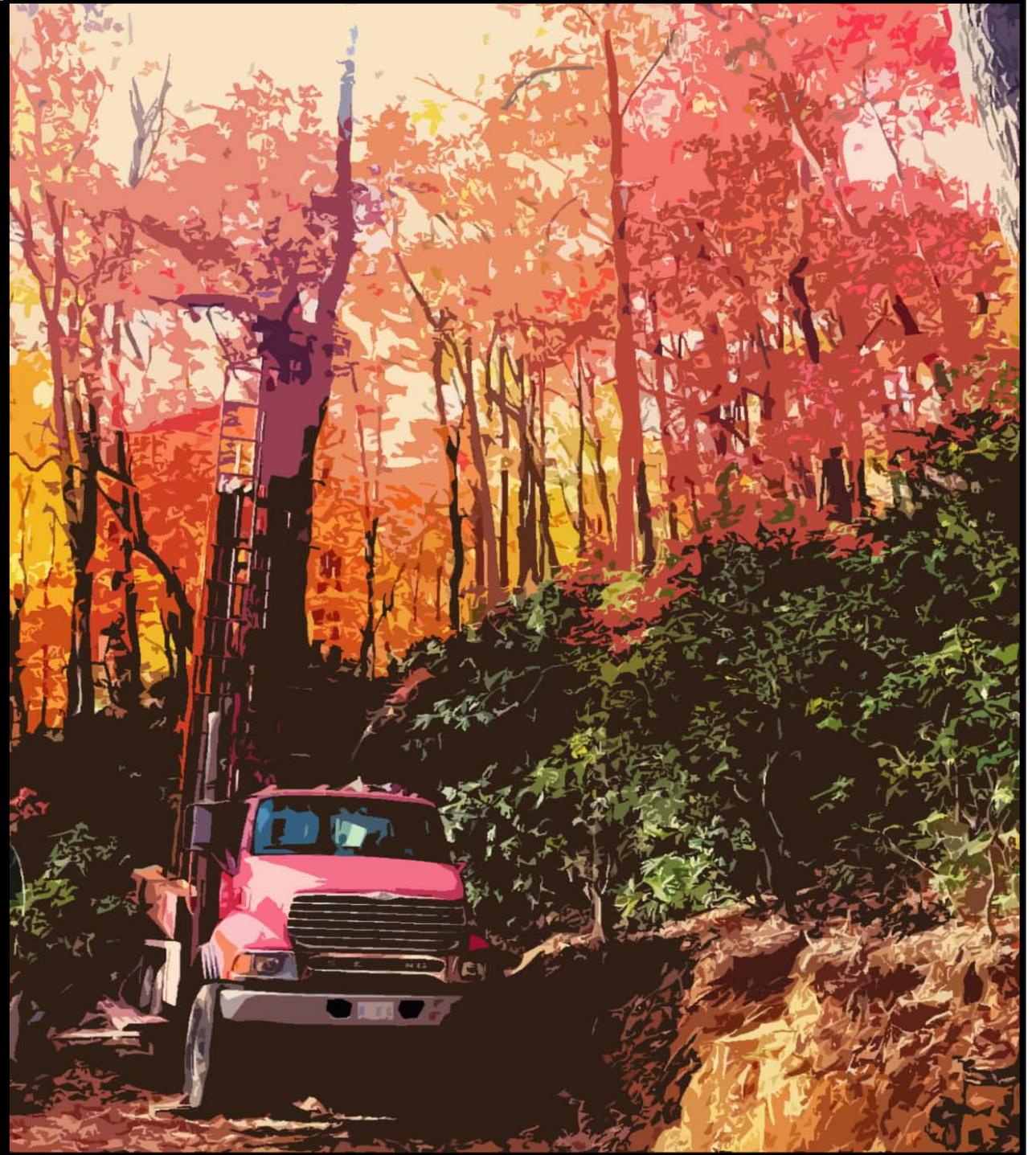


Town
Of
Montreat

Annual
Budget

2015 - 2016



**Town of Montreat
North Carolina**

**Annual Budget
Fiscal Year 2015-2016**

BOARD OF COMMISSIONERS

Letta Jean Taylor, Mayor
Mary Standaert, Mayor Pro-tem
Martha Campbell, Commissioner
Tim Helms, Commissioner
Jack McCaskill, Commissioner
Ann Vinson, Commissioner

TOWN ADMINISTRATOR/BUDGET OFFICER

Ronald W. Nalley

FINANCE OFFICER

Stefan B. Stackhouse

TOWN CLERK

Misty R. Gedlinske

Town of Montreat Budget

Fiscal Year 2015-2016

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Introduction & Organizational Information

BUDGET MESSAGE

May 14, 2015

TO: Town of Montreat Mayor and Board of Commissioners
FR: Ron Nalley, Town Administrator

Submitted for your approval is the Town of Montreat Budget for the 2015-2016 fiscal year in the amount of \$ 2,921,650.00. The budget process that was conducted this year began with informal and formal discussions with Board Members, Agencies and Department Heads. From these discussions, recommended goals and objectives were developed, and funding priorities established.

Overview

The total recommended budget for fiscal year 2015-2016 is \$ 2,921,650.00. The tax rate necessary to fund this budget is 41 cents. The budget is balanced and is prepared in accordance with the Local Government Budget and Fiscal Control Act and in accordance with Local Government Commission guidelines. I believe that the data as presented is accurate in all material aspects and that it is in a manner designed to set forth fairly the financial position and results of the operations of the Town as measured by the financial activity of its various funds. I also believe that all disclosures necessary to enable the reader to gain the maximum understanding of the Town's financial affairs have been included.

This report is divided into six sections: the Introduction, Policy Document, Financial Plan, Operations Guide, Capital Improvements and Glossary. The Introductory Section contains the Budget Message and information about the Town's organization and principal officials. The Policy Document Section will give a coherent statement of the organization-wide financial and programmatic policies and goals that address long-term concerns and issues. The Financial Plan Section describes all the funds that are subject to appropriation as well as a summary of revenue sources and expenditures. The Operations Guide Section describes the activities, services and functions carried out by each department of the Town.

This next year, several events will have a significant impact on the shaping of this budget. Those events include the current state of our national and state economy, the funding of capital projects as identified in the Capital Improvements Plan, fuel and utility increases and employee benefit costs. Features in this budget take into account the effects of each of these events and the impact it will have on service delivery and costs. Every effort has been made to balance the need for service delivery with a fiscally conservative approach to revenue and expenditure estimates.

In government, much more than in business, the budget is an integral part of a Town's accounting system and daily operations. An annual or project budget ordinance, as amended by the governing body, creates a legal limit on spending authorizations. In accordance

with North Carolina State Law, the Town's budget is prepared on the modified accrual basis, and its accounting records also are maintained on that basis. Under modified accrual accounting, revenues are recorded when they are measurable and available. Expenditures are recorded when a liability is incurred, except for interest on a long-term debt and accrued vacation benefits. The Town of Montreat has the following types of Governmental Funds:

Governmental Funds

General Fund - The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. The primary revenue sources are Ad Valorem taxes and State-Shared revenues. The primary expenditures are for public safety, streets and sanitation, parks and recreation, and general government services. General Fund revenues budgeted for fiscal year 2015-2016 totals \$ 2,566,050.00. This is a decrease of approximately 5.2% or \$ 139,897.00 budgeted last fiscal year.

To ensure the Town's fiscal stability, it is necessary to maintain a healthy operating fund balance. Because of the need for emergency funds, the fund balance allows the Town to maintain adequate cash flow levels, provides steady investment income, helps absorb revenue shortfalls, and occasionally aids in making recurring purchases. Each year during annual budget preparation, the Board of Commissioners will reevaluate the fund balance level needed for the upcoming year. The Commissioners will take into account the needs of the community, as well as the fiscal strength of the governmental unit, in making its decision on setting an appropriate fund balance level. The Town, as established by local policy, will retain a fund balance level of at least thirty-five (35%) percent, which exceeds the level of eight (8%) percent recommended by the North Carolina Local Government Commission. With a Town as small as Montreat, it is important for the Town to maintain a strong fund balance.

Powell Bill Fund - The Powell Bill Fund is the fund used to account for the North Carolina gasoline tax. This revenue from the State is distributed among cities on a per capita basis and according to the number of miles of non-state streets in each city. The gasoline tax revenue may be used only for maintaining, repairing, and constructing streets or thoroughfares, including bridges, drainage, curb and gutter and other necessary appurtenances to streets. Street maintenance includes street cleaning and snow removal. The Powell Bill funds are expected to remain steady at \$ 40,000.00.

Enterprise Fund - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination or revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Town of Montreat has one enterprise fund: the Water Fund.

Water Fund - Operating revenues for the Water Fund are budgeted for \$ 355,600.00. This amount represents an \$ 183,400.00 or a 34 percent decrease in revenues budgeted from the last fiscal year. The proposed budget keeps the existing rate of \$4.83 per 1,000 gallons. Water Sales (\$305,000.00) accounts for almost eighty-six percent (86%) of water fund revenue. The water fund will rely on appropriating \$23,100.00 from retained earnings. This fiscal year we have budgeted \$84,200.00 for debt service payments. The Water Fund will also reimburse the General Fund \$76,400.00 for shared expenses.

Conclusion

I feel that this recommendation is a responsible budget with priorities receiving funding based on your input and direction. The budget fulfills obligations that either this Board has made or legal obligations imposed by other levels of government.

The 2015-2016 recommended budget is hereby respectfully submitted for your review and consideration.

Ronald W. Nalley
Town Administrator

EXECUTIVE BUDGET SUMMARY SECTION

Revenues

- ❑ **Ad Valorem Property Tax:** Following the direction of the Montreat Board of Commissioners, the General Fund budget is based on a property tax rate of 41 cents per one-hundred dollar (\$100.00) valuation. The estimate is recommended to increase from \$944,000.00 to \$952,000 or an increase of \$8,000.00 or just under one percent. A collection rate of 99.70% is utilized and this percentage may not exceed the 99.70% collection rate that was realized last year. Total property taxes of \$ 964,900 represent 37.6% of the general fund budget. I am confident that we will achieve the 99.70% collection rate but want to strongly point out that it leaves little room for error or flexibility.
- ❑ **Local Government Sales Tax:** The Local Government Sales Tax represents 13.4% of the Town's general fund budget. The estimate of \$ 345,000.00 is the same estimate used in the current year budget ordinance. A conservative approach to estimating sales tax was used based on the local, state and national economic climate and existing receipts. Careful monitoring throughout the legislative session in Raleigh is needed on the status of Senate Bill 369 and 608. As proposed, the redistribution of sales tax on a per capita basis could mean a significant loss in sales tax revenue and be devastating to the Town.
- ❑ **Utilities Franchise Tax:** The Utilities Franchise Tax revenue represents 2% of the general fund budget. The estimate of \$ 55,000.00 is the same estimate used in the current year budget. This estimate also includes the revenue derived from the Telecommunications Sales Tax. I believe this estimate to be reasonable due to the current receipts and the revenue estimates provided by the N.C. League of Municipalities.
- ❑ **Fund Balance:** The 2015-2016 budget will require a \$ 324,950.00 appropriation from Montreat's fund balance. This appropriation is made in order to fund Capital Projects including the Texas Road Bridge Replacement Project and the Texas Road Repaving Project. The budget will also require a \$15,800 Powell Bill fund balance appropriation.
- ❑ **State Shared Revenues:** Legislation passed in the 1993 General Assembly restored the growth in the State collected revenues beginning in 1998. In 1995, the General Assembly repealed the intangible tax and replaced it with a reimbursement without growth. Hence, for 2015-2016 there will be only two returning statewide revenues whose estimates depend on economic forces: the beer and wine and utilities franchise taxes. The Beer and Wine Tax totals \$ 3,000.00. In exchange for the authority to levy a third one-half cent local option sales tax, the 2002 session of the General assembly repealed the remaining state reimbursements including the inventory tax, intangibles tax, sales tax on food stamp purchases, and the homestead exemption. Each year, budget decisions in Raleigh should be closely monitored and amendments made to the operating budget to reflect changes made at the State level.

Expenses

The following is a summary of the budget request of each department. For a more detailed review, please refer to each department in the Operational Guide Section of this document.

☐ Personnel:

- **Compensation** - The 2015-2016 budget recommends an across the board cost of living adjustment of two percent (2.0%) for all employees except the Town Administrator. In addition, a 5% match for 401K contributions continues for all employees. Other benefits, including health and dental insurance have a significant impact on the budget.
- **Staffing** – No new full-time staffing positions are being recommended in this year’s budget. A part-time position is being recommended for staffing the compactor site in the Sanitation department.
- **Retirement** - The North Carolina Retirement System Division increased the amounts local governments are required to pay into the system on behalf of its employees. Rates remained steady for general employees and law enforcement personnel at 7.07% and 7.41% respectfully.

☐ Governing Board:

2014-2015 – \$67,917 2015-2016 – \$138,200 Percent Change: 103.5%

- Under professional services, \$60,000 has been budgeted for legal services, \$19,700 has been budgeted for audit services and \$33,500 has been budgeted for one half the cost of updating the Comprehensive Plan. The planning period for the Comprehensive Plan splits two budget years.
- Under advertising, \$5,000 has been allocated for Communication Services.

☐ Administration Department:

2014-2015 - \$279,291 2015-2016 - \$278,200 Percent Change: (0.4%)

- Allocates funding for the tax collection fee of \$19,500 charged by Buncombe County.

☐ Public Buildings:

2014-2015 – \$226,049 2015-2016 - \$139,950 Percent Change: (38.1%)

- Utilities (\$3,500), insurance (\$36,100) and maintenance and repair to buildings and equipment (\$7,700) for the Town Services Building are budgeted in this department.

- Allocates the final payment for architectural design services and funding for the first payment of the construction of a new town hall (\$97,650).

☐ Police Department:

2014-2015 - \$382,900 2015-2016 - \$364,800 Percent Change: (4.7%)

- Funds have been allocated for dispatching services with the Town of Black Mountain for \$19,200.
- Increases spending in Medical Certifications and Uniforms in order to bolster the Reserve Officer Program.

☐ Planning and Zoning Department:

2014-2015 - \$75,900 2015-2016 - \$80,900 Percent Change: 6.6%

- Allocated in this department are funds for the Building Inspector/Code Administrator and funding for the code inspection services.

☐ Public Works Department:

2014-2015 – \$73,785 2015-2016 - \$84,800 Percent Change: 14.9%

- Allocated in this department are funds for the Public Works Director.
- Allocates funding for a tree replacement program and the installation or upgrade of two stormwater features (\$5,500).
- Funds \$8,300 for the Lookout Road Utility Study in Capital Outlay.

☐ Street Department:

2014-2015 - \$1,446,905 2015-2016 - \$ 1,305,400 Percent Change: (9.8%)

- Street Lighting is budgeted in the amount of \$23,500.
- Tree removal services (\$12,000) and contract labor for road maintenance (\$4,000) have been budgeted in contract services.
- The paving project for Texas Road (\$194,000), the replacement of Texas Road Bridge (\$875,000), and the replacement of a truck (\$45,000) are budgeted in capital outlay.

❑ Powell Bill:

2014-2015 - \$43,500 2014-2015 - \$56,000 Percent Change: 28.7%

- Paving costs for small sections of roads in the amount of \$24,000 is included in the budget.
- Includes funding for road restriping along Assembly Drive for \$12,500.

❑ Sanitation Department:

2014-2015 - \$101,200 2015-2016 - \$109,300 Percent Change: 8.0%

- Provides funding for in-house sanitation services including garbage collection and disposal, recycling, yard waste pick-up and white goods disposal.
- Proposes funding for part-time staffing of the compactor site (\$12,750)

❑ Environment, Conservation and Recreation Department:

2014-2015 – \$8,500 2015-2016 - \$8,500 Percent Change: 0.0%

- Funding is provided for the Landcare Committee in the amount of \$1,000.
- Continues partial construction funding (\$2,500) for the Native Plant Garden.
- Funding is provided for replenishing of the Open Space Conservation Fund.

❑ Appropriated Fund Balance:

2014-2015 - \$365,000 2015-2016 - \$340,750 Percent Change: (7.1%)

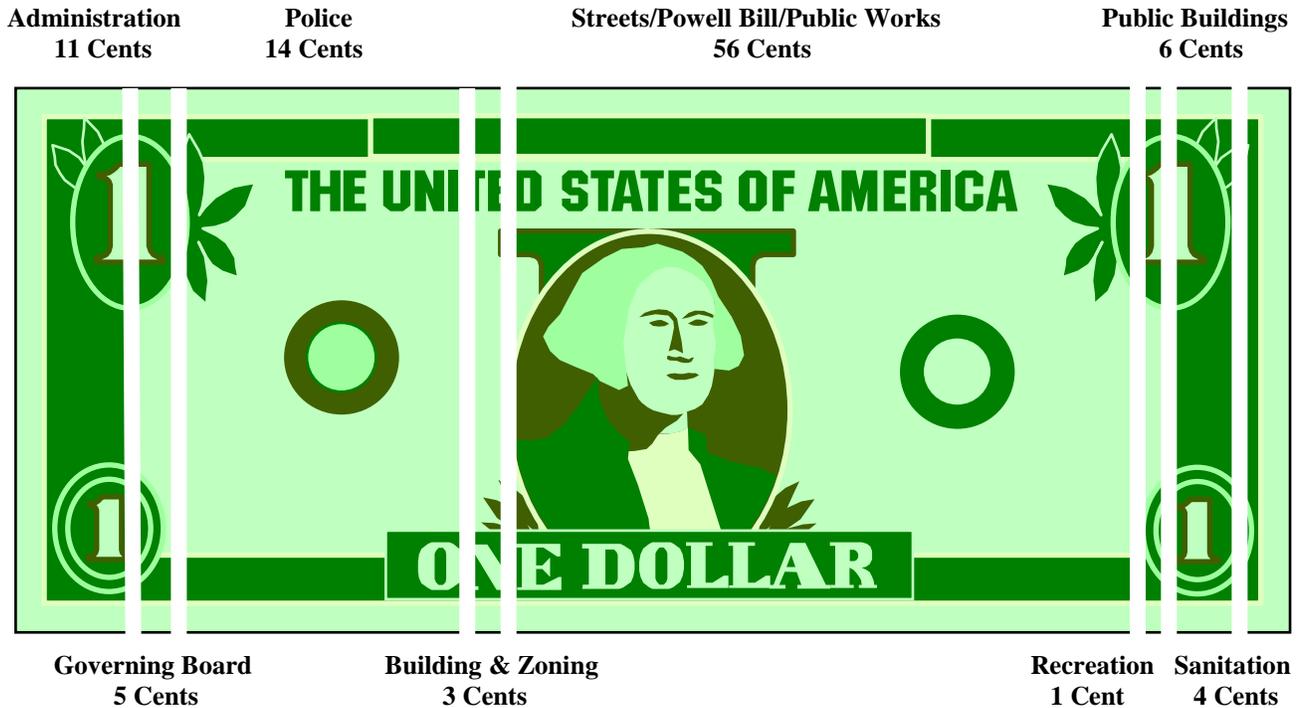
- Proposed budget will require a General fund balance appropriation of \$324,950 and a Powell Bill fund balance appropriation of \$15,800.

❑ Water Fund

2014-2015 - \$539,000 2015-2016 - \$355,600 Percent Change: (34.0%)

- Debt Service is budgeted for the water system in the amount of \$84,200 for the Water Bond Payment (\$36,700), the ARRA Debt Service Payment (\$31,500), and the Backhoe Debt Payment (\$16,000).
- Under Capital Outlay, the water line replacement project on Texas Road is budgeted for \$55,000, the water storage facility on Greybeard Trail for \$55,000 and the portable generator project for \$5,000.
- The Water Fund will also reimburse the General Fund \$76,400.00 for shared expenses.

What Do You Get for Your Montreat Tax Dollar?



**In Montreat our tax rate is \$0.41 per \$100 of property valuation;
 A \$300,000 home generates \$1,230 in annual property taxes;
 This comes to \$103 per month for Town of Montreat taxes.**

What could you purchase for \$103 a month?

One of These . . .

- One month of premium cable service
- Three hardback books
- Two months at a gym
- Six compact discs
- Dinner for five
- Two video games
- Movie and snacks for four

All of These . . .

- 24 Hour Police Protection
- Planning and Zoning Service
- Curbside Garbage Collection
- Curbside Recycling Services
- Leaf and Brush Collection
- Paved and Maintained Streets
- Snow and Ice Removal
- Street Lighting
- Right-of-Way Mowing
- Parks and Recreation

FUND BALANCE SUMMARY

The Town will retain a Fund Balance of at least 35% of Expenditures.

<u>Year</u>	<u>Fund Balance</u>	<u>Expenditures</u>	<u>Percent</u>
1995	74,170	540,064	13.7%
1996	75,706	577,651	13.1%
1997	83,509	556,097	15.0%
1998	189,491	524,035	36.1%
1999	273,151	650,865	41.9%
2000	323,872	650,596	49.8%
2001	350,268	803,419	43.6%
2002	735,542	841,635	87.4%
2003	777,083	781,584	99.4%
2004	902,669	799,023	113%
2005	1,091,669	1,078,238	101%
2006	1,264,825	1,122,446	113%
2007	1,460,352	1,522,214	96%
2008	1,575,053	1,282,149	123%
2009	1,800,009	1,688,655	106%
2010	1,833,002	1,472,969	124%
2011	1,810,945	1,457,722	124%
2012	1,598,957	1,677,906	95.3%
2013	1,446,593	1,643,071	88%
2014	1,407,549	1,778,171	79%

MONTREAT TAX RATE 1995 -2015

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
1995	.40	2006	.37
1996	.40	2007	.37
1997	.45	2008	.37
1998	.45	2009	.37
1999	.45	2010	.37
2000	.40	2011	.37
2001	.40	2012	.37
2002	.45	2013	.41
2003	.31	2014	.41
2004	.35	2015 Proposed	.41
2005	.37		

2015 - 2016 BUDGET AND CIP PREPARATION CALENDAR

<u>DATE</u>	<u>EVENT</u>
December 5, 2014	Capital Improvement Program (CIP) instructions distributed to Departments.
January 5, 2015	Departments submit CIP requests to Town Administrator. CIP revenue projections posted to worksheets.
January 8	CIP Public Presentation
February 1 – February 28	Actual revenues and expenditures of preceding year posted to budget worksheets.
February 6	Town Administrator/Budget Officer reviews adjusted CIP requests, compares with projected revenue and makes final adjustments.
February 12	Proposed CIP submitted to Board of Commissioners and filed with the Clerk to the Board for public inspection. Board of Commissioners call for Public Hearing on proposed CIP.
February 12 – March 11	CIP review by Board of Commissioners with special meetings as needed.
March 2 – March 6	Actual revenues and expenditures for current year through February 28 posted to budget worksheets. Finance Officer estimates personnel and insurance costs for entry into departmental budget requests. Finance Officer completes preliminary revenue estimates.
March 12	Public Hearing on the proposed CIP. Draft CIP available for adoption by Board of Commissioners.
March 16	Budget instructions given to Departments.

2014 - 2015 BUDGET AND CIP PREPARATION CALENDAR

<u>DATE</u>	<u>EVENT</u>
April 10	Departments submit requests and objectives to Town Administrator/Budget Officer. Finance Officer prepares final revenue estimates.
April 13 – April 17	Budget discussions with department heads and administration. Departmental requests adjusted based on Town Administrator/Budget Officer review.
April 20 – April 24	Town Administrator/Budget Officer reviews adjusted expenditure requests, compares with projected revenue and makes final adjustments.
April 27 – May 8	Town Administrator/Budget Officer completes the balancing of budget and prepares Budget Message.
May 14	Proposed budget submitted to Board of Commissioners and filed with the Clerk to the Board for public inspection. Board of Commissioners call for Public Hearing on proposed budget. Publish public notice of the submission of the budget to the Board of Commissioners.
May 14 – June 11	Budget review by Board of Commissioners with special meetings as needed.
May 27	Publish public notice of budget hearing.
June 11	Public Budget Hearing of the proposed budget. Draft Budget Ordinance available for adoption.
June 11 – June 25	Additional time available for special meetings, as needed, by the Commissioners to continue deliberation.
June 25	Board of Commissioners adopt final budget.
July 24	Finance Officer prints, collates, binds and distributes budget books to Board of Commissioners.

MONTREAT HISTORY AND DESCRIPTION

In 1897, John Collins, a Congregational minister from New Haven, Connecticut, along with several other Christian and lay leaders of different denominations incorporated the Mountain Retreat Association (MRA). The purpose of the MRA was to “establish and maintain a municipality containing Assembly grounds for the encouragement of Christian work and living (*excerpt from original charter of MRA*).” In June 1897 the present day site was purchased and the name was shortened to “Montreat.”

During the early years of Montreat, participants, housed mostly in tents, held Christian assemblies. The MRA sold lots to individuals and during the first ten years of Montreat’s existence, the old hotel and around fifty homes were built. In 1906, individual Presbyterians mostly from the South obtained the cove for use as assembly grounds for the Presbyterian Church and subsequently controlled the development of Montreat.

Much of modern-day Montreat was created under the direction of Dr. Robert C. Anderson. Many of the buildings were constructed of local stone including the auditorium, originally built in 1922 and re-built in 1940 after a fire, the Assembly Inn and Howerton Hall. The original wooden dam collapsed in the flood of 1916, and the present dam was constructed in 1924. The funds for the construction of the present day dam were donated by Susan (Mrs. C.E.) Graham and her son, Allen Graham; hence the name Lake Susan.

The Montreat Normal School, a four-year preparatory and two-year college combination, opened its first session in October 1916 with eight students. In 1934, during Dr. Robert C. Anderson’s tenure as president, Montreat Normal School (College Department) was renamed Montreat College. The college grew as its academic program expanded. It began a four-year degree program in 1945. After 14 years as a four-year women’s college, the college was restructured in 1959 as a coeducational junior college and was given a new name, Montreat-Anderson College.

In 1986, the College Board of Trustees, realizing the demands and changing circumstances in higher education, made the decision to become again a baccalaureate institution. It returned to the original name of Montreat College in August of 1995, sharing the original vision and identity. The change reflects the Montreat College of today, a four-year college with several growing campuses and a graduate program.

The Town of Montreat was incorporated in 1967 and operates under a mayor-council form of government. The Town is responsible for providing municipal services including police protection, water, street maintenance, sanitation, building inspections and zoning enforcement. The Town accommodates 35,000 visitors each year, with an estimated 17,000 of those visitors during just ten weeks of the year.

MONTREAT COMMUNITY PROFILE

Community Description

The Town of Montreat, with a population of 730, comprises an area of approximately 6 square miles in Western North Carolina. The Town is best known as a national conference center for the Presbyterian Church (USA), which is managed by the Mountain Retreat Association, and for Montreat College, a small Presbyterian liberal arts institution. The Town accommodates 35,000 visitors each year, with an estimated 17,000 of those visitors during just ten weeks of the year. The Town is surrounded by lush mountains and recreational opportunities abound. Montreat’s natural and architectural beauty, moderate climate, and the area’s strong job market and outstanding educational and health care facilities make it one of the most attractive locations in the United States. The Western North Carolina area is consistently ranked high among the best places to live, work and retire.

Form of City Government

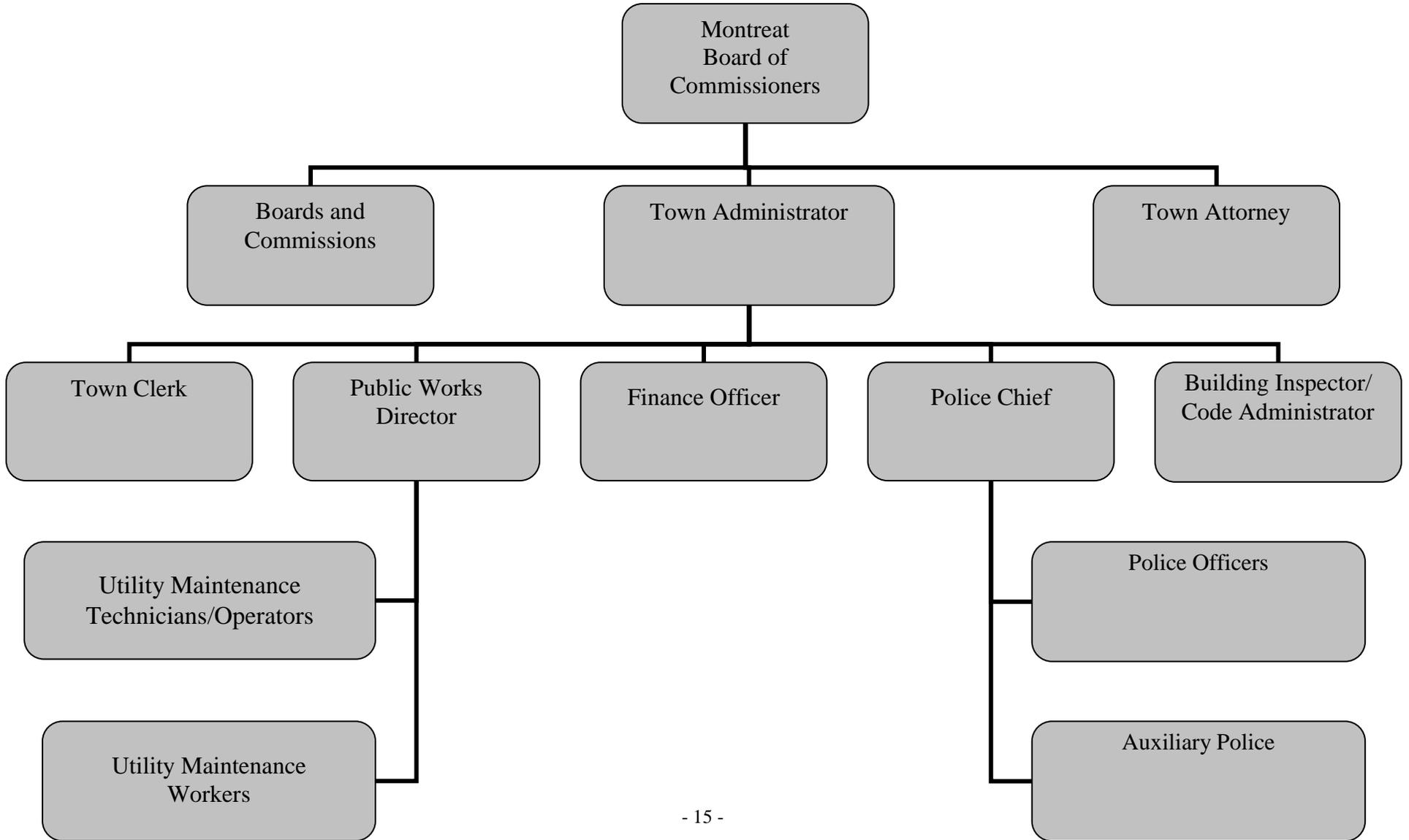
The Town of Montreat, which was incorporated in 1967, operates under a Mayor/Council form of government. The five-member Board of Commissioners and the Mayor are elected at-large for staggered terms of four years. The Town Council, which acts as the Town’s legislative and policy-making body, selects the Town Administrator, who is the Town’s chief administrator and is responsible for implementing the policies and programs adopted by the Board of Commissioners. The Town’s 14-person workforce provides basic Town services including police protection, building inspections, planning and zoning, public works (streets, solid waste and stormwater services), and water. The Town contracts with other agencies to provide fire protection and sewer service.

Demographic Information

(Source: U.S. Census Bureau, Census 2010; Geographic Area: Town of Montreat)

Population		Population Growth 2000-2010	
Montreat	723	Montreat	14.8%
Buncombe County	238,318	Buncombe County	15.5%
Male	47.2%	Average Household Size	2.00
Female	52.8%	Average Family Size	2.63
Ages 15-24	48.1%	Total Housing Units	572
Ages 62 and over	25.6%	Median Value of Home	\$218,900
Median Household Income	\$45,905	Seasonal Housing Units	374
Median Family Income	\$60,625	Owner Occupied Units	71.4%

ORGANIZATIONAL CHART



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Policy Document

POLICY DOCUMENT

The Town of Montreat Board of Commissioners held their annual board retreat on April 22, 2015. The retreat provides Commissioners an opportunity to express immediate, intermediate and long range goals and objectives to the town administration and the citizens of the Town of Montreat. The following document states in general terms the direction that the Board of Commissioners has established for the next year.

Vision/Mission Statements

The Board developed the following mission statements for the Town and its departments:

Board of Commissioners: To seek ways to maintain and improve the quality of life, preserve the natural beauty and promote responsible growth while maintaining our community image, heritage and traditions.

Public Works: To provide continual cost-effective maintenance and upgrades of streets and public utilities to meet the service and capacity needs of the community.

Police: To provide a safe and secure environment for residents and visitors by enforcing local ordinances and state laws; to develop public relations, and; to provide public safety programs and services to the community.

Environment: To provide protection and management of natural resources in order enhance the quality of life for residents and visitors.

Sanitation: To provide a cost-effective and efficient solid waste, yard waste and recycling collection program.

Communication: To provide accessible and responsive government that promotes interest and involvement of citizens to encourage participation in community activities.

