AGENDA
TOWN COUNCIL PRE-BUDGET WORK SESSION
JANUARY 19, 2016, 7:00 PM
TOWN HALL COUNCIL CHAMBERS

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1. **CALL TO ORDER** (Mayor Fraser)

2. **REVIEW OF UPCOMING BUDGET SCHEDULE (**Town Council & Staff) (pgs. 3-6)

3. **REVIEW OF FINANCIAL GRAPHS AND TREND DATA FY06-FY15** (R. Lohr & L. Krens) (pgs. 7-43)

4. **SUMMARY OF ENDING POSITION FOR FY15** (L. Krens) (pgs. 45-48)

5. **REVIEW OF TOP 3 PRIORITIES IN EACH DEPARTMENT** (D. Davis) (pgs. 49-51)

6. **REVIEW OF SUBSTANTIAL REVENUE OR EXPENDITURE CHANGES GOING INTO FY16/17** (R. Lohr)

   a. General Fund
   b. Parks and Rec Fund
   c. Water Fund
   d. Wastewater Fund

7. **QUESTIONS AND FEEDBACK FROM TOWN COUNCIL** (Town Council and Staff)

8. **ADJOURNMENT**

IF YOU REQUIRE ANY TYPE OF REASONABLE ACCOMMODATION AS A RESULT OF PHYSICAL, SENSORY OR MENTAL DISABILITY IN ORDER TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT DIANA HAYS, TOWN CLERK, AT 540-338-7421. THREE DAYS NOTICE IS REQUESTED.

USE OF ELECTRONIC DEVICES DURING MEETINGS

For the comfort and consideration of others, all cellular phones should be turned off and not be used in the Council Chambers. This is requested due to the potential for interference with our recording devices and the transmittal of our hearing impaired broadcast.

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FY 2017 Budget Development Calendar

As of 11/10/15

July - 2015

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

July 12: Town Council Meeting 7:00 PM

July 26: Town Council Work Session 7:00 PM

August - 2015

S	M	T	W	T	F	S
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23	24	25	26	27	28	29
29	30					

August 1: Begin Updating Budget Worksheets for FY 2017 Budget

September - 2015

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13	14	15	16	17	18	19
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27	28	29	30			

September 2: Begin Budget Calendar Update

September 2: Monthly CIP Staff Meeting 10:30 AM

September 8: Town Council Meeting 7:00 PM

September 21: Process Budget Adjustment for FY 2015 CIP Rollover

September 22: Town Council Work Session 6:30 PM

FY 2017 Budget Development Calendar

As of 11/10/15

October - 2015

S	M	T	W	T	F	S
				1	2	3
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11	12	13	14	15	16	17
18	19	20	21	22	23	24
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October 1: Begin Preliminary Budget Meetings with Department Heads

October 13: Town Council Meeting 7:00 PM

October 20: Quarterly Budget Compliance Report to Town Manager

October 21: Monthly CIP Staff Meeting 2:00 PM

October 22: Distribute FY 2017-2021 CIP Worksheets

October 27: Town Council Work Session 7:00 PM

October 28: Assistant Town Manager Distributes Town Council Strategic Initiatives to Department Managers

October 29: Provide Master Tax & Fee Summary to Staff and Town Attorney for Initial Review

November - 2015

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22	23	24	25	26	27	28
29	30					

November 5: Distribute Budget Narratives, Performance Measures, & Enhancement Justification Worksheets to Department Managers

November 9: Begin Updating FY 2017 Compensation Analysis

November 10: Town Council Meeting 7:00 PM

November 13: CIP Worksheets Due to Finance

November 16: Distribute FY16 Budget Estimate/FY17 Request Worksheets to Department Managers

November 18: Monthly CIP Staff Meeting 2:00 PM

November 30: Budget Narratives/Performance Measures & Enhancement Justifcation Worksheets Due to Budget Specialist

December - 2015

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27	28	29	30	31		

December 7: Budget Specialist Reviews GFOA FY 2016 Budget Award Comments with Town Manager

December 7: Prepare Mid-Year Budget Amendment and Review Public Hearing Criteria

December 8: Town Council Meeting 7:00 PM

December 9: FY 2017 Staff Budget Kick-off Session with Town Manager

December 10: Budget Narratives/Performance Measures & Enhancement Justifcation Worksheets Due to Assistant Town Manager

December 16: Monthly CIP Staff Meeting 2:00 PM

December 16: Master Tax & Fee Summary Changes Due to Budget Specialist

December 18: FY16 Budget Estimates/FY17 Request Workshets Due to Budget Speciaist

December 18: Advertise Public Hearing for Mid-Year Budget Amendment (1/1/16 ad 7 days prior to PH)

December 28: Budget Worksheets to Assistant Town Manager for Review

December 30: Open Logics Module for FY 2017 Budget

FY 2017 Budget Development Calendar

As of 11/10/15

January - 2016

S	M	T	W	T	F	S
					1	2
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31						

February - 2016

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28	29					

March - 2016

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27	28	29	30	31		

January 4: Assistant Town Manager and Budget Specialist Meet with Department Heads as Needed to Refine Budget Requests

January 12: Town Council Meeting 7:00 PM
- ▶ Hold Public Hearing on Mid-Year Budget Amendment (if needed)

January 15: Update Financial Graphs & Trend Data

January 15: Final FY 2017-2021 CIP Worksheets

January 15: Final Department Worksheets Approved by Assistant Town Manager

January 18: Final FY 2017-2021 CIP to Financial Advisor and Rate Consultant

January 19: Budget Work Session 7:00 PM
- ▶ Pre-Budget Discussion

January 20: Revenue Estimates from Director of Finance

January 20: Final Department Worksheets to Town Manager

January 20: Monthly CIP Staff Meeting 2:00 PM

January 20: Quarterly Budget Compliance Report to Town Manager

January 26: Town Council Work Session 7:00 PM

January 29: Finance Director Develops Real Estate Assessment Rates Based on Information from the County/Prepares Real Estate Tax Advertisement

February 1: FY 2017 Draft Budget to Town Manager

February 2: Town Attorney Prepares 1st Draft of Tax & Fee Summary and Ordinance and provides dates for Public Hearing Notice

February 5: Town Managers sets Proposed Tax Rate for Public Hearing Advertisement (2/19/16 Ad, 15 Days Prior to 3/8/16 Public Hearing)

February 9: Town Council Meeting 7:00 PM

February 15: Town Manager Locks down Budget Requests for Budget Document Preparation

February 16: Provide Town Manager FY 2017 Operating Budget to Financial Advisor & Rate Study Consultant

February 17: Monthly CIP Staff Meeting 2:00 PM

February 18: Budget Specialist provides Town Manager with outline of Key Budget Points

February 23: Town Council Work Session 7:00 PM

February 25: Town Manager Prepares Budget Transmittal Letter

March 8: Town Council Meeting 7:00 PM
Hold Public Hearing on:
- ▶ Real Estate Tax Rates
- ▶ Personal Property Tax Rates (if needed)

March 10: Advertise Public Hearing on FY 2017 Budget & Other Taxes & Fees (3/25/16 & 4/1/16 ad 7 days prior to PH)

March 15: Budget Work Session 7:00 PM
- ▶ Town Manager Delivers Proposed FY 2017 Budget
- ▶ Presentation on Long-Term Financial Plan & Projections from Financial Advisor (MFSG) & Utility Rate Consultant (Davenport)

March 16: Monthly CIP Staff Meeting

March 21 thru 25 - Spring Break

March 22: Town Council Work Session 7:00 PM

March 29: Budget Work Session 7:00 PM

March 31: Budget Work Session 7:00 PM

FY 2017 Budget Development Calendar

As of 11/10/15

April - 2016

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
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24	25	26	27	28	29	30

April 4: Prepare Year-End Budget Amendment and Review Public Hearing Criteria

April 5: Budget Work Session 7:00 PM

April 12: Town Council Meeting 7:00 PM
- ▶ Hold Public Hearing on FY 2017 Budget & Other Taxes and Fees

Town Council Adopts:
- ▶ Real Estate Tax Rates
- ▶ Personal Property Tax Rates
- ▶ Personal Property Tax Relief Act (PPTRA)

April 14: Budget Work Session 7:00 PM

April 20: Monthly CIP Staff Meeting 2:00 PM

April 26: Town Council Work Session 7:00 PM

April 18: Advertise Public Hearing for Year End Budget Amendment (Ad 4/29/15 7 days prior to PH)

May - 2016

S	M	T	W	T	F	S
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22	23	24	25	26	27	28
29	30	31				

May 5: Mail Real Estate & Personal Property Tax Bills (30 days notice to taxpayers - 14 days notice required

May 10: Town Council Meeting 7:00 PM
- ▶ Hold Public Hearing on Year-End Budget Amendment (if needed)

Town Council Adopts:
- ▶ FY 2017 Operating Budget
- ▶ Adoption/Appropriation Resolution
- ▶ Master Tax & Fee Summary
- ▶ Water & Sewer Rates

May 18: Monthly CIP Staff Meeting 2:00 PM

May 24: Town Council Work Session 7:00 PM

June - 2016

S	M	T	W	T	F	S
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5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

June 5: Real Estate & Personal Property Taxes Due

June 14: Town Council Meeting 7:00 PM

June 14: Fall Back Date to Adopt Budget Related Items

June 15: Monthly CIP Staff Meeting 2:00 PM

June 17: Prepare for Year-end Close

June 23: Town Council Work Session 7:00 PM

June 24: Prepare GFOA FY 2017 Budget Award Application (due within 90 days from date of budget adoption)

June 15: Rollover Adopted FY 2017 Budget in Logics

June 30: Close out FY 2016

Financial Graphs and Trend Data

FY 06 through FY 15

Prepared by Finance Department
January 2016

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Governmental Funds

- **Assumptions:**

  These graphs have been modified to better reflect ongoing operating revenues and expenditures.

  Non-recurring revenue sources such as Loudoun County Settlement and Sale of Old Town Hall have been excluded from graphs to provide a more accurate picture of on-going revenue sources.

  Loudoun County Settlement: FY09 $1,780,000, FY 10 $2,000,000 and FY 11 $2,000,000.
  Sale of Old Town Hall: FY 11 $1,259,700

  In FY 13 and FY 14, amounts related to debt refundings have been excluded.

  All Capital Projects revenues and expenditures have been excluded from the operating graphs.

  Utility chargeback is not shown as revenue but rather deducted from expenditures as this account is used to allocated personnel and other costs paid out of the General Fund to support activity in the Utility Funds.

  Combined Governmental Funds (General Fund and Parks & Rec.) Parks and Recreation was part of the General Fund until it was separated in FY 12.

- **Major Rate Changes:**

  In FY 13 Meals Tax rate was increased 1% ($440k), Fireman's Field Service Tax ($173k) was added and Loudoun County Gas Tax was reinstated ($238k).

  In FY 11 Cigarette tax was raised from $0.50 to $0.65.

- **Revenue Categories**

  General Property Taxes: Real Estate, Personal Property and Fireman's Field Special Tax

  Other Local Taxes: State Sales Tax, Cigarette, Business License, Utility License, Bank Franchise, Cable Grant, Meals Tax and Auto Decals

  Other Local Revenue: Zoning Fees, Police Fines, Sale of Surplus, Interest, Community Events Sign, Garden Plot Fees, Product Sales, Miscellaneous and Public Works Charges to Others.

  Intergovernmental - County: Gasoline Tax

- **Revenue Categories (cont'd)**

  Intergovernmental - State: Communications Tax, Personal Property Tax Relief, Aid to Police, Fire Program, Highway Maintenance and Litter Grant.

  Intergovernmental - Federal: Bab Subsidy, PD Grants and Community Block Grants.

- **Basis of Accounting**

  The General Fund and the Parks and Recreation Fund use the modified accrual basis of accounting. Modified accrual is a basis of accounting where revenue is recorded when measurable and available, and expenditures are recorded when made.

  Differences include:

  No depreciation.

  Debt Service shown includes principal and interest portions of payments.

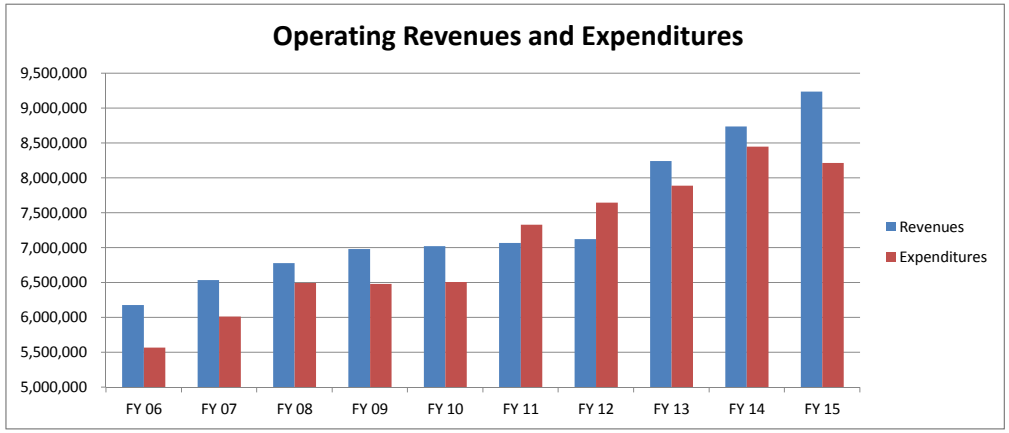
- **Data Source**

  Comprehensive Annual Financial Report

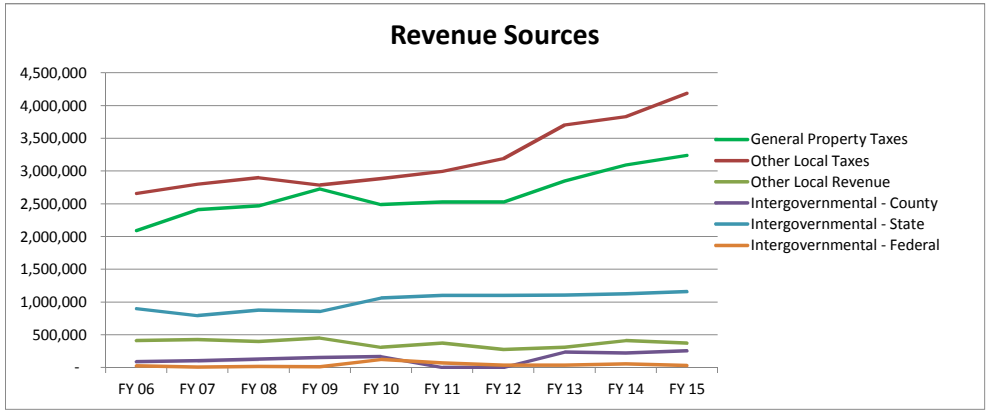
Governmental Funds
Overview: Operating Revenues and Expenditures

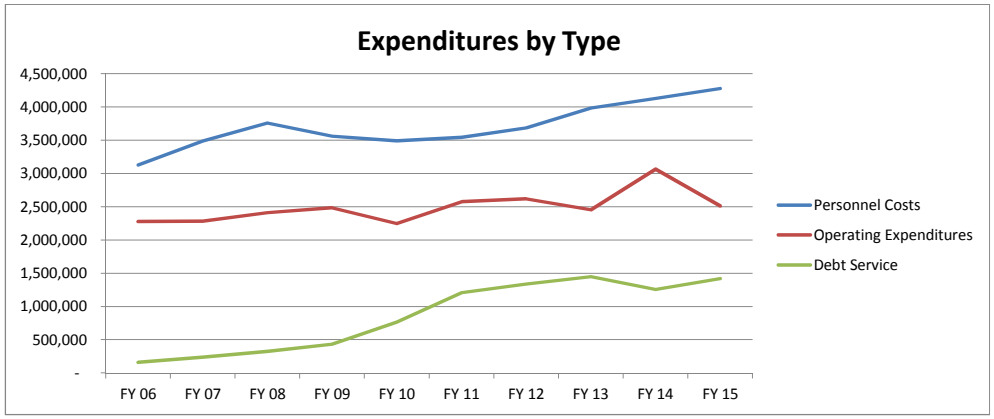
	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15
Revenues										
General Property Taxes	2,092,568	2,409,596	2,469,194	2,728,737	2,487,151	2,526,828	2,526,297	2,850,968	3,095,888	3,239,133
Other Local Taxes	2,659,820	2,799,546	2,898,002	2,787,900	2,881,876	2,996,580	3,191,608	3,705,243	3,829,675	4,186,769
Other Local Revenue	412,925	424,754	395,792	452,364	306,607	374,145	275,344	310,023	412,087	371,568
Intergovernmental - County	89,500	104,000	126,000	150,000	165,000	-	-	237,739	222,228	253,365
Intergovernmental - State	900,310	794,179	875,612	853,572	1,058,896	1,100,628	1,098,017	1,105,836	1,125,299	1,159,502
Intergovernmental - Federal	23,626	4,205	15,533	9,794	121,417	70,937	34,404	34,404	56,501	29,792
Total Recurring Operating Revenues	**6,178,749**	**6,536,280**	**6,780,133**	**6,982,367**	**7,020,947**	**7,069,118**	**7,125,670**	**8,244,213**	**8,741,678**	**9,240,129**
Percent Change Year to Year		6%	4%	3%	1%	1%	1%	16%	6%	6%
Expenditures										
Personnel Costs	3,131,941	3,492,457	3,758,390	3,561,712	3,492,447	3,541,603	3,689,377	3,985,988	4,128,757	4,281,122
Operating Expenses	2,277,126	2,282,474	2,413,764	2,484,077	2,248,007	2,578,298	2,619,481	2,454,046	3,066,969	2,514,994
Debt Service	158,615	239,538	324,324	435,355	767,605	1,210,890	1,338,294	1,451,122	1,255,564	1,419,855
Operating Expenditures Less Chargeback	**5,567,682**	**6,014,469**	**6,496,478**	**6,481,144**	**6,508,059**	**7,330,790**	**7,647,152**	**7,891,156**	**8,451,290**	**8,215,971**
Percent Change Year to Year		8%	8%	0%	0%	13%	4%	3%	7%	-3%

