



**FISCAL YEAR 2025
PROPOSED BUDGET
&
FISCAL YEAR 2025-2029
CAPITAL IMPROVEMENT PLAN**



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished Budget Presentation
Award*

PRESENTED TO

**Town of Lovettsville
Virginia**

For the Fiscal Year Beginning

July 01, 2023

Christopher P. Morrill

Executive Director



FISCAL YEAR 2025 ADOPTED BUDGET

Mayor

Mayor **Christopher Hornbaker**

Town Council

Vice Mayor **Joy Pritz**

Council Member **Thomas Budnar**

Council Member **Brandon Davis**

Council Member **David Earl**

Council Member **Mark Jones**

Council Member **Stuart Stahl**

Town Manager

Jason Cournoyer

Town Administrative Staff

Frank Spitzer, Utility Supervisor

John Merrithew, Planning/ Zoning Administrator

Charlie Mumaw, Project Manager

Elizabeth Fontaine, Town Clerk

Tanya George, Treasurer

Lisa Mullen, Office Manager

Sarah Moseley, Community Engagement and Economic Development Coordinator



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Executive Summary/Introduction: Town Manager's Transmittal Letter

Mayor, Town Council, and Residents of Lovettsville:

On behalf of Town staff, I am pleased to present the budget for Fiscal Year 2025 and the five-year Capital Improvement Plan for Fiscal Year 2025-2029 as adopted by Town Council at their March 23, 2024, meeting. The adopted budget is predicated on the following categorical focus areas and priorities of Town Council that were discussed at their January 2024 retreat:

- Operational resiliency and implementation of best management practices.
- Financial sustainability and adherence to Town's Fiscal Policy.
- Staff development, retention, and recruitment.
- Evaluate new/diversification of revenue sources.
- Adding dedicated Town resources, capital investment, and staffing for the preservation, enhancement, and upkeep of Town facilities and assets in order to sustain good quality, increased longevity, and attraction for public use of Town's infrastructure.
- Cost effective water and sewer operations.
- Public broadband access.
- Obtaining external funding for the Capital Improvement Plan.
- Emphasis on pedestrian infrastructure to maintain/expand the walkability of the community.
- Continue focus on a reduction of the speed limit in Town limits.
- Modernization of the Town's public information outlets including the Town website, event websites and social media platforms.
- Enhanced inter-governmental partnerships with Loudoun County and Commonwealth of Virginia.
- Pursue and promote economic development opportunities and tourism.
- Community engagement with local non-profits, community organizations, and businesses.
- Streamlining event planning and coordination efforts for the longevity of more sustainable and efficiently executed annual events, including a strategic realignment of Oktoberfest.
- Review the Town of Lovettsville Town Charter for consideration in the 2025 General Assembly Session.

The Proposed Fiscal Year 2025 Budget totals \$6,311,597 and is comprised of four major funds: General Fund, General Government Capital Projects Fund, Utilities Fund, and Events Fund. My proposed budget adheres to the Town's Financial Policy with a focus on long-term sustainability.

General Fund

The Fiscal Year 2025 General Fund totals \$1,954,067 or an increase of \$194,239 or 11.0 percent over the Fiscal Year 2024 Adopted Budget. The increase in the overall budget is a result of personnel salary and benefit adjustments totaling \$42,478, an increase of \$15,549 in repair and maintenance primarily for anticipated repairs of Town Hall and Council Chambers, the annual maintenance and propane of the municipal complex generator, a contractual increase of \$19,227 in refuse/recycling collections that is offset by a decrease in conceptual design consulting services of \$32,000 for an overall decrease in contractual services of \$2,068. Other notable increases include: \$7,500 for needed masonry repairs of the Walker Pavilion, increases in electricity costs at all facilities, increase for tree maintenance efforts to align with Tree City USA program requirements, and the contribution of \$173,000 associated with the proposed Capital Improvement Plan.

In addition, the adopted budget includes the addition of a Public Works Coordinator position to upkeep Town facilities, maintain cleanliness and beautification of public spaces throughout town, assist with maintenance of the Town's utilities system, and to provide additional focus on the overall upkeep and resolution of issues. This position will be responsible for administering maintenance contracts, and completing some tasks currently contracted such as landscaping, tree maintenance, snow plowing, etc. This position will coordinate with other agencies regarding issues with road conditions, signage, streetlights, etc. The Fiscal Year 2025 budget includes \$85,500 for the personnel related costs, with offsetting contractual savings of \$9,000 and a cost share with the Utilities Fund equivalent to 30% of personnel costs of \$25,560. The total net cost to the General Fund is \$50,940.

The Fiscal Year 2025 General Fund budget is a balanced budget that accounts for continued growth in consumer tax revenues. Consumer tax revenue derives from business activity such as Meals and Beverage Taxes, Sales Taxes, Bank Franchise, Cigarette Sales Taxes and Business Licenses. The proposed budget includes an overall increase of \$32,050 or 4.7 percent in consumer taxes over the Fiscal Year 2024 Adopted Budget estimates. The Fiscal Year 2025 estimated revenues are based on and reflect the actuals from Fiscal Year 2023 and the sustained trend since July 2023.

The largest single revenue source for the General Fund derives from real estate property taxes. There are no new residential or commercial units for calendar year 2024. The Town is made up of 977 total residential units and 35 commercial units. The overall re-evaluation of all the existing units is an increase on average 4.74 percent over the 2023 real estate values or from a total overall valuation of \$484,850 to \$504,358. The average re-evaluation of residential units is an increase of 4.02 percent and 18.84 percent for commercial and industrial units. While these increases in re-evaluation are not significant for residential units, given the state of the economic environment, any increase is a testament to the quality of life, sense of community, and the value of housing offered in the Town of Lovettsville.

One of the Town Council recurring tenets has been to "maintain equalized tax rates and established user fees." The calculated equalized real estate property tax rate for 2024 is 14.75¢ per \$100 of assessed valuation and is the adopted tax rate for 2024.

General Government – Capital Projects Fund/ Capital Improvement Plan

The General Government-Capital Projects Fund aligns all capital project expenditures and revenues associated with the Town's general government capital projects in the Town's Capital Improvements Plan as well as the General Fund's Capital Asset Replacement program. For Fiscal Year 2025, the General Government-Capital Projects Fund totals \$1,398,430 which reflects the local and grant awarded funding associated with ten general government projects with funding in Fiscal Year 2025 out of the 16 projects included in the Fiscal Year 2025-2029 Capital Improvement Plan. Of this total, \$100,030 or 7.2 percent derives from General Fund contributions or the use of the Capital Asset Replacement Reserve.

The ten general government projects with funding included in Fiscal Year 2025 are:

- S. Church Street/ E. Pennsylvania Avenue Improvements (TLOV-2020-01)
- S. Loudoun Street/ S. Locust Street Improvements (TLOV-2021-01)
- W. Broad Way and N. Berlin Turnpike Intersection Improvements (TLOV-2023-01)
- Town Clock Rehabilitation (TLOV-2024-01)
- Lovettsville Entry Sign (TLOV-2024-02)
- Quarter Branch Barn Improvements (TLOV-2022-01)
- General Fund Capital Assets Replacement (TLOV-2028-05)
- Town Facilities - Workplace Safety and Security Initiative (TLOV-2025-02)
- Town Green Improvements (TLOV-2025-01)
- Town Square Improvements (TLOV-2025-03)

Utilities Fund

The Fiscal Year 2025 Utilities Fund budget totals \$2,777,000 or an increase of \$188,421 or 7.3 percent over the Fiscal Year 2024 Adopted Budget. Of this total increase, \$129,066 is attributable to the operating budget, \$180,000 is associated with the Utilities capital projects included in the Capital Improvement Plan, and there is an offsetting decrease in anticipated excess availability fee revenue to contribute to the associated reserve. The Capital Improvement Plan for the Utilities Fund is fully funded by American Rescue Plan Act of 2021 (ARPA) funding for Fiscal Year 2025. The Fiscal Year 2025-2029 Capital Improvement Plan includes a total of ten capital projects of which, seven include funding for Fiscal Year 2025 totaling \$965,000.

The seven projects funded in Fiscal Year 2025 are:

- Quarter Branch Road Watermain Replacement (TLOV-2019-03)
- Waste Water Treatment Plant Upgrades and Improvements (TLOV-2024-04)
- Utilities Fund Capital Assets Replacement (TLOV-2022-02)
- Watermain Redundancy Improvements (TLOV-2024-05)
- Park Place Water Plant Rehabilitation (TLOV-2025-04)
- Utilities Facilities- Workplace Safety and Security Initiative (TLOV-2025-05)
- Water Treatment Plant Upgrades and Improvements (TLOV 2024-06)

The Fiscal Year 2025 budget includes a three percent increase to water and sewer user rates and is included in the total Utilities Fund projected revenue of \$2,777,000 which is an increase of \$188,421 over the Fiscal Year 2024 Adopted Budget estimate of \$2,588,579. The three percent increase in water and sewer rates in Fiscal Year 2025 is anticipated to yield approximately \$39,000 over the Fiscal Year 2024 estimates. Further increases in anticipated revenue derive from availability fees associated with developments throughout Town. The associated availability and connection fees are utilized for the debt and contribution required to support the Capital Improvement Plan. The Fiscal Year 2025 budget includes an estimated \$289,400 in availability fees and the use of \$253,200 for debt and the Capital Improvement Plan.

Events Fund

The Fiscal Year 2025 Events Fund totals \$113,550 which is a significant decrease compared to Fiscal Year 2024 Adopted Budget primarily due to cost savings of \$217,000 attributable to the outsourcing of the majority of the 2024 Oktoberfest. The Fiscal Year 2025 budget includes only a \$200 increase in Mayfest and no other increase in other events. The \$89,250 in 2024 Oktoberfest costs reflect the aspects of the 2024 Oktoberfest that the Town and Oktoberfest Committee are anticipated to coordinate.

More details regarding the Fiscal Year 2025 Adopted Budget are included in the budget document in the Line-Item Detail Report. These reports include detailed descriptions for each budget account as well as a comparison, where applicable, to previous fiscal years. The report includes data from the Fiscal Year 2022 Actuals, Fiscal Year 2023 Budget and Actuals, and the Fiscal Year 2024 Adopted Budget.

In conclusion, the Fiscal Year 2025 operating budgets for the major funds maintain and enhance current levels of service provided by the Town with a focus on long-term financial sustainability, upkeep and beautification of the Town, and preparedness for future capital investments. The budget as adopted meets and progresses the Town Council's focus areas and priorities within an adopted real estate property tax rate at the residential equalized tax rate of 14.75¢.

I want to take the opportunity to state my appreciation for the Town's employees, Mayor, Town Council, and Commission Members that assisted with the development of the Fiscal Year 2025 Budget and the Fiscal Year 2025-2029 Capital Improvement Plan. Further, I want to share special recognition to Lisa Mullen, Office Manager, Tanya George, Town Treasurer, Charlie Mumaw, Project Manager, Sarah Moseley, Community Engagement and Economic Development Coordinator, Frank Spitzer, Utilities Supervisor, and Lizzy Fontaine, Town Clerk, for their dedication and contributions to developing the budget.

Best Regards,



Jason L. Cournoyer, Town Manager

Executive Summary/Introduction: Overview of Town:

Lovettsville, originally known as The German Settlement, is a small town with historical roots dating back to 1732. The Town was laid out in 1820 by David Lovett and served as a thriving commercial center for the surrounding farm for over one-hundred years. This function was eventually eclipsed during the post-World War II period by other, larger communities in Loudoun County, Northern Virginia, and nearby Maryland, which is about three miles from the Town.

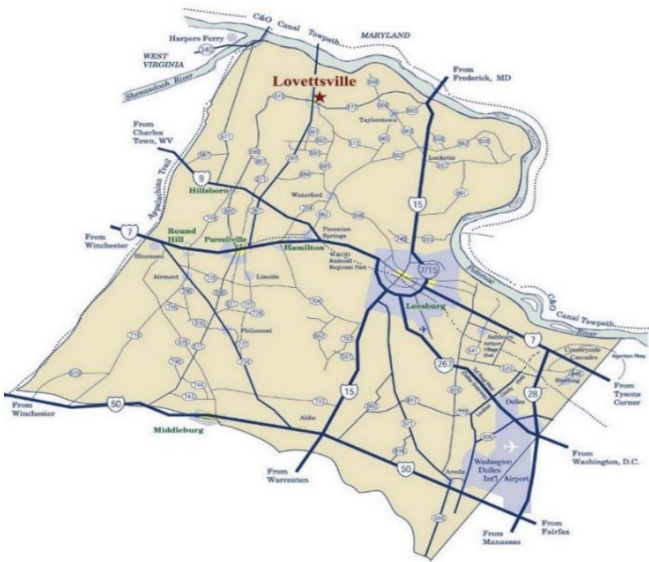
The Town is served by a number of public services (e.g. water, sewer, and solid waste collection) and facilities (e.g. a community center, community park, library, and elementary school) as well as by private businesses including a cooperative market grocery store, convenience store, bank, dine-in restaurants, professional medical offices, and other small business establishments. The elementary school, the library, the museum, the community center and the community park are all located in or just outside Lovettsville corporate limits. Residents have access to places of worship both inside and outside the Town. The Town is served by the Lovettsville Volunteer Fire and Rescue Company 12, and a federal post office located on North Church Street.

The Town Hall is located at 6 East Pennsylvania Avenue in Lovettsville and was first constructed in 1975. In 2020, as part of the Town's Capital Improvement Plan, an Administrative Building was constructed on the property and a full renovation was made to the Town Hall. The Administrative Building houses the offices of Town staff, and the Town Hall is now fully upgraded into the Town Council Chambers meeting space where the Town Council, Planning Commission, and Town Committees/Commissions and other community civic groups host public meetings. The complete project was named the Samuel A. Finz Municipal Complex in 2021, in honor of the long-serving Town Manager who served in various capacities for more than 15 years.

In addition to the Municipal Complex and the open space parcel located immediately behind it, the Town owns and maintains several parks and open spaces which host annual, Town-sponsored ceremonies, gatherings, and events, including the Town Green, Town Square and Veterans Memorial. These community events include the annual Lovettsville Oktoberfest and Mayfest events (among many others), which are intended to enhance quality of life for residents as well as attract tourism for the benefit of area businesses. Quarter Branch Park on Lange Drive includes a large, open area for recreation as well as the Town Barn for storage and maintenance purposes.