Departmental Goals and Objectives

In the past, the Board has asked individual departments to prepare a list of projects that will aid the Board in preparing departmental goals and objectives. In conjunction with department heads, the Board established goals and objectives on a departmental level.

Governing Board

To establish a common direction and improve communication efforts, the Governing Board will:

1. Update the 2008 Comprehensive Plan. The plan creates a framework for the development of future public policy by developing priorities and establishing an implementation schedule.
2. Conduct one educational Town Hall meeting focused on the Town's sanitation program.
3. Conduct one open public forum meeting.
4. Complete the "drying in" of a new Town Hall.
5. Pursue grant funding to complete landscaping improvements to the Gate Lot.
6. Pursue a cost sharing agreement with the Conference Center and College to fund the Wayfinding Plan recommendations.
7. Await a petition for voluntary annexation of the Upper Greybeard Trail area.
8. Pursue satellite annexation of Town-owned property in the Upper Greybeard Trail and Extra-Territorial Jurisdiction areas.
9. Seek opportunities to further develop public relations and public information efforts.

Administration and Finance Department

1. Investigate software and hosting options for upgrades to the Town's website.
2. Research online "cloud based" municipal accounting packages as replacement option for present accounting system scheduled to be replaced in 2018.
3. Research records management software options for cost and feasibility.

4. Implement an electronic interdepartmental shared calendar to indicate staff absences, shift assignments, and on-call assignments.
5. Solicit PILOT donations from community non-profit entities.
6. Begin investigation of app-based vs. web-based electronic public communication and customer service programs.
7. Ensure that all elected officials and Town staff members undergo ICS emergency management training courses.

Police Department

To maintain the current level of effectiveness, the Police Department will:

1. Provide a minimum of two additional opportunities for officer training.
2. Evaluate guidelines, procedures and storage requirements regarding the processing of evidentiary items and sensitive material.
3. Further steps in recruitment in effort to bolster Reserve Force roster.
4. Continue endeavor to streamline and standardize the administrative office area of the department.

Planning and Zoning Department

1. Complete ESRI-hosted training in ArcGIS 3 and 4 to acquire skills in performing analysis and improving the Town's web based products.
2. Integrate tabular coordinate data within the GIS system to symbolically illustrate accurate locations of all water system features and hydrants.
3. Establish program that elicits community cooperation in the installation of Knox Boxes for rapid fire department access for Institutional and residential properties.
4. Refer stream buffer regulations to the Planning and Zoning Commission for further review and possible revision.
5. Refer front and rear yard setback distance requirements to the Planning and Zoning Commission for further review and possible revision.

Public Works Department

1. Assist in the completion of the Native Plant Garden project, pending available funding and property acquisition.
2. Complete inspections of Town-owned stormwater features.
3. Complete and submit the annual Water Supply Plan and Solid Waste Report.
4. Continue the tree removal and replacement program.
5. Convert paper street and water maps (i.e. conditions, ages) to the GIS mapping program.
6. Complete a Utility Service Plan for the Oklahoma Road and Lookout Road area.

Street Department/Powell Bill

1. Complete the Texas Road Bridge replacement project.
2. Complete the Texas Road resurfacing and storm drainage project.
3. Replace equipment and/or vehicles in accordance with the Capital Improvements Plan.
4. Perform road resurfacing on smaller portions of streets.
5. Replace sixty (60) stop signs with “retro-reflectivity signs” in compliance with new Federal and State program.
6. Install or replace two storm water features.

Sanitation

1. Distribute updated public education sanitation and recycling brochure.
2. Consider and conduct additional research into alternative sanitation service delivery system methods.
3. Complete a review of the Town’s compactor site, including public access and safety, facility hours and service fees.

Environment, Conservation and Recreation

1. Promote and support the Tree City USA, Open Space Conservation and Montreat Landcare program initiatives.
2. Complete Phase II of the Native Plant Garden project, pending available funding and property acquisition.
3. Promote public education and involvement with Open Space Conservation, Landcare and other environmental conservation initiatives and projects.
4. Initiate planning and engineering for the next phase of the Greenways/Trails Master Plan.

Water

1. Replace approximately fifteen (15) air valves within the water system.
2. Complete water line replacement along Texas Spur from Well B to Texas Extension.
3. Update and digitize the water modeling map.
4. Develop and implement an electronic inventory system for the water system.
5. Complete and adopt revisions to Montreat General Ordinance Chapter E – Utilities.

These goals and objectives were adopted May 21, 2015 and are approved as part of the budget process.

Financial Plan

BUDGET PROCESS

North Carolina General Statutes require that the Budget Officer is responsible for preparing and submitting the annual budget and capital program to the Town Board.

Budget Preparation Calendar

<u>Deadline</u>	<u>Process</u>
Prior to April 30 *	Work plan for the budget process developed. Information necessary to develop the budget should be made available to department heads and the budget officer. This data includes: actual revenues and expenditures for the preceding fiscal year; actual revenues and expenditures through February 28, or later if available, of the current year; the estimated revenues and expenditures for the entire current year; and the current year salaries and wages for each employee.
By April 30	Requests from departments for budget year are due.
By May 1	Estimated revenues and appropriations reviewed and adjusted. Decision made whether to request appropriated fund balance and/or reduce appropriations to balance the budget. The budget may not balance at this point.
By May 15	Estimated revenues, fund balance, and appropriations requests for the coming year should be reviewed and adjusted. The budget should be in balance at this point.
By June 1*	Budget document, along with the budget message, printed and presented to the Board for its consideration. The public hearing on the budget should be scheduled at this time. A copy of the budget must be filed with the Board's clerk at the time it is presented to the Board. The clerk shall make a copy of the budget available to all news media in the county.

<u>Deadline</u>	<u>Process</u>
By July 1*	The budget ordinance should be approved by the Board. The public budget hearings should be held prior to the adoption of the budget ordinance. The Board should make any necessary changes to the budget as presented. These hearings can not be held earlier than 10 days after the budget is presented to the Board.

* Denotes dates set by the North Carolina General Statutes (G.S. 159-10 through 159-13)

Budget Amendments

G.S. 159-15 authorizes the governing board to amend the budget ordinance at any time after the ordinance is adopted, so long as the amended ordinance continues to meet the requirements of G.S. 159-8 and 159-13. Budget amendments may not increase or decrease the tax levy or alter a taxpayer's liability unless the Board is ordered to do so by the courts or an authorized State agency. Budget amendments may not increase the amount of tax revenue from the current levy to an amount that exceeds the percentage of taxes collected in the previous year, even if the revenue has actually been received.

Budget amendments must be made prior to obligating funds in excess of budgeted appropriations at the level at which the budget has been adopted. G.S. 159-13(a) states that the budget ordinance may be in any form that the Board considers most efficient in enabling it to make the fiscal policy decisions embodied therein, but it should make appropriations by department, function, or project and show revenues by major source. The staff of the Local Government Commission recommends that local governments do not adopt line item budget ordinances as the budget must then be amended at that level of detail. If revenues are less than estimated amounts, an amendment should be adopted to make these adjustments as well. Revenues should be budgeted only for amounts the unit can realistically expect to receive. Each fund in the budget must remain balanced; therefore, when there is a change in an estimated revenue or appropriation, there must be an offsetting adjustment to some other revenue or appropriation account(s) in order to keep the fund balanced.

An amendment should contain certain information, depending on its purpose. If the amendment is increasing an appropriation based on increased revenue, the amendment should specify the appropriation and its increase, as well as the revenue and its increase. Likewise, if the amendment is reducing one appropriation and increasing another, with no new revenue source, each appropriation should be listed along with the amount of increase or decrease. Each amendment should balance. Total increases in appropriations should equal total decreases if no new revenues are involved. Total increases in appropriations should equal total increases in revenues if new revenues are involved. In all situations, a brief description of the circumstances surrounding the amendment should be on the face of the amendment or in the minutes where the amendment was approved.

Board approval or review should be indicated on each amendment, either by signature of the clerk to the Board attesting to Board approval or by including the actual amendment itself in the Board meeting minutes.

The amendments include the account numbers to which the changes are to be posted on the amendment form for ease in recording the changes. As discussed below, the Board has the option of allowing the budget officer to make minor changes to the budget without obtaining prior Board approval by formal budget amendments. Such changes must be within a fund and not between two or more funds.

The Town of Montreat Budget Ordinance states the following:

The Budget and Finance Officer are hereby authorized to distribute department funds upon the line item budget and make expenditures therefrom, in accordance with the Local Government Budget and Fiscal Control Act.

The Budget Officer is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. He/She may transfer amounts between line items, expenditures and revenues, within a department without limitation and without a report being required.
- b. He/She may transfer amounts up to \$2,500 between departments within any one division, including contingency appropriations, within the same fund during any month. For the purpose of this ordinance, the Town of Montreat has the following divisions: Public Works (Streets and Sanitation), Police and Administration. The Budget Officer must make an official report on such transfers at the next regular meeting of the Governing Board. Transfers between divisions would require action of the Governing Board.
- c. He/She may not transfer any amounts between funds, except as approved by the Governing Board in the Budget Ordinance as amended.

The most important thing to remember about budget amendments affecting expenditure accounts is that they are to be made prior to funds being obligated. The finance officer, or person acting in that capacity, can be held personally liable for any obligations made that are not in accordance with the budget ordinance as it stands at the time the obligation is incurred. Therefore, if an obligation is made in excess of the budgeted appropriation, a violation of G.S. 159-181(a) has occurred, even if the ordinance is later amended to authorize the obligation and the resulting expenditure.

Budget amendments may be made after June 30 to the budget ordinance for the previous year to cover obligations or expenditures that the unit legally must pay in excess of appropriations. However, such items are still a statutory violation, and the budget must be presented in the audited financial statements as it stood on June 30. If these amounts are material, a note disclosure in the audited financial statements may be needed to indicate statutory noncompliance.

TOWN OF MONTREAT 2015 - 2016 BUDGET ORDINANCE

BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE TOWN OF MONTREAT, NORTH CAROLINA:

Section 1. The following amounts are hereby appropriated in the General Fund for the operation of the Town Government and its activities for the fiscal year beginning July 1, 2015 and ending June 30, 2016 in accordance with the chart of accounts heretofore established for this Town:

Governing Board	\$ 138,200
Administration	278,200
Public Buildings	139,950
Police	364,800
Planning and Zoning	80,900
Public Works	84,800
Street	1,305,400
Powell Bill	56,000
Sanitation	109,300
Recreation	8,500
Total Expenditures	\$ 2,566,050

Section 2. It is estimated that the following revenues will be available to the General Fund for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

Advalorem Taxes - Current Year	\$ 952,000
Advalorem Taxes - Prior Years	500
DMV Taxes – Current Year	11,300
DMV Taxes – Prior Years	100
Payments in Lieu of Taxes	2,000
Tax Penalties and Interest	1,000
Building Permits	45,000
Utilities Franchise Tax	55,000
Beer and Wine Tax	3,000
Powell Bill	40,000
Interest on Powell Bill	500
Interest on Investments	2,000
Arrest Fees and Fines	200
Local Government Sales Tax	345,000
Solid Waste Disposal Tax	500
Contributions	2,000
Miscellaneous Revenues	1,000

Reimbursement – Texas Bridge	700,000
Public Safety Charges	3,000
Sale of Fixed Assets	1,000
Sanitation Fees	10,000
Fire Inspection Charges	500
Community Service Fee	50,000
Powell Bill Fund Balance Appropriated	15,800
Fund Balance Appropriated	324,950
Total Revenues	\$2,566,050

Section 3. The following amounts are hereby appropriated in the Water Fund for the fiscal year beginning July 1, 2015, and ending June 30, 2016, in accordance with the chart of accounts heretofore approved for the Town:

Water Fund	\$ 271,400
Debt Service	84,200
Total Expenditures	\$ 355,600

Section 4. It is estimated that the following Revenues will be available in the Water Fund for the fiscal year beginning July 1, 2015, and ending June 30, 2016:

Water Sales	\$ 140,000
Water Access Fees	165,000
Water Taps	2,000
Water Transfer Fees	1,000
Late Fees	2,000
Interest Earned	500
MSD Billing and Postage	20,000
Billing Fees	1,000
Miscellaneous Revenue	1,000
Transfer from Retained Earnings	23,100
Total Revenue	\$ 355,600

Section 5. The Budget Officer/Finance Officer is hereby authorized to distribute department funds upon the line item budget and make expenditures therefrom, in accordance with the Local Government Budget and Fiscal Control Act.

Section 6. The Budget Officer/Finance Officer is hereby authorized to transfer appropriations as contained herein under the following conditions:

- A. He/she may transfer amounts between line items, expenditures and revenues, within a department without limitation and without a report being required.

- B. He/she may transfer amounts up to \$2,500 between departments within any one division, including contingency appropriations, within the same fund during any month. For the purpose of this ordinance, the Town of Montreat has the following divisions: Public Works (Streets and Sanitation), Police, Governing Body, Administration, Public Buildings, Planning and Zoning, and Recreation. The Budget Officer/Finance Officer must make an official report on such transfers at the next regular meeting of the Governing Board. Transfers between divisions would require action of the Governing Board.
- C. He/she may not transfer any amounts between funds, except as approved by the Governing Board in the Budget Ordinance as amended.

Section 7. There is hereby levied a tax at the rate of forty one cents (.41) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2015 for the purpose of raising the revenue listed as "Taxes Advalorem - Current Year" in the General Fund in Section 2 of this Ordinance. This rate is based upon an estimated total valuation of \$233,098,993.00 and an estimated rate of collection of 99.70%. The estimated rate of collection is based on the fiscal year 2013-2014 collection rate of 99.70%.

Section 8. The Town of Montreat Fee Schedule, FY 2015-2016, as attached, is hereby incorporated into this annual budget ordinance, and such fees shall become effective on July 1, 2015.

Section 9. Copies of the Budget Ordinance shall be furnished to the Mayor, to the Board of Commissioners and to the Clerk of the Town to be kept on file for their direction in the disbursement of funds.

ADOPTED AND APPROVED THIS, THE 25th DAY OF JUNE, 2015

LETTA JEAN TAYLOR
MAYOR

ATTEST:

MISTY R. GEDLINSKE
TOWN CLERK

FISCAL YEAR 2015-2016 FEE SCHEDULE

Town of Montreat Fiscal Year 2015-2016 Fee Schedule

Administration

Taxes

Property Tax Rate: \$0.41/\$100 of Assessed Valuation

Miscellaneous

Copies (B&W)	\$0.10 per page
Copies (Color)	\$0.25 per page
Faxes Sent	\$1.00 per page
Faxes Received	\$0.10 per page
Documents	Actual Cost
Returned Check Fee	\$25.00 (per event)

Privilege Licenses

Repealed March 8, 2007

Water Rates

Residential

Water Access Fee	\$14.00
Water Rate (per 1,000 gallons)	\$4.83
Meter Set	\$50.00
Meter Tap	\$900.00

Institutional

Water Access Fee – 1” Line	\$90.00
Water Access Fee – 2” Line	\$220.00
Water Rate (per 1,000 gals)	\$4.83
Meter Set	\$50.00
Meter Tap	\$1,500.00

Other Fees

Reconnection Fee	\$100.00
Water Service Transfer Fee	\$25.00
Late Fee	5% per month on past due balances

Sewer Rates

Determined by the Metropolitan Sewerage District Fee Schedule

Building Permits and Inspection Fees

Non-Residential Permits

New Construction or Renovation (up to \$1,000,000 in Valuation)	\$300.00; or \$10.00 per \$1,000.00 gross construction value, whichever is greater
New Construction or Renovation (over \$1,000,000 in Valuation)	0.30% of each additional \$1,000,000 or value or portion thereof
Engineering Services Review Fee	\$75.00 per hour

Non-Residential Electrical, Mechanical & Plumbing Inspection Fees

Per Inspection, Per Trade Discipline	\$100.00
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Other (Non-Residential)

Modular Offices	\$250.00
Day Care Centers	\$80.00 per trade discipline
ABC License	\$80.00 per trade discipline
Certificate of Occupancy	\$150.00

Residential Construction Permits (New)

Site-Built Homes	Fees based on Estimated Construction Cost x 0.006
Covered Heated Areas	\$132.00 per sq. ft.
Covered Unheated Areas	\$60.00 per sq. ft.
Porches, Decks, Patios, etc.	\$44.00 per sq. ft.
Concrete Slabs, Walks, Drives, etc.	\$4.00 per sq. ft.
Manufactured Homes	\$88.00 per sq. ft.

Residential Construction Permits (Remodel or Renovation)

\$0 - \$999.99	\$30.00
\$1,000 - \$1,999.99	\$40.00
\$2,000 - \$4,999.99	\$50.00
\$5,000 or more	Actual Cost of Construction x 0.006 or \$50.00 whichever is greater

Residential Electrical, Mechanical & Plumbing Inspection Fees

Per Inspection, Per Trade Discipline	\$100.00
Mechanical Appliance Change Out	\$100.00
LP Gas Piping/System (per inspection required)	\$75.00

Residential Certificate of Occupancy Fee

\$60.00

Miscellaneous Inspection & Administration Fees

Demolition Permit	\$100.00
Driveway Permit	\$100.00
Fire Inspection	\$100.00
Grading Permit	\$150.00
Homeowners Recovery Fee	\$10.00

Re-Inspection Fee	\$100.00
Residential Retaining Walls (<48" unbalanced backfill)	\$100.00
Engineered Retaining Walls (>48" unbalanced backfill or commercial projects)	\$300.00 Minimum Fee or 0.006 x Project Cost (including design work), whichever is greater

Work Performed Without Building and Zoning Permits Double Permit Fee

Right-of-Way Cut Permit Fees

Minimum	\$50.00 < 25 square feet.
Normal Fee	\$2.00 per square foot
Maximum	\$2,500.00
Full Width Overlay (Master Permit – must be requested at time of cut application)	\$50.00
Street/Sidewalk/Dirt Cut Permit Length	10 working days (excluding weather delays)
Additional Re-Inspections	\$50.00 each
Additional Re-Inspections for Warranty Work	\$50.00 each

Penalties/Fines

Failure to obtain permit	\$50.00 per day
Exceeding time (past 10 working days)	\$50.00 per day

Miscellaneous

30-Day Extensions (must be requested prior to permit expiration)	No Charge
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Planning/Zoning

Board of Adjustment Fees

Appeals or Interpretations	\$50.00
Rezoning Requests	\$200.00
Variance Applications	\$350.00
Zoning Ordinance Amendment Applications	\$50.00

Permit Fees

Zoning Permit	\$35.00
Conditional Use Permit	\$300.00

Subdivision Plat Review Fees

Minor Subdivision	\$50.00
Major Subdivision	\$100.00

Sign Permit Fees

Free-Standing Signs	\$25.00
Wall Signs and Project Signs	\$20.00
Suspended and Home Occupation Signs	\$10.00

Other Permits

Wireless Communications Facility - Plan Review Fee	\$500.00
Wireless Communications Facility - Intermodulation Study	\$500.00
Stormwater Permit	\$400 per acre, or portion thereof, for total disturbed acreage equal to or exceeding 12,000 square feet. Below 12,000 square feet disturbed area, a \$100 flat rate shall be applied to all development and qualified redevelopment requiring a permit as described in the Stormwater Management Ordinance
Base Application Fee for Development in a Special Flood Hazard Area (SFHA)	\$100.00
Fire Permits (Operational or Construction)	\$25.00

Sanitation

Back Door Collection – Three Months	\$95.00
Back Door Collection - Annual	\$175.00
Special Pick Up	\$25.00 minimum
ETJ Collection Rate	\$300.00 annually
Mattress Disposal Fee	\$5.00 per item
Leaf Collection Fee (outside normal collection period)	\$25.00
Yard Waste Collection Fee (over 3 cubic yards)	\$25.00 per each additional 3 cubic yards
Compactor Site Bag Charges	
Bags smaller than 13 gallons	\$1.00 each
Kitchen trash bags (13 gallons)	\$2.00 each
Recycling bags (all sizes)	\$2.00 each
Bags larger than 13 gallons	\$3.00 each
Cardboard will be based on estimated bag size	

Police Department**Parking Fines**

Overtime Parking	\$2.00
Illegal Parking	\$5.00
Handicap Parking (Unauthorized)	\$25.00
Late Fee for Parking Fines	Additional \$10.00 if not paid within 15 days
Immobilization Fees	\$20.00

Town Ordinance Violation Fees

First Offense	Verbal Warning
Second Offense	\$250.00
Third and Subsequent Offenses	\$500.00

Life Safety Code Violations

\$100.00

Non-Conforming Sign Violations

\$50.00 if not removed within 15 days

All fees are subject to change at any time with approval by the Board of Commissioners.

SCHEDULE OF GENERAL FUND REVENUES

Account Name	Actual FY 13-14	Current Year Budget FY 14-15	Estimated at 6/30/15	Administrator Recommended FY 15-16	Board Approved FY 15-16
Taxes, Ad Valorem - Current	962,945	944,000	945,000	952,000	
Taxes, Ad Valorem - Prior	499	500	200	500	
Payments in Lieu of Taxes	2,000	1,000	2,000	2,000	
Taxes, Personal - 2014	8,560	16,000	12,000	11,300	
Taxes, Personal - Prior	205	200	0	100	
Privilege License Tax	0	0	0	0	0
Penalties and Interest	1,649	1,500	1,000	1,000	
Building Permits	56,636	45,000	35,000	45,000	
NC Franchise Tax	54,388	55,000	54,500	55,000	
Beer & Wine Tax	3,004	3,000	3,000	3,000	
NC Intangible Tax	0	0	0	0	0
Food Stamp Reimbursement	0	0	0	0	0
R&W Inventory Exclusion	0	0	0	0	0
Powell Bill Grant	39,050	39,000	39,500	40,000	
Buncombe County - P&I	0	0	0	0	0
Buncombe Cty. 2% Sales Tax	0	0	0	0	0
Interest on Investments	1,446	2,500	1,500	2,000	
Cable TV - Franchise Tax	0	0	0	0	0
Arrest Fees and Fines	167	500	100	200	
Interest on Powell Bill	183	500	200	200	
NCCMT - Interest Earned	0	0	0	0	0
Paving - Interest	0	0	0	15,800	0
Police - Interest	0	0	0	0	0
Streets - Interest	0	0	0	0	0
Solid Waste Disposal Tax	388	500	400	500	
State Grant	260,586	70,000	0	0	
NC Sales & Use Tax	332,403	345,000	335,000	345,000	
NC Gasoline Tax Refund	0	0	0	0	0
Fund Balance Appropriated	0	365,000	0	324,950	
Miscellaneous Revenues	194	1,000	1,000	1,000	
Transfer from CP - Paving	0	0	0	0	0
Transfer from CP - Street	0	0	0	0	0
Transfer from CP - Police	0	0	0	0	0
Reimbursement - Bridge Insp.	0	0	0	0	0
State/Federal - Reimbursemen	0	744,000	30,000	700,000	
Contributions	1,202	2,000	2,000	2,000	
Public Safety Charges	3,386	3,000	3,000	3,000	
Fire Inspection Fees	460	500	100	500	
Other Sales and Services	0	0	0	0	0
Sale of Fixed Assets	0	1,000	500	1,000	
Insurance Proceeds	0	0	0	0	0
Sanitation Fees	7,995	10,000	8,000	10,000	
Reimbursement - Comp. Plan	1,776	0	0	0	0
Transfer from Water Fund	0	0	0	0	
Proceeds from Debt Service	0	0	0	0	0
Community Service Fee	45,619	50,000	45,000	50,000	
General Fund Totals	\$1,784,741	\$2,700,700	\$1,519,000	\$2,566,050	\$0

SCHEDULE OF WATER FUND REVENUES

Account Name	Actual FY 13-14	Current Year Budget FY 14-15	Estimated at 6/30/15	Administrator Recommended FY 15-16	Board Approved FY 15-16
MSD Billing Fees Revenue	20,682	20,000	18,000	20,000	
Water Sales	145,933	140,000	140,000	140,000	
Water Access Fees	161,753	165,000	164,000	165,000	
Billing Fee Revenue	0	0	1,000	1,000	
Water Taps	3,800	2,000	1,000	2,000	
Water Transfer Fees	700	2,000	1,000	1,000	
FEMA PW00143	0	0	40,000	0	
Interest on Investments	102	500	200	500	
Retained Earnings Appropriated	0	0	0	23,100	
Miscellaneous Revenue	352	1,500	100	1,000	
Assessment Revenue	0	125,000	0	0	
Late Fees	2,140	2,000	2,000	2,000	
ARRA DWSRF Principal Forgiveness	0	0	0	0	
ARRA Revolving Loan Proceeds	0	0	0	0	
Interfund Transfer from General	45,614	0	0	0	
Water Fund Totals	\$381,076	\$458,000	\$367,300	\$355,600	\$0

GENERAL FUND CATEGORY SUMMARY

	FY 1999-2000	FY 2000-2001	FY 2001-2002	FY 2002-2003	FY 2003-2004
Ad Valorem Taxes					
Taxes, Ad Valorem - Current Year	\$ 418,376.00	\$ 422,708.00	\$ 480,011.00	\$ 489,981.00	\$ 571,121.00
Taxes, Ad Valorem - Prior Year	\$ 3,253.00	\$ 687.00	\$ 465.00	\$ 368.00	\$ 1,108.00
Penalties and Interest	\$ -	\$ 784.00	\$ 1,980.00	\$ 2,131.00	\$ 1,335.00
Other Taxes					
Privilege Licenses	\$ -	\$ -	\$ -	\$ -	\$ -
Local Option Sales Tax	\$ 165,083.00	\$ 171,525.00	\$ 163,115.00	\$ 187,420.00	\$ 218,827.00
Return of Taxes	\$ 17,990.00	\$ 21,021.00	\$ 14,880.00	\$ 16,633.00	\$ 16,144.00
Unrestricted Intergovernmental					
Payments in Lieu of Taxes	\$ 15,200.00	\$ 15,500.00	\$ 15,400.00	\$ 15,300.00	\$ 9,500.00
Beer & Wine Tax	\$ 2,816.00	\$ 2,926.00	\$ -	\$ 2,633.00	\$ 2,863.00
Utility Franchise Tax	\$ 37,363.00	\$ 37,960.00	\$ 25,190.00	\$ 41,383.00	\$ 41,168.00
Tax Refunds, Gasoline Tax	\$ 1,077.00	\$ 858.00	\$ 1,434.00	\$ 918.00	\$ 1,658.00
Intangibles Tax Reimbursement	\$ 16,714.00	\$ 16,827.00	\$ 16,216.00	\$ -	\$ -
Police Grant Reimbursement	\$ -	\$ -	\$ 6,188.00	\$ -	\$ -
Inventory Tax Reimbursement	\$ 4,673.00	\$ 2,353.00	\$ 4,576.00	\$ -	\$ -
Food Stamp Tax Reimbursement	\$ 618.00	\$ 622.00	\$ 599.00	\$ -	\$ -
Restricted Intergovernmental					
Powell Bill Allocation	\$ 42,340.00	\$ 44,384.00	\$ 42,855.00	\$ 40,364.00	\$ 47,718.00
Reimbursement - Bridge Insp.	\$ 4,149.00	\$ 161.00	\$ 4,416.00	\$ 4,416.00	\$ 4,640.00
FEMA Grant	\$ -	\$ -	\$ -	\$ -	\$ -
Solid Waste Disposal Tax	\$ -	\$ -	\$ -	\$ -	\$ -
Permits and Fees					
Building Permits	\$ 13,465.00	\$ 16,079.00	\$ 17,168.00	\$ 18,022.00	\$ 22,181.00
Cable TV Franchise Fees	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and Services					
Public Safety Charges	\$ 18,137.00	\$ 18,904.00	\$ 19,744.00	\$ 19,259.00	\$ 21,962.00
Sanitation Collection	\$ 5,940.00	\$ -	\$ -	\$ -	\$ -
Fire Inspection Fees	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Earnings					
Other Funds	\$ 14,256.00	\$ 16,196.00	\$ 7,327.00	\$ 8,617.00	\$ 5,311.00
Miscellaneous					
Contributions	\$ -	\$ 15,000.00	\$ -	\$ 200.00	\$ 275.00
Other	\$ 4,847.00	\$ 7,439.00	\$ 6,046.00	\$ 3,642.00	\$ 5,128.00
Total General Fund Revenues	\$ 786,297.00	\$ 811,934.00	\$ 827,610.00	\$ 851,287.00	\$ 970,939.00

GENERAL FUND CATEGORY SUMMARY

	FY 2004-2005	FY 2005-2006	FY 2006-2007	FY 2007-2008	FY 2008-2009
Ad Valorem Taxes					
Taxes, Ad Valorem - Current Year	\$ 615,290.00	\$ 633,724.00	\$ 841,759.00	\$ 857,771.00	\$ 864,699.00
Taxes, Ad Valorem - Prior Year	\$ -	\$ -	\$ -	\$ -	\$ -
Penalties and Interest	\$ 894.00	\$ 1,003.00	\$ 1,315.00	\$ 1,195.00	\$ 1,294.00
Other Taxes					
Privilege Licenses	\$ 1,325.00	\$ 1,585.00	\$ 75.00	\$ -	\$ -
Local Option Sales Tax	\$ 247,299.00	\$ 281,906.00	\$ 302,828.00	\$ 330,010.00	\$ 298,781.00
Return of Taxes	\$ 17,180.00	\$ -	\$ -	\$ -	\$ -
Unrestricted Intergovernmental					
Payments in Lieu of Taxes	\$ 5,000.00	\$ 7,300.00	\$ 6,500.00	\$ 5,000.00	\$ 5,000.00
Beer & Wine Tax	\$ 2,988.00	\$ 2,887.00	\$ 3,127.00	\$ -	\$ 3,257.00
Utility Franchise Tax	\$ 32,084.00	\$ 32,430.00	\$ 41,906.00	\$ 51,417.00	\$ 55,798.00
Tax Refunds, Gasoline Tax	\$ -	\$ -	\$ 5,525.00	\$ 2,072.00	\$ 7,187.00
Intangibles Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -
Police Grant Reimbursement	\$ -	\$ 300.00	\$ -	\$ -	\$ -
Inventory Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -
Food Stamp Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Intergovernmental					
Powell Bill Allocation	\$ 41,753.00	\$ 40,943.00	\$ 41,075.00	\$ 45,980.00	\$ 41,788.00
Reimbursement - Bridge Insp.	\$ 4,560.00	\$ -	\$ -	\$ -	\$ -
FEMA Grant	\$ 176,931.00	\$ -	\$ 149,272.00	\$ -	\$ 18,937.00
Solid Waste Disposal Tax	\$ -	\$ -	\$ -	\$ -	\$ 220.00
Permits and Fees					
Building Permits	\$ 17,330.00	\$ 30,652.00	\$ 31,491.00	\$ 30,084.00	\$ 38,399.00
Cable TV Franchise Fees	\$ 10,811.00	\$ 11,406.00	\$ 12,611.00	\$ 4,765.00	\$ 1,485.00
Sales and Services					
Public Safety Charges	\$ 25,938.00	\$ 23,175.00	\$ 23,047.00	\$ 9,866.00	\$ 3,373.00
Sanitation Collection	\$ -	\$ -	\$ 26,867.00	\$ 37,325.00	\$ 41,278.00
Fire Inspection Fees	\$ -	\$ -	\$ -	\$ 11,405.00	\$ 3,805.00
Other	\$ -	\$ -	\$ -	\$ 5,155.00	\$ 4,229.00
Investment Earnings					
Other Funds	\$ 12,389.00	\$ 42,858.00	\$ 74,902.00	\$ 56,008.00	\$ 22,347.00
Miscellaneous					
Contributions	\$ 2,136.00	\$ 1,625.00	\$ 15,343.00	\$ 2,235.00	\$ 2,500.00
Other	\$ 7,334.00	\$ 3,541.00	\$ 4,169.00	\$ 11,018.00	\$ 5,128.00
Total General Fund Revenues	\$ 1,221,242.00	\$ 1,115,335.00	\$ 1,581,812.00	\$ 1,461,306.00	\$ 1,419,505.00

