
Town of Montreat Fiscal Year 2025-2026 Budget



Introduction

BUDGET MESSAGE

May 28, 2025

**TO: Mayor Tim Helms
Mayor Pro Tem Kitty Fouche
Commissioner Jane Alexander
Commissioner Tom Widmer
Commissioner Mason Blake
Commissioner Grant Dasher**

FROM: Savannah Parrish, Town Manager

Mayor, Board of Commissioners, and Residents of Montreat:

I am pleased to present the Fiscal Year 2025–2026 Proposed Budget for the Town of Montreat. This budget reflects a deliberate and responsible approach to sustaining essential public services, investing in our staff, and maintaining the Town’s infrastructure, while responding to challenges related to recovery from Hurricane Helene.

The proposed FY 25-26 General Fund budget totals \$2,077,915 which is a 6.94% decrease from the current year. The proposed budget does not include any fund balance appropriation.

The ad valorem tax rate in the proposed budget remains at 43 cents per \$100 valuation. The current tax valuation issued by Buncombe County for the fiscal year 2025, for the Town of Montreat is \$301,681,361.

Budget Overview

The total proposed budget for FY 25–26 is \$2,502,815, representing a 5.79% decrease from the previous fiscal year. The General Fund revenue is projected at \$2,077,915, a 6.94% decrease, while the Water Fund shows a slight increase to \$424,900.

This budget was developed with careful attention to maintaining a balanced financial plan without compromising the quality of services or long-term priorities.

Key Budget Drivers

- **Personnel Investment:** Salaries for all departments reflect a 4% merit-based increase, demonstrating our commitment to attracting and retaining qualified staff.
- **Public Safety:** The Police Department’s budget has increased 13.36%, supporting enhanced staffing and operational readiness.
- **Sanitation:** An 8.69% increase allows for enhanced solid waste services and support for our growing needs.
- **Street Maintenance:** Street expenditure shows a substantial reduction of 43.56% this year. This decrease reflects the aftermath of Hurricane Helene. In fiscal year 25-26 the majority of our street maintenance projects will come from Fund 29, the recovery fund.

- **Recreation & Public Works:** Modest reductions in these areas reflect strategic alignment with usage and current capital needs without reducing core service delivery.

Challenges and Opportunities

Like many small municipalities, Montreat is navigating a complex fiscal landscape that includes inflationary pressures, aging infrastructure, and evolving community expectations. The decrease in overall revenues requires us to be prudent and creative in how we allocate resources. However, we remain committed to:

- Delivering high-quality services without increasing the tax rate
- Investing in staff through merit pay and retention efforts
- Addressing deferred maintenance and capital planning
- Maintaining strong fund balance reserves to preserve our financial flexibility

Looking Ahead

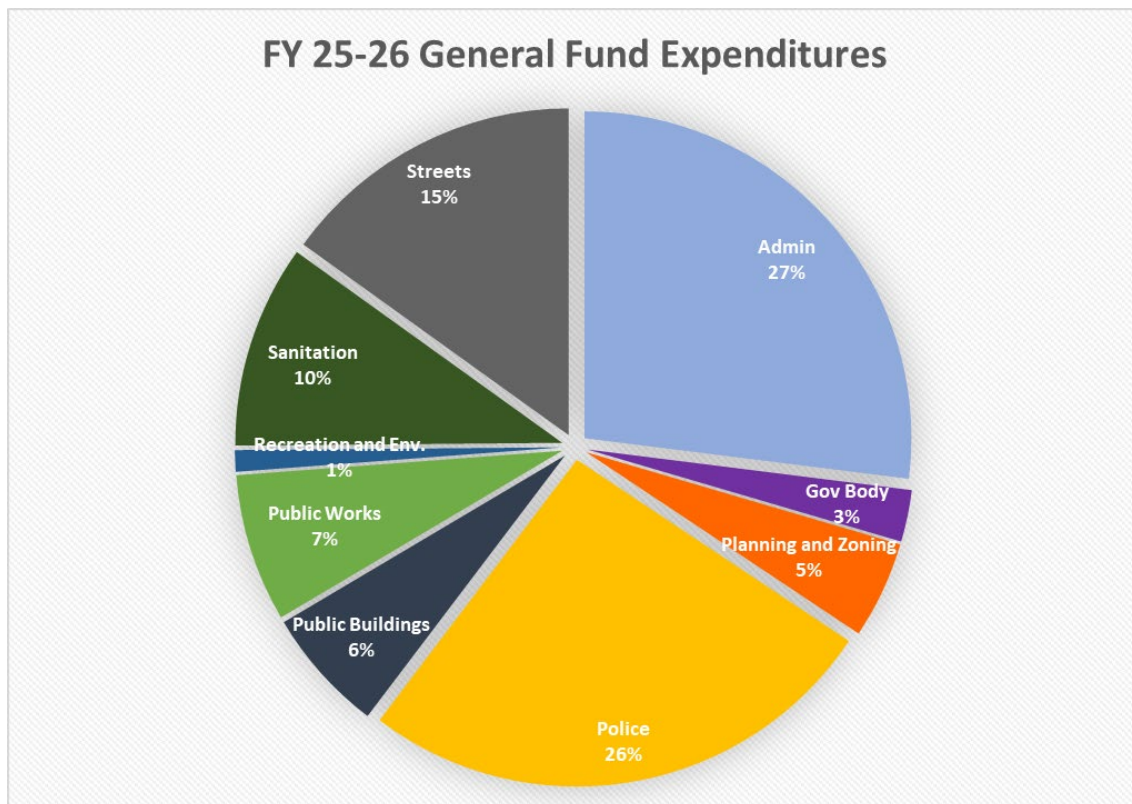
While FY 25–26 reflects a leaner financial posture, it positions the Town to reassess priorities and recalibrate spending where necessary. We will continue evaluating grant opportunities, intergovernmental partnerships, and cost-sharing models that can extend the Town’s capacity without overburdening local taxpayers.