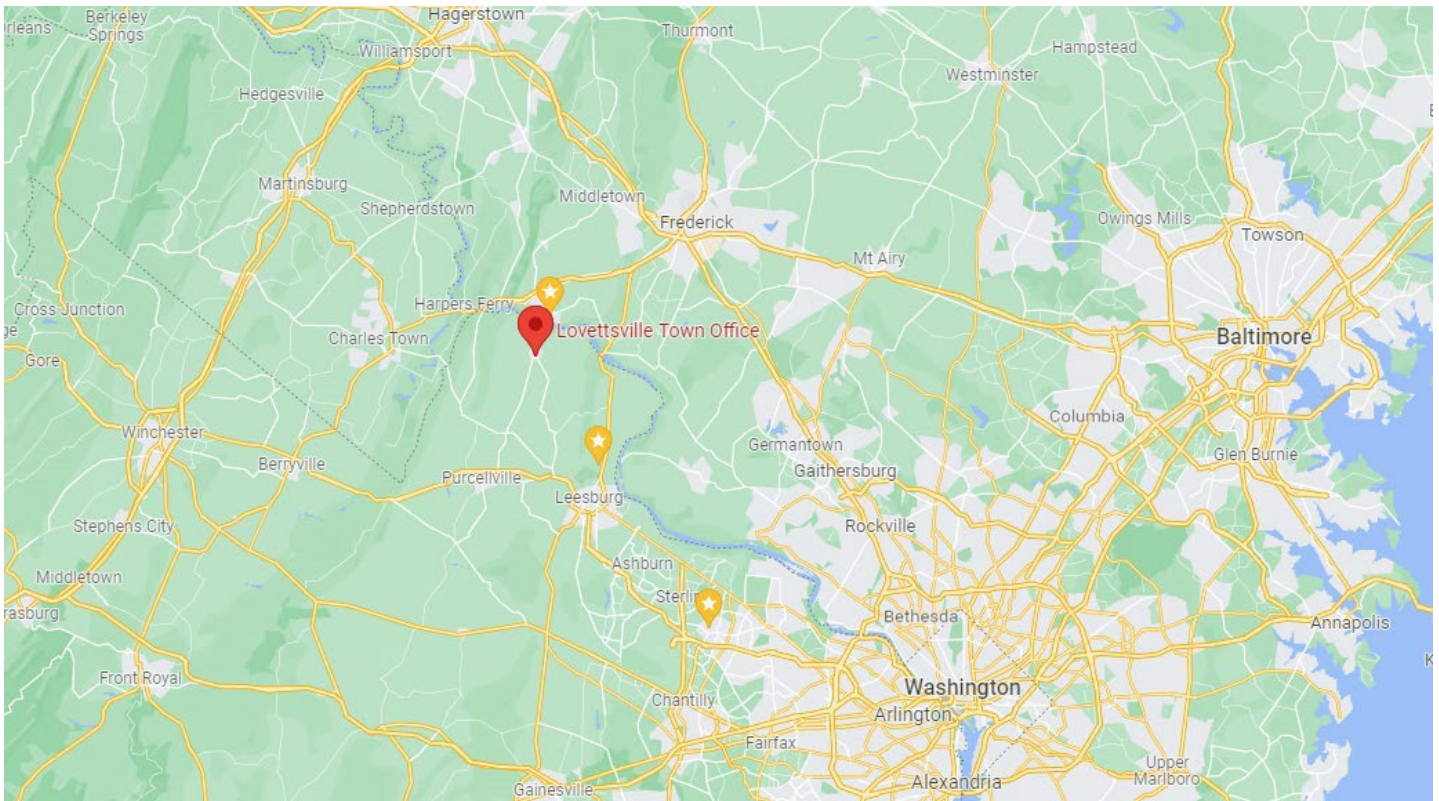
[Comprehensive Plan \(2022\)](#)

Executive Summary: Town Location



Lovettsville, VA is the most northern town in Loudoun County and Virginia. It is conveniently located to:

- Leesburg, VA (13 miles)
- Frederick, MD (18 miles)
- Martinsburg, WV (31.2 miles)
- Hagerstown, MD (31.4 miles)
- Dulles International Airport (31 miles)
- Winchester, VA (37.3 miles)
- Washington D.C. (55 miles)
- Reagan National Airport (58 miles)
- Baltimore/Washington International Airport (68 miles)



Lovettsville is close to the MARC train station in Brunswick, Maryland, located about three miles from Lovettsville on the Brunswick Line, which provides commuter rail transportation to Montgomery County and Washington, DC for residents of the Lovettsville area.

Executive Summary/Introduction: Census Data

Total Housing
Units 977

Civilian
Employment
48.52% (16 yrs+)

Median Household
Income
\$137,411

Average Household
Size
3.57 People

Total Population
2,694

Owner Occupied
Houses
85.9%



37.4% of
Population is
under age 18

72.1% Work in
Loudoun County

Bachelor's Degree or
Higher
48.7%

50.5% of
Population is age
20-59

<https://data.census.gov>

Executive Summary/Introduction: Vision, Strategic Goals and Values

Town Vision:

Lovettsville is a rural, welcoming community that values its small-town friendly character, celebrates its historical roots, increases the Town's quality of life and the Town's sense of community by providing reliable public services, promoting events and volunteerism, and creating a loving place where residents and businesses thrive.

Strategic Goals:

The Town of Lovettsville seeks to:

1. Maintain a scale of structures and development compatible with the Town's small-town character, preserve visual aesthetics and leverage the natural view-sheds within and around town.
2. Preserve and promote the historic resources and unique cultural heritage of the Town.
3. Accommodate small businesses within the Town, including those that sell locally sourced products and services.
4. Preserve and enhance open spaces and recreational facilities for public use and enjoyment.
5. Protect, conserve, and restore the natural resources of the Town, particularly dark skies, open spaces, and wildlife habitat.
6. Promote well-planned residential, office, light industrial and commercial growth that has a density and building scale consistent with the Town's low-density character.
7. Create a balanced transportation network providing facilities for vehicles, pedestrians and bicyclists, and encourage mass transit for residents commuting to regional employment centers.
8. Build a sustainable community that provides essential services, conveniences, and public facilities.
9. Plan, manage, and support events to foster community spirit, improve quality of life, and promote economic development.
10. Invest in improvements to the water and sewer utilities infrastructure to ensure demands for water are met, the system is resilient during abnormal conditions, and the water system has appropriate redundancies to ensure water service is consistent and reliable.

Values:

Lovettsville's overall values can be summarized as:

Small Town Quality of Life

- We support maintaining a peaceful, small town feel that fosters sustainable, essential services.

Historical and Environmental Stewardship

- We support promoting a healthy environment for all citizens and preserving our cultural heritage.

Welcoming and Cooperative Community

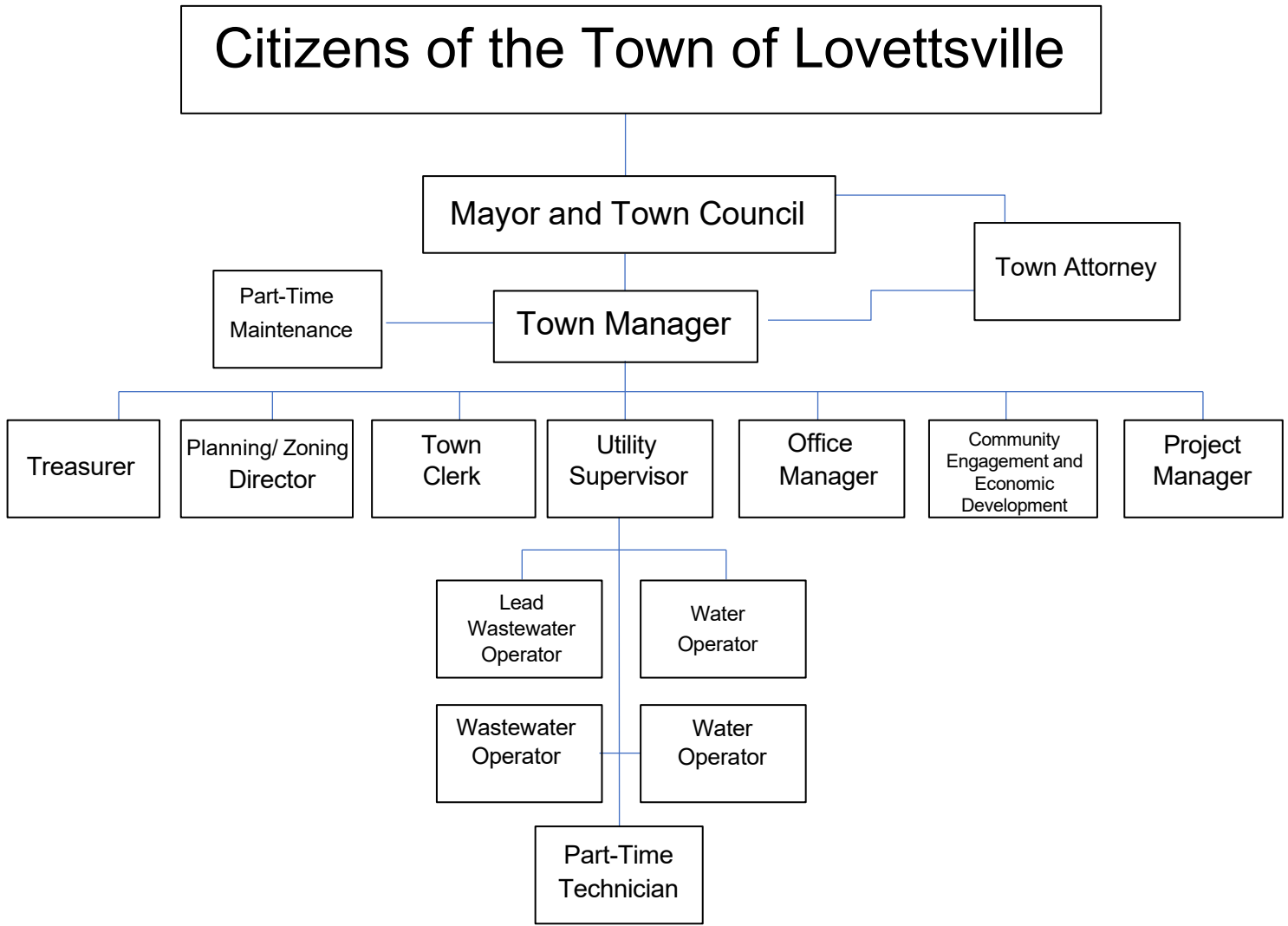
- We support existing and welcome new businesses, organizations, and residents into the community, treating our neighbors with dignity and respect, and promoting volunteerism, community service, and cooperation.

Executive Summary/Introduction: Town Council Focus Areas and Priorities

The following priorities and focus areas were discussed by Town Council at their January 11, 2024 Retreat:

- Operational resiliency and implementation of best management practices.
- Financial sustainability and adherence to Town's Fiscal Policy.
- Staff development, retention, and recruitment.
- Evaluate new/diversification of revenue sources.
- Adding dedicated Town resources, capital investment, and staffing for the preservation, enhancement, and upkeep of Town facilities and assets in order to sustain good quality, increased longevity, and attraction for public use of Town's infrastructure.
- Cost effective water and sewer operations.
- Public broadband access.
- Obtaining external funding for the Capital Improvement Plan.
- Emphasis on pedestrian infrastructure to maintain/expand the walkability of the community.
- Continue focus on a reduction of the speed limit in Town limits.
- Modernization of the Town's public information outlets including the Town website, event websites, and social media platforms.
- Enhanced inter-governmental partnerships with Loudoun County and Commonwealth of Virginia.
- Pursue and promote economic development opportunities and tourism.
- Community engagement with local non-profits, community organizations, and businesses.
- Streamlining event planning and coordination efforts for the longevity of more sustainable and efficiently executed annual events, including a strategic realignment of Oktoberfest.
- Review the Town of Lovettsville Charter for consideration in the 2025 General Assembly Session.

Executive Summary/Introduction: Organizational Chart



Executive Summary/Introduction: Performance Measurements

Performance Measures

The Town of Lovettsville strives to provide the highest quality customer service to its residents, businesses and visitors. The addition of performance measurements have been added to this year's budget to reflect the quality customer services provided by the Town in varying lines of business.

| Description | FY 2023 Actual | FY 2024 Projected | FY 2025 Target |
|---|----------------|-------------------|----------------|
| Water and Sewer Services | | | |
| % of Monthly Delinquent Utility Billings | 15% | 12% | 10% |
| Number of Monthly 60 Day Delinquent/Shut-Off Accounts (Average) | 14 | 14 | 12 |
| Treated Drinking Water Distribution (gallons in 1000s) | 53,970 | 54,200 | 54,200 |
| Treated Wastewater | 54,198 | 54,400 | 54,400 |
| Cost for producing drinking water and treating wastewater per 1,000 gallons | \$14.72 | \$14.75 | \$14.75 |
| % of water samples that are in compliance | 100% | 100% | 100% |
| Accounting Management | | | |
| % of Frye Court assessments collected within 60 days of deadline | 90% | 90% | 90% |
| Leak Detection Notifications (provided within 24 hours) | 100% | 100% | 100% |
| % of Meals Tax Collected on time | 92% | 92% | 100% |
| % of BPOL Collected within 60 days of deadline | 85% | 85% | 90% |
| Number of new businesses | 15 | 20 | 15 |
| Public Information and Agenda Management | | | |
| Minutes completed by next meeting | 92% | 100% | 100% |
| Agenda posted on-time and complete | 85% | 100% | 100% |
| # of Facebook Posts (annual) | 365 | 365 | 365 |
| Planning and Zoning | | | |
| Zoning Permits Issued | 57 | 45 | 45 |
| Legislative Applications | 2 | 2 | 1 |
| Project Management | | | |
| % of actual project expenditures compared to budget | 99% | 99% | 99% |
| # of Capital Projects under Construction | 4 | 4 | 4 |
| # of Capital Projects under Design | 3 | 3 | 3 |
| % of Capital Projects funded with grant funding | 85% | 85% | 85% |
| Awards | | | |
| Annual Financial Report Presented to Council | Yes | Yes | Yes |
| Earned Annual Budget Award | Yes | Yes | Yes |
| Earned Tree City USA Designation | Yes | Yes | Yes |
| Community Events | | | |
| # of special events and ceremonies hosted/supported by the Town | 19 | 19 | 19 |
| \$ Value of events cost per capita | \$2.86 | \$5.90 | \$6.43 |
| # of town facility rentals | 10 | 10 | 10 |

Budget Process: Development Process and Schedule

Budget Process:

The Town of Lovettsville’s operating budget is based on a fiscal year cycle from July 1st annually. The budgeting process and the basis of budgeting are consistent with the Town’s Financial Policy.

Budget Development Process:

The Town begins with a “Budget Kickoff” where the Town Manager discusses components of the budget with Town staff and the Town Council. This process begins in October. The Town Manager and team compile the adopted expenditures, budget data, and capital outlays for the 5-Year Capital Improvement Plan. The team is comprised of the Town Treasurer, Customer Service/Accounting, Utility Supervisor, Project Manager, and the Town Clerk. The Budget Team adjusts the budget where appropriate to meet management objectives and Town Council priorities.

Budget Development Schedule:

| | |
|---------------------------|--|
| October – November | <ul style="list-style-type: none"> • Town Council/Town Manager set Budget Priorities • Town Manager/Staff compare Funds and Descriptions |
| December | <ul style="list-style-type: none"> • Town Manager/Staff – Analyze Budget Line Items • Town Manager/Project Manager – Develop and Review CIP • Town Manager/Staff review tax assessments • Town Manager presents Draft CIP to Infrastructure Committee |
| January | <ul style="list-style-type: none"> • Town Manager/Staff develop proposed Budget with Tax Rate and Fees • Planning Commission CIP — Public Hearing • Town Manager presents Town Council Proposed Budget, Capital Improvement Plan and Schedule of Fees |
| February | <ul style="list-style-type: none"> • Town Council Work Session #1 (Utilities Fund) • Town Council Work Session #2 (CIP) • Effective Tax Rate Ad Published in Newspaper • Town Council Regular Meeting - Budget Work Session #3 (General Fund) |
| March | <ul style="list-style-type: none"> • Town Council Work Session #4 • Budget – Town Council Public Hearing • Tax Rate and Fees – Town Council Public Hearing • Town Council Adopts Budget, CIP, Tax Rate and Schedule of Fees • Submit Real Estate Tax Rate to Loudoun County following budget adoption (due by April 1 annually) |

Budget Process: Development Process and Schedule (continued)

Budget Cycle:

The Town of Lovettsville's operating budget is based on a fiscal year cycle from July 1 annually. The budgeting process and the basis of budgeting are consistent with the Town's Financial Policy and Town Charter, as described throughout this budget document. The Town provides several opportunities for public feedback and outreach, including public comment during eight Town Council meetings; two presentations, four work sessions, two public hearings, and the Fiscal Year Adopted Tax Rate Ad which is published in the local newspaper. Meeting notices and budget summaries are also posted to the Town's social media sites, website, and weekly newsletters.

Budget Process: Organization

How the Budget is Organized:

The Town of Lovettsville's budget document is divided into five sections. The first section provides an overview of Town government and includes statistical and demographic information about residents, businesses, and visitors. The second section provides a budget summary about each major fund. The third section details the General Fund, Utilities Fund, and Events Fund Budget by line item (beginning on page R-1). The fourth section provides the Five-Year Capital Improvement Plan. The final section details the taxes and fees schedule set by the Town Council. The Town's budget focuses on function and efficiency in the administration of government; it illustrates the Town's commitment to providing the necessary services that ensure a quality of life and enhance the future of the Town.

The **General Fund** includes the operating budget for efficient Town Administration. It enables the continuation of government services through personnel, contracts, operations, debt, and transfers to the General Government Capital Projects Fund. Overall, the General Fund ensures that the government functions at the level of service required by the Town's residents.