GENERAL FUND CATEGORY SUMMARY

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014
Ad Valorem Taxes					
Taxes, Ad Valorem - Current Year	\$ 876,034.00	\$ 871,957.00	\$ 878,470.00	\$ 892,030.00	\$ 972,209.00
Taxes, Ad Valorem - Prior Year	\$ -	\$ -	\$ -	\$ -	\$ -
Penalties and Interest	\$ 1,530.00	\$ 1,353.00	\$ 1,189.00	\$ 3,303.00	\$ 1,649.00
Other Taxes					
Privilege Licenses	\$ -	\$ -	\$ -	\$ -	\$ -
Local Option Sales Tax	\$ 277,467.00	\$ 280,616.00	\$ 307,211.00	\$ 313,951.00	\$ 332,403.00
Return of Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted Intergovernmental					
Payments in Lieu of Taxes	\$ -	\$ -	\$ 225.00	\$ -	\$ 2,000.00
Beer & Wine Tax	\$ 1,013.00	\$ 3,075.00	\$ 3,126.00	\$ 2,774.00	\$ 3,004.00
Utility Franchise Tax	\$ 56,524.00	\$ 53,859.00	\$ 52,505.00	\$ 38,982.00	\$ 54,388.00
Tax Refunds, Gasoline Tax	\$ 3,265.00	\$ -	\$ -	\$ -	\$ -
Intangibles Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -
Police Grant Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -
Inventory Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -
Food Stamp Tax Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Intergovernmental					
Powell Bill Allocation	\$ 37,137.00	\$ 37,136.00	\$ 38,372.00	\$ 38,545.00	\$ 39,050.00
Reimbursement - Bridge Insp.	\$ -	\$ -	\$ -	\$ -	\$ 260,586.00
FEMA Grant	\$ 8,272.00	\$ -	\$ 10,294.00	\$ 59,032.00	\$ -
Solid Waste Disposal Tax	\$ 498.00	\$ 473.00	\$ 494.00	\$ 325.00	\$ 388.00
Permits and Fees					
Building Permits	\$ 38,022.00	\$ 35,626.00	\$ 36,003.00	\$ 49,129.00	\$ 56,636.00
Cable TV Franchise Fees	\$ 1,390.00	\$ -	\$ -	\$ -	\$ -
Community Service Fee	\$ -	\$ -	\$ -	\$ 45,769.00	\$ 45,619.00
Sales and Services					
Public Safety Charges	\$ 3,371.00	\$ 2,809.00	\$ 3,376.00	\$ 3,371.00	\$ 3,386.00
Sanitation Collection	\$ 36,210.00	\$ 37,793.00	\$ 38,015.00	\$ 23,395.00	\$ 7,995.00
Fire Inspection Fees	\$ 400.00	\$ 9,175.00	\$ 325.00	\$ 25.00	\$ 460.00
Other	\$ 5,047.00	\$ 480.00	\$ 1,802.00	\$ 1,338.00	\$ 1,943.00
Investment Earnings					
Other Funds	\$ 14,591.00	\$ 7,921.00	\$ 5,915.00	\$ 1,850.00	\$ 1,629.00
Miscellaneous					
Contributions	\$ 52,000.00	\$ 5,550.00	\$ 5,841.00	\$ 2,000.00	\$ 1,202.00
Other	\$ 1,891.00	\$ 2,042.00	\$ 15,931.00	\$ 20.00	\$ 194.00
Total General Fund Revenues	\$ 1,414,662.00	\$ 1,349,865.00	\$ 1,399,094.00	\$ 1,475,839.00	\$ 1,784,741.00

WATER FUND CATEGORY SUMMARY

Water Fund

	<u>FY 2000-2001</u>	<u>FY 2001-2002</u>	<u>FY 2002-2003</u>	<u>FY 2003-2004</u>	<u>FY 2004-2005</u>
Water Revenues	186,548	204,147	207,881	207,775	184,729
Water Taps	1,700	6,100	1,150	3,800	0
Interest Earned	1,954	1,451	1,717	1,379	2,992
MSD Billing and Postage	10,287	11,559	11,459	11,608	13,266
Buncombe County 2% Sales Tax	0	0	0	0	0
Transfer from Water	0	0	0	0	0
MSD Collections	180,994	184,261	184,457	185,292	0
Miscellaneous Revenue	0	0	0	566	1,066
Total Water Fund Revenues	381,483	407,518	406,664	410,420	202,053

Water Fund

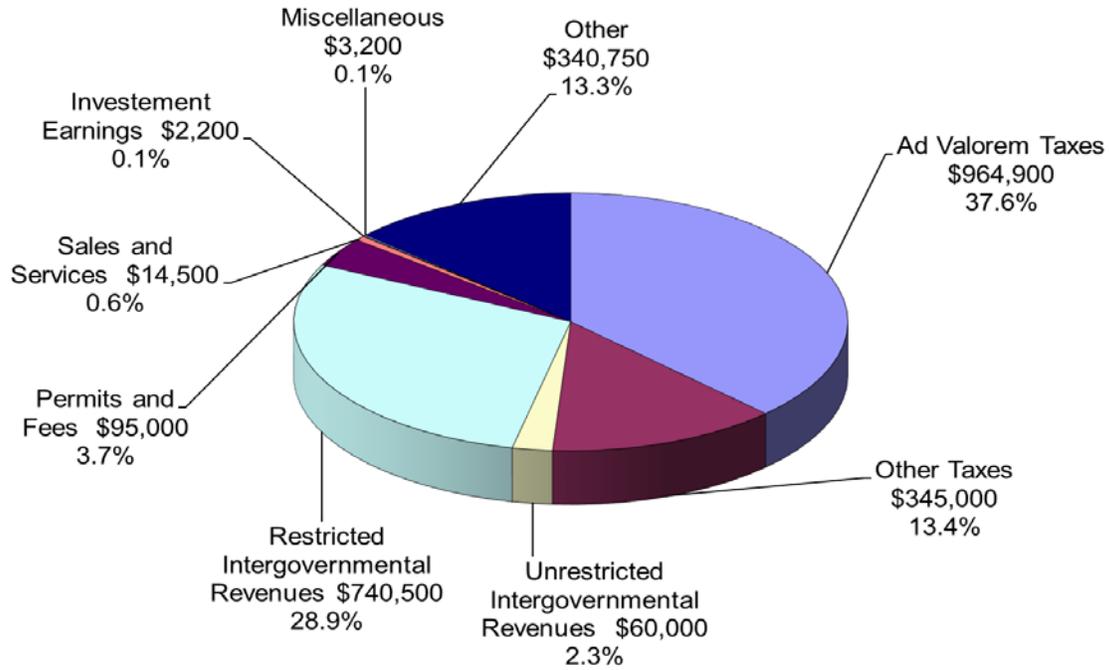
	<u>FY 2005-2006</u>	<u>FY 2006-2007</u>	<u>FY 2007-2008</u>	<u>FY 2008-2009</u>	<u>FY 2009-2010</u>
Water Revenues	228,105	207,619	256,790	266,872	261,156
Water Taps	3,400	2,750	1,500	2,900	4,350
Interest Earned	5,926	7,809	6,771	2,916	1,128
MSD Billing and Postage	11,798	14,978	13,948	17,276	13,702
Buncombe County 2% Sales Tax	0	0	0	0	0
Transfer from Water	0	0	0	0	0
MSD Collections	0	0	0	0	0
Community Service Fee	0	0	0	0	9,734
Miscellaneous Revenue	0	1,009	2,258	9,677	245
Total Water Fund Revenues	249,229	234,165	281,267	299,641	290,315

Water Fund

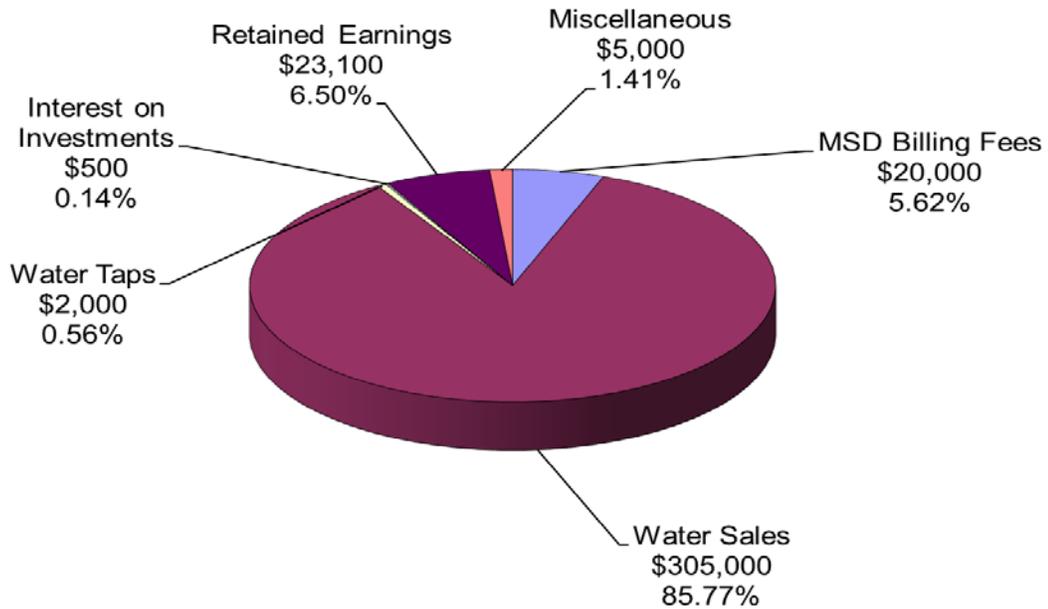
	<u>FY 2010-2011</u>	<u>FY 2011-2012</u>	<u>FY 2012-2013</u>	<u>FY 2013-2014</u>
Water Revenues	257,219	256,888	273,316	307,686
Water Taps	1,950	1,850	2,025	3,800
Interest Earned	1,085	600	231	102
MSD Billing and Postage	15,536	16,446	23,618	20,682
Late Fees	2,452	2,307	2,225	2,140
ARRA Revolving Loan Proceeds	30,776	0	0	0
ARRA –Principal Forgiveness	251,022	0	0	0
Community Service Fee	35,880	44,514	45,769	45,614
Miscellaneous Revenue	35,948	-51,128	-19,472	1,052
Total Water Fund Revenues	631,868	271,477	327,712	381,076

GENERAL AND WATER FUND CATEGORY SUMMARY

General Fund Revenues Proposed FY 2015-2016



Water Fund Revenues Proposed FY 2015-2016



Summary of Significant Accounting Policies

The accounting policies of the Town of Montreat, North Carolina conform to accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Town of Montreat is a municipal corporation, which is governed by an elected mayor and a five-member Board of Commissioners.

B. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the Town. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Town and for each function of the town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Town's funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The Town reports the following major governmental fund:

General Fund - The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are ad-valorem taxes, State grants, and various other taxes and licenses. The primary expenditures are for administration, public safety, street maintenance and construction, and sanitation services.

The Town reports the following major enterprise fund:

Water Fund – This fund is used to account for the Town’s water operations.

C. Measurement Focus and Basis of Accounting

In accordance with North Carolina General Statutes, all funds of the Town are maintained during the year using the modified accrual basis of accounting.

Government-wide and Proprietary Fund Financial Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Town gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principle ongoing operations. The principle operating revenues of the Town's enterprise funds are charges to customers for sales and services. The Town also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water system. Operating expenses for the Enterprise Fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Governmental Fund Financial Statement. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The Town considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad-valorem taxes receivable are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when the vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the Town are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied. Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the Town's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

Budgetary Data

The Town's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund and the Enterprise Fund. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the object level for the multi-year funds. Amendments are required for any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$2,500. All amendments must be approved by the governing board. During the year, several amendments to the original budget were necessary. The budget ordinance must

be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Fund Equity

Deposits and Investments

All deposits of the Town are made in board-designated official depositories and are secured as required by State law [G.S. 159-31]. The Town may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Town may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts and certificates of deposit.

State law [G.S. 159-30(c)] authorizes the Town to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain nonguaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT). The Town's investments are reported at fair market value as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, a SEC-registered (2a7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT Term Portfolio's securities are valued at fair value.

Cash and Cash Equivalents

The Town pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

Restricted Assets

Customer deposits held by the Town before any services are supplied are restricted to the service for which the deposit was collected. Powell Bill Funds are also classified as restricted cash because it can be expended only for the purposes of maintaining, repairing, constructing, reconstructing or widening of local streets per G.S. 136-41.1 through G.S. 136-41.4.

Restricted cash at June 30, 2014, consist of the following:

Governmental Activities:

General Fund:

Powell Bill	\$ 192,594
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Business-Type Activities:

Water Fund:

Customer deposits	<u>\$ 1,524</u>
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Total restricted cash	\$ 194,118
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Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)] the Town levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, interest does not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2013.

Allowance for Doubtful Accounts

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

Inventory

The inventories of the Town are valued at cost (first in, first out), which approximates market. The inventory of the Town's enterprise fund consists of materials and supplies held for subsequent use. The cost of these inventories is expensed when consumed rather than when purchased.

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and expensed as the items are used.

Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of two years. Minimum capitalization costs are land, \$10,000; building and improvement, \$5,000; infrastructure, \$20,000; furniture and equipment, \$5,000; and vehicles, \$10,000. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

In conjunction with implementing GASB Statement 34, "The New Reporting Model," the Town began capitalizing public domain ("infrastructure") capital assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems as of July 1, 2003. Infrastructure assets exceeding the Town's capitalization threshold of \$1,500 will be reported as capital assets in the Statement of Net Position. General governmental infrastructure assets acquired prior to July 1, 1980 were not retroactively reported; therefore, the infrastructure capital assets in the Statement of Net Position only include assets purchased after July 1, 1980.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	30 years
Buildings	50 years
Improvements	25 years
Furniture and equipment	10 years
Vehicles	6 years
Computer equipment	3 years

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Town has no items that meet this criterion. In addition to liabilities, the Statement of Financial Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Town has two items that meet this criterion, prepaid taxes and property tax receivable.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt. In fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing resources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences

The vacation policy of the Town provides for the accumulation of up to thirty (30) days earned vacation leave with such leave being fully vested when earned. For the Town's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The Town

has assumed a last-in, first-out method of using accumulated compensation time. The portion of that time that is estimated to be used in the next fiscal year is considered a current liability and has been reported in the government-wide financial statements.

The Town's sick leave policies provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the Town has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures/expenses. Actual results could differ from those estimates.

Net Position

Net position in government-wide and proprietary fund financial statements are classified as net investment in capital assets; restricted; and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through State statute.

Fund Balances

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

Non-Spendable Fund Balance

This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Prepays – portion of fund balance that is not an available resource because it represents the year-end balance of prepaid items, which are not spendable resources.

Restricted Fund Balance

This classification included amount that are restricted to specific purposes externally imposed by creditors or imposed by laws.

Restricted for Stabilization by State Statute - portion of fund balance that is restricted by State Statute {G.S. 159-8(a)}.

Restricted for streets – Powell Bill – portion of fund balance that is restricted by revenue source for street construction and maintenance expenditures. This amount represents the balance of the total unexpended Powell Bill funds.

Committed Fund Balance

The Committed Fund Balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision making authority. The Governing Board is the highest level of decision making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the Ordinance remains in place until a similar action is taken (the adoption of another Ordinance) to remove or revise the limitation.

Committed for Open Space – a portion of fund balance committed by the Board for the Open Space Conservation Program.

Assigned Fund Balance

This classification is the portion of fund balance that the Town of Montreat intends to use for specific purposes.

Assigned for Public Safety – portion of total fund balance that the Board of Commissioners has budgeted for employee benefits.

Subsequent Year’s Expenditures – portion of fund balance that is appropriated in the next year’s budget that is not already classified in restrict or committed. The Council approves the appropriation; however, the budget ordinance authorized the Finance Officer to distribute department funds upon the line item budget and make expenditures therefrom.

Assigned Fund Balance:

Public safety	\$ 54,290
Subsequent year’s expenditures	<u>\$ 365,000</u>
Total	\$ 419,290

Unassigned Fund Balance

This classification is the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

The Town of Montreat has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-town funds,

and town funds. For purposes of fund balance classification expenditures are to be spent from restricted balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the Town.

The Town of Montreat currently does not have an adopted fund balance policy.

Fund Balance Available for Appropriation

The following schedule provides management and citizens with information on the portion of General Fund balance that is available for appropriation:

Total fund balance – General Fund	\$	1,407,549
Less:		
Stabilization by State Statute		(62,622)
Non-spendable		<u>(4,872)</u>
Fund balance available for appropriation	\$	1,340,055

Detail on All Funds

A. Assets

Deposits

All of the deposits of the Town are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed federal depository insurance coverage level are collateralized with securities held by the Town's agent in the Town's name. Under the Pooling Method, a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Town, these deposits are considered to be held by the Town's agent in the Town's name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Town or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the Town under the Pooling Method, the potential exists for undercollateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The Town has no policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all Pooling Method financial institutions and to monitor them for compliance. The Town complies with the provisions of GS 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2014, the Town’s deposits had a carrying amount of \$1,891,192 and a bank balance of \$2,063,166. Of the bank balance, \$500,000 was covered by federal depository insurance, and \$1,563,166 was covered by collateral held under the Pooling Method. The Town also had cash on hand of \$250 at June 30, 2014.

Investments

At June 30, 2014, the Town of Montreat had \$13,132 invested with the North Carolina Capital Management Trust’s Cash Portfolio, which carried a credit rating of AAAm by Standard & Poor’s. The Town has no policy regarding credit risk.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	<u>Rating</u>
NC Capital Management Trust – Cash Portfolio	<u>\$ 13,132</u>	N/A	AAAm

Credit Risk

The Town has no formal policy regarding credit risk, but has internal management procedures that limits its investments to the provisions of G.S. 159-30 and restrict the purchase of securities to the highest possible ratings whenever particular types of securities are rated.

Receivables

Receivables at the government-wide level at June 30, 2014 were as follows:

	<u>General Fund</u>
Governmental activities:	
Taxes receivable	\$ 3,804
Accounts receivable	<u>\$ 62,622</u>
Total	\$ 66,426
 Business-type activities:	
Accounts receivable	\$ 73,307
Allowance for doubtful accounts	<u>\$ (2,957)</u>
	\$ 70,350

Capital Assets**Primary Governmental**

Capital asset activity for governmental activities at the year ended June 30, 2014 was as follows:

	<u>Balance</u> <u>July 1, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2014</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 1,031,924	\$ 323,300	\$ -	\$ 1,355,224
Construction in progress	377,301	312,937	(141,901)	548,337
Total capital assets not being depreciated	<u>1,409,225</u>	<u>636,237</u>	<u>(141,901)</u>	<u>1,903,561</u>
Capital assets being depreciated:				
Building improvements	44,892	14,615	-	59,507
Infrastructure	714,654	141,901	-	856,555
Equipment	771,145	-	-	771,145
IT equipment	81,402	-	-	81,402
Vehicles	433,348	36,555	-	469,903
Total capital assets being depreciated	<u>2,045,441</u>	<u>193,071</u>	<u>-</u>	<u>2,238,512</u>
Less accumulated depreciation for:				
Building improvements	26,102	3,972	-	30,074
Infrastructure	157,957	48,500	-	206,457
Equipment	60,246	2,827	-	63,073
IT equipment	53,268	8,857	-	62,125
Vehicles	362,374	23,584	-	385,958
Total accumulated depreciation	<u>659,947</u>	<u>\$ 87,740</u>	<u>\$ -</u>	<u>747,687</u>
Total capital assets begin depreciated	<u>1,385,494</u>			<u>1,490,825</u>
Governmental activity capital assets, net	<u>\$ 2,794,719</u>			<u>3,394,386</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 12,384
Public Safety	23,238
Transportation	48,851
Environmental Protection	1,713
Cultural and recreation	1,554
	<u> </u>
Total Depreciation Expense	<u>\$ 87,740</u>

Proprietary Capital Assets

The capital asset activity of the Proprietary Fund for the year ended June 30, 2014 was as follows:

	<u>Balance</u> <u>July 1, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2014</u>
Business-Type Activities:				
Capital assets not being depreciated:				
Land	\$ 367,968	\$ -	\$ -	\$ 367,968
Construction in progress	790	7,888	-	8,678
Total capital assets not being depreciated	<u>368,758</u>	<u>7,888</u>	<u>-</u>	<u>376,646</u>
Capital assets being depreciated:				
Buildings	142,110	-	-	142,110
Improvements	601,155	-	-	601,155
Infrastructure	1,807,704	-	-	1,807,704
Equipment	98,939	-	-	98,939
IT equipment	23,776	-	-	23,776
Vehicles	67,675	-	-	67,675
Total capital assets being depreciated	<u>2,741,359</u>	<u>-</u>	<u>-</u>	<u>2,741,359</u>
Less accumulated depreciation:				
Buildings	49,709	3,553	-	53,272
Improvements	3,891	19,909	-	23,800
Infrastructure	1,106,388	49,031	-	1,155,419
Equipment	24,189	14,950	-	39,139
IT equipment	20,013	2,378	-	22,391
Vehicles	67,675	-	-	67,675
Total accumulated depreciation	<u>1,271,874</u>	<u>\$ 89,821</u>	<u>\$ -</u>	<u>1,361,695</u>
Total capital assets begin depreciated, net	<u>1,469,484</u>			<u>1,379,663</u>
Governmental activity capital assets, net	<u>1,838,242</u>			<u>1,756,309</u>

Net Investment in Capital Assets

The total net investment in capital assets at June 30, 2014 is composed of the following elements:

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>
<u>Capital Assets</u>	\$ 3,394,386	\$ 1,756,309
<u>Long-term debt</u>	-	(719,899)
<u>Invested in capital assets, net of related debt</u>	<u>\$ 3,394,386</u>	<u>\$ 1,036,410</u>

B. LiabilitiesPayables

Payables at Exhibit A June 30, 2014 were as follows:

	<u>Salaries and Benefits</u>	<u>Vendors</u>	<u>Total</u>
Governmental Activities:			
General	\$ 23,361	\$ 8,105	\$ 31,466
Total	<u>\$ 23,361</u>	<u>\$ 8,105</u>	<u>\$ 31,466</u>
Business-Type Activities:			
Water and Sewer	\$ -	\$ 22,634	\$ 22,634
Total	<u>\$ -</u>	<u>\$ 22,634</u>	<u>\$ 22,634</u>

Construction Commitments

	Remaining Construction Commitment
Texas Bridge Project	<u>\$ 135,444</u>

80% of the Texas Bridge Project will be reimbursed by NCDOT.

Pension Plan ObligationsLocal Governmental Employees' Retirement System

Plan Description. The Town contributes to the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The LGERS is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina, 27699-1410, or by calling (919) 981-5454.

Funding Policy. Plan members are required to contribute six percent of their annual covered salary. The Town is required to contribute at an actuarially determined rate. For the Town the current rate for employees not engaged in law enforcement and for law enforcement officers is 7.07% and 7.28%, respectively, of the annual covered payroll. The contribution requirements of members and of the Town are established and may be amended by the North Carolina General Assembly. The Town's contribution to LGERS for the year ended June 30, 2014, 2013 and 2012 were \$41,963, \$49,807 and \$42,049,

respectively. The contributions made by the Town equaled the required contributions for each year.

Law Enforcement Officers Special Separation Allowance

Plan Description. The Town administers a public employee retirement system (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the Town's qualified sworn law enforcement officers. The Separation Allowance is equal to .85% of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time law enforcement officers of the Town are covered by the Separation Allowance. At December 31, 2013, the Separation Allowance's membership consisted of:

Retirees receiving benefits	-
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	<u>4</u>
Total	<u><u>4</u></u>

A separate report was not issued for the plan.

Summary of Significant Accounting Policies

Basis of Accounting. The Town has chosen to fund the Separation Allowance on a pay-as-you-go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting.

Method used to Value Investments. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

Contributions. The Town is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay-as-you-go basis through appropriations made in the General Fund operating budget. The Town's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. There were no contributions made by employees.

The annual required contribution for the current year was determined as part of the December 31, 2012 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 5.00% investment rate of return (net of administrative expenses) and (b) projected salary increases from 4.25% to 7.85% per year. Both (a) and (b) included an inflation component of 3.00%. The assumptions did

not include post-retirement benefit increases. The unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at December 31, 2012 was 18 years.

Annual Pension Cost and Net Pension Obligation. The Town's annual pension cost and net pension obligation to the Separation Allowance for the current year were as follows:

Annual required contribution	\$ 8,883
Interest on net pension obligation	6,303
Adjustment to annual required contribution	<u>(10,271)</u>
Annual pension cost	4,915
Employer Contributions made year ended 6/30/14	<u> --</u>
Increase in net pension obligation	4,915
Net pension obligation, beginning of year – July 1	<u>126,064</u>
Net pension obligation, end of year – June 30	\$ 130,979

Three Year Trend Information

<u>For Year Ended June 30</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2012	\$ 6,821	0.00%	\$ 118,300
2013	\$ 7,664	0.00%	\$ 126,064
2014	\$ 4,915	0.00%	\$ 130,979

Funded Status and Fund Progress. As of December 31, 2013, the most recent actuarial valuation date, the Plan was not funded. The actuarial accrued liability for benefits and the unfunded actuarial accrued liability (UAAL) was \$95,353. The covered payroll (annual payroll of active employees covered by the plan) was \$176,646, and the ratio of the UAAL to the covered payroll was 55.23%.

The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of Plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. The Town contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the Town. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to

the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina, 27699-1410, or by calling (919) 981-5454.

Funding Policy. Article 12E of G.S. Chapter 143 requires the Town to contribute each month an amount equal to five percent of each officer’s salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2014 were \$16,312, which consisted of \$9,954 from the Town and \$6,358 from the law enforcement officers.

Supplemental Retirement Income Plan for Employees Not Engaged in Law Enforcement

Plan Description. The Town also contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a board of trustees. The Plan provides retirement benefits to all non-law enforcement employees of the Town. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

Funding Policy. The Town also contributes each month an amount equal to five percent of each employee’s salary, and all amounts contributed are vested immediately. Also, the employees may make voluntary contributions to the plan. Contributions for the year ended June 30, 2014 were \$27,896, which consisted of \$19,814 from the Town and \$8,082 from the employees.

Non-Law Enforcement Employees Separation Allowance

Plan Description. The Town administers a public employee retirement system (The “Separation Allowance”), a single-employer defined benefit pension plan that provides retirement benefits to the Town’s qualified non-law enforcement employees. Qualified employees include individuals employed prior to July 1, 1998. The Separation Allowance is equal to .85% of the annual equivalent of the base rate of compensation most recently applicable to the employees for each year of creditable service. The retirement benefits are not under the authority of the North Carolina General Assembly.

At June 30, 2014, the Separation Allowance’s membership consisted of:

Retirees receiving benefits	-
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	-
Total	- -----

A separate report is not issued for the Plan.

Basis of Accounting. The Town has chosen to fund the Separation Allowance on a pay-as-you-go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting.

Method used to Value Investments. No funds are set aside to pay benefits and administrative costs. These expenditures are paid as they come due.

Contributions. The Town is not required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay-as-you-go basis through appropriations made in the General Fund operating budget. The Town's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. There were no contributions made by employees.

The Town has not obtained an actuarial valuation for the plan because its required contributions are considered immaterial.

Other Employment Benefits

The Town has also elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State administered, costs-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die in active service within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months salary in a row during the 24 months prior to the employee's death, but the benefit may not exceed \$50,000 or be less than \$25,000. All death benefit payments are made from the Death Benefit Plan. The Town has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly payroll, based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The Town considers these contributions to be immaterial. Due to a surplus in the death benefit, a decision was made by the State to temporarily stop employer contributions to the LGERS Death Benefit Plan beginning July 1, 2012. A temporary relief period based on the number of years the employer had contributed as of December 31, 2010 was established by the State. The Town contributed more than 20 years and was relieved for three years. Contributions from the Town will resume in the fiscal year beginning July 1, 2015.

Deferred Inflows/Unavailable Revenues

Deferred inflows of resources at year-end are comprised of the following:

	<u>Deferred Revenues</u>	<u>Unearned Revenues</u>
General Fund:		
Prepaid taxes not yet earned	\$ -	\$ 1,519
Taxes receivable, net	\$ 3,804	-
Total	\$ 3,804	\$ 1,519

Risk Management

The Town is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Town participates in a self-funded risk financing pool administered by the North Carolina League of Municipalities. Through this pool, the Town obtains workers' compensation coverage up to statutory limits. The pool is audited annually by certified public accountants and the audited financial statements are available to the Town upon request. The pool has been reinsured through commercial companies for single occurrence claims against workers' compensation in excess of \$300,000. The Town has general liability and auto liability coverage through commercial companies for single occurrence claims up to \$2,000,000 with general aggregate limits of \$2,000,000 and property coverage up to \$1,409,836. In accordance with G.S. 159-29, the Town's employees that have access to \$100 or more at any given time of the Town's funds are performance bonded through a commercial surety bond, in the following amounts: Town Administrator \$50,000 and the Finance Officer is bonded for \$50,000. The Town Clerk is bonded for \$10,000. The Town carries commercial coverage for all other risks of loss. There have been no significant reduction in insurance coverage in the prior year, and settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The Town does not carry any flood insurance.

Claims, Judgments, and Contingent Liabilities

At June 30, 2014, the Town was a defendant to various lawsuits. In the opinion of the Town's management and the Town Attorney, the ultimate effect of these legal matters will not have a material adverse effect on the Town's financial position.

Proprietary Fund Long-Term Debt

Installment debt at June 30, 2014 is comprised of the following:

Water Bond, Series A, for \$609,000 was issued on August 22, 1983 to finance the purchase and construction of facilities utilized in the operation of the water system. The bond is due in annual payments, with accelerating principal maturities, plus interest at 5%.	\$ 201,000
ARRA principal forgiveness loan for the construction of two water-related projects. The loan has a maximum amount of \$492,995, of which \$246,947 could be debt. The loan is payable in 20 annual installments beginning at the time the project is completed. The H-ARRA-09-1289 and H-ARRA-09-1290A are interest free. The H-LRXF-08-1290A is at a 2.2% interest rate.	\$ 458,458
Note payable for \$74,750 was signed on March 6, 2013 to finance the purchase of a new backhoe. The note is payable over five annual installment payments with interest at 2.19%	<u>\$ 60,441</u>
Total installment debt – Water and Sewer Fund	<u>\$ 719,899</u>

Annual debt service requirements to maturity for the long-term debt are as follows:

Year Ending June 30	<u>Principal</u>	<u>Interest</u>
2015	\$ 68,146	\$ 16,609
2016	68,966	14,599
2017	69,793	12,380
2018	71,128	10,039
2019	55,523	7,522
2020-2024	193,115	20,550
2025-2029	132,615	8,726
2030-2032	60,613	1,745
Total	\$ 779,899	\$ 92,170

Changes in Long-Term Liabilities

	<u>Balance</u> <u>July 1, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2014</u>	<u>Current</u> <u>Portion</u>
Governmental Activities:					
Unfunded pension obligation	126,064	4,915	-	130,979	-
Compensated absences	86,888	48,021	125,991	8,918	892
Long-term liabilities	<u>\$ 212,9952</u>	<u>\$ 52,936</u>	<u>\$ 125,991</u>	<u>\$ 139,897</u>	<u>\$ 892</u>
Business-Type Activities:					
Bonds payables	\$ 227,000	\$ -	\$ 26,000	\$ 201,000	\$ 27,000
Installment purchase	628,330	-	109,431	518,899	41,146
Long-term liabilities	<u>\$ 855,330</u>	<u>\$ -</u>	<u>\$ 135,431</u>	<u>\$ 719,899</u>	<u>\$ 68,146</u>

At June 30, 2014, the Town of Montreat had a legal debt margin of \$18,259,125.

Compensated absences and pensions obligations will be liquidated in the General Fund. Compensated absences are accounted for on a FIFO basis.

