TOWN OF MIDDLEBURG

FISCAL YEAR 2025 ADOPTED BUDGET

July 1, 2024 - June 30, 2025

TOWN OF MIDDLEBURG
PROPOSED BUDGET

FY 2025

<u>Town Council</u>

Trowbridge M. Littleton, Mayor
Chris W. Bernard, Vice Mayor
Pamela Curran
J. Kevin Daly
Morris "Bud" Jacobs
Darlene Kirk
Peter Leonard-Morgan
Cindy C. Pearson

<u>Town Administration</u>

Danny Davis, Town Manager
William M. Moore, Deputy Town Manager
Shaun D. Jones, Chief of Police
Angela J. Fletcher, MGT, Finance Director/Town Treasurer
Rhonda S. North, MMC, Town Clerk
Alexandra MacIntyre, Director of Business Development and Community Partnerships

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February 22, 2024

Mayor and Members of the Town Council:

I am pleased to present to you the Proposed Budget for Fiscal Year 2025 (FY25). This budget funds ongoing operations of the Town government, provides for public safety and community engagement, and supports implementation of the Town Council's Strategic Initiatives.

The Town Council continues to meet its strategic goals and initiatives focused on the areas of protecting our quality of life, investing in key infrastructure, providing opportunities for community engagement, and supporting our business community. The Town Council will hold a retreat this Spring, and additional projects can be incorporated during the budget process.

On the revenue side, the Town is closely monitoring trends in our key revenue streams in light of ongoing inflation, economic pressures, and instability of the markets due to worldwide events. Most economists now believe that the US economy will experience a "soft landing" and not a recession, which suggests that the Town's visitor-driven economy will continue to hold steady. Any growth in the meals and occupancy tax revenue is expected to be modest year over year, with the possibility of revenues remaining flat.

General Fund expenditures are proposed to increase in FY25 primarily due to regular operational costs, continued focus on community events, and a planned increase in debt service payments. The Town Manager and Department Heads will meet with Town Council liaisons to review departmental budgets over the coming weeks.

Recruitment and retention remains a key focus of the Town, especially in public safety. The Town Council's support of staff salaries, benefits, and professional growth is demonstrated in the Council's ongoing investment in these areas. The FY25 Proposed Budget continues this investment and puts emphasis on the Police Department to allow Middleburg to remain competitive with neighboring agencies that are providing double-digit salary increases.

The Town's Utility Fund is self-sufficient, and ongoing rate increases are important to keep up with the cost of equipment, supplies, and labor. The Town has experienced multiple emergency repairs or replacement of water lines, sewer plant pumps, and water plant equipment in the current year. The FY25 Proposed Budget continues to invest in key infrastructure activities to ensure the longevity and safety of our water and sewer operations and to provide the best service to our customers.

The Town remains in a strong fiscal position. The Town Council has set core financial policies that ensure the Town keeps a healthy fiscal reserve. At the same time, the Town Council is looking at opportunities to use Unassigned Fund Balance for key projects, such as Asbury Church, streetscape enhancements, and efforts to protect the quality of life of our citizens.

The Town Council will hold public budget discussions throughout March, April, and May. The Town welcomes input from the community on the FY25 Proposed Budget, including the real property tax rate. More information is available on the Town's website regarding upcoming meetings and public hearings. It is a privilege to serve the citizens of Middleburg, and the Town staff are grateful to be part of this wonderful community.

Respectfully submitted,

Danny Davis
Town Manager

MIDDLEBURG
EST VIRGINIA 1787

MIDDLEBURG
EST VIRGINIA 1787

May 9, 2024

OVERARCHING STRATEGIC PURPOSE

To preserve and promote strong community
in the face of rapid and continuous change around us and to us.

VISION

To be a unique, historic, rural town; always enduring, vibrant, and caring.

MISSION

To provide purposeful, accountable leadership; and to deliver quality, cost-effective town services.

STRATEGIC PRIORITIES AND OBJECTIVES

PROTECT OUR QUALITY OF LIFE

- Guard and enhance the unique and historic character of the town
- Collaborate with County and State officials to raise awareness of threats to our community and insist on responsible Land Use & Transportation Planning.
- Partner with allied towns and groups to strengthen our voice
- Increase local awareness of challenges and opportunities related to our quality of life and options to address them

PROMOTE COMMUNITY WELL-BEING

- Ensure the public safety of residents and visitors
- Enable and maintain safe and appealing streets and public spaces
- Support local institutions which strengthen community life
- Encourage inclusive civic engagement and participation
- Promote resident-focused special events and services

GUIDE ECONOMIC BALANCE

- Support existing and new businesses that add value to community life
- Evaluate and adjust tourism promotion to fill voids and reduce periodic overcrowding
- Continue partnership with MBPA to support our business community
- Consider appropriate development and redevelopment in line with the Comprehensive Plan

LEAD RESPONSIBLY

- Provide resources to town staff and volunteers to effectively meet the responsibilities of the town government to its constituents
- Communicate transparently and effectively with our community on a regular basis
- Maintain diligent management and oversight of town infrastructure
- Operate with sound fiscal practices and policies to weather economic cycles

MIDDLEBURG
EST VIRGINIA 1787

ACTION PLAN AND INITIATIVES

Top 8 Goals for 2024-2025

- **Take steps to enhance the Town's current short-term rental processes, standards, and Comprehensive Plan policies. Develop understanding of options to consider and pursue amendments, if appropriate.**
  (Protect our Quality of Life); Mayor Littleton and Councilmember Jacobs. Staff Lead: Will Moore
- **Explore options for improving outcomes of R-2 redevelopment processes and standards working with the Planning Commission.**
  (Protect our Quality of Life); Mayor Littleton and Councilmember Jacobs. Staff Lead: Will Moore
- **Strategically adjust the Town's tourism promotion to focus on times when the Town is not as busy and assess alignment with other marketing activities.**
  (Guide Economic Balance); Vice-Mayor Bernard and Councilmember Pearson. Staff Lead: Ali MacIntyre
- **Maintain recent changes to the mix and scale of town-run special events.**
  (Guide Economic Balance); Councilmembers Curran and Kirk. Staff Lead: Ali MacIntyre
- **Continue work to preserve, restore and reuse Asbury Church. Focus on community engagement that leads to design and construction.**
  (Lead Responsibly); Councilmembers Jacobs and Pearson. Staff Lead: Rhonda North
- **Determine next steps to enhance engagement with all citizens through effective communication. Emphasize outreach to and relationship with the Windy Hill communities to ensure their connection to the Town.**
  (Promote Community Well-Being & Lead Responsibly); Councilmember Curran and Vice-Mayor Bernard. Staff Lead: Danny Davis
- **Complete the improvement planning for town's capital needs, particularly focused on water/sewer renewal and replacement, and focused on sidewalk replacement and extension.**
  (Lead Responsibly); Councilmembers Leonard-Morgan and Daly. Staff Lead: Will Moore
- **Reassess town government's organizational structure and staffing needs, and incorporate results into the town's financial and human resource planning and budgeting for FY 25 and beyond.**
  (Lead Responsibly); Councilmembers Kirk and Daly. Staff Lead: Chief Jones; Danny Davis

CORE VALUES

INTEGRITY – Doing the right thing

ACCOUNTABILITY – Owning our successes and failures

RESPECT - Treating everyone with dignity and consideration

TRANSPARENCY – Committing to clear and open communication

TOWN OF MIDDLEBURG
ADOPTED BUDGET

FY 2025

BUDGET SUMMARY

TOWN OF MIDDLEBURG
FY 25 BUDGET SUMMARY

GENERAL FUND SUMMARY

REVENUES

	FY24 ADOPTED	FY24 AMENDED	FY25 PROPOSED	% CHANGED	AMOUNT CHANGED
PROPERTY TAX	$ 602,605	$ 602,605	$ 645,138	7.1%	$ 42,533
LOCAL TAXES	$ 3,975,425	$ 3,975,425	$ 3,922,048	-1.3%	$ (53,377)
ZONING FEES	$ 36,928	$ 36,928	$ 36,928	0.0%	$ -
FINES & FEES	$ 17,500	$ 17,500	$ 20,500	17.1%	$ 3,000
INTEREST EARNINGS	$ 200,000	$ 200,000	$ 300,000	50.0%	$ 100,000
INTERGOVERNMENTAL	$ 40,000	$ 40,000	$ 40,000	0.0%	$ -
MISC. REV & REIMBURSEMENTS	$ 117,979	$ 117,979	$ 117,979	0.0%	$ -
					$ -
TOTAL	**$ 4,990,437**	**$ 4,990,437**	**$ 5,082,593**	1.8%	$ 92,156

EXPENDITURES

	FY24 ADOPTED	FY24 AMENDED	FY25 PROPOSED	% CHANGED	AMOUNT CHANGED	Notes
ADMINISTRATION	$ 1,145,463	$ 1,444,777	$ 1,147,531	-20.6%	$ (297,247)	**FY24 Amended Includes One-Time $300,000 Donation to Charitable Foundation**
BUILDINGS & GROUNDS	$ 99,016	$ 99,016	$ 125,137	26.4%	$ 26,121	**Increased for maintenance contracts for Town Hall**
POLICE	$ 1,054,159	$ 1,017,426	$ 1,086,251	6.8%	$ 68,825	
MAINTENANCE	$ 450,250	$ 450,870	$ 484,504	7.5%	$ 33,634	
PLANNING AND ZONING	$ 309,176	$ 309,175	$ 322,790	4.4%	$ 13,615	
ECON. DEVELOPMENT	$ 585,434	$ 585,434	$ 626,080	6.9%	$ 40,646	
COMMUNITY ENGAGEMENT	$ 69,500	$ 69,500	$ 122,500	76.3%	$ 53,000	**Split out from Economic Development**
DEBT SERVICE & CASH FOR CAPITAL	$ 495,000	$ 495,000	$ 777,000	57.0%	$ 282,000	**Planned increase in Debt Service**
	$ 4,207,998	$ 4,471,198	$ 4,691,793	**4.9%**	**$ 220,594**	
CONTINGENCY (Unallocated)	$ 782,439	$ 519,238	$ 390,800		$ (128,438)	
TOTAL GENERAL FUND	**$ 4,990,437**	**$ 4,990,437**	**$ 5,082,593**	**1.8%**	**$ 92,156**	

TOWN OF MIDDLEBURG
FY 25 BUDGET SUMMARY

CONTINUED

UTILITY FUND SUMMARY

REVENUES

	FY24 AMENDED	FY25 PROPOSED	% CHANGED	AMOUNT CHANGED
Water User Fees	$ 685,773	$ 706,346	3.0%	$ 20,573
Sewer User Fees	$ 673,758	$ 693,971	3.0%	$ 20,213
Water Tower Cellular Leases	$ 136,565	$ 140,662	3.0%	$ 4,097
Miscellaneous	$ 8,000	$ 37,500	368.8%	$ 29,500
Transfer from Reserves	$ -		0.0%	$ -
Availability/Connection Fees	$ -	$ -	0.0%	$ -
TOTAL UTILITY FUND REV.	$ 1,504,096	$ 1,578,479	4.9%	$ 74,383

EXPENDITURES

	FY24 AMENDED	FY25 PROPOSED	% CHANGED	AMOUNT CHANGED
Contract Services	$ 386,931	$ 387,022	0.0%	$ 91
Administration & Insur.	$ 121,677	$ 128,118	5.3%	$ 6,441
Operations-Water	$ 207,778	$ 191,250	-8.0%	$ (16,528)
Operations-Sewer	$ 182,940	$ 197,277	7.8%	$ 14,337
Debt Service	$ 312,665	$ 312,665	0.0%	$ -
Capital Projects Cash	$ 290,000	$ 355,000	22.4%	$ 65,000
Contingency	$ 2,106	$ 7,146	239.4%	$ 5,041
TOTAL UTILITY FUND EXP.	$ 1,504,096	$ 1,578,479	4.9%	$ 74,383

	Revenues FY24	Revenues FY25	%	Amount	Expenditures FY24	Expenditures FY25	%	Amount
TOTAL ALL FUNDS	$ 6,494,533	$ 6,661,072	2.6%	$ 166,539	$ 6,494,533	$ 6,661,072	2.6%	$ 166,539

TOWN OF MIDDLEBURG
FY 25 DEBT SERVICE AND FUND BALANCES

UTILITY FUND DEBT SERVICE

Fiscal Year	VRA Series 2010C*	Series 2020A/B**	Series 2020C***	Series 2020D	Total
TOTAL PRINCIPAL	CLOSED	Up to $2,200,000	$2,306,000	$1,407,000	
2024	$ -	$ 23,891	$ 140,654	$ 148,120	**$ 312,665**
2025	$ -	$ 23,891	$ 135,784	$ 152,724	**$ 312,399**
2026	$ -	$ 23,891	$ 135,922	$ 152,247	**$ 312,060**
Thereafter*	$ -	$ 1,305,143	$ 1,840,136	$ 751,987	**$ 3,897,266**
Total (incl. interest)	**$ -**	**$ 1,376,816**	**$ 2,252,496**	**$ 1,205,078**	**$ 4,834,390**

