



**FISCAL YEAR 2026
PROPOSED BUDGET
&
FISCAL YEAR 2026-2030
CAPITAL IMPROVEMENT PLAN**





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Lovettsville
Virginia**

For the Fiscal Year Beginning

July 01, 2024

Christopher P. Morill

Executive Director

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Lovettsville, Virginia, for its Fiscal Year 2025 Budget for the fiscal year beginning July 1, 2024. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of Fiscal Year 2025 only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



FISCAL YEAR 2026 PROPOSED BUDGET

Mayor

Mayor **Christopher Hornbaker**

Town Council

Vice Mayor **Thomas Budnar**

Council Member **Ann Arena**

Council Member **Brandon Davis**

Council Member **David Earl**

Council Member **David Smith**

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

Rebekah Long, Utility Billing and Administrative Services Manager

Sarah Moseley, Community Engagement and Economic Development Coordinator



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Executive Summary/Introduction: Town Manager's Transmittal Letter

January 23, 2025

Mayor, Town Council Members, and Residents of Lovettsville:

On behalf of Town staff, I am pleased to present you with my proposed budget for Fiscal Year 2026 and the proposed five-year Capital Improvement Plan for Fiscal Year 2026-2030. The proposed budget is predicated on the categorical focus areas and priorities of Town Council that were discussed at their January 2025 retreat. The Proposed Fiscal Year 2026 Budget totals \$6,878,300 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 2026 General Fund totals \$1,949,550 or a slight decrease of \$4,517 or 0.2 percent from the Fiscal Year 2025 Adopted budget. The decrease in the proposed budget is primarily attributed to savings in several line items including a \$15,000 reduction in anticipated consulting services for assistance in applying for grants, elimination of payroll software due to the replacement financial system's capabilities, the new Town's website's functionality allows for a decrease in the use of AV Capture for publishing video recordings, and elimination of one-time costs included in the Fiscal Year 2025 Adopted Budget. The decrease is offset by increases in personnel costs associated with staff salary adjustments, and the proposed Cost-of-Living-Adjustment of 2.5 percent and merit/performance pay budgeted at an average 3.5 percent increase.

The proposed Fiscal Year 2026 General Fund budget is a balanced budget that accounts for continued growth in consumer tax revenues. Consumer tax revenue derive from business activity such as Meals and Beverage Taxes, Sales and Use Taxes, Bank Franchise, Cigarette Sales Taxes and Business Licenses. The proposed budget includes an overall estimated increase of \$39,030 or 5.2 percent in consumer taxes over the Fiscal Year 2025 Adopted Budget estimates.

The proposed budget includes an overall increase of \$32,050 or 4.7 percent in consumer taxes over the Fiscal Year 2025 Adopted Budget estimates. The Fiscal Year 2025 estimated revenues are based on and reflect the actuals from Fiscal Year 2024 and the sustained trend since July 2024. The increase is primarily in Sales and Use, Meals and Beverages and Business Licenses. Sales and Use is attributed to the trending increasing revenue remitted from Loudoun County. Meals and Beverages is attributable in part to the opening of new restaurants in Town Commons and the overall success of the Town's businesses. There is an increase in Business License revenue due to the opening of several new businesses within Town Commons and throughout Town and an internal process change to better identify out-of-town businesses that require business licenses.

In January 2025, the Loudoun County Board of Supervisors, in conjunction with their approved adjustments to the county-wide personal property tax rates and setting the rate of the Vehicle License Fee to \$0 for the 2025 Tax Year, established a Grant-in-Aid program. This program, which is for 2025 only, will provide funding equivalent to the projected 2025 revenue associated with the Town's Vehicle License Fee if the Town chooses not to levy the fee or set the 2025 rate to \$0 in recognition that setting the fee to a \$0 rate in mid-Fiscal Year would have a financial impact. The Fiscal Year 2026 Proposed Budget reflects a Vehicle License Fee rate of \$0, which results in a decrease in projected revenue of \$53,000. The Grant-in-Aid funding for 2025 will replace the foregone associated Vehicle License Fee revenue for Fiscal Year 2025. The Town Council must set the Vehicle License Fee rate for 2025 (Fiscal Year 2025) to \$0 by February 28, 2025 in order to be eligible for Loudoun County's Grant-in-Aid program funding.

The largest single revenue source for the General Fund derives from real estate property taxes. There is one fewer residential unit and no new commercial units for calendar year 2025. The Town is made up of 976 total residential units and 33 commercial units. The overall re-evaluation of all the existing units is projected to increase on average 8.52 percent over the 2024 real estate values or from a total overall residential unit valuation of \$502,595 to \$546,130. The average re-evaluation of residential units is an increase of 8.55 percent and 7.94 percent for commercial and industrial units. These increases in re-evaluation are significant compared to recent years, and given the state of the economic environment, continued 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 2025 is 13.6¢ per \$100 of assessed valuation. The proposed Fiscal Year 2026 General Fund budget is based on projected revenue of a recommended real estate tax rate of 14.6¢ per \$100 assessed valuation. The difference between the proposed real estate tax rate and the equalized tax rate equates to annual revenue of approximately \$54,800 and an estimated increase of \$56.02 to the average household annual tax bill. The revenue generated over the equalized tax rate is to supplant the decrease in revenue of \$53,000 associated with setting the Vehicle License Fee rate to \$0 beginning in the 2025 Tax Year.

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. Generally, the proposed Fiscal Year 2026-2030 Capital Improvement Plan contains the projects remaining active from the previous year; however, one new capital project is proposed that provides for enhancements to the Council Chambers entrance in conjunction with the planned expansion of the Lovettsville Historical Society Museum located at the Town’s Samuel A. Finz Municipal Complex.

For Fiscal Year 2026, the proposed General Government – Capital Projects Fund totals \$2,055,000 which reflects the local and grant awarded funding associated with five general government projects with funding in Fiscal Year 2026 out of the 16 projects included in the proposed Fiscal Year 2026-2030 Capital Improvement Plan. Of this total, \$160,000 or 7.8 percent derives from General Fund contributions or the use of the Capital Asset Replacement Reserve.

The five general government projects with funding included in Fiscal Year 2026 are:

- S. Church Street/ E. Pennsylvania Avenue Improvements (TLOV-2020-01)
- S. Loudoun Street/ S. Locust Street Improvements (TLOV-2021-01)
- Town Green Improvements (TLOV-2025-01)
- Town Square Improvements (TLOV-2025-03)
- Lovettsville Historical Society Museum Expansion and Council Chambers Enhancements (TLOV-2026-01)

Utilities Fund

The Fiscal Year 2026 Utilities Fund proposed budget totals \$2,749,250 or a decrease of \$27,750 or 1.0 percent from the Fiscal Year 2025 Adopted Budget. This decrease is attributable to the capital costs associated with the Capital Improvement Plan are less due to absence of programmed American Rescue Plan Act of 2021 (ARPA) funding. These decreases are offset by increases in personnel costs due to staff salaries, benefit election of employees and proposed cost-of-living-adjustment and merit salary increases; an increase is anticipated Waste Water Treatment Plant repairs; an increase in the contribution to the Availability Fees Reserve; and an increase of 23.2 percent in the administrative costs provided by the General Fund staff.

The Fiscal Year 2026-2030 Capital Improvement Plan includes a total of six capital projects of which, four include funding for Fiscal Year 2026 totaling \$660,000 of which, \$220,000 is funded through the use of the Utilities Fund 3-R Reserve. There are no new capital projects included in the proposed plan for the Utilities Fund.

The four projects funded in Fiscal Year 2026 are:

- Quarter Branch Road Watermain Replacement (TLOV-2019-03)
- Waste Water Treatment Plant Upgrades and Improvements (TLOV-2024-04)
- Watermain Redundancy Improvements (TLOV-2024-05)
- Water Treatment Plant Upgrades and Improvements (TLOV 2024-06)

The Fiscal Year 2026 budget includes a proposed three percent increase to water and sewer user rates that is anticipated to yield approximately \$34,900 in revenue. 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 2026 budget includes an estimated \$514,850 in availability fees for which \$313,229 is to be used for debt and the Capital Improvement Plan. Using availability fees for debt and capital expenditures is appropriate, but in the long term it should not be relied upon annually on a recurring basis.

Event Fund

The Fiscal Year 2026 Event Fund as proposed totals \$124,500 or an increase of \$10,950 or 9.6 percent over the Fiscal Year 2025 Adopted Budget. The proposed budget reflects the continued outsourcing of the management and execution of the Town's annual Oktoberfest. The increase in the proposed Fiscal Year 2026 budget is associated with a capital contribution provided by the Event Management Services firm per the agreement to execute Oktoberfest. The majority of the allocated budgets for Town events remain the same as Fiscal Year 2025.

More details regarding the Fiscal Year 2026 Proposed Budget are included 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 2023 Actuals, Fiscal Year 2024 Actuals, and the Fiscal Year 2025 Adopted Budget.

In conclusion, the Fiscal Year 2026 operating budgets for the major funds remain relatively flat compared to Fiscal Year 2025 and continue to maintain or 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 proposed three percent increase in water and sewer user rates aligns with the increases in the personnel and operating budget and remains lower than many local, neighboring jurisdictions. Finally, the Events Fund continues to fund all the Town's events in order to continue the focus on quality of life and fostering a sense of community within Lovettsville.

I believe the budget as proposed meets and progresses the Town Council's focus areas and priorities with minimum net impact to the residents and businesses. The ability to minimize increases is primarily due to the continued growth and success of the Town's businesses, the support through grant funding from the federal, state and Loudoun County, and the anticipated development of several parcels throughout Town.

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 proposed Fiscal Year 2026 Budget and the Fiscal Year 2026-2030 Capital Improvement Plan. Further, I want to share special recognition to Rebekah Long, Utility Billing and Administrative Services 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 to 1732. The Town was laid out in 1820 by David Lovett and served as a thriving commercial center for the surrounding farms 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.

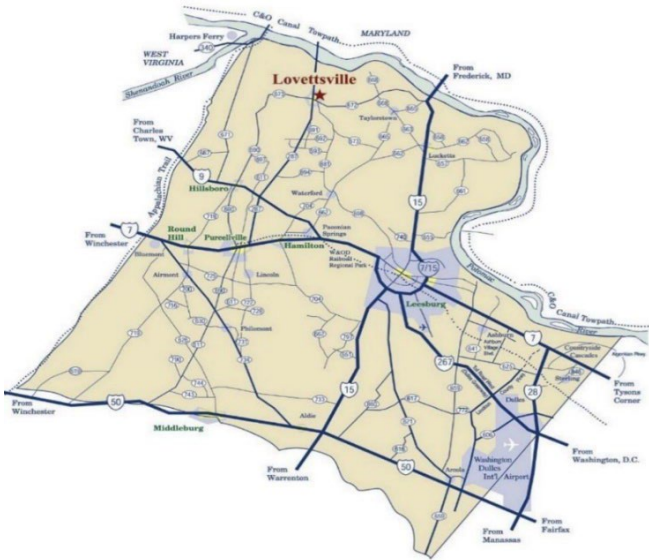
The Town is served by a number of public services (e.g. water, sewer, and solid waste collection) and facilities (e.g. a community center, community park, library, and elementary school) as well as by private businesses including a cooperative market grocery store, convenience stores, bank, dine-in restaurants, 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 Council Chambers serves as the meeting space where the Town Council, Planning Commission, 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 over 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, Veterans Memorial and other open spaces. 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.

