



TOWN OF MIDDLEBURG



2026 FISCAL YEAR ADOPTED BUDGET



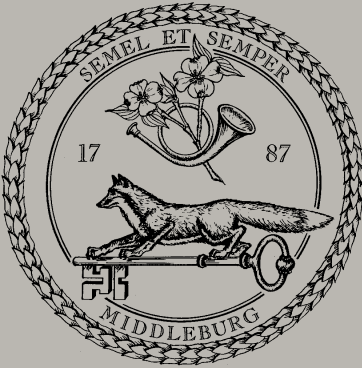
GENERAL FUND



CAPITAL IMPROVEMENT FUND



UTILITY FUND



TOWN OF MIDDLEBURG ADOPTED BUDGET

FY 2026



Town Council

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

Town Administration

Danny Davis, Town Manager

William M. Moore, Deputy Town Manager

Shaun D. Jones, Chief of Police

Angela J. Fletcher, MGT, Finance Director/Treasurer

Rhonda S. North, MMC, Town Clerk

Alexandra MacIntyre, Director of Business Development and Community Partnerships

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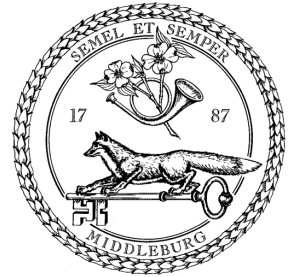
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July 1, 2025

Dear Citizens of Middleburg:

On behalf of the Middleburg Town Council, I am pleased to present the Town's Budget for Fiscal Year 2026 (FY26), which runs from July 1, 2025, to June 30, 2026. This budget funds key initiatives of the Town Council, provides for ongoing operations of the Town organization, recognizes ongoing investment in community priorities, and plans for future infrastructure needs. The FY26 Budget is balanced, including a contingency of unallocated revenues, and ensures the continued fiscal strength of the Town of Middleburg. I am proud to say that the budget was once again approved on a unanimous basis, demonstrating the positive and collaborative nature of our Town Council.

As part of the FY26 Budget process, the Town Council again lowered the Real Property Tax Rate – this year from 12.36 cents to 12.00 cents per \$100 of assessed value. This tax rate decrease is in response to the ongoing increase in real property assessed values across most categories of real property. The Town Council also eliminated the "Vehicle License Fee" and did not increase any other taxes. Although recent economic fluctuations and unexpected national policies have led to uncertainty in the Town's primary revenues, specifically in the areas of Meals Tax and Transient Occupancy Tax, the Town's revenue streams remain strong. Regardless, the Town is budgeting conservatively for these revenues in order to be most prudent with our resources.

The Town Council recently reviewed its latest Strategic Plan, emphasizing its focus on key community issues: allocating time and resources to the restoration of Asbury Church; maintaining a proper balance of large events and community-oriented events; investing in the Town's water/sewer systems to enhance our services to the community; and continuing to build a complete team of Town employees.

The Town's investment in the community is shown in its resident-centric events, such as: Wellness Day and 5K, Middleburg Day, Juneteenth, Independence Day, and National Night Out. These events have been highly successful in bringing our community together to highlight our common values and to show our commitment as a kind, supportive place to live. And new for 2026, an arts-focused event celebrating poet Robert Burns will be held in January.

The Town Council's focus on safety is demonstrated through the continued support of our Police Department, which has led to a full police force for the first time in two years. The Town has invested in competitive pay, benefits, and training, as well as in a culture of community policing and visible presence. Our police officers want to be seen as partners in the success of our Town, while always seeking to keep our residents, businesses, and visitors safe.

In terms of economic and business support, we are working with current and future business owners to make sure their properties are properly maintained and positively represent our historic Town. We are excited about new businesses filling the few empty storefronts and continue to promote all of our businesses to both residents and visitors alike. We have placed specific emphasis on mid-week visitors so as not to overwhelm our Town during the already busy times of weekends and holidays. In addition, the Town has completed interim safety and accessibility improvements along South Madison Street, and we continue to evaluate all options to enhance economic vitality, promote safety, and improve connectivity to South Madison Street and Federal Street. We are also conducting regular assessments of the sidewalks to ensure that pedestrians can safely enjoy walking through the Town of Middleburg.

Other expenditures in the General Fund remain relatively flat year-over-year. The Town continues to reap the rewards of obtaining fixed-rate debt for the Town Hall project, so the Town's investment interest rate currently outpaces the interest rate on our debt. The prudent guidance of the Strategic Finance Committee has helped the Town plan and prepare its fiscal standing to endure economic shifts without negatively impacting the services we provide to our residents.

The Town's Utility Fund continues to operate efficiently and is fiscally strong. We are investing in the future of our systems, specifically planning for water/sewer main replacements, potential new water sources, and ongoing repairs and rehabilitation. As of the writing of this letter, the Town is on the tail end of a severe drought, which has lasted for five years. While recent rains have helped, we continue to see our wells at lower levels than anticipated. We appreciate the community's involvement in discussing future water conservation measures to ensure we can serve the basic needs of our customers. In addition, Town staff are kicking off a review of our water capacity and treatment to ensure our water sources can meet the expected demands both now and into the future.

Over the coming year, we will be discussing additional aspects of our Utility System, including the best way to structure our water and sewer rates so that we can maintain a robust system without harming our customers – especially our low- and fixed-income residents. These discussions will be strategic and purposeful and will serve as the basis for our future budget discussions in the Utility Fund.

Finally, as we continue to see harsh political discourse at the national and state level, I am reminded of the importance of civil, productive discussions at the local level. I am grateful for the citizens of Middleburg who focus on positive dialogue for the betterment of our community, especially to help the neediest among us. Community input and engagement is paramount to successful decision-making, and I appreciate each and every person who provides input, suggestions, or serves on an advisory committee. The Town Council's goal is to seek input, listen, and make the most prudent decisions to serve every member of our community both now and for decades to come. Without community involvement, the Town's decisions would not be as thoughtful and effective.

I appreciate the continued trust that the citizens and business owners place in the Town Council to be your partners in having a successful quality of life. The Town Council and I remain grateful to serve the Town of Middleburg, and we look forward to continuing to do all we can for our citizens and to give back to others as we always have.

Sincerely,

A handwritten signature in black ink, appearing to read "T. Littleton", with a long horizontal flourish extending to the right.

Trowbridge "Bridge" M. Littleton
Mayor

MIDDLEBURG EST VIRGINIA 1787

May 9, 2024 – Amended February 13, 2025

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

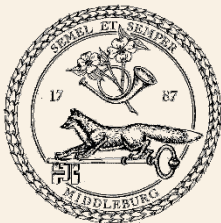
- Provide resources to town staff and volunteers to effectively meet the responsibilities of the town government to its constituents
- Communicate transparently and effectively with our community on a regular basis
- Maintain diligent management and oversight of town infrastructure
- Operate with sound 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 [STATUS: Pending]
- ~~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 [STATUS: Complete]
- ~~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 [STATUS: Complete and Monitoring]
- ~~Maintain recent changes to the mix and scale of town-run special events.~~
(Guide Economic Balance); Councilmembers Curran and Kirk. Staff Lead: Ali MacIntyre [STATUS: Complete and Monitoring]
- **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
- **Expedite strategic planning of, and execute improvements to, townwide infrastructure, specifically focused on water/sewer services and 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

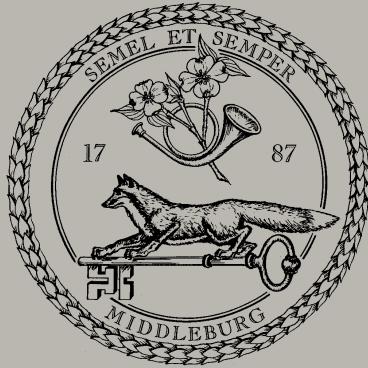
INTEGRITY – Doing the right thing

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 2026

BUDGET SUMMARY



TOWN OF MIDDLEBURG
FY 26 BUDGET SUMMARY

GENERAL FUND SUMMARY														
REVENUES							EXPENDITURES							
	FY25 ADOPTED	FY25 AMENDED	FY26 ADOPTED	% CHANGED	AMOUNT CHANGED			FY25 ADOPTED	FY25 AMENDED	FY26 ADOPTED	% CHANGED	AMOUNT CHANGED	Notes	
PROPERTY TAX	\$ 645,138	\$ 645,138	\$ 683,740	6.0%	\$ 38,602		ADMINISTRATION	\$ 1,147,531	\$ 1,147,531	\$ 1,157,930	0.9%	\$ 10,399	Implementation of public safety pay plan and take-home vehicle program	
LOCAL TAXES	\$ 3,922,048	\$ 3,922,048	\$ 3,858,048	-1.6%	\$ (64,000)		BUILDINGS & GROUNDS	\$ 125,137	\$ 125,137	\$ 124,313	-0.7%	\$ (824)		
ZONING FEES	\$ 36,928	\$ 36,928	\$ 39,928	8.1%	\$ 3,000		POLICE	\$ 1,086,251	\$ 1,143,945	\$ 1,206,674	5.5%	\$ 62,729		
FINES & FEES	\$ 20,500	\$ 20,500	\$ 30,500	48.8%	\$ 10,000		MAINTENANCE	\$ 484,504	\$ 484,504	\$ 474,447	-2.1%	\$ (10,057)		
INTEREST EARNINGS	\$ 300,000	\$ 300,000	\$ 360,000	20.0%	\$ 60,000		PLANNING AND ZONING	\$ 322,790	\$ 322,790	\$ 368,804	14.3%	\$ 46,014		
INTERGOVERNMENTAL	\$ 40,000	\$ 40,000	\$ 44,500	11.3%	\$ 4,500		ECON. DEVELOPMENT	\$ 626,080	\$ 626,080	\$ 541,473	-13.5%	\$ (84,607)	Split out from Economic Development No additional vehicles in FY26 under revised budget proposal.	
MISC. REV & REIMBURSEMENTS	\$ 117,979	\$ 117,979	\$ 72,979	-38.1%	\$ (45,000)		COMMUNITY ENGAGEMENT	\$ 122,500	\$ 122,500	\$ 168,500	37.6%	\$ 46,000		
SUBTOTAL	\$ 5,082,593	\$ 5,082,593	\$ 5,089,695	0.14%	\$ 7,102		DEBT SERVICE & CASH FOR CAPITAL	\$ 777,000	\$ 907,000	\$ 777,000	-14.3%	\$ (130,000)		
									\$ 4,691,793	\$ 4,879,487	\$ 4,819,140	-1.2%	\$ (60,347)	
								CONTINGENCY (Unallocated)	\$ 390,800	\$ 203,106	\$ 270,555		\$ 67,449	
TOTAL	\$ 5,082,593	\$ 5,082,593	\$ 5,089,695	0.1%	\$ 7,102		TOTAL GENERAL FUND	\$ 5,082,593	\$ 5,082,593	\$ 5,089,695	0.1%	\$ 7,102		