The **General Government - Capital Projects Fund** includes the capital project funding for general government projects (non-utilities) within the Capital Improvement Plan.

The **Utilities Fund** is the enterprise fund of the Town's water and sewer services. It ensures the effective service of water and sewer operations to Town residents. It includes the overall operations of the Town's utilities, personnel, contracts, debt, transfers to the capital projects and maintaining Town facilities.

The **Events Fund** comprises of all Town sponsored events, including LOVE Summer, LOVE America, LOVE Winter, Mayfest, and Oktoberfest. The budgeted events bring the community together and celebrate the local community and its culture.

The **Capital Improvement Plan** includes the Town's planned infrastructure projects for the next five years that are funded through various sources, such as General Fund and Utilities Fund revenue/transfers, Loudoun County grant funding, as well as other state and federal agency grant funding (as shown starting on page C-1). The Capital Improvement Plan is important for maintaining and enhancing the Town's quality of life through safe transportation and walkable routes, parks and facilities, and water and sewer infrastructure maintenance and upgrades.

Budget Summary and Overview: Basis of Accounting and Budgeting

The basis of the Town's Accounting and Budget includes the audit of financial statements of the Town, the financial position of government activity, the business-like activity, and each major fund, as well as any changes to these activities, funds, or cash flows. This basis shows that the Town of Lovettsville has provided a transparent and fair alignment according to the accounting principles as generally accepted in the U.S. (GAAP).

The Town Charter (Section 3.4) provides the Town Council with the power to control and manage the fiscal affairs of the Town and to make such ordinances, orders and resolutions relating to the same as it may deem necessary. After the close of each fiscal year, the council shall cause to be made an independent audit of the accounts, books, records, and financial transactions of the Town either by the Auditor of Public Accounts of the Commonwealth or by an independent certified public accountant to be selected by the council. The report of such audit shall be filed within such time as the council shall specify, and one copy thereof shall always be available for public inspection in the Town's offices during the Town's regular business hours.

Further, the Town Charter (Sec. 2.4.) states that the Town shall have the power and authority to acquire, establish, maintain, operate, extend and enlarge waterworks and sewage disposal plants within or without the corporate limits of the Town; and to establish and enforce reasonable rates, rules and regulations for the use of same, any or all of which rates, rules and regulations the Council may alter from time to time. In operating public water and sewer services, the Town may charge a different rate for services furnished to customers outside the corporate limits of the Town from the rates charged for similar services to customers within the corporate limits. The Town may provide by ordinance that all unpaid water and sewer service charges and interest thereon shall constitute a lien on the real estate served by the water or sewer line through which the service is provided.

The power to incur debts and contract loans is provided to the Town Council in the Town Charter (Section 2.5). The Town Council, within the limits of the constitution of this commonwealth and in accordance with the provisions of general law, may, in the name of and for the use of the Town, contract loans or cause to be issued certificates of debt, notes or bonds. The Town Council shall have the power to negotiate temporary loans, in anticipation of taxes, for the purpose of paying current expenses of the Town, such loans to be evidenced by bonds or notes bearing interest at a rate permitted by general law for towns, and such bonds or notes shall be payable within one year from the date of issue out of the current revenue of the year in which the same are issued. No such temporary loan shall in the aggregate exceed 75 percent of the Town's income of the previous year. All bonds and other evidence of indebtedness of the Town shall be signed by the Mayor and countersigned by the Town Clerk.

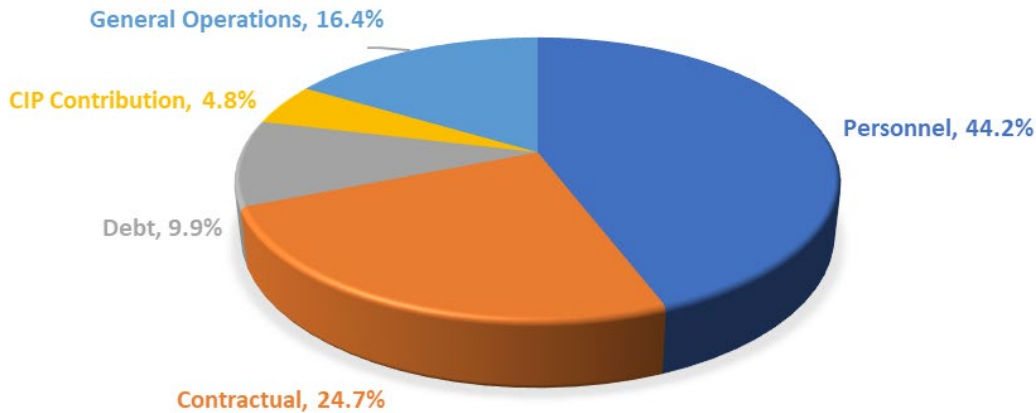
Budget Summary and Overview: Fund Description and FY 2025 Summary

The Fiscal Year 2025 Adopted Budget for all the Town's funds, which includes General Fund, General Government Capital Projects Fund, Utilities Fund, and Events Fund totals \$6,243,047. This represents an overall decrease of \$765,510 or -10.9 percent from the Fiscal Year 2024 Adopted Budget. The table below illustrates the Fiscal Year 2025 Adopted Budget for all the funds.

| Fund | FY 2024 Adopted | FY 2025 Adopted | \$ Change | % Change |
|--|--------------------|--------------------|--------------------|---------------|
| General Fund | \$1,757,328 | \$1,954,067 | \$196,739 | 11.2% |
| General Government – Capital Projects Fund | \$2,330,000 | \$1,398,430 | -\$931,570 | -40.0% |
| Utilities Fund | \$2,588,579 | \$2,777,000 | \$188,421 | 7.3% |
| Event Fund | \$332,650 | \$113,550 | -\$219,100 | -65.9% |
| Total- All Funds | \$7,008,557 | \$6,243,047 | (\$765,510) | -10.9% |

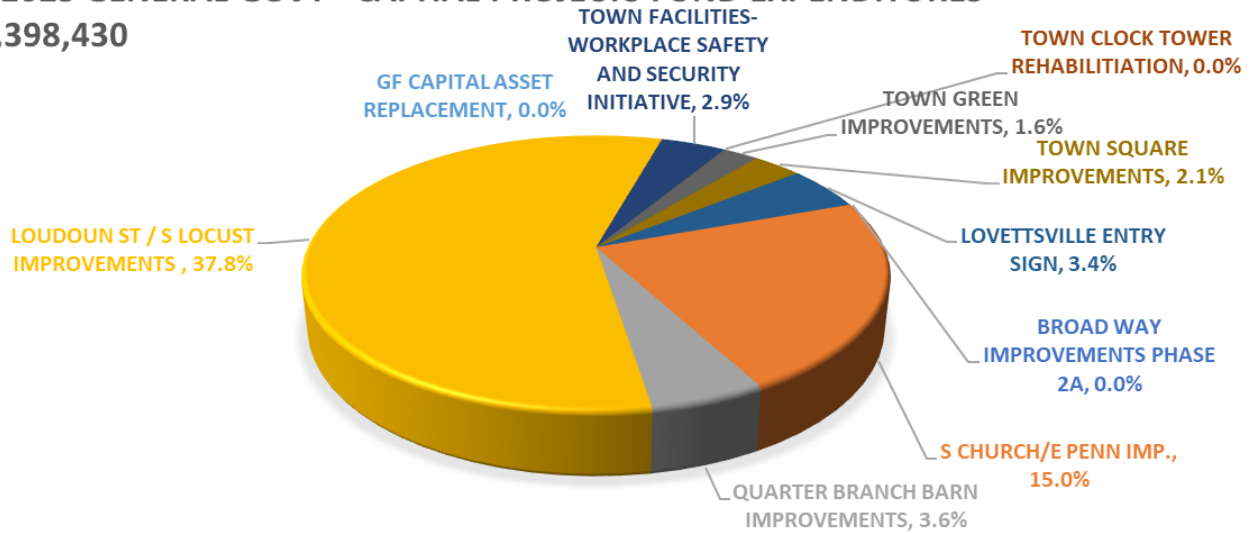
General Fund: The General Fund is the operating fund for the Town, and it includes the funding for efficient business activities of the general government. The proposed Fiscal Year 2025 budget for the General Fund totals \$1,954,067 or an increase of \$196,739 or 11.2 percent over the Fiscal Year 2024 Adopted Budget. The increase in the overall budget is a result of personnel salary and benefit adjustments totaling \$42,478, an increase of \$15,549 in repair and maintenance primarily for anticipated repairs of Town Hall and Council Chambers, the annual maintenance and propane of the municipal complex generator, a contractual increase of \$19,227 in refuse/recycling collections that is offset by a decrease in conceptual design consulting services of \$32,000 for an overall decrease in contractual services of \$2,068, and other notable increases include: \$7,500 for needed masonry repairs of the Walker Pavilion, increases in electricity costs at all facilities, increase for tree maintenance efforts to align with Tree City USA program requirements, and the contribution of \$173,000 associated with the Capital Improvement Plan. In addition, the budget includes a new Public Works Coordinator position.

FY 2025 GENERAL FUND EXPENDITURES \$1,954,067



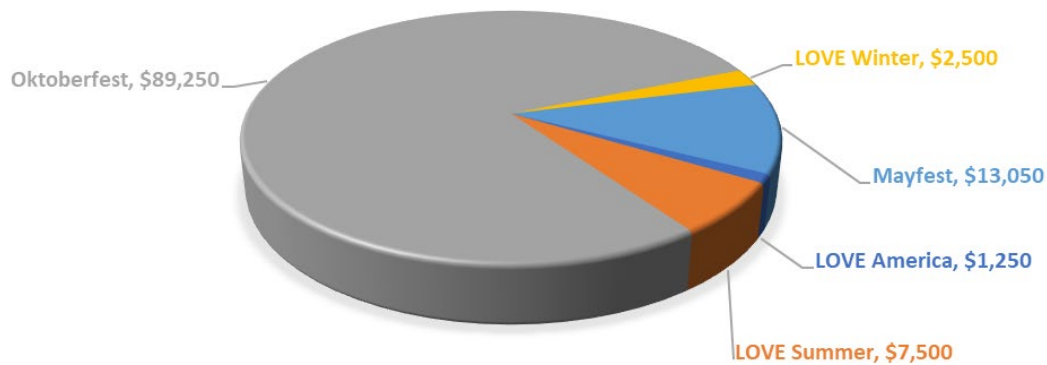
General Government - Capital Projects Fund: The General Government - Capital Projects Fund is the multi-year capital fund for the general government capital projects and capital asset replacement program and is included in the Town's 5-year Capital Improvement Plan. For Fiscal Year 2025, the General Government - Capital Projects Fund totals \$1,398,430 which reflects the local and grant awarded funding associated with ten general government projects out of the 16 projects included in the Fiscal Year 2025-2029 Capital Improvement Plan. Of this total, \$180,030 or 11.9 percent derives from General Fund contributions or the use of the Capital Asset Replacement Reserve.

FY 2025 GENERAL GOVT - CAPITAL PROJECTS FUND EXPENDITURES
\$1,398,430



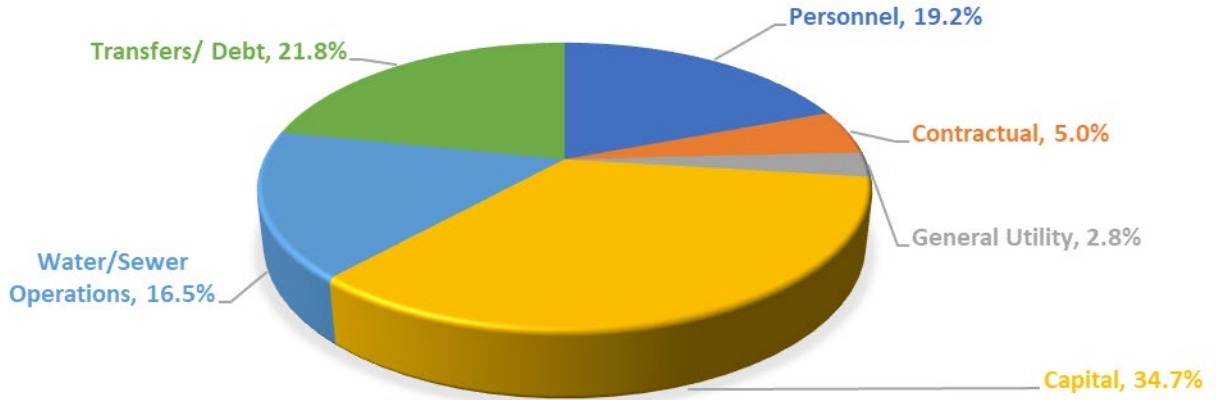
Events Fund: The Events Fund is a special revenue fund for the Town operated or sponsored events including LOVE America, LOVE Summer, Oktoberfest, LOVE Winter and Mayfest. The Fiscal Year 2025 Events Fund totals \$113,550 which is a significant decrease compared to Fiscal Year 2024 Adopted Budget primarily due to cost savings of \$217,000 attributable to the outsourcing of the majority of the 2024 Oktoberfest. The Fiscal Year 2025 budget includes a \$200 increase in Mayfest and no other increase in other events. The \$89,250 in 2024 Oktoberfest costs reflect the conceptual aspects of the 2024 Oktoberfest that the Town and Oktoberfest Committee are anticipated to coordinate.

FY 2025 EVENTS FUND EXPENDITURES \$113,550



Utilities Fund: The Fiscal Year 2025 Utilities Fund budget totals \$2,777,000 or an increase of \$168,421 or 7.3 percent over the Fiscal Year 2024 Adopted Budget. Of this total increase, \$129,066 is attributable to the operating budget, \$160,000 increase is associated with the Capital Improvement Plan, and there is an offsetting decrease in anticipated excess availability fee revenue to contribute to the associated reserve. The Capital Improvement Plan for the Utilities Fund comprised of ten total capital projects utilizes a total of \$965,000 of American Rescue Plan Act of 2021 (ARPA) funding.