	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15
Revenues										
General Property Taxes	34%	37%	36%	39%	35%	36%	35%	35%	35%	35%
Other Local Taxes	43%	43%	43%	40%	41%	42%	45%	45%	44%	45%
Other Local Revenue	7%	6%	6%	6%	4%	5%	4%	4%	5%	4%
Intergovernmental - County	1%	2%	2%	2%	2%	0%	0%	3%	3%	3%
Intergovernmental - State	15%	12%	13%	12%	15%	16%	15%	13%	13%	13%
Intergovernmental - Federal	0%	0%	0%	0%	2%	1%	0%	0%	1%	0%
Total Recurring Operating Revenues	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Expenditures										
Personnel Costs	56%	58%	58%	55%	54%	48%	48%	51%	49%	52%
Operating Expenses	41%	38%	37%	38%	35%	35%	34%	31%	36%	31%
Debt Service	3%	4%	5%	7%	12%	17%	18%	18%	15%	17%
Operating Expenditures Less Chargeback	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**



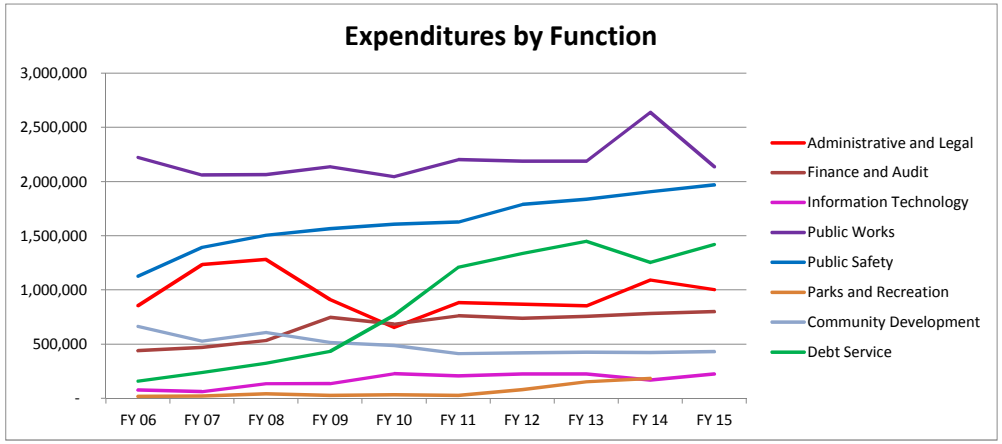
Governmental Funds
Overview: Operating Revenues and Expenditures (Cont'd)





Governmental Funds
Operating Expenditures by Function

	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15
Administrative and Legal	856,032	1,234,505	1,282,402	913,506	654,758	882,214	869,449	854,031	1,093,743	1,004,200
Finance and Audit	439,557	469,580	534,150	747,361	685,399	761,550	738,857	755,263	783,049	800,167
Information Technology	76,969	62,700	136,649	135,635	227,584	206,679	223,739	224,531	166,936	225,775
Public Works	2,224,298	2,062,781	2,063,848	2,138,330	2,046,232	2,204,109	2,187,415	2,188,667	2,640,864	2,138,676
Public Safety	1,128,938	1,393,867	1,506,641	1,566,094	1,606,485	1,626,498	1,788,562	1,838,119	1,906,858	1,968,590
Parks and Recreation	17,806	21,720	41,174	27,794	33,063	26,800	80,475	153,330	183,440	227,434
Community Development	665,467	529,779	607,290	517,069	486,933	412,050	420,361	426,093	420,836	431,276
Debt Service	158,615	239,538	324,324	435,355	767,605	1,210,890	1,338,294	1,451,122	1,255,564	1,419,855
Total	5,567,682	6,014,469	6,496,478	6,481,144	6,508,059	7,330,790	7,647,152	7,891,156	8,451,290	8,215,973

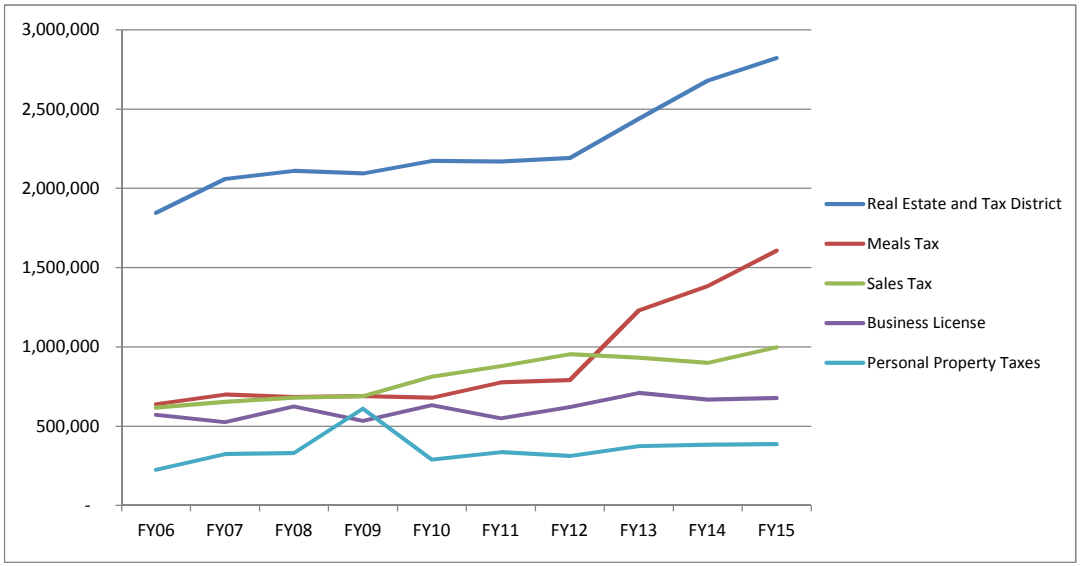


Per CAFR Schedule 2

Administrative and Legal	Includes Legislative, Admin, Legal,
Finance and Audit	Includes Finance, Auditors, Financial Advisor
Information Technology	Includes IT
Public Works	Includes Streets, Sidewalks, Buildings, Trash Collection
Public Safety	Includes Police Deparment and funds for Fire and Rescue
Parks and Recreation	Includes Recreation & Facilities
Community Development	Includes Planning, BAR, Tree & Beautification, Centennial Comm
Debt Service	Principal and Interest Payments for General Fund and Parks and Recreation

Governmental Funds
Top 5 Local Revenue Sources

	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15
Real Estate Taxes	1,845,410	2,058,529	2,109,935	2,093,704	2,172,443	2,169,396	2,190,631	2,438,112	2,678,800	2,823,340
Meals Tax	638,441	699,300	682,534	689,856	679,083	775,398	788,948	1,229,495	1,384,194	1,607,222
Sales Tax	616,091	652,195	678,260	688,327	811,566	878,531	952,497	931,067	898,669	998,571
Business License	572,165	525,813	625,138	534,537	633,268	549,271	621,289	709,692	666,178	677,503
Personal Property Taxes	223,887	323,913	329,794	609,416	289,728	335,499	310,618	374,189	382,469	386,576

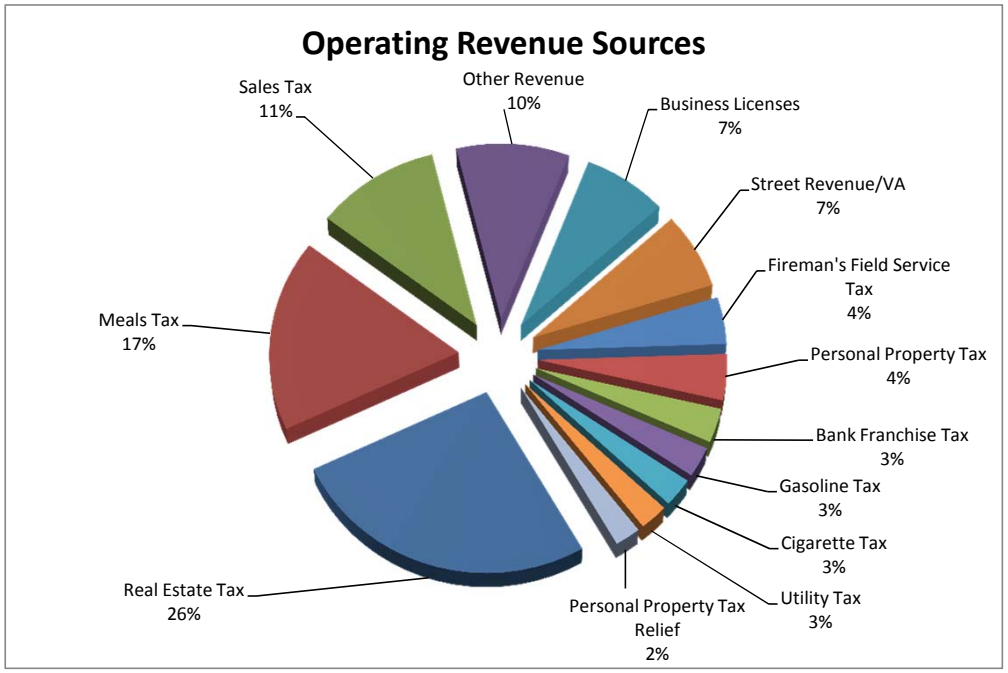


* Data Location - CAFR Schedule 1

FY 09 includes two PPT billings due to date change
FY 13 Meals Tax rate was increased 1% ($440k)
FY 13 Fireman's Field Service Tax added ($173k)

Governmental Funds
FY 15 Operating Revenue Sources

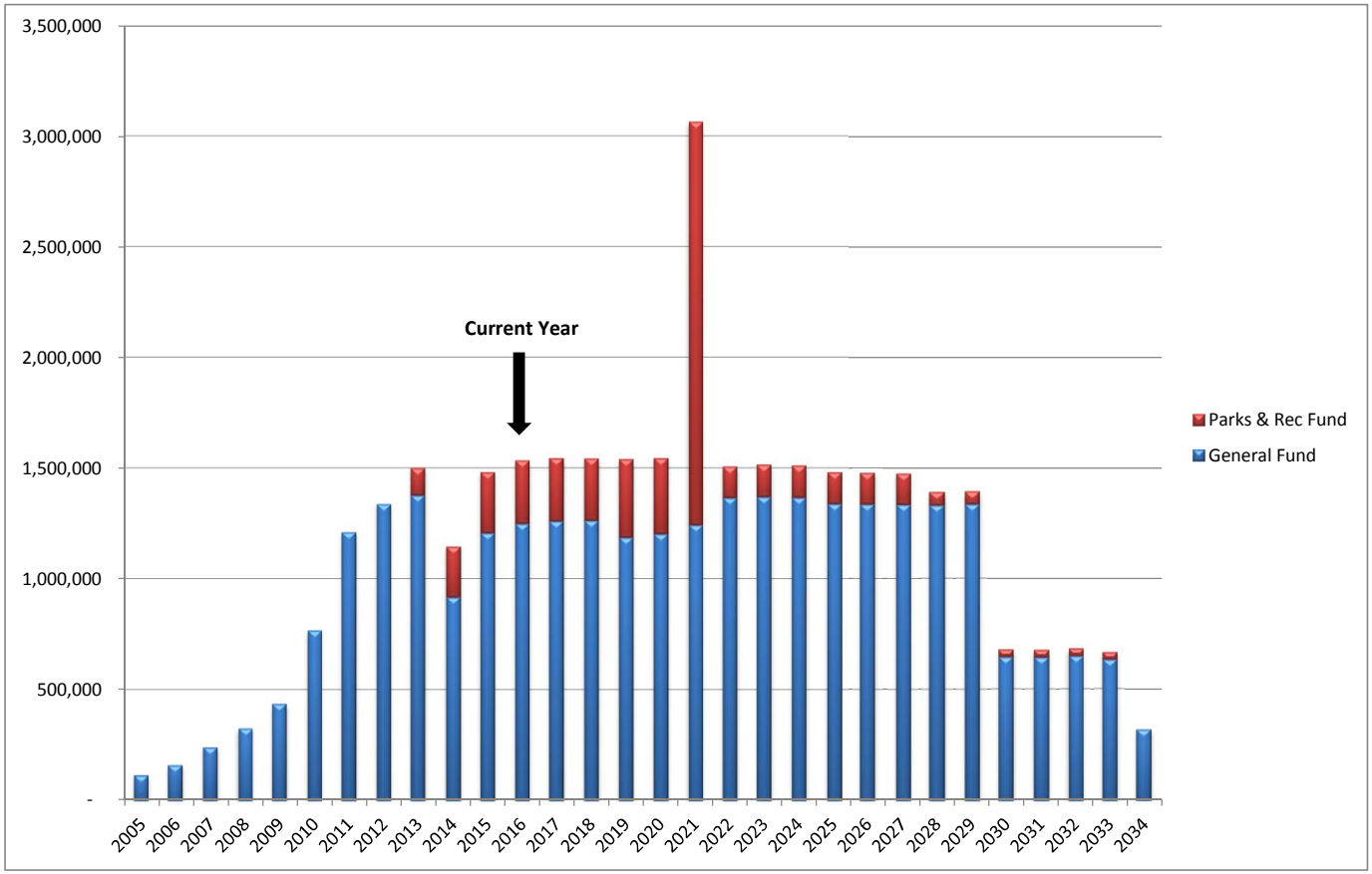
Real Estate Tax	2,428,828	26.3%
Meals Tax	1,607,222	17.4%
Sales Tax	998,571	10.8%
Other Revenue	902,487	9.8%
Business Licenses	677,503	7.3%
Street Revenue/VA	641,840	6.9%
Fireman's Field Service Tax	394,512	4.3%
Personal Property Tax	386,576	4.2%
Bank Franchise Tax	286,414	3.1%
Gasoline Tax	253,365	2.7%
Cigarette Tax	238,433	2.6%
Utility Tax	222,625	2.4%
Personal Property Tax Relief	201,753	2.2%
	9,240,129	100.0%



Water/Sewer Chargeback is not included in revenue sources. It is a method for accounting for personnel, facility and software costs paid for in the General Fund that supports Utility activities and facilities.