* Refunded into Series 2020D

** Line of Credit: Amount varies by amount used; interest only - will be refinanced or paid off

*** Refunded 2013/2014 Debt

FUND BALANCE - June 30, 2023

	GENERAL FUND	UTILITY FUND
Assets		
Current & Other Assets	$ 11,963,541	$ 3,817,513
Net Capital Assets	$ 14,210,125	$ 12,725,790
Total Assets	$ 26,173,666	$ 16,543,303
Liabilities		
Long-Term Liabilities	$ 10,844,015	$ 4,482,840
Other Liabilities	$ 1,189,736	$ 618,198
Total Liabilities	$ 12,033,751	$ 5,101,038
Net Position		
Unrestricted Fund balance	$ 10,063,741	$ 2,564,783
Restricted Fund balance	$ 371,091	$ 184,583
Invested in Capital Assets -	$ 3,596,698	$ 8,242,950
Parking Fund		$ -
Total Net Position	$ 14,031,530	$ 10,992,316

GENERAL FUND CIP DEBT SERVICE**

FISCAL YEAR	TOWN HALL 2021	TOWN HALL SUPPLEMENTAL 2022	TOTALS
TOTAL PRINCIPAL	$ 8,000,000	$ 2,500,000	**$ 10,500,000**
2024	$ 217,600	$ 214,175	**$ 431,775**
2025	$ 561,854	$ 214,359	**$ 776,213**
2026	$ 562,225	$ 214,442	**$ 776,667**
Thereafter	$ 8,993,088	$ 2,356,409	**$ 11,349,497**
Total (incl. interest)	**$ 10,334,767**	**$ 2,999,385**	**$ 13,334,152**

TOWN OF MIDDLEBURG
FY 25 BUDGET SUMMARY

CALENDAR YEAR 2024
EQUALIZED TAX RATE
CALCULATION

	CY 2024	CY 2023	
Total Taxable Assessed Value	504,641,660	$457,456,880	**
New Residential Construction/Growth	$18,134,992		
New Commercial Construction/Growth	$0		
Total New Construction/Growth	$ 18,134,992		
Total Adjusted Assessment	$486,506,668		

FY24 Real Prop. Revenues = CY 2023 Assessed Value** X $0.1276 tax rate	$	583,715	
FY 2024 Equalized Rate (100%)	$	0.1200	or 12.00 cents / $100 assessed value
Equalized Tax Rate=FY24 Real Property Revenues/CY 2024 Real Property Adjusted Value			
FY24 Real Prop. Revenues Multiplied by 101% =	$	589,552	
No Public Hearing required if FY 2025 rate is at or below this rate:	$	0.1212	

** Assessment total as of January 2024

REAL PROPERTY
TAX RATE SCENARIOS

CY 2024 ASSESSMENT	TAX RATE*	REVENUE**	DIFFERENCE	
$ 504,641,660	$ 0.1276	$ 643,923		Current tax rate
Equalized + 3%	$ 0.1236	$ 623,638	$ (20,285)	Advertised Tax Rate
Equalized Tax Rate	$ 0.1200	$ 605,474	$ (38,449)	

* 1 cent on the tax rate = $45,544

** The revenue amount includes the value of "new construction"

BREAK OUT	CY 2023 ASSESSMENT	VALUE CHANGE**	CY 2024 ASSESSMENT	% CHANGE**	EQUALIZED % CHANGE
Single Family Detached	$ 151,789,830	$ 26,422,620	$ 178,212,450	17.41%	5.45%
Town Houses	$ 41,345,630	$ 2,550,400	$ 43,896,030	6.17%	6.17%
Condo	$ 13,686,900	$ 2,487,690	$ 16,174,590	18.18%	18.18%
Other (incl vacant land)	$ 30,935,900	$ 6,465,080	$ 37,400,980	20.90%	20.93%
Single Family Suburban	$ 2,156,320	$ 106,340	$ 2,262,660	4.93%	4.93%
Multifamily	$ 3,616,230	$ 95,500	$ 3,711,730	2.64%	2.64%
Commercial/ Industrial	$ 213,926,070	$ 9,057,150	$ 222,983,220	4.23%	4.23%
TOTAL TAXABLE	$ 457,456,880	47,184,780	504,641,660	10.31%	6.35%
		**(includes new construction)		**(includes new construction)	(w/o new construction)

The Total Assessment does not reflect the value of 75 tax exempt properties which for 2024 totals $82,738,150.
Approximately 12.2% of the real property parcels in Middleburg are tax exempt.

Potential revenues must be reduced by the annual elderly tax relief, which for CY23 totaled approximately $7,750. An estimate of $10,000 is used for FY25. $10,000 is also deducted for potential tax appeals.

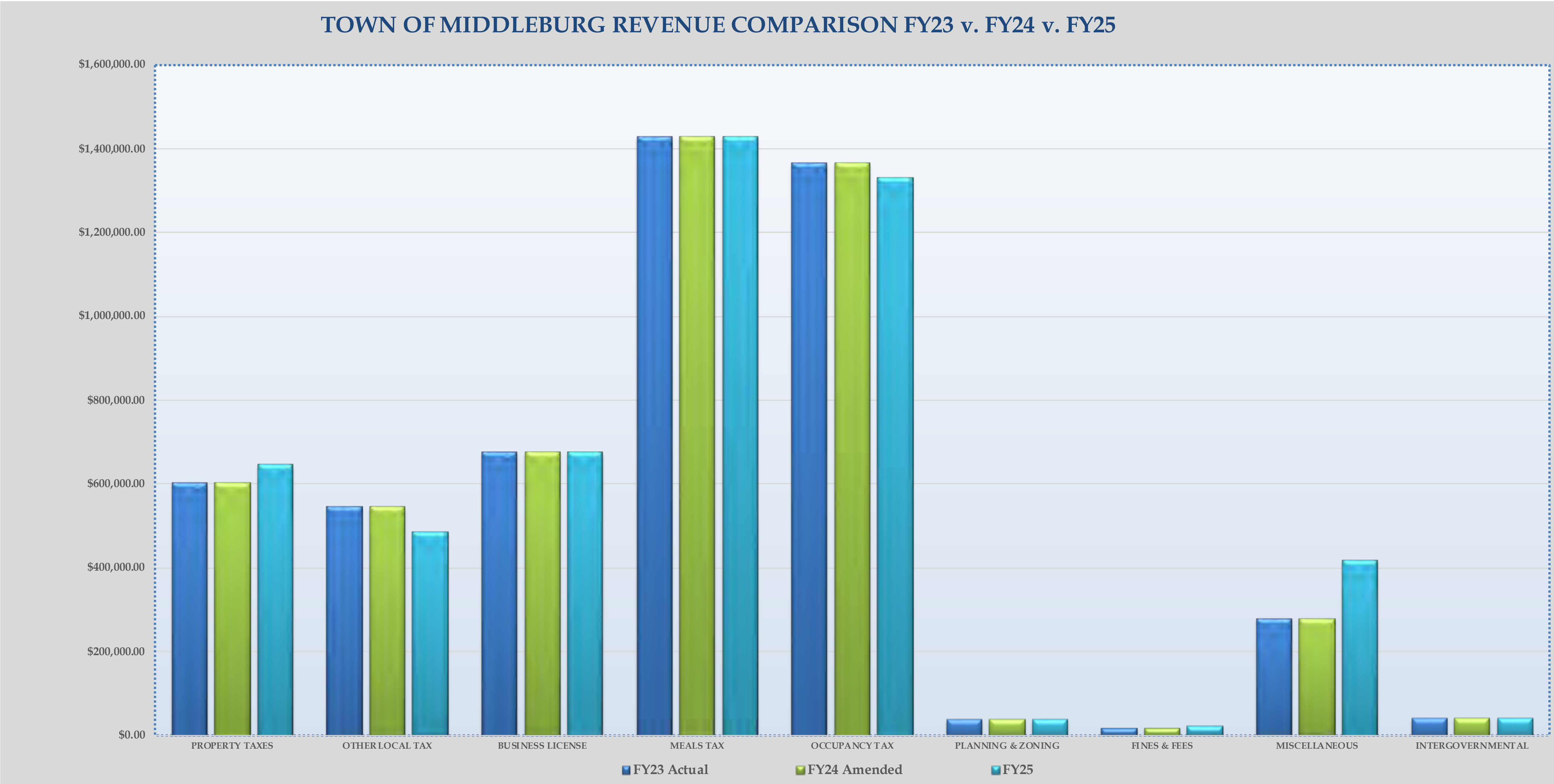
TOWN OF MIDDLEBURG
ADOPTED BUDGET

FY 2025

GENERAL FUND BUDGET

TOWN OF MIDDLEBURG
FY 25 ADOPTED BUDGET

REVENUES	Account #	FY22 ACTUAL	FY23 ACTUAL	FY24 ADOPTED	FY24 YTD	FY25 PROPOSED	% Change from FY 23	Amount Changed	Notes
PROPERTY TAX									
Real Estate	10-3000-0100	$ 533,518	$ 575,253	$ 561,105	$ 270,590	$ 603,638	7.6%	$ 42,533	Revenues based on tax rate of 12.36 cents (equalized + 3%). Includes revenue from new construction. Revenue amount reduced by $10k for Tax Relief Program and $10k for appeals.
Personal Property	10-3000-0200	$ 41,980	$ 43,935	$ 40,000	$ 20,265	$ 40,000	0.0%	$ -	Business Personal Property Tax
Penalties and interest	10-3000-500, -600	$ -	$ 66	$ 1,500	$ 5	$ 1,500	0.0%	$ -	
Subtotal		$ 575,498	$ 619,254	$ 602,605	$ 290,860	$ 645,138	7.1%	$ 42,533	
LOCAL TAXES									
Sales Tax	10-3100-0100	$ 65,998	$ 59,058	$ 50,000	$ 22,844	$ 50,000	0.0%	$ -	Town's school age population decreased; formula from County is set by state code: § 58.1-605
Utilities Taxes	10-3020-misc	$ 94,713	$ 83,992	$ 107,000	$ 39,277	$ 90,000	-15.9%	$ (17,000)	Reduced based on actual revenues over past fiscal years
Meals Tax	10-3030-0000	$ 1,254,464	$ 1,288,031	$ 1,429,450	$ 709,691	$ 1,429,450	0.0%	$ -	FY24 YTD is 5-10% below projections; FY25 anticipates no meals tax growth over FY24 budget
Business License	10-3050-0000	$ 750,800	$ 681,786	$ 675,000	$ 3,308	$ 675,000	0.0%	$ -	
Cigarette Tax	10-3060-0000	$ 17,311	$ 15,831	$ 17,500	$ 7,013	$ 16,000	-8.6%	$ (1,500)	Reduction in cigarette sales and tax revenue
Motor Vehicle License	10-3200-0100	$ 16,553	$ 15,535	$ 15,000	$ 1,655	$ 15,000	0.0%	$ -	
Bank Franchise Tax	10-3010-0000	$ 334,033	$ 309,500	$ 315,000	$ -	$ 315,000	0.0%	$ -	
Occupancy Tax	10-3040-0000	$ 1,309,290	$ 1,268,189	$ 1,366,475	$ 898,113	$ 1,331,598	-2.6%	$ (34,877)	FY24 YTD is 5-10% below projections; FY25 anticipates 5% increase compared to FY23
Subtotal		$ 3,843,162	$ 3,721,922	$ 3,975,425	$ 1,681,901	$ 3,922,048	-1.3%	$ (53,377)	
PLANNING & ZONING									
Application, Proffer, Misc Fees	10-3220-misc	$ 8,550	$ 25,675	$ 17,000	$ 19,999	$ 17,000	0.0%	$ -	
Professional Review Fees	10-3220-0500	$ -	$ -	$ 5,000	$ -	$ 5,000	0.0%	$ -	
Right of Way Franchise Fee	10-3200-0800	$ 14,929	$ 30,514	$ 14,928	$ -	$ 14,928	0.0%	$ -	
Subtotal		$ 23,479	$ 56,189	$ 36,928	$ 19,999	$ 36,928	0.0%	$ -	
FINES AND FEES									
Court & Parking Fines	misc	$ 10,071	$ 24,376	$ 12,000	$ 11,681	$ 15,000	25.0%	$ 3,000	Increase in keeping with actual revenues over past fiscal years
Town Events Fees / Merchandise Sales / Farmer's Market Fees	10-3100-0502	$ 1,726	$ 15,317	$ 5,000	$ 7,927	$ 5,000	-	$ -	Not expecting to charge fees in FY24 to incentivize restart of the Farmer's Market
Parking Space Rental/Permits	10-3200-0300,-0500	$ 1,215	$ 1,175	$ 500	$ 725	$ 500	0.0%	$ -	
Subtotal		$ 13,012	$ 40,868	$ 17,500	$ 20,333	$ 20,500	17.1%	$ 3,000	
MISCELLANEOUS									
Interest Earnings	10-3400-0300,-0400	$ 83,683	$ 195,111	$ 200,000	$ 197,431	$ 300,000	50.0%	$ 100,000	Increase due to higher interest rates and Town investments
Misc. Donations & Sponsorships	10-3070-misc	$ 4,485	$ 6,375	$ 75,000	$ 1,550	$ 75,000	0.0%	$ -	Sponsorship Revenues for Town Events; Reimbursable Overtime for PD for private events
Miscellaneous Reimbursements	10-3400-NEW	$ -	$ 35,775	$ 42,979	$ 79,285	$ 42,979	-	$ -	Reimbursement from retirees for health care, plus other misc revenues
Subtotal		$ 88,168	$ 237,261	$ 317,979	$ 278,266	$ 417,979	31.4%	$ 100,000	
INTERGOVERNMENTAL									
Law Enforcement 599 & Grant	10-3100-0300,-0301	$ 53,462	$ 24,515	$ 20,500	$ 12,892	$ 20,500	0.0%	$ -	599 Funds & Other Grants
State/Local Grants	10-3100-misc	$ 85,700	$ 6,095	$ 4,500	$ -	$ 4,500	0.0%	$ -	VCA Grant Program
Fire Program	10-3100-0500	$ 15,000	$ 15,000	$ 15,000	$ -	$ 15,000	0.0%	$ -	State Fire Program - pass thru to Loudoun County
Miscellaneous & County Grants	10-3100-0503	$ 1,329	$ 25,000	$ -		$ -		$ -	TOT Grant in FY23
Subtotal		$ 155,491	$ 70,610	$ 40,000	$ 12,892	$ 40,000	0.0%	$ -	
Total GF Revenues		$ 4,698,810	$ 4,746,104	$ 4,990,437	$ 2,304,251	$ 5,082,593	1.8%	$ 92,156	


