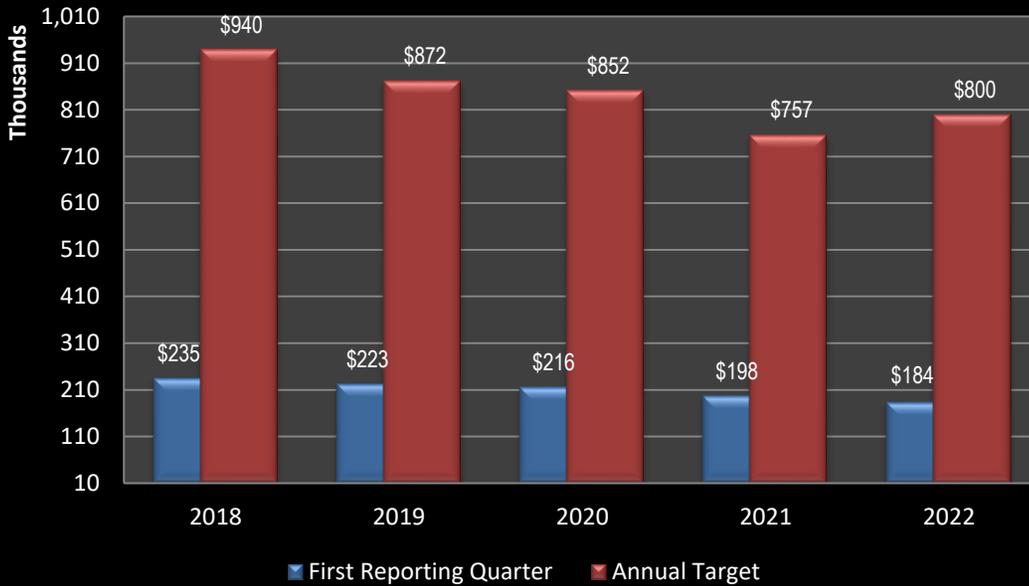
HISTORICAL DATA:

Fiscal Year	Annual Target	First Reporting Quarter	Remainder	Percent Collected
2018	339,444	102,332	237,112	30%
2019	375,761	98,330	277,432	26%
2020	415,123	119,620	295,503	29%
2021	432,457	136,954	295,503	32%
2022	450,000	157,341	292,659	35%

COMMENTS:

Recordation tax continues to outperform prior year same quarter; as housing prices remain strong, this trend likely will continue.

Communication Tax



OVERVIEW:

The State imposes a communications sales and use tax on the charge for or sale of communication services at a rate of 5%. The State distributes a portion of these taxes back to localities based on their pro rata share of local communication taxes collected in FY06. The County uses approximately 37% of this revenue stream to support the operations of the Eastern Shore 911 Commission. Communication taxes make up 1.8% of total estimated revenue for FY22.

HISTORICAL DATA:

Fiscal Year	Annual Target	First Reporting Quarter	Remainder	Percent Collected
2018	940,038	235,339	704,699	25%
2019	872,078	223,364	648,714	26%
2020	852,193	216,102	636,090	25%
2021	756,940	197,653	559,287	26%
2022	800,000	183,794	616,206	23%

COMMENTS:

Communications tax which funds in part the E911 Commission continues to decline year over year when comparing to same month. FY 22 budget was reduced 7% over FY21

Personal Prop. Tax Relief Act (PPTRA) Aid



OVERVIEW:

The General Assembly passed the Personal Property Tax Relief Act (PPTRA) in FY98 to gradually eliminate the personal property tax on automobiles by increasing state funds to localities. The amount of aid is based on the County's a pro rata share of a capped amount set by the State remaining at approximately \$3 million. This aid enables a reduction of taxes on personal use vehicles valued between \$1000 and \$20,000 by 40% for calendar 21 and to eliminate taxes on personal use vehicles valued under \$1000. These rates can be expected to decrease as taxable values increase. PPTRA makes up 4.6% of revenue of all funds for FY22.