Transfers To/From Other Funds

Transfers to/from other funds at June 30, 2014 consist of the following:

<u>Fund</u>	<u>To</u>	<u>From</u>	<u>Description</u>
Water Fund	\$ 45,614	\$ -	To cover debt service for
General Fund	\$ -	\$ 45,614	purchase of land
Total	\$ 45,614	\$ 45,614	

Summary Disclosure of Significant ContingenciesFederal and State Assisted Programs

The Town has received proceeds from several Federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies

MAJOR REVENUES BY FUND

General Fund

	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999
Ad Valorem Taxes	277,043	303,940	301,372	353,351	359,933	407,412
Other Taxes	95,711	109,283	110,868	111,230	130,004	171,958
Unrestricted Intergovernmental Revenues	60,882	61,668	66,869	58,865	62,104	69,184
Restricted Intergovernmental Revenues	35,778	39,010	39,029	44,740	42,401	46,562
Permits and Fees	11,310	16,182	17,329	16,243	19,149	18,941
Sales and Services	72,995	45,388	41,072	25,628	27,088	28,871
Investment Earnings	3,584	4,815	6,079	8,732	10,122	12,879
Miscellaneous	3,371	9,258	3,784	7,901	8,364	4,357
Total General Fund Revenues	\$560,674	\$589,544	\$586,402	\$626,690	\$659,165	\$760,164

General Fund

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Ad Valorem Taxes	421,629	424,179	482,456	492,480	573,564	616,184
Other Taxes	183,073	192,546	177,995	204,053	234,971	265,804
Unrestricted Intergovernmental Revenues	78,461	77,046	69,603	60,234	55,189	40,072
Restricted Intergovernmental Revenues	46,489	44,545	47,271	44,780	52,358	223,244
Permits and Fees	13,465	16,079	17,168	18,022	22,181	28,141
Sales and Services	24,077	18,904	19,744	19,259	21,962	25,938
Investment Earnings	14,256	16,196	7,327	8,617	5,311	12,389
Miscellaneous	4,847	22,439	6,046	3,842	5,403	9,470
Total General Fund Revenues	\$786,297	\$811,934	\$827,610	\$851,287	\$970,939	\$1,221,242

MAJOR REVENUES BY FUND

General Fund

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Ad Valorem Taxes	634,727	843,074	858,966	865,993	877,564	873,310
Other Taxes	283,491	302,903	330,010	298,781	277,467	280,616
Unrestricted Intergovernmental Revenues	42,617	57,058	58,489	71,242	60,802	56,934
Restricted Intergovernmental Revenues	41,243	190,347	45,980	60,945	45,907	37,609
Permits and Fees	42,058	44,102	34,849	39,884	39,412	35,626
Sales and Services	23,175	51,039	63,751	52,685	45,028	50,257
Investment Earnings	42,858	74,902	56,008	22,347	14,591	7,921
Miscellaneous	5,166	18,387	13,253	7,628	53,891	7,592
Total General Fund Revenues	\$1,115,335	\$1,581,812	\$1,461,306	1,419,505	1,414,662	1,349,865

General Fund

	FY 2012	FY 2013	FY 2014
Ad Valorem Taxes	879,659	895,333	973,858
Other Taxes	307,211	313,951	332,403
Unrestricted Intergovernmental Revenues	55,856	41,756	59,392
Restricted Intergovernmental Revenues	49,160	97,902	300,024
Permits and Fees	36,003	94,898	102,255
Sales and Services	43,518	28,129	13,784
Investment Earnings	5,915	1,850	1,629
Miscellaneous	21,772	2,020	1,396
Total General Fund Revenues	1,399,094	1,475,839	1,784,741

MAJOR REVENUES BY FUND

Water Fund	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999
Water Sales	139,674	148,195	153,084	165,684	163,212	166,756
MSD Billing Fee and Postage	9,058	8,345	8,673	10,235	9,987	10,146
Water Taps	3,350	1,620	3,100	2,301	2,450	2,574
MSD Charges Collected	184,484	189,206	196,563	187,447	186,379	167,722
MSD Maintenance Charges	3,057	2,448	0	0	0	0
Miscellaneous	2,677	4,620	3,434	592	365	1,810
Investment Earnings	575	1,114	1,314	2,068	4,156	4,483
Local Option Sales Tax	25,341	29,781	28,604	28,925	33,371	0
Tax Refunds	1,661	1,564	0	0	0	0

Total Water Fund Revenues **\$369,877** **\$386,893** **\$394,772** **\$397,252** **\$399,920** **\$353,491**

Water Fund	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Water Sales	191,002	186,548	204,147	207,881	207,775	184,729
MSD Billing Fee and Postage	12,040	10,287	11,559	11,459	11,608	13,266
Water Taps	2,100	1,700	6,100	1,150	3,800	0
MSD Charges Collected	178,532	180,994	184,261	184,457	185,292	0
MSD Maintenance Charges	0	0	0	0	0	0
Miscellaneous	0	0	0	0	566	1,066
Investment Earnings	1,589	1,954	1,451	1,717	1,379	2,992
Local Option Sales Tax	0	0	0	0	0	0
Tax Refunds	0	0	0	0	0	0

Total Water Fund Revenues **\$385,263** **\$381,483** **\$407,518** **\$406,664** **\$410,420** **\$202,053**

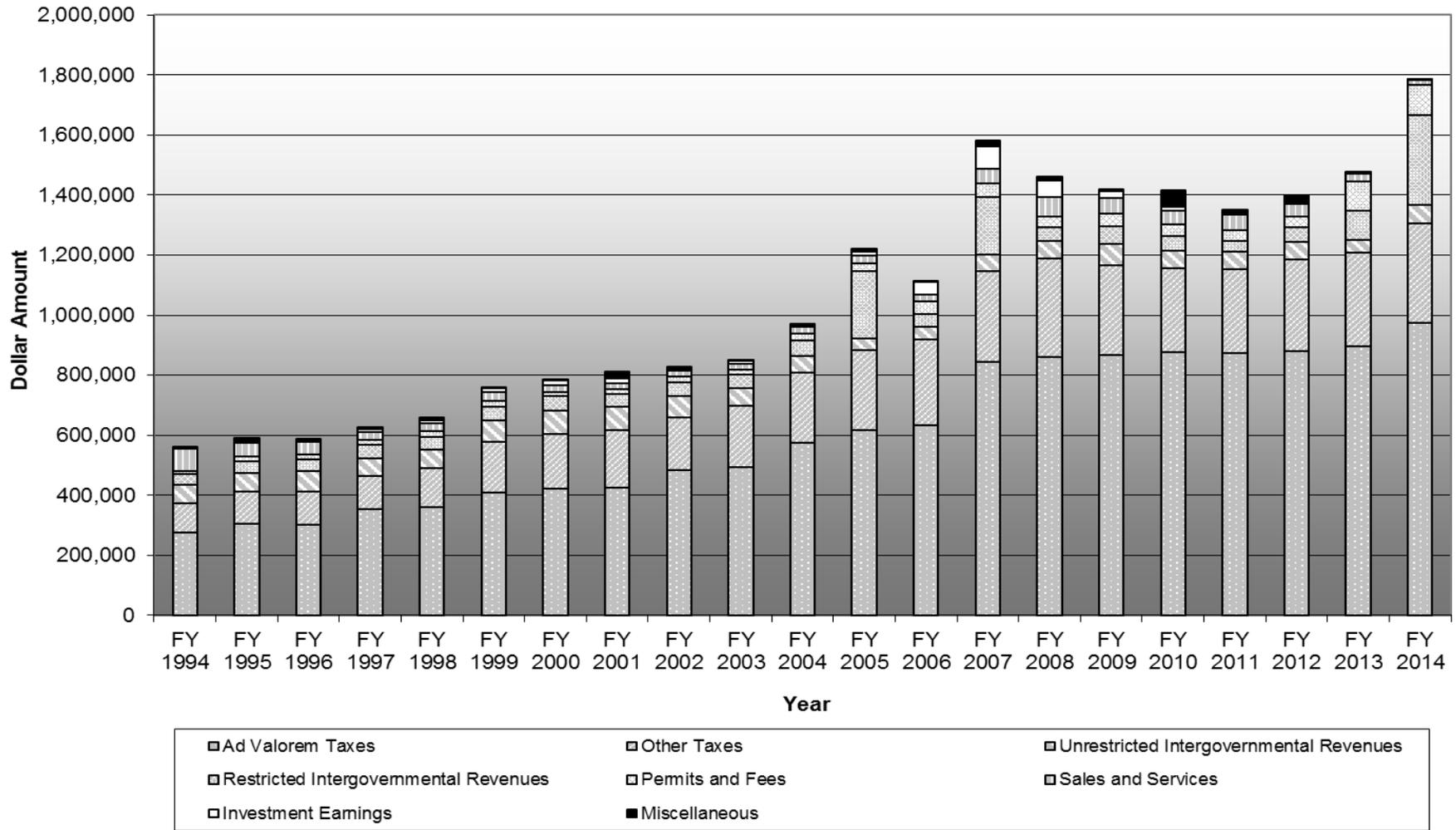
MAJOR REVENUES BY FUND

Water Fund	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Water Sales	228,105	207,619	256,790	266,872	261,156	257,219
MSD Billing Fee and Postage	11,798	14,978	13,948	17,276	13,702	15,536
Water Taps	3,400	2,750	1,500	2,900	4,350	1,950
ARRA Revolving Loan Fees	0	0	0	0	0	30,776
ARRA – Principal Forgiveness	0	0	0	0	0	251,022
Miscellaneous	0	1,009	2,258	9,677	245	35,948
Investment Earnings	5,926	7,809	6,771	2,916	1,128	1,085
Community Service Fee	0	0	0	0	9,734	35,880
Late Fees	0	0	0	0	0	2,452
Total Water Fund Revenues	\$249,229	\$234,165	\$281,267	299,641	290,315	631,868

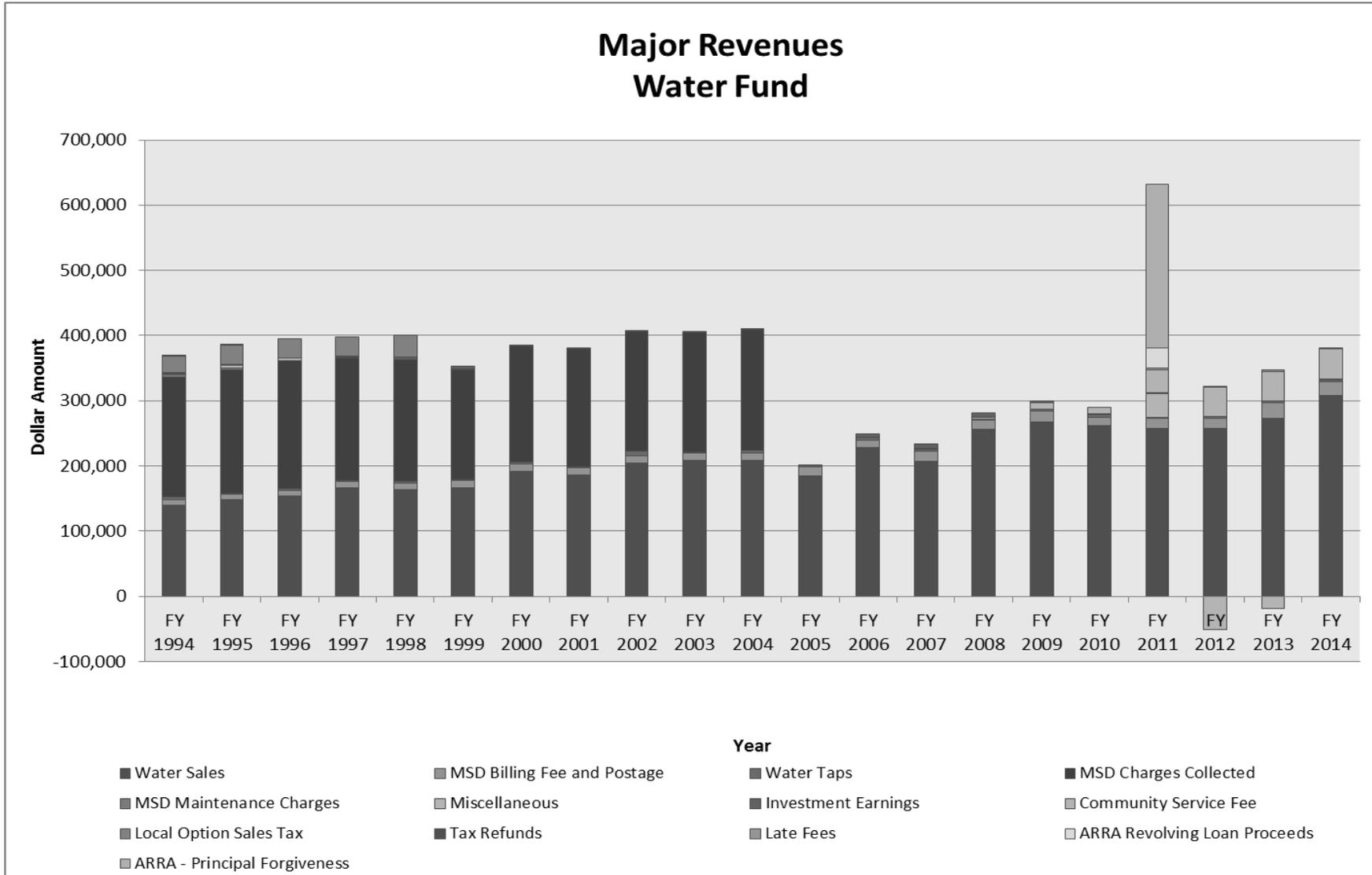
Water Fund	FY 2012	FY 2013	FY 2014
Water Sales	256,888	273,316	307,686
MSD Billing Fee and Postage	16,446	23,618	20,682
Water Taps	1,850	2,025	3,800
ARRA Revolving Loan Fees	0	0	0
ARRA – Principal Forgiveness	0	0	0
Miscellaneous	-51,128	-19,472	1,052
Investment Earnings	600	231	102
Community Service Fee	44,514	45,769	45,614
Late Fees	2,307	2,4700	2,140
Total Water Fund Revenues	271,477	327,712	381,076

TRENDS OF GENERAL FUND REVENUES

Major Revenues General Fund



TRENDS OF WATER FUND REVENUES



Capital Improvement Plan

CAPITAL IMPROVEMENT PLAN

What is a Capital Improvement Program?

A Capital Improvement Program (CIP) is a financial planning tool that looks into the future to forecast the Town's equipment, building, and infrastructure needs. It encourages the community to forecast not only what expenditures they intend and expect to make, but also to identify potential funding sources in order to more properly plan for the acquisition of the asset. Upon adoption of the Plan, the first year of proposed CIP becomes the list of capital items that are included in the proposed budget for the coming fiscal year. The program is then updated and revised on an annual basis to insure previous projections are still on course. In so doing, the Town is always working on a prospective five-year schedule.

The CIP is designed to be a flexible planning tool. In the most ideal of situations, the CIP is revised and reviewed prior to the initiation of the annual budget process. By beginning the review and revision process ahead of the development of the Annual Budget, the community is better able to scrutinize the actual needs of both the community and the organization, outside of the constraints of the budgetary process. Despite its independence from the development of the operating budget, the CIP does not merely represent a "wish list" of items without regard to the fiscal constraints that will face the governing board when the time comes to fund the previously identified needs. Rather, all projects proposed for funding in the CIP are prioritized and include projections of revenues that are expected to be available at the time of any expenditure. **If, when it comes time to develop the Annual Budget, sufficient funds are not available to pay for CIP projects, the document provides sufficient flexibility for the governing body to re-prioritize expenditure and project scheduling.** It is imperative that the governing board adopting a CIP understand that it is simply a flexible planning tool and that in adopting a particular CIP they are not committing to fund a particular project. The CIP serves only to recognize the importance of a project to the community and projects a timeframe in which it should be undertaken.

What Items Are Included in a CIP?

Different local governments have differing thresholds for inclusion of items and projects in a CIP. Generally speaking, the larger the governmental unit, the greater the dollar limit that is used as the minimum threshold above which items are to be included in the CIP. In Montreat, an item is included in our CIP if it has a life expectancy of greater than one year and a value of greater than \$5,000. In some cases, we may include an item in the proposed plan that is not tangible. Those items, while not generally considered to be traditional capital items, are sometimes included because they represent a significant, inordinate expenditure on the part of the local government.

CAPITAL IMPROVEMENT PLAN

The limitations that we place on items for inclusion as a CIP request (one-year life expectancy and \$5,000 or more in value) should not be confused with our general accounting definition of a capital item. For budgetary and accounting purposes, our definition of a capital item is greater than \$500 with a life expectancy of greater than one year. That means that although we call this document our Capital Improvement Program, it is not an all-inclusive list of anticipated capital expenditures within the CIP planning period. We do not include items under \$5,000 in value in the CIP because the acquisition of items of lesser value is considered relatively routine. The development of a CIP showing each anticipated capital acquisition in excess of \$500 within the coming five years would be far too cumbersome to develop, review and maintain.

Why Have a CIP?

As referenced above, a CIP is a planning and growth management tool. The Plan allows a community to provide for the orderly replacement of capital facilities and equipment. It also allows the community to plan for future development through the identification of equipment, buildings and infrastructure that will be needed in order to accomplish particular objectives.

The CIP emphasizes sound financial planning. One of the key components of any CIP is the projection of revenue sources. Not only can these projections be used in developing the CIP, they can also be used in a multitude of other local government matters that require a determination of the availability of future resources. Another aspect of financial planning that is emphasized through the CIP development process is the identification of alternative funding sources for a project before that project is an absolute necessity.

Alternative funding sources generally are interpreted to be either State or Federal grants, but alternative funding can go far beyond those areas. In today's local government environment, we increasingly look to outside funding sources that include non-profit or not-for-profit organizations. We also find ourselves looking to donations and the voluntary service sector for assistance in the development of not only capital projects but the maintenance of on-going operations as well. Finally, the CIP contributes to good financial planning by identifying for us, in sufficient time, large projects that will need funding from somewhere other than current revenue sources. That leads us to review debt financing sources or, better yet, allows us to follow an old practice that is still one of the most sound financial tools around – save for the project in anticipation of its need.

A side benefit to the development of the CIP is that local government observers and regulators, including lending agents, see the development and maintenance of a sound CIP as key to the financial success of any governmental unit. That results in more confidence in the financial operations of the local government, which then translates into

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lower bond ratings and the payment of lower interest rates. Montreat, like all local governments, typically finds itself in the position of needing to borrow money in the normal course of business, and when it does, a lower interest rate means less tax dollars that must be paid by the citizens for the use of that money.

As sound a financial planning tool as the CIP may be, it is equally as useful as a physical planning tool. The CIP encourages local officials to look carefully at the timing of projects in order to determine if there is coordination that can/should occur before a project can take place. This planning may help to reduce duplication of effort and promote scheduling that will allow for the acquisition of assets at the optimal time. Optimal replacement of equipment, for example, allows the local governmental unit to replace that equipment before it reaches the end of its useful life expectancy thereby avoiding additional unnecessary operational costs.

The bottom line is that the CIP is primarily a financial planning tool. While it does allow for coordination and replacement of assets, the end result of the development and implementation of a CIP is that the local government will realize financial benefits from properly planning for the acquisition and development of those assets.

How Do You Prioritize CIP Projects?

Each project in the CIP has both an organizational priority and a departmental priority. The departmental priority is a numerical rating indicating the order in which the department head would like to see the projects within his or her department funded. The organizational priority is designed to weigh projects in relative importance across department lines.

For the organizational priority ranking, we use an alphanumeric system. In assigning those priorities, we measured each proposed project against the following criteria in order to determine relative rank.

1. Addresses a health or safety issue;
2. Is mandated by some federal or state agency;
3. Is the replacement of an existing item; or,
4. Is an expansion item.

The criteria are placed in rank order. The higher a project could be placed in comparison to this hierarchy of needs, the more important it is considered to be to the community. So a project addressing a health or safety need is considered most important to the community while one determined to be an expansion item is determined to be of lesser

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importance to the community. The theory behind this rank hierarchy is that you must address the organization's basic mission before you begin expanding into other areas.

For projects in the first year, we use a numerical ranking. Projects are rated based upon relative importance with the top project being listed as number one (1) and the remaining projects following in descending order. In the remaining years of the CIP, projects are given an alphabetic ranking that reflects its need based upon the hierarchy set forth above. Projects receive an "A" ranking if they address a health or safety concern, or are mandated by some State or Federal regulation; they receive a "B" rating if they are a replacement item; and, they receive a "C" rating if they are considered an expansion item.

How Are Projects Developed for Inclusion in the CIP?

In developing a CIP, we first hold a public hearing at which the concept of the CIP is explained and input for proposed projects is solicited. We then also ask department heads to identify their departmental capital needs over the five-year forecast period. Requests are returned at which time further clarification is sought. Requests are then ranked against the relative needs of the organization. Once the initial discussions are concluded and requests prioritized, projects are coordinated in an effort to eliminate duplication/overlap and to take advantage of any available funding opportunities. Finally, priorities are once again reviewed and the projects are then placed into the format that is contained herein. The results of the draft CIP are then shared with the Board of Commissioners and the public in a hearing designed to solicit input on the proposed document.

How are Project Costs Determined and How Are Projects Scheduled?

The year in which a project is scheduled to be undertaken is not necessarily indicative of its relative importance to the community. Scheduling of projects is done in accordance with relative need, coordination with other projects and the availability of appropriate funding.

Project justifications and cost estimates are far more detailed and accurate for those items that are scheduled for funding in an earlier fiscal year. The closer we get to the time at which we will undertake a project the more important it becomes for us to have a more accurate picture of the total project costs. Conversely, projects scheduled for later years are likely to change in scope and/or the acquisition costs are likely to change due simply to inflation, therefore less emphasis is placed on the accuracy of the cost figures associated with those projects.

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The anticipated cost of CIP projects is expressed in today's dollars without accounting for inflationary factors in future years. While this may seem foolhardy to some, accurate projections of future years' costs is virtually impossible. As we perform our annual updates of the CIP, projects in the forecast years will be re-evaluated and become better defined. This update process will also allow us the opportunity to revise projected costs to reflect accurately, then current year dollars.

In some cases projects scheduled for the fourth, fifth or "Years Beyond" category are included in the CIP simply to determine if there is sufficient community support for such a project. It is not unusual for CIP projects to linger in the later years' columns through several updates while the community attempts to decide if a project is important. Similarly, projects may be pushed back from year to year as priorities shift and the community waits for the appropriate time to undertake a project that is seen as less important. Finally, we sometimes find that project support may exist early on in the CIP development process, but that support may wane the closer we get to the time at which the project is scheduled to be undertaken. Once again, the CIP is a flexible tool designed to meet the ever-changing needs of the community.

About the CIP

The CIP is arranged in a format that provides the reader with greater and greater detail the further that they read into the plan. The plan is divided into two sections. Each section is devoted to a separate governmental accounting fund. First, you will find projects proposed for funding in the General Fund, followed by those proposed with the Water Fund. Each section provides the same type of information regarding the individually proposed projects and the anticipated funding.

In each section, we begin with an analysis of the projected revenue over the course of the planning period for that particular fund. Summary sheets showing all of the proposed projects and their proposed implementation schedule within each fund then follow the revenue projections. On those summary pages, you will also find information regarding the types of expenditures that will be necessary in order to accomplish the objectives, together with proposed funding sources for each of the projects. The initial fund summary sheets are then followed by departmental summaries that are placed immediately in front of the individual project proposal forms. In choosing this format, it is our intention to provide the reader with summaries of the proposed expenditures, separated by fund, coupled together with supporting information that should provide sufficient information to gain a basic understanding of the need and justification for a proposed project.

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Revenue projections are provided within this document because they are critical to the successful implementation of a CIP. Projections of revenues five years into the future (at this point in time) are considered to be, at best, an educated guess; however, without a reasonable expectation of what resources might be available for a proposed project, the community cannot make an informed decision regarding the viability of that project. For example, a project may not be considered viable if the Town has to pay 100% of the cost, yet it might be considered somewhat more viable if a grant can be obtained in order to offset some of the direct cost to the community. Similarly, some projects may be considered viable only if the Town can save money in anticipation of the project thereby offsetting some of the costs with future year revenues. Without revenue projections, a community cannot make an informed decision as to the most appropriate timing for undertaking a project.

Summary

With the plans, desires and dreams that we all have for our community, it is especially important to prioritize our capital projects as we are going to have stiff competition for the future allocation of limited public resources. Without this critical financial planning document, attempting to satisfy needs identified through the development of various Town plans and programs is likely to overwhelm the Town and its capabilities. In addition, without the development of proper planning tools that recognize and prioritize public needs/desires, the Town stands to thwart the energy and enthusiasm of a public that currently participates at exceptionally high levels. If that enthusiasm is thwarted, we shall lose our most valuable asset in the accomplishment of our goals – public support and involvement.

The CIP is a tool that allows us to assess needs, together with resources, and to make more systematic decisions regarding the emphasis that the community will place on particular goals and objectives. The CIP is not a begin all and end all of community planning, but it certainly is a key element in providing community focus and direction.

Included in the fiscal year 2015-2016 annual budget is the General and Water Fund summary of revenues and capital expenditures by department. More detailed information may be found in the Town of Montreat Capital Improvement Program – Fiscal Years 2015-2020 document.

**GENERAL FUND REVENUES
SUMMARY**

	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FUTURE	TOTAL
REVENUE SOURCES							
Ad Valorem Taxes	967,000	976,000	986,000	996,000	1,005,000	1,016,000	5,946,000
Other Taxes	369,000	380,000	391,000	402,000	413,000	425,000	2,380,000
Unrestricted Intergovernmental	59,000	59,000	59,000	59,000	59,000	59,000	354,000
Restricted Intergovernmental	694,500	41,500	42,500	43,500	44,500	45,500	912,000
Permits and Fees	96,000	96,500	97,000	97,500	98,000	98,500	583,500
Sales and Services	13,000	13,000	13,000	13,000	13,000	13,000	78,000
Investment Earnings/Miscellaneous	5,500	5,500	6,000	6,000	6,500	6,500	36,000
TOTALS	2,204,000	1,571,500	1,594,500	1,617,000	1,639,000	1,663,500	10,289,500
HISTORICAL DATA							
Average % Capital vs. Revenue	45%	45%	45%	45%	45%	45%	45%
Capital Funding Based on Average %	991,800	707,175	717,525	727,650	737,550	748,575	4,630,275
DEBT SERVICE							
Existing	0	0	0	0	0	0	0
Proposed	54,650	143,600	161,400	161,400	177,900	1,722,050	2,421,000
Other	654,400	0	0	0	0	0	654,400
REVENUE CLASSIFICATIONS							
Operating Revenues - General	647,600	744,500	659,200	480,000	595,000	535,000	3,661,300
Operating Funds - Powell Bill	0	0	0	0	0	0	0
Debt/Financing	54,650	143,600	161,400	161,400	177,900	1,722,050	2,421,000
Grant	0	20,000	0	0	0	0	20,000
Other	654,400	0	0	0	0	0	654,400
TOTAL	1,356,650	908,100	820,600	641,400	772,900	2,257,050	6,756,700
EXPENDITURE CLASSIFICATIONS							
Planning/Design/Engineering	121,000	165,000	77,000	37,000	45,000	34,000	479,000
Land	0	0	0	0	0	0	0
Construction	1,115,650	622,100	603,900	551,900	646,900	1,997,050	5,537,500
Equipment	120,000	93,500	109,700	52,500	81,000	226,000	682,700
Hardware/Software	0	27,500	30,000	0	0	0	57,500
TOTAL	1,356,650	908,100	820,600	641,400	772,900	2,257,050	6,756,700

GENERAL FUND REVENUES

ACCOUNT DESCRIPTION	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FUTURE
Ad Valorem Taxes							
Taxes Ad Valorem - Current Year	955,000	965,000	974,000	984,000	994,000	1,003,000	1,014,000
Taxes Ad Valorem - Prior Year	500	500	500	500	500	500	500
Penalties and Interest	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Sub-Total: Ad Valorem Taxes	957,000	967,000	976,000	986,000	996,000	1,005,000	1,016,000
Other Taxes							
Local Option Sales Tax	345,000	355,000	366,000	377,000	388,000	399,000	411,000
Return of Taxes - DMV	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Sub-Total: Other Taxes	359,000	369,000	380,000	391,000	402,000	413,000	425,000
Unrestricted Intergovernmental							
Payments in Lieu of Taxes	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Beer & Wine Tax	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Utility Franchise Tax	55,000	55,000	55,000	55,000	55,000	55,000	55,000
Sub-Total: Unrestricted Intergov.	59,000						
Restricted Intergovernmental							
Powell Bill Allocation	39,000	40,000	41,000	42,000	43,000	44,000	45,000
Solid Waste Disposal Tax	500	500	500	500	500	500	500
Reimbursement - Grants	200,000	654,000	0	0	0	0	0
Other	70,000	0	0	0	0	0	0
Sub-Total: Restricted Intergov.	309,500	694,500	41,500	42,500	43,500	44,500	45,500
Permits and Fees							
Building Permits	45,000	45,500	46,000	46,500	47,000	47,500	48,000
Fire Inspection Fees	500	500	500	500	500	500	500
Community Service Fees	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Sub-Total: Permits and Fees	95,500	96,000	96,500	97,000	97,500	98,000	98,500
Sales and Services							
Public Safety Charges	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Sanitation Collection	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Sub-Total: Sales and Services	13,000						
Investment Earnings/Miscellaneous							
Investment Earnings	1,500	1,500	1,500	2,000	2,000	2,500	2,500
Contributions	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Other	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Sub-Total: Investment Earnings/Misc.	5,500	5,500	5,500	6,000	6,000	6,500	6,500
GENERAL FUND TOTALS	1,798,500	2,204,000	1,571,500	1,594,500	1,617,000	1,639,000	1,663,500

**GENERAL FUND EXPENDITURES
SUMMARY ALL DEPARTMENTS**

PROJECT DESCRIPTION	PRIORITY CODE	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FUTURE	TOTAL
4100 Governing Board								
Sub-Total: Governing Board		0	0	0	0	0	0	0
4200 Administration								
Comprehensive Plan Update	B	0	60,000	0	0	0	0	60,000
Computer Software Update	B	0	0	30,000	0	0	0	30,000
Sub-Total: Administration		0	60,000	30,000	0	0	0	90,000
5000 Public Buildings								
Town Hall Replacement	3	97,650	109,300	109,300	109,300	109,300	1,147,650	1,682,500
Public Works Facility	B	0	57,800	35,600	35,600	35,600	409,400	574,000
Pavement of Compactor Area	7	25,000	0	0	0	0	0	25,000
Sub-Total: Public Buildings		122,650	167,100	144,900	144,900	144,900	1,557,050	2,281,500
5100 Police								
Police Vehicle Replacement	B	0	36,000	0	36,000	0	36,000	108,000
Radio Replacement	A&B	0	35,000	0	0	0	0	35,000
Sub-Total: Police		0	71,000	0	36,000	0	36,000	143,000
5400 Planning & Zoning								
Stormwater Utility Study	5	35,000	0	0	0	0	0	35,000
Wayfinding Signage Plan	6	20,000	30,000	39,000	35,000	12,000	0	136,000
GPS/GIS Integration	C	0	27,500	0	0	0	0	27,500
UDO/Form Based Code	C	0	25,000	25,000	0	0	0	50,000
Ordinance Recodification	B	0	0	15,000	0	0	0	15,000
Vehicle Replacement	B	0	0	0	0	0	25,000	25,000
Sub-Total: Planning & Zoning		55,000	82,500	79,000	35,000	12,000	25,000	288,500
5550 Public Works								
Radio Replacement	B	0	0	4,200	0	0	0	4,200
Sub-Total: Public Works		0	0	4,200	0	0	0	4,200
5600 Streets & 5700 Powell Bill								
Local Street Paving	1	194,000	385,000	314,000	374,000	385,000	374,000	2,026,000
Bridge Replacement	2	818,000	0	0	0	0	0	818,000

**GENERAL FUND EXPENDITURES
SUMMARY ALL DEPARTMENTS**

PROJECT DESCRIPTION	PRIORITY CODE	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FUTURE	TOTAL
New Road Paving	10	37,000	40,000	88,000	35,000	75,000	100,000	375,000
Truck Replacement (96)	4	45,000	0	0	0	0	0	45,000
Dump Truck Replacement (85)	B	0	16,500	16,500	16,500	16,500	16,500	82,500
Sander Replacement	B	0	6,000	0	0	0	0	6,000
Chipper Replacement	B	0	0	44,000	0	0	0	44,000
Truck Replacement (04)	B	0	0	45,000	0	0	0	45,000
Dump Truck Replacement (95)	B	0	0	0	0	16,500	66,000	82,500
Leaf/Bucket Truck	C	0	0	0	0	0	82,500	82,500
Sub-Total: Streets/Powell Bill		1,094,000	447,500	507,500	425,500	493,000	639,000	3,606,500
5800 Sanitation								
Sanitation Trk. Replacement	8	75,000	0	0	0	0	0	75,000
Sanitation Pick-Up Truck	B	0	0	0	0	48,000	0	48,000
Sub-Total: Sanitation		75,000	0	0	0	48,000	0	123,000
6190 Conservation/Recreation								
Native Plant Garden	9	10,000	0	0	0	0	0	10,000
Sidewalks/Greenways Devp.	C	0	25,000	0	0	75,000	0	100,000
Gateway Plan	C	0	55,000	55,000	0	0	0	110,000
Sub-Total: Recreation		10,000	80,000	55,000	0	75,000	0	220,000
GENERAL FUND TOTALS		1,356,650	908,100	820,600	641,400	772,900	2,257,050	6,756,700
Expenditure Classifications								
Planning/Design/Engineering		121,000	165,000	77,000	37,000	45,000	34,000	479,000
Land		0	0	0	0	0	0	0
Construction		1,115,650	622,100	603,900	551,900	646,900	1,997,050	5,537,500
Equipment		120,000	93,500	109,700	52,500	81,000	226,000	682,700
Hardware/Software		0	27,500	30,000	0	0	0	57,500
TOTAL		1,356,650	908,100	820,600	641,400	772,900	2,257,050	6,756,700
Revenue Classifications								
Operating Revenues-General		647,600	744,500	659,200	480,000	595,000	535,000	3,661,300
Operating Revenues-Powell Bill		0	0	0	0	0	0	0
Debt/Financing		54,650	143,600	161,400	161,400	177,900	1,722,050	2,421,000
Grant		0	20,000	0	0	0	0	20,000
Other		654,400	0	0	0	0	0	654,400
TOTAL		1,356,650	908,100	820,600	641,400	772,900	2,257,050	6,756,700

WATER FUND REVENUES SUMMARY

		FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FUTURE	TOTAL
REVENUE SOURCES								
Water Revenue		\$ 145,000	\$ 148,000	\$ 151,000	\$ 154,000	\$ 157,000	\$ 161,000	\$ 916,000
Water Access Fee		\$ 166,000	\$ 166,000	\$ 166,000	\$ 166,000	\$ 166,000	\$ 166,000	\$ 996,000
Water Taps		\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 18,000
Interest Earned		\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 3,000
MSD Billing Fee Revenue		\$ 20,000	\$ 20,500	\$ 21,000	\$ 21,500	\$ 22,000	\$ 22,500	\$ 127,500
Miscellaneous/Late Fees		\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 15,000
Water Transfer Fees		\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 6,000
Contribution from General Fund		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS		\$ 338,000	\$ 341,500	\$ 345,000	\$ 348,500	\$ 352,000	\$ 356,500	\$ 2,081,500
HISTORICAL DATA								
Average % Capital vs. Revenue		40%	40%	40%	40%	40%	40%	40%
Capital Based on Average %		\$ 135,200	\$ 136,600	\$ 138,000	\$ 139,400	\$ 140,800	\$ 142,600	\$ 832,600
DEBT SERVICE								
Existing		\$ 82,100	\$ 80,700	\$ 79,300	\$ 62,000	\$ 60,600	\$ 59,200	\$ 423,900
Proposed		\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 275,000	\$ 550,000
Other		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL		\$ 137,100	\$ 135,700	\$ 134,300	\$ 117,000	\$ 115,600	\$ 334,200	\$ 973,900
Revenue Classifications								
Operating Revenues		\$ 92,100	\$ 57,000	\$ 203,000	\$ 165,000	\$ 131,750	\$ 165,750	\$ 814,600
Impact Fees		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt/Financing		\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 275,000	\$ 550,000
Grant		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL		\$ 147,100	\$ 112,000	\$ 258,000	\$ 220,000	\$ 186,750	\$ 440,750	\$ 1,364,600
Expenditure Classifications								
Planning/Design/Engineering		\$ 37,100	\$ 5,000	\$ 20,000	\$ 5,000	\$ 4,000	\$ 7,500	\$ 78,600
Land		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction		\$ 105,000	\$ 102,000	\$ 233,000	\$ 100,000	\$ 92,000	\$ 342,500	\$ 974,500
Equipment		\$ 5,000	\$ 5,000	\$ 5,000	\$ 115,000	\$ 90,750	\$ 90,750	\$ 311,500
Hardware/Software		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL		\$ 147,100	\$ 112,000	\$ 258,000	\$ 220,000	\$ 186,750	\$ 440,750	\$ 1,364,600

WATER FUND SUMMARY ALL DEPARTMENTS

PROJECT DESCRIPTION	PRIORITY CODE	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FUTURE	TOTAL
Water Line Replacement	1	\$ 55,000	\$ 52,000	\$ 50,000	\$ 50,000	\$ 41,000	\$ 75,000	\$ 323,000
Water Storage Facility	2	\$ 87,100	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 275,000	\$ 582,100
Portable Generators	3	\$ 5,000	\$ 5,000	\$ 5,000	\$ 60,000	\$ -	\$ -	\$ 75,000
Water Tank Inspection/Maint.	A&B	\$ -	\$ -	\$ 23,000	\$ -	\$ -	\$ -	\$ 23,000
Well Exploration and Const.	C	\$ -	\$ -	\$ 125,000	\$ -	\$ -	\$ -	\$ 125,000
Water Truck Replacment	B	\$ -	\$ -	\$ -	\$ 55,000	\$ -	\$ -	\$ 55,000
Water Meter Replacement	B	\$ -	\$ -	\$ -	\$ -	\$ 90,750	\$ 90,750	\$ 181,500
WATER FUND TOTALS		\$ 147,100	\$ 112,000	\$ 258,000	\$ 220,000	\$ 186,750	\$ 440,750	\$ 1,364,600
Expenditure Classifications								
Planning/Design/Engineering		\$ 37,100	\$ 5,000	\$ 20,000	\$ 5,000	\$ 4,000	\$ 7,500	\$ 78,600
Land		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction		\$ 105,000	\$ 102,000	\$ 233,000	\$ 100,000	\$ 92,000	\$ 342,500	\$ 974,500
Equipment		\$ 5,000	\$ 5,000	\$ 5,000	\$ 115,000	\$ 90,750	\$ 90,750	\$ 311,500
Hardware/Software		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS		\$ 147,100	\$ 112,000	\$ 258,000	\$ 220,000	\$ 186,750	\$ 440,750	\$ 1,364,600
Revenue Classifications								
Operating Revenues		\$ 92,100	\$ 57,000	\$ 203,000	\$ 165,000	\$ 131,750	\$ 165,750	\$ 814,600
Impact Fees		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt/Financing		\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 275,000	\$ 550,000
Grant		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS		\$ 147,100	\$ 112,000	\$ 258,000	\$ 220,000	\$ 186,750	\$ 440,750	\$ 1,364,600

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Operational Guide

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GOVERNING BODY

DEPARTMENTAL GOAL

The Board of Commissioners will seek ways to maintain and improve the quality of life, preserve the natural beauty and promote responsible growth while maintaining our community image, heritage and traditions.