TOWN OF MIDDLEBURG REVENUE COMPARISON FY23 v. FY24 v. FY25
$1,600,000.00
$1,400,000.00
$1,200,000.00
$1,000,000.00
$800,000.00
$600,000.00
$400,000.00
$200,000.00
$0.00
PROPERTY TAXES
OTHER LOCAL TAX
BUSINESS LICENSE
MEALS TAX
OCCUPANCY TAX
PLANNING & ZONING
FINES & FEES
MISCELLANEOUS
INTERGOVERNMENTAL
FY23 Actual
FY24 Amended
FY25

TOWN OF MIDDLEBURG
FY 25 OPERATING BUDGET

ADMINISTRATION

EXPENDITURES	ACCOUNT #	FY22 ACTUAL	FY23 ACTUAL	FY24 AMENDED	FY24 YTD	FY25 PROPOSED	% CHANGED	AMOUNT CHANGED	Notes
ADMIN. SALARY & BENEFITS									
ADMIN. STAFF SALARIES	10-5000-0100	$ 310,922	$ 346,642	$ 357,780	$ 211,888	$ 381,521	6.2%	$ 23,741	
OTHER WAGES/COMPENSATION	10-5000-0503	$ (31,755)	$ 14,854	$ 67,000	$ 52,805	$ 42,000	-59.5%	$ (25,000)	Includes merit increases (2% avg), bonus program, and leave payout for all departments; reduced as FY24 included add'l funds for market adjustments
WORKER'S COMP	10-5000-2000	$ 6,056	$ 500	$ 1,445	$ 2,243	$ 1,445	0.0%	$ -	
FICA - ADMINISTRATIVE	10-5000-2020	$ 26,269	$ 30,865	$ 32,468	$ 19,715	$ 33,591	3.3%	$ 1,123	
HEALTH - ADMINISTRATIVE	10-5000-2115	$ 195,906	$ 212,307	$ 173,920	$ 90,336	$ 197,639	12.0%	$ 23,720	Health Insurance for all depts. except PD; 8% increase in rates; actual amount varies by employee elections; includes reimbursed costs from retirees
VRS/ICMARC - ADMINISTRATIVE	10-5000-2125	$ 58,978	$ 75,168	$ 89,816	$ 44,468	$ 75,642	-18.7%	$ (14,174)	VRS Rates decreased for FY25 due to actuarial report and current funding levels
SUBTOTAL - ADMIN. COMPENSATION		$ 566,376	$ 680,336	$ 722,429	$ 421,455	$ 731,839	1.3%	$ 9,410	
COUNCIL EXPENSES									
COUNCIL COMPENSATION	10-5000-1100	$ 16,800	$ 16,800	$ 16,800	$ 9,600	$ 16,800	0.0%	$ -	
MAYOR COMPENSATION	10-5000-1000	$ 6,000	$ 6,000	$ 6,000	$ 3,500	$ 6,000	0.0%	$ -	
FICA-COUNCIL	10-5000-2100	$ -		$ 1,744	$ 1,002	$ 1,744	0.0%	$ -	
COUNCIL TRAINING/MISC. EXPENSES	10-5000-1010	$ 20,340	$ 20,050	$ 20,000	$ 3,313	$ 20,000	0.0%	$ -	For Council conferences (VML), strategic planning meetings, and other events
CITIZEN ENGAGEMENT	10-5000-3050	$ 1,348	$ 3,456	$ 18,000	$ 9,300	$ 18,000	0.0%	$ -	COLT, Citizen Academy, Volunteer Reception, Maintenance of Christmas Ornament Signs
SUBTOTAL - COUNCIL EXPENSES		$ 44,488	$ 46,306	$ 62,544	$ 26,715	$ 62,544	0.0%	$ -	
ADMINISTRATIVE SERVICES									
ATTORNEY	10-5100-2100	$ 53,747	$ 40,813	$ 77,773	$ 25,969	$ 75,000	-3.7%	$ (2,773)	
CONSULTING SERVICES	10-5100-2200	$ 15,753	$ 34,440	$ 28,840	$ 2,939	$ 30,000	3.9%	$ 1,160	HR Consulting and Other Consulting/Engineering Services
ADVERTISING	10-5100-2300	$ 2,328	$ 4,831	$ 4,120	$ 1,209	$ 5,000	17.6%	$ 880	
ACCOUNTING, AUDIT & INSURANCE	10-5100-2400	$ 11,500	$ 16,090	$ 20,000		$ 20,000	0.0%	$ -	Increase due to new auditing services
FINANCIAL ADVISOR SERVICES	10-5100-2500	$ 57,807	$ -	$ 10,000	$ 1,359	$ 10,000	0.0%	$ -	Placeholder for review of Fund Balance after TH completion
LINE OF CREDIT FEES & INTEREST	10-5900-5000	$ 8,022	$ 2,138	$ 1,000		$ 1,000	0.0%	$ -	
PROFESSIONAL DEVELOPMENT	10-5100-3100	$ 4,646	$ 7,629	$ 10,000	$ 6,778	$ 15,000	33.3%	$ 5,000	
TUITION REIMBURSEMENT	10-5100-3300	$ -	$ -	$ 5,000	$ 2,274	$ 5,000	0.0%	$ -	Cross-Departmental Program; up to $2,500/employee
MEMBERSHIPS/PUBLICATIONS	10-5100-3200	$ 4,306	$ 2,928	$ 4,000	$ 2,264	$ 4,000	0.0%	$ -	
MIDDLEBURG FIRE/RESCUE	10-5100-2600	$ -	$ -	$ 15,000		$ 15,000	0.0%	$ -	State Fire Program - pass thru to Loudoun County
CONTINGENCY	10-5100-3400	$ 452	$ 423	$ 2,500	$ 200	$ 2,500	0.0%	$ -	
COUNTY COLLECTION	10-5100-8000	$ (9)	$ 3,420	$ 7,102	$ 3,345	$ 7,592	6.4%	$ 489	1.15% of all property tax collections per MOU
OTHER	10-5100-9900	$ 3,689	$ 1,692	$ 3,000	$ 567	$ 3,000	0.0%	$ -	Misc. expenses and holiday gift card program
SUBTOTAL - ADMINISTRATIVE SERVICES		$ 162,241	$ 114,404	$ 188,336	$ 46,904	$ 193,092	2.5%	$ 4,756	

TOWN OF MIDDLEBURG
FY 25 OPERATING BUDGET

ADMINISTRATION, CONTINUED

ADMINISTRATIVE EXPENSES	ACCOUNT #	FY22 ACTUAL	FY23 ACTUAL	FY24 AMENDED	FY24 YTD	FY25 PROPOSED	% CHANGED	AMOUNT CHANGED	Notes
OFFICE SUPPLIES	10-5200-4100	$ 3,456	$ 5,950	$ 6,600	$ 15,614	$ 6,600	0.0%	$ -	
PRINTING	10-5200-4200	$ 5,712	$ 4,590	$ 6,500	$ 1,969	$ 6,500	0.0%	$ -	Actual printing costs: in-house for printers and outsourced for large projects
POSTAGE	10-5200-4300	$ 1,799	$ 1,537	$ 2,000	$ 767	$ 2,000	0.0%	$ -	
EQUIPMENT/SOFTWARE PURCHASE	10-5200-4400	$ 17,381	$ 19,915	$ 40,000	$ 4,167	$ 20,000	-100.0%	$ (20,000)	Reduced based on one-time expenses in FY24 (Council iPads and server replacement)
EQUIP. & SOFTWARE MAINT.	10-5200-4500	$ 70,866	$ 74,984	$ 84,172	$ 48,883	$ 92,759	9.3%	$ 8,587	Increase for software maintenance costs, IT services, and cloud-based subscription services
OFFICE EQUIP. RENTAL	10-5200-4600	$ 5,024	$ 5,051	$ 5,400	$ 3,381	$ 5,400	0.0%	$ -	Leased Xerox, folding machine, postage machine
OTHER	10-5200-9900	$ 694	$ 370	$ 1,100	$ 26	$ 1,100	0.0%	$ -	
SUBTOTAL - ADMINISTRATIVE EXPENSES		$ 104,932	$ 112,397	$ 145,772	$ 74,807	$ 134,359	-8.5%	$ (11,413)	
INSURANCE									
CRIME & FRAUD INSURANCE	10-5100-2410	$ 864	$ 2,114	$ 4,164	$ 4,000	$ 4,164	0.0%	$ -	
LIABILITY INSURANCE	10-5100-2420	$ 11,431	$ 11,062	$ 11,533	$ 10,510	$ 11,533	0.0%	$ -	
SUBTOTAL - INSURANCE		$ 12,295	$ 13,176	$ 15,697	$ 14,510	$ 15,697	0.0%	$ -	
CHARITABLE CONTRIBUTIONS	10-5200-4900	$ 19,250	$ 29,906	$ 300,000	$ 300,000	$ -		$ (300,000)	One-time FY24 Donation to Charitable Foundation
REPAYMENT OF HEALTH CENTER	10-5200-4920	$ 250,000	$ -	$ -	$ -	$ -		$ -	One-time in FY22 for COVID-19 support programs
TOWN COMMITTEE SUPPORT	10-5200-4700	$ 5,316	$ 1,082	$ 10,000	$ -	$ 10,000	0.0%	$ -	Expenses for meetings/activities of Town Committees
SUBTOTAL - OTHER		$ 274,566	$ 30,988	$ 310,000	$ 300,000	$ 10,000	-3000.0%	$ (300,000)	
TOTAL ADMINISTRATION		$ 1,164,898	$ 997,607	$ 1,444,777	$ 884,391	$ 1,147,531	-25.9%	$ (297,247)	

NON-DEPARTMENTAL EXPENDITURES DEBT SERVICE	ACCOUNT #	FY22 ACTUAL	FY23 ADOPTED	FY24 AMENDED	FY24 YTD	FY25 PROPOSED	% CHANGED	AMOUNT CHANGED	
GF DEBT SERVICE	10-5900-1015	$ 139,627	$ 276,448	$ 435,000	$ 431,775	$ 777,000	44.0%	$ 342,000	Final Debt Service for Town Hall
TRANSFER TO CIP	10-5900-1515	$ 300,000	$ -	$ 60,000				$ (60,000)	Cash for Fleet Replacement; Other projects will be reviewed on case-by-case basis
TOTAL NON-DEPARTMENTAL		$ 439,627	$ 276,448	$ 495,000	$ 431,775	$ 777,000	36.3%	$ 282,000	

TOWN OF MIDDLEBURG
FY 25 OPERATING BUDGET

BUILDINGS & GROUNDS

EXPENDITURES									
BUILDING EXPENSES	ACCOUNT #	FY22 ACTUAL	FY23 ACTUAL	FY24 AMENDED	FY24 YTD	FY25 PROPOSED	% CHANGED	AMOUNT CHANGED	Notes
SUPPLIES	10-5210-5100	$ 1,318	$ 1,401	$ 1,516	$ 706	$ 1,637	8.0%	$ 121	
REPAIRS & MAINTENANCE	10-5210-5200	$ 16,006	$ 25,062	$ 35,000	$ 9,458	$ 45,000	28.6%	$ 10,000	**Cleaning Contract for Town Hall; HVAC Contract; Other Maintenance Contracts**
MINOR EQUIPMENT	10-5210-5300	$ 3,568	$ 180	$ 5,000	$ 504	$ 5,000	0.0%	$ -	
GROUNDS/LANDSCAPE MAINTENANCE	10-NEW	$ -	$ -	$ 18,000	$ 98	$ 18,000	0.0%	$ -	**Landscaping for Town Hall**
ELECTRICAL SERVICES	10-5210-5400	$ 3,722	$ 2,912	$ 8,000	$ 11,923	$ 24,000	200.0%	$ 16,000	**Est. electricity use at new Town Hall**
HEATING FUEL	10-5210-5500	$ 929	$ 1,008	$ 3,000	$ 296	$ 3,000	0.0%	$ -	**Est. gas use at new Town Hall**
TELEPHONE/INTERNET	10-5210-5600	$ 3,123	$ 5,250	$ 13,000	$ 3,956	$ 13,000	0.0%	$ -	**Combined with PD; includes maintenance previously expensed to Administration**
WATER/SEWER USE FEE	10-5210-6000	$ -	$ -	$ 3,000	$ -	$ 3,000	0.0%	$ -	**For water use to chargeback to Utility Fund**
PROPERTY INSURANCE	10-5210-4900	$ 4,000	$ 11,286	$ 12,000	$ 11,219	$ 12,000	0.0%	$ -	**Building Insurance; increased for Town Hall**
OTHER	10-5210-9900	$ -	$ -	$ 500	$ -	$ 500	0.0%	$ -	
TOTAL BUILDING EXPENSE		$ 32,666	$ 47,099	$ 99,016	$ 38,160	$ 125,137	26.4%	$ 26,121	

