



Town of Beech Mountain

Randy E. Feierabend, AICP
Town Manager
Stacy C. Eggers, IV, Attorney

403 Beech Mountain Parkway
Beech Mountain, North Carolina 28604-8012
Telephone (828) 387-4236
Fax (828) 387-4862
www.townofbeechmountain.com

Council Members
Rick Owen, Mayor
Paul Piquet, Vice Mayor
Alan Holcombe
Cynthia A. Keller
E "Rick" Miller

Mayor Owen and Town Council
Beech Mountain, North Carolina

Budget Message

Dear Mayor Owen and Town Council Members:

Presented for your consideration is the recommended Administration Budget for the Town of Beech Mountain for Fiscal Year 2015-2016. This budget has been prepared in accordance with the provisions of the Local Government Budget and Fiscal Control Act and attempts to keep the tax rate, water, sewer, and sanitation rates as low as possible, while at the same time addressing some of the Town's more pressing needs. Capital items are proposed to address needs. Revenues plus Fund Balances are projected to meet the expenditures in the General, Water/Sewer, Sanitation and E-911 Funds.

General Fund

The proposed tax rate for fiscal year 2015-2016 is \$.732 per \$100 of valuation. This rate remains unchanged from Fiscal Year 2014 -2015. This rate is based on a tax valuation of \$532,962,100 and a 97% tax collection rate. Each penny on the tax rate generates approximately \$53,296.

The total General Fund expenditures are projected to be \$6,249,215 resulting in a decrease of approximately 10.4% over last fiscal year's budget. This decrease is the result of the new Water Treatment Plant having been partially funded from the prior year's fund balance. Each department has worked diligently to reduce spending for this fiscal year and only necessary capital outlay items are being requested in the 2015-2016 budget.

General Fund revenues are projected to be more than last year due to a slight increase in the property value of the town. The budget proposes the purchase of a number of capital items as outlined in the five year capital plan.

Water and Sewer Fund

Water and sewer fund revenues are projected to remain the same as last year. Water and sewer fund expenditures are projected to be \$2,486,150 an increase of approximately .20% over last year's budget. Included in expenditures is a pump station for Ashwood and funds for the Spruce Hollow supply line.

Sanitation Fund

Sanitation revenues are expected to be slightly more than last year. Sanitation expenditures are projected to decrease as a result of no new capital items having been proposed.

E-911 Fund

The total proposed budget for 911 monies will remain the same as the prior year. Proposed capital outlay includes the creation of a backup center which is required by the E911 Board.

Salaries and Benefits

The proposed budget includes increases for most all employees as outlined in "Option six" of the 2015 Salary Study. The proposed budget also includes the continuation of a \$300 Christmas bonus for all employees and continuation of the certification program.

The Town provides major medical insurance to employees using a self-funded plan and pays a portion of the family coverage. Health and dental insurance rates are projected to remain the same with changes to the plan.

The Town provides a 401(k) benefit of 5% for employees hired before July 1, 2012. The proposed budget includes this benefit with no changes.

Capital Outlay

The following amounts are included in the departmental recommendations:

- Road Maintenance: \$109,000 Backhoe and \$25,000 for a pickup truck
- Police: \$40,000 for new patrol vehicle. As well as \$15,000 grant money for body cameras and weapons upgrades. Also \$5,500 for a new defibrillator.
- Vehicle Maintenance: \$5,500 for new tire changer.
- Recreation Department: \$15,000 for the reconstruction of steps to the fire pit and/or determine best solution for stabilizing the erosion on the bank.
- Water/Sewer Utility: \$370,000 for various projects yet to be determined.
- E911 Backup Center, total cost \$470,000 of which \$380,000 will be Grant Funding. \$90,000 will come from E911 fund reserves.

Total Capital Outlay in General Fund Recommended: \$209,500.
Total Capital Outlay in the Utility Fund is \$370,000

Capital Projects

Continuation of the new Water Treatment Plant

Possible other Utility projects.

I look forward to your input and public participation in shaping the proposed spending plan for FY 2015-2016. Please do not hesitate to contact me with any questions that you may have. My goal is to continue the high level of service that we provide to the taxpayers and visitors of Beech Mountain.

Sincerely,

Randy E. Feierabend, AICP

Steven R. Smith
Finance Officer

**TOWN OF BEECH MOUNTAIN, NORTH CAROLINA
2015-2016 BUDGET ORDINANCE**

BE IT ORDAINED BY THE TOWN OF BEECH MOUNTAIN TOWN COUNCIL:

SECTION I. GENERAL FUND.

A. REVENUES. It is estimated that the revenues as listed below will be available during the fiscal year beginning July 1, 2015, and ending June 30, 2016, to meet the appropriations as set forth in Subsection C below. All fees, commissions and sums paid to or collected by any Town official, officer or agent for any service performed by such official, officer or agent in his official capacity shall insure to the benefit of the Town and become Town funds.

