



Berryville Town Council

MEETING AGENDA

Berryville-Clarke County Government Center

101 Chalmers Court, Second Floor

Main Meeting Room

Regular Session

May 9, 2023

7:00 PM

Item

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<b>1. Call to Order</b>	
<b>2. Pledge of Allegiance</b>	
<b>3. Approval of Agenda</b>	
<b>4. Presentations/Awards and Recognitions</b>	
<b>5. Public Hearings</b>	
Proposed Fiscal Year 2023-2024 Budget	4
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Proposed Amendment to Berryville Code Section 10-64.1: Two Hours' Free Parking in Time-Restricted or Metered Spaces	103
<b>6. Discussion of Public Hearing Items</b>	
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Approval of Minutes

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**10. New Business**

**11. Council Member Reports**

Mayor

Vice Mayor

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Ward 3

Ward 4

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**13. Committee Updates**

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Public Safety

Streets and Utilities

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**14. Closed Session**

**320**

The Council will enter closed session in accordance with section 2.2-3711.A.29 of the Code of Virginia for discussion of the award of a public contract involving the expenditure of public funds, and in accordance with section 2.2-3711.A.1 of the Code of Virginia to discuss the performance of an employee of the Town Council.

- a. Adopt motion to enter closed session.
- b. Reconvene in open session.
- c. Adopt closed session resolution by roll-call vote.

**15. Adjourn**

**BERRYVILLE TOWN COUNCIL  
PUBLIC HEARING NOTICE**

The Berryville Town Council will hold the following public hearing at 7:00 p.m., or as soon after as this matter may be heard, on Tuesday, May 9, 2023, to consider the following:

1) Proposed Fiscal Year 2023-2024 Budget as follows:

<u>Resources and Revenues</u>	APPROVED FY 22-23	REQUESTED FY 23-24
<b>GENERAL FUND</b>		
Fund Balance	\$ 40,000.00	\$0.00
Revenue from Local Sources	\$ 3,278,200.00	\$ 3,554,275.00
Revenue from State Sources	\$ 3,212,815.00	\$ 949,172.00
Revenue from Other Sources	\$ 1,000.00	\$ 1,000.00
<b>Total</b>	<b>\$ 6,492,015.00</b>	<b>\$ 4,504,447.00</b>
<b>WATER FUND</b>		
Fund Balance	\$ 200,000.00	\$ 615,000.00
Revenue from Local Sources	\$ 1,076,000.00	\$ 2,506,000.00
Availability Fees	\$ 745,000.00	\$ 30,500.00
<b>Total</b>	<b>\$ 2,021,015.00</b>	<b>\$ 3,151,500.00</b>
<b>SEWER FUND</b>		
Fund Balance	\$0.00	\$ 1,095,000.00
Revenue from Local Sources	\$ 1,735,500.00	\$ 1,835,500.00
Availability Fees	\$ 850,000.00	\$ 32,750.00
<b>Total</b>	<b>\$ 2,585,500.00</b>	<b>\$ 2,963,250.00</b>
<b>TOTAL RESOURCES AND REVENUES</b>	<b>\$ 11,098,515.00</b>	<b>\$ 10,619,197.00</b>
<u>Expenses and Reserves</u>		
<b>GENERAL FUND</b>		
Maintenance and Operational	\$ 5,880,203.00	\$ 3,814,530.00
Debt Service	\$ 121,500.00	\$ 121,600.00
Capital Reserves and Expenses	\$ 313,905.91	\$ 453,881.10
Contingency	\$ 176,406.09	\$ 114,435.90
<b>Total</b>	<b>\$ 6,492,015.00</b>	<b>\$ 4,504,447.00</b>
<b>WATER FUND</b>		
Maintenance and Operational	\$ 1,211,551.00	\$ 1,283,410.00
Debt Service	\$0.00	\$0.00
Capital Reserves and Expenses	\$ 773,102.47	\$ 1,829,587.70
Contingency	\$ 36,346.53	\$ 38,502.30

Total	\$	2,021,000.00	\$	3,151,500.00
<b>SEWER FUND</b>				
Maintenance and Operational	\$	1,164,080.00	\$	1,353,925.00
Debt Service	\$	470,000.00	\$	470,000.00
Capital Reserves and Expenses	\$	916,497.60	\$	1,098,707.25
Contingency	\$	34,922.40	\$	40,617.75
Total	\$	2,585,500.00	\$	2,963,250.00
<b>TOTAL EXPENSES AND RESERVES</b>	\$	<b>11,098,515.00</b>	\$	<b>10,619,197.00</b>

2) **Proposed Changes to the Town's Schedule of Water and Sewer Fees and Charges**  
 The Berryville Town Council proposes to amend its Schedule of Water and Sewer Fees and Charges (Schedule) to adjust fees and related deposits to meet revenue needs identified in the 2019 Utility Rate Study (Study). The Study, which examined long-term system needs and expenses, provides for rate and fee adjustments for FY2020 through FY2024.

The proposed changes are:

1) Monthly A&F (administrative and facilities) fees to increase:

	Current fee	Proposed fee
Water	\$18.07	\$24.35
Sewer	\$9.65	\$12.18

2) Availability fees\* to increase:

	Current fee	Proposed fee
Water	\$15,250.00	\$16,226.00
Sewer	\$16,375.00	\$17,423.00

\*For in-town demand ratio 1 or 5/8" meter.

Availability fees for larger connections increase as well.

3) Required deposits will increase to incorporate the A&F fee increases.

4) Inspection fees as follows:

- Camera inspection service (main) mobilization fee from \$300 to \$325
- Camera inspection service (lateral) mobilization fee from \$150 to \$175
- Town staff inspection services and hydrant flow test supervision from \$65/hour to \$70/hour

No change in water or sewer user rates is proposed.

If the proposed Schedule is adopted, then it is expected to become effective on November 21, 2023.

- 3) The Council will also receive public comment to consider the following:  
**Proposed amendment §10-64.1. *Two hours' free parking in time restricted or metered spaces, that would change the period during which motorists displaying disabled parking license plates or placards may park at no cost in time-restricted or metered spaces, from two to four hours.***

Copies of materials may be examined at [www.berryvilleva.gov](http://www.berryvilleva.gov) and the Town Business office (101 Chalmers Court). This information can also be obtained by calling the Director of Finance/Treasurer Cindy Poulin at (540)955-1099.

The Town of Berryville does not discriminate against disabled people in admission or access to its programs and activities. Accommodations will be made for disabled people upon prior request.

By order of the Town Council  
Keith R. Dalton, Town Manager

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**FY 23-24 BUDGET REVENUES**

Account Number	Account Description	FY APPROVED 2022-2023	FY23-24 DRAFT 2023-2024
<b>GENERAL FUND</b>			
	<b>FUND BALANCE</b>		
100-300000-0000	FUND BALANCE FORWARD	\$ 40,000.00	\$ -
	<b>TOTAL FUND BALANCE</b>	\$ 40,000.00	\$ -
	<b>REVENUE FROM LOCAL SOURCES</b>		
100-3110101-0000	CURRENT REAL ESTATE TAXES	\$ 1,154,000.00	\$ 1,355,575.00
100-3110102-0000	DEL REAL ESTATE TAXES	\$ -	\$ -
100-3110201-0000	UTILITY REAL ESTATE TAXES	\$ 11,200.00	\$ 11,200.00
100-3110301-0000	CURRENT PERS PROP TAXES	\$ 400,000.00	\$ 410,000.00
100-3110302-0000	DEL PERS PROP TAXES	\$ -	\$ -
100-3110303-0000	REFUSE COLLECTION(EXTRA TOTERS)	\$ 7,000.00	\$ 13,000.00
100-3110401-0000	MACHINERY & TOOLS	\$ 175,000.00	\$ 175,000.00
100-3110601-0000	TAX PENALTIES	\$ 8,000.00	\$ 8,000.00
100-3110602-0000	TAX INTEREST	\$ 2,000.00	\$ 2,000.00
	<b>TOTAL REV FROM LOCAL SOURCES</b>	\$ 1,757,200.00	\$ 1,974,775.00
	<b>OTHER LOCAL TAXES</b>		
100-3120101-0000	LOCAL SALES TAX	\$ 260,000.00	\$ 280,000.00
100-3120201-0000	CONSUMER UTILITY TAX	\$ 100,000.00	\$ 100,000.00
100-3120300-0000	BUSINESS LICENSE	\$ 240,000.00	\$ 240,000.00
100-3120402-0000	REC FRANCHISE FEES	\$ 35,000.00	\$ 35,000.00
100-3120501-0000	AUTO LICENSE	\$ 95,000.00	\$ 102,000.00
100-3120601-0000	BANK FRANCHISE TAXES	\$ 140,000.00	\$ 150,000.00
100-3120801-0000	CIGARETTE TAX (10%)	\$ 13,000.00	\$ 13,000.00
100-3121001-0000	LODGING TAX (2%)	\$ 8,500.00	\$ 10,000.00
100-3121101-0000	MEALS TAX (4%)	\$ 350,000.00	\$ 400,000.00
	<b>TOTAL OTHER LOCAL TAXES</b>	\$ 1,241,500.00	\$ 1,330,000.00
	<b>PERMITS, FEES &amp; LICENSES</b>		
100-3130304-0000	LAND USE APPLICATION FEES	\$ 1,000.00	\$ 1,000.00
100-3130307-0000	ZONING & SUBDIVISION FEES	\$ 10,000.00	\$ 10,000.00
	<b>TOTAL PERMITS, FEES &amp; LICENSES</b>	\$ 11,000.00	\$ 11,000.00
	<b>FINES &amp; FORFEITURES</b>		
100-3140101-0000	COURT FINES	\$ 12,000.00	\$ 12,000.00
100-3140102-0000	PARKING METER FINES	\$ 3,000.00	\$ 2,000.00
100-3140103-000	ESUMMONS	\$ 1,000.00	\$ 1,000.00
	<b>TOTAL FINES &amp; FORFEITURES</b>	\$ 16,000.00	\$ 15,000.00

Account Number	Account Description	FY APPROVED 2022-2023	FY23-24 DRAFT 2023-2024
	REVENUE FROM MONEY OR PROP		
100-3150101-0000	INTEREST ON DEPOSITS	\$ 85,000.00	\$ 95,000.00
100-3150201-0000	RENTAL OF PROPERTY	\$ 12,500.00	\$ 12,500.00
100-3150205-0000	WATER TANK SITE LEASE	\$ 85,000.00	\$ 86,000.00
100-3150206-0000	CHARGE CARD REBATE	\$ 15,000.00	\$ 17,000.00
	TOTAL FROM MONEY OR PROP	\$ 197,500.00	\$ 210,500.00
	CHARGES FOR SERVICES		
100-3160703-0000	PARKING METERS	\$ 10,000.00	\$ 8,000.00
100-3161502-0000	SALE OF PUBLICATIONS	\$ -	\$ -
	TOTAL CHARGES FOR SERVICES	\$ 10,000.00	\$ 8,000.00
	MISCELLANEOUS REVENUES		
100-3189905-0000	SALE OF SURPLUS	\$ 5,000.00	\$ 5,000.00
	TOTAL MISC REVENUES	\$ 5,000.00	\$ 5,000.00
<b>TOTAL LOCAL REVENUES</b>		<b>\$ 278,200.00</b>	<b>\$ 354,275.00</b>

### REVENUE FROM THE COMMONWEALTH

	NON-CATEGORICAL AID		
100-3220107-0000	ROLLING STOCK TAX	\$ 1,850.00	\$ 1,850.00
100-3220109-0000	PPTRA	\$ 209,917.00	\$ 209,917.00
100-3220201-0000	COMMUNICATION TAX	\$ 70,000.00	\$ 65,000.00
100-3220106-0000	ARPA FUNDS (2ND TRANCHE)	\$ 2,267,493.00	\$ -
	TOTAL NON-CATEGORICAL AID	\$ 2,549,260.00	\$ 276,767.00
	CATEGORICAL AID		
100-3220108-0000	599 LAW ENFORCEMENT GRANT	\$ 82,350.00	\$ 90,600.00
100-3240103-0000	LE BLOCK GRANT	\$ 1,000.00	\$ 1,000.00
100-3240201-0000	FIRE FUND PROGRAM	\$ 15,250.00	\$ 15,250.00
100-3240300-0000	VDOT LANE MILE ALLOWANCE	\$ 503,000.00	\$ 503,000.00
100-3240301-0000	VDOT ROAD MAINTENANCE	\$ 55,555.00	\$ 55,555.00
100-3240302-0000	LITTER CONTROL GRANT	\$ 1,900.00	\$ 2,500.00
100-3240312-0000	VA COMMISSION FOR THE ARTS	\$ 4,500.00	\$ 4,500.00
100-3240710-0000	DMV ANIMAL FRIENDLY PLATES	\$ -	\$ -
	TOTAL CATEGORICAL AID	\$ 663,555.00	\$ 672,405.00
<b>TOTAL FROM THE COMMONWEALTH</b>		<b>\$ 3,212,815.00</b>	<b>\$ 949,172.00</b>

Account Number	Account Description	FY APPROVED 2022-2023	FY23-24 DRAFT 2023-2024
<b>REVENUE FROM THE FEDERAL GOVERNMENT</b>			
	CATEGORICAL AID		
100-3340102-0000	FEDERAL FIRE FUND PROGRAM	\$ -	\$ -
100-3340311-0000	FEDERAL EMERGENCY R&R	\$ -	\$ -
	TOTAL CATEGORICAL AID	\$ -	\$ -
<b>TOTAL FROM FEDERAL GOVERNMENT</b>		\$	\$
<b>REVENUE FROM OTHER SOURCES</b>			
	NON-REVENUE RECEIPTS		
100-3410201-0000	MISCELLANEOUS REVENUES	\$ 1,000.00	\$ 1,000.00
	TOTAL FROM OTHER SOURCES	\$ 1,000.00	\$ 1,000.00
<b>TOTAL FROM OTHER SOURCES</b>		\$ 1,000.00	\$ 1,000.00
<b>TOTAL GENERAL FUND REVENUES</b>		\$ 6,492,015.00	\$ 4,504,447.00
<b>WATER FUND</b>			
	FUND BALANCE		
501-3000000-0000	FUND BALANCE	\$ 200,000.00	\$ 615,000.00
	TOTAL FUND BALANCE	\$ 200,000.00	\$ 615,000.00
	REVENUE FROM MONEY OR PROP INTEREST ON INVESTMENTS		
501-3150102-0000	INTEREST ON INVESTMENTS	\$ 30,000.00	\$ 65,000.00
	TOTAL FROM USE OF MONEY OR PROP	\$ 30,000.00	\$ 65,000.00
	CHARGES FOR SERVICES		
501-3160110-0000	TREATMENT FEES	\$ 1,000,000.00	\$ 1,200,000.00
501-3160111-0000	DELINQUENT ACCT PENALTIES	\$ 30,000.00	\$ 40,000.00
501-3160113-0000	AVAILABILITY CHARGES	\$ 745,000.00	\$ 30,500.00
501-3160114-0000	CONNECTION CHARGES	\$	\$
501-3160115-0000	METER FEES	\$ 16,000.00	\$ 1,000.00
501-3160116-000	LOAN PROCEEDS	\$ -	\$ 1,200,000.00
	TOTAL CHARGES FOR SERVICES	\$ 1,791,000.00	\$ 2,471,500.00
<b>TOTAL WATER FUND</b>		\$ 2,021,000.00	\$ 3,151,500.00

Account Number	Account Description	FY APPROVED 2022-2023	FY23-24 DRAFT 2023-2024
<b>SEWER FUND</b>			
502-3000000-0000	FUND BALANCE	\$ -	\$ 1,095,000.00
	TOTAL FUND BALANCE	\$ -	\$ 1,095,000.00
502-3150101-0000	REVENUE FROM MONEY OR PROP INTEREST INCOME	\$ 35,000.00	\$ 35,000.00
	TOTAL REVENUE FROM MONEY OR PROP	\$ 35,000.00	\$ 35,000.00
502-3160110-0000	CHARGES FOR SERVICES TREATMENT FEES	\$ 1,700,000.00	\$ 1,800,000.00
502-3160112-0000	SECURITY DEPOSITS	\$ -	\$ -
502-3160113-0000	AVAILABILITY CHARGES	\$ 850,000.00	\$ 32,750.00
	TOTAL CHARGES FOR SERVICES	\$ 2,550,000.00	\$ 1,832,750.00
<b>REVENUE FROM OTHER SOURCES</b>			
502-3410401-0000	NON-REVENUE RECEIPTS VRA LOAN	\$ -	\$ -
502-3410402-0000	WQJF Grant	\$ -	\$ -
502-3410404-0000	NUTRIENT CREDIT REBATE	\$ 500.00	\$ 500.00
	TOTAL NON-REVENUE RECEIPTS	\$ 500.00	\$ 500.00
	TOTAL FROM OTHER SOURCES	\$ 500.00	\$ 500.00
	TOTAL SEWER FUND	\$ 2,585,500.00	\$ 2,963,250.00
	TOTAL REVENUES ALL FUNDS	\$ 11,098,515.00	\$ 10,619,197.00

Account Number	Account Description	FY APPROVED 2022-2023	FY23-24 DRAFT 2023-2024
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**FY 22-23 BUDGET EXPENSES**

Account Number	Account Description	FY22-23 APPROVED 2022-2023	FY23-24 DRAFT 2023-2024
<b>GENERAL FUND</b>			
<b>TOWN COUNCIL</b>			
100-4011100-1111	EXPENSE COMPENSATION	\$ 18,900.00	\$ 18,900.00
100-4011100-2100	MATCHING FICA EXPENSE (7.65 %)	\$ 1,450.00	\$ 1,450.00
100-4011100-5540	TRAINING	\$ 4,000.00	\$ 4,000.00
100-4011100-5699	LOCAL CONTRIBUTIONS	\$ 10,000.00	\$ -
100-4011100-5800	MISCELLANEOUS	\$ 5,000.00	\$ 5,000.00
100-4011100-5810	DUES	\$ 3,000.00	\$ 3,000.00
100-4011100-6017	TOWN CODE SUPPLEMENTS	\$ 2,000.00	\$ 2,000.00
100-4011100-6018	STATE CODE SUPPLEMENTS	\$ -	\$ -
	<b>TOTAL TOWN COUNCIL</b>	<b>\$ 44,350.00</b>	<b>\$ 34,350.00</b>
<b>TOWN CLERK</b>			
100-4011200-1114	SALARIES/WAGES/TNCLK	\$ 48,500.00	\$ 52,100.00
100-4011200-2100	MATCHING FICA EXPENSE (7.65 %)	\$ 3,700.00	\$ 4,100.00
100-4011200-5510	MILEAGE	\$ 250.00	\$ 250.00
100-4011200-5540	EDUCATION/TRAINING	\$ 1,000.00	\$ 1,000.00
100-4011200-5810	DUES	\$ 100.00	\$ 100.00
	<b>TOTAL TOWN CLERK</b>	<b>\$ 53,550.00</b>	<b>\$ 57,550.00</b>
<b>OFFICE OF TOWN MANAGER</b>			
100-4012110-1112	COMPENSATION	\$ 70,000.00	\$ 83,000.00
100-4012110-2100	MATCHING FICA EXPENSE (7.65 %)	\$ 5,400.00	\$ 6,500.00
100-4012110-3399	BLIGHT ABATEMENT	\$ 50,000.00	\$ 50,000.00
100-4012110-5230	TELECOMMUNICATIONS	\$ 600.00	\$ 600.00
100-4012110-5510	MILEAGE	\$ 150.00	\$ 150.00
100-4012110-5540	TRAINING	\$ 1,000.00	\$ 1,000.00
100-4012110-5810	DUES	\$ 500.00	\$ 750.00
	<b>TOTAL TOWN MANAGER</b>	<b>\$ 127,650.00</b>	<b>\$ 142,000.00</b>
<b>LEGAL SERVICES</b>			
100-4012210-3150	PROFESSIONAL SERVICES	\$ 50,000.00	\$ 50,000.00
	<b>TOTAL LEGAL SERVICES</b>	<b>\$ 50,000.00</b>	<b>\$ 50,000.00</b>

Account Number	Account Description	FY APPROVED 2022-2023	FY23-24 DRAFT 2023-2024
	<b>PERSONNEL</b>		
100-4012220-2100	SOCIAL SECURITY	\$ -	\$ -
100-4012220-2210	VRS	\$ 160,000.00	\$ 169,000.00
100-4012220-2220	VMLIP - STD	\$ 645.00	\$ 650.00
100-4012220-2230	VMLIP - LTD	\$ 6,600.00	\$ 6,900.00
100-4012220-2250	Line of Duty Act	\$ 8,500.00	\$ 8,500.00
100-4012220-2300	HEALTH INSURANCE	\$ 212,000.00	\$ 227,000.00
100-4012220-2400	LIFE INSURANCE	\$ 16,230.00	\$ 17,400.00
100-4012220-2600	UNEMPLOYMENT INSURANCE	\$ 600.00	\$ 230.00
100-4012220-2700	WORKER'S COMPENSATION	\$ 95,000.00	\$ 35,000.00
100-4012220-3110	RANDOM DRUG SCREENING	\$ 750.00	\$ 750.00
100-4012220-9001	EMPLOYEE RECOGNITION	\$ 2,000.00	\$ 2,000.00
	<b>TOTAL PERSONNEL</b>	\$ 442,325.00	\$ 467,430.00
	<b>INDEPENDENT AUDITOR</b>		
100-4012240-3120	CONTRACTUAL SERVICES	\$ 20,000.00	\$ 20,000.00
	<b>TOTAL INDEPENDENT AUDITOR</b>	\$ 20,000.00	\$ 20,000.00
	<b>TOWN TREASURER</b>		
100-4012410-1113	COMPENSATION	\$ 82,000.00	\$ 85,500.00
100-4012410-2100	MATCHING FICA EXPENSE (7.65 %)	\$ 6,275.00	\$ 6,700.00
100-4012410-3130	PROFESSIONAL SER/TAX CONV	\$ 2,500.00	\$ 2,500.00
100-4012410-3150	PROFESSIONAL SER/VEC	\$ -	\$ -
100-4012410-5306	SURETY BONDS	\$ 500.00	\$ 500.00
100-4012410-5540	TRAINING	\$ 2,000.00	\$ 2,000.00
100-4012410-5810	DUES	\$ 1,000.00	\$ 1,000.00
100-4012410-6015	AUTO DECALS	\$ -	\$ -
100-4012410-6020	CIGARETTE TAX STAMPS	\$ -	\$ -
	<b>TOTAL TOWN TREASURER</b>	\$ 94,275.00	\$ 98,200.00
	<b>FINANCE/ACCOUNTING</b>		
100-4012430-1113	COMPENSATION	\$ 110,000.00	\$ 130,000.00
100-4012430-2100	MATCHING FICA EXPENSE (7.65 %)	\$ 8,450.00	\$ 9,700.00
100-4012430-5540	TRAINING	\$ 3,400.00	\$ 3,400.00
	<b>TOTAL FINANCE/ACCOUNTING</b>	\$ 121,850.00	\$ 143,100.00
	<b>CENTRAL ADM/PURCHASING</b>		
100-4012530-3320	MAINTENANCE CONTRACTS	\$ 51,100.00	\$ 52,250.00
100-4012530-3400	WEB SITE	\$ 1,000.00	\$ 1,000.00
100-4012530-3450	DIGITIZING	\$ 7,000.00	\$ 7,000.00
100-4012530-3501	NEWSLETTER	\$ 1,000.00	\$ 1,000.00
100-4012530-3600	ADVERTISING	\$ 6,000.00	\$ 8,000.00
100-4012530-5210	POSTAGE	\$ 15,000.00	\$ 16,000.00
100-4012530-5230	TELECOMMUNICATIONS	\$ 4,200.00	\$ 4,300.00
100-4012530-5250	SOCIAL MEDIA ARCHIVING	\$ 2,700.00	\$ 3,300.00
100-4012530-5415	COPIER LEASE	\$ 4,900.00	\$ 5,100.00
100-4012530-5540	TRAINING	\$ 1,500.00	\$ 2,500.00

Account Number	Account Description	FY APPROVED 2022-2023	FY23-24 DRAFT 2023-2024
100-4012530-5699	CONTRIBUTION / CC SOCIAL MEDIA	\$ 5,000.00	\$ 5,000.00
100-4012530-5810	DUES	\$ 500.00	\$ 500.00
100-4012530-6001	OFFICE SUPPLIES	\$ 11,500.00	\$ 15,000.00
	<b>TOTAL CENTRAL ADM/PURCHASING</b>	\$ 111,400.00	\$ 120,950.00
	<b>RISK MANAGEMENT</b>		
100-4012550-5304	BLANKET EXCESS LIABILITY	\$ 16,000.00	\$ 16,000.00
100-4012550-5305	AUTOMOBILE INSURANCE	\$ 13,000.00	\$ 13,000.00
100-4012550-5308	SEMI-MULTI PERIL INS	\$ 28,900.00	\$ 36,500.00
100-4012550-5800	INSURANCE DEDUCTABLES	\$ -	\$ -
	<b>TOTAL RISK MANAGEMENT</b>	\$ 57,900.00	\$ 65,500.00
	<b>ENGINEERING SERVICES</b>		
100-4012600-3140	ENGINEERING SERVICES	\$ 5,000.00	\$ 5,000.00
	<b>TOTAL ENGINEERING SERVICES</b>	\$ 5,000.00	\$ 5,000.00
	<b>ELECTIONS</b>		
100-4013100-1125	ELECTION OFFICIALS	\$ 3,000.00	\$ 2,500.00
100-4013100-6001	OFFICE SUPPLIES	\$ 3,000.00	\$ 1,500.00
	<b>TOTAL ELECTIONS</b>	\$ 6,000.00	\$ 4,000.00
	<b>PUBLIC DEFENDER FEES</b>		
100-4021500-3150	PUBLIC DEFENDER FEES	\$ 2,000.00	\$ 2,000.00
	<b>TOTAL PUBLIC DEFENDER FEES</b>	\$ 2,000.00	\$ 2,000.00
	<b>POLICE DEPARTMENT</b>		
100-4031100-1139	COMPENSATION	\$ 667,000.00	\$ 700,500.00
100-4031100-2100	MATCHING FICA EXPENSE (7.65%)	\$ 51,500.00	\$ 54,000.00
100-4031100-3110	MEDICAL EXAMINATIONS	\$ 500.00	\$ 900.00
100-4031100-3115	PRE EMPLOYMENT DRUG SCREEN	\$ 500.00	\$ 250.00
100-4031100-3190	INTERPRETER	\$ 400.00	\$ 400.00
100-4031100-3310	REPAIR & MAINTENANCE	\$ 12,000.00	\$ 12,000.00
100-4031100-3320	MAINTENANCE CONTRACTS	\$ 29,000.00	\$ 34,000.00
100-4031100-4081	RICH RAU SAFETY FUND	\$ 5,000.00	\$ 5,000.00
100-4031100-4082	WILDLIFE MANAGEMENT	\$ 250.00	\$ 250.00
100-4031100-5210	POSTAGE	\$ 500.00	\$ 500.00
100-4031100-5230	TELECOMMUNICATIONS	\$ 3,000.00	\$ 3,000.00
100-4031100-5415	COPIER LEASE	\$ 4,400.00	\$ 4,400.00
100-4031100-5540	TRAINING	\$ 16,000.00	\$ 19,000.00
100-4031100-5545	OFFICE ACCREDIATION	\$ 1,000.00	\$ 500.00
100-4031100-5810	DUES	\$ 850.00	\$ 850.00
100-4031100-5815	COMMUNITY RELATIONS	\$ 2,000.00	\$ 2,000.00
100-4031100-6001	OFFICE SUPPLIES	\$ 1,600.00	\$ 1,600.00
100-4031100-6008	GASOLINE & OIL	\$ 19,440.00	\$ 20,000.00
100-4031100-6010	POLICE SUPPLIES	\$ 13,500.00	\$ 13,500.00
100-4031100-6011	UNIFORMS	\$ 3,000.00	\$ 3,000.00

Account Number	Account Description	FY APPROVED 2022-2023	FY23-24 DRAFT 2023-2024
	TOTAL POLICE DEPARTMENT	\$ 831,440.00	\$ 875,650.00
100-4031300-5699	TRAFFIC CONTROL COUNTY CONT/CROSSING GD	\$ 2,500.00	\$ 2,500.00
	TOTAL TRAFFIC CONTROL	\$ 2,500.00	\$ 2,500.00
100-4031400-5699	EMERGENCY SERVICES CONTRIBUTION/CC CENT ALRM	\$ 5,000.00	\$ 5,000.00
	TOTAL EMERGENCY SERVICES	\$ 5,000.00	\$ 5,000.00
100-4032200-5699	VOLUNTEER FIRE DEPARTMENT CONTRIBUTION/JHEVFD	\$ 30,000.00	\$ 30,000.00
100-4032200-5707	FIRE FUND PROGRAM	\$ 15,250.00	\$ 18,500.00
100-4032200-8411	CAPITAL PROJECT	\$ 50,000.00	\$ 10,000.00
	TOTAL VOLUNTEER FIRE DEPT	\$ 95,250.00	\$ 58,500.00
100-4033200-5550	CORRECTION & DETENTION CONFINEMENT OF PRISONERS	\$ -	\$ -
	TOTAL CORRECTION & DETENTION	\$ -	\$ -
100-4041100-1140	PUBLIC WORKS ADMINISTRATION COMPENSATION	\$ 40,000.00	\$ 38,000.00
100-4041100-2100	MATCHING FICA EXPENSE (7.65%)	\$ 3,100.00	\$ 2,900.00
100-4041100-3110	MEDICAL EXAMS	\$ 1,000.00	\$ 1,000.00
100-4041100-3310	VEHICLE REP & MAINTENANCE	\$ 11,000.00	\$ 11,000.00
100-4041100-5120	FUEL OIL/HEAT	\$ 2,500.00	\$ 3,000.00
100-4041100-5230	TELECOMMUNICATIONS	\$ 8,000.00	\$ 8,000.00
100-4041100-5415	COPIER LEASE	\$ 2,700.00	\$ 2,700.00
100-4041100-5540	TRAINING	\$ 2,500.00	\$ 6,000.00
100-4041100-6001	OFFICE SUPPLIES	\$ 500.00	\$ 500.00
	TOTAL PUBLI WKS ADMINISTRATION	\$ 71,300.00	\$ 73,100.00
100-4041200-1183	HWYS, STS BRIDGES & SDWLKS COMPENSATION	\$ 175,000.00	\$ 191,000.00
100-4041200-2100	MATCHING FICA EXPENSE (7.65%)	\$ 13,400.00	\$ 14,800.00
100-4041200-3310	EQUIPMENT MAINTENANCE	\$ 12,000.00	\$ 12,000.00
100-4041200-3311	STREET TREES/SIDEWALKS	\$ 15,000.00	\$ 15,000.00
100-4041200-3315	TOWN STREET RESERVE	\$ 16,000.00	\$ 16,000.00
100-4041200-3316	STREET SIGN MAINTENANCE	\$ -	\$ -
100-4041200-5425	NORFOLK/SOUTHERN R-O-W'S	\$ 1,200.00	\$ 1,200.00
100-4041200-6007	MATERIALS & SUPPLIES	\$ 5,000.00	\$ 6,000.00
100-4041200-6008	GASOLINE & OIL	\$ 24,000.00	\$ 24,000.00
100-4041200-6011	UNIFORMS	\$ 6,000.00	\$ 6,000.00
	TOTAL HWYS, STS BRIDGES & SWLKS	\$ 267,600.00	\$ 286,000.00

Account Number	Account Description	FY APPROVED 2022-2023	FY23-24 DRAFT 2023-2024
	VDOT STREET MAINTENANCE		
100-4041250-3140	ENGINEERING	\$ 10,000.00	\$ 10,000.00
100-4041250-3300	VDOT STREET MAINTENANCE	\$ -	\$ -
100-4041250-3310	EQUIPMENT MAINTENANCE	\$ 10,000.00	\$ 15,000.00
100-4041250-3311	STORM SEWER MAINTENANCE	\$ 15,000.00	\$ 15,000.00
100-4041250-3316	SIGNS	\$ 10,000.00	\$ 10,000.00
100-4041250-5800	CONTINGENCY	\$ 25,000.00	\$ 25,000.00
100-4041250-6007	MATERIALS AND SUPPLIES	\$ 10,000.00	\$ 10,000.00
100-4041250-6050	STREET MAINTENANCE	\$ 121,500.00	\$ 125,000.00
100-4041250-6060	SIDEWALK REPLACEMENT	\$ 45,000.00	\$ 45,000.00
100-4041250-6135	MOWING/TREE REMOVAL	\$ 15,000.00	\$ 15,000.00
100-4041250-6207	STREET SWEEPING	\$ 18,000.00	\$ 18,000.00
100-4041250-6307	SNOW REMOVAL	\$ 60,000.00	\$ 60,000.00
100-4041250-8801	EQUIPMENT PURCHASE	\$ 123,500.00	\$ -
100-4041250-8803	PW SITE IMPROVEMENTS	\$ 35,000.00	\$ 150,000.00
100-4041250-8804	SAFETY EQUIPMENT	\$ 5,000.00	\$ 5,000.00
	<b>TOTAL VDOT STREET MAINTENANCE</b>	<b>\$ 503,000.00</b>	<b>\$ 503,000.00</b>
	STREET LIGHTS		
100-4041320-5110	ELECTRICITY	\$ 75,000.00	\$ 90,000.00
	<b>TOTAL STREET LIGHTS</b>	<b>\$ 75,000.00</b>	<b>\$ 90,000.00</b>
	SNOW REMOVAL - DOWNTOWN		
100-4041330-3220	CONTRACTUAL SERVICES	\$ 20,000.00	\$ 20,000.00
100-4041330-6007	MATERIALS & SUPPLIES	\$ 2,000.00	\$ 2,000.00
	<b>TOTAL SNOW REMOVAL-DOWNTOWN</b>	<b>\$ 22,000.00</b>	<b>\$ 22,000.00</b>
	PARKING METERS & LOTS		
100-4041340-6007	MATERIALS & SUPPLIES	\$ 1,500.00	\$ 2,000.00
	<b>TOTAL PARKING METERS &amp; LOTS</b>	<b>\$ 1,500.00</b>	<b>\$ 2,000.00</b>
	STREET & ROAD CLEANING		
100-4042200-6007	MATERIALS & SUPPLIES	\$ -	\$ -
	<b>TOTAL PARKING METERS &amp; LOTS</b>	<b>\$ -</b>	<b>\$ -</b>
	REFUSE COLLECTION		
100-4042300-3220	CONTRACTUAL SERVICES	\$ 219,000.00	\$ 240,000.00
100-4042300-6225	RECYCLING SERVICES	\$ 85,000.00	\$ 110,000.00
	<b>TOTAL REFUSE COLLECTION</b>	<b>\$ 304,000.00</b>	<b>\$ 350,000.00</b>
	REFUSE DISPOSAL		
100-4042400-3800	FCO LANDFILL CHARGES	\$ 45,000.00	\$ 50,000.00
	<b>TOTAL REFUSE DISPOSAL</b>	<b>\$ 45,000.00</b>	<b>\$ 50,000.00</b>

Account Number	Account Description	FY APPROVED 2022-2023	FY23-24 DRAFT 2023-2024
	<b>GENERAL PROPERTIES</b>		
100-4043200-3310	REPAIR & MAINTENANCE	\$ 17,000.00	\$ 35,000.00
100-4043200-3325	HERMITAGE SWPOND MAINT	\$ 4,100.00	\$ 4,100.00
100-4043200-6007	MATERIALS & SUPPLIES	\$ 500.00	\$ 500.00
100-4043200-6017	CHRISTMAS WREATHS	\$ 500.00	\$ 500.00
	<b>TOTAL GENERAL PROPERTIES</b>	\$ 22,100.00	\$ 40,100.00
	<b>BUILDING SERVICES</b>		
100-4064200-3150	PROFESSIONAL SERVICES	\$ 1,000.00	\$ 1,000.00
100-4064200-3200	CONTRACTURAL SERVICES	\$ 10,000.00	\$ 10,000.00
100-4064200-5110	ELECTRICITY	\$ 20,100.00	\$ 20,100.00
100-4064200-5120	NATURAL GAS/HEAT	\$ 3,000.00	\$ 3,000.00
100-4064200-5130	WATER/SEWER	\$ 800.00	\$ 800.00
100-4064200-5230	TELECOMMUNICATIONS	\$ 1,500.00	\$ 1,500.00
100-4064200-5304	LIABILITY INSURANCE	\$ 1,500.00	\$ 1,500.00
100-4064200-7113	IN KIND COSTS	\$ 13,000.00	\$ 13,000.00
100-4064200-7115	SHARED MAINTENANCE	\$ 19,000.00	\$ 19,000.00
100-4064200-8411	CAPITAL ASSET RESERVES	\$ 10,000.00	\$ 10,000.00
	<b>TOTAL BUILDING SERVICES</b>	\$ 79,900.00	\$ 79,900.00
	<b>PARKS &amp; RECREATION</b>		
100-4071310-3160	CONTRACTURAL SER/JN BLUE	\$ 1,000.00	\$ 1,000.00
100-4071310-6017	CHRISTMAS LIGHTS	\$ 3,500.00	\$ 3,500.00
100-4071310-6018	ROSE HILL PARK MAINTENANCE	\$ 7,000.00	\$ 15,000.00
	<b>TOTAL PARKS &amp; RECREATION</b>	\$ 11,500.00	\$ 19,500.00
	<b>PLANNING</b>		
100-4081100-1155	COMPENSATION	\$ 95,975.00	\$ 97,000.00
100-4081100-2100	MATCHING HICA EXPENSE (7.65 %)	\$ 7,345.00	\$ 7,500.00
100-4081100-3190	PROFESSIONAL SERVICES	\$ 3,000.00	\$ 3,000.00
100-4081100-3195	PREPAID APPLICATION FEES	\$ -	\$ -
100-4081100-3500	PRINTING	\$ 250.00	\$ 250.00
100-4081100-5510	MILEAGE	\$ 100.00	\$ 100.00
100-4081100-5540	TRAINING	\$ -	\$ -
100-4081100-5810	DUES	\$ -	\$ -
100-4081100-6001	OFFICE EQUIPMENT	\$ 100.00	\$ 100.00
100-4081100-6012	PUBLICATIONS	\$ -	\$ -
	<b>TOTAL PLANNING</b>	\$ 106,770.00	\$ 107,950.00
	<b>BOARD OF ZONING APPEALS</b>		
100-4081400-1110	EXPENSE COMPENSATION	\$ 500.00	\$ 500.00
100-4081400-5540	TRAINING	\$ 750.00	\$ 750.00
	<b>TOTAL BOARD OF ZONING APPEALS</b>	\$ 1,250.00	\$ 1,250.00

Account Number	Account Description	FY APPROVED 2022-2023	FY23-24 DRAFT 2023-2024
	<b>ECONOMIC DEVELOPMENT</b>		
100-4081500-5693	VA COMMISSION FOR ARTS FUNDING	\$ 4,500.00	\$ 4,500.00
100-4081500-5695	TOWN/COUNTY ECONOMIC DEV	\$ 19,500.00	\$ 20,500.00
100-4081500-5696	ECONOMIC DEVELOPMENT RESERVE	\$ 2,500.00	\$ 2,500.00
100-4081500-5699	DBI/ECO DEV PROF SERVICES	\$ 2,000.00	\$ -
100-4081500-5700	ANNEXATION AREA PROF SERVICES	\$ -	\$ -
	<b>TOTAL ECONOMIC DEVELOPMENT</b>	<b>\$ 28,500.00</b>	<b>\$ 27,500.00</b>
	<b>PLANNING COMMISSION</b>		
100-4081600-1111	EXPENSE COMPENSATION	\$ 5,000.00	\$ 5,000.00
100-4081600-5540	TRAINING	\$ 1,000.00	\$ 1,500.00
100-4081600-5810	DUES	\$ -	\$ -
	<b>TOTAL PLANNING COMMISSION</b>	<b>\$ 6,000.00</b>	<b>\$ 6,500.00</b>
	<b>B'VILLE AREA DEV AUTHORITY</b>		
100-4081700-1111	EXPENSE COMPENSATION	\$ 2,400.00	\$ 2,500.00
100-4081700-5540	TRAINING	\$ 500.00	\$ 1,000.00
100-4081700-5810	DUES	\$ -	\$ -
	<b>TOTAL B'VILLE AREA DEV AUTHORITY</b>	<b>\$ 2,900.00</b>	<b>\$ 3,500.00</b>
	<b>ARCHITECTURAL REVIEW BOARD</b>		
100-4081800-5540	TRAINING	\$ 400.00	\$ 500.00
	<b>TOTAL ARCHITECTURAL REVIEW BD</b>	<b>\$ 400.00</b>	<b>\$ 500.00</b>
	<b>TREE BOARD</b>		
100-4081900-5800	MISCELLANEOUS	\$ 500.00	\$ -
	<b>TOTAL TREE BOARD</b>	<b>\$ 500.00</b>	<b>\$ -</b>