TOWN OF MIDDLEBURG
FY 25 OPERATING BUDGET

POLICE DEPARTMENT & PUBLIC SAFETY

EXPENDITURES		FY22	FY23	FY24	FY24	FY25	%	AMOUNT	Notes
SALARY & OVERTIME	ACCOUNT #	ACTUAL	ACTUAL	AMENDED	YTD	PROPOSED	CHANGED	CHANGED	
POLICE SALARIES	10-5300-0100	$ 502,375	$ 537,611	$ 551,273	$ 300,074	$ 594,775	8%	$ 43,502	Proposed Market Adjustment to Align with Regional Increases
OVERTIME	10-5300-0500	$ 26,687	$ 35,074	$ 27,608	$ 29,065	$ 30,000	9%	$ 2,392	Due to staffing vacancy and ongoing need to cover leave, training, etc
OTHER WAGES	10-5300-0600	$ 52,799	$ 36,135	$ 20,000	$ 7,309	$ 30,000	50%	$ 10,000	Continued use of PT office to cover leave/vacancy; includes Christmas Parade outside officers
SUBTOTAL - SALARIES		$ 581,861	$ 608,820	$ 598,881	$ 336,448	$ 654,775	9%	$ 55,894	
BENEFITS									
HEALTH INSURANCE	10-5300-2115	$ -	$ -	$ 109,700	$ 42,544	$ 137,084	25%	-	Was previously included in Admin Health Insurance; now separated out to show investment in PD employees
VRS/ICMARC SYSTEM	10-5300-2125	$ 87,331	$ 101,254	$ 112,434	$ 45,884	$ 96,810	-14%	$ (15,624)	VRS Rates decreased for FY25 due to actuarial report and current funding levels
FICA	10-5300-2020	$ 42,837	$ 44,439	$ 46,478	$ 24,200	$ 47,955	3%	$ 1,477	
WORKER'S COMP	10-5300-3000	$ 12,770	$ 18,585	$ 18,018	$ 16,070	$ 18,018	0%	$ -	Actual Rates from VRSA
SUBTOTAL - BENEFITS		$ 142,938	$ 164,278	$ 286,630	$ 128,698	$ 299,867	5%	$ 13,237	
OPERATIONS									
INSURANCE AUTO	10-5300-1000	$ 5,318	$ 7,162	$ 7,000	$ 6,772	$ 7,000	0%	$ -	For PD Vehicles
POLICE PROF/LIAB INSURANCE	10-5300-1010	$ 5,400	$ 3,939	$ 9,400	$ 4,356	$ 9,400	0%	$ -	LODA and Law Enforcement Liability
ATTORNEY	10-5300-2100	$ -	$ 120	$ 3,400	$ -	$ 3,400	0%	$ -	
COURT FEES	10-5300-6150	$ 10	$ -	$ 1,000	$ -	$ 1,000	0%	$ -	
ADVERTISING	10-5300-2300	$ 300	$ -	$ 500	$ -	$ 600	20%	$ 100	
PROFESSIONAL DEVELOPMENT	10-5300-3300	$ 9,052	$ 8,576	$ 12,500	$ 748	$ 14,000	12%	$ 1,500	
EQUIPMENT & SUPPLIES	10-5300-4100	$ 7,303	$ 9,297	$ 25,200	$ 684	$ 12,751	-49%	$ (12,449)	FY24 Included replacement of ballistic vests and for placement of AEDs in all vehicles and new Town Hall
FIRE ARMS & SUPPLIES	10-5300-4400	$ 2,392	$ 2,924	$ 3,800	$ -	$ 7,600	100%	$ 3,800	Ammunition for guns and qualification
OFFICE SUPPLIES	10-5300-4800	$ 2,877	$ 3,472	$ 4,400	$ 1,177	$ 4,400	0%	$ -	
OFFICE RENTAL	10-5300-4700	$ 47,492	$ 47,492	$ -	$ 23,746	$ -	-	$ -	No longer leasing office space
OFFICE CLEANING	10-5300-4900	$ -	$ -	$ -	$ -	$ -	-	$ -	Costs rolled into Building budget
SUBSCRIPTION/PUBLICATION	10-5300-5100	$ -	$ 12	$ 2,000	$ -	$ 2,500	0%	$ 500	Memberships and Dues
PRINTING	10-5300-4300	$ 735	$ 168	$ 1,000	$ -	$ 750	-25%	$ (250)	Costs for Xerox Printers for PD
EQUIP. & SOFTWARE MAINTENANCE	10-5300-5200	$ 45,466	$ 22,281	$ 21,865	$ 6,622	$ 24,408	12%	$ 2,543	Costs related to PowerDMS, Handheld Parking Ticket System and Accident Drawing System
CELL PHONES AND MOBILE HOTSPOTS	10-5300-5600	$ 10,472	$ 8,820	$ 2,700	$ 4,195	$ 2,700	0%	$ -	Costs for cell phones and mobile hotspots; Internet/Office Phones moved to Building
UNIFORMS & WEARING APPAREL	10-5300-7100	$ 5,808	$ 3,598	$ 6,950	$ 5,602	$ 8,000	15%	$ 1,050	For new employee and replacement of uniforms
VEHICLE & POWERED EQUIP. FUEL	10-5300-8100	$ 15,585	$ 16,688	$ 15,000	$ 8,509	$ 16,000	7%	$ 1,000	Gas use reduced for hybrid vehicles; price remains uncertain
VEHICLE MAINTENANCE	10-5300-8101	$ 7,117	$ 7,347	$ 6,600	$ 2,437	$ 6,600	0%	$ -	
SPECIAL EVENTS	10-5300-8600	$ 4,326	$ 7,481	$ 4,600	$ 5,535	$ 6,500	41%	$ 1,900	Some costs offset by donations and sponsors
DMV STOP FEES	10-5300-8700	$ 550	$ 1,425	$ 1,500	$ 800	$ 1,500	0%	$ -	Fees are reimbursed by offender
OTHER	10-5300-9900	$ 3,890	$ 637	$ 2,500	$ 231	$ 2,500	0%	$ -	
SUBTOTAL - OPERATIONS		$ 174,093	$ 151,439	$ 131,915	$ 71,414	$ 131,609	0%	$ (306)	
PUBLIC SAFETY TOTAL		$ 898,892	$ 924,537	$ 1,017,426	$ 536,560	$ 1,086,251	7%	$ 68,825	

TOWN OF MIDDLEBURG
FY 25 OPERATING BUDGET

MAINTENANCE

EXPENDITURES																
			FY22		FY23		FY24		FY24		FY25	%		AMOUNT	Notes
SALARY & BENEFITS	ACCOUNT #		ACTUAL		ACTUAL		AMENDED		YTD		PROPOSED	CHANGED		CHANGED	
SUPERINTENDENT'S SALARY	10-5400-0100	$	72,347	$	76,672	$	79,798	$	46,389	$	83,820	5%	$	4,022	
OVERTIME	10-5400-0500	$	496	$	-	$	2,000	$	405	$	2,000	0%	$	-	
FICA	10-5400-2020	$	5,378	$	5,663	$	6,105	$	3,454	$	6,412	5%	$	307	
VRS	10-5400-2125	$	13,333	$	15,550	$	16,759	$	8,132	$	14,302	-15%	$	(2,457)	VRS Rates decreased for FY25 due to actuarial report and current funding levels
WORKERS COMP	10-5400-2200	$	875	$	875	$	1,000	$	1,000	$	1,000	0%	$	-	
SUBTOTAL - SALARY & BENEFITS		$	92,429	$	98,760	$	105,662	$	59,380	$	107,534	2%	$	1,872	
OPERATIONS															
REFUSE DISPOSAL	10-5400-2500	$	120,694	$	120,538	$	134,320	$	75,614	$	145,065	8%	$	10,745	Estimate per contract with American Disposal; inflation + addition of new homes
INSURANCE AUTO/LIABILITY	10-5400-2100	$	2,200	$	2,390	$	1,000	$	-	$	1,000	0%	$	-	Updated per VRSA policy schedule
PROFESSIONAL DEVELOPMENT	10-5400-3100	$	-	$	-	$	1,500	$	-	$	1,500	0%	$	-	
SUPPLIES	10-5400-5100	$	4,891	$	3,586	$	4,000	$	3,275	$	5,000	25%	$	1,000	
EQUIPMENT	10-5400-5101	$	220	$	21	$	2,000	$	884	$	2,000	0%	$	-	
REPAIRS/MAINTENANCE.	10-5400-5200	$	18,931	$	4,674	$	20,000	$	8,820	$	20,000	0%	$	-	Includes sidewalk repair/projects
ELECTRICITY - SHOP	10-5400-5400	$	934	$	1,020	$	1,620	$	250	$	1,200	-26%	$	(420)	
ELECTRICITY ST. LIGHTS	10-5400-5401	$	14,571	$	14,732	$	16,200	$	7,464	$	16,000	-1%	$	(200)	
TELEPHONE/PAGER	10-5400-5600	$	499	$	541	$	500	$	125	$	550	10%	$	50	
SNOW REMOVAL	10-5400-6100	$	3,148	$	-	$	22,000	$	-	$	20,000	-9%	$	(2,000)	
STREET CLEANING	10-5400-6200	$	11,817	$	12,051	$	13,000	$	7,030	$	13,000	0%	$	-	
PART-TIME CONTRACT LABOR	10-5400-0200	$	6,305	$	15,190	$	22,000	$	4,575	$	22,000	0%	$	-	
LANDSCAPE MAINTENANCE	10-5400-6300	$	43,426	$	45,252	$	55,000	$	23,365	$	80,000	45%	$	25,000	Increased for contribution to Beautification Cmte for landscaping along Washington St.
LIBERTY ST. PARKING LOT & RESTROOMS	10-5400-6500	$	6,189	$	5,185	$	7,500	$	5,092	$	5,000	-33%	$	(2,500)	
WATER & SEWER-RESTROOMS	10-5400-7000	$	61	$	45	$	1,500	$	-	$	1,500	0%	$	-	Water use to be paid back to Utility Fund
DANGEROUS STRUCTURES REPAIR	10-5400-5250	$	-	$	28,128	$	25,000	$	-	$	25,000	0%	$	-	For properties deemed dangerous structures
MUNICIPAL PARKING LOT RENTAL	10-5400-6600	$	6,664	$	6,904	$	7,152	$	7,151	$	7,405	4%	$	253	Per Lease with Methodist Church
DOWNTOWN STREET LIGHTS	10-5400-6650	$	1,155	$	1,204	$	1,500	$	575	$	1,500	0%	$	-	
BUILDING & EQUIPMENT INSURANCE	10-5400-6700	$	4,000	$	3,930	$	4,000	$	-	$	4,000	0%	$	-	
UNIFORMS & WEARING APPAREL	10-5400-7100	$	175	$	325	$	250	$	-	$	250	0%	$	-	
VEHICLE FUEL	10-5400-8100	$	2,905	$	1,266	$	3,000	$	440	$	3,000	0%	$	-	Uncertain gas prices
VEHICLE MAINTENANCE	10-5400-8101	$	-	$	834	$	1,166	$	298	$	1,000	-14%	$	(166)	
OTHER	10-5400-9900	$	-	$	-	$	1,000	$	-	$	1,000	0%	$	-	
SUBTOTAL - OPERATIONS		$	248,785	$	267,816	$	345,208	$	144,958	$	376,970	9%	$	31,762	
MAINTENANCE TOTAL		$	341,214	$	366,576	$	450,870	$	204,338	$	484,504	7%	$	33,634	

