

Memo

To: Members of Town Council
From: Budget & Finance Committee
cc: Laurel Taylor and Julie Harris
Date: January 8, 2024
Re: Committee update – late 2023 to mid-2024

The primary responsibility of the Budget & Finance Committee is to develop, present, and monitor the budget for the Town. The “budget” includes both a fiscal plan, which documents revenue and expenditures for at least five years and the capital budget, which presents larger investments in the community.

The Budget & Finance Committee is including our working files for the Fiscal Year (FY) 2023 – 24 Budget compared with Actuals and FY 2023 – 24 Capital Funding. These files are updated using the information provided by the Treasurer.

This memorandum presents information for the work done in late 2023 and planned for early 2024.

Work in Late 2023

Work in late 2023 focused on understanding the state of the Fiscal Year (FY) 2023 – 2024 budget and capital budget. We identified expenses that should be reclassified to better reflect the line item (or account), see Attachment 1.

Additional modifications to the balance sheet are likely needed to properly account for the COVID CARES funding the Town received.

Initially, a separate bank account was established to track the COVID CARES funds. This was done in part due to the initial requirements that funds be returned if they were not used. However, while costs were covered by the Operating Budget initially as there was no COVID CARES budget line; therefore, COVID CARES funds were not used to cover the COVID

expenses. Restrictions were removed from the use of the funds, which means the funds can be added to the Operating Budget.

- FY2020-21 – the Town expended \$27,258 for COVID expenses.
- FY2021-22 – the Town expended \$31,342 for COVID expenses.

Thus, total expenditures were \$58,600 of the \$70,490 provided. Budget & Finance will talk with the Treasurer about (a) moving all funds to the operating budget, (b) showing a liability of \$11,890, and (c) passing a motion to allow the Mayor to move the funds and close the COVID CARES account.

The Budget & Finance committee will raise the question of whether the Restricted/Contingency funding of \$130,000 can be presented as a liability on the financial reports to better reflect the funds available for capital projects.

Work in Early 2024

Work in 2024 will focus on (a) monitoring the FY2023 – 24 budget to ensure expenses are within the budget and properly captured in the financial records, this will include meeting virtually with the Treasurer to ensure the reclassifications are completed and (b) building the FY2024 – 25 budget, which needs to be in place no later than June 30, 2024.

As a part of preparing the FY2024 – 25 budget, the Budget & Finance committee will work to present the budget presenting revenue, operating and community/tourism expenses for a five-year period (FY2019 – FY2024). A capital budget, showing five years, will also be created that will document both the intended capital projects and when they may occur over the period.

The Budget & Finance committee will work with the Treasurer to determine whether staff and Budget & Finance committee members can have some access to the on-line QuickBooks account. This would assist in the paying of bills, as checks could be printed and sent locally. It would assist with report generation, as they could be generated locally rather than asking the Treasurer.

Exhibit 1. Proposed timeline for development of FY2024-25 budget for the Town of Irvington

Date/Time	Authority	Description of Event	Input Needed
Monday, Feb 5, 1 pm	NA	Standing B&F meeting	Initial committee requests for FY 2024-25 budget Draft letters to previously funded charities and organizations requests letters for support in FY 2024-25 Draft form letter to businesses seeking information on transient occupancy tax income and meals tax income

Date/Time	Authority	Description of Event	Input Needed
Monday, March 4, 1 pm	NA	Standing B&F meeting	Updated committee requests for FY 2024 – 25 budget Requests for support from charities and organizations Information from businesses on transient occupancy and meals tax
Thursday, March 14 5:30 pm	VA Code §15.2-2503	Town Council Workshop on Budget	Public will be invited to speak B&F will present initial FY2024-25 budget to Council and public
Submitted 03/25 for publication on Thursday, March 28	VA Code §15.2-2506	Budget synopsis and proposed fees and tax rates printed in Rapp Record	Prepared budget synopsis
Submitted 04/01 for publication on Thursday, April 1	VA Code §15.2-2506	Budget synopsis and proposed fees and tax rates printed in Rapp Record	Prepared budget synopsis
Thursday, April 11, 5:30 pm	VA Code §15.2-2506	Public Hearing on FY2024 – 25 proposed budget	
Thursday, April 11, 6:30 pm	VA Code §15.2-2506	First reading of FY2024 – 25 proposed budget and related ordinances presenting fees and tax rates	
Thursday, May 16 6:30 pm		Second reading, and votes, on FY2024-25 proposed budget and related ordinances presenting fees and tax rates	