Account Number	Account Description	FY APPROVED 2022-2023	FY23-24 DRAFT 2023-2024
	<b>CAPITAL OUTLAY</b>		
100-4094200-8225	COMPUTER REPLACEMENT	\$ 8,500.00	\$ 35,000.00
100-4094200-8231	PATROL VEHICLE	\$ -	\$ 57,500.00
100-4094200-8338	SNOW PLOW(S)	\$ 30,000.00	\$ -
100-4094200-8340	MOWER	\$ 1,500.00	\$ -
100-4094200-8341	ROSE HILL PARK REPAIRS (PW)	\$ -	\$ 30,000.00
100-4094200-8345	PW TON DUMP	\$ 32,000.00	\$ -
100-4094200-8411	CAPITAL RESERVE	\$ 19,695.91	\$ 214,881.10
100-4094200-8602	3/4 TON TRUCK (PW)	\$ 15,000.00	\$ -
100-4094200-8702	WAYFINDING SIGNS RESERVE	\$ -	\$ -
100-4094200-8803	PUBLIC WORKS SITE IMPROVEMENTS	\$ 35,000.00	\$ -
100-4094200-8915	HOGAN'S ALLEY IMPROVEMENTS	\$ -	\$ 10,000.00
100-4094200-8951	PD RADIO REPLACEMENT RESERVE	\$ -	\$ -
100-4094200-8959	CHRISTMAS DECORATIONS FOR STS(PW)	\$ 20,000.00	\$ -
100-4094200-9002	JACKSON DR SWMA/DORSEY ST STMWTR	\$ -	\$ -
100-4094200-9003	BACKHOE (PW)	\$ 10,000.00	\$ -
100-4094200-9004	MOSBY BOULEVARD SIDEWALK	\$ 20,000.00	\$ 20,000.00
100-4094200-9005	FAIRFAX (E&W) SIDEWALK RESERVE	\$ 60,000.00	\$ 60,000.00
100-4094200-9006	SECOND STREET REPAIRS	\$ 20,000.00	\$ -
100-4094200-9007	INTERVIEW ROOM AV (PD)	\$ -	\$ 6,500.00
100-4094200-9008	SALT BUILDING (PW)	\$ -	\$ -
100-4094200-9009	TOWN STREET REPAIRS	\$ -	\$ 20,000.00
	<b>TOTAL CAPITAL OUTLAY</b>	\$ 306,695.91	\$ 453,881.10
	<b>ARPA EXPENSES</b>		
100-4094300-5700	ARPA EXPENSES	\$ 2,267,493.00	\$ -
	<b>TOTAL ARPA EXPENSES</b>	\$ 2,267,493.00	\$ -
	<b>CONTINGENCY</b>		
100-4094300-5800	CONTINGENCY (3.00%)	\$ 176,616.09	\$ 114,435.90
	<b>TOTAL CONTINGENCY</b>	\$ 176,616.09	\$ 114,435.90
	<b>DEBT SERVICE</b>		
100-4095000-9110	RDA PRINCIPAL	\$ 44,500.00	\$ 46,500.00
100-4095000-9120	RDA INTEREST	\$ 77,000.00	\$ 75,100.00
100-4095000-9130	RDA DEBT SER RESERVE	\$ -	\$ -
	<b>TOTAL DEBT SERVICE</b>	\$ 121,500.00	\$ 121,600.00
	<b>TOTAL GENERAL FUND OPERATIONAL</b>	\$ 5,887,203.00	\$ 3,814,530.00
	<b>TOTAL GENERAL FUND CONTINGENCY</b>	\$ 176,616.09	\$ 114,435.90
	<b>TOTAL GENERAL FUND CAP OUTLAY</b>	\$ 306,695.91	\$ 453,881.10
	<b>TOTAL GENERAL FUND DEBT SERVICE</b>	\$ 121,500.00	\$ 121,600.00
	<b>TOTAL GENERAL FUND EXPENSES</b>	\$ 6,492,015.00	\$ 4,504,447.00

**WATER FUND**

	PERSONNEL			
501-4012220-1140	COMPENSATION	\$	120,000.00	\$ 130,000.00
501-4012220-2100	MATCHING FICA EXPENSE (7.65 %)	\$	9,200.00	\$ 9,950.00
501-4012220-2210	VRS	\$	65,000.00	\$ 79,000.00
501-4012220-2220	VMLIP - STD	\$	300.00	\$ 300.00
501-4012220-2230	VMLIP - LTD	\$	2,700.00	\$ 3,200.00
501-4012220-2300	HEALTH INSURANCE	\$	87,000.00	\$ 105,500.00
501-4012220-2400	LIFE INSURANCE	\$	6,600.00	\$ 7,500.00
501-4012220-2600	UNEMPLOYMENT INSURANCE	\$	76.00	\$ 110.00
501-4012220-2700	WORKER'S COMPENSATION	\$	25,200.00	\$ 21,000.00
501-4012220-3170	MISS UTILITY	\$	1,500.00	\$ 1,750.00
501-4012220-3320	HANDHELD MAINT	\$	7,500.00	\$ 5,000.00
501-4012220-3450	DIGITIZING	\$	7,000.00	\$ 7,000.00
501-4012220-5210	POSTAGE	\$	4,400.00	\$ 4,700.00
501-4012220-5540	TRAINING	\$	2,500.00	\$ 2,500.00
501-4012220-6001	OFFICE SUPPLIES	\$	500.00	\$ 2,000.00
	<b>TOTAL PERSONNEL</b>	\$	<b>336,476.00</b>	\$ <b>379,510.00</b>
	TREATMENT			
501-4012222-1147	COMPENSATION	\$	200,000.00	\$ 273,000.00
501-4012222-2100	MATCHING FICA EXPENSE (7.65 %)	\$	15,300.00	\$ 21,000.00
501-4012222-2830	CERTIFICATION FEES	\$	600.00	\$ 600.00
501-4012222-2840	STATE CONNECTION FEES	\$	5,900.00	\$ 5,900.00
501-4012222-2850	LAB TESTING	\$	9,000.00	\$ 11,000.00
501-4012222-3110	MEDICAL EXAMS	\$	200.00	\$ 200.00
501-4012222-3145	PROFESSIONAL SERVICES	\$	10,000.00	\$ 10,000.00
501-4012222-3210	SLUDGE REMOVAL	\$	27,000.00	\$ 27,000.00
501-4012222-3220	CLEAN RIVER INTAKE	\$	2,000.00	\$ 3,000.00
501-4012222-3310	REPAIR & MAINTENANCE	\$	65,000.00	\$ 75,000.00
501-4012222-3510	CONSUMER CONFIDENCE RPT	\$	1,000.00	\$ 1,000.00
501-4012222-5110	ELECTRICITY	\$	70,000.00	\$ 70,000.00
501-4012222-5120	PROPANE HEAT WTP	\$	4,000.00	\$ 7,200.00
501-4012222-5230	TELECOMMUNICATIONS	\$	4,300.00	\$ 4,700.00
501-4012222-5415	COPIER LEASE	\$	900.00	\$ 1,300.00
501-4012222-5540	TRAINING	\$	3,500.00	\$ 3,500.00
501-4012222-5690	DISCHARGE PERMIT RENEWAL	\$	3,000.00	\$ 3,000.00
501-4012222-5810	DUES	\$	1,000.00	\$ 1,000.00
501-4012222-6001	OFFICE SUPPLIES	\$	1,000.00	\$ 1,000.00
501-4012222-6004	LAB SUPPLIES	\$	5,000.00	\$ 7,000.00
501-4012222-6005	JANITORIAL SUPPLIES	\$	1,000.00	\$ 1,300.00
501-4012222-6008	GASOLINE & OIL	\$	7,250.00	\$ 7,200.00
501-4012222-6011	UNIFORMS	\$	1,000.00	\$ 1,000.00
501-4012222-6014	TOOLS	\$	500.00	\$ 1,000.00
501-4012222-6019	SAFETY EQUIPMENT	\$	2,000.00	\$ 2,000.00
501-4012222-6020	PERSONAL EQUIPMENT	\$	600.00	\$ 600.00

Account Number	Account Description	FY APPROVED 2022-2023	FY23-24 DRAFT 2023-2024
501-4012222-6025	CHEMICALS	\$ 43,000.00	\$ 50,000.00
	<b>TOTAL TREATMENT</b>	<b>\$ 484,050.00</b>	<b>\$ 589,500.00</b>
	<b>DISTRIBUTION &amp; MAINTENANCE</b>		
501-4012224-1183	COMPENSATION	\$ 165,000.00	\$ 192,000.00
501-4012224-2100	MATCHING FICA EXPENSE (7.65 %)	\$ 12,625.00	\$ 14,700.00
501-4012224-3330	LINE REPAIR & MAINTENANCE	\$ 50,000.00	\$ 50,000.00
501-4012224-6007	MATERIALS & SUPPLIES	\$ 30,000.00	\$ 30,000.00
501-4012224-6019	SAFETY EQUIPMENT	\$ 700.00	\$ 700.00
501-4012224-6030	NEW SERVICE SUPPLIES	\$ 2,000.00	\$ 2,000.00
501-4012224-9008	STORAGE TANK MAINT CONTRACT	\$ 155,700.00	\$ 25,000.00
	<b>TOTAL DISTRIBUTION &amp; MAINT</b>	<b>\$ 416,025.00</b>	<b>\$ 314,400.00</b>
	<b>CAPITAL OUTLAY</b>		
501-4094200-8102	TANK REPAIR & MAINTENANCE	\$ -	\$ -
501-4094200-8105	PICKUP (1/2)	\$ -	\$ -
501-4094200-8118	WTP BACKWASH LAGOON REPAIR	\$ -	\$ -
501-4094200-8144	WATER TREATMENT PLANT UPGRADES	\$ 150,000.00	\$ 1,200,000.00
501-4094200-8211	CAPITAL RESERVES	\$ 316,352.47	\$ 11,587.70
501-4094200-8225	COMPUTER UPGRADE	\$ 3,000.00	\$ 3,000.00
501-4094200-8340	MOWER (1/3)	\$ 1,500.00	\$ -
501-4094200-8345	PW ONE TON DUMP TRUCK	\$ 16,500.00	\$ -
501-4094200-8360	HANDHELD METER READER	\$ -	\$ -
501-4094200-8361	WATER DIST SYSTEM UPGRADES	\$ -	\$ 400,000.00
501-4094200-8602	3/4 TON TRUCK	\$ 15,000.00	\$ -
501-4094200-8605	WTP BUILDING MAINTENANCE	\$ -	\$ -
501-4094200-8703	PICKUP (1/2)	\$ -	\$ -
501-4094200-8704	FINISH PUMP PROJECT	\$ -	\$ 50,000.00
501-4094200-8958	WATER METER REPLACEMENT	\$ -	\$ 165,000.00
501-4094200-9003	BACKHOE (HW)	\$ 45,000.00	\$ -
501-4094200-9004	SECURITY IMPROVEMENTS	\$ -	\$ -
501-4094200-9005	WATER RIVER PUMP DISCONNECT ELIM	\$ -	\$ -
501-4094200-9006	WTP UPGRADE- PER	\$ 200,000.00	\$ 0.00
	<b>TOTAL CAPITAL OUTLAY</b>	<b>\$ 747,352.47</b>	<b>\$ 1,829,587.70</b>
	<b>CONTINGENCY</b>		
501-4094300-5800	CONTINGENCY (3.00%)	\$ 37,096.53	\$ 38,502.30
	<b>TOTAL CONTINGENCY</b>	<b>\$ 37,096.53</b>	<b>\$ 38,502.30</b>
	<b>TOTAL WATER FUND OPERATIONAL</b>	<b>\$ 1,236,551.00</b>	<b>\$ 1,283,410.00</b>
	<b>TOTAL WATER FUND CONTINGENCY</b>	<b>\$ 37,096.53</b>	<b>\$ 38,502.30</b>
	<b>TOTAL WATER FUND CAP OUTLAY</b>	<b>\$ 747,352.47</b>	<b>\$ 1,829,587.70</b>
	<b>TOTAL WATER FUND EXPENSES</b>	<b>\$ 2,021,000.00</b>	<b>\$ 3,151,500.00</b>

**SEWER FUND**

<b>PERSONNEL</b>			
502-4012220-1114	COMPENSATION	\$ 100,000.00	\$ 130,000.00
502-4012220-2100	MATCHING FICA EXPENSE (7.65 %)	\$ 7,650.00	\$ 10,000.00
502-4012220-2210	VRS	\$ 56,500.00	\$ 54,300.00
502-4012220-2220	VMLIP - STD	\$ 210.00	\$ 200.00
502-4012220-2230	VMLIP - LTD	\$ 2,300.00	\$ 2,250.00
502-4012220-2300	HEALTH INSURANCE	\$ 75,000.00	\$ 73,000.00
502-4012220-2400	LIFE INSURANCE	\$ 5,700.00	\$ 5,600.00
502-4012220-2600	UNEMPLOYMENT INSURANCE	\$ 220.00	\$ 75.00
502-4012220-2700	WORKER'S COMPENSATION	\$ 13,000.00	\$ 14,000.00
502-4012220-3320	HANDHELD MAINT	\$ 3,000.00	\$ 5,000.00
502-4012220-3450	DIGITIZING	\$ 7,000.00	\$ 7,000.00
502-4012220-5210	POSTAGE	\$ 7,500.00	\$ 7,500.00
502-4012220-6001	OFFICE SUPPLIES	\$ 1,000.00	\$ 2,500.00
	<b>TOTAL PERSONNEL</b>	\$ 281,080.00	\$ 311,425.00
<b>TREATMENT</b>			
502-4012222-1147	COMPENSATION	\$ 205,000.00	\$ 275,000.00
502-4012222-2100	MATCHING FICA EXPENSE (7.65 %)	\$ 15,700.00	\$ 21,000.00
502-4012222-2830	CERTIFICATION FEES	\$ 900.00	\$ 600.00
502-4012222-2850	LAB TESTING	\$ 36,000.00	\$ 33,000.00
502-4012222-3145	PROFESSIONAL SERVICES	\$ 18,000.00	\$ 18,000.00
502-4012222-3210	LANDFILL SOLIDS DISPOSAL	\$ 70,000.00	\$ 85,000.00
502-4012222-3310	REPAIR & MAINTENANCE	\$ 130,000.00	\$ 174,000.00
502-4012222-5110	ELECTRICITY	\$ 180,000.00	\$ 145,000.00
502-4012222-5230	TELECOMMUNICATIONS	\$ 6,500.00	\$ 6,500.00
502-4012222-5415	COPIER LEASE	\$ 4,000.00	\$ 4,300.00
502-4012222-5540	TRAINING	\$ 3,000.00	\$ 3,000.00
502-4012222-5690	Discharge Permit Renewal	\$ 3,500.00	\$ 3,500.00
502-4012222-5810	DUES	\$ 600.00	\$ 600.00
502-4012222-6001	OFFICE SUPPLIES	\$ 1,300.00	\$ 1,500.00
502-4012222-6004	LAB SUPPLIES	\$ 6,200.00	\$ 6,200.00
502-4012222-6005	JANITORIAL SUPPLIES	\$ 1,500.00	\$ 3,500.00
502-4012222-6008	GASOLINE & DIESEL FUEL	\$ 10,800.00	\$ 10,000.00
502-4012222-6011	UNIFORMS	\$ 1,000.00	\$ 1,000.00
502-4012222-6014	TOOLS	\$ 1,500.00	\$ 1,500.00
502-4012222-6019	SAFETY EQUIPMENT	\$ 2,500.00	\$ 2,500.00
502-4012222-6020	PERSONAL EQUIPMENT	\$ 800.00	\$ 800.00
502-4012222-6025	CHEMICALS	\$ 87,000.00	\$ 120,000.00
	<b>TOTAL TREATMENT</b>	\$ 785,800.00	\$ 916,500.00

Account Number	Account Description	FY APPROVED 2022-2023	FY23-24 DRAFT 2023-2024
	<b>DISTRIBUTION &amp; MAINTENANCE</b>		
502-4012224-1183	COMPENSATION	\$ 90,000.00	\$ 95,000.00
502-4012224-1183	MATCHING FICA EXPENSE (7.65 %)	\$ 6,900.00	\$ 7,500.00
502-4012224-3310	EQUIPMENT MAINTENANCE	\$ 5,000.00	\$ 5,000.00
502-4012224-3330	REPAIR & MAINTENANCE	\$ 10,000.00	\$ 15,000.00
502-4012224-6007	MATERIALS & SUPPLIES	\$ 3,000.00	\$ 3,000.00
502-4012224-6019	SAFETY EQUIPMENT	\$ 500.00	\$ 500.00
502-4012224-6030	NEW SERVICE SUPPLIES	\$ -	\$ -
	<b>TOTAL DISTRIBUTION &amp; MAINT</b>	<b>\$ 115,400.00</b>	<b>\$ 126,000.00</b>
	<b>CAPITAL OUTLAY</b>		
502-4094200-8110	WWTP UPGRADES	-	\$ 775,000.00
502-4094200-8134	Sewer Collection Sys Rehab	\$ 100,000.00	\$ 100,000.00
502-4094200-8225	COMPUTER UPGRADE	\$ 3,000.00	\$ 3,000.00
502-4094200-8340	MOWER (1/3)	\$ 1,500.00	-
502-4094200-8345	PW ONE TON DUMP TRUCK	\$ 16,500.00	-
502-4094200-8360	HANDHELD METER READER	\$ -	-
502-4094200-8367	SEWER JET RODDER	\$ -	-
502-4094200-8411	CAPITAL RESERVES	\$ 546,751.60	\$ 707.25
502-4094200-8540	MEMBRANE REPLACEMENT RESERVE	\$ -	-
502-4094200-8545	MEMBRANE PRE-PURCHASE	\$ 110,000.00	-
502-4094200-8550	EQUIPMENT REPAIR RESERVE	\$ -	-
502-4094200-8602	3/4 TON PICKUP (1/3 VDOT)	\$ 15,000.00	-
502-4094200-8703	PICKUP (1/2)	\$ -	-
502-4094200-9003	BACKHOE PW	\$ 45,000.00	-
502-4094200-9006	WWTP BLOWER DISCONNECTS	\$ -	-
502-4094200-9007	WWTP PERMEATE DISCONNECTS	\$ -	-
502-4094200-9008	HARMONIC BALANCER	\$ 60,000.00	\$ 70,000.00
502-4094200-9009	BAR SCREEN WWTP	\$ -	\$ 150,000.00
	<b>TOTAL CAPITAL OUTLAY</b>	<b>\$ 897,751.60</b>	<b>\$ 1,098,707.25</b>
	<b>CONTINGENCY</b>		
502-4094300-5800	CONTINGENCY (3.00%)	\$ 35,468.40	\$ 40,617.75
	<b>TOTAL CONTINGENCY</b>	<b>\$ 35,468.40</b>	<b>\$ 40,617.75</b>
	<b>DEBT SERVICE</b>		
502-4095000-9118	VRA PRINCIPAL	\$ 470,000.00	\$ 470,000.00
	<b>TOTAL DEBT SERVICE</b>	<b>\$ 470,000.00</b>	<b>\$ 470,000.00</b>
	<b>TOTAL SEWER FUND OPERATIONAL</b>	<b>\$ 1,182,280.00</b>	<b>\$ 1,353,925.00</b>

DRAFT

Account Number	Account Description	FY APPROVED 2022-2023	FY23-24 DRAFT 2023-2024
	TOTAL SEWER FUND CONTINGENCY	\$ 35,468.40	\$ 40,617.75
	TOTAL SEWER FUND CAP OUTLAY	\$ 897,751.60	\$ 1,098,707.25
	TOTAL SEWER FUND DEBT SERVICE	\$ 470,000.00	\$ 470,000.00
<b>TOTAL SEWER FUND EXPENSES</b>		<b>\$ 2,585,500.00</b>	<b>\$ 2,963,250.00</b>
<b>TOTAL EXPENSES ALL FUNDS</b>		<b>\$ 11,098,515.00</b>	<b>\$ 10,619,197.00</b>



## Capital Improvement Narrative Fiscal Year 2024

### General Fund FY24

Capital Reserves \$214,881.10

#### Administration

This item provides for savings to address unforeseen expenses and fund planned projects and purchases.

Computer Replacement \$35,000

#### Administration

This item provides for the purchase of a replacement server for the Town's Administrative Department and replacement computer workstations within the Town's Administrative, Planning, and Police Departments.

Interview Room AV \$6,500

#### Police

This item provides for the purchase and installation of new camera, microphone, and recording equipment in the Police Department interview room.

The Police Department interview room camera, microphone, and recording equipment were installed soon after the Berryville-Clarke County Government Center was constructed. The equipment requires upgrade after 15 years of use.

Patrol Vehicle \$57,500

#### Police

This item provides for the purchase of a Police Department patrol vehicle and related equipment.

The Police Department maintains a fleet of six patrol vehicles. Five of the vehicles are marked all-wheel-drive sport-utility vehicles (SUV) and one is an unmarked sedan.

The requested vehicle, an SUV, would replace a marked SUV. Additional items purchased with these funds include a radar unit and rear compartment partition.

Rose Hill Park Improvements \$30,000

Public Works

This item provides funds for the rehabilitation of the basketball court and the bridge.

The basketball goals will be replaced and the surface will be rehabilitated. The budget estimate for this project is \$8,000.

The extent of the work on the bridge, which was constructed in 1984, is unknown. An engineering review will determine the scope of work on this improvement. \$22,000 is set aside for this review and work.

Hogan's Alley \$10,000

Public Works

This item provides for the completion of drainage improvements in Hogan's Alley, rehabilitation of the alley surface, and purchase of a dedication plaque.

The enhancement of this alley, which serves as a pedestrian travel way between the Town's Crow Street Parking Lot and West Main Street, is dedicated to former Town Manager John Hogan.

Town Street Repairs \$20,000

Public Works

This item provides for additional improvements that may be needed in the Virginia Avenue area after the ARPA funded drainage improvement project is completed.

Fairfax Street Sidewalk Reserve \$60,000

Community Development

This item will provide a reserve for the Town's share of a sidewalk improvement project. The project would provide for the construction of a sidewalk on the first block of East Fairfax and the construction of curb and gutter, sidewalk, and related drainage improvements on West Fairfax Street.

The funds for the Town's share of the project, which will be budgeted over five years, are anticipated to be at \$280,220.

The project, which has a total estimated budget of \$1,401,096 will provide for installation of nearly 1,130 linear feet of sidewalk and associated improvements. Eighty-percent of the project funding will be provided through the Transportation Alternatives Program (TAP), and the Town

will be responsible for the remaining twenty percent of the cost. This places the Town's share at \$280,220, but an additional \$19,780 is budgeted as protection against rising project costs.

The Town Council made the decision to pursue funding for this project because Fairfax Street has now been opened from Buckmarsh Street to First Street.

It is expected that the Town's share of this project will be funded as follows:

FY23 \$60,000  
FY24 \$60,000  
FY25 \$60,000  
FY26 \$60,000  
FY27 \$60,000

Mosby Boulevard Sidewalk Reserve \$20,000

#### Community Development

This item will provide a reserve for the Town's share of a sidewalk improvement project. The sidewalk, which would be constructed along the north side of Mosby Blvd.

The funds for the Town's share of the project, which was to be budgeted over two years, but now needs to be funded over three years, is anticipated to be at least \$40,000 (this Town cost assumes that a second Transportation Alternative Program (TAP) grant for sidewalk replacement is secured in 2023).

The project, which has a total estimated budget of \$200,000, will provide for installation of nearly 1,300 linear feet of sidewalk and associated improvements and the replacement of 412 linear feet of existing sidewalk. Eighty-percent of the project funding will be provided through TAP and the Town will be responsible for the remaining twenty-percent of the cost. This places the Town's share at nearly \$40,000, but an additional \$25,000 is budgeted as protection against rising project costs. These additional funds could pay for a portion of the sidewalk replacement portion of this project if the second TAP grant is not secured.

The Town Council made the decision to pursue this project because of pedestrian traffic in the project area generated by the Clarke County High School, newly constructed Apartment Complexes, and the community's only supermarket.

It is expected that the Town's share of this project will be funded as follows:

FY22 \$25,000  
FY23 \$20,000  
FY24 \$20,000

**Water Fund FY24**

Capital Reserves \$11,587.70

Administration

This item provides for savings to address unforeseen expenses and fund planned projects and purchases.

Computer Replacement \$3,000

Administration

This item provides for the purchase of replacement computer workstations within the Town's Public Works, Public Utilities, and Administrative Departments.

Water Treatment Plant Upgrade \$1,200,000

Public Utilities

This item would provide funds for development of plans, bid documents, and contract documents that will be necessary to upgrade the Town's Water Treatment Plant and repair to the raw water intake station and raw water transmission main.

The Town's water treatment plant was constructed in 1984.

The Town of Berryville Utility Rate Study completed in 2019 identified expenses related to the replacement/improvement/repair of this facility and the pumping station at the Shenandoah River. The plant and pumping station are slated for replacement/improvement/repair in FY26.

Water Treatment Plant Upgrade Schedule

<u>Task</u>	<u>Timeframe</u>	<u>Fiscal Year(s)</u>
Procuring engineering firm	Aug. 2022 to Dec. 2022	FY23
PER	Jan. 2023 to June 2023	FY23
Design	July 2023 to March 2024	FY24
Procuring contractor	April 2024 to Sept. 2024	FY 24 & FY25
Construction	Oct. 2024 to June 2026	FY25 & FY26

It is expected that the Town will secure funding for project in the first half of FY24.

Water Treatment Plant Upgrade Cost Estimates

Task	Estimated Cost	Fiscal Year(s)
PER	\$200,000	FY23
Design/Contractor Proc.	\$1,200,000	FY24 & FY25
Construction	\$22,600,000	FY25 & FY26

Water Distribution System Upgrades \$400,000

Public Works Department

These funds are utilized to complete water distribution system upgrades during the subject fiscal year. Funds that remain unspent at the end of the fiscal year are placed in the water fund's water distribution system reserve.

It is anticipated that these funds will be used for upgrades to the water distribution system in the Battletown Drive and Bel Voi Drive area.

Meter Replacement \$165,000

The water and sewer system evaluation and rate analysis that was completed in 2019 identified replacement of the Town's water meters (approximately 1,700) as a project to be completed in the near term in order to ensure accurate metering. This item would fund one year of a four-year replacement project.

It is expected that the meter replacement project will be funded as follows:

FY21 \$165,000

FY22 \$165,000

FY23 \$165,000

FY24 \$165,000

The meters that will be installed are radio-read meters. The Town will, for the next few years, continue to read the meters utilizing hand-held meter reading devices, but will be able to transition to a system in which the meters are read remotely. Transition to a system utilizing advanced metering infrastructure (AMI) has not been included in the Town's Capital Improvements Program.

Finish Water Pump Project \$50,000

Public Utilities

This item would provide for the installation of electrical improvements, variable frequency drives, pump motors (two already purchased), and pumps (two already purchased). These pumps force water from the WTP clear well into the water distribution system.

**Sewer Fund FY24**

Capital Reserves \$707.25

Administration

This item provides for savings to address unforeseen expenses and fund planned projects and purchases.

Computer Replacement \$3,000

Administration

This item provides for the purchase of replacement computer workstations within the Town's Public Works, Public Utilities, and Administrative Departments.

Membrane Replacement Reserve/Pre-purchase/Purchase and Installation \$775,000

Public Utilities

This item provides for the funding of the membrane replacement.

The Wastewater Treatment Plant (WWTP) utilizes membranes in its treatment process. The membranes must be replaced every 8-12 years. The plant's membranes are scheduled to be replaced in August 2023 (FY24), after approximately 11 years of service. This work will be paid for from funds paid as a part of a pre-purchase agreement and funds reserved by the Town.

The \$775,000 funded this year, which has been reserved over the past decade, will be combined with \$630,000 that was prepaid to the supplier to provide necessary funding to complete the project. This provides \$1,405,000 that may be used for the project.

Estimated project cost \$1,312,574

Project contingency \$ 92,426

It is expected that the next membrane replacement reserve/pre-purchase will be funded in accordance with the schedule below.

FY25 – FY37 \$115,000

Collection System Upgrades \$100,000

Public Works

These funds are available to complete sewer collection system upgrades during the subject fiscal year. Funds that remain unspent at the end of the fiscal year are placed in the sewer fund's sewer collection system reserve.

In early 2023, a contractor working for the Town completed an I&I study in the Town's sewer collection system. The results of the study were presented to the Streets and Utilities Committee in March 2023. The results of the study will provide areas for more detailed examination and ultimately a framework for rehabilitation projects in the sewer collection system.

Bar Screen WWTP \$150,000

Public Utilities

This item provides for the purchase and installation of a bar screen prior to the raw pump chamber at the WWTP. The item would also provide for electrical improvements and the construction of a slab to support a dumpster.

This improvement would remove bulky items, such as rags, from the waste stream before it enters the raw pump chamber. Removal of this material before it reaches the raw pump chamber will reduce pump clogging and will greatly reduce the frequency of raw pump chamber cleaning. This improvement will also provide an additional level of protection for the plant's membranes.

Harmonic Balancer WWTP \$70,000

Public Utilities

This item would provide for the purchase and installation of a replacement harmonic balancer in the WWTP process building.

This device would protect process building equipment from destructive vibrations.

# Capital Improvement Narrative Fiscal Year 2025

## General Fund FY25

Capital Reserves \_\_\_\_\_ \$

### Administration

This item provides for savings to address unforeseen expenses and fund planned projects and purchases.

Computer Replacement \_\_\_\_\_ \$3,500

### Administration

This item provides for the purchase of replacement computer workstations within the Town's Administrative, Planning, and Police Departments.

Mobile Data Terminals \_\_\_\_\_ \$25,000

### Police

This item provides for the purchase of six mobile data terminals for Police Department patrol vehicles.

These units are typically replaced after five to six years of use.

Police Department Pistols \_\_\_\_\_ \$10,000

### Police

This item provides for the purchase of new pistols and related equipment for the Police Department.

The Police Department maintains 10 pistols. The pistols currently in service were purchased in 2010.

This acquisition would provide for the purchase of 11 new pistols and related equipment. The pistols currently in service would be traded in to reduce the cost of the new units.

Patrol Vehicle \$57,500

Police

This item provides for the purchase of a Police Department patrol vehicle and related equipment.

The Police Department maintains a fleet of six patrol vehicles. Five of the vehicles are marked all-wheel-drive sport-utility vehicles (SUV) and one is an unmarked sedan.

The requested vehicle, an SUV, would replace a marked SUV. Additional items purchased include radar unit and rear compartment partition.

Mower \$12,000

Public Works

This item provides for the purchase of a mower that will be used to maintain Town-owned property and maintain properties in accordance with requirements of the Berryville Code.

Radar Feedback Signs \$18,000

Police Department

This item provides for the purchase and installation of new radar feedback signs on Main and Buckmarsh Streets.

The four signs currently deployed have been in service since 2018 and need to be replaced.

Fairfax Street Sidewalk \$60,000

Community Development

This item will provide a reserve for the Town's share of a sidewalk improvement project. The funds for the Town's share of the project, which will be budgeted over five years, are anticipated to be at \$280,220.

The project, which has a total estimated budget of \$1,401,096, will provide for installation of nearly 1,130 linear feet of sidewalk and associated improvements. Eighty-percent of the project funding will be provided through the Transportation Alternatives Program (TAP), and the Town will be responsible for the remaining twenty percent of the cost. This places the Town's share at \$280,220, but an additional \$19,780 is budgeted as protection against rising project costs.

The Town Council made the decision to pursue this project because Fairfax Street has now been opened from Buckmarsh Street to First Street.

It is expected that the Town's share of this project will be funded as follows:

FY23 \$60,000

FY24 \$60,000

FY25 \$60,000

FY26 \$60,000

FY27 \$60,000

**Water Fund FY25**

Capital Reserves \_\_\_\_\_ \$

Administration

This item provides for savings to address unforeseen expenses and fund planned projects and purchases.

Computer Replacement \_\_\_\_\_ \$3,500

Administration

This item provides for the purchase of replacement computer workstations within the Town's Public Works, Public Utilities, and Administrative Departments.

One-ton dump truck \_\_\_\_\_ \$14,000

Public Works

This item provides for the purchase of a one-ton dump truck.

The Public Works Department maintains three small dump trucks. The truck purchased with these funds will replace one of those trucks. The truck that is taken out of service will be sold at auction.

This purchase will be funded as follows:

General Fund \$28,000 (VDOT reimbursement funds)

Water Fund \$14,000

Sewer Fund \$14,000

Three-quarter ton truck \$13,000

Public Works

This item provides for the purchase of a three-quarter-ton pickup truck.

The Public Works Department maintains three three-quarter-ton pickup trucks. The truck purchased with these funds will replace the one of those trucks. The truck that is taken out of service will be sold at auction.

This purchase will be funded as follows:

General Fund \$13,000 (VDOT reimbursement funds)

Water Fund \$13,000

Sewer Fund \$13,000

Water Treatment Plant Upgrade \$7,500,000

Public Utilities

This item would provide funds for the upgrade the Town's Water Treatment Plant and raw water intake and raw water transmission main.

The Town's water treatment plant was constructed in 1984.

The Town of Berryville Utility Rate Study completed in 2019 identified expenses related to the replacement/improvement/repair of this facility and the pumping station at the Shenandoah River. The plant and pumping station are slated for replacement/improvement/repair in FY26.

Water Treatment Plant Upgrade Schedule

<u>Task</u>	<u>Timeframe</u>	<u>Fiscal Year(s)</u>
Procuring engineering firm	Aug. 2022 to Dec. 2022	FY23
PER	Jan. 2023 to June 2023	FY23
Design	July 2023 to March 2024	FY24
Procuring contractor	April 2024 to Sept. 2024	FY 24 & FY25
Construction	Oct. 2024 to June 2026	FY25 & FY26

It is expected that the Town will secure funding for project in the first half of FY24.

**Water Treatment Plant Upgrade Cost Estimates**

<u>Task</u>	<u>Estimated Cost</u>	<u>Fiscal Year(s)</u>
PER	\$200,000	FY23
Design/Contractor Proc.	\$1,200,000	FY24 & FY25
Construction	\$22,600,000	FY25 & FY26
<u>Water Distribution System Upgrades</u>		<u>\$100,000</u>

**Public Works Department**

These funds are utilized to complete water distribution system upgrades during the subject fiscal year. Funds that remain unspent at the end of the fiscal year are placed in the water fund's water distribution system reserve.

<u>Half-ton truck</u>	<u>\$19,000</u>
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**Public Utilities**

This item provides for the purchase of a half-ton pickup truck.

The Public Utilities Department maintains three half-ton pickup trucks. The truck purchased with these funds will replace one of those trucks. The truck that is taken out of service with the Public Utilities Department will be transferred to the Public Works Department.

This purchase will be funded as follows:

Water Fund	\$19,000
Sewer Fund	\$19,000

**Sewer Fund FY25**

<u>Capital Reserves</u>	<u>\$</u>
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**Administration**

This item provides for savings to address unforeseen expenses and fund planned projects and purchases.

Computer Replacement \$3,500

Administration

This item provides for the purchase of replacement computer workstations within the Town's Public Works, Public Utilities, and Administrative Departments.

One-ton dump truck \$14,000

Public Works

This item provides for the purchase of a one-ton dump truck.

The Public Works Department maintains three small dump trucks. The truck purchased with these funds will replace the one of those trucks. The truck that is taken out of service will be sold at auction.

This purchase will be funded as follows:

General Fund \$28,000 (VDOT reimbursement funds)

Water Fund \$14,000

Sewer Fund \$14,000

Three-quarter ton truck \$13,000

Public Works

This item provides for the purchase of a three-quarter-ton pickup truck.

The Public Works Department maintains three three-quarter-ton pickup trucks. The truck purchased with these funds will replace one of those trucks. The truck that is taken out of service will be sold at auction.

This purchase will be funded as follows:

General Fund \$13,000 (VDOT reimbursement funds)

Water Fund \$13,000

Sewer Fund \$13,000

Half-ton truck \$19,000

Public Utilities

This item provides for the purchase of a half-ton pickup truck.

The Public Utilities Department maintains three half-ton pickup trucks. The truck purchased with these funds will replace one of those trucks. The truck that is taken out of service with the Public Utilities Department will be transferred to the Public Works Department.

This purchase will be funded as follows:

Water Fund    \$19,000

Sewer Fund    \$19,000

Membrane Replacement Reserve/Pre-purchase \$115,000

Public Utilities

This item provides for the funding of the membrane replacement and replacement reserve/pre-purchase.

The Wastewater Treatment Plant (WWTP) utilizes membranes in its treatment process. The membranes must be replaced every 8-12 years.

The plant's original membranes were replaced in August 2023.

It is expected that the membrane replacement reserve/pre-purchase will be funded in accordance with the schedule below.

FY25 - FY36                      \$115,000

Collection System Upgrades \$100,000

Public Works

These funds are utilized to complete sewer collection system upgrades during the subject fiscal year. Funds that remain unspent at the end of the fiscal year are placed in the sewer fund's sewer collection system reserve.

In early 2023, a contractor working for the Town completed an I&I study in the Town's sewer collection system. The results of the study were presented to the Streets and Utilities Committee in March 2023. The results of the study will provide areas for more detailed examination and ultimately a framework for rehabilitation projects in the sewer collection system.

**Capital Improvement Narrative  
Fiscal Year 2026**

**General Fund FY26**

Capital Reserves \_\_\_\_\_ \$

Administration

This item provides for savings to address unforeseen expenses and fund planned projects and purchases.

Computer Replacement \_\_\_\_\_ \$3,500

Administration

This item provides for the purchase of replacement computer workstations within the Town's Administrative, Planning, and Police Departments.

Patrol Vehicle \_\_\_\_\_ \$58,000

Police

This item provides for the purchase of a Police Department patrol vehicle and related equipment.

The Police Department maintains a fleet of six patrol vehicles. Five of the vehicles are marked all-wheel-drive sport-utility vehicles (SUV) and one is an unmarked sedan.

The requested vehicle, an SUV, would replace a marked SUV. Additional items purchased include radar unit and rear compartment partition.

Fairfax Street Sidewalk \_\_\_\_\_ \$60,000

Community Development

This item will provide a reserve for the Town's share of a sidewalk improvement project. The funds for the Town's share of the project, which will be budgeted over five years, are anticipated to be at \$280,220.

The project, which has a total estimated budget of \$1,401,096, will provide for installation of nearly 1,130 linear feet of sidewalk and associated improvements. Eighty-percent of the project funding will be provided through the Transportation Alternatives Program (TAP), and the Town will be responsible for the remaining twenty percent of the cost. This places the Town's share at \$280,220, but an additional \$19,780 is budgeted as protection against rising project costs.

The Town Council made the decision to pursue this project because Fairfax Street has now been opened from Buckmarsh Street to First Street.

It is expected that the Town's share of this project will be funded as follows:

FY23 \$60,000  
FY24 \$60,000  
FY25 \$60,000  
FY26 \$60,000  
FY27 \$60,000

**Water Fund FY26**

Capital Reserves \_\_\_\_\_ \$

Administration

This item provides for savings to address unforeseen expenses and fund planned projects and purchases.

Computer Replacement \_\_\_\_\_ \$3,500

Administration

This item provides for the purchase of replacement computer workstations within the Town's Public Works, Public Utilities, and Administrative Departments.

Three-quarter ton truck \_\_\_\_\_ \$14,500

Public Works

This item provides for the purchase of a three-quarter-ton pickup truck.

The Public Works Department maintains three three-quarter-ton pickup trucks. The truck purchased with these funds will replace the one of those trucks. The truck that is taken out of service will be sold at auction.

This purchase will be funded as follows:

General Fund \$14,500 (VDOT reimbursement funds)  
Water Fund \$14,500  
Sewer Fund \$14,500

Water Treatment Plant Upgrade

\$15,100,000

Public Utilities

This item would provide funds for the upgrade the Town's Water Treatment Plant and raw water intake and raw water transmission main.

The Town's water treatment plant was constructed in 1984.

The Town of Berryville Utility Rate Study completed in 2019 identified expenses related to the replacement/improvement/repair of this facility and the pumping station at the Shenandoah River. The plant and pumping station are slated for replacement/improvement/repair in FY26.

Water Treatment Plant Upgrade Schedule

<u>Task</u>	<u>Timeframe</u>	<u>Fiscal Year(s)</u>
Procuring engineering firm	Aug. 2022 to Dec. 2022	FY23
PER	Jan. 2023 to June 2023	FY23
Design	July 2023 to March 2024	FY24
Procuring contractor	April 2024 to Sept. 2024	FY 24 & FY25
Construction	Oct. 2024 to June 2026	FY25 & FY26

It is expected that the Town will secure funding for project in the first half of FY24.

Water Treatment Plant Upgrade Cost Estimates

<u>Task</u>	<u>Estimated Cost</u>	<u>Fiscal Year(s)</u>
PER	\$200,000	FY23
Design/Contractor Proc.	\$1,200,000	FY24 & FY25
Construction	\$22,600,000	FY25 & FY26

Water Distribution System Upgrades

\$100,000

Public Works Department

These funds are utilized to complete water distribution system upgrades during the subject fiscal year. Funds that remain unspent at the end of the fiscal year are placed in the water fund's water distribution system reserve.

