

NOTICE OF PUBLIC HEARING  
TOWN OF GROTTOS

PROPOSED BUDGET  
FISCAL YEAR 2010

<b>REVENUE:</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY2010</b>
General Fund	\$1,418,346	\$1,425,481	\$1,408,887
Water Fund	\$263,700	\$252,800	\$203,700
Sewer Fund	<u>\$266,278</u>	<u>\$237,436</u>	<u>\$216,736</u>
<b>Total Revenue</b>	<b>\$1,948,324</b>	<b>\$1,915,717</b>	<b>\$1,829,323</b>
<b>EXPENDITURES:</b>			
General Fund:			
Administrative	\$426,356	\$427,713	\$361,052
Public Works	\$9,254	\$2,725	\$2,832
Street Lights	\$4,000	\$5,040	\$6,200
Parks & Facilities	\$79,437	\$93,307	\$107,941
Sanitation	\$85,000	\$98,275	\$114,200
Police Department	\$393,874	\$377,996	\$383,624
Highway & Streets	\$420,425	\$420,425	\$433,038
Enterprise Funds:			
Water	\$263,700	\$252,800	\$203,700
Sewer	\$266,278	\$237,436	\$216,736
<b>Total Expenditures</b>	<b>\$1,948,324</b>	<b>\$1,915,717</b>	<b>\$1,829,323</b>

A Public Hearing will be held in the Council Chambers of the Grottoes Municipal Building on the 7<sup>th</sup> day of May at 7:00 pm for the purpose of receiving comment on the proposed 2010 fiscal year budget. This proposed budget reflects a cost of living increase of 1.9% included in the water/sewer funds, trash fee increase of \$2.90 per billing cycle and a fee increase to \$500.00 for Peddler's Licenses. The entire budget can be reviewed at the Town Hall located at 601 Dogwood Avenue, Grottoes, VA during the normal business hours of Monday through Friday 8am - 5pm.

## Proposed FY 2009/2010 Detailed Explanation

Adm. Revenue	FY 08/09	FY 09/10	% Change	Explanation of Each Line Item
Real Estate Taxes	\$ 184,000.00	\$ 184,000.00		
Personal Property	\$ 30,000.00	\$ 28,000.00	-6.66%	Increased depreciation of vehicles
Public Services	\$ 2,800.00	\$ 2,800.00		
Delinquent Taxes	\$ 1,000.00	\$ 1,000.00		
Tax Penalties	\$ 500.00	\$ 500.00		
Tax Interest	\$ 100.00	\$ 100.00		
Utility Tax	\$ 25,500.00	\$ 25,500.00		
Sales Taxes	\$ 97,000.00	\$ 96,580.00	-0.43%	Decrease in # of school aged children
Bank Stock Tax	\$ 22,000.00	\$ 22,000.00		
ABC/Wine Tax	\$ 2,500.00	\$ -	-100%	Allocation cut from State Budget
Rolling Stock Tax	\$ 1,090.00	\$ 1,090.00		
PPTRA	\$ 23,861.00	\$ 23,861.00		
Town Decals	\$ 44,000.00	\$ 44,000.00		
Business License	\$ 47,000.00	\$ 58,535.00	24.54%	Based on 08/09 Actual
Communication Tax	\$ 38,900.00	\$ 38,900.00		
Zoning Permits	\$ 5,000.00	\$ 2,500.00	-50%	Based on decrease in new construction
Zoning Fees	\$ 200.00	\$ 200.00		
Fire Program	\$ 8,000.00	\$ 8,000.00		
Grants	\$ 7,500.00	\$ 7,500.00		
House Bill 599	\$ 61,000.00	\$ 59,013.00	-3.26%	Based on State estimates
Trash Fees	\$ 98,275.00	\$ 114,200.00	16.20%	925 customers + proposed increased
Utility Penalties	\$ 7,000.00	\$ 7,000.00		
Fines/Costs	\$ 43,000.00	\$ 43,000.00		
Cell Tower	\$ 40,000.00	\$ 33,040.00	-17.40%	Decrease in Alltel's rent (due to merger)
Miscellaneous Income	\$ 2,000.00	\$ 2,000.00		
Consumption Tax	\$ 6,000.00	\$ 5,500.00	-8.33%	Based on 08/09 Actual
Meals Tax	\$ 67,000.00	\$ 76,800.00	14.63%	Based on 08/09 Actual
Interest Income	\$ 8,000.00	\$ 7,000.00	-12.50%	Based on 08/09 Actual
Park/ Shelter	\$ 2,500.00	\$ 2,500.00		
Park Bond Escrows	\$ 21,200.00	\$ 4,000.00	-81.13%	Estimate after completing 08/09 projects
Kids Fish Day	\$ 2,500.00	\$ 2,500.00		
Parking Tickets	\$ 1,000.00	\$ 1,000.00		
Rural Business Grant	\$ 74,950.00	\$ 23,800.00	-68.28%	Retain current funds (no new allocations)
(HWY) State Revenue	\$ 420,425.00	\$ 433,038.00	3%	Based on State estimates
Transfer from Reserve		\$ 19,750.00	100%	To support Town Hall generator wiring
Transfer from Water Fund	\$ 14,840.00	\$ 14,840.00		
Transfer from Sewer Fund	\$ 14,840.00	\$ 14,840.00		
	\$ 1,425,481.00	\$ 1,408,887.00		

