

Town of Black Mountain
Adopted Budget
Fiscal Year 2011-2012 (FY11-12)

Carl Bartlett, Mayor
Joan Brown, Vice Mayor
Ruth Brandon, Alderman
Tim Rayburn, Alderman
Carlos Showers, Alderman
C. Michael Sobol, Alderman



Marcia D. Onieal, Town Manager
Dean M. Luebbe, Finance Director

Town of Black Mountain
Adopted Budget
Fiscal Year 2011-2012 (FY11-12)

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**TOWN OF BLACK MOUNTAIN BOARD OF ALDERMEN
REQUEST FOR BOARD ACTION**

Meeting Date: June 13, 2011

SUBJECT: Public Hearing on Proposed FY 2011-2012 Annual Budget for the Town of Black Mountain

AGENDA INFORMATION

Agenda Location: Presentations and Public Hearings
Item Number: 6A-E
Department: Administrative Services/Finance
Contact: Dean Luebbe, Finance Director
Presenter: Marcy Onieal, Town Manager

BRIEF SUMMARY: In accordance with the adopted budget calendar, the manager's proposed operating budget for FY 2011-2012 was presented to the Board of Aldermen on June 1, 2011. At that time copies of the proposed budget were made available for public review in the Clerk's office at Town Hall, at the Black Mountain Public Library, and on the town's website. Also at that time, a tentative schedule of public budget workshops was announced and the date and time for the required Public Hearing on the budget was announced for Monday, June 13, at 6:00 pm at Town Hall. The finance director will present a report of financial condition and economic forecast. The manager will present an overview of the recommendations included in the proposed budget, introduce a presentation regarding management options for the Black Mountain Golf Course, address considerations raised at the first budget workshop held on June 7th, and confirm a schedule for additional budget workshops, as the board deems necessary. These presentations will be followed by public comment on the proposed budget, after which the board may adopt the FY11-12 budget. By statute, the annual operating budget must be adopted no later than June 30.

RECOMMENDED MOTION AND REQUESTED ACTIONS:

Motion #1 & #2: To open/close the public hearing.

Motion #3: At the board's discretion [The FY11-12 Annual Operating Budget may be adopted as presented, or as amended, at any public meeting regularly or specially called no later than June 30, 2011.]

FUNDING SOURCE: General Fund, Water Fund, Golf Fund

ATTACHMENTS: The proposed budget was delivered electronically and in hard copy to the Board on June 1, 2011.

ORDINANCE NO. 0-11-02

AN ORDINANCE TO APPROPRIATE FUNDS AND RAISE REVENUES FOR THE FISCAL YEAR BEGINNING JULY 1, 2011 AND ENDING JUNE 30, 2012

BE IT ORDAINED by the Board of Alderman of the Town of Black Mountain, North Carolina, that:

SECTION ONE. The following amounts are hereby appropriated for the operation of the Town government and its activities for the fiscal year beginning July 1, 2011 and ending June 30, 2012, according to the following schedules:

SCHEDULE A. GENERAL FUND

DEPARTMENT NAME	AMOUNT
GOVERNING BOARD	\$ 145,240
ADMINISTRATION	\$ 656,897
PUBLIC BUILDINGS	\$ 976,735
POLICE DEPARTMENT	\$ 1,493,222
FIRE DEPARTMENT	\$ 1,191,162
PLANNING AND DEVELOPMENT	\$ 359,146
PUBLIC SERVICES	\$ 1,686,924
RECREATION AND PARKS	\$ 504,729
GENERAL FUND TOTALS	\$ 7,014,055

SCHEDULE B. WATER FUND

DEPARTMENT NAME	AMOUNT
ADMINISTRATION - CUSTOMER SERVICE DIVISION	\$ 184,457
PUBLIC SERVICES - WATER OPERATIONS DIVISION	\$ 1,098,522
WATER FUND TOTALS	\$ 1,282,979

SCHEDULE C. GOLF FUND

DEPARTMENT NAME	AMOUNT
GOLF OPERATIONS	\$ 514,945
PRO SHOP	\$ 207,078
GOLF FUND TOTALS	\$ 722,023

SECTION TWO. It is estimated that the following revenues will be available during the fiscal year beginning July 1, 2011 and ending June 30, 2012 to make the foregoing appropriations, according to the following schedules:

SCHEDULE A. GENERAL FUND

Account Description	FY11-12 Adopted Budget
2010 AD VALOREM TAXES	25,000
2011 AD VALOREM TAXES	3,220,962
TAX INTEREST	7,500
2010 DMV TAXES	10,000
2011 DMV TAXES	167,417
Ad Valorem / DMV Taxes	3,430,879

PRIVILEGE LICENSES	55,000
AUTOMOBILE LICENSES	36,000
LOCAL SALES TAX	989,400
RENTAL TAXES	600
Other Taxes	1,081,000

ELECTRICITY FRANCHISE TAX	273,518
TELECOMMUNICATION TAX	102,802
PIPED NATURAL GAS EXCISE TAX	19,400
WINE & BEER TAX	38,000
ABC REVENUE	48,000
VIDEO PRGM TAX	120,909
SOLID WASTE DISPOSAL TAX	4,000
CONTROLLED SUBSTANCE TAX	500
NC FIRE TAX STATE BUILDINGS	18,836
Unrestricted Revenues	625,965

ABC REVENUE - POLICE	4,650
PUBLIC SAFETY DONATIONS	2,500
ELECTRIC CHARGING GRANT	30,000
POWELL BILL	217,418
SR. CTR. DEVELOPMENT GRANT	4,000
Restricted Revenues	258,568

Account Description	FY11-12 Adopted Budget
COURT COSTS	2,200
FIRE INSPECTION FEES	1,400
BUILDING PERMITS	98,000
STORMWATER PERMITS	2,000
SOLID WASTE COLLECTION FEE	150,000
Permits & Fees	253,600

FIRE PROTECTION	779,216
POOL REVENUE	40,000
POOL CONCESSIONS	8,000
POOL RENTALS	5,000
LAKEVIEW CENTER RENTALS	14,000
ADULT SPORTS	26,750
YOUTH SPORTS	16,130
RECREATION - SENIOR CITIZEN	24,500
CARVER CENTER RENTALS	12,000
CARVER CENTER ACTIVITIES	3,500
SPECIAL EVENTS	10,000
GARDEN ACTIVITIES	2,300
REC PARK RENTALS	1,000
GREY EAGLE ARENA REVENUES	2,000
Sales & Services	944,396

INTEREST ON INVESTMENTS	10,000
INTEREST INVESTMNT-POWELL BILL	200
MISC REVENUE	5,100
SALE OF EQUIPMENT AND VEHICLE	5,000
INTERFUND TRANS FROM GOLF	45,000
FUND BALANCE APPROPRIATED	211,107
INTERFUND TRANS FROM WATER	127,090
MONTREAT DISPATCHERS	16,150
Other	419,647

TOTAL GENERAL FUND REVENUES **\$ 7,014,055**

SCHEDULE B. WATER FUND

SCHEDULE C. GOLF FUND

DEPARTMENT NAME	AMOUNT
MSD BILLING FREE REVENUE	\$ 70,000
WATER SALES	\$ 925,000
WATER TAPS	\$ 26,000
SERVICES CHARGE REVENUE	\$ 19,000
IMPACT FEES	\$ 25,000
SPECIAL BOND REVENUE	\$ 99,000
MISC REVENUE	\$ 1,950
LATE FEES	\$ 36,000
RETAINED EARNINGS APPROPRIATED	\$ 66,029
INTER-FUND TRANSFER FROM GENERAL	\$ 15,000
WATER FUND TOTALS	\$ 1,282,979

DEPARTMENT NAME	AMOUNT
GREEN FEES	\$ 197,000
MEMBERSHIPS	\$ 156,000
GOLF CARTS	\$ 322,965
CROQUET COURT	\$ 2,000
MISC REVENUE	\$ 3,058
PRO SHOP MERCHANDISE	\$ 36,200
SNACK SHOP LEASE	\$ 4,800
GOLF FUND TOTALS	\$ 722,023

SECTION THREE. There is hereby levied the following rate of tax on each one hundred dollars (\$100) valuation of taxable property, as listed for taxes as of January 1, 2011, for the purpose of raising the current year's tax revenue, as set for in the foregoing estimates of revenue in order to finance the foregoing appropriations:

GENERAL FUND (for the general expenses incident to the proper government of the Town and for the payment of interest and principal on outstanding debt):

TOTAL RATE per \$100 valuation of taxable property - 36.5 cents

Such rates of tax are based on an estimated valuation for the purpose of taxation of \$895,893,700 and an estimated rate of collection of 98.5 percent.