**Sewer Fund FY26**

Capital Reserves \_\_\_\_\_ \$

**Administration**

This item provides for savings to address unforeseen expenses and fund planned projects and purchases.

Computer Replacement \_\_\_\_\_ \$3,500

**Administration**

This item provides for the purchase of replacement computer workstations within the Town's Public Works, Public Utilities, and Administrative Departments.

Three-quarter ton truck \_\_\_\_\_ \$14,500

**Public Works**

This item provides for the purchase of a three-quarter-ton pickup truck.

The Public Works Department maintains three three-quarter-ton pickup trucks. The truck purchased with these funds will replace one of those trucks. The truck that is taken out of service will be sold at auction.

This purchase will be funded as follows:

- General Fund \$14,500 (VDOT reimbursement funds)
- Water Fund \$14,500
- Sewer Fund \$14,500

Membrane Replacement Reserve/Pre-purchase \_\_\_\_\_ \$115,000

**Public Utilities**

This item provides for the funding of the membrane replacement and replacement reserve/pre-purchase.

The Wastewater Treatment Plant (WWTP) utilizes membranes in its treatment process. The membranes must be replaced every 8-12 years.

The plant's original membranes were replaced in August 2023.

It is expected that the membrane replacement reserve/pre-purchase will be funded in accordance with the schedule below.

FY25 – FY36

\$115,000

Collection System Upgrades

\$100,000

Public Works

These funds are utilized to complete sewer collection system upgrades during the subject fiscal year. Funds that remain unspent at the end of the fiscal year are placed in the sewer fund's sewer collection system reserve.

In early 2023, a contractor working for the Town completed an I&I study in the Town's sewer collection system. The results of the study were presented to the Streets and Utilities Committee in March 2023. The results of the study will provide areas for more detailed examination and ultimately a framework for rehabilitation projects in the sewer collection system.

DRAFT

# Capital Improvement Narrative

## Fiscal Year 2027

### General Fund FY27

Capital Reserves \_\_\_\_\_ \$

#### Administration

This item provides for savings to address unforeseen expenses and fund planned projects and purchases.

Computer Replacement \_\_\_\_\_ \$3,500

#### Administration

This item provides for the purchase of replacement computer workstations within the Town's Administrative, Planning, and Police Departments.

Patrol Vehicle \_\_\_\_\_ \$60,000

#### Police

This item provides for the purchase of a Police Department patrol vehicle and related equipment.

The Police Department maintains a fleet of six patrol vehicles. Five of the vehicles are marked all-wheel-drive sport-utility vehicles (SUV) and one is an unmarked sedan.

The requested vehicle, an SUV, would replace a marked SUV. Additional items purchased include radar unit and rear compartment partition.

Fairfax Street Sidewalk \_\_\_\_\_ \$60,000

#### Community Development

This item will provide a reserve for the Town's share of a sidewalk improvement project. The funds for the Town's share of the project, which will be budgeted over five years, are anticipated to be at \$280,220.

The project, which has a total estimated budget of \$1,401,096, will provide for installation of nearly 1,130 linear feet of sidewalk and associated improvements. Eighty-percent of the project funding will be provided through the Transportation Alternatives Program (TAP), and the Town will be responsible for the remaining twenty percent of the cost. This places the Town's share at \$280,220, but an additional \$19,780 is budgeted as protection against rising project costs.

The Town Council made the decision to pursue this project because Fairfax Street has now been opened from Buckmarsh Street to First Street.

It is expected that the Town's share of this project will be funded as follows:

- FY23 \$60,000
- FY24 \$60,000
- FY25 \$60,000
- FY26 \$60,000
- FY27 \$60,000

**Water Fund FY27**

Capital Reserves \_\_\_\_\_ \$

**Administration**

This item provides for savings to address unforeseen expenses and fund planned projects and purchases.

Computer Replacement \_\_\_\_\_ \$3,500

**Administration**

This item provides for the purchase of replacement computer workstations within the Town's Public Works, Public Utilities, and Administrative Departments.

Water Distribution System Upgrades \_\_\_\_\_ \$100,000

**Public Works Department**

These funds are utilized to complete water distribution system upgrades during the subject fiscal year. Funds that remain unspent at the end of the fiscal year are placed in the water fund's water distribution system reserve.

Sewer Fund FY27

Capital Reserves \_\_\_\_\_ \$

Administration

This item provides for savings to address unforeseen expenses and fund planned projects and purchases.

Computer Replacement \_\_\_\_\_ \$3,500

Administration

This item provides for the purchase of replacement computer workstations within the Town's Public Works, Public Utilities, and Administrative Departments.

Membrane Replacement Reserve/Pre-purchase \_\_\_\_\_ \$115,000

Public Utilities

This item provides for the funding of the membrane replacement and replacement reserve/pre-purchase.

The Wastewater Treatment Plant (WWTP) utilizes membranes in its treatment process. The membranes must be replaced every 8-12 years.

The plant's original membranes were replaced in August 2023.

It is expected that the membrane replacement reserve/pre-purchase will be funded in accordance with the schedule below.

FY25 – FY36      \$115,000

Collection System Upgrades \_\_\_\_\_ \$100,000

Public Works

These funds are utilized to complete sewer collection system upgrades during the subject fiscal year. Funds that remain unspent at the end of the fiscal year are placed in the sewer fund's sewer collection system reserve.

In early 2023, a contractor working for the Town completed an I&I study in the Town's sewer collection system. The results of the study were presented to the Streets and Utilities Committee in March 2023. The results of the study will provide areas for more detailed examination and ultimately a framework for rehabilitation projects in the sewer collection system.

**Capital Improvement Narrative  
Fiscal Year 2028**

**General Fund FY28**

Capital Reserves \_\_\_\_\_ \$

Administration

This item provides for savings to address unforeseen expenses and fund planned projects and purchases.

Computer Replacement \_\_\_\_\_ \$30,000

Administration

This item provides for the purchase of replacement computer workstations within the Town's Administrative, Planning, and Police Departments. The Police Department server will be replaced in this budget year.

Patrol Vehicle \_\_\_\_\_ \$62,000

Police

This item provides for the purchase of a Police Department patrol vehicle and related equipment.

The Police Department maintains a fleet of six patrol vehicles. Five of the vehicles are marked all-wheel-drive sport-utility vehicles (SUV) and one is an unmarked sedan.

The requested vehicle, an SUV, would replace a marked SUV. Additional items purchased include radar unit and rear compartment partition.

Mower \_\_\_\_\_ \$5,000

Public Works

This item provides for the purchase of a mower that will be used to maintain Town-owned property and maintain properties in accordance with requirements of the Berryville Code.

**Water Fund FY28**

Capital Reserves \$

Administration

This item provides for savings to address unforeseen expenses and fund planned projects and purchases.

Computer Replacement \$4,000

Administration

This item provides for the purchase of replacement computer workstations within the Town's Public Works, Public Utilities, and Administrative Departments.

One-ton dump truck \$16,250

Public Works

This item provides for the purchase of a one-ton dump truck.

The Public Works Department maintains three small dump trucks. The truck purchased with these funds will replace one of those trucks. The truck that is taken out of service will be sold at auction.

This purchase will be funded as follows:

- General Fund \$32,500 (VDOT reimbursement funds)
- Water Fund \$16,250
- Sewer Fund \$16,250

Water Distribution System Upgrades \$100,000

Public Works Department

These funds are utilized to complete water distribution system upgrades during the subject fiscal year. Funds that remain unspent at the end of the fiscal year are placed in the water fund's water distribution system reserve.

Half-ton truck \$19,000

Public Utilities

This item provides for the purchase of a half-ton pickup truck.

The Public Utilities Department maintains three half-ton pickup trucks. The truck purchased with these funds will replace one of those trucks. The truck that is taken out of service with the Public Utilities Department will be transferred to the Public Works Department.

This purchase will be funded as follows:

Water Fund \$19,000

Sewer Fund \$19,000

**Sewer Fund FY28**

Capital Reserves \$

Administration

This item provides for savings to address unforeseen expenses and fund planned projects and purchases.

Computer Replacement \$4,000

Administration

This item provides for the purchase of replacement computer workstations within the Town's Public Works, Public Utilities, and Administrative Departments.

One-ton dump truck \$16,250

Public Works

This item provides for the purchase of a one-ton dump truck.

The Public Works Department maintains three small dump trucks. The truck purchased with these funds will replace one of those trucks. The truck that is taken out of service will be sold at auction.

This purchase will be funded as follows:

General Fund \$32,500 (VDOT reimbursement funds)

Water Fund \$16,250

Sewer Fund \$16,250

Half-ton truck \$19,000

Public Utilities

This item provides for the purchase of a half-ton pickup truck.

The Public Utilities Department maintains three half-ton pickup trucks. The truck purchased with these funds will replace one of those trucks. The truck that is taken out of service with the Public Utilities Department will be transferred to the Public Works Department.

This purchase will be funded as follows:

Water Fund \$19,000

Sewer Fund \$19,000

Membrane Replacement Reserve/Pre-purchase \$115,000

Public Utilities

This item provides for the funding of the membrane replacement and replacement reserve/pre-purchase.

The Wastewater Treatment Plant (WWTP) utilizes membranes in its treatment process. The membranes must be replaced every 8-12 years.

The plant's original membranes were replaced in August 2023.

It is expected that the membrane replacement reserve/pre-purchase will be funded in accordance with the schedule below.

FY25 - FY36 \$115,000

Collection System Upgrades \$100,000

Public Works

These funds are utilized to complete sewer collection system upgrades during the subject fiscal year. Funds that remain unspent at the end of the fiscal year are placed in the sewer fund's sewer collection system reserve.

In early 2023, a contractor working for the Town completed an I&I study in the Town's sewer collection system. The results of the study were presented to the Streets and Utilities Committee

in March 2023. The results of the study will provide areas for more detailed examination and ultimately a framework for rehabilitation projects in the sewer collection system.

DRAFT



Proposed Amendment to the Schedule of Water and Sewer  
Fees and Charges

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History

The Town maintains a general fund and two enterprise funds (water and sewer). The water and the sewer enterprise funds operate in a manner that is very similar to a private business. These funds must meet capital and operating expenses with the revenues available from user fees (monthly customer bills), availability fees (charged for new or enlarged system connections), borrowing, or grants.

In 2019 an engineering firm completed a utility rate study that identified water and sewer system needs over the next two decades and provided the Town Council with a schedule of recommended fee and rate increases that should be considered over the subsequent five-year period to provide sufficient income to meet system needs (including replacement of wastewater treatment plant membranes in FY24 and construction of a water treatment plant in FY26). The rates should be reviewed again when the estimated cost of the water treatment plant is known. This review should take into account recent inflation and expected availability fee revenue. This analysis should be taken into account when the schedule of fees and charges is reviewed next spring.

The Council adjusted water and sewer fees in 2019, 2020, 2021, and 2023. The proposed FY2024 Budget anticipates income from adjusted fees (effective in November 2023). The attached amended fee schedule was used in the development of the proposed FY2024 Budget.

Proposed changes

Highlights of the proposed schedule adjustments include:

Water:

An increase of \$6.28 in the monthly administrative and facilities fee charge. The fee will increase from \$18.07 to \$24.35.

A 6.4% increase in availability fees (increase was determined by CIP).

An increase in inspection fees.

An increase in required deposits to account for the increase in the administrative and facilities fee.

Sewer:

An increase of \$2.53 in the monthly administrative and facilities fee charge. The fee will increase from \$9.65 to \$12.18.

A 6.4% increase in availability fees (increase was determined by CIP).

An increase in required deposits to account for the increase in the administrative and facilities fee.

Requested Action

Staff requests that the Council adopt the amended Town of Berryville Schedule of Water and Sewer Fees and Charges.

Attachments

- Draft Schedule of Water and Sewer Fees and Charges
- Utility Rate Study Town of Berryville July 2019

Sample Motion

I move that the Council of the Town of Berryville approve the attached Schedule of Water and Sewer Fees and Charges and that the new schedule become effective on November 21, 2023.

**TOWN OF BERRYVILLE**  
**SCHEDULE OF WATER AND SEWER FEES AND CHARGES**

~~Effective November 17, 2022~~

Proposed to be effective November 21, 2023

**I. USER FEES**

**A. WATER.**

1. Within corporate limits or the limits of an approved annexation area: \$8.15 per 1,000 gallons of usage. Minimum charge \$5.00 per month for usage under 1,000 gallons during billing period.
2. Other: \$10.18 per 1,000 gallons of usage. Minimum charge \$6.25 per month for usage under 1,000 gallons during billing period.

**B. SEWER**

1. Within corporate limits or the limits of an approved annexation area: \$17.27 per 1,000 gallons of usage. Minimum charge \$15.00 per month for usage under 1,000 gallons during billing period.
2. Other: \$21.58 per 1,000 gallons of usage. Minimum charge \$18.75 per month for usage under 1,000 gallons during billing period.

**II. ADMINISTRATIVE AND FACILITIES FEES AND DEPOSITS**

**A. ADMINISTRATIVE AND FACILITIES FEES**

Monthly Administrative and Facilities Fees, charged with usage:

Water ~~\$18.07~~ 24.35

Sewer ~~\$9.65~~ 12.18

Late Fee: 10% of bill amount

Service Disconnection/Reconnection Fee: \$50

Returned Check/ACH Fee: \$50

**B. DEPOSITS**

Residential: individually metered single-family units, town homes, and duplexes: \$270 285

Residential: multi-family with master meter: ~~\$215~~ 230 per unit

Business/Commercial excluding restaurants and laundries: ~~\$270~~ 285

Restaurant: \$865 880\*

Laundry: \$4,590 4,605\*

Institutional: \$1,610 1,625\*

Industrial: \$5,630 5,645\*

\*Town Manager may increase or decrease on the basis of actual usage.

Note: Town Manager may establish reasonable deposit amounts for use types not anticipated by this schedule.

### III. AVAILABILITY FEES

#### A. WATER

Meter Size (Inches)	Demand Ratio	Avail. Fee (Corp. Limits or Annex. Area)	Avail. Fee (Other)	Meter Cost
5/8	1	\$ 15,250	\$ 19,060	Meter Fee
3/4	1.5	\$ 22,875	\$ 28,590	Meter Fee
1	2.5	\$ 38,425	\$ 47,650	Meter Fee
1.5	4.375	\$ 66,749	\$ 83,388	Meter Fee
2	8	\$ 122,000	\$ 152,480	Meter Fee
3	16	\$ 244,000	\$ 304,960	Meter Fee
4	25	\$ 381,250	\$ 476,500	Meter Fee
6	50	\$ 762,500	\$ 953,000	Meter Fee

Greater than 6", Demand Ratio (AWWA M22) multiplied by fee for Demand Ratio 1.

Meter Size (Inches)	Demand Ratio	Avail. Fee (Corp. Limits or Annex. Area)	Avail. Fee (Other)	Meter Cost
5/8	1	\$ 16,226	\$ 20,283	Meter Fee
3/4	1.5	\$ 24,339	\$ 30,424	Meter Fee
1	2.5	\$ 40,565	\$ 50,707	Meter Fee
1.5	4.375	\$ 70,989	\$ 88,738	Meter Fee
2	8	\$ 129,808	\$ 162,264	Meter Fee
3	16	\$ 259,616	\$ 324,528	Meter Fee
4	25	\$ 405,560	\$ 507,075	Meter Fee
6	50	\$ 811,300	\$ 1,014,150	Meter Fee

Greater than 6", Demand Ratio (AWWA M22) multiplied by fee for Demand Ratio 1.

Notes:

(a) Multi-family residences are defined as any master-metered group of apartment, townhouse, condominium, or other residential units with each unit having separate kitchen facilities.

(b) In cases in which a master meter serves multi-family residences or a combination of multi-family and commercial units, the applicant will pay a fee based on the higher of A) an amount derived by multiplying .8 by the applicable water availability fee for demand ratio 1 times the total number of residential and

commercial units to be served by a single meter, or B) an amount based on the meter size as specified above.

(c) Meter fee is calculated by adding the cost of the meter and a 30% (of meter cost) handling fee.

**B. SEWER**

Meter Size (Inches)	Demand Ratio	Avail. Fee (Corp. Limits or Annex. Area)	Avail. Fee (Other)
5/8	1	\$ 16,375	\$ 20,470
3/4	1.5	\$ 24,563	\$ 30,705
1	2.5	\$ 40,938	\$ 51,175
1.5	4.375	\$ 71,641	\$ 89,556
2	8	\$ 131,000	\$ 163,760
3	16	\$ 262,000	\$ 327,520
4	25	\$ 409,375	\$ 511,750
6	50	\$ 818,750	\$ 1,023,500

Greater than 6", Demand Ratio (AWWA M22) multiplied by fee for Demand Ratio 1.

Meter Size (Inches)	Demand Ratio	Avail. Fee (Corp. Limits or Annex. Area)	Avail. Fee (Other)
5/8	1	\$ 17,423	\$ 21,779
3/4	1.5	\$ 26,134	\$ 32,668
1	2.5	\$ 43,557	\$ 54,447
1.5	4.375	\$ 76,226	\$ 92,283
2	8	\$ 139,384	\$ 174,232
3	16	\$ 278,768	\$ 348,464
4	25	\$ 435,575	\$ 544,475
6	50	\$ 871,150	\$ 1,088,950

Greater than 6", Demand Ratio (AWWA M22) multiplied by fee for Demand Ratio 1.

**IV. LATERAL OR CONNECTION FEES**

Connection to the Town's water distribution and/or sewer collection system may be completed only if the following conditions are met:

- Party applying to connect to the system agrees to assume all costs associated with connection to the systems, including excavation, taps, vaults, traffic control, restoration (including pavement), testing, inspections, etc.
- Contractor responsible for completing work has been vetted and approved by the Town.
- Plans for the work, including restoration, have been approved by the Town.
- Required surety has been approved and provided to the Town.
- Required insurance coverage is in place and documentation thereof provided to the Town.
- Required permits have been issued by the Town, Virginia Department of Transportation, or other applicable agency.

## V. INSPECTIONS

### A. Sanitary Sewer Camera Service and Storm Sewer Camera Inspection Service

#### 1. Mains and Laterals Over 4 Inches in Diameter

Mobilization Fee: \$300- 325

Camera Fee: \$3.00 per linear foot

#### 2. 4-Inch Laterals

Laterals Under 50 Feet in Length: \$150 -175

Laterals 50 Feet in Length or Greater: \$150 175 plus \$3.00 per linear foot

### B. Inspections

Town staff: \$65 70 per hour (1 hour minimum for any inspection then billed at ½ hr. increments thereafter)

Licensed professional engineer or approved third-party inspector: Cost

### C. Hydrant Flow Tests

\$65 70 per hour (1 hour minimum for any test then billed at ½ hr. increments thereafter) plus cost of water (includes water and sewer charges)

Notes:

Cleaning of lines will be required prior to camera use: Line cleaning is the responsibility of the applicant. If lines are not clean and camera crew must remobilize later to perform the inspection, a second mobilization fee will be charged.

Hydrant flow tests: Hydrant flow tests must be scheduled with the Director of Public Works no less than three work days in advance of test. Contractor will supply gauges and will be responsible for recording results. Town personnel will operate hydrant.

**VI. SIGNIFICANT INDUSTRIAL USER FEES**

Sewer system discharge permit: \$500

**VII. WATER METER TESTING**

5/8" meter: \$125

All other meters: \$125 + cost

Note: Fee is refunded if meter is found to be over-registering.

**VIII. HYDRANT METERS**

Nonrefundable account establishment fee: \$50

Meter deposit: \$1,500 (deposit refunded upon return of undamaged meter)

Note: Usage metered through hydrant meters will be billed for both water and sewer user fees.

**IX. UNAUTHORIZED USE OF SERVICE**

For unauthorized water withdrawals from fire hydrants or any other part of the Town water system, or when a customer willfully takes steps to reactivate service after service has been disconnected by the Town because of nonpayment of any charge owed to the Town, and the Town must take action to discontinue service again by removal of the meter or by any other necessary measures, a \$250 charge for unauthorized use of services will be imposed. This charge will be in addition to any other charge for water and sewer services owed to the Town, and in addition to any legal remedies the Town may pursue for unauthorized use of service.

Approved by Town Council on September 13, 2022. \_\_\_\_\_

Utility Rate Study  
Town of Berryville, Virginia  
Utility Rate Study  
Pennoni Associates, Inc., Winchester VA  
July 2019



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## 1. Introduction

The Town of Berryville operates a water system to supply, treat, and distribute water for human consumption and 5\*other uses and operates a wastewater system to collect and treat sewage. Town billing data for the period September 2017 through August 2018 would conclude there were an average 1,515 homes served water and 208 other water accounts during that period. Most of these same accounts are served both water and wastewater, but the Town reports that as of September 2018 there were 45 water-only accounts, including 20 residential, six commercial, and three industrial accounts inside the Town limits, with the remaining 16 water-only accounts being outside the Town limits including 12 residential, two commercial, and two institutional accounts. In order to continue to operate this system adequately and provide the level of service expected by these customers, the water and wastewater systems will need to maintain adequate financing.

In order to maintain adequate funding for daily operations, maintenance and renewal of assets, and meet the increasingly stringent regulatory requirements, the Town is undertaking an important study to forecast future service demands, perform an initial evaluation of its water and wastewater assets, review its financial condition, and provide options for water and wastewater rate setting to provide sufficient capital to maintain its assets and meet customer and regulatory requirements. This report summarizes the findings of this study.

According to the American Water Works Association of Denver, Colorado in a Manual of Practice for Developing Rates for Small Systems, several underlying principles are suggested:

- A. That water utilities provide sufficient revenue for annual operations and maintenance expenses, capital costs and debt service, and working capital and reserves. *This study addresses all these issues.*
- B. Water utilities should account for its funds separate from other governmental entity operations. *The Town has achieved this principle through establishing and maintaining a Water Fund and a Sewer Fund separate from the General Fund.*
- C. That water systems adopt a uniform system of accounts for accounting and management controls. *The Town has developed such a system.*
- D. Financial reporting should meet requirements of legislative, judicial, or regulatory bodies. *This requirement is audited annually by the Town through a Certified Public Accountant.*
- E. Water rate schedules should be designed to distribute the cost of water service equitably among each function and class of service. *This study and report follow this principle; where segregation of data for this purpose is not available, assumptions are used based on industry norms.*
- F. Water utilities should maintain asset records with sufficient information to monitor and manage the physical condition of infrastructure and should support planned and preventive maintenance programs and budgets adequate to maintain and rehabilitate/renew assets at levels of service consistent with good utility practice. *This study initiates a structure to provide asset listing and condition based upon basic data to include age, size, material specifications, and engineering judgment reflecting known maintenance history and past design work. The rate structure proposed by this study incorporates judgment on the future need to replace existing assets and is a starting point in identifying large financial impact where more detailed analyses beyond this study may be appropriate to continue to optimize costs of asset performance and reliability.*

## *Background on Water System*

The Town supplies its water through an intake facility on the Shenandoah River which receives and screens river water and then pumps the untreated ("raw") water to the Berryville Water Treatment Facility. The Treatment Facility treats the water to excel beyond federal and state drinking water standards through a Neptune Microfloc package system built in 1984 that includes conventional filtration to remove particles, after which the water is disinfected and pumped through a high service pumping station to the Town's transmission and distribution system. The water supply, treatment, and pumping system is permitted by the Virginia Department of Health for a capacity of 864,000 gallons per day, and the water intake and pumping and water treatment facility can achieve that capacity. The high service pump station is limited to 754,000 gallons per day as a result of internal constraints, thereby this limitation becomes the "choking" point on how much treated water can be delivered into the distribution system.

From a review of Town water production records between 2013 and 2018, the monthly average daily water pumped into the distribution system varied from 261,000 gallons per day in April 2013 to 394,000 gallons per day in April 2014. For the period between September 2017 through August 2018, the annual average daily volume of water pumped to the distribution system was 325,000 gallons per day. During that same one-year period, billed consumption averaged 282,000 gallons per day. From this data one would conclude that 13.2% of the treated water pumped to the distribution system is not metered and billed, referred to in the industry as the non-revenue water rate. All water distribution systems have a component of non-revenue water which can be contributed from numerous sources, including water use from a fire hydrant, leaks from water system assets including water main breaks, water theft, and under-registration of water consumed by meters not accurately calibrated. The water industry sets a standard of striving for non-revenue water below 10%, and above 15% is a "flag" for the need of significant improvement. The Town of Berryville falls in an adequate range but can still strive to improve water accountability. A key place to start is accurate meter registration. It is noted the Town plans to replace the water meters in its system in 2022 and the performance of this action is favorably recommended in this study.

There are also expected water "losses" between the quantity of water filtered or purified and the quantity of water pumped into the distribution system. The largest uses in this category include essential backwashing of the water filters and clean "make-up" water for diluting chemicals, as well as other water used in the treatment process. Plant production records between September 2017 and August 2018 suggest that an average 10.5% of water treated is used within the treatment process, therefore, to pump 325,000 gallons per day into the distribution system, a total of 363,000 gallons per day is treated and filtered.

Based on operational records reported monthly to the Virginia Department of Health and the data distributed by the Town through its annual consumer confidence reports, its treated water is currently meeting all quality drinking water standards of federal and state regulations.

The water transmission and distribution systems consist of an interconnected network of water mains, most within public street rights-of-way, within two pressure zones, and include two elevated water tanks, one ground storage tank, and a booster pump station. The two pressure zones are identified as the 758 Zone and the 808 Zone, where 758 and 808 represent the static head elevations of the two zones in reference to mean sea level. Most of the water distribution system and service connections are on the 758 Zone, with the 808 Zone serving the northwest corner of the system near Route 7 West where the Town's natural ground elevations are highest. One elevated tank and one ground storage tank are located in the 758 Zone, and a second elevated tank serves to maintain water pressure in the 808 Zone as water demand in that zone fluctuates. All treated water at the water plant is pumped into the 758 Zone, a separately located booster pump station transfers water from the 758 Zone to the 808 Zone.

More detailed information on the water system assets is provided under the Evaluation of Assets chapter of this report.

### *Background on Wastewater System*

The Town collects wastewater through a system of underground pipes sloped to allow flow by gravity to the wastewater treatment plant, supplemented by four wastewater pump stations that pump or lift sewage from isolated low points through a "force main" back into the gravity system.

The Berryville Wastewater Treatment Plant is a 700,000 gallons per day (monthly average) state-of-the art facility constructed in 2010 that consists of 4-Stage Bardenpho Bioreactor Basins and a Membrane Bioreactor for advanced nutrient removal to meet stringent nutrient discharge limits for Chesapeake Bay watersheds. The facility also includes a flow equalization tank of 0.7 million gallons to hold incoming peak sewer flows and allow the Bioreactors to operate optimally at a steady rate. Berryville is consistently meeting its stringent effluent limits and is a member of the Virginia Nutrient Credit Exchange Association whereby nutrient removal in excess of the facility's allocation can be sold on an exchange for a modest amount of revenue. Most importantly, this membership also allows the Town to purchase credits at the member rates should circumstances ever be necessary for the Town to maintain regulatory compliance.

Metered sales records from the Town between September 2017 and August 2018 indicate that an average 279,000 gallons of wastewater per day was registered for billing purposes.

## 2. Water and Wastewater Demand Projections

This chapter of the report summarizes the review of historical water and wastewater system demand, including treatment plant metering and reporting data, customer billing data, and reported growth trends. A long-term growth projection is provided in 5-, 10-, 15- and 20-year intervals based upon information provided by the Town of Berryville's Planning and Zoning Department. This chapter also discusses capacities of water and wastewater system components and the abilities of these capacities to meet growth needs.

This study reviewed development information from the Town's Department of Planning and Zoning, including recent development activity and forecasted ultimate growth in water and wastewater use through build-out of undeveloped land by zoning sub areas. Table 2-1 summarizes recent development activity, and Table 2-2 summarizes growth in demand by potential long-term build-out. Potential quantities in additional water demand from build-out in gallons per day are taken directly from the Town's Planning and Zoning projections and suggest the very long-term potential that the Town's metered water consumption could increase from the present 283,000 gallons per day annual average to up to as high as 816,000 gallons per day. This data also suggests that although current consumption from outside Town limits is a very small percentage, a significant amount of future growth to water and wastewater demand could come from property presently outside of the Town's corporate limits. The Town has a defined Annexation Area and may intend to annex much of this property at some future date, but to the extent future service increases beyond the Town limits, ratemaking may need to consider more closely the equity of charges to outside vs. inside customers.

**Table 2-1**  
**Recent Commercial Activity**

*Source: Town of Berryville Department of Planning and Zoning, October 15, 2018*

Date of Approval	Planning Area	Development	Data from Capacity of Waterworks: 12 VAC 5-590-690	
			VDH Criteria	Capacity Added (gpd)
January 25, 2017	Sub Area 7	McDonald's (assumes 60 seats)	Restaurant - 50 gpd/seat	3,000
August 9, 2017	Sub Area 6	67-bed assisted care	Nursing Home - 200 gpd/bed	13,400
October 24, 2018	Sub Area 6A	120 age-income restricted apartments	Residential - 100 per unit	12,000
Total Capacity Added (gpd):				28,400

*Note: Capacity is how VDH looks at what excess capacity the water system needs to assure service to a specific new project at the time of application. It may be conservative and therefore not reflective of long-term consumption and revenue.*

Table 2-2

Future Activity - Long-Term Build-Out

Source: Town of Berryville Department of Planning and Zoning, October 15, 2018

	Total Build-Out Flow Added (gpd)	Build-Out Flow Added by User Class				Town Limits	Comments
		Residential Flow (gpd)	Commercial Flow (gpd)	Institutional Flow (gpd)	Industrial Flow (gpd)		
Sub Areas 1 and 2	189,700	170,730		18,970		Outside	Zoned to allow Institutional but forecasted likely mostly residential. Assume 90% Institutional; 10% Residential
Sub Area 6A	24,000	14,400		9,600		Inside	Mostly residential; includes 120 income restricted apartments; limited small commercial
Sub Areas 6 and 7	182,800		182,800			Inside	Business Commercial, includes grocery store and bank
Sub Area 12B	7,500		7,500			Outside	Business Park
Sub Area 19A	11,000		11,000			Inside	Business Park
Sub Area 27A	24,850	24,850				Partial	Residential - Hermitage V
Sub Area 9	47,600	47,600				Inside	Residential - Includes 22,050 gpd for Fellowship Square; also includes Shenandoah Crossing
Sub Areas 13, 14, 15	45,300	45,300				Outside	Identified by Town as likely Residential

Totals					
Inside Town Limits	277,800	74,400	193,800	9,600	-
Outside Town Limits	255,000	228,500	7,500	19,000	-
Totals	532,800	302,900	201,300	28,600	-

Historical growth trends and qualified population projections should be strongly considered in forecasting future growth in water and wastewater demands over a 20 to 30-year horizon. The best sources of information in Virginia on population trends and growth projections are the U. S. Census Bureau, Virginia Employment Commission and The Weldon Cooper Center at the University of Virginia. Table 2-3 summarizes historical population trends for both the Town of Berryville and Clarke County, from census information reported by *World Population Review*. Also shown is Weldon Cooper Center for Clarke County (The Weldon Cooper Center does not report data for Towns < 5,000 population). The data reflects “up and down” patterns of growth typical for actual historical data over the past 57 years, with higher growth in the 1980s and the 2000s. Recent growth averaged over several years fall into a range of 0.28% to 1.25% per year.

**Table 2-3**  
**Berryville and Clarke County Population**

Source 1: *World Population Review: Reporting Claims Using U S Census Data and Census Estimates*

Source 2: *University of Virginia Weldon Cooper Center, Demographics Research Group (2017), Virginia Population Projections. Retrieved from [https://demographics\\_coopercenter.org/virginia-population-projection](https://demographics_coopercenter.org/virginia-population-projection)*

Year	Average Annual Growth					
	Town Population			Town	County	
	Source 1	Source 1	Source 2		Source 1	Source 2
1960			7,942			0.20%
1970			8,102			2.09%
1980			9,965			1.96%
1990	3,097	12,101	12,101			0.45%
2000	2,963	Not Provided	12,652	-0.44%		1.04%
2010	4,179	14,011	14,034	3.50%	1.26%	1.26%
2011	4,222	14,187	14,211	1.03%	0.39%	0.46%
2012	4,237	14,242	14,276	0.36%	0.06%	-0.90%
2013	4,246	14,250	14,148	0.21%	0.49%	1.24%
2014	4,264	14,320	14,323	0.42%	-0.45%	-0.82%
2015	4,266	14,255	14,206	0.05%	0.47%	0.24%
2016	4,286	14,322	14,240	0.47%	1.30%	0.51%
2017	4,338	14,508	14,312	1.21%		
Total 1990 to 2017				1.25%	0.67%	0.62%
Total 2000 to 2017				2.27%	Not Available	0.73%
Total 2010 to 2017				0.54%	0.50%	0.28%



Table 2-5 uses this 0.50% per year average demand to forecast water and sewer metered customer consumption demands over the next 20 years. Current demand is segregated by customer class and represented as inside or outside the Town's limits based on customer billing data provided by the Town. Forecast growth is assigned to customer class and inside or outside Town limits based on a straight-line projection from current class of use toward build-out using the current classification of land use for future development provided by the Town's Planning and Zoning Department. As noted previously in this report, a greater amount of the future growth is projected on land that is presently outside Town limits.

Table 2-5  
Forecasted Future Average Day Billed Consumption for Town of Berryville

Customer Class	Current Annual Average Daily Billed		Forecasted Annual Average Daily Billed Consumption (MGD)							
			2025		2030		2035		2040	
	Inside Town Limits	Outside Town Limits	Inside Town Limits	Currently Outside Town Limits	Inside Town Limits	Currently Outside Town Limits	Inside Town Limits	Currently Outside Town Limits	Inside Town Limits	Currently Outside Town Limits
<b>Water Service</b>										
SF Residential	0.169	0.002	0.170	0.005	0.171	0.008	0.172	0.011	0.173	0.014
MF Residential	0.015	0.000	0.015	0.000	0.015	0.001	0.016	0.001	0.016	0.002
Commercial	0.022	0.000	0.025	0.000	0.028	0.000	0.032	0.000	0.035	0.000
Institutional	0.031	0.013	0.031	0.013	0.031	0.014	0.031	0.014	0.032	0.014
Industrial	0.030	0.000	0.030	0.000	0.030	0.000	0.030	0.000	0.030	0.000
Totals	0.267	0.015	0.271	0.018	0.276	0.023	0.281	0.026	0.285	0.030
	0.282		0.289		0.299		0.307		0.316	
<b>Wastewater Service</b>										
SF Residential	0.167	0.000	0.168	0.003	0.169	0.006	0.170	0.009	0.171	0.012
MF Residential	0.015	0.000	0.015	0.000	0.015	0.001	0.016	0.001	0.016	0.002
Commercial	0.021	0.000	0.024	0.000	0.027	0.000	0.031	0.000	0.034	0.000
Institutional	0.032	0.014	0.032	0.014	0.032	0.015	0.032	0.015	0.033	0.015
Industrial	0.030	0.000	0.030	0.000	0.030	0.000	0.030	0.000	0.030	0.000
Totals	0.265	0.014	0.269	0.017	0.273	0.022	0.279	0.025	0.284	0.029
	0.279		0.286		0.295		0.304		0.313	

An important part of capital planning is an understanding if the capacity of the utility system can meet projected future demands. The projected 2040 average day customer metered consumption of 315,000 gallons per day for water and 313,000 gallons per day for wastewater are both well within the current capacities for the treatment facilities (864,000 gallons per day water treatment and 700,000 gallons per day wastewater treatment) and further provide adequate excess capacity to meet expected peak demands. The Town is presently updating its analysis of the full capacity of the water distribution system through a calibrated computer model and it is recommended the Town consider a similar updated analysis of its sewer collection system.

### 3. Evaluation of Assets

Water and wastewater utilities are capital intensive. Expensive underground pipelines, pumping stations, storage tanks, river intake facilities, and treatment facilities require significant funding for construction, operation and maintenance, and for adequate repair, renewal or replacement as facilities age. Without proper assets and asset care, the utility will fail to continuously provide a reliable level of service. Community citizens expect this high level of service to be maintained 24 hours per day, 7 days per week, and every day of the calendar year. Operation and maintenance should be planned, executed and documented, and a condition of the assets should be regularly assessed.

The Town of Berryville is to be commended for initiating an asset management program through this study to provide an initial assessment of the condition of the assets of the water and wastewater systems. The scope of this work includes relying upon a review of existing available information provided by the Town together with some engineering judgment from Pennoni's Senior Engineer who has performed previous inspection and design work for the Town. The scope of this study did not include a visual inspection of the assets or a detailed assessment. The review did include review of the Town's fixed asset data and available information regarding initial construction, material, age, and reported significant improvements made after initial construction. Data on underground water distribution and sewer collection system assets were obtained from the Town's water and wastewater data within the Clarke County GIS database. Expected service life was estimated from engineering judgment using experience within the water and wastewater industry based on basic types of material or design, understanding of the quality of manufacture at time of installation, maintenance history available, and any other known related factors. This study then provides a budget that assumes the full replacement of the asset once the estimated remaining life is complete. This evaluation is considered a useful guide to preparing an initial financial estimate to maintain the reliability of aging assets, but beyond this study it is recommended that a more detailed condition assessment be considered, particularly as assets approach the time of expected replacement, to confirm the appropriate actions that are optimal in the actual expenditure of funds. Sometimes full replacement is the optimal solution, whereas other times some significant repair or partial replacement that extends the life of the asset can be more cost-effective over the long-term. The optimal solution comes through later detailed assessment.

#### *Water System*

The assets of the Berryville water system generally function adequately to meet the system demand and level of service with limited interruptions. Small local interruptions are sometimes necessary to isolate small areas of the system for repair of water main breaks, but large-scale interruptions are minimal. Like many water systems across the United States, some of the water system assets are aging at or near the expected service life. Table 3-1 provides a 20-Year replacement schedule for water system assets estimated to reach the end of life within the next 20 years in their present condition. The assets in this table have significant above-ground structures, referred to as vertical assets. Table 3-2 provides a separate 20-Year replacement schedule for underground water main pipe and appurtenances referred to as horizontal assets. The combination of vertical and horizontal assets provides the complete fixed assets of the water system.

Tables 3-1 and 3-2 are summarized from an Excel spreadsheet with the summary listing only those assets expected to reach end of life within the next 20 years, based on available information. The larger spreadsheet provides a listing of all water system vertical and horizontal assets, along with estimated remaining service life, date of replacement, and estimated cost of replacement in 2019=\$. The spreadsheet is being provided separately in electronic form to the Town of Berryville, providing a way that these spreadsheets become a living document to be amended as further conditions are assessed and adjustment to the schedules are made.

**Table 3-1**  
**Vertical Assets of the Berryville Water System - 20-Year Replacement**  
**Schedule**

	Type of Asset	Estimated Replacement Year	Budgeted Replacement Cost (2019=\$)
Shenandoah River Intake	Equipment	2026	\$ 520,000
	Land	2026	\$ 50,000
Raw Water Pumping Station	Equipment	2026	\$ 340,000
Berryville Water Treatment Plant	Building	2026	\$ 2,500,000
	Equipment	2026	\$ 13,000,000
Finished Water Pumping Station	Equipment	2019	\$ 260,000
Booster Pump Station to Zone 808	Building	2032	\$ 250,000
	Equipment	2032	\$ 715,000
			\$ 17,635,000

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Table 3-2

Horizontal Assets of the Berryville Water System - 20-Year Replacement Schedule

	Diameter (in)	Total Length (linear feet) or Quantity (Ea)	Budgeted Replacement Year	Budgeted Replacement Cost (2019=\$)	Comments
Cast Iron Water Main	2	350	2024	\$ 30,000	To be replaced with 6"/8" DI
	4	1500	2024	\$ 204,750	To be replaced with 12" DI
		4000	2028	\$ 338,000	To be replaced with 6"/8" DI
		5000	2028	\$ 422,500	To be replaced with 6"/8" DI
		4000	2035	\$ 338,000	To be replaced with 6"/8" DI
	6	3000	2026	\$ 253,500	To be replaced with 6"/8" DI
		3000	2028	\$ 253,500	To be replaced with 6"/8" DI
		3000	2025	\$ 253,500	To be replaced with 6"/8" DI
		1500	2035	\$ 135,200	To be replaced with 6"/8" DI
	8	1000	2026	\$ 84,500	
		2000	2028	\$ 169,000	
		5000	2030	\$ 422,500	
3000		2035	\$ 253,500		
PVC Water Main	10	20100	2040	\$ 1,829,100	Finished water transmission main. May have to be replaced earlier.
Transite Water Main	4	1500	2022	\$ 126,750	To be replaced with 8" DI
	4	1500	2024	\$ 126,750	To be replaced with 8" DI.
Galvanized Steel Water Main	1	500	2024	\$ 76,050	To be replaced with 6" DI
	2	1500	2024	\$ 126,750	To be replaced with 6" DI
Water Meters: Option 1		1700	2022	\$ 600,000	With installation, retain current function
Water Meters: Option 2		1700	2022	\$ 1,200,000	With installation, software and training to operate smart meter system

Total with Meter Option 1 \$ 6,043,850  
 Total with Meter Option 2 \$ 6,643,850

Notes:

1. Water main appurtenances such as gate valve and other fittings are included with main replacement. Service connections and meter boxes
2. The Town of Berryville presently provides \$400,000 in its Capital Improvement Program to replace all water meters in 2022 with meters using similar reading technology. The water industry today also offers "smart" meters which transmit data continuously and electronically, eliminating the need for personnel for most meter reading, providing data for trending of peak use and prompt leak detection, and allowing for advanced customer service when combined with a web-based customer portal. A "smart" system for a community the size of the Town of Berryville would cost about \$1.2 million plus \$20,000 per year in licensing costs.