Adm. Expense	FY 08/09	FY 09/10	% Change	Explanation of Each Line Item
PC Salaries	\$ 500.00	\$ 500.00		
TC Salaries	\$ 2,580.00	\$ 2,580.00		
Salaries/Wages	\$ 99,629.00	\$ 85,664.00	-14.02%	Reallocation of salaries between all depts.
FICA	\$ 6,177.00	\$ 5,310.00	-14.04%	
MED-FICA	\$ 1,445.00	\$ 1,245.00	-13.84%	
Group Insurance	\$ 12,850.00	\$ 11,775.00	-8.37%	Overall 10% increase in premium
Life Insurance	\$ 860.00	\$ 685.00	-20.35%	
Retirement	\$ 16,005.00	\$ 13,859.00	-13.41%	
Telephone	\$ 9,000.00	\$ 9,000.00		
Answering	\$ 860.00	\$ 860.00		
Electrical	\$ 13,000.00	\$ 16,000.00	23.08%	Based on 08/09 Actual
M&R Building/Grounds	\$ 5,000.00	\$ 4,750.00	-5%	Based on 08/09 Actual
M&R Equipment	\$ 500.00	\$ 500.00		
Internet Expense	\$ 600.00	\$ 600.00		
Postage/Freight	\$ 3,037.00	\$ 2,000.00	-34.15%	Based on 08/09 Actual
Advertising	\$ 4,000.00	\$ 3,800.00	-5%	Based on 08/09 Actual
Training/Education	\$ 5,000.00	\$ 5,000.00		
Dues/Subscriptions	\$ 3,000.00	\$ 2,200.00	-26.66%	Based on 08/09 Actual
Professional Services	\$ 5,000.00	\$ 4,200.00	-16%	Reallocation of technical support
Legal Fees	\$ 12,000.00	\$ 15,000.00	25%	Based on 08/09 Actual
Audit Costs	\$ 9,000.00	\$ 9,000.00		
Liability/Property Insurance	\$ 13,000.00	\$ 11,200.00	-13.85%	Proposed 09/10 Rates + RMG Credit
Service Contracts	\$ 12,000.00	\$ 9,400.00	-21.66%	Southern Software, SVOE, etc.
Supplies & Materials	\$ 10,000.00	\$ 10,000.00		
Capital Outlay Equipment	\$ 10,000.00	\$ 32,204.00	222.04%	Phone system & generator wiring
Capital Res./Memorial	\$ 5,400.00		-100%	Memorial complete
Donations	\$ 12,000.00	\$ 10,800.00	-10%	Based on 08/09 Actual
Special Events	\$ 4,000.00	\$ 4,000.00		
Zoning Expenses	\$ 200.00	\$ 200.00		
Medical Fees	\$ 400.00	\$ 400.00		
Misc. Expense	\$ 2,000.00	\$ 2,000.00		
Fire Department	\$ 8,000.00	\$ 8,000.00		
Town Hall Payment	\$ 44,520.00	\$ 44,520.00		
Technical Support		\$ 10,000.00	100%	New line item for increased usage
Rural Business Grant		\$ 23,800.00	100%	Shown as expenditure (break even item)
	\$ 331,563.00	\$ 361,052.00		

Public Works Expense	FY 08/09	FY 09/10	% Change	Explanation of Each Line Item
Salaries & Wages	\$ 1,000.00	\$ 1,000.00		
Fica	\$ 62.00	\$ 62.00		
Med-Fica	\$ 15.00	\$ 15.00		
Group Insurance	\$ 714.00	\$ 785.00	10%	10% increase in premium
Life Insurance	\$ 44.00	\$ 46.00	4.54%	
Retirement	\$ 890.00	\$ 924.00	4%	
	\$ 2,725.00	\$ 2,832.00		