CONTINUED

TOWN OF MIDDLEBURG
FY 26 BUDGET SUMMARY

UTILITY FUND SUMMARY										
REVENUES						EXPENDITURES				
	FY25 ADOPTED	FY26 ADOPTED	% CHANGED	AMOUNT CHANGED			FY25 ADOPTED	FY26 ADOPTED	% CHANGED	AMOUNT CHANGED
Water User Fees	\$ 706,346	\$ 826,486	17.0%	\$ 120,140		Contract Services	\$ 387,022	\$ 414,673	7.1%	\$ 27,651
Sewer User Fees	\$ 693,971	\$ 813,168	17.2%	\$ 119,197		Administration & Insur.	\$ 130,402	\$ 131,121	0.6%	\$ 719
Water Tower Cellular Leases	\$ 140,662	\$ 150,150	6.7%	\$ 9,488		Operations-Water	\$ 191,250	\$ 196,000	2.5%	\$ 4,750
Miscellaneous	\$ 37,500	\$ 67,500	80.0%	\$ 30,000		Operations-Sewer	\$ 197,277	\$ 215,907	9.4%	\$ 18,630
Transfer from Reserves	\$ -	\$ -	0.0%	\$ -		Debt Service	\$ 312,665	\$ 422,152	35.0%	\$ 109,487
Availability/Connection Fees	\$ -	\$ -	0.0%	\$ -		Capital Projects Cash	\$ 355,000	\$ 505,000	42.3%	\$ 150,000
						Contingency	\$ 4,863	\$ (27,549)		\$ (32,412)
TOTAL UTILITY FUND REV.	\$ 1,578,479	\$ 1,857,304	17.7%	\$ 278,825		TOTAL UTILITY FUND EXP.	\$ 1,578,479	\$ 1,857,304	17.7%	\$ 278,824

TOTAL ALL FUNDS	\$ 6,661,072	\$ 6,946,999	4.3%	\$ 285,927			\$ 6,661,072	\$ 6,946,999	4.3%	\$ 285,927
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**TOWN OF MIDDLEBURG
FY 26 DEBT SERVICE AND FUND BALANCES**

UTILITY FUND DEBT SERVICE

Fiscal Year	Series 2020A/B**	Series 2020C***	Series 2020D	Total
TOTAL PRINCIPAL	Up to \$2,200,000	\$2,306,000	\$1,407,000	
2025	\$ 23,891	\$ 135,784	\$ 152,724	\$ 312,399
2026		\$ 135,922	\$ 152,247	\$ 288,169
2027	\$ -	\$ 138,007	\$ 150,743	\$ 288,750
Thereafter*	\$ -	\$ 1,702,130	\$ 601,244	\$ 2,303,374
Total (incl. interest)	\$ 23,891	\$ 2,111,843	\$ 1,056,958	\$ 3,192,692

** Line of Credit: interest only - will be refinanced or paid off at end of FY25

*** Refunded 2013/2014 Debt

Summary of Changes in Net Position - June 30, 2024

	GENERAL FUND	UTILITY FUND
Assets		
Current & Other Assets	\$ 11,641,848	\$ 3,409,351
Net Capital Assets	\$ 13,940,811	\$ 13,797,063
Total Assets	\$ 25,582,659	\$ 17,206,414
Deferred outflows of resources	\$ 316,230	
Liabilities		
Long-Term Liabilities	\$ 10,688,848	\$ 4,241,469
Other Liabilities	\$ 251,648	\$ 710,971
Total Liabilities	\$ 10,940,496	\$ 4,952,440
Deferred inflows of resources	\$ 113,077	\$ 321,517
Net Position		
Unrestricted Fund balance	\$ 11,058,713	\$ 2,376,853
Restricted Fund balance	\$ 302,174	\$ -
Invested in Capital Assets - Parking Fund	\$ 3,484,429	\$ 9,555,594
		\$ -
Total Net Position	\$ 14,845,316	\$ 11,932,447

see pg. 11 of ACFR

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
2025	\$ 561,854	\$ 214,359	\$ 776,213
2026	\$ 562,324	\$ 214,442	\$ 776,766
2027	\$ 562,324	\$ 214,424	\$ 776,748
Thereafter	\$ 8,430,764	\$ 2,141,985	\$ 10,572,749
Total (incl. interest)	\$ 10,117,266	\$ 2,785,210	\$ 12,902,476

Cash Balances Less Reserves as of December 31, 2024

Account Name	Balance as of 12/31/2024	Description/Notes
CASH IN BANK - CHECKING	\$ 13,603.76	OPERATING ACCOUNT - ATLANTIC UNION
CASH IN BANK - SECOND CHECKING ACCT	\$ 36,687.96	SUPPLEMENTAL ACCOUNT FOR EVENT MERCHANDISE PURCHASES
CASH ON HAND - CHANGE FUND	\$ -	
VIP 1-3 YEAR HIGH QUALITY BOND FUND	\$ 8,171,810.89	VIRGINIA INVESTMENT POOL
VIP NAV LIQUIDITY POOL	\$ 3,560,836.34	VIRGINIA INVESTMENT POOL
VA SNAP - INTEREST ONLY	\$ 165,392.72	VIRGINIA STATE NON-ARBITRAGE PROGRAM (INTEREST ONLY)
VA SNAP - BALANCE OF FUND	\$ -	VIRGINIA STATE NON-ARBITRAGE PROGRAM
VA SNAP - SUPPLEMENTAL FUND	\$ -	VIRGINIA STATE NON-ARBITRAGE PROGRAM
CASH IN BANK - SWEEP ACCOUNT	\$ 286,272.49	MAXIMUM INV SWEEP ACCOUNT - ATLANTIC UNION
TOTAL	\$ 12,234,604.16	
	\$ 28,400.00	restricted funds per FY24 audit
	\$ 35,300.00	committed funds per FY24 audit (parking fund)
CIP FUNDS	\$ 768,113.00	committed funds per FY24 audit (capital projects)
CIP FUNDS	\$ 1,000,000.00	committed funds for Asbury Church project
CIP FUNDS	\$ 250,000.00	committed funds per FY25 budget (town hall project)
CIP FUNDS	\$ 750,000.00	committed funds per FY25 budget (S. Madison Street project)
CASH BALANCE MINUS RESTRICTED:	\$ 9,402,791.16	
FINANCE POLICY 125% GF EXPENDITURES, 100% UF EXPENDITURES	\$ 7,436,074.25	
BALANCE REMAINING W/ RESERVES REMOVED	\$ 1,966,716.91	

TOWN OF MIDDLEBURG
FY 26 BUDGET SUMMARY

CALENDAR YEAR 2025
EQUALIZED TAX RATE
CALCULATION

	CY 2025	CY 2024	
Total Taxable Assessed Value	546,772,090	\$506,528,210	**
New Residential Construction/Growth	\$9,489,377		
New Commercial Construction/Growth	\$0		
Total New Construction/Growth	\$ 9,489,377		
Total Adjusted Assessment	\$537,282,713		
FY25 Real Prop. Revenues = CY 2024 Assessed Value** X \$0.1236 tax rate	\$ 626,069		
FY 2025 Equalized Rate (100%)	\$ 0.1165	or 11.65 cents / \$100 assessed value	
<i>Equalized Tax Rate=FY25 Real Property Revenues/CY 2025 Real Property Adjusted Value</i>			
FY25 Real Prop. Revenues Multiplied by 101% =	\$ 632,330		
No Public Hearing required if FY 2026 rate is at or below this rate:	\$ 0.1177		

** Assessment total as of January 2025

TOWN OF MIDDLEBURG
FY 26 ASSESSMENTS (CY25)

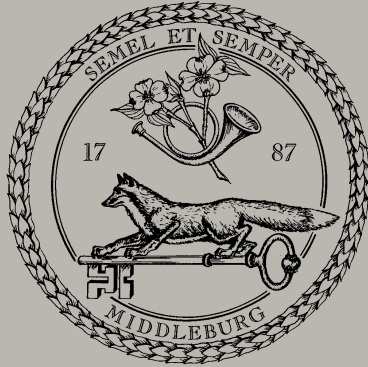
REAL PROPERTY
TAX RATE SCENARIOS

CY 2025 ASSESSMENT	TAX RATE*	REVENUE**	DIFFERENCE	
\$ 546,772,090	\$ 0.1236	\$ 675,810		Current tax rate
Equalized + 3%	\$ 0.1200	\$ 656,240	\$ (19,570)	ADOPTED Tax Rate
Equalized Tax Rate	\$ 0.1165	\$ 637,126	\$ (38,684)	
* 1 cent on the tax rate = \$54,677		** The revenue amount includes the value of "new construction"		

BREAK OUT	CY 2024 ASSESSMENT	VALUE CHANGE**	CY 2025 ASSESSMENT	% CHANGE**	EQUALIZED % CHANGE
Single Family Detached	\$ 180,099,000	\$ 29,893,050	\$ 209,992,050	16.60%	11.53%
Town Houses	\$ 43,896,030	\$ 5,101,390	\$ 48,997,420	11.62%	11.62%
Condo	\$ 16,174,590	\$ 1,129,950	\$ 17,304,540	6.99%	6.99%
Other (incl vacant land)	\$ 37,400,980	\$ 972,910	\$ 38,373,890	2.60%	1.62%
Single Family Suburban	\$ 2,262,660	\$ (313,570)	\$ 1,949,090	-13.86%	-13.86%
Multifamily	\$ 3,711,730	\$ 272,000	\$ 3,983,730	7.33%	7.33%
Commercial/ Industrial	\$ 222,983,220	\$ 3,188,150	\$ 226,171,370	1.43%	1.43%
TOTAL TAXABLE	\$ 506,528,210	40,243,880	546,772,090	7.95%	6.07%
		**(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 2025 totals \$87,582,940. 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 CY24 totaled approximately \$7,750. An estimate of \$9,000 is used for FY26. \$5,000 is also deducted for potential tax appeals.