Attachment 1. Proposed reclassifications in FY2023-24

Month	Dollar value	Move from	To	Notes
July	210.00	Computer – Other	Website Maintenance	
August	140.00	Computer – Other	Website Maintenance	
October	280.00	Computer – Other	Website Maintenance	
December	245.00	Computer – Other	Website Maintenance	
July	80.72	Town Maintenance – Other	Sidewalks & General Maintenance	
July	1250.00	Steamboat Era Museum (501c3)	Irvington Crab Festival	
July	100.00	Community Charitable Donations – Other	Town Council Expenses – Other	
August	100.00	Community Charitable Donations – Other	Town Council Expenses – Other	
September	100.00	Community Charitable Donations – Other	Town Council Expenses – Other	
November	200.00	Community Charitable Donations – Other	Town Council Expenses – Other	
November	431.40	Community: Christmas	Community: July 4 th Parade / Concert	
December	510.55	Community: Christmas	Community: July 4 th Parade / Concert	
October	3750.00	Christmas	Sidewalks & General Maintenance	
November	6000.00	The Commons: Sprucing Up	The Commons: Landscaping Plan	
July	43.04	Playground (Capital List)	Town Maintenance	
December	522.50	Postage	Real Estate Tax Collection Fee	
November	827.49	Postage	Real Estate Tax Collection Fee	

Month	Dollar value	Move from	To	Notes
October	425.00	Postage	Real Estate Tax Collection Fee	
October	11,694.00	Sewer Engineering Report	Infrastructure: Town Sewer Study (ARPA)	To use ARPA funds
December	10,458.04	Sewer Engineering Report	Infrastructure: Town Sewer Study (ARPA)	To use ARPA funds
Budget Total	75,000	Cathie's Garden	Infrastructure: New Sidewalks (ARPA)	To use ARPA
Budget Total	80,000	Sewer Engineering Report	Infrastructure: Town Sewer Study (ARPA)	To use ARPA

Budget 2023 versus Actuals Thru Dec 2023

	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jul 23 - Dec 23	Budget 23/24
Ordinary Income/Expense								
Income								
Prepared Food Tax				23,704.28	18,929.46	5,583.83	48,217.57	
Business License		-30.00	0.00				-30.00	1,500.00
ARPA Fund Grant Income		297.00	3,168.00			11,453.85	14,918.85	0.00
Fire Grant/State							0.00	15,000.00
Bank Franchise Income							0.00	12,000.00
Cable TV/Comm Income	137.49	135.41	126.12	138.57	139.45	137.13	814.17	1,500.00
Interest Income	1,068.54	1,111.57	1,118.29	1,088.44	1,114.15	1,076.75	6,577.74	8,000.00
Permit Fees	100.00	400.00		400.00	120.00	100.00	1,120.00	2,000.00
Property Rental Fees							0.00	1,500.00
Real Estate Tax - Revenue	147.16		-144.99	245.67	5,477.22	36,223.92	41,948.98	62,000.00
Auto/Golf Tags - Revenue	95.00	-11.00	105.00	20.00	1,225.00	5,460.00	6,894.00	10,500.00
Occupancy Tax	40,149.74	5,321.13	72,895.42	37,353.08	23,605.37	1,720.04	181,044.78	280,000.00
Local Sales & Use Tax	3,646.70	3,764.72		8,847.88	3,922.68	3,767.78	23,949.76	32,000.00
Lokey Funding							0.00	2,500.00
Miscellaneous Income							0.00	
Total Income	45,344.63	10,988.83	77,267.84	71,797.92	54,533.33	65,523.30	325,455.85	428,500.00
Gross Profit	45,344.63	10,988.83	77,267.84	71,797.92	54,533.33	65,523.30	325,455.85	428,500.00
Expense								
CARES Fund Grant - Expenses							0.00	0.00
Mayor's Discretionary Fund							0.00	1,000.00
Office Rent		4,492.05	4,386.00		1,591.26		10,469.31	21,000.00
Employee Expenses							0.00	
Employee Conference/Sem/Wkshp							0.00	1,400.00
Employee Bonding							0.00	200.00
Employer Payroll Taxes	785.74	81.80	430.96	430.96	543.68	652.82	2,925.96	10,500.00
Wages/Salaries	10,193.34	1,073.34	5,633.34	5,633.34	6,833.34	8,533.34	37,900.04	69,000.00
Workers Compensation Insurance							0.00	600.00
Employee Expenses - Other							0.00	
Total Employee Expenses	10,979.08	1,155.14	6,064.30	6,064.30	7,377.02	9,186.16	40,826.00	81,700.00
Professional Services							0.00	
Accounting			3,975.00		3,412.50		7,387.50	14,000.00
Wealth Management							0.00	5,000.00