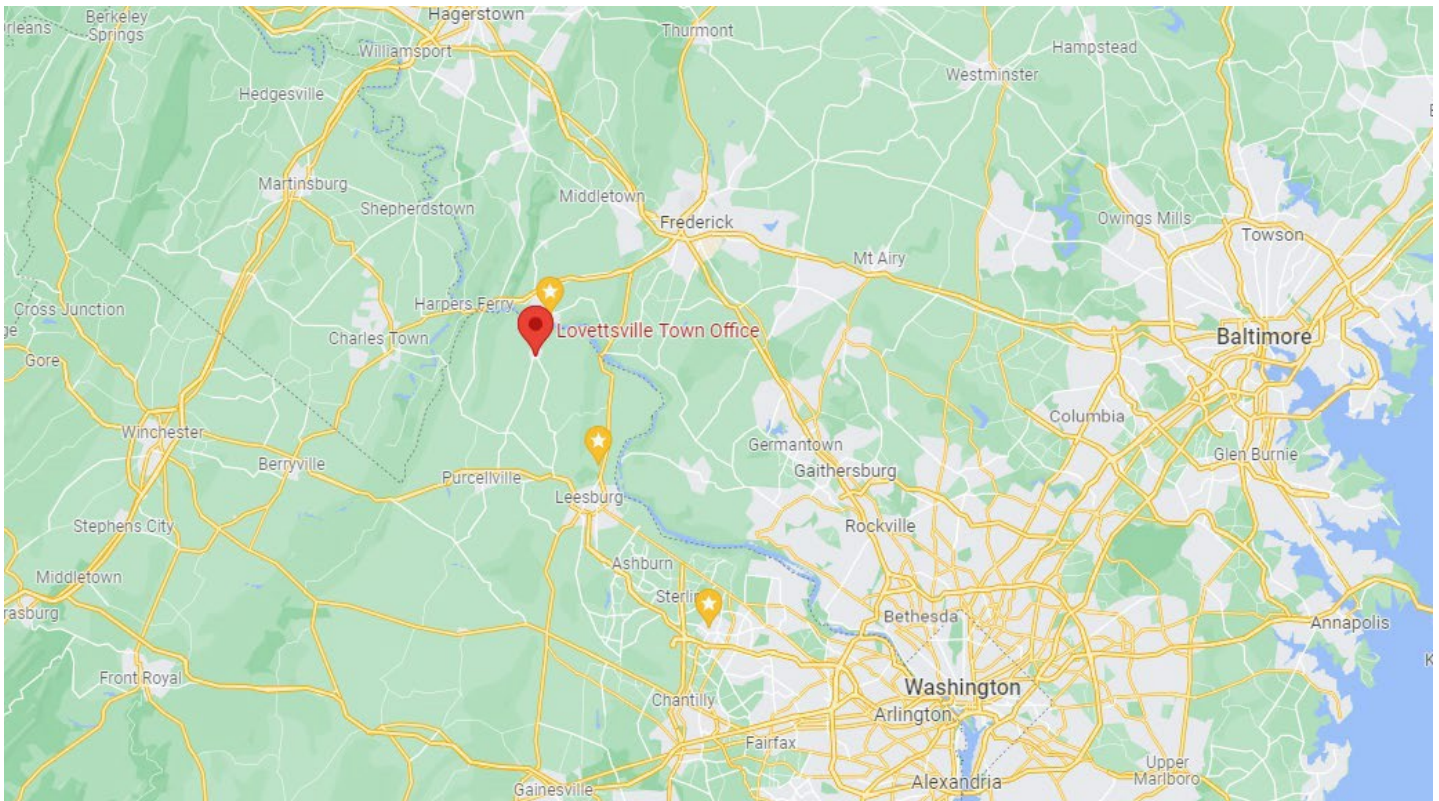
For more information regarding the Town, please reference the [Town's Comprehensive Plan \(2022\)](#)

Executive Summary: Town Location



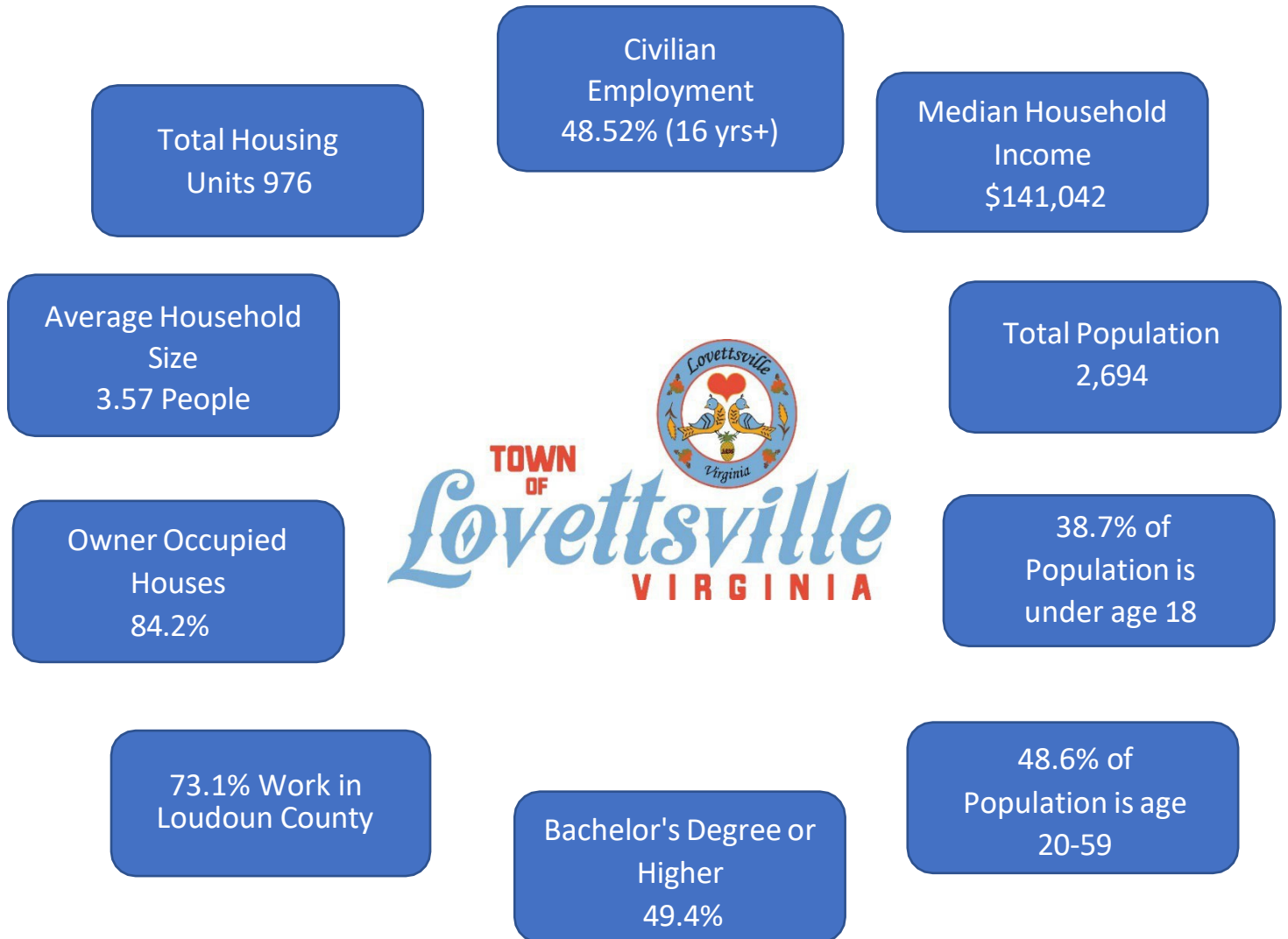
Lovettsville, VA is the most northern town in Loudoun County and Virginia. It is conveniently located to:

- 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, providing commuter rail transportation to Montgomery County and Washington, DC for residents of the Lovettsville area.

Executive Summary/Introduction: Census Data



Data reflects the latest reported by the US Census Bureau: <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 rural, agricultural, 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 and green 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.
11. Foster a working environment that encourages professional growth through educational and training opportunities where applicable skills can be enhanced, and professional certifications can be earned.
12. Create an economic development strategy to increase or sustain commerce in order to retain existing business and attract businesses that will prosper in the Town of Lovettsville, despite its modest projected population growth.
13. Increase the autonomy and efficiency of Town Staff with minimal deviations, as may be required, from established work plans.

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 with characteristics of a rural, agricultural community.

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.

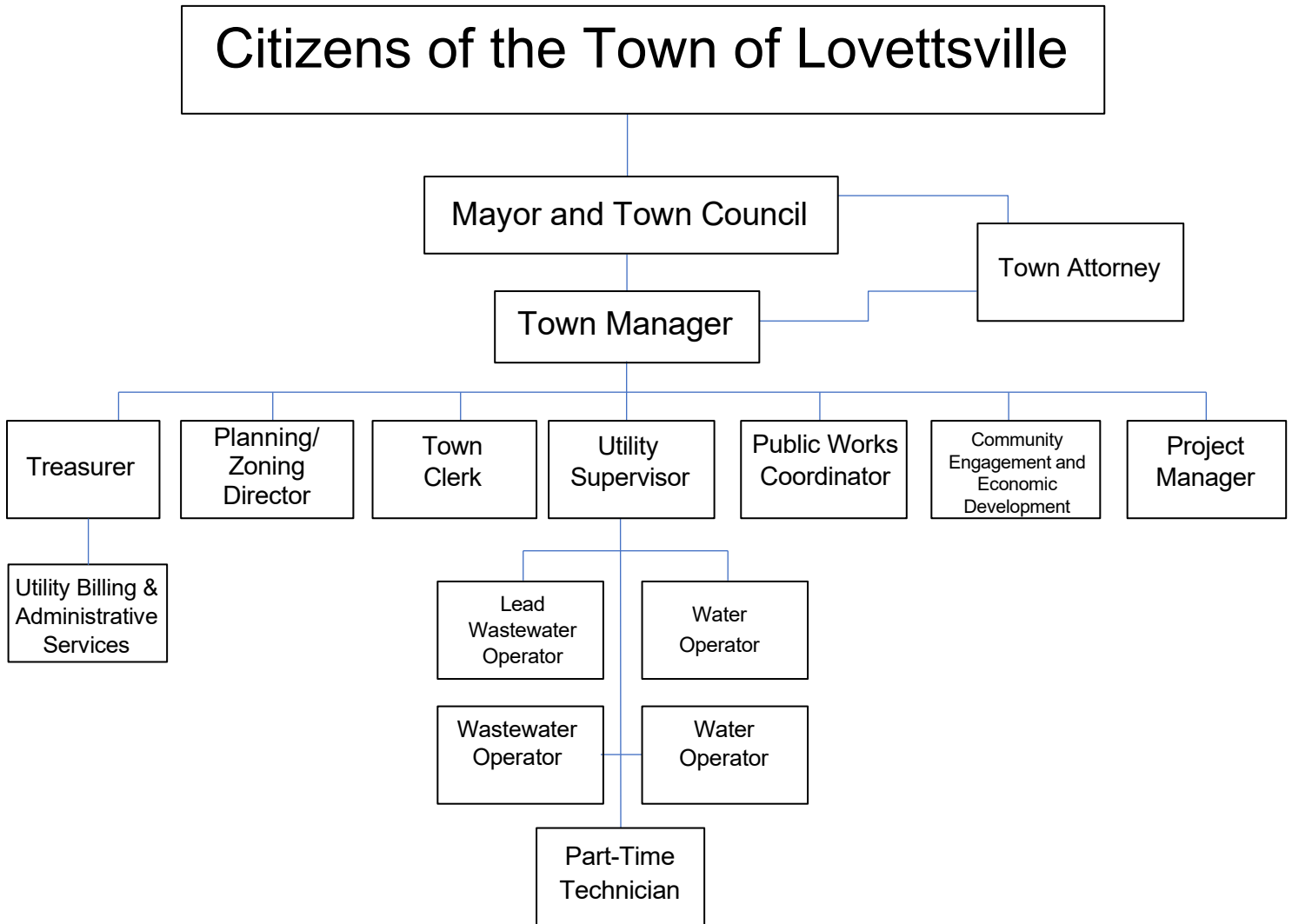
Executive Summary/Introduction: Town Council Focus Areas and Priorities

The following priorities and focus areas were approved by Town Council at their January 4, 2025 Retreat:

- A. Operational resiliency and implementation of best management practices.
- B. Financial sustainability and adherence to Town's Fiscal Policy with a focus on long-term sustainability and minimal deviation from established budgets.
- C. Replacement of the Town's current obsolete financial system to ensure accounting practices in accordance with accepted GAAP standards, implementation of modern best financial management practices and streamlining of recurring processes such as procurement, pay roll, accounts payable/receivable, and investment.
- D. Expansion of professional development of staff through educational, training, and certification opportunities.
- E. Evaluate new and diversified sources of revenue and setting vehicle license rate to zero.
- F. 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.
- G. Cost effective water and sewer operations.
- H. Obtaining external funding for the Capital Improvement Plan.
- I. Emphasis on pedestrian infrastructure to maintain/expand the walkability of the community.
- J. Continued focus on implementing lasting vehicular and pedestrian safety measures including a reduction of the speed limit in Town limits.
- K. Modernization of the Town's public information outlets including the Town website, event websites, and social media platforms.
- L. Enhanced inter-governmental partnerships with Loudoun County and Commonwealth of Virginia.
- M. Pursue and promote economic development opportunities and tourism through supporting existing businesses, attracting new ones, and leveraging the Town's unique historical and cultural assets to draw visitors.