Street Light Expenses	FY 08/09	FY 09/10	% Change	Explanation of Each Line Item
Electric	\$ 5,040.00	\$ 6,200.00	23.02%	Based on 08/09 Actual
	\$ 5,040.00	\$ 6,200.00		

Parks & Facilities Expense	FY 08/09	FY 09/10	% Change	Explanation of Each Line Item
Salaries & Wages	\$ 31,932.00	\$ 34,680.00	8.61%	Reallocation of salaries between all depts.
Part-Time Wages	\$ 5,000.00	\$ 5,000.00		
Fica	\$ 2,290.00	\$ 2,460.00	7.43%	
Med-Fica	\$ 535.00	\$ 575.00	7.48%	
Group Insurance	\$ 4,284.00	\$ 5,494.00	28.24%	Overall 10% increase in premium
Life Insurance	\$ 287.00	\$ 320.00	11.49%	
Retirement	\$ 5,335.00	\$ 6,468.00	21.24%	
Electric	\$ 2,000.00	\$ 2,500.00	25%	Based on 08/09 Actual
M&R Buildings	\$ 1,000.00	\$ 6,100.00	509.99%	Flooring for portion of Town Hall
M&R Equipment	\$ 1,000.00	\$ 900.00	-10%	Based on 08/09 Actual
Supplies & Materials	\$ 2,000.00	\$ 1,800.00	-10%	Based on 08/09 Actual
Capital Outlay/Park Bond	\$ 21,200.00	\$ 4,000.00	-81.13%	Estimate after completing 08/09 projects
Park Bond Principle	\$ 29,686.00	\$ 29,686.00		
Park Bond Interest	\$ 7,958.00	\$ 7,958.00		
	\$ 114,507.00	\$ 107,941.00		

Sanitation Expenses	FY 08/09	FY 09/10	% Change	Explanation of Each Line Item
Contracted Services	\$ 98,275.00	\$ 114,200.00	16.20%	925 customers + proposed increased
	\$ 98,275.00	\$ 114,200.00		

Police Dept. Expenses	FY 08/09	FY 09/10	% Change	Explanation of Each Line Item
Salaries & Wages	\$ 206,972.00	\$ 212,023.00	2.44%	3 Officers at 4% raise & \$.88 Assist. Raise
Part-Time Wages	\$ 4,000.00	\$ 4,000.00		
Fica	\$ 13,080.00	\$ 13,394.00	2.40%	
Med-Fica	\$ 3,060.00	\$ 3,133.00	2.39%	
Group Insurance	\$ 26,416.00	\$ 29,829.00	12.92%	Overall 10% increase in premium
Life Insurance	\$ 1,764.00	\$ 1,735.00	-1.64%	
Retirement	\$ 32,899.00	\$ 35,110.00	6.72%	
Telephone	\$ 6,500.00	\$ 6,500.00		
Gas/Diesel	\$ 18,000.00	\$ 18,000.00		
M&R Equipment	\$ 2,000.00	\$ 2,000.00		
M&R Autos/Trucks	\$ 6,300.00	\$ 5,670.00	-10%	Less maintenance due to newer vehicles
Training/Education	\$ 1,000.00	\$ 1,000.00		
Laundry/Dry Cleaning	\$ 200.00	\$ 200.00		
Office Supplies & Materials	\$ 2,000.00	\$ 2,000.00		
Equipment & Supplies	\$ 8,755.00	\$ 7,205.00	-17.70%	Based on 08/09 Actual
Uniforms	\$ 2,100.00	\$ 2,100.00		
Qualification Ammo	\$ 1,500.00	\$ 1,750.00	16.67%	Price inflation of ammo
Software Contract	\$ 2,850.00	\$ 3,075.00	7.89%	Mobile data terminals
Academy Membership	\$ 3,000.00	\$ 3,000.00		
Capital Outlay Equip.	\$ 7,500.00		-100%	No capital expenditures anticipated
Capital Reserve	\$ 18,000.00	\$ 18,000.00		
Jail Fees	\$ 300.00	\$ 300.00		
Internet	\$ 3,150.00	\$ 3,150.00		
Interpreter Services	\$ 500.00	\$ 800.00	60%	Based on 08/09 Actual
Towing	\$ 150.00	\$ 150.00		
Technical Assistance	\$ 1,000.00	\$ 2,000.00	100%	Based on 08/09 Actual
Grant/Reimbursement	\$ 5,000.00	\$ 7,500.00	50%	DMV Highway Safety, HPD Tech. Grant
	\$ 377,996.00	\$ 383,624.00		

