



To: Town Council
From: Town Manager
Subj: FY09-10 Budget
Date: 4/28/09

I pleased to present the FY 2009-10 Proposed Budget to you and the citizens of Clifton Forge. Giving the trying economic conditions now facing the County and the Town, the budget was developed with a philosophy of funding Core Services, but reduce expenses where possible, re-organize staff to create focus and increase efficiency, continue to fund water and sewer capital projects, but not to pursue new capital projects and to continue to fund grants/joint services with our regional partners. The proposed budget is balanced with no increase in real estate or personal property taxes and an increase of \$5 ERU in the sewer rate. The increase in the sewer rate in necessary do to low sewage flows from Selma, which reduced revenues by approximately \$100,000 in the last fiscal year.

Overall non-restricted revenues are expected to decrease by 5%, with restricted funds, primarily from the State, to remain level. Total expenditures increased by 4.71%. Most of the increase is due to debt service for water plant upgrades and water meter installation. Overall, the General Fund increased by 1.2% due to the Inclusion of \$203,155 of Reserve Street Maintenance Money in this Year's budget; however, non-restricted operational expenditures were reduced by 4.6% (-\$135,859). Approximately \$70,000 due to no employee pay increase and approximately \$30,000 due to mothballing the both Armory and East School. The balance of the reduction was achieved by reducing operational costs.

As you will recall, the Alleghany Foundation is funding a planning grant for Clifton Forge and Covington Downtowns. Additionally, Clifton Forge has applied for grant funding to update the Comprehensive Plan and Create Parks Master Plan. It is hoped that these plans as well as the regional focus on tourism development will lead to a revitalized local economy. Therefore, the budget includes the creation of a Community Development Department to focus on those planning issues as well as code enforcement, and grant writing/administration. Additionally, the Department will manage recreation, special events, tourism development and senior services. Existing staff will be reassigned to create this Department.

General Fund Revenue

General Property Taxes	\$ 604,000
Other Local Taxes	\$ 819,000
Permits, Privilege Fees, Reg. Licenses	\$ 1,950
Fines and Forfeitures	\$ 9,600
Revenues from use of Money & Property	\$ 16,750
Charges for Services	\$ 60,300
Miscellaneous Revenue	\$ 28,255
Recovered Cost	\$ 28,000
Revenue from the Commonwealth	\$ 1,273,212
Total General Fund Revenues	\$ 2,841,077

General Fund Expenditures

General Government Administration	\$ 247,326
Public Safety	\$ 912,427
Public Works	\$ 753,932
Property Maintenance	\$ 37,200
Education	\$ 2,400
Parks, Recreation & Cultural, Library	\$ 421,793
Community Development	\$ 176,659
Non-Departmental	\$ 206,905
Capital Projects	\$ 60,335
Debt Service	\$ 5,000
Total General Fund Expenditures	\$ 2,841,077

Water Fund***Water Fund Revenue***

Charges for Services	\$ 914,077
Total Water Fund Revenue	\$ 914,077

Water Fund Expenditures

Water Filtration Plant	\$ 453,100
Transmission – Distribution	\$ 182,945
Non Departmental	\$ 105,915
Capital Improvements	\$ 31,250
Total Water Fund Appropriation	\$ 914,077

Sewer Fund***Sewer Fund Revenue***

Charges for Services	\$ 1,206,000
Sewer Fund Capital Reserve	\$ 9,458
Total Sewer Fund Revenue	\$ 1,215,458

Sewer Fund Expenditures

Wastewater Treatment Plant	\$ 529,704
Sewage Collection	\$ 185,667
Non Departmental	\$ 106,162
Capital Improvements	\$ 10,000
Sewer Debt Service	\$ 383,925
Total Sewer Fund Appropriation	\$ 1,215,458

Budget Totals

Total General Fund Revenue	<u>\$ 2,841,077</u>
Total General Fund Expenditure	<u>\$ 2,841,077</u>
Total Water Fund Revenue	<u>\$ 914,077</u>
Total Water Fund Expenditure	<u>\$ 914,077</u>
Total Sewer Fund Revenue	<u>\$ 1,215,458</u>
Total Sewer Fund Expenditure	<u>\$ 1,215,458</u>
Total FY 2008-09 Revenue	<u>\$ 4,970,612</u>
Total FY 2008-09 Appropriation	<u>\$ 4,970,612</u>

Budget Schedule

Work Session 1 April 30th at 5:30 p.m. in Town Hall

Work Session 2, TBD

First Public Hearing May 26th

Second Public Hearing June 9th