- N. Continue to pursue tourism initiatives, such as community events, to enhance local engagement and visitor appeal. Branding materials for the Town of Lovettsville can highlight the Town's unique charm and cultural heritage. Way-finding signage, brochures, and social media can emphasize the experience of exploring the Town of Lovettsville encouraging tourism that celebrates both heritage and modern appeal, driving economic growth and sense of community.
- O. Community engagement with local residents, non-profits, community organizations, and businesses.
- P. Streamlining event planning and coordination efforts for the longevity of more sustainable and efficiently executed annual events, including a strategic realignment of Oktoberfest.
- Q. Direct Town resources to increase the community's awareness and appreciation of the Town's historical resources and tapping the economic benefits of the National Register Historic District.
- R. Evaluate and update the Transportation Master Plan, in light of implementation successes, changing conditions, and Town Council objectives.
- S. Develop a tree and landscaping planting and care plan throughout town focusing on the longevity of the plant life and beautification of the Town's facilities.

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 2024 Actual	FY 2025 Projected	FY 2026 Target
Water and Sewer Services			
% of Monthly Delinquent Utility Billings	13%	10%	10%
Number of Monthly 60 Day Delinquent/Shut-Off Accounts (Average)	20	14	12
Treated Drinking Water Distribution (gallons in 1000s)	52,303	54,200	54,200
Treated Wastewater	59,538	54,400	54,400
Cost for producing drinking water and treating wastewater per 1,000 gallons	\$16.13	\$16.69	\$19.24
% of water samples that are in compliance	100%	100%	100%
Accounting Management			
% of Frye Court assessments collected within 60 days of deadline	70%	90%	90%
Leak Detection Notifications (provided within 24 hours)	100%	100%	100%
% of Meals Tax Collected on time	85%	90%	100%
% of BPOL Collected within 60 days of deadline	85%	90%	90%
Number of new businesses	7	15	15
Public Information and Agenda Management			
Minutes completed by next meeting	100%	100%	100%
Agenda posted on-time and complete	100%	100%	100%
Number of Facebook Posts (annual)	551	500	500
Planning and Zoning			
Zoning Permits Issued	57	45	45
Legislative Applications	2	2	2
Project Management			
% of actual project expenditures compared to budget	45%	99%	99%
Number of Capital Projects under Construction	11	8	6
Number of Capital Projects under Design	4	2	5
% of Capital Projects funded with grant funding	85%	88%	90%
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			
November of special events and ceremonies hosted/supported by the Town	14	16	19
\$ Value of events cost per capita	\$2.86	\$2.63	\$2.43
# of town facility rentals	11	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 • Town Council Work Session #2 • Effective Tax Rate Ad Published in Newspaper
March	<ul style="list-style-type: none"> • Town Council Work Session #3 • 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, three 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, and website.

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 (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.

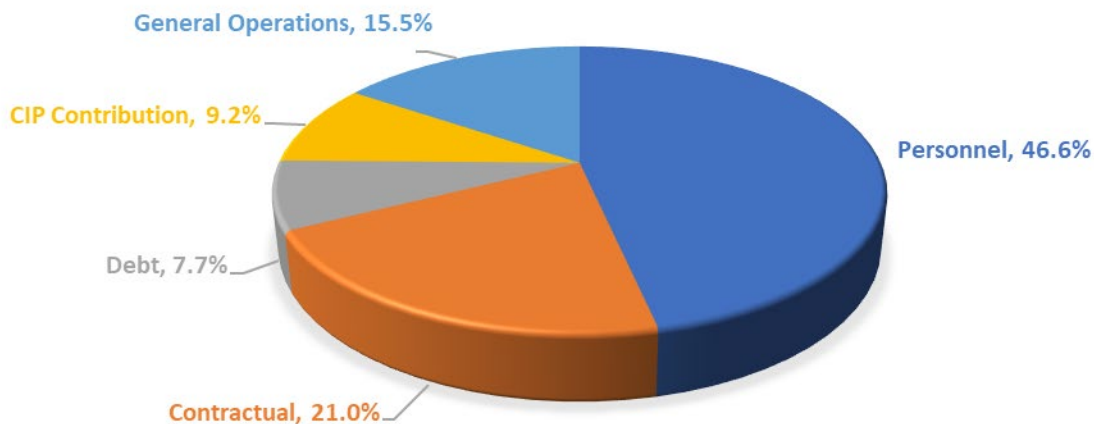
Budget Summary and Overview: Fund Description and FY 2026 Summary

The Fiscal Year 2026 Proposed Budget for all the Town's funds, which includes General Fund, General Government Capital Projects Fund, Utilities Fund, and Events Fund totals \$6,878,000. This represents an overall increase of \$635,253 or 10.2 percent over the Fiscal Year 2025 Adopted Budget. The table below illustrates the Fiscal Year 2026 Proposed Budget for all the funds.

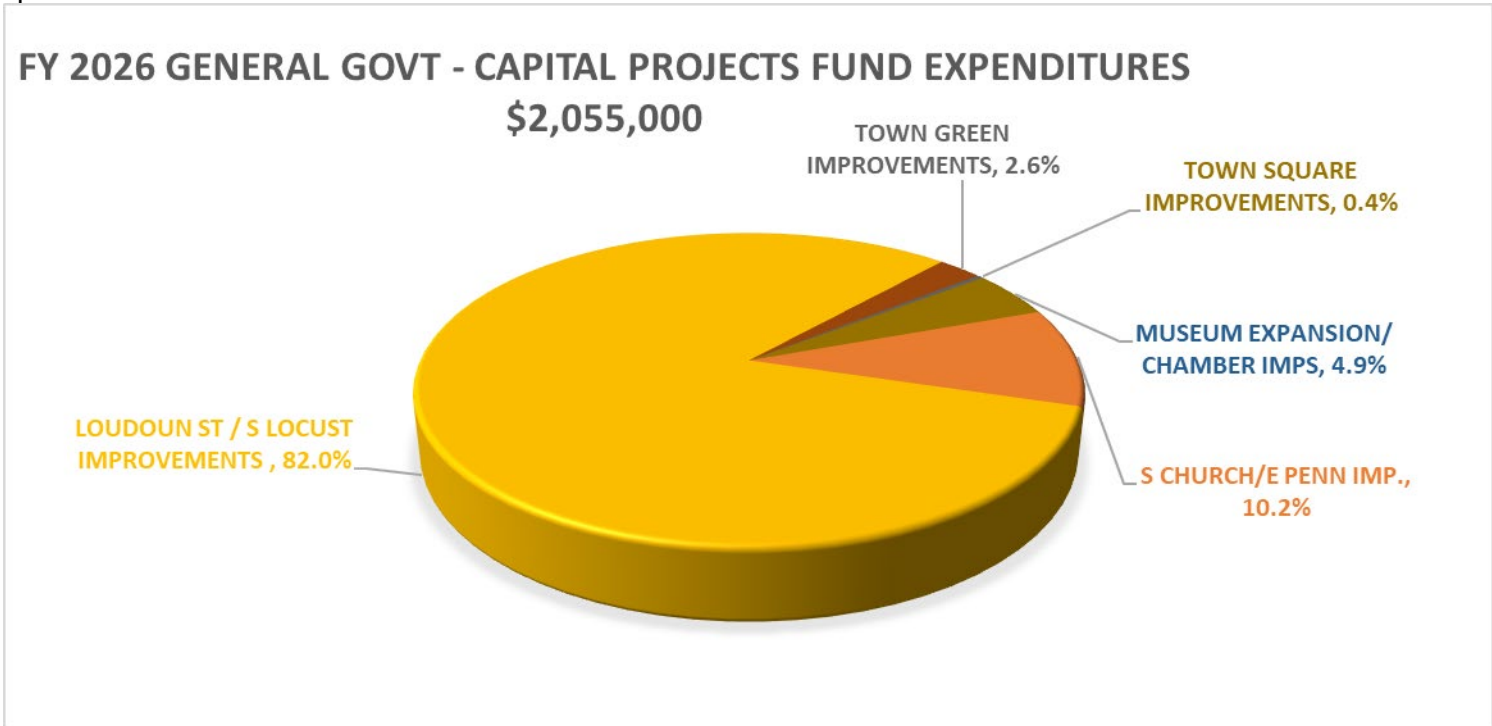
Fund	FY 2025 Adopted	FY 2026 Proposed	\$ Change	% Change
General Fund	\$1,954,067	\$1,949,550	-\$4,517	-0.2%
General Government – Capital Projects Fund	\$1,398,430	\$2,055,000	\$656,570	47.0%
Utilities Fund	\$2,777,000	\$2,749,250	-\$27,750	-1.0%
Event Fund	\$113,550	\$124,500	\$10,950	9.6%
Total- All Funds	\$6,243,047	\$6,878,300	\$635,253	10.2%

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 2026 budget for the General Fund totals \$1,949,550 or a decrease of \$4,517 or 0.2 percent from the Fiscal Year 2025 Adopted Budget. The decrease in the proposed budget is primarily attributed to slight savings in several line items including a \$15,000 reduction in anticipated consulting services for assistance in applying for grants, elimination of payroll software due to the replacement financial system’s capabilities, the new Town’s website’s functionality allows for a decrease in the use of AV Capture for publishing video recordings, and elimination of one-time costs included in the Fiscal Year 2025 Adopted Budget. The decrease is offset by increases in personnel costs associated with staff salary adjustments, and the proposed Cost-of-Living-Adjustment of 2.5 percent and merit/performance pay budgeted at an average 3.5 percent increase.

