TOWN COUNCIL
Public Hearings & Regular Meeting
November 19, 2020
Cape Charles Civic Center
6:30 PM

1. Call to Order
   A. Roll Call
   B. Establish quorum

2. Moment of Silence and Pledge of Allegiance

3. Public Hearings:
   A. USDA Rural Development Grant/Loan Application
   B. FY 2021 Budget Amendment

4. Recognition of Visitors / Presentations / Recognitions
   A. None

5. Public Comments (3 minutes per speaker)

6. *Consent Agenda
   A. Approval of Agenda Format
   B. Approval of Minutes
   C. Approval of September 30, 2020 Financial Report

7. Unfinished Business:
   *A. FY 2021 Budget Amendment and Capital Asset Management Program
      i. FY 2021 Budget Amendment – Resolution 20201119A
      ii. Capital Asset Management Program – Resolution 20201119B
   *B. Fiscal Policies:
      i. General Operating Reserve – Resolution 20201119C
      ii. Contingency Reserve - Resolution 20201119D
      iii. Establishment of Debt Service and Capital Improvement Funds – Resolution 20201119E
      iv. Strategic Revenue Program

8. New Business:
   *A. Planning Commissioner Reappointments
   *B. Wetlands & Coastal Dune Board Member Reappointment
   *C. Appointment to Board of Zoning Appeals

9. Town Manager Comments

10. Mayor & Council Comments (5 minutes per speaker)

11. Announcements
   - November 25, 2020 – Town Offices Close at Noon for Thanksgiving Holiday
   - November 26-27, 2020 – Town Offices Closed for Thanksgiving Holiday
   - December 3, 2020 – Town Council Work Session
   - December 17, 2020 – Town Council Regular Meeting
   - December 24-25, 2020 – Town Offices Closed for Christmas Holiday

12. Adjournment

Cape Charles Town Council Public Hearing

The Town of Cape Charles will file an application with the USDA Rural Development for financial assistance to purchase equipment. The Cape Charles Town Council will hold a public hearing on Thursday, November 19, 2020, beginning at 6:30 p.m. at the Cape Charles Civic Center located at 500 Tazewell Avenue to solicit public comments and discuss the proposed projects.

Libby Hume, Town Clerk

NOTICE OF PUBLIC HEARING
MUNICIPAL CORPORATION OF CAPE CHARLES
FISCAL YEAR 2020/2021 PROPOSED BUDGET AMENDMENT

Following is a summary of amended estimated receipts and expenditures of the Municipal Corporation of Cape Charles for the Fiscal Year 2020-2021. The Town Council will hold a Public Hearing on November 19, 2020 at 6:00 p.m. at the Cape Charles Civic Center, 500 Tazewell Avenue, to receive verbal and written comments on all proposed disbursements. Written comments can be submitted prior to the hearing via email to clerk@capecharles.org or placed in the external drop box at Town Hall. The proposed Fiscal Year 2020/2021 budget amendment will be discussed and brought to a vote during the regular meeting immediately following the public hearing. Budget amendment details may be viewed on the Town's website, www.capecharles.org, under Agendas and Minutes / Town Council.

REVENUES	Original 2020-2021	Amended 2020-2021	EXPENDITURES NET CHANGE	Original 2020-2021	Amended 2020-2021
General Fund	3,135,548	4,507,494	Total General Fund	3,135,548	4,507,494
Sanitation Fund	220,274	220,274	Sanitation Fund	220,274	220,274
Total Harbor Fund	785,167	966,257	Total Harbor Fund	785,167	966,257
Water/Wastewater Fund	1,948,987	2,026,387	Water/Wastewater Fund	1,948,987	2,026,387
TOTAL REVENUES ALL FUNDS	6,089,976	7,720,413	TOTAL EXPENDITURES ALL FUNDS	6,089,976	7,720,413

NOTICE: The Cape Charles Town Council recently adopted a Capital Asset Management Program which included a draft six year project schedule. The first year of this proposed schedule has been included in this budget amendment. Please refer to the Town website for details.

William "Smitty" Dize, Mayor

DRAFT

TOWN COUNCIL

Work Session

Cape Charles Civic Center

October 8, 2020

6:30 PM

At approximately 6:30 p.m. Mayor William "Smitty" Dize, having established a quorum, called to order the Work Session of the Town Council. In addition to Mayor Dize, in attendance were Vice Mayor Bennett, Councilmen Bannon, Buchholz, Follmer and Grossman, and Councilwoman Holloway. Also, in attendance were Town Manager John Hozey, Treasurer Deborah Pocock, Capital Projects Manager Bob Panek, and Town Clerk Libby Hume. There were three members of the public in attendance.

A moment of silence was observed followed by the recitation of the Pledge of Allegiance.

WORK SESSION ORDER OF BUSINESS

A. Capital Improvements Plan

i. Capital Asset Management Program

Town Manager John Hozey stated that a portion of this topic was tied to the budget and some to policy adding that he would like to begin with the policy portion – the Capital Asset Management Program (CAMP). The original document was approved by Council in January 2020 and was very well thought out. It was the best one he had seen. He stated that he spent some time reviewing the document and made some changes. Council reviewed the recommended changes. John Hozey noted that in Valdez, equipment was carved out separately from the capital projects, with its own life cycle, maintenance schedule, etc. He didn't have the time to separate the equipment from the capital projects for this meeting.

There was discussion as follows: i) Councilman Buchholz liked John Hozey's suggestion about equipment being separated from other capital projects. Councilwoman Holloway and Councilman Follmer agreed. John Hozey stated that he would work on a major equipment schedule; and ii) Vice Mayor Bennett asked who would perform the life cycle analysis. John Hozey responded that most of the department heads were not qualified to do the analysis. It probably wouldn't be done for projects that were relatively low in value and the analysis for larger projects could be done by the architects. Bob Panek added that for big utility projects, state agencies required analyses which were performed by engineers.

John Hozey stated that it was important for everyone to agree with the rules and policy before we began talking about the projects. A public hearing on the capital budget would be held at the same time as the hearing for the budget amendment in November. He would like to see the CAMP approved first. If acceptable, he intended to bring it for Council action at the regular meeting in October.

Mayor Dize and the Council agreed with the recommendations.

ii. Projects

John Hozey began by explaining the various handouts provided for this evening and proceeded as follows: i) This evening's discussion was about capital projects and a work session was scheduled for early November to discuss general fiscal policies; ii) During the budget process, he walked Council through fund balance issues. The current budget had a General Fund deficit of $267K which was pulled from the fund balance in order to balance. The Town's revenue was better than predicted by about $167K but we would still need to draw from the fund balance just to meet operating expenses this fiscal year (FY). The FY 2020 budget was adjusted for COVID-19 and was in good shape. FY 2021 was still operating at a deficit. Adjustments to the current year, FY 2021, would be made in November. Close to $300K was cut from the original proposed FY 2021 budget, but we still had about a $300K deficit. There was no extra money to add things back into the budget. Any additions would come from the fund balance; iii) There was currently about $1.13M in the fund balance. The Town did not have a fund balance reserve minimum, which would be covered during the discussion regarding fiscal policies. For a placeholder, he suggested 20% of the operating budget to maintain cash flows in case of catastrophic emergencies. The General Fund operating budget was about $4M. The fund balance should never drop below $800K. That leaves about $383K in the fund balance. Council also expressed an interest in creating a rainy-day fund, which was not the same as a minimum fund balance, in the amount of $250K. If implemented, the fund balance would have $133K remaining; and iv) If Council were to add any projects back into the FY 2021 budget, he strongly recommended that it be no more than $133K, which would take the fund balance down to zero. The days of using the fund balance for projects were gone.

Council reviewed the Project List. John Hozey stated that his expectation was to start removing or deferring projects. He had provided Council with the revised AQUA proposal so they could see the numbers. He pointed out that if the Utilities Fund were removed, the Town's liability would be reduced from $13.5M to $4.9M. John Hozey went on to explain that he took the liberty of assigning Council priorities on the Project List. The projects didn't necessarily meet the criteria, but Council had expressed significant interest regarding the Mason Avenue Pull-In Parking and the Multi-Use Trail Phase 3, so he identified them as high priority. He tried his best to evaluate the other projects based on the criteria.

There was discussion as follows:

1) Councilman Follmer commented that in looking at the General Fund Spending History, it seemed that the last few years was significantly underestimated, and we were overly optimistic regarding execution.

   Vice Mayor Bennett stated that it was under-implemented versus overly optimistic, but there had been marked improvement in that.

2) John Hozey stated that his biggest concern was the municipal building, which was inefficient, unsafe, and not legal. Municipal building projects were not something that the public typically supported. Costs were unknown at this time, and there were multiple options to consider. The current building could be renovated, the library building could be used, or the Town could construct a new building. A professional engineer/designer was needed to evaluate the options and provide preliminary cost estimates. He placed this as the highest priority.

   There was some discussion regarding space needs, etc. for the municipal building. Bob Panek stated that if the first-floor front bay, which was currently leased to the fire department, could be used, it would provide a significant amount of square footage, but the current building had serious issues.

   Councilman Grossman noted that the project could not be completed in one year so should be spread over two years for a study, design, then bids and construction.

Councilman Buchholz asked why the Town couldn't obtain a long-term loan to renovate, relocate or construct a new municipal building. John Hozey responded that it was a good question, but tonight's objective was to agree on an overall policy, followed by an agreement on the priority of projects. Once the priorities had been set, staff would dig deeper into the specifics of the projects. The municipal building qualified for the USDA grant/loan program.

Vice Mayor Bennett stated that the municipal building was a priority for him, much higher than the replacement of the Public Works butler building.

Councilman Grossman added that relocation of the staff during renovation into temporary offices needed to be considered as well.

3) The Mason Avenue Pull-In Parking was split between FY 2021 and FY 2022. John Hozey asked about the priority level. Vice Mayor Bennett and Councilman Bannon felt that it was a low priority, but Councilmen Buchholz, Follmer and Grossman and Councilwoman Holloway rated it high priority.

Councilman Holloway added that there was a lot of data including complaints and accidents to warrant the high priority.

Bob Panek noted that the project was also included on the funded capital projects list for FY 2021.

4) Councilman Grossman stated that the street sweeper came back every year. He understood why the Public Works Department wanted it, but should the Town be spending $150K for something that VDOT should be doing?

There was much discussion regarding this issue. John Hozey pointed out that a street sweeper would qualify for a grant/loan, but Council noted that it would sit in a garage the majority of the time,

Mayor Dize stated that it was VDOT's responsibility. If VDOT could clean Onancock's streets once a month, they needed to come to Cape Charles once a month. Since they had not been coming regularly to Cape Charles, the trash in the streets were clogging up the storm drains and the taxpayers were having to pay for videos and cleaning of the storm drains. The Town needed to purchase a street sweeper.

It was suggested that the Town contact Delegate Bloxom and Senator Lewis for assistance in dealing with VDOT regarding this issue. Councilman Buchholz suggested working with the Town of Exmore to pressure VDOT into sweeping the streets regularly since they probably weren't being serviced either.

John Hozey asked when the Town discussed legislative priorities for submittal to the state. This typically had not been done other than the submittal to obtain authorization from the general assembly to regulate boat and trailer parking on the Town's streets.

5) Sidewalks were discussed. VDOT did some repairs to the Town's sidewalks several years ago but would not install new sidewalks. VDOT spent close to $1M on repairs but ran out of funding before the project could be completed.

Councilman Grossman stated that a sidewalk committee had been formed to focus on new sidewalks.

Bob Panek added that VDOT had a revenue sharing program with a 50/50 split of costs that could be used for new sidewalks. The Town approached VDOT in the past but was informed that VDOT didn't have their 50% to put toward the project. There was much more discussion regarding sidewalks.

6) Councilwoman Holloway brought up bathrooms stating that the current bathrooms were not adequate for the number of visitors coming into the Town. There was much discussion regarding purchasing a portable ADA facility and relocating the existing trailer unit to the north end of the beach, remodeling or replacing the existing facility at the south end of the beach for ADA accessibility. Councilwoman Holloway added that she would be working on an ADA grant which could help with the renovation of the south beach bathroom.

Councilman Buchholz commented that the Town could possibly obtain a grant through Main Street. Bob Panek added that if the scope of the project were changed to make the facility ADA compliant, it could possibly quality for a USDA grant.

It was noted that the portable units were listed on both the funded FY 2021 capital projects list and the future projects list.

7) Sand replenishment and maintenance of the beach was discussed. John Hozey informed Council that the Town could get sand from a potential dredging project at Kings Creek. The project was funded for planning and permitting but had not yet secured funding for the actual dredging. If the funding was secured, the project would be scheduled for next fall and the Town had priority in receiving the sand.

8) Bob Panek noted that the amount on the Project List for Phase 3 of the Multi-Use Trail project was the grant amount. The Town's portion was $200K. If the project could not be completed during FY 2022, the grant funding would be withdrawn.

9) There was some discussion regarding the zip line, gaga ball pit and adult game area in Central Park. Bob Panek stated that the Citizens for Central Park (CCP) would assist with some of the expenses. Councilman Follmer suggested some private fundraising to help with funding.

10) Councilman Grossman asked it any thought was given regarding improvements for a parking lot behind the library. John Hozey stated that it was not included on the Project List but would be added if the library building was to be renovated for the Town offices.

Bob Panek stated that an engineering study had been done and construction of a parking lot behind the library would add about 30 spaces. Bob Panek suggested changing the scope of the Parking Lot Improvements project from the leased lot to the library parking lot.

11) Mayor Dize suggested keeping Phase 4 of the Inner Harbor Rehabilitation project since it was a continuation of Phases 1-3. Phases 5 and 6 were not included in the Harbor Master Plan that was previously adopted by Council. The money estimated for those two phases could be used to review and update the Harbor Master Plan.

Treasurer Deborah Pocock interjected that the shade sails were included in the USDA grant. There was discussion regarding the sails holding up with the wind. Mayor Dize stated that they would be shredded in a month. Bob Panek suggested converting the shade sails to a pergola.

Councilwoman Holloway agreed about the sails, adding that Cape Charles Main Street (CCMS) had researched shade sails and determined that they would have to be removed each time heavy winds were expected and it would take a lot of effort to remove them and put them back up.

John Hozey suggested keeping Phase 5 since it would be an upgrade, not a rehabilitation. He agreed that the Harbor Master Plan needed to be re-evaluated before going forward with other Harbor projects.

Bob Panek added that Phases 5 and 6 were new projects, not included in the current Harbor Master Plan, but the harbormaster, Charlie Farlow, had stated that the project would pay for themselves. Phase 5 was floating slips for the inner harbor and Phase 6 was for a boat lift.

John Hozey stated that he would remove Phases 5 and 6 and replace them with a planning effort to update the Master Plan.

12) John Hozey went on to express his concern regarding significant maintenance being excluded from the Project List adding that Council needed to think about major maintenance at the Harbor. A decision needed to be made about the ramp agreement so the Town could possibly start charging for its use. Bob Panek had informed him that it would cost about $700K to renovate the ramps. If the Town opted not to renew the ramp agreement with the Department of Wildlife Resources (formerly Department of Game and Inland Fisheries), the Town might not be able to rejoin the program in the future. If the agreement was renewed, the Town had a better chance of receiving financial assistance for the renovation of the ramps. The Harbor is an expensive infrastructure and the Town needed to prepare for future major maintenance. In Valdez, they put money in a special fund every year to save for their match. Nothing on the documents reviewed this evening prepared the Town for these types of repairs. He would like the Town to handle the Harbor Fund like the Utility Fund by putting money away, but the Harbor needed to first begin making a profit.

13) Expenses for the Utilities Fund were rolled into future rates. The AQUA proposal included millions of dollars of capital improvements. The Town needed to think about what would be done if the Town opted not to go that route. It would be helpful to have a plan in place. John Hozey stated that he included placeholders for expansion of the water and wastewater plants for FY 2025 and 2026 and suggested obtaining an engineering analysis for water regarding increasing capacity.

Councilman Grossman brought up the issue of Bay Creek. Vice Mayor stated that according to the annexation agreement, Bay Creek would have to pay for a portion of the expansion. Bob Panek added that once the trigger was reached, the Town would need to sit down with representatives from Bay Creek to inform them of their responsibility. Councilman Grossman suggested notes be added to the list for clarification.

14) John Hozey went on to review the Project List stating that the only expense included in FY 2021 was for the water tower mixers. Scottie Neville was researching it as our levels had been approaching the limit.

Vice Mayor Bennett stated that the Town had a maintenance contract and that the exterior of the tank was supposed to be painted twice in 10 years and the interior was to be painted once. If the color of the tank changed the taste and quality of the water, in his opinion, it was more important than the reverse angle parking issue.

Bob Panek stated that GHD, the Town's engineering contractor, did a preliminary engineering study regarding this issue and although color did make a difference, the issue was not the taste but the TTHMs (trihalomethanes). GHD evaluated several alternatives but painting wasn't one of them. GHD did not think paint color mattered much. The chemicals were evaluated and GHD's conclusion to reducing the TTHMs were the mixers. Several years ago, the Town had budgeted about $30K for chloramine. There was some more discussion regarding the temperature of the water during the summer versus the winter.

John Hozey added that Scottie Neville was still researching the issue as well as looking at different maintenance agreements, so the entire amount was included for FY 2021.

15) Vice Mayor Bennett commented about the membrane replacement at the wastewater plant being planned at intervals.

    Bob Panek stated that the membranes had a predicted 10-year lifespan but only some plants were reaching the 10-year mark. He felt that in the Town's case, the membranes could last longer than 10 years since they were being maintained and running at 50% to 60% of capacity.

    John Hozey noted that he pushed it out to 11 and 12 years.

    Bob Panek added that AQUA informed them that they could do it for less than the Town's estimate of $500K. John Hozey stated that the Town's cost was $500K versus AQUA's estimated cost of $125K.

    Councilman Buchholz asked about the process regarding the AQUA proposal. John Hozey stated that the official timeline would begin tomorrow, October 9.

16) Vice Mayor Bennett asked about the water hookups that were requested by the developer of property on Old Cape Charles Road. Councilman Follmer stated that the entire property was for sale. John Hozey noted that if AQUA owned the system, the developer would pay for the hookup to their property.

17) Vice Mayor Bennett asked whether the estimated cost of $60K would replace all the water meters with remote-read meters. John Hozey responded that the $60K included 50 meters and the software. All the meters would be replaced over four years.

18) Vice Mayor Bennett stated that the water plant backwash outfall needed to be added to the list. The water backwashed onto lot 17, the basin and into the harbor. The backwash was full of rust which went into the harbor.

    Bob Panek stated that the water plant staff needed to remove the sludge that was settling into the bottom of the tank which would alleviate this issue. A backwash holding tank could be constructed at the water plant to allow for settling. It used to be pumped to the old wastewater plant's polishing pond but the polishing pond, along with the settling tank and UV filters were removed since part of the Cape Charles Yacht Center was now on lot 17.

19) There were no comments about the Sanitation Fund.

John Hozey stated that he would update all the documents based on this evening's discussion for review during the budget review. After the changes were made, he would have Libby Hume upload all the documents onto the website, under tonight's meeting agenda, so the public would have access to them.

TOWN MANAGER COMMENTS

John Hozey had no additional comments.

MAYOR AND COUNCIL COMMENTS

There was some discussion regarding several residents who had recently passed away.

Councilman Grossman stated that a joint public hearing of the Planning Commission and Town Council was held earlier this week. The Planning Commission deferred making a decision regarding the conditional use permit for an accessory dwelling unit (ADU) since the applicant was unwilling to commit to rentals over 30 days. The purpose for ADUs were for infill residential, not short-term rentals.

Mayor Dize, Vice Mayor Bennett, Councilmen Bannon, Buchholz and Follmer and Councilwoman Holloway had no additional comments.

Motion made by Councilman Buchholz, seconded by Vice Mayor Bennett, to adjourn the work session. The motion was approved by unanimous vote.

The meeting was adjourned at 8:56 p.m.

Mayor Dize

Town Clerk

TOWN OF Cape Charles
CAPITAL Asset Management PROGRAM (CAMP)

October 15,2020

Table of Contents

INTRODUCTION

A Capital Asset Management Program (hereinafter referred to as a CAMP) is a tool to assist the governing body of a municipality in planning and managing major equipment and facilities required to maintain or improve services or respond to anticipated growth. A CAMP is intended to provide a complete picture of the town's major development needs (i.e., capital projects) over at least the next six years by showing when, and at what cost, the town expects to expand or provide services and facilities in that period. The reason for undertaking this overall approach to capital improvement planning is to balance the varying equipment and facilities needs of the Town of Cape Charles and to assess these in comparison to other Town needs.

A CAMP must be updated each year. Adopting a CAMP does not end with the first year. Changing needs and priorities, emergencies, cost changes, mandates and changes in technology all require the CAMP to be updated annually. The Town's public facilities, streets, parks, infrastructure, equipment, etc., are constantly in need of repair, replacement or expansion. A growing population will require additional or new facilities. These reasons require that the CAMP be updated to maintain the financial solidity of the Town. The CAMP achieves the following objectives as a component of the Town's budget and financial planning process:

- Reduces the need for ad hoc programs to finance the construction of Town facilities
- Focuses attention on community goals, needs and capabilities
- Achieves optimum use of taxpayer dollars
- Responds to future community growth and development
- Ensures that projects are well thought out in advance of construction
- Provides for the orderly replacement of capital items
- Encourages more efficient administration
- Maintains a sound and stable financial program

CAPITAL ASSET MANAGEMENT PROGRAM – FISCAL POLICY

The Town of Cape Charles adopts the following fiscal policy regarding the CAMP:

- The Town will prioritize all capital improvements in accordance with an adopted Capital Asset Management Program (CAMP).
- The Town will develop a five-year plan for capital improvements and review and update annually.
- The Town will coordinate development of the capital asset management program with development of the operating budget.
- The Town will maintain all its assets at a level adequate to protect the Town's capital investment and to minimize future maintenance and replacement costs.
- The Town will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted for approval.
- The Town will attempt to determine the least costly alternative on a life cycle basis for all projects.
- The Town Council will review the status of capital improvement projects six months after adoption of the CAMP to determine what adjustments, if any, are required in project scheduling and funding. However, emergent urgent needs not previously identified can be reviewed at any time by Town Council and the CAMP can be adjusted accordingly.

- Operations of the town's Enterprise Funds are intended to be financed or recovered primarily through user charges.
- Enterprise Fund revenues are to support construction costs or debt service for capital facilities for the respective operations whenever possible. General Fund transfers may be used to support the development of Enterprise Fund capital facilities

DEBT LIMITS/POLICIES

Any debt limits associated with capital improvements will be captured under a separate fiscal policy established by Town Council.

DEFINITION OF A CAPITAL IMPROVEMENT PROJECT (CIP)

The Town of Cape Charles' definition of a capital improvement project uses one or more of these criteria:

- An estimated total cost of $10,000 or more (Capital items under $10,000 are generally included in the various operating budgets.)
- Studies pertaining to capital improvements that require the employment of outside professional consultants at a cost of $10,000 or more
- Construction of buildings or facilities, including design, engineering, and other pre-construction costs with an estimated cost of $10,000 or more
- Purchase of major equipment and vehicles with an estimated cost of $10,000 or more and with a life expectancy of five years or more [Note: if a vehicle purchase is recurring each year, this will be captured under the department's operating budget]
- An extended useful life at least 5 years of the facility or equipment
- An infrequent recurrence of the expenditure
- Bonded debt maybe required for its financing
- It involves acquisition or development of real property
- It creates or expands utility systems, a public building, or other public infrastructure

There is an important fiscal principle underlying the distinction between capital and non-capital expenditures. The distinguishing feature of non-capital or operating expenses are recurring costs for on-going functions of government, such as personnel, supplies and the like, which are not typically depreciated over time.

COMPONENTS OF A CAMP

A CAMP must have the following components or characteristics:

1. Addresses capital improvements over a period of at least six years.
2. Classifies projects according to urgency and need for realization.
3. Includes a timetable for implementation of projects.
4. Takes into account needs that are indicated in the Comprehensive Plan or which are permitted under the local zoning ordinances and regulations
5. The estimated cost of each project

6. Probable operation and maintenance costs
7. Probable revenues from individual projects
8. Suggested funding sources

For large projects, the project will be broken into components such as land purchase, design/engineering services, and construction into appropriate years. The project will not front load the entire cost in the first year.

LIMITATIONS OF A CAMP

It is also important to understand the limitations of a capital asset management program (i.e., what it is not).

1. Neither the CAMP nor the process of developing it is a means to micro-manage the process of developing the budget. Preparation of annual budgets for the town is the responsibility of elected officials and professional administrators. The CAMP is a tool to aid these groups in evaluating and prioritizing items for inclusion in the budget for a given year.

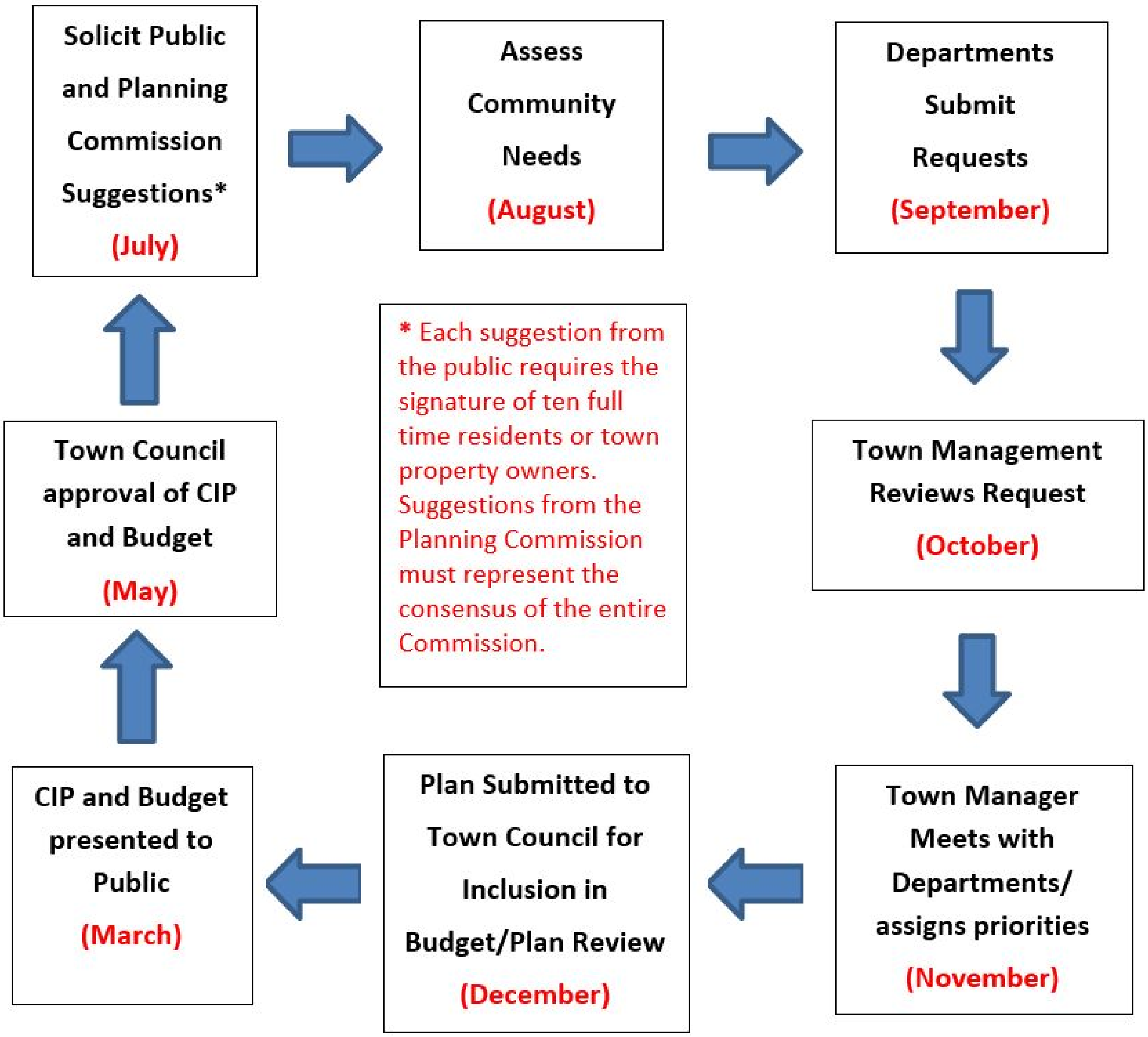
2. The CAMP is not a vehicle for the promotion of "wish list" projects that are either unnecessary or are unlikely to receive public funding or support within the time horizon of the plan.

3. Although a CAMP is intended to provide a framework to guide activity, it should not be rigid and inflexible. The CAMP process cannot anticipate unusual changes in growth, economic conditions, or political consideration. Similarly, the CAMP process must allow changes for emergencies, opportunities, or other unpredictable events.

4. Town Council's approval of the CAMP does not authorize money for any of the projects in the program, but will provide the Town Manager direction to proceed with inclusion of first year CAMP items in the Town Manager's recommended town budget.

CAPITAL ASSET MANAGEMENT PROGRAM PROCESS

Capital project planning is an ongoing process. Each year the CAMP document is updated. The need or idea for capital improvements can originate from the Mayor, Council members, Boards, citizens, or Town staff. Ultimately, Departments are responsible for identifying, documenting, and justifying CAMP requests. Departments are also responsible for obtaining project cost estimates and identifying appropriate revenue sources for the project (the Finance Dept. shall assist in identifying costs and appropriate revenue sources). These items are compiled into this document and presented to the Town Council on an annual basis. The Town Manager, in conjunction with the Finance staff, shall be responsible for coordinating the CAMP process and submission of the CAMP to the Mayor and Town Council. Through the annual planning retreat, Town Council meetings and/or work session(s), the Council focuses on prioritizing the projects. Once the CAMP is approved, it outlines the Town's official intent to fund these expenditures in the appropriate budget year. During the annual budget process in the spring, the first-year projects are refined, and a financing plan is recommended within the budget to fund those expenditures.



MAINTENANCE OF TOWN ASSETS

Capital assets include government facilities, infrastructure, major equipment and networks that enable the delivery of public sector services. The performance and continued use of these capital assets are essential to the health, safety, economic development and quality of life of those receiving services. Budgetary pressures often impede capital program investments or expenditures for maintenance and repair, making it increasingly difficult to sustain the asset in a condition necessary to provide expected service levels. Ultimately, deferring essential maintenance or asset replacement could reduce the organizations ability to provide services and could threaten public health, safety and overall quality of life. In addition, as the physical condition of the asset declines, deferring maintenance and/or replacement could increase long-term costs and liabilities. It is with this in mind that the Town staff includes planned maintenance projects that bear significant financial implications in the operating budget. This will allow management to better plan for the Town's future needs. While the CAMP is utilized to plan future capital projects, the need to properly maintain our existing aging assets remains.

VEHICLE REPLACEMENT

In addition to the other capital improvement projects included in the CAMP, there are other major types of vehicles and equipment which are a substantial financial investment and need to be handled in the most economic manner. Therefore, the Town chooses to incorporate these items into the CAMP. Vehicles and/or equipment are evaluated primarily based on age, mileage, operation & maintenance cost. There are, however, several additional factors which must be considered in determining these replacements: fuel costs, condition, safety, life of equipment, etc.

PRIORITIZATION SYSTEM MATRIX

The priority system includes a matrix shown below. This system was developed to assist in the setting of priorities for capital expenditures because not all requests can be funded in any given year due to budgetary constraints.

CRITERIA/PRIORITY	HIGH	MEDIUM	LOW
I	LEVEL A		
I		LEVEL B	
II			LEVEL C
I			

The matrix contains a measure of priority on the horizontal axis and a determination of criteria category on the vertical axis.

PRIORITIES of the capital projects are measured as high, medium, or low as follows:

HIGH: Project mandated by local, state, or federal regulations, or Project is a high priority of the Town Council*, or
Project substantially reduces losses or increases revenues

MEDIUM: Project maintains existing service levels, or
Project results in better efficiency or service delivery of existing services, or
Project reduces operational costs, or Project improves work force morale

LOW: Project is not mandated, or
Project improves service levels, or
Project improves quality of life

* Projects designated as a High Council Priority must directly contribute to priorities already established in previously adopted formal actions

CRITERIA CATEGORIES

I. **Health/Safety/Welfare** - projects that protect the health, safety and welfare of the community and the employees serving it

II. **Maintenance/Replacement** - projects that provide for the maintenance of existing systems and equipment.

III. **Expansion of Existing Programs** - projects which enhance the existing systems and programs allowing for expansion of existing services

IV. **Expansion of New Programs** - projects that allow for expansion into new programs and services

LEVEL OF FUNDING: The grid is further divided into levels: Level A - highest consideration for funding, Level B - moderate consideration, Level C - least consideration for funding resources.

Note: Up to ten percent (10%) of the total annual capital budget (not to exceed $25,000) may be designated for general quality of life enhancements; projects competing for this funding are not subject to the evaluation criteria of this program. Such projects will be funded at the complete discretion of the Town Council as they deem appropriate.

IMPACT ON OPERATING BUDGET

Capital funding requires planning as careful and as deliberate as the planning that goes into the CAMP itself. It is important to note that as the plan is implemented, the Town should be aware of additional budgetary costs, if any, that may arise from the project such as future payments of debt service on general obligation bonds (i.e. interest payments), lease payments on certain capital improvements, and increased operating costs (for example, if a new facility requires more staffing). On the other hand, there could be savings that may result from decreased operating costs (for example, a new facility that requires less maintenance and less staffing).