The most significant asset in Tables 3-1 and 3-2 shown for replacement in the next 20 years is the Water Treatment Plant, at a cost of \$15,500,000, scheduled for 2026. Also included are replacement of aging cast iron, galvanized iron, and Transite water mains. These projects will require considerable funding and could have a significant effect on the Town's water rates. Possible strategies for funding will be further discussed below and in the next chapter of this report. Total replacement cost for end life assets within 20 years is estimated to be \$23.5 million, or an average of \$1.18 million per year. This compares to a capital improvement investment by the Town in its FY 2018-19 budget of \$500,845, of which \$300,000 was funded by reserves.

Another significant asset obtaining much attention in the discussions of this study are the water meters, which the Town has scheduled in its CIP for replacement in 2022 at a budget of \$400,000. In today's market the specifications for water meters can vary significantly depending upon whether a utility desires to know customer consumption only once per billing cycle or obtain data on weekly, daily, and even hourly patterns through "smart" meters that are digital and can transmit data electronically from the meter to a database server. "Smart" meters allow better understanding of usage

patterns for faster leak detection, better customer service, and better water system planning, and though they cost more initially they can lead to cost savings in the longer run.

Through a "budget" level review of water meter options it was concluded that \$400,000 is sufficient to cover the capital cost of replacing all water meters in the Town's system with meters performing an equal function to the present, however, \$600,000 would be a more appropriate budget if the Town intends to also contract the cost of installation. Option 1 in Table 3-2 summarizes this option.

Option 2 describes a "smart" meter option. In order to provide the capability for all new meters to transmit meter reading by an electronic signal, an additional \$350,000 to \$400,000 is recommended to be budgeted depending on whether the transmission is a fixed polling system that can read all meters nearly continuously, or transmission is to a mobile vehicle with local polling capability. With the further addition of software and personnel training and licensing to provide customer service and analytical capability, it would be suggested that a total budget of up to \$1,200,000 be considered.

### Wastewater System

Similar to the water system assets, all the wastewater system assets have been identified on an Excel spreadsheet, that includes an estimated service life and replacement costs in 2019=\$. Table 3-3 summarizes vertical assets and Table 3-4 summarizes horizontal assets expected to reach end of life within 20 years. The Berryville Wastewater Treatment Plant is less than 10 years old and generally expected to be in very good condition, but the advanced filtering membranes are expected to be replaced every 10 years, at a pre-purchased cost of \$1,120,000 (2019=\$), and some plant process equipment will reach end of life within the next 20 years. Several horizontal assets, including aging concrete gravity sewer pipe, aging cast iron force main, and up to 275 older manholes are shown for replacement within 20 years. Total replacement cost for end life assets within 20 years is estimated to be \$11.3 million, or an average of near \$565,000 per year. This compares to a capital improvement investment by the Town in its FY 2018-19 budget of \$300,225, of which \$15,000 was funded by reserves.

**Table 3-3**  
**Vertical Assets of the Berryville Wastewater System - 20-Year Replacement**  
**Schedule**

	Type of Asset	Estimated Replacement Year	Budgeted Replacement Cost (2019=\$)
Lift Station 1	Building	2021	\$ 75,000
	Equipment		\$ 130,000
Lift Station 2	Building	2022	\$ 75,000
	Equipment		\$ 130,000
Lift Station 3	Equipment	2030	\$ 260,000
Lift Station 4	Equipment	2030	\$ 260,000
Lift Station 5	Equipment	2030	\$ 130,000
Lift Station 6	Equipment	2030	\$ 325,000
Berryville Wastewater Treatment Plant	Membranes	2023	\$ 1,120,000
	Equipment	2029	\$ 150,000
	Membranes	2033	\$ 1,120,000
	Equipment	2034	\$ 1,950,000
			\$ 5,725,000

**Table 3-4**

**Horizontal Assets of the Berryville Wastewater System - 20-Year Replacement Schedule**

	Diameter (in)	Total Length (linear feet) or Quantity (each)	Budgeted Replacement Year	Budgeted Replacement Cost (2019=\$)	Comments
PVC Sewer Gravity Main	6	1000	2025	\$ 124,000	To be replaced with 8" PVC
Concrete Gravity Sewer Main	4	500	2026	\$ 62,000	To be replaced with 8" PVC
	8	15000	2026	\$ 1,853,000	To be replaced with 8" PVC
		4000	2026	\$ 494,000	To be replaced with 8" PVC
		3000	2026	\$ 371,000	To be replaced with 8" PVC
		1000	2026	\$ 124,000	To be replaced with 8" PVC
Concrete Gravity Sewer Main (Lined)	4	1000	2035	\$ 124,000	To be replaced with 8" PVC
	8	3000	2026	\$ 371,000	To be replaced with 8" PVC
		2000	2026	\$ 124,000	To be replaced with 8" PVC
		2000	2026	\$ 247,000	To be replaced with 8" PVC
		1000	2035	\$ 247,000	To be replaced with 8" PVC
Sanitary Sewer Manholes		225	2026	\$ 900,000	
		50	2035	\$ 200,000	
Cast Iron Sanitary Sewer Force Main	8	2500	2035	\$ 334,000	
				\$ 5,575,000	

#### 4. Revenue Requirements and Future Rates

A very important component of utility rate setting is to understand the operating and capital renewal goals of the Town for its utility systems, and perform the following: (1) analyze existing budget and audit data to thoroughly understand existing costs; (2) develop revenues and costs under existing rates for a test year or normalized year valued as typical and average for the Town without anomalies such as weather that may skew costs or revenues during unusual periods; then (3) use the test year to predict future financial performance under the existing rates and establish the amount of the need for additional revenue. A further part of developing utility rates is public acceptance, which in part can be understood by comparing the Town's existing rates to nearby communities similar in characteristics to the Town. This chapter of the report begins with a comparison of rates with other communities, addresses water availability fees, then presents the results of the financial review and quantifies the need for additional revenue to meet the Town's objectives. These objectives include implementing a prudent replacement program for assets at the end of service life as addressed in Chapter 3.

##### *Comparison of Rates with Other Communities*

Utility rates must generate sufficient financial capital to maintain water and sewer system assets to a reliable level of performance that meets community expectations. To the extent consistent with this goal, the rates themselves should attempt to be acceptable to the community and should be fair and reasonable. An important part of rate consideration is to make comparisons with the utility rates and rate structure of other nearby communities that demographically and geographically similar to the Town of Berryville. For comparison purposes, the following eight communities were selected for this study — In Virginia: Frederick County Sanitation Authority (Frederick Water); Town of Front Royal; Town of Luray; Town of Purcellville; Town of Round Hill; and City of Winchester. In West Virginia: Charles Town Utility Board and City of Martinsburg.

Similar to the current Town of Berryville rates, each of the eight communities has a minimum charge for a customer account per billing cycle with a consumption allowance, and a volumetric charge for consumption above the minimum allowance. The Town of Round Hill has a flat volumetric charge that remains the same for each additional 1,000 gallons of consumption, like Berryville, but the other seven communities have tiered volumetric rates where the rate per 1,000 gallons changes as consumption moves from one block to the next block. Four of the tiered rates are declining, and three are inclining. Four of the eight communities charge higher rates to customers outside of the corporate limits of the city or town providing the service.

All eight communities, like Berryville, require a system development charge (sometimes called "availability fee", "capital cost fee", or "facility fee") for new connections to the system, to help defray the costs of providing the higher system capacity required for the new service. Seven of the eight communities determine the fee for the new connection based upon the capacity of the water meter needed for the service, like Berryville. Charles Town uses a schedule listing types of facilities (e.g., restaurant, office building, etc.) and size of the development to determine the fee. System Development Charges (Town of Berryville calls "Availability Fee") are often based on water meter size and AWWA declares this an acceptable method. Some would argue that a schedule of facilities is more accurate, but implementing that approach comes with higher administrative costs and is rarely used by smaller communities.

Since fee structures are designed differently, the best means to compare the cost of water and sewer service between multiple communities is by selecting specific values of monthly metered consumption and comparing the cost in each community for that particular volume of use. Table 4-1, and Figures 4-1 and 4-2 compare the Town of Berryville to each of the eight communities for monthly water and sewer charges for a metered consumption of 3,000 gallons per month, 10,000 gallons per month, and 20,000 gallons per month.

**Table 4-1**  
**Comparison of Water and Sewer Charges for Selected Monthly Consumption**  
**Based on Rate Schedules Published on Internet as of February 2019**

	3,000 Gallons Per Month			10,000 Gallons Per Month			20,000 Gallons Per Month		
	Water	Sewer	Total	Water	Sewer	Total	Water	Sewer	Total
Town of Berryville VA	\$ 25.20	\$ 51.00	\$ 76.20	\$ 84.00	\$ 170.00	\$ 254.00	\$ 168.00	\$ 340.00	\$ 508.00
Charles Town Utility Board WV	30.99	38.26	69.25	103.30	99.79	203.09	191.20	187.69	378.89
Frederick Water VA	30.41	51.64	82.05	60.65	87.83	148.48	103.85	139.53	243.38
Town of Front Royal VA	29.76	48.51	78.27	89.33	145.88	235.21	174.43	284.98	459.41
Town of Luray VA	35.67	47.24	82.91	72.07	95.03	168.10	125.07	167.13	292.20
City of Martinsburg WV	23.32	30.13	53.45	73.16	94.46	167.62	144.36	186.36	330.72
Town of Purcellville VA	34.41	61.47	95.88	90.50	169.90	260.40	204.40	324.80	529.20
Town of Round Hill VA	24.90	28.83	53.73	83.00	96.10	179.10	166.00	192.20	358.20
City of Winchester VA	45.58	34.89	80.47	90.24	116.30	206.54	154.04	232.60	386.64

Figure 4-1: Comparison of Water Charges/Month (\$)

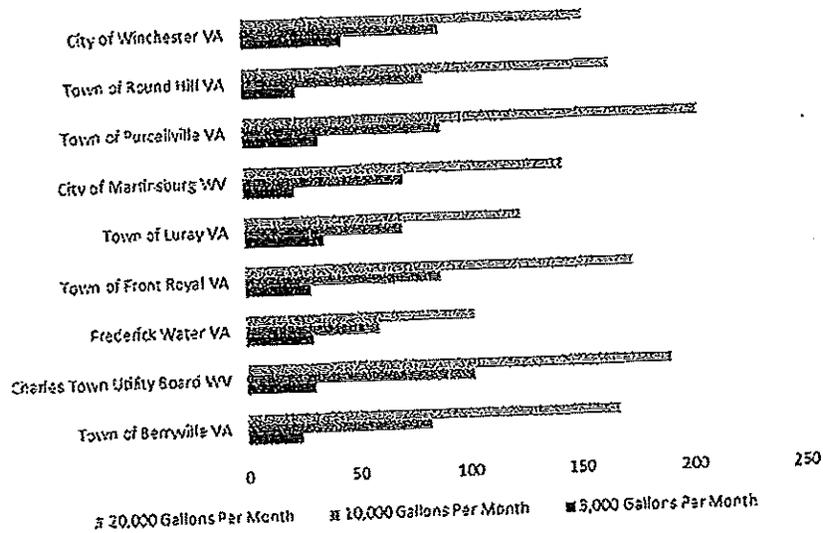
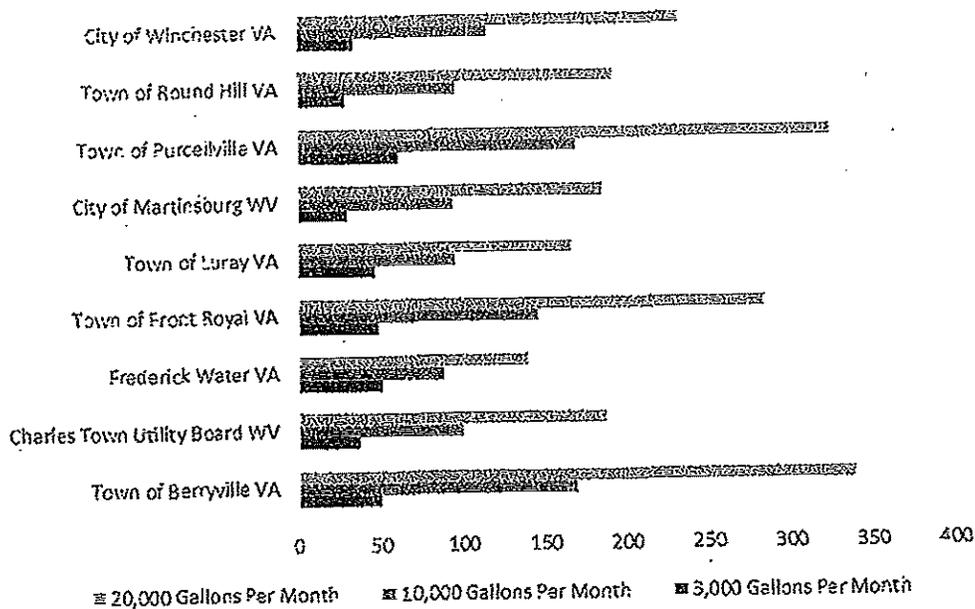


Figure 4-2: Comparison of Sewer Charges/Month (\$)



At a consumption of 3,000 gallons per month, which is slightly above the median residential water bill, the Town of Berryville has the third lowest water rates and the third highest sewer rates of the nine communities shown in Table 4-1. The total water and sewer bill at 3,000 gallons per month use is fourth of nine from the lowest, or near the median. At a consumption of 10,000 gallons per month, Berryville's water rates are the fourth highest of nine, and the sewer rates are the highest, with the total bill the second highest. At 20,000 gallons per month, Berryville remains near the median for water service and highest for sewer service, and second highest overall. This comparison would suggest that the Town of Berryville has very competitive rates at 3,000 gallons per month consumption but becomes less competitive based on the higher sewer charges for customers whose use approaches or exceeds 10,000 gallons per month.

Table 4-2 shows the distribution of water consumption by number of accounts within each major customer class for the Town of Berryville, from billing data averaged over a one-year period between September 2017 and August 2018. Customer classes shown include Residential both within and outside the Town limits, Commercial both within and outside the Town limits, and Industrial. Within this table Multi-Family and Institutional customers are shown as a part of the Commercial class. Within the one-year period as defined above, all Industrial customers were inside the Town limits. Most of the Town customers are inside residential. Looking more closely at the Residential – Inside Town class, 60% of these customers use 3,000 gallons per month or less, and 90% use 6,000 customers or less. So, while the data suggests the Town's rates become less competitive at consumption of 10,000 gallons per month and higher, these higher rates affect only a small number of the highest consumers of water and sewer service.

Table 4-2

**Town of Berryville - Distribution of Water Consumption by Account for Typical Month**

Source: Town of Berryville Utility Billing System - Averaged from Meter Reading and Billing Data from September 2017 through September 2018

Metered Consumption (1000 gallons)	Residential - Inside Town Limits		Residential - Outside Town Limits		Commercial <sup>1</sup> - Inside Town Limits		Commercial - Outside Town Limits		Industrial <sup>2</sup>	
	No. of Accounts	Percent of Accounts Consuming Less Than or Equal to	No. of Accounts	Percent of Accounts Consuming Less Than or Equal to	No. of Accounts	Percent of Accounts Consuming Less Than or Equal to	No. of Accounts	Percent of Accounts Consuming Less Than or Equal to	No. of Accounts	Percent of Accounts Consuming Less Than or Equal to
-	92	6.1%	1	7.7%	39	21.4%	2	11.8%	3	25.0%
1	209	20.0%	3	30.8%	38	42.3%	0	11.8%	2	41.7%
2	312	40.7%	3	53.8%	19	52.7%	1	17.6%	1	50.0%
3	296	60.4%	2	69.2%	13	59.9%	1	23.5%	1	58.3%
4	223	75.2%	2	84.6%	9	64.8%	1	29.4%	0	58.3%
5	147	84.9%	1	92.3%	7	68.7%	1	35.3%	0	58.3%
6	89	90.8%	0	92.3%	6	72.0%	1	41.2%	1	66.7%
7	53	94.4%	0	92.3%	6	75.3%	1	47.1%	0	66.7%
8	34	96.6%	0	92.3%	3	76.9%	1	52.9%	0	66.7%
9	20	97.9%	0	92.3%	4	79.1%	1	58.8%	0	66.7%
10	12	98.7%	0	92.3%	3	80.8%	1	64.7%	0	66.7%
11 - 20	16	99.8%	1	100.0%	16	89.6%	2	76.5%	1	75.0%
21 - 50	2	99.9%	0	100.0%	10	95.1%	2	88.2%	1	83.3%
51 - 100	1	100.0%	0	100.0%	5	97.8%	1	94.1%	0	83.3%
Greater Than 100	0	100.0%	0	100.0%	4	100.0%	1	100.0%	2	100.0%

Notes:

<sup>1</sup>For purposes of this table, accounts in billing system identified as Multi-Family and Institutional are grouped with Commercial.

<sup>2</sup>There were no industrial accounts in the billing system identified as Outside Town Limits

With respect to Availability Fees, the Town of Berryville is at the median by comparison with the other eight communities for the water utility (for an equivalent residential unit four communities charge higher fees and four charge lower fees) but is the highest of all nine communities with respect to wastewater fees. Table 4-3 depicts this comparison.

**Table 4-3**

**Comparison of System Development Charges<sup>1</sup> (Availability Fee) for New Service Connection Equivalent to One Residential Unit (5/8-inch Water Meter)**

	Water	Sewer	Total
Town of Berryville VA	\$ 5,250.00	\$ 22,750.00	\$ 28,000.00
Charles Town Utility Board WV	2,576.00	1,127.00	3,703.00
Frederick Water VA	14,115.00	2,461.00	16,576.00
Town of Front Royal VA	4,340.00	9,750.00	14,090.00
Town of Luray VA	3,320.00	5,940.00	9,260.00
City of Martinsburg WV	1,301.00	2,260.00	3,561.00
Town of Purcellville VA	25,754.00	21,600.00	47,354.00
Town of Round Hill VA	8,197.23	12,676.23	20,873.46
City of Winchester VA	5,300.00	7,200.00	12,500.00

<sup>1</sup>Separate Fees for cost of service lateral and meter/meter box not included

When considering the future need to raise additional revenue, the Town should also consider what actions other communities are likely to take. One of the eight communities surveyed, the City of Winchester, has published its proposed rates through FY 2022-23. Winchester proposed annual increases over the next four years compounding to a total of 34%, or an average of 7.5% per year. Studies published nationally by organizations such as the American Water Works Association suggest that water and sewer rates are increasing an average of about 4% per year nationally, in response to new regulations, growth, and aging infrastructure.

**Water System Availability Fees**

The Town's Availability Fees, referenced generically by the American Water Works Associations (AWWA) as System Development Charges, represent the costs of providing the additional systemwide capacity to serve new customers. The laws of the Commonwealth of Virginia permit these charges but require that the charges are "fair and reasonable". AWWA provides discussion in its manual of practice on Principles of Water Rates, Fees, and Charges that offer additional guidance toward what the industry considers fair and reasonable, but also defers water utilities specifically to its legal counsel regarding specific questions of legal interpretation. The proposal offered in this report regarding Availability Fees follows guidance in the AWWA manual but it is also strongly recommended that the Town review this proposal with the Town Attorney for an opinion on the appropriate application of the law to the specific and unique circumstances of the Town's water and wastewater systems before any action is taken regarding the proposal herein or any other proposal.

AWWA suggests there should be a rational nexus between Availability Fees and the reasonable expected added costs to a particular water system to provide expanded capacity for new service to its system. AWWA goes on to list several factors to consider in providing that a "proportionate share be borne by new development." Three methods are defined: a "buy-in" method, an incremental cost method, and a combined cost method. The "buy-in" method is the best and fairest approach for a community like Berryville that has sufficient capacity already provided by existing customers for capacity expansion over a reasonable period, the incremental method works best for a utility at or near existing capacity and facing the need for a capital program that would not be necessary except to expand capacity, and the combined method is best for communities where some functions of its system have extra capacity and other functions need capital improvements to expand.

From the review of assets summarized in the previous chapter, the Town of Berryville has available capacity in all major functional aspects to provide additional capacity to and beyond 2040. From Table 2-5, the future forecast for annual average daily billed water consumption for the Town in 2040 is 0.315 million gallons per day, or 315,000 gallons per day. The existing water system for the Town of Berryville has a river intake and water treatment capacity of 864,000 gallons per day and a raw water pumping station capacity of 786,000 gallons per day, and a treatment water pumping station capacity of 754,000 gallons per day. Though the capacity of pumping and treatment facilities must also consider non-revenue water uses, water plant uses, and peak daily capacity needs, as shown in Table 4-4, the existing system capacities remain sufficient to provide future needs. It is also understood that the water distribution system has excess capacity, which should be confirmed by updated calibration and analysis of water system modeling, to confirm the specific capacity available.

**Table 4-4**  
**Capacity of Water System Functions**

*Demand Factors:*

<i>Assumed Losses in Raw Water Transmission</i>	2%
<i>Water Supplied and Treated but Not Pumped to Transmission (%)</i>	10.5%
<i>Water Supplied and Treated but Not Metered to Customer (%)</i>	13.3%
<i>Maximum Day to Average Day Ratio</i>	1.6
<i>Annual Growth Rate</i>	0.5%

	Capacity (MGD)	Demand Factor	Average Current Monthly Metered Consumption (MGD)	Capacity Used by Existing Customers (MGD)	Capacity Available for New Customers (MGD)	% of Capacity Available	Current Capacity Forecasted Available in Future Years Based Upon 0.5% Growth Per Year			
							2030	2040	2050	2060
Water Supply	0.786	2.04	0.282	0.576	0.210	26.7%	22.6%	18.6%	14.5%	10.1%
Water Treatment	0.864	2.00		0.565	0.299	34.6%	30.9%	27.4%	23.7%	19.8%
Water Transmission Pumping	0.754	1.81		0.511	0.243	32.2%	28.4%	24.7%	20.9%	16.9%

Given the Town of Berryville system has reasonable excess capacity and is not planning capital improvements for increasing its existing capacity except for upsizing on three minor projects replacing water distribution mains, the "buy-in" method is the proper method for looking at Availability Fees. This study constructs that method though the listing of assets summarized in chapter 3 of this report and valuing them based on the current replacement cost. AWWA accepts this method and refers to it as "Replacement Cost New".

The value obtained from this method is then divided by the number of equivalent residential units (ERUs) in the system to determine a cost per ERU. The Town's billing system separates customers into classes, and by evaluating the single-family residential class through billing data between September 2017 through August 2018, which was an average and typical year, average consumption per account was 113 gallons per day inside the Town limits and 123 gallons per day outside the Town limits. As stated previously, water system assets also need to account for peaking factors and unmetered water in developing system capacity to serve existing and new customers, and using measured or reasonable assumptions for these added factors, it is reasonable to conclude that the water and wastewater systems must provide a capacity of 230 gallons per day for each single-family residence, which is also a 5/8-inch meter connection as an equivalent residential unit. Based on current system capacity, we would conclude that the utility systems have 3,320 capacity units at a 5/8-inch meter size, and the estimated cost of providing system capacity per equivalent residential unit (a 5/8-inch meter) is approximately \$12,100 for the water system and \$13,100 for the wastewater system. The Town should consider its policy objectives, including comparative rates with other communities, and consult with legal advice, in considering if the Town desires to amend its current fees by the amount identified above.

This study also evaluated the water consumption of Multiple-Family residential units as compared to Single-Family residential units, based on data from the Town regarding the number of Multiple-Family units within each billed account. It was concluded from that evaluation that with respect to the Town of Berryville, consumption per residential unit for Multi-Family is about 80% of Single-Family. The Town's current Availability Fee Schedule uses 90%, and it is recommended that the schedule be adjusted to 80%.

In the event the Town wishes to adjust its Availability Fees by the adjustment calculated above, the current and proposed fees for the 5/8-inch meter are shown in Table 4-5. The fees for other meter sizes, like the Town's current Availability Fee structure, can be derived by applying the same multiplication factors as are used for the current fees.

**Table 4-5**  
**Existing and Proposed Availability Fees (Meter Charges and Administrative Fees Not Included)**

Water Meter Size	Water		Sewer	
	Current Availability Fee	Proposed Availability Fee	Current Availability Fee	Proposed Availability Fee
Single Family Residential: 5/8-inch	\$ 5,250	\$ 12,100	\$ 22,750	\$ 13,100
Townhouse/Duplex: 5/8-inch	5,250	12,100	22,750	13,100
Multi-Family Per Unit	4,725	9,700	20,475	10,500
3/4-inch	7,825	18,000	34,125	20,000
1-inch	13,125	30,300	56,875	33,000
1-1/2-inch	22,970	52,900	99,535	57,000
2-inch	42,000	96,800	182,000	105,000
3-inch	84,000	193,600	364,000	210,000
4-inch	131,250	302,500	568,750	328,000
6-inch	262,500	605,000	1,137,500	655,000

*Development of Multiple Year Flow of Funds and Determination of Revenue Requirements*

The two core pieces of the scope of this rate study are developing the asset tables with condition assessment and a replacement schedule (summarized in Chapter 3) and the determination of future revenue requirements to maintain operations and implement the asset renewal. The first step in determining future revenue requirements is to determine the revenues and expenses under current rates and current consumption for a typical or average fiscal year, which AWWA refers as a "test year". From the test year, escalating factors are then used to account for future growth in consumption from new connections, expected changes over time in consumption patterns, inflation, salary increases, and other anticipating factors that will increase costs or revenues (at current rates).

In order to develop a test year, this study reviewed six adopted budgets provided by the Town for the Water Fund and Sewer Fund from FY 2014 through FY 2019 at the detailed line-item level, identifying trends as well as anomalies, in order to assess a reasonable test year value. Where expenses or revenues were showing a reasonable and progressive upward trend, more value was placed in the final year as indicative of a test year, but where a line-item showed a haphazard or declining trend, and there was no other explanation of the changes over time, six-year averages were identified for the test year.

The review also included operating and non-operating revenues and operating expenses by line-items reported in the audited financial statements for FY 2013 through FY 2017 (the audit for FY 2018 was not available), and trends from the audited statements were compared to the budgeted forecast for the same line-item or function. In some cases, the audited actual revenues and expenses closely tracked the budgeted amounts, but in many cases audited actual expenses were 10% to 20% below the budgeted amounts. This phenomenon is not unusual, as it is natural in the day-to-day world to manage operations with the overall budget serving as a "not-to-exceed" amount except under extraordinary circumstances. For purposes of developing a test year, audited trends were matched closely with budgeted trends, and the test year was adjusted accordingly, as it is desired that the test year be as true an indication of actual expenditures as is feasible as a base in forecasting future financial performance. Finally, expenses were placed into broader categories. The test year was developed on a cash basis, typical of rate studies performed for most local government agencies.

Table 4-6 shows the test year identified for both the water fund and the sewer (wastewater) fund, in 2019=.

**Table 4-6**  
**Town of Berryville - Test Year for Revenue and Expense Forecasting**

	Water System	Wastewater System
<u>Operating Revenues</u>		
Water Service at Existing Rates	850,000	-
Wastewater Service at Existing Rates	-	1,660,000
Other Fees and Charges	33,000	2,000
<i>Total Operating Revenues</i>	883,000	1,662,000
<u>Operating Expenses</u>		
Wages and Fringe Benefits	(344,000)	(522,000)
Power	(58,000)	(135,000)
Chemicals	(40,000)	(90,000)
Repairs and Maintenance	(136,000)	(141,000)
Other Materials and Supplies	(37,000)	(22,000)
Other Purchases	(56,000)	(84,000)
<i>Total Operating Expenses</i>	(671,000)	(994,000)
<u>Non-Operating Revenues</u>		
Interest on Investments	6,000	9,000
Availability Fees (Existing Rates)	33,000	143,000
Grants and Other Funds	-	-
<i>Non-Operating Revenues</i>	39,000	152,000

With the test year in place, forecasts for revenues (at existing rates) and expenses for future years were developed using the following escalation factors:

- Growth in metered sales = 0.5% per year;
- Increases in salaries and benefits = 3% per year
- Increases in other expenses = 2% per year, except that expenses varying with meter sales (chemicals and electricity) reflect both the 2% per unit cost increase and the 0.5% volume increase = 2.5% per year
- When new debt is incurred it is assumed the terms of a new loan will be 30 years at an interest rate of 4% with uniform annual principle and interest payments

Table 4-7 shows a five-year forecast for the water system as a flow of funds using the test year as a base with the escalation factors above. For capital outlay or contributions, the existing Town of Berryville 2018-23 Capital Improvements Program (CIP) adopted by the Town Council in 2018 was used. As reflected by that CIP, an issuance of new debt with a principal of \$1.75 million is shown in fiscal year 2022.

**Table 4-7**  
**Water System Current Year Plus Five-Year Flow of Funds with Existing Capital Improvement Plan at Existing Rates**

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b>Operating Revenues</b>						
Water Service at Existing Rates	850,000	854,000	858,000	862,000	866,000	870,000
Other Fees and Charges	33,000	33,000	33,000	33,000	33,000	33,000
<b>Total Operating Revenues</b>	<b>883,000</b>	<b>887,000</b>	<b>891,000</b>	<b>895,000</b>	<b>899,000</b>	<b>903,000</b>
<b>Operating Expenses</b>						
Wages and Fringe Benefits	(344,000)	(354,000)	(365,000)	(376,000)	(387,000)	(399,000)
Power	(58,000)	(59,000)	(60,000)	(62,000)	(64,000)	(66,000)
Chemicals	(40,000)	(43,000)	(42,000)	(43,000)	(44,000)	(45,000)
Repairs and Maintenance	(136,000)	(139,000)	(142,000)	(145,000)	(148,000)	(151,000)
Other Materials and Supplies	(37,000)	(38,000)	(39,000)	(40,000)	(41,000)	(42,000)
Other Purchases	(56,000)	(57,000)	(58,000)	(59,000)	(60,000)	(61,000)
<b>Total Operating Expenses</b>	<b>(671,000)</b>	<b>(688,000)</b>	<b>(706,000)</b>	<b>(725,000)</b>	<b>(744,000)</b>	<b>(764,000)</b>
<b>Net Operating Revenue</b>	<b>212,000</b>	<b>199,000</b>	<b>185,000</b>	<b>170,000</b>	<b>155,000</b>	<b>139,000</b>
<b>Non-Operating Revenues</b>						
Interest on Investments	6,000	6,000	6,000	6,000	6,000	6,000
Availability Fees (Existing Rates)	33,000	37,000	37,000	37,000	37,000	37,000
Grants and Other Funds	-	-	-	-	-	-
<b>Non-Operating Revenues</b>	<b>39,000</b>	<b>43,000</b>	<b>43,000</b>	<b>43,000</b>	<b>43,000</b>	<b>43,000</b>
<b>Total Revenue Minus Operating Expenses (Net Revenue)</b>	<b>251,000</b>	<b>242,000</b>	<b>228,000</b>	<b>213,000</b>	<b>198,000</b>	<b>182,000</b>
<b>Debt Service</b>						
Payment on Outstanding Bonds	-	-	-	-	-	-
Payment on Proposed Bonds	-	-	-	(35,000)	(129,000)	(129,000)
<b>Total Debt Service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(35,000)</b>	<b>(129,000)</b>	<b>(129,000)</b>
<b>Debt Service Coverage (Net Revenue/Total Debt Service)</b> <i>(Minimum 1.5 Recommended)</i>	NA	NA	NA	6.1	1.5	1.4
<b>Existing CIP Contribution to Capital Expense</b>	<b>(501,000)</b>	<b>(215,000)</b>	<b>(200,000)</b>	<b>(1,750,000)</b>	<b>(120,000)</b>	<b>-</b>
<b>Sale of Bonds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,750,000</b>	<b>-</b>	<b>-</b>

The end of year balance shows a deficit for 2019 (expected and planned as set aside reserves were programmed for some capital expenses) and a small deficit for 2023, with small surpluses in the other years. Overall, through the end of fiscal year 2024, forecasted revenues fall \$15,000 short of meeting forecasted expenses, which is well below 1% of the total expenses for the period. Only one need is identified which would require further action. In 2024, two years following the forecasted sale of \$1.75 million in new debt, the debt service coverage, which is a ratio of net revenues to debt expenses, falls to 1.4, slightly below the 1.5 minimum recommended as a good financial practice. The coverage ratio could be corrected by an increase in water rates in 2024 by 2%, which would also correct the \$15,000 overall deficit for the 2019-2024 period.

Table 4-8 provided a similar analysis for the wastewater system. Payments on an existing VRA Loan for the new wastewater treatment plant are shown in this table, but no new debt was programmed into the adopted CIP through 2023. This forecast shows one year in deficit, but all other years in surplus, with an overall surplus for the period of \$42,000.

**Table 4-8**  
**Wastewater System Current Year Plus Five-Year Flow of Funds with Existing Capital Improvement Plan at Existing Rates**

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b>Operating Revenues</b>						
Wastewater Service at Existing Rates	1,660,000	1,668,000	1,676,000	1,684,000	1,692,000	1,700,000
Other Fees and Charges	2,000	2,000	2,000	2,000	2,000	2,000
<b>Total Operating Revenues</b>	<b>1,662,000</b>	<b>1,670,000</b>	<b>1,678,000</b>	<b>1,686,000</b>	<b>1,694,000</b>	<b>1,702,000</b>
<b>Operating Expenses</b>						
Wages and Fringe Benefits	(522,000)	(538,000)	(554,000)	(571,000)	(588,000)	(606,000)
Power	(135,000)	(138,000)	(141,000)	(145,000)	(149,000)	(153,000)
Chemicals	(90,000)	(92,000)	(94,000)	(96,000)	(98,000)	(100,000)
Repairs and Maintenance	(141,000)	(144,000)	(147,000)	(150,000)	(153,000)	(156,000)
Other Materials and Supplies	(22,000)	(22,000)	(22,000)	(22,000)	(22,000)	(22,000)
Other Purchases	(84,000)	(86,000)	(88,000)	(90,000)	(92,000)	(94,000)
<b>Total Operating Expenses</b>	<b>(994,000)</b>	<b>(1,020,000)</b>	<b>(1,046,000)</b>	<b>(1,074,000)</b>	<b>(1,102,000)</b>	<b>(1,131,000)</b>
<b>Net Operating Revenue</b>	<b>668,000</b>	<b>650,000</b>	<b>632,000</b>	<b>612,000</b>	<b>592,000</b>	<b>571,000</b>
<b>Non-Operating Revenues</b>						
Interest on Investments	9,000	9,000	9,000	9,000	9,000	9,000
Availability Fees (Existing Rates)	143,000	159,000	159,000	159,000	159,000	159,000
Grants and Other Funds	-	-	-	-	-	-
<b>Non-Operating Revenues</b>	<b>152,000</b>	<b>168,000</b>	<b>168,000</b>	<b>168,000</b>	<b>168,000</b>	<b>168,000</b>
<b>Total Revenue Minus Operating Expenses (Net Revenue)</b>	<b>820,000</b>	<b>818,000</b>	<b>800,000</b>	<b>780,000</b>	<b>760,000</b>	<b>739,000</b>
<b>Debt Service</b>						
Payment on Outstanding Bonds	(470,000)	(470,000)	(470,000)	(470,000)	(470,000)	(470,000)
Payment on Proposed Bonds	-	-	-	-	-	-
<b>Total Debt Service</b>	<b>(470,000)</b>	<b>(470,000)</b>	<b>(470,000)</b>	<b>(470,000)</b>	<b>(470,000)</b>	<b>(470,000)</b>
<b>Debt Service Coverage (Net Revenue/Total Debt Service)</b> <i>(Minimum 1.5 Recommended)</i>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>	<b>1.6</b>	<b>1.6</b>
<b>Existing CIP Contribution to Capital Expense</b>	<b>(300,000)</b>	<b>(255,000)</b>	<b>(240,000)</b>	<b>(810,000)</b>	<b>(250,000)</b>	<b>-</b>
<b>End of Year Balance (Surplus/Deficit)</b>	<b>50,000</b>	<b>93,000</b>	<b>90,000</b>	<b>(500,000)</b>	<b>40,000</b>	<b>269,000</b>

The overall financial performance in Tables 4-7 and 4-8 looks good, but the existing CIP behind this performance does not include the asset replacement program developed in Chapter 3 of this report. The pathway portrayed in these two tables would continue to postpone the renewal of aging assets, which would ultimately lead to a failure of assets, including critical assets that may result in significant consequences to public health, the environment, or interruptions in metered sales and financial performance. In short, though appealing in the short-term, the performance shown in Tables 4-7 and 4-8 is not sustainable in the long-term. The Town recognized this shortfall in requesting that an evaluation of assets be conducted as a part of this study.

Tables 4-9 and 4-10 produce a similar multi-year view of water system financial performance but is different from Table 4-7 in reflecting the asset capital replacement program from Chapter 3 as the Capital Improvement Program instead of the currently adopted one. An additional escalation factor was added: the asset replacement tables in Chapter 3 provide estimates for all projects in 2019=\$, these estimates are escalated in Tables 4-9 and 4-10 by 2% per year for every year

after 2019. Further, inasmuch as the asset replacement program shows a large expenditure in 2026 which would require the building of additional financial reserves in earlier years, Tables 4-9 and 4-10 are extended to forecast performance through 2027. A line is added to Operating Revenues to identify additional revenue to be derived by increasing water rates, and a line at the bottom of the Tables shows the increase as a percentage of the rates in place before each increase. The objective in these tables were to deliver the asset replacement program developed in Chapter 3 for all years through 2027, maintain uniform annual percentage increases of water rate revenue optimized to produce the lowest percentage increase that maintains positive reserves and maintains adequate debt coverage (ratio = 1.5 or greater). In order to achieve each of those objectives, an iterative process ensued to determine the optimal balance of capital reserves and bond funds to be used to meet the large capital expenditures forecasted in 2026. The 2026 expenditures include replacement of the water treatment plant, raw water pumping station, and the intake on the Shenandoah River.

To achieve the entire asset replacement program, significant uniform annual rate increases are required. Table 4-9 is based upon Option 1 for water meter replacements, budgeted at \$600,000 in FY 2022 using available water capital reserves, and Table 4-10 is based upon Option 2 for water meter replacements, upgrading to "Smart Meters" in FY 2022 at a budget of \$1,200,000 using debt financing. Table 4-9 concludes that annual water revenue increases of 9.6% are required through 2027, whereas in Table 4-10 annual water revenue increases of 10.1% are required.

Table 4-11 produces a forecast for the wastewater system using the asset replacement schedule, which also shows bond funding for a significant capital expenditure programmed for 2026. The 2026 wastewater expenditures are shown for replacement of end-of-life concrete sewer mains, cast iron force mains, and aging sanitary sewer manholes. The wastewater treatment plant is relatively new and does not require significant capital replacement, other than the anticipated replacement of tertiary membranes which have already been factored into the Town's maintenance and collection of financial reserves. The uniform annual rate increase for sewer is 2.4%.

Separate from this report, the Town of Berryville will receive the actual Excel spreadsheets that include the data in Tables 4-9 through 4-11, allowing the Town to make further assumptions and look at multiple "what-if" scenarios.

For a Town customer at the 60<sup>th</sup> percentile using 3,000 gallons per month, the current water and sewer bill would equal \$76.20 per month. If increases of 10.1% for water and 2.4% for wastewater were adopted for one year, assuming consumption remains unchanged, the total bill would increase to \$79.98, or an additional 5.0% overall. If the same percentage increases were adopted in a second year, the overall bill would increase to \$84.03, or 5.0%. In summary, the impact on the total bill would be about 5% per year.