FY 2026 GENERAL FUND EXPENDITURES \$1,949,500

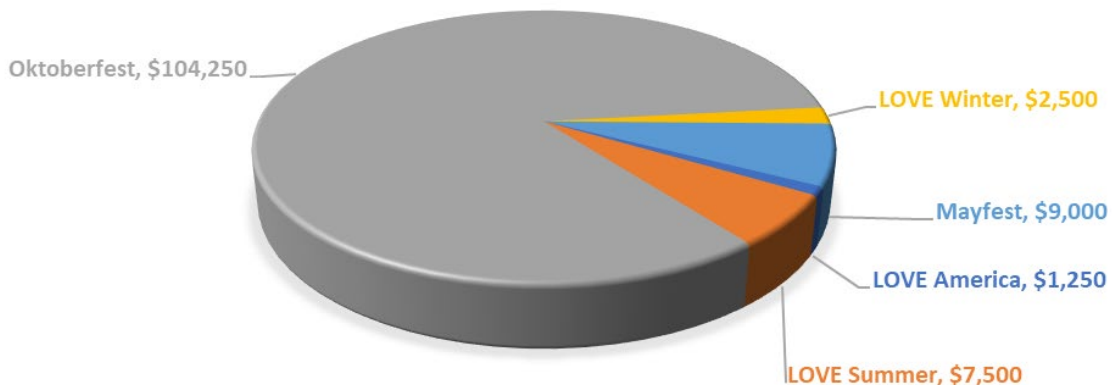


General Government - Capital Projects Fund: The General Government - Capital Projects Fund is the multi-year capital fund for the general government capital projects and capital asset replacement program and is included in the Town’s 5-year Capital Improvement Plan. The proposed General Government - Capital Projects Fund for Fiscal Year 2026 totals \$2,055,000 which reflects the local and grant awarded funding associated with five general government projects out of the 16 projects included in the proposed Fiscal Year 2026-2030 Capital Improvement Plan. Of this total, \$160,000 or 7.8 percent derives from General Fund contributions or the use of the Capital Asset Replacement Reserve.



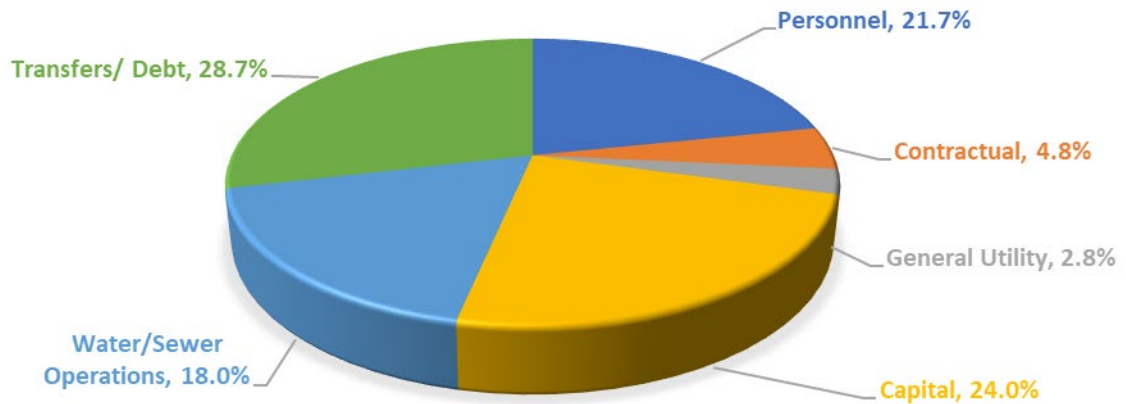
Events Fund: The Events Fund is a special revenue fund for the Town operated or sponsored events including LOVE America, LOVE Summer, Oktoberfest, LOVE Winter and Mayfest. The Fiscal Year 2026 Events Fund as proposed totals \$124,500 which reflects no change to the majority of the allocated budgets for Town events with the exception of Oktoberfest which increases \$15,000 associated with a capital contribution per the agreement with the Event Management Services firm contracted to execute the festival.

FY 2026 EVENTS FUND EXPENDITURES \$124,500



Utilities Fund: The Fiscal Year 2026 Utilities Fund proposed budget totals \$2,749,250 or a decrease of \$27,750 or 1.0 percent from the Fiscal Year 2025 Adopted Budget. This increase is attributable to the capital costs associated with the Capital Improvement Plan are less due to absence of programmed American Rescue Plan Act of 2021 (ARPA) funding. These decreases are offset by increases in personnel costs due to staff salaries, benefit election of employees and proposed COLA and merit salary increases; an increase is anticipated Waste Water Treatment Plant repairs; an increase in the Availability Fees Reserve; and an increase of 23.2 percent in the administrative costs provided by the General Fund staff.

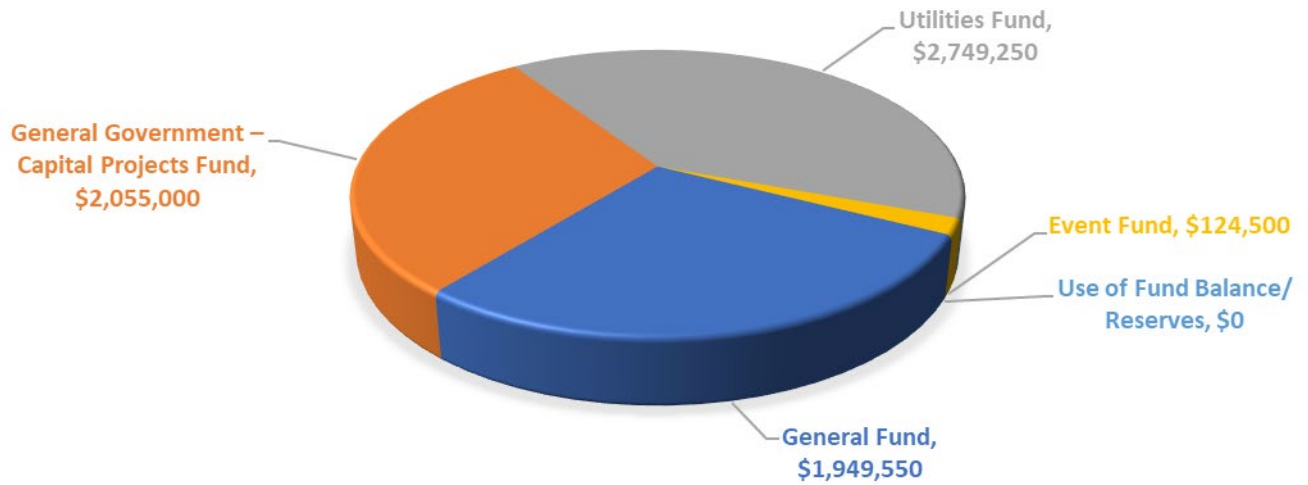
FY 2026 UTILITIES FUND EXPENDITURES \$2,749,250



Budget Summary and Overview: Revenue Summary/Graphs

Revenues by Fund

FY 2026 REVENUES BY FUND TOTALING \$6,878,300

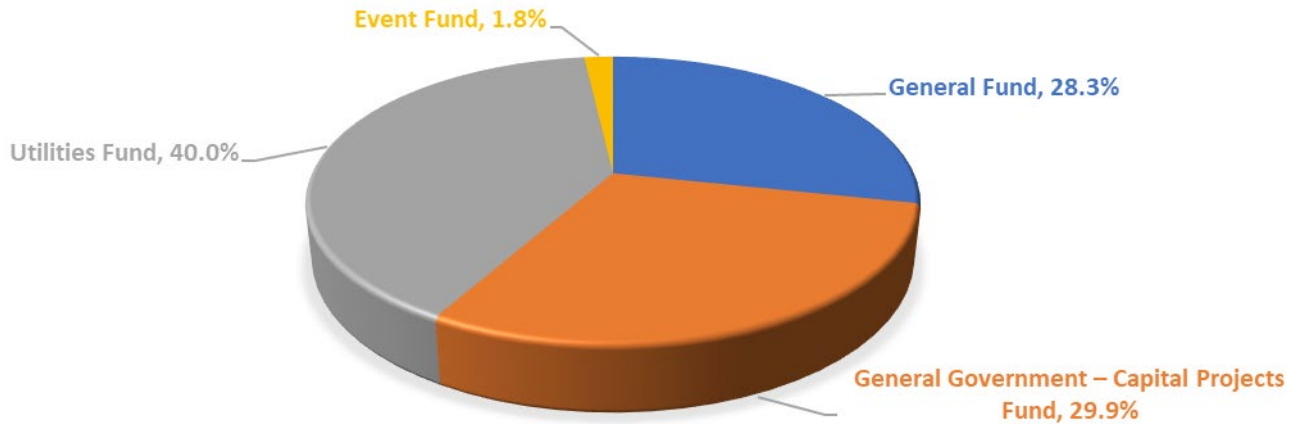


Fund	FY 2025 Adopted	FY 2026 Proposed	FY 2025 v FY 2026	
			\$ Change	% Change
General Fund	\$1,860,745	\$1,949,550	\$88,805	4.8%
General Government – Capital Projects Fund	\$1,398,430	\$2,055,000	\$656,570	47.0%
Utilities Fund	\$2,777,000	\$2,749,250	-\$27,750	-1.0%
Event Fund	\$113,550	\$124,500	\$10,950	9.6%
Use of Fund Balance/ Reserves	\$93,322	\$0	-\$93,322	-100.0%
Total Revenues	\$6,243,047	\$6,878,300	\$635,253	10.2%

Budget Summary and Overview: Expenditure Summary/Graphs

Expenditures by Fund

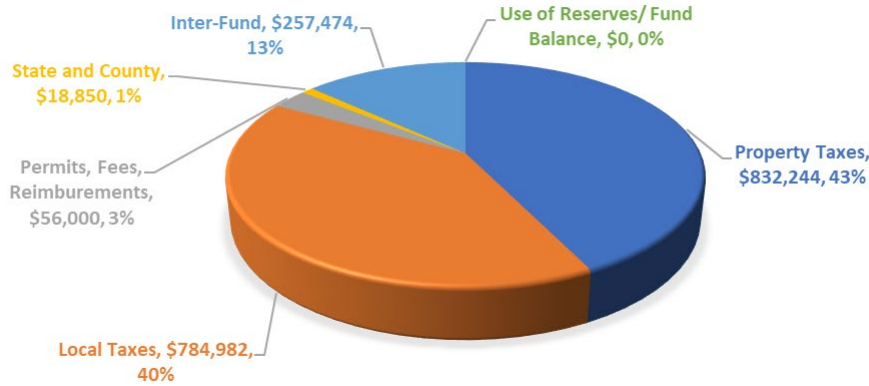
FY 2026 EXPENDITURES BY FUND AS % OF \$6,878,300



Fund	FY 2025 Adopted	FY 2026 Proposed	FY 2025 v FY 2026	
			\$ Change	% Change
General Fund	\$1,954,067	\$1,949,550	-\$4,517	-0.2%
General Government – Capital Projects Fund	\$1,398,430	\$2,055,000	\$656,570	47.0%
Utilities Fund	\$2,777,000	\$2,749,250	-\$27,750	-1.0%
Event Fund	\$113,550	\$124,500	\$10,950	9.6%
Total Expenditures	\$6,243,047	\$6,878,300	\$635,253	10.2%

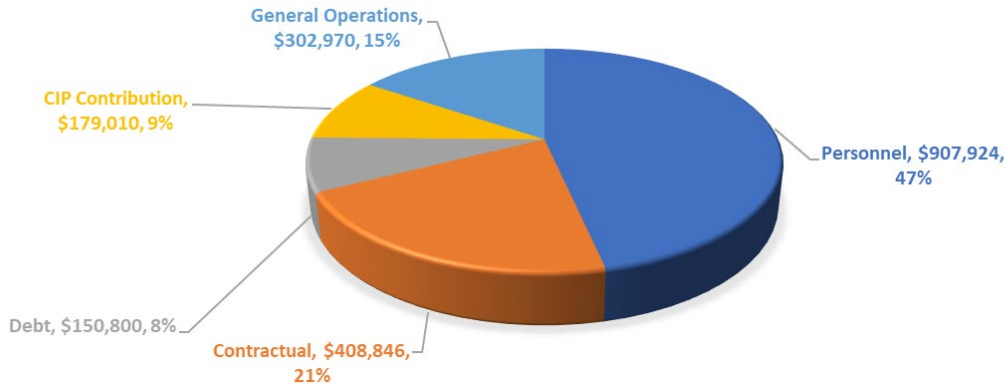
Budget Summary and Overview: General Fund Summary Graphs

WHERE GENERAL FUND REVENUE COMES FROM...