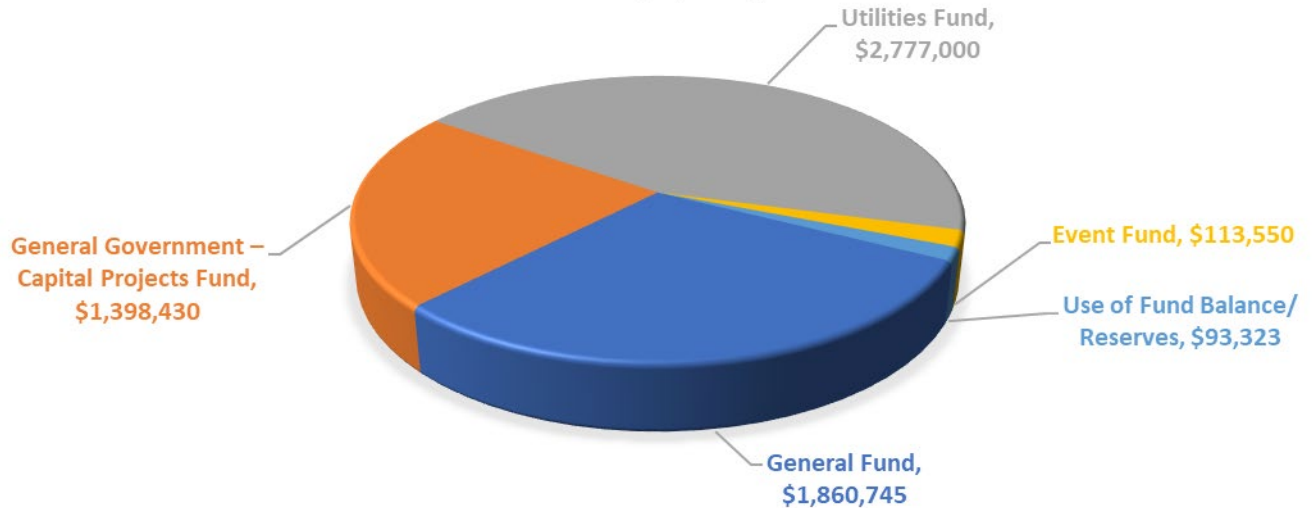
FY 2025 UTILITIES FUND EXPENDITURES \$2,777,000



Budget Summary and Overview: Revenue Summary/Graphs

Revenues by Fund

FY 2025 REVENUES BY FUND TOTALING \$6,243,047

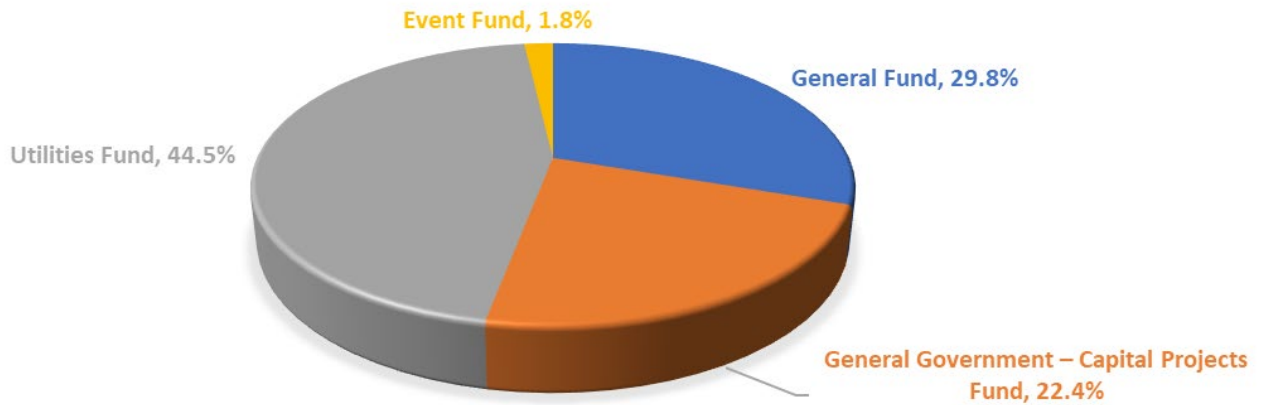


| Fund | FY 2024 Adopted | FY 2025 Adopted | FY 2024 v FY 2025 | |
|--|--------------------|--------------------|--------------------|---------------|
| | | | \$ Change | % Change |
| General Fund | \$1,757,328 | \$1,860,745 | \$103,417 | 5.9% |
| General Government – Capital Projects Fund | \$2,273,000 | \$1,398,430 | -\$874,570 | -38.5% |
| Utilities Fund | \$2,569,179 | \$2,777,000 | \$207,821 | 8.1% |
| Event Fund | \$332,650 | \$113,550 | -\$219,100 | -65.9% |
| Use of Fund Balance/ Reserves | \$76,400 | \$93,322 | \$16,922 | 22.1% |
| Total Revenues | \$7,008,557 | \$6,243,047 | (\$765,510) | -10.9% |

Budget Summary and Overview: Expenditure Summary/Graphs

Expenditures by Fund

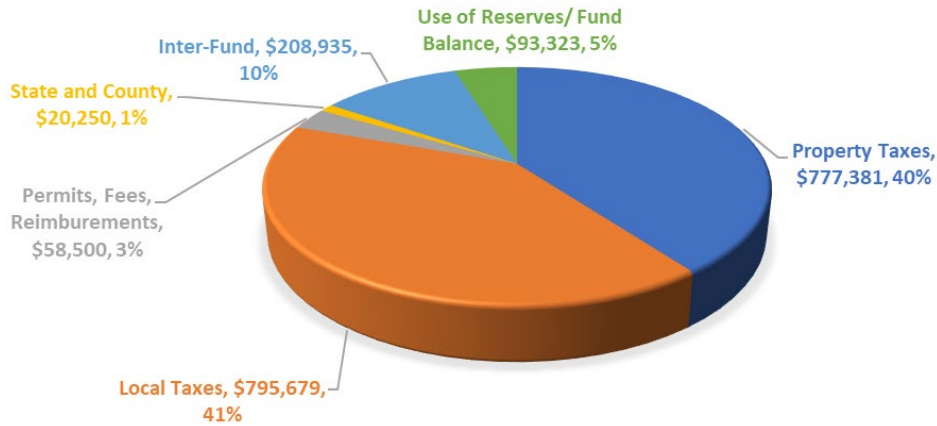
FY 2025 EXPENDITURES BY FUND AS % OF \$6,243,047



| Fund | FY 2024 Adopted | FY 2025 Adopted | FY 2024 v FY 2025 | |
|--|--------------------|--------------------|--------------------|---------------|
| | | | \$ Change | % Change |
| General Fund | \$1,757,328 | \$1,954,067 | \$196,739 | 11.2% |
| General Government – Capital Projects Fund | \$2,330,000 | \$1,398,430 | -\$931,570 | -40.0% |
| Utilities Fund | \$2,588,579 | \$2,777,000 | \$188,421 | 7.3% |
| Event Fund | \$332,650 | \$113,550 | -\$219,100 | -65.9% |
| Total Expenditures | \$7,008,557 | \$6,243,047 | (\$765,510) | -10.9% |

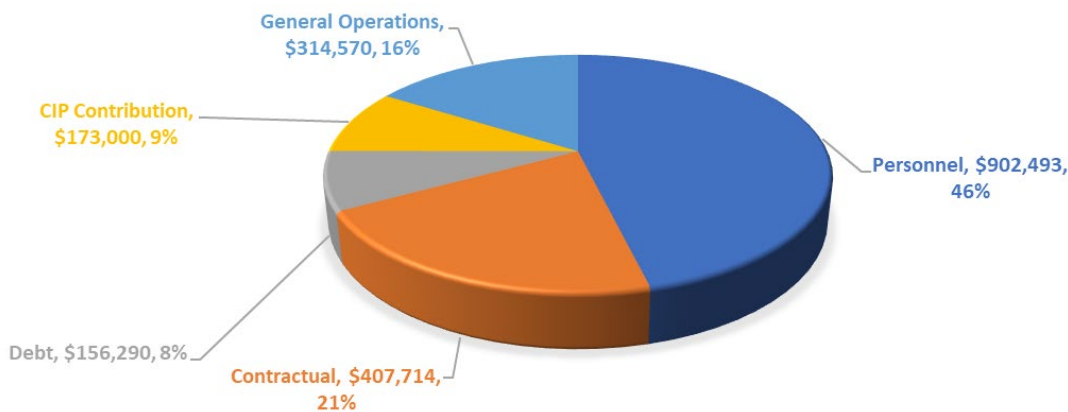
Budget Summary and Overview: General Fund Summary Graphs

WHERE GENERAL FUND REVENUE COMES FROM...



| General Fund Revenue Sources | FY 2024 Adopted | FY 2025 Adopted | FY 2024 v FY 2025 | |
|-------------------------------|--------------------|--------------------|-------------------|--------------|
| | | | \$ Change | % Change |
| Property Taxes | \$766,445 | \$777,381 | \$10,936 | 1.4% |
| Local Taxes | \$763,629 | \$795,679 | \$32,050 | 4.2% |
| Permits, Fees, Reimbursements | \$19,000 | \$58,500 | \$39,500 | 207.9% |
| State and County | \$18,300 | \$20,250 | \$1,950 | 10.7% |
| Inter-Fund Transfer | \$189,404 | \$208,935 | \$19,531 | 10.3% |
| Use of Reserves/ Fund Balance | \$550 | \$93,322 | \$92,772 | 16867.6% |
| Total Revenue | \$1,757,328 | \$1,954,067 | \$196,739 | 11.2% |

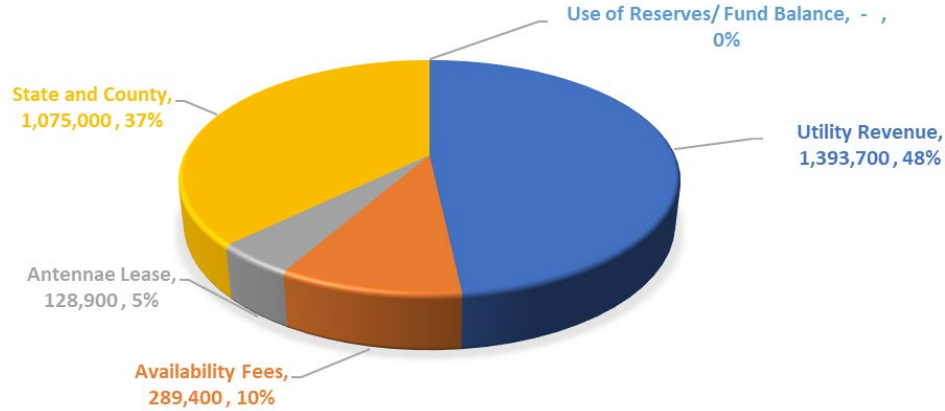
HOW GENERAL FUND REVENUE IS SPENT...



| General Fund Expenditure Categories | FY 2024 Adopted | FY 2025 Adopted | FY 2024 v FY 2025 | |
|-------------------------------------|--------------------|--------------------|-------------------|--------------|
| | | | \$ Change | % Change |
| Personnel | \$776,515 | \$902,493 | \$125,978 | 16.2% |
| Contractual | \$434,212 | \$407,714 | -\$26,498 | -6.1% |
| Debt | \$173,250 | \$156,290 | -\$16,960 | -9.8% |
| CIP Contribution | \$84,500 | \$173,000 | \$88,500 | 104.7% |
| General Operations | \$288,851 | \$314,570 | \$25,719 | 8.9% |
| Total Expenditures | \$1,757,328 | \$1,954,067 | \$196,739 | 11.2% |

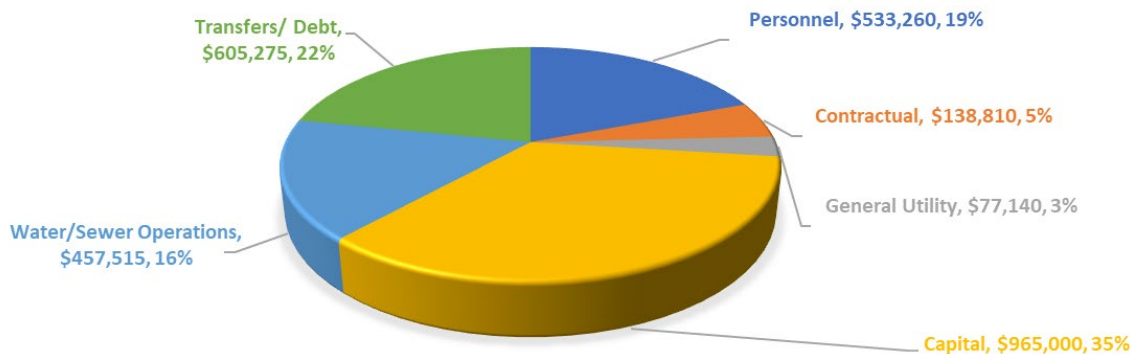
Budget Summary and Overview: Utilities Fund Summary Graphs

WHERE UTILITIES FUND REVENUE COMES FROM...



| Utilities Fund Revenue Sources | FY 2024 Adopted | FY 2025 Adopted | FY 2024 v FY 2025 | |
|--------------------------------|--------------------|--------------------|-------------------|-------------|
| | | | \$ Change | % Change |
| Utility Revenue | \$1,370,754 | \$1,393,700 | \$22,946 | 1.7% |
| Availability Fees | \$289,400 | \$289,400 | \$0 | 0.0% |
| Antennae Lease | \$124,025 | \$128,900 | \$4,875 | 3.9% |
| State and County | \$785,000 | \$965,000 | \$180,000 | 22.9% |
| Use of Reserves/ Fund Balance | \$19,400 | \$0 | -\$19,400 | -100.0% |
| Total Revenue | \$2,588,579 | \$2,777,000 | \$188,421 | 7.3% |

HOW UTILITIES FUND REVENUE IS SPENT...



| Utilities Fund Expenditure Categories | FY 2024 Adopted | FY 2025 Adopted | FY 2024 v FY 2025 | |
|---------------------------------------|--------------------|--------------------|-------------------|-------------|
| | | | \$ Change | % Change |
| Personnel | \$499,250 | \$533,260 | \$34,010 | 6.8% |
| Contractual | \$117,610 | \$138,810 | \$21,200 | 18.0% |
| General Utility | \$76,744 | \$77,140 | \$396 | 0.5% |
| Capital | \$785,000 | \$965,000 | \$180,000 | 22.9% |
| Water/Sewer Operations | \$415,605 | \$457,515 | \$41,910 | 10.1% |
| Transfers/ Debt | \$694,370 | \$605,275 | -\$89,095 | -12.8% |
| Total Expenditures | \$2,588,579 | \$2,777,000 | \$188,421 | 7.3% |

Budget Summary and Overview: Real Property Tax Analysis

Real Property Tax: Real property primarily refers to real estate property. Real Property taxes are the largest single source of revenue for the General Fund, and is used to fund recurring operational expenditures, debt and capital contributions to the Town’s Capital Improvement Plan.

For 2024, the Town has 977 residential units and 35 commercial units, for a total of 1,012 units. The total valuation of the Town’s taxable properties for 2023 is \$519,566,740 which is an increase of \$23,309,750 or 4.7 percent increase over the final 2023 valuation total of \$496,256,990.

The resulting average 2024 assessment value for residential parcels is \$504,358 or an increase of \$19,507 or 4.0 percent over 2023 values. Of this amount, Single Family Detached homes increased 4.2 percent in value, Townhouses decreased 1.3 percent, and commercial increased 2.7 percent for Multi-Family and 18.8 percent for Commercial and Industrial parcels. Residential units make up the majority of the Town’s total valuation and represent 95.5 percent of the total valuation and 96.5 percent of the number of taxable parcels within the Town.

| Lovettsville-Town | 2023 | | 2023 | | | 2024 | | 2024 | | Total Value Change | Parcel Change | Equalized % Change | Value % Change | Eqldz Avg Asmnt | Average Asmnt |
|---|-----------------------|-------------|--------------------|---------------|---------------------|-----------------------|-------------|---------------------|----------|--------------------|---------------|--------------------|------------------|-----------------|---------------|
| | Assessment | Parcels | Construction | Growth | Revaluation | Assessment | Parcels | | | | | | | | |
| Class 1 - Single Family Residential (Detached) | \$ 421,537,670 | 770 | \$570,489 | \$0 | \$17,256,601 | \$ 439,364,760 | 776 | \$17,827,090 | 6 | 4.09% | 4.23% | \$569,863 | \$566,192 | | |
| Class 1 - Single Family Residential (Townhouse) | \$ 48,512,180 | 132 | \$0 | \$0 | (\$624,200) | \$ 47,887,980 | 126 | (\$624,200) | -6 | -1.29% | -1.29% | \$362,788 | \$380,063 | | |
| Class 1 - Single Family Residential (Condo) | \$ - | - | \$0 | \$0 | \$0 | \$ - | - | \$0 | 0 | | | | | | |
| Class 1 - Single Family Residential (Other- includes vacant land) | \$ 2,849,180 | 66 | \$0 | \$0 | \$1,835,800 | \$ 4,684,980 | 66 | \$1,835,800 | 0 | 64.43% | 64.43% | \$70,985 | \$70,985 | | |
| Class 1 Total | \$ 472,899,030 | 968 | \$570,489 | \$0.00 | \$18,468,201 | \$ 491,937,720 | 968 | \$19,038,690 | 0 | 3.91% | 4.03% | \$507,611 | \$508,200 | | |
| Class 2 - Single Family Residential (Detached) | \$ 799,700 | 9 | \$0 | \$0 | \$20,010 | \$ 819,710 | 9 | \$20,010 | 0 | 2.50% | 2.50% | \$91,079 | \$91,079 | | |
| ALL RESIDENTIAL CLASS 1 AND 2 | \$ 473,698,730 | 977 | \$570,489 | \$0.00 | \$18,488,211 | \$ 492,757,430 | 977 | \$19,058,700 | 0 | 3.90% | 4.02% | \$503,774 | \$504,358 | | |
| Class 3 - Multi Family | \$ 1,058,350 | 2 | \$0 | \$0 | \$28,270 | \$ 1,086,620 | 2 | \$28,270 | 0 | 2.67% | 2.67% | \$543,310 | \$543,310 | | |
| Class 4 - Commercial & Industrial | \$ 21,474,150 | 32 | \$2,897,805 | \$0 | \$1,313,585 | \$ 25,685,540 | 32 | \$4,211,390 | 0 | 6.12% | 19.61% | \$712,117 | \$802,673 | | |
| Class 5 - Agricultural/Undeveloped (20 to 99.99 acres) | \$ 25,760 | 1 | \$0 | \$0 | \$11,390 | \$ 37,150 | 1 | \$11,390 | 0 | 44.22% | 44.22% | \$37,150 | \$37,150 | | |
| Class 6 - Agricultural/Undeveloped (more than 100 acres) | \$ - | - | \$0 | \$0 | \$0 | \$ - | - | \$0 | 0 | | | | | | |
| TOTAL TAXABLE | \$496,256,990 | 1012 | \$3,468,294 | \$0 | \$19,841,456 | \$519,566,740 | 1012 | \$23,309,750 | 0 | 4.00% | 4.70% | \$509,979 | \$513,406 | | |
| Class 7 - Exempt Property | \$ 24,048,380 | 33 | \$0 | \$0 | \$1,371,920 | 25,420,300 | 33 | \$1,371,920 | 0 | 5.70% | 5.70% | \$770,312 | \$770,312 | | |
| TOTAL TAXABLE AND EXEMPT | \$520,305,370 | 1045 | \$3,468,294 | \$0 | \$21,213,376 | \$544,987,040 | 1045 | \$24,681,670 | 0 | 4.08% | 4.74% | \$518,200 | \$521,519 | | |

One of the Town Council's recurring tenets is to “maintain equalized tax rates and established user fees.” An equalized tax rate reflects the rate that is required to yield the equal amount of taxes as the previous year. The equalized tax rate does not reflect value adjustments due to improvements or new construction. An equalized tax rate is intended to yield the same amount of revenue from the same parcels as the previous year. The equalized residential real estate property tax rate for 2024 is 14.75¢ per \$100 of assessed valuation.