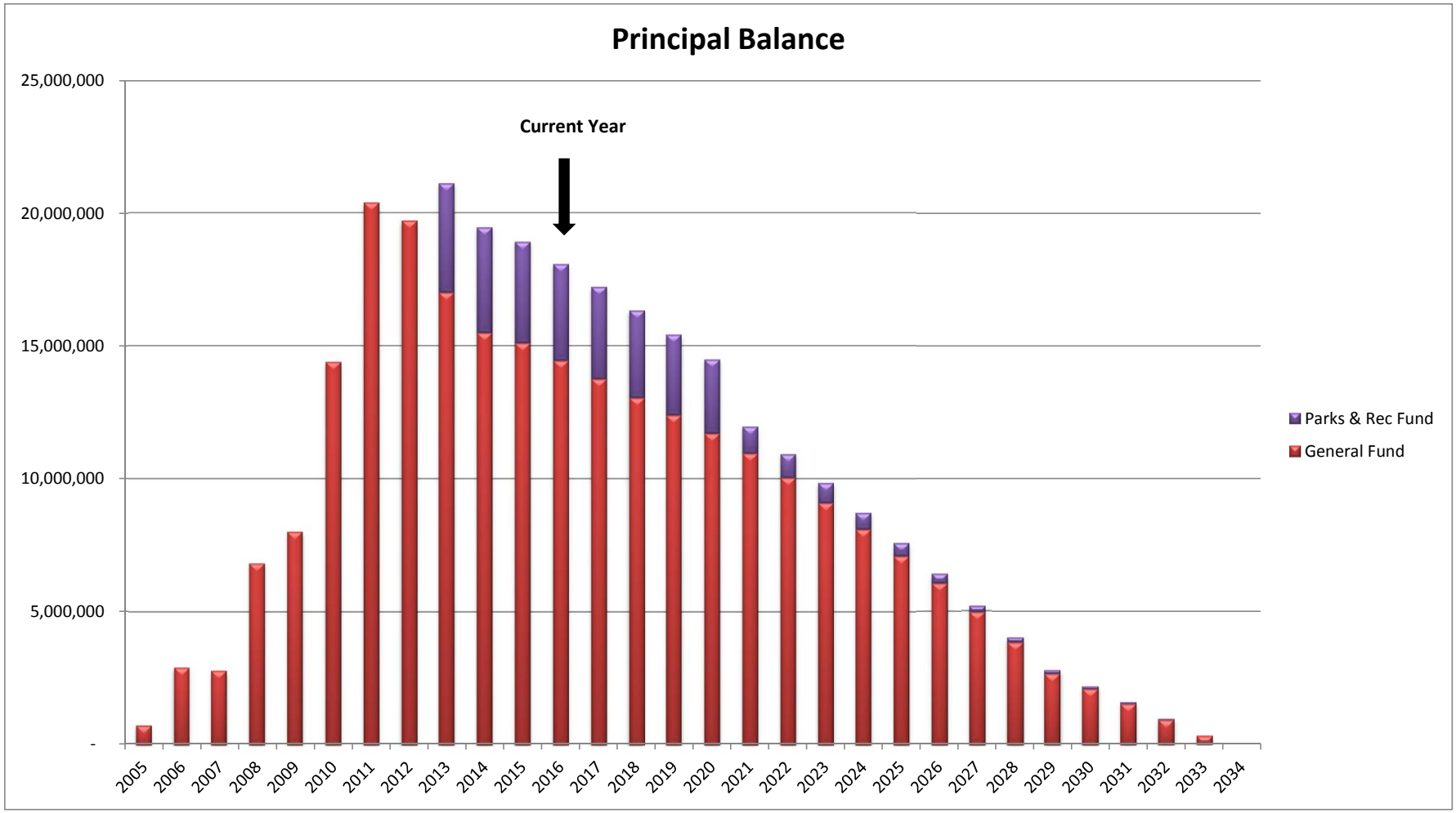
Governmental Funds
Debt Service Profile

Fiscal Year	Total Debt Service General Fund	P & R Fund
2005	113,587	-
2006	158,615	-
2007	239,538	-
2008	324,324	-
2009	435,355	-
2010	767,605	-
2011	1,210,891	-
2012	1,338,294	-
2013	1,377,635	123,609
2014	917,432	228,889
2015	1,207,553	274,485
2016	1,249,204	286,618
2017	1,260,569	284,244
2018	1,263,293	280,935
2019	1,187,555	353,081
2020	1,202,842	343,155
2021	1,244,304	1,821,829
2022	1,366,544	141,096
2023	1,370,635	145,596
2024	1,368,250	144,366
2025	1,338,466	143,578
2026	1,335,707	142,310
2027	1,334,072	141,030
2028	1,329,790	60,191
2029	1,334,031	58,622
2030	645,124	32,496
2031	643,217	32,594
2032	649,051	33,121
2033	631,243	32,701
2034	312,375	-



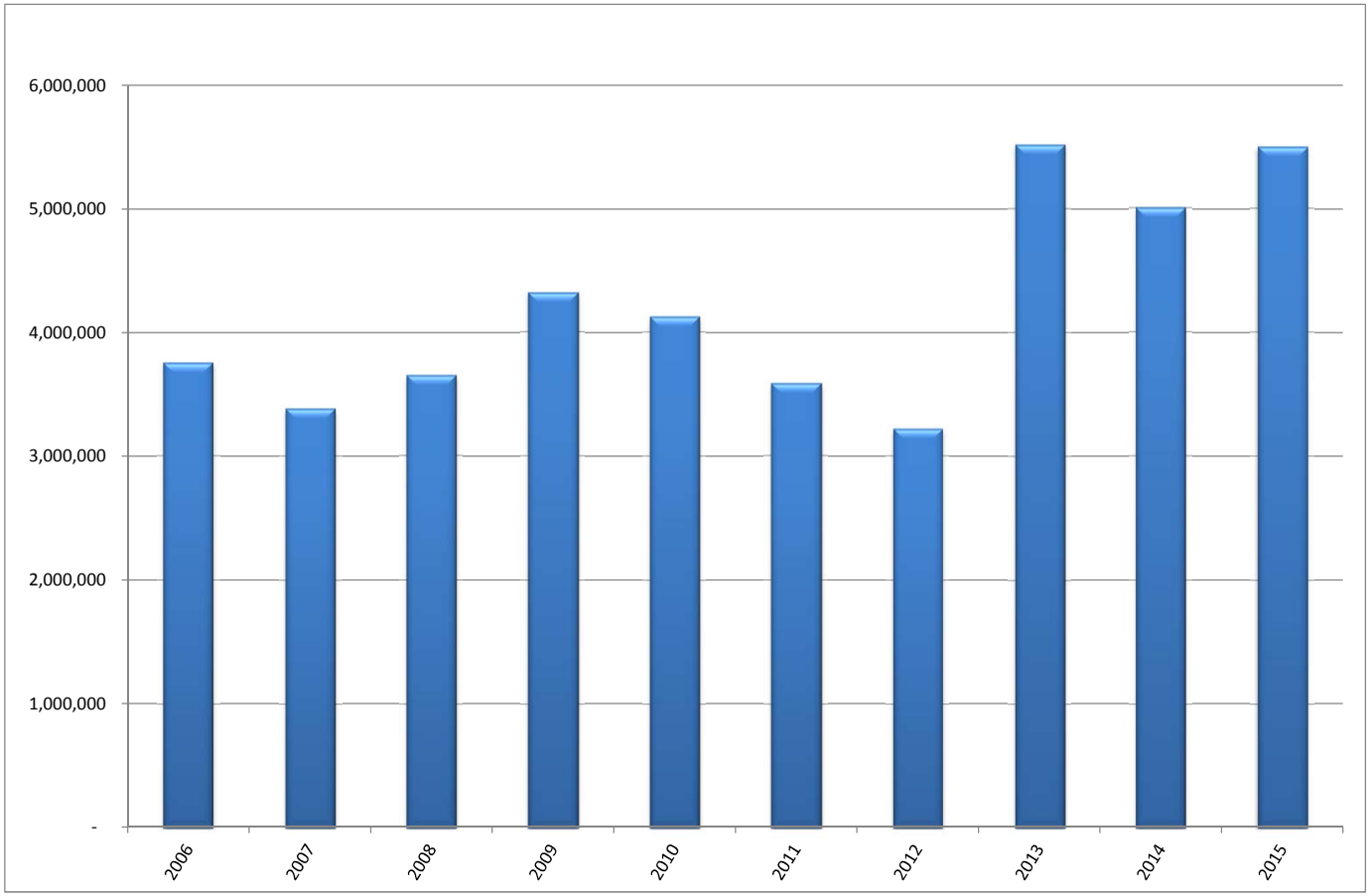
FY 05 - 12 include Parks and Rec related debt.
FY 09 - 11 included capitalized interest.
FY 14 Savings from the 2013 Public Bond Sale.
FY 21 Balloon principle payment ($1,645,000) due.

Governmental Funds
Outstanding Debt Balance



Governmental Funds
Cash and Cash Equivalents

Fiscal Year	Cash Balance
2006	3,751,513
2007	3,382,694
2008	3,648,094
2009	4,317,899
2010	4,125,848
2011	3,584,237
2012	3,219,174
2013	5,519,376
2014	5,005,437
2015	5,498,069



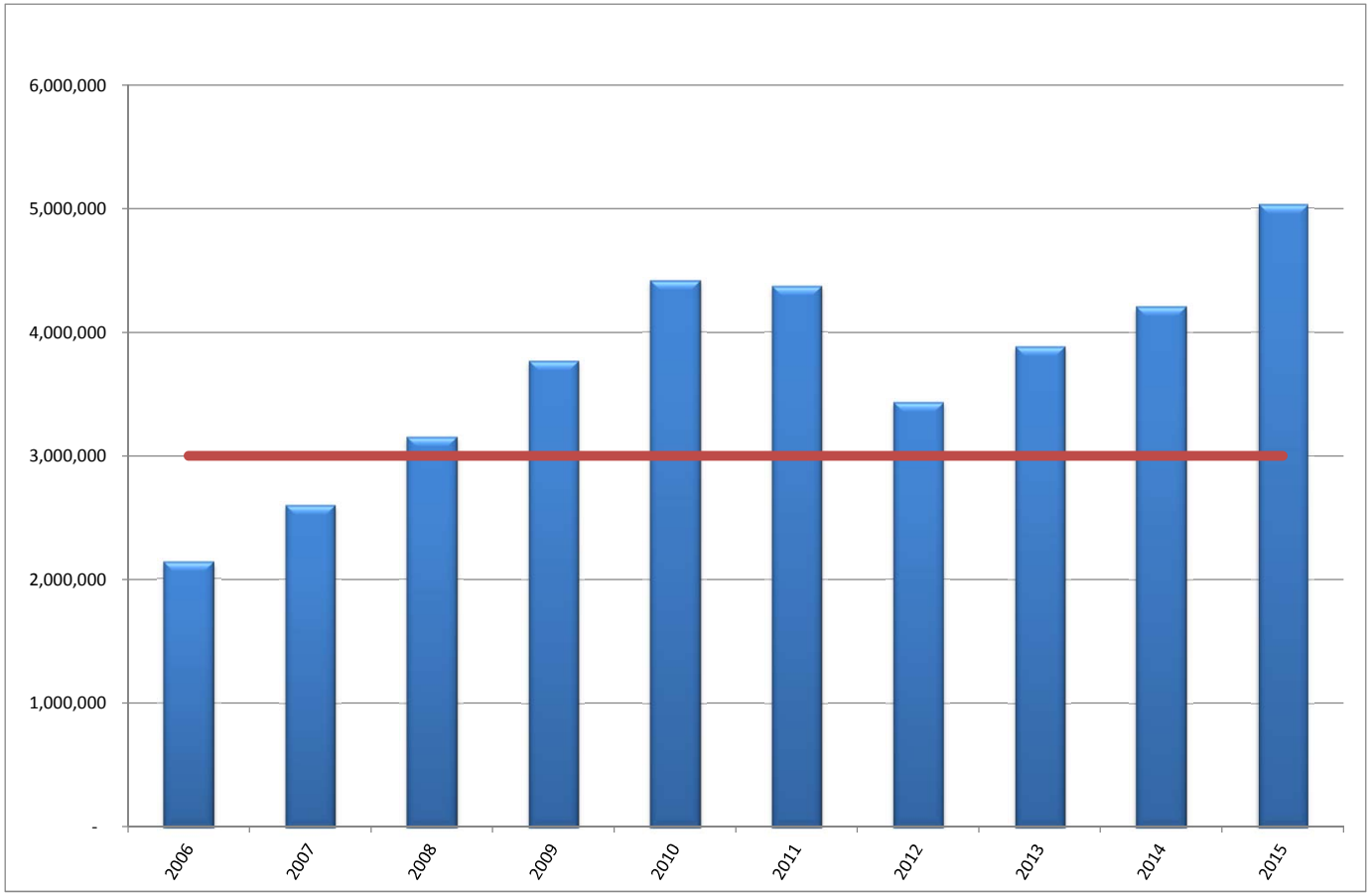
CAFR Exhibit 3

Balances have been adjusted to remove Loudoun County Settlement which has been committed for CIP projects.

FY 13 includes $1.2mil received from sale of old town hall. Of those proceeds $756k was used to established Capital Reserve Fund for future debt service.

Governmental Funds
Unassigned Fund Balance

Fiscal Year	Unassigned Fund Balance
2006	2,137,481
2007	2,599,404
2008	3,145,905
2009	3,768,574
2010	4,415,059
2011	4,368,340
2012	3,427,576
2013	3,884,533
2014	4,209,033
2015	5,031,166

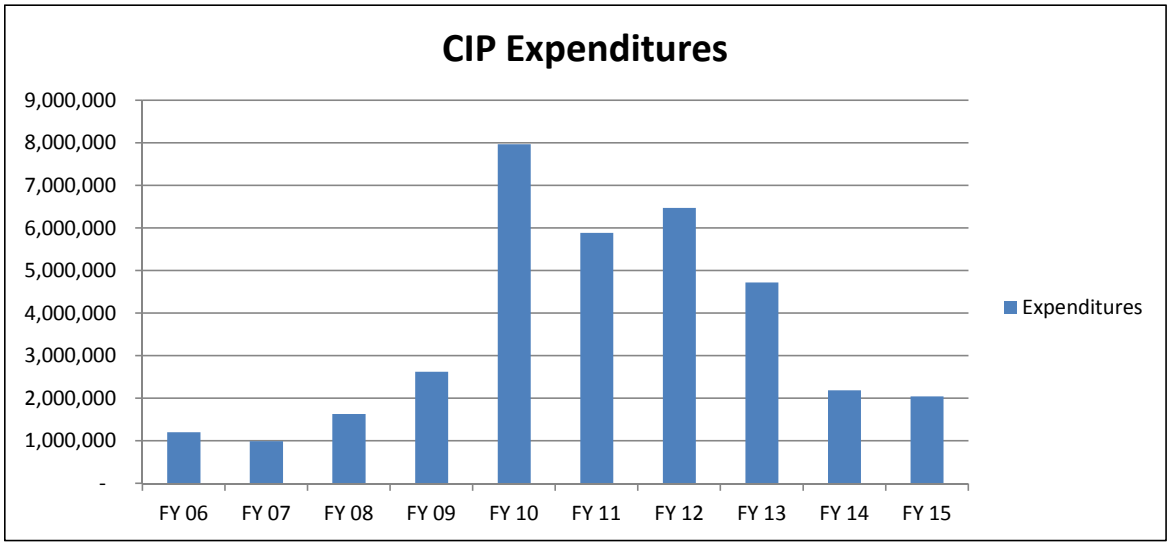


Fiscal Policy -Unassigned fund balance should be a minimum of $3 million or 30% of total revenues.
Unassigned Fund Balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.
FY 12 - $940k draw on reserves included $419k cash used for CIP and higher than expected legal costs.

Governmental Funds
Capital Improvement Project Expenditures

Fiscal Year

FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15
1,201,437	993,440	1,629,920	2,626,703	7,966,092	5,885,404	6,468,773	4,723,938	2,190,996	2,046,356



Water Fund

- **Assumptions:**

  These graphs have been modified to better reflect ongoing operating revenues and expenditures.

  All Capital Projects revenues and expenditures have been excluded from the operating graphs.

  FY 13 ($2.2m) and FY 15 ($472k) write-off of Construction in Progress has been excluded to provide more accurate picture of recurring expenditures. These were studies and project designs that occurred over multiple fiscal years that did not result in a capitalizable asset. These should have increased operating expenditures in prior years if expensed when incurred.

  Availability Revenue fluctuates from year to year which leads to fluctuations in net income.

  As the town moves toward build-out, availability revenue will decrease.

  Utility chargeback is shown as an expenditure. It is used to allocate personnel and other costs paid out of the General Fund to support activity in the Utility Funds.

  In FY 2010 the chargeback was adjusted to better reflect true costs.

- **Basis of Accounting**

  The Water Fund uses the Accrual Basis of accounting. Transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.
  Differences include:

  Depreciation is shown as an expense.
  Debt Service shown only includes interest portion of payments.