TOWN OF MIDDLEBURG
FY 25 OPERATING BUDGET

PLANNING AND ZONING

EXPENDITURES	ACCOUNT #	FY22 ACTUAL	FY23 ACTUAL	FY24 AMENDED	FY24 YTD	FY25 PROPOSED	% CHANGED	AMOUNT CHANGED	Notes
SALARY & BENEFITS									
SALARY	10-5500-0600	$ 163,702	$ 176,115	$ 183,455	$ 106,585	$ 201,006	9.6%	$ 17,551	
VRS - ZONING	10-5500-2125	$ 35,406	$ 37,295	$ 40,111	$ 18,357	$ 35,832	-10.7%	$ (4,279)	**VRS Rates decreased for FY25 due to actuarial report and current funding levels**
WORKER'S COMP	10-5500-2010	$ 125	$ 125	$ 125	$ 125	$ 125	0.0%	$ -	
FICA - ZONING	10-5500-2020	$ 12,540	$ 13,482	$ 14,034	$ 8,164	$ 15,377	9.6%	$ 1,343	
SUBTOTAL - SALARY & BENEFITS		$ 211,773	$ 227,017	$ 237,725	$ 133,231	$ 252,340	6.1%	$ 14,615	
CONSULTING & ADMINISTRATIVE									
ATTORNEY	10-5500-2100	$ 5,041	$ -	$ 9,000	$ -	$ 9,000	0.0%	$ -	
ENGINEERING/CONSULTING	10-5500-2200	$ 44,813	$ 20,157	$ 50,000	$ 8,811	$ 50,000	0.0%	$ -	**Expenses to review development plans; also for consulting services for planning/zoning efforts**
ADVERTISING	10-5500-2300	$ 65	$ 156	$ 2,500	$ 114	$ 1,500	-40.0%	$ (1,000)	
PROFESSIONAL DEVELOPMENT	10-5500-3100	$ 4,520	$ 2,112	$ 3,000	$ 3,069	$ 3,000	0.0%	$ -	
TRAINING	10-5500-3300	$ 109	$ 326	$ 5,000	$ 1,033	$ 5,000	0.0%	$ -	
MEMBERSHIP & PUBLICATIONS	10-5500-3200	$ 2,434	$ 1,364	$ 1,650	$ 185	$ 1,650	0.0%	$ -	
OFFICE SUPPLIES	10-5500-4100	$ 16	$ 97	$ 200	$ 97	$ 200	0.0%	$ -	
OTHER	10-5500-9900	$ 21	$ -	$ 100	$ 25	$ 100	0.0%	$ -	
SUBTOTAL - ADMINISTRATIVE		$ 57,019	$ 24,212	$ 71,450	$ 13,334	$ 70,450	-1.4%	$ (1,000)	
								$ -	
PLANNING & ZONING TOTAL		$ 268,792	$ 251,229	$ 309,175	$ 146,565	$ 322,790	4.4%	$ 13,615	

ECONOMIC DEVELOPMENT

EXPENDITURES																
			FY22		FY23		FY24		FY24		FY25	%		AMOUNT	Notes
ADMINISTRATION	ACCOUNT #		ACTUAL		ACTUAL		AMENDED		YTD		PROPOSED	CHANGED		CHANGED	
ECON. DEV. SALARY	10-5600-0100	$	68,654	$	91,460	$	94,212	$	55,985	$	100,922	7.1%	$	6,710	
FICA	10-5600-2020	$	5,259	$	6,988	$	7,207	$	4,289	$	7,721	7.1%	$	514	
WORKERS COMP	10-5600-2030	$	125	$	125	$	125	$	125	$	125	0.0%	$	-	
VRS/ICMARC	10-5600-2125	$	14,773	$	18,759	$	22,390	$	8,224	$	19,813	-11.5%	$	(2,577)	VRS Rates decreased for FY25 due to actuarial report and current funding levels
OFFICE SUPPLIES	10-5600-4100	$	210	$	273	$	1,000	$	325	$	1,000	0.0%	$	-	
DUES & ASSOC. MEMBERSHIPS	10-5600-3200	$	815	$	595	$	1,000	$	625	$	1,000	0.0%	$	-	
PROFESSIONAL DEVELOPMENT	10-5600-3100	$	520	$	180	$	1,500	$	-	$	1,500	0.0%	$	-	
SUBTOTAL - ADMINISTRATIVE		$	90,356	$	118,380	$	127,434	$	69,573	$	132,080	3.6%	$	4,646	
MARKETING															Staff broke out marketing into separate line items:
PUBLIC RELATIONS	10-5600-2300	$	-	$	8,411	$	19,000	$	4,500	$	19,000	0.0%	$	-	PR Firm and Public Relations Efforts
SOCIAL MEDIA CONTRACT	10-5600-3300	$	4,000	$	49,050	$	48,000	$	29,225	$	48,000	0.0%	$	-	Increase for additional posts TBD
ADVERTISING & MARKETING	10-5600-2200	$	89,179	$	47,023	$	45,000	$	8,907	$	45,000	0.0%	$	-	Social Media paid ads and print/digital ads
MEDIA & CONTENT CREATION	10-5600-2400	$	-	$	26	$	16,000	$	270	$	16,000	0.0%	$	-	Photography, video, and out of scope content creation
MARKETING COLLATERAL	10-5600-4200	$	13,365	$	18,590	$	10,000	$	1,309	$	10,000	0.0%	$	-	Branded items; giveaways; promotional materials
SUBTOTAL - MARKETING		$	106,544	$	123,100	$	138,000	$	44,211	$	138,000	0.0%	$	-	
ECONOMIC DEVELOPMENT PROGRAM															
ECON. DEV. PARTNERS	10-5600-3001	$	50,275	$	62,807	$	65,000	$	56,650	$	70,000	7.7%	$	5,000	MOA with Visit Loudoun; Support of MBPA (including Christmas activities with MBPA)
BUSINESS SUPPORT MEETING EXPENSES	10-5600-2120	$	389	$	1,545	$	4,000	$	160	$	4,000	0.0%	$	-	Business Supportive trainings and outreach events; in collaboration with MBPA
SUBTOTAL - ED PROGRAM		$	50,664	$	64,352	$	69,000	$	56,810	$	74,000	7.2%	$	5,000	

(continued on next page)

EXPENDITURES - ECONOMIC DEV CONTINUED

TOURISM EVENTS	ACCOUNT #	FY22 ACTUAL	FY23 ACTUAL	FY24 AMENDED	FY24 YTD	FY25 PROPOSED	% CHANGED	AMOUNT CHANGED	
OKTOBERFEST	10-NEW	$ 7,210	$ 36,700	$ 30,000	$ 21,704	$ 30,000	0.0%	$ -	
1000 MIGLIA	10-NEW	$ 11,735	$ 105,000	$ 80,000	$ 105,953	$ 95,000	18.8%	$ 15,000	Approx. $40,000 to be reimbursed by 1000 Miglia; expect sponsorships to offset other costs
CHRISTMAS IN MIDDLEBURG	10-NEW	$ 30,000	$ 23,491	$ -	$ -	$ 10,000		$ 10,000	Sponsorship of CIM if Requested
MIDDLEBURG FILM FESTIVAL	10-NEW	$ 15,000	$ 15,000	$ 15,000	$ 15,000	$ 15,000	0.0%	$ -	Producer's Circle Sponsor
EVENT AGENCY / ACTIVATION	10-5600-3005	$ 41,938	$ 70,000	$ 75,000	$ 43,422	$ 75,000	0.0%	$ -	Event Management Firm to support Town-run events; includes Ind. Day for FY24
EVENTS GRANTS & SPONSORSHIPS	10-5600-2915	$ 20,087	$ 32,140	$ 40,000	$ 9,113	$ 46,000	15.0%	$ 6,000	Funds to support non-profit events around the area through Town's Grant / Sponsorship Policy
VCA GRANT PROGRAM	10-5600-2925	$ 5,063	$ 11,000	$ 9,000	$ -	$ 9,000	0.0%	$ -	VCA Grant from state; $4,500 offset by grant revenue
SUBTOTAL - EVENTS		$ 131,033	$ 293,331	$ 249,000	$ 195,192	$ 280,000	12.4%	$ 31,000	
CONTINGENCY & OTHER	10-5600-9950	$ 1,121	$ 84	$ 2,000	$ 200	$ 2,000	0.0%	$ -	Reduce contingency; future needs to be brought to Council for approval
ECONOMIC DEVELOPMENT TOTAL		$ 379,718	$ 599,247	$ 585,434	$ 365,986	$ 626,080	6.9%	$ 40,646	

COMMUNITY ENGAGEMENT AND EVENTS

EXPENDITURES

COMMUNITY EVENTS	ACCOUNT #	FY22 ACTUAL	FY23 ACTUAL	FY24 AMENDED	FY24 YTD	FY25 PROPOSED	% CHANGED	AMOUNT CHANGED	Notes
INDEPENDENCE DAY	10-NEW	$ 4,500	$ 22,500	$ 30,000	$ 25,992	$ 30,000	0.0%	$ -	Fireworks: $25,000; Event: $5,000
WELLNESS DAY	10-NEW	$ -	$ -	$ 5,000	$ 185	$ 10,000	100.0%	$ 5,000	
MIDDLEBURG DAY/FOUNDER'S DAY	10-NEW	$ -	$ -	$ 10,000	$ 500	$ 20,000	100.0%	$ 10,000	New event for March 2024 to celebrate history of Middleburg and bring community together
ART IN THE BURG	10-5600-2700	$ 7,604	$ 9,968	$ 12,000	$ 2,919	$ 15,000	25.0%	$ 3,000	Costs increased for additional activities and expansion of day
ONE-TIME EVENTS	10-NEW	$ 2,237	$ -	$ -	$ -	$ -		$ -	Rural Preservation Summit - April 2023
OTHER EVENT EXPENSES	10-NEW	$ 8,250	$ -	$ 2,500	$ -	$ 2,500	0.0%	$ -	Holiday Events (non-parade); 10-Day Countdown; Misc Expenses
SUBTOTAL - COMMUNITY EVENTS		$ 22,591	$ 32,468	$ 59,500	$ 29,596	$ 77,500	30.3%	$ 18,000	
COMMUNITY SUPPORT AND ENGAGEMENT									Staff broke out marketing into separate line items:
INFRASTRUCTURE GRANTS	10-5600-NEW				$ -	$ 30,000		$ 30,000	Per Revised Grant Policy
FARMERS MARKET	10-5600-2600	$ 46	$ 3,400	$ 10,000	$ 5,850	$ 15,000	0.0%	$ 5,000	To support vendors at farmer's market - goal is to re-open in Spring 2023 and move to Town Hall in 2024
SUBTOTAL - COMMUNITY ENGAGEMENT		$ 46	$ 3,400	$ 10,000	$ 5,850	$ 45,000	350.0%	$ 35,000	
COMMUNITY EVENTS AND ENGAGEMENT TOTAL		$ 22,637	$ 35,868	$ 69,500	$ 35,446	$ 122,500	76.3%	$ 53,000	

TOWN OF MIDDLEBURG
FY 25 CAPITAL IMPROVEMENT BUDGET

CAPITAL IMPROVEMENT FUND - GENERAL FUND

EXPENDITURES

CAPITAL EXPENDITURES	ACCOUNT #	TOTAL PROJECT $$	PRIOR APPROPS.	EXPEND. TO-DATE	REMAINS TO-DATE	FY25 PROPOSED	FY26 PROJ	FY27 PROJ	FY28 PROJ	FY29 PROJ	5-YR TOTAL
GENERAL FUND											
ASBURY CHURCH RENOVATIONS	15-6100-6960	$ 1,050,000	$ 1,050,000	$ -	$ 1,050,000						$ -
MAINTENANCE AND STORAGE FACILITY	15-6100-6910	$ -	$ -	$ -	$ -	TBD	$ -	$ -		$ -	$ -
TOWN HALL PROJECT*	15-6100-9300	$ 12,750,000	$ 12,500,000	$ 11,300,000	$ 1,200,000	$ 250,000	$ -	$ -		$ -	$ 250,000
TOWNWIDE IMPROVEMENTS	15-6100-9000	$ 115,604	$ 115,604	$ 25,900	$ 89,704	$ -	$ -	$ -		$ -	$ -
SOUTH MADISON STREET	15-6100-NEW	$ 750,000			$ -	$ 750,000	$ -	$ -		$ -	$ 750,000
SUBTOTAL - CAPITAL PROJECTS		$ 14,665,604	$ 13,665,604	$ 11,325,900	$ 2,339,704	$ 1,000,000	$ -	$ -	$ -	$ -	$ 1,000,000
FLEET REPLACEMENT											
POLICE DEPT. FLEET	15-6100-4410	$ 432,000	$ 200,000	$ 158,741	$ 41,259	$ -	$ 55,000	$ 57,000	$ 60,000	$ 60,000	$ 232,000
MAINTENANCE FLEET	15-6100-4420	$ 60,000	$ 60,000	$ -	$ -		$ -	$ -		$ -	$ -
SUBTOTAL - FLEET REPLACEMENT		$ 492,000	$ 260,000	$ 158,741	$ 41,259	$ -	$ 55,000	$ 57,000	$ 60,000	$ 60,000	$ 232,000
TOTAL EXPENDITURES - GF CIP		$ 15,157,604	$ 13,925,604			$ 1,000,000	$ 55,000	$ 57,000	$ 60,000	$ 60,000	$ 1,232,000

REVENUES FOR CAPITAL*	ACCOUNT #	PRIOR FISCAL YRS	FY25 PROPOSED	FY26 PROJ	FY27 PROJ	FY28	FY29 PROJ	5-YR TOTAL
GRANT FUNDING	15-3100-0004	$ 2,500,000	$ -	$ -	$ -		$ -	$ -
CASH FUNDING/INTEREST INCOME	15-3400-0300	$ 1,425,604	$ -	$ 55,000	$ 57,000	$ 60,000	$ 60,000	$ 232,000
USE OF PRIOR YEAR SURPLUS/PROCEEDS ON BORROWING	15-3800-MISC		$ 1,000,000	$ -	$ -		$ -	$ 1,000,000
DEBT FINANCING	15-3400-0200	$ 10,000,000	$ -	$ -	$ -		$ -	$ -
TOTAL CAPITAL FUNDING		$ 13,925,604	$ 1,000,000	$ 55,000	$ 57,000	$ 60,000	$ 60,000	$ 1,232,000

** With the receipt of federal grant funding, the Town's use of cash/debt for the Town Hall will be reduced; final amounts to be determined at end of Town Hall project; FY25 funds set as contingency placeholder for project closeout*