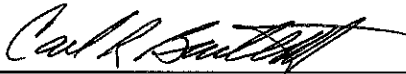
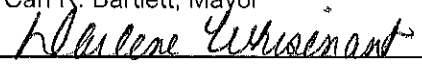
SECTION FOUR. Appropriations are authorized by department totals. The Finance Officer is authorized to reallocate departmental appropriations among various line item objects of expenditures and revenues as necessary during the budget year.

The Town Manager (Budget Officer) is authorized to reallocate appropriations among departments within a limit of 5% of each fund (General, Water, Golf Funds). Any such transfers shall be reported to the Board of Alderman at its next regular meeting following the transfer and shall be entered into the official minutes of the Town of Black Mountain.

SECTION FIVE. Copies of this ordinance shall be furnished to the Town Manager, Finance Director, Town Clerk, and the Deputy Finance Officer for their direction in the disbursement of the Town's funds and for public inspection.

Duly adopted this 28th day of June 2011,

ATTEST:

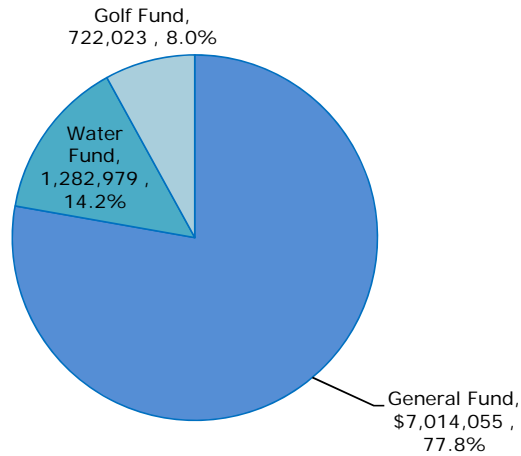

 Carl R. Bartlett, Mayor

 Darlene Whisenant, Town Clerk

TOTAL FUNDS BUDGET SUMMARY

EXPENDITURES SUMMARY by MAJOR FUND

	FY09-10 Actual	FY10-11 Original Budget	FY10-11 Amended Budget	FY10-11 Estimated Expenditures	FY11-12 Adopted Budget	% Change From FY10-11 Original
General Fund	\$ 8,353,214	\$ 7,407,166	\$ 8,061,135	\$ 7,404,918	\$ 7,014,055	-5.31%
Water Fund	1,084,012	1,334,259	1,363,259	1,424,885	1,282,979	-3.84%
Golf Fund	699,132	690,200	745,600	766,593	722,023	4.61%
Total	\$ 10,136,358	\$ 9,431,625	\$ 10,169,994	\$ 9,596,396	\$ 9,019,057	-4.37%

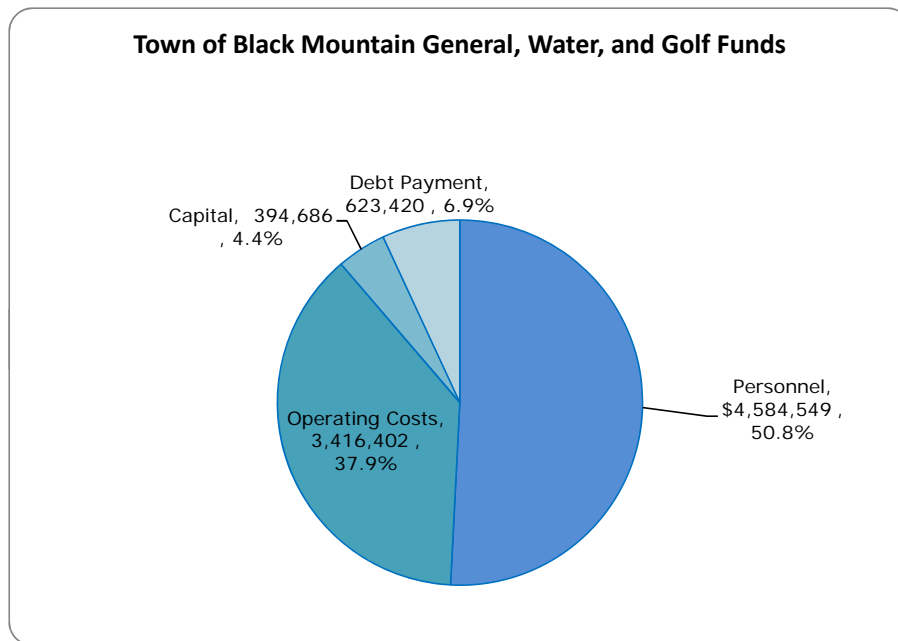
Town of Black Mountain General, Water, and Golf Funds



TOTAL FUNDS BUDGET SUMMARY

EXPENDITURES SUMMARY by CATEGORY

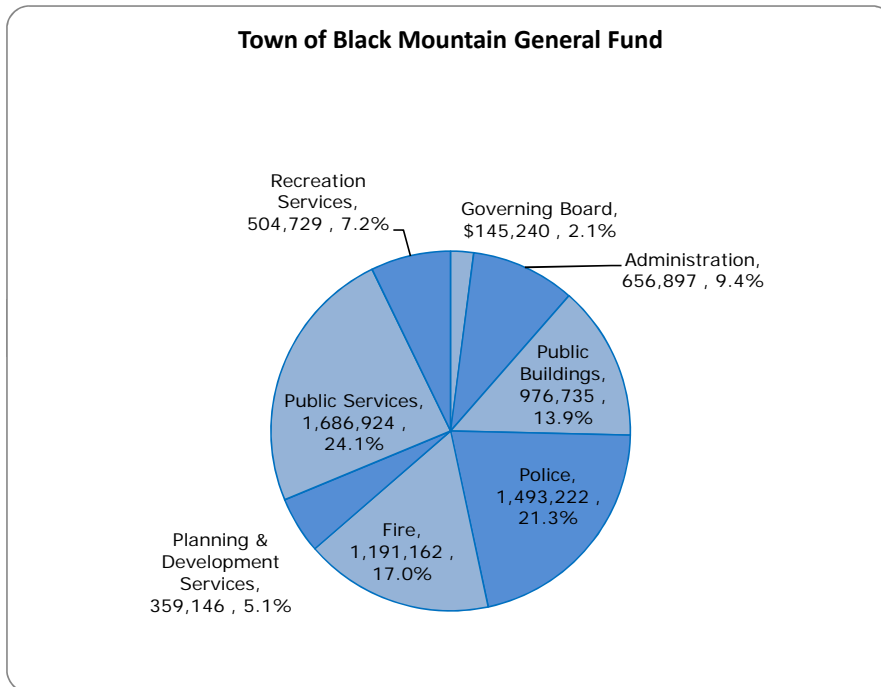
	FY09-10 Actual	FY10-11 Original Budget	FY10-11 Amended Budget	FY10-11 Estimated Expenditures	FY11-12 Adopted Budget	% Change From FY10-11 Original
Personnel	\$ 4,588,213	\$ 5,172,229	\$ 5,172,229	\$ 4,829,683	\$ 4,584,549	-11.36%
Operating Costs	3,076,015	3,218,539	3,561,105	3,477,365	3,416,402	6.15%
Capital	2,290,122	390,695	783,853	705,189	394,686	1.02%
Debt Payment	182,007	650,162	652,807	584,159	623,420	-4.11%
Total	\$ 10,136,358	\$ 9,431,625	\$ 10,169,994	\$ 9,596,396	\$ 9,019,057	-4.37%