Water System Flow of Funds - Asset Replacement Plan Option 1 with Equal Annual Water Rate Increase

	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b>Operating Revenues</b>									
Water Service at Existing Rates	850,000	854,000	858,000	862,000	866,000	870,000	874,000	878,000	882,000
Water Service from Increased Rates	-	82,000	173,000	274,000	385,000	508,000	644,000	794,000	960,000
Other Fees and Charges	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000
<b>Total Operating Revenues</b>	<b>883,000</b>	<b>969,000</b>	<b>1,064,000</b>	<b>1,169,000</b>	<b>1,284,000</b>	<b>1,411,000</b>	<b>1,551,000</b>	<b>1,705,000</b>	<b>1,875,000</b>
<b>Operating Expenses</b>									
Wages and Fringe Benefits	(344,000)	(354,000)	(365,000)	(376,000)	(387,000)	(399,000)	(411,000)	(423,000)	(436,000)
Power	(58,000)	(59,000)	(60,000)	(62,000)	(64,000)	(66,000)	(68,000)	(70,000)	(72,000)
Chemicals	(40,000)	(41,000)	(42,000)	(43,000)	(44,000)	(45,000)	(46,000)	(47,000)	(48,000)
Repairs and Maintenance	(136,000)	(139,000)	(142,000)	(145,000)	(148,000)	(151,000)	(154,000)	(157,000)	(160,000)
Other Materials and Supplies	(37,000)	(38,000)	(39,000)	(40,000)	(41,000)	(42,000)	(43,000)	(44,000)	(45,000)
Other Purchases	(56,000)	(57,000)	(58,000)	(59,000)	(60,000)	(61,000)	(62,000)	(63,000)	(64,000)
<b>Total Operating Expenses</b>	<b>(671,000)</b>	<b>(688,000)</b>	<b>(705,000)</b>	<b>(725,000)</b>	<b>(744,000)</b>	<b>(764,000)</b>	<b>(784,000)</b>	<b>(804,000)</b>	<b>(825,000)</b>
<b>Net Operating Revenue</b>	<b>212,000</b>	<b>281,000</b>	<b>358,000</b>	<b>444,000</b>	<b>540,000</b>	<b>647,000</b>	<b>757,000</b>	<b>901,000</b>	<b>1,050,000</b>
<b>Non-Operating Revenues</b>									
Interest on Investments	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Availability Fees (Proposed Rates)	33,000	84,700	84,700	84,700	84,700	84,700	84,700	84,700	84,700
Grants and Other Funds	-	-	-	-	-	-	-	-	-
<b>Total Revenue Minus Operating Expenses (Net Revenue)</b>	<b>251,000</b>	<b>371,700</b>	<b>448,700</b>	<b>534,700</b>	<b>630,700</b>	<b>737,700</b>	<b>857,700</b>	<b>991,700</b>	<b>1,140,700</b>
<b>Debt Service</b>									
Payment on Outstanding Bonds	-	-	-	-	-	-	-	(272,000)	(786,000)
Payment on Proposed Bonds	-	-	-	-	-	-	-	(272,000)	(786,000)
<b>Total Debt Service</b>	<b>-</b>	<b>(544,000)</b>	<b>(1,572,000)</b>						
<b>Debt Service Coverage (Net Revenue/Total Debt Service):</b>	<b>NA</b>	<b>3.6</b>	<b>1.5</b>						
<b>Minimum 1.5 Recommended</b>	<b>NA</b>	<b>3.6</b>	<b>1.5</b>						
<b>Capital Contributions and Expenses</b>									
Capital Expense Need (from Asset Tables)	(501,000)	-	(31,000)	(741,000)	(32,000)	(861,000)	(413,000)	(16,528,000)	-
"Pay-Go" Contribution to Capital Expense	501,000	-	31,000	741,000	32,000	861,000	413,000	2,928,000	-
Contribution of Bond Sale to Capital Expense	-	-	-	-	-	-	-	13,600,000	-
Contribution from Grants/ Other Outside Capital Revenue	-	-	-	-	-	-	-	-	-
<b>Net Balance</b>	<b>-</b>								
<b>Capital Reserve Balances</b>									
Prior Year End Capital Reserves	1,987,141	1,737,141	2,108,841	2,526,541	2,918,941	2,918,941	2,795,641	3,240,341	1,032,041
"Pay-Go" Contribution to Capital Expense	(501,000)	-	(31,000)	(741,000)	(32,000)	(861,000)	(413,000)	(2,928,000)	-
Addition of Current Year Net Revenues Less Debt Service Payments	251,000	371,700	448,700	534,700	630,700	737,700	857,700	719,700	354,700
New Capital Reserve Balance	1,737,141	2,108,841	2,526,541	2,320,241	2,918,941	2,795,641	3,240,341	1,032,041	1,386,741
Capital Reserves Restricted by Debt Indenture	-	-	-	-	-	-	-	(944,000)	(944,000)
Capital Reserves Available	1,737,141	2,108,841	2,526,541	2,320,241	2,918,941	2,795,641	3,240,341	88,041	442,741
<b>Percent Rate Increase/(Decrease)</b>	<b>9.6%</b>								

Table 4-10  
Water System Flow of Funds - Asset Replacement Plan Option 2 with Equal Annual Water Rate Increase

	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b>Operating Revenues</b>									
Water Service at Existing Rates	850,000	854,000	858,000	862,000	866,000	870,000	874,000	878,000	882,000
Water Service from Increased Rates	-	86,000	182,000	289,000	408,000	540,000	686,000	848,000	1,028,000
Other Fees and Charges	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000
<b>Total Operating Revenues</b>	883,000	973,000	1,073,000	1,184,000	1,307,000	1,443,000	1,593,000	1,759,000	1,943,000
<b>Operating Expenses</b>									
Wages and Fringe Benefits	(344,000)	(354,000)	(365,000)	(376,000)	(387,000)	(399,000)	(411,000)	(423,000)	(436,000)
Power	(58,000)	(59,000)	(60,000)	(62,000)	(64,000)	(66,000)	(68,000)	(70,000)	(72,000)
Chemicals	(40,000)	(41,000)	(42,000)	(43,000)	(44,000)	(45,000)	(46,000)	(47,000)	(48,000)
Repairs and Maintenance	(136,000)	(139,000)	(142,000)	(145,000)	(148,000)	(151,000)	(154,000)	(157,000)	(160,000)
Other Materials and Supplies	(37,000)	(38,000)	(39,000)	(40,000)	(41,000)	(42,000)	(43,000)	(44,000)	(45,000)
Other Purchases	(56,000)	(57,000)	(58,000)	(59,000)	(60,000)	(61,000)	(62,000)	(63,000)	(64,000)
<b>Total Operating Expenses</b>	(671,000)	(688,000)	(706,000)	(725,000)	(744,000)	(764,000)	(784,000)	(804,000)	(825,000)
<b>Net Operating Revenue</b>	212,000	285,000	367,000	459,000	563,000	679,000	809,000	955,000	1,118,000
<b>Non-Operating Revenues</b>									
Interest on Investments	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Availability Fees (Proposed Rates)	33,000	84,700	84,700	84,700	84,700	84,700	84,700	84,700	84,700
Grants and Other Funds	-	90,700	90,700	90,700	90,700	90,700	90,700	90,700	90,700
<b>Total Revenue Minus Operating Expenses (Net Revenue)</b>	251,000	375,700	457,700	549,700	653,700	769,700	895,700	1,045,700	1,209,700
<b>Debt Service</b>									
Payment on Outstanding Bonds	-	-	-	(24,000)	(69,000)	(69,000)	(69,000)	(69,000)	(69,000)
Payment on Proposed Bonds	-	-	-	(24,000)	(69,000)	(69,000)	(69,000)	(69,000)	(69,000)
<b>Total Debt Service</b>	-	-	-	(48,000)	(138,000)	(138,000)	(138,000)	(138,000)	(138,000)
<b>Debt Service Coverage (Net Revenue/Total Debt Service):</b>	NA	NA	NA	22.9	9.5	11.2	13.0	5.4	1.5
<b>Minimum 1.5 Recommended</b>	NA	NA	NA	1.5	1.5	1.5	1.5	1.5	1.5
<b>Capital Contributions and Expenses</b>									
Capital Expense Need from Asset Tables	(501,000)	(31,000)	(31,000)	(1,494,000)	(32,000)	(861,000)	(413,000)	(16,528,000)	-
"Pay-Go" Contribution to Capital Expense	501,000	31,000	31,000	284,000	32,000	861,000	413,000	3,428,000	-
Contribution of Bond Sale to Capital Expense	-	-	-	1,200,000	-	-	-	13,100,000	-
Contribution from Grants/ Other Outside Capital Revenue	-	-	-	-	-	-	-	-	-
<b>Net Balance</b>	-	-	-	-	-	-	-	-	-
<b>Capital Reserve Balances</b>									
Prior Year End Capital Reserves	1,987,141	1,737,141	2,112,841	2,539,541	2,781,241	3,333,941	3,173,641	3,591,341	1,016,437
"Pay-Go" Contribution to Capital Expense	(501,000)	-	(31,000)	(284,000)	(32,000)	(861,000)	(413,000)	(3,428,000)	-
Addition of Current Year Net Revenues Less Debt Service	251,000	375,700	457,700	549,700	653,700	769,700	895,700	1,045,700	1,209,700
Payments	1,737,141	2,112,841	2,539,541	2,781,241	3,333,941	3,173,641	3,591,341	1,016,437	1,998,137
New Capital Reserve Balance	-	-	-	(83,000)	(83,000)	(83,000)	(83,000)	(83,000)	(83,000)
Capital Reserves Restricted by Debt Indenture	1,737,141	2,112,841	2,539,541	2,698,241	3,250,941	3,090,641	3,508,341	24,437	406,137
Capital Reserves Available	-	-	-	-	-	-	-	-	-
<b>Percent Rate Increase/(Decrease)</b>									
	10.1%	10.1%	10.1%	10.1%	10.1%	10.1%	10.1%	10.1%	10.1%

**Table 4-11**  
**Wastewater System Flow of Funds - Asset Replacement Plan with Equal Annual Water Rate Increases**

	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b>Operating Revenues</b>									
Wastewater Service at Existing Rates	1,660,000	1,668,000	1,676,000	1,684,000	1,692,000	1,700,000	1,709,000	1,718,000	1,727,000
Wastewater Service from Increased Rates	-	40,000	82,000	125,000	170,000	216,000	263,000	311,000	361,000
Other Fees and Charges	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
<b>Total Operating Revenues</b>	<b>1,662,000</b>	<b>1,710,000</b>	<b>1,760,000</b>	<b>1,811,000</b>	<b>1,864,000</b>	<b>1,918,000</b>	<b>1,974,000</b>	<b>2,031,000</b>	<b>2,090,000</b>
<b>Operating Expenses</b>									
Wages and Fringe Benefits	(522,000)	(538,000)	(554,000)	(571,000)	(588,000)	(606,000)	(624,000)	(643,000)	(662,000)
Power	(135,000)	(138,000)	(141,000)	(145,000)	(149,000)	(153,000)	(157,000)	(161,000)	(165,000)
Chemicals	(90,000)	(92,000)	(94,000)	(96,000)	(98,000)	(100,000)	(103,000)	(106,000)	(109,000)
Repairs and Maintenance	(141,000)	(144,000)	(147,000)	(150,000)	(153,000)	(156,000)	(159,000)	(162,000)	(165,000)
Other Materials and Supplies	(23,000)	(23,000)	(23,000)	(23,000)	(23,000)	(23,000)	(23,000)	(23,000)	(23,000)
Other Purchases	(84,000)	(86,000)	(88,000)	(90,000)	(92,000)	(94,000)	(96,000)	(98,000)	(100,000)
<b>Total Operating Expenses</b>	<b>(955,000)</b>	<b>(1,021,000)</b>	<b>(1,047,000)</b>	<b>(1,075,000)</b>	<b>(1,105,000)</b>	<b>(1,132,000)</b>	<b>(1,162,000)</b>	<b>(1,193,000)</b>	<b>(1,224,000)</b>
<b>Net Operating Revenue</b>	<b>667,000</b>	<b>689,000</b>	<b>713,000</b>	<b>736,000</b>	<b>761,000</b>	<b>786,000</b>	<b>812,000</b>	<b>838,000</b>	<b>866,000</b>
<b>Non-Operating Revenues</b>									
Interest on Investments	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Availability Fees (Existing Rates)	143,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000
Grants and Other Funds	-	-	-	-	-	-	-	-	-
<b>Total Revenue Minus Operating Expenses (Net Revenue)</b>	<b>819,000</b>	<b>790,000</b>	<b>814,000</b>	<b>837,000</b>	<b>862,000</b>	<b>887,000</b>	<b>913,000</b>	<b>939,000</b>	<b>967,000</b>
<b>Debt Service</b>									
Payment on Outstanding Bonds	(470,000)	(470,000)	(470,000)	(470,000)	(470,000)	(470,000)	(470,000)	(470,000)	(470,000)
Payment on Proposed Bonds	-	-	-	-	-	-	-	(65,000)	(191,000)
<b>Total Debt Service</b>	<b>(470,000)</b>	<b>(470,000)</b>	<b>(470,000)</b>	<b>(470,000)</b>	<b>(470,000)</b>	<b>(470,000)</b>	<b>(470,000)</b>	<b>(536,000)</b>	<b>(661,000)</b>
<b>Debt Service Coverage (Net Revenue/Total Debt Service):</b>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>	<b>1.8</b>	<b>1.8</b>	<b>1.9</b>	<b>1.9</b>	<b>1.8</b>	<b>1.5</b>
<i>Minimum 1.5 Recommended</i>									
<b>Capital Contributions and Expenses</b>									
Capital Expense Need (from Asset Tables)	(200,000)	-	(284,000)	(274,000)	(1,436,000)	(360,000)	(699,000)	(5,923,000)	(35,000)
"Pay-Go" Contribution to Capital Expense	200,000	-	284,000	274,000	1,436,000	360,000	699,000	2,623,000	35,000
Contribution of Bond Sale to Capital Expense	-	-	-	-	-	-	-	3,300,000	-
Contribution from Grants/ Other Outside Capital Revenue	-	-	-	-	-	-	-	-	-
<b>Net Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital Reserve Balances</b>									
Prior Year End Capital Reserves	3,705,161	3,854,161	4,174,161	4,234,161	4,327,161	3,283,161	3,340,161	3,084,161	884,161
"Pay-Go" Contribution to Capital Expense	(200,000)	-	(284,000)	(274,000)	(1,436,000)	(360,000)	(699,000)	(2,623,000)	(35,000)
Addition of Current Year Net Revenues Less Debt Service Payments	349,000	320,000	344,000	367,000	392,000	417,000	443,000	403,000	306,000
New Capital Reserve Balance	3,854,161	4,174,161	4,234,161	4,327,161	3,283,161	3,340,161	3,084,161	884,161	1,135,161
<b>Capital Reserves Restricted by Debt Indenture</b>									
Capital Reserves Available	(470,000)	(470,000)	(470,000)	(470,000)	(470,000)	(470,000)	(470,000)	(699,000)	(699,000)
<b>Capital Reserves Available</b>	<b>3,384,161</b>	<b>3,704,161</b>	<b>3,764,161</b>	<b>3,857,161</b>	<b>2,813,161</b>	<b>2,870,161</b>	<b>2,614,161</b>	<b>165,161</b>	<b>436,161</b>
<b>Percent Rate Increase/(Decrease)</b>	<b>2.4%</b>	<b>2.4%</b>	<b>2.4%</b>	<b>2.4%</b>	<b>2.4%</b>	<b>2.4%</b>	<b>2.4%</b>	<b>2.4%</b>	<b>2.4%</b>

## Review of Adequacy of Financial Reserves

The Town of Berryville provided a calculation of its financial reserves as of September 30, 2018 for purposes of this study and asked that they be evaluated for adequacy. The Town reported "liquid accounts" with \$665,425 from the Water Fund and \$2,726,742 for the Sewer Fund. The Town also reported it has a "CIP Account" with \$1,987,141 from the Water Fund and \$3,235,161 from the Sewer Fund. Some of the funds in the CIP Account were designated for a particular future project and other funds were represented as "Capital Reserve", "Unencumbered", or "VRA Reserve". Future projects included Clearwell Expansion, Membrane Replacement, Water Line Improvements, Sewer Collection System Rehabilitation, SCADA, Equipment Repair Reserve, Water Plant Building Maintenance, and Utility Rate Study. Designating capital reserve funds to future projects can be a useful internal management tool to guide in assuring future needs are adequate but can be reviewed in the future and revised and are not binding on the Town. From the information reviewed in the analysis of financial reserves, the only funds binding on the Town from parties outside the Town were the VRA Reserve and Membrane Replacement. It is not necessary to evaluate the condition of financial reserves at the project level, and this review combined the funds into simpler categories of operating reserves (which represents the "liquid accounts") and capital reserves (which represents the CIP Account).

Two conditions are recommended for consideration in maintaining operating reserves: a minimum operating reserve for short-term cash flow, and a "rate stabilization" reserve for unanticipated conditions. For operating cash flow, best practices suggest a minimum of "60-days cash" and preferably "90-days cash". As 90 days represents approximately three months or one-fourth of a year, the minimum required for this reserve is derived by computing 25% of the projected annual expenditures. Rate stabilization can provide a cushion for events such as a significant emergency repair, an emergency declaration, a drought, or other similar unanticipated conditions that dramatically increase expenses and/or decrease revenues. The rate stabilization is calculated as 20% of operating revenues for the year. To identify the necessary minimum operating reserves, the cash flow reserve and the rate stabilization reserve are added.

The Town of Berryville presently conforms to best management practices and maintains adequate operating reserves and it is forecasted that by maintaining current levels, operating reserves will be adequate through 2027 based on the flow of funds predicted in Tables 4-10 and 4-11. Table 4-12 illustrates the adequacy of operating reserves both for the Water and Wastewater systems.

An analysis of the capital reserves is included as a part of Tables 4-10 and 4-11 and the use of such reserves are critical to the identification of additional revenue requirements. The Town's current capital reserve levels are strong, and the Town should be commended for its excellent fiscal discipline in developing strong reserves and the tools to manage them appropriately for future capital expenses. In the Flow of Funds shown in Tables 4-10 and 4-11, reserves are used toward funding of major capital expenditures in the year 2026 together with acquiring a loan or bonds to optimize financial performance that yields the benefits of the asset program. The Town's capital reserves in its Sewer Fund are especially useful to keep down the increases in rates required to meet revenue requirements. Table 4-10 shows a slow building of additional capital reserves in anticipation of the revenue required in 2026 to hold down the amount of funds borrowed and meet debt coverage requirements without large spikes in water rate increases.

Table 4-12  
Analysis of Operating Reserves

	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b>WATER</b>									
<i>Minimum Recommended:</i>									
Minimum Operating Reserve by Policy (90 days cash)	(168,000)	(172,000)	(177,000)	(181,000)	(186,000)	(191,000)	(196,000)	(201,000)	(206,000)
Minimum Rate Stabilization Reserve (20% of Operating Revenues)	(177,000)	(195,000)	(215,000)	(237,000)	(261,000)	(289,000)	(319,000)	(352,000)	(389,000)
<i>Total as Minimum Required</i>	(345,000)	(367,000)	(392,000)	(418,000)	(447,000)	(480,000)	(515,000)	(553,000)	(595,000)
<i>Operating Reserves Available</i>									
Operating Cash Balance Beginning of Year	665,000	665,000	665,000	665,000	665,000	665,000	665,000	665,000	665,000
Budgeted Use During Year	-	-	-	-	-	-	-	-	-
Operating Cash Balance End of Year	665,000	665,000	665,000	665,000	665,000	665,000	665,000	665,000	665,000
<i>Operating Cash Reserve Surplus/(Deficit)</i>	320,000	298,000	273,000	247,000	218,000	185,000	150,000	112,000	70,000
<b>WASTEWATER</b>									
<i>Minimum Recommended:</i>									
Minimum Operating Reserve by Policy (90 days cash)	(249,000)	(255,000)	(262,000)	(269,000)	(276,000)	(283,000)	(291,000)	(298,000)	(306,000)
Minimum Rate Stabilization Reserve (20% of Operating Revenues)	(332,000)	(342,000)	(351,000)	(363,000)	(371,000)	(382,000)	(392,000)	(403,000)	(415,000)
<i>Total as Minimum Required</i>	(581,000)	(597,000)	(613,000)	(630,000)	(647,000)	(665,000)	(683,000)	(701,000)	(721,000)
<i>Operating Reserves Available</i>									
Operating Cash Balance Beginning of Year	2,727,000	2,727,000	2,727,000	2,727,000	2,727,000	2,727,000	2,727,000	2,727,000	2,727,000
Budgeted Use During Year	-	-	-	-	-	-	-	-	-
Operating Cash Balance End of Year	2,727,000	2,727,000	2,727,000	2,727,000	2,727,000	2,727,000	2,727,000	2,727,000	2,727,000
<i>Operating Cash Reserve Surplus/(Deficit)</i>	2,146,000	2,130,000	2,114,000	2,097,000	2,080,000	2,062,000	2,044,000	2,026,000	2,006,000

## 5. Future Rate Design Options and Recommendations for Meeting Additional Revenue Requirements

The Town of Berryville is taking an important step in total management and sustainability of the assets of its water and wastewater system through an analysis of the age and general condition of the assets, with a schedule for replacing assets at the expected end of their service life. Further, this report has developed a schedule for replacing those assets in which the service life will come due within the next 20 years and has provided a financial analysis through the year 2027 of the revenues that would be required to achieve the asset replacement scheduled within those years, including obtaining a loan in 2026.

This analysis should be viewed as a starting point for further discussion and may inform but not fully represent the final decisions made by the Town over the next 8 to 10 years. First, the analysis in this report assumes that the only source of revenue for this asset program will be local water and wastewater revenues from fee increases. Every effort should be made to find other potential sources of revenue, possibly in the form of grants or below-market interest rates on loans, even though the market for grant opportunities is very difficult. A few years ago, the Town was successful in obtaining an interest-free loan from the Virginia Resource Authority toward financing a new wastewater treatment plant and was also able to take advantage of grants from the Virginia Water Quality Improvement Fund.

Second, the asset evaluation described in this report should be a starting point for further steps toward sustainable asset management, with the ultimate goal of optimizing expenses for asset renewal and reliability. It is recommended that a next step be a more detailed asset evaluation of large projects scheduled for replacement within the next 10 years. These projects include the water treatment plant, raw water pumping station, and river intake facility for the water system, and the replacement of aging concrete and cast-iron pipe and aging manholes in the wastewater system. The goal of a detailed evaluation would be to identify if there are any strategies whereby assets could be modified or extended to increase their service life at less overall life-cycle cost than the replacement of the asset. For the water plant and the intake and pumping facilities, this would be accomplished through a detailed engineering study well beyond the scope of this study. Its conclusions could better inform the Town as to the optimal strategy for long-term asset performance. For the wastewater system, it is suggested that a sewer system evaluation survey using closed circuit cameras and physical manhole inspections be conducted in an engineering study to determine if alternative renewal strategies may be more cost-effective. Numerous "in-situ" strategies today provide lining systems without excavation and replacement that could provide extended service life.

For all discussions within this Chapter 5 regarding rate designs, it is assumed that Water Meter Option 2 is selected for the asset replacement schedule.

Even though additional engineering studies may refine the asset management program developed by this study, which may then refine the financial strategy, it is very clear that the Town of Berryville has aging water and wastewater assets that will require capital expenditures within the next 5 to 10 years and beyond, and these expenditures will require greater revenues than the Town is currently collecting. There are numerous directions in which the Town Council and management could choose to initiate the collection of revenues that will ultimately be required. This report suggests one strategy as implementing the changes in the Town's water and wastewater rates identified by the analysis herein (increase overall operating revenue by 10.1% for water per year and 2.4% for wastewater per year) for a 5-year period while conducting the additional engineering studies recommended to refine the asset management program. It will require several months to perform these engineering studies, and once they are completed, to the extent the recommendations modify the revenue requirements, the water and wastewater rates can be revisited and modified as appropriate.

## *Rate Design Options*

Several different forms or rate designs are accepted within the water industry and used to obtain sufficient revenue to meet future operating and capital needs. The specific design selected by any given community is a choice reflective of the community's strategic plan, vision and goals as much or more than any technical or management need for the water and wastewater utility. Different rate designs can produce the same amount of overall annual revenue, each satisfying the utility's need. The difference between rate designs is in the weight that different classes of customers carry in providing that revenue, based on the size, class, or volume of use by the customer.

Three different types of rate designs are the most commonly used and each is evaluated in this Chapter. The three designs include: (1) Flat Rates; (2) Declining Rates; and (3) Inclining Rates. The methodologies for calculating each of these types of rate design are well accepted and defined by AWWA. For each type of rate design a minimum charge can be overlaid; for purposes of comparing rate designs the discussion of minimum charge is postponed until a later part of this Chapter.

Flat Rates describes a condition where one rate is set per unit of consumption (the Town uses 1,000 gallons as a unit of consumption) and applies to each and every unit registered without respect to the size of the customer or the amount of water or wastewater service used. The Town presently uses this design. For example, the current Town water rate is \$8.40 per 1,000 gallons. A customer using 3,000 gallons or 3 units in a month pays \$8.40 for each unit, for a total of \$25.20 – the customer pays the same amount for each unit. Likewise, a customer using 100,000 gallons or 100 units still pays the same for each unit, including an added \$8.40 for the last 1,000 gallons consumed.

Declining Rates describe a condition where the unit cost of water declines with a greater number of units consumed within a billing cycle and is commonly provided in three to four blocks of consumption. An example would be that a customer pays \$10 each 1,000 gallons for the first 4,000 gallons, then pays \$9 per 1,000 gallons for the next 4,000 gallons, etc. Inclining Rates describe the opposite condition, where the unit cost of water increases for higher consumption within a billing cycle.

Each rate design has its own advantages as well as disadvantages, which may or may not be in harmony with the community goals, thereby a public policy choice. Advantages of Flat Rates include the ease of use and understanding, and a strong appearance of fairness in that each unit of consumption costs the same. Declining Rates have an advantage of reflecting the reality that customers using higher quantities of water through larger meters, including commercial, institutional and industrial accounts, more often than not use water at a more steady rate with lower peaks than smaller (residential) customers, and higher peaks require greater utility system capacity and higher costs to manage. Declining Rates also signal as public policy an encouragement for the growth and development of new business that can produce jobs in the community but require larger volumes of water. Inclining Rates, properly designed, speak to the sustainability of water and encouragement of conservation practice, and if they are successful in reducing consumption can be financially favorable to utilities nearing system capacity by postponing the need for system expansion. The caution with Inclining Rates is that they must apply only within a relatively homogeneous customer class. Comparing water use of one single-family residence to another single-family residence is fairly homogeneous, whereas comparing water use by a single-family residence to water consumed through one meter and account serving a 100-unit hotel can never be homogeneous.

To overcome this caution with Inclining Rates, this report suggests its use only within the residential class, applied as water and wastewater use per residential unit.

*Flat Rate Design Option for the Town of Berryville Revenue Needs*

All Rate Designs provided in this section of the report are targeted to achieve the forecasted annual revenue requirements shown in Table 4-10 (Water) and Table 4-11 (Wastewater) and provide funding for the schedule of asset replacements shown in Chapter 3. The Flat Rate Design is the simplest, once the total operating revenues required for a given year and the forecasted total consumption are both determined, the expected total consumption is simply divided into the total revenue needed. Table 4-10 and Table 4-11 provide both the revenue needed and consumption anticipated (as a percent of growth from the "test year"). The Flat Rate Design for a 5-Year period for the Town of Berryville is provided in Table 5-1.

**Table 5-1**  
**Flat Rate Design for Town of Berryville Water and Wastewater Rates**

	Current	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>WATER</b>						
Per 1,000 gallons of usage	\$ 8.40	\$ 9.26	\$ 10.20	\$ 11.24	\$ 12.39	\$ 13.65
<b>SEWER</b>						
Per 1,000 gallons of usage	\$ 17.00	\$ 17.39	\$ 17.79	\$ 18.20	\$ 18.62	\$ 19.05

*Declining Rate Design Option for the Town of Berryville Revenue Needs*

The design of the Declining Rate Option followed the guidelines and recommendations published in Manual of Practice M1 published by AWWA. The Base-Extra Capacity Method was chosen and a distribution of water consumption by customer class and account was provided through billing data by the Town of Berryville. Billing data from the 12-month period of September 2017 through August 2018 was chosen. Customer classes evaluated included Residential, Commercial, Institutional, and Industrial. When it was determined that Commercial and Institutional were similar, these two classes were combined into one. The Industrial class was retained separately though it was noted that this database is much smaller as the Town of Berryville has a limited number of Industrial accounts. As is typical of most utilities, the Town of Berryville did not have real-time data on maximum day and maximum hour peak uses for individual customer classes, accordingly these peak conditions were assumed from examples provided in the AWWA Manual as typical.

Table 5-2 provides the results of the Declining Rate Design. By comparison to the Flat Rates in Table 5-1, customers will pay more for the first 3,000 gallons of water under declining rates, but for larger customers the cost of water decreases as use increases. Most residential customers, which is a significant percentage of the Town's accounts, will pay more per month for water under Declining Rates than Flat Rates, and most Commercial, Institutional and Industrial customers will pay less.

**Table 5-2**

**Declining Block Rate Design for Town of Berryville Water and Wastewater Rates**

	Current	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>WATER</b>						
First 6,000 gallons of usage	\$ 8.40	\$ 10.24	\$ 11.28	\$ 12.44	\$ 13.70	\$ 15.10
Next 8,000 gallons of usage	\$ 8.40	\$ 8.54	\$ 9.41	\$ 10.37	\$ 11.43	\$ 12.59
Next 46,000 gallons of usage	\$ 8.40	\$ 7.53	\$ 8.30	\$ 9.14	\$ 10.08	\$ 11.11
Usage beyond 60,000 gallons	\$ 8.40	\$ 6.18	\$ 6.81	\$ 7.51	\$ 8.27	\$ 9.11
<b>SEWER</b>						
First 6,000 gallons of usage	\$ 17.00	\$ 18.20	\$ 18.62	\$ 19.05	\$ 19.48	\$ 19.93
Next 8,000 gallons of usage	\$ 17.00	\$ 15.70	\$ 16.06	\$ 16.43	\$ 16.81	\$ 17.20
Next 46,000 gallons of usage	\$ 17.00	\$ 15.10	\$ 15.45	\$ 15.80	\$ 16.17	\$ 16.54
Usage beyond 60,000 gallons	\$ 17.00	\$ 11.95	\$ 12.22	\$ 12.51	\$ 12.79	\$ 13.09

*Note: Usage is as measured within a single billing cycle. Billing is monthly. All rates are cast per 1,000 gallons.*

**Inclining Rate Design Option for the Town of Berryville Revenue Needs**

The design of the Inclining Rate Option followed the guidelines and recommendations published in Manual of Practice M1 published by AWWA. First and foremost, AWWA recommends this type design apply only to a homogeneous class of customers of similar size and required usage patterns. As a result, inclining rates are rarely used within the water industries for customer classes other than residential. A review of the Town's commercial, institutional, and industrial accounts confirms that these customers are of varying sizes and usage patterns (e.g., a commercial laundry will by nature of its business have a very different water use pattern compared to a retail store. For simplicity of administration of the rate design, Inclining Rates proposed to the Town of Berryville will apply only to residential customers, and other classes of customers will be charged Flat Rates.

Multiple-Family accounts may be billed as Residential Customers, provided the Rate Table is applied as per dwelling unit. This does require the Town to maintain within its billing records the number of dwelling units applied to a single account, and a billing system that is able to calculate an individual account rate table using the adopted rates applied to multiple dwelling units; some billing systems require program modification for this calculation to occur. As an example, assume an Inclining Rate Block is adopted as \$8.95 per 1,000 gallons for the first 3,000 gallons then \$9.86 per 1,000 gallons for the next 3,000 gallons used per dwelling unit. Then assume a meter is read and 5,000 gallons is consumed in a billing cycle. If that meter were attached to a single-family dwelling, \$8.95 would apply to the first 3,000 gallons and \$9.86 to the next 2,000 gallons. However, if that meter were attached to a triplex serving three separate dwellings, \$8.95 would apply to all 5,000 gallons as the first 3,000 gallons per unit is 3,000 x 3 equals the first 9,000 gallons on the meter.

Further, on occasion water piping within a Multiple-Family complex may be looped to serve multiple buildings and include fire protection, connected to the multiple system through two or more meters. If such situations exist within the Town, it may be necessary to combine multiple meters into a single account for billing purposes and define how billing is adjusted when there is water use for fire protection.

The principle behind Inclining Rates is that among users of similar size and usage patterns, a customer who chooses to use more water places a higher burden on the cost of peak capacity of the water and wastewater system than a customer who conserves and uses less water. AWWA methodology allows a degree of flexibility in how this peaking capacity is charged. For this study, only the depreciation cost of the replacement of the future assets is weighted based on water use, in increments of 3,000-gallon blocks, to establish the inclining rates.

There is a financial risk in converting from Flat Rates to Inclining Rates that is extremely difficult to measure as foresight. The risk is that residential customers presently using higher volumes of water (e.g., irrigation of lawns) may reduce consumption to avoid the charges in the higher blocks. This may be a desirable outcome from the standpoint of sustainability, but it can also mean lower actual operating revenues than forecasted. Some attempt to plan for this possibility has been built into the design of rates in this report, as it was assumed that residential customers now using greater than 6,000 gallons per month per dwelling will reduce consumption by 5% under the Inclining Rates. If Inclining Rates are adopted, this trend should be monitored, and rates adjusted if needed.

Table 5-3 provides the results of the Inclining Rate Table design.

**Table 5-3**  
**Inclining Block Rate Design for Town of Berryville Water and Wastewater Rates**

*Residential Customers Only - Usage is per dwelling unit within a single monthly billing cycle*

	Current	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>WATER</b>						
First 3,000 gallons of usage	\$ 8.40	\$ 8.95	\$ 9.86	\$ 10.87	\$ 11.98	\$ 13.20
Next 3,000 gallons of usage	\$ 8.40	\$ 9.75	\$ 10.74	\$ 11.84	\$ 13.05	\$ 14.38
Next 3,000 gallons of usage	\$ 8.40	\$ 11.35	\$ 12.51	\$ 13.78	\$ 15.19	\$ 16.74
Usage beyond 9,000 gallons	\$ 8.40	\$ 14.85	\$ 16.36	\$ 18.03	\$ 19.87	\$ 21.90

<b>SEWER</b>						
First 3,000 gallons of usage	\$ 17.00	\$ 17.15	\$ 17.54	\$ 17.95	\$ 18.36	\$ 18.78
Next 3,000 gallons of usage	\$ 17.00	\$ 18.10	\$ 18.52	\$ 18.94	\$ 19.38	\$ 19.82
Next 3,000 gallons of usage	\$ 17.00	\$ 19.40	\$ 19.85	\$ 20.30	\$ 20.77	\$ 21.25
Usage beyond 9,000 gallons	\$ 17.00	\$ 23.00	\$ 23.53	\$ 24.07	\$ 24.62	\$ 25.19

*Commercial, Institutional and Industrial Customers*

<b>WATER</b>						
Per 1,000 gallons of usage	\$ 8.40	\$ 9.26	\$ 10.20	\$ 11.24	\$ 12.39	\$ 13.65

<b>SEWER</b>						
Per 1,000 gallons of usage	\$ 17.00	\$ 17.39	\$ 17.79	\$ 18.20	\$ 18.62	\$ 19.05

*Note: Multiple-Family accounts use Residential Customers table with rates calculated per dwelling unit*

*Discussion Regarding Rate Design Options*

Three different rate designs have been provided above, each of which are designed to achieve the same revenue requirements. Each design serves a different purpose, and the purposes are embedded in community goals and public policy. In that sense there is no right or wrong answer as long as the objectives of each design are understood and the rate design that is adopted is in harmony with community goals. This discussion does not attempt to make a firm recommendation as to which option the Town Council should adopt but does make a few observations as suggestions toward the Council's deliberation.

- The Town's current Flat Rates are very competitive with nearby communities for accounts with 3,000 gallons per month or less water use, but its fees are higher than most nearby communities at higher levels of consumption. A shift to Inclining Rates will increase that effect with respect to residential customers. A shift to Declining Rates will reduce that effect.

- Inclining Rates work best for a water or wastewater system that is approaching its capacity and facing major capital costs to expand its infrastructure that can be delayed through conservation – if revenue declines as a result of Inclining Rates, it can be offset by a reduced short-term capital improvement program. This structure does not work as well for a utility with plenty of excess capacity in its infrastructure but facing a need for renewal of end of life assets. Revenue is needed for renewal without respect to reductions in consumption, thereby lower consumption requires higher rates in an attempt to retain the needed revenue, and customers who expect to pay less as a reward for conservation can be frustrated.
- The Town of Berryville average consumption per residential unit is 113 gallons per day. This quantity is lower than current averages in published statistics throughout North America, indicating that some reasonable level of conservation is already a part of the fabric in the community. Approximately 60% of single dwelling households in the Town use 3,000 gallons per month or less.
- Trends within the water industry today are moving in the direction of Flat Rates to Inclining Rates and away from Declining Rates. Most communities used Declining Rates in the 1960s through 1980s, but many moved away from this design in a greater promotion of sustainability and conservation. Interestingly, Declining Rates are still a part of a majority of the nearby communities surveyed as part of this study.
- Flat Rates are the simplest and easiest to administer. Greater complexity can make customer understandability and satisfaction more complex and can increase the risk of billing errors.

Through its review of data as a part of this study, Pennoni did not identify any compelling reasons to recommend that the Town of Berryville shift its rate design from the current Flat Rates to either the Declining or Inclining Rate structures. At the same time, each of the rate structures presented in this Chapter represent fair and reasonable approaches with acceptable and proven methods to obtain the revenue the Town requires to effectively maintain and replace its assets to maintain an acceptable level of service to the community. Most important is that the rate design selected be aligned with the strategic vision and goals of the community.

#### *Review of Minimum Charge in the Current Rate Structure*

Expenses for water and wastewater operations can be segregated into two-types: expenses that are variable with the quantity of water or wastewater conveyed and treated, and expenses that are fixed without respect to quantity of flow or treatment. General administrative costs are considered fixed costs as are some of the costs of operation and maintenance. For the most part, personnel costs in operation and maintenance are considered fixed costs. By example, an appropriately certified treatment plant operator is required by permitting to be on-site to operate most water treatment and wastewater treatment facilities when the facilities are in operation. Except for extraordinary circumstances, the number of personnel on-site do not vary with flow.

AWWA rate methodology endorses a strategy whereby water and wastewater utilities can establish a minimum charge per account in order to assure that all customers are contributing reasonably to the fixed costs of the utility regardless of metered consumption. Many utilities, including the Town of Berryville and the utilities represented in the comparative analysis performed in this study, include a minimum charge per bill as well as a charge per unit volume of water or wastewater service provided. This study included a review of the Town of Berryville's current minimum charges of \$5.00 per bill for water service and \$15.00 per bill for wastewater service.

To conduct this review, operating expenses for the "test year" were reviewed at a budget summary level to identify a percentage of expenses to be labeled as "fixed". Fixed costs included all general administration expenses, all personnel wages and fringe benefits, and select operating costs that included 20% of electricity costs (representing demand and customer components of electric rates), permit, fees and laboratory testing costs, Miss Utility costs, and professional services costs. If only general administrative expenses are considered, a fixed cost would be \$3.00 per bill for water and \$3.00 per bill for wastewater service. If operating personnel and select operating costs are added, fixed costs could be as high as \$13.75 per bill for water service and \$30.25 per bill for wastewater service.

There are two widely accepted practices for applying fixed costs in utility bills. One method is to establish a specific fixed cost for every bill that is added to a variable cost based on consumption, with the bill being the sum of a fixed cost and a variable cost. The second method is to calculate all bills based on the variable cost (\$ per 1,000 gallons), and then apply the unit of consumption times the variable cost as the bill except when this calculation is below the minimum amount, in which case the minimum applies. The Town presently uses the second method, with a minimum charge, and in the comparative analysis it was identified that other nearby communities' trend toward the second method as well. When using the second method, the minimum bill is generally set higher than the fixed cost calculation, recognizing that within the minimum amount is an allowance for some consumption within the variable costs.

In reviewing the Town of Berryville's accounts, this study recommends that the Town retain the current method of a minimum charge that includes an allowance for consumption, but further recommends that the minimum charge be increased from the current \$5.00 for water and \$15.00 for wastewater to an amount equivalent to the first 2,000 gallons of consumption. This increased allowance is a very reasonable and good fit when considering all administrative and operating fixed costs as defined above. For simplicity, the minimum charge equivalent to 2,000 gallons of consumption could apply to whichever rate design the Town selected.

If the Town were to prefer a fixed cost per bill separate from consumption allowance, this study would suggest that fixed amount be set at \$3.00 per bill for water and \$3.00 per bill for wastewater, considering only the general administrative costs. A fixed charge as high as \$13.75 per bill for water and \$30.25 for wastewater is not recommended, as it would result in an unintended significant increase in cost to customers using between 2,000 gallons and 4,000 gallons per month, which represents 51% of the customer base.

#### *Rates for Customers Outside Town Limits*

The Town of Berryville currently does not include a surcharge for customers who are outside of the Town's corporate limits, but such practice is allowed both by AWWA's defined practices and under laws of the Commonwealth of Virginia, and many municipalities in the Commonwealth of Virginia do adopt this surcharge. The legal test is that such surcharges be fair and reasonable. The Town has a very limited number of customers outside the Town's limits, but review of the billing data on these limited accounts within the residential category does show about 10% higher consumption than per dwelling consumption for accounts within the Town. Furthermore, it is known within the industry that suburban residential areas have larger lots on average and higher peak water use as a ratio to average consumption compared to in-town lots and residences. Finally, AWWA suggest that a rate of return should be considered by the Town for outside Town customers, similar to how a private sector water utility may expect a return for its investors, as property owners outside the Town are not contributing to tax revenues and ultimately it is the Town and its residences who bear the burden for the risks and consequences of risk failure should they occur in operating an water and wastewater utility.