TOWN OF MIDDLEBURG
ADOPTED BUDGET

FY 2025

UTILITY FUND BUDGET

TOWN OF MIDDLEBURG
FY 25 UTILITY FUND OPERATING BUDGET

UTILITY REVENUES

OPERATING REVENUE - WATER	ACCOUNT #	FY22 ACTUAL	FY23 ACTUAL	FY24 AMENDED	FY24 YTD	FY25 PROPOSED	% CHANGE FROM FY24	AMOUNT CHANGED	Notes
WATER USER FEES	30-3500-0100	$ 646,407	$ 688,207	$ 685,773	$ 349,917	$ 706,346	3.0%	$ 20,573	**Increased rates by 3% - consumption is increasing, so FY23 revenues have increased more than expected**
WATER AVAIL/CONNECT FEE	30-3500-0200,0300	$ 110	$ 14,100	$ -	$ 14,100	$ -		$ -	
INTEREST	30-3110-0000	$ 22,624	$ 36,994	$ 500	$ 23,934	$ 30,000	5900.0%	$ 29,500	
MISCELLANEOUS - WATER	30-3510-2000	$ 2,215	$ 44,850	$ 7,500	$ 1,085	$ 7,500	0.0%	$ -	
SUBTOTAL - WATER		$ 671,356	$ 784,151	$ 693,773	$ 389,036	$ 743,846	7.2%	$ 50,073	
OPERATING REVENUE - SEWER									
SEWER USER FEES	30-3700-0100	$ 667,139	$ 665,837	$ 673,758	$ 333,436	$ 693,971	3.0%	$ 20,213	**Increased rates by 3% - consumption is increasing, so FY23 revenues have increased more than expected**
SEWER AVAIL/CONNECT FEE	30-3700-0200,0300	$ 3,235	$ 13,400	$ -	$ 13,400	$ -		$ -	
SUBTOTAL - SEWER		$ 670,374	$ 679,237	$ 673,758	$ 346,836	$ 693,971	3.0%	$ 20,213	
TOWER LEASE REVENUE									
AT&T	30-3600-0200	$ 42,531	$ 42,660	$ 46,742	$ 31,201	$ 48,144	3.0%	$ 1,402	
T-MOBILE	30-3600-0500	$ 68,565	$ 43,161	$ 46,693	$ 27,635	$ 48,094	3.0%	$ 1,401	
VERIZON	30-3600-0600	$ 39,147	$ 39,466	$ 43,130	$ 25,550	$ 44,424	3.0%	$ 1,294	
SUBTOTAL - TOWER REVENUES		$ 150,243	$ 125,287	$ 136,565	$ 84,386	$ 140,662	3.0%	$ 4,097	
SUBTOTAL - REVENUES		**$ 1,491,973**	**$ 1,588,675**	**$ 1,504,096**	**$ 820,258**	**$ 1,578,479**	**4.9%**	$ 74,383	
TRANSFER - GENERAL FUND		$ 48,800		$ -	$ -	$ -		$ -	
2015 BOND PROCEEDS	30-3900-5000	$ 12,177		$ -	$ -	$ -		$ -	
								$ -	
TOTAL OPERATING REVENUES		$ 1,552,950	$ 1,588,675	$ 1,504,096	$ 820,258	$ 1,578,479	4.9%	$ 74,383	

TOWN OF MIDDLEBURG
FY 25 UTILITY FUND OPERATING BUDGET

ADMINISTRATION & SOFT COSTS

CONTRACT SERVICES	ACCOUNT #	FY22 ACTUAL	FY23 ACTUAL	FY24 AMENDED	FY24 YTD	FY25 PROPOSED	% CHANGED	AMOUNT CHANGED	Notes
OPERATIONS CONTRACT	30-5110-2500	$ 296,303	$ 302,229	$ 315,328	$ 153,116	$ 315,419	0.0%	$ 91	**Per contract with IES - 2% annual escalator**
OTHER CONTRACT SERVICES	30-5110-2600	$ 13,077	$ 6,798	$ 30,000	$ 22,920	$ 30,000	0.0%	$ -	**Anticipate increased contractual costs due to inflation, escalations, etc**
ENGINEERING	30-5110-2200	$ 78,898	$ 59,471	$ 20,000	$ 3,705	$ 20,000	0.0%	$ -	**Removed costs of Utility System Master Plan (one-time in FY22) and Well Recharge Study**
TANK MAINTENANCE CONTRACT	30-5100-2500	$ 25,860	$ 9,403	$ 21,603	$ 21,603	$ 21,603	0.0%	$ -	**Per contract with Utility Services/SUEZ**
Subtotal - Contract Services		$ 414,138	$ 377,901	$ 386,931	$ 201,344	$ 387,022	0.0%	$ 91	
ADMINISTRATION									
STAFF SALARIES - CHARGE TO UF	30-5110-2700, 2800	$ 42,148	$ 42,642	$ 52,057	$ 26,626	$ 57,576	10.6%	$ 5,519	**Consolidated chargeback staff salaries in one line; 15% of TM, 15% of Finance Dir., and 25% of Admin Asst.**
FICA FOR SALARIES	30-5110-2020	$ -	$ 3,758	$ 3,982	$ 2,049	$ 4,405	10.6%	$ 423	
ATTORNEY	30-5110-2100	$ -	$ -	$ 5,000	$ -	$ 5,000	0.0%	$ -	
AUDIT	30-5110-2400	$ 7,000	$ 7,000	$ 7,000	$ -	$ 7,000	0.0%	$ -	
ADVERTISING	30-5110-2300	$ -	$ -	$ 1,500	$ -	$ 1,500	0.0%	$ -	
OFFICE SUPPLIES	30-6400-4100	$ 10	$ 318	$ 1,000	$ -	$ 1,000	0.0%	$ -	
UTILITY BILLING ABSORB FEES	30-6400-4200	$ 3,101	$ 5,027	$ 4,800	$ 2,583	$ 5,200	8.3%	$ 400	**Town covers the $1.25 eCheck fee for online payments; approx half of bills paid via echeck**
SOFTWARE	30-6400-4400	$ 1,510	$ 4,597	$ 2,500	$ -	$ 2,800	12.0%	$ 300	**Increase due to radio-read system for meters**
SCADA SUPPORT SERVICES	30-6400-NEW	$ -	$ -	$ 30,000	$ 15,014	$ 30,000	-	$ -	**Programming and support of communications for all utility infrastructure**
POSTAGE	30-6400-4300	$ 1,655	$ 1,292	$ 2,000	$ 750	$ 1,800	-10.0%	$ (200)	**Fewer bills mailed due to online billing system**
Subtotal - Administration		$ 55,424	$ 64,634	$ 109,839	$ 47,022	$ 116,280	5.9%	$ 6,441	
INSURANCE									
LIABILITY INSURANCE	30-6600-0011	$ 1,050	$ 1,588	$ 1,588	$ 903	$ 1,588	0.0%	$ -	
PROPERTY INSURANCE	30-6600-0015	$ 7,568	$ 10,000	$ 10,250	$ 9,587	$ 10,250	0.0%	$ -	
Subtotal - Insurance		$ 8,618	$ 11,588	$ 11,838	$ 10,490	$ 11,838	0.0%	$ -	
DEBT SERVICE									
2020 A/B LINE OF CREDIT	30-6720-3000	$ 23,891	$ 23,891	$ 23,891	$ 23,891	$ 23,891	0.0%	$ -	**Anticipated debt service with draw-down for water tank rehabilitation**
2020 C REFUNDING	30-2032-0000	$ 35,720	$ 21,296	$ 140,654	$ 123,802	$ 140,654	0.0%	$ -	
2020 D REFUNDING	30-2033-0000	$ 23,891	$ 20,864	$ 148,120	$ 139,143	$ 148,120	0.0%	$ -	
Subtotal - Debt Service		$ 83,502	$ 66,051	$ 312,665	$ 286,836	$ 312,665	0.0%	$ -	
TOTAL ADMIN. & SOFT COST		$ 561,682	$ 520,174	$ 821,273	$ 545,692	$ 827,805	0.8%	$ 6,532	

TOWN OF MIDDLEBURG
FY 25 UTILITY FUND OPERATING BUDGET

OPERATIONS & MAINTENANCE COSTS/SUMMARY

WATER OPERATIONS & MAINTEN.	ACCOUNT #	FY22 ACTUAL	FY23 ACTUAL	FY24 AMENDED	FY24 YTD	FY25 PROPOSED	% CHANGED	AMOUNT CHANGED	Notes
CHEMICAL SUPPLIES	30-6400-5100	$ 35,673	$ 18,882	$ 79,448	$ 11,510	$ 60,000	-24.5%	$ (19,448)	Expected to increase from FY24 with Well 4 Plant return to service
EQUIPMENT/SUPPLIES-WATER	30-6400-5200	$ 15,122	$ 16,295	$ 11,770	$ 10,865	$ 12,000	2.0%	$ 230	
EQUIPMENT MAINTENANCE	30-6400-5301	$ 23,490	$ 29,142	$ 35,310	$ 36,640	$ 38,000	7.6%	$ 2,690	
LINE/SYSTEM MAINTENANCE.	30-6400-5302	$ 7,287	$ 22,605	$ 26,750	$ 23,231	$ 26,750	0.0%	$ -	Moved funds back from "Capital Asset Replacement Fund" due to regular line repair needs
ELECTRICITY -WATER	30-6400-5400	$ 31,621	$ 39,880	$ 38,500	$ 21,532	$ 38,500	0.0%	$ -	
INTERNET - WATER	30-6400-5600	$ 1,048	$ 1,819	$ 2,500	$ 777	$ 2,500	0.0%	$ -	
TESTING - WATER	30-6400-5700	$ 5,471	$ 10,260	$ 8,000	$ 1,308	$ 8,000	0.0%	$ -	
FUEL	30-6400-8100	$ 1,053	$ 1,000	$ 1,500	$ -	$ 1,500	0.0%	$ -	Anticipating fuel cost increase
OTHER - WATER	30-6400-9900	$ 15,170	$ 8,994	$ 4,000	$ 3,884	$ 4,000	0.0%	$ -	
TOTAL WATER O & M		$ 135,935	$ 148,877	$ 207,778	$ 109,747	$ 191,250	-8.0%	$ (16,528)	
SEWER OPERATIONS & MAINTEN.									
CHEMICAL SUPPLIES	30-6410-5100	$ 38,893	$ 31,279	$ 35,310	$ 28,039	$ 37,500	6.2%	$ 2,190	Increase due to fuel and increased costs
EQUIPMENT/SUPPLIES	30-6410-5200	$ 18,182	$ 2,355	$ 11,770	$ 465	$ 12,500	6.2%	$ 730	
EQUIPMENT MAINTENANCE	30-6410-5301	$ 7,327	$ -	$ 11,770	$ 24,026	$ 15,000	27.4%	$ 3,230	
LINE/SYSTEM MAINTENANCE	30-6410-5302	$ 16,249	$ 6,853	$ 11,770	$ 2,702	$ 12,500	6.2%	$ 730	
ELECTRICAL SERVICES	30-6410-5400	$ 30,961	$ 35,811	$ 40,000	$ 18,852	$ 40,000	0.0%	$ -	New membranes have enhanced efficiency; reduced electricity slightly
INTERNET-SEWER	30-6410-5600	$ 5,199	$ 2,194	$ 1,800	$ 1,116	$ 1,800	0.0%	$ -	
TESTING - SEWER	30-6410-5700	$ 26,575	$ 31,660	$ 29,960	$ 16,324	$ 32,000	6.8%	$ 2,040	
SLUDGE REMOVAL	30-6410-5800	$ 12,255	$ 6,085	$ 15,000	$ 19,996	$ 20,000	33.3%	$ 5,000	Reduced costs due to less sludge being produced at wastewater plant
FUEL	30-6410-8100	$ -	$ -	$ 1,650	$ -	$ 1,650	0.0%	$ -	
WWTP MONITORING SERVICES	30-6410-9000	$ -	$ 12,784	$ 13,910	$ -	$ 14,327	3.0%	$ 417	Wastewater plant monitoring services by third-party (previously covered under other line items)
OTHER-SEWER	30-6410-9900	$ 4,185	$ 9,025	$ 10,000	$ 4,930	$ 10,000	0.0%	$ -	
TOTAL SEWER O & M		$ 159,826	$ 138,046	$ 182,940	$ 116,450	$ 197,277	7.8%	$ 14,337	
TOTAL OPER. & MAINTENANCE		$ 295,761	$ 286,923	$ 390,718	$ 226,197	$ 388,527	-0.6%	$ (2,190)	
CAPITAL IMPROVEMENT PROJECTS									
TRANSFER TO CIP		$ (46,092)	$ 331,448	$ 290,000	$ -	$ 355,000	22.4%	$ 65,000	
TOTAL ADMIN & SOFT COSTS		$ 561,682	$ 520,174	$ 821,273	$ 545,692	$ 827,805	0.8%	$ 6,532	
TOTAL WATER & SEWER EXPENSES		$ 811,351	$ 1,138,545	$ 1,501,991	$ 771,889	$ 1,571,333	4.6%	$ 69,342	
TOTAL WATER & SEWER REVENUES		$ 1,552,950	$ 1,588,675	$ 1,504,096	$ 820,258	$ 1,578,479	4.9%	$ 74,383	
TO/FROM CONTINGENCY		$ 741,599	$ 450,130	$ 2,106	$ 48,369	$ 7,146	0.3%	$ 5,041	