The Fiscal Year 2025 Budget reflects an adopted real estate tax rate of 14.75¢ per \$100 assessed valuation, which is the calculated residential equalized tax rate.

Budget Summary and Overview: 2024 Real Estate Tax Bill Analysis

Residential 2024 Tax Bill Scenarios and Comparison:

The following table provides the resulting residential tax bills for 2024 compared to the 2023 tax rate of 15.25¢, and the 2024 adopted tax rate of 14.75¢, which is equivalent to the calculated equalized residential real estate tax rate.

| | CURRENT TAX RATE 15.25¢ | | ADOPTED TAX RATE 14.75¢ | | | |
|------------------------|-------------------------|------------------|-------------------------|------------------|----------------|----------------|
| | 2023 | | 2024 | | Variance | |
| Housing Type | Average Assessment | Average Tax Bill | Average Assessment | Average Tax Bill | Annual | Monthly |
| Single Family Detached | \$547,452 | \$834.86 | \$566,192 | \$835.13 | \$0.27 | \$0.02 |
| Townhome | \$367,517 | \$560.46 | \$380,063 | \$560.59 | \$0.13 | \$0.01 |
| All Residential | \$ 484,850 | \$739.40 | \$504,358 | \$743.93 | \$ 4.53 | \$ 0.38 |

Western Loudoun Towns Real Estate Tax Comparison:

The following table reflects the 2024 tax rates for comparable jurisdictions in western Loudoun County and where data is available, the resulting average residential tax bill.

| Town | Average Assessment | 2024 Tax Rate (¢) | 2024 Residential Annual Tax Bill |
|---------------------|--------------------|-------------------|----------------------------------|
| Hamilton | \$506,786 | 27.0¢ | \$1,368.32 |
| Middleburg | \$727,399 | 13.69¢ | \$995.81 |
| Purcellville | \$587,691 | 20.5¢ | \$1,204.77 |
| Leesburg | \$590,965 | 17.74¢ | \$1,048.37 |
| Lovettsville | \$504,358 | 14.75¢ | \$743.93 |
| Round Hill | \$547,967 | 6.6¢ | \$361.66 |

*Round Hill, Hamilton, Middleburg and Lovettsville average assessed value is from 2023.

It should be noted that Hamilton and Round Hill both levy personal property taxes at rates of \$1.10 and \$1.15 per \$100 assessment value respectively. Lovettsville and Middleburg do not currently levy a personal property tax.

Budget Summary and Overview: Other Taxes Analysis

Consumer Taxes: The Fiscal Year 2025 Budget reflects the anticipation of continued growth in consumer tax revenues, specifically revenue driven by sales and use tax and meals tax. Consumer tax revenue derives from business activity such as Meals and Beverage Taxes, Sales Taxes, Bank Franchise, Cigarette Sales Taxes and Business Licenses. The budget includes an overall estimated increase of \$32,050 or 4.7 percent in consumer taxes over the Fiscal Year 2024 Adopted Budget estimates.

Sales and Use Taxes: Currently, the Town is provided with a portion of the sales and use taxes levied in Loudoun County by the Commonwealth of Virginia. The Town receives the equivalent portion of the school aged population within Loudoun County. Over the past two years, sales and use tax revenue has continued to grow in Loudoun County primarily due to the collection of online sales that began in January 2019. As a result, the Fiscal Year 2025 budget includes \$298,200 or an increase of \$14,200 or 5.3 percent over the Fiscal Year 2024 Adopted Budget estimate of \$284,000.

Business Licenses: The Town's business license is levied as a percentage of gross revenue for a business located or conducting business within the corporate Town limits. The opening of Town Commons (also known as Lovettsville Square South Phase II) is expected to impact license revenue in 2024-2025; however, the development as of the development of this projection is not fully leased, therefore, projected actuals remain similar to actuals from Fiscal Year 2023. The Fiscal Year 2025 budget includes a conservative projection of \$67,000, which is the same as Fiscal Year 2024 estimates.

Bank Franchise Tax: Bank Franchise Tax is levied on the net capital of banks within the Town corporate limits at a relative rate of 80 percent of the state rate, or \$0.80 per \$100 of taxable value. The Fiscal Year 2025 budget includes a projected revenue estimate of \$25,000, or the same estimate as the Fiscal Year 2024 Adopted Budget estimate.

Meals Tax: The Town levies a supplemental sales tax on prepared meals and beverages for all restaurants and retailers within the Town's corporate limits. The Fiscal Year 2025 budget includes \$275,625 or an increase of \$13,125 or 6.5 percent over the Fiscal Year 2024 Adopted Budget estimates. The budgeted estimate is based on current revenue trends and the resulting increase attributable in part to the increased meals tax rate of 3.75 percent that was effective July 1, 2023. Meals tax revenue could exceed projections once the Lovettsville Town Commons shopping center is fully occupied.

Cigarette Tax: The Town levies a supplemental sales tax of \$0.40 for each pack of cigarettes sold within the Town corporate limits. The recent boundary line adjustment of the Town's corporate limits increased the number of retailers of cigarettes within the Town subject to the Town's cigarette tax; however, the current trend would suggest only a moderate increase in cigarette taxes yielded by previous vendors. As a result, the Fiscal Year 2025 budget includes a revenue projection estimate of \$25,500 which is an increase of \$1,500 or 6.3 percent over the Fiscal Year 2024 estimate.

Budget Summary and Overview: Utilities Fund

The Fiscal Year 2025 Utilities Fund totals \$2,777,000 or an increase of \$188,421 or 7.3 percent over the Fiscal Year 2024 Adopted Budget. Of this total increase, \$98,066 is attributable to the operating budget, \$285,000 increase is associated with the proposed Capital Improvement Plan, and there is an offsetting decrease in anticipated excess availability fee revenue to contribute to the associated reserve.

The notable adjustments to the Fiscal Year 2025 budget in comparison to the Fiscal Year 2024 Adopted Budget are as follows for the operating budgetary categories:

Personnel: An overall net increase of \$34,010 or 7.2 percent is attributable to salary and benefit adjustments of existing employees and the addition of \$3,000 for allowance for staff to purchase supplemental uniform items such as pants. These increases are offset by a decrease of \$15,400 due to a change in the eligibility of Utilities staff for the Virginia Retirement System in the estimated annual contribution for Fiscal Year 2025.

Contractual Services: An increase of \$21,600 or 18.4 percent primarily attributable to previously omitted annual contract with Kamstrup for annual hosting/software for the meters, additional consultant services for grant applications; the replacement of a meter and setter at the Community Center and anticipated maintenance or replacement of meters.

Sewer Repair/Maintenance: Increase of \$9,600 or 5.6 percent primarily due to an increase of \$31,000 to address inflow and infiltration issues in the sewer system, which is offset by a decrease in anticipated repairs to equipment at the wastewater treatment plant.

Electricity: An increase of \$12,540 or 19.3 percent is required for anticipated electricity usage at the Utilities facilities. The Fiscal Year 2024 Adopted budget was predicated on the Fiscal Year 2021 actual expenditures, which may have been less due to pandemic conditions and extended shutdown of one of the Town's wells.

Communications: An increase of \$2,330 or 26.6 percent attributable to internet service at the Town's two Water Plants and phone/internet service required for the SCADA system which is the monitoring program for the Water Plants and Waste Water Treatment Plant.

Sewer Supplies and Equipment: An increase of \$7,600 or 15.7 percent due to sample testing supplies increasing commensurate to increased frequency of testing.

Debt Service/Transfers: An overall decrease of \$89,095 or 13.8 percent is attributable to the projected excess availability fees being added to existing reserve; offset by an increase of \$19,531 or 11.4 percent in the overhead administrative contribution to the General Fund that is based on time allocation of General Fund staff conducting Utilities Fund administrative tasks including treasury functions, accounts payable, project management, zoning processes, and overall management of the administrative aspects of the Utilities Fund operations. Further, the overhead administrative contribution includes \$25,560 for the enhancement of the Public Works Coordinator position.

Use of ARPA Funding: The Fiscal Year 2025 budget includes use of \$965,000 in allocated American Rescue Act of 2021 (ARPA) funding per the Town Council's approved spending plan and proposed Capital Improvement Plan. This funding is dedicated to one-time, capital expenditures and is allocated in Utilities capital projects within the Town's five-year capital improvement plan for Fiscal Years 2025 through 2029. The Fiscal Year 2025 allocation of ARPA funding is \$285,000 more, or 41.9 percent over the Fiscal Year 2024 Adopted Budget of \$965,000.

Budget Summary and Overview: Utilities Fund: Water/Sewer Rate Analysis

Fiscal Year 2025 Water and Sewer Rates: The Fiscal Year 2025 budget includes a three percent increase in the user rate and the water and sewer user rates. This nominal rate increase is anticipated to result in total revenue of \$1,320,000 which is an increase of \$39,000 over the Fiscal Year 2024 Adopted Budget estimate of \$1,281,000.

Monthly Bill Impacts for Water and Sewer Users: Water and sewer charges are billed monthly to each user. The current average of water and sewer used per household is 4,000 gallons per month. Based on the continuance of this average monthly usage per household in Fiscal Year 2024, the following table exhibits the anticipated impacts to the average household’s monthly billed charges with the FY 2024 Adopted Rate increase of three percent.

| Charges | FY 2024 Rates | Charges based on FY 2023 Rates | Proposed FY 2025 Rates | Charges based on FY 2025 Rates | Variance |
|-----------------------------|---------------------------|--------------------------------|---------------------------|--------------------------------|---------------|
| Minimum rate | \$50.70 | \$50.70 | \$52.22 | \$52.22 | \$1.52 |
| 0-2,000 Gallons | | | | | |
| Water Charges | \$9.80 per 1,000 gallons | \$19.60 | \$10.09 per 1,000 gallons | \$20.18 | \$0.58 |
| 2,000 above Min. | | | | | |
| Water Charges | \$15.55 per 1,000 gallons | \$31.10 | \$16.02 per 1,000 gallons | \$32.04 | \$0.94 |
| 2,000 above Min. | | | | | |
| Total Monthly Billed | | \$101.40 | | \$104.44 | \$3.04 |

Monthly Water/Sewer Bill Comparison for Municipal Utilities in Loudoun County:

The following table reflects the adopted utility rates for municipal utilities in Loudoun County and where data is available, the resulting average monthly water and sewer bill based on 4,000 gallons.

| Municipal Utilities in Loudoun County (Water & Sewer Services) | Average Monthly Bill based on 4,000 gallons (in-town rates) |
|--|---|
| Hamilton (*bi-monthly billing) | \$108.24 |
| Middleburg (*bi-monthly billing) | \$166.10 |
| Purcellville (*bi-monthly billing) | \$149.11 |
| Leesburg (*quarterly billing) | \$131.41 |
| Loudoun Water (*quarterly billing) | \$115.06 |
| Lovettsville (monthly) | \$104.44 |
| Round Hill (monthly) | \$122.15 |

Budget Summary and Overview: Utilities Fund: Water/Sewer Rate Analysis

Availability Fees: Availability fees are utility charges levied at the time on connection to the Town's water and sewer infrastructure system. Generally, availability fees are utilized to pay for debt that funded the existing infrastructure or used for expansion or enhancements to the system. Availability fee adjustments are tied to the construction price index in the Washington-Baltimore Metropolitan Region (CPI-U) since the fees are directly associated with the capital investment of the system. The increase for Fiscal Year 2025 is 2.1 percent which is equivalent to the CPI-U of the region from December 2022 to December 2023. The following is the resulting schedule of availability fees based on the increase for Fiscal Year 2025.

| AVAILABILITY FEES, MAXIMUM ALLOWABLE USAGE AND METER FEES | | | | |
|--|-----------------------------------|----------------------------------|---------------------------------------|----------------------|
| Meter Size | Max. Allowable Usage (GPD) | Water Availability Fee*** | Wastewater Availability Fee*** | Meter Fee |
| 5/8" | 500 | \$13,901 | \$20,423 | \$250 |
| 3/4" | 750 | \$20,851 | \$30,634 | \$250 |
| 1" | 1,250 | \$34,753 | \$51,056 | Cost of meter + \$20 |
| 1-1/2" | 2,500 | \$69,507 | \$102,113 | Cost of meter + \$20 |
| 2" | 4,000 | \$111,208 | \$163,380 | Cost of meter + \$20 |
| 3" | 8,000 | \$224,312 | \$326,760 | Cost of meter + \$20 |
| 4" | 12,500 | \$347,524 | \$510,560 | Cost of meter + \$20 |

Budget Summary and Overview: Position Count

| Positions by Fund | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | Variance | |
|-----------------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------------|------------|
| | | | | | | | FY 2024 v. FY 2025 | |
| <u>General Fund</u> | | | | | | | | |
| Full-Time | 6 | 6 | 6 | 6 | 7 | 8 | 1 | 14% |
| Part-Time | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 0% |
| Total FTE | 6.5 | 6.5 | 6.5 | 6.5 | 7.5 | 8.5 | 1.0 | 13% |
| <u>Utilities Fund</u> | | | | | | | | |
| Full-Time | 4 | 4 | 4 | 5 | 5 | 5 | 0 | 0% |
| Part-Time | 2 | 2 | 2 | 1 | 1 | 1 | 0 | 0% |
| Total FTE | 5.0 | 5.0 | 5.0 | 5.5 | 5.5 | 5.5 | 0.0 | 0% |
| Overall FTE | 11.5 | 11.5 | 11.5 | 12.0 | 13.0 | 14.0 | 1.0 | 7% |

*FTE= Full Time Equivalent

FY 2020: No personnel change from Fiscal Year 2019.

FY 2021: One full time position, the Planning/Zoning Administrator in the General Fund continues to be filled with a part-time employee.

FY 2022: One full time position, the Planning/Zoning Administrator in the General Fund continues to be filled with a part-time employee.

FY 2023: The overall FTE increased by 0.50 FTE as a result of converting a part-time 0.5 FTE Wastewater Operator position to full time, 1.00 FTE in the Utilities Fund. Two full time positions in the General Fund continue to be filled with part-time employees- Planning/Zoning Administrator and Project Manager.

FY 2024: The overall FTE increased by 1.0 FTE as a result of the addition of a Community Engagement & Economic Development Coordinator position. Two full time positions in the General Fund continue to be filled with part-time employees- Planning/Zoning Administrator and Project Manager.