GENERAL FUND BUDGET SUMMARY

EXPENDITURES SUMMARY by BUDGET UNIT

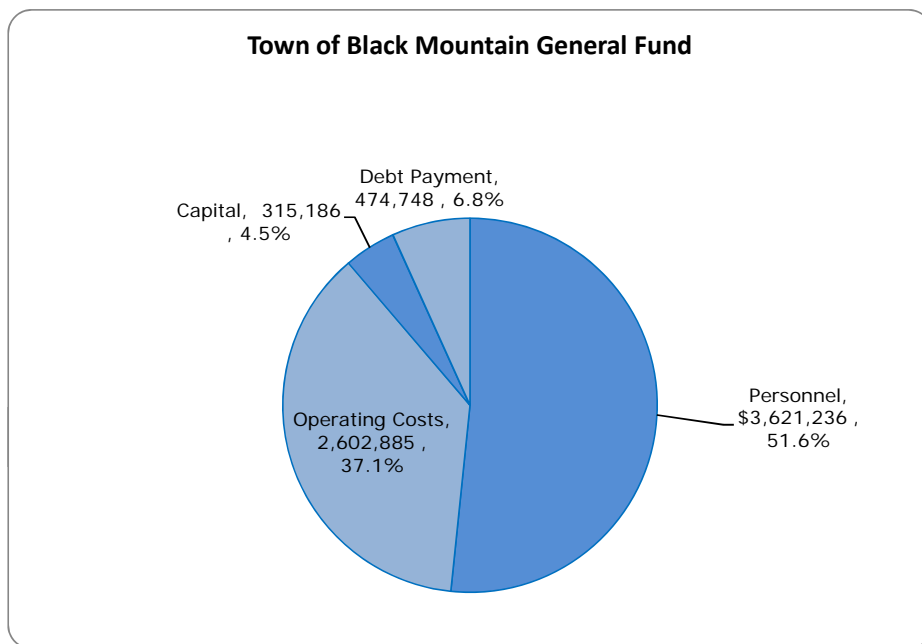
	FY09-10 Actual	FY10-11 Original Budget	FY10-11 Amended Budget	FY10-11 Estimated Expenditures	FY11-12 Adopted Budget	% Change From FY10-11 Original
Governing Board	\$ 142,660	\$ 129,413	\$ 129,413	\$ 109,184	\$ 145,240	12.23%
Administration	572,503	659,753	659,753	614,963	656,897	-0.43%
Public Buildings	2,572,026	885,489	919,910	777,027	976,735	10.30%
Police	1,403,620	1,574,065	1,687,823	1,649,676	1,493,222	-5.14%
Fire	1,099,928	1,488,078	1,558,436	1,228,186	1,191,162	-19.95%
Planning & Development Services	339,903	385,292	407,296	399,857	359,146	-6.79%
Public Services	1,689,438	1,752,083	1,847,601	1,782,959	1,686,924	-3.72%
Recreation Services	533,137	532,993	850,903	843,067	504,729	-5.30%
TOTAL	\$ 8,353,214	\$ 7,407,166	\$ 8,061,135	\$ 7,404,918	\$ 7,014,055	-5.31%



GENERAL FUND BUDGET SUMMARY

EXPENDITURES SUMMARY by CATEGORY

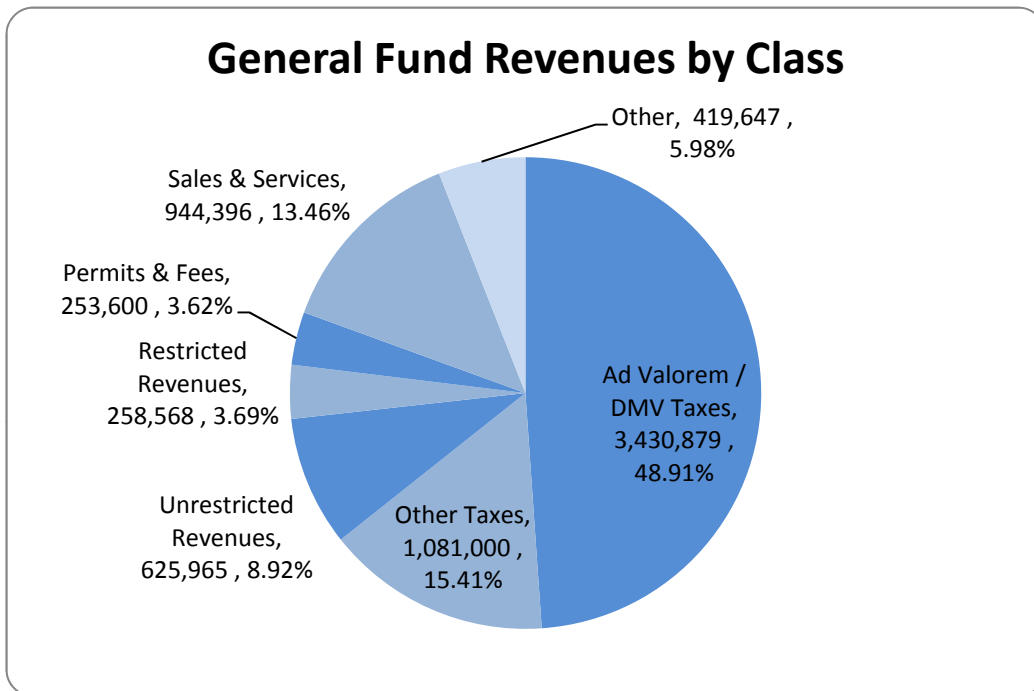
	FY09-10 Actual	FY10-11 Original Budget	FY10-11 Amended Budget	FY10-11 Estimated Expenditures	FY11-12 Adopted Budget	% Change From FY10-11 Original
Personnel	\$ 3,684,026	\$ 4,187,955	\$ 4,187,955	\$ 3,842,476	\$ 3,621,236	-13.53%
Operating Costs	2,251,145	2,442,984	2,756,550	2,588,487	2,602,885	6.55%
Capital	2,284,280	284,175	621,933	595,289	315,186	10.91%
Debt Payment	133,763	492,052	494,697	378,666	474,748	-3.52%
Total	\$ 8,353,214	\$ 7,407,166	\$ 8,061,135	\$ 7,404,918	\$ 7,014,055	-5.31%



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GENERAL FUND REVENUES SUMMARY

Account Description	FY09-10 Actual	FY10-11 Original Budget	FY10-11 Amended Budget	FY10-11 Estimated Revenues	FY11-12 Adopted Budget	% Change From FY10-11 Original
Ad Valorem / DMV Taxes	3,025,260	3,428,964	3,428,964	3,494,037	3,430,879	0.06%
Other Taxes	993,420	1,109,357	1,109,357	1,048,719	1,081,000	-2.56%
Unrestricted Revenues	611,806	593,891	594,079	606,196	625,965	5.40%
Restricted Revenues	280,783	517,553	553,015	266,223	258,568	-50.04%
Permits & Fees	222,192	95,000	95,000	102,250	253,600	166.95%
Sales & Services	925,481	923,842	923,842	929,844	944,396	2.22%
Other	2,356,890	738,560	1,356,879	555,055	419,647	-43.18%
Total	\$ 8,415,831	\$ 7,407,166	\$ 8,061,135	\$ 7,002,324	\$ 7,014,055	-5.31%



GENERAL FUND REVENUES SUMMARY

Ad Valorem / DMV Taxes

The largest component of this class is the Ad Valorem Taxes on real property. This class also includes the DMV portion of the property tax.

Other Taxes

The largest component of this class is the combined Local Sales Taxes. Other revenues here include Privilege Licenses and Automobile Licenses.

Unrestricted Revenues

These are largely State-shared revenue sources, the largest of which is the Electricity Franchise Tax. Others include the Telecommunication Tax, Video Programming Tax, and ABC Revenues.

Restricted Revenues

These are appropriated only for specified purposes. The largest component has historically been the Town's share of Powell Bill funds.

Permits & Fees includes Building Permits and other inspections and permit fees. The Solid Waste Collection fee is also included in the category.