Highway Expenses	FY 07/08	FY 09/10	% Change	Explanation of Each Line Item
Salaries	\$ 59,700.00	\$ 115,138.00	92.86%	Reallocation of salaries between all depts.
Part Time Salaries	\$ 5,000.00	\$ 5,000.00		
Fica	\$ 4,012.00	\$ 7,450.00	85.69%	
Med Fica	\$ 940.00	\$ 1,745.00	85.64%	
Group Insurance	\$ 9,506.00	\$ 15,700.00	66.16%	Overall 10% increase in premium
Life Insurance	\$ 731.00	\$ 916.00	25.32%	
Retirement	\$ 10,410.00	\$ 18,479.00	77.51%	
Electric	\$ 26,000.00	\$ 28,000.00	7.69%	Based on 08/09 Actual
Gas/Diesel	\$ 4,600.00	\$ 5,000.00	8.69%	Based on 08/09 Actual
MR. Equipment	\$ 7,000.00	\$ 6,000.00	-14.29%	Based on 08/09 Actual
MR. Auto	\$ 1,500.00	\$ 2,000.00	33.33%	Basic maintenance of vehicles
Contracted Services	\$ 269,026.00	\$ 205,610.00	-23.57%	Based on allocation of all other expenses
Supplies/Materials	\$ 20,000.00	\$ 20,000.00		
Capital				
Uniforms	\$ 2,000.00	\$ 2,000.00		
	\$ 420,425.00	\$ 433,038.00		



Water Revenues	FY 08/09	FY 09/10	% Change	Explanation of Each Line Item
Water Sales	\$ 145,000.00	\$ 145,000.00		
Standpipe Sales	\$ 23,400.00	\$ 25,000.00	6.84%	Based on 08/09 Actual
Reconnection Fee	\$ 300.00	\$ 600.00	100%	Based on 08/09 Actual
Connection Fee	\$ 50,000.00	\$ 30,000.00	-40%	Based on decrease in new construction
Misc. Income	\$ 100.00	\$ 100.00		
Interest Income	\$ 4,000.00	\$ 3,000.00	-25%	Based on 08/09 Actual
Capital Transfer	\$ 30,000.00		-100%	No transfer necessary
	\$ 252,800.00	\$ 203,700.00		

**\*\*Proposed Increases:**

- Water/Standpipe Sales - 1.9% Cost of Living Increase

Water Expense	FY 08/09	FY 09/10	% Change	Explanation of Each Line Item
Elected Official	\$ 660.00	\$ 660.00		
Salaries & Wages	\$ 48,773.00	\$ 37,600.00	-22.91%	Reallocation of salaries between all depts.
Fica	\$ 3,020.00	\$ 2,332.00	-22.78%	
Med-Fica	\$ 708.00	\$ 546.00	-22.88%	
Group Insurance	\$ 4,998.00	\$ 4,710.00	-5.76%	Overall 10% increase in premium
Life Insurance	\$ 335.00	\$ 274.00	-18.21%	
Retirement	\$ 6,225.00	\$ 5,546.00	-10.91%	
Electric	\$ 13,000.00	\$ 16,000.00	23.08%	Based on 08/09 Actual
Gas/Diesel	\$ 3,500.00	\$ 3,500.00		
Travel	\$ 222.00	\$ 200.00	-9.91%	
Connections	\$ 2,500.00	\$ 2,500.00		
M&R Build/Ground	\$ 500.00	\$ 500.00		
M&R Equipment	\$ 2,000.00	\$ 2,000.00		
M&R Auto/Trucks	\$ 100.00	\$ 100.00		
M&R General Water	\$ 3,000.00	\$ 3,000.00		
M&R Water Lines	\$ 1,000.00	\$ 1,000.00		
Postage/Freight	\$ 2,865.00	\$ 2,000.00	-30.19%	Based on 08/09 Actual
Training/Educational	\$ 1,000.00	\$ 1,000.00		
Dues/Subscriptions	\$ 650.00	\$ 1,620.00	149.23%	Includes PDC water supply planning
Engineering Fees	\$ 2,000.00	\$ 1,500.00	-25%	No large expenses anticipated
Water Works Permit	\$ 3,000.00	\$ 2,200.00	-26.66%	Based on 08/09 Actual
Audit Costs	\$ 9,000.00	\$ 9,000.00		
Insurance Liability	\$ 13,000.00	\$ 11,200.00	-13.85%	Proposed 09/10 Rates + RMG Credit
Supplies/Materials	\$ 6,900.00	\$ 6,900.00		
Uniforms	\$ 2,300.00	\$ 2,100.00	-8.70%	Based on 08/09 Actual
Capital Outlay/Equipment	\$ 50,400.00	\$ 34,193.00	32.16%	Maintenance payment, gen. wiring, GIS
Inter. Exp/Cave	\$ 26,304.00	\$ 26,304.00		
Capital Reserve	\$ 30,000.00	\$ 10,375.00	-65.42%	Savings + Generator Capital
Transfer to GL/T.Hall Payme	\$ 14,840.00	\$ 14,840.00		
	\$ 252,800.00	\$ 203,700.00		