KEY ACTION ITEMS

1. Update the 2008 Comprehensive Plan.
2. Conduct one educational Town Hall meeting focused on the Town's sanitation program.
3. Conduct one open public forum meeting.
4. Pursue grant funding to complete landscaping improvements to the Gate Lot.
5. Pursue a cost sharing agreement with the Conference Center and College to fund the Wayfinding Plan recommendations.
6. Await a petition for voluntary annexation of the Upper Greybeard Trail area.
7. Pursue satellite annexation of Town-owned property in the Upper Greybeard Trail and Extra-Territorial Jurisdiction areas.
8. Seek opportunities to further develop public relations and public information efforts.

WORKLOAD INDICATORS

Number of Hours - Regular Meetings/Special Meetings/Workshops

FY 12-13	FY 13-14	FY 14-15	FY 15-16
36/5/9	31/8/19	33/8/5	32/10/8

Number of Public Hearings

FY 12-13	FY 13-14	FY 14-15	FY 15-16
6	10	4	6

Number of Ordinances and Resolutions Adopted

FY 12-13	FY 13-14	FY 14-15	FY 15-16
13	22	21	20

Number of Zoning Ordinance Amendments

FY 12-13	FY 13-14	FY 14-15	FY 15-16
2	3	1	2

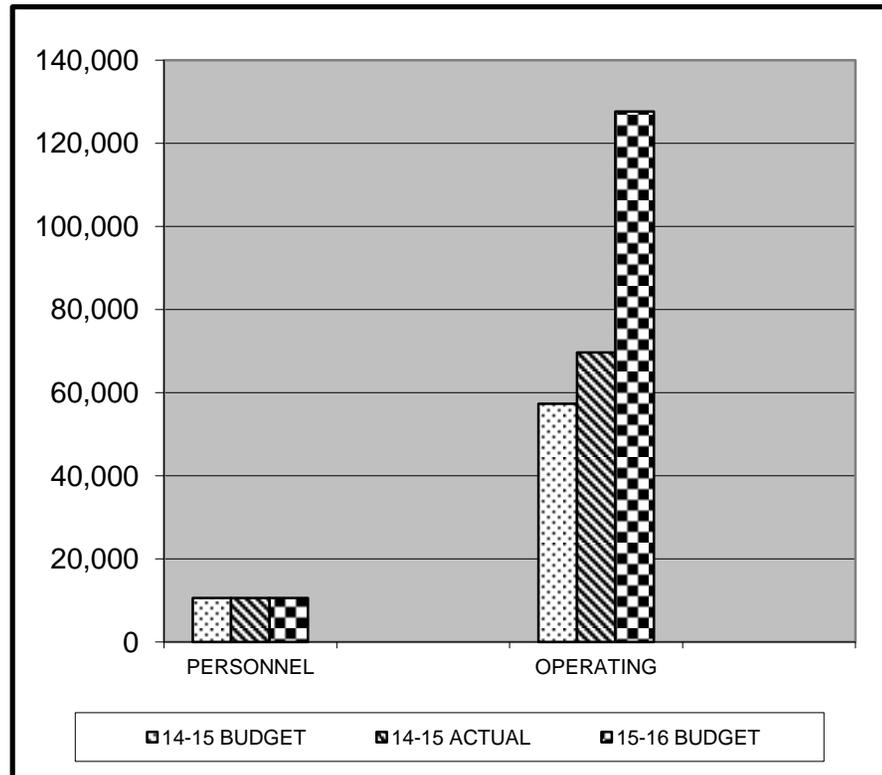
Number of Agenda Items Acted Upon

FY 12-13	FY 13-14	FY 14-15	FY 15-16
58	90	71	70

Number of Closed Sessions

FY 12-13	FY 13-14	FY 14-15	FY 15-16
15	6	10	8

GOVERNING BODY			
	APPROPRIATION FY 2014-2015	ESTIMATED EXPENDITURES JUNE 30, 2015	REQUEST FY 2015-2016
PERSONNEL:			
Salaries	9,800	9,800	9,800
Benefits	800	750	800
Subtotal	\$10,600	\$10,550	\$10,600
OPERATING EXPENSES			
Maintenance and Repair	0	0	0
Departmental Expenses	13,317	-2,333	14,400
Utilities	0	0	0
Professional Services	44,000	72,000	113,200
Subtotal	\$57,317	\$69,667	\$127,600
CAPITAL OUTLAY			
	0	0	0
DEBT PAYMENT			
	0	0	0
TOTALS	\$67,917	\$80,217	\$138,200



**GOVERNING BODY
DETAIL NOTES**

- Under professional services, \$60,000 has been budgeted for legal services, \$19,700 has been budgeted for the audit and \$33,500 has been budgeted for one half the cost of updating the Comprehensive Plan. The planning period for the Comprehensive Plan splits two budget years.
- Under advertising, \$5,000 has been allocated for Communication Services.

ACCOUNT NUMBER	DESCRIPTION	PRIOR YEAR FY 13-14	CURRENT YEAR BUDGET	ACTUAL @ 2-28-15	ESTIMATE @ 6-30-15	DEPT REQUEST FY 15-16	ADMINISTRATOR RECOMMENDED FY 15-16	BOARD APPROVED FY 15-16
PERSONNEL SERVICES:								
10-00-4100-020	SALARIES & WAGES	9,840	9,800	4,900	9,800	9,800	9,800	
10-00-4100-050	FICA EXPENSE	750	800	375	750	800	800	
TOTALS:	PERSONNEL SERVICES	\$10,590	\$10,600	\$5,275	\$10,550	\$10,600	\$10,600	\$0
OPERATING EXPENSES:								
10-00-4100-040	PROFESSIONAL SERVICES	42,837	44,000	37,988	72,000	113,200	113,200	
10-00-4100-140	TRAVEL AND TRAINING	1,600	500	340	400	500	500	
10-00-4100-260	ADVERTISING	2,591	4,000	0	1,000	7,000	7,000	
10-00-4100-330	DEPARTMENT SUPPLIES	2,644	2,500	1226	2,000	2,500	2,500	
10-00-4100-332	SALARY CONTINGENCY	0	12,000	0	0	13,000	13,000	
10-00-4100-450	CONTRACT SERVICES	6,710	0	0	0	4,500	4,500	
10-00-4100-480	INDIRECT COST ALLOCATION - WF	-7,090	-6,183	-4,637	-6,183	-13,600	-13,600	
10-00-4100-520	CONTRIBUTIONS	320	500	447	450	500	500	
10-00-4100-570	INTERFUND TRANSFER TO WATER	45,614	0	0	0	0	0	
TOTALS:	OPERATING EXPENSES	\$95,226	\$57,317	\$35,364	\$69,667	\$127,600	\$127,600	\$0
CAPITAL OUTLAY:								
10-00-4100-730	CAPITAL OUTLAY	0	0	0	0	0	0	0
TOTALS:	CAPITAL OUTLAY	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DEBT PAYMENT:								
10-00-4100-900	DEBT PAYMENT	0	0	0	0	0	0	0
TOTALS:	DEBT PAYMENT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
GOVERNING BODY DEPARTMENT TOTAL:		\$105,816	\$67,917	\$40,639	\$80,217	\$138,200	\$138,200	\$0

<u>.020 SALARIES AND WAGES</u>		\$ 9,800
Mayor and five Commissioners	9,800	
<u>.040 PROFESSIONAL SERVICES</u>		\$ 113,200
Legal Services	60,000	
Audit Services	19,700	
Planning Services - Comp. Plan	33,500	
<u>.050 FICA EXPENSE</u>		\$ 800
Mayor and five Commissioners	800	
<u>.140 TRAVEL AND TRAINING</u>		\$ 500
Educational Workshop Meetings	400	
Miscellaneous	100	
<u>.260 ADVERTISING</u>		\$ 7,000
Postcard Printing	2,000	
Communication Services	5,000	
<u>.330 DEPARTMENT SUPPLIES</u>		\$ 2,500
Room Rental	700	
Lunches	300	
Miscellaneous	200	
Data Plan - Hot Spots	1,300	
<u>.332 SALARY CONTINGENCY</u>		\$ 13,000
Salary Costs at 2.0%	13,000	
<u>.450 CONTRACT SERVICES</u>		\$ 4,500
Election Expense	4,500	
<u>.480 INDIRECT COST ALLOCATION - WF</u>		\$(13,600.00)
Water Fund - Cost Allocation	-13600	

<u>.520 CONTRIBUTIONS</u>		\$ 500
Chamber of Commerce	250	
Asheville Greenworks	250	
Open Space Conservation Fund	0	
<u>.570 INTERFUND TRANSFER TO WATER</u>		\$ -
Interfund Transfer to Water Fund	0	
<u>.730 CAPITAL OUTLAY</u>		\$ -
	-	

ACCOUNT NUMBER	DESCRIPTION	CURRENT YEAR BUDGET	FY 15-16 REQUEST	INC/(DEC)	%	JUSTIFICATION
10-00-4100-020	SALARIES & WAGES	9,800	9,800	-	0%	
10-00-4100-050	FICA EXPENSE	800	800	-	0%	
10-00-4100-040	PROFESSIONAL SERVICES	44,000	113,200	69,200	157%	Increased based on current lawsuit: Crowder et al vs. Town of Montreat and one half cost of Comprehensive Plan update (\$33,500)
10-00-4100-140	TRAVEL AND TRAINING	500	500	-	0%	
10-00-4100-260	ADVERTISING	4,000	7,000	3,000	75%	Increased to meet goal of furthering public information efforts
10-00-4100-330	DEPARTMENT SUPPLIES	2,500	2,500	-	0%	
10-00-4100-332	SALARY CONTINGENCY	12,000	13,000	1,000	8%	Increased based on increase in salaries
10-00-4100-450	CONTRACT SERVICES	0	4,500	4,500	#DIV/0!	Election expense incurred every two years
10-00-4100-480	INDIRECT COST ALLOCATION	-6,183	-13,600			Revised to reflect shared expenses with Water Fund
10-00-4100-520	CONTRIBUTIONS	500	500	-	0%	
10-00-4100-570	INTERFUND TRANSFER	0	0	-	0%	
10-00-4100-730	CAPITAL OUTLAY	0	0	-	0%	
10-00-4100-900	DEBT PAYMENT	0	0	-	0%	
TOTALS		67,917	138,200	77,700	114%	

ADMINISTRATION

DEPARTMENTAL GOAL

The Administration Department of the Town of Montreat provides a support role to the Board of Commissioners as well as managing the day-to-day activities of the town government by providing citizens quality customer service and cost effective, innovative problem solving.

KEY ACTION ITEMS

1. Investigate software and hosting options for upgrades to the Town's website.
2. Research online "cloud based" municipal accounting packages as replacement option for present accounting system.
3. Research records management software options for cost and feasibility.
4. Implement an electronic interdepartmental shared calendar to indicate staff absences, shift assignments, and on-call assignments.
5. Solicit PILOT donations from community non-profit entities.
6. Begin investigation of app-based vs. web-based electronic public communication and customer service programs.
7. Ensure that all elected officials and Town staff members undergo ICS emergency management training courses.

WORKLOAD INDICATORS

Number of Meetings Attended

FY 12-13	FY 13-14	FY 14-15	FY 15-16
28	30	30	28

Number of Budget Amendments

FY 12-13	FY 13-14	FY 14-15	FY 15-16
4	7	4	5

Number of Full Time/Part Time Employees Processed

FY 12-13	FY 13-14	FY 14-15	FY 15-16
0	2	0	3

Number of Sets of Minutes Completed

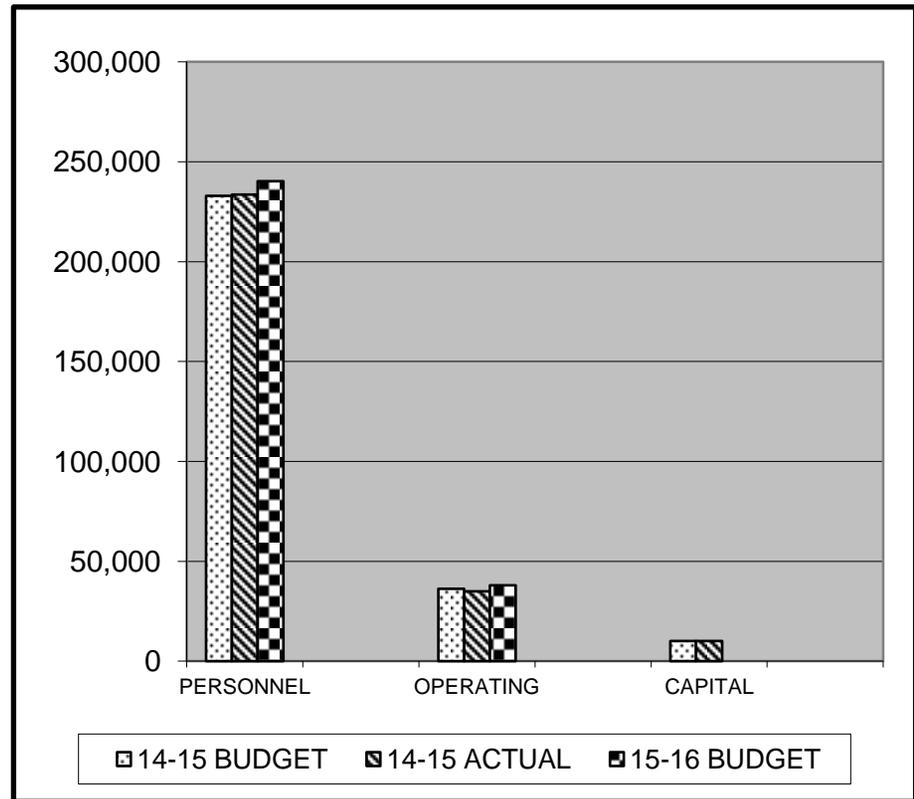
FY 12-13	FY 13-14	FY 14-15	FY 15-16
28	30	30	28

Number of Accounts Payable/Payroll Checks Processed

FY 12-13	FY 13-14	FY 14-15	FY 15-16
720	750	750	750

FY 12-13	FY 13-14	FY 14-15	FY 15-16

ADMINISTRATION			
	APPROPRIATION FY 2014-2015	ESTIMATED EXPENDITURES JUNE 30, 2015	REQUEST FY 2015-2016
PERSONNEL:			
Salaries	176,700	177,500	181,100
Benefits	56,300	56,100	59,200
Subtotal	\$233,000	\$233,600	\$240,300
OPERATING EXPENSES			
Maintenance and Repair	20,500	23,000	24,400
Departmental Expenses	15,791	11,941	13,500
Utilities	0	0	0
Professional Services	0	0	0
Subtotal	\$36,291	\$34,941	\$37,900
CAPITAL OUTLAY	10,000	10,000	0
DEBT PAYMENT	0	0	0
TOTALS	\$279,291	\$278,541	\$278,200



**ADMINISTRATION
DETAIL NOTES**

1. Allocates funding for the tax collection fee of \$19,500 charged by Buncombe County.

ACCOUNT NUMBER	DESCRIPTION	PRIOR YEAR FY 13-14	CURRENT YEAR BUDGET	ACTUAL @ 2-28-15	ESTIMATE @ 6-30-15	DEPT REQUEST FY 15-16	ADMINISTRATOR RECOMMENDED FY 15-16	BOARD APPROVED FY 15-16
PERSONNEL SERVICES:								
10-00-4200-020	SALARIES & WAGES	174,099	176,700	125,725	177,500	181,100	181,100	
10-00-4200-021	SEPARATION ALLOWANCE	0	0	0	0	0	0	
10-00-4200-050	FICA EXPENSE	13,421	13,600	9,176	13,600	13,900	13,900	
10-00-4200-060	GROUP HEALTH INSURANCE	22,659	21,300	18,244	22,000	21,900	21,900	
10-00-4200-070	RETIREMENT - LOCAL GOVT.	21,182	21,400	14,139	20,500	23,400	23,400	
TOTALS:	PERSONNEL SERVICES	\$231,361	\$233,000	\$167,284	\$233,600	\$240,300	\$240,300	\$0
OPERATING EXPENSES:								
10-00-4200-040	PROFESSIONAL SERVICES	0	0	0	0	0	0	
10-00-4200-100	POSTAGE	1,684	2,000	1,659	1,900	2,200	2,200	
10-00-4200-110	TELEPHONE	3,410	3,400	2,589	3,800	4,000	4,000	
10-00-4200-140	TRAVEL & TRAINING	2,599	4,500	1,749	2,300	3,400	3,400	
10-00-4200-160	M & R EQUIPMENT	29,625	20,500	20,407	23,000	24,400	24,400	
10-00-4200-260	ADVERTISING	1,237	1,800	1,297	1,600	1,800	1,800	
10-00-4200-320	OFFICE EXPENSE	1,991	3,000	2,511	2,800	3,000	3,000	
10-00-4200-330	OFFICE EQUIPMENT	274	3,000	2,225	2,500	1,000	1,000	
10-00-4200-340	BANK SERVICE CHARGES	1,246	1,200	761	1,200	1,400	1,400	
10-00-4200-450	CONTRACT SERVICES	20,334	19,500	17,268	19,000	19,500	19,500	
10-00-4200-480	INDIRECT COST ALLOCATION	-27,680	-26,209	-19,657	-26,209	-26,400	-26,400	
10-00-4200-530	DUES & SUBSCRIPTIONS	2,704	3,100	3,002	3,000	3,100	3,100	
10-00-4200-550	SUPERVISOR'S EXPENSE	0	500	50	50	500	500	
TOTALS:	OPERATING EXPENSES	\$37,424	\$36,291	\$33,861	\$34,941	\$37,900	\$37,900	\$0
CAPITAL OUTLAY:								
10-00-4200-730	CAPITAL OUTLAY	0	10,000	0	10,000	0		
TOTALS:	CAPITAL OUTLAY	\$0	\$10,000	\$0	\$10,000	\$0	\$0	\$0
DEBT PAYMENT:								
10-00-4200-900	DEBT PAYMENT	0	0	0	0	0	0	0
TOTALS:	DEBT PAYMENT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ADMINISTRATION DEPARTMENT TOTAL:		\$268,785	\$279,291	\$201,145	\$278,541	\$278,200	\$278,200	\$0

.020 SALARIES AND WAGES \$ 181,100

Town Administrator, Town Clerk and
Finance Officer 181,100

.021 SEPARATION ALLOWANCE \$ -

Separation Allowance - Post -

.040 PROFESSIONAL SERVICES \$ -

-

.100 POSTAGE \$ 2,200

General Postage Expenses 2,200
(i.e. Accounts Payable Checks,
Payroll, Correspondence)

.110 TELEPHONE \$ 4,000

Telephone service 2,500
Town Administrator cell phone 1,500

.140 TRAVEL AND TRAINING \$ 3,400

Workshop Meetings 500
Miscellaneous 200
Town Administrator Certification 500
Town Clerk Certification 500
Finance Officer Certification 500
Travel Allowance 1,200

.160 M & R EQUIPMENT \$ 24,400

ICS Annual Maintenance Agreement 5,100
Gemini Off-Site Backup and Recovery 5,300
Electronic Office Support Contract 7,000
Analog Digital Services 800
Technical Support 6,200

.260 ADVERTISING \$ 1,800

Blue Host - Web 200
Legal Ads/Classifieds 1,500
Gov Deals 100

.320 OFFICE EXPENSE \$ 3,000

Office Supplies (i.e. paper,pens,ribbons) 2,000
Forms - Checks, etc. 500
Miscellaneous 300
Professional Publications 200

.330 OFFICE EQUIPMENT \$ 1,000

Computer Replacement -
Other Equipment 1,000

.340 BANK SERVICE CHARGES \$ 1,400

Bank Service Charges 1,400

.450 CONTRACT SERVICE \$ 19,500

Tax Collection Fee - County 19,500

.530 DUES AND SUBSCRIPTIONS \$ 3,100

NC League of Municipalities 1,300
NCAMC 75
NCCCMA 225
ICMA 725
IAMC 150
NCGFOA 50
GFOA 175
CAFR/GFOA 400

.550 SUPERVISOR'S EXPENSE \$ 500

Miscellaneous Expense 500

.730 CAPITAL OUTLAY \$ -

ACCOUNT NUMBER	DESCRIPTION	CURRENT YEAR BUDGET	FY 15-16 REQUEST	INC/(DEC)	%	JUSTIFICATION
10-00-4200-020	SALARIES & WAGES	176,700	181,100	4,400	2%	
10-00-4200-021	SEPARATION ALLOWANCE	0	0	-	#DIV/0!	
10-00-4200-050	FICA EXPENSE	13,600	13,900	300	2%	
10-00-4200-060	GROUP HEALTH INSURANCE	21,300	21,900	600	3%	
10-00-4200-070	RETIREMENT - LOCAL GOVT.	21,400	23,400	2,000	9%	
10-00-4200-040	PROFESSIONAL SERVICES	0	0	-	#DIV/0!	
10-00-4200-100	POSTAGE	2,000	2,200	200	10%	Increased based on actual expenditures
10-00-4200-110	TELEPHONE	3,400	4,000	600	18%	Increased based on actual expenditures
10-00-4200-140	TRAVEL & TRAINING	4,500	3,400	(1,100)	-24%	Decreased based on actual expenditures
10-00-4200-160	M & R EQUIPMENT	20,500	24,400	3,900	19%	Increased based on actual expenditures
10-00-4200-260	ADVERTISING	1,800	1,800	-	0%	
10-00-4200-320	OFFICE EXPENSE	3,000	3,000	-	0%	

10-00-4200-330	OFFICE EQUIPMENT	3,000	1,000	(2,000)	-67%	Decreased based on actual expenditures
10-00-4200-340	BANK SERVICE CHARGES	1,200	1,400	200	17%	Increased based on actual expenditures
10-00-4200-450	CONTRACT SERVICES	19,500	19,500	-	0%	
10-00-4200-480	INDIRECT COST ALLOCATION	-26,209	-26,400	(191)	1%	Revised to reflect shared expenses with Water Fund
10-00-4200-530	DUES & SUBSCRIPTIONS	3,100	3,100	-	0%	
10-00-4200-550	SUPERVISOR'S EXPENSE	500	500	-	0%	
10-00-4200-730	CAPITAL OUTLAY	10,000	0	(10,000)	-100%	
TOTALS		279,291	278,200	(1,091)	0%	

PUBLIC BUILDINGS

DEPARTMENTAL GOAL

The Public Buildings Department of the Town of Montreat provides and maintains public use facilities at the Town Services Building and provides adequate insurance protection for the Town.

KEY ACTION ITEMS

1. Complete the "drying-in" of a new Town Hall.

WORKLOAD INDICATORS

Number of Pieces Mailed

FY 12-13	FY 13-14	FY 14-15	FY 15-16
12,900	12,900	12,500	13,000

Number of Copies

FY 12-13	FY 13-14	FY 14-15	FY 15-16
21,750	33,410	33,240	34,000

Number of Workers Compensation Injuries

FY 12-13	FY 13-14	FY 14-15	FY 15-16
0	0	1	0

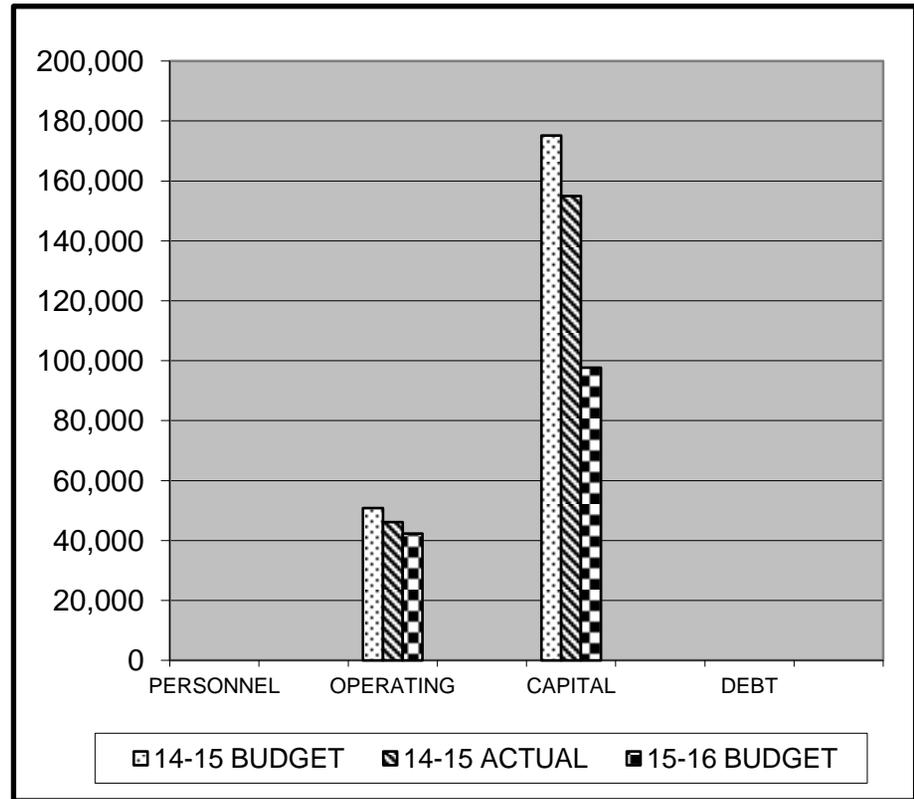
Number of Workers Compensation Days Away from Work

FY 12-13	FY 13-14	FY 14-15	FY 15-16
0	0	0	0

FY 12-13	FY 13-14	FY 14-15	FY 15-16

FY 12-13	FY 13-14	FY 14-15	FY 15-16

PUBLIC BUILDINGS			
	APPROPRIATION FY 2014-2015	ESTIMATED EXPENDITURES JUNE 30, 2015	REQUEST FY 2015-2016
PERSONNEL:			
Salaries	0	0	0
Benefits	0	0	0
Subtotal	\$0	\$0	\$0
OPERATING EXPENSES			
Maintenance and Repair	8,400	7,200	7,700
Departmental Expenses	38,249	35,649	31,100
Utilities	4,200	3,300	3,500
Professional Services	0	0	0
Subtotal	\$50,849	\$46,149	\$42,300
CAPITAL OUTLAY	175,200	155,000	97,650
DEBT PAYMENT	0	0	0
TOTALS	\$226,049	\$201,149	\$139,950



**PUBLIC BUILDINGS
DETAIL NOTES**

1. Utilities (\$3,500), insurance (\$36,100) and maintenance and repair to buildings and equipment (\$7,700) for the Town Services building are budgeted in this department.
2. Funding in the amount of \$97,650 for the new Town Hall project is budgeted under Capital Outlay.

ACCOUNT NUMBER	DESCRIPTION	PRIOR YEAR FY 13-14	CURRENT YEAR BUDGET	ACTUAL @ 2-28-15	ESTIMATE @ 6-30-15	DEPT REQUEST FY 15-16	ADMINISTRATOR RECOMMENDED FY 15-16	BOARD APPROVED FY 15-16
PERSONNEL SERVICES:								
TOTALS:	PERSONNEL SERVICES	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATING EXPENSES:								
10-00-5000-130	UTILITIES	3,300	4,200	2,475	3,300	3,500	3,500	
10-00-5000-150	M&R BUILDINGS & GROUNDS	23,741	2,800	1,495	2,200	2,500	2,500	
10-00-5000-160	M&R EQUIPMENT	5,175	5,600	3,593	5,000	5,200	5,200	
10-00-5000-330	DEPARTMENTAL SUPPLIES	59	200	0	0	200	200	
10-00-5000-480	INDIRECT COST ALLOCATION	-8,180	-6,451	-4,838	-6,451	-5,200	-5,200	
10-00-5000-540	INSURANCE	43,147	44,500	41,975	42,100	36,100	36,100	
TOTALS:	OPERATING EXPENSES	\$67,242	\$50,849	\$44,700	\$46,149	\$42,300	\$42,300	\$0
CAPITAL OUTLAY:								
10-00-5000-730	CAPITAL OUTLAY	256,244	175,200	143,154	155,000	122,650	97,650	
TOTALS:	CAPITAL OUTLAY	\$256,244	\$175,200	\$143,154	\$155,000	\$122,650	\$97,650	\$0
DEBT PAYMENT:								
10-00-5000-900	DEBT PAYMENT	0	0	0	0	0	0	
TOTALS:	DEBT PAYMENT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PUBLIC BUILDINGS DEPARTMENT TOTAL:		\$323,486	\$226,049	\$187,854	\$201,149	\$164,950	\$139,950	\$0

<u>.130 UTILITIES</u>		\$ 3,500
Progress Energy	1,600	
Heating Expense	1,900	
<u>.150 M&R BUILDINGS AND GROUNDS</u>		\$ 2,500
Terminex	300	
Maintenance Supplies	500	
Equipment and Furnace Repairs	400	
Building Maintenance	1,300	
Parking Lot Maintenance	-	
<u>.160 M&R EQUIPMENT</u>		\$ 5,200
Phone System Lease Payments	550	
Phone System Repairs	200	
Postage Meter Lease and Fees	950	
Copier System Lease	3,500	
Copier System Maintenance Agreement	-	
<u>.330 DEPARTMENTAL SUPPLIES</u>		\$ 200
Postage Meter	100	
Miscellaneous	100	
<u>.480 INDIRECT COST ALLOCATION</u>		\$ (5,200)
Indirect Cost Allocation	(5,200)	
<u>.540 INSURANCE</u>		\$ 36,100
Liability, Property, Auto etc.	21,200	
Bonds	900	
Workers Compensation	14,000	
<u>.730 CAPITAL OUTLAY</u>		\$ 122,650
Town Hall	97,650	
Public Works Facility	-	
Pavement of Compactor Area	25,000	

ACCOUNT NUMBER	DESCRIPTION	CURRENT YEAR BUDGET	FY 15-16 REQUEST	INC/(DEC)	%	JUSTIFICATION
10-00-5000-130	UTILITIES	4,200	3,500	(700)	-17%	Reduced based on actual expenditures
10-00-5000-150	M&R BUILDINGS & GROUNDS	2,800	2,500	(300)	-11%	Reduced based on actual expenditures
10-00-5000-160	M&R EQUIPMENT	5,600	5,200	(400)	-7%	Reduced based on actual expenditures
10-00-5000-330	DEPARTMENTAL SUPPLIES	200	200	-	0%	
10-00-5000-480	INDIRECT COST ALLOCATION	-6,451	-5,200	1,251	-19%	Revised to reflect shared expenses with Water Fund
10-00-5000-540	INSURANCE	44,500	36,100	(8,400)	-19%	Reduced based on actual expenditures.
10-00-5000-730	CAPITAL OUTLAY	175,200	97,650	(77,550)	-44%	Proposes funding for the new Town Hall project.
TOTALS		226,049	139,950	(86,099)	-38%	

POLICE

DEPARTMENTAL GOAL

The Police Department is committed to providing competent, efficient, diligent, personalized and accountable law enforcement services to residents and visitors of the Town of Montreat. The department strives to become an example of a high degree of police professionalism in all aspects of our function. The mission of the Police Department is to reduce crime and maintain the high standard of quality of life in the Town by providing personalized police service to the residents and visitors of the Town of Montreat.