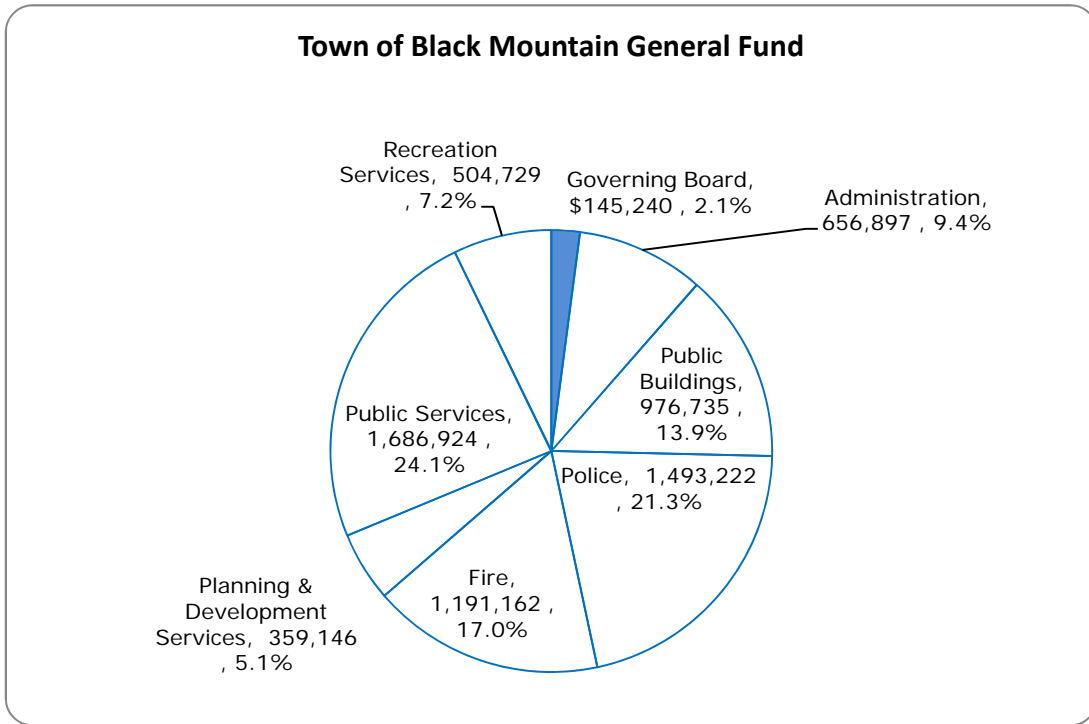
Sales & Services

The largest component is our Fire Protection revenue, along with other revenues from programs conducted by the Recreation & Parks Department.

Other

This includes Fund Balance Appropriated, Inter-fund Transfers from the enterprise funds, and Miscellaneous Revenues.

GOVERNING BOARD



The Governing Board is comprised of the five Aldermen and the Mayor, and collectively they are the official legislative and policy-making body of the Town of Black Mountain. Each member is elected at large by the voters of the Town for staggered four year terms. The meetings of this Board are presided over by the Mayor (also elected at large for a four year term), who can vote on matters before the Board in the event of a tie. They seek public input and input from appointed, voluntary advisory boards and commissions. This body appoints the Town Manager and the Town Attorney.

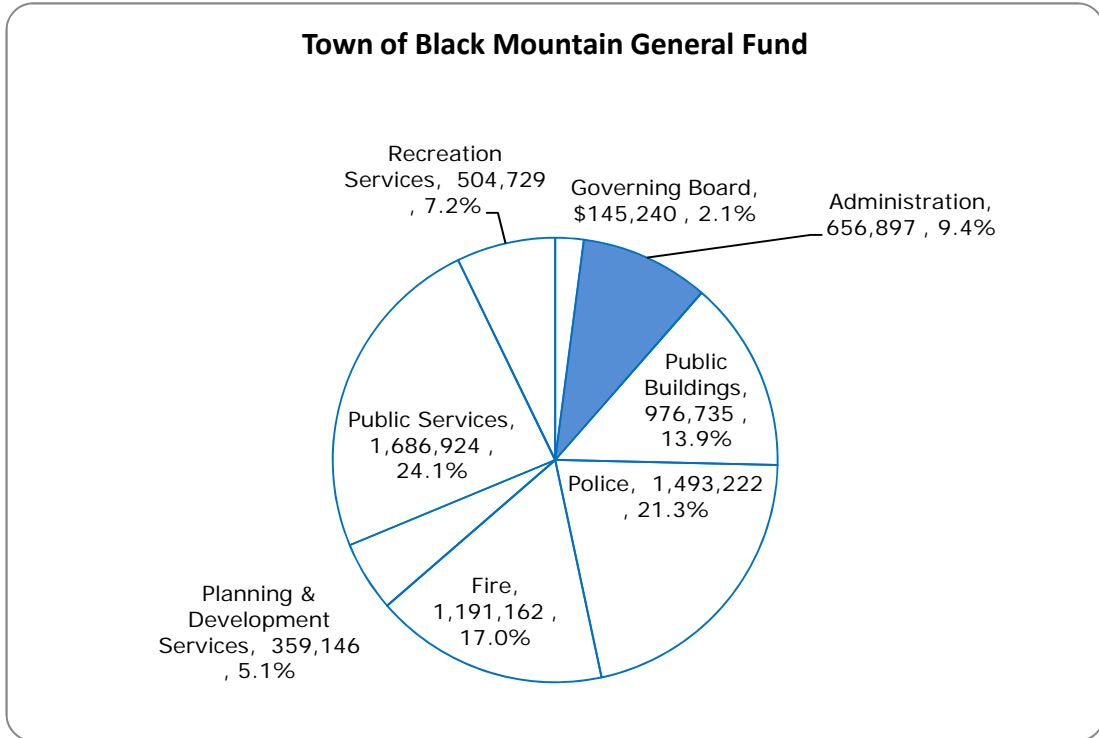
GOVERNING BOARD

EXPENDITURES SUMMARY

	FY09-10 Actual	FY10-11 Original Budget	FY10-11 Amended Budget	FY10-11 Estimated Expenditures	FY11-12 Approved Budget	% Change From FY10-11 Original
Personnel	\$ 43,537	\$ 44,213	\$ 44,213	\$ 44,184	\$ 44,190	-0.05%
Operating Costs	99,123	85,200	85,200	65,000	101,050	18.60%
Total	\$ 142,660	\$ 129,413	\$ 129,413	\$ 109,184	\$ 145,240	12.23%

The total costs of the Governing Board are increased in the FY11-12 budget over the FY10-11 figure by 12.23%. The primary factors driving this increase are related to \$2,500 being budgeted as a contribution to the entrepreneurship program (Certified Entrepreneur Community), a \$3,000 increase in contracted services related to election expenses, and \$6,650 as contingency expense.

ADMINISTRATION DEPARTMENT



The Administration Department serves to provide for the coordination and oversight of Town delivered services; to provide support to the Board of Aldermen; and to provide citizens and visitors with quality customer service and cost effective, innovative problem solving.

Organizational background

The Administration Department is represented as one budget unit, but actually consists of several components: the Town Manager, the Town Clerk, the HR functions, and the Finance & Information Services functions. The Finance Department also manages the customer service unit of the water fund, in Water Administration. The Administration department manages the non-departmental supporting functions of the Public Buildings budget unit as well.