PROJECT DETAIL SHEET

The Project Detail Sheet (Attachment A) is used to summarize the project that is requested for consideration. If the Town Manager ultimately recommends a project to the Town Council for consideration, this form is used for presenting information on the project to Council and the public.

Project Title: Brief title of the proposed project.

Project Status: Each project should have a status – Pending, In-Progress, Substantially Complete, or Finished.

Description and Justification: This information should include a brief description of the project including such things as the size of the facility (e.g., square feet) or infrastructure improvement (e.g., linear feet), the kind of vehicle to be purchased, the number of facilities to be improved, the names of the facilities to be improved, and the constituency to be served by the project. A brief justification of the project should also be included, including alternatives which were considered as applicable, explain the tie of the project to established Council Strategic Goals. The priority of the project will be identified using guidelines above.

Planned Financing of Project: The Source of Funds should be identified. The sum of Prior Allocation (expenditures), and Future Years must add to the Total Project Estimate.

TOWN MANAGER SUBMITTAL OF THE CAMP

By December 1st of each year, prior to the proposed budget submittal by March 1st, the Town Manager will submit an updated proposed CAMP to the Town Council for review and comments. The submittal will contain the following, as a minimum:

- Cover transmittal memorandum that includes a tabulation of next year's budgeted project titles grouped by Town Council Strategic Goals.
- Financial summary table of all capital projects that includes;
  - Project Title
  - Project Priority
  - Strategic Goal being addressed
  - Status of Project (New, Continuing, In Progress or Previously Requested)
  - Source of Funding by Town and amount
  - Source of Funding by other (e.g., grant) and amount
  - Prior Year Expenditures (cumulative through end of current budget year, actual expenditures plus estimated expenditures for remaining months in current budget year)
  - Next Budget Year Projected Expenditure (Year 1)
  - Each of the Years (2-6) and consolidated future years > 6 years Projected Expenditures
  - Total Capital Expenditure for the Project
  - Yearly Operating Expense as a result of the Capital Project once implemented
- Individual Project Detail Sheets (Attachment A)

TOWN COUNCIL APPROVAL OF THE CAMP

Once the Town Manager has delivered the proposed CAMP and the Town Council and public have reviewed the material submitted, the Town Council will ultimately adopt a final CAMP for that year. A resolution will be used for adoption, as depicted in Attachment B (sample resolution).

PERIODIC REVIEW OF CAPITAL PROJECT STATUS

Capital projects that have been authorized for the budget year will be reviewed by Town Council on a semi-annual basis. The Town Manager will prepare a document summarizing project status that will include, as a minimum:

- Expenditures
- Schedule adherence
- Issues that the Town Council needs to be aware of

Attachment A

Town of Cape Charles
Project Detail Sheet

DEPARTMENT	Criteria	Priority	LEVEL

PROJECT TITLE

PROJECT DESCRIPTION:

JUSTIFICATION:

TOWN **COUNCIL STRATEGIC INITIATIVE:**

PROJECT ALTERNATIVES CONSIDERED

OPERATING IMPACT/OTHERCOMMENTS

PROJECT STATUS

CAPITAL COST BREAKDOWN	Prior to July ____	Next fiscal year (Yr 1)	Year 2	Year 3	Year 4	Year 5	Year 6	Future Years (7+)
Planning & Engineering	$ -							
Equipment								
Construction								
Other								
Yearly Project Cost	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

FUNDING SOURCE(S)	Prior to July ____	Next fiscal year (Yr 1)	Year 2	Year 3	Year 4	Year 5	Year 6	Future Years (7+)
General Fund	$ -							
Yearly Funding Source	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Total Project Cost Estimate (Actuals + Forecast) $

The Town of Cape Charles

Resolution of the Town Council to Amend and Adopt the
Capital Asset Management Program as presented.

WHEREAS, a Capital Asset Management Program (CAMP) involves the scheduling of the cost of public equipment and infrastructure over several years,

WHEREAS, a well thought out and comprehensive CAMP serves as a valuable municipal tool designed to anticipate and meet the needs of the community, while at the same time scheduling the costs in a deliberate approach,

WHEREAS, on xx, xx, 2020, the first official Capital Asset Management Plan was adopted by the Town Council,

WHEREAS, on xx, xx, xxxx, the Cape Charles Town Council conducted a public hearing to consider the Six- Year Capital Asset Management Program for the years xxxx through xxxx;

WHEREAS, the Town Council has considered the input of the public and the recommendations of its staff and has determined it to be in the public interest to adopt the Six-Year CAMP for years xxxx through xxxx;

WHEREAS, the proposed updated CAMP represents municipal projects to be addressed over the next six year implementation period.

THEREFORE, BE IT RESOLVED that the Town Council of the Town of Cape Charles hereby amends and adopts the Town of Cape Charles' CAMP as presented.

Submitted by: XXX –Town Manager

Submitted: xx, xx, 20xx

[This is only a sample resolution]

****

Town Manager Memorandum
October 8, 2020
RE: Capital Asset Management Program

In January of this year the Town Council adopted a Capital Improvement Program that provided the context, guidance, and criteria necessary to take a very long list of capital needs/desires (wish lists), and prioritize/manage them in a realistic way. This program, renamed the Capital Asset Management Program (CAMP), was very well thought out, but conceptual in nature, and only put into practical application for the first time now. As a result of this first application, additional refinements to the CAMP can be identified.

The CAMP attempts to take personal preferences, emotion, and politics out of the decision-making process. Those are replaced with objective criteria that organize the projects logically and in efficient ways. The program also brings everything together in one place, so that decisions on any one project can be done in the context of all other potential needs/options. The CAMP does this quite well, but sometimes theory and the "real world" can collide.

For example, in theory it is essential to prioritize maintenance of the infrastructure we already have over the development of something new. But in practice, we will always have more maintenance needs than capital dollars available. So, if we hold fast to that axiom, we would never be able to address even the smallest improvements (new things) that could contribute to enhancement of local quality of life. Therefore, while the majority of available resources should always go toward meeting our responsibility to maintain existing infrastructure; there should also be provisions for a small carve out that would allow continuing improvement.

One method to do this would be to establish a set formula along the lines of 10% of the total capital budget, not to exceed $25,000; may be excused from the general CAMP criteria for the purpose of quality of life enhancements. These to be awarded on a subjective basis at the discretion of the Town Council. This would act as a pressure relief valve that would otherwise undermine the main CAMP, because political pressure for quality of life improvements will always be brought to bear.

Another potential downfall to the theoretical criteria of the CAMP is the concept of, "high priority of the Town Council," which can move any project to the top of the list. Without further definition of what constitutes a high Council priority, the entire CAMP approach is threatened, as this would allow politics to flood back into the mix. The solution here is more complex and must introduce objective parameters.

For example, this designation should only be invoked if the Council has previously indicated its intent via another documented process; like in the Comprehensive Plan, or formally adopted strategic planning documents. The Council should never be able to set new priorities arbitrarily just as a part of the CAMP process.

These and other suggested refinements to the CAMP have been incorporated into a new draft version and included in this packet. All changes from the original document appear in red.

Also included in the packet are spread sheets listing all current projects in priority order (as determined by the CAMP). There is a sheet for each of the Town's four Funds. The General Fund presentation rolls in the other three showing a grand total for all projects. Also provided is a project description document that explains each project, and a one-page excerpt from the CAMP that contains the project prioritization criteria for easy reference.

It is clear upon review of this presentation that there are far more needs than resources available. The realization of this major disconnect is sobering and quite depressing. Many things will need to be removed or deferred beyond this planning horizon. These will be difficult discussions and will require much soul searching. I look forward to an open dialog about these difficulties at the upcoming work session and welcome any innovative thoughts or ideas.

General Fund

Project List

Project name	Priority	Category	Level	Town Cost	2021	2022	2023	2024	2025	2026
Municipal Building Renovation or Replacement	High	I	A	$ 985,000	$ 85,000	$ 450,000	$ 450,000			
Storm Drain CCTV & Mapping, Phase 2	High	II	A	$ 30,000		$ 30,000				
Replace PW Butler Building	Medium	I	A	$ 120,000			$ 120,000			
Multi-Use Trail Phase 2 Closeout*	High	II	A	$ 20,000	$ 20,000					
Mason Ave Pull-in Parking	High	III	B	$ 20,000	$ 5,000	$ 15,000				
Multi-Use Trail Phase 3 Construction*	High	III	B	$ 200,000		$ 200,000				
Replace Zip Line & Gaga Ball Pit in Park*	Medium	II	B	$ 14,000		$ 14,000				
South Beach Restroom Renovation*	Medium	II	B	$ 40,000			$ 40,000			
Beach Sand Mover/Blower	Medium	II	B	$ 10,300			$ 10,300			
Beach ADA Access Mats	High	III	B	$ 10,000			$ 10,000			
Park Gazebo Upgrades	Medium	II	B	$ 25,000		$ 25,000				
Tazewell Beach Access	Medium	II	B	$ 25,000			$ 25,000			
Town Trash Can Replacements	Medium	II	B	$ 25,000		$ 25,000				
Street Sweeper*	Medium	III	B	$ 150,000			$ 150,000			
Sidewalk Infill	Low	IV	C	$ 582,000			$ 22,000	$ 20,000	$ 365,000	$ 175,000
Adult Game Area in the Park*	Low	IV	C	$ 10,200			$ 10,200			
Pine St Parking Lot	Low	IV	C	$ 230,000				$ 10,000	$ 70,000	$ 150,000
Multi-Use Trail Phase 4*	Low	IV	C	$ 256,324			$ 36,200	$ 220,124		
Multi-Use Trail Phase 5*	Low	IV	C	$ 119,200					$ 19,000	$ 100,200
GF Total - 2020 dollars				$ 2,872,024	$ 110,000	$ 759,000	$ 873,700	$ 250,124	$ 454,000	$ 425,200
Inflation adjusted dollars (3%)				$ 3,087,987	$ 110,000	$ 781,770	$ 926,122	$ 272,635	$ 508,480	$ 488,980
Harbor Fund				$ 52,000		$ 42,000	$ 10,000			
Utilities Fund				$ 8,707,000	$ 55,000	$ 136,000	$ 792,000	$ 340,000	$ 2,050,000	$ 5,400,000
Sanitation Fund				$ 12,000					$ 12,000	
Grand Total - 2020 dollars				$ 11,643,024	$ 165,000	$ 937,000	$ 1,675,700	$ 590,124	$ 2,516,000	$ 5,825,200
Inflation adjusted dollars (3%)				$ 13,018,687	$ 165,000	$ 965,110	$ 1,776,242	$ 595,435	$ 2,817,920	$ 6,698,980

*Partially Grant Funded

Project List

Harbor Fund

Project name	Priority	Category	Level	Town Cost	2021	2022	2023	2024	2025	2026
Inner Harbor Rehabilitation, Phase 4*	Medium	II	B	$ 22,000		$ 22,000				
Harbor Capital Plan Evaluation	Medium	II	B	$ 20,000		$ 20,000				
Harbor Pergola	Low	III	C	$ 10,000			$ 10,000			
2020 dollars				$ 52,000	$ -	$ 42,000	$ 10,000	$ -	$ -	$ -
Inflation adjusted dollars (3%)					$ -	$ 43,260	$ 10,600	$ -	$ -	$ -

*Partially Grant Funded

Project List

Utilities Fund

Project name	Priority	Category	Level	Town Cost	2021	2022	2023	2024	2025	2026
Water Tower Mixers	Medium	I	A	$ 55,000	$ 55,000					
WWTP Membrane Replacement	Medium	I	A	$ 500,000			$ 250,000	$ 250,000		
Washington Ave Pump Station Upgrade	Medium	II	B	$ 90,000		$ 36,000	$ 120,000			
Remote Read Water Meters*	Medium	II	B	$ 60,000		$ 20,000	$ 20,000	$ 20,000		
WTP Emergency Bypass	Medium	II	B	$ 37,000			$ 37,000			
WTP Refurbishment	Medium	II	B	$ 80,000			$ 40,000	$ 40,000		
WTP Backwash Holding Tank	Medium	II	B	$ 30,000				$ 30,000		
WTP Upgrade Analysis	Medium	III	B	$ 30,000		$ 30,000				
Connect Keck Wells to WTP	Low	III	C	$ 375,000		$ 50,000	$ 325,000			
Water/Sewer Extension - Old Cape Charles Road	Low	IV	C	$ 450,000					$ 50,000	$ 400,000
WTP Expansion	Low	IV	C	$ 2,000,000					$ 2,000,000	
WWTP Expansion	Low	IV	C	$ 5,000,000						$ 5,000,000

	Town Cost	2021	2022	2023	2024	2025	2026
2020 dollars	$ 8,707,000	$ 55,000	$ 136,000	$ 792,000	$ 340,000	$ 2,050,000	$ 5,400,000
Inflation adjusted dollars (3%)		$ 55,000	$ 140,080	$ 839,520	$ 370,600	$ 2,296,000	$ 6,210,000

*Partially Grant Funded

Project List

Sanitation Fund

Project name	Priority	Category	Level	Town Cost	2021	2022	2023	2024	2025	2026
Trash Can Replacements	Medium	II	B	$ 12,000					$ 12,000	

2020 dollars	$ 12,000	$ -	$ -	$ -	$ -	$ 12,000	$ -
Inflation adjusted dollars (3%)		$ -	$ -	$ -	$ -	$ 13,440	$ -

*Partially Grant Funded

Project Descriptions

Municipal Building Renovation or Replacement
The Municipal Building was built in 1931. It has been modified and improved over the years but still has many deficiencies: not ADA accessible, inefficient to heat and cool, structurally unsound (settling), water leaks, exhaust leaks from attached fire company building, inadequate space for staff, etc. In short, it is the poster child for deficient public buildings. A serious effort needs to be made to renovate the existing building, convert the unused third floor of the library building, or construct a new building.

Storm Drain CCTV & Mapping, Phase 2
Inflow and infiltration (I&I) of fresh water into the sanitary sewer system increases the volume of water being processed by the wastewater treatment plant, thereby reducing its effective capacity. From smoke testing already conducted, there are indications of cross connections between the storm water and sanitary sewer systems. This will complete video examination of the storm water system to identify problem areas.

Replace PW Butler Building
The old metal Butler Building is one of 3 indoor storage spaces for Public Works equipment, materials and personnel. It is an inadequate work space with insufficient storage and limited heating/cooling/internet capacity. It should be replaced with a larger, more modern structure, similar to the newer metal building, to provide more efficient storage and work space.

Multi-Use Trail Phase 2 Closeout
Phase 2 construction was substantially completed in 2017, but material documentation and other issues delayed final completion for more than a year resulting in substantial liquidated damages. Consequently, over $400K was withheld from final payment to the contractor. The contractor has filed a claim and a lawsuit. Negotiations to settle the claim and close out the contract have been occurring for quite some time. Settlement did not occur before the end of FY 2020. Therefore, funds must be budgeted in FY 2021.

Mason Ave Pull-in Parking
Restripes existing functional parking spaces on north side of Mason Avenue in central business district from back-in angle to head-in angle. Conforming with the necessary VDOT regulations has proved difficult. Will require additional engineering analysis and VDOT coordination.

Multi-Use Trail Phase 3 Construction
Improvements to Peach Street between Mason and Randolph Avenues, including: wide sidewalks and parallel parking spaces on each side, diagonal parking median, pedestrian lighting, ADA accessibility ramps, landscaping, etc. Construction bids in FY 2020 came in substantially higher than Estimate of Probable Cost. Plans are being reexamined and revised to remove certain elements to reduce cost. Construction can be re-bid with revised scope in first quarter of FY 2021. However, project currently deferred to FY 2022 due to COVID 19. Could be advanced to FY 2021 if revenue projections improve.

Project Descriptions

Replace Zip Line & Gaga Ball Pit in Park Playground
Installation of a new zip line to replace the broken and unsafe one removed by the Town about a year ago - $14,000 with installation. Installation of a gaga ball pit to replace the broken and unsafe tractor tire swing removed about a year ago - $3,000. CCP has offered to fund and install the gaga pit.
Beach Sand Mover/Blower
Equipment to remove beach sand deposited by strong winds on Bay Avenue boardwalk, walkway to fishing pier, and the only ADA accessibility ramp. Would significantly improve PW efficiency.
Beach ADA Access Mats
Access to the beach from the boardwalk for mobility impaired persons is very difficult. Various types of matting are available to provide smooth surface paths to allow better access.
Gazebo Upgrades
The Gazebo in Central Park generates substantial maintenance and repair costs due to some original design flaws. The balustrade should be replaced with a sturdier design that will better survive abuse in a public venue, particularly by soccer balls and skateboards. The electrical system is direct bury wire which is susceptible to shorting out. This should be replaced with wire in conduit to improve reliability.
Tazewell Beach Access
There are two beach access walkways and observation decks, one at Randolph and one at Tazewell. The one at Randolph has been substantially destroyed by sand build-up and removal, and should be abandoned per the recommendations of the Wetlands & Coastal Dune Board report. The one at Tazewell is in better condition and is subject to less sand build-up. This could be retained and rebuilt to provide a safe and pleasant observation area for residents and guests.
Town Trash Can Replacement
The 32 existing blue metal trash cans are in poor shape and need to be replaced. It is proposed to replace them with the newer style trash cans that are in Central Park and Strawberry Street Plaza. This will provide a consistent look throughout the Town. There is an annual litter grant that is available, but that will cover the cost of only 2.
Street Sweeper
While VDOT is responsible for streets in CC, they are only authorized to bring their street sweeper to town twice per year. Debris in the gutters around town look bad and generate many complaints. Manual cleaning takes the full crew and more time than we can usually spare. Getting our own sweeper would enable us to maintain the streets to a much higher standard throughout the entire season.

Project Descriptions

South Beach Restroom Renovation
The existing south beach restroom is 20 years old and not ADA compliant. This project would upgrade and expand the facility, to include ADA accessibility.
Pine Street Parking Lot
Some members of the business community have advocated for additional parking near Mason Avenue. This project would create a new parking lot on the Town owned lot behind the Library. Paving would need to be engineered to provide storm water management features required by DEQ.
Adult Game Area in Park
Installation of a bocce court, cornhole boards and additional shade trees in the southeast corner of the park. CCP has offered to fund 50%.
Sidewalk Infill
The Ad Hoc Sidewalk Committee, established by the Mayor, provided a report to Council at the March 5, 2020 Special Meeting concerning missing sidewalks in the Historic District. The report recommended a phased approach and provided cost estimates for installing sidewalks where none now exist.
Multi-Use Trail Phase 4
Improvements along the Bay Avenue boardwalk, including: two additional ADA accessibility ramps, improved access steps, pedestrian lighting & removal of highway style lights, crosswalks, plaza & shade structure at south end, etc. Will connect to Phase 2 along Washington Avenue and eventually to the Ferry Dock developer's planned trail across the property. Design and engineering by VDOT planned to commence in FY 2021. However, project currently deferred to FY 2022 due to COVID 19. Could be advanced to FY 2021 if revenue projections improve.
Multi-Use Trail Phase 5
Several additional phases beyond Phase 4 remain in the approved Master Plan. Council has not yet decided which should be designated as Phase 5. Except for Fig Street, the remaining potential phases will likely be impacted by future private development which will complicate planning and funding. It is therefore logical to designate Fig Street as Phase 5. Completion of the Fig Street segment would provide a perimeter route around most of the historic district.
Water Tower Mixers
Our iconic water tower is something to be proud of, but due to its dark color it creates a water quality issue. THM's (a byproduct of our disinfection) increase with temperature. The black tower heats the water most of the year. We have had problems getting close to the maximum allowable THM's. Installing mixers (water agitators) in the tank would help reduce the THM levels.

Project Descriptions

Replacement of Filtration Membranes
The wastewater treatment plant put into service in 2012 is a Membrane Bio Reactor. The ultrafiltration membranes reliably produce the water quality needed for beneficial reuse once the waste load allocation limit of 250K gpd is exceeded. The predicted life span for the membranes was 10 years, but they may last longer since the plant operates at about 60% of capacity. While not strictly a capital improvement, they are a significant and costly component of the WWTP. In recognition of this, a periodic recapitalization factor was included in the cost estimates upon which the connection charges are based. Therefore, the connection charge reserve is available as a funding source.
Washington Ave. Pump Station Upgrade
The Washington Avenue wastewater pump station is almost 40 years old. Components are failing more often and replacements are becoming more difficult to find. The Mason Avenue, Pine Street and Plum Street pump stations have all been upgraded in recent years. The last of the gravity system pump stations needs to be done to ensure reliability, particularly as additional homes are built in the collection area. This can be phased over two years, with installation of 3 phase electric service in the first year, and new pumps, controls, alarm, etc. in the second year.
Remote Read Water Meters
Install remote read water meters to replace the labor intensive monthly manual reading process. Frees labor for other tasks. The FY 2021 project (already funded) includes the non-recurring cost of software and system set up, as well as 50 new meters and 100 retrofit kits for meters still in good shape. This will leave a balance of 1,050, about 350 new and 700 retrofits, spread over FY 2022-2024.
WTP Emergency Bypass
Currently, if there was ever a major malfunction or catastrophic failure of the water treatment plant or tower, the town would be without water for a long time until repairs could be completed. There are vendors who can come in with mobile treatment and storage equipment who could temporarily restore water to the town until our systems were once again operational. To accommodate such vendors, new hydrants and values must be installed to isolate the systems. This project would install the needed equipment to allow emergency restoration of service, or to allow service to continue during major renovations or maintenance of the plant.
WTP Refurbishment
The WTP is aging and requires periodic upgrades/replacement of values, actuators, media, etc.
WTP Backwash Holding Tank
During normal backwash maintenance of the water system, sediments can accumulate. This would provide an environmentally appropriate area to collect these sediments.

Project Descriptions

WTP Upgrade Analysis
Water capacity issues are becoming a concern as usage continues to increase. There could be multiple options to increase capacity. Connecting the Keck wells have been discussed as one option. But plant upgrades should also be considered. Staff is not qualified to determine the best course of action, therefore a professional analysis of the options, to include preliminary costs estimates would be prudent before moving in any particular direction. This project would provide the needed analysis.

Connect Keck Wells to Water Treatment Plant (WTP)
The WTP has a capacity to treat about 500K gallons per day (gpd), but is limited to 360K gpd by existing raw water sources. Treatment capacity is adequate much of the time. However, production volume peaks at about 300K gpd during the July 4 holiday period. Peak volumes will continue to increase as the town grows. Connecting the two Keck Wells could maximize treatment capacity. An alternative is to connect Tower Well 2, but more advanced treatment, such as reverse osmosis, may be needed due to lower water quality. This has not been studied. A Preliminary Engineering Report has been done for connecting the Keck Wells.

Extension of Water Service, Old Cape Charles Road
Install water supply service to R-3 zoned property on Old Cape Charles Road. Planned route is from the water main at Creekside Lane. FY 2022 reflects fee proposal from Hurt & Proffit for engineering and preparation of a construction bidding package. Construction estimate in FY 2023 is a guess at this time. Increases customer base with a beneficial affect on customer fees. Improves circulation through existing distribution system in Bay Creek, thereby improving water quality to customers. Deferred from FY 2021 due to COVID 19. Could be accelerated if funding is available.

Extension of Wastewater Service, Old Cape Charles Road
Installation of wastewater force main along Old Cape Charles Road to R-3 zoned property and possibly to the Town eastern boundary.   This is a segment of the ESVPSA's Southern Node project. Hurt & Proffitt has updated the plans, prepared a construction bid package, and an estimate of probable cost. Would allow more efficient development of the R-3 parcel and the contiguous Town parcel without the need for septic systems. Increases customer base for the treatment with a beneficial affect on customer fees. Deferred from FY 2021 due to COVID 19. Construction could be accelerated to FY 2021.

Expansion of Wastewater Treatment Plant (WWTP)
The WWTP has a capacity of 250K gpd, but was built to be readily expandable. Treatment flow in 2019 averaged 160K gpd. Depending on the pace of growth (railroad property, Bay Creek, Ferry Dock, etc.), expansion may be needed within the planning period. The waste load allocation allows for discharge of only 250K gpd into the bay. Expansion requires reuse of the effluent (e.g., golf course irrigation), or disposal by other approved methods (rapid infiltration basins or deep well injection). Increasing plant capacity to 375K gpd is relatively easy, but reuse or subsurface disposal will be needed. The estimate is a guess. Design and engineering will be needed. Note: Expansions will be funded by future users.

Project Descriptions

Expansion of Water Treatment Plant (WTP)
Placeholder in the event a professional analysis determines plant expansion is the most effective means to address pending water capacity issues. Note: Expansions will be funded by future users.
Inner Harbor Rehabilitation, Phase 4
Phases 1 - 3 of the Inner Harbor Rehabilitation accomplished in FY 2020 on north and east sides of the basin. Includes: replacing the deteriorated wood walkway with concrete sidewalks, new dockside electric and water service, lamp posts for area lighting, and benches. Phase 4 will address the last section on the south side of the basin. These areas are utilized predominantly for commercial seafood operations. Project planned for FY 2021 but deferred due to COVID 19. Aid to Local Ports (ALP) grant awarded. Will need to request grant carryover if project is not advanced to FY 2021. Savings from Phases 1-3 are available for reappropriation for grant match.
Harbor Capital Plan Evaluation
This is a planning effort to evaluate the capital needs of the Harbor over the next 20 year period and provide a life cycle analysis of the major infrastructure components. This will include schedules and preliminary cost estimes that can be used for long-term major maintenance planning.
Harbor Pergola
Install pressure treated pine pergola over the picnic table area in front of the bath house. Provides shelter from the summer sun. Results in a more appealing venue for boat clubs to utilize for meals, parties, etc. Improves marketability of marina for transient boaters.
Resident/Business Trash Can Replacements
Routine periodic replacement of trash cans by residents and businesses as part of their fee for service.

Capital Spending History - General Fund

	2020 Budgeted	2020 Actual	2019 Budgeted	2019 Actual	2018 Budgeted	2018 Actual	2017 Budgeted	2017 Actual	2016 Budgeted	2016 Actual
Total Capital Budget:	$ 1,438,000	$ 180,513	$ 1,667,500	$ 538,339	$ 905,800	$ 556,234	$ 1,423,600	$ 1,300,448	$ 1,423,600	$ 223,946
Funded by Annual Revenues:	$ 284,133	$ 60,756	$ 132,733	$ 44,812	$ 67,800	$ 71,795	$ 15,000	$ 4,670	$ 15,000	$ 10,972
Funded by Fund Balance:	$ 340,000	$ 92,715	$ 100,000	$ -	$ 105,000	$ 99,221	$ 70,000	$ 50,768	$ 70,000	$ 5,000
Funded by Grant:	$ 760,000	$ 27,042	$ 1,168,300	$ 373,634	$ 589,400	$ 216,815	$ 1,029,250	$ 869,373	$ 1,029,250	$ 35,890
Funded by Debt:	$ 53,867	$ -	$ 266,467	$ 119,893	$ 143,600	$ 168,403	$ 309,350	$ 375,637	$ 309,350	$ 172,084
	-	-	-	-	-	-	-	-	-	-

By Percentage

	2020 Budgeted	2020 Actual	2019 Budgeted	2019 Actual	2018 Budgeted	2018 Actual	2017 Budgeted	2017 Actual	2016 Budgeted	2016 Actual
Funded by Annual Revenues:	20%	34%	8%	8%	7%	13%	1%	0%	1%	5%
Funded by Fund Balance:	24%	51%	6%	0%	12%	18%	5%	4%	5%	2%
Funded by Grant:	53%	15%	70%	69%	65%	39%	72%	67%	72%	16%
Funded by Debt:	4%	0%	16%	22%	16%	30%	22%	29%	22%	77%

Average Annual Amount

Total Capital Budget (Actual):	$ 559,896		General Fund & Harbor:	$ 1,055,992	
Funded by Annual Revenues:	$ 38,601	7%		$ 41,261	4%
Funded by Fund Balance:	$ 49,541	9%		$ 317,585	30%
Funded by Grant:	$ 304,551	54%		$ 527,543	50%
Funded by Debt:	$ 167,203	30%		$ 169,603	16%

Capital Spending History - Public Utilities Fund

	2020 Budgeted	2020 Actual	2019 Budgeted	2019 Actual	2018 Budgeted	2018 Actual	2017 Budgeted	2017 Actual	2016 Budgeted	2016 Actual
Total Capital Budget:	$ 73,000	$ 41,034	$ 86,000	$ 68,932	$ 518,000	$ 88,156	$ 745,000	$ 239,843	$ 745,000	$ 63,741
Funded by Annual Revenues:	$ 73,000	$ 41,034	$ 86,000	$ 68,932	$ 18,000	$ 32,000	$ 104,304	$ 99,147	$ 104,304	$ 54,050
Funded by Fund Balance:	$ -	$ -	$ -	$ -	$ -	$ 56,156	$ -	$ -	$ -	$ -
Funded by Grant:	$ -	$ -	$ -	$ -	$ -	$ -	$ 125,000	$ -	$ 125,000	$ -
Funded by Debt:	$ -	$ -	$ -	$ -	$ 500,000	$ -	$ 515,696	$ 140,696	$ 515,696	$ 9,691
	-	-	-	-	-	-	-	-	-	-

By Percentage

	2020 Budgeted	2020 Actual	2019 Budgeted	2019 Actual	2018 Budgeted	2018 Actual	2017 Budgeted	2017 Actual	2016 Budgeted	2016 Actual
Funded by Annual Revenues:	100%	100%	100%	100%	3%	36%	14%	41%	14%	85%
Funded by Fund Balance:	0%	0%	0%	0%	0%	64%	0%	0%	0%	0%
Funded by Grant:	0%	0%	0%	0%	0%	0%	17%	0%	17%	0%
Funded by Debt:	0%	0%	0%	0%	97%	0%	69%	59%	69%	15%

Average Annual Amount

Total Capital Budget (Actual):	$ 100,341	
Funded by Annual Revenues:	$ 59,033	59%
Funded by Fund Balance:	$ 11,231	11%
Funded by Grant:	$ -	0%
Funded by Debt:	$ 30,077	30%

Capital Spending History - Harbor Fund

	2020 Budgeted	2020 Actual	2019 Budgeted	2019 Actual	2018 Budgeted	2018 Actual	2017 Budgeted	2017 Actual	2016 Budgeted	2016 Actual
Total Capital Budget:	$ 781,245	$ 541,317	$ 1,013,000	$ 1,046,834	$ 883,000	$ -	$ 937,000	$ 34,250	$ 937,000	$ 858,081
Funded by Annual Revenues:	$ 7,500	$ 7,500	$ 8,000	$ 5,800	$ 8,000	$ -	$ -	$ -	$ -	$ -
Funded by Fund Balance:	$ 398,745	$ 282,420	$ 744,500	$ 813,533	$ 642,000	$ -	$ 243,250	$ 22,250	$ 231,250	$ 222,020
Funded by Grant:	$ 375,000	$ 251,397	$ 260,500	$ 227,501	$ 233,000	$ -	$ 693,750	$ -	$ 693,750	$ 636,061
Funded by Debt:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 12,000	$ 12,000	$ -
	-	-	-	-	-	-	-	-	-	-

By Percentage

	2020 Budgeted	2020 Actual	2019 Budgeted	2019 Actual	2018 Budgeted	2018 Actual	2017 Budgeted	2017 Actual	2016 Budgeted	2016 Actual
Funded by Annual Revenues:	1%	1%	1%	1%	1%	n/a	0%	0%	0%	0%
Funded by Fund Balance:	51%	52%	73%	78%	73%	n/a	26%	65%	25%	26%
Funded by Grant:	48%	46%	26%	22%	26%	n/a	74%	0%	74%	74%
Funded by Debt:	0%	0%	0%	0%	0%	n/a	0%	35%	1%	0%

Average Annual Amount

Total Capital Budget (Actual):	$ 496,096	
Funded by Annual Revenues:	$ 2,660	1%
Funded by Fund Balance:	$ 268,045	54%
Funded by Grant:	$ 222,992	45%
Funded by Debt:	$ 2,400	0%

Capital Spending History - Sanitation Fund

	2020 Budgeted	2020 Actual	2019 Budgeted	2019 Actual	2018 Budgeted	2018 Actual	2017 Budgeted	2017 Actual	2016 Budgeted	2016 Actual
Total Capital Budget:	$ 10,000	$ 11,858	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Funded by Annual Revenues:	$ -		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Funded by Fund Balance:	$ 10,000	$ 11,858	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Funded by Grant:	$ -		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Funded by Debt:	$ -		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	-	-	-	-	-	-	-	-	-	-

By Percentage

	2020 Actual	2019 Actual	2018 Actual	2017 Actual	2016 Actual
Funded by Annual Revenues:	0%	n/a	n/a	n/a	n/a
Funded by Fund Balance:	100%	n/a	n/a	n/a	n/a
Funded by Grant:	0%	n/a	n/a	n/a	n/a
Funded by Debt:	0%	n/a	n/a	n/a	n/a

Average Annual Amount

Total Capital Budget (Actual):	$ 2,372	
Funded by Annual Revenues:	$ -	0%
Funded by Fund Balance:	$ 2,372	100%
Funded by Grant:	$ -	0%
Funded by Debt:	$ -	0%

Debt Service History (Capital)

Actual Debt Service Payments	2020	2019	2018	2017	2016
General Fund:	$ 121,128	$ 122,583	$ 136,835	$ 120,609	$ 123,824
Harbor Fund:	$ 102,339	$ 102,591	$ 111,367	$ 147,354	$ 183,034
Utilities Fund:	$ 468,923	$ 467,419	$ 452,056	$ 315,890	$ 374,083
Total Debt Service:	$ 692,390	$ 692,593	$ 700,258	$ 583,853	$ 680,941

Operating Budgets:	2020	2019	2018	2017	2016
General Fund:	$ 2,835,445	$ 2,608,577	$ 2,219,589	$ 2,216,926	$ 1,984,719
Harbor Fund:	$ 693,009	$ 672,046	$ 665,590	$ 687,997	$ 1,020,744
Utilities Fund:	$ 1,147,211	$ 1,066,715	$ 1,069,962	$ 1,125,396	$ 1,156,928

Ratio of Debt Service to Op. Budget	2020	2019	2018	2017	2016	Average
General Fund:	4.3%	4.7%	6.2%	5.4%	6.2%	5.4%
Harbor Fund:	14.8%	15.3%	16.7%	21.4%	17.9%	17.2%
GF & Harbor:	6%	7%	9%	9%	10%	8.2%
Utilities Fund:	40.9%	43.8%	42.2%	28.1%	32.3%	37.5%

PRIORITIES

HIGH: Project mandated by local, state, or federal regulations, or
Project is a high priority of the Town Council*, or
Project substantially reduces losses or increases revenues

MEDIUM: Project maintains existing service levels, or
Project results in better efficiency or service delivery of existing services, or
Project reduces operational costs, or Project improves work force morale

LOW: Project is not mandated, or Project improves service levels, or Project improves quality of life

* Projects designated as a High Council Priority must directly contribute to priorities already established in previously adopted formal actions

CRITERIA CATEGORIES

I. **Health/Safety/Welfare** - projects that protect the health, safety and welfare of the community and the employees serving it.