TOWN OF MIDDLEBURG
FY 25 UTILITY FUND CAPITAL IMPROVEMENT BUDGET

CAPITAL IMPROVEMENT FUND - UTILITY FUND

EXPENDITURES

CAPITAL EXPENDITURES	ACCOUNT #	TOTAL PROJECT $$	PRIOR FISCAL YRS	EXPEND. TO-DATE	REMAINS TO-DATE	FY25 PROPOSED	FY26 PROJ	FY27 PROJ	FY28 PROJ	FY29 PROJ	5-YR TOTAL
UTILITY FUND											
WELL #4 CLEARWELL	35-6100-4030	$ 995,000	$ 995,000	$ 148,191	$ 846,809	$ -	$ -	$ -	$ -	$ -	$ -
RADIO READ METERS	35-6100-4040	$ 160,000	$ 160,000	$ 176,063	$ -	$ -	$ -	$ -	$ -	$ -	$ -
SEWER CONNECTIONS FOR SEPTIC	35-6100-5000	$ 300,000	$ 300,000	$ 194,283	$ 105,717	$ -		$ -	$ -	$ -	$ -
WATER TANK MAINT. AND RECOATING	35-6100-5050	$ 790,000	$ 540,000	$ 352,984	$ 187,016	$ -	$ 250,000	$ -	$ -	$ -	$ 250,000
WATER MAIN INFRASTRUCTURE	35-6100-5060	$ 1,220,000	$ 220,000	$ -	$ 220,000	$ 250,000	$ 750,000	$ -	$ -	$ -	$ 1,000,000
SUBTOTAL - CAPITAL PROJECTS		$ 3,465,000	$ 2,215,000	$ 871,521	$ 1,359,542	$ 250,000	$ 1,000,000	$ -	$ -	$ -	$ 1,250,000
UTILITY CIP MISC./CONTINGENCY	35-6200-0001	$ -									$ -
CAPITAL ASSET REPLACEMENT FUND											
WATER SYSTEM IMPROVEMENTS	35-6100-2000	$ 415,000	$ 150,000	$ 39,222	$ 110,778	$ 20,000	$ 20,000	$ 75,000	$ 75,000	$ 75,000	$ 265,000
SEWER SYSTEM IMPROVEMENTS	35-6100-4010	$ 830,464	$ 405,464	$ 221,402	$ -	$ 85,000	$ 85,000	$ 85,000	$ 85,000	$ 85,000	$ 425,000
SUBTOTAL - SYSTEM IMPROVEMENTS		$ 1,245,464	$ 555,464	$ 260,624	$ 110,778	$ 105,000	$ 105,000	$ 160,000	$ 160,000	$ 160,000	$ 690,000
TOTAL EXPENDITURES - UF CIP		$ 4,710,464	$ 2,770,464	$ 1,132,145	$ 1,470,320	$ 355,000	$ 1,105,000	$ 160,000	$ 160,000	$ 160,000	$ 1,940,000

REVENUES FOR CAPITAL	ACCOUNT #	PRIOR FISCAL YR	FY25 PROPOSED	FY26 PROJ	FY27 PROJ	FY28 PROJ	FY29 PROJ	5-YR TOTAL
GRANT FUNDING	35-3800-3000	$ 1,078,307	$ -	$ -	$ -	$ -	$ -	$ -
CASH FUNDING	35-3800-4010	$ 1,152,157	$ 355,000	$ 50,000	$ 160,000	$ 160,000	$ 160,000	$ 885,000
DEBT FINANCING	35-3800-3400	$ 540,000	$ -	$ 1,055,000		$ -	$ -	$ 1,055,000
TOTAL CAPITAL FUNDING		$ 2,770,464	$ 355,000	$ 1,105,000	$ 160,000	$ 160,000	$ 160,000	$ 1,940,000

TOWN OF MIDDLEBURG
FINANCIAL MANAGEMENT POLICY

Town of Middleburg, Virginia
Financial Management Policies

The Town of Middleburg has the responsibility to wisely manage and account for public funds, as well as to plan and provide adequate funding for services desired by the public and/or required by federal and state law. The policies contained in this document establish guidelines and benchmarks designed to ensure the continued financial health of the Town of Middleburg as it strives to meet its obligations to the community.

Section A. Financial Accounting Policies

1. The Town shall establish and maintain the highest standards of accounting practices in conformance with uniform financial reporting in Virginia and generally accepted accounting principles for governmental entities as promulgated by the Governmental Accounting Standards Board.

2. The Town shall engage an independent firm of certified public accountants to perform an annual financial and compliance audit according to generally accepted government-auditing standards and will have these accountants publicly issue an opinion, which will be incorporated in a comprehensive annual financial report.

Section B. Financial Planning & Budgeting Policies

1. Balanced Budget: The Code of Virginia requires the Town to have a balanced annual budget. Thus, total anticipated operating revenues shall be equal to, or exceed, budgeted operating expenditures for each fund.

2. Budget Form: The Town shall present the proposed annual budget in a program/activity format that clearly shows the major service areas and their associated expenditures.

3. Contingency Appropriations: The annual operating budget shall include a contingency appropriation for each fund of at least **five percent (5%)** of expenditures to provide for unanticipated or emergency requirements.

4. Budget Reporting and Control:

    a. The Town Treasurer shall provide to the Town Council a monthly budget status report detailing year-to-date revenues and expenditures in relation to the adopted budget.

    b. Budget control shall be maintained at the activity level. The Town Administrator shall have the authority to approve appropriation transfers between activities and shall report those transfers to Council in the month following the transfers. In no case may total expenditures of a particular fund exceed the amount appropriated by the Town Council without a budget amendment.

5. Asset Management: The Town will capitalize all fixed assets with a value greater than $5,000 and an expected life of two years or more. The operating budget shall provide for minor and preventive maintenance. The Town shall protect its assets by maintaining adequate insurance coverage through either commercial insurance or risk pooling arrangements with other governmental entities.

Section C. Capital Improvement Program and Capital Budget

1. General Fund: The Town shall prepare and annually update a five-year capital improvement program that includes the cost of construction and operating expenditures. The first year of that five-year program shall be the capital budget and shall be included in the annual operating budget document.

2. Utility Fund: The Town shall prepare and annually update a five-year capital improvement program for planned water and sewer system upgrades. This shall be in addition to long-term replacement planning, funding and reporting described below under "Capital Replacement Reserve".

3. Capital Improvements Fund: The Town shall account for Capital Budget income and expenditures in a separate Capital Improvements Fund.

Section C. Fund Balances

Fund Balances shall be divided into "restricted" or "unrestricted" accounts.

1. Restricted Fund Balances: Restricted fund balances consist of cash and investments which are restricted by an external party to a specific future use, such as funds which have been given to the Town to hold in escrow until a developer's commitment to build a capital facility has been satisfied or funds which have been donated to make public improvements.

2. Unrestricted Fund Balances: Unrestricted fund balances consist of cash and investments that are available for any future use, including as a "beginning fund balance" in the new fiscal year operating budget.

    a. General Fund. The Town shall hold in reserve an amount equal to at least **one hundred twenty-five percent (125%)** of the operating budget expenditures.
    b. Utility Fund. The Town shall hold a reserve amount equal to at least **twenty percent (20%)*** of the operating budget expenditures for emergencies and unexpected declines in revenue.

3. Replenishment Plan: In the event the Town's minimum fund balance falls below the 125% requirement as measured in the Town's annual audit, the Town shall establish a replenishment plan to restore its fund balance to the target level with the next three (3) fiscal years' budgets.

** It was intended to update the Utility Fund reserve to 100%, although it was not formally adopted prior to the beginning of the COVID-19 pandemic.*

4. <u>Usage Guidelines:</u> Use of Unrestricted Fund Balance shall be limited to one-time capital expenditures, offsetting economic volatility, non-recurring expenditures, or providing liquidity in emergency situations.

5. <u>Capital Replacement Reserve</u>. The Town shall fund a reserve for replacing **major assets** necessary for operating the utility system to minimize the necessity of incurring debt to fund predictable replacements. Whenever possible the Town shall maintain this capital replacement reserve for assets with a replacement cost greater than $25,000. The goal shall be to provide at least 85% funding from this reserve as each major asset reaches the end of its useful life. The Town shall incorporate this capital replacement reserve data into the utility rate model and annual budget.

Section D. Revenue Policies

1. <u>Revenue Diversification</u>: The town will maintain a diversified and stable revenue structure to protect it from short-run fluctuations in any one-revenue source.

2. <u>Use of One-Time Revenues</u>. The town will fund current expenditures with current revenues and use nonrecurring revenues for nonrecurring expenditures.

3. <u>User Fees and Charges</u>: The town, where practicable, will institute user fees and charges for specialized programs and services. Rates will be established to recover operational as well as overhead or indirect costs and capital or debt service costs, and the town will periodically review user fee charges and related expenditures to determine if pre-established recovery goals are being met.

Section E. Expenditure Policies

1. <u>Debt Issuance</u>: The Town will not fund current operations from the proceeds of borrowed funds. In addition, the Town will limit long-term borrowing and capital leases to capital improvements, projects or equipment that cannot be financed from current financial resources.

2. <u>Debt Service Expenditures and Debt Capacity</u>: The Town's debt capacity shall be maintained within the following goals:

   a. Outstanding general obligation debt shall not exceed **three percent (3%)** of the total assessed value of real property. (The *Code of Virginia* limits the Town's debt to no more than ten percent of the total assessed value of property.)

   b. Annual debt service payments in the General Fund shall not exceed **twenty percent (20%)** of total general fund government expenditures.

   c. Annual debt service payments in the Utility Fund shall not exceed **twenty-five percent (25%)** of operating revenues, exclusive of availability fees. The Town shall establish a long-term goal to reduce utility debt service to within fifteen percent (15%) of operating revenues, exclusive of availability fees.

3. <u>Debt Repayment</u>: The Town shall, when financing capital improvements or other projects or equipment by issuing bonds or entering into capital leases, repay the debt within a period not to exceed the expected useful life of the project or equipment. Debt related to equipment ancillary to a construction project may be amortized over a period less than that of the primary project.

4. <u>Debt Management</u>: The Town understands that there are obligations associated with its ability to borrow on a tax-exempt basis. More specifically, the Town understands that the provisions of the Internal Revenue Code of 1986, as amended (the "IRC"), together with the regulations promulgated thereunder (the "Treasury Regulations" and, collectively with the IRC, the "Tax Laws"), impose requirements that must be met in order for interest on the Bonds to continue to be exempt from federal income taxation or for the Bonds to be entitled to certain other tax benefits while the Bonds are outstanding. The Town shall work with a qualified Bond Counsel and Financial Advisor, as necessary, to comply with the Tax Laws, as well as to implement procedures to ensure compliance with the Tax Laws and to preserve appropriate records to evidence such compliance.

Section F. Cash Management

1. Sound and astute management of cash and investments shall augment resources available to the Town.

2. The Town shall maintain an investment policy based on the Government Finance Officers Association model investment policy.

3. The Town shall, where permitted by law, pool cash from its various funds for investment purposes and shall invest revenue to maximize the rate of return while maintaining a low level of risk.

4. All unclaimed property (i.e., checks) shall be reviewed annually during the audit process and shall be remitted as required by Section 55-210.12 of the Code of Virginia, as amended.

Section G. - Accounts Receivable Collection

1. The Town will record all accounts receivable to allow for frequent analysis; (less than 30 days, 31-60 days, etc)
2. Accounts that are delinquent and over twenty dollars, the Town Treasurer shall ensure proper delinquent notice is provided to the customer and service is restricted, where applicable.
3. An allowance for doubtful accounts will be calculated annually based on the aging of such receivables at the end of the fiscal year, subject to review by the Town Administrator and the external auditors, with any material changes reported to the Town Council.
    a. Any account with an accumulative balance of twenty dollars or less and are delinquent for more than thirty days will be eligible for write-off.
    b. Accumulated balances for personal property taxes, utilities, or other receivable, greater than twenty dollars that are more than sixty months delinquent, all such amounts will be eligible for write-off. These write-offs must be approved by the Town Council prior to being processed.

c. For balances greater than twenty dollars, collection efforts will be performed for a period equivalent to the statute of limitations, the account/business no longer exists, or the individual is deceased, whichever comes first, at which point such amounts will be written off.
d. For any account written off, such customer information will be retained for as long as practically feasible in Town records, in order to have continued enforcement of service denied on credit until the previously written off balances have been paid.

4. The Town shall follow the process as detailed in the VA State Code Section 58.1-3921 ff for the collection of Real Estate taxes including delinquent taxes.

TOWN OF MIDDLEBURG
INVESTMENT POLICY

TOWN OF MIDDLEBURG – INVESTMENT POLICY

SCOPE

This investment policy applies to the investment activities of the government of the Town of Middleburg. All financial assets of its funds, including the general fund, the water and sewer fund, capital improvement funds and other funds that may be created from time to time, shall be administered in accordance with the provisions of these polices.

OBJECTIVES

Safety of principal is the foremost objective of the government of the Town of Middleburg. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they be from securities defaults or erosion of market value.

The Town also seeks to maintain liquidity sufficient to meet all operating requirements that may be reasonable anticipated.