	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jul 23 - Dec 23	Budget 23/24
Legal		6,177.00		11,558.00	3,300.77	5,072.50	26,108.27	40,000.00
Total Professional Services		6,177.00	3,975.00	11,558.00	6,713.27	5,072.50	33,495.77	59,000.00
Insurance							0.00	
Building/Property Insurance							0.00	7,000.00
General Liability Insurance	13,437.00						13,437.00	7,000.00
Total Insurance	13,437.00	0.00	0.00	0.00	0.00	0.00	13,437.00	14,000.00
Public Safety							0.00	
Repair	85.00	296.66			65.65	94.58	541.89	0.00
Gas	133.39	201.89	71.52	139.13		59.12	605.05	0.00
Traffic Control/LCSD		9,786.50	2,626.66	3,444.80	-5.94		15,852.02	15,000.00
ATL Fire Grant							0.00	15,000.00
Code Enforcement							0.00	500.00
Total Public Safety	218.39	10,285.05	2,698.18	3,583.93	59.71	153.70	16,998.96	30,500.00
Office Expense							0.00	
Storage Unit				112.00	113.00	143.00	368.00	2,500.00
Town Storage			470.00				470.00	1,800.00
Mileage and Travel							0.00	200.00
Printer Lease	497.71	497.71	521.70	497.71	611.55	523.62	3,150.00	7,400.00
Other		48.00					48.00	0.00
Dues & Subscriptions	10.00	25.00	460.00				495.00	1,500.00
Banking Fees				30.00			30.00	50.00
Equipment							0.00	500.00
Repairs & Maintenance		95.00	163.19	95.00	1,846.00	163.00	2,362.19	1,200.00
Janitorial	70.00	70.00	70.00	70.00		70.00	350.00	1,500.00
Computer							0.00	
Processing Fees	342.74	333.60	585.48	342.80	371.76	547.20	2,523.58	
Maintenance/Repairs							0.00	
Hardware							0.00	
Software						119.99	119.99	
Computer - Other	210.00	140.00		280.00		245.00	875.00	
Total Computer	552.74	473.60	585.48	622.80	371.76	912.19	3,518.57	10,500.00
Postage	72.14			425.00	893.49	522.50	1,913.13	1,600.00
Supplies	91.61		257.25	264.18	276.68		889.72	2,500.00
Website Maintenance							0.00	1,000.00
Total Office Expense	1,294.20	1,209.31	2,527.62	2,116.69	4,112.48	2,334.31	13,594.61	32,250.00
Municipal Expenses							0.00	