II. **Maintenance/Replacement** - projects that provide for the maintenance of existing systems and equipment.

III. **Expansion of Existing Programs** - projects which enhance the existing systems and programs allowing for expansion of existing services.

IV. **Expansion of New Programs** - projects that allow for expansion into new programs and services.

LEVEL

CRITERIA/PRIORITY	HIGH	MEDIUM	LOW
I	LEVEL A		
II		LEVEL B	
III			
IV			LEVEL C

DRAFT
TOWN COUNCIL
Regular Meeting
Cape Charles Civic Center
October 15, 2020
6:30 PM

At approximately 6:30 p.m. Vice Mayor Steve Bennett, having established a quorum, called to order the Regular Meeting of the Town Council. In addition to Vice Mayor Bennett, in attendance were Councilmen Bannon, Buchholz, Follmer and Grossman, and Councilwoman Holloway. Mayor Dize was not in attendance. Also, in attendance were Town Manager John Hozey, Treasurer Deborah Pocock, Community Relations Manager Jen Lewis, Chief Jim Pruitt and Town Clerk Libby Hume. There were three members of the public physically in attendance, and six viewers on Facebook Live.

A moment of silence was observed followed by the recitation of the Pledge of Allegiance.

RECOGNITION OF VISITORS / PRESENTATIONS:

A. *Eastern Shore of Virginia Tourism Commission Update – Robie Marsh, Executive Director*
Mr. Marsh provided an update of the Eastern Shore of Virginia Tourism Commission's marketing activities. (Please see attached.)

B. *Planning Commission Comprehensive Plan Update – Bill Stramm, Chairman*
Chairman Stramm provided some background and an update of the comprehensive plan status. (Please see attached.)

PUBLIC COMMENTS:

Mayor Dize submitted his comments via email asking Town Clerk Libby Hume to read them into the record during the public comment period. (Please see attached.)

There were no comments to be heard nor any other comments received in writing prior to the meeting or during the public comment period.

CONSENT AGENDA

A. Approval of Agenda Format
B. Approval of Minutes:
    i. September 17, 2020 Regular Meeting
    ii. October 1, 2020 Special Meeting
    iii. October 6, 2020 Joint Public Hearing with the Planning Commission
C. Approval of August 31, 2020 Financial Report

Councilman Grossman asked that the financial report be removed from the consent agenda items as he had a question regarding the harbor fund.

Motion made by Councilman Buchholz, seconded by Councilwoman Holloway, to approve the Consent Agenda as amended. The motion was approved by unanimous vote.

Councilman Grossman asked for details about the statement in the financial report comments regarding the harbor's revenue increase and journal entries.

Treasurer Deborah Pocock began by stating that the references to July should actually say August. In prior years the deferred revenue from prepaid slip rentals in April of each year was transferred to the proper year in a lump sum, usually in November in the Town's system but not updated in

QuickBooks. This fiscal year, staff went to the harbor and made recurring journal entries in QuickBooks so that the proper amount would be posted in each month through November.

Motion made by Councilman Grossman, seconded by Councilman Bannon, to approve the August 31, 2020 Financial Report as presented. The motion was approved by unanimous vote.

UNFINISHED BUSINESS:

A. *Capital Asset Management Program Policy:*
Town Manager John Hozey stated the following: i) In January 2020 Council adopted a Capital Improvement Program which provided the context, guidance and criteria necessary to prioritize and manage capital needs/desires; ii) He renamed the program the Capital Asset Management Program (CAMP) and attempted to remove personal preferences, emotion and politics out of the decision-making process, replacing them with objective criteria that organized the projects logically and in efficient ways; iii) The original program was very well thought out, but conceptual in nature; iv) Possible revisions were discussed at the October 8 work session and incorporated into the document for review this evening; v) If approved, the CAMP would be the basis for adopting the first six-year capital improvement schedule that would be discussed during future budget development. The CAMP would also be used at the October 29 budget review work session after determining what resources were available; and vi) The CAMP was just the policy and a schedule of projects would be developed later.

Motion made by Councilman Follmer, seconded by Vice Mayor Bennett, to approve the Capital Asset Management Program as presented. The motion was approved by unanimous vote.

NEW BUSINESS:

A. *Davis Disposal Contract Extension:*
Town Manager John Hozey stated that this item was straightforward and self-explanatory. This would be the third of three extensions for the Town's waste collection disposal services with David Disposal. The timeframe covered was from November 1, 2020 through October 31, 2021.

Motion made by Councilwoman Holloway, seconded by Councilman Grossman, to approve the third extension of the Waste Collection and Disposal Services contract with Davis Disposal from November 1, 2020 through October 31, 2021. The motion was approved by unanimous vote.

B. *Renewal of Harbor Ramp Agreement with the Dept. of Game and Inland Fisheries:*
Town Manager John Hozey stated the following: i) The Town had a 20-year agreement with the Department of Wildlife Resources (DWR), formerly the Department of Game and Inland Fisheries, which was due to expire on November 8, 2020. There was no automatic renewal clause and a new cooperative agreement was necessary to continue the existing relationship; ii) The agreement encompassed two double-wide ramps, three launch piers, loading pier and parking lot; iii) DWR was responsible for capital improvements and the Town was responsible for normal maintenance and repair. The facility must be available to the public 24/7, except in case of emergencies. No fee could be charged for the use of the facility; iii) There were currently three other boat landings close to Cape Charles. The county-owned landing in Oyster was free and the landings owned by the National Wildlife Refuge and Kiptopeke State Park both charged fees; iv) The idea of charging a fee had been discussed by staff and Council previously, but was prohibited under this agreement. Charging a fee would provide a revenue source to offset the cost of maintenance and repair which included replacement of decking, ladders, bollards, etc. These costs were currently included in the Harbor Fund and recovered via revenue from slip rental, storage, fuel sales, etc. Charging a fee would better align the cost recovery to the actual users; v) It was difficult to predict the timeframe, but a significant capital expenditure would eventually be required for rehabilitation of the facility. The Town's marine engineer performed a cursory inspection and concluded that the concrete ramps and pier pilings were in excellent shape. Some of the undercarriage and decking would need to be replaced in the near term but would be a

relatively low-cost project. It was notable that in recent discussion with the DWR Lands & Access Manager, it was stated that capital funding would not be available for at least five years under a new agreement. It was also stated that there would be no guarantee of re-entry if the Town opted to leave the DWR cooperative system; vi) Management of a fee system would be a fairly simple process. The fee could be set to cover maintenance and repair needs and contribute to the Harbor Fund balance for future rehabilitation needs. Consideration could be given to making the facility available to Town taxpayers at no cost or at a discounted fee; and vii) If Council opted to let the agreement expire, no action was necessary. If Council preferred to renew the agreement, a motion would be necessary to direct the town manager to execute an appropriate renewal.

Vice Mayor Bennett opened the floor for discussion and polled Council as to their preference. Councilman Buchholz stated that the Harbor was also part of the Main Street District so there could be grants available to assist the Town with future improvements. After polling Council, all were in favor of allowing the current agreement to expire.

TOWN MANAGER COMMENTS

John Hozey commented on the following:

i) Potential Kings Creek Dredging Project: He was notified that the project had been funded for the planning and permitting phases. The actual dredging had not yet been funded. The Cape Charles beach had been surveyed and it was determined that it could handle about 30K cubic yards of sand. The project was expected to generate about 15K cubic yards. If funding was approved, the dredging would take place about this time next year. He reached out to the Wetlands Board to notify them of the possible project and offered them the opportunity to have a representative work with the Town. The north end of the beach would be prioritized.

   Vice Mayor Bennett added that he was involved in the previous dredging of the channel in 2008 and the project did not generate close to 15K cubic yards since it was dredged to a depth of seven feet. Dredged material from the basin area was not usable. It would not produce anything like the harbor dredging project.

ii) He notified the Mayor and Council, and a public notice was issued regarding his acceptance of the unsolicited proposal from AQUA Virginia last Friday. The notice was to let other entities know of the unsolicited proposal to allow them an opportunity to submit their proposal for consideration. He contacted American Water and received a favorable response. The Public-Private Education Facilities and Infrastructure Act of 2002 (PPEA) guidelines was provided to American Water and he had every expectation of receiving an unsolicited proposal from them. The deadline for proposal submittal was November 30, 2020. As a result of the notice, the Eastern Shore Post requested an interview. A copy of the public portion of the proposal was provided to the Eastern Shore Post. It was also available for public review by contacting the Town Hall.

iii) He contacted the Mayor and each Council member separately but felt the cleanest way to handle this issue was to bring it up this evening. At the October 1 special meeting, Council approved a number of documents from the Department of Housing and Community Development (DHCD) for the Community Development Block Grant. One of the documents approved was the Non-Discrimination Clause to which a member of the public submitted written comments expressing their concerns that not all the protected classes were included in the document. A number of Council members expressed their concerns in agreement with the citizen. Since that evening, we were notified by the DHCD that we were provided the wrong version of the form and that a new version was available and needed to be signed. John Hozey read the clause into the record adding that unless he heard any objections from Council, he would sign the new form and submit it to the DHCD. (Please see attached.)

VICE MAYOR AND COUNCIL COMMENTS

Councilmen Bannon, Buchholz and Grossman, and Councilwoman Holloway had no additional comments.

Councilman Follmer commented that he had spoken to some business owners over the last couple of weeks and everyone that he had spoken to had ended up having a successful tourist season. He felt that the bulk of Northampton County's tourism was in Cape Charles. Due to the efforts of the Town staff, business owners and citizens, Cape Charles didn't see the spike as that in other areas. He thanked John Hozey for his leadership as well as the Public Works crew and all Town staff, especially the Police Department which were pulled in all directions. It was a team effort and really paid off. He did not know of any other tourist town that accomplished this.

Vice Mayor Bennett thanked Councilman Follmer for his comments adding that the sign at Town Hall which stated "Heroes Work Here" was so true. He thanked all of the Town's staff.

Vice Mayor Bennett read the announcements.

Motion made by Councilman Buchholz, seconded by Councilman Grossman, to adjourn the Town Council Regular Meeting. The motion was approved by unanimous vote.

The meeting adjourned at 7:22 p.m.

Vice Mayor Bennett

Town Clerk

Comments & Information Provided in Writing
October 15, 2020 Town Council Regular Meeting

Eastern Shore of Virginia Tourism Commission Update – Robie Marsh, Executive Director

1

2

You'll Love our Nature
EASTERN SHORE, VA

2020
Local's Choice
Best Crab Cake
Winner

Locals Choice Contest

- Time Period:
  - Voting in July
  - Winners announced in August
- Purpose:
  - Get Locals out supporting local businesses
  - Then attract tourists to locals' favorites
  - Tourists love to "do as the locals do". It engages locals and attracts tourists.
- Winners:
  - See Press Release for winners.

3

50 Years of LOVE Video

- Time Period:
  - Production – Oct. 2019 – June 2020
  - Released – July 2020
- Purpose:
  - Highlight our 50 Years of Love attractions
  - Build our "off-season" library footage
  - Create promotional video to attract Travel Writers and Social Media Influencers.
  - Original intent to follow this longer video up with series of short, social media friendly themed videos.
- YouTube Link:
  - https://www.youtube.com/watch?v=o83zds5kkBw

4

4

94.9 The Point "One Tank Trips" Promotion

- Time Period:
  - August 24 – August 30
- Purpose:
  - Targeted audience located within 1 tank of gas
  - Strategic timing with Visitor Guide insert into VA Pilot
  - Increase "end of season" and "off season" visitation
- Distribution:
  - 50x on-air 30-sec. messages
  - 45,000 impressions radio.com
  - Name mentioned on One Tank Promotion announcements
  - Website and Social media promo

6

½ Page Full Color ad in Chesapeake Bay Magazine

- Time Period:
  - August Edition
    - *Weekends on the Water*
- Purpose:
  - Targeting boaters looking to explore Chesapeake Bay
  - Increase "end of season" and "off season" visitation
- Distribution:
  - 40k print distribution
  - Southeastern PA, southern NY & NJ, Baltimore, D.C., Richmond, & entire Chesapeake Bay region

7

WANDERLOVE

WanderLOVE

- Creating 6 outdoor themed trails for visitors to enjoy safely this shoulder season into next summer.
- Trails:
  - Breath of Fresh Air Trail
  - Love & Learning Trail
  - Lovin' on the Water Trail
  - Sun & Sand Trail
  - Love on the Coastline Trail
  - Fresh from the Water Seafood Trail
- Promotion:
  - Six 30-second or less videos
  - Six Trail rack cards
  - Trail Blogs on VisitESVA.com
  - New landing page on VisitESVA.com
  - Travel Writers/Bloggers
  - Social Media

8

8

But That's Not All….

- Social Media paid advertising
- Newsletters
- VTC Annual Travel Guide advertising
- Programmatic advertising with Leisure Publishing
- Gateway Welcome Center
- Display Tower at New Church Welcome Center
- Blogs
- www.VisitESVA.com
- Facebook, Instagram, YouTube
- And more….

9

9

Breaking the Numbers Down

- 192
  - 192…1 night occupancy visitors to Cape Charles (avg. $200/night) enjoying 1 meal totaling $100 will generate…
  - $5,000 of tax revenue for Cape Charles.

- How did I calculate that number?
  - ESVA Tourism Funding Request = $5,000
  - Cape Charles TOT = 3.7% + Meals Tax = 5.0%
  - $5,000 / 8.7% = $57,472 in sales revenue
  - $57,472 / $300 = 192

10

10

11

Contact Information:

Eastern Shore of Virginia
Tourism Commission

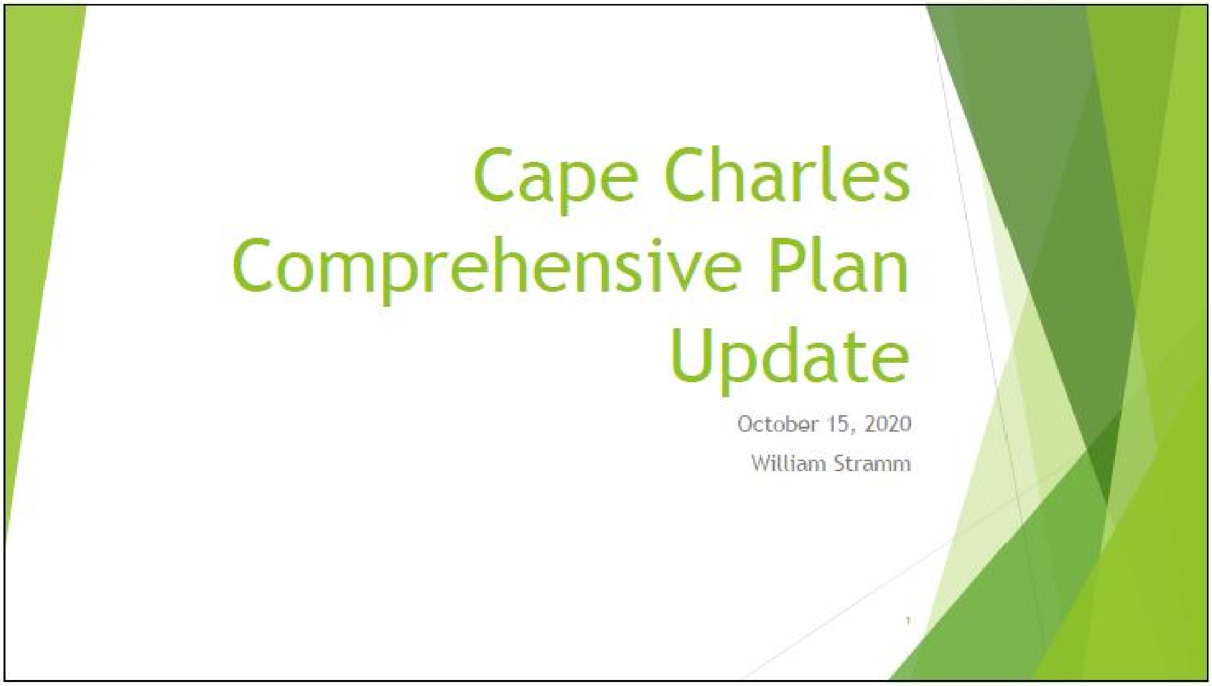
Robie Marsh

executivedirector@esvatourism.org

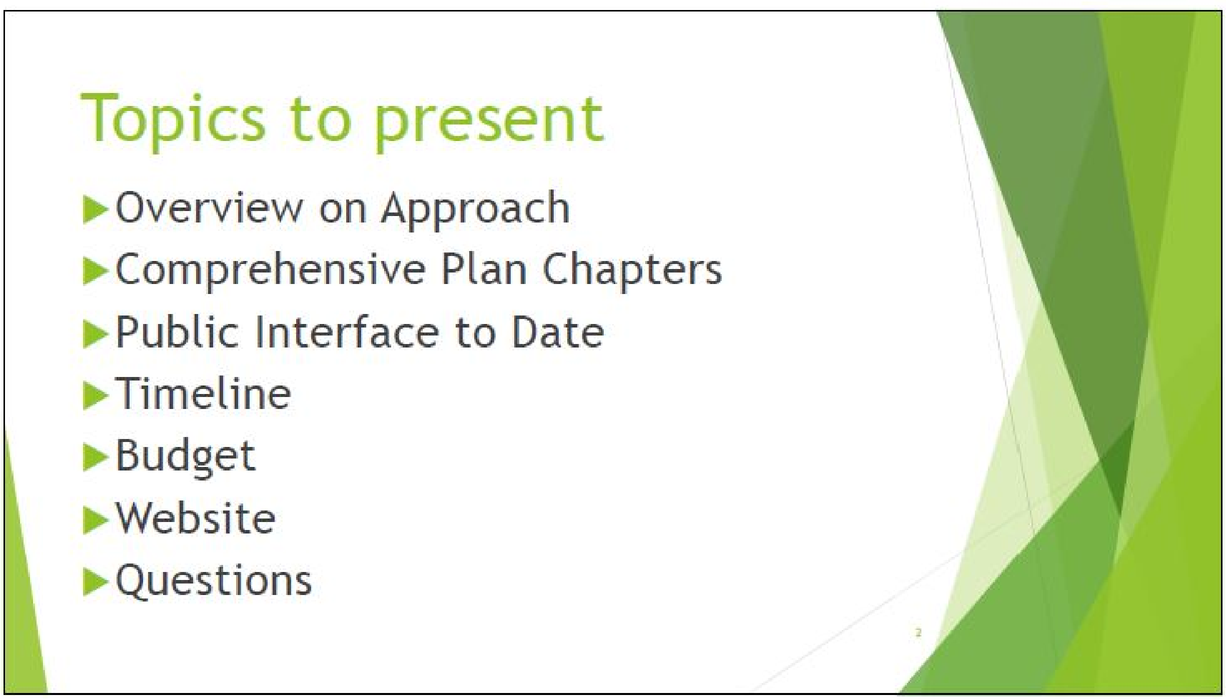
757-787-8268

11

****


Cape Charles
Comprehensive Plan
Update
October 15, 2020
William Stramm
1

1


Topics to present
Overview on Approach
Comprehensive Plan Chapters
Public Interface to Date
Timeline
Budget
Website
Questions
2

2

Overview on Approach

- This comprehensive plan is not considered a minor update to the 2016 plan which was a 'minor' update to the 2009 plan.
- Planning Commissioners will be researching and writing chapters.
- Like the 2009 plan, the plan will be presented in two parts:
  - Chapters that will summarize material along with goals and strategies
  - Appendix will contain detail data corresponding to each chapter
- The Harbor District Master Plan will be folded into the comp plan.
- 2016 comp plan goals and strategies will be re-visited to determine whether completed, still needed, or determined not needed. Will attempt to provide a manageable number of goals/strategies.

3

3

Comprehensive Plan Chapters

1. Introduction
2. Demographics
3. Housing
4. Economy
5. Transportation
6. Community Facilities and Services
7. Environment
8. Land Use
9. Implementation

Appendix

4

4

Public Interface to Date

- Kick-off July 15, 2019, attended by 50 people
- Broad survey conducted during timeframe October 15, 2019 to December 1, 2019 and received 215 responses.
- Eastern Shore Regional Housing Workshop conducted in Cape Charles Civic Center by Northampton County, January 29, 2020 with over 50 people in attendance

5

5

Timeline

2019 Comprehensive Plan Update
Scope and Schedule

Phase 1: Background & Vision	Phase 2: Plan Development	Phase 3: Documentation & Adoption
Schedule: August 2019 - February 2020	Schedule: March 2020 - October 2020	Schedule: November 2020 – February 2021
Public Input in this Phase: • Kickoff workshop • Community survey • Stakeholder meetings	Public Input in this Phase: • Focus Workshop 1 (topics TBD) • Stakeholder meetings • Focus Workshop 2 (topics TBD)	Public Input in this Phase: • Draft plan open house • Public hearings
Phase Tasks *(responsible party)*: • Review existing plans, issues, and regulations *(all)* • Craft a vision statement for Cape Charles *(Planning Commission)* • Develop Comprehensive Plan scope and outline *(staff + Planning Commission)* • Draft goals for scope topic areas *(Planning Commission)*	Phase Tasks *(responsible party)*: • Research outlined topic areas *(all)* • Obtain expert input *(all)* • Draft plan chapters according to established scope and outline *(staff)* • Develop land use and transportation mapping *(staff)* • Identify implementation actions to achieve plan goals *(Planning Commission + public)*	Phase Tasks *(responsible party)*: • Compile and produce draft Comprehensive Plan document *(staff)* • Present draft plan for public input *(Planning Commission)* • Revise plan based on draft input *(staff)* • Produce final plan *(staff)*
Phase Outputs: • Analysis of existing plan and needs • Survey summary • Plan outline and inception report • Vision and goals	Phase Outputs: • Draft Comprehensive Plan chapters • Maps, graphics, and supporting exhibits	Phase Outputs: • Adopted Comprehensive Plan

6

6

Budget

- Unknown needs
  - Needs from A-N PDC (suspended previous contract)
  - GIS work from Northampton County, e.g., zoning maps
  - Potential need for consultant services for future land use mapping
- Recommend $15,000 set aside during next budget update to address unknowns

7

7

Website

https://www.capecharles.org/pview.aspx?id=37896&catid=605

8

8

9

****

Mayor William "Smitty" Dize

First I would like to thank Vice Mayor Bennett for covering for me in my absence. I would also like to thank Robie Marsh and Chairman Stramm for their respective updates.

A few items below to touch on.

Financial report- thank you to Ms. Pocock and her team for straightening out some of the financial reporting issues at the harbor.

Capital Asset Management program policy - I want to thank Councilman Grossman for his initial work and Mr. Hozey for this document that I hope will serve the town well for years to come.

Harbor Ramp agreement - I am opposed to resigning an agreement for the harbor ramps for many reasons but more important the general maintenance required for the foreseeable future is minimal. Also there are underlying permissions required to utilize the property that can be very hard to obtain. By not signing, this will open up other options for that property. It will also allow us to charge like the state park and other places.

Thank you,
Smitty Dize
Mayor
Town of Cape Charles

****

Updated Non-Discrimination Policy from the Department of Housing & Community Development:

Appendix
6

NON-DISCRIMINATION POLICY

The *(Insert Grantee's name)* or any employee thereof will not discriminate in employment, housing or accommodations because of race, color, religion, national origin, sex or gender, age, familial status, source of income, veteran status, disability, sexual orientation or gender identity. Administrative and personnel officials will take affirmative action to insure that this policy shall include, but not be limited, to the following: employment, upgrading, demotion or transfer; rates of pay or other forms of compensation; and selection for training.

Duly adopted at the regular meeting of the___________on___________, 20______.

____

Signature of Authorized Official

DRAFT
TOWN COUNCIL
Work Session
Cape Charles Civic Center
October 29, 2020
6:30 PM

At approximately 6:30 p.m. Mayor William "Smitty" Dize, having established a quorum, called to order the Work Session of the Town Council. In addition to Mayor Dize, in attendance were Councilmen Bannon, Buchholz, Follmer and Grossman, and Councilwoman Holloway. Vice Mayor Bennett was not in attendance. Also, in attendance were Town Manager John Hozey, Treasurer Deborah Pocock, Capital Projects Manager Bob Panek, and Town Clerk Libby Hume. There were two members of the public in attendance.

A moment of silence was observed followed by the recitation of the Pledge of Allegiance.

WORK SESSION ORDER OF BUSINESS

A. FY 2021 Budget Review

Town Manager John Hozey stated that when the FY 2021 budget was adopted, he had promised a review in the fall. The good news was the revenue was up from what was projected. The bad news was that it wasn't enough. The Town had longer term problems to deal with and he would get into those during the work session next week. This was a one-year budget and we needed to grit our teeth to get through it. John Hozey went on as follows:

<u>General Fund Budget History & Tax Rate History</u>: Over the last 13 years, there had been no significant tax rate increases. The real estate tax rates had been equalized down several times and there was a small increase in the transient occupancy tax rate six years ago.

John Hozey noted some corrections and changes that were made to the worksheets during this past week: i) The SCADA system was in the wrong place on the Capital Project spreadsheet but was shown correctly in the budget; ii) In the past week, the Town had the opportunity to upgrade the internet service for the Public Works, Library, Water and Wastewater facilities adding about $1,200 to the General Fund and $1,200 in the Utilities Fund; iii) Allocations were made for about $3,500 for upgrades to the Civic Center; and iv) The deficit was down to $222K from $248K.

<u>Capital Asset Management Program (CAMP) Schedule</u>: i) The Citizens for Central Park offered more funding to replace the zip line. The total cost was estimated at $14K but would probably be less; and ii) The street sweeper ($150K) was removed since Council wasn't in favor of purchasing a sweeper. John Lockwood got innovative and planned to build one for less than $20K. We were hopeful that the unit would be completed by December. The Town planned to contact VDOT to ask them to sweep the streets by Thanksgiving in preparation for Festive Fridays. The sweeper was replaced with the Central Park fountain upgrades, which were not on the list before. $20K was included as a placeholder for this project.

John Hozey stated that if Council was okay with the project list, it would be posted to the Town's website and included in the public hearing notice for November 19, 2020.

Councilwoman Holloway noted that the Central Park Gazebo upgrades were scheduled for FY 2022, but there were some immediate needs since the columns were in bad shape. John Hozey stated that funds were included in the Public Works budget for general repairs. He would take a look at the gazebo.

Harbor Fund: i) The Inner Harbor project was moved from FY 2022 to FY 2021. Existing funds would be reappropriated, and the cost was reduced to $21,400; and ii) The Pergola was moved from FY 2023 to FY 2022and was replacing the shade sails.

Public Utilities Fund: There were no changes to the projects in this fund.

Councilman Follmer asked about the water tower mixers stating that he was unclear whether they were the issue with water quality. John Hozey responded that the mixers were a placeholder. The Town would not commit to anything until after the proposal deadline and Council would be notified prior to anything being spent.

Sanitation Fund: There were no changes to the projects in this fund.

General Fund Revenue: i) Business License (BPOL) projections were increased about 10% largely due to deferred revenue. At the beginning of the pandemic, an extension was given to business owners from FY 2020 to FY 2021; ii) Initial Transient Occupancy Tax (TOT) and Meals Tax projections were low due to the pandemic. The projected TOT was increased to $178K and Meals Tax was increased to $494K. Councilwoman Holloway added that the Town had an exceptional fall for vacation rentals; and iii) $845K was added for the Community Development Block Grant (CDBG) and $172K was added for the two CARES Act grants from Northampton County.

General Fund Expenditures:

Legislative: $427 was added for Spectrum internet services for improved online Council and Board meetings, and $3,500 was added as a placeholder for Civic Center improvements for speakers, microphones, and an audio-visual system. These projects qualify for funding under the CARES Act.

Clerk: The budget was reduced by $30,709. This amount was transferred to the Planning Department budget with Tracy Outten's reassignment to Planning.

Town Manager: i) The Legal Services budget line was increased by $20K due to pending cases; ii) Management Consulting line item was increased by $110K for evaluation of the water/sewer proposal(s); and iii) The amounts of the CDBF and CARES Act grants were added.

There was some discussion regarding the Town's contribution to the Eastern Shore of Virginia Tourism Commission (ESVTC). i) Councilwoman Holloway requested a re-evaluation of the Town's donation to the ESVTC adding that the Welcome Center referrals were significant as well as their overall marketing of the Shore. She would like to see at least $3,500, which she thought was the amount of the contribution in recent years; ii) Councilman Follmer agreed but felt that $3,500 was too low. He saw customers in his stores every day who told him that the Welcome Center sent them into Cape Charles. Council needed to prioritize their contributions based on the amount of return. Any contribution to the ESVTC came back to the Town several fold. Cape Charles benefitted from the ESVTC disproportionately compared to the rest of the County; iii) There was some discussion regarding past donations, which at one time amounted to a percentage of the TOT revenue; iv) An amount of $5K was suggested; v) John Hozey cautioned Council, advising them to review the Fund Balance before adding more expenditures back in to the budget. He went on to explain that based on the FY 2019 financial audit, the Town had $1.264M in the fund balance. With funds that were earmarked for other items, the Town actually had about $45K available for any adjustments across the entire budget; and vi) The majority of Council was in agreement with adding a $5K contribution to the ESVTC.

There was also some discussion regarding a possible contribution to the YMCA which would provide a benefit to the residents of the Town. Council was in favor of supporting the YMCA in the future, possibly in the FY 2022 budget.

Finance: A $.50 per hour increase was added for the bookkeeper as it was included in her offer letter.

Police: All increases were grant-covered expenses.

Code Enforcement: There were no changes.

Public Works: i) Costs for the grounds maintenance contractor were not included in the FY 2021 budget since Public Works staff was taking over the duties. Unfortunately, the Town was awaiting the grant/loan funding to purchase the equipment, so the grounds maintenance was still being performed by the contractor; ii) There was some discussion regarding brush pickup; iii) $45K was added to Buildings & Improvements to evaluate the Town Hall and the installation of heaters in the Public Works building; iv) $14K was added to Infrastructure – Open Space-Parks & Outdoor Equipment for a zipline in the Central Park playground. The Citizens of Central Park (CCP) were donating $8K for the project so the actual cost to the Town would be $6K; and v) Infrastructure – Streets & Walkways included the close-out of Phase 2 of the trail project and a portion of the Mason Avenue parking study. The amount of the parking study was reduced to $5K from $15K.

Events & Recreation: i) The wages for the beach attendants were covered by the CARES Act grant; ii) $10K was added for the CCP Summer Concert Series. $5K of the amount was moved from the Program & Event Supplies & Awards since the majority of events weren't held this year due to the pandemic. Councilwoman Holloway stated that the concerts brought the residents and visitors together. Councilman Follmer added that he saw this as an investment which brought money back to the Town; iii) A decision had not yet been made regarding the Dropping of the Crab Pot; and iv) Councilman Grossman asked about the continuation of the beach attendants in 2021. John Hozey stated that he had received good feedback regarding the beach attendants and agreed that if Council wanted to have beach attendants in 2021, funding would have to be located and adjustments could possibly be made later in the fiscal year.

Library: There were no significant changes.

Planning: i) This department was beyond overwhelmed with the current workload. Their weekly report was two and a half pages long. Moving Tracy Outten into the department was the minimum that could be done. Another planner was needed for Allyson Finchum to train. If Council was okay with the hiring of another planner, the advertisement could go out tomorrow and the new planner could start in January; ii) $20K was added in Management Consulting for the comprehensive plan. Councilman Grossman expressed his agreement with this addition; iii) Additional funding was added for the employment advertisements for the new planner; iv) Miscellaneous costs associated with the new position and Tracy Outten's reassignment were added; v) In total, $88K was added to the planning budget; and vi) Council was in agreement with the hiring of a new planner.