The government of the Town of Middleburg seeks to attain rates of return on its investments comparable to those of other Virginia local governments. Return on investments is of secondary importance compared to the safety and liquidity objectives described above.

All participants in the investment process shall seek and act responsibly as custodians of the public trust. Investment officials shall avoid any transaction that might impair public confidence in the government of the Town of Middleburg's ability to govern effectively.

DELEGATION OF AUTHORITY

Management responsibility for the investment program is hereby delegated to the Finance Director/Town Treasurer, after consultation with the Town Manager and the Chairman of the Finance Committee. No person may engage in an investment transaction except as provided under the terms of this policy. The Finance Director/Town Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

PRUDENCE

In accordance with §2.2-4514 of the Code of Virginia, public funds held by the Commonwealth, public officers, municipal corporations, political subdivisions, and any other public body of the Commonwealth shall be held in trust for the citizens of the Commonwealth. Any investment of such funds pursuant to the provisions of this chapter shall be made solely in the interest of the citizens of the Commonwealth and with the care, skill, prudence, and diligence under the circumstances than prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. The standard of prudence to be investment officials shall be the "prudent person" and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse development.

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the Town Manager and Finance Committee chairman any material interest in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to performance of this jurisdiction's portfolio.

Employees and officers shall subordinate their personal investment transactions to those of the Town of Middleburg, particularly regarding the timing of purchases and sales.

REPORTING

The Finance Director/Town Treasurer shall submit investment reports quarterly, including a management summary, which summarize recent market conditions, economic developments, and anticipated investment conditions. The reports shall summarize the investment strategies employed in the most recent period, and describe the portfolio in terms of investment securities, maturities, risk characteristics and other features. The reports shall explain the quarter-to-date total investment return and compare the return with budgetary expectations. The report shall indicate any areas of policy concern and suggested or planned revision of investment strategies. A full audit review will occur annually.

The management summary will be prepared in a manner which will allow the Town of Middleburg to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the Town of Middleburg's Town Manager, the Town Council, and the Finance Committee. The report will include the following:

- Listing of individual securities held at the end of the reporting period including type, acquisition cost, book cost, and market value.
- Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year duration that are not intended to be held until maturity (in accordance with Governmental Accounting Standards Board (GASB) requirements).
- Average weighted return on investments as compared to applicable benchmarks.
- Percentage of the total portfolio which each type of investment represents.
- A statement that the investment portfolio is in compliance with the investment policy and is meeting the investment policy objectives.

INSTRUMENTS

Pursuant to Code of Virginia of 1950, as amended, Title 2.2, Subtitle II, Part B, Chapter 45 Investment of Public Funds Act, allows the following instruments to be used for funds of the government of the Town of Middleburg:

Code of Virginia § 2.2-4500. Legal investments for public sinking funds

A. The Commonwealth, all public officers, municipal corporations, other political subdivisions and all other public bodies of the Commonwealth may invest any sinking funds belonging to them or within their control in the following securities:

1. Bonds, notes, and other evidences of indebtedness of the Commonwealth, and securities unconditionally guaranteed as to the payment of principal and interest by the Commonwealth.

2. Bonds, notes and other obligations of the United States, and securities unconditionally guaranteed as to the payment of principal and interest by the United States, or any agency thereof. The evidences of indebtedness enumerated by this subdivision may be held directly, or in the form of repurchase agreements collateralized by such debt securities, or in the form of securities of any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, provided that the portfolio of such investment company or investment trust is limited to such evidences of indebtedness, or repurchase agreements collateralized by such debt securities, or securities of other such investment companies or investment trusts whose portfolios are so restricted.

3. Bonds, notes, and other evidences of indebtedness of any county, city, town, district, authority or other public body of the Commonwealth upon which there is no default; provided, that such bonds, notes, and other evidences of indebtedness of any county, city, town, district, authority or other public body are either direct legal obligations of, or those unconditionally guaranteed as to the payment of principal and interest by the county, city, town, district, authority, or other public body in question; and revenue bonds issued by agencies or authorities of the Commonwealth or its political subdivisions upon which there is no default.

4. Bonds and other obligations issued, guaranteed, or assumed by the International Bank for Reconstruction and Development, bonds and other obligations issued, guaranteed, or assumed by the Asian Development Bank and bonds and other obligations issued, guaranteed, or assumed by the African Development Bank.

5. Savings accounts or time deposits in any bank or savings institution within the Commonwealth provided the bank or savings institution is approved for the deposit of other funds of the Commonwealth or other political subdivision of the Commonwealth.

Code of Virginia § 2.2-4501. Legal investments for other public funds (not sinking funds).

A. The Commonwealth, all public officers, municipal corporations, other political subdivisions, and all other public bodies of the Commonwealth may invest any and all moneys belonging to them or within their control, other than sinking funds, in the following:

1. Stocks, bonds, notes, and other evidences of indebtedness of the Commonwealth and those unconditionally guaranteed as to the payment of principal and interest by the Commonwealth.

2. Bonds, notes and other obligations of the United States, and securities unconditionally guaranteed as to the payment of principal and interest by the United States, or any agency thereof. The evidences of indebtedness enumerated by this subdivision may be held directly, or in the form of repurchase agreements collateralized by such debt securities, or in the form of securities of any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, provided that the portfolio of such investment company or investment trust is limited to such evidences of indebtedness, or repurchase agreements collateralized by such debt securities, or securities of other such investment companies or investment trusts whose portfolios are so restricted.

3. Stocks, bonds, notes and other evidences of indebtedness of any state of the United States upon which there is no default and upon which there has been no default for more than 90 days, provided that within the 20 fiscal years next preceding the making of such investment, such state has not been in default for more than 90 days in the payment of any part of principal or interest of any debt authorized by the legislature of such state to be contracted.

4. Stocks, bonds, notes and other evidences of indebtedness of any county, city, town, district, authority or other public body in the Commonwealth upon which there is no default, provided that if the principal and interest be payable from revenues or tolls and the project has not been completed, or if completed, has not established an operating record of net earnings available for payment of principal and interest equal to estimated requirements for that purpose according to the terms of the issue, the standards of judgment and care required in Article 9 (§ 64.2-780 et seq.) of Chapter 7 of Title 64.2, without reference to this section, shall apply.

In any case in which an authority, having an established record of net earnings available for payment of principal and interest equal to estimated requirements for that purpose according to the terms of the issue, issues additional evidences of indebtedness for the purposes of acquiring or constructing additional facilities of the same general character that it is then operating, such additional evidences of indebtedness shall be governed by the provisions of this section without limitation.

5. Legally authorized stocks, bonds, notes, and other evidences of indebtedness of any city, county, town, or district situated in any one of the states of the United States upon which there is no default and upon which there has been no default for more than 90 days, provided that:

(i) Within the twenty fiscal years next preceding the making of such investment, such city, county, town, or district has not been in default for more than 90 days in the payment of any part of principal or interest of any stock, bond, note or other evidence of indebtedness issued by it;

(ii) Such city, county, town, or district shall have been in continuous existence for at least 20 years;

(iii) Such city, county, town, or district has a population, as shown by the federal census next preceding the making of such investment, of not less than 25,000 inhabitants;

(iv) The stocks, bonds, notes, or other evidences of indebtedness in which such investment is made are the direct legal obligations of the city, county, town, or district issuing the same;

(v) The city, county, town, or district has power to levy taxes on the taxable real property therein for the payment of such obligations without limitation of rate or amount; and

(vi) The net indebtedness of such city, county, town, or district (including the issue in which such investment is made), after deducting the amount of its bonds issued for self-sustaining public utilities, does not exceed 10 percent of the value of the taxable property in such city, county, town, or district, to be ascertained by the valuation of such property therein for the assessment of taxes next preceding the making of such investment.

- This section shall not apply to funds authorized by law to be invested by the Virginia Retirement System or to deferred compensation plan funds to be invested pursuant to § 51.1-601 or to funds contributed by a locality to a pension program for the benefit of any volunteer fire department or volunteer emergency medical services agency established pursuant to § 15.2-955.

U.S. Treasury obligations which carry the full faith and credit guarantee of the United States government;

- § 2.2-4505. Investment in certificates representing ownership of treasury bond principal at maturity or its coupons for accrued periods.

U.S. government agency and instrumentality obligations that have a liquid market with a readily determinable market value;

- § 2.2-4501. Legal investments for other public funds

Certificates of deposit and other evidence of deposit at financial institutions;

- § 2.2-4509. Investment of funds in negotiable certificates of deposit and negotiable bank deposit notes.

Bankers' acceptances;

- § 2.2-4504. Investment of funds by the Commonwealth and political subdivisions in bankers' acceptances

Obligations of state, provincial and local governments and public authorities rated A or better;

- § 2.2-4501. Legal investments for other public funds

Repurchase agreements whose underlying purchased securities consist of the aforementioned instruments;

- § 2.2-4507. Investment of funds in overnight, term and open repurchase agreements.

Money market mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist only of dollar-denominated securities;

- § 2.2-4508. Investment of certain public moneys in certain mutual funds.

Local government investment pools either state-administered or developed through joint powers statutes and other intergovernmental agreement legislation;

- § 2.2-4513.1. Investment of funds in qualified investment pools.

Other investment types or asset classes as approved by the governing authority and the Code of Virginia.

SELECTION OF BANKS AND DEALERS

Before accepting funds or engaging in investment transactions with the government of the Town of Middleburg, the supervising officer at each depository and recognized securities broker/dealer shall submit a certification. The document will certify that the officer has reviewed the investment policies and objective and agrees to disclose potential conflicts or risks to public funds that might arise out of business transactions between the firm/depository and the government of the Town of Middleburg.

All financial institutions shall agree to undertake reasonable efforts to preclude imprudent transactions involving this entity's funds.

The supervising officer shall agree to exercise due diligence in monitoring the activities of other officers and subordinate staff members engaged in transaction with this entity. Employees of any firm or financial institution offering securities of investments to the government of the Town of Middleburg shall be trained in the precautions appropriate to public-sector investments and shall be required to familiarize themselves with our investment objectives, policies, and constraints.

MATURITIES AND VOLATILITY

Investments of the government of the Town of Middleburg shall be limited to instruments maturing within two-years at the time of purchase, with the exception of the Virginia Investment Pool (VIP).

LIQUIDITY AND INSTRUMENT MAKE-UP

At least three months of expenses (for the current fiscal/budget year) of the portfolio shall be held in immediately available cash & equivalents. Specific amount calculated on a rolling quarterly average.

INVESTMENT DIVERSIFICATION AND CONSTRAINTS

It is the policy of the Town of Middleburg to diversify its investment portfolios. To eliminate risk of loss resulting from the overconcentration of assets in a specific maturity, issuer, or class of securities, all cash and cash equivalent assets in all Town of Middleburg funds shall be diversified by maturity, issuer, and security type. Diversification strategies shall be determined and revised periodically by the investment committee/investment officer for all funds except for the employee retirement fund.

Portfolio maturities shall be staggered to avoid undue concentration of assets in a specific maturity sector. Maturities selected shall provide for safety of principal, stability of income and reasonable liquidity.

RISKS

No individual investment transaction shall be undertaken that jeopardizes the capital position of the portfolio, and that does not bear the full faith and credit the United States government or which is not fully collateralized or insured.

SAFEKEEPING AND CUSTODY

To protect against potential fraud and embezzlement, the assets of the government of the Town of Middleburg shall be secured through third-party custody and safekeeping procedures. Bearer instruments shall be held only through third-party institutions. Investment officials shall be bonded to protect the public against embezzlement and malfeasance. Collateralized securities such as repurchase agreements shall be purchased using the delivery vs. payment procedure. Unless prevailing practices or economic circumstances dictate otherwise, ownership shall be protected through third-party custodial safekeeping. The independent auditor shall review safekeeping procedures annually.

The Finance Director/Town Treasurer shall maintain a list of financial institutions authorized to provide investment services to the Town. In addition, a list shall be maintained of approved security brokers/dealers selected by credit worthiness, who maintain an office in the Commonwealth of Virginia.

All financial institutions and broker/dealers who desire to provide investment services to the Town shall supply the Finance Director/Town Treasurer with information sufficient to adequately evaluate the institution and answer any and all inquiries by the Finance Director/Town Treasurer and/or the Town Manager, including the following:

(1) Audited financial statements.
(2) Regulatory reports on financial condition.
(3) Written memorandum of Agreement for the deposit of public funds or trading resolution, as appropriate.
(4) Proof of National Association of Security Dealers certification and proof of state registration.
(5) Any additional information considered necessary to allow the Finance Director/Town Treasurer to evaluate the credit worthiness of the institution.

PERFORMANCE EVALUATION AND OPERATIONS AUDIT

The annual investment reports shall contain sufficient information to permit an independent evaluation of the performance of the investment program.

POLICY AMENDMENTS

This policy shall be reviewed on an annual basis. Any changes must be submitted by the investment officer and approved by the investment oversight committee or authoritative body acting in such capacity.

APPROVAL OF INVESTMENT POLICY

The investment policy shall be formally approved and adopted by the governing body of the Town of Middleburg and reviewed annually with the Strategic Finance Committee, Town Auditor's as well as the Town's Financial Advisors.

Town of Middleburg

Investment Policy Draft - May 7, 2022

First revision – May 18, 2022

Finance Committee Approval – June 2, 2022

Reviewed by Auditors and Davenport – June 7, 2022

Town Council Meeting – June 23, 2022