TOWN OF MIDDLEBURG ADOPTED BUDGET

FY 2026

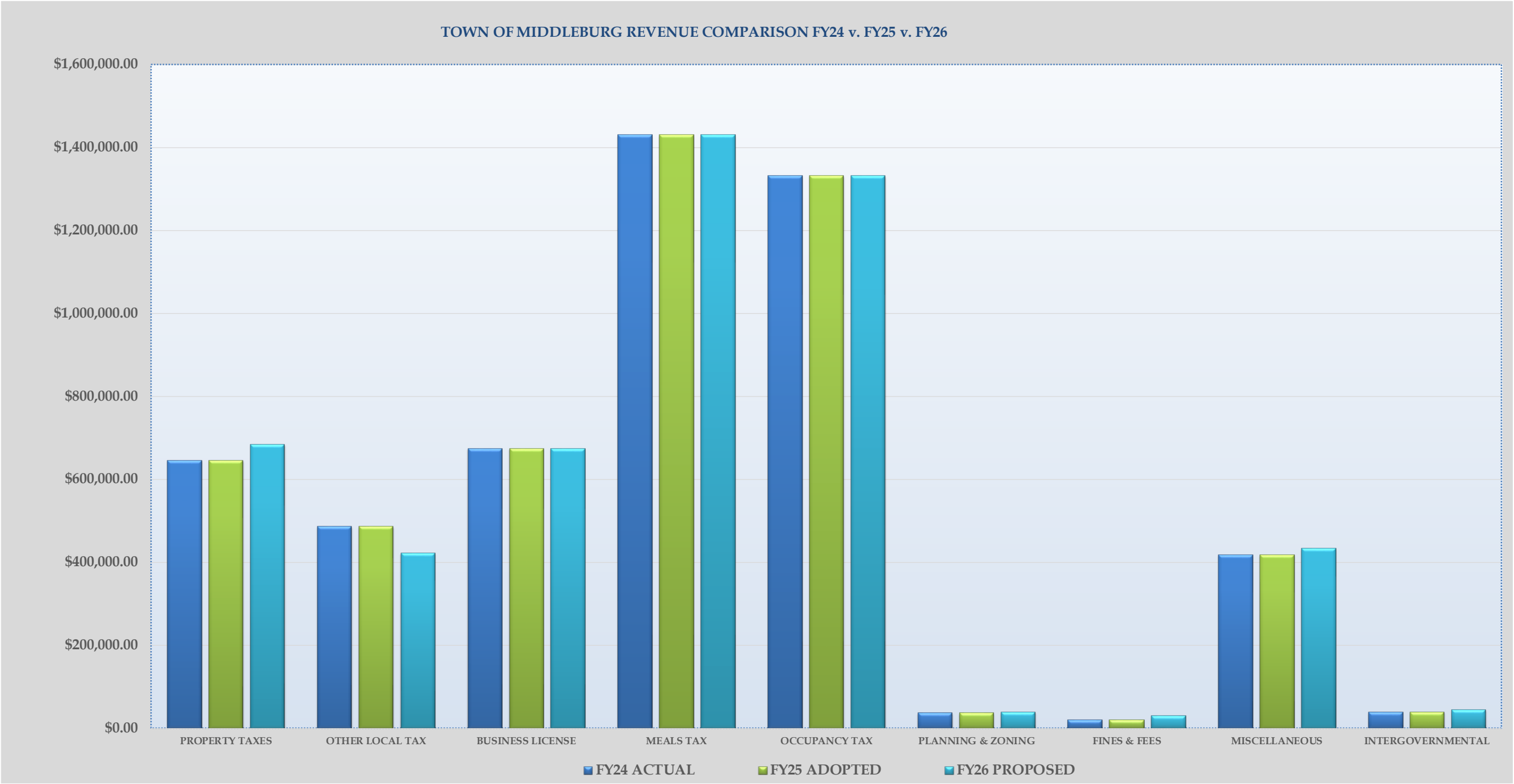
GENERAL FUND



TOWN OF MIDDLEBURG

FY 26 ADOPTED BUDGET

REVENUES	Account #	FY23 ACTUAL	FY24 ACTUAL	FY25 ADOPTED	FY25 YTD	FY26 ADOPTED	% Change from FY 25	Amount Changed	Notes
<u>PROPERTY TAX</u>									
Real Estate	10-3000-0100	\$ 575,253	\$ 566,961	\$ 603,638	\$ 488,219	\$ 642,240	6.4%	\$ 38,602	Revenues based on tax rate of 12.00 cents (equalized + 3%). Includes revenue from new construction. Revenue amount reduced by \$9k for Tax Relief Program and \$5K for appeals.
Personal Property	10-3000-0200	\$ 43,935	\$ 46,811	\$ 40,000	\$ 24,524	\$ 40,000	0.0%	\$ -	Business Personal Property Tax
Penalties and interest	10-3000-500, -600	\$ 66	\$ 1,310	\$ 1,500	\$ 328	\$ 1,500	0.0%	\$ -	
Subtotal		\$ 619,254	\$ 615,082	\$ 645,138	\$ 513,070	\$ 683,740	6.0%	\$ 38,602	
<u>LOCAL TAXES</u>									
Sales Tax	10-3100-0100	\$ 59,058	\$ 51,863	\$ 50,000	\$ 29,881	\$ 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	\$ 83,992	\$ 85,721	\$ 90,000	\$ 47,994	\$ 85,000	-5.6%	\$ (5,000)	Reduced based on actual revenues over past fiscal years
Meals Tax	10-3030-0000	\$ 1,288,031	\$ 1,364,974	\$ 1,429,450	\$ 799,955	\$ 1,429,450	0.0%	\$ -	Hold FY26 at FY25 Adopted levels until more detail about economic situation is known.
Business License	10-3050-0000	\$ 681,786	\$ 678,311	\$ 675,000	\$ 34,104	\$ 675,000	0.0%	\$ -	No change over FY25 Budget
Cigarette Tax	10-3060-0000	\$ 15,831	\$ 12,672	\$ 16,000	\$ 6,975	\$ 12,000	-25.0%	\$ (4,000)	Reduction in cigarette sales and tax revenue
Motor Vehicle License	10-3200-0100	\$ 15,535	\$ 15,663	\$ 15,000	\$ 4,045	\$ -	-100.0%	\$ (15,000)	Reduced fee to \$0 based on County elimination of fee
Bank Franchise Tax	10-3010-0000	\$ 309,500	\$ 275,603	\$ 315,000	\$ -	\$ 275,000	-12.7%	\$ (40,000)	Reduction in deposits at local banks
Occupancy Tax	10-3040-0000	\$ 1,268,189	\$ 1,265,327	\$ 1,331,598	\$ 762,188	\$ 1,331,598	0.0%	\$ -	Hold FY26 at FY25 Adopted levels until more detail about economic situation is known.
Subtotal		\$ 3,721,922	\$ 3,750,134	\$ 3,922,048	\$ 1,685,142	\$ 3,858,048	-1.6%	\$ (64,000)	
<u>PLANNING & ZONING</u>									
Application, Proffer, Misc Fees	10-3220-misc	\$ 25,675	\$ 28,224	\$ 17,000	\$ 10,105	\$ 25,000	47.1%	\$ 8,000	
Professional Review Fees	10-3220-0500	\$ -	\$ -	\$ 5,000	\$ -	\$ -	-100.0%	\$ (5,000)	Revenues rolled into line above
Right of Way Franchise Fee	10-3200-0800	\$ 30,514	\$ -	\$ 14,928	\$ -	\$ 14,928	0.0%	\$ -	Revisions to Franchise are TBD
Subtotal		\$ 56,189	\$ 28,224	\$ 36,928	\$ 10,105	\$ 39,928	8.1%	\$ 3,000	
<u>FINES AND FEES</u>									
Court & Parking Fines	misc	\$ 24,376	\$ 25,178	\$ 15,000	\$ 9,704	\$ 25,000	66.7%	\$ 10,000	Increase in keeping with actual revenues over past fiscal years
Town Events Fees / Merchandise Sales / Farmer's Market Fees	10-3100-0502	\$ 15,317	\$ 13,947	\$ 5,000	\$ 40,664	\$ 5,000	0.0%	\$ -	Minimal registration fees for farmers market vendors
Parking Space Rental/Permits	10-3200-0300,-0500	\$ 1,175	\$ 2,150	\$ 500	\$ 475	\$ 500	0.0%	\$ -	
Subtotal		\$ 40,868	\$ 41,275	\$ 20,500	\$ 50,842	\$ 30,500	48.8%	\$ 10,000	
<u>MISCELLANEOUS</u>									
Interest Earnings	10-3400-0300,-0400	\$ 195,111	\$ 430,545	\$ 300,000	\$ 238,149	\$ 360,000	20.0%	\$ 60,000	Uncertain interest rates; built off 4% earnings assumption on \$9 million in investments (Utility Fund interest budgeted separately)
Misc. Donations & Sponsorships	10-3070-misc	\$ 6,375	\$ 4,300	\$ 75,000	\$ 12,699	\$ 30,000	-60.0%	\$ (45,000)	Sponsorship Revenues for Town Events; Reimbursable Overtime for PD for private events
Miscellaneous Reimbursements	10-3400-NEW	\$ 35,775	\$ 104,892	\$ 42,979	\$ 21,167	\$ 42,979	0.0%	\$ -	Reimbursement from retirees for health care, plus other misc revenues
Subtotal		\$ 237,261	\$ 539,737	\$ 417,979	\$ 272,015	\$ 432,979	3.6%	\$ 15,000	
<u>INTERGOVERNMENTAL</u>									
Law Enforcement 599 & Grant	10-3100-0300,-0301	\$ 24,515	\$ 25,785	\$ 20,500	\$ 13,354	\$ 25,000	22.0%	\$ 4,500	599 Funds & Other Grants
State/Local Grants	10-3100-misc	\$ 6,095	\$ -	\$ 4,500	\$ -	\$ 4,500	0.0%	\$ -	VCA Grant Program
Fire Program	10-3100-0500	\$ 15,000	\$ -	\$ 15,000	\$ -	\$ 15,000	0.0%	\$ -	State Fire Program - pass thru to Loudoun County
Miscellaneous & County Grants	10-3100-0503	\$ 25,000	\$ 2,085	\$ -	\$ 4,775	\$ -		\$ -	TOT Grant in FY23
Subtotal		\$ 70,610	\$ 27,870	\$ 40,000	\$ 18,129	\$ 44,500	11.3%	\$ 4,500	
Total GF Revenues		\$ 4,746,104	\$ 5,002,323	\$ 5,082,593	\$ 2,549,303	\$ 5,089,695	0.1%	\$ 7,102	