John Hozey stated that the total General Fund deficit, including changes made this evening, was now about $227K. This was the amount to be transferred from the fund balance.

Utility Fund Revenue and Expenditures:

Utility Fund Revenue: i) The water sales and sewer charges were increased based on summer usage; ii) The water and wastewater penalties and interest were reduced since penalties weren't currently being assessed; and iii) The Bay Creek Water and Sewer facility fees were increased due to the increased construction in the development.

Utility Fund Expenditures: i) $55K was included for water tower mixers; ii) Deborah Pocock added that an additional $1,200 would be added for Spectrum internet service. This cost would be covered by the CARES Act grant; iii) John Hozey stated that the Utility Fund Balance included connection fees. The reserved amounts needed to be formally restricted. There was a total of approximately $110K in the fund; iv) The $55K for the mixers would not be spent until it was necessary to do so; and v) The total deficit for the Utility Fund was approximately $69K.

Capital Projects Manager Bob Panek stated that, like the real estate tax rates, the utility fees had not been raised since 2012. The deficit could be covered by a modest increase in water and sewer rates.

John Hozey added that this issue would be discussed during next week's work session regarding fiscal policies.

Harbor Fund: i) The revenue was increased adding grant funding and carryovers; ii) Expenditures for the Wi Fi, camera, and lighting projects were carried over from FY 2020; and iii) Phase 4 of the Inner Harbor Rehabilitation was added.

Sanitation Fund: There were no changes to the Sanitation Fund.

There was some discussion regarding having to purchase additional trash cans if Bay Creek's goal of building 100 houses came to fruition. John Hozey agreed that the Town needed to be prepared adding that the additional houses would also affect the water and wastewater plant expansions. Bob Panek was working on this issue.

John Hozey stated that the reports would be updated, and the public hearing notice would be submitted to the newspaper for publication on November 6. He hoped to have the policies finalized for Council review tomorrow.

There was further discussion as follows:

Councilman Follmer stated that several items struck him as he was reviewing the materials:

i) If a project didn't get completed one year, it was carried over to the following year. He didn't think it was fiscally responsible to put money aside and the project not being completed. This was public funds that could have been used for another project. It was not a responsible approach.

ii) When he looked at the budget, it seems like we're just keeping the wheels going. We needed to look at key performance indicators. If a lot of projects and funding were carried over every year, the Town was tying up money for activities and projects that wouldn't get done. If staff and Council was talking about increasing taxes, the information provided did not give him the information to defend doing so. The Town operations were opaque to a lot of residents. People needed to know where they were getting the bang for their bucks. A strategic staffing exercise was needed, and the right people needed to be in the right positions. We need to get the right output and value for our money. When looking at the library and events, it was difficult for people to see where that money went. What were they getting that justified $100K a year? He would like to see more discussions like this down the road.

John Hozey responded that it was his job to monitor staffing. There were a lot of things to be worked on and staffing was one of them, but it was low on his priority list. He was watching things but wasn't planning to make any changes in his first year, since his first six months was spent dealing with COVID-19. He would be taking a significant look at how things were done and to make things more efficient. He could see who was overworked and who could do more. There were some adjustments to be made. There were so many unknowns and variables like the Harbor and Water/Wastewater plants.

Councilman Grossman stated that a staff evaluation was completed several years ago.

Councilwoman Holloway stated that at her first strategic planning session, former Councilwoman Burge introduced a document that was used for planning the projects/activities for the year. It was very effective, and she would like to see it put back in place. Council came up with six priorities and every time something came up, Council reviewed it to see where it fit in the priorities.

Mayor Dize agreed and added that it was used for managing resources and included preventative maintenance.

John Hozey stated that, as part of the normal budget process, this type of exercise needed to be done in January.

There was much discussion regarding the budget process: i) Councilman Follmer stated that, for next year's budget, Council needed to prioritize the proposals presented by the departments for justification for funding. The budget should be balanced without having to transfer money from the fund balance; ii) Mayor Dize stated that it was the town manager's responsibility to do this prior to drafting the budget that was presented to the Council; iii) John Hozey stated that the majority of costs were people. If Councilman Follmer was talking about reducing staff, the level of service also needed to be reduced; iv) Councilman Buchholz sated that the staff received raises every year amounting to about 2% annually. John Hozey responded that there had been raises in recent years to get the staff into acceptable pay ranges. Councilman Buchholz countered by stating that if the taxes weren't increased and staff continued to get raises, the Town would have less money for other expenses. Councilman Follmer stated that he was not a fan of salary freezes. Councilman Grossman expressed his opinion that the employees came first, and the remaining funds were for projects; v) John Hozey stated that a budget had to be sustainable. The current budget was not sustainable in that there were no raises, no cost of living adjustments, and no training. It did not include anything to keep a quality workforce. There would be discussion next week regarding how to build a realistic plan and fund. Council would make the decisions of service levels in the community; and vi) Councilman Bannon added that workers needed a living wage. The Town had good benefits, but the wages weren't very good.

TOWN MANAGER COMMENTS

John Hozey had no additional comments.

MAYOR AND COUNCIL COMMENTS

Councilmen Bannon, Buchholz, Follmer and Grossman did not have any additional comments.

Councilwoman Holloway stated that Cape Charles Main Street (CCMS) was moving forward with Festive Fridays after much discussion by their board regarding whether it was the right thing to do. Many changes were being made to ensure a safe experience. The theater wasn't available, so hay bales were being set up for outdoor movies. The beer garden was cut since people would have to remove their masks to drink. Mason Avenue, from Peach Street to Pine Street, was a mandatory mask zone. Santa would not be at the Santa House, but there would be a receptacle there for children to put in their letters to Santa. Santa and Mrs. Claus would be in the hotel window so kids can walk by and see Santa. There would be snow and music but no gathering spot. The live entertainment was cut since people would gather around them. There would be activities for children and carriage rides. The businesses were surveyed and 80% of them wanted Festive Fridays to move forward. The board would discuss this again next Monday to make the final decision. CCMS would try to communicate everything to the residents. The feeling was that it was no different than a Saturday or Sunday during the summer and fall and would actually have less people. If the COVID-19 numbers got worse, Festive Fridays would be called off. It was so important to the merchants in Town, especially this year.

John Hozey stated that the Town had received comments asking why Trunk-or Treat was canceled but Festive Fridays was moving forward. There must be a responsible party to ensure precautions were taken. CCP stepped up for the summer concerts. The Town stepped up with hiring beach attendants so the beach could remain open. CCMS was stepping up for Festive Fridays. If it was strictly a Town event, like Trunk-or-Treat, we didn't have enough staff or volunteers. Staff had thought about things this entire year. If someone was available to take charge to ensure safety and that precautions were being done, the event was approved.

Councilman Follmer stated that the locals expressed a relief and high degree of confidence in the Town and the fact that we survived the tourist season without any negative impact.

Councilwoman Holloway added that people didn't differentiate the Town and CCMS's events. Each business owner was responsible for their business. People were abiding by the protocols in place.

Mayor Dize thanked staff for their work, but had no additional comments.

Motion made by Councilman Buchholz, seconded by Councilman Grossman, to adjourn the work session. The motion was approved by unanimous vote.

The meeting was adjourned at 8:05 p.m.

____
Mayor Dize

____
Town Clerk

DRAFT

TOWN COUNCIL

Work Session
Cape Charles Civic Center
November 5, 2020
6:30 PM

At approximately 6:30 p.m. Mayor William "Smitty" Dize, having established a quorum, called to order the Work Session of the Town Council. In addition to Mayor Dize, physically in attendance were Councilmen Bannon, Buchholz, Follmer and Grossman, and Councilwoman Holloway. Vice Mayor Bennett was out of town on business travel and attended via teleconference from Sumpter, SC. Also, in attendance were Town Manager John Hozey, Treasurer Deborah Pocock, Capital Projects Manager Bob Panek, and Town Clerk Libby Hume. There was one member of the public in attendance.

A moment of silence was observed followed by the recitation of the Pledge of Allegiance.

WORK SESSION ORDER OF BUSINESS

A. Review of Fiscal Policies:

i. Fund Policy:

Town Manager John Hozey stated the following: i) The Town had no general fund balance requirement and that a minimum balance for cash flow was necessary. He had always heard that a reserve between 8% to 25% of operating expenses was typical. He did some research and learned that smaller communities tended to have a larger percentage (30-40%) in a committed reserve; ii) He and Treasurer Deborah Pocock discussed this issue and were comfortable with recommendation of a 20% committed reserve for cash flow. Any monies in this committed reserve was intended to remain in perpetuity and withdraws would require a super-majority vote of the Town Council; iii) A contingency reserve was also necessary for use in cases of emergency. He felt that a 10% reserve would be appropriate and a worthy goal. Amounts in this reserve would be managed by a prescribed set of procedures; iv) The Town currently did not have a director of emergency management. The Town Council appointed him under the COVID-19 pandemic emergency declaration on March 30, 2020 but that declaration expired on September 30. Council needed to designate who the director of emergency management would be. Council could potentially appoint the Mayor, but the Mayor was not responsible for all the duties associated with that position, therefore, the town manager would be the better choice; v) The Town's procurement had a precedent in which the Mayor certified with the clerk that an emergency existed and appropriate procurement could be made; vi) Other uses for the contingency reserve would be for unbudgeted shortfalls in revenue greater than 1%. Access up to 50% of the available funds in the contingency reserve would require a simple majority vote of the Town Council. Access of more than 50% of the available funds would require a super-majority vote; vii) When the available funding was withdrawn, a plan to replenish the funding was necessary. He reviewed the rainy day fund resolution that was drafted and conceptually approved in January 2020, which contained a plan to establish the reserve funding; viii) His goal was to establish the general reserve at 20% of the operating budget and a contingency reserve (rainy day fund) of 10%. Unfortunately, the Town did not have enough to fund both reserves at this time; and ix) The Unassigned Balance was any fund balance which was not appropriated in the following year's budget for specific expenditures and which was not assigned, committed or restricted for specific purposes. There were no specific rules or restrictions regarding the use of these funds.

There were no questions from Council.

ii. Budget Policy:

John Hozey stated the following: i) Governmental budgets could be divided into spending categories such as general operations, debt service and capital expenditures. It was very common to combine all three of these categories into one General Fund for accounting purposes, however, it could make strategic planning very difficult; ii) When all this spending was grouped together, it could be difficult to see patterns or trends. This lack of transparency made it harder for public officials and the general public to monitor desired fiscal or policy goals. To address this issue, he recommended separating the accounting funds into these three categories. He and Deborah Pocock spoke to the auditor regarding the mechanics of separating the General Fund into three accounting funds. Mayor Dize noted that former Councilwoman Burge mentioned this accounting process a number of times during her tenure; and iii) Transfers from the General Fund operating revenue would be made to these funds.

There was discussion as follows: i) Vice Mayor Bennett noted that the Harbor Fund was not really an enterprise fund in that it was not self-sufficient. Funds transfers from the General Fund were needed each year. He went on to ask whether it shouldn't be a goal to make the Harbor Fund a true enterprise fund. He wanted it shown that the Harbor was not a stand-alone enterprise fund; ii) John Hozey agreed that the Harbor Fund wasn't a true enterprise fund but it might be good to keep a separate account for accounting purposes. In Valdez, AK, the harbor was included in their General Fund as a department. At this point, he preferred to leave the Harbor Fund as is for another year to see how things worked with the management company; and iii) Deborah Pocock noted that the Harbor Fund supported itself for operations, but could not cover debt service or capital projects.

Debt Service Fund/Debt Service History: i) The average was about 8% of the operating budget for the General Fund and Harbor. The only debt limit we had was the limit in the Code of Virginia which was 10% of the assessed real estate value. That would be about $45M for the Town and we should never go there. The Town was having difficulty affording what we currently had. We needed to determine how much debt service we could pay as well as determining our debt capacity; and ii) Councilman Grossman referred to the Davenport Report which broke out the debt service and suggested a limit.

Capital Improvement Fund: i) John Hozey briefly reviewed the Capital Spending History; ii) The benefit of a separate account was that the Town would have the ability to dedicate revenue to the fund and track the expenditures; iii) A lot of small public projects were funded by a small tax. The Town could increase a tax for two to three years to fund a project. The public were typically more willing to entertain those ideas if they knew that the increase supported a specific purpose; and iv) His biggest concern with capital projects are that they were very expensive and difficult to afford. They were typically the first items to be cut from a budget. Deferred maintenance would then increase, and it would become more costly to deliver services.

iii. Revenue Policy:

John Hozey stated the following: i) This was always the most difficult policy and he had seen many communities struggle with this; ii) The process needed to be done strategically and long-term; iii) If the tax rate was increased, we could have a lot of disgruntled citizens. They didn't trust government and could put pressure on the elected officials. The key was to develop a long-term approach and process that the public could have confidence in. They needed to know what went into the decision. John Hozey suggested a planning process to develop long-term expectations for what our spending needs would be, including inflation. He suggested a six-year planning period, similar to the Capital Asset Management Program (CAMP). It would be updated every year and adopted with the budget; iv) The key would be committing to growth. The tax base could grow, and the tax rate could be increased. We had to be ready to underwrite the plan with a rate increase if necessary; and v) John Hozey explained that this year's deficit was about $225K. To absorb the $225K, the tax rate would have to be $.32, which was what the rate was two years ago. Council reduced the tax rate to remove the tax base growth. The Davenport report showed that all was well financially. The financial audit showed $3M in the Fund Balance. Council didn't have the complete information. Davenport's report wasn't wrong, it was just incomplete. Of the $3M in the Fund Balance, $1.2M was for the Harbor. The Town's surplus annually covered the Harbor's debt service. Long-term planning would help smooth this out. If the Town was lucky enough to have growth in the tax base, Council should accept it and move on.

iv. Overview:

John Hozey stated the following: i) The Town didn't have enough to fund everything; ii) After the transfer to the Harbor Fund, the Town had a $1.26M Fund Balance. This year's deficit was about $224K which would be transferred from the Fund Balance, leaving $1,040K; and iii) If we took the operating budget for this year and added the Harbor, we would have an operating budget of about $3.6M. 20% of that for the General Operating Reserve would be $720K which was necessary for cash flow. 10% for the Contingency Reserve would be another $360K. Funding both reserve accounts would put us about $40K over what was available in the Fund Balance.

There was much discussion as follows: i) Councilman Grossman stated that the $40K shortfall was better than expected and made him feel comfortable that the Town could meet the objectives. He stated that he wasn't too concerned with these numbers and added that things looked good; ii) Councilman Buchholz stated that the shortfall equated to about 30 $500K homes; iii) John Hozey added that the issues were caught in time. Another year like this year, and we wouldn't be in a position to say that; iv) There were a number of comments regarding the assessments which were performed by the County; v) The Budget Policy called for pre-determined percentages of Core General Revenue to be transferred to the Debt Service Fund (8%) and the Capital Improvement Fund (6%). Based on the FY 2021 budget, this would represent transfers of $233,271 and $174,147 respectively; vi) Long-term Revenue Planning represented the most difficult step in the process. The budget must be balanced. We currently had two operating deficits – the General Fund and Utility Fund. The General Fund was the larger of the two. To balance the General Fund would require a tax rate increase of $.047 per $100. An increase of $.05 amounted to $50 per $100K. The tax for a $300K home would increase by $150. The Town needed to wait to see the tax base before we could determine the necessary tax rate for next year; vii) For the Utility Fund, the rates had not changed since the new wastewater plant opened in 2012. Until this year, those fees were able to cover operations. Combined with a needed capital expense, the Town had to tap into the Utility Fund Balance using more than half of the available balance. A professional long-term rate analysis needed to be completed to determine a sustainable ongoing rate structure; viii) Fortunately, the Town had at least one unsolicited proposal to purchase the utility facilities. If the Town Council decided to move the conceptual proposal to the detail stage, $50K could be charged to the proposer(s) to conduct a study. He had a meeting with the second potential proposer tomorrow. The deadline for proposals was November 30; ix) A revenue source needed to be identified to fund a meaningful Capital Program. There were several possibilities, but the obvious choice would be to increase the meals tax by .5% which would generate about $50K in revenue which would be allocated specifically to the Capital Improvement Fund; x) John Hozey noted that when he was in Valdez, he was able to set the appropriation for capital projects for multiple years with an indefinite date based on completion of the project. He was still researching to see if the Town could do similar multiple year appropriations for capital projects; xi) Deborah Pocock added that the auditor preferred to appropriate the funds annually due to the difficulty in auditing. If the Town budgeted for a project that wasn't completed in a fiscal year, the funds would stay in the Fund Balance to be re-appropriated to the following year. John Hozey stated that neither he nor Libby Hume could find anything in the State Code prohibiting or allowing multiple year appropriations. Deborah Pocock added that it would be cleaner to appropriate by year; xii) Councilman Follmer asked whether it would be possible to update the Tax Rate History adding the revenue brought in by the specific tax, possibly for the last five years. Deborah Pocock stated that she would try to add the revenue amounts for the past five years; xiii) John Hozey stated that he would pull everything together to formerly adopt the policies. Resolutions would be drafted for Council adoption at the November 19 regular meeting. There would be further review and discussion at the next strategic planning session. The date of January 9, 2021 was tentatively set for strategic planning. He looked at the strategic plans from 2018 and 2019 and they were pretty good. He wanted to do something similar in January 2021; xiv) John Hozey went on to state that after the November 19 meeting, unless there was a need, he would recommend only holding the regular meeting in December. We would get back to work in January; xv) Councilman Follmer requested a copy of the staffing study that was discussed at last week's meeting.

TOWN MANAGER COMMENTS

John Hozey had no additional comments.

MAYOR AND COUNCIL COMMENTS

Vice Mayor Bennett commented as follows: i) Participating in this evening's meeting via teleconference was an interesting experience. The quality of the audio was good for him for the most part, but he noticed a couple of things. Participants in the Civic Center needed to speak loudly. The longer someone spoke, the lower their voices got. Every once in a while, several people would speak at once which became unintelligible; ii) He thanked John Hozey for doing this and for having the expertise of knowing what needed to be done. He appreciated this process. The Town of Cape Charles was extremely fortunate to have John Hozey and he hoped he would be a long-term manager. He was excited for the Town's future. Great decisions weren't always the most popular; and iii) He offered his assistance if he could help John Hozey in any way.

Mayor Dize, Councilmen Bannon, Buchholz, Follmer and Grossman, and Councilwoman Holloway all expressed their agreement in Vice Mayor Bennett's comments.

John Hozey thanked the Mayor and Council for the comments.

Motion made by Councilwoman Holloway, seconded by Councilman Grossman, to adjourn the work session. The motion was approved by unanimous vote.

The meeting was adjourned at 7:49 p.m.

Mayor Dize

Town Clerk

September 2020 Treasurer's Report

Page 1 – Cash Position

- No comments.

Page 2 – Revenue vs. Expenditures

- No comments.

Page 3 – Capital Projects

- The final carry-over work from the inner harbor rehab project was completed.

Page 4 – Tax Collection Rate

- This page will return in November.

Page 5 – Tax Revenue Trends

- Harbor dockage is 50% higher September 2020 than it was September 2019.
- Meals tax revenue is still lagging by 10% from 2019 and by 7% from 2018, but transient occupancy taxes have surpassed 2019 year to date amounts by 9%.
- Business License (BPOL) is higher by 88.7% than 2019, however the due date for BPOL was extended from April to September.

MUNICIPAL CORPORATION OF CAPE CHARLES
TREASURER'S REPORT
September 30, 2020

Cash on Hand	8/31/2020	9/30/2020	Increase/ (Decrease)
Atlantic Union Bank Checking Account	$393,447	$436,651	$43,204
Atlantic Union Bank Money Market Account	$1,426,792	$1,427,260	$468
LGIP Account 1 - Unrestricted	$104,117	$104,136	$19
LGIP Account 2 - Unrestricted	$299,482	$299,541	$59
PNC SNAP Account - no longer restricted	$0	$0	$0
PNC SNAP Account Interest	$0	$0	$0
Total Cash On Hand	**$2,223,838**	**$2,267,587**	**$0**

Restricted and Reserved Cash Balances	8/31/2020	9/30/2020	Increase/ (Decrease)
Atlantic Union Bank Savings Account - Facility Fees Rsrvd (Utilities)	$1,079,003	$1,079,091	$88
Atlantic Union Bank Checking Account - Police Funds	$431	$431	$0
LGIP Account 2 - Restricted for USDA loan covenant	$31,454	$31,454	$0
Atlantic Union Bank Checking Accnt - E-Summons Revenue Rsrvd	$3,085	$3,428	$343
US Bank - Reserved per VRA Interest Free Loan Requirements	$257,585	$257,586	$1
Wells Fargo 2010 Debt Service pass through account #300	$2,898	$2,898	$0
Wells Fargo 2010 Debt Service pass through account #308	$761	$761	$0
Total Cash Held in Reserve	**$1,375,216**	**$1,375,649**	**$433**
Total Cash - All Accounts	**$3,599,054**	**$3,643,237**	**$44,183**

DEBT SERVICE

Net Debt as of Current Reporting Month End $7,118,668
(Excludes USDA vehicle and equipment loans)

MUNICIPAL CORPORATION OF CAPE CHARLES

TREASURER'S REPORT

September 30, 2020

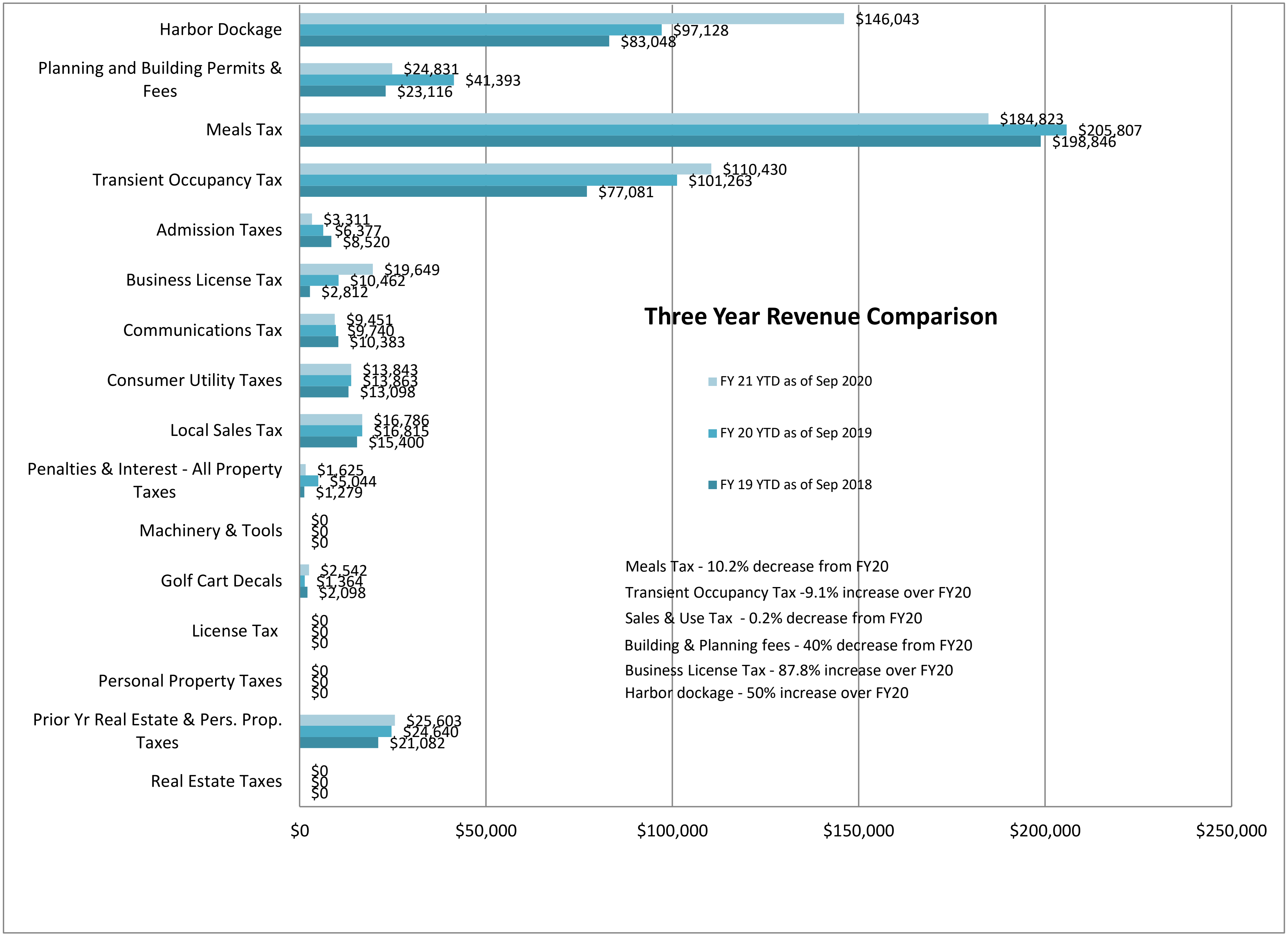
REVENUE VS. EXPENDITURES

FUND	CURRENT MONTH	PRIOR YEAR-TO-DATE	CURRENT YEAR-TO-DATE	INCREASE/ (DECREASE) YTD	ANNUAL BUDGET	% REALIZED/ EXPENDED FY19
GENERAL						
REVENUE - Operating	$182,262	$526,403	$503,488	$82,421.34	$3,580,706	14.06%
EXPENDED - Operating	$202,742	$677,095	$648,563	-$28,532.96	$2,805,563	23.12%
NET	**(20,480)**	**(150,693)**	**(145,075)**	**5,618**	**775,143**	
REVENUE - CAPITAL GRANTS & LOANS	0	948	0	(948)	813,867	0.00%
EXPENDED - CAPITAL PROJECTS & DEBT SVC	0	176,753	70,737	(106,015)	1,589,010	4.45%
TRANSFER TO HARBOR TO TRUE UP FUND BALANCE	0	**0**	0	0	0	
TOWN CONTRIB. & PENDING GRANTS	**0**	**(175,805)**	**(70,737)**	**105,067**	**(775,143)**	
PUBLIC UTILITIES						
REVENUE - Operating	148,653	450,616	460,681	10,065	1,689,134	27.27%
EXPENDED - Operating	81,829	219,109	240,181	21,072	1,146,690	20.95%
NET	**66,823**	**231,508**	**220,500**	**(11,008)**	**542,444**	
REVENUE - CAPITAL GRANTS, LOANS, & FACILITY FEES	10,600	108,268	53,000	(55,268)	169,600	31.25%
EXPENDED - CAPITAL PROJECTS,DEBT SVC, & FACILITY FEES	10,600	154,140	97,334	**(56,806)**	712,044	13.67%
TOWN CONTRIB. & PENDING GRANTS	**0**	**(45,872)**	**(44,334)**	**1,538**	**(542,444)**	
HARBOR						
REVENUE - Operating	115,638	270,794	443,246	172,452	1,060,080	41.81%
EXPENDED - Operating	80,890	234,104	306,079	71,975	692,473	44.20%
NET	**34,748**	**36,690**	**137,167**	**100,477**	**367,607**	
REVENUE - GRANTS & LOANS	0	0	0	0	375,765	0.00%
TRANSFERRED FM GEN FUND TO TRUE UP FUND BALANCE	0	0	0	(121,808)	0	
EXPENDED - Capital Projects, Debt Svc	26,500	121,808	94,314	216,122	743,372	12.69%
TOWN CONTRIB. & PENDING GRANTS	**(26,500)**	**(121,808)**	**(94,314)**	**(216,122)**	**(367,607)**	
SANITATION						
REVENUE	16,924	51,633	50,531	(1,102)	214,546	23.55%
EXPENDED	35,495	35,116	53,184	18,068	214,546	24.79%
NET	**(18,571)**	**16,517**	**(2,653)**	**(19,170)**	**0**	

FY 2021 Capital Improvement Project Tracking Report

As of: 9/30/2020	FY21 Status or Start Date	Percent of Completion	FY21 Budgeted	FY21 QTR 1 Expended	FY21 QTR 2 Expended	FY21 QTR 3 Expended	FY21 QTR 4 Expended	FY21 YTD Expended	(Over)/Under Budget
General Fund									
Police Vehicle	Pending	0%	$ 38,940	$ -	$ -	$ -	$ -	$ -	$ 38,940
Permit Department Software	Pending	0%	$ 7,000	$ -	$ -	$ -	$ -	$ -	$ 7,000
Public Works Shop Heaters	Pending	0%	$ 6,868	$ -	$ -	$ -	$ -	$ -	$ 6,868
Grounds Maintenance Equipment	Pending	0%	$ 22,240	$ -	$ -	$ -	$ -	$ -	$ 22,240
Portable ADA Equipped Restroom Trailer	Pending	0%	$ 35,000	$ -	$ -	$ -	$ -	$ -	$ 35,000
Mason Avenue Re-striping	On Hold	0%	$ 15,000	$ -	$ -	$ -	$ -	$ -	$ 15,000
Parking Lots (Mason & Harbor Shanty Area)	Pending	0%	$ 10,000	$ -	$ -	$ -	$ -	$ -	$ 10,000
Video Surveillance System	.	0%	$ 35,000	$ -	$ -	$ -	$ -	$ -	$ 35,000
Multi-Use Trail Phase 2 Closeout	Pending	0%	$ 200,000	$ -	$ -	$ -	$ -	$ -	$ 200,000
subtotal			**$ 370,048**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 370,048**
Water Fund									
SCADA System	pending	0%	$ 15,000	$ -	$ -	$ -	$ -	$ -	$ 15,000
Remote Read Water Meters - starter setup	pending	0%	$ 51,985	$ -	$ -	$ -	$ -	$ -	$ 51,985
Pickup Truck	pending	0%	$ 32,766	$ -	$ -	$ -	$ -	$ -	$ 32,766
subtotal			**$ 99,751**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 99,751**
Harbor Fund									
Inner Harbor Rehabilitation Phase I carryover	**Complete**	**#DIV/0!**	**$ -**	**$ 60,390**	**$ -**	**$ -**	**$ -**	**$ 60,390**	**$ (60,390)**
Inner Harbor Rehabilitation Phase II	pending	0%	$ 118,470	$ -	$ -	$ -	$ -	$ -	$ 118,470
subtotal			**$ 118,470**	**$ 60,390**	**$ -**	**$ -**	**$ -**	**$ 60,390**	**$ 58,080**
Sanitation Fund									
Trash Can Replacements	on order	100%	$ 11,796	$ -	$ -	$ -	$ -	$ -	$ 11,796
subtotal			**$ 11,796**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 11,796**
TOTAL			**$ 600,065**	**$ 60,390**	**$ -**	**$ -**	**$ -**	**$ 60,390**	**$ 539,675**

***ITEMS WITH CURRENT MONTH ACTIVITY ARE IN BOLD PRINT**


Three Year Revenue Comparison
FY 21 YTD as of Sep 2020
FY 20 YTD as of Sep 2019
FY 19 YTD as of Sep 2018
Harbor Dockage
$146,043
$97,128
$83,048
Planning and Building Permits & Fees
$24,831
$41,393
$23,116
Meals Tax
$184,823
$205,807
$198,846
Transient Occupancy Tax
$110,430
$101,263
$77,081
Admission Taxes
$3,311
$6,377
$8,520
Business License Tax
$19,649
$10,462
$2,812
Communications Tax
$9,451
$9,740
$10,383
Consumer Utility Taxes
$13,843
$13,863
$13,098
Local Sales Tax
$16,786
$16,815
$15,400
Penalties & Interest - All Property Taxes
$1,625
$5,044
$1,279
Machinery & Tools
$0
$0
$0
Golf Cart Decals
$2,542
$1,364
$2,098
License Tax
$0
$0
$0
Personal Property Taxes
$0
$0
$0
Prior Yr Real Estate & Pers. Prop. Taxes
$25,603
$24,640
$21,082
Real Estate Taxes
$0
$0
$0
$0
$50,000
$100,000
$150,000
$200,000
$250,000
Meals Tax - 10.2% decrease from FY20
Transient Occupancy Tax -9.1% increase over FY20
Sales & Use Tax - 0.2% decrease from FY20
Building & Planning fees - 40% decrease from FY20
Business License Tax - 87.8% increase over FY20
Harbor dockage - 50% increase over FY20

TOWN OF CAPE CHARLES	**AGENDA TITLE:** Fiscal Year 2020/2021 Proposed Budget Amendment & Appropriation		**AGENDA DATE:** November 19, 2020
	SUBJECT/PROPOSAL/REQUEST: Approve the Proposed FY 2020/2021 Budget Amendment & Appropriate Funds		**ITEM NUMBER:** 7A.i
	ATTACHMENTS: Resolution 20201119A, Proposed FY 2020/2021 Budget Amendment		**FOR COUNCIL:** Action (X) Information ( )
	STAFF CONTACT (s): Libby Hume	**REVIEWED BY:** John Hozey, Town Manager	

BACKGROUND:

The Town's budget consists of four separate funds – the General Fund, the Harbor Fund, Sanitation Fund and the Water/Wastewater Fund. The General Fund is supported by real estate taxes, other taxes and other revenues. The Harbor, Sanitation and Water/Wastewater Funds are Enterprise Funds and should be self-sustaining through fees for services and other charges.

On May 28, 2020, the Cape Charles Town Council adopted a budget for Fiscal Year (FY) 2020/2021 pursuant to § 15.2-2503 of the Code of Virginia. Due to the COVID-19 pandemic, the adopted FY 2020/2021 budget was very conservative in projected revenue and expenditures.