- **Data Source**

  Comprehensive Annual Financial Report

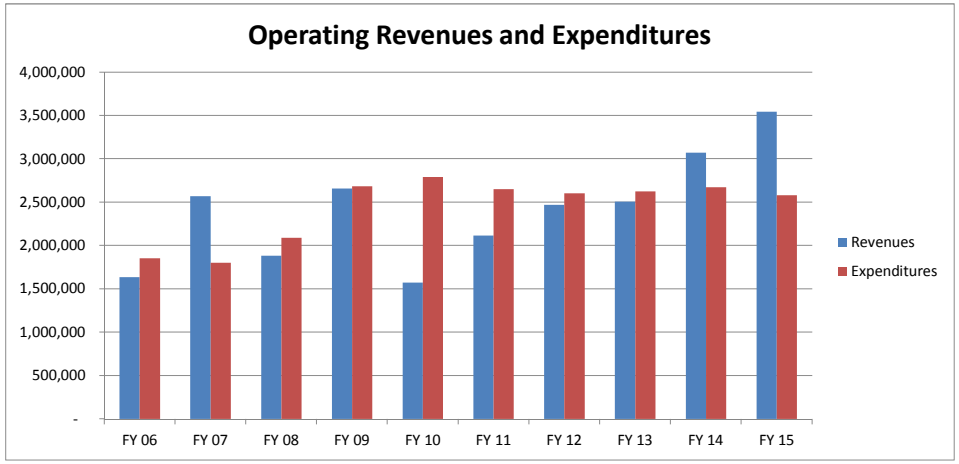
Water Fund Profile
Overview: Operating Revenues and Expenditures

	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15
Revenues										
User Fees	769,273	1,010,623	952,417	1,062,803	1,348,681	1,801,336	1,907,333	1,970,741	2,033,290	2,058,520
Other Income*	398,081	442,571	368,547	333,370	188,586	206,952	219,145	217,968	220,467	222,435
Availabilities	470,000	1,115,400	561,696	1,261,946	34,469	108,438	343,018	317,264	819,467	1,264,685
Total Revenue	**1,637,354**	**2,568,594**	**1,882,660**	**2,658,119**	**1,571,736**	**2,116,726**	**2,469,496**	**2,505,973**	**3,073,224**	**3,545,640**
Percent Change Year to Year		57%	-27%	41%	-41%	35%	17%	1%	23%	15%
Expenditures										
Personnel & Chargeback	612,326	907,551	1,001,538	1,425,177	1,436,469	1,396,771	1,354,515	1,337,098	1,350,137	1,310,286
Operating Expenses	786,446	425,385	551,392	581,569	478,458	460,851	518,878	497,688	482,420	499,597
Debt Svc & Depreciation	455,451	469,456	537,087	676,428	875,009	792,731	729,736	792,250	841,630	769,973
Total Expenditures	**1,854,223**	**1,802,392**	**2,090,017**	**2,683,174**	**2,789,936**	**2,650,353**	**2,603,129**	**2,627,036**	**2,674,187**	**2,579,856**
Percent Change Year to Year		-3%	16%	28%	4%	-5%	-2%	1%	2%	-4%

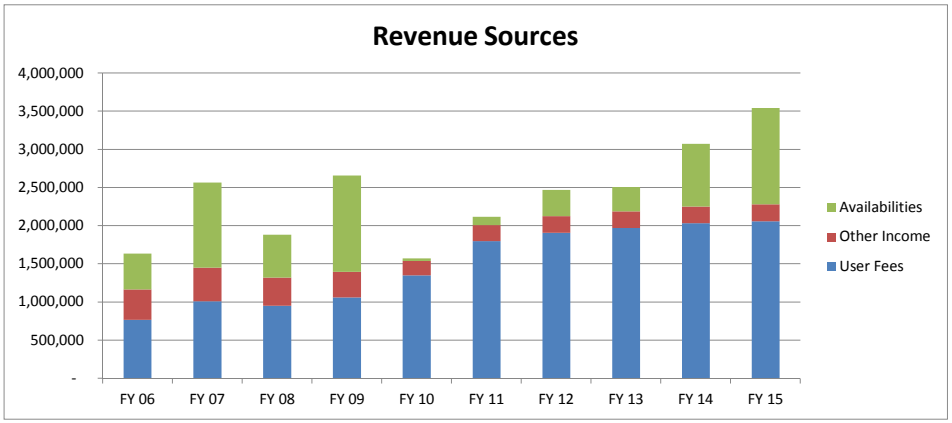
*Includes Cellular Lease & Investment Income

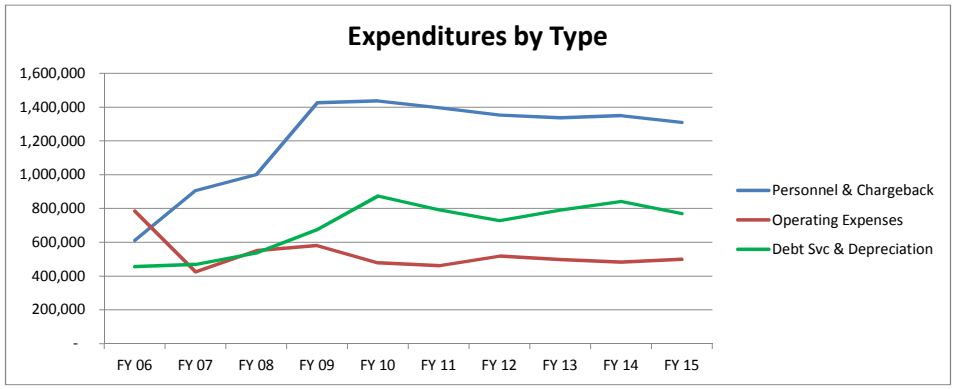
	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15
Revenues										
User Fees	47%	39%	51%	40%	86%	85%	77%	79%	66%	58%
Other Income*	24%	17%	20%	13%	12%	10%	9%	9%	7%	6%
Availabilities	29%	43%	30%	47%	2%	5%	14%	13%	27%	36%
Total Revenue	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Expenditures										
Personnel & Chargeback	33%	50%	48%	53%	51%	53%	52%	51%	50%	51%
Operating Expenses	42%	24%	26%	22%	17%	17%	20%	19%	18%	19%
Debt Svc & Depreciation	25%	26%	26%	25%	31%	30%	28%	30%	31%	30%
Total Expenditures	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

*Includes Cellular Lease & Investment Income



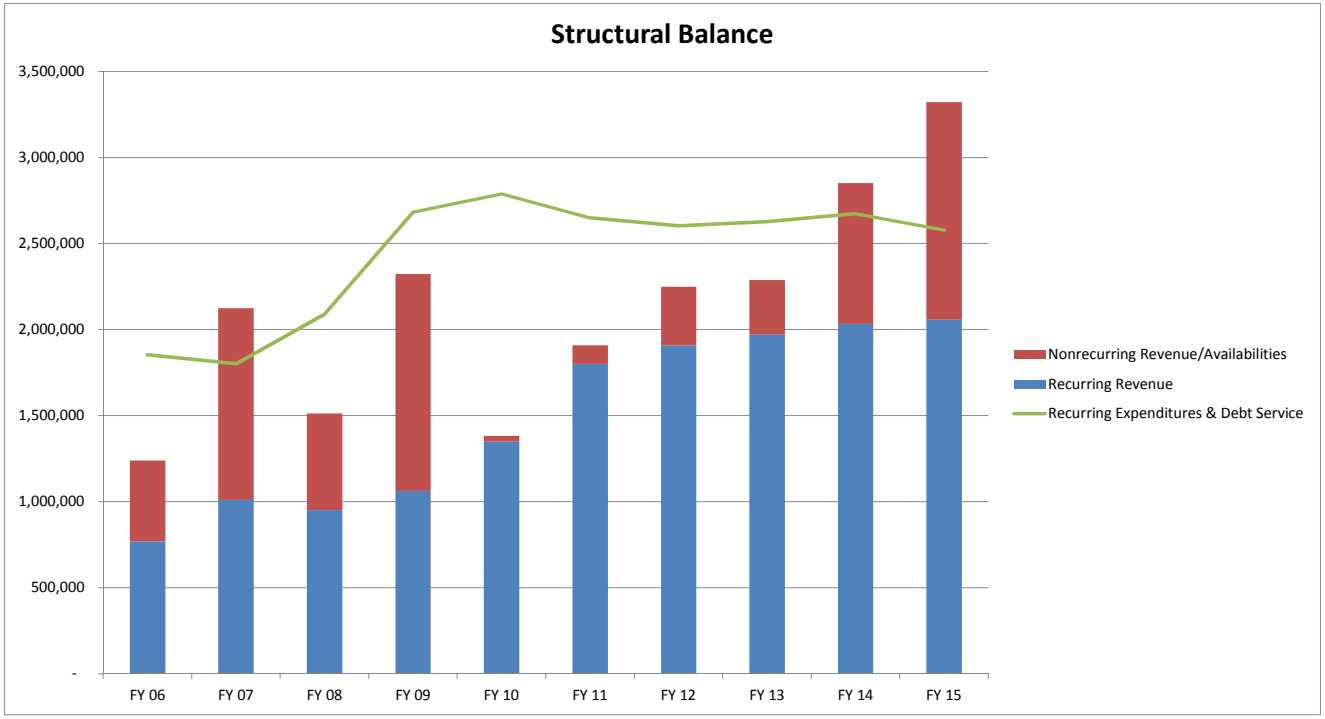
Water Fund Profile
Overview: Operating Revenues and Expenditures (Cont'd)





CAFR Exhibit 8
FY 06 through FY 08 Chargeback accounted for additional support staff from General Fund.

Water Fund

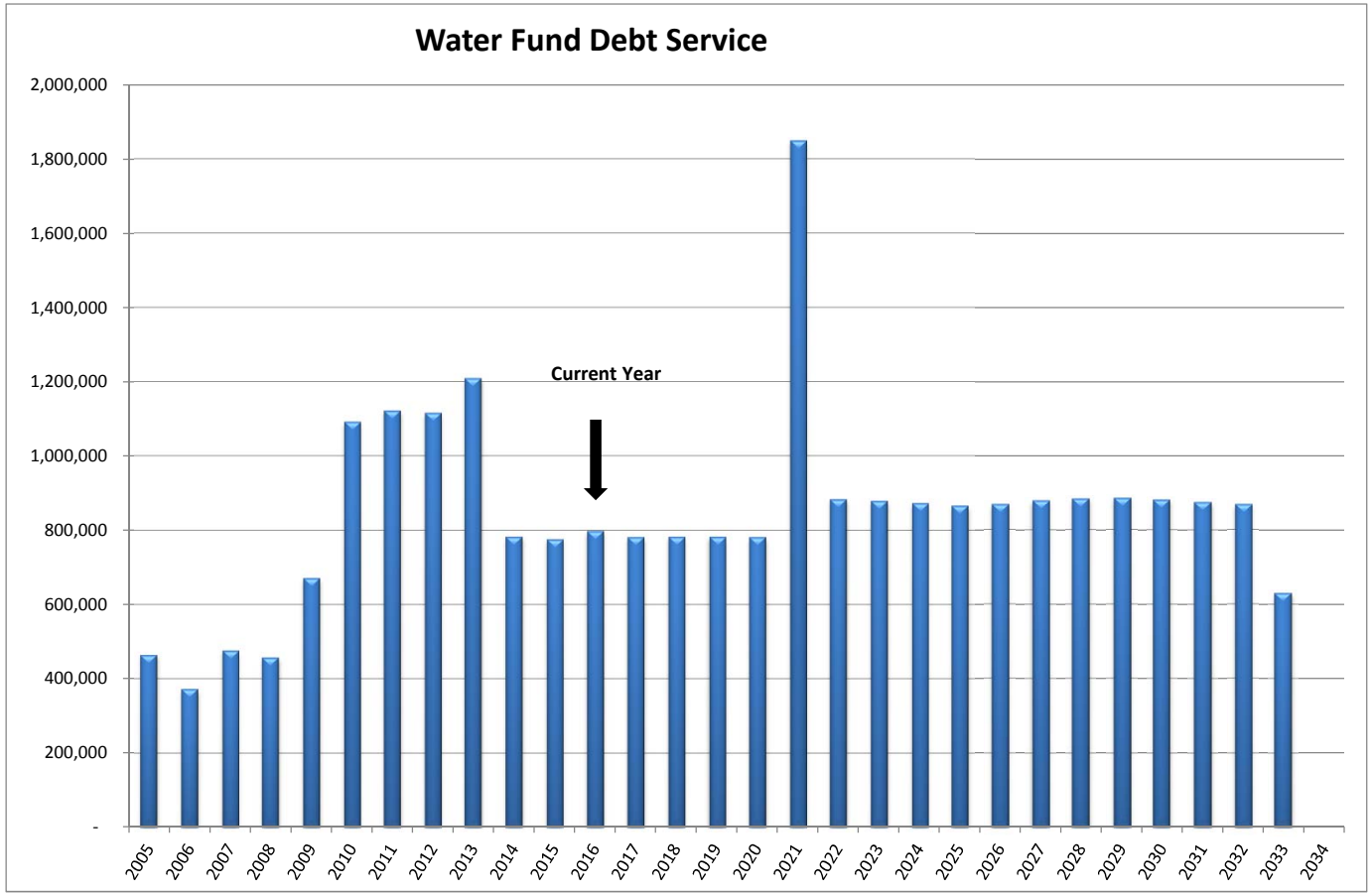


The goal of structural balance is for recurring revenue to fully support recurring expenditures including debt service.
This graph shows the fund's reliance on nonrecurring revenue sources (availabilities and reserves).
Revenue shortfalls (below green line) must be augmented by reserves.
Excess revenue (above green line) replenishes reserves.

Water Fund
Debt Service Profile

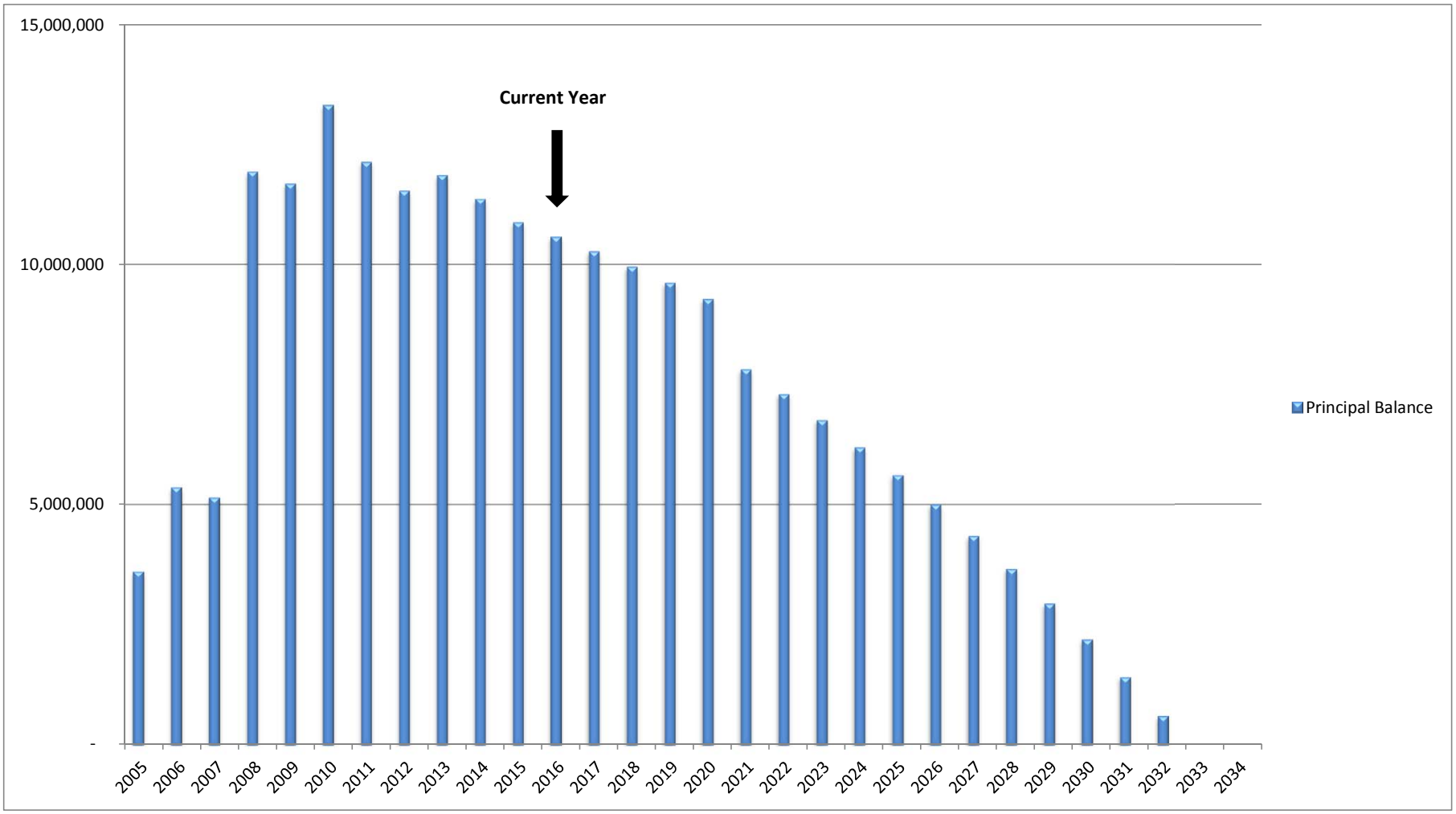
WATER FUND

Fiscal Year	Total Debt Service
2005	463,853
2006	371,843
2007	475,627
2008	456,934
2009	670,419
2010	1,091,624
2011	1,121,577
2012	1,115,857
2013	1,209,710
2014	782,076
2015	774,944
2016	797,655
2017	780,888
2018	782,046
2019	781,834
2020	780,831
2021	1,849,658
2022	883,198
2023	878,394
2024	872,591
2025	865,718
2026	868,027
2027	878,767
2028	882,688
2029	884,791
2030	880,324
2031	874,289
2032	867,922
2033	629,956
2034	-



FY 14 debt restructuring from the 2013 Public Bond Sale.
FY 21 Balloon principle payment ($1,440,000) due.