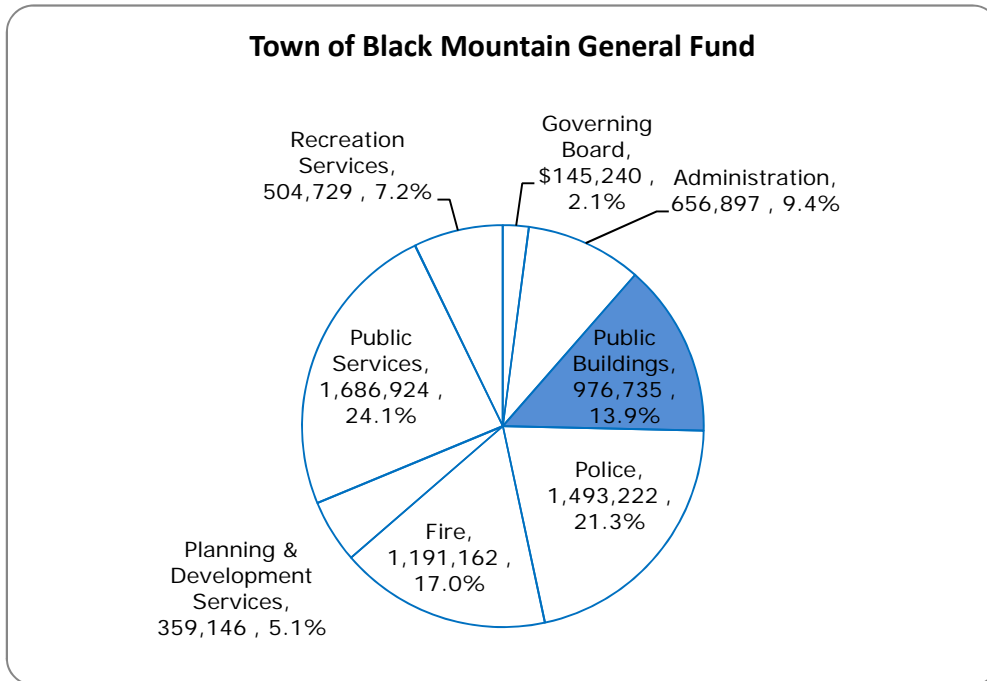
ADMINISTRATION DEPARTMENT

EXPENDITURES SUMMARY

	FY09-10 Actual	FY10-11 Original Budget	FY10-11 Amended Budget	FY10-11 Estimated Expenditures	FY11-12 Adopted Budget	% Change From FY10-11 Original
Personnel	\$ 413,449	\$ 448,688	\$ 448,688	\$ 422,046	\$ 414,297	-7.66%
Operating Costs	156,702	208,665	208,665	192,917	242,600	16.26%
Capital	2,352	2,400	2,400	-	-	-100.00%
Total	\$ 572,503	\$ 659,753	\$ 659,753	\$ 614,963	\$ 656,897	-0.43%

The operating costs of the Administration Department show a very small decrease from FY10-11 amounts. Tax collection charges from Buncombe County are now being segregated in their own line item, instead of being combined into the contract services line.

PUBLIC BUILDINGS UNIT



The Public Buildings budget unit is a non-departmental unit managed by the Administration Department, that serves to provide and maintain public facilities at Town Hall, Public Buildings, and the Downtown Restrooms, as well as to provide adequate insurance protection for the Town.

PUBLIC BUILDINGS UNIT

EXPENDITURES SUMMARY

	FY09-10 Actual	FY10-11 Original Budget	FY10-11 Amended Budget	FY10-11 Estimated Expenditures	FY11-12 Adopted Budget	% Change From FY10-11 Original
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Operating Costs	352,989	370,335	410,517	364,500	501,500	35.42%
Capital	2,139,449	123,239	127,978	125,000	117,186	-4.91%
Debt Payment	79,588	391,915	381,415	287,527	358,049	-8.64%
Total	\$ 2,572,026	\$ 885,489	\$ 919,910	\$ 777,027	\$ 976,735	10.30%

The operating budget of the Public Buildings Unit has increased in the FY11-12 budget of over \$80,000. The increase is related mainly to improvements required on buildings and grounds owned by the Town to make these facilities fully accessible.

Department request not included in Recommended Budget

One Building Maintenance position	49,000
Desktop computer replacement	23,715
Firewall installation	23,400
Microsoft 2010 upgrade	11,550
Total	\$ 107,665

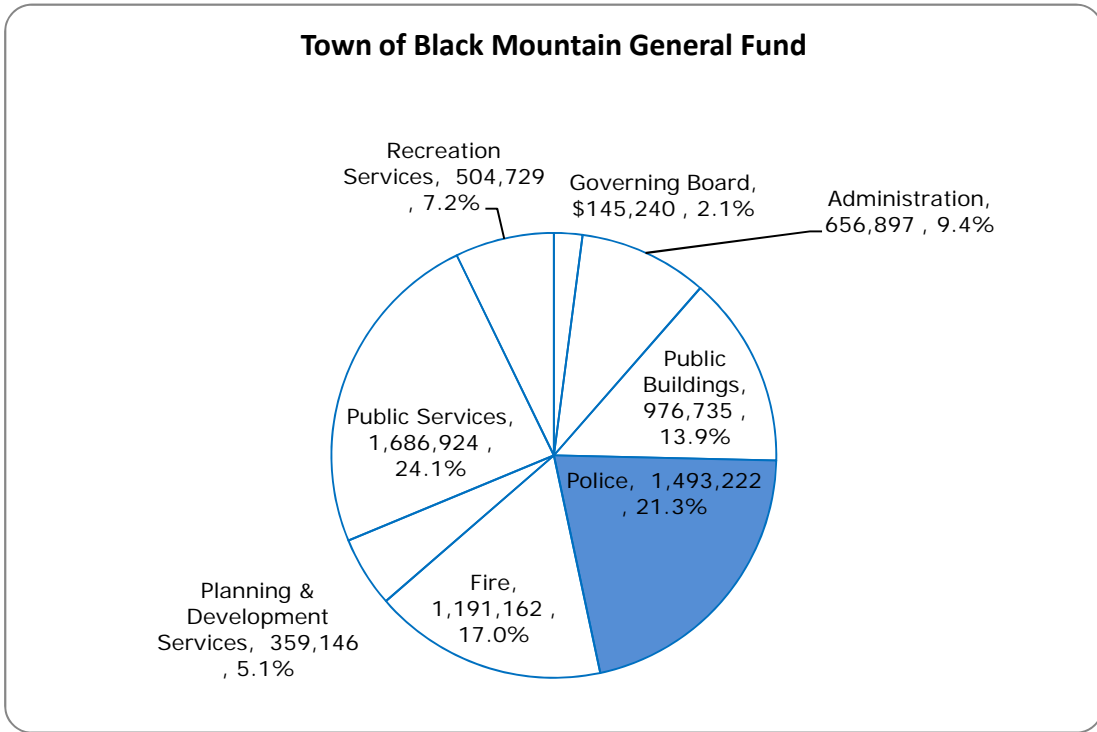
The capital breakdown in the Public Buildings budget is as follows:

CAPITAL	
Required ADA improvements	100,000
Computer server replacement and Google Apps	17,186
Total	\$ 117,186

The debt breakdown in the Public Buildings budget is as follows:

DEBT PAYMENTS	
Downtown Property	203,154
Clevenger Property	56,492
Arts Center	18,234
Phone System Lease Payments	1,970
Sewer Lines	78,199
Total	\$ 358,049

POLICE DEPARTMENT



The Black Mountain Police Department, in partnership with our Community, provides impartial, ethical, and professional law enforcement service and protection. Through open communication, we strive to build upon the trust and confidence of our citizens and to all those who may visit, work in, or travel through our Communities. We are committed to protect life, property and improve the quality of life without prejudice or bias, with respect for the rights of all people, to assure a safe and secure environment for all.

POLICE DEPARTMENT

EXPENDITURES SUMMARY

	FY09-10 Actual	FY10-11 Original Budget	FY10-11 Amended Budget	FY10-11 Estimated Expenditures	FY11-12 Adopted Budget	% Change From FY10-11 Original
Personnel	\$ 1,199,302	\$ 1,315,856	\$ 1,315,856	\$ 1,305,788	\$ 1,204,771	-8.44%
Operating Costs	204,317	228,659	258,043	245,901	270,579	18.33%
Capital	-	29,550	104,724	96,374	-	-100.00%
Debt Payment	-	-	9,200	8,936	17,872	N/A
Total	\$ 1,403,620	\$ 1,574,065	\$ 1,687,823	\$ 1,656,999	\$ 1,493,222	-5.14%

The Police Department budget shows a decrease in personnel costs due to one position being reduced, and the recording of the pension cost (\$36,000) as an operating expense instead of a personnel cost.