DISCUSSION:

Council reviewed the actual budget numbers through the end of September as well as the staff-prepared proposed budget amendment recognizing several COVID-19 related grants and their associated revenue and expenditures.

Pursuant to § 15.2-2507 of the Code of Virginia, the amended budget was advertised, and a public hearing was held earlier this evening.

RECOMMENDATION:

Staff recommends adoption of Resolution 20201119A – Approving a Budget Amendment and Associated Appropriations for Fiscal Year 2020/2021 by roll call vote.

RESOLUTION 20201119A

APPROVING A BUDGET AMENDMENT AND ASSOCIATED APPROPRIATIONS FOR FISCAL YEAR (FY) 2020/2021

WHEREAS, on May 28, 2020 the Council of the Town of Cape Charles adopted a budget for FY 2020/2021 pursuant to Section 15.2-2503 of the Code of Virginia; and

WHEREAS, due to the COVID-19 pandemic, the adopted FY 2020/2021 budget was very conservative with projected revenue and expenditures: and

WHEREAS, the Council reviewed the actual numbers through the end of September and the proposed budget amendment recognizing several COVID-19 related grants and their associated revenue/expenditures; and

WHEREAS, the Council adopted a Capital Asset Management Program which included a draft six-year project schedule. The first year of the proposed schedule has also been included in the amended budget; and

WHEREAS, the amended budget has been advertised and a public hearing has been held pursuant to Section 15.2-2507 of the Code of Virginia; now

THEREFORE, BE IT RESOLVED, by the Town Council of Cape Charles, this 19th day of November 2020 that the budget for FY 2020/2021 be amended as follows:

REVENUES	Original 2020-2021	Amended 2020-2021	EXPENDITURES NET CHANGE	Original 2020-2021	Amended 2020-2021
General Fund	3,135,548	4,507,494	Total General Fund	3,135,548	4,507,494
Sanitation Fund	220,274	220,274	Sanitation Fund	220,274	220,274
Total Harbor Fund	785,167	966,257	Total Harbor Fund	785,167	966,257
Water/Wastewater Fund	1,948,987	2,026,387	Water/Wastewater Fund	1,948,987	2,026,387
TOTAL REVENUES ALL FUNDS	6,089,976	7,720,413	TOTAL EXPENDITURES ALL FUNDS	6,089,976	7,720,413

BE IT FURTHER RESOLVED, that pursuant to Section 15.2-2506 of the Code of Virginia, funds are appropriated from all sources of revenue for expenditures during the period July 1, 2020 through June 30, 2021 as follows:

General Fund - $4,507,494
Sanitation Fund - $220,274
Harbor Fund - $966,257
Water/Wastewater Fund - $2,026,387

and that the Town Manager is authorized to transfer amounts among Funds with advance notification to the Town Council.

****

Adopted by the Town Council of Cape Charles on November 19, 2020.

By: ___________________________________
Mayor William Dize

ATTEST:

____
Town Clerk

TOWN OF CAPE CHARLES 1st QUARTER BUDGET REVISION FISCAL YEAR 2021

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
100 GENERAL FUND REVENUE						
100-3010-1000 Real Property Tax <= 2014	$2,000	$0	$3,954	197.71%	1,954	
100-3010-2015 Real Property Tax 2015	$3,000	$0	$4,463	148.76%	1,463	
100-3010-2016 Real Property Tax 2016	$2,000	$356	$1,897	94.83%	(103)	
100-3010-2017 Real Property Tax 2017	$2,000	$42	$2,000	100.00%		
100-3010-2018 Real Property Tax 2018	$6,000	$722	$6,000	100.00%		
100-3010-2019 Real Property Tax 2019	$15,000	$1,856	$15,000	100.00%		
100-3010-2020 Real Property Tax 2020	$1,223,505	$0	$1,223,505	100.00%		
100-3020-1000 Personal Property Tax <=2014	$0	$50	$50	#DIV/0!	50	
100-3020-2015 Personal Property Tax 2015	$0	$0	$0	#DIV/0!		
100-3020-2016 Personal Property Tax 2016	$0	$382	$500	#DIV/0!	500	
100-3020-2017 Personal Property Tax 2017	$3,000	$508	$4,000	133.33%	1,000	
100-3020-2018 Personal Property Tax 2018	$5,000	$578	$6,000	120.00%	1,000	
100-3020-2019 Personal Property Tax 2019	$11,500	$17,046	$20,000	173.91%	8,500	
100-3020-2020 Personal Property Tax 2020	$140,000	$0	$140,000	100.00%		
100-3020-9000 PPTRA Discount	$0	$0	$0	#DIV/0!		
100-3025-1000 License Tax Prior Years <=2016	$0	$124	$124	#DIV/0!	124	
100-3025-2017 License Tax 2017	$800	$155	$600	75.00%	(200)	
100-3025-2018 License Tax 2018	$1,000	$155	$1,000	100.00%		
100-3025-2019 License Tax 2019	$4,000	$4,185	$4,000	100.00%		
100-3025-2020 License Tax 2020	$22,000	$0	$22,000	100.00%		
100-3035-1000 Machinery & Tools Tax <=2015	$0	$0	$0	#DIV/0!		
100-3035-2016 Machinery & Tools Tax 2016	$0	$0	$0	#DIV/0!		
100-3035-2017 Machinery & Tools Tax 2017	$0	$0	$0	#DIV/0!		
100-3035-2018 Machinery & Tools Tax 2018	$0	$0	$0	#DIV/0!		
100-3035-2019 Machinery & Tools Tax 2019	$0	$0	$0	#DIV/0!		
100-3035-2020 Machinery & Tools Tax 2020	$13,000	$0	$4,114	31.65%	(8,886)	
100-3040-1000 Penalties All Property Tax	$20,000	$1,625	$30,000	150.00%	10,000	
100-3050-1000 Golf Cart Decals	$8,500	$2,542	$8,500	100.00%		
100-3050-1100 Consumer Utility Taxes - Elec & Gas	$54,000	$13,843	$54,000	100.00%		
100-3050-1200 Communications Tax - Phone	$38,500	$9,451	$37,500	97.40%	(1,000)	
100-3050-1300 BPOL - ALL	$110,000	$19,649	$120,000	109.09%	10,000	
100-3050-1400 Admission Taxes	$17,000	$3,311	$17,000	100.00%		
100-3050-1500 Transient Occupancy Tax	$110,000	$110,430	$178,000	161.82%	68,000	54% increase over FY20
100-3050-1600 Meals Tax	$390,000	$184,823	$494,000	126.67%	104,000	30% increase over FY20
100-3050-1700 Short Term Rental Tax -Personal Prop. Rentals	$3,500	$6,048	$7,500	214.29%	4,000	
100-3050-1800 Rolling Stock Taxes	$10	$2	$2	20.10%	(8)	

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
100-3075-1000 Penalties & Int Misc Taxes & Licenses	$500	$456	$600	120.00%	100	
100-3100-1000 Harbor Development Certificate	$1,500	$0	$1,500	100.00%		
100-3100-1050 Land Use/Conditional Use Application	$3,500	$0	$3,500	100.00%		
100-3100-1060 Zoning Variance Advt & Mailing Fee	$2,500	$0	$2,500	100.00%		
100-3100-1070 Miscellaneous Planning/Zoning Fees	$400	$1,500	$2,100	525.00%	1,700	
100-3100-1100 Historic Review Fees	$8,000	$0	$8,000	100.00%		
100-3100-1110 Building Permits	$63,000	$10,016	$63,000	100.00%		
100-3100-1150 Planning & Review Fees	$2,500	$300	$2,500	100.00%		
100-3100-1160 Electrical Permits	$4,500	$1,440	$4,500	100.00%		
100-3100-1200 Plumbing Permits	$4,500	$1,358	$4,500	100.00%		
100-3100-1220 Plumbing Inspection Fees DONOTUSE	$0	$0	$0	#DIV/0!		
100-3100-1250 Mechanical Permits	$4,500	$1,375	$4,500	100.00%		
100-3100-1260 Elevator Permits	$300	$404	$550	183.33%	250	
100-3100-1300 UST/AST Permit	$350	$150	$350	100.00%		
100-3100-1350 Occupancy Permits, Temporary	$800	$400	$800	100.00%		
100-3100-1360 Permit After Fact Admin Fee	$1,000	$0	$1,000	100.00%		
100-3100-1400 Building Plan Review Fees	$2,500	$650	$2,500	100.00%		
100-3100-1410 Shallow Well Permits	$500	$300	$500	100.00%		
100-3100-1460 Erosion & Sediment Control Permit	$1,000	$825	$1,000	100.00%		
100-3100-1470 Erosion & Sediment Plan Review Fee	$360	$150	$360	100.00%		
100-3100-1500 Demolition Permit	$100	$0	$100	100.00%		
100-3100-1510 Gas Permit	$1,000	$303	$1,000	100.00%		
100-3100-1550 Miscellaneous Plan/Review Fees	$1,000	$3,360	$10,500	1050.00%	9,500	
100-3100-1560 Fire Permit	$500	$301	$500	100.00%		
100-3100-1570 Sign Permit	$0	$50	$50	#DIV/0!	50	
100-3100-1600 Rental Inspections	$5,000	$2,000	$5,000	100.00%		
100-3200-1600 Court Fines and Forfeitures	$10,000	$6,480	$10,000	100.00%		
100-3200-1650 Code Enf Misc, Admin Fees/Fines Collected	$300	$0	$300	100.00%		
100-3200-1660 Traffic & Parking Fines	$500	$260	$500	100.00%		
100-3200-1700 E-Summons $5 Fee-Future Software Purchase	$1,000	$293	$1,000	100.00%		
100-3200-1710 Police Nexis Lexis	$0	$10	$0	#DIV/0!		
100-3300-1700 Interest on Bank Deposits	$20,000	$1,424	$20,000	100.00%		
100-3300-1750 Dividends & Interest on Investments	$6,000	$163	$6,000	100.00%		
100-3400-1750 Rental of Parks/Rec Property & Facility	$75	$0	$75	100.00%		
100-3400-1800 Lease Revenue - Town Property Shanty 1%	$18,000	$10,123	$24,000	133.33%	6,000	
100-3400-1810 Lease Revenue - Town Property, Water Tower	$2,400	$0	$2,400	100.00%		
100-3500-1800 Sale of Surplus Equipment & Misc	$0	$0	$0	#DIV/0!		
100-3500-1850 Library Service & Misc Fees	$1,000	$0	$1,000	100.00%		
100-3500-1900 Recreation & Event Fees Collected	$800	$350	$800	100.00%		
100-3500-1910 Sale of Maps, Plats, Surveys, Blueprints, Misc	$0	$0	$0	#DIV/0!		
100-3500-1950 FOIA Service Fees	$0	$31	$31	#DIV/0!	31	

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
100-3500-1960 Credit 1%/Debit .$.25 Card Use Fee	$1,500	$5	$5	0.34%	(1,495)	by new law can no longer charge debit card fee ever, nor CC fees without going through a lengthy process
100-3500-1970 DMV Stop Fee Collected	$1,000	$232	$1,000	100.00%		
100-3500-2000 Sale of Town Real Property	$0	$0	$0	#DIV/0!		
100-3600-1000 Gifts and Donations-Private Sources-REC	$0	$0	$0	#DIV/0!		
100-3600-2000 Gifts & Private Donations Police	$0	$0	$0	#DIV/0!		
100-3600-3000 Gifts & Private Donations Library non-FOL	$0	$0	$0	#DIV/0!		
100-3600-3100 Gifts & Private Donations Library FOL	$0	$0	$0	#DIV/0!		
100-3600-4000 Insurance Proceeds, Refund or Misc Rebate	$0	$0	$0	#DIV/0!		
100-3600-5000 Surplus & Salvage Property Sale	$0	$0	$0	#DIV/0!		
100-3600-6000 Appropriation From Fund Balance	$307,494	$0	$224,498	73.01%	(82,996)	
100-3600-9000 Gifts & Private Donations CCMS	$0	$0	$0	#DIV/0!		
100-3650-1500 Recovery Misc. Costs - Finance	$0	$250	$250	#DIV/0!	250	
100-3650-2000 Recovery - Police Property Loss & Misc.	$0	$0	$0	#DIV/0!		
100-3650-3000 Recovery, Misc.-Code Enf (mowing, demo, etc)	$150	$0	$150	100.00%		
100-3650-4000 Recovery Public Works - Misc Damage	$0	$0	$0	#DIV/0!		
100-3650-5000 Recovery (damage)-Parks & Rec	$0	$0	$0	#DIV/0!		
100-3650-6000 Recovery Town Mgr-Misc.	$0	$0	$110,000	#DIV/0!	110,000	Consideration of 2 water/sewer purchase proposals
100-3650-7000 Recovery - Retirement Forfeiture	$0	$0	$0	#DIV/0!		
100-3700-1000 Grant - Recov. of Storm Damages FEMA	$0	$0	$0	#DIV/0!		
100-3700-2200 Grant Gen Fund - USDA Rural Development	$48,363	$0	$48,363	100.00%		
100-3700-3000 Proceeds from Loan/Bond Issuance	$0	$0	$0	#DIV/0!		
100-3750-1000 Rolling Stock Taxes	$0	$0	$0	#DIV/0!		
100-3750-2000 Personal Prop. Tax Reimbursement- PPTRA	$35,424	$35,424	$35,424	100.00%		
100-3750-3000 Local Sales and Use Taxes	$45,538	$16,786	$55,000	120.78%	9,462	
100-3750-3100 DMV Humane Plates Pybl to ESSO	$0	$0	$0	#DIV/0!		
100-3750-3200 Grant/Donation - Misc. Pass-through	$0	$0	$0	#DIV/0!		
100-3800-1000 Assistance to Local Police Dept HB 599 - State	$31,248	$7,812	$31,248	100.00%		
100-3800-2000 Grant - Criminal Justice Service Byrne	$1,000	$0	$1,000	100.00%		
100-3800-3000 Grant - Fire Program Funds (Passthru)	$10,000	$15,000	$15,000	150.00%	5,000	State increased their funding
100-3800-4000 Grant - VDOT Roads, Trails & Sidewks	$160,000	$0	$240,000	150.00%	80,000	Phase 2 trail project
100-3800-5000 Grant - Litter Prevention Grant (DEQ)	$814	$0	$814	100.00%		
100-3800-6000 Grant - Miscellaneous/Other	$0	$0	$7,460	#DIV/0!	7,460	CAMP grant - Hist Dist Board traiing
100-3800-7000 Grant - VA State Promotion of the Arts	$4,500	$4,500	$4,500	100.00%		
100-3800-8000 Grant - Library Program Other	$0	$0	$0	#DIV/0!		
100-3800-9000 Grant - Parks/Rec Fac/Equipment & CCP	$0	$0	$8,000	#DIV/0!	8,000	CCP donation for Playground Zipline

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
100-3800-9900 Grants - CEB Branding $7K	$0	$0	$0	#DIV/0!		
100-3800-9901 Grants - CEB Travel $1K	$0	$0	$0	#DIV/0!		
100-3800-9910 DHCD CDBG COVID 19 Business Assistance Grant	$0	$0	$845,115	#DIV/0!	845,115	enter full amount of grant - if not expended, can reapprop next yr
100-3850-1000 Grant - Budget Contribution from Northampton	$19,500	$0	$19,500	100.00%		
100-3850-2000 Grant Other - Northampton Cty-Cares	$0	$0	$172,000	#DIV/0!	172,000	$17.8K expended last year, reimbursed in FY21, net increase to revenue is 17,800 this fiscal yr
100-3900-1000 Grant - VML Risk Management	$4,000	$0	$4,000	100.00%		
100-3950-1000 Loan Proceeds previous year	$0	$0	$0	#DIV/0!		
100-3950-1050 Loan Proceeds Current Year	$0	$0	$0	#DIV/0!		
100-3950-2100 Loan Proceeds USDA Rural Devlpmnt	$89,817	$0	$89,817	100.00%		
100-3975-1000 Misc Rev (Proceeds Fair/Festivl-vendors)	$0	$0	$0	#DIV/0!		
100-3975-1100 Miscellaneous Rev & NSF Fees-Gen Fund	$0	$1,126	$1,126	#DIV/0!	1,126	
Total General Fund Revenue	**$3,135,548**	**$503,488**	**$4,507,494**	**16%**	**1,371,946**	**total increase, new grants and increased revenue**

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
General Fund Expenditures						
Legislative						
100-4110-1200 PT Salaries & Wages Legislative	$4,800	$1,200	$4,800	100.00%		
100-4110-2000 FICA Expense	$367	$98	$367	100.00%		
100-4110-2100 SUI Expense	$19	$3	$19	100.00%		
100-4110-2230 Worker's Comp	$0	$0	$0	#DIV/0!		
100-4110-3025 Repair Maint & Inspect Contracted Svcs	$1,600	$0	$1,600	100.00%		
100-4110-3430 IT, Software, Scan & Website Services	$150	$17	$150	100.00%		
100-4110-3450 Printing & Design Services	$0	$0	$0	#DIV/0!		
100-4110-3500 Advertising Services	$4,000	$720	$4,000	100.00%		
100-4110-5040 Phone Service, Landline & Wireless	$1,280	$115	$1,280	100.00%		
100-4110-5050 Internet & Cable Services	$0	$256	$427	#DIV/0!	427	new Spectrum internet services - charge installation through November to Cares Act make online Council, board and other meetings possible.
100-4110-5080 Lease, Bldgs & Property	$0	$0	$0	#DIV/0!		
100-4110-5200 Travel-Mileage, Parking & Tolls	$1,800	$0	$1,800	100.00%		
100-4110-5210 Travel-Lodging & Meals	$6,200	$41	$6,200	100.00%		
100-4110-5220 Conference	$3,600	$0	$3,600	100.00%		
100-4110-5230 Education	$1,200	$0	$1,200	100.00%		
100-4110-5240 Books & Subscriptions	$0	$0	$0	#DIV/0!		
100-4110-5250 Dues & Memberships	$0	$0	$0	#DIV/0!		
100-4110-5310 Insurance, Public Official Liability	$6,044	$3,097	$6,044	100.00%		
100-4110-6000 Office Supplies	$700	$153	$700	100.00%		
100-4110-6125 Departmental Equipment & Supplies	$1,225	$303	$1,225	100.00%	0	
100-4110-6150 Comptr, Sftware & Electronics < $5,000	$1,370	$373	$1,370	100.00%		Zoom charges will be moved to CARES grant exp
100-4110-6225 Repair & Maintenance Supplies Legislative	$0	$0	$0	#DIV/0!		
Total Legislative Dept	**$34,355**	**$6,374**	**$34,782**	**19%**	**427**	

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
Town Clerk						
100-4112-1000 Regular Salaries & Wages Town Clerk	$96,816	$26,066	$75,576	78.06%	(21,240)	Move Tracy to planning Dec 1
100-4112-1100 Regular Salaries & Wages OT Town Clerk	$1,805	$0	$0	0.00%	(1,805)	moved to planning
						Tracy's portion for 7 months moved
100-4112-2000 FICA Expense	$7,545	$2,004	$5,782	76.63%	(1,763)	to
100-4112-2100 SUI Expense	$64	$0	$32	50.00%	(32)	planning
100-4112-2200 Retirement-ER VRS & ICMA-RC Contribution	$5,790	$1,447	$4,519	78.06%	(1,270)	
100-4112-2210 Life Insurance	$1,297	$324	$1,013	78.06%	(285)	
100-4112-2220 Disability Insurance, LTD & STD	$757	$134	$604	79.79%	(153)	
100-4112-2230 Worker's Comp	$64	$65	$50	78.06%	(14)	
100-4112-2300 Health Insurance	$10,680	$2,031	$6,675	62.50%	(4,005)	
100-4112-2310 Dental Insurance	$855	$219	$713	83.33%	(143)	
100-4112-2320 Vision Insurance	$91	$23	$91	100.00%		
100-4112-2325 AFLAC Insurance Premiums - Town portion	$0	$0	$0	#DIV/0!		
100-4112-2340 Employee Assist Program	$0	$0	$0	#DIV/0!		
100-4112-2345 Employee/Volunteer Testing	$0	$0	$0	#DIV/0!		
100-4112-2360 Staff & Volunteer Appreciation	$0	$0	$0	#DIV/0!		
100-4112-3000 Contract Labor	$0	$0	$0	#DIV/0!		
100-4112-3020 Maint Svc Contracts - Annual	$1,000	$0	$1,000	100.00%		
100-4112-3025 Repair Maint & Inspect Contracted Svcs	$2,000	$0	$2,000	100.00%		
100-4112-3030 Lease - Storage	$0	$0	$0	#DIV/0!		
100-4112-3430 IT, Software, Scan & Website Services	$5,950	$2,804	$5,950	100.00%		
100-4112-3450 Printing & Design Services	$0	$0	$0	#DIV/0!		
100-4112-3500 Advertising Services	$0	$0	$0	#DIV/0!		
100-4112-5040 Phone Service, Landline & Wireless	$1,140	$285	$1,140	100.00%		
100-4112-5050 Internet & Cable Services	$0	$0	$0	#DIV/0!		
100-4112-5110 Lease, Office Equipment	$2,000	$420	$2,000	100.00%		
100-4112-5200 Travel-Mileage, Parking & Tolls	$350	$0	$350	100.00%		
100-4112-5210 Travel-Lodging & Meals	$1,000	$0	$1,000	100.00%		
100-4112-5220 Conference	$600	$0	$600	100.00%		
100-4112-5230 Education	$595	$0	$595	100.00%		
100-4112-5240 Books & Subscriptions	$2,350	$373	$2,350	100.00%		
100-4112-5250 Dues & Memberships	$750	$218	$750	100.00%		
100-4112-6000 Office Supplies	$1,300	$67	$1,300	100.00%		
100-4112-6150 Comptr, Sftware & Electronics < $5,000	$1,400	$180	$1,400	100.00%		
Total Town Clerk Dept	**$146,199**	**$36,660**	**$115,490**	**78.99%**	**(30,709)**	

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
Town Manager						
100-4121-1000 Regular Salaries & Wages-Town Manager	$100,000	$26,923	$100,000	100.00%		
100-4121-1200 PT Salaries & Wages Town Mgr	$23,429	$7,372	$23,429	100.00%		
100-4121-1600 Bonus & Increase Pool Gen Fund	$0	$0	$0	#DIV/0!		
100-4121-1800 Allocated Wages	($15,000)	($3,750)	($15,000)	100.00%		
100-4121-1900 Personnel Lapse Allowance	$0	$0	$0	#DIV/0!		
100-4121-2000 FICA Expense	$9,442	$2,615	$9,442	100.00%		
100-4121-2100 SUI Expense	$64	$0	$64	100.00%		
100-4121-2200 Retirement-ER VRS & ICMA-RC Contribution	$5,980	$1,495	$5,980	100.00%		
100-4121-2210 Life Insurance	$1,340	$335	$1,340	100.00%		
100-4121-2220 Disability Insurance, LTD & STD	$750	$130	$750	100.00%		
100-4121-2230 Worker's Comp	$131	$43	$131	100.00%		
100-4121-2300 Health Insurance	$8,010	$1,769	$8,010	100.00%		
100-4121-2310 Dental Insurance	$285	$166	$285	100.00%		
100-4121-2320 Vision Insurance	$0	$0	$0	#DIV/0!		
100-4121-2325 AFLAC Insurance Premiums - Town portion	$0	$0	$0	#DIV/0!		
100-4121-2340 Employee Assist Program	$240	$81	$240	100.00%		
100-4121-2345 Employee/Volunteer Testing	$0	$0	$0	#DIV/0!		
100-4121-2350 Relocation Assistance	$4,000	$0	$4,000	100.00%		
100-4121-2360 Staff & Volunteer Appreciation	$4,000	$179	$4,000	100.00%		
100-4121-2800 Allocated Benefits	($3,617)	($904)	($3,617)	100.00%		
100-4121-3000 Contract Labor	$0	$0	$0	#DIV/0!		
100-4121-3020 Maint Svc Contracts - Annual	$0	$0	$0	#DIV/0!		
100-4121-3025 Repair Maint & Inspect Contracted Svcs	$3,500	$320	$3,500	100.00%		
100-4121-3400 Legal Services TM	$60,000	$23,768	$80,000	133.33%	20,000	increase - pending cases
100-4121-3401 Legal Services Finance	$1,100	$75	$1,100	100.00%		
100-4121-3402 Legal Services Code Enf	$0	$0	$0	#DIV/0!		
100-4121-3404 Legal Services Police	$0	$0	$0	#DIV/0!		
100-4121-3405 Legal Services Planner	$0	$0	$0	#DIV/0!		
100-4121-3406 Legal Services Public Works	$0	$0	$0	#DIV/0!		
100-4121-3410 Management Consulting	$15,000	$15,000	$125,000	833.33%	110,000	Add $110K consulting for water/sewer proposals
100-4121-3420 Engineering & Architect Svcs Gen Fund	$22,500	$2,450	$22,500	100.00%		
100-4121-3430 IT, Software, Scan & Website Services	$8,000	$4,474	$8,000	100.00%		
100-4121-3450 Printing & Design Services	$0	$0	$0	#DIV/0!		
100-4121-3500 Advertising Services	$1,000	$0	$1,000	100.00%		
100-4121-4010 Grant Exp Exp- Arts Enter Passthru	$4,500	$0	$4,500	100.00%		
100-4121-4015 Grant Exp - Town Match Arts Enter	$4,500	$4,500	$4,500	100.00%		
100-4121-4020 Grant Exp - Fire Department Passthru	$10,000	$0	$10,000	100.00%		
100-4121-4025 Grant Exp - Town Support Fire Dept	$35,000	$0	$35,000	100.00%		
100-4121-4030 Grant Exp - Nrthmptn Cty Tourism Infrast.	$0	$0	$0	#DIV/0!		

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
100-4121-4040 Grant Exp - Star Transit Support	$0	$0	$0	#DIV/0!		
100-4121-4045 Grant Exp - Cape Charles Musm & Welcm Cntr	$500	$0	$500	100.00%		
100-4121-4050 Grant Exp - Eastern Shore Tourism Comm.	$0	$0	$5,000	#DIV/0!	5,000	Support for Welcome Center
100-4121-4060 Grant Exp - Local Arts, GEAR, Harbor for the Arts	$0	$0	$0	#DIV/0!		
100-4121-4065 Grant Exp - Randy Custis Mmrl Fund, Youth Spor	$0	$0	$0	#DIV/0!		
100-4121-4070 Grant Exp - VML Risk Mngmnt Grant Exp	$4,000	$0	$4,000	100.00%		
100-4121-4100 Grant Exp - Community Support	$0	$0	$0	#DIV/0!		
100-4121-4125 Grant/Donation Exp - Misc. Pass-through	$0	$0	$0	#DIV/0!		
100-4121-4130 DHCD CDBG COVID-19 Bus Asst Grant Expenditu	$0	$660	$845,115	#DIV/0!	845,115	will equal what is appropriated for this FY above
100-4121-4150 Grant Exp - Emergency & Misc.	$0	$51,459	$125,372	#DIV/0!	125,372	2020 CARES Grant total will be 86K x 2, some is in other accounts (Beach patrol and police haz pay)
100-4121-4200 Fireworks	$15,000	$0	$15,000	100.00%		
100-4121-4210 Cape Charles Main Street	$75,000	$18,750	$75,000	100.00%		
100-4121-4220 Marketing - Social Media & Website	$0	$0	$0	#DIV/0!		
100-4121-4230 Marketing - Printed Materials	$0	$0	$0	#DIV/0!		
100-4121-5000 Tax Refund - Prior Year, (RE, PP, BPOL, MISC)	$2,000	($530)	$2,000	100.00%		
100-4121-5005 Refund - Misc. Fees	$1,000	$0	$1,000	100.00%		
100-4121-5010 Refund - Tourism Zone BPOL	$3,500	$0	$3,500	100.00%		
100-4121-5020 Refund - Tourism Zone Real & Business Property	$5,000	$0	$5,000	100.00%		
100-4121-5030 Refund - Tourism Zone Permit Fees	$6,000	$0	$6,000	100.00%		
100-4121-5040 Phone Service, Landline & Wireless	$9,000	$1,687	$9,000	100.00%		
100-4121-5050 Internet & Cable Services	$720	$180	$720	100.00%		
100-4121-5070 Postage	$7,000	$510	$7,000	100.00%		
100-4121-5080 Lease, Bldgs & Property	$1,850	$875	$2,350	127.03%	500	increase - portable restroom site
100-4121-5090 Lease, RIght of Way	$1,050	$0	$1,050	100.00%		
100-4121-5100 Lease, Vehicles & Equipment	$0	$0	$0	#DIV/0!		
100-4121-5110 Lease, Office Equipment	$6,500	$1,020	$6,500	100.00%		
100-4121-5200 Travel-Mileage, Parking & Tolls	$400	$0	$400	100.00%		
100-4121-5210 Travel-Lodging & Meals	$1,400	$0	$1,400	100.00%		
100-4121-5220 Conference	$950	$0	$950	100.00%		
100-4121-5230 Education	$0	$125	$125	#DIV/0!	125	Jodi HR Law training VDBlack
100-4121-5240 Books & Subscriptions	$0	$0	$0	#DIV/0!		
100-4121-5250 Dues & Memberships	$0	$737	$1,037	#DIV/0!	1,037	VA Munic. League dues, Add NCty Chamb of Commerce
100-4121-5300 Insurance, Property & General Liability	$32,229	$14,422	$32,229	100.00%		
100-4121-5310 Insurance, Public Official Liability	$0	$0	$0	#DIV/0!		
100-4121-5340 Licensing	$0	$0	$0	#DIV/0!		
100-4121-5350 Fines & Penalties	$0	$0	$0	#DIV/0!		

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
100-4121-6000 Office Supplies	$7,000	$1,497	$7,000	100.00%		
100-4121-6150 Comptr, Sftware & Electronics < $5,000	$900	$741	$900	100.00%		
100-4121-6175 Vehicles & Powered Equipment Fuel - Admin Ve	$800	$0	$800	100.00%		
100-4121-6200 Vehicles & Powered Equip.Supplies & Svcs.	$2,000	$0	$2,000	100.00%		
100-4121-6800 Debt Service - Principal Payment TM	$96,158	$57,942	$96,158	100.00%		
100-4121-6850 Debt Service Interest - TM	$25,458	$12,795	$25,458	100.00%		
100-4121-6900 Contingency Fund Exp Gen Fund	$40,000	$0	$40,000	100.00%		
100-4121-7080 Computers, Software & Elec Equip.>$5000	$0	$0	$0	#DIV/0!		
100-4121-8100 Transfer to Fund Balance - Excess Rev	$0	$0	$0	#DIV/0!		
100-4121-8510 Transfer Funds to Harbor	$110,101	$0	$110,101	100.00%		transfer to Harbor for debt service
Total Town Manager Dept	**$759,671**	**$249,912**	**$1,866,820**	**245.74%**	**1,107,149**	Most of the increase is due to grants, except port. restroom lease & legal

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
Finance						
100-4124-1100 Regular Salaries & Wages OT Finance	$192,124	$51,746	$192,924	100.42%	800	Deb C .50 increase per offer letter
100-4124-1300 PT Salaries & Wages OT Fin	$791	$0	$791	100.00%		
100-4124-1800 Allocated Wages	($16,281)	($4,071)	($16,281)	100.00%		
100-4124-2000 FICA Expense	$14,758	$2,393	$14,819	100.41%	61	
100-4124-2100 SUI Expense	$128	$1	$128	100.00%		
100-4124-2200 Retirement-ER VRS & ICMA-RC Contribution	$11,302	$2,826	$11,302	100.00%		
100-4124-2210 Life Insurance	$2,533	$633	$2,533	100.00%		
100-4124-2220 Disability Insurance, LTD & STD	$1,480	$261	$1,480	100.00%		
100-4124-2230 Worker's Comp	$128	$63	$128	100.00%		
100-4124-2300 Health Insurance	$32,040	$7,902	$32,040	100.00%		
100-4124-2310 Dental Insurance	$1,140	$190	$1,140	100.00%		
100-4124-2320 Vision Insurance	$0	$0	$0	#DIV/0!		
100-4124-2325 AFLAC Insurance Premiums - Town portion	$0	$0	$0	#DIV/0!		
100-4124-2330 Benefits Adminstn Fees	$2,500	$635	$2,500	100.00%		
100-4124-2340 Employee Assist Program	$0	$0	$0	#DIV/0!		
100-4124-2345 Employee/Volunteer Testing	$0	$0	$0	#DIV/0!		
100-4124-2360 Staff & Volunteer Appreciation	$0	$0	$0	#DIV/0!		
100-4124-2800 Allocated Benefits	($5,323)	($1,331)	($5,323)	100.00%		
100-4124-3000 Contract Labor	$0	$0	$0	#DIV/0!		
100-4124-3020 Maint Svc Contracts - Annual	$10,275	$1,250	$10,275	100.00%		
100-4124-3430 IT, Software, Scan & Website Services	$1,075	$0	$1,075	100.00%		
100-4124-3500 Advertising Services	$480	$0	$480	100.00%		
100-4124-3600 Payroll Processing & Timekeeping	$8,200	$1,769	$8,200	100.00%		
100-4124-3700 Auditor & Accountant Services	$26,000	$0	$26,000	100.00%		
100-4124-3710 Collections Services & DMV Fees	$1,000	$50	$1,000	100.00%		
100-4124-3730 Bank Service Charges	$3,500	$410	$3,500	100.00%		
100-4124-3740 Merchant Service Charges	$6,400	$1,263	$6,400	100.00%		
100-4124-3750 Late Fees & Fines	$150	$10	$150	100.00%		
100-4124-3760 Cash Short & Over Finance	$0	$0	$0	#DIV/0!		
100-4124-5040 Phone Service, Landline & Wireless	$780	$328	$1,560	200.00%	780	Add DP's phone
100-4124-5110 Lease, Office Equipment	$1,200	$419	$1,200	100.00%		
100-4124-5200 Travel-Mileage, Parking & Tolls	$1,017	$0	$556	54.65%	(461)	reduced - to cover DC incrs
100-4124-5210 Travel-Lodging & Meals	$1,480	$0	$700	47.30%	(780)	reduced - to cover DP's phone
100-4124-5220 Conference	$1,350	$0	$950	70.37%	(400)	reduced - to cover DC incrs
100-4124-5230 Education	$815	$199	$815	100.00%		
100-4124-5240 Books & Subscriptions	$150	$0	$150	100.00%		
100-4124-5250 Dues & Memberships	$600	$261	$600	100.00%		
100-4124-5260 Employee Testing & Certification	$0	$0	$0	#DIV/0!		