	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jul 23 - Dec 23	Budget 23/24
PP - Collection Fee	2.00		8.00	2.00	120.00	546.00	678.00	1,500.00
RE Tax Collection Fee	14.72			24.56	547.72	3,622.40	4,209.40	8,000.00
Codification of Ordinances							0.00	2,500.00
Election Expenses							0.00	500.00
Total Municipal Expenses	16.72	0.00	8.00	26.56	667.72	4,168.40	4,887.40	12,500.00
Town Council Expenses							0.00	
Town Council Minutes	225.00	175.00	150.00	175.00	75.00	51.25	851.25	1,600.00
Public Notices	292.13	107.63	76.88	154.17	271.63		902.44	3,000.00
Conferences/Seminars/Workshops							0.00	1,500.00
Town Council Expenses - Other						100.00	100.00	500.00
Total Town Council Expenses	517.13	282.63	226.88	329.17	346.63	151.25	1,853.69	6,600.00
Planning Commission Expenses							0.00	
Comp Plan							0.00	5,000.00
Zoning map							0.00	1,000.00
Survey	10,680.50						10,680.50	0.00
Public Notices	35.88	82.00		184.10	292.14	117.88	712.00	2,000.00
Conferences/Seminars/Workshops							0.00	
Planning Commission Expenses - Other							0.00	500.00
Total Planning Commission Expenses	10,716.38	82.00	0.00	184.10	292.14	117.88	11,392.50	8,500.00
Utilities							0.00	
Heating Fuel						299.66	299.66	1,500.00
Electricity							0.00	
Street Lights	989.91	1,008.44	1,011.31	2,022.62		1,011.37	6,043.65	9,100.00
Town Office	80.16	322.99	294.60	292.88		167.03	1,157.66	1,600.00
Electricity - Other	10.60	11.42	11.08	17.51		7.94	58.55	2,000.00
Total Electricity	1,080.67	1,342.85	1,316.99	2,333.01	0.00	1,186.34	7,259.86	12,700.00
Internet	266.74	171.79	171.79	154.60		77.88	842.80	1,300.00
Telephone	136.28	136.28	136.28	272.56		136.28	817.68	1,600.00
Water	21.78	25.59	55.83	80.52			183.72	550.00
Utilities- Town Commons	9.06	9.69	10.26	38.00		27.33	94.34	1,600.00
Total Utilities	1,514.53	1,686.20	1,691.15	2,878.69	0.00	1,727.49	9,498.06	19,250.00
Town Maintenance							0.00	
Sidewalks & General Maintenance					206.00		206.00	15,000.00
Refuse & Debris Removal	118.68	118.68	118.68	118.68	118.68	118.68	712.08	1,500.00
Grounds/Landscape	1,105.00	2,523.50	1,488.32	1,108.75	2,319.15		8,544.72	20,000.00
Town Maintenance - Other	80.72						80.72	

	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jul 23 - Dec 23	Budget 23/24
Total Town Maintenance	1,304.40	2,642.18	1,607.00	1,227.43	2,643.83	118.68	9,543.52	36,500.00

	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jul 23 - Dec 23	Budget 23/24
Community Support /Tourism							0.00	
Irvington Social Media Promotio	300.00	300.00	600.00		300.00	300.00	1,800.00	4,000.00
VA Grant expenses							0.00	
Irvington tourism support							0.00	
Tri-Way Trail							0.00	10,000.00
Charitable Donations							0.00	
Boys & Girls Club							0.00	1,500.00
Steamboat Era Museum (501c3)	1,250.00			7,500.00			8,750.00	7,500.00
Lancaster Community Library							0.00	2,500.00
Fire & Rescue		10,000.00					10,000.00	
Charitable Donations - Other	100.00	100.00	100.00		200.00		500.00	
Total Charitable Donations	1,350.00	10,100.00	100.00	7,500.00	200.00	0.00	19,250.00	11,500.00
Community Events							0.00	
Irvington Crab Festival							0.00	1,250.00
Christmas				3,750.00	431.40	510.55	4,691.95	
Irvington Golf Tourney					2,000.00		2,000.00	2,000.00
July 4th Parade/Concert	2,699.98	476.00					3,175.98	8,000.00
Total Community Events	2,699.98	476.00	0.00	3,750.00	2,431.40	510.55	9,867.93	11,250.00
Flags/Banners							0.00	
Maintenance & Repair	130.70			91.00			221.70	
Flags/Banners - Other							0.00	1,000.00
Total Flags/Banners	130.70	0.00	0.00	91.00	0.00	0.00	221.70	1,000.00
Trolley, Town of Kilmarnock							0.00	
Virginia River Realm							0.00	5,000.00
Misc Community Support & Touris							0.00	3,000.00
Town WiFi							0.00	1,200.00
Total Community Support /Tourism	4,480.68	10,876.00	700.00	11,341.00	2,931.40	810.55	31,139.63	46,950.00
Total Operating Expense with Tourism	44,478.51	38,887.56	23,884.13	39,309.87	26,735.46	23,840.92	197,136.45	369,750.00