TOWN OF MIDDLEBURG
FY 26 OPERATING BUDGET

ADMINISTRATION

EXPENDITURES		FY23	FY24	FY25	FY25	FY26	%	AMOUNT	Notes
ADMIN. SALARY & BENEFITS	ACCOUNT #	ACTUAL	ACTUAL	BUDGET	YTD	ADOPTED	CHANGED	CHANGED	
ADMIN. STAFF SALARIES	10-5000-0100	\$ 346,642	\$ 352,183	\$ 381,521	\$ 229,049	\$ 400,589	5.0%	\$ 19,068	Portion of salaries paid by UF as a "chargeback"
OTHER WAGES/COMPENSATION	10-5000-0503	\$ 14,854	\$ 56,263	\$ 42,000	\$ 38,985	\$ 42,000	0.0%	\$ -	Includes merit increases for non-law enforcement (2% avg), bonus program, and leave payout for all departments
WORKER'S COMP	10-5000-2000	\$ 500	\$ 2,244	\$ 1,445	\$ 1,583	\$ 1,445	0.0%	\$ -	
FICA - ADMINISTRATIVE	10-5000-2020	\$ 30,865	\$ 33,253	\$ 33,591	\$ 20,586	\$ 35,263	5.0%	\$ 1,672	
HEALTH - ADMINISTRATIVE	10-5000-2115	\$ 212,307	\$ 166,266	\$ 197,639	\$ 103,253	\$ 203,908	3.2%	\$ 6,268	Health Insurance for all depts. except PD; 1.65% increase in rates; actual amount varies by employee elections; includes reimbursed costs from retirees
VRS/ICMARC - ADMINISTRATIVE	10-5000-2125	\$ 75,168	\$ 74,487	\$ 75,642	\$ 47,512	\$ 79,326	4.9%	\$ 3,684	VRS Rates based on actuarial determination
SUBTOTAL - ADMIN. COMPENSATION		\$ 680,336	\$ 684,694	\$ 731,839	\$ 440,967	\$ 762,531	4.2%	\$ 30,692	
COUNCIL EXPENSES									
COUNCIL COMPENSATION	10-5000-1100	\$ 16,800	\$ 16,800	\$ 16,800	\$ 9,800	\$ 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	\$ -	\$ 1,744	0.0%	\$ -	
COUNCIL TRAINING/MISC. EXPENSES	10-5000-1010	\$ 20,050	\$ 21,315	\$ 20,000	\$ 3,882	\$ 20,000	0.0%	\$ -	For Council conferences (VML), strategic planning meetings, and other events
CITIZEN ENGAGEMENT	10-5000-3050	\$ 3,456	\$ 9,878	\$ 18,000	\$ -	\$ 11,000	-38.9%	\$ (7,000)	COLT, Citizen Academy, Volunteer Reception, Reduced cost for Maintenance of Christmas Ornament Signs
SUBTOTAL - COUNCIL EXPENSES		\$ 46,306	\$ 53,993	\$ 62,544	\$ 17,182	\$ 55,544	-11.2%	\$ (7,000)	
ADMINISTRATIVE SERVICES									
ATTORNEY	10-5100-2100	\$ 40,813	\$ 68,410	\$ 75,000	\$ 35,836	\$ 75,000	0.0%	\$ -	
CONSULTING SERVICES	10-5100-2200	\$ 34,440	\$ 28,459	\$ 30,000	\$ 11,052	\$ 30,000	0.0%	\$ -	HR Consulting and Other Consulting/Engineering Services
ADVERTISING	10-5100-2300	\$ 4,831	\$ 5,426	\$ 5,000	\$ 1,704	\$ 5,000	0.0%	\$ -	
ACCOUNTING, AUDIT & INSURANCE	10-5100-2400	\$ 16,090	\$ 23,000	\$ 20,000	\$ -	\$ 20,000	0.0%	\$ -	Annual Audit Services
FINANCIAL ADVISOR SERVICES	10-5100-2500	\$ -	\$ -	\$ 10,000	\$ -	\$ 10,000	0.0%	\$ -	Financial review of Town's debt service, fund balance, and revenues
LINE OF CREDIT FEES & INTEREST	10-5900-5000	\$ 2,138	\$ 3,935	\$ 1,000	\$ 2,458	\$ 1,000	0.0%	\$ -	
PROFESSIONAL DEVELOPMENT	10-5100-3100	\$ 7,629	\$ 7,597	\$ 15,000	\$ 3,499	\$ 15,000	0.0%	\$ -	
TUITION REIMBURSEMENT	10-5100-3300	\$ -	\$ 3,089	\$ 5,000	\$ 915	\$ 5,000	0.0%	\$ -	Cross-Departmental Program; up to \$2,500/employee
MEMBERSHIPS/PUBLICATIONS	10-5100-3200	\$ 2,928	\$ 2,816	\$ 4,000	\$ 2,517	\$ 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	\$ 423	\$ 388	\$ 2,500	\$ -	\$ 2,500	0.0%	\$ -	
COUNTY COLLECTION	10-5100-8000	\$ 3,420	\$ -	\$ 7,592	\$ -	\$ 7,863	3.6%	\$ 271	1.15% of all property tax collections per MOU
OTHER	10-5100-9900	\$ 1,692	\$ 1,538	\$ 3,000	\$ 3,234	\$ 3,000	0.0%	\$ -	Misc. expenses and holiday gift card program
SUBTOTAL - ADMINISTRATIVE SERVICES		\$ 114,404	\$ 144,658	\$ 193,092	\$ 61,215	\$ 193,363	0.1%	\$ 271	

TOWN OF MIDDLEBURG
FY 26 OPERATING BUDGET

ADMINISTRATION, CONTINUED

ADMINISTRATIVE EXPENSES		ACCOUNT #	FY23 ACTUAL	FY24 ACTUAL	FY25 BUDGET	FY25 YTD	FY26 ADOPTED	% CHANGED	AMOUNT CHANGED	Notes
OFFICE SUPPLIES		10-5200-4100	\$ 5,950	\$ 18,814	\$ 6,600	\$ 2,863	\$ 6,600	0.0%	\$ -	Actual printing costs: in-house for printers and outsourced for large projects
PRINTING		10-5200-4200	\$ 4,590	\$ 23,548	\$ 6,500	\$ 3,527	\$ 6,500	0.0%	\$ -	
POSTAGE		10-5200-4300	\$ 1,537	\$ 2,567	\$ 2,000	\$ 1,047	\$ 2,000	0.0%	\$ -	
EQUIPMENT/SOFTWARE PURCHASE		10-5200-4400	\$ 19,915	\$ 12,085	\$ 20,000	\$ 8,990	\$ 20,000	0.0%	\$ -	PC, Server Hardware, Network Equipment Replacement
EQUIP. & SOFTWARE MAINT.		10-5200-4500	\$ 74,984	\$ 99,533	\$ 92,759	\$ 38,732	\$ 87,295	-5.9%	\$ (5,464)	Software maintenance costs, IT services, and cloud-based subscription services
OFFICE EQUIP. RENTAL		10-5200-4600	\$ 5,051	\$ 6,982	\$ 5,400	\$ 3,978	\$ 5,400	0.0%	\$ -	Leased Xerox, folding machine, postage machine
OTHER		10-5200-9900	\$ 370	\$ 970	\$ 1,100	\$ 117	\$ 1,000	-9.1%	\$ (100)	
SUBTOTAL - ADMINISTRATIVE EXPENSES			\$ 112,397	\$ 164,499	\$ 134,359	\$ 59,253	\$ 128,795	-4.1%	\$ (5,564)	
INSURANCE										
CRIME & FRAUD INSURANCE		10-5100-2410	\$ 2,114	\$ 4,000	\$ 4,164	\$ 4,302	\$ 4,164	0.0%	\$ -	
LIABILITY INSURANCE		10-5100-2420	\$ 11,062	\$ 10,510	\$ 11,533	\$ 11,596	\$ 11,533	0.0%	\$ -	
SUBTOTAL - INSURANCE			\$ 13,176	\$ 14,510	\$ 15,697	\$ 15,898	\$ 15,697	0.0%	\$ -	
CHARITABLE CONTRIBUTIONS		10-5200-4900	\$ 29,906	\$ 300,000	\$ -		\$ -		\$ -	One-time FY24 Donation to Charitable Foundation
TOWN COMMITTEE SUPPORT		10-5200-4700	\$ 1,082	\$ 85	\$ 10,000	\$ -	\$ 2,000	-80.0%	\$ (8,000)	Expenses for meetings/activities of Town Committees
SUBTOTAL - OTHER			\$ 30,988	\$ 300,085	\$ 10,000	\$ -	\$ 2,000	-80.0%	\$ (8,000)	
TOTAL ADMINISTRATION			\$ 997,607	\$ 1,362,439	\$ 1,147,531	\$ 594,515	\$ 1,157,930	0.9%	\$ 10,399	
NON-DEPARTMENTAL EXPENDITURES										
DEBT SERVICE		ACCOUNT #	FY23 ACTUAL	FY24 ACTUAL	FY25 BUDGET	FY25 YTD	FY26 PROPOSED	% CHANGED	AMOUNT CHANGED	
GF DEBT SERVICE		10-5900-1015	\$ 276,448	\$ 439,796	\$ 777,000	\$ 748,456	\$ 777,000	0.0%	\$ -	Debt Service for Town Hall
TRANSFER TO CIP		10-5900-1515	\$ -	\$ -					\$ -	
TOTAL NON-DEPARTMENTAL			\$ 276,448	\$ 495,000	\$ 777,000	\$ 748,456	\$ 777,000	0.0%	\$ -	

TOWN OF MIDDLEBURG
FY 26 OPERATING BUDGET

BUILDINGS & GROUNDS

EXPENDITURES										
BUILDING EXPENSES	ACCOUNT #	FY23 ACTUAL	FY24 ACTUAL	FY25 BUDGET	FY25 YTD	FY26 ADOPTED	% CHANGED	AMOUNT CHANGED	Notes	
SUPPLIES	10-5210-5100	\$ 1,401	\$ 753	\$ 813	\$ 268	\$ 1,500	84.5%	\$ 687	Cleaning Contract for Town Hall; HVAC Contract; Other Maintenance Contracts	
REPAIRS & MAINTENANCE	10-5210-5200	\$ 25,062	\$ 19,944	\$ 45,000	\$ 11,811	\$ 45,000	0.0%	\$ -		
MINOR EQUIPMENT	10-5210-5300	\$ 180	\$ 760	\$ 5,000	\$ -	\$ 5,000	0.0%	\$ -		
GROUNDS/LANDSCAPE MAINTENANCE	10-5210-5350	\$ -	\$ 658	\$ 18,000	\$ 8,309	\$ 18,000	0.0%	\$ -	Landscaping for Town Hall	
ELECTRICAL SERVICES	10-5210-5400	\$ 2,912	\$ 22,217	\$ 24,000	\$ 24,204	\$ 24,000	0.0%	\$ -	Est. electricity use at new Town Hall	
HEATING FUEL	10-5210-5500	\$ 1,008	\$ 1,690	\$ 3,000	\$ 1,233	\$ 3,000	0.0%	\$ -	Est. gas use at new Town Hall	
TELEPHONE/INTERNET	10-5210-5600	\$ 5,250	\$ 9,312	\$ 13,000	\$ 6,417	\$ 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	\$ 11,286	\$ 10,234	\$ 12,000	\$ 2,625	\$ 12,000	0.0%	\$ -	Building Insurance; increased for Town Hall	
OTHER	10-5210-9900	\$ -	\$ -	\$ 500	\$ -	\$ 500	0.0%	\$ -		
TOTAL BUILDING EXPENSE		\$ 47,099	\$ 65,568	\$ 124,313	\$ 54,868	\$ 125,000	0.6%	\$ 687		