Conclusion

The proposed General Fund budget for FY 25-26 includes the revenues and expenditures as outlined in the following tables:

Revenue	FY 24-25	FY 25-26	Percent Change
Water Fund Revenue	\$423,744	\$424,900	.27%
General Fund Revenue	\$2,232,905	\$2,077,915	-6.94%
Combined	\$2,656,649	\$2,502,815	-5.79%

Expense - GF	FY 24-25	FY 25-26	Percent Change
Admin	\$ 513,430	\$ 560,713	9.21%
Gov Body	\$ 54,791	\$ 53,222	-2.86%
Planning and Zoning	\$ 101,900	\$ 99,900	-1.96%
Police	\$ 475,950	\$ 539,522	13.36%
Public Buildings	\$ 128,353	\$ 128,097	-0.20%
Public Works	\$ 159,083	\$ 152,142	-4.36%
Recreation and Env.	\$ 24,050	\$ 22,050	-8.32%
Sanitation	\$ 220,146	\$ 208,900	-5.11%
Streets	\$ 555,202	\$ 313,369	-43.56%
Subtotal	\$ 2,232,905	\$ 2,077,915	-6.94%
Expense - Water	\$ 423,744	\$ 424,900	0.27%
Subtotal	\$ 423,744	\$ 424,900	0.27%
	\$ 2,656,649	\$ 2,502,815	-5.79%



The FY 2025–2026 budget is fiscally responsible and service-oriented. It reflects Montreat’s enduring values of stewardship, transparency, and community commitment. I thank the Board of Commissioners for their leadership, and Town staff for their dedication to public service.

Respectfully submitted,

Savannah Parrish
Town Manager

TOWN OF MONTREAT

2025-2026 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, 2025 and ending June 30, 2026 in accordance with the chart of accounts heretofore established for this Town:

Governing Board	\$53,222
Administration	\$560,713
Public Buildings	\$128,097
Police	\$539,522
Planning and Zoning	\$99,900
Public Works	\$152,142
Streets and Powell Bill	\$313,369
Sanitation	\$208,900
Recreation	\$22,050
Total Expenditures	\$2,077,915

Section 2. It is estimated that the following revenues will be available to the General Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Taxes, Ad Valorem – Current	\$1,250,000
NC Sales & Use Tax	\$440,000
Taxes, Personal	\$25,900
NC Franchise Tax	\$89,600
Beer & Wine Tax	\$3,650
Solid Waste Disposal Tax	\$650
Contributions	\$3,500
Community Service Fee	\$45,700
Interest on Investments	\$500
Interest on Powell Bill	\$15
Fund Balance Appropriated	\$0
Court Costs – Arrest Fees & Fines	\$60
Misc Revenue	\$200
Building Permits	\$30,000
Zoning Permits	\$4,000
Sanitation Fees	\$126,140
Special Pick Up	\$2,000
Back Door Pickup	\$2,000
Powell Bill Grant	\$54,000
Total Revenues	\$2,077,915

Section 3. The following amounts are hereby appropriated in the Water Fund for the fiscal year beginning July 1, 2025, and ending June 30, 2026, in accordance with the chart of accounts heretofore approved for the Town:

Water Fund	\$424,900
Total Expenditures	\$424,900

Section 4. It is estimated that the following Revenues will be available in the Water Fund for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

MSD Billing Fees Revenue	\$24,000
Water Sales	\$190,000
Water Access Fees	\$175,000
Billing Fee Revenue	\$10,000
Water Taps	\$500
Water Transfer Fees	\$1,000
Special Assessment	\$22,000
Interest on Investments	\$300
Reconnect Fees	\$300
Late Fees	\$1,500
Misc Revenues	\$300
Total Revenue	\$424,900

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-three cents (0.43) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2025 for the purpose of raising the revenue listed as "Taxes Ad Valorem - Current Year" in the General Fund in Section 2 of this Ordinance. The estimated rate of collection is 99.69%.

Section 8. The Town of Montreat Fee Schedule, FY 2025-2026, as attached, is hereby incorporated into this annual budget ordinance, and such fees shall become effective on July 1, 2025.

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 _____ DAY OF JUNE, 2025

TIM HELMS
MAYOR

ATTEST:

ANGIE MURPHY
TOWN CLERK