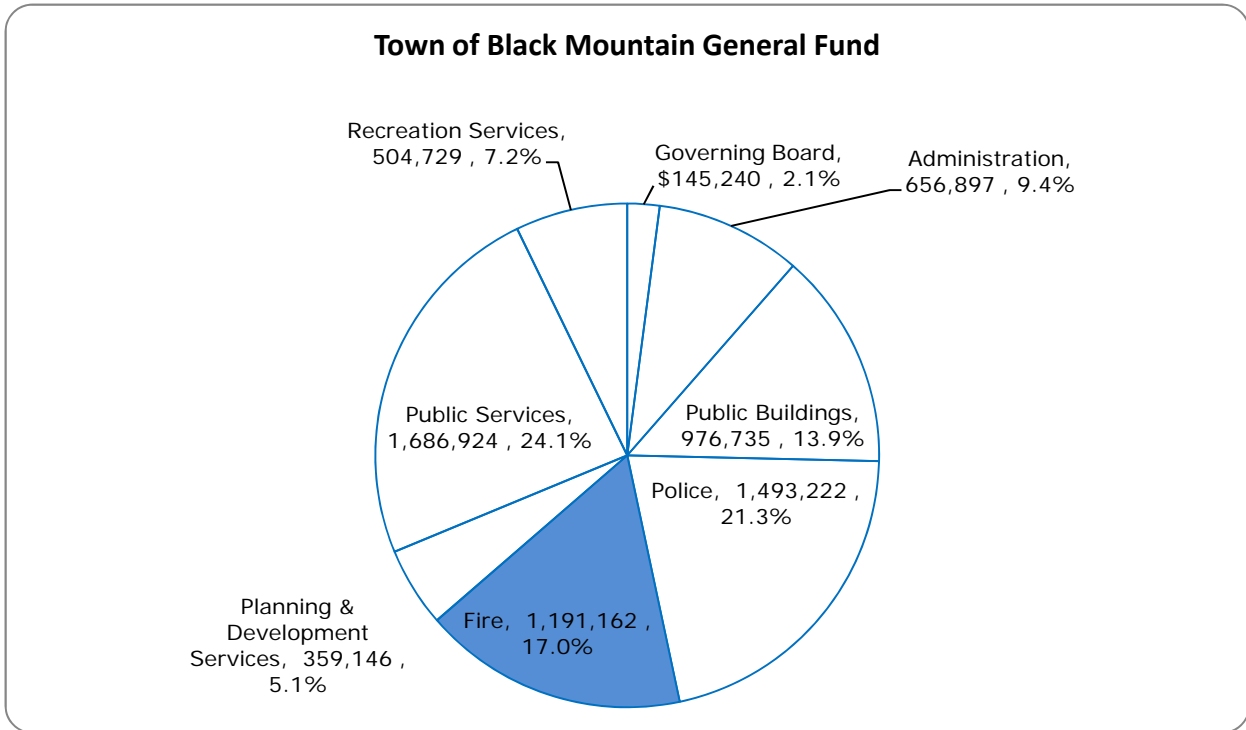
Department request not included in Recommended Budget

One Administrative Assistant position	43,200
One Police Detective position	54,000
One Police Officer position	56,998
Supplies for two new employees	14,140
Three police cars-financed	18,000
Base radio replacement	22,500
In car computer system	20,000
Basement door replacement	6,000
Security upgrades to front entrance	10,000
Total	\$ 244,838

The debt breakdown in the Police Department budget is as follows:

DEBT PAYMENTS	
Vehicles	17,872
Total	\$ 17,872

FIRE DEPARTMENT



Established in 1919, the Black Mountain Fire Department is a combination paid and volunteer organization. The department has achieved a Class 4 rating for the Town's fire protection. They provide fire suppression and prevention, rescue, confined space and search services to the community. They protect some 27 square miles which include two fire districts – the Town of Black Mountain and the East Buncombe Fire District – as well as the Town of Montreat. Several large manufacturing facilities, conference centers and state facilities are within our protection areas.

FIRE DEPARTMENT

EXPENDITURES SUMMARY

	FY09-10 Actual	FY10-11 Original Budget	FY10-11 Amended Budget	FY10-11 Estimated Expenditures	FY11-12 Adopted Budget	% Change From FY10-11 Original
Personnel	\$ 969,979	\$ 1,270,021	\$ 1,270,021	\$ 994,485	\$ 1,017,656	-19.87%
Operating Costs	116,474	171,540	171,540	134,125	138,870	-19.05%
Capital	3,517	3,600	73,958	71,576	-	-100.00%
Debt Payment	9,959	42,917	42,917	28,000	34,636	-19.30%
Total	\$ 1,099,928	\$ 1,488,078	\$ 1,558,436	\$ 1,228,186	\$ 1,191,162	-19.95%

The Fire Department FY11-12 budget shows a decrease in both personnel and operating costs due to the SAFER grant not being budgeted for FY11-12.

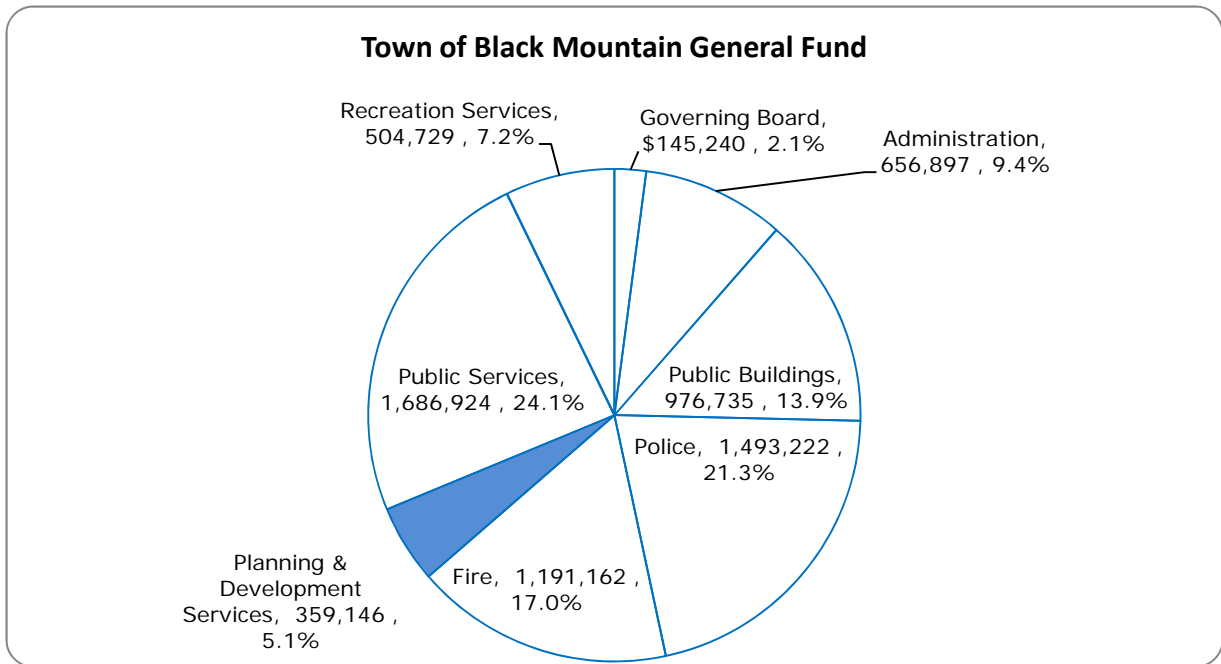
Department request not included in Recommended Budget

Six firefighters (non-SAFER)	256,818
Six firefighters (SAFER)	260,216
SAFER operating expense	34,085
Operating expenses for six firefighters	33,700
Installment debt on new pumper	35,397
Tanker replacement	350,000
Training tower	200,000
Total	\$ 1,170,216

The debt breakdown in the Fire Department budget is as follows:

DEBT PAYMENTS	
Fire Trucks	19,918
Vehicles	14,718
Total	\$ 34,636

PLANNING & DEVELOPMENT DEPARTMENT SERVICES



The Planning and Development Services work to protect the health, safety and welfare of the citizens of Black Mountain by developing and implementing local plans and regulations that guide building construction, subdivision and zoning district requirements within the Town.

This department also provides staff support for the Town's Housing Commission, Historic Preservation Commission, Planning Board and Zoning Board of Adjustment. Conditional Use Permits, appeals, variances, rezoning requests and historic property designations are some of the requests we manage on behalf of these committees and boards. In conjunction with the Planning Board, the Department works on zoning amendments, new ordinances and other land use planning tools and documents.