General Fund Revenue Sources	FY 2025 Adopted	FY 2026 Proposed	FY 2025 v FY 2026	
			\$ Change	% Change
Property Taxes	\$777,381	\$832,244	\$54,863	7.1%
Local Taxes	\$795,679	\$784,982	-\$10,697	-1.3%
Permits, Fees, Reimbursements	\$58,500	\$56,000	-\$2,500	-4.3%
State and County	\$20,250	\$18,850	-\$1,400	-6.9%
Inter-Fund Transfer	\$208,935	\$257,474	\$48,539	23.2%
Use of Reserves/ Fund Balance	\$93,322	\$0	-\$93,322	-100.0%
Total Revenue	\$1,954,067	\$1,949,550	(\$4,517)	-0.2%

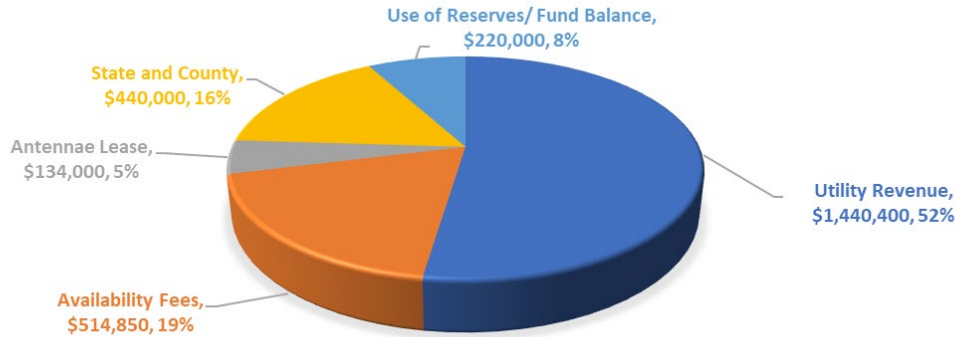
HOW GENERAL FUND REVENUE IS SPENT...



General Fund Expenditure Categories	FY 2025 Adopted	FY 2026 Proposed	FY 2025 v FY 2026	
			\$ Change	% Change
Personnel	\$902,493	\$907,924	\$5,431	0.6%
Contractual	\$407,714	\$408,846	\$1,132	0.3%
Debt	\$156,290	\$150,800	-\$5,490	-3.5%
CIP Contribution	\$173,000	\$179,010	\$6,010	3.5%
General Operations	\$314,570	\$302,970	-\$11,600	-3.7%
Total Expenditures	\$1,954,067	\$1,949,550	(\$4,517)	-0.2%

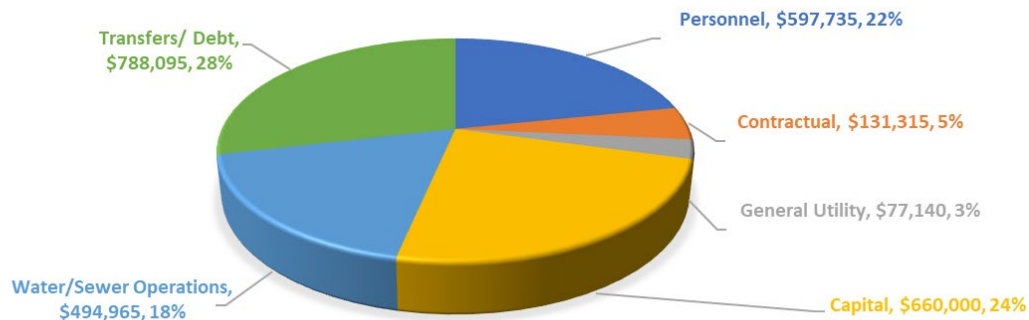
Budget Summary and Overview: Utilities Fund Summary Graphs

WHERE UTILITIES FUND REVENUE COMES FROM...



Utilities Fund Revenue Sources	FY 2025 Adopted	FY 2026 Proposed	FY 2025 v FY 2026	
			\$ Change	% Change
Utility Revenue	\$1,393,700	\$1,440,400	\$46,700	3.4%
Availability Fees	\$289,400	\$514,850	\$225,450	77.9%
Antennae Lease	\$128,900	\$134,000	\$5,100	4.0%
State and County	\$965,000	\$440,000	-\$525,000	-54.4%
Use of Reserves/ Fund Balance	\$0	\$220,000	\$220,000	-%
Total Revenue	\$2,777,000	\$2,749,250	(\$27,750)	-1.0%

HOW UTILITIES FUND REVENUE IS SPENT...



Utilities Fund Expenditure Categories	FY 2025 Adopted	FY 2026 Proposed	FY 2025 v FY 2026	
			\$ Change	% Change
Personnel	\$533,260	\$597,735	\$64,475	12.1%
Contractual	\$138,810	\$131,315	-\$7,495	-5.4%
General Utility	\$77,140	\$77,140	\$0	0.0%
Capital	\$965,000	\$660,000	-\$305,000	-31.6%
Water/Sewer Operations	\$457,515	\$494,965	\$37,450	8.2%
Transfers/ Debt	\$605,275	\$788,095	\$182,820	30.2%
Total Expenditures	\$2,777,000	\$2,749,250	(\$27,750)	-1.0%

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 2025, the Town has 976 residential units and 33 commercial units, for a total of 1,009 taxable units. The total valuation of the Town’s taxable properties for 2025 is \$561,745,140 which is an increase of \$44,100,740 or 8.52 percent increase over the final 2024 valuation total of \$517,644,400.

The resulting average 2025 assessment value for residential parcels is \$546,130 or an increase of \$43,534 or 8.55 percent over 2024 values. Of this amount, Single Family Detached homes increased 8.62 percent in value, Townhouses increased 7.95 percent, and commercial increased 1.41 percent for Multi-Family and 8.26 percent for Commercial and Industrial parcels. Residential units make up the majority of the Town’s total valuation and represent 94.9 percent of the total valuation and 97.0 percent of the number of taxable parcels within the Town.

Lovettsville-Town	2024		2024			2025		2025		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)	\$ 437,858,490	776	\$746,045	\$0	\$37,004,215	\$ 475,608,750	778	\$37,750,260	2	8.45%	8.62%	\$611,936	\$611,322		
Class 1 - Single Family Residential (Townhouse)	\$ 47,887,980	126	\$0	\$0	\$3,805,630	\$ 51,693,610	126	\$3,805,630	0	7.95%	7.95%	\$410,267	\$410,267		
Class 1 - Single Family Residential (Condo)	\$ -	-	\$0	\$0	\$0	\$ -	-	\$0	0						
Class 1 - Single Family Residential (Other-includes vacant land)	\$ 4,665,740	66	\$5,450	\$0	\$381,760	\$ 5,052,950	64	\$387,210	-2	8.18%	8.30%	\$76,477	\$78,952		
Class 1 Total	\$ 490,412,210	968	\$751,495	\$0.00	\$41,191,605	\$ 532,355,310	968	\$41,943,100	0	8.40%	8.55%	\$549,177	\$549,954		
Class 2 - Single Family Residential (Detached)	\$ 623,580	9	\$0	\$0	\$43,590	\$ 667,170	8	\$43,590	-1	6.99%	6.99%	\$74,130	\$83,396		
ALL RESIDENTIAL CLASS 1 AND 2	\$ 491,035,790	977	\$751,495	\$0.00	\$41,235,195	\$ 533,022,480	976	\$41,986,690	-1	8.40%	8.55%	\$544,801	\$546,130		
Class 3 - Multi Family	\$ 1,086,620	2	\$0	\$0	\$15,290	\$ 1,101,910	2	\$15,290	0	1.41%	1.41%	\$550,955	\$550,955		
Class 4 - Commercial & Industrial	\$ 25,484,840	30	\$0	\$0	\$2,104,790	\$ 27,589,630	30	\$2,104,790	0	8.26%	8.26%	\$919,654	\$919,654		
Class 5 - Agricultural/Undeveloped (20 to 99.99 acres)	\$ 37,150	1	\$0	\$0	(\$6,030)	\$ 31,120	1	(\$6,030)	0	-16.23%	-16.23%	\$31,120	\$31,120		
Class 6 - Agricultural/Undeveloped (more than 100 acres)	\$ -	-	\$0	\$0	\$0	\$ -	-	\$0	0						
COMMERCIAL	\$ 26,608,610	\$ 33	\$ -	\$ -	\$ 2,114,050	\$ 28,722,660									
TOTAL TAXABLE	\$517,644,400	1010	\$751,495	\$0	\$43,349,245	\$561,745,140	1009	\$44,100,740	-1	8.37%	8.52%	\$555,439	\$556,735		
Class 7 - Exempt Property	\$ 31,237,080	35	\$4,039,195	\$0	\$2,959,275	\$ 38,235,550	36	\$6,998,470	1	9.47%	22.40%	\$977,039	\$1,062,099		
TOTAL TAXABLE AND EXEMPT	\$548,881,480	1045	\$4,790,690	\$0	\$46,308,520	\$599,980,690	1045	\$51,099,210	0	8.44%	9.31%	\$569,560	\$574,144		

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 2025 is 13.6¢ per \$100 of assessed valuation.

The Fiscal Year 2026 Proposed Budget reflects a proposed real estate tax rate of 14.6¢ per \$100 assessed valuation, which is lower than the 2024 tax rate included in the Fiscal Year 202 Adopted Budget. The difference between the proposed real estate tax rate and the equalized tax rate equates to annual revenue of approximately \$54,800 and an estimated increase of \$56.02 to the average household annual tax bill. The revenue generated over the equalized tax rate is to supplant the decrease in revenue of \$53,000 associated with setting the Vehicle License Fee rate to \$0 beginning in the 2025 Tax Year.

Budget Summary and Overview: 2025 Residential Tax Bill Analysis

Residential 2025 Tax Bill Scenarios and Comparison:

The following table provides the resulting residential tax bills for 2024 based on the 2024 tax rate of 14.75¢, the proposed 2025 tax rate of 14.6¢, and the equalized residential 2025 rate of 13.6¢. The following chart reflects the resulting average tax bill for 2025 based on the two tax rates in comparison to the 2024 average tax bill.

Housing Type	CURRENT TAX RATE 14.75¢		EQUALIZED RESIDENTIAL TAX RATE 13.60¢				PROPOSED TAX RATE 14.6¢			
	2024		2025		Variance		2025		Variance	
	Average Assessment	Average Tax Bill	Average Assessment	Average Tax Bill	Annual	Monthly	Average Assessment	Average Tax Bill	Annual	Monthly
Single Family Detached	\$564,251	\$832.27	\$611,322	\$831.40	(\$0.87)	(\$0.07)	\$611,322	\$892.53	\$60.26	\$5.02
Townhome	\$380,063	\$560.59	\$410,267	\$557.96	(\$2.63)	(\$0.22)	\$410,267	\$598.99	\$38.40	\$3.20
All Residential	\$ 502,595	\$741.33	\$546,130	\$742.74	\$ 1.41	\$ 0.12	\$ 546,130	\$ 797.35	\$ 56.02	\$ 4.67

Western Loudoun Towns Real Estate Tax Comparison:

The following table reflects the FY 2025 adopted 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	\$729,519	12.39¢	\$903.87
Purcellville	\$587,691	20.5¢	\$1,204.77
Leesburg	\$590,965	17.74¢	\$1,048.37
Lovettsville	\$502,595	14.75¢	\$741.33
Round Hill	\$547,967	6.6¢	\$361.66
Hillsboro	\$471,297	22.0¢	\$1,036.85

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 proposed Fiscal Year 2026 Budget reflects the anticipation of continued growth in consumer tax revenues, specifically revenue driven by sales and use tax, meals tax and Business Licenses. Consumer tax revenue derive 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 \$39,030 or 5.2 percent in consumer taxes over the Fiscal Year 2025 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 three 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 2026 Proposed Budget includes \$310,128 or an increase of \$11,928 or 4.4 percent over the Fiscal Year 2025 Adopted Budget estimate of \$298,200.