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
100-4124-5340 Licensing	$0	$0	$0	#DIV/0!		
100-4124-5350 Fines & Penalties	$0	$0	$0	#DIV/0!		
100-4124-6000 Office Supplies	$4,000	$915	$4,000	100.00%		
100-4124-6150 Comptr, Sftware & Electronics < $5,000	$1,100	$0	$1,100	100.00%		
100-4124-6800 Debt Service - Principal Payment FIN	$7,402	$0	$7,402	100.00%		
100-4124-6850 Debt Service Interest - Finance	$432	$0	$432	100.00%		
100-4124-7080 Computers, Software & Elec Equip.>$5000	$0	$0	$0	#DIV/0!		
Total Finance Dept	**$314,727**	**$68,122**	**$314,727**	**100.00%**	**0**	

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
Police						
100-4310-1000 Regular Salaries & Wages-Police	$308,818	$84,538	$325,343	105.35%	16,525	16,525 covered by Cares grant - haz duty pay
100-4310-1100 Regular Salaries & Wages OT Police	$2,000	$1,080	$2,000	100.00%		
100-4310-1200 Part Time Wages Police (COVID related)	$0	$156	$156	#DIV/0!	156	covered by DCJS supplemental grant
100-4310-2000 FICA Expense	$23,778	$5,267	$25,042	105.32%	1,264	1264 covered by Cares grant - haz duty pay
100-4310-2100 SUI Expense	$224	$0	$224	100.00%		
100-4310-2200 Retirement-ER VRS & ICMA-RC Contribution	$17,734	$4,426	$17,734	100.00%		
100-4310-2210 Life Insurance	$3,974	$992	$3,974	100.00%		
100-4310-2220 Disability Insurance, LTD & STD	$2,344	$553	$2,344	100.00%		
100-4310-2230 Worker's Comp	$8,895	$4,515	$8,895	100.00%		
100-4310-2300 Health Insurance	$56,070	$12,003	$56,070	100.00%		
100-4310-2310 Dental Insurance	$1,995	$572	$1,995	100.00%		
100-4310-2320 Vision Insurance	$0	$0	$0	#DIV/0!		
100-4310-2325 AFLAC Insurance Premiums - Town portion	$0	$0	$0	#DIV/0!		
100-4310-2340 Employee Assist Program	$0	$0	$0	#DIV/0!		
100-4310-2345 Employee/Volunteer Testing	$100	$0	$100	100.00%		
100-4310-2360 Staff & Volunteer Appreciation	$0	$0	$0	#DIV/0!		
100-4310-3000 Contract Labor	$0	$0	$0	#DIV/0!		
100-4310-3010 Vehcl & Equip Repairs, Supplies	$0	$0	$0	#DIV/0!		
100-4310-3020 Maint Svc Contracts - Annual	$0	$0	$0	#DIV/0!		
100-4310-3025 Repair Maint & Inspect Contracted Svcs	$0	$0	$0	#DIV/0!		
100-4310-3410 Management Consulting	$0	$0	$0	#DIV/0!		
100-4310-3430 IT, Software, Scan & Website Services	$1,600	$240	$1,600	100.00%		
100-4310-3440 Interpreter Services	$0	$0	$0	#DIV/0!		
100-4310-3450 Printing & Design Services	$0	$0	$0	#DIV/0!		
100-4310-3500 Advertising Services	$0	$0	$0	#DIV/0!		
100-4310-4070 Grant - VML Risk Management Expense	$0	$0	$0	#DIV/0!		
100-4310-4080 Grant Exp - DCJS Byrne	$1,000	$0	$1,000	100.00%		
100-4310-4150 Grant Exp - Police Other	$0	$0	$0	#DIV/0!		
100-4310-5040 Phone Service, Landline & Wireless	$5,460	$739	$5,460	100.00%		
100-4310-5200 Travel-Mileage, Parking & Tolls	$0	$51	$51	#DIV/0!	51	
100-4310-5205 Travel-Mileage, Parking & Tolls - Pol. Acad.	$0	$0	$0	#DIV/0!		
100-4310-5210 Travel-Lodging & Meals	$500	$0	$500	100.00%		
100-4310-5215 Travel-Lodging & Meals - Pol. Acad.	$0	$0	$0	#DIV/0!		
100-4310-5220 Conference	$0	$0	$0	#DIV/0!		
100-4310-5230 Education	$2,500	$2,004	$2,500	100.00%		
100-4310-5240 Books & Subscriptions	$200	$0	$200	100.00%		
100-4310-5250 Dues & Memberships	$0	$0	$0	#DIV/0!		

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
100-4310-5260 Employee Testing & Certification	$0	$0	$0	#DIV/0!		
100-4310-5310 Insurance, Public Official Liability	$4,783	$2,451	$4,783	100.00%		
100-4310-5330 Insurance, LODA	$5,605	$2,803	$5,605	100.00%		
100-4310-6000 Office Supplies	$2,000	$583	$2,000	100.00%		
100-4310-6050 Uniforms Expense	$6,000	$1,894	$6,000	100.00%		
100-4310-6125 Departmental Supplies & Equipment - Police	$9,000	$3,000	$9,000	100.00%		
100-4310-6150 Comptr, Sftware & Electronics < $5,000	$2,600	$0	$2,600	100.00%		
100-4310-6175 Vehicles & Powered Equipment Fuel	$18,000	$3,993	$18,000	100.00%		
100-4310-6200 Vehicle & Powered Equip. Supplies & Svcs	$8,000	$863	$8,000	100.00%		
100-4310-6225 Repair & Maintenance Supplies Police	$1,500	$120	$1,500	100.00%		
100-4310-6800 Debt Service - Principal Payment PD	$11,784	$0	$11,784	100.00%		
100-4310-6850 Debt Service Interest Police Dept	$1,268	$0	$1,268	100.00%		
100-4310-7070 Vehicles & Equipment	$38,940	$0	$38,940	100.00%		
100-4310-7080 Computers, Software & Elec Equip.>$5000	$0	$0	$0	#DIV/0!		
100-4310-7090 Equipment, Other	$0	$0	$0	#DIV/0!		
Total Police dept	**$546,672**	**$132,842**	**$564,668**		**17,996**	All covered by Grants

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
Code Enforcement Dept						
100-4340-1000 Regular Salaries & Wages-Code Enforcement	$95,364	$25,687	$95,364	100.00%		
100-4340-1100 Regular Salaries & Wages OT Code Enf	$0	$0	$0	#DIV/0!		
100-4340-2000 FICA Expense	$7,295	$1,935	$7,295	100.00%		
100-4340-2100 SUI Expense	$64	$0	$64	100.00%		
100-4340-2200 Retirement-ER VRS & ICMA-RC Contribution	$5,703	$1,426	$5,703	100.00%		
100-4340-2210 Life Insurance	$1,278	$319	$1,278	100.00%		
100-4340-2220 Disability Insurance, LTD & STD	$746	$132	$746	100.00%		
100-4340-2230 Worker's Comp	$409	$204	$409	100.00%		
100-4340-2300 Health Insurance	$10,680	$1,769	$10,680	100.00%		
100-4340-2310 Dental Insurance	$570	$143	$570	100.00%		
100-4340-2320 Vision Insurance	$91	$23	$91	100.00%		
100-4340-2325 AFLAC Insurance Premiums - Town portion	$0	$0	$0	#DIV/0!		
100-4340-2340 Employee Assist Program	$0	$0	$0	#DIV/0!		
100-4340-2345 Employee/Volunteer Testing	$0	$0	$0	#DIV/0!		
100-4340-2360 Staff & Volunteer Appreciation	$0	$0	$0	#DIV/0!		
100-4340-3000 Contract Labor	$0	$0	$0	#DIV/0!		
100-4340-3020 Maint Svc Contracts - Annual	$0	$0	$0	#DIV/0!		
100-4340-3025 Repair Maint & Inspect Contracted Svcs-Mowing	$4,000	$300	$4,000	100.00%		
100-4340-3430 IT, Software, Scan & Website Services	$4,000	$239	$4,000	100.00%		
100-4340-3450 Printing & Design Services	$0	$0	$0	#DIV/0!		
100-4340-3500 Advertising Services	$0	$0	$0	#DIV/0!		
100-4340-3760 Cash Short & Over Code Enf	$0	($0)	$0	#DIV/0!		
100-4340-5040 Phone Service, Landline & Wireless	$780	$195	$780	100.00%		
100-4340-5110 Lease, Office Equipment	$0	$0	$0	#DIV/0!		
100-4340-5200 Travel-Mileage, Parking & Tolls	$600	$0	$600	100.00%		
100-4340-5210 Travel-Lodging & Meals	$600	$0	$600	100.00%		
100-4340-5220 Conference	$0	$0	$0	#DIV/0!		
100-4340-5230 Education	$1,300	$299	$1,300	100.00%		
100-4340-5240 Books & Subscriptions	$1,000	$0	$1,000	100.00%		
100-4340-5250 Dues & Memberships	$800	$0	$800	100.00%		
100-4340-5260 Employee Testing & Certification	$0	$0	$0	#DIV/0!		
100-4340-6000 Office Supplies	$1,500	$11	$1,500	100.00%		
100-4340-6150 Comptr, Sftware & Electronics < $5,000	$0	$0	$0	#DIV/0!		
100-4340-6175 Vehicles & Powered Equipment Fuel	$725	$268	$725	100.00%		
100-4340-6200 Vehicle & Powered Equip. Supplies & Svcs	$1,000	$0	$1,000	100.00%		
100-4340-6800 Debt Service - Principal Payment Code Enforcem	$5,372	$0	$5,372	100.00%		
100-4340-6850 Debt Service Interest - Code Enforcement	$192	$0	$192	100.00%		
100-4340-7070 Vehicles & Equipment	$0	$0	$0	#DIV/0!		
100-4340-7080 Computers, Software, Electronics >$5000	$7,000	$0	$7,000	100.00%		
Total Code Enforcement Dept	**$151,070**	**$32,949**	**$151,070**	**100.00%**	**0**	

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
Public Works Dept						
100-4430-1000 Regular Salaries & Wages-Public Works	$154,882	$37,726	$154,882	100.00%		
100-4430-1050 Salary & Wages - Director	$0	$0	$0	#DIV/0!		
100-4430-1100 Regular Salaries & Wages OT Pub Works	$18,750	$4,435	$18,750	100.00%		
100-4430-1200 PT Salaries & Wages Pub Works	$0	$0	$0	#DIV/0!		
100-4430-1300 PT Salaries & Wages OT Pub Works	$0	$0	$0	#DIV/0!		
100-4430-1400 Seasonal Wages	$0	$0	$0	#DIV/0!		
100-4430-1500 Seasonal Wages OT	$0	$0	$0	#DIV/0!		
100-4430-2000 FICA Expense	$13,283	$3,075	$13,283	100.00%		
100-4430-2100 SUI Expense	$160	$0	$160	100.00%		
100-4430-2150 Benefit Allocation - Director	$0	$0	$0	#DIV/0!		
100-4430-2200 Retirement-ER VRS & ICMA-RC Contribution	$9,262	$2,027	$9,262	100.00%		
100-4430-2210 Life Insurance	$2,075	$454	$2,075	100.00%		
100-4430-2220 Disability Insurance, LTD & STD	$1,265	$196	$1,265	100.00%		
100-4430-2230 Worker's Comp	$4,439	$1,919	$4,439	100.00%		
100-4430-2300 Health Insurance	$34,710	$6,809	$34,710	100.00%		
100-4430-2310 Dental Insurance	$1,710	$217	$1,710	100.00%		
100-4430-2320 Vision Insurance	$91	$23	$91	100.00%		
100-4430-2325 AFLAC Insurance Premiums - Town portion	$0	$0	$0	#DIV/0!		
100-4430-2340 Employee Assist Program	$0	$0	$0	#DIV/0!		
100-4430-2345 Employee/Volunteer Testing	$180	$0	$180	100.00%		
100-4430-2360 Staff & Volunteer Appreciation	$0	$0	$0	#DIV/0!		
100-4430-3000 Contract Labor	$0	$0	$0	#DIV/0!		
100-4430-3020 Maint Svc Contracts	$2,500	$401	$2,500	100.00%		
100-4430-3025 Repair Maint & Inspect Contracted Svcs	$0	$0	$0	#DIV/0!		
100-4430-3030 Lease - Storage	$0	$0	$0	#DIV/0!		
100-4430-3040 Grounds Maintenance	$25,000	$26,514	$48,435	193.74%	23,435	$25K for park contract, remainder general services
100-4430-3050 Waste Removal	$0	$0	$0	#DIV/0!		
100-4430-3060 Landfill Disposal	$2,000	$1,984	$2,000	100.00%		
100-4430-3070 Mosquito & Pest Control	$8,500	$0	$8,500	100.00%		
100-4430-3200 Cleaning and Janitorial Services	$0	$0	$0	#DIV/0!		
100-4430-3430 IT, Software, Scan & Website Services	$2,000	$520	$2,000	100.00%		
100-4430-3500 Advertising Services	$250	$0	$250	100.00%		
100-4430-4030 Grant Exp - Nrthmptn Cty Tourism Infrast.	$0	$0	$0	#DIV/0!		
100-4430-4070 Grant Exp - VML Risk Mngmnt Grant Exp	$0	$0	$0	#DIV/0!		
100-4430-4090 Grant Exp - Litter Prevention	$0	$0	$0	#DIV/0!		
100-4430-5010 Electric Service	$50,000	$8,655	$50,000	100.00%		
100-4430-5020 Propane & Fuel Oil Exp	$3,000	$0	$3,000	100.00%		
100-4430-5040 Phone Service, Landline & Wireless	$2,500	$465	$2,500	100.00%		

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
100-4430-5050 Internet Services	$0	$0	$600	#DIV/0!	600	new Spectrum internet services
100-4430-5080 Lease, Bldgs & Property	$0	$0	$0	#DIV/0!		
100-4430-5100 Lease, Vehicles & Equipment	$2,500	$0	$2,500	100.00%		
100-4430-5110 Lease, Office Equipment	$0	$0	$0	#DIV/0!		
100-4430-5200 Travel-Mileage, Parking & Tolls	$500	$0	$500	100.00%		
100-4430-5210 Travel-Lodging & Meals	$500	$0	$500	100.00%		
100-4430-5220 Conference	$0	$0	$0	#DIV/0!		
100-4430-5230 Education	$400	$0	$400	100.00%		
100-4430-5240 Books & Subscriptions	$100	$0	$100	100.00%		
100-4430-5250 Dues & Memberships	$0	$0	$0	#DIV/0!		
100-4430-5260 Employee Testing & Certification	$225	$0	$225	100.00%		
100-4430-5300 Insurance, Property & General Liability	$0	$0	$0	#DIV/0!		
100-4430-5340 Licensing	$0	$0	$0	#DIV/0!		
100-4430-5350 Fines & Penalties	$0	$0	$0	#DIV/0!		
100-4430-6000 Office Supplies	$800	$340	$800	100.00%		
100-4430-6025 Janitorial & Kitchen Supplies	$6,500	$1,597	$6,500	100.00%		
100-4430-6050 Uniforms Expense	$1,000	$0	$1,000	100.00%		
100-4430-6075 Hand Tools, & Small Equipment	$5,000	$824	$5,000	100.00%		
100-4430-6080 Safety Equipment	$1,000	$0	$1,000	100.00%		
100-4430-6150 Comptr, Sftware & Electronics < $5,000	$850	$0	$850	100.00%		
100-4430-6175 Vehicles & Powered Equipment Fuel	$13,000	$1,742	$13,000	100.00%		
100-4430-6200 Vehicle & Powered Equip. Supplies & Svcs	$14,000	$1,871	$14,000	100.00%		
100-4430-6225 Repair & Maintenance Supplies Public Works	$74,600	$9,122	$74,600	100.00%		
100-4430-6275 Beach Maint. & Safety Supplies & Svcs	$50,000	$2,639	$50,000	100.00%		
100-4430-6800 Debt Service - Principal Payment PW	$4,728	$0	$4,728	100.00%		
100-4430-6850 Debt Service Interest Public Works	$276	$0	$276	100.00%		
100-4430-7010 Buildings & Improvements	$41,868	$0	$86,868	207.48%	45,000	$6,838 PW heaters,$35,000 video surv. System, $45,000 town hall evaluation
100-4430-7020 Infrastructure - Open Space-Parks & Outdoor Eq	$0	$0	$14,000	#DIV/0!	14,000	Replace Zipline in Park ($8K donation)
100-4430-7030 Infrastructure - Fixtures & Signage	$0	$0	$0	#DIV/0!		
100-4430-7040 Infrastructure - Parking Lots	$10,000	$0	$10,000	100.00%		
100-4430-7050 Infrastructure - Streets & Walkways	$215,000	$0	$305,000	141.86%	90,000	$5K parking study, remainder Trail Ph 2
100-4430-7060 Infrastructure - Stormwater System	$0	$0	$0	#DIV/0!		
100-4430-7070 Vehicles & Equipment	$22,240	$0	$22,240	100.00%		
100-4430-7080 Computers, Software & Elec Equip.>$5000	$0	$0	$0	#DIV/0!		
100-4430-7090 Equipment, Other	$35,000	$0	$35,000	100.00%		ADA access. portable restroom
Total Public Works Dept	**$836,644**	**$113,556**	**$1,009,679**	**120.68%**	**173,035**	

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
Events & Recreation Dept						
100-4710-1000 Regular Salaries & Wages-Recreation	$45,943	$12,547	$45,943	100.00%		
100-4710-1100 Regular Salaries & Wages OT Recreation	$994	$404	$994	100.00%		
100-4710-1200 PT Salaries - Recreation	$1,000	$0	$1,000	100.00%		
100-4710-1400 Seasonal Wages Rec	$0	$7,698	$8,153	#DIV/0!	8,153	covered by Cares grant - beach attndnts
100-4710-1500 Seasonal Wages OT	$0	$370	$370	#DIV/0!	370	covered by Cares grant - beach attndnts
100-4710-2000 FICA Expense	$3,667	$1,595	$4,319	117.78%	652	covered by Cares grant - beach attndnts
100-4710-2100 SUI Expense	$32	$18	$32	100.00%		
100-4710-2200 Retirement-ER VRS & ICMA-RC Contribution	$2,747	$687	$2,747	100.00%		
100-4710-2210 Life Insurance	$616	$154	$616	100.00%		
100-4710-2220 Disability Insurance, LTD & STD	$361	$64	$361	100.00%		
100-4710-2230 Worker's Comp	$855	$807	$855	100.00%		
100-4710-2300 Health Insurance	$8,010	$1,769	$8,010	100.00%		
100-4710-2310 Dental Insurance	$285	$71	$285	100.00%		
100-4710-2320 Vision Insurance	$0	$0	$0	#DIV/0!		
100-4710-3000 Contract Labor	$0	$0	$0	#DIV/0!		
100-4710-3005 Program & Event Performers & Entertainers CCF	$0	$0	$10,000	#DIV/0!	10,000	CCP Summer Concert Series
100-4710-3025 Repair Maint & Inspect Contracted Svcs	$0	$0	$0	#DIV/0!		
100-4710-3430 IT, Software, Scan & Website Services	$200	$0	$200	100.00%		
100-4710-3450 Printing & Design Services	$0	$0	$0	#DIV/0!		
100-4710-3500 Advertising Services	$1,275	$0	$1,275	100.00%		
100-4710-3760 Cash Short & Over Recr	$0	$0	$0	#DIV/0!		
100-4710-4070 Grant Exp - VML Risk Mngmnt Grant Exp	$0	$0	$0	#DIV/0!		
100-4710-4150 Grant Exp - Recreation Other	$0	$0	$0	#DIV/0!		
100-4710-5040 Phone Service, Landline & Wireless	$780	$195	$780	100.00%		
100-4710-5200 Travel-Mileage, Parking & Tolls	$350	$0	$350	100.00%		
100-4710-5210 Travel-Lodging & Meals	$0	$0	$0	#DIV/0!		
100-4710-5220 Conference	$0	$0	$0	#DIV/0!		
100-4710-5230 Education	$250	$0	$250	100.00%		
100-4710-5340 LIcensing	$740	$0	$740	100.00%		
100-4710-6000 Office Supplies	$425	$27	$425	100.00%		
100-4710-6050 Uniforms Expense	$150	$0	$150	100.00%		
100-4710-6100 Program & Event Supplies & Awards	$15,846	$745	$10,846	68.45%	(5,000)	move $5K to CCP Summer Concert Series
100-4710-6150 Comptr, Sftware & Electronics < $5,000	$0	$0	$0	#DIV/0!		
100-4710-6225 Repair & Maintenance Supplies Recreation	$500	$0	$500	100.00%		
Total Events & Recreation Dept	**$85,026**	**$27,151**	**$99,201**	**116.67%**	**14,175**	

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
Library Dept						
100-4730-1000 Regular Salaries & Wages-Library	$81,450	$23,063	$81,450	100.00%		
100-4730-1100 Regular Salaries & Wages OT Library	$0	$0	$0	#DIV/0!		
100-4730-1200 PT Salaries & Wages Library	$10,025	$0	$10,025	100.00%		
100-4730-2000 FICA Expense	$6,998	$1,642	$6,998	100.00%		
100-4730-2100 SUI Expense	$96	$0	$96	100.00%		
100-4730-2200 Retirement-ER VRS & ICMA-RC Contribution	$4,871	$1,218	$4,871	100.00%		
100-4730-2210 Life Insurance	$1,091	$273	$1,091	100.00%		
100-4730-2220 Disability Insurance, LTD & STD	$646	$115	$646	100.00%		
100-4730-2230 Worker's Comp	$61	$30	$61	100.00%		
100-4730-2300 Health Insurance	$16,020	$2,331	$16,020	100.00%		
100-4730-2310 Dental Insurance	$570	$234	$570	100.00%		
100-4730-2320 Vision Insurance	$91	$23	$91	100.00%		
100-4730-3005 Program & Event Performers & Entertainers	$5,100	$293	$5,100	100.00%		
100-4730-3020 Maint Svc Contracts - Annual	$0	$0	$0	#DIV/0!		
100-4730-3025 Repair Maint & Inspect Contracted Svcs	$375	$58	$375	100.00%		
100-4730-3200 Cleaning and Janitorial Services	$3,000	$0	$3,000	100.00%		
100-4730-3430 IT, Software, Scan & Website Services	$2,200	$958	$2,200	100.00%		
100-4730-3500 Advertising Services	$510	$0	$510	100.00%		
100-4730-3760 Cash Short & Over Lib	$0	$0	$0	#DIV/0!		
100-4730-4090 Grant Exp - DEQ Litter Grant - Library	$0	$0	$814	#DIV/0!	814	add Grant program
100-4730-4110 Grant Exp - Friends of Library Projects	$0	$0	$0	#DIV/0!		
100-4730-4150 Grant Exp - Library Other	$0	($35)	$0	#DIV/0!		
100-4730-5010 Electric Service	$7,250	$1,052	$7,250	100.00%		
100-4730-5020 Propane & Fuel Oil Exp	$1,600	$0	$1,600	100.00%		
100-4730-5050 Internet Services	$0	$0	$600	#DIV/0!	600	Add Spectrum internet services
100-4730-5110 Lease, Office Equipment	$1,200	$240	$1,200	100.00%		
100-4730-5200 Travel-Mileage, Parking & Tolls	$300	$0	$300	100.00%		
100-4730-5210 Travel-Lodging & Meals	$561	$0	$561	100.00%		
100-4730-5220 Conference	$408	$0	$408	100.00%		
100-4730-5230 Education	$135	$0	$135	100.00%		
100-4730-5240 Books & Subscriptions - Professional	$306	$0	$306	100.00%		
100-4730-5250 Dues & Memberships	$500	$0	$500	100.00%		
100-4730-6000 Office Supplies	$2,200	$1,032	$2,200	100.00%		
100-4730-6025 Janitorial & Kitchen Supplies	$100	$0	$100	100.00%		
100-4730-6050 Uniforms - LIbrary	$200	$0	$200	100.00%		
100-4730-6100 Program & Event Supplies & Awards	$1,530	$75	$1,530	100.00%		
100-4730-6125 Dept Sppls & Equip -Books, DVD's and CDs	$17,500	$533	$17,500	100.00%		
100-4730-6150 Comptr, Sftware & Electronics < $5,000	$3,200	$0	$3,200	100.00%		
Total Library Dept	**$170,094**	**$33,136**	**$171,508**	**100.83%**	**1,414**	

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
Planning Dept						
100-4811-1000 Regular Salaries & Wages-Planning	$56,000	$11,539	$104,490	186.59%	48,490	Add planner 6 mos(Jan), add Tracy 7 mos (Dec)
100-4811-1050 Regular Salaries & Wages - OT	$0	$0	$1,805	#DIV/0!	1,805	moved from clerk budget
100-4811-1200 PT Salaries & Wages Planning	$2,100	$3,382	$5,032	239.61%	2,932	board + Jeb's work w/no planner
100-4811-2000 FICA Expense	$4,445	$1,136	$8,292	186.57%	3,848	
100-4811-2100 SUI Expense	$40	$19	$104	258.42%	64	
100-4811-2200 Retirement-ER VRS & ICMA-RC Contribution	$3,349	$0	$2,661	79.45%	(688)	
100-4811-2210 Life Insurance	$750	$0	$596	79.45%	(154)	
100-4811-2220 Disability Insurance, LTD & STD	$433	$0	$380	87.76%	(53)	
100-4811-2230 Worker's Comp	$356	$19	$543	152.63%	187	
100-4811-2300 Health Insurance	$8,010	$0	$8,010	100.00%		
100-4811-2310 Dental Insurance	$285	$0	$285	100.00%		
100-4811-2345 Employee/Volunteer Testing	$75	$0	$75	100.00%		
100-4811-3410 Management Consulting	$0	$0	$20,000	#DIV/0!	20,000	Comp Plan work
100-4811-3430 IT, Software, Scan & Website Services	$1,400	$679	$1,400	100.00%		
100-4811-3500 Advertising Services	$2,100	$802	$3,000	142.86%	900	+800 for new planner
100-4811-4150 Grant Expense - Planning	$0	$0	$0	#DIV/0!		
100-4811-5040 Phone Service, Landline & Wireless	$0	$195	$1,170	#DIV/0!	1,170	6 mos new planner+ AF
100-4811-5200 Travel-Mileage, Parking & Tolls	$958	$0	$958	100.00%		
100-4811-5210 Travel-Lodging & Meals	$2,510	$0	$2,510	100.00%		
100-4811-5220 Conference	$250	$0	$250	100.00%		
100-4811-5230 Education	$3,200	$0	$10,660	333.13%	7,460	Add CAMP grant training total cost $8,049.60, remainder is staff cost.
100-4811-5240 Books & Subscriptions	$730	$0	$730	100.00%		
100-4811-5250 Dues & Memberships	$600	$0	$600	100.00%		
100-4811-5260 Employee Testing & Certification	$400	$0	$400	100.00%		
100-4811-6000 Office Supplies	$800	$785	$2,000	250.00%	1,200	new office area/phone/desk
100-4811-6150 Comptr, Sftware & Electronics < $5,000	$2,300	$44	$3,600	156.52%	1,300	Use DP's older but updated one for the time being for new position
Total Planning Dept	**$91,091**	**$18,598**	**$179,551**	**197.11%**	**88,460**	projected increase in cost adding planner, readjusting planner setup costs, moving TO as of Dec 1
General Fund total Expenditures	**$3,135,548**		**$4,507,494**		**1,371,946**	
GENERAL FUND Projected Final Balance	**$0**		**($0)**		**(0)**	

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
501 PUBLIC UTILITIES FUND REVENUE						
501-3100-1201 Connection, Plumbing Permit Water	$400	$450	$400	100.00%		
501-3100-1202 Connection, Plumbing Permit Sewer	$400	$450	$400	100.00%		
501-3100-5360 Utility Permit (Main to Meter)	$0	$0	$0	#DIV/0!		
501-3150-1501 Miscellaneous Revenues - Utilities	$1,500	$0	$1,500	100.00%		
501-3150-1502 Septage Services Revenue - WWTP	$0	$0	$0	#DIV/0!		
501-3300-1000 Interest Earned on Bank Deposits - Util	$2,600	$180	$2,600	100.00%		
501-3300-2000 Dividends & Int. on Investments - Util	$7,000	$55	$7,000	100.00%		
501-3500-1501 Water Sales	$572,000	$160,941	$590,000	103.15%	18,000	busy summer
501-3500-1502 Sewer Charges	$1,044,000	$289,474	$1,061,000	101.63%	17,000	lot of usage
501-3500-1800 Sale of Surplus Equipment & Misc.	$800	$0	$0	0.00%	(800)	
501-3500-3501 Penalties & Interest - Water Charges	$6,000	$0	$2,000	33.33%	(4,000)	not charging penalties until?
501-3500-3502 Penalties & Interest Wastewater Charges	$11,000	$0	$4,000	36.36%	(7,000)	not charging penalties until?
501-3500-4501 Connection Fees - Bay Creek Water	$2,625	$4,375	$4,375	166.67%	1,750	
501-3500-4502 Connection Fees - Bay Creek Sewer	$2,625	$4,375	$4,375	166.67%	1,750	
501-3500-5501 Connection Fees - Historic Cape Charles Water	$3,500	$0	$3,500	100.00%		
501-3500-5502 Connection Fees - Historic Cape Charles Sewer	$3,500	$0	$3,500	100.00%		
501-3500-6501 Facility Fees, Rest. - Bay Creek Water	$16,000	$20,000	$24,000	150.00%	8,000	increased facility fees
501-3500-6502 Facility Fees, Restr. - Bay Creek Sewer	$26,400	$33,000	$39,600	150.00%	13,200	increased facility fees
501-3500-7501 Facility Fees, Restr.- Historic Cape Charles Water	$48,000	$0	$48,000	100.00%		
501-3500-7502 Facility Fees, Restr. - Historic Cape Charles Se	$79,200	$0	$79,200	100.00%		
501-3600-6000 Utility Fund Transfer from Fund Balance	$36,686	$0	$65,806	179.38%	29,120	
501-3650-4000 Recovery Water & Sewer Misc. charges	$0	$380	$380	#DIV/0!	380	
501-3800-1000 VDH Grant	$0	$0	$0	#DIV/0!		
501-3800-2001 USDA Grant Water	$29,663	$0	$29,663	100.00%		
501-3800-2002 USDA Grant Sewer	$0	$0	$0	#DIV/0!		
501-3900-6000 Appropriation from Fund Balance	$0	$0	$0	#DIV/0!		
501-3950-1000 Loan Proceeds previous year	$0	$0	$0	#DIV/0!		
501-3950-1050 Loan Proceeds Current Year	$0	$0	$0	#DIV/0!		
501-3950-2101 USDA Loan Proceeds Water	$55,088	$0	$55,088	100.00%		
501-3950-2102 USDA Loan Proceeds Sewer	$0	$0	$0	#DIV/0!		
Total Utility Revenue	**$1,948,987**	**$513,681**	**$2,026,387**	**103.97%**		