KEY ACTION ITEMS

1. Provide a minimum of two additional opportunities for officer training.
2. Evaluate guidelines, procedures and storage requirements regarding the process of evidentiary items and sensitive material.
3. Further steps in recruitment in effort to bolster Reserve Force roster.
4. Continue endeavor to streamline and standardize the administrative office area of the department.

WORKLOAD INDICATORS

Number of Miles Patrolled

FY 12-13	FY 13-14	FY 14-15	FY 15-16
33,507	35,570	33,140	37,000

Number of House Checks

FY 12-13	FY 13-14	FY 14-15	FY 15-16
2,900	2,883	2,942	3,000

Calls Received from Dispatcher

FY 12-13	FY 13-14	FY 14-15	FY 15-16
1,117	1,317	1,350	1,300

Officer Initiated Investigations

FY 12-13	FY 13-14	FY 14-15	FY 15-16
2,900	3,122	2,608	3,400

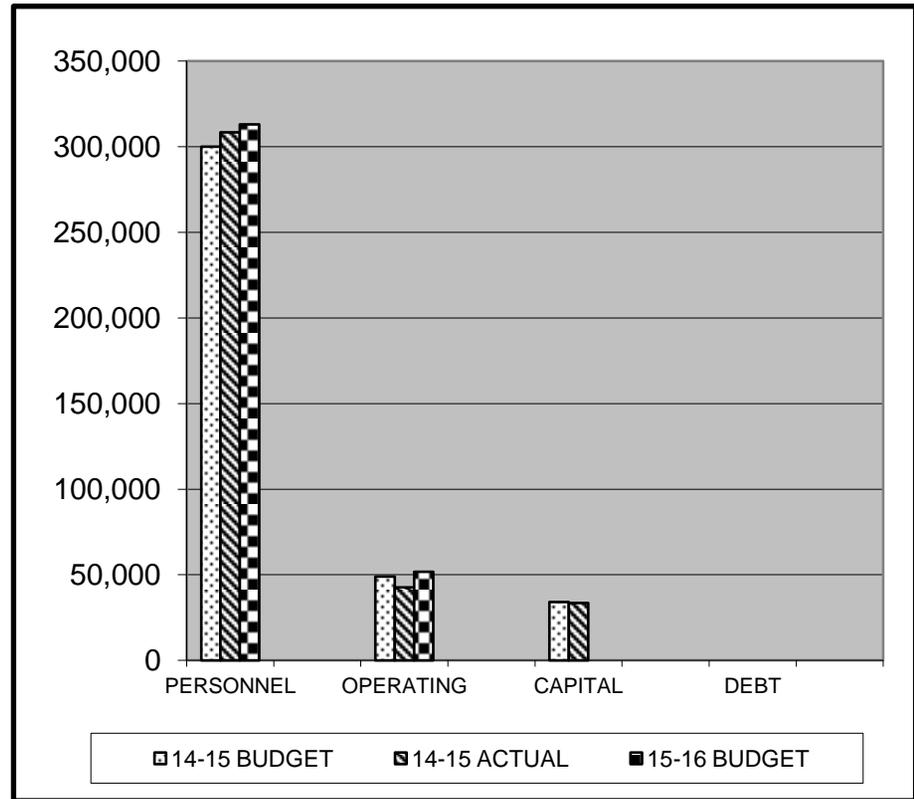
Number of Traffic Stops

FY 12-13	FY 13-14	FY 14-15	FY 15-16
505	593	574	600

Number of Parking Tickets and Town Ordinance Citations

FY 12-13	FY 13-14	FY 14-15	FY 15-16
75	84	97	100

POLICE			
	APPROPRIATION FY 2014-2015	ESTIMATED EXPENDITURES JUNE 30, 2015	REQUEST FY 2015-2016
PERSONNEL:			
Salaries	220,500	228,800	228,000
Benefits	79,500	79,500	85,000
Subtotal	\$300,000	\$308,300	\$313,000
OPERATING EXPENSES			
Maintenance and Repair	7,800	6,900	8,000
Departmental Expenses	22,300	16,950	24,600
Utilities	0	0	0
Professional Services	18,800	18,800	19,200
Subtotal	\$48,900	\$42,650	\$51,800
CAPITAL OUTLAY	34,000	33,500	0
DEBT PAYMENT	0	0	0
TOTALS	\$382,900	\$384,450	\$364,800



POLICE DETAIL NOTES

1. Funds have been allocated for dispatching services with the Town of Black Mountain for \$19,200.
2. Increases spending in Medical Certifications and Uniforms in order to bolster Reserve Officer program.

ACCOUNT NUMBER	DESCRIPTION	PRIOR YEAR FY 13-14	CURRENT YEAR BUDGET	ACTUAL @ 2-28-15	ESTIMATE @ 6-30-15	DEPT REQUEST FY 15-16	ADMINISTRATOR RECOMMENDED FY 15-16	BOARD APPROVED FY 15-16
PERSONNEL SERVICES:								
10-10-5100-020	SALARIES & WAGES	210,077	220,500	162,434	228,800	228,000	228,000	
10-10-5100-050	FICA EXPENSE	15,964	16,900	11,708	17,500	17,500	17,500	
10-10-5100-060	GROUP HEALTH INSURANCE	32,917	35,500	29,809	35,700	39,000	39,000	
10-10-5100-070	RETIREMENT - LOCAL GOVT.	23,724	27,100	17,459	26,300	28,500	28,500	
TOTALS:	PERSONNEL SERVICES	\$282,682	\$300,000	\$221,410	\$308,300	\$313,000	\$313,000	\$0
OPERATING EXPENSES:								
10-10-5100-110	TELEPHONE	1,995	1,800	1,384	2,000	2,000	2,000	
10-10-5100-140	TRAVEL & TRAINING	0	500	0	400	500	500	
10-10-5100-160	M & R EQUIPMENT	2,032	3,800	2,042	3,500	4,000	4,000	
10-10-5100-170	M & R AUTO	3,424	4,000	2,242	3,400	4,000	4,000	
10-10-5100-234	PUBLIC SAFETY EDUCATION	583	0	0	350	500	500	
10-10-5100-310	AUTO SUPPLIES	12,416	15,500	6,726	11,000	16,500	16,500	
10-10-5100-320	MEDICAL CERTIFICATION	52	600	0	0	1,000	1,000	
10-10-5100-330	DEPARTMENT SUPPLIES	1,911	2,000	1,966	2,100	2,100	2,100	
10-10-5100-360	UNIFORMS	1,437	1,500	635	800	1,700	1,700	
10-10-5100-530	DUES & SUBSCRIPTIONS	184	400	176	300	300	300	
10-10-5100-760	DISPATCHER SERVICES	17,800	18,800	13,350	18,800	19,200	19,200	
TOTALS:	OPERATING EXPENSES	\$41,834	\$48,900	\$28,521	\$42,650	\$51,800	\$51,800	\$0
CAPITAL OUTLAY:								
10-10-5100-730	CAPITAL OUTLAY	0	34,000	0	33,500	0	0	
TOTALS:	CAPITAL OUTLAY	\$0	\$34,000	\$0	\$33,500	\$0	\$0	\$0
DEBT PAYMENT:								
10-10-5100-900	DEBT PAYMENT	0	0	0	0	0	0	0
TOTALS:	DEBT PAYMENT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
POLICE DEPARTMENT TOTAL:		\$324,516	\$382,900	\$249,931	\$384,450	\$364,800	\$364,800	\$0

<u>.020 SALARIES AND WAGES</u>		\$ 223,800
Police Chief, Police Officers (5) and	215,200	
Part Time Officers	8,600	
<u>.110 TELEPHONE</u>		\$ 2,000
Telephone service	2,000	
<u>.140 TRAVEL AND TRAINING</u>		\$ 500
ESMP	200	
Workshops/Training Seminars	300	
<u>.160 M & R EQUIPMENT</u>		\$ 4,000
Radar Certification/Maintenance	260	
Radio Maintenance	150	
Miscellaneous Repairs	150	
Computer Hot Spots	1,440	
Code Red	2,000	
<u>.170 M&R AUTO</u>		\$ 4,000
Maintenance costs for 4 vehicles	4,000	
<u>.234 PUBLIC SAFETY EDUCATION</u>		\$ 500
Public Education	500	
<u>.310 AUTO SUPPLIES</u>		\$ 16,500
Gas, Tires, and Oil for 4 vehicles	16,500	
<u>.320 MEDICAL CERTIFICATION</u>		\$ 1,000
Physical Fees	500	
Drug and Psychological Screenings	500	
<u>.330 DEPARTMENTAL SUPPLIES</u>		\$ 2,100
General Office Supplies	700	
Law Enforcement Supplies	1,000	
Miscellaneous Supplies	400	
<u>.360 UNIFORMS</u>		\$ 1,700
Uniform Supplies for 5 officers	1,700	

<u>.530 DUES & SUBSCRIPTIONS</u>		\$ 300
Sam's Club Membership	200	
Professional Dues	100	
<u>.760 DISPATCHER SERVICE</u>		\$ 19,200
Town of Black Mountain	19,200	
<u>.730 CAPITAL OUTLAY</u>		\$ -

ACCOUNT NUMBER	DESCRIPTION	CURRENT YEAR BUDGET	FY 15-16 REQUEST	INC/(DEC)	%	JUSTIFICATION
10-10-5100-020	SALARIES & WAGES	220,500	228,000	7,500	3%	
10-10-5100-050	FICA EXPENSE	16,900	17,500	600	4%	
10-10-5100-060	GROUP HEALTH INSURANCE	35,500	39,000	3,500	10%	
10-10-5100-070	RETIREMENT - LOCAL GOVT.	27,100	28,500	1,400	5%	
10-10-5100-110	TELEPHONE	1,800	2,000	200	11%	Increased based on actual expenditures
10-10-5100-140	TRAVEL & TRAINING	500	500	-	0%	
10-10-5100-160	M & R EQUIPMENT	3,800	4,000	200	5%	
10-10-5100-170	M & R AUTO	4,000	4,000	-	0%	
10-10-5100-234	PUBLIC SAFETY EDUCATION	0	500	500	#DIV/0!	Continues funding for new Public Safety Event
10-10-5100-310	AUTO SUPPLIES	15,500	16,500	1,000	6%	Increased based on assumption of rise in gas prices
10-10-5100-320	MEDICAL CERTIFICATION	600	1,000	400	67%	Increased to account for providing testing for two additional reserve officers
10-10-5100-330	DEPARTMENT SUPPLIES	2,000	2,100	100	5%	Increased to reflect purchase of laptop computer, printer and shredder

10-10-5100-360	UNIFORMS	1,500	1,700	200	13%	Increased to account for providing uniforms for two additional reserve officers
10-10-5100-530	DUES & SUBSCRIPTIONS	400	300	(100)	-25%	Decreased based on actual expenditures
10-10-5100-760	DISPATCHER SERVICES	18,800	19,200	400	2%	Increased based on 2% cost of living for dispatcher services
10-10-5100-730	CAPITAL OUTLAY	34,000	0	(34,000)	-100%	No funding requested for Capital Outlay
TOTALS		382,900	364,800	(18,100)	-5%	

PLANNING AND ZONING

DEPARTMENTAL GOAL

The Planning and Zoning Department of the Town of Montreat provides for the health, safety and welfare of Montreat by assuring fair application of all applicable federal, state and local laws regulating land uses, building construction and code compliance.

KEY ACTION ITEMS

1. Complete ESRI-hosted training in ArcGIS 3 and 4 to acquire skills in performing analysis and improving the Town's web based products.
2. Integrate tabular coordinate data within the GIS system to symbolically illustrate accurate locations of all water system features and hydrants.
3. Establish program that elicits community cooperation in the installation of Knox Boxes for rapid fire department access for Institutional and residential properties.
4. Refer stream buffer regulations to the Planning and Zoning Commission for further review and possible revision.
5. Refer front and rear yard setback distance requirements to the Planning and Zoning Commission for further review and possible revision.

WORKLOAD INDICATORS

Number of Planning/Zoning and Board of Adjustment Meetings Attended

FY 12-13	FY 13-14	FY 14-15	FY 15-16
7	2 and 4	3 and 1	4 and 2

Number of Public Assistance Calls

FY 12-13	FY 13-14	FY 14-15	FY 15-16
1,375	1,412	1,402	1,410

Number of Zoning Permits Issued

FY 12-13	FY 13-14	FY 14-15	FY 15-16
13	16	19	18

Number of Building Permits Issued

FY 12-13	FY 13-14	FY 14-15	FY 15-16
99	104	90	100

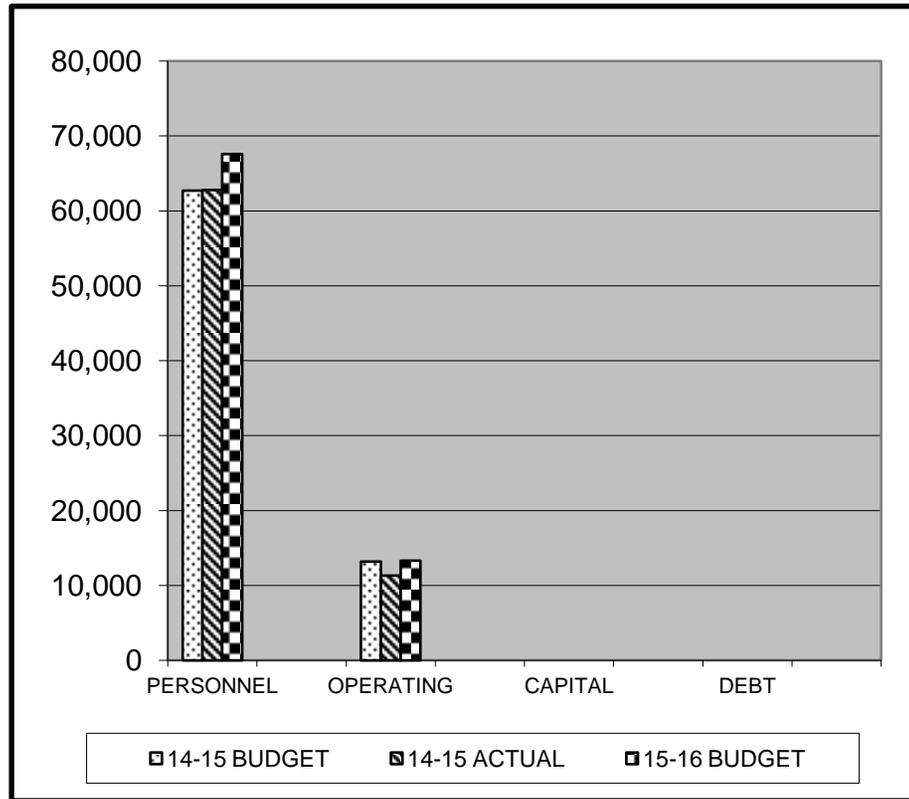
Number of Variances/Conditional Use Permits Issued

FY 12-13	FY 13-14	FY 14-15	FY 15-16
3 and 0	3 and 0	1 and 0	2 and 0

Number of Complaints and Investigations

FY 12-13	FY 13-14	FY 14-15	FY 15-16
28	34	17	20

PLANNING AND ZONING			
	APPROPRIATION FY 2014-2015	ESTIMATED EXPENDITURES JUNE 30, 2015	REQUEST FY 2015-2016
PERSONNEL:			
Salaries	46,400	46,600	49,800
Benefits	16,300	16,200	17,800
Subtotal	\$62,700	\$62,800	\$67,600
OPERATING EXPENSES			
Maintenance and Repair	5,200	4,550	5,200
Departmental Expenses	6,500	5,675	6,600
Utilities	0	0	0
Professional Services	1,500	1,100	1,500
Subtotal	\$13,200	\$11,325	\$13,300
CAPITAL OUTLAY	0	0	0
DEBT PAYMENT	0	0	0
TOTALS	\$75,900	\$74,125	\$80,900



**PLANNING AND ZONING
DETAIL NOTES**

1. Allocated in this department are funds for the Building Inspector/Code Administrator and funding for the code inspection services of the Town.

ACCOUNT NUMBER	DESCRIPTION	PRIOR YEAR FY 13-14	CURRENT YEAR BUDGET	ACTUAL @ 2-28-15	ESTIMATE @ 6-30-15	DEPT REQUEST FY 15-16	ADMINISTRATOR RECOMMENDED FY 15-16	BOARD APPROVED FY 15-16
PERSONNEL SERVICES:								
10-10-5400-020	SALARIES & WAGES	45,386	46,400	33,004	46,600	49,800	49,800	
10-10-5400-050	FICA EXPENSE	3,473	3,600	2,390	3,600	3,900	3,900	
10-10-5400-060	GROUP HEALTH INSURANCE	7,430	7,100	5,967	7,200	7,800	7,800	
10-10-5400-070	RETIREMENT - LOCAL GOVT.	5,481	5,600	3,683	5,400	6,100	6,100	
TOTALS:	PERSONNEL SERVICES	\$61,770	\$62,700	\$45,044	\$62,800	\$67,600	\$67,600	\$0
OPERATING EXPENSES:								
10-10-5400-110	TELEPHONE	679	700	506	750	750	800	
10-10-5400-140	TRAVEL AND TRAINING	1,861	2,500	2,315	2,400	2,500	2,500	
10-10-5400-160	M&R EQUIPMENT	4,654	4,700	0	4,300	4,700	4,700	
10-10-5400-170	M&R AUTO	71	500	126	250	500	500	
10-10-5400-310	AUTO SUPPLIES	591	800	543	750	800	800	
10-10-5400-330	DEPARTMENT SUPPLIES	1,064	1,300	608	1,100	1,300	1,300	
10-10-5400-331	PLANNING BOARD	0	250	0	0	250	250	
10-10-5400-332	BOARD OF ADJUSTMENT	0	250	0	0	250	250	
10-10-5400-450	CONTRACT SERVICES - BLDG. INSP.	950	1,250	400	1,100	1,250	1,250	
10-10-5400-451	CONTRACT SERVICES - FIRE INSP.	0	250	0	0	250	250	
10-10-5400-530	DUES & SUBSCRIPTIONS	579	700	615	675	700	700	
TOTALS:	OPERATING EXPENSES	\$10,449	\$13,200	\$5,113	\$11,325	\$13,250	\$13,300	\$0
CAPITAL OUTLAY:								
10-10-5400-730	CAPITAL OUTLAY	0	0	0	0	55,000	0	
TOTALS:	CAPITAL OUTLAY	\$0	\$0	\$0	\$0	\$55,000	\$0	\$0
DEBT PAYMENT:								
10-10-5400-900	DEBT PAYMENT	0	0	0	0	0	0	0
TOTALS:	DEBT PAYMENT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PLANNING AND ZONING DEPARTMENT TOTAL:		\$72,219	\$75,900	\$50,157	\$74,125	\$135,850	\$80,900	\$0

<u>.110 TELEPHONE</u>		\$ 750
Telephone	750	
<u>.140 TRAVEL AND TRAINING</u>		\$ 2,500
Building Inspector, Planning Board and Board of Adjustment	2,500	
<u>.160 M & R EQUIPMENT</u>		\$ 4,700
Annual GIS Software/Service Renewal	4,400	
Permitting Software Support	300	
<u>.170 M & R AUTO</u>		\$ 500
Maintenance costs for 1 vehicle	500	
<u>.310 AUTO SUPPLIES</u>		\$ 800
Gas, Oil and Tires for 1 vehicle	800	
<u>.330 DEPARTMENT SUPPLIES</u>		\$ 1,300
General Office Supplies	500	
Miscellaneous Supplies/Expense	800	
<u>.331 PLANNING BOARD</u>		\$ 250
Miscellaneous Expense	250	
<u>.332 BOARD OF ADJUSTMENT</u>		\$ 250
Miscellaneous Expense	250	
<u>.450 CONTRACT SERVICES - BLDG. INSP.</u>		\$ 1,250
Contract with Town of Black Mountain	1,250	
<u>.451 FIRE INSPECTIONS</u>		\$ 250
Contract with Town of Black Mountain	250	
<u>.530 DUES & SUBSCRIPTIONS</u>		\$ 700
Professional Dues	700	

<u>.730 CAPITAL OUTLAY</u>	\$ 55,000
Stormwater Utility Study	35,000
Wayfinding Signage Plan	20,000

ACCOUNT NUMBER	DESCRIPTION	CURRENT YEAR BUDGET	FY 15-16 REQUEST	INC/(DEC)	%	JUSTIFICATION
10-10-5400-020	SALARIES & WAGES	46,400	49,800	3,400	7%	Received Level III Certificates at the end of the 2014-2015 fiscal year
10-10-5400-050	FICA EXPENSE	3,600	3,900	300	8%	Received Level III Certificates at the end of the 2014-2015 fiscal year
10-10-5400-060	GROUP HEALTH INSURANCE	7,100	7,800	700	10%	
10-10-5400-070	RETIREMENT - LOCAL GOVT.	5,600	6,100	500	9%	Received Level III Certificates at the end of the 2014-2015 fiscal year
10-10-5400-110	TELEPHONE	700	800	100	14%	Increased to reflect actual expenditures
10-10-5400-140	TRAVEL AND TRAINING	2,500	2,500	-	0%	
10-10-5400-160	M&R EQUIPMENT	4,700	4,700	-	0%	
10-10-5400-170	M&R AUTO	500	500	-	0%	
10-10-5400-310	AUTO SUPPLIES	800	800	-	0%	
10-10-5400-330	DEPARTMENT SUPPLIES	1,300	1,300	-	0%	
10-10-5400-331	PLANNING BOARD	250	250	-	0%	
10-10-5400-332	BOARD OF ADJUSTMENT	250	250	-	0%	

10-10-5400-450	CONTRACT SERVICES - BUILDING INSPECTIONS	1,250	1,250	-	0%
10-10-5400-451	CONTRACT SERVICES - FIRE INSPECTIONS	250	250	-	0%
10-10-5400-530	DUES & SUBSCRIPTIONS	700	700	-	0%
10-10-5400-730	CAPITAL OUTLAY	0	0	- #DIV/0!	No funding allocated for the Stormwater Utility Study or the Wayfinding Signage Plan
TOTALS		75,900	80,900	5,000	7%

PUBLIC WORKS

DEPARTMENTAL GOAL

The Public Works Department receives, processes and monitors all public work services including streets, sanitation and water.

KEY ACTION ITEMS

1. Assist in the completion of the Native Plant Garden project, pending available funding and property acquisition.
2. Complete inspections of Town-owned stormwater features.
3. Complete and submit the annual Water Supply Plan and Solid Waste Report.
4. Continue the tree removal and replacement program.
5. Convert paper street and water maps (i.e. conditions, ages) to the GIS mapping program.
6. Complete a Utility Service Plan for the Oklahoma Road and Lookout Road area.

WORKLOAD INDICATORS

Number of Work Orders Processed

FY 12-13	FY 13-14	FY 14-15	FY 15-16
832	884	890	860

Number of Illicit Discharge Calls

FY 12-13	FY 13-14	FY 14-15	FY 15-16
4	6	4	6

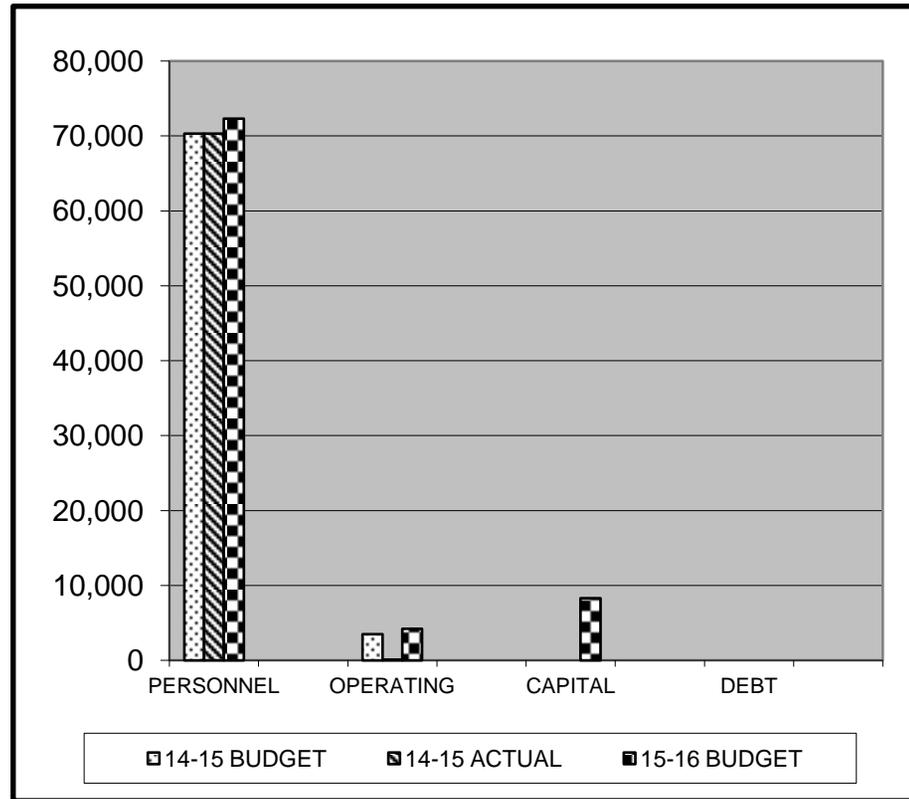
FY 12-13	FY 13-14	FY 14-15	FY 15-16

FY 12-13	FY 13-14	FY 14-15	FY 15-16

FY 12-13	FY 13-14	FY 14-15	FY 15-16

FY 12-13	FY 13-14	FY 14-15	FY 15-16

PUBLIC WORKS			
	APPROPRIATION FY 2014-2015	ESTIMATED EXPENDITURES JUNE 30, 2015	REQUEST FY 2015-2016
PERSONNEL:			
Salaries	52,700	52,900	53,800
Benefits	17,600	17,400	18,500
Subtotal	\$70,300	\$70,300	\$72,300
OPERATING EXPENSES			
Maintenance and Repair	500	450	500
Departmental Expenses	-1,515	-1,850	-800
Utilities	0	0	0
Professional Services	4,500	1,500	4,500
Subtotal	\$3,485	\$100	\$4,200
CAPITAL OUTLAY			
	0	0	8,300
DEBT PAYMENT			
	0	0	0
TOTALS	\$73,785	\$70,400	\$84,800



PUBLIC WORKS DETAIL NOTES

1. Allocated in this department are funds for the Public Works Director.
2. Allocates funding for a tree replacement program and the installation or upgrade of two stormwater features (\$5,500).
3. Allocates \$8,300 for the Lookout Road Utility Study in Capital Outlay.

ACCOUNT NUMBER	DESCRIPTION	PRIOR YEAR FY 13-14	CURRENT YEAR BUDGET	ACTUAL @ 2-28-15	ESTIMATE @ 6-30-15	DEPT REQUEST FY 15-16	ADMINISTRATOR RECOMMENDED FY 15-16	BOARD APPROVED FY 15-16
PERSONNEL SERVICES:								
10-20-5550-020	SALARIES & WAGES	51,855	52,700	37,711	52,900	53,800	53,800	
10-20-5550-050	FICA EXPENSE	3,968	4,100	2,735	4,100	4,200	4,200	
10-20-5550-060	GROUP HEALTH INSURANCE	7,445	7,100	5,979	7,200	7,800	7,800	
10-20-5550-070	RETIREMENT - LOCAL GOV'T.	6,262	6,400	4,216	6,100	6,500	6,500	
TOTALS:	PERSONNEL SERVICES	\$69,530	\$70,300	\$50,641	\$70,300	\$72,300	\$72,300	\$0
OPERATING EXPENSES:								
10-20-5550-110	TELEPHONE	679	700	466	685	700	700	
10-20-5550-140	TRAVEL & TRAINING	0	200	0	180	200	200	
10-20-5550-170	M & R TRUCKS	350	500	67	450	500	500	
10-20-5550-310	AUTO SUPPLIES	1,649	3,000	2,256	3,000	3,800	3,800	
10-20-5550-330	DEPARTMENT SUPPLIES	864	2,000	231	1,800	2,000	2,000	
10-20-5550-360	UNIFORMS	420	500	0	400	500	500	
10-20-5550-370	STORMWATER PROGRAM	860	4,500	0	1,500	4,500	4,500	
10-20-5550-480	INDIRECT COST ALLOCATION	-24,250	-7,915	-5936	-7,915	-8,000	-8,000	
TOTALS:	OPERATING EXPENSES	-\$19,428	\$3,485	-\$2,916	\$100	\$4,200	\$4,200	\$0
CAPITAL OUTLAY:								
10-20-5550-730	CAPITAL OUTLAY	0	0	0	0	8,300	8,300	0
TOTALS:	CAPITAL OUTLAY	\$0	\$0	\$0	\$0	\$8,300	\$8,300	\$0
DEBT PAYMENT:								
10-20-5550-900	DEBT PAYMENT	0	0	0	0	0	0	0
TOTALS:	DEBT PAYMENT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PUBLIC WORKS DEPARTMENT TOTAL:		\$50,102	\$73,785	\$47,725	\$70,400	\$84,800	\$84,800	\$0

<u>.020 SALARIES AND WAGES</u>		\$ 53,800
Public Works Director	53,800	
<u>.110 TELEPHONE</u>		\$ 700
Telephone	700	
<u>.140 TRAVEL AND TRAINING</u>		\$ 200
Workshop Meetings	200	
<u>.170 M & R TRUCKS</u>		\$ 500
Maintenance costs for 1 vehicle	500	
<u>.310 AUTO SUPPLIES</u>		\$ 3,800
Gas, Oil and Tires for 1 vehicle	3,800	
<u>.330 DEPARTMENT SUPPLIES</u>		\$ 2,000
General Office Supplies	500	
Miscellaneous Supplies	500	
Tree Replacement Program	1,000	
<u>.360 UNIFORMS</u>		\$ 500
Uniforms for 1 employee	500	
<u>.370 STORMWATER PROGRAM</u>		\$ 4,500
Phase II, Year 3 Stormwater Program	4,500	
<u>.480 INDIRECT COST ALLOCATION</u>		\$ (8,000)
Indirect Cost Allocation	-8,000	
<u>.730 CAPITAL OUTLAY</u>		\$ 8,300
Lookout Road Utility Study	8,300	

ACCOUNT NUMBER	DESCRIPTION	CURRENT YEAR BUDGET	FY 15-16 REQUEST	INC/(DEC)	%	JUSTIFICATION
10-20-5550-020	SALARIES & WAGES	52,700	53,800	1,100	2%	
10-20-5550-050	FICA EXPENSE	4,100	4,200	100	2%	
10-20-5550-060	GROUP HEALTH INSURANCE	7,100	7,800	700	10%	
10-20-5550-070	RETIREMENT - LOCAL GOVT.	6,400	6,500	100	2%	
10-20-5550-110	TELEPHONE	700	700	-	0%	
10-20-5550-140	TRAVEL & TRAINING	200	200	-	0%	
10-20-5550-170	M & R TRUCKS	500	500	-	0%	
10-20-5550-310	AUTO SUPPLIES	3,000	3,800	800	27%	Increased to reflect actual expenditures
10-20-5550-330	DEPARTMENT SUPPLIES	2,000	2,000	-	0%	
10-20-5550-360	UNIFORMS	500	500	-	0%	
10-20-5550-370	STORMWATER PROGRAM	4,500	4,500	-	0%	
10-20-5550-480	INDIRECT COST ALLOCATION	-7,915	-8,000	(85)	1%	Revised to reflect shared expenses with Water Fund
10-20-5550-730	CAPITAL OUTLAY	0	8,300	8,300	#DIV/0!	Reflects funding for the Lookout Road Utility Study
TOTALS		73,785	84,800	11,015	15%	

STREET

DEPARTMENTAL GOAL

The Street Department provides street services and upgrades to the residents of Montreat. The Street Department is responsible for storm water management, road repair and resurfacing, mowing and right-of-way maintenance.