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 in addition to an administrative process change to better identify out-of-town businesses is anticipated to increase the revenue projected for Fiscal Year 2026. The Fiscal Year 2026 Proposed Budget includes \$87,000 or an increase of \$20,000 of 24.4 percent over the Fiscal Year 2025 Adopted Budget estimate of \$67,000.

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 2026 Proposed Budget includes a projected revenue estimate of \$25,000, or the same estimate as the Fiscal Year 2025 Adopted Budget.

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 Proposed Budget includes \$283,000 or an increase of \$7,375 or 3.7 percent over the Fiscal Year 2025 Adopted Budget estimates. The proposed estimate is based on current revenue trends and the resulting increase attributable in part to the opening of Town Commons and the overall success of the Town's businesses. 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 Fiscal Year 2026 Proposed Budget includes a revenue projection estimate of \$25,500 or the same estimate as the Fiscal is an increase of \$1,500 or 6.3 percent over the Fiscal Year 2024 estimate as the Fiscal Year 2025 Adopted Budget. There is legislation that has been introduced in the Virginia General Assembly to allow taxation of vapor products that if passed and levied would generate additional revenue.

Vehicle License Fee: In January 2025, the Loudoun County Board of Supervisors, in conjunction with their approved adjustments to the county-wide personal property tax rates and setting the rate of the Vehicle License Fee to \$0 for 2025 Tax Year, established a Grant-in-Aid program. This program, which is for 2025 only, will provide funding equivalent to the projected 2025 revenue associated with the Town's Vehicle License Fee if the Town chooses not to levy the fee or set the 2025 rate to \$0 in recognition that setting the fee to a \$0 rate in mid-Fiscal Year would have a financial impact. The Fiscal Year 2026 Proposed Budget reflects a Vehicle License Fee rate of \$0, which results in a decrease in projected revenue of \$53,000. The Grant-in-Aid funding for 2025 will replace the foregone associated Vehicle License Fee revenue for Fiscal Year 2025. The Town Council must set the Vehicle License Fee rate for 2025 to \$0 by February 28, 2025 in order to be eligible for program funding.

Budget Summary and Overview: General Fund

The proposed Fiscal Year 2026 General Fund totals \$1,949,550 or a decrease of \$4,517 or 0.2 percent from the Fiscal Year 2025 Adopted Budget. The decrease in the proposed budget is primarily attributed to slight savings in several line items including a \$15,000 reduction in anticipated consulting services for assistance in applying for grants, elimination of payroll software due to the replacement financial system's capabilities, the new Town's website's functionality allows for a decrease in the use of AV Capture for publishing video recordings, and elimination of one-time costs included in the Fiscal Year 2025 Adopted Budget. The decrease is offset by increases in personnel costs associated with staff salary adjustments, and the proposed Cost-of-Living-Adjustment of 2.5 percent and merit/performance pay budgeted at an average 3.5 percent increase.

The notable adjustments to the Fiscal Year 2026 Proposed Budget in comparison to the Fiscal Year 2025 Adopted Budget are as follows for the operating budgetary categories:

Personnel: An overall net increase of \$5,431 or 0.6 percent is attributable to salary and benefit adjustments of existing employees and the proposed Cost-of-Living-Adjustment of 2.5 percent and merit/performance pay budgeted at an average 3.5 percent increase. The increase is offset by decreases in health insurance premiums and VRS contributions attributable to changes in employee enrollment and pension plans.

Contractual Services: An increase of \$1,132 or 0.3 percent primarily attributable to contractual increase in refuse and recycling collection services, legal services and remittance to Loudoun County for tax collection services. The increase is offset by a decrease of \$15,000 associated with consultant assistance with grant applications and processes as there are fewer grant opportunities at this time.

Public Works: The Proposed Fiscal Year 2026 Budget includes an increase of \$4,500 or 12.4 percent to the public works category attributable to the planned semi-annual street sweeping of the Town's streets.

Budget Summary and Overview: Utilities Fund

The proposed Fiscal Year 2025 Utilities Fund totals \$2,749,250 or a decrease of \$27,750 or 1.0 percent from the Fiscal Year 2025 Adopted Budget. The decrease is primarily attributed to a decrease of \$305,000 associated with the Capital Improvement Plan with offsetting increases in Personnel, Water/Sewer Operations, General Fund Administrative Services and debt payments.

The notable adjustments to the Fiscal Year 2026 Proposed Budget in comparison to the Fiscal Year 2024 Adopted Budget are as follows for the operating budgetary categories:

Personnel: An overall net increase of \$64,475 or 12.1 percent is attributable to salary and benefit adjustments of existing employees and the proposed Cost-of-Living-Adjustment of 2.5 percent and merit/performance pay budgeted at an average 3.5 percent increase.

Contractual Services: A decrease of \$7,495 or 5.4 percent from the Fiscal Year 2025 Adopted Budget attributable to decreases in utility billing costs and anticipated maintenance of water meters.

Sewer Repair/Maintenance: Increase of \$36,450 or 18.2 percent primarily due to an increase of \$30,000 to address expected repairs at the Waste Water Treatment Plant and \$6,000 to address inflow and infiltration issues in the sewer system.

Debt Service/Transfers: An overall increase of \$182,820 or 30.2 percent is attributable to an increase of \$130,271 to the projected excess availability fees being added to existing reserve and an increase of \$48,539 or 23.2 percent for 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

Capital Projects: The Fiscal Year 2026 Proposed Budget includes \$660,000 for Utility capital projects within the proposed Capital Improvement Plan, which is a decrease of \$305,000 or 31.6 percent from the Fiscal Year 2025 Adopted Budget; which utilized allocated American Rescue Act of 2021 (ARPA) funding per the Town Council's approved spending plan. The capital projects are primarily funded through awarded grant funding from the federal Environmental Protection Agency of \$440,000. The remaining \$220,000 in funding derives from use of the Utilities Fund 3-R Reserve for upgrades and improvements at the water and sewer facilities, and watermain replacement or redundancy projects.

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

Fiscal Year 2026 Water and Sewer Rates: The Fiscal Year 2026 Proposed Budget includes a 3.0 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 \$1,328,900 which is an increase of \$34,900 over the Fiscal Year 2025 Adopted Budget estimate of \$1,294,000.

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 for Fiscal Year 2026, the following table exhibits the anticipated impacts to the average household's monthly billed charges with the FY 2026 Proposed Rate increase of three percent.

Charges	FY 2025 Rates	Charges based on FY 2025 Rates	Proposed FY 2026 Rates	Charges based on FY 2026 Rates	Variance
Minimum rate	\$52.22	\$52.22	\$53.79	\$53.79	\$1.57
0-2,000 Gallons					
Water Charges	\$10.09 per 1,000 gallons	\$20.18	\$10.39 per 1,000 gallons	\$20.78	\$0.60
2,000 above Min.					
Water Charges	\$16.02 per 1,000 gallons	\$32.04	\$16.50 per 1,000 gallons	\$33.00	\$0.96
2,000 above Min.					
Total Monthly Billed		\$104.44		\$107.57	\$3.13

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 proposed increase for Fiscal Year 2025 is 2.7 percent which is equivalent to the CPI-U of the region from November 2023 to November 2024. The following is the resulting schedule of availability fees based on the proposed increase for Fiscal Year 2026.

Pipe Size	Max. Allowable Usage (GPD)	FY 2025			Proposed FY 2026		
		Water Availability Fee	Wastewater Availability Fee	Meter Fee	Water Availability Fee	Wastewater Availability Fee	Meter Fee
5/8"	500	\$13,901	\$20,423	\$250	\$14,276	\$20,974	\$250
3/4"	750	\$20,851	\$30,634	\$250	\$21,414	\$31,461	\$250
1"	1,250	\$34,753	\$51,056	Cost of meter + \$20	\$35,691	\$52,434	Cost of meter + \$20
1-1/2"	2,500	\$69,507	\$102,113	Cost of meter + \$20	\$71,383	\$104,870	Cost of meter + \$20
2"	4,000	\$111,208	\$163,380	Cost of meter + \$20	\$114,211	\$167,792	Cost of meter + \$20
3"	8,000	\$222,416	\$326,760	Cost of meter + \$20	\$228,421	\$335,582	Cost of meter + \$20
4"	12,500	\$347,524	\$510,561	Cost of meter + \$20	\$356,907	\$524,346	Cost of meter + \$20

Budget Summary and Overview: Position Count

Positions by Fund	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Variance	
							FY 2025 v. FY 2026	
<u>General Fund</u>								
Full-Time	6	6	6	7	8	8	0	0%
Part-Time	1	1	1	1	1	1	0	0%
Total FTE	6.5	6.5	6.5	7.5	8.5	8.5	0.0	0%
<u>Utilities Fund</u>								
Full-Time	4	4	5	5	5	5	0	0%
Part-Time	2	2	1	1	1	1	0	0%
Total FTE	5.0	5.0	5.5	5.5	5.5	5.5	0.0	0%
Overall FTE	11.5	11.5	12	13.0	14.0	14.0	0.0	0%

*FTE= Full Time Equivalent

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

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

FY 2026: No personnel change from Fiscal Year 2025.

Budget Summary and Overview: General Fund Debt

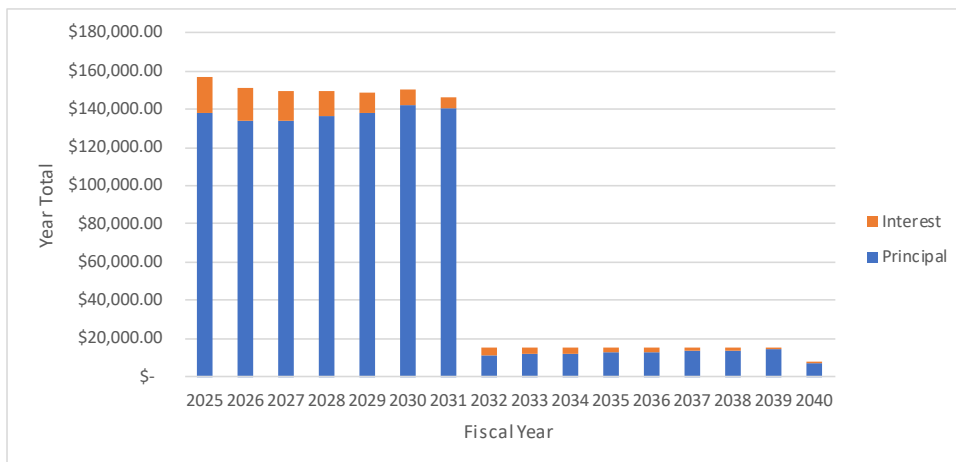
Target Debt Ratio #1 - Debt service as a percentage of General Fund expenses should not exceed 15%.