HISTORICAL DATA:

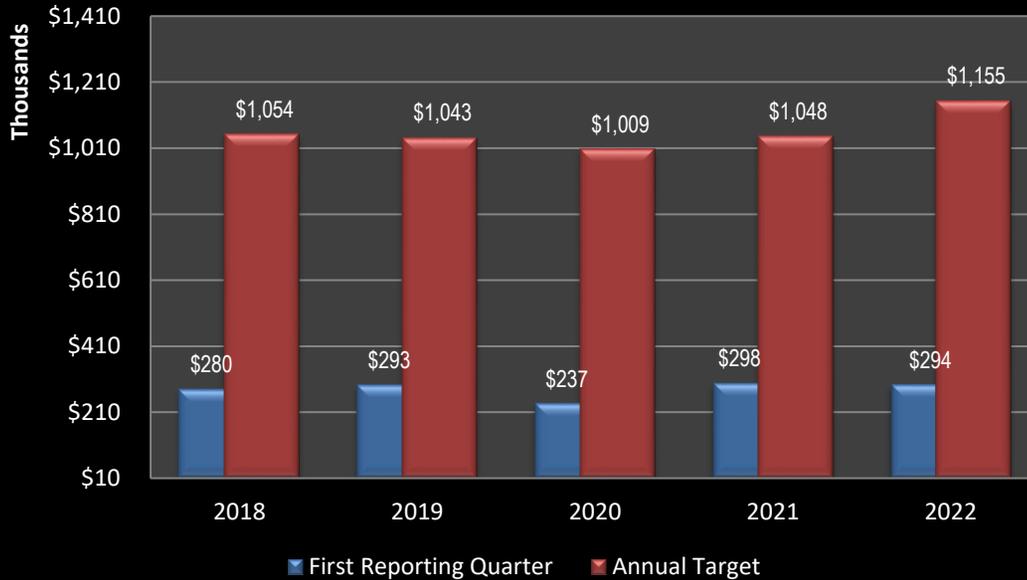
Fiscal Year	Target	First Reporting Quarter	Remainder	Percent Collected
2018	3,055,209	152,760	2,902,448	5%
2019	3,055,209	152,760	2,902,448	5%
2020	3,055,209	152,760	2,902,448	5%
2021	3,055,209	152,760	2,902,448	5%
2022	3,055,209	152,760	2,902,449	5%

COMMENTS:

The County receives 5% of this aid in August, 75% in November, 15% in February and the remainder in May.

Summary Financial Report (Major Revenue Section)- continued

Consumer Utility Taxes



OVERVIEW:

Accomack levies a tax on the purchase of electricity delivered to consumers by service providers in accordance with Virginia Code §58.1-3814. The tax is based on kilowatts as opposed to the amount of the bill. The tax rate for residential customers is \$0.00321 while the tax rate for commercial customers is \$0.00342. This tax does not apply to customers located in towns that provide police or fire protection and water or sewer services, as they levy their own consumer utility taxes. Consumer Utility taxes make up 2.6% of all estimated general fund revenue for FY22.

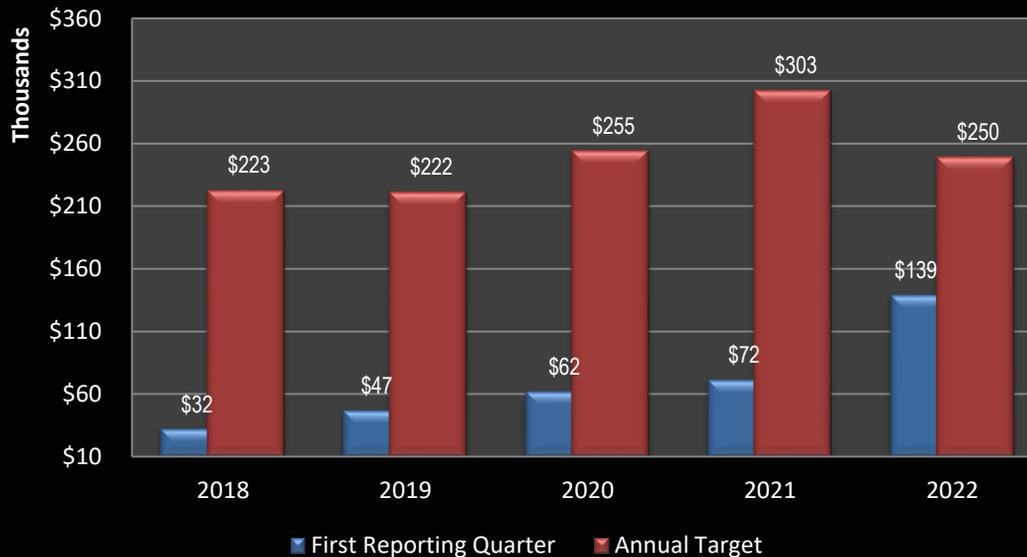
HISTORICAL DATA:

Fiscal Year	Annual Target	First Reporting Quarter	Remainder	Percent Collected
2018	1,054,059	280,485	773,573	27%
2019	1,042,562	292,889	749,672	28%
2020	1,008,870	237,146	771,725	24%
2021	1,047,622	297,872	749,750	28%
2022	1,155,000	294,390	860,610	25%

COMMENTS:

First quarter consumer utility tax is flat versus same quarter prior year.