Considering all these factors, it would be reasonable for the Town to consider a 25% surcharge on all accounts outside the Town's corporate limits as a part of monthly billing. This surcharge would apply to the rate calculated by whatever rate design the Town Council chooses and would apply to every class of customer.

The 25% surcharge could also apply to Availability Fees for a new service approved outside the Town's corporate limits, if there are no current plans to annex the property in the foreseeable future. Since Availability Fees are a one-time "buy-in" for a new customer proposed to be added to the system for the long-term, the Town should consider waiving the surcharge on the Availability Fee for new customers within the proposed Annexation Area, although surcharges would apply to monthly billing until the month when the property served effectively becomes a part of the Town limits.

### *"Crystal Balling" the Future of Water and Wastewater Regulations*

The advance of federal and state regulations regarding drinking water and water discharge to streams and rivers has made a dramatic impact on the quality of both public health and the environment over the past 50 years, starting with the passage of the federal Clean Water Act and the Safe Drinking Water Act in the 1970s as well as the creation of the Environmental Protection Agency. At the same time, the emerging regulatory environment has often created a significant challenge to long-term financial planning for water and wastewater utilities. As advancement in public health and the environment has occurred, new issues were often discovered, and the public interest in quick results has produced new regulations, often requiring significant capital improvement, with a short timeline for implementation and compliance. A case-in-point is the development of wastewater regulations and impact on wastewater treatment facilities, with primary treatment in the 1960s growing to secondary treatment in the 1980s, advanced ammonia removal in the 1990s, and enhanced nitrogen and phosphorus removal in the 2000s to the present. Although developing a "crystal ball" for future regulations can be very tricky and speculative, it has become a part of today's rate studies.

There are no specific changes in capital improvement planning currently being recommended to the Town of Berryville based on anticipating future recommendations, but this section of the report does discuss some trends that the Town should keep in its vision. One is a trend toward requiring utilities to adopt and maintain asset management programs as a condition in federal and state revolving fund low-interest financing, and even some trends toward making asset management a regulatory requirement in permitting. The Evaluation of Assets in this report makes a strong effort in this direction, but today's discussion within the water industry is moving toward asset management as a continuing program integrating maintenance and performance in contrast to a study performed periodically. This report recommends efforts toward asset renewal and maintenance, which is aligned with this regulatory trend.

Another trend to watch is the development of new drinking water regulations that may result from EPA's Contaminant Candidate List and Regulatory determinations, an ongoing process of regulating new contaminants incorporated into the Safe Drinking Water Act. One current topic of significant conversation is perfluoroalkyl and polyfluoroalkyl substances, expected to be regulated at the federal level within the next two years. These substances are not known to be in the Town's water supply but is an area of awareness, as special removal technology is required. Other organic compounds and a class of "emerging contaminants" that include by-products of endocrines or personal care products are on the EPA's current Candidate List. EPA published its Candidate Lists at <https://www.epa.gov/ccl/basic-information-ccl-and-regulatory-determination>.

On the wastewater side, clean water regulations in Virginia have seen significant changes within the past 15 years, largely as a result of the public goal of "cleaning up" the Chesapeake Bay. Nitrogen and phosphorus allocations were established for most wastewater plants in Virginia in 2005, including the Town's facility, and significant capital expenditures have been required to address these regulations. EPA adopted a Total Maximum Daily Load (TMDL) standard for the Chesapeake Bay in 2010, and is under an ongoing review presently, but most expectations are that there will not be significant changes, if any, in wastewater plant allocations within the Potomac/Shenandoah river basin. The Town of Berryville constructed a new wastewater treatment plant about 2010 and is in compliance with the current nitrogen and phosphorus standards.

The Virginia Division of Environmental Quality (DEQ) has recently proposed new ammonia standards for wastewater treatment plants, but the Town's current advanced facility should meet the ammonia criteria. Other current DREQ initiatives have focused more on stormwater.

Similar to the Contaminant List for Drinking Water, the federal Clean Water Act requires a Tri-Annual Review for Clean Water in which states report to EPA on the health of the nation's rivers and invite public comment, and the Clean Water Act has provisions for developing TMDL's for rivers that are not meeting designated use standards. These processes bear watching to be abreast as early as possible if trends develop that may affect local capital needs.

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Proposed Amendment to Berryville Code Sec. 10-64.1: *Two Hours' Free Parking in Time-Restricted or Metered Spaces*

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Background

§46.2-1245 of the Virginia Code permits four hours of no-cost parking in time-restricted or metered spaces for vehicles on which disabled parking license plates or placards are displayed. The Virginia Code permits the Town Council to determine that section §46.2-1245 does not apply within the corporate limits of the Town, provided that the Council adopts an ordinance approving such a determination and that reasonable notice of that decision is provided.

Berryville Code Sec. 10-64.1, which was adopted by the Town Council, provides for up to two hours of no-cost parking in time-restricted or metered spaces for vehicles on which disabled parking license plates or placards are displayed.

At its February 23, 2023 meeting, the Public Safety Committee reviewed this matter and recommends that the Town Council consider amending Berryville Code Sec. 10-64.1 to change two hours to four hours. The Committee determined that it is best to utilize the four-hour limit contained in §46.2-1245 of the Virginia Code because it would eliminate confusion.

At its April 11, 2023 meeting, the Town Council determined that it would seek public input on the proposal to amend Berryville Code Sec. 10-64.1.

Proposal

The attached draft version of Berryville Code Sec. 10-64.1 provides for four hours of no-cost parking in time-restricted or metered spaces for vehicles on which disabled parking license plates or placards are displayed.

Attachments

- Minutes of the February 23, 2023 Public Safety Committee
- §46.2-1245 of the Virginia Code
- Draft version of Berryville Code Sec. 10-64.1

Recommended action

Staff recommends amendment to Berryville Code Sec. 10-64.1 to permit up to four hours of "free" parking in time-restricted and metered spaces.

Sample motion

I move that the Council of the Town of Berryville adopt the attached ordinance amending Berryville Code Sec. 10-64.1.

**BERRYVILLE TOWN COUNCIL PUBLIC SAFETY COMMITTEE**

**Berryville-Clarke County Government Center**

**MINUTES**

**February 23, 2023**

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A meeting of the Berryville Town Council Public Safety Committee was held on Thursday, February 23, 2023 at 3:00 p.m. in the Berryville-Clarke County Government Center, located at 101 Chalmers Court in Berryville, Virginia.

**Attendance:**

Members of the Committee: Chair Grant Mazzarino, William Steinmetz

Staff: Town Manager Keith Dalton, Deputy Town Manager Jean Petti, Town Clerk Paul Culp

Media: none

**1. Call to Order**

Mr. Mazzarino called the meeting to order at 3:00 p.m.

**2. Approval of Agenda**

The agenda was approved by consensus on a motion by Mr. Steinmetz.

**3. Unfinished Business**

None.

**4. New Business**

**Berryville Code Section 10-64-1: Parking for the Disabled**

Mr. Mazzarino asked Mr. Dalton to explain what might need to be reviewed.

Mr. Dalton said Section 10-64.1 provides motorists who have handicap license plates or placards with two hours of parking without charge in time-restricted and metered spaces. He said the Code of Virginia provides for four hours of parking without charge in such spaces but permits localities to limit that time to two hours. He said that the Council had limited the no-charge parking time to two hours, but that he wants to make sure the Town meets the requirement that the public be made aware of the two-hour limit.

Mr. Dalton said he recommended that either stickers informing the public of the two-hour limit be placed on the meter heads or that the Council consider amending the Town Code to permit a four-hour limit. He said the Police Department will enforce the four-hour limit until such time as the matter has been discussed by the Council.

Mr. Dalton said the Streets and Utilities Committee will examine the availability of public handicap parking in the downtown area and he intends, after the two committees and the Council have completed their work, to send a flyer to downtown businesses to highlight off-street parking facilities and encourage business owners to use facilities like the Rixey Moore Parking lot and leave the on-street parking open for patrons.

Mr. Steinmetz said four hours would be a safe default, and Mr. Mazzarino concurred. Mr. Dalton said the two-hour no-cost parking limit had likely been adopted to be consistent with the two-hour limit on the metered spaces.

Mr. Steinmetz asked whether enforcement is complaint-based. Mr. Dalton said patrol officers respond to complaints and check the meters as a part of their regular rounds.

Mr. Dalton said the Streets and Utilities Committee will examine the availability of public handicap parking in the downtown area on March 15. He noted that when determining where a handicap space can be reserved, safety is paramount.

### **Short-term Rentals**

Ms. Petti said she had no new information to add to the report and discussion in the February 14 meeting of the full Council.

Mr. Mazzarino asked about the means of enforcing code provisions. Ms. Petti said it might be possible to prohibit advertising by entities that commit violations. She said Airbnb enjoins compliance and advises property owners of the possibility of locally mandated restrictions, but that code revisions might require some refinement of definitions.

Mr. Dalton asked whether regulation of parking is covered under zoning. Ms. Petti said it is part of the protocol for establishing maximum occupancy.

Mr. Dalton and Ms. Petti briefly discussed the possibility of creating a register. Mr. Steinmetz said this would be better than having inspections.

There was a discussion of owner-occupancy provision.

There was a discussion of whether accessory structures of less than 600 square feet would qualify. Mr. Dalton said no, and that use of the term "dwelling unit" would be advisable.

Mr. Mazzarino said the committee would propose no ordinance at present and that staff should draft a code amendment.

#### **Departmental Report**

There was a brief discussion of the Police Department's current fully staffed status, with personnel including one new officer and a recently promoted sergeant.

Mr. Steinmetz recommended that interested parties inform themselves about public service grants for police officers.

There was a brief discussion of current and near-future equipment upgrades.

#### **5. Other**

No other business came before the committee.

#### **6. Closed Session**

None.

#### **7. Adjourn**

The meeting adjourned by consensus at 3:45 p.m. on a motion by Mr. Steinmetz.

Code of Virginia  
Title 46.2, Motor Vehicles  
Chapter 12.1, Parking for Persons with Disabilities

**§ 46.2-1245. Four hours' free parking in time-restricted or metered spaces; local option.**

A. The disabled person, vehicle owner, or volunteer for an institution or organization to which disabled parking license plates, organizational removable windshield placards, permanent windshield placards, or temporary removable windshield placards are issued or any person to whom disabled parking license plates or placards are displayed for up to four hours in metered or unmetered parking zones restricted as to length of parking time permitted and shall be exempted from paying parking meter fees of any county, city, or town.

B. This section shall not apply to any local ordinance which creates zones where stopping, standing, or parking is prohibited, or which creates parking zones for special types of vehicles, nor shall it apply to any local ordinance which prohibits parking during heavy traffic periods, during specified rush hours, or where parking would clearly present a traffic hazard.

C. The governing body of any county, city, or town may by ordinance provide that this section shall not apply within the boundaries or within any designated portion of such county, city, or town. Any county, city, or town adopting an ordinance pursuant to this subsection shall indicate by signs or other reasonable notice that the provisions of this section do not apply in such county, city, or town or designated portion thereof.

1997, cc. [783](#), [904](#); 2012, cc. [17](#), [286](#).

Sec. 10-64.1. - ~~Two~~ Four hours' free parking in time-restricted or metered spaces.

- (a) The disabled person, vehicle owner, volunteer or employee for an institution or organization to which disabled parking license plates, organizational removable windshield placards, permanent windshield placards, or temporary removable windshield placards are issued or to whom disabled parking license plates have been issued under the Code of Virginia, § 46.2-739(B) shall be allowed to park the vehicle on which such license plates or placards are displayed for up to ~~two~~ four hours in metered or unmetered parking zones restricted as to the length of time permitted and shall be exempted from paying parking meter fees of the town.
- (b) This section shall not apply to zones where stopping, standing, or parking is prohibited, or parking zones for special types of vehicles, or where parking would clearly present a traffic hazard.

( Ord. of 1-9-18(2) )

**State Law reference**— Similar provision, Code of Virginia § 46.2-1245.

AN ORDINANCE ADOPTING  
CHANGES TO AN ORDINANCE SECTION OF THE BERRYVILLE  
CODE – MOTOR VEHICLES AND TRAFFIC

BE IT ORDAINED, by the Council of Town of Berryville, that the Code of the Town of Berryville, is amended by amending Section 10-64.1 as follows:

Sec. 10-64.1. - ~~Two~~ Four hours' free parking in time-restricted or metered spaces.

- (a) The disabled person, vehicle owner, volunteer or employee for an institution or organization to which disabled parking license plates, organizational removable windshield placards, permanent windshield placards, or temporary removable windshield placards are issued or to whom disabled parking license plates have been issued under the Code of Virginia, § 46.2-739(B) shall be allowed to park the vehicle on which such license plates or placards are displayed for up to ~~two~~ four hours in metered or unmetered parking zones restricted as to the length of time permitted and shall be exempted from paying parking meter fees of the town.
- (b) This section shall not apply to zones where stopping, standing, or parking is prohibited, or parking zones for special types of vehicles, or where parking would clearly present a traffic hazard.

( Ord. of 1-9-18(2) )

**State Law reference**— Similar provision, Code of Virginia § 46.2-1245.

VOTE:

Aye –

Nay –

Absent –

ATTEST: \_\_\_\_\_  
Erecka L. Gibson, Vice Mayor

DATE: \_\_\_\_\_

**Berryville Town Council Item Report Summary**  
**May 9, 2023**

**Item Title:**

Consent Agenda: Approval of Minutes

**Prepared By:**

Town Clerk

**Background/History General Information**

A consent agenda is a tool utilized by the Town Council for grouping routine business and reports into one agenda item. Any Council member may, as a matter of privilege, remove an item from the consent agenda and have it replaced with another agenda item.

**Findings/Current Activity**

The consent agenda comprises four items to be considered for approval:

- Minutes of the 04.11.2023 Town Council regular meeting
- Minutes of the 04.24.2023 meeting of the Personnel Committee
- Minutes of the 04.25.2023 meeting of the Community Development Committee
- Minutes of the 04.25.2023 meeting of the Streets and Utilities Committee

**Financial Considerations**

None.

**Schedule/Deadlines**

Timely approval of minutes is preferable, but no deadline for such approval exists.

**Other Considerations**

None

**Attachments**

1. Consent Agenda

**Recommendation**

Approval.

**Sample Motion:** I move that the Council of the Town of Berryville approve the consent agenda.

**MINUTES**  
**BERRYVILLE TOWN COUNCIL**  
Berryville-Clarke County Government Center  
Regular Meeting  
April 11, 2023  
6:30 p.m.

**Town Council:** Present—Harry Lee Arnold, Jr., Mayor; Erecka L. Gibson, Vice Mayor; William Steinmetz; Diane Harrison; Ryan Tibbens. Absent—Grant Mazzarino

**Staff:** Present--Keith Dalton, Town Manager; Jean Petti, Deputy Town Manager; Paul Culp, Town Clerk; Cynthia Poulin, Finance Director; Christy Dunkle, Community Development Director; Sgt. Matthew Andrews, Berryville Police Department

**Press:** Mickey Powell, *The Winchester Star*

**1. Call to Order**

Mayor Arnold called the meeting to order at 6:30 p.m. and requested a motion to enter closed session.

**2. Closed Session**

**Vice Mayor Gibson moved that the Council of the Town of Berryville enter closed session in accordance with §2.2-3711-A-8 of the Code of Virginia, to consult with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel and under §2.2-3711-A-1 of the Code of Virginia, to discuss the performance of an employee of the Town Council. The motion passed by unanimous voice vote.**

The Council entered closed session at 6:31 p.m. and returned to the chamber at 7:20 p.m.

**Vice Mayor Gibson moved that the Council adopt the **attached** resolution certifying the closed session. The motion passed by unanimous roll-call vote.**

Open session resumed at 7:22 p.m.

**3. Pledge of Allegiance**

**4. Approval of Agenda**

**Vice Mayor Gibson moved to approve the agenda. The motion passed by unanimous voice vote.**

## 5. Presentations, Awards, and Recognitions

None.

## 6. Public Hearings

### Proposed Tax Rates and PPTRA Discount for Tax Year 2023

Ms. Poulin briefly summarized the **attached** resolution, and Mayor Arnold opened the public hearing at 7:24 p.m. and closed it immediately upon determining that no members of the public wished to address the meeting.

## 7. Discussion of Public Hearing Items

None.

Vice Mayor Gibson moved that the Council of the Town of Berryville adopt the **attached** ordinance setting the tax levies for tax year 2023 per the Code of Berryville, Chapter 16-Taxation, Article I – In General, Section 16-1 Annual Tax Assessments; valuation of property. The motion passed by unanimous voice vote.

Vice Mayor Gibson moved that the Council of the Town of Berryville adopt the **attached** resolution providing for the implementation of the 2004-2005 changes to the Personal Property Tax Relief Act of 1998 for tax year 2023. The motion passed by unanimous voice vote.

## 8. Citizens' Forum

No one addressed the meeting.

## 9. Consent Agenda

The consent agenda comprised the minutes of the March 14 Town Council regular meeting, the March 3 Town Council Work Session, and the March 15 meeting of the Streets and Utilities Committee.

Mr. Steinmetz moved to adopt the consent agenda as presented. The motion passed by unanimous voice vote.

## 10. Unfinished Business

None.

## 11. New Business

### **Proposed amendment to Berryville Code Sec. 10-64.1: Two Hours' Free Parking in Time-Restricted or Metered Spaces**

Mr. Dalton referenced previous discussions of the matter in committee and full Council. He said the Public Safety Committee in its February 23 meeting had decided to recommend that the Town amend the Town code to align local practice with the state code by allowing four hours of no-cost parking in time-restricted or metered spaces for vehicles with placards or license plates indicating disability, as opposed to the two hours currently permitted by the Town under a state provision for local variances. Mr. Dalton said a public hearing was not required but that a public input session would be advisable.

**Ms. Harrison moved that the Council of the Town of Berryville hold a public comment period at its May 9, 2023 meeting to permit the public to comment on proposed changes to Berryville Code Sec. 10-64.1 and that the town manager be directed to provide notice of this comment period on the Town of Berryville website and in one notice published in the *Winchester Star*. The motion passed by unanimous voice vote.**

### **Proposed Invitations for Bids: Paving, Milling, and Line Striping IFB#2023-01 and Concrete Repair, Replacement, and New Installation IFB#2023-02**

Mr. Dalton noted that a section of Mosby Boulevard between Stuart and Ashby Courts would require more than the usual amount of milling. He and Ms. Harrison briefly discussed the precise location of sidewalk work to be done on Swan Avenue.

**Mr. Tibbens moved that the Council of the Town of Berryville authorize the issuance of IFB#2023-01 and IFB#2023-02 and authorize the town manager to award the IFB's if the lowest responsible bidder's total price does not exceed funds available for this purpose, and execute any documents related to this matter. The motion passed by unanimous voice vote.**

### **Proposed Employee Handbook**

Ms. Petti explained that the Town's drug-free workplace policy dated from 2014 and is necessary for federal funding and that a new version would require new Council approval for outright replacement.

**Ms. Harrison moved that the Council of the Town of Berryville repeal the current Drug-Free Workplace Policy and adopt the **attached** policy, and that such new Drug-Free Workplace Policy become effective on April 12, 2023. The motion passed by unanimous voice vote.**

Mr. Dalton explained that the new handbook was arranged with certain policies in its appendices so as to allow staff to make changes as an administrative matter with notice given to Council but without the need for formal approval by Council as would be the case with material in the body of the handbook.

**Ms. Harrison moved that the Council of the Town of Berryville repeal the current employee handbook and adopt the attached handbook, that such new handbook become effective on April 12, 2023, and that the town manager be authorized to create and attach such administrative appendices to the employee handbook as the manager determines appropriate, provided that the manager forward a copy of said appendices to the Council within thirty days of their approval. The motion passed by unanimous voice vote.**

## **12. Council Member Reports**

### **Mayor**

Mayor Arnold said the first Hometown Heroes banners honoring veterans had been installed, and thanked Matt Bass of the Clarke County Board of Supervisors for leading the effort. He also said Berryville Main Street had hosted another successful yard sale.

### **Other Members**

Other members had nothing to add.

## **13. Staff Reports**

Nothing was added to the written reports for Public Works, Utilities, or Police.

### **Community Development**

Ms. Dunkle said work was proceeding on the wayfinding signage project and with sidewalk work on Mosby Boulevard and East and West Fairfax Streets.

Vice Mayor Gibson said the Hermitage Subdivision Phase V entrance was not being left closed during construction. Ms. Dunkle said this was not supposed to occur and that she would address the matter.

Ms. Dunkle and Mr. Tibbens briefly discussed the location of the sidewalk work on Mosby Boulevard.

### **Administration/Finance**

Vice Mayor Gibson asked when the bank account changes previously discussed would be introduced to the Council. Mr. Dalton said he expected to have something available within the next two weeks.

## **Deputy Town Manager**

Ms. Petti said the matter of short-term rentals, discussed in the March meeting, was still in committee, having been discussed by both the Community Development Committee and the Public Safety Committee. She said both bodies would discuss the matter further at the behest of the Planning Commission.

## **Town Manager**

Mr. Dalton said the preliminary engineering report on the water treatment plant upgrade is still in progress and that he is working on applications for funding and on securing additional land and easements for the raw water intake and transmission facility.

## **American Rescue Plan Act of 2021 Update**

Mr. Dalton added nothing to his written report. A discussion between Vice Mayor Gibson and Ms. Poulin established that the Town has spent half of the available funds and that the deadline for expenditure of all funds is December of 2025.

## **Blight Abatement Update**

Mr. Dalton said the owner of the property at 225 Josephine Street had secured a demolition permit and that December 15 was the deadline for completion of work. He said the structure at 114 Josephine Street had been razed and that he had discussed with the owner the need to remove debris. He said he also had been discussing 229 and 203 Josephine Street with those owners.

## **Parade Route**

Mr. Dalton said the 225 Birthday Committee wished to hold a parade in June using a route different from the one approved in 2022 and used for the 2022 homecoming and Christmas parades. He said the organizers wished to add Smith Street and the 200 block of Treadwell Street to the approved lineup sites on Lincoln Avenue and at the middle school and County public schools office building, and that the proposed route would not stop at the intersection of East Main Street and Chalmers Court but would rather continue to the intersection of East Main and Virginia Avenue, with floats disembarking along East Main east of the intersection. Mr. Dalton said he understood the additional lineup areas to be necessary because of the quantity of units in the parade in combination with the use of the public schools office property for the farmers' market until 1:00 p.m. that day.

Vice Mayor Gibson questioned the wisdom of deviating from the approved route.

Mr. Steinmetz and Mayor Arnold discussed the involvement of Virginia Avenue, which the mayor said would alleviate confusion regarding whether to proceed along Main or turn at Chalmers Court. He said the proposed route would also allow for parking at Duncan Memorial United Methodist Church.

Mr. Steinmetz said several houses in the vicinity would be adversely affected. Ms. Harrison recommended using one side of the street for drop-off, with through traffic being directed to the other side.

Mr. Tibbens recommended giving instructions specifically for large vehicles.

Sgt. Andrews said staffing was crucial for assuring that participants go where they are supposed to, as police staffing had been sufficient for the Christmas parade but not at homecoming.

There was a discussion of through traffic during the parade.

Ms. Harrison noted that Barns of Rose Hill would be hosting an event that day, and recommended keeping Smithy Lane unobstructed. Mr. Dalton said staff would work on that.

Vice Mayor Gibson recommended retaining the approved route and educating the public about correct use. She said making an exception would set a bad precedent. Mr. Tibbens concurred, noting that the second use of the route had proceeded more smoothly than the first.

Mr. Dalton said staff would be meeting with the parade organizers later in the week.

#### **14. Committee Updates**

##### **Budget and Finance**

**Vice Mayor Gibson moved that the Council of the Town of Berryville set a public hearing for its May 9, 2023 meeting to hear public comment on the proposed Fiscal Year 2024 budget. The motion passed by unanimous voice vote.**

Vice Mayor Gibson asked whether there would be any final adjustments to the budget. Mr. Dalton said there would be increases for police training and for general property maintenance and repair.

##### **Community Development**

Mr. Tibbens said the committee would meet at 4:00 p.m. on April 25 to discuss the 225 celebration, short-term rentals, and Hogan's Alley.

##### **Personnel**

Mayor Arnold said the committee would meet at 2:00 on April 24 to interview two candidates for vacancies on the Tree Board.

**Public Safety**

Mr. Mazzarino was absent.

**Streets and Utilities**

Ms. Harrison said the April 13 meeting on the results of the inflow and infiltration study had brought good news about the condition of the sewer system as well as valuable information about how to address minor problems before they escalate. Mr. Dalton said it would be advisable to compile a triage list and determine how to proceed with it. Ms. Harrison said this topic, truck traffic, and stormwater would be suitable for discussion on April 25 at 3:00 p.m.

**14. Other**

No other business came before Council.

**15. Adjourn**

The Council adjourned at 8:05 p.m. on a motion by Mr. Steinmetz.

---

Erecka L. Gibson, Vice Mayor

---

Paul Culp, Town Clerk

Town of Berryville  
Town Council

MOTION TO ENTER CLOSED SESSION

DATE: April 11, 2023

MOTION BY: Gibson

SECOND BY: \_\_\_\_\_

I move that the Council of the Town of Berryville enter a closed session in accordance with §2.2-3711.8 of the Code of Virginia to consult with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel and in accordance with §2.2-3711.1 to discuss the performance of an employee of the Town Council.

VOTE:

Aye: Unanimous voice vote

Nay:

Absent/Abstain:

ATTEST: \_\_\_\_\_  
Erecka L. Gibson, Vice Mayor

TOWN COUNCIL  
MOTION  
CLOSED SESSION RESOLUTION

DATE: April 11, 2023

MOTION BY: *Gibson*

SECOND BY: *—*

I move that the Council of the Town of Berryville adopt the following resolution certifying it has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act:

Resolution

WHEREAS, Section 2.2-3712.D of the Code of Virginia requires a certification by this Council that such closed meeting was conducted in conformity with Virginia law,

NOW, THEREFORE, BE IT RESOLVED that the Council hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Council.

VOTE:

Aye: *Unanimous roll-call vote.*

Nay:

Absent/Abstain:

ATTEST: \_\_\_\_\_  
Erecka Gibson, Vice Mayor

TOWN OF BERRYVILLE  
TOWN COUNCIL  
AN ORDINANCE SETTING TAX LEVIES FOR TAX YEAR 2023

Date: April 11, 2023

Motion By: Gibson

Second By:                     

BE IT ORDAINED, by the Council of the Town of Berryville, Virginia, that for the tax year 2023 there is hereby levied:

(1) A tax of \$.20 per \$100 assessed valuation on all real estate located within the Town of Berryville, such levy being also applicable to the real estate and tangible personal property of public service corporations;

(2) A tax rate of \$1.25 per \$100 assessed valuation on all taxable, tangible personal property, except machinery and tools, located in the Town of Berryville;

(3) A tax rate of \$1.30 per \$100 assessed valuation on tangible machinery and tools located in the Town of Berryville.

All tax levies shall be due and payable pursuant to the Code of the Town of Berryville, Chapter 16, Article I, Section 16-3.

VOTE:

Aye: Unanimous voice vote.

Nay:

Absent:

SIGNED: \_\_\_\_\_ Date: April 11, 2023  
Harry Lee Arnold, Jr., Mayor

ATTEST: \_\_\_\_\_ Date: April 11, 2023  
Ereeka L. Gibson, Vice Mayor

Town of Berryville

Resolution

To Provide for the Implementation of the 2004-2005  
Changes to the Personal Property Tax Relief Act of 1998  
For the Tax Year 2023

WHEREAS, the Personal Property Tax Relief Act of 1998, Va. Code § 58.1-3523 *et seq.* ("PPTRA"), has been substantially modified by the enactment of Chapter 1 of the Acts of Assembly, 2004 Special Session I (Senate Bill 505) and the provisions of Item 503 of Chapter 951 of the 2005 Acts of Assembly, being the 2005 revisions to the 2004-2006 Appropriations Act ("the 2005 Appropriations Act"); and

WHEREAS, the legislative enactments require the Town to take affirmative steps to provide for the computation and allocation of relief provided pursuant to the PPTRA as revised; and

WHEREAS, these legislative enactments provide for the Town of a fixed sum to be used exclusively for the provision of tax relief to owners of qualifying personal use vehicles that are subject to local personal property tax on such vehicles.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Berryville in accordance with the requirements set forth in Va. Code § 58.1-3524(C) (2) and § 58.1-3912(E), as amended by Chapter 1 of the 2005 Acts of Assembly (2004 Special Session I) and as set forth in Item 503 of the 2005 Appropriations Act, that any qualifying vehicle having situs within the Town during the tax year which begins on January 1, 2022, shall receive personal property tax relief in the following manner:

1. Personal use vehicles valued at less than \$1,000 will be eligible of 100 percentage of tax relief set by the Town Council during its annual budget deliberations.
2. Personal use vehicles valued between \$1,001 and \$20,000 will be eligible for 35 percentage of tax relief set by the Town Council during its annual budget deliberations.
3. Personal use vehicles valued at \$20,001 or more will be eligible for 35 percentage of tax relief on the first \$20,000 of assessed value set by the Town Council during its annual budget deliberations.
4. All other vehicles which do not meet the definition of "qualifying" (business use vehicles, farm use vehicles, motor homes, etc.) will not be eligible for personal property tax relief under PPTRA.

PASSED THIS 11th DAY OF APRIL 2023.

\_\_\_\_\_  
Harry L. Arnold, Jr., Mayor

ATTEST:

\_\_\_\_\_  
Erecka L. Gibson, Vice Mayor

TOWN COUNCIL  
MOTION FOR APPROVAL; RESOLUTION TO PROVIDE FOR THE  
IMPLEMENTATION OF THE 2004-2005 CHANGES TO THE PERSONAL  
PROPERTY TAX RELIEF ACT OF 1998 FOR THE TAX YEAR 2023

Date: April 11, 2023

Motion By: Gibson

Second By: \_\_\_\_\_

I hereby move that the Council of the Town of Berryville adopt the attached Resolution providing for the implementation of the 2004-2005 changes to the Personal Property Tax Relief Act of 1998 for the tax year 2023.

VOTE:

Aye: Unanimous vote, vote

Nay:

Absent/Abstain:

ATTEST:

\_\_\_\_\_  
Brecka L. Gibson, Vice Mayor

## **Appendix II: Town of Berryville Declaration: Drug-Free Workplace Policy**

WHEREAS, in compliance with the Drug-Free Workplace Act of 1988 (41 U.S.C. §§ 8101-8106), it is necessary that the Town Council of the Town of Berryville hereby declares that the Town of Berryville be a Drug-Free Workplace.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the Town of Berryville that:

- No employee shall unlawfully manufacture, dispense, possess, use, or distribute any controlled substance, medication, or alcohol.
- Any employee charged or convicted under a federal or state statute regulating controlled substances shall notify their supervisor and the Town Manager within five days.
- No employee shall consume or be impaired by alcoholic beverages immediately before work, during work hours, or while at work during breaks or lunches.
- No employee shall represent the Town of Berryville in an official capacity while impaired by alcohol, illegal drugs, or medication.
- No employee, using medication that may impair performance, shall operate a motor vehicle or engage in safety sensitive functions while on duty for the Town of Berryville.
- If an employee is using a prescription or non-prescription medication that may impair performance of duties; the employee shall report that fact to their supervisor.
- An employee who has reason to believe that the performance of another employee is impaired by alcohol, illegal drugs, and/or medication shall immediately notify the supervisor or Town Manager.

### **Disciplinary Action**

- Because of the serious nature of illegal use or abuse of alcohol, controlled substances, and/or non-prescribed use of medication, appropriate employee disciplinary action will be taken, up to and including termination.

### **Drug & Alcohol Testing**

In order to achieve a drug-free work place, employees in, and applicants for, safety sensitive positions shall be required to participate in all of the following alcohol and controlled substances testing:

- When an applicant for a safety-sensitive position has been extended a conditional offer of employment but before beginning work.
- When there is a reasonable suspicion to believe that the employee is in an impaired state.

- When the employee has been involved in an on-duty accident or has endangered others in the workplace.
- On a random basis for safety sensitive positions.
- As a condition for return to duty after testing positive for controlled substances or alcohol.
- As part of follow-up procedures to return-to-duty related drug or alcohol violations.

PASSED THIS 11th DAY OF APRIL 2023.

  
\_\_\_\_\_  
Harry L. Arnold, Jr., Mayor

ATTEST:  
  
\_\_\_\_\_  
Brecka L. Gibson, Vice Mayor



# *Town of Berryville*

## Personnel Policies

2023

Appendices are considered subsidiary and administrative and may be updated as needed by Town Manager. Notice of changes will be provided to Berryville Town Council within thirty (30) days.





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## Welcome to the Town of Berryville.

On behalf of your colleagues, I welcome you to the Town of Berryville and wish you every success here.

We believe that each employee contributes directly to the Town of Berryville's success, and we know that you too will take pride in being a member of our team.

Our core mission, in short, is to protect the health, safety, and welfare of the citizens of the Town and of our guests. We can complete our mission only by working in partnership with the community and working as a team within our organization. Keep our core mission in mind as you conduct business, and make sure that you understand the importance of your job and the effect that we all can have on the lives of others.

The employees of the Town are first and foremost public servants. Therefore, it is paramount that we conduct ourselves accordingly as we carry out our jobs, whether we believe we are in the public eye or not. Every employee represents the Town of Berryville to our citizens at large. The way we do our jobs presents an image to our entire community. Citizens will judge all of us by how they are treated upon each employee contact. It is vital that we are courteous, friendly, helpful, and prompt in the attention we give the public.

Our personal contact with the public, our manners on the telephone, and all of the communications that we send during the course of our workday are a reflection not only of ourselves but also of the professionalism of the Town of Berryville. Positive customer relations enhance the public's perception of the Town of Berryville and aid us in our important work.

If you have any questions about our organizational goals and what is expected of you, then please speak to your supervisor or me. You can also refer to the Town of Berryville Employee Handbook.

This handbook was developed to describe some of the expectations for our employees, our policies, and the benefits and programs available to eligible employees. Employees should familiarize themselves with the contents of the Employee Handbook as soon as possible because it will provide a great deal of information about employment with the Town of Berryville.

We hope that your experience here will be challenging, enjoyable, and rewarding. There is no greater calling than public service. Do your job well and be proud that you have done your best to assist others and earn the public's trust.

Again, welcome!

Sincerely,

Keith R. Dalton Town Manager





### **Citizen and Stakeholder Services**

The Town of Berryville has general government offices including the Town's Business Office, Police Department, and Planning Department, located at the Berryville Clarke County Government Center at 101 Chalmers Court, staffed from 8:30 a.m. to 5:00 p.m. Monday through Friday. The drive-thru may be used for bill payment from 9:00 a.m. to 4:30 p.m. Monday through Friday. A drop box is available for after-hours bill payment.

### **Maintenance of Streets and Sidewalks**

The Town's Public Works Department maintains the Town's secondary streets and sidewalks.

### **Community Development**

The Town of Berryville provides municipal planning and zoning through the use of a local Comprehensive Plan, Zoning Ordinances, and Subdivision Ordinances.

### **Public Safety**

The Town of Berryville currently operates a ten-member police department, which is accredited by the Virginia Law Enforcement Professional Standards Commission (VLEPSC) and is responsible for providing law enforcement services, educational programs, and assistance to the residents of the Town of Berryville.

### **Public Utilities**

Water and Sewer Departments are currently staffed by one Department Head, a Chief Plant Operator, and five operators. Public Utility personnel treat water from the Shenandoah River to provide safe drinking water to the Town's citizens. Berryville wastewater is treated before returning effluent to the Shenandoah River.

### **Refuse, Recycling, Yard Waste and Appliance Collection**

The Town of Berryville, through an independent contractor, provides refuse and appliance collection and a recycling program. The Town's Public Works Department collects yard waste weekly.

### **Rose Hill Park**

Berryville owns and maintains the beautiful three-acre Rose Hill Park in the heart of downtown. Park facilities include a playground designed for our younger citizens, a basketball court, and a gazebo. Throughout the course of the year, Rose Hill Park hosts numerous concerts, festivals, and other events

### **Street Lights**

The Town of Berryville provides for streetlights on all public streets located within the Town.

### **Snow Removal**

The Town of Berryville's Public Works Department provides snow removal on all secondary streets located within the Town limits. The Public Works Department also assists with snow removal on the Town's primary streets (Main and Buckmarsh Streets) as a contractor for the Virginia Department of Transportation.





## The History of Town of Berryville

The Town of Berryville formed at the crossroads of two early major trails used by pioneers, one from Winchester to Alexandria and the other from Baltimore to Waynesboro. Near the intersection of these roads was an inn, which became notorious for its Saturday night brawls, resulting in the settlement becoming known as "Battletown."

The Town was granted a Charter by the Virginia General Assembly on January 15, 1798, and named for Benjamin Berry, the first operator of the noted inn and the Town's founder. A 20-acre site with 66 quarter-acre lots was platted as the original corporate limits. A frequent early visitor to the area was George Washington. General Daniel Morgan, a Revolutionary War hero, also lived briefly just north of the corporate limits at Soldier's Rest. In his younger days, Morgan visited Berry's Tavern regularly and became "champion" of Battletown. It was from this region that he recruited the famed Morgan's Virginia Rifles. During the Revolutionary War he became a general and was instrumental in victories at Saratoga and Cowpens.

Berryville has been the county seat since the formation of Clarke County in 1836. In addition to the Town being a commercial and political center, industrial development aided the later growth of Berryville. Early industries included carriage works, lumber mills, and flour mills.

Berryville and Clarke County witnessed much bloodshed during the Civil War. There were ten battles and skirmishes in Clarke County in the Shenandoah Valley campaigns of Generals Jackson (C.S.A.) and Sheridan (U.S.A.). The major battle in the county was the Battle of Cool Springs, July 18, 1864. The battle left many casualties: 422 Union and over 350 Confederate.

After 1880, with the completion of what is now called the Norfolk and Western Railroad, the Town became an important station in terms of both the amounts of freight handled and the number of passengers served. BVG-Berryville, one of the largest book manufacturers in America, is headquartered in the Town.

In 1989, an annexation agreement between Clarke County and Berryville added 350 acres to the Town, including a neighborhood colloquially known as "Josephine City" and Rosemont estate. Josephine City, which is listed on the National Register of Historic Places, was founded by former slaves who purchased the land in the aftermath of the Civil War. This community is notable for the survival of a c.1882 schoolhouse, now a museum, and an early church and cemetery. Rosemont was the home of Virginia governor and U.S. Senator Harry F. Byrd. Rosemont was visited by several sitting U. S. Presidents and numerous other dignitaries.

Notable residents include: General Daniel Morgan (1736-1802); Major Lloyd W. Williams (1887-1918) whose famous rebuttal of an order to retreat became the motto for U. S. Marine Corps' 2nd Battalion, 5th Regiment; Lucy Diggs Slowe (1883-1937), who won the American Tennis Association's first tournament in 1917, founded Alpha Kappa Alpha sorority, and served as Howard University's first Dean of Women; Governor Harry F. Byrd (1887-1966); and George E. Thomas (1908-1980), valet to John F. Kennedy.





## Objective

The objective of this Personnel Policy with Appendices is to provide a uniform system of personnel administration for the staff of the Town of Berryville, based on merit principles, competitive compensation, open competition in hiring and advancement, and equal employment opportunities.

It is the policy of the Town of Berryville to establish reasonable rules of employment conduct (i.e., guidelines for management and employees to follow) and to ensure compliance with these rules through a program consistent with the best interests of the Town of Berryville and its employees. This manual is not, and should not be construed as, an explicit or implied contract. It does not modify any existing at-will status of any employee, and will not create any due process requirements in excess of federal or state constitutional or statutory requirements. For purposes of this manual, the term at-will means employees can terminate voluntarily or be terminated at will. Exceptions are only employees having written contracts signed by the Berryville Town Manager.

Additionally, it is the policy of the Town of Berryville to strive for safety in all activities and operations, and to carry out the commitment of compliance with applicable health and safety laws by enlisting the help of all employees to ensure that public and work areas are free of hazardous conditions.

## Severability

If any provision of this personnel policy is held to be invalid or unenforceable, all other provisions shall, nevertheless, continue in full force and effect.





## Employee Classification

Note: All employees, whether of introductory status or not, are employees at will.

Members of the Berryville Town Council are treated as employees only for salary, taxation, and reimbursement purposes and are exempt from other provisions of this employee manual.

**Exempt Employee** - an employee who occupies a position which is exempt (not eligible) from the overtime provisions of the Fair Labor Standards Act. Full-time, part-time, and temporary employees may be exempt.

**Nonexempt Employee** - an employee who receives hourly wages and is subject to wage and hour laws, i.e., overtime pay provisions of the Fair Labor Standards Act. Full-, part-time, and temporary employees may be nonexempt.

**Full-time Employee** - an individual hired on either an exempt or nonexempt basis for an established position for an indefinite term who is expected to work a minimum of (40) hours a week.

**Part-time Employee** - an individual hired on either an exempt or nonexempt basis for an established position for an indefinite term who is expected to work an established period of time that is less than (32) hours per week.