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 2024 General Fund Expenditures:	\$ 1,757,328
2024 Total Asset Value of Taxable Real Property:	\$ 561,745,140
FY 2026 Debt Service	\$ 150,746
FY 2026 Debt Coverage Target Ratio #1:	8.58%
FY 2026 Debt Coverage Target Ratio #3:	0.22%

General Fund - Debt Amortization and Pay-Out Ratio Schedule

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



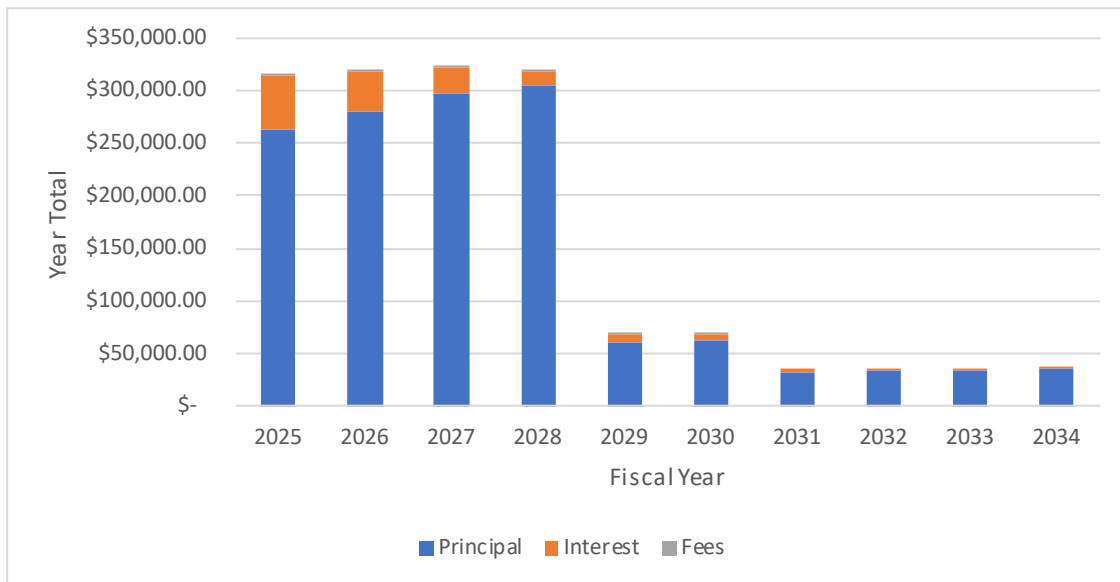
Budget Summary and Overview: Utilities Fund Debt

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

FY 2024 Utilities Fund Expenditures:	\$ 2,461,055
FY 2026 Debt Service	\$ 319,035
FY 2026 Debt Coverage Target Ratio #2	13.0%

Utilities Fund- Debt Amortization and Pay-Out Ratio Schedule

Period Ends	Principal	Interest	Fees	Total	Payout Ratio
2025	\$ 263,593.20	\$ 51,250.67	\$ 337.86	\$ 315,181.73	20.3%
2026	\$ 280,226.01	\$ 38,526.14	\$ 282.71	\$ 319,034.86	40.8%
2027	\$ 296,909.38	\$ 24,983.78	\$ 226.08	\$ 322,119.24	61.5%
2028	\$ 303,644.89	\$ 13,328.27	\$ 167.95	\$ 317,141.11	81.9%
2029	\$ 60,434.18	\$ 7,770.54	\$ 107.26	\$ 68,311.98	86.2%
2030	\$ 62,279.07	\$ 5,987.07	\$ 46.98	\$ 68,313.12	90.6%
2031	\$ 32,097.37	\$ 4,343.31	\$ -	\$ 36,440.68	93.0%
2032	\$ 33,202.52	\$ 3,238.06	\$ -	\$ 36,440.58	95.3%
2033	\$ 34,345.74	\$ 2,094.84	\$ -	\$ 36,440.58	97.7%
2034	\$ 35,528.29	\$ 912.29	\$ -	\$ 36,440.58	100.0%
ALL Years	\$ 1,402,260.65	\$ 152,434.97	\$ 1,168.84	\$ 1,555,864.46	



Budget Summary and Overview: Pro Forma - General Fund and Utilities Fund

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 a proposed rate of 14.6¢ per \$100 of assessed value for 2025.

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Adopted	FY 2026 Proposed	FY 2027 Forecast	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast
Property Taxes	\$ 728,218	\$ 766,445	\$ 777,381	\$ 832,244	\$ 857,210	\$ 882,930	\$ 909,420	\$ 936,700
Local Taxes	\$ 684,453	\$ 763,629	\$ 795,679	\$ 784,982	\$ 808,530	\$ 832,790	\$ 857,770	\$ 883,500
Permits, Fees, Reimbursements	\$ 13,000	\$ 19,000	\$ 58,500	\$ 56,000	\$ 57,680	\$ 59,410	\$ 61,190	\$ 63,030
State and County	\$ 18,300	\$ 18,300	\$ 20,250	\$ 18,850	\$ 19,420	\$ 20,000	\$ 20,600	\$ 21,220
Inter-Fund	\$ 170,616	\$ 189,404	\$ 208,935	\$ 257,474	\$ 265,200	\$ 273,160	\$ 281,350	\$ 289,790
Use of Reserves/ Fund Balance	\$ 34,250	\$ 550	\$ 93,322	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 1,648,837	\$ 1,757,328	\$ 1,954,067	\$ 1,949,550	\$ 2,008,040	\$ 2,068,290	\$ 2,130,330	\$ 2,194,240
Personnel	\$ 765,412	\$ 776,515	\$ 902,493	\$ 907,924	\$ 935,160	\$ 963,210	\$ 992,110	\$ 1,021,870
Contractual	\$ 347,329	\$ 434,212	\$ 407,714	\$ 408,846	\$ 421,110	\$ 433,740	\$ 446,750	\$ 460,150
Debt	\$ 156,610	\$ 173,250	\$ 156,290	\$ 150,800	\$ 155,320	\$ 159,980	\$ 164,780	\$ 169,720
CIP Contribution	\$ 84,500	\$ 84,500	\$ 184,500	\$ 183,010	\$ 188,500	\$ 194,160	\$ 199,980	\$ 205,980
General Operations	\$ 294,987	\$ 288,851	\$ 303,070	\$ 298,970	\$ 307,940	\$ 317,180	\$ 326,700	\$ 336,500
	\$ 1,648,837	\$ 1,757,328	\$ 1,954,067	\$ 1,949,550	\$ 2,008,030	\$ 2,068,270	\$ 2,130,320	\$ 2,194,220

Pro Forma - Utilities Fund

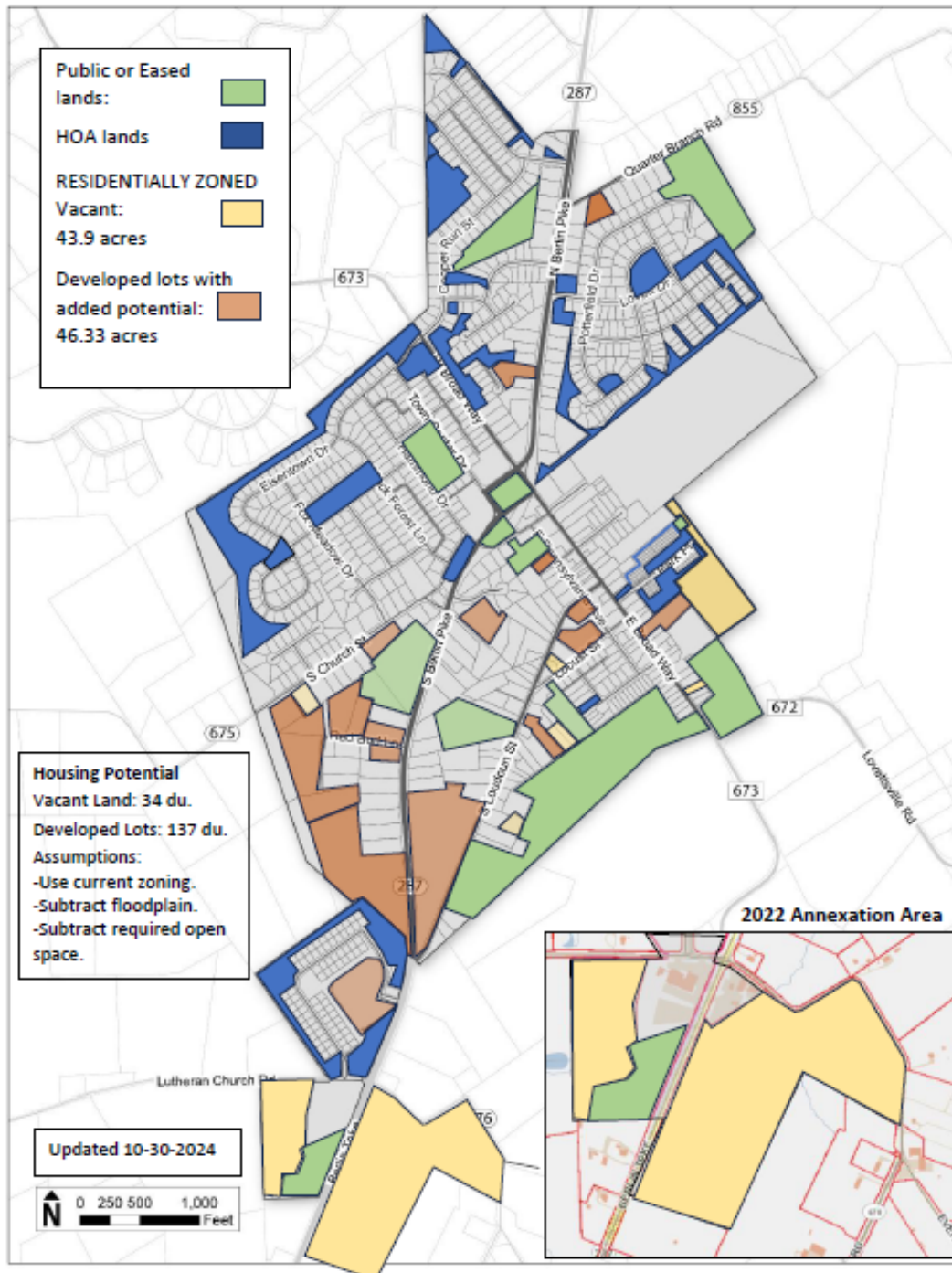
The Utilities Fund is used to account for the operation and maintenance of the Town's water and sanitary sewer system. The Utilities Fund pro forma reflects revenue and expenditures on a cash basis. The fund provides for capital projects included in the Town's Capital Improvements Plan (CIP) as well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

	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Adopted	FY 2026 Proposed	FY 2027 Forecast	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast
W/S Use Charges	\$ 1,406,629	\$ 1,567,450	\$ 1,393,700	\$ 1,440,400	\$ 1,483,610	\$ 1,528,120	\$ 1,573,960	\$ 1,621,180
Antennae Leases	\$ 113,460	\$ 133,672	\$ 128,900	\$ 134,000	\$ 138,020	\$ 142,160	\$ 146,420	\$ 150,810
Tap Fee (Anticipated)	\$ 267,572	\$ 120,857	\$ 289,400	\$ 294,850	\$ 303,700	\$ 312,810	\$ 322,190	\$ 331,860
Federal Funding (CIP)	\$ 254,623	\$ 892,505	\$ 965,000	\$ 660,000	\$ -	\$ -	\$ -	\$ -
State Funding (CIP)					\$ 1,500,000			
Use of 3R for CIP	\$ -	\$ -	\$ -	\$ 220,000	\$ 155,000	\$ 90,000	\$ 80,000	\$ 90,000
Use of UNP for CIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 2,042,284	\$ 2,714,484	\$ 2,777,000	\$ 2,749,250	\$ 3,580,330	\$ 2,073,090	\$ 2,122,570	\$ 2,193,850

Personnel	\$ 432,519	\$ 499,250	\$ 533,260	\$ 597,735	\$ 615,670	\$ 634,140	\$ 653,160	\$ 672,750
Operating	\$ 424,770	\$ 609,959	\$ 673,465	\$ 703,420	\$ 724,520	\$ 746,260	\$ 768,650	\$ 791,710
Debt	\$ 315,494	\$ 323,965	\$ 314,990	\$ 319,000	\$ 328,570	\$ 338,430	\$ 348,580	\$ 359,040
GF Overhead Contribution	\$ 170,616	\$ 189,404	\$ 208,935	\$ 257,474	\$ 246,270	\$ 253,650	\$ 261,250	\$ 269,090
Operating Contingency	\$ 10,050	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,300	\$ 10,610	\$ 10,930	\$ 11,260
Reserve Contribution	\$ -	\$ 171,001	\$ 71,350	\$ 201,621	\$ -	\$ -	\$ -	\$ -
CIP contribution	\$ 370,205	\$ 785,000	\$ 965,000	\$ 660,000	\$ 1,655,000	\$ 90,000	\$ 80,000	\$ 90,000
Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 1,723,653	\$ 2,588,579	\$ 2,777,000	\$ 2,749,250	\$ 3,580,330	\$ 2,073,090	\$ 2,122,570	\$ 2,193,850

Budget Summary and Overview: Residential Development Opportunities

The following map and associated table on the next page are an estimate of housing and population growth that exists under current residential zoning. The information can help assess impacts on the 3,500-population threshold and other policies, and plan for future service needs. The results are based on a high-level assessment of the parcels and environmental or other constraints. Additional potential may exist with more detailed engineering, parcels not identified, and updated household size estimates.