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
501 PUBLIC UTILITIES FUND EXPENDITURES						
Utility Admin Dept						
501-4500-1000 Regular Salaries & Wages-Utility Admin	$0	$0	$0	#DIV/0!		
501-4500-1600 Bonus & Increase Pool Util Fund	$0	$0	$0	#DIV/0!		
501-4500-1800 Allocated Wages	$20,797	$5,075	$20,797	100.00%		
501-4500-2000 FICA Expense	$0	$0	$0	#DIV/0!		
501-4500-2100 SUI Expense	$0	$0	$0	#DIV/0!		
501-4500-2200 Retirement-ER VRS & ICMA-RC Contribution	$0	$0	$0	#DIV/0!		
501-4500-2210 Life Insurance	$0	$0	$0	#DIV/0!		
501-4500-2220 Disability Insurance, LTD & STD	$0	$0	$0	#DIV/0!		
501-4500-2230 Worker's Comp	$0	$0	$0	#DIV/0!		
501-4500-2300 Health Insurance	$0	$0	$0	#DIV/0!		
501-4500-2310 Dental Insurance	$0	$0	$0	#DIV/0!		
501-4500-2320 Vision Insurance	$0	$0	$0	#DIV/0!		
501-4500-2325 AFLAC Insurance Premiums - Town portion	$0	$0	$0	#DIV/0!		
501-4500-2340 Employee Assist Program	$0	$0	$0	#DIV/0!		
501-4500-2345 Employee/Volunteer Testing	$0	$0	$0	#DIV/0!		
501-4500-2360 Staff & Volunteer Appreciation	$0	$0	$0	#DIV/0!		
501-4500-2800 Allocated Benefits	$5,791	$1,426	$5,791	100.00%		
501-4500-3430 IT, Software, Scan & Website Services	$0	$0	$0	#DIV/0!		
501-4500-3450 Printing & Design Services	$0	$0	$0	#DIV/0!		
501-4500-3500 Advertising Services	$0	$0	$0	#DIV/0!		
501-4500-5040 Phone Service, Landline & Wireless	$0	$0	$0	#DIV/0!		
501-4500-5220 Conference	$0	$0	$0	#DIV/0!		
501-4500-5230 Education	$0	$0	$0	#DIV/0!		
501-4500-5240 Books & Subscriptions	$0	$0	$0	#DIV/0!		
501-4500-5250 Dues & Memberships	$0	$0	$0	#DIV/0!		
501-4500-6000 Office Supplies	$0	$0	$0	#DIV/0!		
501-4500-6150 Comptr, Sftware & Electronics < $5,000	$0	$0	$0	#DIV/0!		
501-4500-6900 Contingency Fund Expense Util Fund	$10,000	$0	$10,000	100.00%		
Total Utility Admin Dept	**$36,588**	**$6,501**	**$36,588**	**100.00%**	**0**	

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
Water Dept						
501-4501-1000 Regular Salaries & Wages-Water	$140,904	$38,440	$140,904	100.00%		
501-4501-1100 Regular Salaries & Wages OT-Water	$1,500	$3,200	$1,500	100.00%		
501-4501-1200 PT Salaries - Water	$18,681	$4,628	$18,681	100.00%		
501-4501-2000 FICA Expense	$12,361	$3,362	$12,361	100.00%		
501-4501-2100 SUI Expense	$96	$11	$96	100.00%		
501-4501-2200 Retirement-ER VRS & ICMA-RC Contribution	$8,425	$2,107	$8,425	100.00%		
501-4501-2210 Life Insurance	$1,888	$472	$1,888	100.00%		
501-4501-2220 Disability Insurance, LTD & STD	$1,104	$195	$1,104	100.00%		
501-4501-2230 Worker's Comp	$3,689	$1,826	$3,689	100.00%		
501-4501-2300 Health Insurance	$24,030	$6,394	$24,030	100.00%		
501-4501-2310 Dental Insurance	$855	$214	$855	100.00%		
501-4501-2320 Vision Insurance	$0	$0	$0	#DIV/0!		
501-4501-2325 AFLAC Insurance Premiums - Town portion	$0	$0	$0	#DIV/0!		
501-4501-2340 Employee Assist Program	$0	$0	$0	#DIV/0!		
501-4501-2345 Employee/Volunteer Testing	$150	$0	$150	100.00%		
501-4501-2360 Staff & Volunteer Appreciation	$0	$0	$0	#DIV/0!		
501-4501-3000 Contract Labor	$0	$0	$0	#DIV/0!		
501-4501-3020 Maint Svc Contracts - Annual	$0	$0	$0	#DIV/0!		
501-4501-3025 Repair Maint & Inspect Contracted Svcs	$18,000	$0	$18,000	100.00%		
501-4501-3060 Landfill Disposal	$0	$0	$0	#DIV/0!		
501-4501-3350 Water Sampling	$11,000	$3,803	$11,000	100.00%		
501-4501-3420 Engineering & Architect Svcs Water	$20,000	$1,016	$20,000	100.00%		
501-4501-3430 IT, Software, Scan & Website Services	$500	$720	$500	100.00%		
501-4501-3500 Advertising Services	$500	$70	$500	100.00%		
501-4501-3730 Bank Service Charges	$200	$0	$200	100.00%		
501-4501-4150 Grant Exp - Water Other	$0	$0	$0	#DIV/0!		
501-4501-5000 Refund - Tourism Zone Connection Fees Water	$2,200	$0	$2,200	100.00%		
501-4501-5010 Electric Service	$22,000	$4,520	$22,000	100.00%		
501-4501-5020 Propane & Fuel Oil Exp	$0	$0	$0	#DIV/0!		
501-4501-5040 Phone Service, Landline & Wireless	$1,740	$323	$1,740	100.00%		
501-4501-5050 Internet & Cable Services	$0	$0	$600	#DIV/0!	600	Add Spectrum internet services
501-4501-5090 Lease, Right of Way	$3,000	$0	$3,000	100.00%		
501-4501-5100 Lease, Vehicles & Equipment	$0	$0	$0	#DIV/0!		
501-4501-5200 Travel-Mileage, Parking & Tolls	$240	$20	$240	100.00%		
501-4501-5210 Travel-Lodging & Meals	$800	$0	$800	100.00%		
501-4501-5220 Conference	$0	$0	$0	#DIV/0!		
501-4501-5230 Education	$400	$0	$400	100.00%		
501-4501-5240 Books & Subscriptions	$0	$0	$0	#DIV/0!		
501-4501-5250 Dues & Memberships	$400	$0	$400	100.00%		
501-4501-5260 Employee Testing & Certification	$400	$3,283	$400	100.00%		

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
501-4501-5300 Insurance, Property & General Liability	$8,062	$4,132	$8,062	100.00%		
501-4501-5340 Licensing	$4,000	$0	$4,000	100.00%		
501-4501-5350 Fines & Penalties	$0	$0	$0	#DIV/0!		
501-4501-6000 Office Supplies	$1,700	$656	$1,700	100.00%		
501-4501-6025 Janitorial & Kitchen Supplies	$200	$0	$200	100.00%		
501-4501-6050 Uniforms Expense	$1,200	$235	$1,200	100.00%		
501-4501-6075 Hand Tools, & Small Equipment	$1,300	$0	$1,300	100.00%		
501-4501-6080 Safety Equipment	$3,000	$0	$3,000	100.00%		
501-4501-6150 Comptr, Sftware & Electronics < $5,000	$2,000	$2,615	$2,000	100.00%		
501-4501-6175 Vehicles & Powered Equipment Fuel	$6,100	$939	$6,100	100.00%		
501-4501-6200 Vehicle & Powered Equip. Supplies & Svcs	$2,000	$373	$2,000	100.00%		
501-4501-6225 Repair & Maintenance Supplies Water	$70,000	$7,776	$70,000	100.00%		
501-4501-6300 Chemical Supplies	$73,000	$24,684	$73,000	100.00%		
501-4501-6325 Laboratory Supplies	$2,900	$831	$2,900	100.00%		
501-4501-6800 Debt Service - Principal Payment W	$76,037	$0	$76,037	100.00%		
501-4501-6850 Debt Service Interest Water	$33,859	$16,037	$33,859	100.00%		
501-4501-7070 Vehicles & Equipment CAPITAL BUDGET	$32,766	$0	$32,766	100.00%		New Truck
501-4501-7080 Computers, Software & Elec Equip.>$5000 CAP E	$15,000	$0	$15,000	100.00%		Scada System
501-4501-7090 Infrastructure - Waterlines, Tanks & Wells	$51,985	$0	$106,985	205.80%	55,000	Add $55,000 water tower mixer estimate
501-4501-7095 Work in Progress CAPITAL BUDGET	$0	$0	$0	#DIV/0!		
501-4501-7100 Depreciation Expense - Utility Fund	$0	$0	$0	#DIV/0!		
501-4501-8000 Reserve for Plant Expansion - Facility Fees	$64,000	$0	$72,000	112.50%	8,000	Facility fees reserved
501-4501-8100 Water Rate Increase Reserve - Future year	$0	$0	$0	#DIV/0!		
Total Water Dept	**$744,173**	**$132,882**	**$807,773**	**108.55%**	63,600	

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
Sewer Dept						
501-4502-1000 Regular Salaries & Wages-Sewer	$183,777	$49,797	$183,777	100.00%		
501-4502-1100 Regular Salaries & Wages OT-Sewer	$1,500	$0	$1,500	100.00%		
501-4502-2000 FICA Expense	$14,174	$3,656	$14,174	100.00%		
501-4502-2100 SUI Expense	$112	$0	$112	100.00%		
501-4502-2200 Retirement-ER VRS & ICMA-RC Contribution	$10,990	$2,747	$10,990	100.00%		
501-4502-2210 Life Insurance	$2,463	$616	$2,463	100.00%		
501-4502-2220 Disability Insurance, LTD & STD	$1,443	$255	$1,443	100.00%		
501-4502-2230 Worker's Comp	$1,765	$873	$1,765	100.00%		
501-4502-2300 Health Insurance	$32,040	$7,902	$32,040	100.00%		
501-4502-2310 Dental Insurance	$1,140	$285	$1,140	100.00%		
501-4502-2320 Vision Insurance	$0	$0	$0	#DIV/0!		
501-4502-2325 AFLAC Insurance Premiums - Town portion	$0	$0	$0	#DIV/0!		
501-4502-2340 Employee Assist Program	$0	$0	$0	#DIV/0!		
501-4502-2345 Employee/Volunteer Testing	$150	$0	$150	100.00%		
501-4502-2360 Staff & Volunteer Appreciation	$0	$0	$0	#DIV/0!		
501-4502-3000 Contract Labor	$0	$0	$0	#DIV/0!		
501-4502-3020 Maint Svc Contracts - Annual	$22,300	$12,432	$22,300	100.00%		
501-4502-3025 Repair Maint & Inspect Contracted Svcs	$0	$0	$0	#DIV/0!		
501-4502-3040 Grounds Maintenance	$0	$0	$0	#DIV/0!		
501-4502-3050 Waste Removal	$0	$0	$0	#DIV/0!		
501-4502-3060 Landfill Disposal - Sludge	$42,000	$9,634	$42,000	100.00%		
501-4502-3200 Cleaning and Janitorial Services	$2,600	$0	$2,600	100.00%		
501-4502-3350 Water Sampling	$20,400	$4,956	$20,400	100.00%		
501-4502-3420 Engineering & Architect Svcs WW	$0	$0	$0	#DIV/0!		
501-4502-3430 IT, Software, Scan & Website Services	$7,000	$0	$7,000	100.00%		
501-4502-3450 Printing & Design Services	$0	$0	$0	#DIV/0!		
501-4502-3500 Advertising Services	$500	$0	$500	100.00%		
501-4502-3730 Bank Service Charges	$1,550	$0	$1,550	100.00%		
501-4502-4150 Grant Exp - Sewer Other	$0	$0	$0	#DIV/0!		
501-4502-5000 Refund - Tourism Zone Connection Fees Sewer	$5,000	$0	$5,000	100.00%		
501-4502-5010 Electric Service	$100,000	$16,388	$100,000	100.00%		
501-4502-5040 Phone Service, Landline & Wireless	$7,500	$2,621	$7,500	100.00%		
501-4502-5050 Internet Services	$0	$0	$600	#DIV/0!	600	Add Spectrum internet services
501-4502-5060 Alarm & Security Monitoring Services	$550	$0	$550	100.00%		
501-4502-5090 Lease, Right of Way	$5,425	$0	$5,425	100.00%		
501-4502-5100 Lease, Vehicles & Equipment	$0	$0	$0	#DIV/0!		
501-4502-5200 Travel-Mileage, Parking & Tolls	$3,200	$808	$3,200	100.00%		
501-4502-5210 Travel-Lodging & Meals	$1,000	$0	$1,000	100.00%		
501-4502-5220 Conference	$0	$0	$0	#DIV/0!		
501-4502-5230 Education	$2,000	$12	$2,000	100.00%		

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
501-4502-5240 Books & Subscriptions	$0	$0	$0	#DIV/0!		
501-4502-5250 Dues & Memberships	$850	$0	$850	100.00%		
501-4502-5260 Employee Testing & Certification	$450	$0	$450	100.00%		
501-4502-5300 Insurance, Property & General Liability	$30,725	$15,746	$30,725	100.00%		
501-4502-5340 Licensing	$4,500	$2,889	$4,500	100.00%		
501-4502-5350 Fines & Penalties	$0	$0	$0	#DIV/0!		
501-4502-6000 Office Supplies	$1,500	$97	$1,350	90.00%	(150)	reduced to balance janit supplies
501-4502-6025 Janitorial & Kitchen Supplies	$100	$183	$250	250.00%	150	
501-4502-6050 Uniforms Expense	$1,500	$330	$1,500	100.00%		
501-4502-6075 Hand Tools, & Small Equipment	$750	$0	$750	100.00%		
501-4502-6080 Safety Equipment	$250	$0	$250	100.00%		
501-4502-6150 Comptr, Sftware & Electronics < $5,000	$1,200	$0	$1,200	100.00%		
501-4502-6175 Vehicles & Powered Equipment Fuel	$7,000	$983	$7,000	100.00%		
501-4502-6200 Vehicle & Powered Equip. Supplies & Svcs	$3,000	$380	$3,000	100.00%		
501-4502-6225 Repair & Maintenance Supplies Wastewater	$85,000	$7,884	$85,000	100.00%		
501-4502-6300 Chemical Supplies	$34,500	$15,300	$34,500	100.00%		
501-4502-6325 Laboratory Supplies	$4,400	$0	$4,400	100.00%		
501-4502-6800 Debt Service - Principal Payment WW	$326,024	$11,736	$326,024	100.00%		
501-4502-6850 Debt Service Interest - Sewer	$33,899	$16,561	$33,899	100.00%		
501-4502-7010 Infrastructure - Facility & Equipment-Sewer Plan	$0	$0	$0	#DIV/0!		
501-4502-7070 Vehicles & Equipment CAPITAL BUDGET	$0	$0	$0	#DIV/0!		
501-4502-7080 Computers, Software & Elec Equip.>$5000 CAP E	$0	$0	$0	#DIV/0!		
501-4502-7090 Infrastructure - Sewerlines & Pump Stations	$0	$0	$0	#DIV/0!		
501-4502-7095 Work in Progress - CAPITAL BUDGET	$0	$0	$0	#DIV/0!		
501-4502-8000 Reserve for Plant Expansion - Facility Fees	$105,600	$0	$118,800	112.50%	13,200	facility fees, restricted
501-4502-8100 Wastewater Rate Increase Reserve - Future Year	$0	$0	$0	#DIV/0!		
Total Wastewater Dept	**$1,111,825**	**$185,070**	**$1,125,625**	**101.24%**	**13,800**	

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
Utility Billing Dept						
501-4503-1000 Regular Salaries & Wages-Utility Billing	$31,324	$8,434	$31,324	100.00%		
501-4503-1100 Regular Salaries & Wages OT-Util Billing	$0	$0	$0	#DIV/0!		
501-4503-2000 FICA Expense	$2,396	$684	$2,396	100.00%		
501-4503-2100 SUI Expense	$32	$0	$32	100.00%		
501-4503-2200 Retirement-ER VRS & ICMA-RC Contribution	$2,060	$515	$2,060	100.00%		
501-4503-2210 Life Insurance	$462	$115	$462	100.00%		
501-4503-2220 Disability Insurance, LTD & STD	$255	$50	$255	100.00%		
501-4503-2230 Worker's Comp	$21	$10	$21	100.00%		
501-4503-2300 Health Insurance	$8,010	$2,031	$8,010	100.00%		
501-4503-2310 Dental Insurance	$285	$71	$285	100.00%		
501-4503-2320 Vision Insurance	$0	$0	$0	#DIV/0!		
501-4503-2325 AFLAC Insurance Premiums - Town portion	$0	$0	$0	#DIV/0!		
501-4503-2340 Employee Assist Program	$0	$0	$0	#DIV/0!		
501-4503-2345 Employee/Volunteer Testing	$0	$0	$0	#DIV/0!		
501-4503-2360 Staff & Volunteer Appreciation	$0	$0	$0	#DIV/0!		
501-4503-3020 Maint Svc Contracts - Annual	$475	$167	$475	100.00%		
501-4503-3025 Repair Maint & Inspect Contracted Svcs	$0	$0	$0	#DIV/0!		
501-4503-3430 IT, Software, Scan & Website Services	$720	$0	$720	100.00%		
501-4503-3500 Advertising Services	$190	$0	$190	100.00%		
501-4503-3760 Cash Short & Over Util Billing	$0	$0	$0	#DIV/0!		
501-4503-5040 Phone Service, Landline & Wireless	$360	$90	$360	100.00%		
501-4503-5070 Postage	$6,300	$0	$6,300	100.00%		
501-4503-5110 Lease, Office Equipment	$1,900	$437	$1,900	100.00%		
501-4503-5200 Travel-Mileage, Parking & Tolls	$0	$0	$0	#DIV/0!		
501-4503-5210 Travel-Lodging & Meals	$0	$0	$0	#DIV/0!		
501-4503-5220 Conference	$0	$0	$0	#DIV/0!		
501-4503-5230 Education	$200	$0	$200	100.00%		
501-4503-5240 Books & Subscriptions	$0	$0	$0	#DIV/0!		
501-4503-5250 Dues & Memberships	$0	$0	$0	#DIV/0!		
501-4503-6000 Office Supplies	$1,411	$458	$1,411	100.00%		
501-4503-6150 Comptr, Sftware & Electronics < $5,000	$0	$0	$0	#DIV/0!		
Total Utility Billing Dept	**$56,401**	**$13,063**	**$56,401**	**100.00%**		
Total Expenditures Utility Fund	**$1,948,987**	**$337,515**	**$2,026,387**			
Utility FUND Projected Final Balance	**$0**		**$0**		**0**	

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
510 HARBOR FUND REVENUE						
510-3075-1000 Penalties & Interest - Harbor	$0	$0	$0	#DIV/0!		
510-3150-1000 Harbor Fuel Sales	$400,000	$275,981	$400,000	100.00%		
510-3150-1100 Miscellaneous Sales-Snacks, Drinks, Ice, Clothing	$7,500	$2,779	$7,500	100.00%		
510-3150-1200 Miscellaneous Sales-Boating Supplies	$8,000	$3,308	$8,000	100.00%		
510-3150-1300 Miscellaneous Sales-RTIC	$0	$9	$0	#DIV/0!		
510-3150-1500 Lube & Oil Sales	$3,000	$388	$3,000	100.00%		
510-3150-2000 Dockage Fees	$210,000	$148,662	$210,000	100.00%		
510-3150-2050 Special Event Revenue - Harbor	$0	$0	$0	#DIV/0!		
510-3150-2100 Harbor Electric Sales & Pump Out	$19,000	$9,816	$19,000	100.00%		
510-3150-2200 Lease/Storage Revenue	$10,000	$2,614	$10,000	100.00%		
510-3150-3000 Wharfage Fees	$10,000	$7,814	$10,000	100.00%		
510-3300-1520 Sale of Abandoned or Harbor Misc. Property	$0	$0	$0	#DIV/0!		
510-3400-1000 Lease - Restaurant Base Amount	$6,000	$1,500	$6,000	100.00%		
510-3600-4000 Insurance Proceeds, Refund or Rebate	$0	$0	$0	#DIV/0!		
510-3650-1000 Credit 1%/Debit$0.25 Card Fee Rev	$300	$279	$300	100.00%		
510-3650-1500 Recovery - Harbor Property Damages	$0	$0	$0	#DIV/0!		
510-3650-4000 Recovery - Harbor Miscellaneous	$0	$0	$0	#DIV/0!		
510-3670-1000 Discount Earned - Harbor (Sales & Use Tax, Misc	$16	$1	$16	100.00%		
510-3700-2200 Grant- Harbor USDA Rural Development	$0	$0	$0	#DIV/0!		
510-3800-2000 VA Port Authority Grant	$0	$0	$64,300	#DIV/0!	64,300	VPA grant for Ph 4 Inner Harb Rehab
510-3800-2050 Grant - Town Match	$0	$0	$0	#DIV/0!	0	
510-3800-3000 Grant - Federal Boating Infrastructure BIG	$0	$0	$30,754	#DIV/0!	30,754	Carryover from FY20
510-3800-3500 Grant Virginia Dept of Health - Pumpout Costs	$1,250	$0	$1,250	100.00%	0	
510-3800-5000 Grant - Litter Prevention Grant (DEQ)	$0	$0	$0	#DIV/0!	0	
510-3900-6000 Appropriation From Fund Balance	$0	$0	$86,037	#DIV/0!	86,037	Carryover from FY20 PH 3 IH Rehab, 44,609, and 21,400 for PH 4 IH rehab, 20,028 BIG Tier I match
510-3950-1000 Loan Proceeds Previous Year	$0	$0	$0	#DIV/0!		
510-3950-2000 Transfer from General Fund	$110,101	$0	$110,101	100.00%		
510-3950-2100 Loan Proceeds - USDA Rural Developement	$0	$0	$0	#DIV/0!		
Total Harbor Revenue	**$785,167**	**$453,149**	**$966,257**	**123.06%**	**181,090**	

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
	Harbor Fund Expenditures					
510-4713-1000 Regular Salaries & Wages-Harbor	$119,748	$32,893	$119,748	100.00%		
510-4713-1100 Regular Salaries & Wages OT Harbor	$1,500	$0	$1,500	100.00%		
510-4713-1200 PT Salaries & Wages Harbor	$0	$0	$0	#DIV/0!		
510-4713-1300 PT Salaries & Wages OT Harbor	$0	$0	$0	#DIV/0!		
510-4713-1400 Seasonal Wages Harbor	$34,995	$11,667	$34,995	100.00%		
510-4713-1500 Seasonal Wages OT	$1,890	$570	$1,890	100.00%		
510-4713-1600 Bonus & Increase Pool Harbor Fund	$0	$0	$0	#DIV/0!		
510-4713-1800 Allocated Wages	$11,234	$2,746	$11,234	100.00%		
510-4713-2000 FICA Expense	$12,097	$3,411	$12,097	100.00%		
510-4713-2100 SUI Expense	$288	$28	$288	100.00%		
510-4713-2200 Retirement-ER VRS & ICMA-RC Contribution	$4,965	$967	$4,965	100.00%		
510-4713-2210 Life Insurance	$1,112	$217	$1,112	100.00%		
510-4713-2220 Disability Insurance, LTD & STD	$692	$94	$692	100.00%		
510-4713-2230 Worker's Comp	$7,467	$2,084	$7,467	100.00%		
510-4713-2300 Health Insurance	$18,690	$3,801	$18,690	100.00%		
510-4713-2310 Dental Insurance	$665	$143	$665	100.00%		
510-4713-2320 Vision Insurance	$0	$0	$0	#DIV/0!		
510-4713-2325 AFLAC Insurance Premiums - Town portion	$0	$0	$0	#DIV/0!		
510-4713-2340 Employee Assist Program	$0	$0	$0	#DIV/0!		
510-4713-2345 Employee/Volunteer Testing	$0	$0	$0	#DIV/0!		
510-4713-2360 Staff & Volunteer Appreciation	$0	$0	$0	#DIV/0!		
510-4713-2800 Allocated Benefits	$5,790	$809	$5,790	100.00%		
510-4713-3000 Contract Labor	$0	$0	$0	#DIV/0!		
510-4713-3005 Program & Event Performers & Entertainers	$0	$0	$0	#DIV/0!		
510-4713-3020 Maint Svc Contracts - Annual	$4,200	$1,163	$4,200	100.00%		
510-4713-3025 Repair Maint & Inspect Contracted Svcs	$400	$79	$400	100.00%		
510-4713-3030 Lease - Storage	$0	$0	$0	#DIV/0!		
510-4713-3040 Grounds Maintenance	$1,500	$0	$1,500	100.00%		
510-4713-3200 Cleaning and Janitorial Services	$0	$0	$0	#DIV/0!		
510-4713-3410 Management Consulting	$0	$0	$0	#DIV/0!		
510-4713-3420 Engineering & Architect Svcs Harbor	$0	$0	$0	#DIV/0!		
510-4713-3430 IT, Software, Scan & Website Services	$2,700	$305	$2,700	100.00%		
510-4713-3450 Printing & Design Services	$0	$0	$0	#DIV/0!		
510-4713-3500 Advertising Services	$6,700	$2,000	$6,700	100.00%		
510-4713-3730 Bank Service Charges Harbor	$700	$0	$700	100.00%		
510-4713-3740 Merchant Service Charges	$18,000	$13,058	$18,000	100.00%		
510-4713-3760 Cash Short & Over Harbor	$0	($237)	$0	#DIV/0!		
510-4713-4090 Grant Exp - Litter Prevention Rec	$0	$0	$0	#DIV/0!		
510-4713-4140 Grant Exp -BIG Tier I Repair & Maint splies & svc	$0	$0	$0	#DIV/0!		
510-4713-4150 Grant Exp -Harbor Misc Grant	$0	$34	$0	#DIV/0!		

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
510-4713-4160 Grant Exp - VDH BIG	$0	$71	$0	#DIV/0!		
510-4713-4170 Grant Exp - VA Port Authority	$0	$0	$0	#DIV/0!		
510-4713-4180 Grant Ex. - Northampton County Tourism	$0	$0	$0	#DIV/0!		
510-4713-5010 Electric Service	$24,000	$5,847	$24,000	100.00%		
510-4713-5020 Propane & Fuel Oil Exp	$800	$0	$800	100.00%		
510-4713-5030 Water Expense Harbor	$750	$346	$750	100.00%		
510-4713-5035 Sewer Expense Harbor	$1,400	$577	$1,400	100.00%		
510-4713-5040 Phone Service, Landline & Wireless	$1,050	$109	$1,050	100.00%		
510-4713-5050 Internet & Cable Services	$0	$0	$0	#DIV/0!		
510-4713-5060 Security Monitoring Services	$0	$0	$0	#DIV/0!		
510-4713-5070 Postage	$0	$0	$0	#DIV/0!		
510-4713-5110 Lease, Office Equipment	$600	$149	$600	100.00%		
510-4713-5200 Travel-Mileage, Parking & Tolls	$0	$0	$0	#DIV/0!		
510-4713-5210 Travel-Lodging & Meals	$0	$0	$0	#DIV/0!		
510-4713-5220 Conference	$0	$0	$0	#DIV/0!		
510-4713-5230 Education	$0	$0	$0	#DIV/0!		
510-4713-5240 Books & Subscriptions	$0	$0	$0	#DIV/0!		
510-4713-5250 Dues & Memberships	$0	$0	$0	#DIV/0!		
510-4713-5300 Insurance, Property & General Liability	$23,566	$12,077	$23,566	100.00%		
510-4713-5340 Licensing	$0	$0	$0	#DIV/0!		
510-4713-6000 Office Supplies	$3,000	$291	$3,000	100.00%		
510-4713-6025 Janitorial & Kitchen Supplies	$2,500	$605	$2,500	100.00%		
510-4713-6050 Uniforms Expense	$1,200	$0	$1,200	100.00%		
510-4713-6075 Hand Tools, & Small Equipment	$1,500	$611	$1,500	100.00%		
510-4713-6080 Safety Equipment	$1,500	$0	$1,500	100.00%		
510-4713-6100 Program & Event Supplies & Awards	$4,000	$0	$4,000	100.00%		
510-4713-6150 Comptr, Sftware & Electronics < $5,000	$700	$0	$700	100.00%		
510-4713-6175 Vehicles & Powered Equipment Fuel	$1,500	$240	$1,500	100.00%		
510-4713-6200 Vehicle & Powered Equip. Supplies & Svcs	$8,000	$188	$8,000	100.00%		
510-4713-6225 Repair & Maintenance Supplies Harbor	$32,500	$13,805	$32,500	100.00%		
510-4713-6230 Repair & Maint Suppl Reimbrsbl	$2,000	$0	$2,000	100.00%		
510-4713-6400 COGS - Fuel for Resale	$297,000	$186,359	$297,000	100.00%		
510-4713-6410 COGS - Lube & Oil for Resale	$1,200	$241	$1,200	100.00%		
510-4713-6420 COGS - Boating Supplies for Resale	$6,000	$4,749	$6,000	100.00%		
510-4713-6430 COGS - Maps/Charts for Resale	$1,000	$0	$1,000	100.00%		
510-4713-6440 COGS - Clothing for Resale	$5,000	$0	$5,000	100.00%		
510-4713-6450 COGS - Food & Drink for Resale	$1,000	($88)	$1,000	100.00%		
510-4713-6460 COGS - Ice for Resale	$2,300	$1,718	$2,300	100.00%		
510-4713-6470 COGS - Coolers and Drinkware	$2,500	$0	$2,500	100.00%		
510-4713-6770 COGS - Miscellaneous for Resale	$0	$0	$0	#DIV/0!		
510-4713-6800 Debt Service - Principal Payment HRB	$75,955	$20,322	$75,955	100.00%		

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
510-4713-6850 Debt Service Interest - Harbor	$27,312	$13,602	$27,312	100.00%		
510-4713-6900 Contingency Fund Expense Harb Fund	$0	$0	$0	#DIV/0!		
510-4713-7010 Building, Equipment, Other CAPITAL BUDGET	$0	$0	$0	#DIV/0!		
510-4713-7060 Infrastructure - Breakwaters & Jetties	$0	$0	$0	#DIV/0!		
510-4713-7070 Vehicles & Equipment CAPITAL BUDGET	$0	$0	$0	#DIV/0!		
510-4713-7080 Computers, Software & Elec Equip.>$5000 CAP E	$0	$2,350	$35,000	#DIV/0!	35,000	Carryover From FY20 WIFI/camera/lighting
510-4713-7085 Infrastructure - Docks & Misc CAP BDGT	$0	$60,390	$146,090	#DIV/0!	146,090	Carryover from FY2 PH3 IH Rehab 60,390, new addition PH4 85,700 (grant 64.3, match 21,4K)
510-4713-7090 Equipment, Other CAPITAL BDGT	$0	$0	$0	#DIV/0!	60,054	
510-4713-7095 Work in Progress	$0	$0	$0	#DIV/0!		
510-4713-7100 Depreciation Expense - Harbor	$0	$0	$0	#DIV/0!		
Total Harbor Fund Expenses	**$785,167**	**$400,393**	**$966,257**	**123.06%**	**181,090**	
HARBOR FUND Projected Final Balance	**$0**		**$0**	**#DIV/0!**	**0**	

General Ledger Account	2021 Budget	Actual YTD Sept	Projected FY Actual	Variance to orig budget	Increase or Decrease over original budget	NOTES
	520 SANITATION FUND					
520-3150-1000 Refuse Collection Fees	$196,997	$50,431	$196,997	100.00%		
520-3150-2000 Bulk refuse collection fees	$600	$100	$600	100.00%		
520-3150-3000 Miscellaneous Refuse fees	$0	$0	$0	#DIV/0!		
520-3150-4000 Penalties & Interest - Garbage Charges	$2,000	$0	$2,000	100.00%		
520-3900-6000 Appropriation from Fund Balance	$20,677	$0	$20,677	100.00%		
Total Sanitation Fund Revenue	**$220,274**	**$50,531**	**$220,274**	**100.00%**	**0**	
520-4520-3020 Maint Svc Contracts	$207,773	$52,823	$207,773	100.00%		
520-4520-3500 Advertising Services	$0	$0	$0	#DIV/0!		
520-4520-5300 Insurance, Property & General Liability	$705	$361	$705	100.00%		
520-4520-6225 Repair & Maintenance Supplies Sanitation	$0	$0	$0	#DIV/0!		
520-4520-7090 Bulding, Equipment, Other CAPITAL BUDGET	$11,796	$0	$11,796	100.00%		
Total Sanitation Fund Expenses	**$220,274**	**$53,184**	**$220,274**	**100.00%**	**0**	
SANITATION FUND Projected Final Balance	**$0**		**$0**	**#DIV/0!**	**0**	

TOWN OF CAPE CHARLES	**AGENDA TITLE:** Capital Asset Management Program – Resolution 20201119C	**AGENDA DATE:** November 19, 2020
	SUBJECT/PROPOSAL/REQUEST: Approve the Proposed FY 2020/2021 Budget Amendment & Appropriate Funds	**ITEM NUMBER:** 7A.ii
	ATTACHMENTS: Resolution 20201119B, Capital Asset Management Program Schedule	**FOR COUNCIL:** Action (X) Information ( )
	STAFF CONTACT (s): Libby Hume	**REVIEWED BY:** John Hozey, Town Manager

BACKGROUND:

A Capital Asset Management Program (CAMP) is a tool to assist the governing body of a municipality in planning and managing major equipment and facilities required to maintain or improve services or to respond to anticipated growth. A CAMP is intended to provide a complete picture of the town's major development needs (i.e., capital projects) over at least the next six years by showing when, and at what cost, the town expects to expand or provide services and facilities in that period. The reason for undertaking this overall approach to capital improvement planning is to balance the varying equipment and facilities needs of the Town of Cape Charles and to assess these in comparison to other Town needs.

On October 15, 2020, Council adopted the first official CAMP.

DISCUSSION:

On October 29, 2020, Council approved the six-year CAMP schedule and the projects earmarked for Fiscal Year 2020/2021 were included in the amended budget in the following amounts:

General Fund:

- $45K for Municipal Building Renovation or Replacement – Feasibility Study
- $20K for Multi-Use Trail Phase 2 Closeout (partially grant funded)
- $5K for Mason Avenue Pull-in Parking
- $14K for Central Park Zip Line Replacement (partially grant funded)

Utility Fund:

- $55K for Water Tower Mixers

The total amount included in the amended budget amounts to $139K.

Pursuant to § 15.2-2507 of the Code of Virginia, the amended budget and the CAMP schedule was advertised, and a public hearing was held earlier this evening.

RECOMMENDATION:

Staff recommends adoption of Resolution 20201119B – To Amend and Adopt the Capital Asset Management Program by roll call vote.