Water Fund
Outstanding Debt Balance

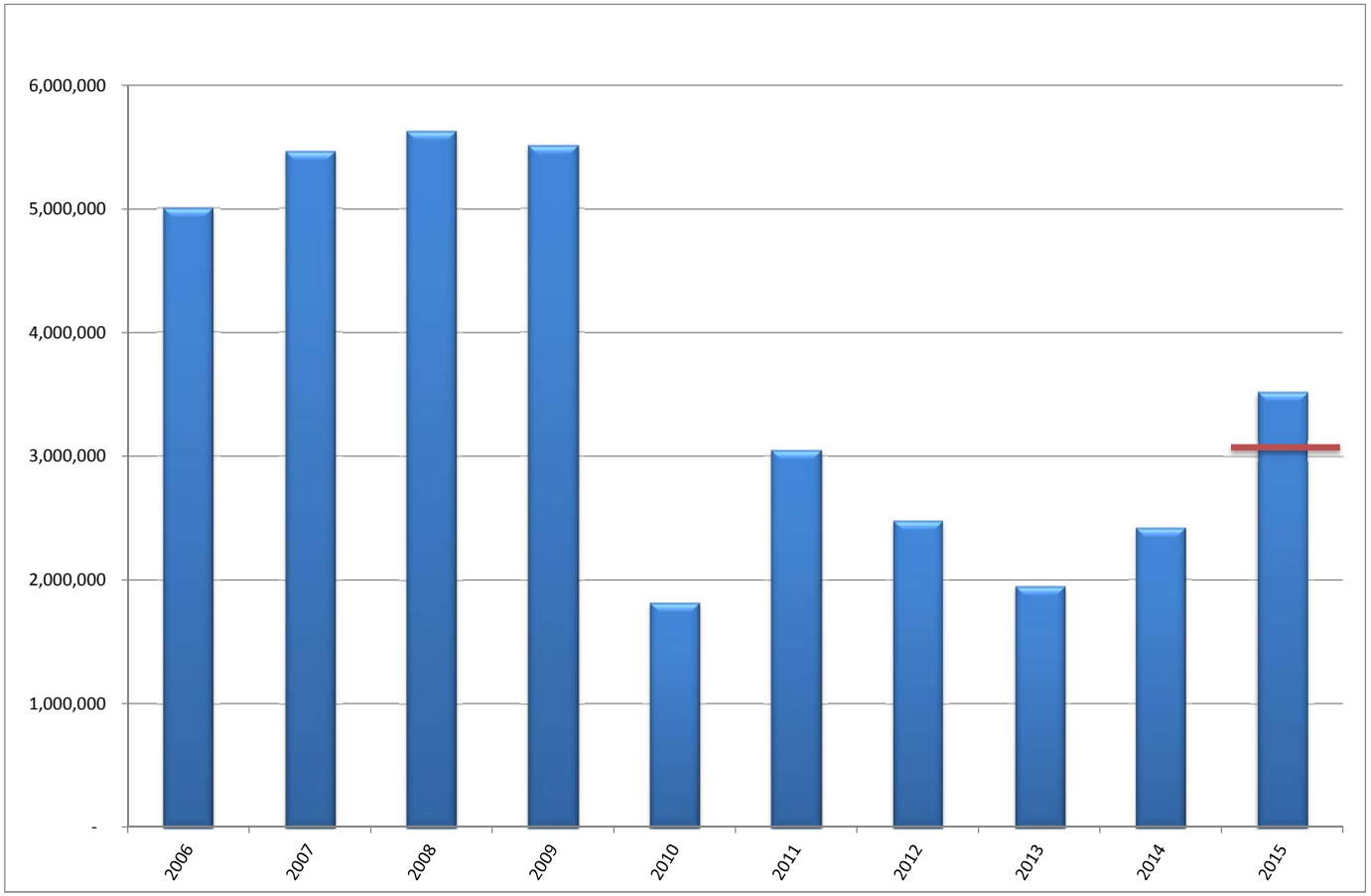


Water Fund
Cash and Cash Equivalents

Fiscal Year	Cash Balance
2006	5,001,703
2007	5,459,283
2008	5,628,592
2009	5,508,338
2010	1,813,052
2011	3,046,201
2012	2,476,736
2013	1,942,327
2014	2,412,481
2015	3,514,106

Policy Level (red line)

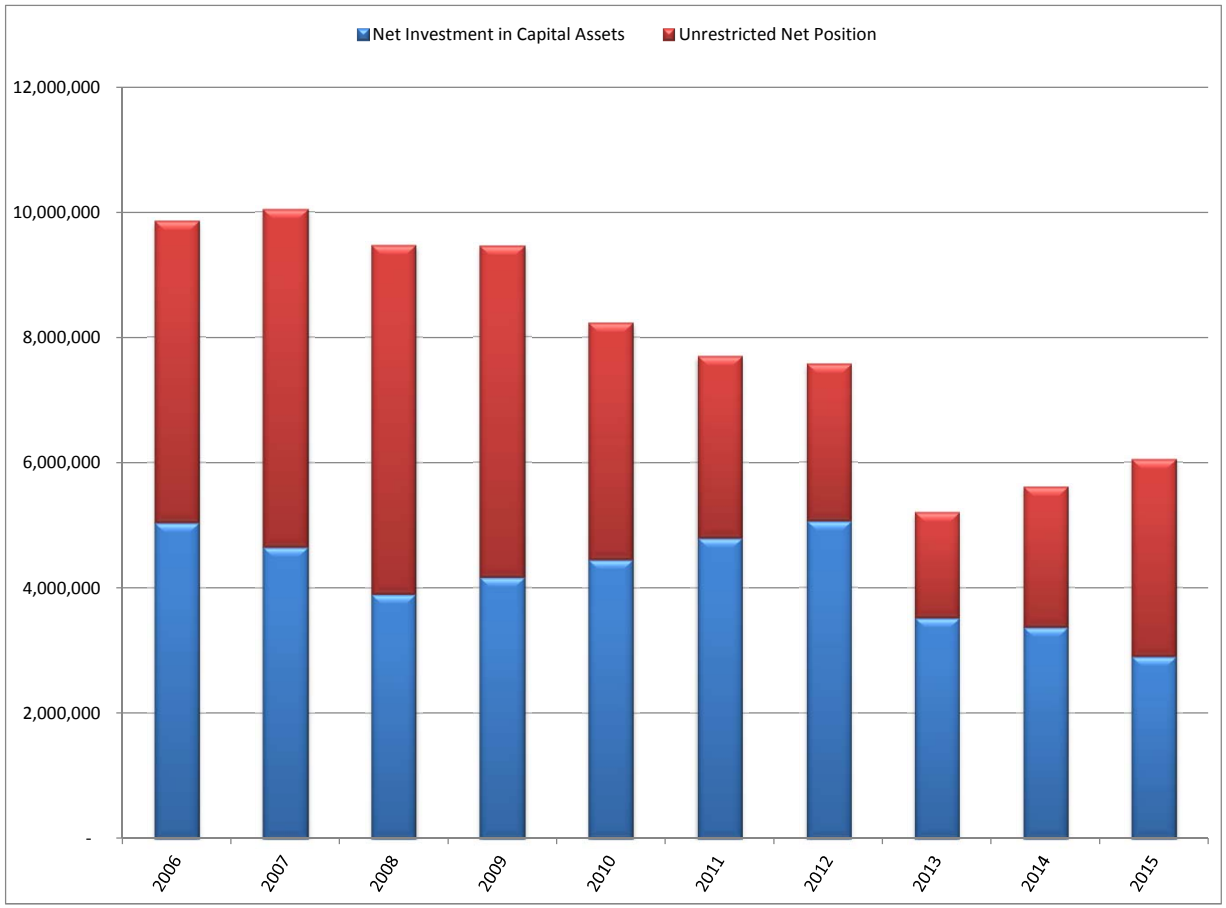
2015	3,052,750



Policy: Utility cash and cash equivalent should exceed 100% of total operating expenditures and debt service.
FY 10-$2.175m payment for purchase of Aberdeen Property.
FY 11-Loan proceeds drawn to reimburse fund for Aberdeen purchase.

Water Fund
Total Net Position

Fiscal Year	Net Investment in Capital Assets	Unrestricted Net Position	Total Net Position
2006	5,039,234	4,818,581	9,857,815
2007	4,654,281	5,395,043	10,049,324
2008	3,901,824	5,574,529	9,476,353
2009	4,166,440	5,288,826	9,455,266
2010	4,453,366	3,783,700	8,237,066
2011	4,796,267	2,907,172	7,703,439
2012	5,061,672	2,508,134	7,569,806
2013	3,523,907	1,687,083	5,210,990
2014	3,367,472	2,242,555	5,610,027
2015	2,901,963	3,147,550	6,049,513



Net position shows the Town's assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position may serve as a useful indicator of a government's financial position over time. An increase may indicate an improved financial position; however, even decreases may reflect a changing manner in which the Town may have used previously accumulated funds.

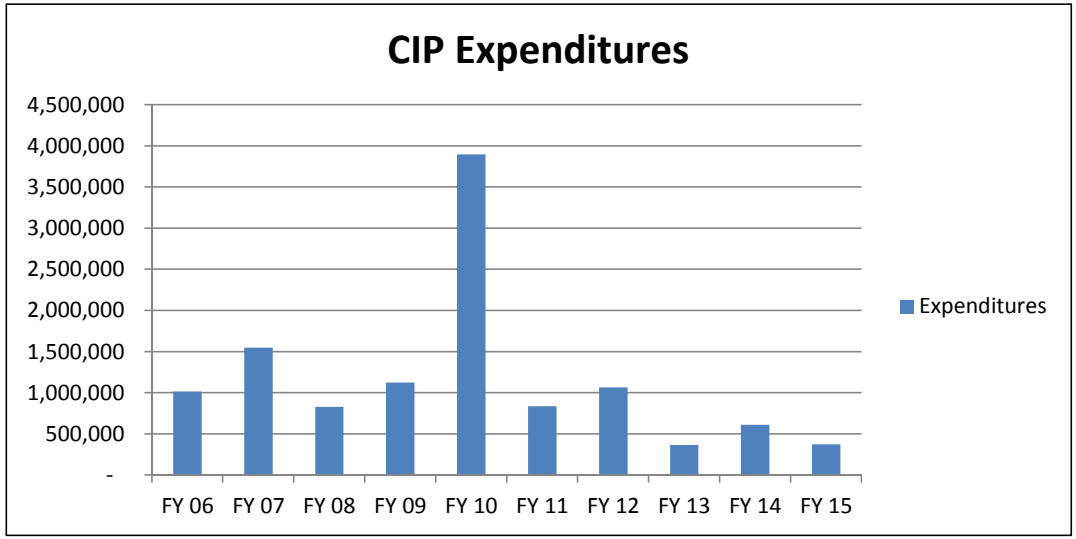
FY 13 $2,158,295 adjustment of construction in progress for expenditures that could not be categorized as Capital Assets.
FY 15 $472,921 adjustment of construction in progress for expenditures that could not be categorized as Capital Assets.

FY 11 adjusted to include SNAP funds to make it consistent with other fiscal years.

Water Fund
Capital Improvement Project Expenditures

Fiscal Year

FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15
1,017,675	1,549,331	828,481	1,126,033	3,898,453	835,653	1,067,233	365,271	613,112	375,328



Wastewater Fund

- **Assumptions:**

  These graphs have been modified to better reflect ongoing operating revenues and expenditures.

  The WQIF Grant, for the BSWF Facility is a non-recurring revenue source and has been excluded from operating graphs to provide a more accurate picture of on-going revenue sources.

  FY 08 = $959,271
  FY 09 = $2,966,251
  FY 10 = $967,090
  FY 12 = $116,199

  All Capital Projects revenues and expenditures have been excluded from the operating graphs.

  Availability Revenue fluctuates from year to year which leads to fluctuations in net income.

  As the town moves toward build-out, availability revenue will decrease.

  Utility chargeback is shown as an expenditure. It is used to allocate personnel and other costs paid out of the General Fund to support activity in the Utility Funds.

  In FY 2010 the chargeback was adjusted to better reflect true costs.

- **Basis of Accounting**

  The Waste Water Fund uses the Accrual Basis of accounting. Transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.
  Differences include:

  Depreciation is shown as an expense.
  Debt Service shown only includes interest portion of payments.

- **Data Source**

  Comprehensive Annual Financial Report

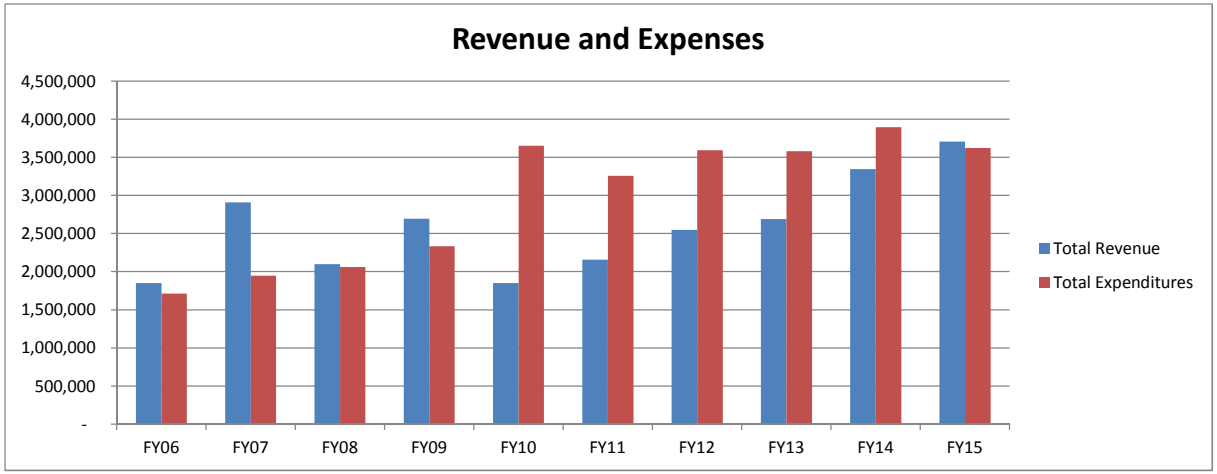
Wastewater Fund Profile
Overview: Operating Revenues and Expenditures

	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15
Revenues										
User Fees	1,043,190	1,518,364	1,322,697	1,442,397	1,710,226	1,989,454	2,198,194	2,360,589	2,624,003	2,576,250
Other Income*	386,538	428,599	304,063	171,428	111,992	76,235	61,541	41,930	36,437	71,565
Availabilities	423,000	961,000	470,400	1,080,000	30,315	91,049	287,690	287,690	687,290	1,060,697
Total Revenue	**1,852,728**	**2,907,963**	**2,097,160**	**2,693,825**	**1,852,533**	**2,156,738**	**2,547,425**	**2,690,209**	**3,347,730**	**3,708,512**
Percent Change Year to Year		57%	-28%	28%	-31%	16%	18%	6%	24%	11%
Expenditures										
Personnel & Chargeback	742,262	909,733	974,140	1,363,140	1,387,991	1,318,043	1,327,218	1,381,996	1,409,729	1,338,224
Operating Expenses	377,410	417,524	440,738	384,469	503,162	484,824	505,234	475,323	563,539	509,056
Debt Service & Depreciation	593,571	618,763	644,120	584,228	1,759,485	1,454,969	1,762,077	1,723,685	1,920,800	1,774,070
Total Expenditures	**1,713,243**	**1,946,020**	**2,058,998**	**2,331,837**	**3,650,638**	**3,257,836**	**3,594,529**	**3,581,004**	**3,894,068**	**3,621,350**
Percent Change Year to Year		14%	6%	13%	57%	-11%	10%	0%	9%	-7%