FY 2025: The overall FTE increased by 1.0 FTE as a result of the enhancement position: Public Works Coordinator. Two full time positions in the General Fund continue to be filled with part-time employees- Planning/Zoning Administrator and Project Manager. One full time Water Operator position is filled with a part-time employee in the Utilities Fund.

Budget Summary and Overview: Debt Obligations

General Fund

Blue Ridge Bank:

Purpose: Town Hall Building
Origination Date: 2023
Original Loan Amount: \$203,364.03
Interest Rate: 2.95%
Maturity Date: April 2040
Current Principal Balance (6/30/24): \$189,702.89

Truist Governmental Bank:

Purpose: Town-wide Infrastructure Improvements and Facilities
Origination Date: Refinanced in 2020
Original Loan Amount: \$1,263,000.00
Interest Rate: 1.57%
Maturity Date: February 2031
Current Principal Balance (6/30/24): \$890,699.42

Utilities Fund

US Bank (Virginia Resources Authority Pooled Financing Program):

Purpose: Town-wide Infiltration and Inflow Mitigation and Utilities Infrastructure
Origination Date: 2015
Original Loan Amount: \$1,305,000
Interest Rate: 3.00%
Maturity Date: October 2027
Current Principal Balance (6/30/24): \$655,000

US Bancorp (Governmental Leasing and Finance):

Purpose: Town-wide Automated Water Meters
Origination Date: 2019
Original Loan Amount: \$425,000
Interest Rate: 3.414%
Maturity Date: February 2034
Current Principal Balance (6/30/24): \$315,722.14

Virginia Resource Authority:

Purpose: Waste Water Treatment Plant Improvements; Infiltration and Inflow Mitigation
Origination Date: 2009 Refinanced 2019
Original Loan Amount: \$476,327.02
Interest Rate: 2.45%
Maturity Date: March 2030
Current Principal Balance (6/30/24): \$175,734.30

Budget Summary and Overview: General Fund Debt

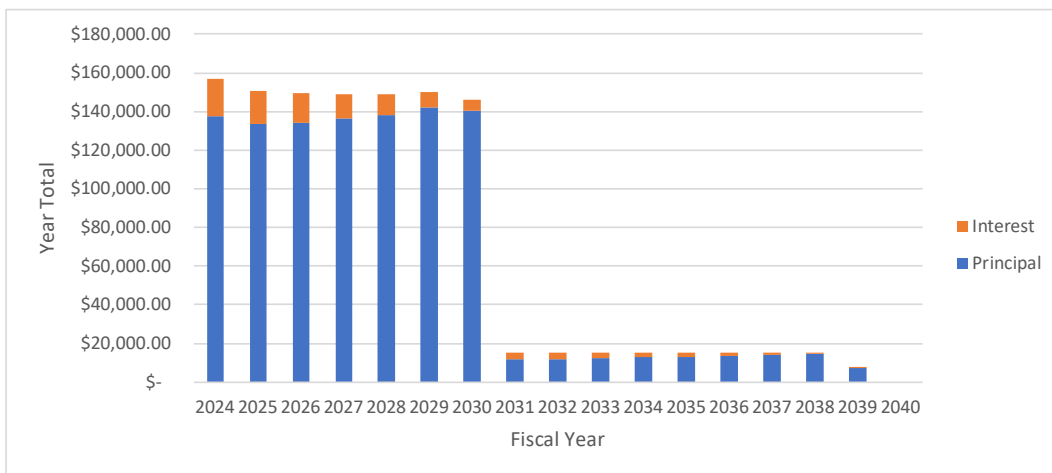
Target Debt Ratio #1 - Debt service as a percentage of General Fund expenses should not exceed 15%.

Target Debt Ratio #3 - Bonded debt of the Town shall not exceed 2.0% of the total asset value of taxable real property within the Town limits.

| | |
|--|----------------|
| FY 2023 General Fund Expenditures: | \$ 1,757,328 |
| 2023 Total Asset Value of Taxable Real Property: | \$ 496,097,780 |
| FY 2024 Debt Service: \$154,584.43 | \$ 154,584 |
| FY 2024 Debt Coverage Target Ratio #1: | 8.80% |
| FY 2024 Debt Coverage Target Ratio #3: | 0.24% |

General Fund - Debt Amortization and Pay-Out Ratio Schedule

| Period Ends | Principal | Interest | Total | Payout Ratio |
|------------------|------------------------|----------------------|------------------------|--------------|
| 2024 | \$ 137,699.00 | \$ 19,511.06 | \$ 157,210.06 | 23.5% |
| 2025 | \$ 133,529.13 | \$ 17,216.77 | \$ 150,745.90 | 34.8% |
| 2026 | \$ 134,297.76 | \$ 14,983.99 | \$ 149,281.75 | 46.0% |
| 2027 | \$ 136,446.63 | \$ 12,735.13 | \$ 149,181.76 | 57.1% |
| 2028 | \$ 138,420.92 | \$ 10,442.33 | \$ 148,863.25 | 68.3% |
| 2029 | \$ 142,213.70 | \$ 8,126.25 | \$ 150,339.95 | 79.5% |
| 2030 | \$ 140,414.35 | \$ 5,740.20 | \$ 146,154.55 | 90.5% |
| 2031 | \$ 11,595.80 | \$ 3,377.84 | \$ 14,973.64 | 91.6% |
| 2032 | \$ 11,940.40 | \$ 3,033.24 | \$ 14,973.64 | 92.7% |
| 2033 | \$ 12,295.24 | \$ 2,678.40 | \$ 14,973.64 | 93.9% |
| 2034 | \$ 12,660.63 | \$ 2,313.01 | \$ 14,973.64 | 95.0% |
| 2035 | \$ 13,036.86 | \$ 1,936.78 | \$ 14,973.64 | 96.1% |
| 2036 | \$ 13,424.28 | \$ 1,549.36 | \$ 14,973.64 | 97.2% |
| 2037 | \$ 14,027.12 | \$ 946.52 | \$ 14,973.64 | 98.3% |
| 2038 | \$ 14,443.97 | \$ 529.67 | \$ 14,973.64 | 99.5% |
| 2039 | \$ 7,095.51 | \$ 104.66 | \$ 7,200.17 | 100.0% |
| 2040 | | | \$ - | 100.0% |
| ALL Years | \$ 1,208,394.51 | \$ 126,982.05 | \$ 1,335,376.56 | |



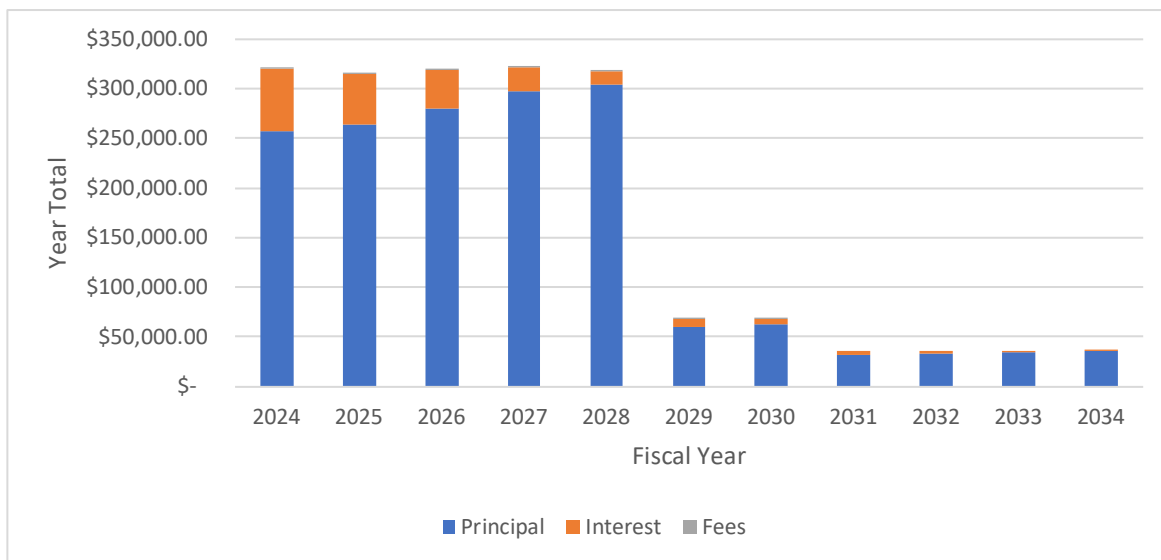
Budget Summary and Overview: Utilities Fund Debt

Targeted Debt Ratio #2 – Debt Service as a percentage of Utilities Fund expenses should not exceed 25%

| | |
|---------------------------------------|--------------|
| FY 2023 Utilities Fund Expenditures: | \$ 2,344,486 |
| FY 2024 Debt Service | \$ 320,563 |
| FY 2024 Debt Coverage Target Ratio #2 | 13.7% |

Utilities Fund- Debt Amortization and Pay-Out Ratio Schedule

| Period Ends | Principal | Interest | Fees | Total | Payout Ratio |
|------------------|------------------------|----------------------|--------------------|------------------------|--------------|
| 2024 | \$ 257,009.41 | \$ 63,415.12 | \$ 391.58 | \$ 320,816.11 | 17.1% |
| 2025 | \$ 263,593.20 | \$ 51,250.67 | \$ 337.86 | \$ 315,181.73 | 33.9% |
| 2026 | \$ 280,226.01 | \$ 38,526.14 | \$ 282.71 | \$ 319,034.86 | 50.9% |
| 2027 | \$ 296,909.38 | \$ 24,983.78 | \$ 226.08 | \$ 322,119.24 | 68.1% |
| 2028 | \$ 303,644.89 | \$ 13,328.27 | \$ 167.95 | \$ 317,141.11 | 85.0% |
| 2029 | \$ 60,434.18 | \$ 7,770.54 | \$ 107.26 | \$ 68,311.98 | 88.6% |
| 2030 | \$ 62,279.07 | \$ 5,987.07 | \$ 46.98 | \$ 68,313.12 | 92.2% |
| 2031 | \$ 32,097.37 | \$ 4,343.31 | \$ - | \$ 36,440.68 | 94.2% |
| 2032 | \$ 33,202.52 | \$ 3,238.06 | \$ - | \$ 36,440.58 | 96.1% |
| 2033 | \$ 34,345.74 | \$ 2,094.84 | \$ - | \$ 36,440.58 | 98.1% |
| 2034 | \$ 35,528.29 | \$ 912.29 | \$ - | \$ 36,440.58 | 100.0% |
| ALL Years | \$ 1,659,270.06 | \$ 215,850.09 | \$ 1,560.42 | \$ 1,876,680.57 | |



Budget Summary and Overview: Pro Forma

Pro Forma - General Fund

The General Fund is the primary operating fund of the Town. The pro forma reflects revenues including real estate property taxes based on an approved rate of 14.75¢ per \$100 of assessed value for 2024.

| | FY 2022 Actuals | FY 2023 Budget | FY 2024 Adopted | FY 2025 Adopted | FY 2026 Forecast | FY 2027 Forecast | FY 2028 Forecast |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Property Taxes | \$ 765,759 | \$ 728,218 | \$ 766,445 | \$ 777,381 | \$ 800,700 | \$ 824,720 | \$ 849,460 |
| Local Taxes | \$ 701,704 | \$ 684,453 | \$ 763,629 | \$ 795,679 | \$ 819,550 | \$ 844,140 | \$ 869,460 |
| Permits, Fees, Reimbursements | \$ 38,714 | \$ 13,000 | \$ 19,000 | \$ 58,500 | \$ 60,260 | \$ 62,070 | \$ 63,930 |
| State and County | \$ 77,703 | \$ 119,750 | \$ 18,300 | \$ 20,250 | \$ 20,860 | \$ 21,490 | \$ 22,130 |
| Inter-Fund | \$ 120,000 | \$ 170,616 | \$ 189,404 | \$ 208,935 | \$ 215,200 | \$ 221,660 | \$ 228,310 |
| Use of Reserves/ Fund Balance | \$ - | \$ 34,250 | \$ 550 | \$ 93,321 | \$ 96,120 | \$ 99,000 | \$ 101,970 |
| | \$ 1,703,879 | \$ 1,750,287 | \$ 1,757,328 | \$ 1,954,066 | \$ 2,012,690 | \$ 2,073,080 | \$ 2,135,260 |
| Personnel | \$ 594,279 | \$ 643,126 | \$ 776,515 | \$ 902,493 | \$ 929,570 | \$ 957,460 | \$ 986,180 |
| Contractual | \$ 267,988 | \$ 324,000 | \$ 434,212 | \$ 407,714 | \$ 419,950 | \$ 432,550 | \$ 445,530 |
| Debt | \$ 38,119 | \$ 155,550 | \$ 173,250 | \$ 156,290 | \$ 160,980 | \$ 165,810 | \$ 170,780 |
| CIP Contribution | \$ - | \$ - | \$ 84,500 | \$ 173,000 | \$ 178,190 | \$ 183,540 | \$ 189,050 |
| General Operations | \$ 1,150,181 | \$ 627,611 | \$ 288,851 | \$ 314,569 | \$ 324,010 | \$ 333,730 | \$ 343,740 |
| | \$ 2,050,566 | \$ 1,750,287 | \$ 1,757,328 | \$ 1,954,066 | \$ 2,012,690 | \$ 2,073,070 | \$ 2,135,260 |

Pro Forma - Utilities Fund

The Utilities Fund is used to account for the operation and maintenance of the Town's water and sanitary sewer system. The Utilities Fund pro forma reflects revenue and expenditures on a cash basis. The fund provides for capital projects included in the Town's Capital Improvements Plan (CIP) as well as repair, renovation, and replacement (3R) requirements to adequately maintain operations on aging utility systems.

| | FY 2022 Actuals | FY 2023 Adopted | FY 2024 Adopted | FY 2025 Adopted | FY 2026 Forecast | FY 2027 Forecast | FY 2028 Forecast | FY 2028 Forecast |
|--------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| W/S Use Charges | \$ 1,263,223 | \$ 1,294,180 | \$ 1,370,754 | \$ 1,393,700 | \$ 1,435,510 | \$ 1,478,580 | \$ 1,522,940 | \$ 1,568,630 |
| Antennae Leases | \$ 119,138 | \$ 119,255 | \$ 124,025 | \$ 128,900 | \$ 132,770 | \$ 136,750 | \$ 140,850 | \$ 145,080 |
| Tap Fee (Anticipated) | \$ 188,115 | \$ 246,051 | \$ 289,400 | \$ 289,400 | \$ 298,080 | \$ 307,020 | \$ 316,230 | \$ 325,720 |
| ARPA (CIP) | \$ 135,566 | \$ 300,000 | \$ 90,000 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use of 3R for CIP | \$ - | \$ 20,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Use of UNP for CIP | \$ - | \$ 10,000 | \$ 19,400 | \$ - | \$ - | \$ - | \$ - | \$ - |
| | \$ 1,706,042 | \$ 1,989,486 | \$ 1,893,579 | \$ 1,812,000 | \$ 1,866,360 | \$ 1,922,350 | \$ 1,980,020 | \$ 2,039,430 |
| Personnel | \$ 397,446 | \$ 471,797 | \$ 499,250 | \$ 533,260 | \$ 549,260 | \$ 565,740 | \$ 582,710 | \$ 600,190 |
| Operating | \$ 527,789 | \$ 579,862 | \$ 609,959 | \$ 673,465 | \$ 693,670 | \$ 714,480 | \$ 735,910 | \$ 757,990 |
| Debt | \$ 71,746 | \$ 325,834 | \$ 323,965 | \$ 314,990 | \$ 324,440 | \$ 334,170 | \$ 344,200 | \$ 354,530 |
| GF Overhead Contribution | \$ 120,000 | \$ 170,616 | \$ 189,404 | \$ 208,935 | \$ 215,200 | \$ 221,660 | \$ 228,310 | \$ 235,160 |
| Operating Contingency | \$ - | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 10,300 | \$ 10,610 | \$ 10,930 | \$ 11,260 |
| Reserve Contribution | \$ - | \$ 120,000 | \$ 171,001 | \$ 71,350 | \$ 73,490 | \$ 75,690 | \$ 77,960 | \$ 80,300 |
| ARPA/CIP contribution | \$ 14,379 | \$ 655,000 | \$ 785,000 | \$ 965,000 | \$ 993,950 | \$ 1,023,770 | \$ 1,054,480 | \$ 1,086,110 |
| Depreciation | \$ 422,354 | | | | | | | |
| | \$ 1,553,714 | \$ 2,333,109 | \$ 2,588,579 | \$ 2,777,000 | \$ 2,860,310 | \$ 2,946,120 | \$ 3,034,500 | \$ 3,125,540 |