TOWN OF MIDDLEBURG

FY 26 OPERATING BUDGET

POLICE DEPARTMENT & PUBLIC SAFETY

EXPENDITURES										
<u>SALARY & OVERTIME</u>	<u>ACCOUNT #</u>	<u>FY23 ACTUAL</u>	<u>FY24 ACTUAL</u>	<u>FY25 AMENDED</u>	<u>FY25 YTD</u>	<u>FY26 ADOPTED</u>	<u>% CHANGED</u>	<u>AMOUNT CHANGED</u>	<u>Notes</u>	
POLICE SALARIES	10-5300-0100	\$ 537,611	\$ 519,590	\$ 621,771	\$ 342,294	\$ 658,168	6%	\$ 36,397	Public Safety Pay Plan adopted mid-year; 2.5% step increase included in FY26; removed staffing enhancements	
OVERTIME	10-5300-0500	\$ 35,074	\$ 45,339	\$ 30,000	\$ 33,207	\$ 20,000	-33%	\$ (10,000)	Reduced OT due to being fully staffed, but not as much as if new positions were included	
OTHER WAGES	10-5300-0600	\$ 36,135	\$ 7,309	\$ 30,000	\$ 10,450	\$ 20,000	-33%	\$ (10,000)	Reduced part-time officer hours due to being full staffed; includes Christmas in Middleburg coverage	
SUBTOTAL - SALARIES		\$ 608,820	\$ 572,237	\$ 681,771	\$ 385,951	\$ 698,168	2%	\$ 16,397		
<u>BENEFITS</u>										
HEALTH INSURANCE	10-5300-2115	\$ -	\$ 106,991	\$ 137,084	\$ 81,141	\$ 161,378	18%	\$ 24,294	Average increase of 1.65%	
VRS/ICMARC SYSTEM	10-5300-2125	\$ 101,254	\$ 84,511	\$ 102,406	\$ 50,158	\$ 107,144	5%	\$ 4,738	VRS Rates based on actuarial determination	
FICA	10-5300-2020	\$ 44,439	\$ 41,597	\$ 50,057	\$ 27,983	\$ 53,033	6%	\$ 2,976		
WORKER'S COMP	10-5300-3000	\$ 18,585	\$ 16,116	\$ 18,018	\$ 21,249	\$ 22,000	22%	\$ 3,982	Actual Rates from VRSA	
SUBTOTAL - BENEFITS		\$ 164,278	\$ 249,215	\$ 307,565	\$ 180,531	\$ 343,556	12%	\$ 35,991		
<u>OPERATIONS</u>										
INSURANCE AUTO	10-5300-1000	\$ 7,162	\$ 6,772	\$ 10,000	\$ 3,952	\$ 10,000	0%	\$ -	For PD Vehicles	
POLICE PROF/LIAB INSURANCE	10-5300-1010	\$ 3,939	\$ 4,356	\$ 9,400	\$ 2,275	\$ 9,400	0%	\$ -	LODA and Law Enforcement Liability	
ATTORNEY	10-5300-2100	\$ 120	\$ -	\$ 3,400	\$ -	\$ 3,400	0%	\$ -		
COURT FEES	10-5300-6150	\$ -	\$ 120	\$ 1,000	\$ 120	\$ 1,000	0%	\$ -		
ADVERTISING	10-5300-2300	\$ -	\$ 245	\$ 600	\$ 59	\$ 600	0%	\$ -		
PROFESSIONAL DEVELOPMENT	10-5300-3300	\$ 8,576	\$ 12,306	\$ 14,000	\$ 6,585	\$ 14,000	0%	\$ -		
EQUIPMENT & SUPPLIES	10-5300-4100	\$ 9,297	\$ 32,786	\$ 12,751	\$ 5,690	\$ 21,000	65%	\$ 8,249	RADAR units are 20+ years old; replace half this year and half next year. Also, other critical equipment for PD activities.	
FIRE ARMS & SUPPLIES	10-5300-4400	\$ 2,924	\$ 3,788	\$ 7,600	\$ 6,542	\$ 6,500	-14%	\$ (1,100)	Ammunition for guns and qualification	
OFFICE SUPPLIES	10-5300-4800	\$ 3,472	\$ 1,552	\$ 4,400	\$ 532	\$ 3,500	-20%	\$ (900)		
OFFICE RENTAL	10-5300-4700	\$ 47,492	\$ 23,746	\$ -	\$ -	\$ -	-	\$ -	No longer leasing office space	
SUBSCRIPTION/PUBLICATION	10-5300-5100	\$ 12	\$ 1,570	\$ 2,500	\$ 1,969	\$ 2,500	0%	\$ -	Memberships and Dues	
PRINTING	10-5300-4300	\$ 168	\$ 318	\$ 750	\$ 282	\$ 750	0%	\$ -	Costs for Xerox Printers for PD	
EQUIP. & SOFTWARE MAINTENANCE	10-5300-5200	\$ 22,281	\$ 21,917	\$ 24,408	\$ 6,746	\$ 27,500	13%	\$ 3,092	Costs related to PowerDMS, Handheld Parking Ticket System and Accident Drawing System	
CELL PHONES AND MOBILE HOTSPOTS	10-5300-5600	\$ 8,820	\$ 7,314	\$ 2,700	\$ 2,943	\$ 3,000	11%	\$ 300	Costs for cell phones and mobile hotspots; Internet/Office Phones moved to Building	
UNIFORMS & WEARING APPAREL	10-5300-7100	\$ 3,598	\$ 5,537	\$ 8,000	\$ 1,248	\$ 7,700	-4%	\$ (300)	For replacement of uniforms	
VEHICLE & POWERED EQUIP. FUEL	10-5300-8100	\$ 16,688	\$ 15,431	\$ 20,000	\$ 7,437	\$ 20,000	0%	\$ -	Gas increase for take-home program	
VEHICLE MAINTENANCE	10-5300-8101	\$ 7,347	\$ 3,740	\$ 22,600	\$ 2,558	\$ 22,600	0%	\$ -	Increased maintenance for take-home program	
SPECIAL EVENTS	10-5300-8600	\$ 7,481	\$ 5,697	\$ 6,500	\$ 6,293	\$ 7,000	8%	\$ 500	Some costs offset by donations and sponsors	
DMV STOP FEES	10-5300-8700	\$ 1,425	\$ 1,205	\$ 1,500	\$ 50	\$ 1,500	0%	\$ -	Fees are reimbursed by offender	
OTHER	10-5300-9900	\$ 637	\$ 1,729	\$ 2,500	\$ 1,497	\$ 3,000	20%	\$ 500		
SUBTOTAL - OPERATIONS		\$ 151,439	\$ 150,127	\$ 154,609	\$ 56,780	\$ 164,950	7%	\$ 10,341		
PUBLIC SAFETY TOTAL		\$ 924,537	\$ 971,580	\$ 1,143,945	\$ 623,262	\$ 1,206,674	5%	\$ 62,729		

TOWN OF MIDDLEBURG
FY 26 OPERATING BUDGET

MAINTENANCE

EXPENDITURES										
		FY23	FY24	FY25	FY25	FY26	%	AMOUNT		
		ACTUAL	ACTUAL	BUDGET	YTD	ADOPTED	CHANGED	CHANGED	Notes	
SUPERINTENDENT'S SALARY	10-5400-0100	\$ 76,672	\$ 80,489	\$ 83,820	\$ 49,240	\$ 86,779	4%	\$ 2,959		
OVERTIME	10-5400-0500	\$ -	\$ 521	\$ 2,000	\$ 1,644	\$ 2,000	0%	\$ -		
FICA	10-5400-2020	\$ 5,663	\$ 5,979	\$ 6,412	\$ 3,755	\$ 6,639	4%	\$ 227		
VRS	10-5400-2125	\$ 15,550	\$ 15,143	\$ 14,302	\$ 8,608	\$ 14,830	4%	\$ 528	VRS Rates based on actuarial determination	
WORKERS COMP	10-5400-2200	\$ 875	\$ 1,000	\$ 1,000	\$ 1,096	\$ 1,000	0%	\$ -		
SUBTOTAL - SALARY & BENEFITS		\$ 98,760	\$ 103,133	\$ 107,534	\$ 64,343	\$ 111,247	3%	\$ 3,713		
OPERATIONS										
REFUSE DISPOSAL	10-5400-2500	\$ 120,538	\$ 127,616	\$ 145,065	\$ 79,052	\$ 135,000	-7%	\$ (10,065)	New rate in effect through 6/30/26; increases may occur due to addition of homes in town	
INSURANCE AUTO/LIABILITY	10-5400-2100	\$ 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	\$ 3,586	\$ 4,490	\$ 5,000	\$ 1,185	\$ 5,000	0%	\$ -		
EQUIPMENT	10-5400-5101	\$ 21	\$ 895	\$ 2,000	\$ 11	\$ 2,000	0%	\$ -		
REPAIRS/MAINTENANCE.	10-5400-5200	\$ 4,674	\$ 14,064	\$ 20,000	\$ 4,417	\$ 20,000	0%	\$ -	Major sidewalk repairs/improvements are in CIP	
ELECTRICITY - SHOP	10-5400-5400	\$ 1,020	\$ 1,405	\$ 1,200	\$ 534	\$ 1,200	0%	\$ -		
ELECTRICITY ST. LIGHTS	10-5400-5401	\$ 14,732	\$ 13,785	\$ 16,000	\$ 8,542	\$ 16,000	0%	\$ -		
TELEPHONE/PAGER	10-5400-5600	\$ 541	\$ 375	\$ 550	\$ 250	\$ 550	0%	\$ -		
SNOW REMOVAL	10-5400-6100	\$ -	\$ 2,775	\$ 20,000	\$ 503	\$ 20,000	0%	\$ -		
STREET CLEANING	10-5400-6200	\$ 12,051	\$ 13,055	\$ 13,000	\$ 7,030	\$ 13,000	0%	\$ -		
PART-TIME CONTRACT LABOR	10-5400-0200	\$ 15,190	\$ 5,755	\$ 22,000	\$ 6,415	\$ 22,000	0%	\$ -		
LANDSCAPE MAINTENANCE	10-5400-6300	\$ 45,252	\$ 42,266	\$ 80,000	\$ 13,267	\$ 101,000	26%	\$ 21,000	Increased for contribution to Beautification Cmte for landscaping along Washington St.; Project to Enhance Gateway Signs with Landscaping	
LIBERTY ST. PARKING LOT & RESTROOMS	10-5400-6500	\$ 5,185	\$ 5,389	\$ 5,000	\$ 750	\$ 5,000	0%	\$ -		
WATER & SEWER-RESTROOMS	10-5400-7000	\$ 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	\$ -	\$ -	-100%	\$ (25,000)	Recommend funding from Fund Balance when necessary. Only used once since enacted.	
MUNICIPAL PARKING LOT RENTAL	10-5400-6600	\$ 6,904	\$ 7,151	\$ 7,405	\$ 7,406	\$ 7,700	4%	\$ 295	Per Lease with Methodist Church	
DOWNTOWN STREET LIGHTS	10-5400-6650	\$ 1,204	\$ 1,106	\$ 1,500	\$ 652	\$ 1,500	0%	\$ -		
BUILDING & EQUIPMENT INSURANCE	10-5400-6700	\$ 3,930	\$ -	\$ 4,000	\$ 4,514	\$ 4,000	0%	\$ -		
UNIFORMS & WEARING APPAREL	10-5400-7100	\$ 325	\$ -	\$ 250	\$ -	\$ 250	0%	\$ -		
VEHICLE FUEL	10-5400-8100	\$ 1,266	\$ 935	\$ 3,000	\$ 617	\$ 3,000	0%	\$ -	Uncertain gas prices	
VEHICLE MAINTENANCE	10-5400-8101	\$ 834	\$ 417	\$ 1,000	\$ 386	\$ 1,000	0%	\$ -		
OTHER	10-5400-9900	\$ -	\$ 253	\$ 1,000	\$ 420	\$ 1,000	0%	\$ -		
SUBTOTAL - OPERATIONS		\$ 267,816	\$ 241,733	\$ 376,970	\$ 135,952	\$ 363,200	-4%	\$ (13,770)		
MAINTENANCE TOTAL		\$ 366,576	\$ 344,865	\$ 484,504	\$ 200,295	\$ 474,447	-2%	\$ (10,057)		