RESOLUTION 20201119B

TO AMEND AND ADOPT THE CAPITAL ASSET MANAGEMENT PROGRAM

WHEREAS, a Capital Asset Management Program (CAMP) involves the scheduling of the cost of public equipment and infrastructure over several years; AND

WHEREAS, a well thought out and comprehensive CAMP serves as a valuable municipal tool designed to anticipate and meet the needs of the community, while at the same time scheduling the costs in a deliberate approach, and

WHEREAS, on October 15, 2020, the first official Capital Asset Management Plan was adopted by the Town Council, and

WHEREAS, on October 29, 2020, the Cape Charles Town Council approved the Six-Year Capital Asset Management Program and the Fiscal Year 2021 projects were included in the amended Fiscal Year 2021 budget in the following amounts: $84,000 in the General Fund, and $55,000 in the Utility Fund, for a total of $139,000; and

WHEREAS, on November 19, 2020 the Cape Charles Town Council conducted a public hearing to consider the Six-Year Capital Asset Management Program for fiscal years 2021 through 2026; and

WHEREAS, the Town Council has considered the input of the public and the recommendations of its staff and has determined it to be in the public interest to adopt the Six-Year CAMP for fiscal years 2021 through 2026; and

WHEREAS, the proposed updated CAMP represents municipal projects to be addressed over the next six year implementation period;

THEREFORE, BE IT RESOLVED that the Town Council of the Town of Cape Charles hereby amends and adopts the Town of Cape Charles' CAMP as presented.

****

Adopted by the Town Council of Cape Charles on November 19, 2020.

By: ____________________________________

Mayor William Dize

ATTEST:

____

Town Clerk

Project List

General Fund

Project name	Priority	Category	Level	Town Cost	2021	2022	2023	2024	2025	2026
Municipal Building Renovation or Replacement	High	I	A	$ 945,000	$ 45,000	$ 450,000	$ 450,000			
Storm Drain CCTV & Mapping, Phase 2	High	II	A	$ 30,000		$ 30,000				
Replace PW Butler Building	Medium	I	A	$ 120,000			$ 120,000			
Multi-Use Trail Phase 2 Closeout*	High	II	A	$ 20,000	$ 20,000					
Mason Ave Pull-in Parking	High	III	B	$ 20,000	$ 5,000	$ 15,000				
Multi-Use Trail Phase 3 Construction*	High	III	B	$ 200,000		$ 200,000				
Replace Zip Line in Park*	Medium	II	B	$ 14,000	$ 14,000					
South Beach Restroom Renovation*	Medium	II	B	$ 40,000			$ 40,000			
Beach Sand Mover/Blower	Medium	II	B	$ 10,300			$ 10,300			
Beach ADA Access Mats	High	III	B	$ 10,000			$ 10,000			
Park Gazebo Upgrades	Medium	II	B	$ 25,000		$ 25,000				
Tazewell Beach Access	Medium	II	B	$ 25,000			$ 25,000			
Town Trash Can Replacements	Medium	II	B	$ 25,000		$ 25,000				
Park Fountain Upgrades	Medium	II	B	$ 20,000		$ 20,000				
Sidewalk Infill	Low	IV	C	$ 582,000			$ 22,000	$ 20,000	$ 365,000	$ 175,000
Adult Game Area in the Park*	Low	IV	C	$ 10,200			$ 10,200			
Pine St Parking Lot	Low	IV	C	$ 230,000				$ 10,000	$ 70,000	$ 150,000
Multi-Use Trail Phase 4*	Low	IV	C	$ 256,324			$ 36,200	$ 220,124		
Multi-Use Trail Phase 5*	Low	IV	C	$ 119,200					$ 19,000	$ 100,200

	Town Cost	2021	2022	2023	2024	2025	2026
GF Total - 2020 dollars	$ 2,702,024	$ 84,000	$ 765,000	$ 723,700	$ 250,124	$ 454,000	$ 425,200
Inflation adjusted dollars (3%)	$ 2,909,167	$ 84,000	$ 787,950	$ 767,122	$ 272,635	$ 508,480	$ 488,980
Harbor Fund	$ 52,000		$ 42,000	$ 10,000			
Utilities Fund	$ 8,707,000	$ 55,000	$ 136,000	$ 792,000	$ 340,000	$ 2,050,000	$ 5,400,000
Sanitation Fund	$ 12,000					$ 12,000	
Grand Total - 2020 dollars	$ 11,473,024	$ 139,000	$ 943,000	$ 1,525,700	$ 590,124	$ 2,516,000	$ 5,825,200
Inflation adjusted dollars (3%)	$ 12,839,867	$ 139,000	$ 971,290	$ 1,617,242	$ 595,435	$ 2,817,920	$ 6,698,980

*Partially Grant Funded

Project List

Harbor Fund

Project name	Priority	Category	Level	Town Cost	2021	2022	2023	2024	2025	2026
Inner Harbor Rehabilitation, Phase 4*	Medium	II	B	$ 21,400	$ 21,400					
Harbor Capital Plan Evaluation	Medium	II	B	$ 20,000		$ 20,000				
Harbor Pergola*	Low	III	C	$ 10,000		$ 10,000				
2020 dollars				$ 51,400	$ 21,400	$ 30,000	$ -	$ -	$ -	$ -
Inflation adjusted dollars (3%)					$ 21,400	$ 30,900	$ -	$ -	$ -	$ -

*Partially Grant Funded

Project List

Utilities Fund

Project name	Priority	Category	Level	Town Cost	2021	2022	2023	2024	2025	2026
Water Tower Mixers	Medium	I	A	$ 55,000	$ 55,000					
WWTP Membrane Replacement	Medium	I	A	$ 500,000			$ 250,000	$ 250,000		
Washington Ave Pump Station Upgrade	Medium	II	B	$ 90,000		$ 36,000	$ 120,000			
Remote Read Water Meters*	Medium	II	B	$ 60,000		$ 20,000	$ 20,000	$ 20,000		
WTP Emergency Bypass	Medium	II	B	$ 37,000			$ 37,000			
WTP Refurbishment	Medium	II	B	$ 80,000			$ 40,000	$ 40,000		
WTP Backwash Holding Tank	Medium	II	B	$ 30,000				$ 30,000		
WTP Upgrade Analysis	Medium	III	B	$ 30,000		$ 30,000				
Connect Keck Wells to WTP	Low	III	C	$ 375,000		$ 50,000	$ 325,000			
Water/Sewer Extension - Old Cape Charles Road	Low	IV	C	$ 450,000					$ 50,000	$ 400,000
WTP Expansion	Low	IV	C	$ 2,000,000					$ 2,000,000	
WWTP Expansion	Low	IV	C	$ 5,000,000						$ 5,000,000

	Town Cost	2021	2022	2023	2024	2025	2026
2020 dollars	$ 8,707,000	$ 55,000	$ 136,000	$ 792,000	$ 340,000	$ 2,050,000	$ 5,400,000
Inflation adjusted dollars (3%)		$ 55,000	$ 140,080	$ 839,520	$ 370,600	$ 2,296,000	$ 6,210,000

*Partially Grant Funded

Project List

Sanitation Fund

Project name	Priority	Category	Level	Town Cost	2021	2022	2023	2024	2025	2026
Trash Can Replacements	Medium	II	B	$ 12,000					$ 12,000	
2020 dollars				$ 12,000	$ -	$ -	$ -	$ -	$ 12,000	$ -
Inflation adjusted dollars (3%)					$ -	$ -	$ -	$ -	$ 13,440	$ -

*Partially Grant Funded

TOWN OF CAPE CHARLES		
	AGENDA TITLE: General Operating Reserve – Resolution 20201119C	**AGENDA DATE** November 19, 2020
	SUBJECT/PROPOSAL/REQUEST: Establishing a general operating reserve as a committed portion of the town's general fund balance	**ITEM NUMBER:** 7B.i.
	ATTACHMENTS: Resolution 20201119C	**FOR COUNCIL:** Action (X) Information ( )
	STAFF CONTACT (s): John Hozey, Town Manager	**REVIEWED BY:** John Hozey, Town Manager

BACKGROUND:

Revenues throughout a fiscal year do not always come in precisely when they are needed. For example, property taxes aren't received until late in the calendar year. Other revenue sources (like meals and transient occupancy taxes) typically arrive late summer-early fall. It is not uncommon, therefore, for us to have a negative cash flow in some portions of the fiscal year. This simply means that more money is being paid out than is coming in. Fund balance accumulations from prior years have typically been used to finance these expenditures. Then as revenues come in, these funds are restored to the fund balance. Thus, cash flow needs dictate a need for a fund balance, or a committed reserve dedicated to preserving cash flow and liquidity needs of the Town.

ITEM SPECIFICS:

There is currently no requirement to maintain any fund balance in Cape Charles, nor is there any dedicated cash flow reserve. It is therefore recommended that we establish a General Operating Reserve (GOR) for this purpose. Note that once established, this committed reserve cannot be appropriated for any other specific use, but must always remain available to meet cash flow requirements of the Town.

There are many theories and practices regarding how much should be dedicated to this function. Most theoretical approaches say there should be between one month (8.3%) to three months (25%) of the general operating budget held in reserve. However, research has indicated that most smaller municipalities (between 500 to 2500 in population) typically maintain closer to 30-40% as a reserve. Generally speaking, the smaller the community, the greater the percentage.

The takeaway is that there is not one "right" amount for all. Each municipality must evaluate their unique situation and set a prudent amount based on their circumstance. The information above was meant to provide a general idea of typical ranges.

RECOMMENDATION:

Assuming other reserves are also established (i.e. Contingency Reserve, see next item), staff is comfortable recommending a GOR equivalent to 20% of operating expenses. Therefore, staff recommends approval of this resolution.

RESOLUTION 20201119C

ESTABLISHING A GENERAL OPERATING RESERVE AS A COMMITTED PORTION OF THE TOWN'S GENERAL FUND BALANCE

WHEREAS, the Town of Cape Charles uses fund accounting to manage its financial affairs; and

WHEREAS, the Town of Cape Charles does not always receive sufficient anticipated revenues in time to cover needed planned expenditures; and

WHEREAS, the Town Council recognizes the necessity of maintaining a committed cash reserve to ensure there are always sufficient funds on hand to meet the cash flow and liquidity needs of the Town; and

WHEREAS, the Town Council desires to formally commit funds to a General Operating Reserve (GOR) with the intent for it to remain as a committed general fund balance in perpetuity to meet the cash flow and liquidity needs of the Town; and

WHEREAS, the Town Council hereby establishes that all fund balance designations be made through the passage of a resolution; and

NOW, **THEREFORE, BE IT RESOLVED**, that the Town Council of the Town of Cape Charles hereby establishes a General Operating Reserve (GOR) to maintain the cash flow and liquidity needs of the Town as specified herein:

1. The GOR will be adjusted with each budget cycle to equal twenty percent (20%) of the upcoming fiscal year's general operating expenses (less external grants or pass through funds)
2. The GOR will be designated as a committed portion of the general fund balance
3. The GOR may only be decreased or appropriated for another purpose upon approval of a super majority of the Town Council

This resolution shall become effective upon approval.

Adopted by the Town Council of Cape Charles on this 19th day of November 2020

____
Mayor

ATTEST: ____________________________________
Clerk of the Council

TOWN OF CAPE CHARLES	**AGENDA TITLE:** Establishment of Contingency Reserve – Resolution 20201119D		**AGENDA DATE** November 19, 2020
	SUBJECT/PROPOSAL/REQUEST: Establishing a contingency reserve as an assigned portion of the town's general fund balance		**ITEM NUMBER:** 7B.ii
	ATTACHMENTS: Resolution 20201119D		**FOR COUNCIL:** Action (X) Information ( )
	STAFF CONTACT (s): John Hozey, Town Manager	**REVIEWED BY:** John Hozey, Town Manager	

BACKGROUND:

As witnessed during the Covid-19 pandemic, we can sometimes experience significant volatility in our revenue as events beyond our control can create severe, unanticipated shortfalls. Other events, such as natural disasters, or unique opportunities that arise without notice, can create the need for unbudgeted expenditures. While the Town does maintain a line of credit ($500,000) that might be used to address such contingencies; adding to our liabilities and incurring interest charges at a time of fiscal stress should probably be considered a last resort.

ITEM SPECIFICS:

Assigned fund balances are the preferred mechanism to address contingencies needs. But again, there is currently no requirement for the Town to maintain any general fund balance, for this or any other purpose. So, it is recommended that in addition to the GOR discussed in the previous item, we also establish a Contingency Reserve, similar to the Rainy-Day Fund previously discussed by the Council (January 2020).

The appropriate amount for a Contingency Reserve is also unique to the municipality. Often it is driven more by what is available, then adjusted over time as more resources become available and the need better defined. Maintaining a Contingency Reserve equivalent to 10% of operating expenses is a worthy goal. This would constitute an assigned reserve that would be used/managed/maintained by a prescribed set of procedures as outlined in this resolution.

RECOMMENDATION:

Staff recommends approval of this resolution.

RESOLUTION 20201119D

ESTABLISHING A CONTINGENCY RESERVE AS AN ASSIGNED PORTION OF THE TOWN'S GENERAL FUND BALANCE

WHEREAS, the Town of Cape Charles uses fund accounting to manage its financial affairs; and

WHEREAS, the Town of Cape Charles has at times experienced unanticipated revenue shortfalls and/or unplanned needs or emergencies requiring unbudgeted expenditures; and

WHEREAS, the Town Council recognizes the prudence of maintaining an assigned cash reserve to ensure there are sufficient resources on hand to compensate for unanticipated revenue shortfalls or to handle urgent unbudgeted expenditures of the Town; and

WHEREAS, the Town Council desirers to formally assign funds to a Contingency Reserve (CR) with the intent for it to be maintained as an assigned general fund balance for use as needed to address important unbudgeted impacts to the Town; and

WHEREAS, the Town Council hereby establishes that all fund balance designations be made through the passage of a resolution; and

NOW, **THEREFORE, BE IT RESOLVED**, that the Town Council of the Town of Cape Charles hereby establishes a Contingency Reserve (CR) to provide the Town with the flexibility to address unbudgeted or unanticipated requirements as outlined herein:

1. The CR should be adjusted with each budget cycle with the intent to create a reserve equal to ten percent (10%) of the upcoming fiscal year's general operating expenses (less external grants or pass through funds)
2. The Town Council may appropriate up to fifty percent (50%) of the available CR balance as part of the annual budget so that it is readily available for use under the following circumstances:
    a. At the discretion of the Town Manager for necessary unbudgeted expenses associated with an Emergency as certified by the Mayor; all such expenditures will be reported to the Town Council as soon as practicable
    b. At the discretion of the Town Manager to offset an overall budgeted general operating revenue shortfall of greater than one percent (1%); all such transfers will be reported to the Town Council as soon as practicable
3. The Town Council may appropriate up to fifty percent (50%) of the available CR balance, less funds that may be known or anticipated for use in 2 above, for an unforeseen and immediate opportunity that the Town Council determines to be in the best interest of the Town
4. Appropriation of funds greater than fifty percent (50%) of what was projected to be available within the current fiscal year, may only occur with the concurrence of a super majority of the Town Council

5. All expenditures that cause the CR balance to fall below an amount of $250,000 will be accompanied with a plan to replenish such funds to at least this level within three years
6. The CR will be designated as an assigned portion of the general fund balance

This resolution shall become effective upon approval.

Adopted by the Town Council of Cape Charles on this 19th day of November 2020

____
Mayor

ATTEST: __________________________________
Clerk of the Council

<table>
<tr><td rowspan="4">TOWN OF
CAPE
CHARLES</td><td colspan="2">AGENDA TITLE: Establishment of Debt Service and Capital Improvement Funds – Resolution 20201119E</td><td>AGENDA DATE
November 19, 2020</td></tr>
<tr><td colspan="2">SUBJECT/PROPOSAL/REQUEST: Establishing a debt service fund and capital improvement fund as part of the town's general government accounting system</td><td>ITEM NUMBER:
7B.iii</td></tr>
<tr><td colspan="2">ATTACHMENTS: Resolution 20201119E</td><td>FOR COUNCIL:
Action (X)
Information ( )</td></tr>
<tr><td>STAFF CONTACT (s):
John Hozey, Town Manager</td><td colspan="2">REVIEWED BY:
John Hozey, Town Manager</td></tr>
</table>

BACKGROUND:

General Governmental budgets can generally be divided into the following spending categories:

- General Operations
- Debt Service
- Capital Expenditures

It is very common to combine all three of these categories into one General Fund for accounting purposes. This is appropriate because all three categories are typically funded by the same general revenues (predominately taxes). However, while this can prove to be an efficient accounting technique, it can make strategic planning very difficult.

ITEM SPECIFICS:

When all this spending is lumped together, it can be hard to see patterns or trends, as one category can obscure the others. This lack of transparency makes it harder for public officials (and the public at large) to monitor desired fiscal or policy goals. To address this problem, separate accounting funds can be set up for each of these categories:

- General Operating Fund
- Debt Service Fund
- Capital Improvement Fund

When each of these functions are accounted for separately, specific rules, procedures, and/or goals can be put in place for each. The General Operating Fund would function just as the General Fund does now, except that it would exclude all revenues and expenditures associated with Debt Service and Capital Improvements.

By setting up a Debt Service Fund and/or Capital Improvement Fund, the organization can precisely track how much of its resources are dedicated to, and used for, each purpose. It enables strategic budgeting so that an organization can live within its means while achieving a set of prioritized goals.

The Debt Service Fund or Capital Improvement Fund would be funded with a pre-determined percentage of the General Core Revenues. *Core Revenue* is defined as all general revenues, less all pass-through funds, all grant revenue, transfers from reserves, and all proceeds associated with any kind of debt.

RECOMMENDATION:

Staff recommends approval of this resolution.

RESOLUTION 20201119E

ESTABLISHING A DEBT SERVICE FUND AND CAPITAL IMPROVEMENT FUND AS PART OF THE TOWN'S GENERAL GOVERNMENT ACCOUNTING SYSTEM

WHEREAS, the Town of Cape Charles uses fund accounting to manage its financial affairs; and

WHEREAS, the Town of Cape Charles has historically utilized one General Fund to account for all general government operational revenues and expenses; and

WHEREAS, combining all government activities into one fund can lack transparency, where one function could potentially obscure the solvency of others; and

WHEREAS, the Town Council wishes to segregate accounting for debt service and capital improvements, to better track these functions individually and to provide a more accurate presentation of the fiscal health for a remaining general operations fund; and

WHEREAS, a debt service fund and a capital improvement fund would be funded by a pre-determined percentage of general core operating revenues; general core operating revenues being defined as all general government revenues, less pass through funds, grant revenue, transfers from reserves, or proceeds associated with debt; and

NOW, **THEREFORE, BE IT RESOLVED**, that the Town Council of the Town of Cape Charles hereby establishes a new general government fund accounting structure as specified herein:

1. A **Debt Service Fund** (DSF) operating under the following parameters:
   a. DSF will service all debt payments of the Town
   b. DSF will be funded with an internal transfer each fiscal year of up to eight percent (8%) of general core operating revenues
   c. Commitments to transfer greater than eight percent (8%) of general core operating revenues may only occur upon a super majority approval of the Town Council
   d. New revenue sources may be developed and dedicated to this fund in addition to the allocation outlined in 1.b. above

2. A **Capital Improvement Fund** (CIF) operating under the following parameters:
   a. CIF will receive all external revenues associated with capital projects and account for all expenditures associated with the Town's capital projects
   b. CIF will be funded with an internal transfer each fiscal year of a minimum of six percent (6%) of general core operating revenues
   c. New revenue sources may be developed and dedicated to this fund in addition to the allocation outlined in 2.b. above

3. A **General Operating Fund** (GOF) operating under the following parameters:
   a. GOF will account for all general government revenues and expenditures not associated with the DSF or CIF

BE IT FURTHER RESOLVED, that the Town's existing proprietary funds remain unaffected and in force.

This resolution shall become effective upon approval.

Adopted by the Town Council of Cape Charles on this 19th day of November 2020

____
Mayor

ATTEST: ____________________________________
Clerk of the Council

TOWN OF CAPE CHARLES	**AGENDA TITLE:** Strategic Revenue Program		**AGENDA DATE** November 19, 2020
	SUBJECT/PROPOSAL/REQUEST: Establishing a Strategic Revenue Program		**ITEM NUMBER:** 7B.iv
	ATTACHMENTS: Strategic Revenue Program		**FOR COUNCIL:** Action (X) Information ( )
	STAFF CONTACT (s): John Hozey, Town Manager	**REVIEWED BY:** John Hozey, Town Manager	

BACKGROUND:

Upon a detailed review of the Town's budget history, it was discovered that over the past twelve years, general operating expenses have increased on average 2% greater than general revenues. This was largely obscured by other functions such as grants, pass through funds, loans, and draws on our reserves, making it difficult to see the real picture. The cumulative affect over this time has resulted in the FY21 operating budget for the Town experiencing a structural deficit.

ITEM SPECIFICS:

Accounting changes are needed to provide better transparency to the Town's fiscal position (see previous items). This will enable public officials to better monitor the financial health of the Town. But also needed is a longer-term view of revenue needs so that policy makers can plan strategic goals realistically and the public can understand these long-term costs. This will keep us from falling back into a deficit while still moving the Town forward.

Once our operations and programs become solvent, we need to keep them that way. This will involve a detailed discussion about expected growth patterns and community goals. A policy needs to be established to require revenue increases over a six-year planning horizon that will cover expected expenses, to include inflation. The specifics of what that might entail will be revised each year. But an overall program should be adopted that details the process to be followed and the goal of staying in balance. The attached Strategic Revenue Program (SRP) sets out such a policy/program.

RECOMMENDATION:

Staff recommends approval of the Strategic Revenue Program as presented.

TOWN OF Cape Charles
Strategic Revenue PROGRAM (SRP)

November 19, 2020

Background

Long-term revenue planning is essential for any community, yet it is rarely done. Theoretically, a town budget is developed based on the needs or desires of the community (as determined by elected officials), and then a tax rate is set to cover those costs. The theory is that since expenditures are ultimately charged directly to the public, the public remains engaged in the process, ensuring budgets are reasonable and cost effective.

But as a practical matter, the general public does not typically have the time or the information necessary to take on this supervisory role. Public input during the budget process usually involves special interest groups advocating for their needs; and wanting cuts made elsewhere. This puts elected officials in a difficult position, where they seldom feel there is broad public support to increase revenue. This can lead to either underfunding requirements, or unstainable practices like taking on debt or drawing from finite reserves; the proverbial, “kicking the can down the road.” If not dealt with in a strategic way, the long-term result can be truly unfortunate.

There is no comfortable way to address increased revenue (tax increases). Nobody likes to pay taxes. But if presented strategically, as part of a well thought out plan; most citizens are willing to shoulder their share of governmental obligations. It is therefore necessary for the public to develop a feeling of trust and confidence in the process. When tax increases are proposed based on one-year spending plans, this confidence is undermined as there is no guarantee that government won’t be back the following year and want even more.

Strategic Revenue Planning Defined

Strategic Revenue Planning involves the development of reasonable long-term projections for future revenue needs. Projections that will account for the relentless effects of inflation, as well as what might be needed to achieve strategic long-term goals. This can be translated into a series of pre-planned revenue adjustments, associated with certain assumptions. Should assumptions develop as planned, tax increases would occur according to the prescribed schedule. By providing a reasoned long-term approach, credibility can be achieved, and public support becomes more likely.

Tax revenues generally increase through growth of the tax base, an increase in the tax rates, or a combination of the two. Brand new taxes are also an option. Accurate assumptions regarding tax base growth is then key to planning but are still just estimates. It is hoped that growth alone might generate the needed cash, but the reality is long-term planning is only possible if there is a willingness to underwrite that growth with rate increases when needed. Note, this same concept applies to setting fees for enterprise funds like those used for utilities.

Program Components

First is to ascertain whether current revenues are meeting current requirements. If there is an existing structural deficit, that deficit must be addressed. Revenue increases needed to balance the budget will be specific to the situation, and likely somewhat painful upfront. But once balanced, maintenance is less painful as it would be part of a longer-term strategy.

Next, strategic revenue planning must always include planned increases at least equal to inflation. While inflation is never constant, it is reasonable to use historic long-term averages. A planning goal of 2.5% of core revenue is a valid assumption. *Core Revenue* is defined as all general revenues, less all pass-through funds, all grant revenue, any transfers from reserves, and all proceeds associated with debt.

Beyond inflation and balancing the budget, are the resources needed to accomplish specific community-wide strategic goals. This would be layered on in addition to what was discussed above and following formal strategic planning sessions where budgetary (revenue) constraints were known. Having a long-term revenue plan enables a more practical approach to this type of broader strategic community planning, as decision makers understand just what resources they have to work with. The planning horizon for this effort should be consistent with other planning efforts. As the Town's newly adopted Capital Asset Management Program plans for a six-year horizon, so will revenue planning.

Program Goals

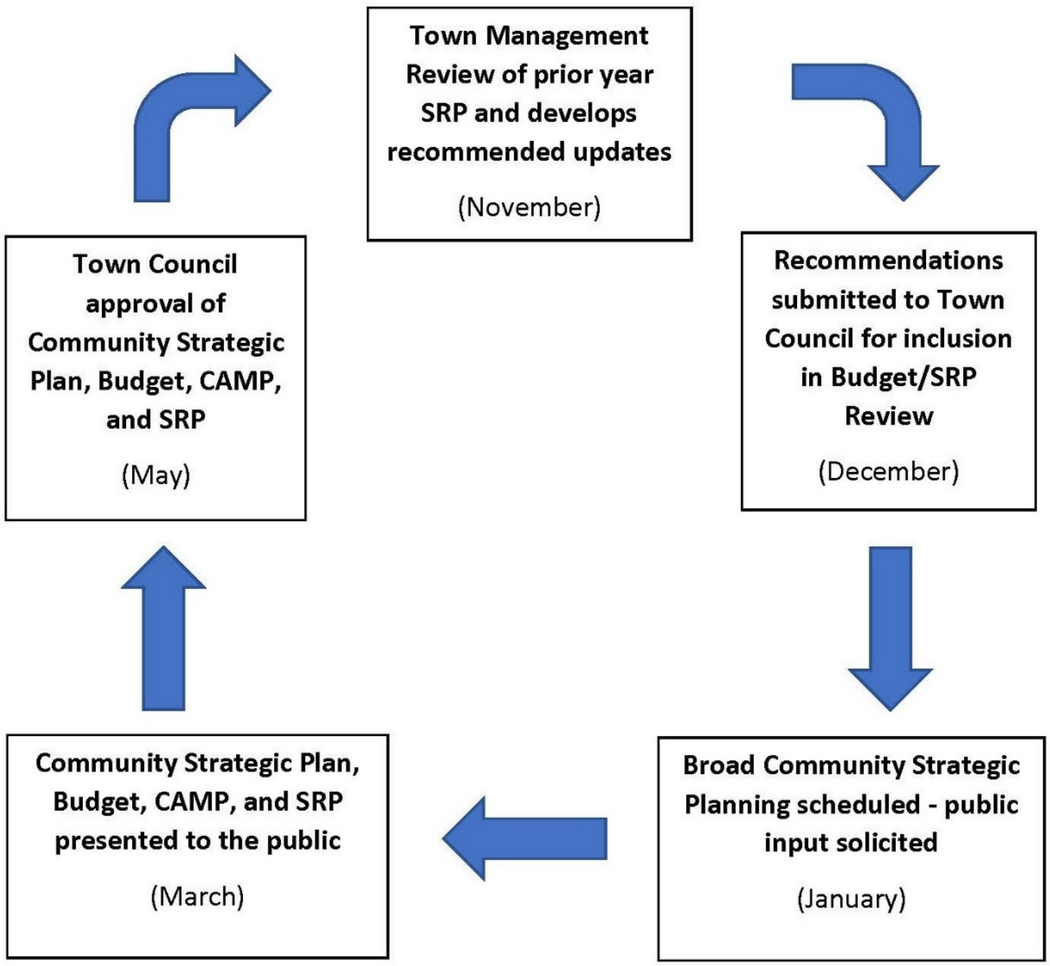
The Town Council hereby commits to the following principles/goals:

- To fully integrate revenue planning into all broader community strategic planning
- To ensure sufficient revenues are available to maintain balanced budgets in perpetuity
- To formally commit to planned revenue increases over a six-year planning horizon
- To facilitate public understanding of program rationale and to provide a long-term expectation of the public's future tax/fee burdens

Town Council Approval

The specific actions necessary to achieve the goals above will be determined annually as part of an update to the broader long-term plan. Once Town Management has delivered the proposed SRP following consideration of all broader strategic planning efforts and public review, the Town Council will ultimately adopt a final SRP for that year. A resolution will be used for adoption, as depicted in Attachment A (sample resolution).

Program Process



Attachment A

The Town of Cape Charles
Resolution of the Town Council to Amend and Adopt the
Strategic Revenue Program as presented.

WHEREAS, a Strategic Revenue Program (SRP) involves the forecasting of needed revenues over a multi-year planning horizon; and

WHEREAS, a well thought out and comprehensive SRP is an integral part of all broader community strategic planning; and

WHEREAS, on November 19, 2020, the Cape Charles Strategic Revenue Program was adopted by the Town Council; and

WHEREAS, on xx, xx, xxxx, the Cape Charles Town Council provided opportunity for the public to provide input to the current SRP; and

WHEREAS, the Town Council has considered the input of the public and the recommendations of its staff and has determined it to be in the public interest to adopt the 20xx SRP;

THEREFORE, BE IT RESOLVED that the Town Council of the Town of Cape Charles hereby adopts the 20xx Town of Cape Charles' SRP as presented.

Submitted by: XXX –Town Manager

Submitted: xx, xx, 20xx

[This is only a sample resolution]

TOWN OF CAPE CHARLES	**AGENDA TITLE:** Re-Appointment of Members to the Planning Commission		**AGENDA DATE:** November 19, 2020
	SUBJECT/PROPOSAL/REQUEST: Reappointment of Planning Commissioners		**ITEM NUMBER:** 8A
	ATTACHMENTS: None		**FOR COUNCIL:** Action (X) Information ( )
	STAFF CONTACT (s): Libby Hume, Town Clerk	**REVIEWED BY:** John Hozey, Town Manager	

BACKGROUND:

The Planning Commission serves as an advisory body to the Town Council for planning-related matters and consists of seven members, six citizen members each serving four-year terms and one member representing the Town Council.

DISCUSSION:

Dennis McCoy and Diane D'Amico currently serve on the Planning Commission and their terms expired on October 31, 2020. Both have expressed their interest in continuing their service on the Planning Commission for another term.

RECOMMENDATION:

Staff recommends Council reappoint Mr. Dennis McCoy and Ms. Diane D'Amico to the Planning Commission for another four-year term.

TOWN OF CAPE CHARLES	AGENDA TITLE: Wetlands & Coastal Dune Board Re-appointment	AGENDA DATE: November 19, 2020
	SUBJECT/PROPOSAL/REQUEST: Reappoint member to Wetlands &Coastal Dune Board	ITEM NUMBER: 8B
	ATTACHMENTS: None	FOR COUNCIL: Action (X) Information ( )
	STAFF CONTACT (s): Libby Hume	REVIEWED BY: John Hozey, Town Manager

BACKGROUND:

The Wetlands & Coastal Dune Board meets as needed to review applications for certain activities in the wetlands and dune areas in the town. The Board consists of five members each serving five-year terms.

DISCUSSION:

Russ Dunton currently serves on the Wetlands & Coastal Dune Board and his term expired on November 12, 2020. He has expressed his interest in continuing his service on the Board for another term.

RECOMMENDATION:

Staff recommends Council reappoint Mr. Russ Dunton to the Wetlands & Coastal Dune Board for another five-year term.

TOWN OF CAPE CHARLES	**AGENDA TITLE:** Appointment of Board of Zoning Appeals Member		**AGENDA DATE:** November 19, 2020
	SUBJECT/PROPOSAL/REQUEST: Appointment of Board of Zoning Appeals member		**ITEM NUMBER:** 8C
	ATTACHMENTS: None		**FOR COUNCIL:** Action (X) Information ( )
	STAFF CONTACT (s): Libby Hume	**REVIEWED BY:** John Hozey, Town Manager	

BACKGROUND:

The Board of Zoning Appeals hears zoning appeals and reviews variance and special exception applications. All appointments are approved by the Circuit Court of Northampton County. The Board consists of five members each serving five-year terms.

DISCUSSION:

There has been a vacancy on the Board of Zoning Appeals since Mr. Jay Wiegner's resignation earlier this year. Applications have been solicited regularly in the Cape Charles Gazette and on Facebook. To date, only one application has been received for this board.

On September 28, 2020, an application was received from Ms. Dolores Blackburn, a resident of Cape Charles. Ms. Blackburn is a retired attorney who has represented land use boards and applicants before other boards. She served 14 years as an elected official for localities in New Jersey as well as serving on their planning boards.

Mayor Dize agreed to providing Ms. Blackburn's application and resume to the Council for their review and feedback regarding her appointment to the Board of Zoning Appeals since only one application was received for one vacancy on this board. Input was received from the majority of Council agreeing to bring this item to the November 19, 2020 regular meeting to officially appoint Ms. Blackburn to the board.

RECOMMENDATION:

Staff recommends Council appoint Ms. Dolores Blackburn to the Board of Zoning Appeals to complete Mr. Wiegner's unexpired term which expires October 31, 2021.