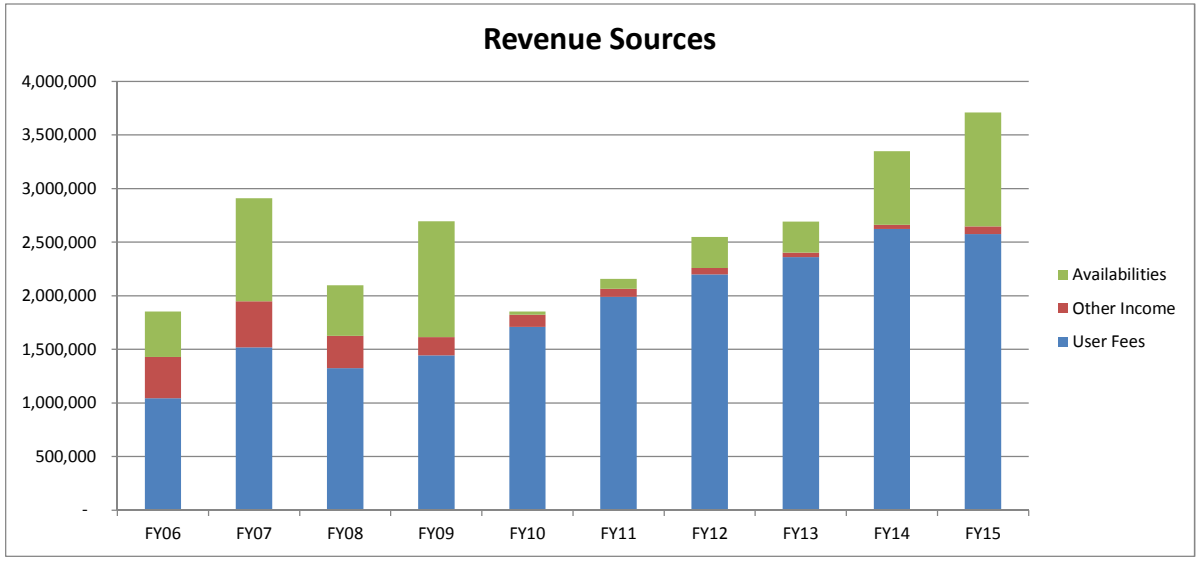
* This includes Investment Earnings

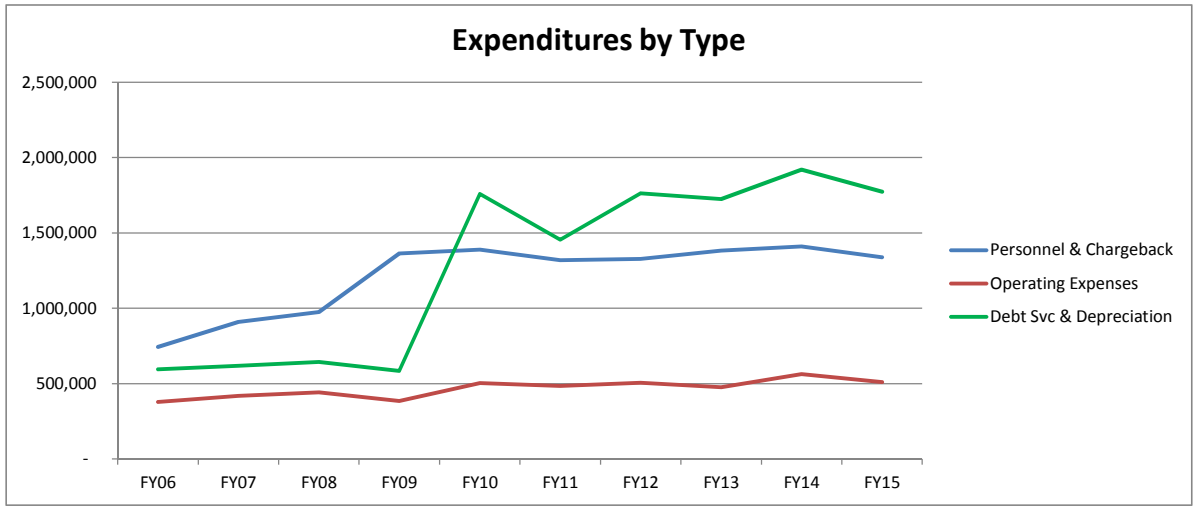
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15
Revenues										
User Fees	56%	52%	63%	54%	92%	92%	86%	88%	78%	69%
Other Income*	21%	15%	14%	6%	6%	4%	2%	2%	1%	2%
Availabilities	23%	33%	22%	40%	2%	4%	11%	11%	21%	29%
Total Revenue	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Expenditures										
Personnel & Chargeback	43%	47%	47%	58%	38%	40%	37%	39%	36%	37%
Operating Expenses	22%	21%	21%	16%	14%	15%	14%	13%	14%	14%
Debt Service & Depreciation	35%	32%	31%	25%	48%	45%	49%	48%	49%	49%
Total Expenditures	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

* This includes Investment Earnings



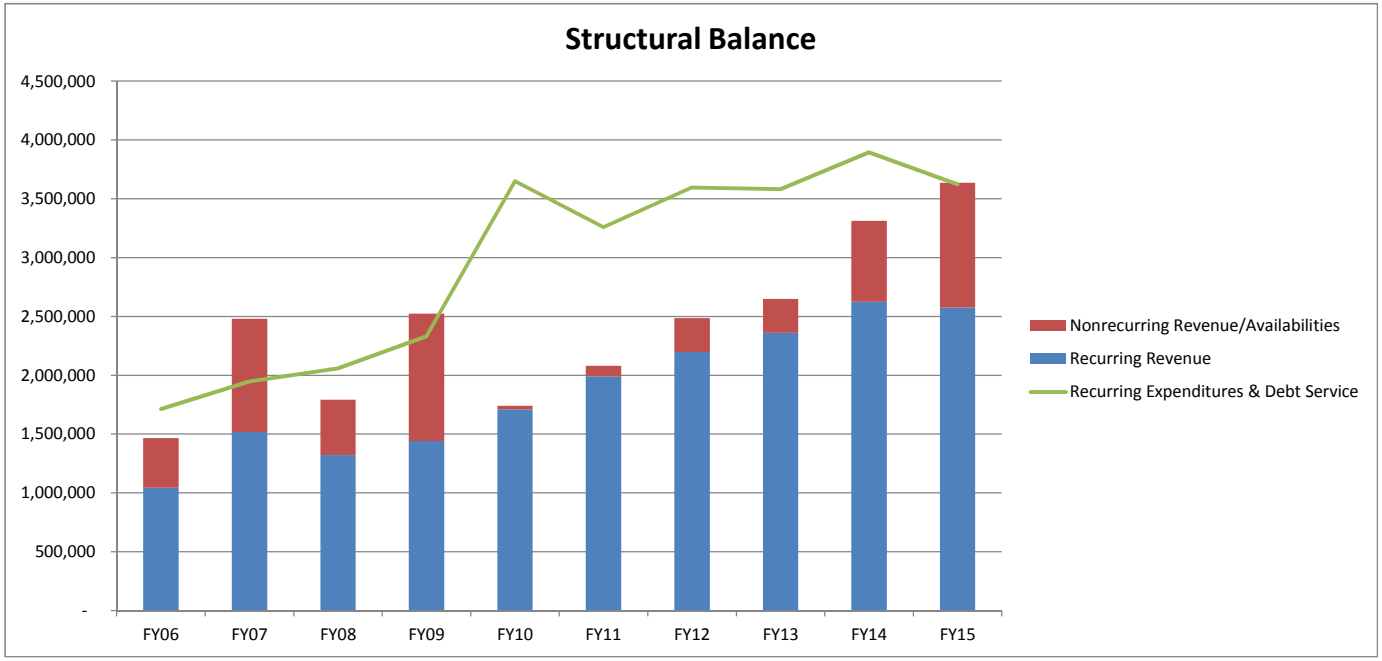
Wastewater Fund Profile
Overview: Operating Revenues and Expenditures (Cont'd)





CAFR Exhibit 8

Wastewater Fund

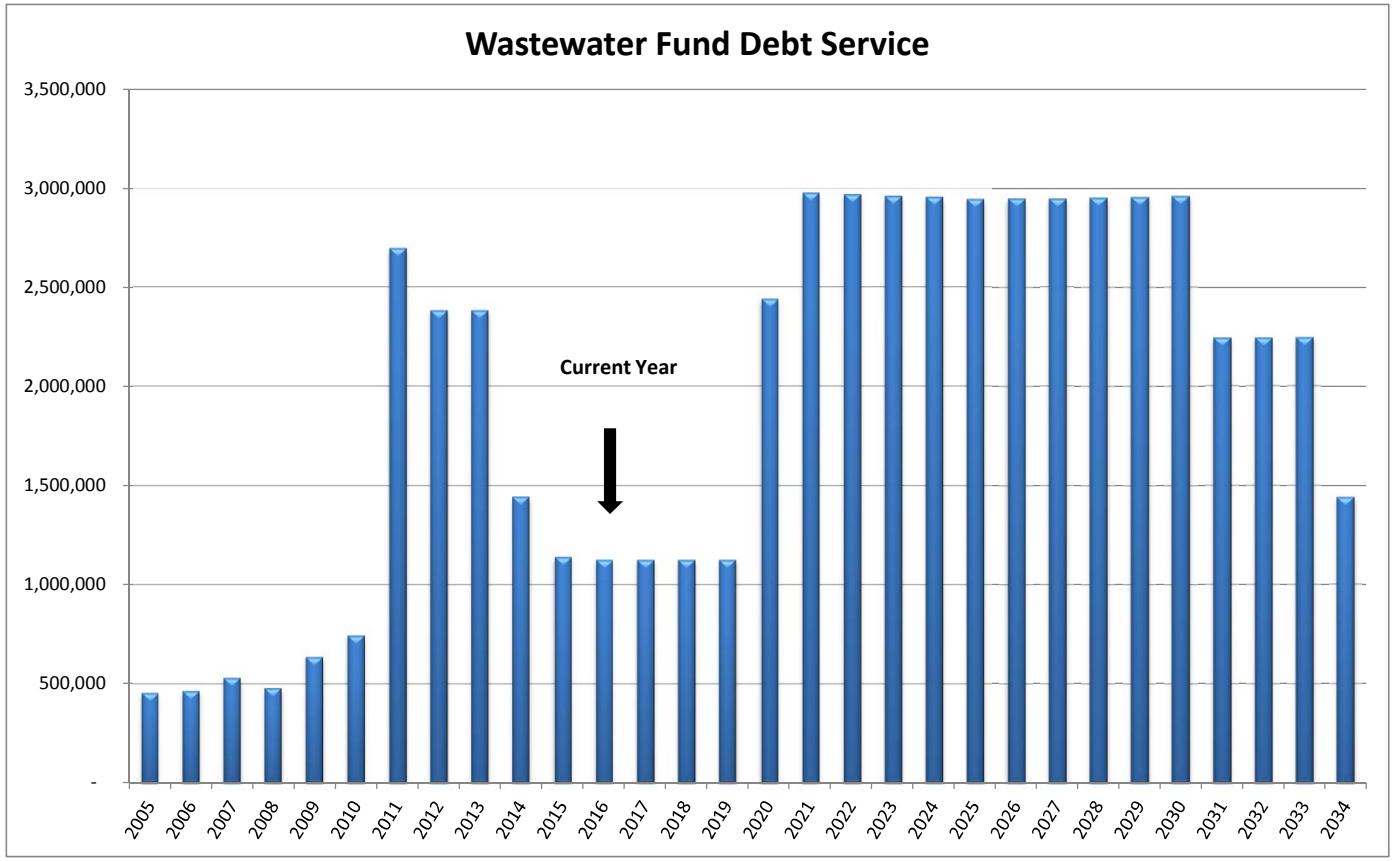


The goal of structural balance is for recurring revenue to fully support recurring expenditures including debt service
This graph shows the fund's reliance on nonrecurring revenue sources (availabilities and reserves)
Debt was restructured with the 2013 Public Bond for payment of interest only in years FY 14 - 19.
Long-term planning should include consideration of the $1.3- $1.9 mil. debt service increase after FY 19
Revenue shortfalls (below green line) must be augmented by reserves.
Excess revenue (above green line) replenishes reserves.

Wastewater Fund
Debt Service Profile

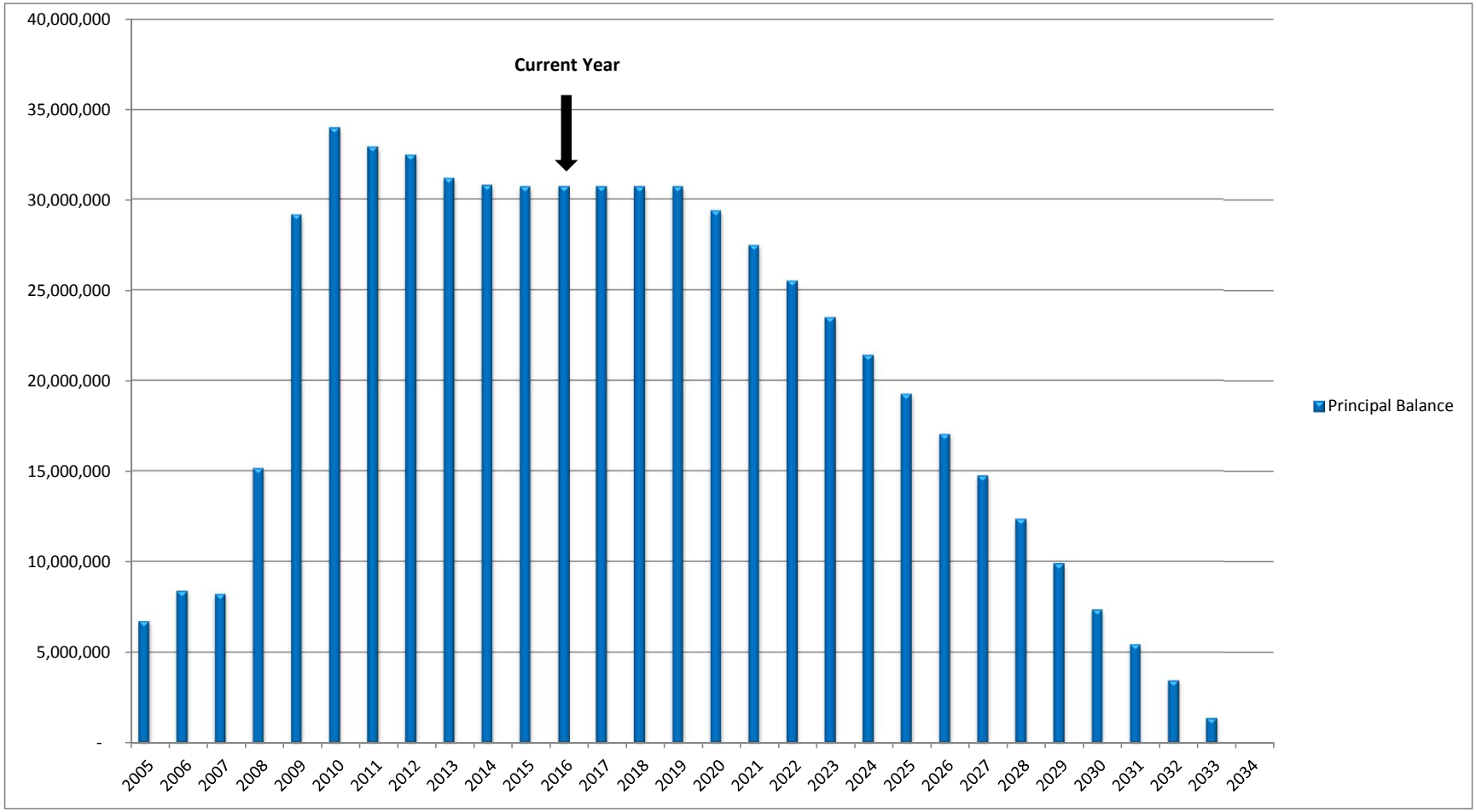
WASTEWATER FUND

Fiscal Year	Total Debt Service
2005	455,356
2006	464,982
2007	530,398
2008	478,391
2009	635,881
2010	744,472
2011	2,696,955
2012	2,382,553
2013	2,382,767
2014	1,444,339
2015	1,140,709
2016	1,125,805
2017	1,125,805
2018	1,125,805
2019	1,125,805
2020	2,440,815
2021	2,976,415
2022	2,968,915
2023	2,960,165
2024	2,955,165
2025	2,943,665
2026	2,950,915
2027	2,945,915
2028	2,954,165
2029	2,956,515
2030	2,961,815
2031	2,243,939
2032	2,243,239
2033	2,245,709
2034	1,438,250



FY 14 debt restructuring from the 2013 Public Bond Sale.
Debt was restructured with the 2013 Public Bond for payment of interest only in years FY 14 - 19.