TOWN OF MIDDLEBURG
FY 26 OPERATING BUDGET

PLANNING AND ZONING

EXPENDITURES										
	ACCOUNT #	FY23 ACTUAL	FY24 ACTUAL	FY25 BUDGET	FY25 YTD	FY26 ADOPTED	% CHANGED	AMOUNT CHANGED	Notes	
<u>SALARY & BENEFITS</u>										
SALARY	10-5500-0600	\$ 176,115	\$ 179,932	\$ 201,006	\$ 84,466	\$ 217,902	8.4%	\$ 16,896		
VRS - ZONING	10-5500-2125	\$ 37,295	\$ 31,696	\$ 35,832	\$ 16,928	\$ 38,658	7.9%	\$ 2,826	VRS Rates based on actuarial determination	
WORKER'S COMP	10-5500-2010	\$ 125	\$ 125	\$ 125	\$ 137	\$ 125	0.0%	\$ -		
FICA - ZONING	10-5500-2020	\$ 13,482	\$ 13,803	\$ 15,377	\$ 6,493	\$ 16,669	8.4%	\$ 1,292		
SUBTOTAL - SALARY & BENEFITS		\$ 227,017	\$ 225,557	\$ 252,340	\$ 108,024	\$ 273,354	8.3%	\$ 21,014		
<u>CONSULTING & ADMINISTRATIVE</u>										
ATTORNEY	10-5500-2100	\$ -	\$ -	\$ 9,000	\$ -	\$ 9,000	0.0%	\$ -		
ENGINEERING/CONSULTING	10-5500-2200	\$ 20,157	\$ 19,619	\$ 50,000	\$ 3,795	\$ 75,000	50.0%	\$ 25,000	Minor review and update to Comp Plan; Review of Townwide Infrastructure Needs; Expenses to review development plans	
ADVERTISING	10-5500-2300	\$ 156	\$ 164	\$ 1,500	\$ 114	\$ 1,500	0.0%	\$ -		
PROFESSIONAL DEVELOPMENT	10-5500-3100	\$ 2,112	\$ 3,321	\$ 3,000	\$ 926	\$ 3,000	0.0%	\$ -		
TRAINING	10-5500-3300	\$ 326	\$ 1,033	\$ 5,000	\$ 1,550	\$ 5,000	0.0%	\$ -	Includes costs for Certified Planning Commissioner course and meetings for new appointees	
MEMBERSHIP & PUBLICATIONS	10-5500-3200	\$ 1,364	\$ 810	\$ 1,650	\$ 884	\$ 1,650	0.0%	\$ -		
OFFICE SUPPLIES	10-5500-4100	\$ 97	\$ 97	\$ 200	\$ 289	\$ 200	0.0%	\$ -		
OTHER	10-5500-9900	\$ -	\$ 25	\$ 100	\$ -	\$ 100	0.0%	\$ -		
SUBTOTAL - ADMINISTRATIVE		\$ 24,212	\$ 25,069	\$ 70,450	\$ 7,557	\$ 95,450	35.5%	\$ 25,000		
								\$ -		
PLANNING & ZONING TOTAL		\$ 251,229	\$ 250,626	\$ 322,790	\$ 115,581	\$ 368,804	14.3%	\$ 46,014		

TOWN OF MIDDLEBURG
FY 26 OPERATING BUDGET

ECONOMIC DEVELOPMENT

EXPENDITURES										
<u>ADMINISTRATION</u>		ACCOUNT #	FY23 ACTUAL	FY24 ACTUAL	FY25 BUDGET	FY25 YTD	FY26 ADOPTED	% CHANGED	AMOUNT CHANGED	Notes
ECON. DEV. SALARY	10-5600-0100	\$	91,460	\$ 98,540	\$ 100,922	\$ 59,389	\$ 106,031	5.1%	\$ 5,109	
FICA	10-5600-2020	\$	6,988	\$ 7,549	\$ 7,721	\$ 4,550	\$ 8,111	5.1%	\$ 390	
WORKERS COMP	10-5600-2030	\$	125	\$ 125	\$ 125	\$ 137	\$ 125	0.0%	\$ -	
VRS/ICMARC	10-5600-2125	\$	18,759	\$ 15,727	\$ 19,813	\$ 12,811	\$ 20,656	4.3%	\$ 843	VRS Rates based on actuarial determination
OFFICE SUPPLIES	10-5600-4100	\$	273	\$ 397	\$ 1,000	\$ 104	\$ 250	-75.0%	\$ (750)	
DUES & ASSOC. MEMBERSHIPS	10-5600-3200	\$	595	\$ 1,548	\$ 1,000	\$ 120	\$ 1,300	30.0%	\$ 300	
PROFESSIONAL DEVELOPMENT	10-5600-3100	\$	180	\$ 4,950	\$ 1,500	\$ -	\$ 1,500	0.0%	\$ -	IEDC courses planned for 2025-2026
SUBTOTAL - ADMINISTRATIVE			\$ 118,380	\$ 128,837	\$ 132,081	\$ 77,111	\$ 137,973	4.5%	\$ 5,892	
<u>MARKETING</u>										Staff broke out marketing into separate line items:
PUBLIC RELATIONS	10-5600-2300	\$	8,411	\$ 8,450	\$ 19,000	\$ -	\$ 14,000	0.0%	\$ (5,000)	PR Firm and Public Relations Efforts
SOCIAL MEDIA CONTRACT	10-5600-3300	\$	49,050	\$ 48,799	\$ 48,000	\$ 37,400	\$ 54,000	0.0%	\$ 6,000	Contractual increases
ADVERTISING & MARKETING	10-5600-2200	\$	47,023	\$ 24,833	\$ 45,000	\$ 22,909	\$ 51,000	13.3%	\$ 6,000	Social Media paid ads and print/digital ads; contractual increases
MEDIA & CONTENT CREATION	10-5600-2400	\$	26	\$ 390	\$ 16,000	\$ -	\$ 16,000	0.0%	\$ -	Photography, video, and out of scope content creation
MARKETING COLLATERAL	10-5600-4200	\$	18,590	\$ 1,427	\$ 10,000	\$ 239	\$ 10,000	0.0%	\$ -	Branded items; giveaways; promotional materials
SUBTOTAL - MARKETING			\$ 123,100	\$ 83,899	\$ 138,000	\$ 60,548	\$ 145,000	5.1%	\$ 7,000	
<u>ECONOMIC DEVELOPMENT PROGRAM</u>										
ECON. DEV. PARTNERS	10-5600-3001	\$	62,807	\$ 65,400	\$ 70,000	\$ 30,000	\$ 70,000	0.0%	\$ -	MOA with Visit Loudoun; Support of MBPA (including Christmas activities with MBPA)
BUSINESS SUPPORT MEETING EXPENSES	10-5600-2120	\$	1,545	\$ 160	\$ 4,000	\$ -	\$ 2,500	-37.5%	\$ (1,500)	Business Supportive trainings and outreach events; in collaboration with MBPA
CONSULTING SERVICES	10-5600-NEW	\$	-	\$ -	\$ -	\$ -	\$ 10,000		\$ 10,000	Consulting services; data services
SUBTOTAL - ED PROGRAM			\$ 64,352	\$ 65,560	\$ 74,000	\$ 30,000	\$ 82,500	11.5%	\$ 8,500	
(continued on next page)										

TOWN OF MIDDLEBURG
FY 26 OPERATING BUDGET

EXPENDITURES - ECONOMIC DEV CONTINUED										
	TOURISM EVENTS	ACCOUNT #	FY23 ACTUAL	FY24 ACTUAL	FY25 BUDGET	FY25 YTD	FY26 ADOPTED	% CHANGED	AMOUNT CHANGED	
	OKTOBERFEST	10-5600-3010	\$ 36,700	\$ 21,948	\$ 30,000	\$ 20,629	\$ 35,000	16.7%	\$ 5,000	
	1000 MIGLIA	10-5600-3062	\$ 105,000	\$ 109,108	\$ 95,000	\$ 139,249	\$ -	-100.0%	\$ (95,000)	Removed as 1000Miglia not expected to return in 2025
	CHRISTMAS IN MIDDLEBURG	10-5600-3000	\$ 23,491	\$ -	\$ 10,000	\$ 10,415	\$ 10,000		\$ -	Sponsorship of CIM if Requested
	MIDDLEBURG FILM FESTIVAL	10-5600-3050	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	0.0%	\$ -	Producer's Circle Sponsor
	EVENT AGENCY / ACTIVATION	10-5600-3005	\$ 70,000	\$ 69,121	\$ 75,000	\$ 35,682	\$ 80,000	6.7%	\$ 5,000	Event Management Firm to support Town-run events; includes Independence Day and Middleburg Day
	EVENTS GRANTS & SPONSORSHIPS	10-5600-2915	\$ 32,140	\$ 9,675	\$ 46,000	\$ 4,100	\$ 25,000	-45.7%	\$ (21,000)	Funds to support non-profit events around the area through Town's Grant / Sponsorship Policy
	VCA GRANT PROGRAM	10-5600-2925	\$ 11,000	\$ -	\$ 9,000	\$ -	\$ 9,000	0.0%	\$ -	VCA Grant from state; \$4,500 offset by grant revenue
	SUBTOTAL - EVENTS		\$ 293,331	\$ 224,852	\$ 280,000	\$ 225,075	\$ 174,000	-37.9%	\$ (106,000)	
	CONTINGENCY & OTHER	10-5600-9950	\$ 84	\$ 2,208	\$ 2,000	\$ -	\$ 2,000	0.0%	\$ -	Reduce contingency; future needs to be brought to Council for approval
	ECONOMIC DEVELOPMENT TOTAL		\$ 599,247	\$ 505,355	\$ 626,081	\$ 392,734	\$ 541,473	-13.5%	\$ (84,608)	

TOWN OF MIDDLEBURG
FY 26 OPERATING BUDGET

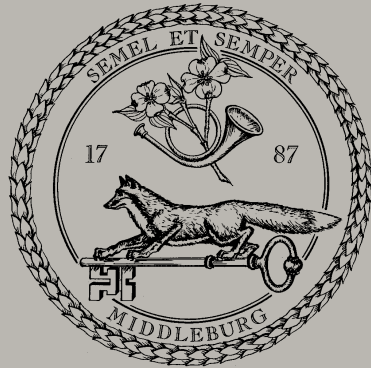
COMMUNITY ENGAGEMENT AND EVENTS

EXPENDITURES										
<u>COMMUNITY EVENTS</u>	ACCOUNT #	FY23 ACTUAL	FY24 ACTUAL	FY25 BUDGET	FY25 YTD	FY26 ADOPTED	% CHANGED	AMOUNT CHANGED	Notes	
INDEPENDENCE DAY	10-5600-3061	\$ 22,500	\$ 26,964	\$ 30,000	\$ 29,676	\$ 31,000	3.3%	\$ 1,000	Increase in cost of Fireworks; \$5,000 for event expenses	
WELLNESS DAY	10-5600-3063	\$ -	\$ 3,783	\$ 10,000	\$ 900	\$ 10,000	0.0%	\$ -		
MIDDLEBURG DAY/FOUNDER'S DAY	10-5600-3064	\$ -	\$ 19,092	\$ 20,000	\$ 7,667	\$ 25,000	25.0%	\$ 5,000	Continuation of new event to celebrate history of Middleburg and bring community together	
ART IN THE BURG	10-5600-2700	\$ 9,968	\$ 12,913	\$ 15,000	\$ 250	\$ 20,000	33.3%	\$ 5,000	Costs increased for additional activities and expansion of day	
JUNETEENTH	10-5600-NEW			\$ -	\$ -	\$ 10,000		\$ 10,000	Town funding of food / speakers for Juneteenth event at Town Hall	
BURNS DAY	10-5600-NEW			\$ -	\$ -	\$ 15,000		\$ 15,000	PROPOSED NEW EVENT	
OTHER EVENT EXPENSES	10-5600-3066	\$ -	\$ 1,364	\$ 2,500	\$ 1,043	\$ 2,500	0.0%	\$ -	Holiday Events (non-parade); Misc Expenses	
SUBTOTAL - COMMUNITY EVENTS		\$ 32,468	\$ 64,116	\$ 77,500	\$ 39,536	\$ 113,500	46.5%	\$ 36,000		
<u>COMMUNITY SUPPORT AND ENGAGEMENT</u>										
INFRASTRUCTURE GRANTS	10-5600-2250		\$ -	\$ 30,000	\$ -	\$ 15,000		\$ (15,000)	Per Revised Grant Policy	
FARMERS MARKET	10-5600-2600	\$ 3,400	\$ 8,134	\$ 15,000	\$ 7,799	\$ 40,000	0.0%	\$ 25,000	Investment in farmers market to draw more vendors and visitors	
SUBTOTAL - COMMUNITY ENGAGEMENT		\$ 3,400	\$ 8,134	\$ 45,000	\$ 7,799	\$ 55,000	22.2%	\$ 10,000		
COMMUNITY EVENTS AND ENGAGEMENT TOTAL		\$ 35,868	\$ 72,249	\$ 122,500	\$ 47,335	\$ 168,500	37.6%	\$ 46,000		