KEY ACTION ITEMS

1. Complete the Texas Road resurfacing and storm drainage project.
2. Complete the Texas Road Bridge replacement project.
3. Replace equipment and/or vehicles in accordance with the Capital Improvements Plan.
4. Install or replace two storm water features.

WORKLOAD INDICATORS

Number of Work Orders Processed

FY 12-13	FY 13-14	FY 14-15	FY 15-16
624	635	650	640

Linear Feet of Storm Drainage Installed/Replaced

FY 12-13	FY 13-14	FY 14-15	FY 15-16
180	100	150	100

Number of Street Signs Replaced

FY 12-13	FY 13-14	FY 14-15	FY 15-16
45	35	35	80

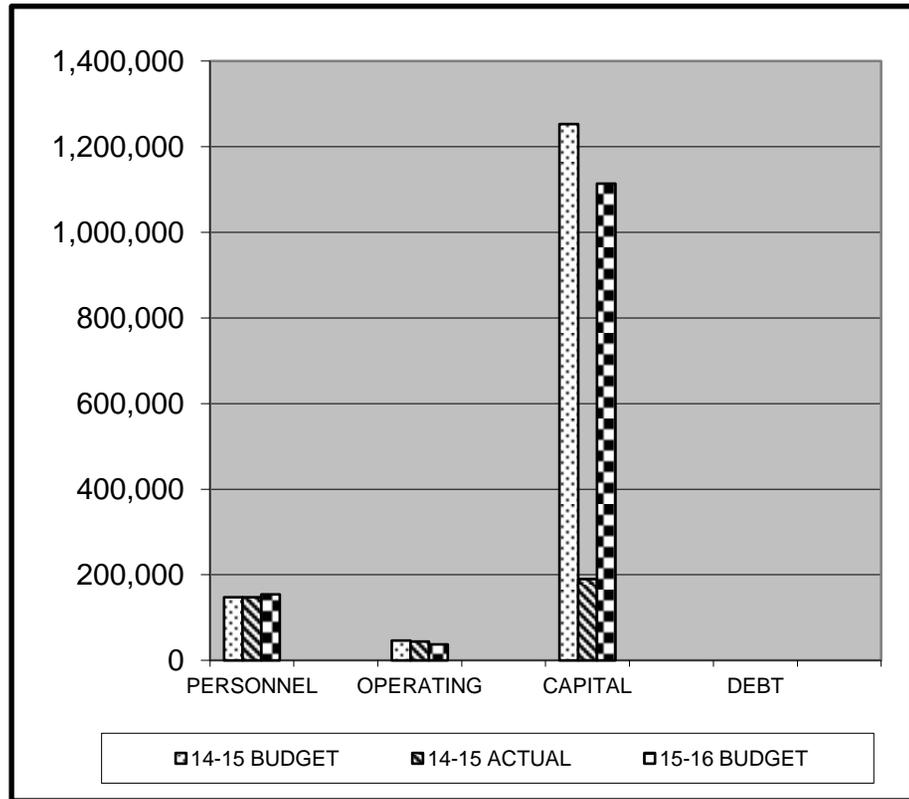
Number of Dead/Diseased or Damaged Trees Removed from the Right-of-Way

FY 12-13	FY 13-14	FY 14-15	FY 15-16
93	100	125	75

FY 12-13	FY 13-14	FY 14-15	FY 15-16

FY 12-13	FY 13-14	FY 14-15	FY 15-16

STREET			
	APPROPRIATION FY 2014-2015	ESTIMATED EXPENDITURES JUNE 30, 2015	REQUEST FY 2015-2016
PERSONNEL:			
Salaries	105,400	105,600	109,100
Benefits	42,100	41,600	45,000
Subtotal	\$147,500	\$147,200	\$154,100
OPERATING EXPENSES			
Maintenance and Repair	5,500	5,400	5,500
Departmental Expenses	22,905	21,605	17,800
Utilities	0	0	0
Professional Services	18,000	16,800	14,000
Subtotal	\$46,405	\$43,805	\$37,300
CAPITAL OUTLAY	1,253,000	190,000	1,114,000
DEBT PAYMENT	0	0	0
TOTALS	\$1,446,905	\$381,005	\$1,305,400



STREET DETAIL NOTES

1. Street Lighting is budgeted in the amount of \$23,500. Tree removal services (\$12,000) and contract labor for road maintenance (\$4,000) have been budgeted in contract services.
2. The paving project for Texas Road (\$194,000), the replacement of Texas Road Bridge (\$875,000), and the replacement of a truck (\$45,000) are budgeted in capital outlay.

ACCOUNT NUMBER	DESCRIPTION	PRIOR YEAR FY 13-14	CURRENT YEAR BUDGET	ACTUAL @ 2-28-15	ESTIMATE @ 6-30-15	DEPT REQUEST FY 15-16	ADMINISTRATOR RECOMMENDED FY 15-16	BOARD APPROVED FY 15-16
PERSONNEL SERVICES:								
10-20-5600-020	SALARIES & WAGES	94,837	105,400	73,025	105,600	109,100	109,100	
10-20-5600-050	FICA EXPENSE	7,255	8,100	5,404	8,100	8,400	8,400	
10-20-5600-060	GROUP HEALTH INSURANCE	19,024	21,300	17,893	21,500	23,400	23,400	
10-20-5600-070	RETIREMENT - LOCAL GOVT.	11,449	12,700	8,406	12,000	13,200	13,200	
TOTALS:	PERSONNEL SERVICES	\$132,565	\$147,500	\$104,728	\$147,200	\$154,100	\$154,100	\$0
OPERATING EXPENSES:								
10-20-5600-140	TRAVEL & TRAINING	390	500	49	300	500	500	
10-20-5600-160	M & R EQUIPMENT	1,633	2,000	676	1,900	2,000	2,000	
10-20-5600-170	M & R AUTO	2,809	3,500	3,320	3,500	3,500	3,500	
10-20-5600-310	AUTO SUPPLIES	9,800	8,000	5,973	8,000	9,500	9,500	
10-20-5600-330	DEPARTMENT SUPPLIES	3,382	5,500	1,545	5,000	5,500	5,500	
10-20-5600-340	REPAVING AND WIDENING	0	0	0	0	0	0	
10-20-5600-360	UNIFORMS	1,841	2,000	405	1,900	2,000	2,000	
10-20-5600-450	CONTRACT SERVICES	4,140	16,000	1,815	15,800	14,000	14,000	
10-20-5600-453	NCDPS/FEMA 2013 PROJECTS	5,071	0	0	0	0	0	
10-20-5600-480	INDIRECT COST ALLOCATION	-6,600	-16,595	-12,446	-16,595	-23,200	-23,200	
10-20-5600-740	STREET LIGHTING	22,954	23,500	15,350	23,000	23,500	23,500	
10-20-5600-760	BRIDGE INSPECTIONS	0	2,000	977	1,000	2,000	0	
TOTALS:	OPERATING EXPENSES	\$45,420	\$46,405	\$17,664	\$43,805	\$39,300	\$37,300	\$0
CAPITAL OUTLAY:								
10-20-5600-730	CAPITAL OUTLAY	210,458	1,253,000	290,163	190,000	1,151,000	1,114,000	
TOTALS:	CAPITAL OUTLAY	\$210,458	\$1,253,000	\$290,163	\$190,000	\$1,151,000	\$1,114,000	\$0
DEBT PAYMENT:								
10-20-5600-900	DEBT PAYMENT	0	0	0	0	0	0	
TOTALS:	DEBT PAYMENT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
STREET DEPARTMENT TOTAL:		\$388,443	\$1,446,905	\$412,555	\$381,005	\$1,344,400	\$1,305,400	\$0

<u>.020 SALARIES AND WAGES</u>		\$ 109,100
Utility Maintenance Worker (2)	109,100	
<u>.140 TRAVEL AND TRAINING</u>		\$ 500
Licenses and Certifications	250	
Workshops/Training Seminars	250	
<u>.160 M & R EQUIPMENT</u>		\$ 2,000
Routine Equipment Maintenance	1,000	
Miscellaneous Repairs	1,000	
<u>.170 M&R AUTO</u>		\$ 3,500
Maintenance costs for 3 vehicles and equipment	3,500	
<u>.310 AUTO SUPPLIES</u>		\$ 9,500
Gas, Tires, and Oil for 3 vehicles and equipment	9,500	
<u>.330 DEPARTMENTAL SUPPLIES</u>		\$ 5,500
General Office Supplies	500	
Street Supplies and Tools	4,500	
Miscellaneous Supplies	500	
<u>.340 REPAVING AND WIDENING</u>		0
Smaller Repaving Projects	0	
<u>.360 UNIFORMS</u>		\$ 2,000
Uniform Supplies for 4 employees	2,000	
<u>.450 CONTRACT SERVICES</u>		\$ 14,000
Right-of-Way Tree Removal	12,000	
Road Maintenance	2,000	
<u>.740 STREET LIGHTING</u>		\$ 23,500
Street Lights	23,500	
<u>.760 BRIDGE INSPECTIONS</u>		\$ 2,000
Inspections for 3 Bridges	2,000	

<u>.730 CAPITAL OUTLAY</u>		\$ 1,151,000
Texas Road Bridge Replacement	875,000	
Texas Road Paving	194,000	
Truck Replacement (96)	45,000	
New Road Paving	37,000	
<u>.900 DEBT PAYMENT</u>		\$ -
	-	

ACCOUNT NUMBER	DESCRIPTION	CURRENT YEAR BUDGET	FY 15-16 REQUEST	INC/(DEC)	%	JUSTIFICATION
10-20-5600-020	SALARIES & WAGES	105,400	109,100	3,700	4%	
10-20-5600-050	FICA EXPENSE	8,100	8,400	300	4%	
10-20-5600-060	GROUP HEALTH INSURANCE	21,300	23,400	2,100	10%	
10-20-5600-070	RETIREMENT - LOCAL GOVT.	12,700	13,200	500	4%	
10-20-5600-140	TRAVEL & TRAINING	500	500	-	0%	
10-20-5600-160	M & R EQUIPMENT	2,000	2,000	-	0%	
10-20-5600-170	M & R AUTO	3,500	3,500	-	0%	
10-20-5600-310	AUTO SUPPLIES	8,000	9,500	1,500	19%	Increased due to tire replacement for trucks
10-20-5600-330	DEPARTMENT SUPPLIES	5,500	5,500	-	0%	
10-20-5600-340	REPAVING AND WIDENING	0	0	-	0%	
10-20-5600-360	UNIFORMS	2,000	2,000	-	0%	
10-20-5600-450	CONTRACT SERVICES	16,000	14,000	(2,000)	-13%	Reduced based on actual expenditures

10-20-5600-480	INDIRECT COST ALLOCATION	-16,595	-23,200	(6,605)	40%	Revised to reflect shared expenses with Water Fund
10-20-5600-740	STREET LIGHTING	23,500	23,500	-	0%	
10-20-5600-760	BRIDGE INSPECTIONS	2,000	0	(2,000)	-100%	Bridge inspections are conducted every two years
10-20-5600-730	CAPITAL OUTLAY	1,253,000	1,114,000	(139,000)	-11%	Based on Capital Improvements Plan
10-20-5600-900	DEBT PAYMENT	0	0	-	#DIV/0!	
TOTALS		1,446,905	1,305,400	(141,505)	-10%	

POWELL BILL

DEPARTMENTAL GOAL

To provide and preserve the street infrastructure of the Town by maintaining roads, streets, bridges and sidewalks in order to promote safe travel.

KEY ACTION ITEMS

1. Perform road resurfacing on smaller portions of streets in accordance with the recommendation of the pavement management system.
2. Replace sixty stop signs with "retro-reflectivity signs" in compliance with new Federal and State program.

WORKLOAD INDICATORS

Number of Miles Maintained - Paved Roads

FY 12-13	FY 13-14	FY 14-15	FY 15-16
14.22	14.22	14.22	14.32

Number of Miles Maintained - Gravel Roads

FY 12-13	FY 13-14	FY 14-15	FY 15-16
1.00	1.00	1.00	0.90

Tons of Asphalt - Street Repairs

FY 12-13	FY 13-14	FY 14-15	FY 15-16
26	30	30	30

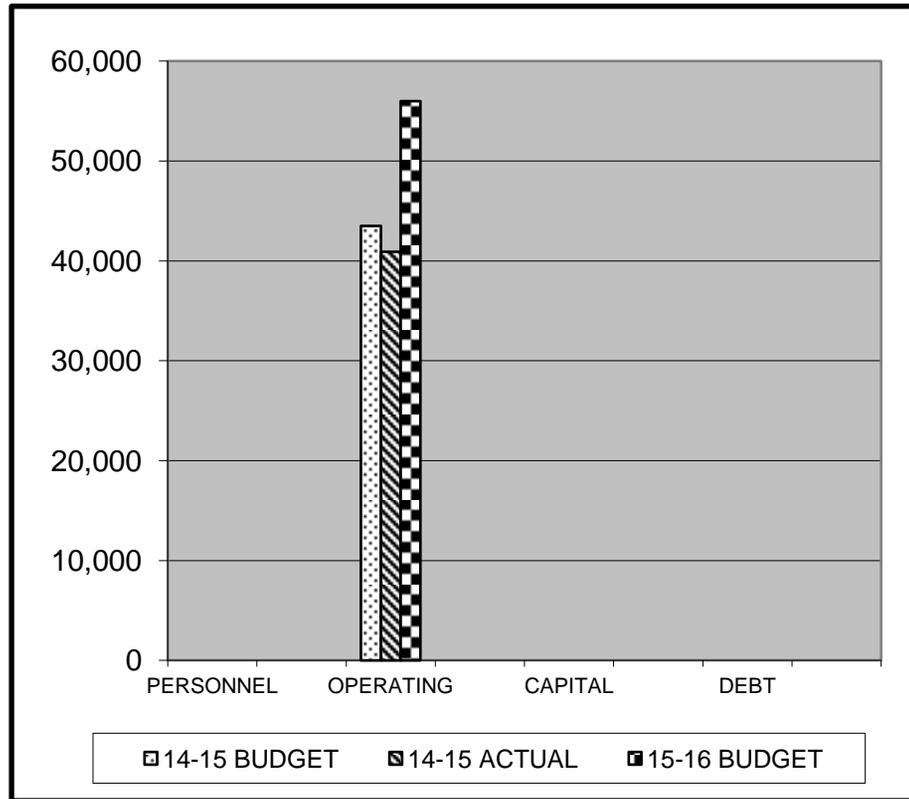
Number of Traffic Signs Replaced/Erected

FY 12-13	FY 13-14	FY 14-15	FY 15-16
47	35	35	80

FY 12-13	FY 13-14	FY 14-15	FY 15-16

FY 12-13	FY 13-14	FY 14-15	FY 15-16

POWELL BILL			
	APPROPRIATION FY 2014-2015	ESTIMATED EXPENDITURES JUNE 30, 2015	REQUEST FY 2015-2016
PERSONNEL:			
Salaries	0	0	0
Benefits	0	0	0
Subtotal	\$0	\$0	\$0
OPERATING EXPENSES			
Maintenance and Repair	41,500	39,900	54,000
Departmental Expenses	2,000	1,000	2,000
Utilities	0	0	0
Professional Services	0	0	0
Subtotal	\$43,500	\$40,900	\$56,000
CAPITAL OUTLAY	0	0	0
DEBT PAYMENT	0	0	0
TOTALS	\$43,500	\$40,900	\$56,000



**POWELL BILL
DETAIL NOTES**

1. Paving costs for small sections of roads in the amount of \$24,000 is included in the budget.
2. Includes cost for road restriping along Assembly Drive (\$12,500).

ACCOUNT NUMBER	DESCRIPTION	PRIOR YEAR FY 13-14	CURRENT YEAR BUDGET	ACTUAL @ 2-28-15	ESTIMATE @ 6-30-15	DEPT REQUEST FY 15-16	ADMINISTRATOR RECOMMENDED FY 15-16	BOARD APPROVED FY 15-16
PERSONNEL SERVICES:								
TOTALS:	PERSONNEL SERVICES	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATING EXPENSES:								
10-20-5700-740	NEW BRIDGE/CULVERT	1,076	3,000	0	3,000	3,000	3,000	
10-20-5700-750	ROAD MAINTENANCE	2,978	4,000	2,246	3,800	4,000	4,000	
10-20-5700-755	SIGNS/PAINTING	3,919	4,500	175	4,500	17,000	17,000	
10-20-5700-760	PATCHING	741	4,000	1,905	3,500	4,000	4,000	
10-20-5700-765	SURVEYS/MAPS	0	2,000	0	1,000	2,000	2,000	
10-20-5700-770	REPAVING/WIDENING	23,688	24,000	0	24,000	24,000	24,000	
10-20-5700-775	SNOW REMOVAL	1,052	2,000	1,076	1,100	2,000	2,000	
TOTALS:	OPERATING EXPENSES	\$33,454	\$43,500	\$5,402	\$40,900	\$56,000	\$56,000	\$0
CAPITAL OUTLAY:								
10-20-5700-730	CAPITAL OUTLAY	0	0	0	0	0	0	
TOTALS:	CAPITAL OUTLAY	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DEBT PAYMENT:								
10-20-5700-900	DEBT PAYMENT	0	0	0	0	0	0	
TOTALS:	DEBT PAYMENT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
POWELL BILL DEPARTMENT TOTAL:		\$33,454	\$43,500	\$5,402	\$40,900	\$56,000	\$56,000	\$0

<u>.740 NEW BRIDGE/CULVERT</u>		\$ 3,000
Replacement of Culverts	3,000	
<u>.750 ROAD MAINTENANCE</u>		\$ 4,000
General Maintenance to Roads	4,000	
<u>.755 SIGNS AND PAINTING</u>		\$ 17,000
General Maintenance to Road Signs	4,500	
Road Striping	12,500	
<u>.760 PATCHING</u>		\$ 4,000
Patching of Roads	4,000	
<u>.765 SURVEYS/MAPS</u>		\$ 2,000
Powell Bill Map	1,000	
Right of Way Surveying	1,000	
<u>.770 REPAVING/WIDENING</u>		\$ 24,000
Repaving and Widening of Roads	24,000	
<u>.775 SNOW REMOVAL</u>		\$ 2,000
Salt, Sand and Snow Removal Costs	2,000	
<u>.730 CAPITAL OUTLAY</u>		\$ -

ACCOUNT NUMBER	DESCRIPTION	CURRENT YEAR BUDGET	FY 15-16 REQUEST	INC/(DEC)	%	JUSTIFICATION
10-20-5700-740	NEW BRIDGE/CULVERT	3,000	3,000	-	0%	
10-20-5700-750	ROAD MAINTENANCE	4,000	4,000	-	0%	
10-20-5700-755	SIGNS/PAINTING	4,500	17,000	12,500	278%	Increased to reflect restriping of Assembly Drive, Kentucky Road, and Kanawha Road
10-20-5700-760	PATCHING	4,000	4,000	-	0%	
10-20-5700-765	SURVEYS/MAPS	2,000	2,000	-	0%	
10-20-5700-770	REPAVING/WIDENING	24,000	24,000	-	0%	
10-20-5700-775	SNOW REMOVAL	2,000	2,000	-	0%	
10-20-5700-730	CAPITAL OUTLAY	0	0	-	#DIV/0!	
TOTALS		43,500	56,000	12,500	29%	

SANITATION

DEPARTMENTAL GOAL

The Sanitation Department is responsible for the collection and disposal of solid waste, recyclables, yard waste and white goods within the Town of Montreat.

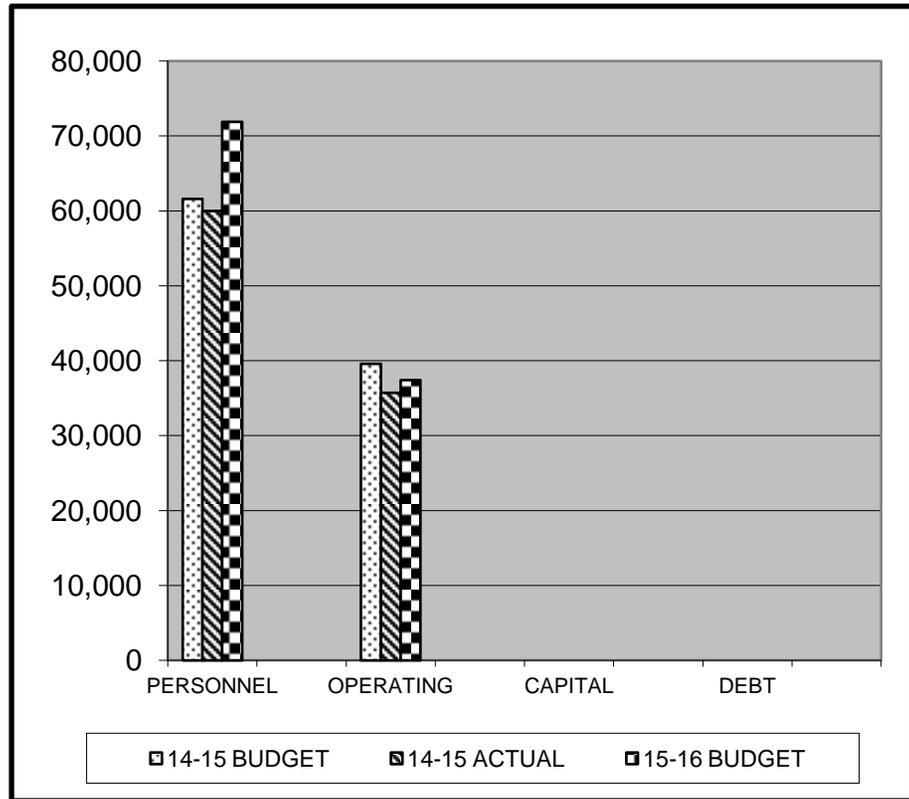
KEY ACTION ITEMS

1. Distribute updated public education sanitation and recycling brochure.
2. Consider and conduct additional research into alternative sanitation service delivery system methods.
3. Complete a review of the Town's compactor site, including public access and safety, facility hours and service fees.

WORKLOAD INDICATORS

<u>Number of Households Served</u>			
FY 12-13	FY 13-14	FY 14-15	FY 15-16
667	667	667	669
<u>Cost per Household - Solid Waste Collection/Disposal</u>			
FY 12-13	FY 13-14	FY 14-15	FY 15-16
\$81.13	\$74.57	\$74.50	\$75.00
<u>Cost per Household - Recycling</u>			
FY 12-13	FY 13-14	FY 14-15	FY 15-16
\$44.86	\$44.42	\$44.22	\$45.00
<u>Cost per Household - Other Programs</u>			
FY 12-13	FY 13-14	FY 14-15	FY 15-16
\$24.73	\$24.92	\$25.00	\$25.50
<u>Tons Processed - Solid Waste</u>			
FY 12-13	FY 13-14	FY 14-15	FY 15-16
251.59	206.22	206.85	200.00
<u>Tons Processed - Recycling/Yard Waste</u>			
FY 12-13	FY 13-14	FY 14-15	FY 15-16
64.06 and 443.06	68.38 and 439.32	63.34 and 440.00	65 and 445

SANITATION			
	APPROPRIATION FY 2014-2015	ESTIMATED EXPENDITURES JUNE 30, 2015	REQUEST FY 2015-2016
PERSONNEL:			
Salaries	47,200	46,600	56,800
Benefits	14,400	13,400	15,100
Subtotal	\$61,600	\$60,000	\$71,900
OPERATING EXPENSES			
Maintenance and Repair	1,900	1,900	1,900
Departmental Expenses	19,200	15,550	22,500
Utilities	500	475	500
Professional Services	18,000	17,800	12,500
Subtotal	\$39,600	\$35,725	\$37,400
CAPITAL OUTLAY			
	0	0	0
DEBT PAYMENT			
	0	0	0
TOTALS	\$101,200	\$95,725	\$109,300



SANITATION DETAIL NOTES

1. Provides funding for in-house sanitation services including garbage collection and disposal, recycling, yard waste pick-up and white goods disposal.
2. Proposed funding for part-time staffing of the convenience center (\$12,750).

ACCOUNT NUMBER	DESCRIPTION	PRIOR YEAR FY 13-14	CURRENT YEAR BUDGET	ACTUAL @ 2-28-15	ESTIMATE @ 6-30-15	DEPT REQUEST FY 15-16	ADMINISTRATOR RECOMMENDED FY 15-16	BOARD APPROVED FY 15-16
PERSONNEL SERVICES:								
10-30-5800-020	SALARIES & WAGES	31,560	32,200	22,964	32,300	41,800	41,800	
10-30-5800-040	CONTRACT SERVICES	13,626	15,000	10,506	14,300	15,000	15,000	
10-30-5800-050	FICA EXPENSE	2,414	2,500	1,664	2,500	3,300	3,300	
10-30-5800-060	GROUP HEALTH INSURANCE	7,393	8,000	5,935	7,200	7,800	7,800	
10-30-5800-070	RETIREMENT - LOCAL GOVT.	3,811	3,900	2,565	3,700	4,000	4,000	
TOTALS:	PERSONNEL SERVICES	\$58,804	\$61,600	\$43,634	\$60,000	\$71,900	\$71,900	\$0
OPERATING EXPENSES:								
10-30-5800-110	TELEPHONE	679	700	466	750	750	750	
10-30-5800-130	UTILITIES	476	500	319	475	500	500	
10-30-5800-160	M & R EQUIPMENT	145	400	0	400	400	400	
10-30-5800-170	M & R TRUCKS	1,322	1,500	1,134	1,500	1,500	1,500	
10-30-5800-310	AUTO SUPPLIES	4,273	5,000	3,143	4,500	5,000	5,000	
10-30-5800-330	SUPPLIES/TOOLS	434	1,000	276	800	4,000	4,000	
10-30-5800-360	UNIFORMS	360	500	0	500	750	750	
10-30-5800-450	CONTRACT SERVICES - SANITATION	0	0	0	0	0	0	
10-30-5800-451	CONTRACT SERVICES - DUMPSTER	20,596	18,000	15,058	17,800	12,500	12,500	
10-30-5800-550	TIPPING FEES	8,905	12,000	6,495	9,000	12,000	12,000	
TOTALS:	OPERATING EXPENSES	\$37,190	\$39,600	\$26,891	\$35,725	\$37,400	\$37,400	\$0
CAPITAL OUTLAY:								
10-30-5800-730	CAPITAL OUTLAY	0	0	0	0	0	0	0
TOTALS:	CAPITAL OUTLAY	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DEBT PAYMENT:								
10-30-5800-900	DEBT PAYMENT	0	0	0	0	0	0	0
TOTALS:	DEBT PAYMENT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SANITATION DEPARTMENT TOTAL:		\$95,994	\$101,200	\$70,525	\$95,725	\$109,300	\$109,300	\$0

<u>.020 SALARIES AND WAGES</u>		\$ 41,800
Utility Maintenance Worker	33,000	
Convenience Center - Part Time	8,800	
<u>.040 CONTRACT SERVICES</u>		\$ 15,000
Part-Time Laborers	15,000	
<u>.110 TELEPHONE</u>		\$ 750
Cell Phone	750	
<u>.130 UTILITIES</u>		\$ 500
Two Compactors	500	
<u>.170 M & R EQUIPMENT</u>		\$ 400
Maintenance costs for Equipment	400	
<u>.170 M & R TRUCKS</u>		\$ 1,500
Maintenance costs for 2 vehicles	1,500	
<u>.310 AUTO SUPPLIES</u>		\$ 5,000
Gas, Oil and Tires for 2 vehicles	5,000	
<u>.330 DEPARTMENT SUPPLIES</u>		\$ 4,000
General Supplies/Tools	500	
Miscellaneous Supplies	500	
Convenience Center	3,000	
<u>.360 UNIFORMS</u>		\$ 750
Uniforms for 1 employee	750	
<u>.450 CONTRACT SERVICES - COMPACTORS</u>		\$ 12,500
Rental and Hauling of 2 Compactors	12,500	
<u>.550 TIPPING FEES</u>		\$ 12,000
Buncombe County Tipping Fees	12,000	

<u>.900 DEBT SERVICE</u>	\$	-
Debt Service	0	

ACCOUNT NUMBER	DESCRIPTION	CURRENT YEAR BUDGET	FY 15-16 REQUEST	INC/(DEC)	%	JUSTIFICATION
10-30-5800-020	SALARIES & WAGES	32,200	41,800	9,600	30%	Increased to provide part-time staffing of the convenience center
10-30-5800-040	CONTRACT SERVICES	15,000	15,000	-	0%	
10-30-5800-050	FICA EXPENSE	2,500	3,300	800	32%	Increased to provide part-time staffing of the convenience center
10-30-5800-060	GROUP HEALTH INSURANCE	8,000	7,800	(200)	-3%	
10-30-5800-070	RETIREMENT - LOCAL GOVT.	3,900	4,000	100	3%	
10-30-5800-110	TELEPHONE	700	750	50	7%	Increased to reflect actual costs
10-30-5800-130	UTILITIES	500	500	-	0%	
10-30-5800-160	M & R EQUIPMENT	400	400	-	0%	
10-30-5800-170	M & R TRUCKS	1,500	1,500	-	0%	
10-30-5800-310	AUTO SUPPLIES	5,000	5,000	-	0%	
10-30-5800-330	SUPPLIES/TOOLS	1,000	4,000	3,000	300%	Includes one-time costs for staffing convenience center (\$3,000)
10-30-5800-360	UNIFORMS	500	750	250	50%	Increased to provide part-time staffing of the convenience center

10-30-5800-450	CONTRACT SERVICES - SANITATION	0	0	-	#DIV/0!	
10-30-5800-451	CONTRACT SERVICES - DUMPSTER	18,000	12,500	(5,500)	-31%	In accordance with CWS five year contract, the last two years includes no rental fee for compactors. Hauling fee continues.
10-30-5800-550	TIPPING FEES	12,000	12,000	-	0%	
10-20-5550-730	CAPITAL OUTLAY	0	0	-	#DIV/0!	
10-20-5550-900	DEBT PAYMENT	0	0	-	#DIV/0!	
TOTALS		101,200	109,300	8,100	8%	

ENVIRONMENT, CONSERVATION
AND RECREATION

DEPARTMENTAL GOAL

The Parks and Recreation Committee of the Town of Montreat recommends plans, policies and community actions that meet the desires, needs and opinions of the citizens of Montreat for the protection of greenspace and the safety of walkers, joggers, hikers, bicyclists, bird-watchers and nature lovers.

KEY ACTION ITEMS

1. Promote and support the Tree City USA, Open Space Conservation and Montreat Landcare program initiatives.
2. Complete Phase II of the Native Plant Garden project, pending available funding and property acquisition.
3. Promote public education and involvement with Open Space Conservation, Landcare and other environmental conservation initiatives and projects.
4. Initiate planning and engineering for the next phase of the Greenways/Trails Master Plan.
5. Purchase and install a bicycle rack on Town property.