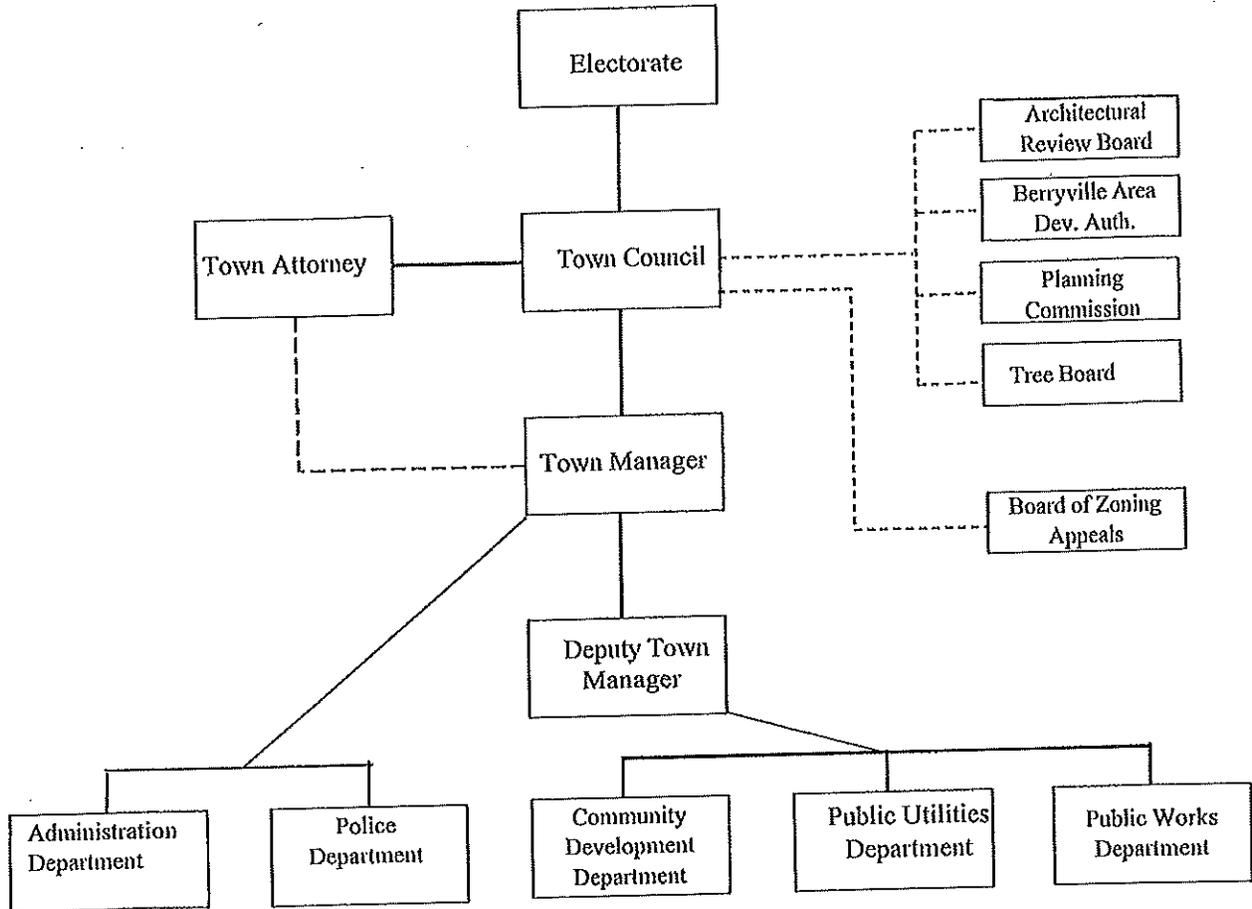
**Introductory Employee** - a full-time or part-time employee who has worked for the Town of Berryville for less than (180) days or as a sworn officer for the Town of Berryville Police Department for less than (360) days.

**Temporary/Seasonal Employee** - an individual hired on a term basis, e.g., day, week, period of months or on a project basis.

**Contractual Employee** - an individual hired either on an exempt or nonexempt basis to perform a scope of work or for a specified duration of time whose compensation and work requirements are established by contract.



Town of Berryville Organizational Chart





## **Community Relations**

Our core mission is to protect the health, safety, and welfare of the citizens of the Town and our guests. We can complete our mission only by working in partnership with the community and working as a team within our organization.

The employees of the Town are first and foremost public servants. Citizens will judge all of us by how they are treated upon each employee contact. It is vital that we be courteous, friendly, helpful, and prompt in the attention we give the public. Positive customer relations enhance the public's perception of the Town of Berryville and aid us in our important work.

## **Administration**

The Town Council is responsible for establishing personnel policies. The Town Manager is responsible for the supervision of personnel and for the development, periodic review, and administration of the personnel policies.

Nothing in this handbook is to be construed in a manner that would prevent the Berryville Town Council from providing additional benefits to those positions employed directly by the Town Council.

## **Equal Employment Opportunity Policy**

It is the policy of the Town of Berryville to provide equal opportunity in employment and to administer employment policies without regard to race (including traits historically associated with race, including hair texture, hair type, and protective hairstyles), color, religion, national origin, sex, pregnancy, childbirth, and medical conditions related to pregnancy/childbirth (including lactation), sexual orientation, gender identity, genetic information, disability, marital status, military status (including active duty, veteran, or dependent), age, any other protected class.

This policy applies to every aspect of employment practice including, but not limited to, all decisions for recruiting, hiring, promotions, compensation, benefits, transfers, corrective action, layoffs, terminations, training, and assignments. All decisions for hiring or promotions are based upon each individual's qualifications for the position to be filled.

In accordance with the Virginia Human Rights Act and the Americans with Disabilities Act Amendment Act, the Town of Berryville provides equal employment opportunities to qualified individuals with disabilities. Reasonable accommodations will be provided to a qualified employee or applicant with a disability when that employee or applicant requests an accommodation. A qualified employee or applicant is one who is able to perform the essential functions of the job with or without accommodation. All requests for accommodation will be fully reviewed. A request for an accommodation will be denied if the accommodation is not shown to be effective places an undue burden on the Town, or if the employee poses a direct threat to the health and safety of themselves or others.





## Recruitment and Selection

All positions shall be open to all individuals who meet the minimum requirements for the position. The recruitment objective is to obtain well-qualified applicants for all vacancies, and selection shall be based on the best-qualified person available at the salary offered for the particular position.

First consideration will be given to current employees who desire to fill an open position, if the current employee is qualified for the position and if the placement best serves the needs of the Town of Berryville. The Town Manager may carry out open competition to fill any vacancy.

Employment decisions shall be handled in a manner consistent with the Virginia Conflict of Interests Act §2.2- 3100. The Town Manager has complete authority for hiring, promoting, and discharging employees in accordance with these policies. The Town Manager has the responsibility and authorization for administering the personnel system established by these policies.

### Interviews, Reference Checks, and Background Checks

Applicants who have been deemed qualified via resume and qualification review may be subject to initial and follow-up interviews. If an offer of employment is made, it is contingent upon the successful completion of screening, including interviewing references, conducting criminal and financial background checks, and testing for drug and alcohol use. Applicants for positions within the Town of Berryville Police Department may be subject to alternate or additional screening, testing, etc.

Any misrepresentations, falsifications, or material omissions in an employment application or supplemental documentation may result in the exclusion of the individual from further considerations for employment, or if the individual has been hired, termination of employment.

The Town of Berryville requires each new employee to complete the Employment Eligibility Verification Form I-9 and present documentation supporting eligibility.

### Introductory Period

All new full-time and part-time employees serve a (180) day introductory period, excepting members of the Police Department who will be subject to a (360) day introductory period. The introductory period may be extended for up to 42 days at the discretion of the Town Manager. Benefits may be available as required by law or by the terms and conditions of each benefit program. If satisfactory performance is attained at the end of the introductory period, the employee will become a "regular employee" and be entitled to all the benefits of non-introductory status, including utilization of the grievance procedure. In establishing an introductory period, the Town of Berryville does not change in any way the employment-at-will status that applies to its employment relationship with all employees at all times during their employment.





## Business Ethics and Conduct

The successful operation and reputation of the Town of Berryville are built upon the principles of fair dealing and ethical conduct of our employees. Ethical conduct consists of abiding by the Constitutions of the United States and the Commonwealth of Virginia as well as the Charter and Code of the Town of Berryville; serving the common good; demonstrating integrity and respect in all actions and relationships; and advancing the interests of, educating, and advising the citizens, officials, employees, and stakeholders of the Town.

The Town of Berryville will comply with all applicable laws and regulations and expects its officers and employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws and to refrain from any illegal, dishonest, discriminatory, or unethical conduct.

Town of Berryville employees are expected to conduct themselves in a professional and courteous manner, as representatives of the Town. Employees are expected to avoid any action which might result in giving preferential treatment to any organization or person, losing independence or impartiality of action, or adversely affecting the integrity of the Town. Relatives of current employees may not occupy a position that will be working directly for or supervising their relative. The Town of Berryville also reserves the right to take prompt action if an actual or potential conflict of interest arises involving relatives or individuals involved in a romantic relationship who occupy positions at any level (higher or lower) in the same line of authority that may affect the review of employment decisions.

Employees have an obligation to abide by Virginia's State and Local Government Conflict of Interests Act (§ 2.2-3100 et seq.) and establish guidelines that prohibit actual or potential conflicts of interest. An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of the Town of Berryville's dealings. For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

If employees have any influence on transactions involving purchases, contracts, or leases, it is imperative that they disclose to the Director of Finance/Treasurer, Deputy Town Manager, or Town Manager as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties. Contact the Town Manager for more information or questions about conflicts of interest.

Outside employment that constitutes a conflict of interest is prohibited. Employees may not receive any income or material gain from individuals or organizations, other than the Town of Berryville, for materials provided or services rendered while performing their jobs. Employees may hold outside jobs as long as they meet the performance standards of their jobs with the Town of Berryville, excepting members of the Police Department, who are subject to additional restrictions. As potential conflicts of interest may not be readily apparent to employees, notice of outside employment must be provided to supervisor or Town Manager and include employer, nature of employment, and work schedule. All employees will be judged by the same





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performance standards and will be subject to the Town of Berryville's scheduling demands, regardless of any existing outside work requirements.

Employees found in violation of this section are subject to disciplinary action up to and including termination.

### **Confidentiality**

The protection of confidential business information and trade secrets is vital to the interests and success of the Town of Berryville. In addition, employees may be trusted with sensitive financial or personal information which must remain secure from unauthorized access or dissemination, e.g., social security numbers, medical history, credit history, etc. Further safeguards or restrictions exist for members of the Police Department, especially with regard to current investigations, criminal records, etc. Employees who improperly use or disclose confidential information will be subject to disciplinary action, up to and including termination of employment, even if they do not actually benefit from the disclosed information.

Town of Berryville prohibits use of employee Social Security Numbers for identification purposes, except as allowed by law. This prohibition extends to: public postings, inclusion on ID cards, printing on mailed documents unless required by contract or policy, use as an access code or login, etc. The Town will continue to collect, use, or release social security numbers as required by federal or state law, and may use social security numbers for secure internal verification or administrative purposes.

Employees are often entrusted with sensitive information and are expected to secure this information within their workspace. Any protocol, process, or equipment provided to ensure privacy and security is expected to be utilized and maintained as directed by Town Manager or direct supervisor. Supervisors, Department Heads, and the Town Manager reserve the right to open, inspect, and examine all equipment, lockers, and workspaces at any time for legitimate business reasons, including investigating work-related misconduct.

Any external locks used to secure an area or piece of equipment shall be purchased by the Town of Berryville and approved by the Department Head or Town Manager.





## **Employee Compensation**

The total compensation of employees consists of the regular salary and applicable overtime pay for full-time employees, the employer's contributions to employee benefits, and various forms of leave with pay. Part-time and temporary employees may also receive leave in certain circumstances. Leave policies may vary by department and position and must be reviewed with direct supervisor.

The Town of Berryville is committed to complying with the wage and deduction requirements of the Fair Labor Standards Act (FLSA). If an employee believes that there is an error or improper deduction in their paycheck, they must report this to the Director of Finance/Treasurer. Their question will be promptly investigated and corrected as necessary.

The compensation plan for employees of the Town of Berryville shall consist of a classification system for all classified jobs and a pay grade that sets a salary range for each classified position. The rates of pay for each employee within a pay grade shall be set by the Town Manager or Town Council. Any cost-of-living adjustments approved by Town Council will be applied across an employment classification but may not be available for all classifications of employee.

The compensation plan may be amended by motion of the Town Council or by the Town Manager within the limits of appropriations by the Council. Contract and temporary employees may be compensated at an alternate rate of pay which will be set prior to employment.

## **Hours of Work**

To maintain a safe and productive work environment, the Town of Berryville expects employees to be reliable and punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on other employees and on the Town of Berryville. In the rare instances when employees cannot avoid being late to work or are unable to work as scheduled, they must notify their supervisor as soon as possible in advance of the anticipated tardiness or absence and no later than the beginning of their scheduled work. Poor attendance and excessive tardiness may lead to disciplinary action, up to and including termination of employment.

Town Manager shall direct department heads to establish hours of work for all Town of Berryville employees. The standard scheduled workweek consists of (40) hours, generally Monday through Friday. In order to accomplish Town Council directives and serve the common good, Police Department, Public Works, and Public Utilities may be required to work alternative hours or shifts in excess of eight (8) hours' duration. However, hours in excess of (40) hours of work per any given workweek, or work period in the case of Police Department personnel, will be paid overtime. Overtime work must always be approved by supervisor before it is performed.

Hours of work, schedules, and duty assignments of short duration of individual employees or work units may be altered under authorization of the department head or their designee within the established workweek and schedule of the department as conditions warrant. Schedules may also be adjusted to meet ADA requirements.





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Meals and break frequency, schedule, and duration will be established by department (Appendix IX) and will abide by all applicable federal and state restrictions. If a nonexempt employee cannot observe a scheduled meal break during their normal shift, they will be compensated for that time at their regular rate of pay.

Certain personnel may be required to regularly serve in an on-call status. These employees may report to work after hours, on weekends, and on holidays to perform emergency work. On-call employees are expected to provide contact information to their supervisor. Public Works personnel may be scheduled to work alternating day and night shifts for the purpose of snow removal. These shifts may reflect Virginia Department of Transportation (VDOT) responsibilities and restrictions. Time spent on-call is not compensated. When an employee serving in an on-call status is called to work, they will be compensated at their regular rate of pay for no less than (2) hours' work: (1) hour reflecting travel time and (1) hour of work, even if the request to report to work is cancelled. For time worked in excess of (1) hour, the (1) hour compensated travel time will be added to the actual number of hours worked.

In addition, scope of work may require employees to serve in an "engaged to wait" status. During this time, employees are expected to abstain from intoxicants, to remain fit for duty and within a reasonable distance from work, and to report promptly. Time spent "engaged to wait" is compensated at regular rate of pay.

When operating requirements or other needs cannot be met during regular working hours, employees may be scheduled to work overtime hours. When possible, advance notification of these mandatory assignments will be provided. All overtime work must receive the supervisor's prior authorization.

Overtime assignments will be distributed impartially to all employees qualified to perform the required work. Overtime compensation is paid to all nonexempt employees in accordance with federal and state wage and hour restrictions. Overtime pay is based on actual hours worked. Nonexempt employees called in outside of a regular work shift will be paid overtime pay if they work in excess of (40) hours per work week, or work period for members of Police Department.

### **Paydays**

Exempt employees are paid semimonthly on the 15th and 30th or 31st days of the month. Nonexempt employees are paid biweekly on every other Friday. Each pay distribution will include earnings for all work performed through the end of the previous payroll period and be made via direct deposit to a financial institution designated by the employee as described in Va. Code §40.1-29.

In the event that a regularly scheduled payday falls on a weekend or holiday, employees will receive pay on the last day of work before the regularly scheduled payday. If a regular payday falls during an employee's vacation, the employee's pay will be available on their regular pay date.





The Town of Berryville does not provide pay advances on unearned wages to employees. In the unlikely event that there is an error in the amount of pay, the employee must promptly bring the discrepancy to the attention of the Town Director of Finance/Treasurer so correction may be made as quickly as possible

### **Pay Deductions**

The law requires that the Town of Berryville make certain deductions from every employee's compensation. Among these are applicable federal, state, and local income taxes. The Town of Berryville also must deduct Social Security taxes on each employee's earnings up to a specified limit that is called the Social Security "wage base." The Town of Berryville matches the amount of Social Security taxes paid by each employee. The Town of Berryville offers programs and benefits beyond those required by law. Eligible employees may voluntarily authorize deductions from their paychecks to cover the costs of participation in these programs.

Pay setoffs are pay deductions taken by the Town of Berryville, usually to help pay off a debt or obligation to the Town of Berryville or others.

If you have questions concerning why deductions were made from your paycheck or how they were calculated, please contact the Director of Finance/Treasurer.

### **Personnel Data Changes**

It is the responsibility of each employee to promptly notify the Director of Finance/Treasurer of any changes in personnel data, including mailing addresses, telephone numbers, dependents, emergency contacts, educational accomplishments, etc.

### **Job Descriptions**

The Town of Berryville makes every effort to create and maintain accurate job descriptions for all positions within the Town. Each employee will be provided a copy of the appropriate job description at hire. Positions and their related job descriptions may be added, deleted, and/or changed as determined necessary by the Town Manager, with the cooperation of Department Heads when applicable.

Employees should remember that job descriptions are subject to change and may not address every situation. Questions should be directed to supervisor, Department Head, Director of Finance/Treasurer, or Town Manager.

### **Performance Evaluations**

Employees are encouraged to discuss job performance and goals on an informal, ongoing basis. Additional formal performance evaluations are conducted to provide both supervisors and employees the opportunity to discuss job expectations and strengths and weaknesses and establish positive, purposeful approaches for meeting goals.

The performance evaluation will be conducted by the employee's immediate supervisor at least once annually. The Town Manager will approve or disapprove all evaluations. A copy of the





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performance evaluation may be made available to the subject employee and the original will become part of the employee's personnel records.

### **Personnel Records**

Personnel records are treated confidentially and the Town of Berryville will take reasonable precautions to protect such information from inappropriate disclosure. Department Heads and other employees have a responsibility to respect and maintain the confidentiality of employee personal, financial, medical, performance, and disciplinary information. Anyone inappropriately disclosing such information is subject to disciplinary action, up to and including termination of employment. Unauthorized access to, or dissemination of, employee personal information is strictly prohibited except as required by enrollment, administration, and participation in benefit plans, reporting, and oversight. Questions should be directed to supervisor, Department Head, Director of Finance/Treasurer, or Town Manager.





### Holidays

The Town of Berryville will grant holiday time off to all employees on the holidays listed below. In addition, any other day so declared by the President, Governor of Virginia, or the Town Council, provided that any declaration made by the President or Governor within 15 days of the holiday to be observed must be approved by either the Town Council or the Town Manager.

The Town of Berryville will grant paid holiday time off to all eligible employees immediately upon assignment to an eligible employment classification.

An unexcused absence, administrative leave status, or taking leave without pay the day immediately preceding and/or the first scheduled day following the holiday may make an employee ineligible for holiday pay.

- New Year's Day (January 1)
- Martin Luther King, Jr. Day (third Monday in January)
- Presidents' Day (third Monday in February)
- Memorial Day (last Monday in May)
- Juneteenth (June 19)
- Independence Day (July 4)
- Labor Day (first Monday in September)
- Columbus Day (second Monday in October)
- Veterans Day (November 11)
- Election Day (first Tuesday in November)
- Thanksgiving Day (fourth Thursday in November)
- Day after Thanksgiving
- Christmas Day (December 25)

If a holiday falls on a Saturday, the preceding Friday shall be observed as a holiday; or if a holiday falls on a Sunday, the following Monday shall be observed as a holiday.

### Paid Time Off

The amount of paid time off (PTO) that employees receive each year increases with the length of their employment as shown in the following schedule:

Years of Service	Hours Earned Per Month
1-5	12.5 hours / 18.75 days annually
5-10	14.5 hours / 21.75 days annually
10-15	16.5 hours / 24.75 days annually
15+	20.5 hours / 30.75 days annually

Each employee may accumulate a maximum of 240 hours of PTO. PTO above that amount shall expire and may not be accumulated or used. Exceptions exist for some employees with leave accrued prior to January 1, 2014. Introductory employees are not entitled to payout of any





unused PTO. In the event of the death of an employee, the employee's estate shall be entitled to payout for any unused balance of PTO at the time of death.

### Holiday Pay

Scenario		Department			
		Administration	Public Works	Utilities	Police
<b>Holiday Worked</b>	Hours Worked + Holiday Compensation	Regular Pay + 8 hours paid	Regular Pay + 8 hours paid	Regular Pay + 8 hours accrued	Regular Pay + 8 hours accrued
<b>Holiday NOT worked</b>	No regular Pay or Accrual + Holiday Compensation	None + 8 hours paid	None + 8 hours paid	None + 8 hours paid	None + 8 hours accrued
<b>Christmas/ New Years Worked</b>	Hours Worked + Holiday Compensation	Regular Pay + 8 hours paid	Regular Pay + 8 hours paid	Regular Pay + 8 hours paid	Paid 2 times regular rate of pay
<b>Christmas/ New Years NOT Worked</b>	No regular Pay or Accrual + Holiday Compensation	None + 8 hours paid	None + 8 hours paid	None + 8 hours paid	None + 8 hours accrued

### Sick Leave

Sick leave is available to employees if it was accrued prior to 1 January 2014, but will not be paid out upon separation.

### Leave, other

Requests for leave must be made as far in advance as practicable, with (14) days for all employees and (30) days for all Department Heads preferred. Leave request forms are available in Appendix XIV.





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As a municipality, the Town of Berryville is required to post Family Medical Leave Act information. However, as the Town of Berryville has fewer than (50) employees, they are ineligible for coverage under the Act.

### **Bereavement Leave**

Bereavement leave will be granted as follows:

- Spouse, Children, Parents: 32 hours
- Brothers or Sisters: 16 hours
- Mother-in-law, Father-in-law: 16 hours
- Grandparents/children, Uncles, Aunts, Nieces/Nephews: 8 hours
- Fiancé or Fiancée: 8 hours

Special consideration may be given to any other person whose association with the employee was similar to any of the above relationships. Employees may, with their supervisor's approval, use any available paid leave for additional time off as necessary.

### **Life-Threatening Illnesses in the Workplace**

Employees with life-threatening illnesses often wish to continue their normal pursuits, including work, to the extent allowed by their condition. The Town of Berryville supports these endeavors as long as employees are able to meet acceptable performance standards. As in the case of other disabilities, the Town of Berryville will make reasonable accommodations in accordance with all legal requirements to allow qualified employees with life-threatening illnesses to perform the essential functions of their jobs.

### **Virginia Retirement System**

The Town of Berryville is a participant in the Virginia Retirement System, a plan that is mandatory for all regular full-time employees. The Town pays the employer portion of this benefit, which is based on a percentage of gross pay.

### **Nationwide Retirement 457 Plan**

Interested employees may make tax-deferred contributions to NRS. The Town of Berryville does not supplement employee contributions. All installments are paid by the employee through payroll deduction.

### **Life Insurance**

The Town of Berryville provides a basic life insurance plan for eligible employees. This program is an adjunct program of the Virginia Retirement System. VRS Optional Life Insurance is available through payroll deduction and allows active employees to enroll themselves, their spouses, or their children.





### **Health Insurance**

The Town of Berryville's health insurance plan provides employees and their dependents access to medical, dental, and vision care insurance benefits. Questions should be directed to supervisor, Department Head, Director of Finance/Treasurer, or Town Manager.

### **Medical Information Privacy**

Medical information on individual employees is treated confidentially. The Town of Berryville will take reasonable precautions to protect such information from inappropriate disclosure. Department Heads and other employees have a responsibility to respect and maintain the confidentiality of employee medical information. Anyone inappropriately disclosing such information is subject to disciplinary action, up to and including termination of employment. Unauthorized access to, or dissemination of, employee personal medical information is strictly prohibited except as required by enrollment, administration, and participation in benefit plans and public health reporting and oversight.

### **Short-Term Disability**

The Town of Berryville provides a short-term disability benefits plan to eligible nonexempt employee participants in the Virginia Retirement System Hybrid Retirement Plan who are unable to work because of a qualifying disability as a result of injury or illness. An employee must first use (40) hours of PTO before becoming eligible for short-term disability.

### **Long-Term Disability**

The Town of Berryville provides a long-term disability benefits plan to help eligible employees cope with illness or injury that results in a long-term absence from employment.

### **Military Leave Without Pay**

An employee who leaves the employ of the Town of Berryville to join the military forces of the United States during the time of war or other declared national emergency or who is called to service in the Virginia Militia by order of the Governor shall be placed on military leave without pay, commencing on the first business day following the last day of active employment with the Town of Berryville. The employee on such leave is entitled to be restored to the position they vacated, provided the employee makes application to the Town not later than 90 days after the date of honorable discharge or separation under honorable conditions. Job restoration is further conditioned on the position still existing and the employee being physically and mentally capable of performing the work of the vacated position. Additional information is available in Appendix VI.

### **Civil Leave**

An employee will be given time off without loss of pay for performing jury duty or performing emergency civilian duties in connection with national defense. The period of such leave shall be only as necessary for the performance of the activity plus any necessary travel time. If





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compensation for jury duty is received, Town of Berryville will only pay the difference between that compensation and normal rate of pay.

### **Compensatory Leave**

Compensatory leave may be granted to exempt employees on the basis of one and one-half hour for each hour worked in addition to the regular work period. Such time will be credited only if the work is requested and authorized by the Town Manager.

Compensatory leave records will be maintained by the Director of Finance/Treasurer. In no case shall an employee keep their compensatory time record. Such record shall be maintained on the basis of first earned- first used.

Compensatory leave credits may at no time exceed 30 days (240 hours) and must be used within (12) months following the date on which the leave was earned. Employees will be compensated for compensatory time over (240) hours at their regular pay rate. Upon termination of employment, compensatory time is paid at the regular pay rate

### **Declared Liberal Leave**

"Liberal Leave" is defined as the leave taken by an employee from the start of the work day to the time the employee actually reports to work following an official announcement that the Town is open and liberal leave is in effect. If possible, the employee must notify their supervisor before taking liberal leave. Any work time missed during a period of liberal leave will be deducted from an employee's accrued leave. If in doubt about liberal leave, it is employee's responsibility to contact a supervisor.

### **Leave without Pay**

When special circumstances require an extended leave, the Town Manager has sole discretion to grant an employee leave without pay provided that the operations of the Town of Berryville's program(s) will not be adversely affected.

Subject to the terms, conditions, and limitations of the applicable plans, health insurance benefits will be provided by the Town of Berryville until the end of the month in which the approved personal leave begins. At that time, employees will become responsible for the full costs of these benefits if they wish coverage to continue. When the employee returns from personal leave, benefits will again be provided by the Town of Berryville according to the applicable plans. Benefit accruals, such as PTO or holiday benefits, will be suspended during the leave and will resume upon return to active employment.

### **Administrative Leave**

Leave with or without pay may be required during a period of administrative or disciplinary investigation and will be governed by federal, state, or local statutes or departmental policy.





## **Benefits Continuation (COBRA)**

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under the Town of Berryville's health plan when a "qualifying event" would normally result in the loss of eligibility. Some common qualifying events are resignation, termination of employment, or death of an employee; a reduction in an employee's hours or a leave of absence; an employee's divorce or legal separation; and a dependent child no longer meeting eligibility requirements.

The Town of Berryville provides each eligible employee with a written notice describing rights granted under COBRA when the employee becomes eligible for coverage under the Town of Berryville's health insurance plan. The notice contains important information about the employee's rights and obligations.

## **Worker's Compensation**

The Town of Berryville provides a comprehensive workers' compensation insurance program at no cost to employees. This program covers any injury or illness sustained in the course of employment that requires medical, surgical, or hospital treatment. An employee incapacitated by injury or illness as defined by the Workers' Compensation Act shall be entitled to the leave and benefits provided by that Act. A protocol for reporting, telephone hotlines and electronic reporting portals, and a list of approved Workers' Compensation providers is provided in Appendix IV.

Employees who sustain work-related injuries or illnesses must inform their supervisor immediately. This will enable an eligible employee to qualify for coverage as quickly as possible.

Neither the Town of Berryville nor the insurance carrier will be liable for the payment of workers' compensation benefits for injuries that occur during an employee's voluntary participation in any off-duty recreational, social, or athletic activity sponsored by the Town of Berryville.

## **Employee Assistance Program**

Through the Employee Assistance Program (EAP), the Town of Berryville provides access to professional counseling services for help in confronting such personal problems as alcohol and other substance abuse, marital and family difficulties, financial or legal troubles, and emotional distress. The EAP is available to eligible, full-time exempt, and full-time introductory employees and their immediate family members who are covered under the Town's The Local Choice Health Benefits Program (TLC) offering problem assessment, short-term counseling, and referral to appropriate community and private services.

Employee participation in the EAP is maintained in a confidential manner. No information related to an employee's participation in the program is entered into the personnel file. Call the EAP at 1-800-725-0602 (Value Options, Inc.) to contact an EAP counselor. You can also visit their website [www.achievesolutions.net/tlc](http://www.achievesolutions.net/tlc).





## Educational Assistance

The Town of Berryville educational assistance program encourages employees to maintain and improve job-related skills or enhance their ability to compete for reasonably attainable jobs within the organization of Berryville.

Subject to budgetary constraints, educational assistance may be provided to all eligible employees immediately upon assignment to an eligible employment classification. To maintain eligibility, employees must remain on the active payroll and be performing their job satisfactorily through completion of each course.

Regular full-time employees are eligible for educational assistance when individual courses or courses that are part of a degree, licensing, or certification program are related to the employee's current job duties or a foreseeable future position in the Town. The Town Manager has the sole discretion to determine whether a course relates to an employee's current job duties or a potential future position.

Prior to any commitment to a school or course of study, employee must contact their supervisor and present a written plan which includes:

- Employee name, position, and department,
- Name of institution employee intends to attend,
- Title of field of study and degree, licensing, or certification program,
- One-page narrative explaining how the desired course of study meets Town objectives, and
- Duration and cost of program and reimbursement amount request.

Supervisor will respond by:

- Meeting with employee to discuss employee's plan,
- Providing recommendation(s) for course of study including identification of funding, and
- Forwarding employee's plan and supervisor recommendation to the Town Manager.

Town Manager will approve or disapprove the prospective educational plan.

To receive reimbursement for a class, employee must receive a grade of "C" or higher. Items eligible for reimbursement are tuition, books, and related school fees. All reimbursement requests must be submitted to employee's supervisor within 15 days of receipt of grades for the term in question. The Town Manager has sole discretion to determine what costs may be reimbursed.

Each year during course of study, within 15 days of the anniversary of the approval of the employee's written plan, employee must submit an updated plan to their supervisor and Town Manager. The Town Manager will approve or deny continuation of the course of study within 10 days of receipt of updated plan.





While educational assistance is expected to enhance employees' performance and professional abilities, the Town of Berryville cannot guarantee that participation in formal education will entitle the employee to automatic advancement, a different job assignment, or pay increases.

In the event that an employee voluntarily leaves employment within one year of receiving reimbursement for any educational program, the employee will be responsible for returning the Town-disbursed assistance associated with the training or educational opportunity.

#### **Education Leave**

Education leave is discretionary and is normally taken with partial pay or without pay. When an employee can demonstrate that the pursuit of the educational program will have an immediate and discernable benefit to the Town, leave with full pay may be granted at the sole discretion of the Town Manager. The conditions of such leave shall be subject to a case-by-case determination based on factors which include the nature of the education or training, length of the absence, work record of the employee, work requirements at the time of the request, and value of the education or training to the Town of Berryville.

The cost of training and related expenses undertaken at the direction of the Town Manager may be paid in full by the Town of Berryville. In such case, the hours of training count as hours worked. For training requested by an employee, the employee may receive reimbursement of tuition costs if (1) the training was approved in advance by the Town Manager and (2) the employee shows successful completion of the course. If the training was not required as a condition of continued employment the hours do not count as hours worked.





### Conduct

Employees are expected to apply themselves to their assigned duties during the full schedule for which they are being compensated. Unacceptable conduct shall be subject to disciplinary action.

### Appearance

Dress, grooming, and personal cleanliness standards contribute to the morale of all employees and affect the business image the Town of Berryville presents to customers and visitors.

During business hours or when representing the Town of Berryville, employees are expected to present a clean, discreet, and professional appearance that is appropriate to their scope of work. Consult your supervisor or department head if you have questions as to what constitutes appropriate attire.

Supervisors or department heads are responsible for establishing a reasonable dress code with the oversight of the Town Manager and appropriate to the job performed. When safe and expedient to do so, reasonable accommodation may be made to a person with a disability and/or religious or cultural requisite.

Personnel provided with uniforms are required to wear the uniforms while performing Town functions. Variations in attire from approved uniforms may be permitted only with prior approval of an employee's supervisor or the Town Manager. Employees are responsible for issued uniforms and shall bring any problems with the uniform to the attention of their supervisor. When worn, additional layering items of clothing must be under uniforms, with the exception of weather-appropriate outerwear. Some items of apparel, such as steel-toe shoes, are considered Personal Protective Equipment (PPE), and no deviation from standard is acceptable. Please direct specific questions to Department Head.

Uniforms shall not be worn when the employee is off duty (except for travel to and from work and other instances approved by the employee's supervisor or the Town Manager). Hats, excepting PPE, must be Town of Berryville issued. Uniform particulars are included in Appendix X.





## Disciplinary Action

The Town of Berryville provides examples of actions which may result in discipline. These are in no way inclusive or exhaustive. Members of the Police Department may be subject to additional or alternative regulations and must consult and understand personnel manuals specific to their position. Questions must be directed to supervisor or Town Manager.

The Town strives to practice progressive discipline. Progressive discipline means that, with respect to most disciplinary problems, these steps will normally be followed: a first offense may call for a verbal warning; a next offense may be followed by a written warning; another offense may lead to a suspension; and still another offense may then lead to termination of employment. A tiered categorization of discipline is used, i.e., Level I, Level II, and Level III offenses, and is described herein. Offenses described in Level II and III may require more severe corrective action, up to and including termination.

The Town of Berryville recognizes that there are certain types of employee problems that are serious enough to justify either a suspension, or, in extreme situations, termination of employment and/or immediate expulsion from the workplace, without going through progressive discipline steps.

*Coaching:* Coaching may be verbal or written and is an opportunity to reiterate procedures, safety standards, and expectations when an oversight or omission is deemed unintentional but must not be repeated.

*Reprimands:* Verbal and written reprimands are issued for offenses which are of minor severity in nature but which require correction. The severity of the offense shall dictate whether a verbal (informal) or written (formal) reprimand is appropriate. Additional disciplinary action may result if the condition is not corrected within a reasonable period of time.

*Suspensions:* Suspensions are temporary separations from service, for disciplinary purposes pending termination, or where the case is not sufficiently grave to merit termination. An employee may be suspended by their department head, with or without pay, for a period of up to 72 hours.

*Demotions:* Demotions may be necessary when an employee is unfit to perform in a position which they have held, but is capable of performing in a lower and/or different classification than before. This allows employees whose work has not been satisfactory, but who do not deserve termination, to be retained and assigned a different scope of work at a different rate of pay.

*Termination:* Termination shall be carried out for inefficiency, insubordination, misconduct or for reasons listed herein as Level II or Level III.

## Notification and Recordkeeping

Prior to imposing disciplinary action, including termination, the supervisor shall inform the employee of the reason for the discipline and the employee shall have the right to comment on the discipline. However, the supervisor may have the employee removed from the workplace





prior to giving an opportunity to comment if the employee's continued presence poses a safety danger or may be disruptive to the workplace.

A copy of any written disciplinary action, report, or supplementary documentation will be included in employee file and is subject to Town of Berryville record and confidentiality policies. Unauthorized access to, or dissemination of, employee disciplinary information is strictly prohibited.

**Level I Offenses (acts and behavior that typically result in coaching, reprimand, or suspension)**

Unexcused absence or tardiness.

Violation of leave policy and/or any other provision or regulation in the personnel policies.

Failure to notify supervisor, or other authorized personnel in the event that the supervisor cannot be contacted, when unable to report to work at the time assigned.

**Level II Offenses (acts and behavior that typically result in reprimand, suspension, demotion, or termination)**

Repeated Level I offenses.

Failure to report personal injury, accident, or condition of public health significance with risk of transmission during normal scope of work.

Unexcused or unauthorized absence or tardiness without extenuating circumstance.

Sleeping during duty, or leaving job to which assigned at any time during working hours without proper permission.

Failure to observe precautions for personal safety, posted rules, signs or safety instructions, or to use protective clothing or equipment.

Violating traffic regulations or improper operation of a Town-owned motor vehicle.

Harassment, discrimination, or retaliation as defined in employee manual or by federal, state, or local statute (single occurrence with negligible impact/injury to target/victim).

Careless workmanship, wasting time, or inattention to duty.

Unexcused delay in carrying out orders, work assignments, or instructions.

Inadequate or unsatisfactory job performance; or being incompetent or inefficient in the performance of the duties of the position; or being otherwise unfit for Town service.





**Level III Offenses (acts and behavior of such a serious nature that a first offense typically warrants termination)**

Repeated Level II offenses.

Unauthorized divulging or discussing any Town business which is confidential.

Disorderly conduct; threats or acts of violence; engaging in dangerous horseplay.

Possession, distribution, use, or being on duty while under the influence of alcohol, cannabis products without a prescription, or intoxicating substances (drugs) in the workplace, while conducting Town business, or when representing the Town either on or off premises. For the purposes of this section, legal possession in a personal vehicle is not prohibited.

Endangering the safety of or causing injury to others while performing work or representing the Town of Berryville in an official capacity.

Conduct unbecoming of a Town employee; use of disrespectful, abusive, or offensive conduct or language in public, or toward the public, Town officials, or fellow employees in the workplace, while conducting Town business, or when representing the Town either on or off premises.

Harassment, discrimination, or retaliation as defined in employee manual or by federal, state, or local statute (repeated offence or action resulting in impact/injury to target/victim).

Falsification, misstatement, exaggeration or concealment of material fact in connection with employment, promotion, claim, report, voucher, or any record, investigation, or other proper proceeding.

Disobedience to constituted authorities, or deliberate refusal to carry out any official regulation or proper order from any supervisor or superior having responsibility for the work of the employee; or insubordination.

Failure to report to supervisor charges or a conviction(s) for a crime of moral turpitude, on or off the job.

Illegal possession or use of weapons or hazardous materials including chemical and biological agents and explosives.

Legal, licensed, and permitted secure storage or carry of firearms must be authorized by Town Manager. For the purposes of this section, possession in a personal vehicle is not prohibited.

Theft, damage, destruction, unauthorized use, possession, or loss of Town property or the property of others, or endangering same through carelessness.

Threatening, attempting, or using personal or political influence in any way that violates federal, state, or local statutes or Town of Berryville ethical conduct policies, even if actions do not result in personal gain.





## **Disciplinary Procedure**

*Investigations:* Upon receiving a report of violation of the law or a departmental or disciplinary regulation, as set forth in these regulations, the Town Manager will conduct an investigation with the purpose of ascertaining the facts relative to the circumstances surrounding the alleged offense. Violation or alleged violation of law will be reported in accordance with the law.

*Reports:* Any disciplinary action proposed by any department head shall be reported in full immediately to the Town Manager. A copy of same disciplinary report will become a permanent part of employee personnel record and will be maintained as part of confidential employee records.

## **Sexual Harassment**

The Town of Berryville is committed to providing a work environment that is free from all forms of discrimination and conduct that can be considered harassing, coercive, or disruptive, including sexual harassment. Actions, words, jokes, or comments based on an individual's legally protected characteristic will not be tolerated.

Sexual harassment is defined as unwanted sexual advances, or visual, verbal, or physical conduct of a sexual nature. This definition includes gender-based harassment of a person of the same sex as the harasser and intentional exposure of a third party to sexual conduct, imagery, etc.

Verbal or physical conduct of a sexual nature constitutes sexual harassment when: (1) submission to such conduct is made either explicitly or implicitly a term or condition of employment; (2) submission to or rejection of the conduct is used as a basis for making employment decisions; or, (3) the conduct has the purpose or effect of interfering with work performance or creating an intimidating, hostile, or offensive work environment.

All allegations of sexual harassment will be quickly and discreetly investigated. To the extent possible, confidentiality of the complainant and/or potential victim, witnesses, and the alleged harasser will be protected against unnecessary disclosure. When the investigation is completed, all subject parties will be informed of the outcome of the investigation.

A non-employee who subjects an employee to harassment in the workplace will be informed of the Town of Berryville's policy and appropriate actions will be taken to protect the employee from future harassing conduct.

## **No-Harassment/No-Discrimination Policy**

The Town of Berryville will not tolerate any form of harassment, discrimination, or retaliation. In accordance with Title VII of the Civil Rights Act of 1964 and the Age Discrimination in Employment Act of 1967, Town policy prohibits harassment, discrimination, or intimidation of others based on age, sex, color, race, (including traits historically associated with race, including hair texture, hair type, and protective hairstyles), creed, religion, national origin, gender, gender identity/expression, sexual orientation, ethnicity, pregnancy, disability, political affiliation,





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marital status, military/veteran status, genetic information, status in any other group protected by federal or local law or for any other reason.