TOWN OF MIDDLEBURG
FY 26 CAPITAL IMPROVEMENT BUDGET

CAPITAL IMPROVEMENT FUND - GENERAL FUND

EXPENDITURES											
CAPITAL EXPENDITURES	ACCOUNT #	TOTAL PROJECT \$\$	PRIOR APPROPS.	EXPEND. TO-DATE	REMAINS TO-DATE	FY26 ADOPTED	FY27 PROJ	FY28 PROJ	FY29 PROJ	FY30 PROJ	5-YR TOTAL
GENERAL FUND											
ASBURY CHURCH RENOVATIONS	15-6100-6960	\$ 1,500,000	\$ 1,050,000	\$ 38,712	\$ 1,011,288	\$ -	\$ 450,000	\$ -	\$ -	\$ -	\$ 450,000
MAINTENANCE AND STORAGE FACILITY	15-6100-6910	\$ -	\$ -	\$ -	\$ -	TBD	\$ -	\$ -		\$ -	\$ -
TOWN HALL PROJECT*	15-6100-9300	\$ 13,000,000	\$ 12,750,000	\$ 12,551,983	\$ 198,017	\$ 250,000	\$ -	\$ -		\$ -	\$ 250,000
TOWNWIDE IMPROVEMENTS	15-6100-9000	\$ 115,604	\$ 115,604	\$ 90,306	\$ 25,298	\$ -	\$ -	\$ -		\$ -	\$ -
SOUTH MADISON STREET	15-6100-NEW	\$ 1,500,000	\$ 750,000	\$ 51,725	\$ 698,275		\$ 750,000	\$ -		\$ -	\$ 750,000
SIDEWALK IMPROVEMENTS	15-6100-NEW	\$ 480,000	\$ -	\$ -		\$ 90,000	\$ 90,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 480,000
SUBTOTAL - CAPITAL PROJECTS		\$ 16,595,604	\$ 14,665,604	\$ 12,732,726	\$ 1,932,878	\$ 340,000	\$ 1,290,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 1,930,000
FLEET REPLACEMENT											
POLICE DEPT. FLEET	15-6100-4410	\$ 490,000	\$ 365,000	\$ 323,741	\$ 41,259	\$ -	\$ -	\$ 60,000	\$ -	\$ 65,000	\$ 125,000
MAINTENANCE FLEET	15-6100-4420	\$ 60,000	\$ 60,000	\$ 44,620	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
SUBTOTAL - FLEET REPLACEMENT		\$ 550,000	\$ 425,000	\$ 368,361	\$ 41,259	\$ -	\$ -	\$ 60,000	\$ -	\$ 65,000	\$ 125,000
TOTAL EXPENDITURES - GF CIP		\$ 17,145,604	\$ 15,090,604			\$ 340,000	\$ 1,290,000	\$ 160,000	\$ 100,000	\$ 165,000	\$ 2,055,000
REVENUES FOR CAPITAL*	ACCOUNT #	PRIOR FISCAL YRS				FY26 PROPOSED	FY27 PROJ	FY28 PROJ	FY29	FY30 PROJ	5-YR TOTAL
GRANT FUNDING	15-3100-0004	\$ 2,500,000				\$ -	\$ 1,000,000	\$ -		\$ -	\$ 1,000,000
CASH FUNDING/INTEREST INCOME	15-3400-0300	\$ 2,470,604				\$ -		\$ 60,000	\$ -	\$ 65,000	\$ 125,000
USE OF PRIOR YEAR SURPLUS/PROCEEDS ON BORROWING	15-3800-MISC	\$ 120,000				\$ 340,000	\$ 290,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 930,000
DEBT FINANCING	15-3400-0200	\$ 10,000,000				\$ -	\$ -	\$ -		\$ -	\$ -
TOTAL CAPITAL FUNDING		\$ 15,090,604				\$ 340,000	\$ 1,290,000	\$ 160,000	\$ 100,000	\$ 165,000	\$ 2,055,000
* 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; FY26 funds set as contingency placeholder for project closeout and litigation											



TOWN OF MIDDLEBURG ADOPTED BUDGET

FY 2026

UTILITY FUND



TOWN OF MIDDLEBURG
FY 26 UTILITY FUND OPERATING BUDGET

UTILITY REVENUES										Notes
OPERATING REVENUE - WATER		ACCOUNT #	FY23 ACTUAL	FY24 ACTUAL	FY25 BUDGET	FY25 YTD	FY26 ADOPTED	% CHANGE FROM FY25	AMOUNT CHANGED	
WATER USER FEES		30-3500-0100	\$ 688,207	\$ 802,414	\$ 706,346	\$ 430,000	\$ 826,486	17.0%	\$ 120,140	Increased rates by 3% - FY24/25 consumption increased significantly. Planning no change in consumption for FY26 4% interest on \$1.5M in investments
WATER AVAIL/CONNECT FEE		30-3500-0200,0300	\$ 14,100	\$ 28,235	\$ -	\$ -	\$ -		\$ -	
INTEREST		30-3110-0000	\$ 36,994	\$ 61,418	\$ 30,000	\$ 24,152	\$ 60,000	100.0%	\$ 30,000	
MISCELLANEOUS - WATER		30-3510-2000	\$ 44,850	\$ 1,435	\$ 7,500	\$ 2,945	\$ 7,500	0.0%	\$ -	
SUBTOTAL - WATER			\$ 784,151	\$ 893,502	\$ 743,846	\$ 457,097	\$ 893,986	20.2%	\$ 150,140	
OPERATING REVENUE - SEWER										Increased rates by 3% - FY24/25 consumption increased significantly. Planning no change in consumption for FY26
SEWER USER FEES		30-3700-0100	\$ 665,837	\$ 789,483	\$ 693,971	\$ 432,223	\$ 813,168	17.2%	\$ 119,197	
SEWER AVAIL/CONNECT FEE		30-3700-0200,0300	\$ 13,400	\$ 26,800	\$ -	\$ -	\$ -		\$ -	
SUBTOTAL - SEWER			\$ 679,237	\$ 816,283	\$ 693,971	\$ 432,223	\$ 813,168	17.2%	\$ 119,197	
TOWER LEASE REVENUE										
AT&T		30-3600-0200	\$ 42,660	\$ 46,682	\$ 48,144	\$ 25,672	\$ 54,283	12.7%	\$ 6,138	
T-MOBILE		30-3600-0500	\$ 43,161	\$ 40,179	\$ 48,094	\$ 28,740	\$ 50,535	5.1%	\$ 2,441	
VERIZON		30-3600-0600	\$ 39,466	\$ 39,719	\$ 44,424	\$ 22,666	\$ 45,332	2.0%	\$ 908	
SUBTOTAL - TOWER REVENUES			\$ 125,287	\$ 126,579	\$ 140,662	\$ 77,078	\$ 150,150	6.7%	\$ 9,488	
SUBTOTAL - REVENUES			\$ 1,588,675	\$ 1,836,365	\$ 1,578,479	\$ 966,398	\$ 1,857,304	17.7%	\$ 278,825	
TRANSFER - GENERAL FUND				\$ -	\$ -	\$ -	\$ -		\$ -	
2015 BOND PROCEEDS		30-3900-5000		\$ -	\$ -	\$ -	\$ -		\$ -	
TOTAL OPERATING REVENUES			\$ 1,588,675	\$ 1,836,365	\$ 1,578,479	\$ 966,398	\$ 1,857,304	17.7%	\$ 278,825	

TOWN OF MIDDLEBURG
FY 26 UTILITY FUND OPERATING BUDGET

ADMINISTRATION & SOFT COSTS

CONTRACT SERVICES	ACCOUNT #	FY23 ACTUAL	FY24 ACTUAL	FY25 BUDGET	FY25 YTD	FY26 ADOPTED	% CHANGED	AMOUNT CHANGED	Notes
OPERATIONS CONTRACT	30-5110-2500	\$ 302,229	\$ 308,274	\$ 315,419	\$ 156,178	\$ 321,727	2.0%	\$ 6,308	Per contract with IES - 2% annual escalator
OTHER CONTRACT SERVICES	30-5110-2600	\$ 6,798	\$ 53,126	\$ 30,000	\$ 55,216	\$ 50,000	66.7%	\$ 20,000	Use of IES and other contracted staff for emergency response and as-needed support
ENGINEERING	30-5110-2200	\$ 59,471	\$ 4,180	\$ 20,000	\$ 12,763	\$ 20,000	0.0%	\$ -	Task-order engineering support
TANK MAINTENANCE CONTRACT	30-5100-2500	\$ 9,403	\$ 21,603	\$ 21,603	\$ 22,035	\$ 22,946	6.2%	\$ 1,343	Per contract with Utility Services/SUEZ
Subtotal - Contract Services		\$ 377,901	\$ 387,182	\$ 387,022	\$ 246,192	\$ 414,673	7.1%	\$ 27,651	
ADMINISTRATION									
STAFF SALARIES - CHARGE TO UF	30-5110-2700, 2800	\$ 42,642	\$ 39,171	\$ 59,698	\$ 24,810	\$ 60,365	1.1%	\$ 667	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	\$ 3,011	\$ 4,567	\$ 1,898	\$ 4,618	1.1%	\$ 51	
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	\$ 340	\$ 1,500	0.0%	\$ -	
OFFICE SUPPLIES	30-6400-4100	\$ 318	\$ 213	\$ 1,000	\$ 393	\$ 1,000	0.0%	\$ -	
UTILITY BILLING ABSORB FEES	30-6400-4200	\$ 5,027	\$ 4,905	\$ 5,200	\$ 3,555	\$ 5,200	0.0%	\$ -	Town covers the \$1.25 eCheck fee for online payments; approx half of bills paid via echeck
SOFTWARE	30-6400-4400	\$ 4,597	\$ 2,475	\$ 2,800	\$ -	\$ 2,800	0.0%	\$ -	Increase due to radio-read system for meters
SCADA SUPPORT SERVICES	30-6400-4000	\$ -	\$ 45,227	\$ 30,000	\$ 29,223	\$ 30,000	-	\$ -	Programming and support of communications for all utility infrastructure
POSTAGE	30-6400-4300	\$ 1,292	\$ 1,501	\$ 1,800	\$ 912	\$ 1,800	0.0%	\$ -	Fewer bills mailed due to online billing system
Subtotal - Administration		\$ 64,634	\$ 103,503	\$ 118,564	\$ 61,131	\$ 119,283	0.6%	\$ 718	
INSURANCE									
LIABILITY INSURANCE	30-6600-0011	\$ 1,588	\$ 903	\$ 1,588	\$ 243	\$ 1,588	0.0%	\$ -	
PROPERTY INSURANCE	30-6600-0015	\$ 10,000	\$ 9,587	\$ 10,250	\$ 19,043	\$ 10,250	0.0%	\$ -	
Subtotal - Insurance		\$ 11,588	\$ 10,490	\$ 11,838	\$ 19,286	\$ 11,838	0.0%	\$ -	
DEBT SERVICE									
2020 A/B LINE OF CREDIT	30-6720-3000	\$ 23,891	\$ 23,891	\$ 23,891	\$ 11,946	\$ -	-100.0%	\$ (23,891)	LOC to be re-structured or termed out; future debt service TBD with guidance from Fin. Advisor
2020 C REFUNDING	30-2032-0000	\$ 103,000	\$ 99,955	\$ 140,654	\$ 119,853	\$ 135,784	-3.5%	\$ (4,870)	
2020 D REFUNDING	30-2033-0000	\$ 128,000	\$ 129,000	\$ 148,120	\$ -	\$ 152,724	3.1%	\$ 4,604	
PLACEHOLDER FOR NEW DEBT	TBD				\$ -	\$ 50,000		\$ 50,000	Placeholder amount
Subtotal - Debt Service		\$ 254,891	\$ 252,846	\$ 312,665	\$ 131,798	\$ 288,508	-7.7%	\$ (24,157)	
TOTAL ADMIN. & SOFT COST		\$ 709,014	\$ 754,022	\$ 830,089	\$ 458,407	\$ 834,302	0.5%	\$ 4,213	