Wastewater Fund
Outstanding Debt Balance

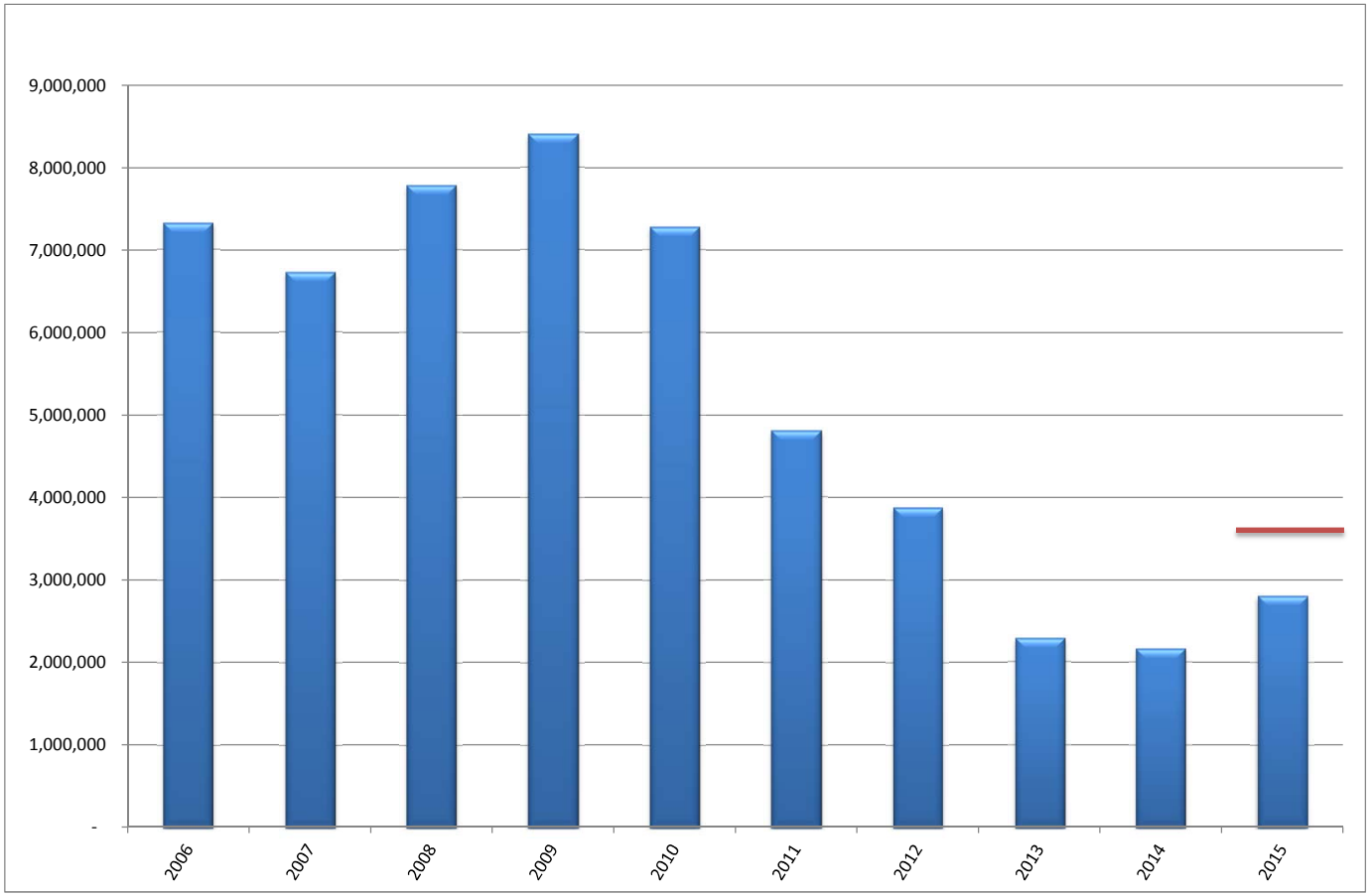


Wastewater Fund
Cash and Cash Equivalents

Fiscal Year	Cash Balance
2006	7,322,122
2007	6,726,478
2008	7,784,394
2009	8,404,191
2010	7,278,048
2011	4,801,599
2012	3,879,221
2013	2,281,417
2014	2,158,476
2015	2,803,636

Policy Level (red line)

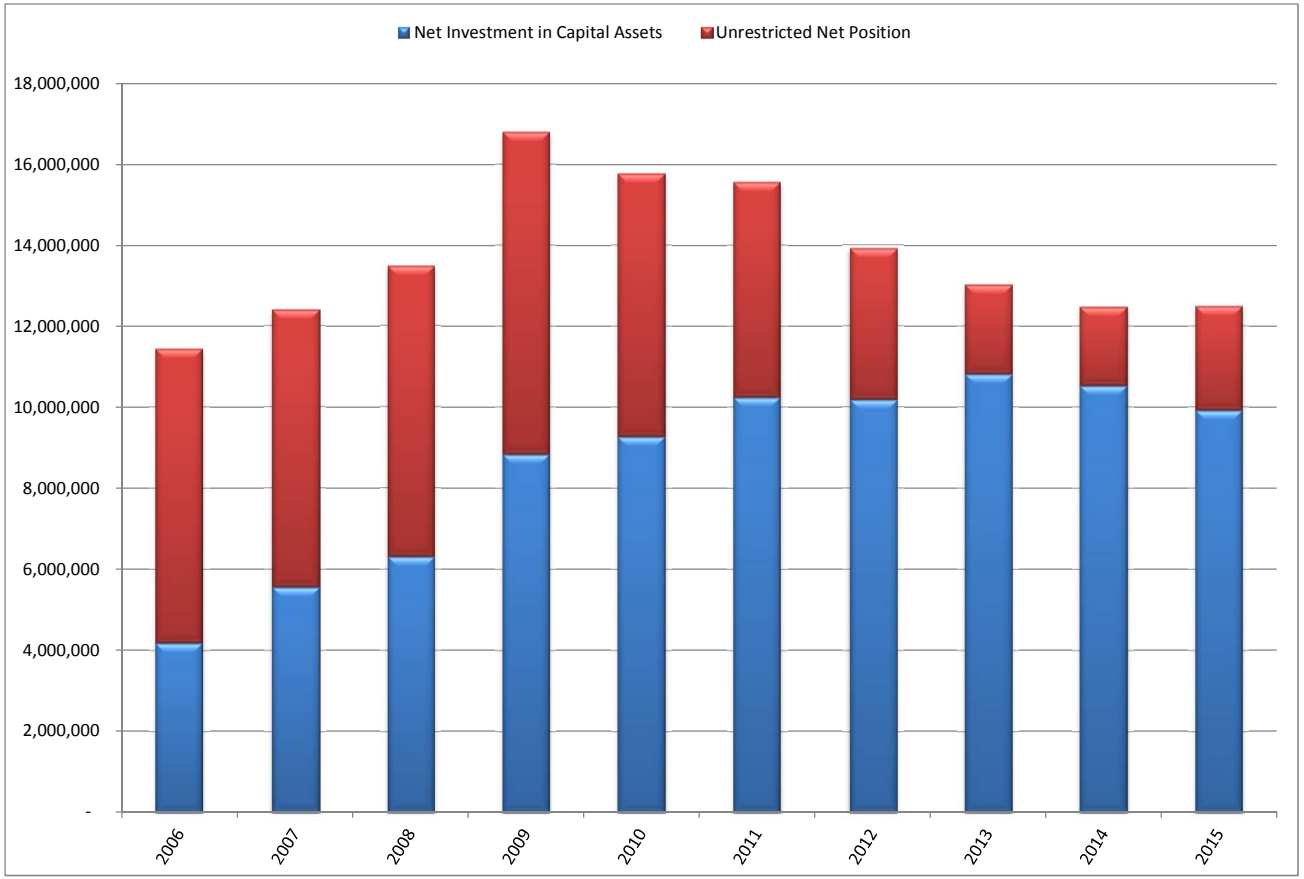
2015	3,605,350



Policy: Utility cash and cash equivalent should exceed 100% of total operating expenditures and debt service.

Wastewater Fund
Total Net Position

Fiscal Year	Net Investment in Capital Assets	Unrestricted Net Position	Total Net Position
2006	4,183,596	7,258,221	11,441,817
2007	5,560,654	6,842,388	12,403,042
2008	6,309,265	7,163,089	13,472,354
2009	8,837,792	7,957,643	16,795,435
2010	9,278,566	6,489,780	15,768,346
2011	10,246,584	5,316,528	15,563,112
2012	10,183,245	3,736,480	13,919,725
2013	10,821,281	2,206,799	13,028,080
2014	10,535,276	1,946,466	12,481,742
2015	9,924,328	2,571,247	12,495,575



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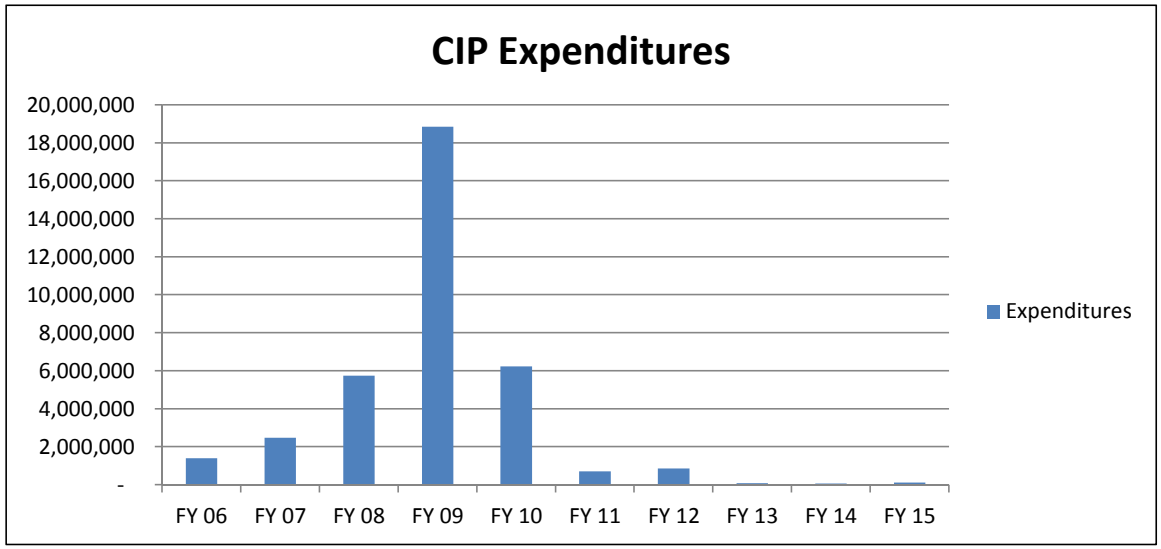
FY 11 Number adjusted to include SNAP funds to make it reflect calculation of other fiscal years.

Wastewater Fund
Capital Improvement Project Expenditures

Fiscal Year

FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15
1,401,740	2,484,575	5,742,580	18,860,133	6,231,228	709,604	856,029	85,521	62,311	114,856



Appendix

TOWN OF PURCELLVILLE
TAX RATE HISTORY

Real Estate:

Tax Year	Tax Rate
1990-1995	0.24
1996	0.24
1997	0.24
1998	0.24
1999	0.24
2000	0.24
2001	0.24
2002	0.24
2003	0.22
2004	0.21
2005	0.20
2006	0.17
2007	0.18
2008	0.19
2009	0.225
2010	0.23
2011	0.23
2012	0.225
2013	0.225
2014	0.210
2015*	0.220

*Adopted

Fireman's Field Service Tax:

Tax Yr	Tax Rate
2013	0.035
2014	0.035
2015*	0.035

*Adopted

Personal Property:

Tax Yr	Tax Rate
1996	1.05
1997	1.05
1998	1.05
1999	1.05
2000	1.05
2001	1.05/.55
2002	1.05/.55
2003	1.05/.55
2004	1.05/.55
2005	1.05/.55
2006	1.05/.55
2007	1.05/.55
2008	1.05/.55
2009	1.05/.55
2010	1.05/.55
2011	1.05/.55
2012	1.05/.55
2013	1.05/.55
2014	1.05/.55
2015*	1.05/.55

*Adopted

Meals Tax:

Fiscal Yr	Rate
1996	3%
1997	3%
1998	3%
1999	3%
2000	3%
2001	3%
2002	4%
2003	4%
2004	3%
2005	3%
2006	4%
2007	4%
2008	4%
2009	4%
2010	4%
2011	4%
2012	4%
2013	5%
2014	5%
2015	5%
2016*	5%

*Adopted

Cig Tax:

Fiscal Yr	Rate
2000	0.20
2001	0.20
2002	0.20
2003	0.20
2004	0.30
2005	0.30
2006	0.35
2007	0.45
2008	0.50
2009	0.50
2010	0.50
2011	0.65
2012	0.65
2013	0.65
2014	0.65
2015	0.65
2016*	0.65

*Adopted

Business License:

Tax Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Building Contractor	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14
Retail	0.19	0.19	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17
Restaurant	0.19	0.19	0.19	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17
Financial	0.19	0.19	0.19	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17
Real Estate	0.19	0.19	0.19	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17
Professional	0.19	0.19	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17
Repair	0.19	0.19	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17
Personal Serv	0.19	0.19	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17
Business Serv	0.19	0.19	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17
Wholesale	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05
Rental/by Owner	0.19	0.19	0.19	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17
Public Utilities	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Hotel Motel	n/a	n/a	0.19	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17
Massage Therapy	0.19	0.19	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17
Direct Sellers >4k	0.19	0.19	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17
Carnivals/Amus	n/a	n/a	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr
Fortune-teller	n/a	n/a	n/a	n/a	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr
Itinerant Vendor	250.00/yr	250.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr	500.00/yr
Coliseum, Arenas	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1000.00/yr	1000.00/yr	1000.00/yr	1000.00/yr	1000.00/yr
Savings & loan, credit union	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	50.00/yr	50.00/yr	50.00/yr	50.00/yr	50.00/yr
Photographer-non VA local													30.00/yr	30.00/yr	30.00/yr	30.00/yr	30.00/yr
Manufacturer	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	$10 min	$10 min	$20 min	$20 min	$20 min	$20 min	$20 min	$20 min	$20 min	$20 min	$20 min	$20 min	$20 min	$20 min	$20 min	$20 min	$20 min

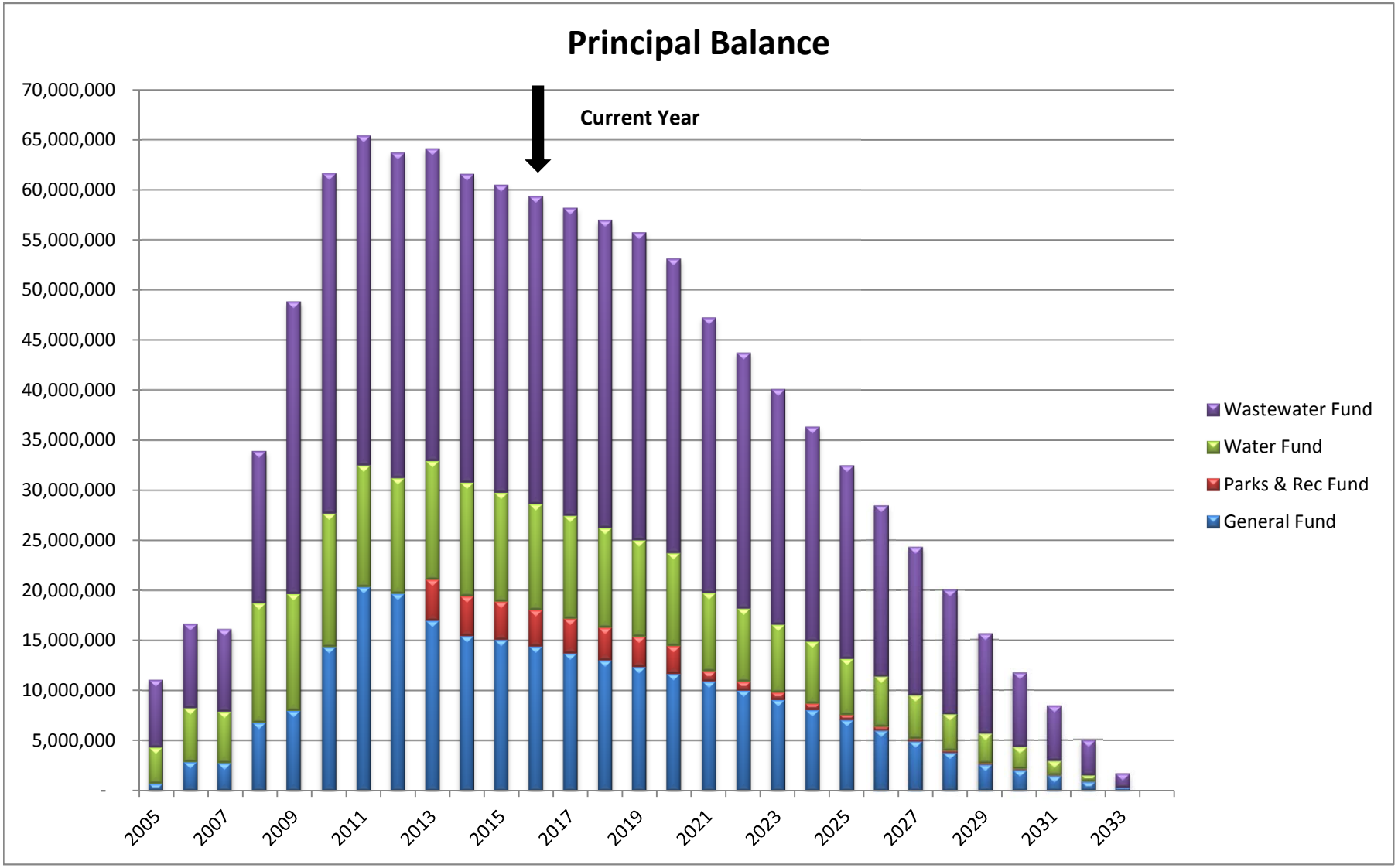
UTILITY RATES

History of Utility Rates

(Rates Per 1,000 gallons)