Sewer Revenue	FY 08/09	FY 09/10	% Change	Explanation of Each Line Item
Sewer Sales	\$ 182,936.00	\$ 182,936.00		
Reconnection Fees	\$ 300.00	\$ 600.00	100%	Based on 08/09 Actual
Connection Fees	\$ 50,000.00	\$ 30,000.00	-40%	Based on decrease in new construction
Miscellaneous Income	\$ 200.00	\$ 200.00		
Interest Income	\$ 4,000.00	\$ 3,000.00	-25%	Based on 08/09 Actual
	\$ 237,436.00	\$ 216,736.00		

**\*\*Proposed Increases:**

- Sewer Sales - 1.9% Cost of Living Increase

Sewer Expense	FY 08/09	FY 09/10	% Change	Explanation of Each Line Item
Elected Officials	\$ 330.00	\$ 330.00		
Salaries & Wages	\$ 82,000.00	\$ 75,835.00	-7.52%	Reallocation of salaries between all depts.
Fica	\$ 5,100.00	\$ 4,701.00	-7.82%	
Med-Fica	\$ 1,200.00	\$ 1,100.00	-8.33%	
Group Insurance	\$ 9,995.00	\$ 10,205.00	2.10%	Overall 10% increase in premium
Life Insurance	\$ 668.00	\$ 594.00	-11.08%	
Retirement	\$ 12,448.00	\$ 12,011.00	-3.51%	
Telephone	\$ 1,300.00	\$ 1,300.00		
Electric	\$ 17,000.00	\$ 21,000.00	23.53%	Based on 08/09 Actual
Gas/Diesel	\$ 4,000.00	\$ 4,000.00		
Travel	\$ 55.00	\$ 50.00	-9.10%	
Connections	\$ 2,500.00	\$ 1,500.00	-40%	Supplies only (no longer done by Town)
M&R Equipment/Grounds	\$ 1,000.00	\$ 1,000.00		
M&R Equipment	\$ 1,000.00	\$ 1,000.00		
M&R Autos/Trucks	\$ 200.00	\$ 200.00		
M&R General Sewer	\$ 1,000.00	\$ 500.00	-50%	No large expenses anticipated
Postage & Freight	\$ 3,000.00	\$ 2,000.00	-33.33%	Based on 08/09 Actual
Training/Education	\$ 200.00	\$ 200.00		
Dues/Subscription	\$ 1,700.00	\$ 1,700.00		
Professional Services	\$ 1,000.00	\$ 200.00	-80%	Reallocation of permit fees
Engineering Fees	\$ 100.00	\$ 100.00		
Audit Costs	\$ 9,000.00	\$ 9,000.00		
Insurance/Liability	\$ 13,000.00	\$ 11,200.00	-13.87%	Proposed 09/10 Rates + RMG Credit
Supplies/Materials	\$ 7,000.00	\$ 5,000.00	-28.57%	Based on 08/09 Actual
Uniforms	\$ 2,300.00	\$ 2,000.00	-13.04%	Based on 08/09 Actual
Chemicals	\$ 1,500.00	\$ 1,250.00	-16.66%	Based on 08/09 Actual
Capital Outlay/Equipment	\$ 3,000.00	\$ 18,450.00	515%	Generator wiring (GIS)
Capital Reserve	\$ 41,000.00	\$ 15,470.00	-62.27%	Savings + Generator Capital
Transfer to GL/T.Hall Payme	\$ 14,840.00	\$ 14,840.00		
	\$ 237,436.00	\$ 216,736.00		