TOWN OF MIDDLEBURG
FY 26 UTILITY FUND OPERATING BUDGET

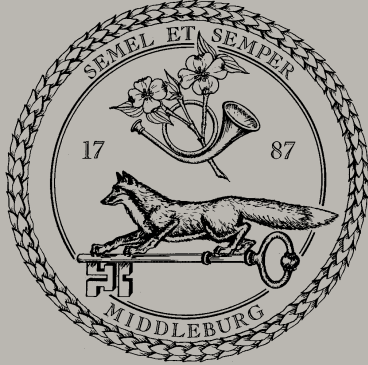
OPERATIONS & MAINTENANCE COSTS/SUMMARY

		FY23	FY24	FY25	FY25	FY26	%	AMOUNT	Notes
WATER OPERATIONS & MAINTEN.	ACCOUNT #	ACTUAL	ACTUAL	BUDGET	YTD	ADOPTED	CHANGED	CHANGED	
CHEMICAL SUPPLIES	30-6400-5100	\$ 18,882	\$ 32,496	\$ 60,000	\$ 29,132	\$ 60,000	0.0%	\$ -	Uncertainty in costs due to tariffs, fuel, and economy; more chemicals used with Well 4 in operation
EQUIPMENT/SUPPLIES-WATER	30-6400-5200	\$ 16,295	\$ 26,832	\$ 12,000	\$ 8,358	\$ 12,000	0.0%	\$ -	
EQUIPMENT MAINTENANCE	30-6400-5301	\$ 29,142	\$ 39,610	\$ 38,000	\$ 14,988	\$ 38,000	0.0%	\$ -	
LINE/SYSTEM MAINTENANCE.	30-6400-5302	\$ 22,605	\$ 27,219	\$ 26,750	\$ 26,954	\$ 28,000	4.7%	\$ 1,250	Costs for regular water line breaks and system maintenance
ELECTRICITY -WATER	30-6400-5400	\$ 39,880	\$ 45,376	\$ 38,500	\$ 22,794	\$ 42,000	9.1%	\$ 3,500	
INTERNET - WATER	30-6400-5600	\$ 1,819	\$ 1,813	\$ 2,500	\$ 1,027	\$ 2,500	0.0%	\$ -	
TESTING - WATER	30-6400-5700	\$ 10,260	\$ 1,982	\$ 8,000	\$ 980	\$ 8,000	0.0%	\$ -	
PROPANE	30-6400-8100	\$ 1,000	\$ 1,000	\$ 1,500	\$ -	\$ 1,500	0.0%	\$ -	Anticipating fuel cost increase
OTHER - WATER	30-6400-9900	\$ 8,994	\$ 4,061	\$ 4,000	\$ 11,695	\$ 4,000	0.0%	\$ -	
TOTAL WATER O & M		\$ 148,877	\$ 180,390	\$ 191,250	\$ 115,929	\$ 196,000	2.5%	\$ 4,750	
SEWER OPERATIONS & MAINTEN.									
CHEMICAL SUPPLIES	30-6410-5100	\$ 31,279	\$ 38,263	\$ 37,500	\$ 21,531	\$ 40,000	6.7%	\$ 2,500	Uncertainty in costs due to tariffs, fuel, and economy
EQUIPMENT/SUPPLIES	30-6410-5200	\$ 2,355	\$ 39,249	\$ 12,500	\$ 3,968	\$ 12,500	0.0%	\$ -	
EQUIPMENT MAINTENANCE	30-6410-5301	\$ -	\$ 26,475	\$ 15,000	\$ 12,250	\$ 15,000	0.0%	\$ -	
LINE/SYSTEM MAINTENANCE	30-6410-5302	\$ 6,853	\$ 15,995	\$ 12,500	\$ 24,936	\$ 12,500	0.0%	\$ -	
ELECTRICAL SERVICES	30-6410-5400	\$ 35,811	\$ 32,660	\$ 40,000	\$ 30,754	\$ 45,000	12.5%	\$ 5,000	Requirement for more electricity due to higher flow rates and equipment challenges
INTERNET-SEWER	30-6410-5600	\$ 2,194	\$ 2,512	\$ 1,800	\$ 1,578	\$ 2,500	38.9%	\$ 700	
TESTING - SEWER	30-6410-5700	\$ 31,660	\$ 30,573	\$ 32,000	\$ 17,316	\$ 32,000	0.0%	\$ -	
SLUDGE REMOVAL	30-6410-5800	\$ 6,085	\$ 38,885	\$ 20,000	\$ 17,500	\$ 30,000	50.0%	\$ 10,000	Increase in sludge production
PROPANE	30-6410-8100	\$ -	\$ -	\$ 1,650	\$ -	\$ 1,650	0.0%	\$ -	
WWTP MONITORING SERVICES	30-6410-9000	\$ 12,784	\$ 6,484	\$ 14,327	\$ -	\$ 14,757	3.0%	\$ 430	Wastewater plant monitoring services by third-party (previously covered under other line items)
OTHER-SEWER	30-6410-9900	\$ 9,025	\$ 4,930	\$ 10,000	\$ 3,408	\$ 10,000	0.0%	\$ -	
TOTAL SEWER O & M		\$ 138,046	\$ 236,026	\$ 197,277	\$ 133,243	\$ 215,907	9.4%	\$ 18,630	
TOTAL OPER. & MAINTENANCE		\$ 286,923	\$ 416,415	\$ 388,527	\$ 249,171	\$ 411,907	6.0%	\$ 23,380	
CAPITAL IMPROVEMENT PROJECTS									
TRANSFER TO CIP	30-6600-1000	\$ 331,448	\$ 397,256	\$ 355,000	\$ 355,000	\$ 505,000	42.3%	\$ 150,000	
TOTAL ADMIN & SOFT COSTS		\$ 709,014	\$ 754,022	\$ 830,089	\$ 458,407	\$ 834,302	0.5%	\$ 4,213	
TOTAL WATER & SEWER EXPENSES		\$ 1,327,385	\$ 1,567,693	\$ 1,573,616	\$ 1,062,578	\$ 1,751,209	11.3%	\$ 177,593	
TOTAL WATER & SEWER REVENUES		\$ 1,588,675	\$ 1,836,365	\$ 1,578,479	\$ 966,398	\$ 1,857,304	17.7%	\$ 278,825	
TO/FROM CONTINGENCY		\$ 261,290	\$ 268,672	\$ 4,863	\$ (96,180)	\$ 106,095	6.4%	\$ 101,232	

TOWN OF MIDDLEBURG
FY 26 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	FY26 ADOPTED	FY27 PROJ	FY28 PROJ	FY29 PROJ	FY30 PROJ	5-YR TOTAL
UTILITY FUND											
WATER TANK MAINT. AND RECOATING	35-6100-5050	\$ 728,000	\$ 540,000	\$ 384,542	\$ 155,458	\$ 188,000		\$ -	\$ -	\$ -	\$ 188,000
WATER MAIN INFRASTRUCTURE	35-6100-5060	\$ 1,320,000	\$ 470,000	\$ -	\$ 470,000	\$ 100,000		\$ 750,000	\$ -	\$ -	\$ 850,000
WATER CAPACITY/TREATMENT	35-6100-NEW	\$ 775,000	\$ -	\$ -	\$ -	\$ 25,000	\$ 750,000	\$ -	\$ -	\$ -	\$ 775,000
SCADA/PLC UPGRADE	35-6100-NEW	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000		\$ -	\$ -	\$ -	\$ 100,000
SUBTOTAL - CAPITAL PROJECTS		\$ 2,923,000	\$ 1,010,000	\$ 384,542	\$ 625,458	\$ 413,000	\$ 750,000	\$ 750,000	\$ -	\$ -	\$ 1,913,000
UTILITY CIP MISC./CONTINGENCY	35-6200-0001	\$ -									\$ -
CAPITAL ASSET REPLACEMENT FUND											
WATER SYSTEM IMPROVEMENTS	35-6100-2000	\$ 457,000	\$ 170,000	\$ 86,517	\$ 83,483	\$ 42,000	\$ 20,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 287,000
SEWER SYSTEM IMPROVEMENTS	35-6100-4010	\$ 930,464	\$ 490,464	\$ 354,703	\$ 135,761	\$ 100,000	\$ 85,000	\$ 85,000	\$ 85,000	\$ 85,000	\$ 440,000
SUBTOTAL - SYSTEM IMPROVEMENTS		\$ 1,387,464	\$ 660,464	\$ 441,220	\$ 219,244	\$ 142,000	\$ 105,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 727,000
TOTAL EXPENDITURES - UF CIP		\$ 4,310,464	\$ 1,670,464	\$ 825,762	\$ 844,702	\$ 555,000	\$ 855,000	\$ 910,000	\$ 160,000	\$ 160,000	\$ 2,640,000
REVENUES FOR CAPITAL	ACCOUNT #	PRIOR FISCAL YR				FY26 PROPOSED	FY27 PROJ	FY28 PROJ	FY29 PROJ	FY30 PROJ	5-YR TOTAL
GRANT FUNDING	35-3800-3000	\$ 1,128,307				\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
CASH FUNDING	35-3800-4010	\$ 542,157				\$ 505,000	\$ 105,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 1,090,000
DEBT FINANCING	35-3800-3400					\$ -	\$ 750,000	\$ 750,000	\$ -	\$ -	\$ 1,500,000
TOTAL CAPITAL FUNDING		\$ 1,670,464				\$ 555,000	\$ 855,000	\$ 910,000	\$ 160,000	\$ 160,000	\$ 2,640,000



TOWN OF MIDDLEBURG ADOPTED BUDGET

FY 2026



FINANCIAL POLICIES



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 **one hundred percent (100%)** 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.

4. Usage Guidelines: 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. Capital Replacement Reserve. 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. Revenue Diversification: The town will maintain a diversified and stable revenue structure to protect it from short-run fluctuations in any one-revenue source.
2. Use of One-Time Revenues. The town will fund current expenditures with current revenues and use nonrecurring revenues for nonrecurring expenditures.
3. User Fees and Charges: 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. Debt Issuance: 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. Debt Service Expenditures and Debt Capacity: 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. Debt Repayment: 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. Debt Management: 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.

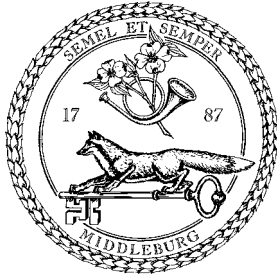
Section F. Cash Management

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 ADOPTED BUDGET

FY 2026



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 policies.

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 reasonably 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