Building Permits



OVERVIEW:

The Code of Virginia §15.2-2286 provides authority to levy fees for building code enforcement. The majority of building permit revenue is derived from fees on new construction and remodels/alterations. Fees are generally based on square feet however there are several flat fees which also apply. Building permits make up less than 1% of all estimated gen revenue for FY22.

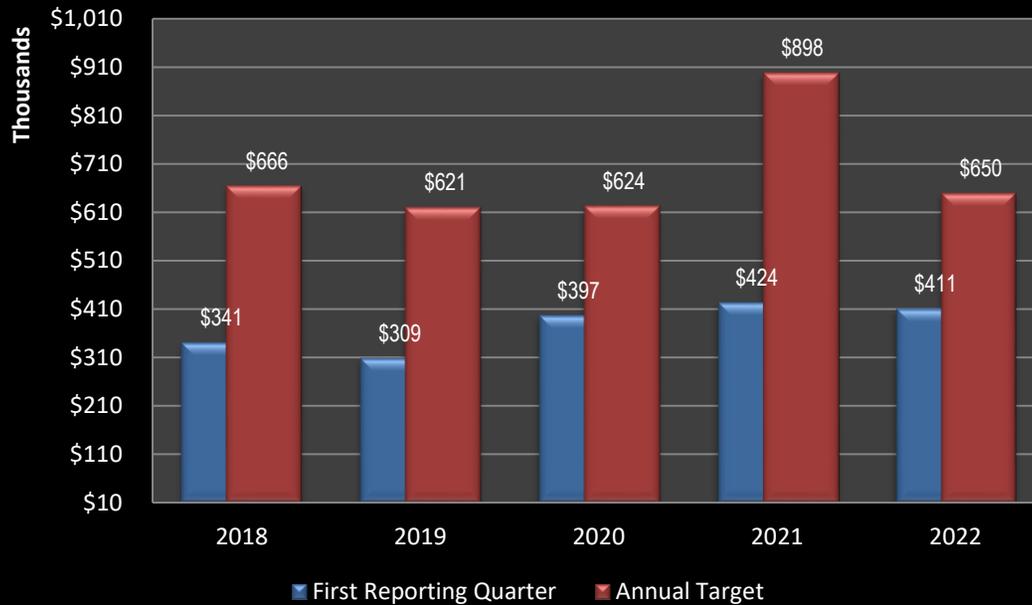
HISTORICAL DATA:

Fiscal Year	Annual Target	First Reporting Quarter	Remainder	Percent Collected
2018	223,242	32,300	190,943	14%
2019	222,158	47,167	174,991	21%
2020	254,951	62,253	192,698	24%
2021	302,809	71,637	231,172	24%
2022	250,000	139,399	110,601	56%

COMMENTS:

Building permits continue to outperform same period last year.

Transient Occupancy Taxes



OVERVIEW:

Pursuant to the Code of Virginia § 58.1-3819, the County levies a 5% tax on the total amount paid for room rental by or for any transient to any hotel or travel campground. Generally, this tax does not apply within the limits of incorporated towns who have enacted a transient occupancy tax ordinance; however, there is one exception. A rate of 2% does apply within the limits of the Town of Chincoteague who also has enacted a transient tax ordinance. This exception is the result of an annexation agreement reached in 1989 between the County and Town. Transient occupancy taxes make up 1.1% of all estimated revenue for FY22.

HISTORICAL DATA:

Fiscal Year	Annual Target	First Reporting Quarter	Remainder	Percent Collected
2018	665,569	341,113	324,456	51%
2019	620,765	308,504	312,261	50%
2020	623,988	397,085	226,903	64%
2021	898,193	423,719	474,474	47%
2022	650,000	410,724	239,276	63%

COMMENTS:

Transient Occupancy tax has outperformed budget in FY 21 and is on point to continue in FY 22, in part due to increase in cost of rentals along with post shut-down travel.

Landfill Tipping Fees



OVERVIEW:

The County's landfill enterprise fund is primarily funded from tipping fees. These charges are based on the number of tons of waste disposed and account for 5.3% of all estimated revenue for FY22.