Harassment includes, but is not limited to, remarks, jokes, written materials, symbols, paraphernalia, clothing or other verbal or physical conduct which may intimidate, ridicule, demean, or belittle a person because of their age, sex, color, race, (including traits historically associated with race, including hair texture, hair type, and protective hairstyles), creed, religion, national origin, ethnicity, pregnancy, disability, gender, gender identity/expressions, sexual orientation, political affiliation, marital status, military/veteran status, genetic information, or status in another group protected by federal, state or local law. Conduct that threatens, intimidates, or coerces another employee, a customer, or a member of the public at any time while conducting Town business, or when representing the Town either on or off premises, will not be tolerated. This prohibition includes all acts of harassment, including harassment that is based on an individual's sex, race, age, or any characteristic protected by federal, state, or local law.

A non-employee who subjects an employee to harassment or discrimination in the workplace will be informed of the Town of Berryville's policy and appropriate actions will be taken to protect the employee from future harassing conduct.

### **Workplace Violence**

The Town of Berryville is committed to preventing workplace violence and to maintaining a safe work environment and has adopted the following guidelines to deal with intimidation, harassment, or other threats of (or actual) violence that may occur during business hours or on its premises.

All employees, including supervisors and temporary employees, must be treated with courtesy and respect at all times. Employees are expected to refrain from fighting, "horseplay," or other conduct that may be dangerous to others. The Town of Berryville encourages employees to bring their disputes or differences with other employees to the attention of their supervisors or the Town Manager before the situation escalates into potential violence.

All threats of (or actual) violence, both direct and indirect, must be reported as soon as possible to your immediate supervisor or another member of management. This includes threats by employees, as well as threats by customers, vendors, solicitors, or other members of the public. When reporting a threat of violence, you must be as specific and detailed as possible.

The Town of Berryville will promptly and thoroughly investigate all reports of threats of (or actual) violence and of suspicious individuals or activities. The identity of the individual making a report will be protected as much as is practical. In order to maintain workplace safety and the integrity of its investigation, the Town of Berryville may suspend employees, either with or without pay, pending investigation. At no time will any employee be subjected to retaliation for reporting any threat or perceived threat, regardless of the outcome of the investigation. Anyone determined to be responsible for threats of (or actual) violence or other conduct that is in





violation of these guidelines will be subject to prompt disciplinary action up to and including termination, arrest, and prosecution.

Firearms, weapons, and other dangerous or hazardous devices or substances are prohibited during all work activities, while representing Berryville in any capacity, and on Town premises. Exceptions exist for members of the Town of Berryville's Police Department or with prior authorization by Town Manager. Licensed and permitted secure storage or carry of firearms must be authorized by Town Manager. For the purposes of this section, possession in a personal vehicle is not prohibited.

All suspicious individuals or activities must also be reported as soon as possible to a supervisor. Employees must not endanger themselves or others by interceding or failing to report a concern.

### **Retaliation**

Retaliation is illegal and contrary to the policy of the Town of Berryville. Employees who bring complaints of discrimination or who identify possible violations, witnesses interviewed during the investigation, and others who may have opposed discriminatory conduct are protected from retaliatory acts.

If an employee believes that they are being retaliated against, a written or verbal report must be immediately made to the Town Manager. Those who are found to be acting in a retaliatory manner will be disciplined for such conduct.

### **Grievance Procedure**

All complaints and grievances which an employee may have because of any action affecting their status or conditions of employment shall be handled in accordance with the Town of Berryville grievance procedure. (VA State Law Reference § 15.2-1506). This is included in Appendix V.





## **Occupational Safety and Health**

The Town of Berryville is committed to providing employees with a safe and healthful work environment. To accomplish this goal, all employees and their supervisors must make diligent efforts to promote safety and to develop and implement safety rules and regulations. This process is ongoing and requires periodic review and training. Safety audits are undertaken to determine the necessity and feasibility of providing equipment, devices, work practices, policies, or other safeguards to make the workplace safe and healthful. To address specific safety concerns, departments including the Town of Berryville Police Department may develop and institute specific safety protocols in addition to this manual.

Employees are expected to always follow safety rules and regulations, including using appropriate protective clothing and equipment, attending all training sessions related to their scope of work, following the directions of supervisory personnel, and exercising care in the execution of their duties.

Safety rules and regulations will be issued or modified from time to time and will be effective immediately upon communication. Departments will have specific job/task-related rules and procedures that employees are expected to know and follow.

Each employee is expected to obey safety rules and to exercise caution in all work activities. Employees must immediately report any unsafe condition to the appropriate supervisor. Employees who violate safety standards, who cause hazardous or dangerous situations, or who fail to report or, where appropriate, remedy such situations, may be subject to disciplinary action, up to and including termination of employment.

### **Accident Reporting and Investigation**

All job-related injuries or illnesses shall be reported to a supervisor immediately, regardless of severity. In the case of serious injury, reporting obligation may be deferred until circumstances reasonably permit a report to be made. Failure to report an on-the-job injury or illness may preclude or delay the payment of benefits and could subject the Town of Berryville to fines and penalties.

Each supervisor is to investigate the cause of every lost-time accident and determine the means by which to prevent recurrence. They will prepare a written report (included in Appendix IV), which will be submitted to Director of Finance/Treasurer. The Town of Berryville will install any safeguards or take corrective measures indicated or found advisable.





## Drivers Policy

The Town of Berryville expects its drivers to operate in a safe, legal, and professional manner at all times. Drivers convicted of moving violations jeopardize their livelihood and the Town's safety standards. All drivers for the Town are expected to maintain an acceptable driving record. Substantive changes to driving records are expected to be reported within (72) hours. Three or more tickets and/or chargeable accidents (where driver is determined to be at fault) within one year may result in discipline up to and including termination. If an employee's license is revoked or suspended, they must notify their supervisor by close of next business day and immediately refrain from operating a Town-owned vehicle. Motor Vehicle Records (MVRs) will be obtained annually after authorization is received from the employee. The Town Manager will review the MVR to assure that Town safety standards regarding driving are upheld.

### Use of Equipment and Vehicles

At no time may a Town vehicle be used for purposes other than for the transaction of Town business. When using Town property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines. Supervisor must be notified if any equipment, machines, tools, or vehicles appear to be damaged, defective, or in need of repair.

The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations, may result in disciplinary action, up to and including termination of employment. Drivers must report ticket violations received while driving a Town vehicle or while conducting Town business within (72) hours.

Employees involved in automobile accidents while driving a Town vehicle must:

- Notify local law enforcement and their immediate supervisor,
- Collect names and addresses of other persons involved in the accident and of witnesses, and
- Not leave the scene of the accident until released by the responding police officer.

Use of Town of Berryville vehicles for personal transportation to and from an employee's home is established at the sole discretion of the Town Manager and is reserved for rapid response to Town needs, i.e., expectation of severe weather.





### **Timekeeping**

Federal and state laws require the Town of Berryville to keep an accurate record of time worked in order to calculate employee pay and benefits. Altering, falsifying, tampering with time records, or recording time on another employee's time record may result in disciplinary action, up to and including termination of employment. It is the employees' responsibility to sign their time records to certify the accuracy of all time recorded. The supervisor will review and then initial the time record before submitting it for payroll processing.

### **Identification Cards**

To provide a consistent method of identification for Town employees conducting business off-premises, employees will be issued Town-issued identification cards to wear when operating in their capacity as Town employees off-premises. Variation from this directive is provided for members of Town of Berryville Police Department. Other divergences must be pre-approved by the Town Manager or department head.

Identification cards will include: employee name, title or department, and a photograph of employee.

Identification cards shall not be displayed during non-work hours or events. Cards remain the property of the Town of Berryville and must be returned upon request. Lost or damaged cards must be reported to a department head. Replacement cost may be borne by employee.

### **Fuel Cards**

The Town of Berryville is liable for all authorized charges made on the Voyager Fuel Card. Fuel for vehicles is to be obtained from any Voyager accepted commercial fuel station. A directory of Voyager locations can be found at [www.usbank.com/voyagerfleet/search.jsp](http://www.usbank.com/voyagerfleet/search.jsp). Fuel cards will only allow fuel purchases. The use of this card for any other purpose than fuel and oil for Town of Berryville vehicles is prohibited.

Fuel cards are assigned to each vehicle. Each fuel card must remain in the assigned vehicle. Any vehicle containing the card shall be locked when not in use. If a fuel card is not in the vehicle, report immediately to the supervisor.

The odometer reading must be keyed correctly at the pump. Odometer readings are used to monitor the vehicle's preventative maintenance schedule and provide verification for billing. All purchases using the Voyager card are assigned and tracked to a specific vehicle. Voyager purchases that do not appear to be consistent with established policies will be investigated by the Department Head.





## Phone and Mail Systems

As a representative of the Town of Berryville, phone users are reminded that all standards of conduct established in this manual and supplementary guides/trainings apply to telephone usage as well as in-person interactions.

Personal use of the telephone must be brief, limited to regularly scheduled breaks or emergencies, and non-disruptive to the workplace and neighbors. Mobile phones provided by the Town of Berryville are considered Town-owned equipment. In case of negligent loss or damage beyond normal wear and tear, the cost of repair or replacement of mobile phone may be borne by employee. Data charges over and above what is routinely necessary for work-related use may also be charged to employee.

Employees engaged in emergency operations, including providing direction to employees engaged in such operations, are permitted to use a "hands-free" device while operating a vehicle or other equipment. All other situations and employees are prohibited from use of handheld devices while driving, operating equipment or machinery, or engaging in potentially hazardous activities.

The use of Town of Berryville-paid postage, letterhead/envelopes, etc., for personal correspondence is not permitted.

## Computer and Email Usage and Conduct

Email, computer, and other electronic or virtual communication is subject to the same code of conduct which applies to all other actions in the workplace, and violation may constitute grounds for disciplinary action, up to and including termination. Computers, computer files, the email system, and software furnished to employees are Town of Berryville property intended for business use. Computers, tablets, and other electronic devices provided by the Town of Berryville must be utilized only for work-related purposes. In case of negligent loss or damage beyond normal wear and tear, the cost of repair or replacement of device may be borne by employee.

Where password protection is authorized, passwords must be at least (10) characters in length and contain at least (3) of the following (4) types of characters: lower-case letters, upper-case letters, numbers, and special characters. Passwords must be changed at least every (60) days or as directed, must not be a common keyboard sequence, must not include personal information, and must not include discriminatory language or terms in violation of Town of Berryville Discrimination Policy.

The Town of Berryville purchases and licenses the use of various computer software for business purposes and does not own the copyright to this software or its related documentation. Employees may only use software according to the software license agreement. Employees must notify their immediate supervisor or the Town Manager upon learning of violations of this policy. Employees who violate this policy will be subject to disciplinary action, up to and including termination of employment.





The use of this equipment for personal use must be minimal and limited to breaks. Employees must be aware that there are stored records of all activity and communications. There must be no expectation of privacy in any communications received, sent, or stored on equipment or service provided by the Town of Berryville.

### **Internet Usage**

Access to resources on the Internet is provided by the Town of Berryville to assist employees in obtaining work-related data and technology. The following guidelines have been established to help ensure responsible and productive Internet usage. Members of the Town of Berryville Police Department may be subject to additional or alternate restrictions on Internet usage.

Social media posts by employees regarding current or future Town of Berryville actions are restricted to topics of general public knowledge unless the post is an authorized public notice or educational outreach. Employees may not use their Town of Berryville titles or email addresses or otherwise represent themselves in their professional capacity in any social media post, commentary, image, video, etc. Employees are free to express themselves as private citizens on social media sites to the degree that their speech does not impair Town of Berryville operations, violate confidentiality, or create a conflict of interest. Employees are cautioned that a comment, post, etc., that is made pursuant to their official duties, i.e., that owes its existence to official duties and responsibilities, is not protected speech under the First Amendment and may form the basis for disciplinary action. When addressing a topic or action which may be construed to reflect Town business, it is recommended that a disclaimer be added such as "the postings on this site are my own and do not reflect or represent the opinions or positions of the Town of Berryville".

Before an employee logs on to a website, https (not http) must be in the URL to indicate there is a secure connection. If a secure connection is not present, employee will request a secure web page from the service provider.

All Internet data that is composed, transmitted, or received via our computer communications systems is considered to be part of the official records of Town of Berryville and as such is subject to disclosure to law enforcement or other third parties. Consequently, employees must always ensure that the business information contained in Internet email messages and other transmissions is accurate, appropriate, ethical, and lawful.

Town of Berryville reserves the right to monitor Internet traffic and retrieve and read any data composed, sent, or received through our online connections and stored in our computer systems. All communications, images, data, etc., are subject to the personnel policies included in this manual, including privacy policies, confidentiality and proprietary information, and harassment and discrimination prohibitions.

The unauthorized use, installation, copying, or distribution of copyrighted, trademarked, or patented material on the Internet is expressly prohibited.





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Internet users must take the necessary anti-virus precautions before downloading or copying any file from the Internet or other sources. All downloaded files are to be checked for viruses; all compressed files are to be checked before and after decompression.

### **Data Protection and Breach Plan**

A Data and Security Breach Response Team (DSBRT) consisting of Town Manager, Deputy Town Manager, Chief of Police, and Town Clerk is tasked with developing practices and responses to protect the privacy and security of data collected and stored while conducting Town Business. Response activities are governed by Virginia code §2.2-5514.

Known or suspected loss of secure device or unauthorized access to Town confidential physical or electronic records must be reported to a member of the DSBRT. The DSBRT will assemble to investigate the extent and impact of the breach and develop a response. The team and response may be modified and extended as information becomes available and may require the intervention of Town IT professionals, independent secure investigators, and local, state, and/or federal law enforcement.

The DSBRT response will include, at a minimum, disclosing the known and suspected impact to stakeholders, assessing security measures, and adjusting security policies to reduce future risk.

### **Purchasing Cards (P-Cards)**

Purchasing Cards are provided to expedite purchasing and manage cash flow. The purchasing cards are issued upon request and at the discretion of the Town Manager, who may deny, limit, or suspend individual(s) or department(s) purchasing card(s). The Director of Finance/Treasurer manages the purchasing card program and is responsible for establishing and enforcing card related policies and procedures and serves as program administrator. The Director of Finance/Treasurer may delegate purchasing card duties to Finance Department staff.

All rebates earned will be credited to the Town's General Fund for administrative and processing costs.

Each Department Head authorizes and monitors card activity and ensures that vendor receipts, invoices, and delivery documentation are retained for each purchase, in accordance with established policies and procedures. The Department Head will serve as the primary contact for the department and will ensure accuracy of p-card statements, assign the appropriate expenditure codes, and submit report to Director of Finance/Treasurer.

The cardholder is an individual employee assigned a card with their name. The cardholder is responsible for card activity and retaining vendor receipts, invoices, and delivery documentation. The cardholder is also responsible for submitting required documentation in a timely manner for coding and approval to the designated person in their department.

Purchases are limited to authorized work-related expenses by authorized employees. Personal charges and split payments that seek to circumvent spending limits are prohibited.





Most Town purchases are exempt from Virginia state sales tax. When making a p-card purchase, card users must remind the vendor of our tax-exempt status and examine the receipt to verify sales tax was not charged. By state statute, the Town is not exempt from sales tax for meals, catered events, lodging, or other accommodations. The Town is not exempt from sales tax imposed by other states on goods and services purchased outside of Virginia.

This program is subject to all restrictions and regulations required by federal, state, and local statute as well as the card issuer, department heads, and Town Manager. Program documents must be retained for a minimum of three (3) years. The p-card program is subject to review by the Town Manager and both internal and external auditor. Additional protocols are available in Appendix VIII.





## Smoking and Tobacco Use

In keeping with the Town of Berryville's intent to provide a safe and healthful work environment, the Town of Berryville restricts smoking and the use of e-cigarettes and vaping devices, including smoke-free and tobacco-free vaping devices, in all interior spaces, vehicles, and gatherings (even held outside). No smoking, vaping, or use of e-cigarettes, including smoke-free and tobacco-free devices, is permitted within (50) feet of an entrance, handicapped or otherwise limited-availability parking space, gathering area, or walkway. Smoking is permitted in personal vehicles and parking lots, except as noted. Disposal of smoking-related waste, including stubs/butts and ash, must be in designated receptacles or a container maintained and disposed of by employee.

When conducting work off-site or representing the Town of Berryville in any capacity, employees are required to abide by local smoking restrictions. When restrictions are not posted or otherwise communicated, employees should smoke at least (50) feet away from nonsmokers, worksites, walkways, entrances, or limited availability parking spaces. The presence of flammable or other reactive materials may require a greater distance. Disposal of smoking-related waste, including stubs/butts and ash, must be in designated receptacles or a container maintained and disposed of by employee.

Supervisors, Department Heads, and the Town Manager may establish designated smoking areas at Town facilities/premises. Additional or alternate smoking areas may be established by Supervisors, Department Heads, and the Town Manager at will.

Those using smokeless tobacco must do so in a manner that cannot be detected by the public or coworkers. Employees who use smokeless tobacco must maintain an opaque container for spitting and may not spit into trashcans or dispose of used tobacco in a manner that may spill, stain, or cause odors. This policy applies equally to all employees, customers, and visitors.

## Alcohol- and Drug-Free Workplace

No employee shall unlawfully manufacture, dispense, possess, use, or distribute any controlled substance, medication, or alcohol in violation of federal, state, or local law. For the purposes of this section, legal possession in a personal vehicle is not prohibited.

Any employee convicted under a federal or state statute regulating controlled substances shall notify their supervisor and the Town Manager within five days after the conviction.

No employee shall consume alcoholic beverages or Class I or II drugs as identified by the United State Drug Enforcement Agency (DEA) immediately before beginning work, during work hours, or while at work during breaks or lunches. No employee shall represent the Town of Berryville in an official capacity while impaired by alcohol, illegal drugs, or medication.

No employee using medication that may impair performance shall operate a vehicle or engage in safety-sensitive functions while on duty for the Town of Berryville. If an employee is using a prescription or non-prescription medication that may impair performance of duties, the employee shall report that fact to their supervisor.





An employee who has reason to believe that the performance of another employee is impaired by alcohol, illegal drugs, and/or medication shall immediately notify the supervisor or the Town Manager. Because of the serious nature of illegal use or abuse of alcohol, controlled substances, and/or non-prescribed use of medication, appropriate employee disciplinary action will be taken, up to and including termination.

Employees with drug or alcohol problems that have not resulted in, and are not the immediate subject of, disciplinary action may request approval to take unpaid time off to participate in a rehabilitation or treatment program through the Town of Berryville's health insurance benefit coverage. Leave may be granted if the employee agrees to abide by the treatment and/or counseling protocol and if granting the leave will not cause the Town of Berryville any undue hardship.

Employees with questions about this policy or matters relating to drug or alcohol use in the workplace may raise their concerns with their supervisor or the Town Manager without fear of reprisal.

### **Drug & Alcohol Testing**

Applicants and employees may be asked to provide body substance samples (such as urine and/or blood) to determine the illicit or illegal use of drugs and alcohol. Refusal to submit to drug testing may result in rescission of employment offer or disciplinary action, up to and including termination of employment.

The Employee Assistance Program (EAP) provides confidential counseling and referral services to employees for assistance with problems such as drug and/or alcohol abuse or addiction. It is the employee's responsibility to seek assistance from the EAP prior to reaching a point where their judgment, performance, or behavior has led to imminent disciplinary action. Participation in the EAP after the disciplinary process has begun may not preclude disciplinary action, up to and including termination of employment.

Drug and/or alcohol tests shall be required when a conditional offer of employment has been made; when an employee in a Town position critical to the safety and security of employees or citizens has been selected for a random drug screening; following an on-duty accident; when there is reasonable suspicion that any Town employee, regardless of position or employment status, is under the influence of illegal drugs or alcohol; and for a period of (18) months after a Town employee, regardless of position or employment status, has been authorized to return to work after participation in employee assistance program.

Additional information regarding drug screening/testing is found in Appendix III.





## Emergency Closings

Emergencies such as severe weather, fires, power failures, etc., can disrupt operations. In extreme cases, these circumstances may require the closing of a work facility. If in doubt about such closing, it is the employee's responsibility to contact their supervisor.

Responses to weather events and other emergencies may range from normal operations to: opening late to public, closing early to public, closed to public, and closed to public and employees. When operations are officially closed at the direction of the Town Manager because of emergency conditions, the time off from scheduled work will be unpaid unless otherwise declared. However, the Town Manager may permit employees to use available PTO.

Employees in essential operations may be asked to work on a day when operations are officially closed. In these circumstances, employees who work will receive regular pay. If essential personnel do not report to work on a day when the Town is officially closed, they shall be subject to loss of pay or be charged leave, depending on the reason they do not report. In addition, such employees may be subject to disciplinary action.

Additional information is found herein under Declared Liberal Leave policy.

## Telecommuting

Telecommuting is a work alternative that the Town of Berryville may, at its sole discretion, offer to some employees when it would benefit both the Town and the employee.

All telecommuting arrangements must be approved in advance by the Town Manager. The decision to approve a telecommuting arrangement will be based on factors such as position and job duties, performance history, related work skills, and the impact on the Town.

The employee's compensation, benefits, work status, work responsibilities, and the amount of time the employee is expected to work per day or per pay period will not change as a result of participation in the telecommuting program (unless otherwise agreed upon in writing).

The employee's at-home work hours will conform to a schedule agreed upon by the employee and their supervisor. The Town of Berryville has the right to refuse to make telecommuting available to an employee and to terminate a telecommuting arrangement at any time.





## Travel Expenses

The Town of Berryville will reimburse employees for approved business travel expenses incurred while on assignments away from the normal work location. A list of approved expenditures is included in Appendix IV. Under no circumstances are alcoholic beverages to be charged to or reimbursed by the Town. Tips up to 15% may be included as long as total does not exceed per-meal or daily limit.

With prior approval, employees on business travel may be accompanied by a family member or friend, when the presence of a companion will not interfere with successful completion of business objectives.

Hotel and conference shuttles should be used whenever available in lieu of personal vehicles, taxis, or rideshare services. Cost of such mileage or services shall be reimbursed only for travel related to Town business and when no cost or low-cost shuttles are unavailable or impractical.

When travel is completed, employees will submit completed travel expense reports within 30 days. Incidental expenses over several days/trips may be compiled on a single report but still are due within 30 days. Reports must be accompanied by receipts for all individual expenses. Mileage is reimbursed at the official IRS mileage rate at the time of travel. When using a private vehicle for travel, charges for gasoline/oil to a Town purchasing card shall be deducted from the mileage reimbursement. In no case shall charges for any other vehicle maintenance items for a private vehicle be made to a Town purchasing card.

Employees who are involved in an accident while traveling on business must promptly report the incident to their immediate supervisor. Employees involved in automobile accidents while driving a Town vehicle must:

- Notify local law enforcement and their immediate supervisor,
- Collect names and addresses of other persons involved in the accident and of witnesses, and
- Not leave the scene of the accident until released by the responding police officer.

All accidents, whether vehicular or otherwise, must be reported to supervisor or Town Manager.





### **Visitors**

Only authorized visitors are allowed in the workplace. All visitors must enter Town facilities at the main entrance and will receive directions or be escorted to their destination. Employees are responsible for the conduct and safety of their visitors. If an unauthorized individual is observed on the Town of Berryville's premises, employees must direct the individual to the main entrance or, if necessary, immediately notify their supervisor.

### **Political Activity**

Employees of the Town of Berryville are prohibited from publicly taking part in municipal elections or from using their positions to influence anyone to contribute or pay anything of value to an organization or person for political purposes. This policy is not intended to prevent an employee from casting their vote, or joining a political organization, or expressing any opinions in private.

An employee shall not be coerced to support a political activity, whether funds or time are involved. An employee shall not engage in political activity on work premises during work hours. An employee shall not use Town of Berryville-owned equipment, supplies, or resources when engaged in political activities. An employee shall not discriminate in favor of or against any person or applicant for employment on the basis of political activities. An employee shall not use their title or position while engaging in political activity.

Employees shall not use Town phones, cell phones, computers and related devices to carry out political activities as defined in VA Code §15.2-1512.2.

Town Council members are excepted from the restrictions herein listed.

### **Solicitation**

Solicitation is prohibited on Town of Berryville premises. Town employees may not solicit or distribute literature during working time. In addition, the posting of written solicitations on company bulletin boards is prohibited.





## Employment Separation

Since employment with the Town of Berryville is based on mutual consent, both the employee and the Town of Berryville have the right to terminate employment at will, with or without cause, at any time.

*Resignation:* To resign in good standing, an employee must give at least two weeks' advance notice. Supervisors and Department Heads are requested to provide 30 days' notice. If special circumstances exist, the notice requirement may be waived by the Town Manager. Failure to give the required advance notice will result in forfeiting compensation for accrued leave, other than compensatory leave for nonexempt employees. Failure to return to work at the expiration of an approved leave of absence shall be interpreted as a resignation.

*Layoff:* The Town of Berryville reserves the right to dismiss/lay off employees for lack of available work or funds. In such cases the employees affected will be given a minimum of two weeks' advance notice or two weeks' pay in lieu of notice.

*Non-Disciplinary Termination:* An employee may be terminated if they become physically or mentally unable to perform the duties of the position. However, any such action shall be taken in a manner that complies with the requirements of the Americans with Disabilities Act.

*Termination:* Termination as a result of disciplinary action may be performed by the Town Manager or department head. At the time of termination, employees are required to relinquish all materials, tools, equipment, access tools including passwords and keys, uniforms, and any other item(s) that are proprietary to the Town of Berryville or were acquired at the expense of the Town. Employees are expected to immediately leave the workplace. Future admittance is limited to the normal access granted to members of the public conducting business with the Town.

The Town of Berryville will generally schedule exit interviews at the time of employment separation. The exit interview will afford an opportunity to discuss such matters as employee benefits, conversion privileges, repayment of outstanding debts to the Town of Berryville, or return of the Town of Berryville-owned property. Suggestions, complaints, and questions can also be voiced.

Employee benefits will be affected by employment termination. All accrued, vested PTO, holiday, and compensatory leave that is due and payable at termination will be paid within (5) days of issuance of last paycheck. Any outstanding charges for damages or loss associated with Town-owned equipment, vehicles, etc., may be withheld from last check or value of PTO, compensatory, or holiday leave balances. Some benefits may be continued at the employee's expense if the employee so chooses. The employee will be notified in writing of the benefits that may be continued and of the terms, conditions, and limitations of such continuance.

### Return of Property

Employees must return all Town of Berryville property immediately upon request or upon employment separation. Where permitted by applicable laws, the Town of Berryville may withhold from the employee's final paycheck the cost of any items that are not returned when





required. The Town of Berryville may also take all action deemed appropriate to recover or protect its property.

### References

It is illegal for the Town of Berryville to give a negative or false employment reference due to a former employee's age, sex, color, race, (including traits historically associated with race, including hair texture, hair type, and protective hairstyles), creed, religion, national origin, gender, gender identity/expression, sexual orientation, ethnicity, pregnancy, disability, political affiliation, marital status, military/veteran status, or status in any other group protected by federal or local law. The Town reserves the right to limit reference reports to confirmation of employment duration and scope of work. All other reference(s) reports, if any, will be provided in writing and a copy will be maintained in employee file for a period set by federal or state statute. Additional and/or alternate reference reporting may be required for members of the Berryville Police Department. Questions should be directed to Department Head, Director of Finance/Treasurer, or Town Manager.





**Appendix I: Employee Acknowledgement Form**

The employee handbook describes important information about the Town of Berryville, and I understand that I should consult the Town Manager regarding any questions not answered in the handbook.

I have entered into my employment relationship with the Town of Berryville voluntarily and acknowledge that there is no specified length of employment. Accordingly, either I or the Town of Berryville can terminate the relationship at will, with or without cause, at any time, so long as there is no violation of applicable federal or state law.

Since the information, policies, and benefits described here are necessarily subject to change, I acknowledge that revisions to the handbook may occur, except to the Town of Berryville's policy of employment-at-will. All such changes will be communicated through official notices, and I understand that revised information may supersede, modify, or eliminate existing policies. Only the Town Council of the Town of Berryville has the ability to adopt any revisions to the policies in this handbook.

Contained in the handbook are a Drug-Free Workplace Policy and a Drug and Alcohol Testing Policy. Employees are encouraged to read all of the handbook and familiarize themselves with the policies, procedures, and requirements contained herein. Again, questions regarding the policies contained in this handbook should be directed to the Town Manager.

In addition to this handbook, I have received a copy of the job description for the position for which I was hired. I acknowledge receipt of this job description and I understand that this job description is not intended to be all-inclusive and that I will also perform other reasonably related duties as assigned by my immediate supervisor and other management as required. I understand that the Town of Berryville reserves the right to revise or change job duties and responsibilities as the need arises. I understand that the job description does not constitute a written or implied contract of employment.

Furthermore, I acknowledge that I have received the handbook and the policies therein, and I understand that it is my responsibility to read and comply with the policies contained in this handbook and any revisions made to it.

I understand that I will be provided with additional policies for my department and that when a department policy conflicts with policies in the handbook, the most restrictive policy will apply.

EMPLOYEE NAME (printed): \_\_\_\_\_

EMPLOYEE SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_



BERRYVILLE TOWN COUNCIL

MOTION TO SET PUBLIC HEARING FOR MAY 09, 2023 ON  
PROPOSED FY 2024 BUDGET

Date: April 11, 2023

Motion By: *Gibson*

Second By: *\_\_\_\_\_*

I move that the Council of the Town of Berryville set a public hearing for its May 09, 2023 meeting to hear public comment on the proposed FY 2024 budget.

VOTE:

Aye: *Unanimous voice vote*

Nay:

Absent:

ATTEST:

\_\_\_\_\_  
Erecka L. Gibson, Vice Mayor

**BERRYVILLE TOWN COUNCIL PERSONNEL, APPOINTMENTS, AND POLICY COMMITTEE**  
**Berryville-Clarke County Government Center**  
**MINUTES**  
**April 24, 2023**

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A meeting of the Berryville Town Council Personnel, Appointments, and Policy Committee occurred at 2:00 p.m. in the Berryville-Clarke County Government Center, located at 101 Chalmers Court in Berryville, Virginia.

**Attendance:**

Members of the committee: Mayor Jay Arnold, Chair; Vice Mayor Erecka Gibson

Staff participating: Keith Dalton, Town Manager; Jean Petti, Deputy Town Manager; Paul Culp, Town Clerk

Also present: Tree Board Applicant Loretta Allison

**1. Call to Order**

Mayor Arnold called the meeting to order at 2:02 p.m.

**2. Approval of Agenda**

Vice Mayor Gibson moved to approve the agenda. The motion passed by consensus.

**3. Unfinished Business**

None.

**4. New Business**

None.

**5. Closed Session**

Vice Mayor Gibson moved that the Personnel Committee of the Council of the Town of Berryville enter closed session in accordance with §2.2-3711-A-1 of the Code of Virginia, for discussion, consideration, or interviews of prospective candidates for appointment. The motion passed by consensus.

The committee returned to open session at 2:25 p.m. upon the approval of the **attached** motion read by Vice Mayor Gibson.

The consensus of the committee was to recommend to the full Town Council that Ms. Allison be appointed to the Tree Board. The committee also discussed a second appointment, and Mayor Arnold said he he would contact the applicant and discuss her appointment with the full Town Council.

## **6. Other**

Ms. Petti directed the committee's attention to the employee handbook included in the agenda package. She said a few typographical errors needed correction and that several more substantive possibilities for change merited attention.

There was a discussion of time worked on holidays as it relates to overtime, and of the "hours worked" requirement for overtime pay.

There was a discussion of a new provision to allow the Town Manager to extend the amount of leave time permissible for accrual beyond the 240 hours previously stipulated.

There was a discussion of shift-differential pay and compensatory time.

There was a discussion of sick leave accrued before 2014.

## **7. Adjourn**

The meeting adjourned by consensus at 2:55 p.m. on a motion by Vice Mayor Gibson.

**Town of Berryville**  
**Personnel, Appointments, and Policy Committee**  
**MOTION TO ENTER CLOSED SESSION**

**Date: April 24, 2023**

**MOTION BY: Gibson**

**SECOND BY: NA**

I move that the Personnel Committee of the Council of the Town of Berryville enter closed session in accordance with §2.2-3711-A-1 of the Code of Virginia, for discussion, consideration, or interviews of prospective candidates for appointment.

**VOTE:**

**Aye: Unanimous voice vote**

**Nay:**

**Attest: \_\_\_\_\_**

**Erecka L. Gibson, Vice Mayor**

TOWN COUNCIL  
MOTION  
CLOSED SESSION RESOLUTION

DATE: April 24, 2023

MOTION BY: **Gibson**

SECOND BY: **NA**

I move that the Personnel Committee of the Council of the Town of Berryville adopt the following resolution certifying it has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act:

Resolution

WHEREAS, Section 2.2-3712.D of the Code of Virginia requires a certification by this Committee that such closed meeting was conducted in conformity with Virginia law,

NOW, THEREFORE, BE IT RESOLVED that the Committee hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Committee.

VOTE:

Aye: **Unanimous roll-call vote.**

Nay:

Absent/Abstain:

ATTEST: \_\_\_\_\_  
Erecka L. Gibson, Vice Mayor

**BERRYVILLE TOWN COUNCIL STREETS AND UTILITIES COMMITTEE**  
**Berryville-Clarke County Government Center**  
**MINUTES**  
**April 25, 2023**

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A meeting of the Berryville Town Council Streets and Utilities Committee was held on Tuesday, April 25, 2023 at 3:00 p.m. in the Berryville-Clarke County Government Center, located at 101 Chalmers Court in Berryville, Virginia.

**Members of the committee present:** Diane Harrison, Chair; Ryan Tibbens

**Other Council member present:** Mayor Jay Arnold

**Staff present:** Keith Dalton, Town Manager; Jean Petti, Deputy Town Manager; Paul Culp, Town Clerk; Chief of Police Neil White

**Also present:** Berryville residents Michael and Michele Lee

**1. Call to Order**

Ms. Harrison called the meeting to order at 3:00 p.m.

**2. Approval of Agenda**

Ms. Harrison asked for approval of the agenda, with New Business being advanced to the first item for discussion to accommodate visitors presenting their concerns. The agenda was approved by consensus on a motion by Mr. Tibbens.

**3. New Business**

**Request from Owners of 214 East Main Street for Parking Restrictions East of Their Driveway Along North Side of East Main Street**

The Lees, owners of the property, shared photos illustrating problems with sight distance at the exit of the driveway, which Mr. Dalton had determined was consistent with other driveways in the vicinity and therefore not sufficient reason for granting the request for a restriction. The owner told the committee there were problems with turning radius and that a neighbor parking in an especially problematic spot had not been cooperative.

Mr. Tibbens and Mr. Dalton discussed the process involved in a restriction, which Mr. Dalton said had been applied in the past only with commercial properties and lanes serving multiple properties.

The consensus of the committee was to follow Mr. Tibbens' suggestion that caution prevail in the setting of a precedent and that the matter be tabled pending further examination of similar situations.

#### **4. Unfinished Business**

##### **Truck Traffic on South Church Street**

Mr. Tibbens being the newest member of the Town Council, Ms. Harrison briefly explained the background of the problem, which she said was escalating and was not responsive to measures taken thus far. She said limits on truck length would be desirable in order to exclude semis from South Church.

A discussion established that other streets did not have similar problems, and Mr. Tibbens concluded that a sign would be appropriate, though enforcement would be difficult.

The consensus of the committee was to impose a limit on truck length. Mr. Dalton said staff would prepare accordingly for the May meeting of the full Town Council.

##### **Drainage Improvement Projects Near Dorsey, Treadwell, and Walnut Streets**

Mr. Dalton summarized needs and problems on and near the Ashby Court cul-de-sac, Dorsey and Treadwell Streets, and Jackson Pond and conveyance to 304 West Main Street.

There was a discussion of areas that had prompted complaints by residents, and of the cost of addressing those problems.

Ms. Harrison recommended discussing proposed projects with residents who would be affected by them.

#### **5. Other**

Chief White having arrived during Unfinished Business, Ms. Harrison summarized for him the discussion of parking restrictions. Chief White said precedent could be problematic.

The committee also summarized for Chief White the discussion of truck traffic. Chief White noted that the penalty for an infraction would be \$30 plus court costs and would not be a significant deterrent in terms of damage to the individual truck driver's record.

#### **6. Closed Session**

None.

**7. Adjournment**

The meeting adjourned at 4:31 p.m. on a motion by Mr. Tibbens.

**BERRYVILLE TOWN COUNCIL COMMUNITY DEVELOPMENT COMMITTEE**  
**Berryville-Clarke County Government Center**  
**MINUTES**  
**April 25, 2023**

---

A meeting of the Berryville Town Council Community Development Committee was held on Tuesday, April 25, 2022 at 4:00 p.m. in the Berryville-Clarke County Government Center, located at 101 Chalmers Court in Berryville, Virginia.

**Attendance:**

Members of the committee present: Ryan Tibbens, chair; Diane Harrison

Staff participating: Keith Dalton, Town Manager; Jean Petti, Deputy Town Manager; Paul Culp, Town Clerk; Chief of Police Neal White

Also present: Mayor Jay Arnold

**1. Call to Order**

Mr. Tibbens called the meeting to order at 4:32 p.m.

**2. Approval of Agenda**

The agenda was approved by consensus on a motion by Ms. Harrison.

**3. Unfinished Business**

**Hogan's Alley Improvement Project**

Ms. Petti briefly reviewed the funding roles played by the Town, Berryville Main Street, and a Community Vitality Grant. She also described progress in deliberations about the best approach to creation of the proposed mural.

There was a discussion of bollards that would allow access for maintenance and snow removal, and of commemorative plaques.

Ms. Petti explained that one property owner had expressed concern about the placement of benches in the alley attracting undesirable congregants. Ms. Harrison said the misbehavior of children would be a more significant problem. Ms. Petti said Chief White and indicated that directed patrols would occur in the area.

Chief White said he concurred with the property owner, as benches would render the area a park rather than an alley. Mr. Dalton noted that it is intended to be a pedestrian travel way.

Mr. Tibbens suggested that the project as planned this far was unlikely to remain within budget and that the benches be eliminated as a means of reducing costs. Ms. Harrison said a welcome arch would be superior to benches and that it is important to keep people moving through the alley, lest the area begin to appear unsafe to some.

Mr. Dalton said surface treatment, drainage work, and the plaque would be suitable contributions for the Town and that Berryville Main Street should do the rest. Mayor Arnold concurred.

Mayor Arnold said the benches were not problematic, that there are others in town. Chief White noted that the latter all front on the street.

There was brief discussion of mural location.

The committee agreed to conduct further research.

### **Parade Route**

Mr. Dalton briefly reviewed the recent establishment of a new parade route and the request for an alternative for the upcoming parade celebrating the anniversary of the Town's founding. Mr. Tibbens asked if whether any difficulties had occurred in the matter, and Mr. Dalton said all was well.

### **Berryville 225 Celebration**

Nothing new was added to previous discussions of the celebration of the Town's founding.

### **Short-Term Rentals**

Ms. Petti reviewed the consideration of the matter thus far, with the Community Development and Public Safety Committees having considered it prior to the submission to the Planning Commission of the following text amendment:

*"Short-term rental" means the provision of a room or space that is suitable or intended for occupancy for dwelling, sleeping, or lodging purposes, for a period of fewer than 30 consecutive days, in exchange for a charge for the occupancy. Advertisement or operation of a short-term rental unit requires a business license, remittance of transient occupancy tax, and is limited to dwellings and accessory buildings which hold a Clarke County Certificate of Occupancy. Events are prohibited. No food preparation or service may be provided to primary renter or guests of short-term rental.*

Ms. Petti said the Planning Commission had recommended review of Winchester's ordinance and Loudoun County's draft ordinance, which were included with the agenda. She directed the committee's attention to the definition of "hotel" in the Loudoun County document, and the committee agreed that the verbiage therein would be helpful, with the addition of "short-term rental" specifically. The committee also agreed with staff's recommendation that short-term rentals be permitted only in areas zoned residential.

Ms. Petti said staff had not yet reached a consensus on parking and maximum occupancy.

There was a discussion of the definitions of "hotel" and "bed and breakfast." Mr. Tibbens cautioned against taking definitions to excess.

There was a discussion of whether to establish a registry. Mr. Dalton said doing so would increase accountability. Chief White said a registry would provide contact details for expressions of concern and for emergency situations.

Mr. Tibbens said he would like regulation of short-term rentals to proceed, with the text additions/revisions included in the packet and with the addition of Ms. Harrison's recommendation that a phone number for the property owner and an emergency contact also be added to the information collected as part of the registration process. The committee consented to Mr. Dalton's request that the matter be placed on the agenda for the June meeting of the full Council.

Mr. Tibbens said regulations should be worded and utilized to encourage responsible short-term rental operation/management while not infringing on the owners' right to use their properties as they wish.

#### **4. New Business**

None.

#### **5. Closed Session**

None.

#### **6. Other**

None.

#### **7. Adjournment**

The committee adjourned by consensus at 5:35 p.m. on a motion by Ms. Harrison.