	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jul 23 - Dec 23	Budget 23/24
Capital Expenses								0.00
Walkability move to infrastructure								0.00
Cathies' Garden to Vineyard								0.00
Total Walkability	0.00	0.00	0.00	0.00	0.00	0.00	0.00	75,000.00
Sewer								0.00
Sewer Engineering Report				11,694.00		10,458.04	22,152.04	80,000.00
Total Sewer	0.00	0.00	0.00	11,694.00	0.00	10,458.04	22,152.04	80,000.00
Comp Plan Funding								0.00
Town Hall & Community Center								0.00
Site Plan								0.00
Total Town Hall & Community Center	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
The Commons								0.00
Drainage Issues								0.00
Public Rest Rooms								50,000.00
Tennis & Pickle Ball Court			1,570.00	101,750.00	28,890.00	42,760.00	174,970.00	75,000.00
Landscaping Plan								150,000.00
Playground Upgrade								0.00
"Sprucing Up"					9,315.80		9,315.80	25,000.00
Playground Study								75,000.00
Improvements								0.00
Total The Commons	0.00		1,570.00	101,750.00	38,205.80	42,760.00	184,285.80	400,000.00
Playground	43.04						43.04	
Christmas lights & decorations								0.00
Website Design				18,100.00	420.00		18,520.00	
Town Office								0.00
Infrastructure								100,000.00
Upgrade electrical for broadband								0.00
Sidewalk repair								0.00
New Sidewalks (used ARPA Funds)		297.00	3,168.00			11,453.85	14,918.85	0.00
Town Sewer Study (ARPA)								0.00
Total Infrastructure	0.00	297.00	3,168.00	0.00	0.00	11,453.85	14,918.85	0.00
Total Capital Expenses	43.04	297.00	4,738.00	131,544.00	38,625.80	64,671.89	239,919.73	655,000.00
Total Expense	44,521.55	39,184.56	28,622.13	170,853.87	65,361.26	88,512.81	437,056.18	1,024,750.00
Net Ordinary Income	823.08	-28,195.73	48,645.71	-99,055.95	-10,827.93	-22,989.51	-111,600.33	-596,250.00

Capital List showing funding

	Budget 2023/24	Actual 2023/24 Dec. 2023
REVENUE	428,500	325,456
OPERATING EXPENSES	369,750	197,136
OPERATING INCOME w/o Cap Expenses	58,750	128,319
Total Capital Expenses	655,000	239,920
Total Expense(operating plus capital)	1,024,750	437,056
Net Ordinary Income (P&L)	-596,250	-111,600
Balance Fwd Previous Year		
Cash Assets on Hand at 6-30-2023	888,543	768,967
YE Contributions (Net Income)	58,750	-69,569
Restricted Funds	0	0
13 Month CD	-253,425	-253,425
Restricted/Contingency Fund	-130,000	-130,000
Known Budget Over/Under	-77,780	-78,900
Current Capital list		
Available for plan	486,088	237,073
Walkability	0	0
Cathies' Garden to Vineyard	75,000	0
Total Walkability	75,000	0
Sewer	0	0
Sewer Engineering Report	80,000	22,152
Total Sewer	80,000	22,152
Comp Plan Funding	0	0
Town Hall & Community Center	0	0
Site Plan	0	0
Total Town Hall & Community Center	0	0
The Commons	0	0
Drainage Issues	50,000	0
Public Rest Rooms	75,000	0

Tennis & Pickle Ball Court	150,000	174,970
Landscaping Plan	25,000	0
Playground Upgrade	25,000	0
"Sprucing Up"	75,000	9,316
Playground Study	0	0
Improvements	0	0
Total The Commons	400,000	184,286

Playground		43
Christmas lights & decorations	0	0
Website Design	0	18,520
Town Office	100,000	0

Infrastructure	0	0
Upgrade electrical for broadband	0	0
Sidewalk repair	0	0
New Sidewalks	0	14,919
Town Sewer Study (ARPA)	0	0
Total Infrastructure	0	14,919

Total Capital Expenses 655,000 239,920

Net Expenses to Available funds -597,412 -199,984

NON BUDGETED EXPENSES PAID

Fire and Rescue approved by council in July	10,000	10,000
2022 bill for survey received in 2023	10,680	10,680
More cost for Tennis Court	24,000	24,700
Website Design	18,100	18,520
ATL Fire Grand 2023 not paid but received	15,000	15,000
Total non budget items to date	77,780	78,900