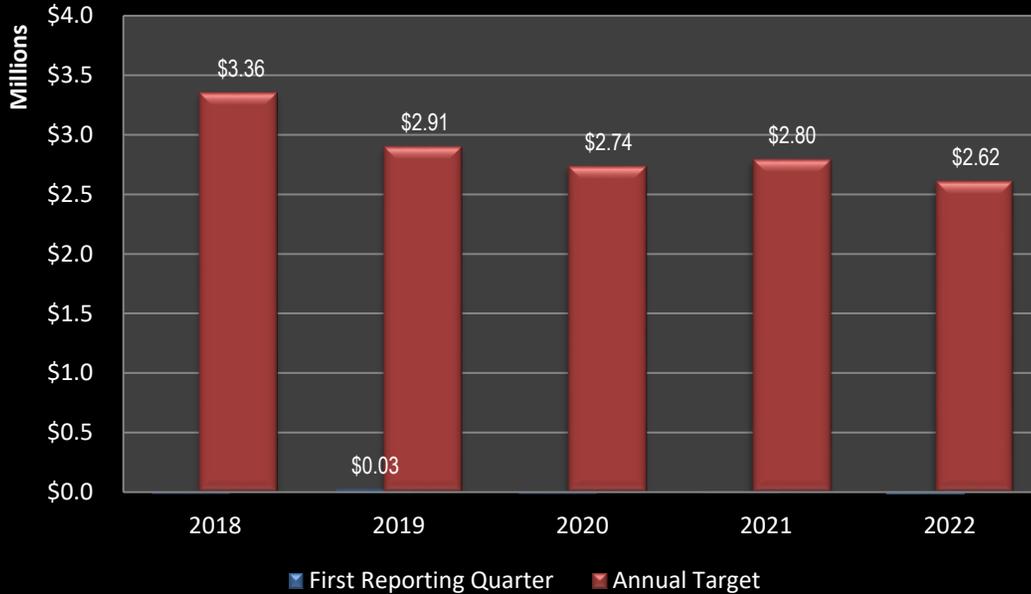
HISTORICAL DATA:

Fiscal Year	Target	First Reporting Quarter	Remainder	Percent Collected
2018	2,828,218	762,889	2,065,329	27%
2019	2,992,857	819,768	2,173,090	27%
2020	3,106,264	846,150	2,260,115	27%
2021	3,560,065	1,051,550	2,508,515	30%
2022	3,490,764	978,876	2,511,888	28%

COMMENTS:

There was no tipping fee rate change for the FY 22. See Tonnage slide in the presentation.

Public Service Corporation Real Estate Taxes



OVERVIEW:

Public Service Corporation (PSC) property taxes are accounted for separately from other property taxes due to their method of assessment. PSC taxable values are determined by the State Corporation Commission (SCC). The SCC's taxable real estate values are calculated by multiplying the market value of the property times the assessment ratio as determined by the State Department of Taxation. PSC real property tax rates are the same rate as the general real estate tax rate. PSC real estate taxes represent 3.9% of total estimated revenue for FY22.

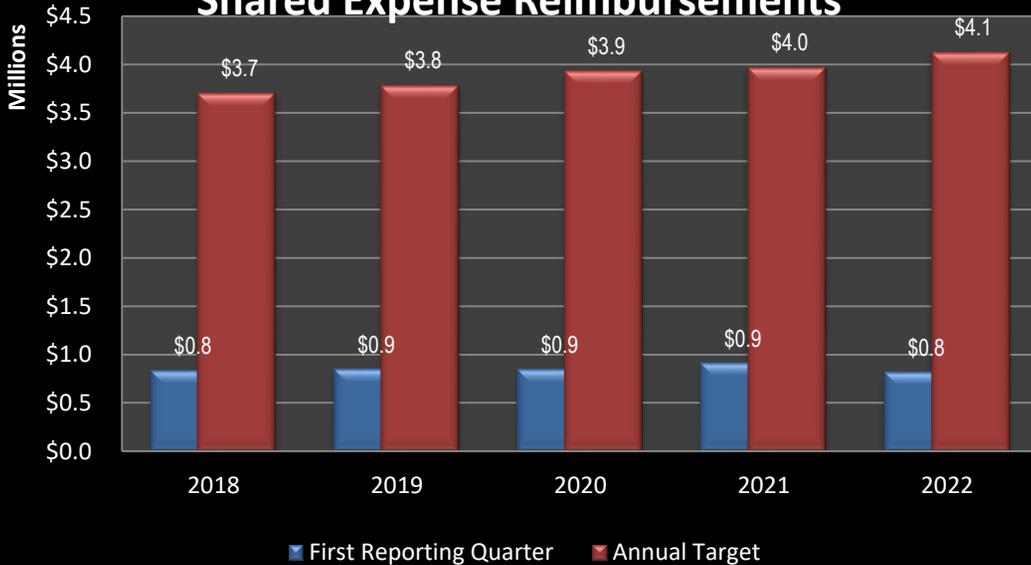
HISTORICAL DATA:

Fiscal Year	Annual Target	First Reporting Quarter	Remainder	Percent Collected
2018	3,359,823	-	3,359,823	0%
2019	2,907,137	28,440	2,878,697	1%
2020	2,743,502	(966)	2,744,469	0%
2021	2,800,021	4,777	2,795,245	0%
2022	2,616,517	(7,082.66)	2,623,600	0%

COMMENTS:

The new SCC values are released every September and adjustments are made to calendar tax assessments at that time.

