

Town of Colonial Beach Proposed FY2027 Budget

March 10, 2026



BUDGET IMPACTS

- Healthcare costs +10.8%
- Dominion Power costs +46%
- Continued inflationary costs for goods, services, and materials
- The rate of revenue growth has not kept pace with the cost of operations
 - As a tourism-based community, the Town must support seasonal visitor demand while sustaining consistent year-round services for residents
- Cost of living increases to help recruit and retain essential staff



GENERAL FUND



TOWN MANAGER'S PROPOSED GENERAL FUND BUDGET ADJUSTMENTS

REDUCTIONS

- Town Manager's Budget Cuts = \$465,581.06
- Deferred positions:
 - Grant Writer/Manager
 - Senior Planner
 - Parks Maintenance Crewmember
 - PT Parks & Rec Assistant
 - PT Admin Staff

PROPOSED ADDITIONS

- 3% Cost-of-Living Adjustment (COLA) for employees
- One (1) new PT position – Public Relations/Communications Liaison

BOTTOM LINE: Balanced with no proposed tax increases

WATER & SEWER FUNDS



PROPOSED WATER & SEWER RATES

WATER FUND

Deficit with COLA = \$73,023.80

PROPOSED RATE INCREASE

6.5% increase in the water service rate

This will increase the quarterly water bill by \$6.75, which is \$2.25 per month.

SEWER FUND

Deficit with COLA = \$381,778.22

PROPOSED RATE INCREASE

14% increase in the sewer service rate

This will increase the quarterly sewer bill by \$35.31, which is \$11.77 per month.

** These proposed increases align with Davenport's Pro-Forma Analysis from October 29, 2025, which projected a 15.5% increase in Water Rates and a 13.8% increase in Sewer Rates.

YEAR OVER YEAR RATE COMPARISON FY26 / FY27

FY26

Sewer Rate = \$252.18

Water Rate = \$103.68

Trash Rate = \$30.00

Total Utility Rate (Quarterly) =
\$385.86

Total Utility Rate (Monthly) =
\$128.62

FY27

Sewer Rate = \$287.49

Water Rate = \$110.43

Trash Rate = \$30.00

Total Utility Rate (Quarterly) =
\$427.92

Total Utility Rate (Monthly) =
\$142.64

Historical Water & Sewer Rates

Water Rates

Effective Date	Annually	Quarterly	Monthly
6/12/1997	141.00	35.25	11.75
1/15/2009	169.20	42.30	14.10
10/1/2012	289.20	72.30	24.10
7/1/2014	289.20	72.30	24.10
10/1/2019	420.00	105.00	35.00
10/1/2023	366.00	91.50	30.50
7/1/2024	384.00	96.00	32.00
7/1/2025	414.72	103.68	34.56

Sewer Rates

Effective Date	Annually	Quarterly	Monthly
6/12/1997	459.00	114.75	38.25
1/15/2009	550.80	137.70	45.90
10/1/2012	550.80	137.70	45.90
7/1/2014	650.80	162.70	54.23
10/1/2019	800.00	200.00	66.67
10/1/2023	854.00	213.50	71.17
7/1/2024	934.00	233.50	77.83
7/1/2025	1,008.72	252.18	84.06

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