FY 2025 Schedule of Fees

GENERAL FUND

| TAXES | |
|---|--|
| Type | Tax/Fee Rate |
| Real Estate Tax (per \$100 assessed value) | \$0.1475 (Elderly/Disabled Real Estate Tax discount is 100% for qualifying residents) |
| Meals Tax | 3.75% on gross receipts |
| Cigarette Tax | \$0.40 per pack |
| Transient Occupancy Tax | 5% of gross receipts |
| Vehicle License Tax | \$25.00 per car/truck/motorcycle |
| Town Facilities Use Permit | \$25.00 In-Town Rate \$50.00 Out-of-Town Rate |

| BUSINESS, PROFESSIONAL AND OCCUPATIONAL LICENSE | |
|---|---|
| Type | Tax/Fee Rate |
| All Businesses Except gross receipts over \$20,000.00 | Fee of \$30.00 for gross receipts up to \$20,000.00 and a Tax of \$0.17/\$100 for Contractors |
| In-Town Contractors | Fee of \$30.00 for gross receipts up to \$20,000.00 and a Tax of \$0.16/\$100 for gross receipts over \$20,000.00 |
| Out-of-Town Contractors | No charge for work valued under \$25,000.00 annually; Fee of \$30.00 plus a tax of \$0.16/\$100 for gross receipts over \$25,000.00 |

| APPLICATION FEES | |
|---|--|
| Type | Fee Rate |
| Zoning Permit – Minor | \$75 |
| Zoning Permit – Major | \$150 |
| Pool Permit (Fence Included) | \$75 |
| Zoning Determination Letter | \$75 |
| Demolition Permit | \$0 |
| Rezoning/Zoning Map Amendment** | \$750 FOR FIRST ACRE + \$250 FOR EACH ADDITIONAL ACRE |
| Proffer Amendment | \$500 |
| Ordinance Amendment** | \$150 |
| Home Occupancy Permit | \$75 |
| Zoning Certificate | \$75 |
| Sign Permit – Permanent (UP TO 3 SIGNS) | \$75 |
| Sign Permit – Temporary (PER SIGN) | \$25 |
| Preliminary Plat | \$300 + \$15 PER LOT |
| Preliminary Plat Amendment | \$250 |
| Final Plat | \$500 + \$25 PER LOT |
| Final Plat Amendment | \$250 |
| Boundary Line Adjustment | \$250 |
| Minor Subdivision Plan/Plat | \$300 + \$15 PER LOT |
| Preliminary Site Plan | \$1,000+ \$50 PER ACRE |
| Final Site Plan | \$1,000 FOR FIRST ACRE + \$50 FOR EACH ADDITIONAL ACRE |
| Preliminary/Final Site Plan | \$1,000 FOR FIRST ACRE + \$50 FOR EACH ADDITIONAL ACRE |
| Conditional Use Permit** | \$350 |
| Subdivision/Site Plan Exception* | \$100 PER SECTION VARIED |
| Comprehensive Plan Amendment | \$2,500 |
| Occupancy Permit | \$75 |
| Bond Reduction (PER REDUCTION) | \$100 |
| Bond Release | \$150 |
| VDOT Street Acceptance | \$150 |
| Variance/Appeal* | \$100 |
| Subdivision/Site Plan Engineering & Legal Consultant Review Deposit Fee** | \$3,000 |
| Comprehensive Plan (Document) | \$40 |

FY 2025 Schedule of Fees

Notes:

* Additional charges for advertising and/or adjacent property owner notification will be billed to the applicant. (Applicants are responsible for all base fees as well as any engineering or Town Attorney Review Costs)

** As required by Section 30-37 of the Town Code for subdivision construction drawings and development site plans. If actual costs differ from amount deposited, the excess shall be paid by the applicant to the Town or difference refunded to the applicant, as applicable.

Taxes are authorized by VA Code 58.1. Fees are authorized by Code of Virginia §15.2-2241 and §15.2-2286.

| FREEDOM OF INFORMATION ACT (FOIA) REQUESTS | |
|---|---|
| Type | Fee Rate |
| Photocopies | \$0.25 per page (8 ½ x 11) |
| Documents Printed In-House | \$2.00 per page (Black/White 24" x 36") \$3.00 per page (Color 24" x 36") Documents Sent to Printer Due to Volume or Size Actual Cost |
| Audio CDs and Flash Drives | \$5.00 per copy |
| Cost for staff time to research and respond to FOIA requests will be based on the hourly rate of the appropriate staff member(s) responding to the request. For more information, see the Town of Lovettsville Freedom of Information Act Policy and FOIA Request Form. | |

UTILITIES FUND

| FEES AND CHARGES | |
|---|---|
| Type | Fee Rate |
| In-Town Water User Rate (per 1,000 gallons): | \$10.09 |
| In-Town Sewer User Rate (per 1,000 gallons): | \$16.02 |
| In-Town Sewer Only Customers: | Fixed rate of \$47.73 |
| Out-of-Town Water/Sewer Customers Charged: | 150% of In-Town rate |
| Penalty for Late Payment: | \$10 or 10% (whichever is greater) |
| Bulk Water Sales: | \$25 / 1,000 gallons, plus \$75 transaction fee |
| Virginia Department of Health Waterworks Technical Assistance Fund: | Set by VDH |
| Water Cutoff Charge or Turn On Charge: | \$30 |
| Fire Sprinkler Fee for facilities with a fire sprinkler system connected to Town Water: | \$6.67 / Month |
| Availability Tap refund processing charge: | \$50.00 |
| Fats, Oils and Grease Permit Fee: | \$25.00 |
| Flushing Hydrant Maintenance Fee: | \$500 per year |
| Off-Hours Service Charge (4pm- 6am) | \$75.00 |
| Frye Court Service Tax District (per \$100 of assessed value exclusive of improvements) | \$0.233 |

WATER AND SEWER RATE TABLE

A minimum rate applies to all water and sewer accounts after the minimum billed usage and an additional dollar amount is applied per 1,000 gallons, and includes a 3% increase in residential 5/8 & 3/4 meter sizes, as well as rates for non-residential and other size water meter connections.

| Meter Size (inches) | Minimum Billed \$ (Month) | Minimum Billed Usage (gallons) | Per 1,000 gallons Over Minimum | Per 1,000 gallons Over Minimum |
|---------------------|---------------------------|--------------------------------|--------------------------------|--------------------------------|
| 5/8 & 3/4 | \$52.22 (residential) | 2,000 | \$10.09 | \$16.02 |
| | \$63.50 (non-residential) | | | |
| 1 | \$74.75 | | | |
| 1.5 | \$74.75 | | | |
| 2 | \$86.01 | | | |
| 3 | \$108.52 | | | |
| 4 | \$119.78 | | | |

FY 2025 Schedule of Fees

| WATER AND SEWER INSPECTION FEES | |
|--|--|
| Type | Fee |
| Main Inspection Fee | \$1.90 x linear foot of Water Main + \$2.15 x linear foot of Sewer Main + \$300 for Beneficial Use Inspection + \$300 Final Inspection |
| Lateral Inspection Fee | \$150 per connection- charged with Zoning Permit for the building |
| Line Record Drawing Fee | \$1,350 + \$1.25/linear foot of Water Main + \$1.50/linear foot of Sewer Main |
| Water Modeling Fee | Engineering Reimbursable- cost to update water model to include new water lines and provide required information to VDH for their review and approval; component of Engineering Deposit. |
| Hydrant Flow Test Fee | \$100 + provide needed testing equipment |
| Lateral Upgrade Fee | \$100 + Cost of meter (when existing connection upgrades to a larger size meter) |

| DEPOSITS FOR NEW WATER AND SEWER ACCOUNTS | | |
|--|----------------|----------------|
| Type of Connection | Water | Sewer |
| Residential (within Town limits) | \$50 | \$50 |
| Residential (outside Town limits) | \$100 | \$100 |
| Non-Residential | \$100 | \$100 |
| Water and Sewer Connection Fees | \$2,574 | \$2,574 |

| AVAILABILITY FEES, MAXIMUM ALLOWABLE USAGE AND METER FEES | | | | |
|--|----------------------------|---------------------------|--------------------------------|----------------------|
| Meter Size | Max. Allowable Usage (GPD) | Water Availability Fee*** | Wastewater Availability Fee*** | Meter Fee |
| 5/8" | 500 | \$13,901 | \$20,423 | \$250 |
| 3/4" | 750 | \$20,851 | \$30,634 | \$250 |
| 1" | 1,250 | \$34,753 | \$51,056 | Cost of meter + \$20 |
| 1-1/2" | 2,500 | \$69,507 | \$102,113 | Cost of meter + \$20 |
| 2" | 4,000 | \$111,208 | \$163,380 | Cost of meter + \$20 |
| 3" | 8,000 | \$224,312 | \$326,760 | Cost of meter + \$20 |
| 4" | 12,500 | \$347,524 | \$510,560 | Cost of meter + \$20 |

| WATER THEFT FINES | |
|-------------------------------|---------|
| First Offense Fine | \$500 |
| Second Offense Fine | \$1,000 |
| Third/Subsequent Offense Fine | \$2,000 |

| REWARD FOR SUCCESSFUL NOTIFICATION AND CAPTURE OF WATER THEFT IN PROGRESS | |
|--|--------------|
| Town Water and Sewer Account Holders | \$100 Credit |
| Non-account Holders | \$50 Check |

Notes:

*** Upgrades from a smaller meter size will equal the difference between the new availability fee and the current availability worth of the existing meter size.

These actions are authorized by the Code of Virginia §15.2-2111 - §15.2-2143 & §15.2-2111 - 15.2-2119
\$30.00 bank charge for all returned checks



Financial Policy: Adopted Financial Policy

Financial Policy



Adopted June 8, 2023

Section 1: Introduction

The Town of Lovettsville has an important responsibility to carefully account for public funds, to manage municipal finances wisely, and to plan and provide for the adequate funding of services desired by the public and as required by laws, rules, or regulations, including the provision and maintenance of public facilities and improvements. The financial goals and policies set forth by Town Council and summarized in this document are intended to establish guidelines for the continued strength and stability of the Town of Lovettsville.

Section 2: Accounting, Auditing, Financial Reporting

- The Town will establish and maintain the highest accounting standards that conform with uniform financial reporting in Virginia and Generally Accepted Accounting Principles (GAAP) for governmental entities as promoted by the Governmental Accounting Standards Board (GASB.)
- The Town will engage an independent accounting firm to perform annual financial and compliance audits according to generally accepted government auditing standards.
- The independent accounting firm will issue a public opinion about the Town's financial reporting, which will be incorporated into the Town's annual financial report (AFR).

Section 3: Revenue Management

3.1 General Fund

- A. The Town will seek to maintain a diversified and stable revenue structure to prevent reliance on any one revenue source and to limit cash flow volatility.
- B. The Town will use an objective, analytical approach to estimate its annual revenue.
- C. The Town may institute user fees and charges for specialized programs and services where practicable. Rates will be established to cover operational costs, overhead costs, and debt service costs. The Town will periodically review user fees against related expenses to determine if coverage of direct and indirect expenses is being accomplished.
- D. The Town will follow an appropriately aggressive policy of collecting revenue, with a goal of achieving a collection rate of 100%.
- E. Excluding taxes not collected by Loudoun County and where allowed, the Town shall collect taxes, fees and charges from the mortgage company of record.

3.2 General Government- Capital Fund

- A. The Town will maintain a multi-year Capital Fund in order to separate capital project revenues from operating revenues in the General Fund.
- B. The annual surpluses will rollover to the following fiscal year and will be automatically re-appropriated for the approved capital project use.
- C. The Town will aggressively pursue external funding sources to fund/support capital projects. Before applying for or accepting external funding, the Town will assess the merits of a particular program as if it were funded with local tax dollars. Local tax dollars will not be used to make up for losses of intergovernmental aid without first reviewing the program and its merits as a budgetary matter. All grant applications must be approved by the Town Council before being submitted by the Town Manager.
- D. Grants and donations may only be accepted by the Town Council. No grant will be accepted that will incur management and reporting costs greater than the grant amount.

3.3 Utilities Fund

- A. The Town will operate a Utilities Fund as a stand-alone enterprise fund that will not be subsidized by the General Fund or other funds that may be established by the Town.
- B. Reasonable General Fund Expenses related to overhead and administrative support costs will be reimbursed by the Utilities Fund, and shown in the Operating Budgets, as approved by Town Council during the annual budget process.
- C. The Town will set water and sewer rates based on the actual cost to deliver each service. The Town will periodically review the components that make up the rates and fees through a cost-of-service study for every service provided. The Town is not prohibited from establishing fair and reasonable rates that allow a differential between in-town and out-of-town customers.
- D. The Town will set rates to achieve a balance of income and cash flow each year with expenditures. If a deficit between current revenue and current expenses occurs, the Town will take all necessary steps to reduce and eliminate the deficit by reducing expenditures or enhancing revenues.
- E. The Town will set rates to cover all current costs and to allow the fund to meet all bond/loan covenant, state, and federal requirements.
- F. The Town will track, monitor, and report annually on the key variables of the rate model developed by an independent Rate Consultant hired by the Town. The Town will set rates that are based on annually updated 5-year forecasts of Operating and Capital Budgets.
- G. To avoid large one-time increases and to effectively maintain infrastructure, the Town shall evaluate rates regularly, through a water/sewer rate study, and increase rates, as necessary.
- H. Similar to the General Government Capital Fund, the Utilities Fund shall separate capital project revenues, and any resulting capital project surpluses will rollover and be automatically re-appropriated for the approved capital project use.

3.4 Events Fund

- A. The Town will operate a stand-alone Events Fund.
- B. Love America, Love Winter, and Love Summer events are not intended to be developed into large economic development style events and are intended to be low-cost, town hosted and small-town family community type events. These events are to be subsidized by the General Fund on an annual basis and money will be budgeted in the Events Fund for these types of events.
- C. Mayfest and Oktoberfest are not considered subsidized events, rather they are considered stand-alone events and are expected to generate sufficient revenue to be sustainable. The Town will prepare an Events Fund budget with an annual perspective.
- D. The objective is to limit annual expenditures to the annual revenues.
- E. If during the fiscal year a deficit in the Events Fund appears likely, spending during the fiscal year within the Events Fund will be reduced to ensure that the Events Fund does not operate at a deficit.
- F. The Events Fund budget will be structured so that Town Council and the public can easily understand the relationship between revenues, expenses, and services being delivered.
- G. The Town Council will review and approve the Budget with a focus on whether planned event expenditures (managed through the Events Fund) are appropriate and justified, that administrative overhead costs are reasonable, and that proposed new events and event expansions are justified, detailed, and scrutinized. Any new expense, aspect or expansion of any event that is beyond the adopted annual line-item budget shall be approved by the Town Council.
- H. No expenditure, except as directed or approved by the Town Council, may be executed and, in any event, no expenditure shall be proper unless made by the Town Manager or their authorized designee.
- I. Individual event budgets shall be reviewed for cost reasonableness and reliability prior to approval.
- J. Event revenue and reserves shall be depleted prior to utilizing funds transferred from the General or Utilities fund.

- K. Any funds transferred from the General Fund or Utilities Fund shall be transferred back to the respective fund should event revenue and/or reserves adequately cover event expenses at the end of the fiscal year.
- L. Financial reporting shall include all expenses incurred and revenue received within the last 30 days.
- M. Revenue generating events (Oktoberfest and Mayfest) shall be audited in accordance with the same measuring period and procedures as the Town.
- N. No reporting of any event summary shall be performed without the Town's official audit results being provided.
- O. Town of Lovettsville payment card transactions shall only be issued to and executed by Town staff and the Mayor.
- P. Financial reports or any statement, whether written or verbal, which may include, but is not limited to, the financial status, surplus or deficit, and/or uncommitted fund balances shall only be provided by Town staff.
- Q. Event purchase orders and requests for reimbursement shall include the original receipt and be submitted within 30 days of the transaction.