Shared Expense Reimbursements



OVERVIEW:

Shared expense revenues are those received from the Commonwealth for the their share of expenditures for activities considered to be a state/local responsibility. These activities are primarily those of constitutional offices including operation of the County jail such as jail per diems. Shared expense reimbursements make up 6.2% of all revenue for FY22.

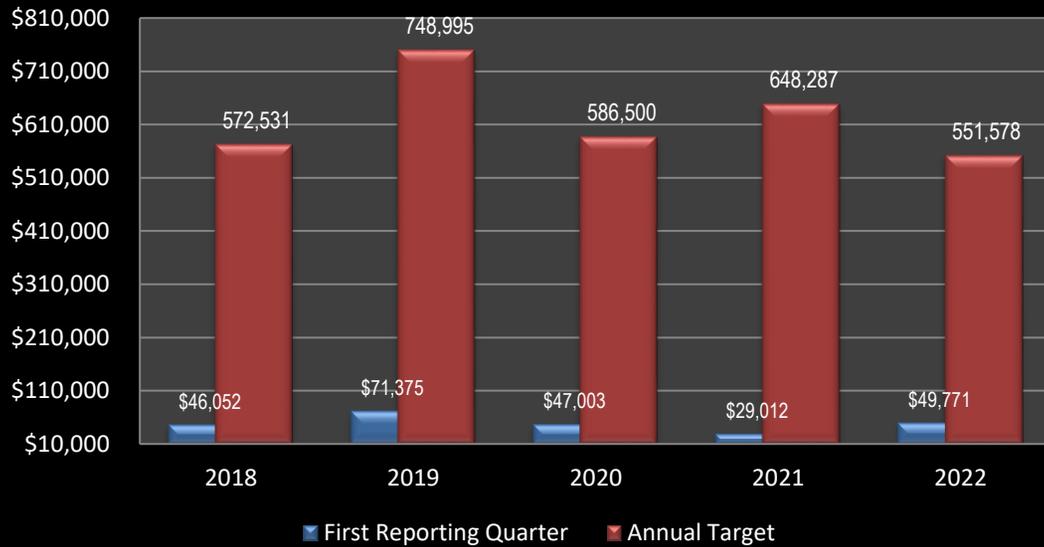
HISTORICAL DATA:

Fiscal Year	Annual Target	First Reporting Quarter	Remainder	Percent Collected
2018	3,720,711	843,220	2,877,491	23%
2019	3,798,322	859,214	2,939,108	23%
2020	3,948,925	857,246	3,091,679	22%
2021	3,982,327	919,652	3,062,675	23%
2022	4,140,321	826,871	3,313,450	20%

COMMENTS:

Current remittances from the Commonwealth are down versus both budget and prior year same quarter by just under \$ 100,000 a significant number to monitor.

Vehicle License Fees



OVERVIEW:

The fee is levied on all motor vehicles garaged outside of incorporated towns. The vehicle license fee is added to the personal property tax bill and is subject to the collection methods as the personal property tax. The current vehicle fee is \$27.00/\$25.00 for motorcycles. Vehicle license fees make up slightly less than 1.0% of all estimated revenue for FY22.

HISTORICAL DATA:

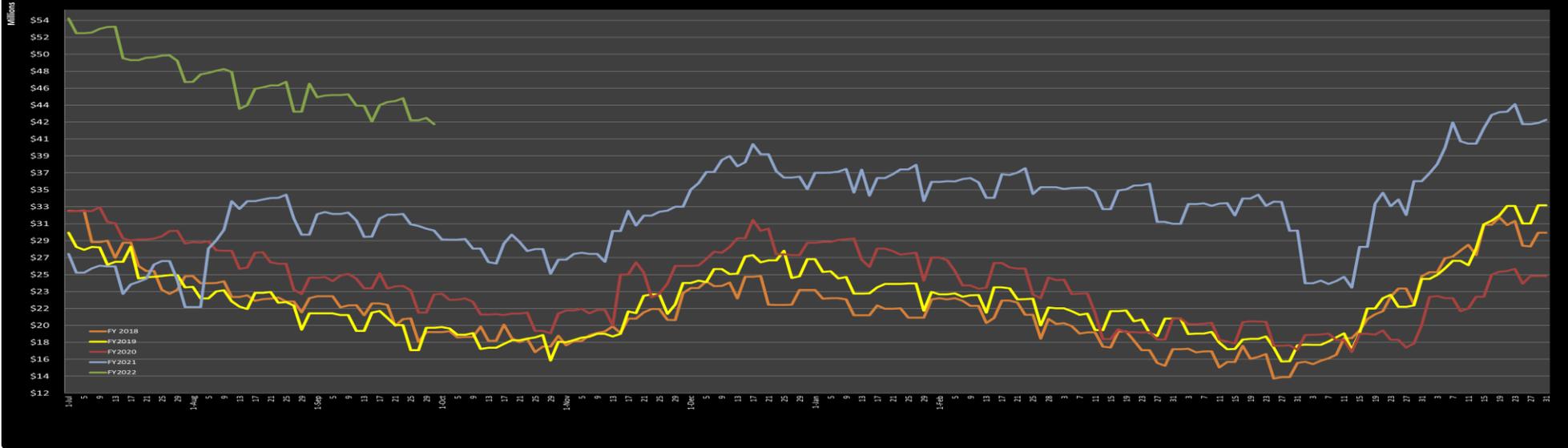
Fiscal Year	Annual Target	First Reporting Quarter	Remainder	Percent Collected
2018	572,531	46,052	526,479	8%
2019	748,995	71,375	677,620	10%
2020	586,500	47,003	539,497	8%
2021	648,287	29,012	619,275	4%
2022	551,578	49,771	501,807	9%

COMMENTS:

Vehicle License fees continue to lag in collection percentages behind personal property collection rates.

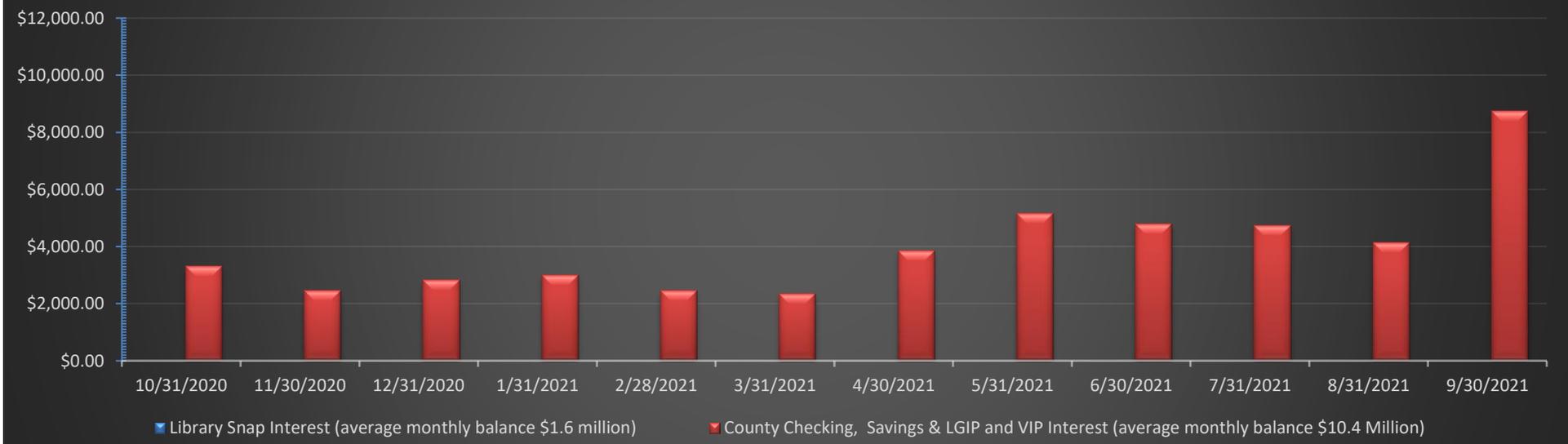
Summary Financial Report (Expenditure Section)

Unrestricted Cash and Cash Equivalents By Day



COMMENTS:
 The chart above includes only cash and cash equivalents residing in the County's main operating and investment account. Note the above chart excludes cash reserved for landfill closure and post closure costs and other restricted funds but does include cash and cash equivalents held by the Accomack County School Board.