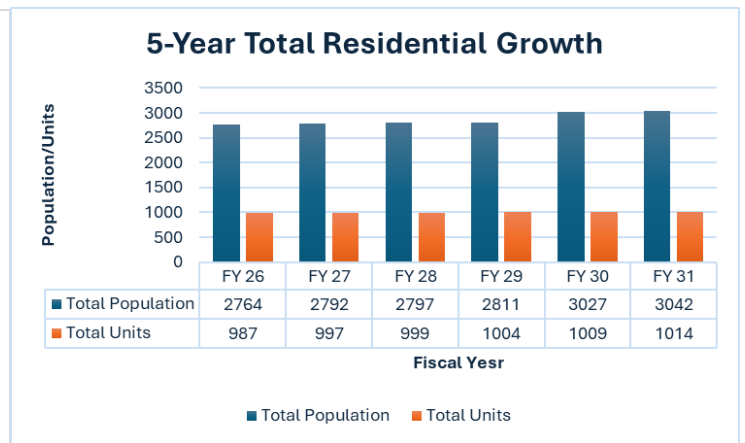
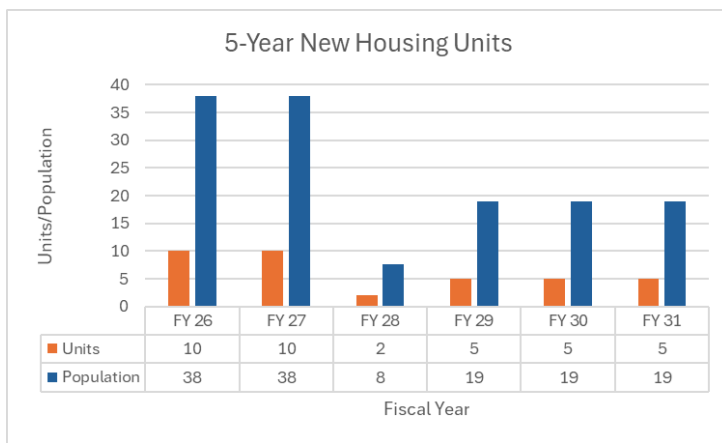
Budget Summary and Overview: Residential Development Opportunities

Residential Development Potential 10-30-2024					
Vacant Residential Lots					
GPIN	Acreage	Zoning	Potential Units	Location	Population Impact
371488833	7.44	CRA-1	1	Lutheran Church	4
371394189	27.07	CRA-1	5	Berlin Tpke	18 to 20
334462782	6.9	R-1	20	Schoene Farm Place	71 to 80
370309572	0.7	R-1	1	S. Loudoun	4
320206195	0.53	R-1	1	S. Loudoun	4
370400512	0.161	PIDD	2	Locust	8
370400916	0.167	PIDD	2	Locust	8
334461606	0.219	R-2	1	E. Broad	4
370488873	0.717	R-1	1	S. Church	4
Acreage:	43.904	Units:	34	Estimated Population:	125 to 136
Lots with Additional Infill Potential					
GPIN	Acreage	Zoning	Potential DU	Location	Notes
370195365	4.38	R-1	40	S. Berlin Tpke	40
370293746	9.72	R-3	30	S. Berlin Pike	107 to 120
370299978	10.48	R-1	42	S. Berlin Pike	150 to 168
370390914	2.15	R-1	1	Red Bud	4
370388947	3.4	R-1	1	Red Bud	4
370389785	1.28	R-1	1	Red Bud	4
370392191	1.91	R-1	1	Red Bud	4
370393286	1	R-1	1	Red Bud	4
370395474	1.08	R-1	3	Red Bud	11 to 12
370395456	0.8	R-1	1	Red Bud	4
370495856	1.25	R-1	4	S. Church	14 to 16
370387363	1.19	R-1	1	S. Church	4
370308669	0.97	R-1	1	S. Loudoun	4
370403767	1.3	R-1	1	Germanna	4
334451775	0.5	R-1	2	S. Loudoun	7 to 8
334451953	1.15	R-1	2	Locust	7 to 8
369108814	0.38	R-1	1	Pennsylvania	4
334459374	1.37	R-2	1	E. Broad	4
369205775	1.18	R-1	2	N. Berlin Pike	7 to 8
333453312	0.84	R-1	1	Quarter Branch	4
Acreage:	46.33	Units:	137	Estimated Population:	346 to 388
OVERALL TOTAL ACREAGE	90.234	OVERALL TOTAL UNITS	171	OVERALL POTENTIAL POPULATION GROWTH	471 to 524

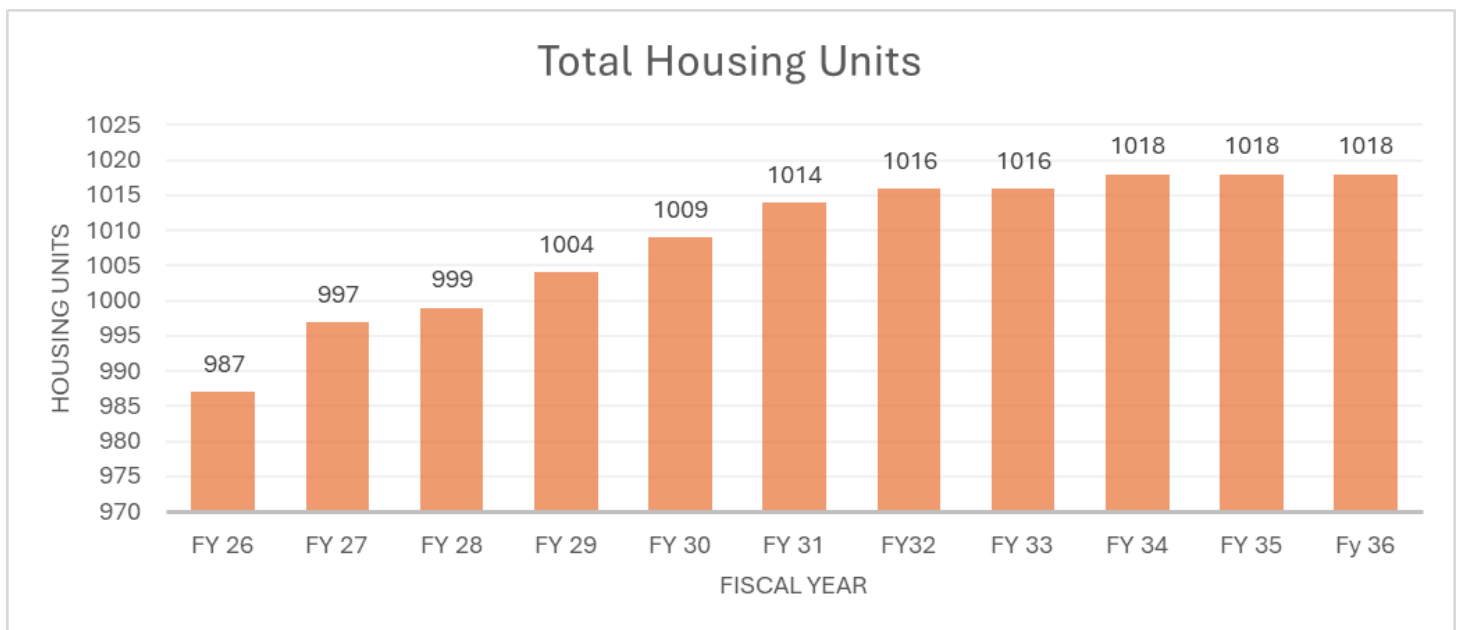
Budget Summary and Overview: Residential Development Opportunities

The charts below reflect Town staff projected new home construction over the next 5 years. Projection is based on the anticipated completion of the 20-lot Schoene Property subdivision over two years followed by the possible by-right development in the Gateway Planning Area on the Walker and Hummer properties. An average of 3.8 people per dwelling was used to generate the associated population projection.

In addition, the charts illustrate the impact of projected five-year housing growth on total housing and total population. Fiscal Year 2026 population is based on UVA’s Weldon Cooper population projections for Loudoun County. The projections for Fiscal Year 2027 to 2031 reflect only the new housing.



This chart is an extended projection of new housing over a 10-year period. The most significant growth results from by-right development of the Schoene subdivision and development of the Hummer and/or Walker properties. The remaining development occurs more infrequently on infill properties.





FY 2026 Schedule of Fees

General Fund

TAXES	
Type	Tax/Fee Rate
Real Estate Tax (per \$100 assessed value)	\$0.146 (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	\$0.00 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 Contractors	Fee of \$30.00 for gross receipts up to \$20,000.00 and a Tax of \$0.17/\$100 for gross receipts over \$20,000.00
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

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):	\$10.39
In-Town Sewer User Rate (per 1,000 gallons):	\$16.50
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	\$53.79 (residential)	2,000	\$10.39	\$16.50
	\$65.41 (non-residential)			
1	\$76.99			
1.5	\$76.99			
2	\$88.59			
3	\$111.61			
4	\$123.37			

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	\$2,651	\$2,651



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	\$14,276	\$20,974	\$250
3/4"	750	\$21,414	\$31,461	\$250
1"	1,250	\$35,691	\$52,434	Cost of meter + \$20
1-1/2"	2,500	\$71,383	\$104,870	Cost of meter + \$20
2"	4,000	\$114,211	\$167,792	Cost of meter + \$20
3"	8,000	\$228,421	\$335,582	Cost of meter + \$20
4"	12,500	\$356,907	\$524,346	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



Budget Summary and Overview: Fiscal Year 2026 Budget Line-Item Detail Report

Report Description: The following report is a supplemental packet to the Fiscal Year 2026 Proposed 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 2023 Actuals: The Fiscal Year 2023 actuals within each General Ledger Account as reported in the Town's Annual Financial Report.

FY 2024 Adopted Budget: The Fiscal Year 2024 Adopted Budget.

FY 2024 Actuals: The Fiscal Year 2024 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 2026 Budget document.

FY 2025 Adopted Budget: The adopted appropriation included in the Fiscal Year 2025 Adopted Budget.

FY 2026 Proposed Budget: The Town Manager's proposed Fiscal Year 2026 Budget.

Variance FY 2025 v FY 2026: There are two columns included under the heading "Variance FY 25 vs. FY 26." The first column includes the variance as an amount and reflects the variance between the Fiscal Year 2024 Adopted appropriation and the Fiscal Year 2026 Proposed Budget amount. The second column reflects this variance amount as a percentage of the Fiscal Year 2026 Proposed 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.