	FY 08	FY 09		FY 10	FY 11		FY 12	FY 14	FY 15	FY 16
Water Tiers			**Water Tiers**			**Water Tiers**				
1K -6K	$3.78	$4.35	**1K -5K**	$4.52	$5.65	**1K -5K**	$5.93	$6.35	$6.16	$6.16
6K - 12K	$5.04	$5.79	**5K - 10K**	$6.03	$7.53	**5K - 10K**	$7.91	$8.46	$8.21	$8.21
12K - 18K	$6.30	$7.24	**10K - 15K**	$7.53	$9.41	**10K - 15K**	$9.54	$10.21	$9.90	$9.90
18K+	$7.56	$8.69	**15K - 20K**	$9.04	$11.30	**15K - 20K**	$11.35	$12.15	$11.79	$11.79
			20K - 100K	n/a	$13.18	**20K - 50K**	$14.18	$15.17	$14.71	$14.71
			100K - 200K	n/a	$14.18	**50K - 100K**	$16.18	$17.31	$16.79	$16.79
			200K - 500K	n/a	$15.18	**100K - 150K**	$18.18	$19.45	$18.87	$18.87
			500K+	n/a	$23.18	**150K - 200K**	$20.18	$21.59	$20.94	$20.94
						200K - 250K	$22.89	$24.59	$23.85	$23.85
						250K - 300K	$24.98	$26.73	$25.93	$25.93
						300K - 350K	$26.98	$28.87	$28.00	$28.00
						350K - 4000K	$28.98	$31.01	$30.08	$30.08
						400K - 450K	$30.98	$33.15	$32.16	$32.16
						450K - 500K	$35.98	$38.50	$37.35	$37.35
						500K - 550K	$40.98	$43.85	$42.53	$42.53
						550K - 600K	$45.98	$49.20	$47.72	$47.72
						600K+	$50.98	$54.55	$52.91	$52.91
Wastewater	$7.61	$8.38	**Wastewater**	$8.72	$10.12	**Wastewater**	$11.84	$14.21	$13.78	$14.47
Acct Svc Fee	$6.00	$6.00	**Acct Svc Fee**	$20.00	$30.00	**Acct Svc Fee**	$30.00	$30.00	$30.00	$30.00

All Funds
Outstanding Debt Balance



Outstanding Debt Balance

		General Fund	Parks & Rec Fund	Water Fund	Wastewater Fund	Total
2005	*	731,571		3,613,901	6,735,887	11,081,359
2006	*	2,906,550		5,368,832	8,389,608	16,664,990
2007	*	2,783,945		5,155,372	8,225,247	16,164,564
2008	*	6,825,223		11,941,102	15,181,455	33,947,780
2009	*	8,013,776		11,688,002	29,185,840	48,887,618
2010	*	14,398,021		13,326,424	33,961,215	61,685,660
2011	*	20,392,196		12,136,799	32,925,934	65,454,929
2012	*	19,719,736		11,542,780	32,478,836	63,741,352
2013	*	17,010,157	4,109,397	11,864,911	31,190,323	64,174,788
2014	*	15,492,391	3,966,070	11,370,000	30,798,034	61,626,495
2015	*	15,110,860	3,806,070	10,885,000	30,722,738	60,524,668
2016		14,452,523	3,630,864	10,580,000	30,722,738	59,386,125
2017		13,764,531	3,454,735	10,278,500	30,722,738	58,220,504
2018		13,054,394	3,278,606	9,962,000	30,722,738	57,017,738
2019		12,402,483	3,027,017	9,630,500	30,722,738	55,782,738
2020		11,712,485	2,778,515	9,284,000	29,389,546	53,164,546
2021		10,957,486	1,010,014	7,827,500	27,485,337	47,280,337
2022		10,047,949	886,051	7,306,000	25,524,321	43,764,321
2023		9,094,333	756,167	6,764,500	23,505,695	40,120,695
2024		8,101,178	625,822	6,203,000	21,423,629	36,353,629
2025		7,093,944	494,556	5,621,500	19,282,277	32,492,277
2026		6,047,172	362,828	5,010,000	17,060,768	28,480,768
2027		4,955,860	230,640	4,358,500	14,768,212	24,313,212
2028		3,820,470	177,530	3,672,000	12,388,694	20,058,694
2029		2,630,540	123,960	2,950,500	9,926,277	15,631,277
2030		2,076,533	94,467	2,199,000	7,375,000	11,745,000
2031		1,503,446	64,054	1,417,500	5,465,000	8,450,000
2032		902,743	32,257	605,000	3,465,000	5,005,000
2033		300,000			1,375,000	1,675,000
2034						

* Note 5 CAFR
Other amounts based on loan amortization schedule.

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FY15 CAFR Budget-Actual Comparisons
Schedule 1-5
Summary of Results and Variances

Total General Fund Unassigned Fund Balance: $5,049,286
FY15 Increase/Surplus: +$817,322
Fiscal Policy: Above policy threshold of $3 million or 30% GF Revenues

General Fund Revenues:
Actual Revenues Exceeded Budget by $553k
The budgeted Draw on Reserves of 495k was not required due to the operating surplus.
Exceeded budget: property tax +193k, meals tax +191k, zoning fees +81k and bank franchise tax +66k.
Shortfalls: business license <47k> due to reduction in commercial construction and gas tax <37k> due to lower fuel prices.

General Fund Expenditures:
Budget savings were realized throughout all departments. The following are explanations of the largest differences.

General Government Administration- 130k savings
Administration- 42k savings- PIO fees and Public Education fees were significantly reduced.
Financial administration- 13k savings- The financial advisor fees were lower than past years as no new bonds were issued. The Other Post Employment Benefit actuarial study required for the FY15 CAFR was not completed until Nov. 2016 delaying the expenditure until FY17.
Finance- 55k savings- The department's FY15 budget included contingency funding to research financial software options.

Public Safety- 51k savings
Police Overtime exceeded budget by 38k, however, these costs were more than offset by savings in other personnel categories due to vacancies. Additional expenditure savings were seen in technical support, building renovation costs, computer hardware/software, however, vehicle gas/maintenance exceeded budget. The rescue proffer was not paid until FY16 resulting in a savings to FY15.

Public Works- 576k savings
Administration- (63k) Largest savings were seen in Consulting.
PW/Capital & Engineering- (60k) Largest savings were seen in Overtime and Consulting.
PW/Maintenance Dept & Building - (124k) Savings seen in personnel categories due to vacancies and lower than expected overtime. Other savings were found throughout the department's budget. Town Hall HVAC costs exceeded budget by 22k.
PW/Street Maintenance- (322k) Savings of 86k in Town street maintenance and 236k in State street maintenance. Of this savings, appox. 100k in State funding was not spent and was restricted for spending in future periods.

Planning/Comm Dev- 45k savings
Largest savings were seen in Consulting.
No large differences were seen with boards and commissions.

FY15 CAFR Budget-Actual Comparisons
Schedule 1-5
Summary of Results and Variances

Total Parks and Rec Unassigned Fund Balance: <$28,393> (supported by General Fund)
FY15 Increase/Repayment to GF: +$4,811

Parks and Rec Fund Revenues:
Actual Revenues Exceeded Budget
The budgeted Transfer from General Fund of 46k was not required due to the operating surplus.
Exceeded budget: property tax +23k, event rev +15k

Parks and Rec Fund Expenditures:
Budget savings were realized in most areas except the Train Station due to higher repair and shared parking costs.

FY15 CAFR Budget-Actual Comparisons
Schedule 1-5
Summary of Results and Variances

Water Fund Change in Net Position- +$492,863

Revenues	2,280,955	
Expenditures	(2,590,769)	
Debt	(461,981)	
Operating Loss	(771,795)	<Structural Imbalance- recurring rev less recurring exp
Non-Recurring Revenue- Availabilities	1,264,685	
Change in Net Position	492,890	<lower than expected budget surplus of $563k mostly due to expense of cap proj costs

Cash and Cash Equivalents:	3,514,106	<cash above policy threshold
Fiscal Policy threshold (100% op exp and debt)	3,052,750	

Water Fund Revenues:
Exceeded budget: Misc, penalties, availabilities, cell leases.
Shortfalls: user fees, meter fees.

Water Fund Expenditures:
Budget savings were realized throughout fund accounts.
Offsetting these savings were capital project costs of 472k expensed in current year for studies and designs that did not result in an asset so costs could not be capitalized.

FY15 CAFR Budget-Actual Comparisons
Schedule 1-5
Summary of Results and Variances

Sewer Fund Change in Net Position- +$68,162

Revenues	2,612,815	
Expenditures	(2,580,256)	
Debt	(1,025,094)	
Operating Loss	(992,535)	<Structural Imbalance- recurring rev less recurring exp
Non-Recurring Revenue- Availabilities	1,060,697	
Change in Net Position	68,162	<Slightly higher than expected budget surplus of 53k

Cash and Cash Equivalents:	2,803,636	<cash below policy threshold
Fiscal Policy threshold (100% op exp and debt)	3,605,350	

Sewer Fund Revenues:
Exceeded budget: Misc, penalties, availabilities.
Shortfalls: user fees.

Sewer Fund Expenditures:
Savings were realized throughout fund.

FY 2017 PROPOSED ENHANCEMENTS

With the fiscal guidance set by the Town Council, the Town Manager directed departments to submit budget enhancements related to meeting critical operating needs and addressing Town Council priorities. Proposed enhancements total $1,284,332 in funding and 6.60 FTE.

	DEPARTMENT REQUEST	DESCRIPTION	PROPOSED FTE	Personnel	Operating & Maintenance	Capital Outlay	Revenue	Net Budget Impact
	ADMINISTRATION							
	All Departments							
	3% Index Rate Adjustment	This proposed Index Rate Adjustment is a component of the Pay for Performance Program Adopted in April 2014	0.00	$152,596	$0	$0	$0	$152,596
	Market Adjustment	This proposed increase is to correct salary inconsistencies in certain departments.	0.00	$25,000	$0	$0	$0	$25,000
	Subtotal		**0.00**	**$177,596**	**$0**	**$0**	**$0**	**$177,596**
	Administration							
	Compensation Study	This enhancement is for a consultant to conduct a Compensation study to review the compensation process to make sure we are competitive in the recruitment/retention area. The last study was completed in 2006.	0.00	$25,000	$0	$0	$0	$25,000
	HR Assistant	This enhancement is for a part-time position (24 hrs./week) to assist HR Specialist with existing heavy workload.	0.50	$24,647	$0	$0	$0	$24,647
	Records Management Consultant	This enhancement is for a consultant to review and guide the Town on Records Management legal requirements, compliance issues, policy, file review, filing system, storage, and retention schedule.	0.00	$0	$15,000	$0	$0	$15,000
	Paralegal	This enhancement is for a part-time position (24 hrs./week) to assist Town Attorney with heavy workload.	0.50	$28,008	$0	$0	$0	$28,008
	Subtotal		**1.00**	**$77,655**	**$15,000**	**$0**	**$0**	**$92,655**
	Total		**1.00**	**$255,251**	**$15,000**	**$0**	**$0**	**$270,251**
	POLICE							
1	Office Manager	This enhancement is for a full time Office Manager tol handle office operations, which will free up an Officer position that is currently functioning in this capacity and therefore would be better utilized in patrol which is greatly needed.	1.00	$81,353	$0	$0	$0	$81,353
2	Detective	This enhancement is for a full time Investigator to work and manage cases, assist in supporting communicty engagement in the arena of target hardening and initiatives nad would also serve as the liaison with the LCSO and other neighboring jurisdictions.	1.00	$85,923	$0	$0	$0	$85,923
3	Shift Differential Pay	This enhancement is for shift diffrential pay for evening shift officers working 6:00 p.m. - 6:00 a.m. and to make the Town more competitive with surrounding jurisdictions ($1.00 per hr./2,080 hrs./7 Officers).	0.00	$15,674	$0	$0	$0	$15,674

	Vehicle Replacement	This enhancement is for 3 Ford Explorer Utility vehicles @ $42K each, to replace the following: 2008 Ford Explorer (#218/ miles); 2006 Ford Crown Victoria (#216/ miles); 2007 Ford Crown Victoria (#207/ miles).	0.00	$0	$0	$126,000	$0	$126,000
	Subtotal		**2.00**	**$182,950**	**$0**	**$126,000**	**$0**	**$308,950**
	PARKS & RECREATION							
1	Events Specialist	This enhancement will increase efficiency and effectiveness of current project and program implementation in the Parks and Recreation Department by allowing for more hours to be spent on existing programs. Priorities of this position will be special event management, special event permitting, execution and liaising for Purcellville Arts Council initiatives, Purcellville Parks and Recreation Board initiatives, the Environmental Committee and the Tree and Beautification Commission. This enhancement will serve all active and passive participants and users of existing facilities and programs.	0.25	$34,971	$0	$0	$0	$34,971
2	Events Assistant	This enhancement is for a part-time, 24 hours per week, Events Assistant to increase the efficiency and effectiveness of current project and program implementation and will allow more hours to be spent on marketing and implementation of existing and new programs.	0.60	$24,199	$0	$0	$0	$24,199
	Subtotal		**0.85**	**$59,170**	**0.00**	**0.00**	**0.00**	**$59,170**
	PUBLIC WORKS ADMIN/CAPITAL ENGINEERING/MAINTENANCE							
1	Assistant Director of Public Works	This enhancement is for a full time position needed to improve the responsiveness to the community and expectations associated with the existing workload. Time required to respond to citizens, Town Manager, and Town Council as well as requests from other departments for data will continue to increase based on new deliverables, special projects, researching information and new regulatory and reimbursement requirements.	1.00	$135,604	$0	$0	$0	$135,604
2	Engineering Assistants Change in Status from Part-Time to Full Time	Transition (2) part-time Engineering Assistants (currently 32.0 hrs. ea.) to full time status in lieu of contract engineer. This change will reduce cost of outsourcing and number of days to review development plans. A total of 64.0 bi-weekly hours would be added to make both positions full time.	0.75	$107,902	$0	$0	$0	$107,902
3	Transportation Plan	Last update was 2009 using 2008 data. Without an updated plan, development plans will be reviewed without the benefit of an overall masterplan which increases review costs due to outsourcing and directly affects the ability of the department to improve the Town's public infrastructure.	0.00	$0	$150,000	$0	$0	$150,000
	Vehcile Replacement	This enhancement is for a replacement vehicle for PW Engineering: Truck @ $30K to replace a 2003 Chevrolet Silverado (48,098 miles/ongoing maint. issues).	0.00	$0	$0	$30,000	$0	$30,000
	Subtotal		**1.75**	**$243,506**	**$150,000**	**$30,000**	**$0**	**$423,506**
	PUBLIC WORKS MAINTENANCE							
1	Maintenance Worker	This enhancement is for a full time position to handle the ongoing day to day maintenance duties required to maintain properties.	1.00	$71,455	$0	$0	$0	$71,455
2	Upgraded Camera System	This enhancement is for a new Video system for the camera van, to replace the current outdated system that continues to break down and is hard to repair due to parts that are becoming obsolete. System is needed for cleaning sewer lines and for the prevention of sewer back-ups and storm drainage issues.	0.00	$0	$75,000	$0	$0	$75,000
	Subtotal		**1.00**	**$71,455**	**$75,000**	**0.00**	**0.00**	**$146,455**

	PW WATER							
1	Neptune Gateway System for Meter Reads	This enhancement is for an upgrade to the Neptune Gateway system, stationed at the water tower, to capture meter reads directly from an office desktop computer at the Water Treatment Plant. Cost is split with Wastewater Treatment Plant.	0.00	$0	$10,000	$0	$0	$10,000
	Vehicle Replacement	This enhancement is for a Pick Up Truck @ $41K to replace a 2008 Ford F-350 (88,589 miles)	0.00	$0	$0	$41,000	$0	$41,000
	Subtotal		**0.00**	**$0**	**$10,000**	**$41,000**	**$0**	**$51,000**
	PW WASTEWATER							
1	Software Upgrade - SCADA	This enhancement is for replacement software (supervisory control and data acquisition) for failing wastewater computer system.	0.00	$0	$15,000	$0	$0	$15,000
2	Neptune Gateway System for Meter Reads	This enhancement is for an upgrade to the Neptune Gateway system, stationed at the water tower, to capture meter reads directly from an office desktop computer at the Water Treatment Plant. Cost is split with Water Treatment Plant.	0.00	$0	$10,000	$0	$0	$10,000
	Subtotal		**0.00**	**$0**	**$25,000**	**0.00**	**0.00**	**$25,000**
	TOTAL		**6.60**	**812,332**	**275,000**	**197,000**	**0.00**	**1,284,332**
	OTHER NEEDS FROM POLICE DEPARTMENT							
4	Crime Analyst	This enhancement is for a part-time position (24 hrs./week) to analyze crime trends, nuisance ares, traffic issues, and assists in the allocation of law enforcement resources.	0.50	$31,908	$0	$0	$0	$31,908
5	Traffic Solutions Speed Display Device	This enhancement is for 2 Speed Display Devices to assist in traffic enforcement. This will allow the department to capture real time speed data via technology, freeing up an officer to focus on the police mission.	0.00	$0	$9,600	$0	$0	$9,600
6	Accreditation Manager	This enhancement is for a full time position to oversee the functions of records management, IT and oversight of civilian staff.	1.00	$86,295	$0	$0	$0	$86,295
	TOTAL		**1.50**	**118,203**	**9,600**	**0**	**0**	**127,803**
	TOTAL INCLUDING OTHER PD NEEDS		***8.10***	***$930,535***	***$284,600***	***$197,000***	***0.00***	***$1,412,135***

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