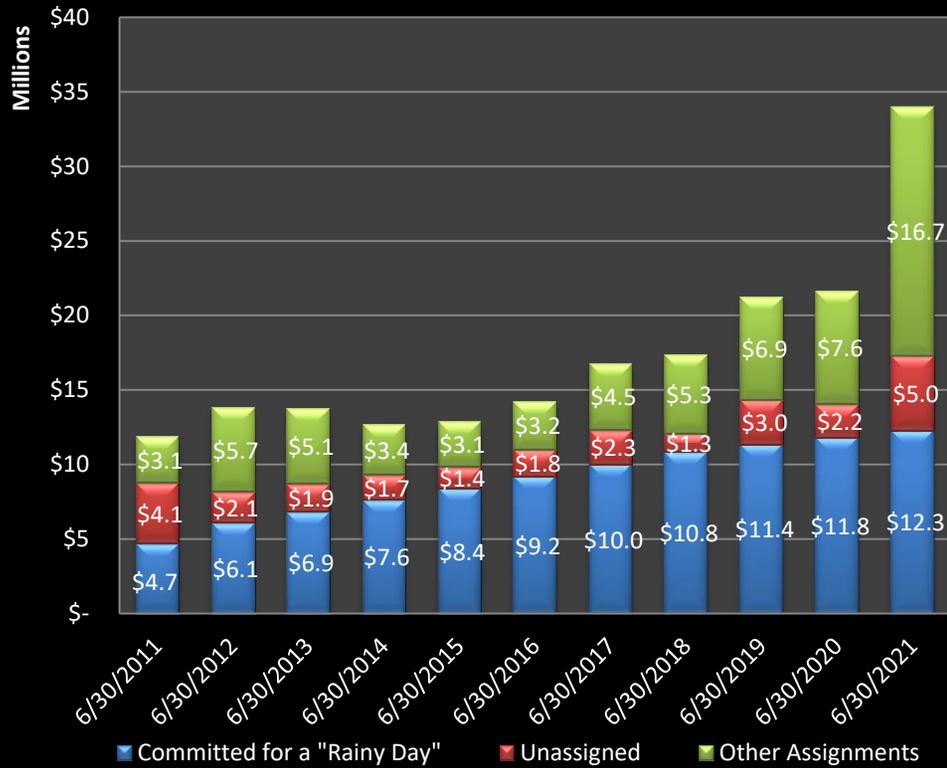
Interest Earnings



Delinquent Property Taxes by Tax Year As of 9/30/2021



Unrestricted General Fund Balance



Fund Balance Committed for a "Rainy Day" as a % of General Fund & School Funds Revenue

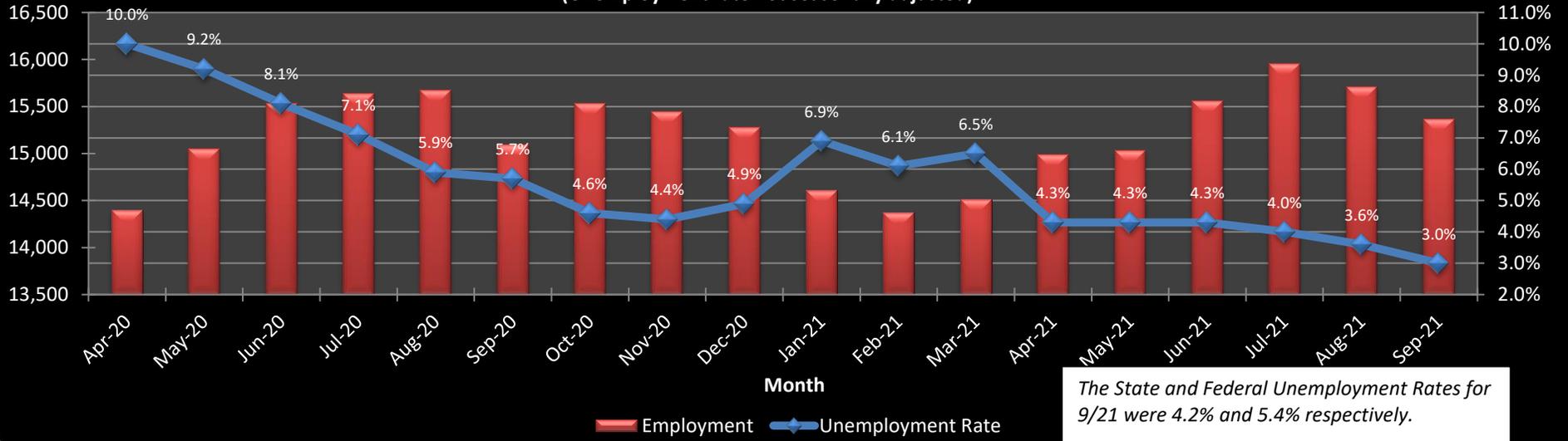


COMMENTS:

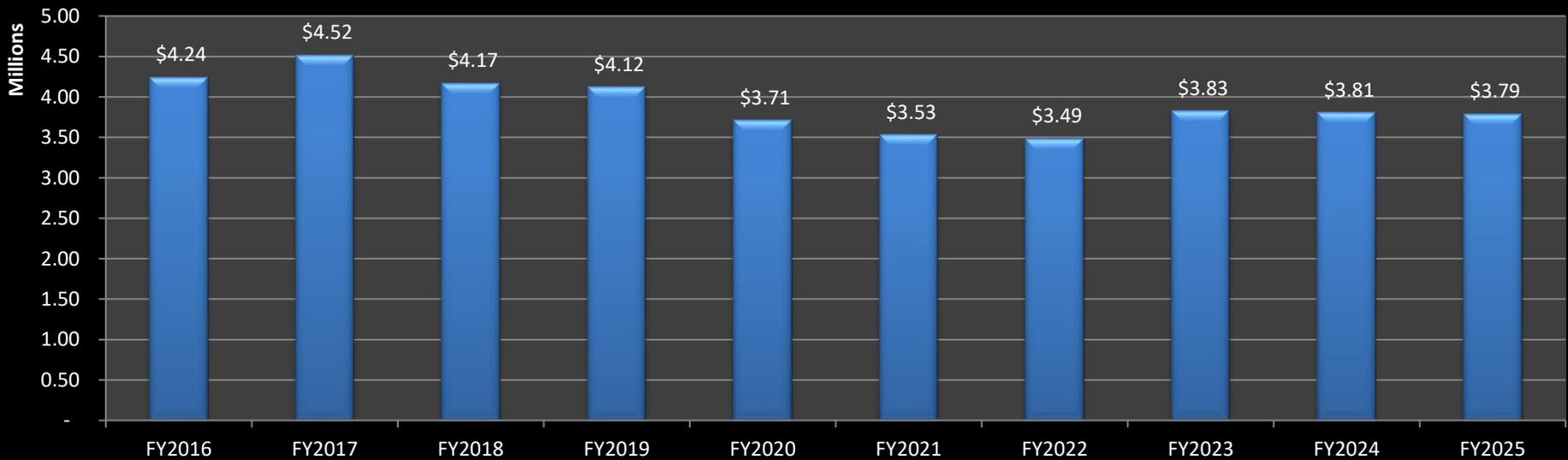
Unassigned Fund Balance (aka surplus): The County's unassigned fund balance was approximately \$1.3 million at June 30, 2018, grew in fiscal year 2019 to just at \$3 million and back to \$ 2.4 million at the end of FY20. For FY 2021 the **estimated** unassigned is \$4.9 million. **"Rainy Day"/Stabilization Fund Balance:** Fund Balance committed for this is equal to \$12.3 million or declined to approximately 13.5% of general fund revenue as of 6/30/2021. The long-term plan is to increase it to 16.7% of revenue by 2024. The FY 21 addition to the stabilization fund was \$ 500,000 and fiscal year 2022 is to budgeted to be \$ 64,000. This will be updated upon completion of the FY 21 audit.

Accomack County Number **Employed** & Unemployment Rate

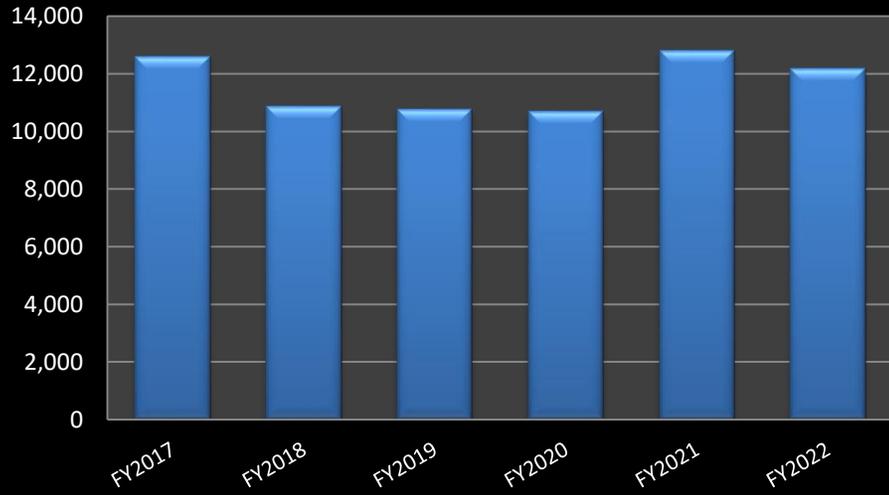
(Unemployment rate not seasonally adjusted)



Total County Debt Service By Fiscal Year



Landfill Billable Tons of Waste Received Through 1st Qtr By Fiscal Year



Budget Contingency Balance by Month