WORKLOAD INDICATORS

Number of Meetings Attended

FY 12-13	FY 13-14	FY 14-15	FY 15-16
12	11	11	11

Grant Dollars Secured

FY 12-13	FY 13-14	FY 14-15	FY 15-16
115,160	5,000	0	5,000

FY 12-13	FY 13-14	FY 14-15	FY 15-16

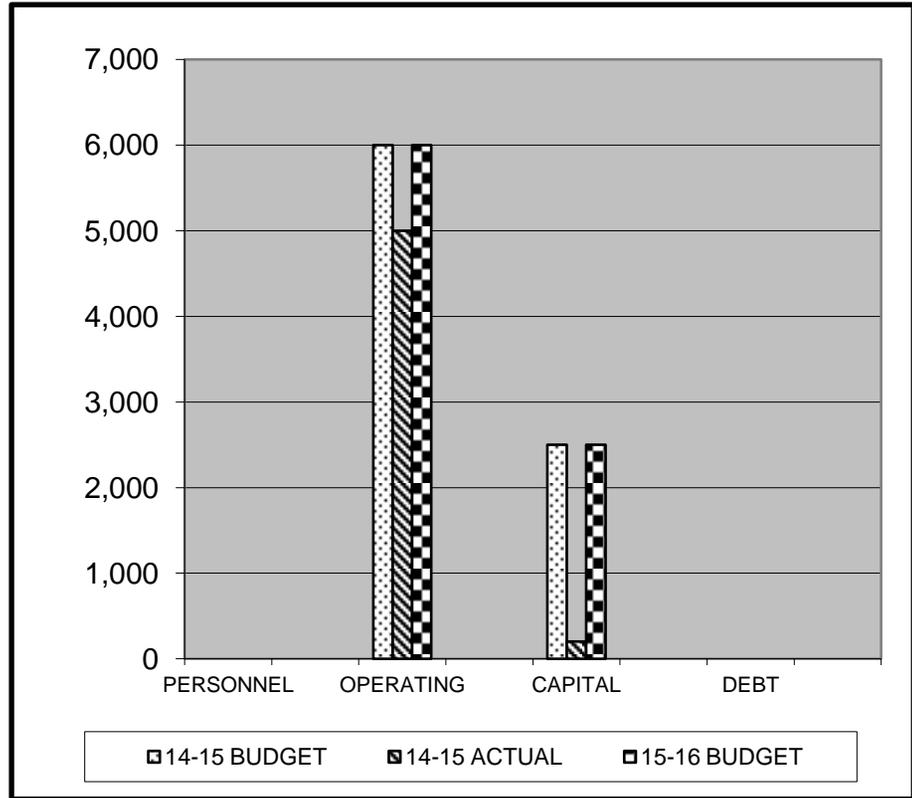
FY 12-13	FY 13-14	FY 14-15	FY 15-16

FY 12-13	FY 13-14	FY 14-15	FY 15-16

FY 12-13	FY 13-14	FY 14-15	FY 15-16

ENVIRONMENT, CONSERVATION & RECREATION

	APPROPRIATION FY 2014-2015	ESTIMATED EXPENDITURES JUNE 30, 2015	REQUEST FY 2015-2016
PERSONNEL:			
Salaries	0	0	0
Benefits	0	0	0
Subtotal	\$0	\$0	\$0
OPERATING EXPENSES			
Maintenance and Repair	0	0	0
Departmental Expenses	1,000	500	1,000
Utilities	0	0	0
Professional Services	5,000	4,500	5,000
Subtotal	\$6,000	\$5,000	\$6,000
CAPITAL OUTLAY	2,500	200	2,500
DEBT PAYMENT	0	0	0
TOTALS	\$8,500	\$5,200	\$8,500



ENVIRONMENT & RECREATION DETAIL NOTES

1. Funding is provided for the Landcare Committee in the amount of \$1,000 and continues partial funding for the native plant garden (\$2,500).
2. Funding is provided for replenishing of the Open Space Conservation Fund.

ACCOUNT NUMBER	DESCRIPTION	PRIOR YEAR FY 13-14	CURRENT YEAR BUDGET	ACTUAL @ 2-28-15	ESTIMATE @ 6-30-15	DEPT REQUEST FY 15-16	ADMINISTRATOR RECOMMENDED FY 15-16	BOARD APPROVED FY 15-16
PERSONNEL SERVICES:								
TOTALS:	PERSONNEL SERVICES	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATING EXPENSES:								
10-80-6190-340	LANDCARE COMMITTEE	691	1,000	90	500	1,000	1,000	
10-80-6190-450	GREENWAY DEVELOPMENT	158,401	0	0	0	0	0	
10-80-6190-710	OPEN SPACE CONSERVATION	1,680	5,000	0	4,500	5,000	5,000	
TOTALS:	OPERATING EXPENSES	\$160,772	\$6,000	\$90	\$5,000	\$6,000	\$6,000	\$0
CAPITAL OUTLAY:								
10-80-6190-730	CAPITAL OUTLAY	198	2,500	198	200	2,500	2,500	
TOTALS:	CAPITAL OUTLAY	\$198	\$2,500	\$198	\$200	\$2,500	\$2,500	\$0
DEBT PAYMENT:								
10-80-6100-900	DEBT PAYMENT	0	0	0	0	0	0	0
TOTALS:	DEBT PAYMENT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RECREATION DEPARTMENT TOTAL:		\$160,970	\$8,500	\$288	\$5,200	\$8,500	\$8,500	\$0

<u>.340 LANDCARE COMMITTEE</u>		\$ 1,000
Miscellaneous Expense	1,000	
<u>.450 GREENWAY DEVELOPMENT</u>		\$ -
	-	
<u>.710 OPEN SPACE CONSERVATION</u>		\$ 5,000
Legal Fees, Surveys and Associated Costs	5,000	
<u>.730 CAPITAL OUTLAY</u>		\$ 2,500
Native Plant Garden	2,500	

ACCOUNT NUMBER	DESCRIPTION	CURRENT YEAR BUDGET	FY 15-16 REQUEST	INC/(DEC)	%	JUSTIFICATION
10-80-6190-340	LANDCARE COMMITTEE	1,000	1,000	-	0%	
10-80-6190-450	GREENWAY DEVELOPMENT	0	0	-	#DIV/0!	
10-80-6190-710	OPEN SPACE CONSERVATION	5,000	5,000	-	0%	
10-80-6190-730	CAPITAL OUTLAY	2,500	2,500	-	0%	Reduced to reflect actual expenditures for native plant garden.
TOTALS		8,500	8,500	-	0%	

WATER

DEPARTMENTAL GOAL

The Water Department of the Town of Montreat provides a continuous supply of high quality water at a reasonable cost and provides professional quality customer service, effective communication and accurate administration of the water system records.

KEY ACTION ITEMS

1. Replace approximately fifteen (15) air valves within the water system.
2. Complete water line replacement along Texas Spur from Well B to Texas Extension.
3. Update and digitize the water modeling map.
4. Develop and implement an electronic inventory system for the water system.
5. Complete and adopt revisions to Montreat General Ordinance Chapter E – Utilities.

WORKLOAD INDICATORS

Number of Water Bills Processed

FY 12-13	FY 13-14	FY 14-15	FY 15-16
8,028	8,050	8,050	8,052

Number of Water Meters Replaced

FY 12-13	FY 13-14	FY 14-15	FY 15-16
8	12	14	20

Total Water Receipts and Deposits Processed

FY 12-13	FY 13-14	FY 14-15	FY 15-16
3,840	3,850	3,850	3,850

Water Bill Collection Rate

FY 12-13	FY 13-14	FY 14-15	FY 15-16
98.00%	98.00%	98.00%	98.00%

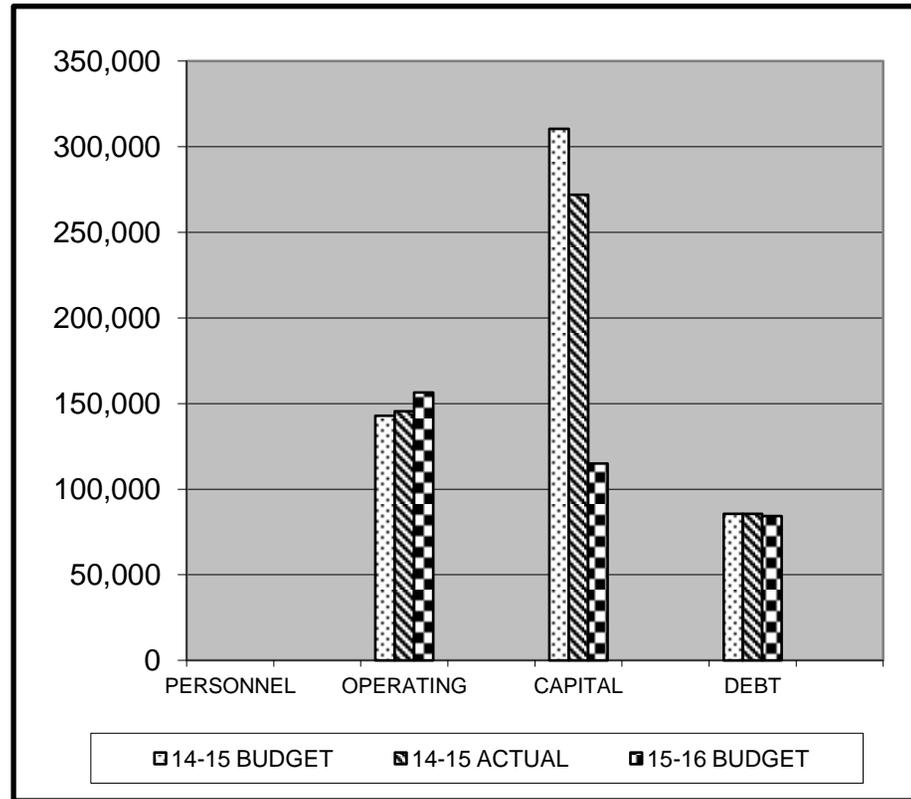
Number of New Taps

FY 12-13	FY 13-14	FY 14-15	FY 15-16
3	0	2	2

Number of Leaks Repaired

FY 12-13	FY 13-14	FY 14-15	FY 15-16
7	6	5	6

WATER			
	APPROPRIATION FY 2014-2015	ESTIMATED EXPENDITURES JUNE 30, 2015	REQUEST FY 2015-2016
PERSONNEL:			
Salaries	0	0	0
Benefits	0	0	0
Subtotal	\$0	\$0	\$0
OPERATING EXPENSES			
Maintenance and Repair	25,000	28,000	27,000
Departmental Expenses	87,900	89,200	99,400
Utilities	30,000	28,200	30,000
Professional Services	0	0	0
Subtotal	\$142,900	\$145,400	\$156,400
CAPITAL OUTLAY	310,500	272,000	115,000
DEBT PAYMENT	85,600	85,600	84,200
TOTALS	\$539,000	\$503,000	\$355,600



WATER DETAIL NOTES

1. Debt Service is budgeted in the amount of \$84,200 for the Water Bond Payment (\$36,700), the ARRA Debt Service Payment (\$31,500), and the Backhoe Debt Payment (\$16,000).
2. Under Capital Outlay, the water line replacement project on Texas Road is budgeted for \$55,000, the water storage facility on Greybeard for \$55,000 and the Portable Generator project for \$5,000.

ACCOUNT NUMBER	DESCRIPTION	PRIOR YEAR FY 13-14	CURRENT YEAR BUDGET	ACTUAL @ 2-28-15	ESTIMATE @ 6-30-15	DEPT REQUEST FY 15-16	ADMINISTRATOR RECOMMENDED FY 15-16	BOARD APPROVED FY 15-16
PERSONNEL SERVICES:								
SALARIES & BENEFITS								
TOTALS:	PERSONNEL SERVICES	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATING EXPENSES:								
30-91-8100-030	WATER SAMPLES	3,563	4,000	3,973	8,000	8,200	8,200	
30-91-8100-090	WATER PURCHASES	0	500	0	0	500	500	
30-91-8100-100	POSTAGE	2,580	2,500	1,577	2,400	2,500	2,500	
30-91-8100-110	TELEPHONE	2,105	2,000	1,384	2,100	2,000	2,000	
30-91-8100-130	UTILITIES	28,439	30,000	17,747	28,200	30,000	30,000	
30-91-8100-140	TRAVEL AND TRAINING	221	1,000	176	800	800	800	
30-91-8100-150	M&R WELLS	15,486	20,000	18,613	23,000	21,000	21,000	
30-91-8100-160	M&R EQUIPMENT	6,020	5,000	1,234	5,000	6,000	6,000	
30-91-8100-310	AUTO SUPPLIES	3,144	5,000	1,446	4,000	5,000	5,000	
30-91-8100-330	DEPARTMENTAL SUPPLIES	932	2,000	1,896	2,000	2,000	2,000	
30-91-8100-340	SPECIAL ASSESSMENT EXPENSE	89,606	0	0	0	0	0	
30-91-8100-480	INDIRECT COST ALLOCATION	78,013	68,600	51,450	68,600	76,400	76,400	
30-91-8100-530	DUES & SUBSCRIPTIONS	1,225	2,300	1,240	1,300	2,000	2,000	
30-91-8100-570	CONTRIBUTION TO GENERAL FUND	0	0	0	0	0	0	
TOTALS:	OPERATING EXPENSES	\$231,334	\$142,900	\$100,736	\$145,400	\$156,400	\$156,400	\$0
CAPITAL OUTLAY:								
30-91-8100-730	CAPITAL OUTLAY	9,289	310,500	9,120	272,000	115,000	115,000	
30-91-8100-770	WATER PROJECT	0	0	0	0	0	0	
TOTALS:	CAPITAL OUTLAY	\$9,289	\$310,500	\$9,120	\$272,000	\$115,000	\$115,000	\$0
DEBT PAYMENT:								
30-91-8100-900	DEBT PAYMENT	53,424	85,600	2,618	85,600	84,200	84,200	
TOTALS:	DEBT PAYMENT	\$53,424	\$85,600	\$2,618	\$85,600	\$84,200	\$84,200	\$0
WATER DEPARTMENT TOTAL:		\$294,047	\$539,000	\$112,474	\$503,000	\$355,600	\$355,600	\$0

<u>.030 WATER SAMPLES</u>		\$ 8,200
Water Testing	8,200	
<u>.090 WATER PURCHASES</u>		\$ 500
Water Purchase from Black Mountain	500	
<u>.100 POSTAGE</u>		\$ 2,500
Water Bill Postage	2,500	
<u>.110 TELEPHONE</u>		\$ 2,000
Cell Phone - Public Works Director	800	
Local Service	1,000	
Long Distance Service	200	
<u>.130 UTILITIES</u>		\$ 30,000
Wells/Booster Stations/Tanks	30,000	
<u>.140 TRAVEL AND TRAINING</u>		\$ 800
Licenses/Certifications	600	
Workshops/Training Seminars	200	
<u>.150 M&R WELLS</u>		\$ 21,000
Repair to Wells/Generator Wiring	15,000	
Chemicals	5,000	
Miscellaneous Maintenance/Repair	1,000	
<u>.160 M&R EQUIPMENT</u>		\$ 6,000
Repair to Pumps, Backhoe and	4,000	
Other Equipment	1,000	
Miscellaneous Maintenance/Repair	1,000	
<u>.310 AUTO SUPPLIES</u>		\$ 5,000
Gas, Tires and Oil for 1 vehicle and equipment	5,000	
<u>.330 DEPARTMENTAL SUPPLIES</u>		\$ 2,000
General Office Supplies	500	
Water Supplies and Tools	1000	
Miscellaneous Supplies	500	
<u>.530 DUES & SUBSCRIPTIONS</u>		\$ 2,000
Water Organizational Dues	2,000	

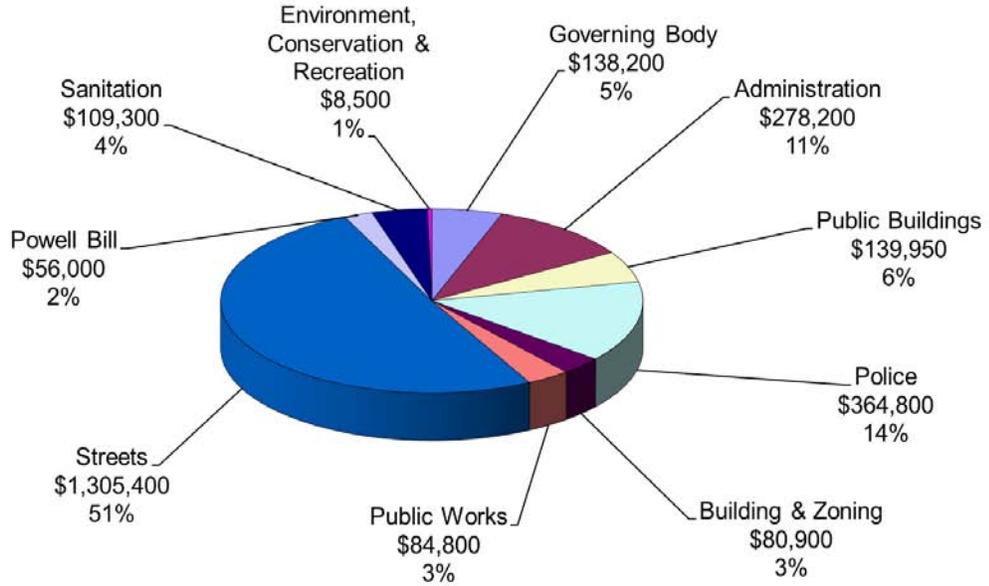
<u>.480 INDIRECT COST ALLOCATION</u>		\$ 76,400
Costs Shared	76,400	
<u>.730 CAPITAL OUTLAY</u>		\$ 115,000
Water Line Replacement - Texas Road	55,000	
Water Storage Facility - Greybeard	55,000	
Portable Generator Project	5,000	
Upper Kentucky Assessment Projects	-	
	-	
<u>.770 WATER PROJECT</u>		\$ -
	-	
<u>.900 DEBT PAYMENT</u>		\$ 84,200
Water Bond Payment	36,700	
ARRA Debt Service Payment	31,500	
Backhoe Replacement Debt Payment	16,000	

ACCOUNT NUMBER	DESCRIPTION	CURRENT YEAR BUDGET	FY 15-16 REQUEST	INC/(DEC)	%	JUSTIFICATION
30-91-8100-030	WATER SAMPLES	4,000	8,200	4,200	105%	Increased due to the addition of testing for the three wells on Greybeard
30-91-8100-090	WATER PURCHASES	500	500	-	0%	
30-91-8100-100	POSTAGE	2,500	2,500	-	0%	
30-91-8100-110	TELEPHONE	2,000	2,000	-	0%	
30-91-8100-130	UTILITIES	30,000	30,000	-	0%	
30-91-8100-140	TRAVEL AND TRAINING	1,000	800	(200)	-20%	Decreased based on actual expenditures
30-91-8100-150	M&R WELLS	20,000	21,000	1,000	5%	Increased based on actual expenditures
30-91-8100-160	M&R EQUIPMENT	5,000	6,000	1,000	20%	Increased based on actual expenditures
30-91-8100-310	AUTO SUPPLIES	5,000	5,000	-	0%	
30-91-8100-330	DEPARTMENTAL SUPPLIES	2,000	2,000	-	0%	
30-91-8100-530	DUES & SUBSCRIPTIONS	2,300	2,000	(300)	-13%	Decreased based on actual expenditures
30-91-8100-570	CONTRIBUTION TO GENERAL FUND	0	0	-	#DIV/0!	

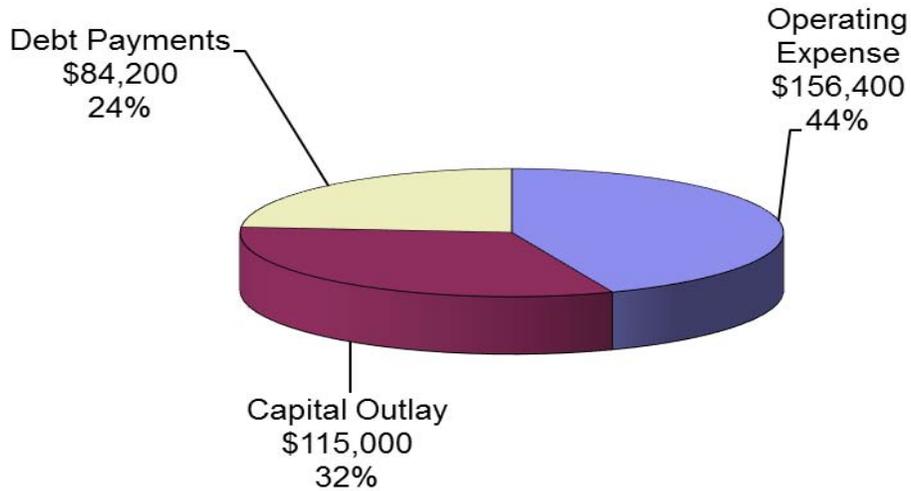
30-91-8100-730	CAPITAL OUTLAY	310,500	115,000	(195,500)	-63%	Decreased due to completion of Upper Kentucky Road project
30-91-8100-770	WATER PROJECT	0	0	-	#DIV/0!	
30-91-8100-900	DEBT PAYMENT	85,600	84,200	(1,400)	-2%	
TOTALS		470,400	279,200	(191,200)	-41%	

General and Water Fund Expenditure Category Summary

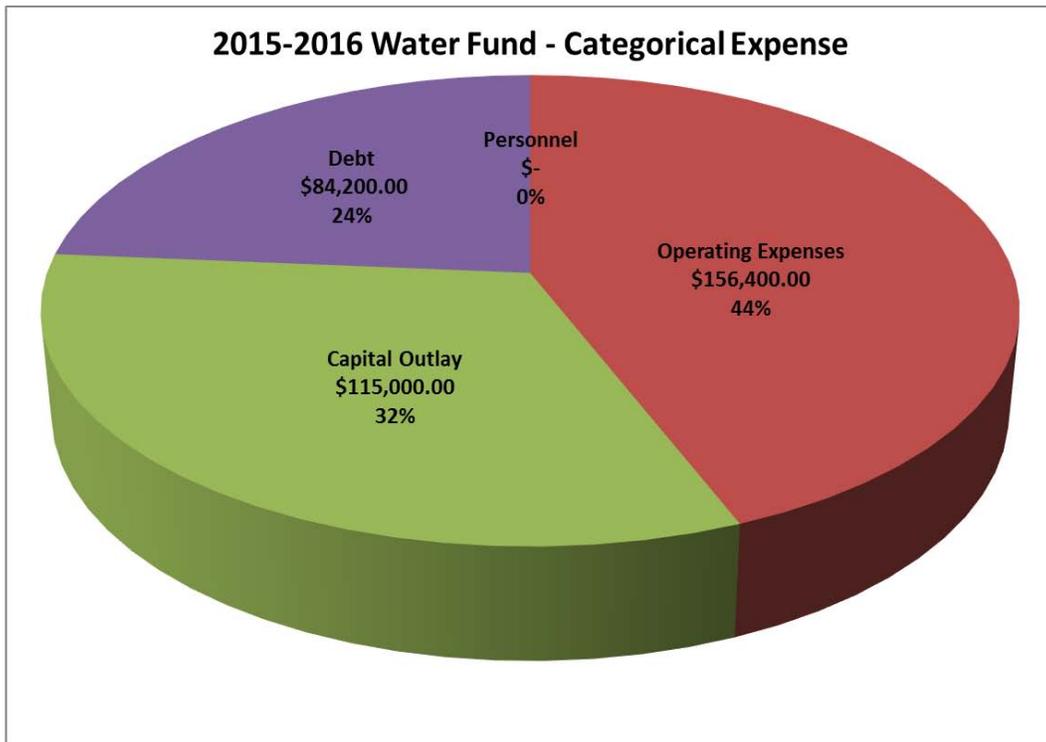
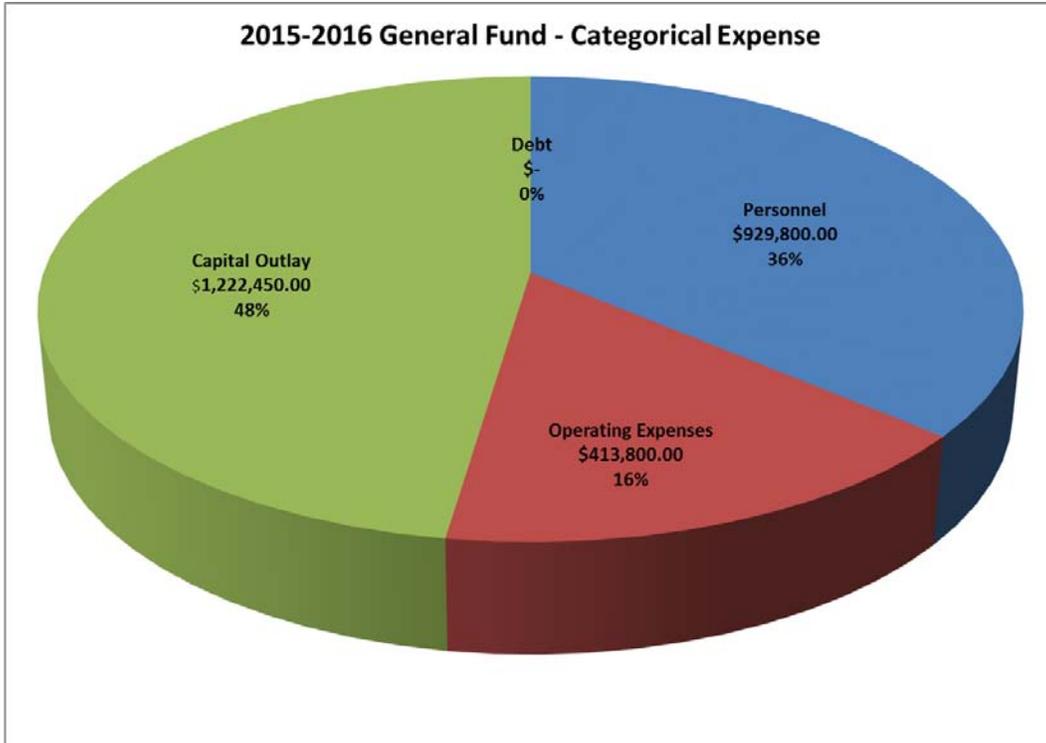
General Fund Expenditures FY 2015-2016



Water Fund Expenditures FY 2015-2016



General and Water Fund Expenditure Category Summary



Glossary and Miscellaneous Statistics

Glossary

Accrual Accounting - A basis of accounting which revenues and expenses are recorded at the time they are incurred, instead of when cash is actually received or disbursed.

Ad Valorem Taxes - Please see Property Taxes.

Appropriation - An authorization granted by the Board of Commissioners to make expenditures and incur obligations for purposes specified in the Budget Ordinance.

Assessed Valuation - A value established by the Buncombe County Tax Assessor's office for real and personal property to be used as a basis for levying property taxes.

Balanced Budget - When planned expenditures equal anticipated revenues. The North Carolina Local Government Budget and Fiscal Control Act requires the budget, which is submitted to the Board of Commissioners, to be balanced.

Bond - A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects.

Budget - A plan of financial operation for the Town of Montreat and its various municipal services, which includes estimated revenues and expenditures for a specific fiscal year.

Budget Amendment - A procedure used by the Town staff and Board of Commissioners to revise a budget appropriation.

Budget Calendar - A schedule, which outlines the process of budget preparation, adoption, and administration.

Budget Document - The official document, representing a comprehensive financial program for a specific fiscal year, which is prepared by the Town staff and approved by the Board of Commissioners. The document presents policies and various budgetary information which reflect decisions made by the Board of Commissioners.

Budget Message - A general discussion of the budget which provides the Board of Commissioners and the public with a general summary of the most important aspects of the budget, changes from previous fiscal years, and the views and recommendations of the Town Administrator.

Budget Ordinance - A document adopted by the Board of Commissioners which lists revenues by source, appropriations by department or fund, and levies taxes for the coming fiscal year.

Capital Outlay - Items (i.e. vehicles, equipment, and furniture) purchased by the Town which have an expected life exceeding one year.

Cash Accounting - Basis of accounting which recognizes revenues when a government receives cash and costs when it disburses cash.

Cash Management - The management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships.

Contingency - Accounts for which funds are set aside for unforeseen expenditures which may become necessary during the year. The Board of Commissioners must approve use of the funds before they can be appropriated.

Debt Service - An obligation by the Town to pay the principal and interest of all bonds and other debt instruments (lease-purchase agreements, etc.) according to a predetermined payment schedule.

Department - A unit of the Town government which is responsible for performing a primary governmental function.

Delinquent Taxes - Taxes that remain unpaid on and after the due date on which a penalty for nonpayment is attached.

Effectiveness - A measure of the extent to which a desired or anticipated result is attained.

Encumbrance - The commitment of appropriated funds to purchase an item or service. To encumber funds is to set aside or commit funds for future expenditures.

Enterprise Fund - A fund used to account for activities that are financed and operated in a manner similar to business enterprises and for which a fee for services is charged. Fees are charged to the consumers (users) of the service to completely or partially recover the expenses of the operation. Enterprise Funds typically include public utilities, sanitation, airports, golf courses and transportation systems.

Estimated Revenue - The amount of projected revenue to be collected during the fiscal year. The amount of revenue appropriated is the amount approved by the Board of Commissioners in the Budget Ordinance.

Expenditure - The cost of goods or services received by the Town.

Fiscal Year - The time period which indicates the start and finish for recording financial transactions. The Fiscal Year for the Town of Montreat starts on July 1st and ends on June 30th.

Fixed Assets - Assets of a long-term character which are intended to be held or used, such as land, buildings, machinery, furniture, and equipment.

Fund - A separate fiscal and accounting entity with a separate set of accounting records that governments segregate to carry on a specific activity.

Fund Balance - The cash and investments, which remain at the end of the fiscal year, which can legally be appropriated to fund expenditures in the upcoming fiscal year. The Local Government Budget Fiscal and Fiscal Control Act limits the amount of fund balance monies which may be appropriated in the next budget year.

GAAP - Generally Accepted Accounting Principals (GAAP) relates to accounting rules and uniform standards for financial reporting, representing generally accepted practices and procedures of the accounting profession. GAAP provides a set of minimum standards and guidelines for financial accounting and reporting. Therefore, all GAAP-Basis Financial statements are reasonably comparable, regardless of the legal jurisdiction or geographic location of the government.

General Fund - A fund established to account for the resources used for the general operation of the Town.

General Ledger - An accounting file (mechanism) which is a grouping of the accounts in which the activities of the Town are recorded.

General Obligation Bonds - Debt instruments issued by the Town, which are backed by the full faith and credit of the issuing government.

Goal - A broad/general statement of direction based on the needs of the community and government.

Indicator - A quantitative measure or index which may represent the degree of presence or magnitude of change in a condition.

Interfund Transfer - Money transferred from one fund to another.

Intergovernmental Revenue - Revenue received from another government for a specified purpose.

Investment Revenue - Revenue earned on investments with a third party. The town uses a pool cash system. All the funds' cash is pooled and invested together. The interest earned is then allocated back to the individual funds by the average cash balance in that fund.

LGBFCA - The Local Governmental Budget and Fiscal Control Act governs all financial activities of local governments within the state of North Carolina.

Local Government Commission - A commission of the N.C. State Treasurer's Office established by the General Assembly and responsible for overseeing the financial activities of local governments in North Carolina. The Commission may prescribe rules and regulations having the same force of law.

Long Term Debt - Debt with a maturity of more than one year after the date of issuance.

Maturities - The dates on which the principal or stated values of investments or debt obligations mature and may be reclaimed.

Modified Accrual Accounting - A basis of accounting in which expenditures are accrued but revenues are accounted for on a cash basis. This accounting technique is a combination of cash and accrual accounting since expenditures are immediately incurred as a liability while revenues are not recorded until they are actually received or are "measurable" and "available for expenditure."

Objective - A statement of specific direction, which is to be accomplished by the staff or departments.

Operating Transfer - Routine and/or recurring transfers of assets (money) between funds.

Program - An organized set or related work activities, which are directed toward accomplishing a common goal. Each Town department is usually responsible for a number of related service programs.

Property Taxes (Ad Valorem) - Taxes paid by property owners in the Town of Montreat. These taxes are levied on both real and personal property, according to the property's valuation and the tax rate.

Property Tax Rate - The rate at which real and personal property in Town is taxed in order to produce the necessary revenues to conduct vital governmental activities. The current tax rate in the Town of Montreat is \$.41 per \$100 of assessed valuation.

Recommended Budget - The budget proposal made by the Town Administrator and presented to the Board of Commissioners.

Retained Earnings - An equity account reflecting the accumulated earnings of an Enterprise Fund.

Revenue - Income received from a variety of sources and used to finance government or enterprise operations.

Special Assessment - A mandatory levy made against specific properties to absorb part or all of the cost of a specific improvement or service deemed primarily to benefit those certain properties.

Tax Levy - The total amount of revenue to be raised by property (ad valorem) taxes.

Unencumbered Balance - The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purchases.

User Fees - The payment of a fee for direct receipt of a public service by the party benefiting from the service.

Miscellaneous Statistics

Town of Montreat, North Carolina
June 30, 2015

Date of Incorporation	1967
Form of Government	Mayor/Council
Number of Employees	
Classified	12
Exempt	2
Total	14
Area in Square Miles	6
Miles in Streets	14.08 paved 1.29 gravel
Police Protection	
Number of Stations	1
Number of Police Officers	
Full Time Paid	5
Auxiliary	4
Number of Calls Answered - 2014	6,669
Water System	
Number of Water Customers	674
Number of Residential Customers	646
Number of Industrial/Commercial Customers	0
Number of Institutional Customers	28
Average Daily Production	92,300 gallons
Reservoir Capacity (gallons)	600,000
Transmission Lines (miles)	
Less than Six Inch	2
Six Inch	15
Eight Inch	2
Fire Hydrants	90

Other Local Entities**Black Mountain Fire Department**

Stations	3
Number of Personnel	
Full Time	19
Volunteers	25
Call Volume – 2014	2,065
Average Calls Per Month	172
Total Calls, Training and Extra Duty Hours	51,983
Fire Loss – 2014	\$ 897,850 – Includes the Town of Black Mountain and Montreat
Fire Loss Ratio	.12
Value of Property exposed to Fire Loss	\$ 7,799,830

Major Causes of Fires in Black Mountain and Montreat

- 1) Incendiarism (set fires)
- 2) Electrical;
- 3) Heating Malfunction (i.e. chimney fires, furnaces, space heaters).

No deaths related to fire since 1996.
2014 - 0 fire related injuries

Sewerage System

Metropolitan Sewerage District

Electric Distribution System

Duke Energy Progress

Schools

Buncombe County Schools – Black Mountain Primary School
Black Mountain Elementary School
Black Mountain/Swannanoa Middle School
Charles D. Owen High School