Section 4: Budget Management

4.1 Operating Budget

- A. The Town will prepare the operating budgets with an annual perspective.
- B. The budget is a plan for raising and allocating resources. The objective is to enable service delivery within available resources. Services must be delivered to residents and taxpayers at a level which will meet real needs as efficiently and effectively as possible. In preparing the budget, the Town will fund current expenditures with current revenues and use non-recurring revenues to offset non-recurring expenses.
- C. The Town on an annual basis will review operating account balances and, if sufficient cash is available, make a transfer into the appropriate reserve account.
- D. The Town will seek to finish each fiscal year with a positive unassigned fund balance and positive cash balance.
- E. The Town will seek to continuously improve the efficiency and effectiveness of its programs and employees.
- F. The budget will be structured so that Town Council and the public can easily understand the relationship between revenues, expenses, and services being delivered.
- G. The Town Council and Town Manager will review the budget with a focus on whether existing service costs are appropriate and justified, that administrative overhead costs are reasonable, and that proposed new programs and program expansions are justified, detailed, and scrutinized.
- H. The Utilities Fund operating budget will include an annual emergency contingency appropriation of \$10,000, which may only be used for significant emergency repairs not included in the operating budget. Use of the emergency contingency budget requires Town Manager approval and notification to Town Council.
- I. The Town Manager shall propose a planned average salary adjustment rate that represents the planned cost of living adjustment (COLA) and performance salary increases, as well as other planned or unplanned salary adjustments for all employees. The average salary adjustment rate shall be set and approved by the Town Council during the annual budget process.
- J. Any proposed Cost-of-Living-Adjustment (COLA), performance and/or other planned or unplanned salary adjustment which results in a salary increase exceeding 150% of the approved average salary adjustment rate for an individual employee shall be approved by the Town Council.

4.2 Capital Budget

- A. The Town will develop a five-year plan for capital improvements which will be approved when the Annual Operating Budgets and Fee Schedule are approved.
- B. The Town will make all capital improvements/investments in accordance with its adopted Capital Improvement Program (CIP).
- C. The Capital Budget is defined as the current fiscal year in the CIP.

- D. The CIP Budget will be included in the current fiscal year Operating Budget with the development of the Operating Budget.
- E. Future operating costs and maintenance associated with new capital projects will be projected and included in the Operating Budget forecasts.
- F. The five-year plan for capital improvements (CIP) will show, in addition to capital costs, debt retirement projections for all projects funded in the CIP using debt as a source of revenue.
- G. The Town will establish a General and Utilities Committed Reserve to be used for capital projects approved in the five-year CIP that will include the Town's share plus funds from County, State/VDOT, Federal Government, and other grant funding.

4.3 Reserve Accounting

- A. Use of the Reserve funds will be used first on capital assets with useful lives of five years.
- B. Assigned/Committed funds appear in the General and Utilities Funds and are earmarked for a specific purpose.
- C. Project funding is to be accounted for in separate reserves and are maintained by the Treasurer, reference to these accounts appear in the reserve summary section of the monthly financial reports.
- D. Project funds shall be sufficient to meet the Town's share of County, State/VDOT and Federal funding requirements and should be used as a secondary funding source behind the timely used County, State/VDOT, and Federal funding.
- E. Town Council may from time to time move funds from the General Fund Unassigned Fund Balance or Utilities Unrestricted Net Position to the Assigned/Committed Reserves, so long as the Town stays in compliance with the targeted General Fund Unassigned Fund Balance and Utilities Fund Unrestricted Net Position policy levels.
- F. Managed Reserve are maintained and established for General, Utilities, and Events Funds

Section 5: Cash Management

- A. In recognition of its fiduciary role in the management of all public funds entrusted to its care, it shall be the Town Council's policy that all investable balances be invested utilizing best practices commonly accepted by political subdivisions in Virginia.
- B. The deposit and investment policy (as described in this section) recognizes that the Town Treasurer's responsibilities are delineated by the Code of Virginia and this policy is meant to illustrate strong fiscal management of the Town.
- C. The deposit and investment policy will serve as the guideline by which all Town deposits and investments will be managed consistent with the Code of Virginia.
- D. The safeguarding of principal shall be the foremost objective of the investment program by mitigating credit risk and interest rate risk, with all other objectives subordinated to this objective.
- E. Funds shall be invested in keeping with the seasonal pattern of the Town's cash balances, as well as any other special factors or needs to ensure the availability of funds in a timely and liquid manner.
- F. The Town will, where permitted by law, pool cash from its various funds for investment purposes and will invest revenue to maximize the rate of return while maintaining a low level of risk.
- G. All cash balance accounts established shall be in interest earning accounts except for the primary bank account which is inclusive of the 60-Day Operating and Maintenance (O&M) Reserve.
- H. All depositories will meet the standards for collateralization as set forth in the Virginia Security for Public Deposits Act or will be covered by Federal Depository Insurance (FDIC).
- I. At least thirty days prior to an investment maturing, the Treasurer shall update the Town Manager and Town Council on investments held, maturities, investment returns, unrealized gains (losses), and comparisons to established benchmarks.
- J. All Town officials involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, that could impair the ability to make impartial decisions, or that could create the appearance of a conflict of interest.

Section 6: Reserve Management

6.1 General Fund

A. Unassigned Fund Balance

1. The General Fund Unassigned Fund Balance shall be maintained, at a minimum, the equivalent of the previous fiscal year's annual General Fund actual operating expenditures less debt service, grant and capital expenditures.
2. Use of the General Fund Unassigned Fund Balance may be necessary from time to time to meet non-discretionary expenditures, financial emergencies, or natural disasters.
3. Appropriations from, or changes to, the General Fund Unassigned Fund Balance require a majority vote of the Council.
4. No appropriation of the General Fund Unassigned Fund Balance that will cause the balance to fall below the minimum policy limit will occur without prior presentation to the Council by the Town Manager of a plan and timeline for replenishing the fund balance to its minimum level within 24 months.

B. General Fund 60-Day Operating and Maintenance (O&M) Reserve

1. The Town shall maintain a 60-Day O&M Reserve for recurring operational and maintenance requirements in the Town's primary bank account equivalent to a minimum of funding required for 60 days of expenses.
2. The 60-Day O&M Reserve is adjusted on a monthly-based on an outlook of 180 days in the future.
3. The 60-Day O&M Reserve is maintained beyond any other minimum required reserve balance including but not limited to Unassigned Fund Balance, Debt Service, Capital Asset Replacement or Assigned/Committed Fund Balance.
4. The 60-Day O&M Reserve is to be maintained by the Town Manager and use of this reserve requires Town Council approval.

C. General Fund- Debt Service Reserve

1. The Town shall maintain a reserve within the General Fund that is equivalent to 150% of the annual debt service requirement for any given fiscal year.
2. The purpose of the Debt Service Reserve is to ensure that funding is secured in any given fiscal year for the annual debt service requirements of the General Government.

D. Capital Asset Replacement Reserve

1. The Town shall establish and maintain a Capital Asset Replacement Reserve for the purpose of funding the capital requirements of Town facilities, vehicles, or capital improvements. The Reserve can be utilized in the Town's Capital Improvement Plan; however, the Town will strive to plan for the use of revenues for capital projects prior to relying on the use of the Reserve.
2. The Capital Asset Replacement Reserve is to have a minimum balance equivalent to 10% of-the net total of depreciated capital assets as reported in the Town's Annual Financial Report.
3. Supplemental to the minimum balance required, an annual contribution to the Capital Asset Replacement Reserve shall be made in accordance with the programmed funding in the Capital Improvement Plan, unless Town Council approves the use of the existing balance of the Reserve.

4. The use of the Capital Asset Replacement Reserve requires Town Council approval, and when the Reserve balance falls below the minimum balance, the Town Manager is to develop a plan and timeline for replenishing the Reserve to its minimum level within 24 months.

E. Assigned/Committed Fund Balance – Reserves

1. The Town shall maintain planned reserves as assigned/committed fund balance of Town Council approved committed funds or grant funding for capital asset replacement and capital project that derive from other governmental agencies.
2. Annual operating surpluses in the General Fund shall be applied first to managed Reserves in the General Fund, then the Unassigned Fund Balance once all other Reserve minimum required levels are met. Any General Fund surplus shall be applied to the Reserves in the following order: 1.) 60-Day O&M, 2.) Debt Service, and 3.) Capital Asset Replacement.

6.2 Utilities Fund

The Town will establish and maintain in the Utilities Fund reserves to provide funds for any potential timing differences between operating revenue and operating expenses, asset replacement and maintenance, and for unplanned expenses as follows:

A. Utilities Fund 60-Day Operating and Maintenance (O&M) Reserve

1. The Utilities 60-Day O&M Reserve is to address any operating cash flow issues that may impact recurring operational and maintenance requirements.
2. The 60-Day O&M Reserve is adjusted on a monthly-based on an outlook of 60 days in the future.
3. The 60-Day O&M Reserve is maintained beyond any other minimum required reserve balance including but not limited to the Unrestricted Net Position, 3R Reserve, Debt Service Reserve, Frye Court Service Tax District Reserve, or Assigned/ Committed Reserve.
4. The 60-Day O&M Reserve is to be maintained by the Town Manager and use of this reserve requires Town Council approval.

B. Repair, Renewal, and Replacement (3R) Reserve

1. The Town will establish and maintain in the Utilities Fund a Repair, Renewal, and Replacement Reserve (3R) to provide funds for major repairs, replacement, or rehabilitation of system assets. The 3R Reserve will be maintained at a minimum of 8% of the total depreciation of capital assets at the end of any given fiscal year.
2. Supplemental to the minimum balance required, an annual contribution to the 3R Reserve shall be made in accordance with the programmed funding in the Capital Improvement Plan, unless the Town Council approves the use of the existing balance of the Reserve.
3. The use of the Capital Asset Replacement Reserve requires Town Council approval, and when the Reserve balance falls below the minimum balance, the Town Manager is to develop a plan and timeline for replenishing the Reserve to its minimum level within 24 months.

C. Utilities Fund-Debt Service Reserve

1. The Town will establish and maintain a Utilities Fund Debt Service Reserve to ensure all annual debt service requirements are met.
2. The Reserve is to equal 150% of the annual debt service requirements in any given fiscal year.

D. Frye Court Service Tax District Reserve

1. The Town will establish and maintain a Reserve of any surpluses of revenue from the Frye Court Special Tax District to be used for the maintenance, operational and capital requirements of the Frye Court Sewer Lift Station.
2. Use of this Reserve must be approved by Town Council.

E. Utilities Fund- Unrestricted Net Position

1. At the close of each fiscal year, the Utilities Fund Unrestricted Net Position shall be a minimum of 75% of annual UF operating revenues, excluding availability fees.
2. Individual Water and Sewer Availability Accounts as well as individual Water and Sewer Deposit Accounts will be maintained by the Treasurer and reported in the Reserve Fund Summary as reported as part of the monthly Financial Reports.
3. Annual operating surpluses in the Utilities Fund shall be applied first to the 60-Day O&M Reserve Fund until it reaches its minimum level required, then to the Utilities Fund Repair, Renewal, and Replacement (3R) Reserve until it reaches its minimum level required, and then to the Debt Service Reserve until it reaches its minimum level required.

6.3 Events Fund

- A. All surplus funds generated by Events (managed in the Events Fund) will be held in an Events Fund Reserve.
- B. The Events Fund Reserve account will be used only for such events managed in the Events Fund.
- C. It is the intent of Town Council that Utilities and General funds only be used in instances where revenue and reserves do not cover event expenses. As such, funds in the Reserve account will be carried over to the next fiscal year and utilized for Events only in the case that they are not used to cover additional expenses incurred by an event during the fiscal year, as needed.
- D. Town Council shall approve by a majority vote, any withdrawals from the Events Fund Reserve account.

Section 7: Debt Management

- A. The Town will not fund current operations with borrowed funds and will limit borrowing and capital leases to capital improvements, projects, or equipment that cannot be financed from current financial resources.
- B. The Town will repay debt related to specific projects/equipment within the expected useful life of that project/equipment.
- C. On an annual basis, the Town will calculate debt ratios for direct, non-revenue-based debt that is dependent on the General Fund to service that debt.

Target debt ratio #1 - Debt service as a percentage of General Fund expenses should not exceed 15%.

Target debt ratio #2 – Debt service as a percentage of Utilities Fund expenses should not exceed 25%

Target debt ratio #3 - Bonded debt of the Town shall not exceed 2.0% of the total asset value of taxable real property within the Town limits.

Section 8: Management of Fixed (Capital) Assets

- A. The Town will capitalize all fixed assets with a value greater than \$10,000 and an expected useful life of three years or more. For capital items of \$10,000 or less, the Town will provide a line-item budget for such expenses in the General Fund and Utilities Fund operating budgets.
- B. The General Fund and Utilities Fund Operating Budgets will provide for minor and preventative maintenance of fixed assets.
- C. The Capital Budget will provide for the acquisition of fixed assets and the construction (or total replacement) of physical facilities, including additions to existing facilities.
- D. The Town will maintain adequate insurance coverage on its fixed assets through either commercial insurance or risk pooling arrangements with other governmental entities.

LIST OF ACCOUNTS

1. Reserves

A. General Fund

- 60-Day O&M Reserve
- Debt Service Reserve
- Assigned/Committed Reserves
- Capital Asset Replacement Reserve
- Unassigned Fund Balance

B. General Government- Capital Fund

- Assigned/Committed Reserves

C. Utilities Fund

- 60-Day O&M Reserve
- Repair, Renewal & Replacement (3R) Reserve
- Debt Service Reserve
- Frye Court Service Tax District Reserve
- Assigned/ Committed Reserve
- Unrestricted Net Position

D. Event Fund

- Event Fund Reserve (inclusive of Oktoberfest and Mayfest balances)

2. Individual Accounts

- A. Water Availability Accounts
- B. Sewer Availability Accounts
- C. Water Deposit Accounts
- D. Sewer Deposit Accounts
- E. Unspecified 3R Fund Accounts
- F. Frye Court Special Tax District
- G. Project Accounts (in accordance with active projects in the CIP)
- H. Mayfest
- I. Oktoberfest

Budget Summary and Overview: Fiscal Year 2025 Budget Line-Item Detail Report

Report Description: The following report is a supplemental packet to the Fiscal Year 2025 Budget Document. The report includes the detail and description for each budget account line item and the intended use for the adopted appropriation. The Line-Item Detail report includes the following data fields:

Account: General Ledger Account number.

Account Title: Title of the General Ledger Account that is used in the Town's Financial System.

FY 2022 Actuals: The Fiscal Year 2022 actuals within each General Ledger Account as reported in the Town's Annual Financial Report.

FY 2023 Annual Budget: The Fiscal Year 2023 Amended Budget. The budget has been modified to align with the adopted revised fund structure which includes the addition of the General Government - Capital Projects Fund. These line items were previously included in the Fiscal Year 2022 budget in the General Fund. They have been reallocated to the General Government - Capital Projects Fund.

FY 2023 Actuals: The Fiscal Year 2023 within the General Ledger that is pre-audit as the financial report has not been completed at the time of publishing the Proposed Fiscal Year 2025 Budget document.

FY 2023 Adopted Budget: The adopted appropriation included in the Fiscal Year 2023 Adopted Budget.

FY 2024 Adopted Budget: The adopted appropriation included in the Fiscal Year 2024 Adopted Budget.

Variance FY 2024 v FY 2025: There are two columns included under the heading "Variance FY 24 vs. FY 25." The first column includes the variance as an amount and reflects the variance between the Fiscal Year 2024 Adopted appropriation and the Fiscal Year 2025 Adopted Budget amount. The second column reflects this variance amount as a percentage of the Fiscal Year 2025 Adopted Budget amount.

Line-Item Description: The description included in this column reflects the intended use of the appropriation. Each account has at least one description, and where there are multiple uses for one account, there are additional rows with descriptions of the intended use.