Local Revenue:

Prior Year's Property Taxes	\$83,000
Interest on Taxes	18,500
Interest on Investments	4,000
State Franchise Tax	200,000
Cable TV Franchise Tax	38,000
Recreation Income	53,000
Beer and Wine Tax	1,500
Local Sales Tax	1,250,000
Hold Harmless Funds	180,000
ABC Revenue	450
Building Inspection Fees	23,000
Planning & Zoning Fees	3,500
Rent Income	-
Watauga County Recreation	2,500
Recreational Trails Program Grant	-
Fire Department Revenue	90,000
Miscellaneous Income	92,875

Subtotal	<u>\$2,040,325</u>
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Powell Bill	113,320
Restricted Occupancy Tax Proceeds	212,760
Current Year's Property Taxes (14-15)	3,784,244
Fund Balance Appropriated	54,577
Transfer from TDA – Salaries	43,989

TOTAL GENERAL FUND REVENUE	<u>\$6,249,215</u>
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B. AD VALOREM TAX LEVY. There is hereby levied for the fiscal year 2015-2016 an ad valorem property tax on all property in the Town of Beech Mountain as of January 1, 2015, at a rate of .732¢ on each hundred dollars (\$100.00) assessed value pursuant to and in accordance with the Machinery Act of Chapter 105 of the North Carolina General Statutes and other applicable laws. Property shall be assessed at one hundred percent (100%) of its true value. The estimated revenues from the ad valorem property tax set out in Section 1-A of this Ordinance are based on an estimated collection during the 2014-2015 fiscal year of ninety-seven percent (97%) of the levy.

C. APPROPRIATIONS. The following amounts are hereby appropriated to the Town Manager for the operation of the Town of Beech Mountain and its departments and agencies for the fiscal year beginning July 1, 2015 and ending June 30, 2016. In administering the programs authorized under this Ordinance, the Town Manager is authorized to make transfers from one appropriation to another within the same fund. Any such transfer shall be reported to the Town Council at its next regular meeting and shall be recorded in the minutes of that meeting. The Town Manager is authorized to make expenditures of \$10,000 or less from contingency appropriations by transfer to departments and agencies. Any such expenditure shall be reported to the Town Council at its next regular meeting and recorded in the minutes of that meeting. The Town Manager may establish personnel positions which may become necessary within the funds provided in this Ordinance or amendments thereto.

Administration	\$2,295,783
Tax Collection	76,145
Police	1,160,768
Fire	433,481
Building Inspections	74,984
Planning	97,338
Vehicle Maintenance	136,523
Road Maintenance	1,258,030
Recreation	<u>716,163</u>
TOTAL APPROPRIATIONS	<u>\$6,249,215</u>

SECTION 2. WATER AND SEWER FUND.

A. REVENUES. It is estimated that the revenues of the funds as listed below will be available during the fiscal year beginning July 1, 2015 and ending June 30, 2016, to meet the appropriations approved for operations of the Town of Beech Mountain Water and Sewer Fund as set forth in Section 3-B below.

Interest on Investments	\$ 350
Metered Sales	1,975,000

Tap Fees	3,000
Availability Fees	7,500
Reconnect Fees	5,000
Miscellaneous	5,300
Fund Balance Appropriated	<u>490,000</u>
 TOTAL REVENUES	 <u>\$2,486,150</u>

B. APPROPRIATIONS. The following amounts are hereby appropriated to the Town Manager for the operation of the Town of Beech Mountain Water and Sewer for the fiscal year. In administrating the programs authorized under this Ordinance, the Town Manager is authorized to make transfers from one appropriation to another within the same fund. Any such transfer shall be reported in accordance with the provisions of Section 1-C of this Ordinance. The Town Manager is authorized to make expenditures of \$10,000 or less from the contingency appropriation by transfer to the appropriate line item within the same fund. Any such expenditure shall be reported to the Town Council in accordance with the provisions of Section 1-C of this Ordinance.

Water and Sewer Administration	\$ 611,225
Water Treatment	1,383,497
Wastewater Treatment	262,234
Taps and Systems Maintenance	<u>229,194</u>

TOTAL WATER & SEWER FUND APPROPRIATIONS \$2,486,150

SECTION 3. SANITATION FUND.

This Fund is provided for the operations and accounting purposes of the Town's Solid Waste Management function.

A. REVENUES. It is estimated that the following revenues, from the following sources, will be available during the fiscal year to meet the total appropriations approved and specified in Section 2-B below.

Sanitation User Fees	\$ 330,382
Recycling Revenue	35,000
Solid Waste Disposal Tax	220
Fund Balance Appropriated	<u>-</u>
 TOTAL REVENUES	 <u>\$ 365,602</u>

B. APPROPRIATIONS. The following amount is hereby appropriated to the Town Manager for the operation of the Sanitation Fund for the fiscal year.

All Line Items: Total Appropriation \$365,602

SECTION 4. 9-1-1 EMERGENCY TELEPHONE FUND.

A. REVENUES. It is estimated that the following revenues, from the following sources, will be available during the fiscal year to meet the total appropriations approved and specified in Section 4-B below.

9-1-1 Subscriber Fees	\$110,921
9-1-1 Transfer from Reserve	<u>67,379</u>
TOTAL REVENUES	<u>\$178,300</u>


B. APPROPRIATIONS. The following amount is hereby appropriated to the Town Manager for the operation of the 9-1-1 Emergency telephone Fund for the fiscal year.

All Line Items: Total Appropriations \$ 178,300

Ordained this, the 17th day of June, 2015.


Richard H. Owen, Mayor

ATTEST:


Jennifer Broderick, Town Clerk