PLANNING & DEVELOPMENT DEPARTMENT SERVICES

EXPENDITURES SUMMARY

	FY09-10 Actual	FY10-11 Original Budget	FY10-11 Amended Budget	FY10-11 Estimated Expenditures	FY11-12 Adopted Budget	% Change From FY10-11 Original
Personnel	\$ 293,783	\$ 308,282	\$ 308,282	\$ 303,468	\$ 262,380	-14.89%
Operating Costs	46,120	72,010	65,010	65,282	74,560	3.54%
Capital	-	-	29,004	29,004	18,000	N/A
Debt Payment	-	5,000	5,000	2,103	4,205	-15.90%
Total	\$ 339,903	\$ 385,292	\$ 407,296	\$ 399,857	\$ 359,146	-6.79%

The proposed budget shows a reduction in personnel expenses due to a reduction of one position. The Planning Director position is budgeted at this time, but contracting out this position is being considered. Contracting out this position would offer a more flexible approach to staffing a department with changing needs, and would not have a material budgetary effect. Attorney fees associated with the Zoning Board of Adjustment are now being reported in the Planning Department at a cost of \$9,000.

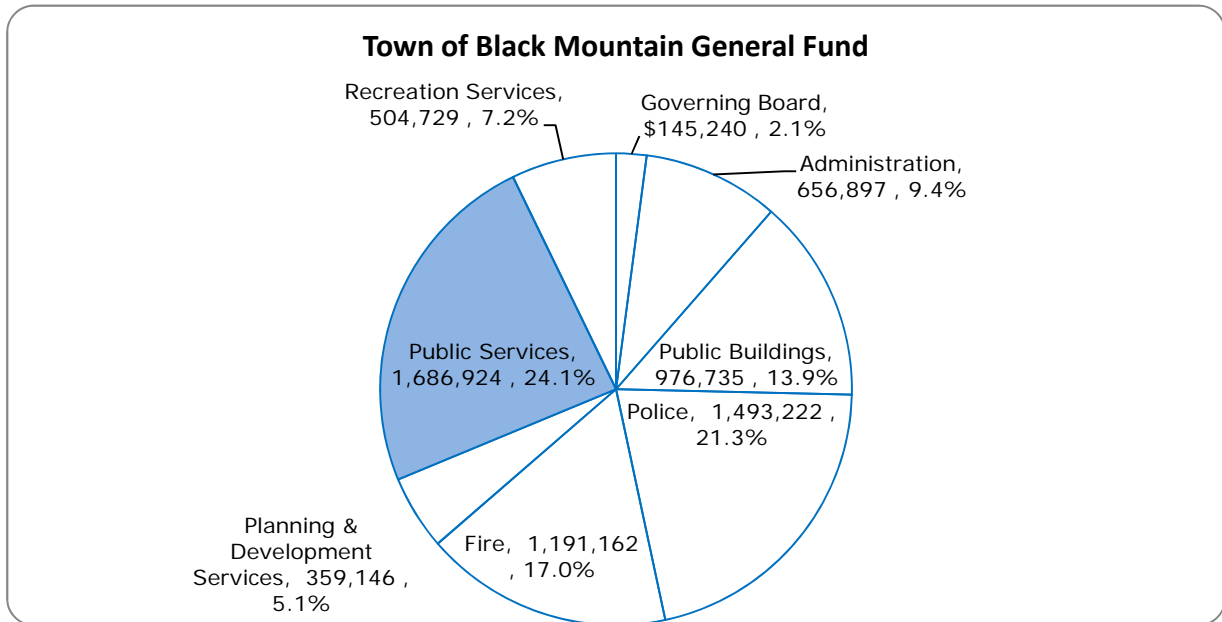
The capital breakdown in the Planning Department budget is as follows:

CAPITAL	
Software replacement-BluePrince	18,000
Total	\$ 18,000

The debt breakdown in the Planning Department budget is as follows:

DEBT PAYMENTS	
Vehicles	4,205
Total	\$ 4,205

PUBLIC SERVICES



The Public Services Department is responsible for water production (via wells and water purchased from the City of Asheville), and water distribution, to include storage tanks, pumps and in-ground lines, dam compliance, valves and meters. Staff also maintains forty four miles of Town streets, which includes potholes and overlays, storm drain systems, signs and markings, and mowing and tree maintenance. Park maintenance responsibilities were added in February 2011. Additional responsibilities include: sanitation contract administration, ice and snow removal, emergency operations, and other special projects and assignments. In 2010, staff and administrative functions were combined and the department is working diligently to cross-train all employees. Public Services staff is also focusing on increased customer service through training, commitment, and a genuine desire to serve the citizens of Black Mountain.

PUBLIC SERVICES

EXPENDITURES SUMMARY

	FY09-10 Actual	FY10-11 Original Budget	FY10-11 Amended Budget	FY10-11 Estimated Expenditures	FY11-12 Adopted Budget	% Change From FY10-11 Original
Personnel	\$ 425,948	\$ 468,472	\$ 468,472	\$ 442,187	\$ 347,579	-25.81%
Operating Costs	1,124,528	1,150,225	1,151,225	1,127,462	1,143,576	-0.58%
Capital	138,963	125,386	215,959	205,425	180,000	43.56%
Debt Payment	-	8,000	11,945	7,885	15,770	97.12%
Total	\$ 1,689,438	\$ 1,752,083	\$ 1,847,601	\$ 1,782,959	\$ 1,686,924	-3.72%

The personnel budget shows a decrease in FY11-12 due to allocation of employees salaries between the General Fund and the Water Fund, to more accurately reflect the true cost to the fund.

Department request not included in Recommended Budget

Two computer replacements	2,000
Ditching bucket	2,200
Two steel flatbeds	4,400
Roofing for sand/salt pit	6,000
Thumb for backhoe	2,000
30 bear proof containers	25,000
Skagmower	3,800
Leaf vacuum	12,000
Carver Center roofing	48,500
Total	\$ 105,900

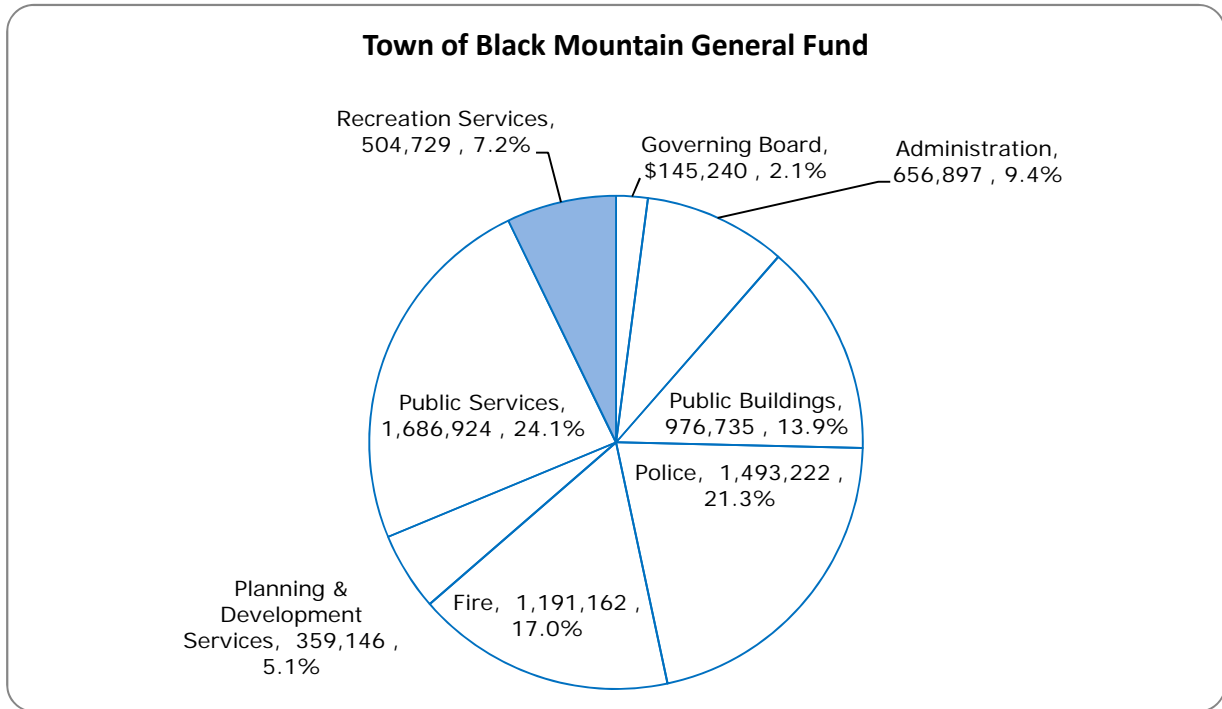
The capital breakdown in the Public Services Department budget is as follows:

CAPITAL	
Powell Bill capital	120,000
Electric charging stations	60,000
Total	\$ 180,000

The debt breakdown in the Public Services Department budget is as follows:

DEBT PAYMENTS	
Vehicles	15,770
Total	\$ 15,770

RECREATION SERVICES



The Black Mountain community places a strong emphasis on the provision of quality recreation and parks services. The beautiful natural environment of the surrounding mountains provide the perfect backdrop for the year-round recreational opportunities. In an effort to carry out their mission and to provide for the enhancement of mountain living, the Black Mountain Recreation and Parks Department provides a variety of recreation and leisure activities, special events, facilities and parks that contribute to health, fitness, relaxation, enjoyment and community fellowship for the citizens of the Town of Black Mountain, neighboring communities and visitors to our town. Recreational pursuits are important to our community's quality of life.

RECREATION SERVICES

EXPENDITURES SUMMARY

	FY09-10 Actual	FY10-11 Original Budget	FY10-11 Amended Budget	FY10-11 Estimated Expenditures	FY11-12 Adopted Budget	% Change From FY10-11 Original
Personnel	\$ 338,029	\$ 332,423	\$ 332,423	\$ 329,441	\$ 330,363	-0.62%
Operating Costs	150,892	156,350	406,350	401,500	130,150	-16.76%
Capital	-	-	67,910	67,910	-	N/A
Debt Payment	44,216	44,220	44,220	44,216	44,216	-0.01%
Total	\$ 533,137	\$ 532,993	\$ 850,903	\$ 843,067	\$ 504,729	-5.30%

The Recreation Services Department budget shows an overall decrease of 5.3%, due to a reduction in operating expenses, including elimination of contributions to the Owen Little League programs, and cheerleading programs.

Department request not included in Recommended Budget

Greenway expansion	35,000
Total	\$ 35,000

The debt breakdown in the Parks Department budget is as follows:

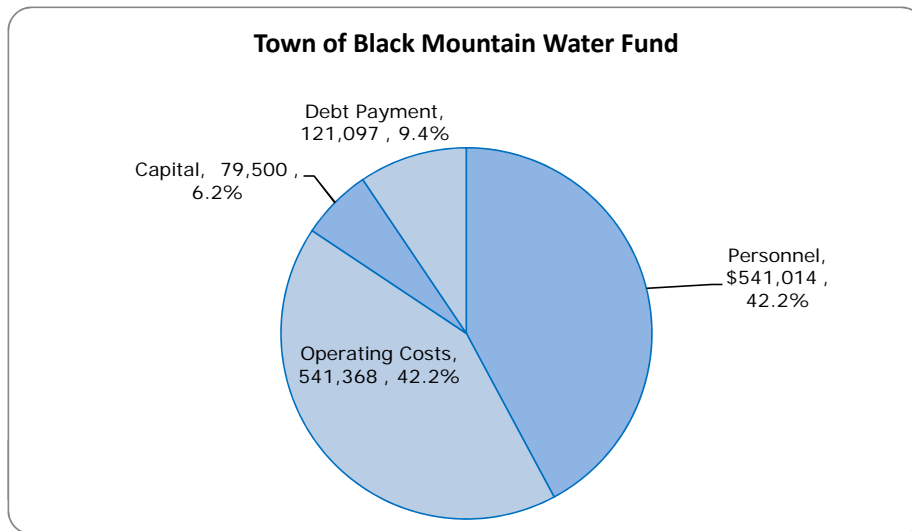
DEBT PAYMENTS	
Pool Renovation	44,216
Total	\$ 44,216

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WATER FUND BUDGET SUMMARY

EXPENDITURES SUMMARY by CATEGORY

	FY09-10 Actual	FY10-11 Original Budget	FY10-11 Amended Budget	FY10-11 Estimated Expenditures	FY11-12 Adopted Budget	% Change From FY10-11 Original
Personnel	\$ 511,472	\$ 561,869	\$ 561,869	\$ 573,034	\$ 541,014	-3.71%
Operating Costs	518,454	507,760	536,760	596,454	541,368	6.62%
Capital	5,842	106,520	106,520	54,500	79,500	-25.37%
Debt Payment	48,244	158,110	158,110	200,897	121,097	-23.41%
Total	\$ 1,084,012	\$ 1,334,259	\$ 1,363,259	\$ 1,424,885	\$ 1,282,979	-3.84%



WATER FUND REVENUES

Account Description	FY10-11 Original		FY10-11 Amended		FY10-11 Estimated		FY11-12 Adopted		% Change From FY10-11 Original
	FY09-10 Actual	Budget	Budget	Revenues	Budget	Budget	Budget		
MSD Billing Fees Reveue	\$ 62,476	\$ 63,205	\$ 63,205	\$ 66,000	\$ 70,000			10.75%	
Water Sales	884,703	926,500	926,500	926,000	925,000			-0.16%	
Water Taps	12,000	12,000	12,000	28,000	26,000			116.67%	
Service Charge Revenue	20,070	20,050	20,050	18,000	19,000			-5.24%	
Impact Fee	11,200	10,500	10,500	22,000	25,000			138.10%	
Charmeldee Homeowners	26,502	-	-	-	-			N/A	
Special Bond Revenue	98,337	99,200	99,200	99,000	99,000			-0.20%	
Interest Revenue	146	-	-	100	100			N/A	
Misc Revenue	2,230	1,500	1,500	1,800	1,850			23.33%	
Late Fees	35,151	35,650	35,650	39,600	36,000			0.98%	
Sale of Equipment	3,048	-	-	-	-			N/A	
Self Insurance Funds	5,200	-	-	-	-			N/A	
Fund Balance Appropriated	-	145,369	174,369	145,369	66,029			-54.58%	
Inter-Fund From General	20,285	20,285	20,285	15,000	15,000			-26.05%	
Total	\$ 1,181,348	\$ 1,334,259	\$ 1,363,259	\$ 1,360,869	\$ 1,282,979			-3.84%	

WATER - CUSTOMER SERVICE DIVISION

EXPENDITURES SUMMARY

	FY09-10 Actual	FY10-11 Original Budget	FY10-11 Amended Budget	FY10-11 Estimated Expenditures	FY11-12 Adopted Budget	% Change From FY10-11 Original
Personnel	\$ 171,484	\$ 132,600	\$ 132,600	\$ 135,127	\$ 99,287	-25.12%
Operating Costs	33,202	45,300	45,300	42,442	49,743	9.81%
Capital	3,647	21,520	21,520	9,500	3,000	-86.06%
Debt Payment	8,981	32,430	32,430	105,441	32,427	-0.01%
Total	\$ 217,314	\$ 231,850	\$ 231,850	\$ 292,510	\$ 184,457	-20.44%

The debt breakdown in the Water Administration budget is as follows:

DEBT PAYMENTS	
Automatic Meter Reading Units	32,427
Total	\$ 32,427

WATER - OPERATIONS DIVISION

EXPENDITURES SUMMARY

	FY09-10 Actual	FY10-11 Original Budget	FY10-11 Amended Budget	FY10-11 Estimated Expenditures	FY11-12 Adopted Budget	% Change From FY10-11 Original
Personnel	\$ 339,987	\$ 429,269	\$ 429,269	\$ 437,907	\$ 441,727	2.90%
Operating Costs	485,252	462,460	491,460	554,012	491,625	6.31%
Capital	2,195	85,000	85,000	45,000	76,500	-10.00%
Debt Payment	39,264	125,680	125,680	95,456	88,670	-29.45%
Total	\$ 866,698	\$ 1,102,409	\$ 1,131,409	\$ 1,132,375	\$ 1,098,522	-0.35%

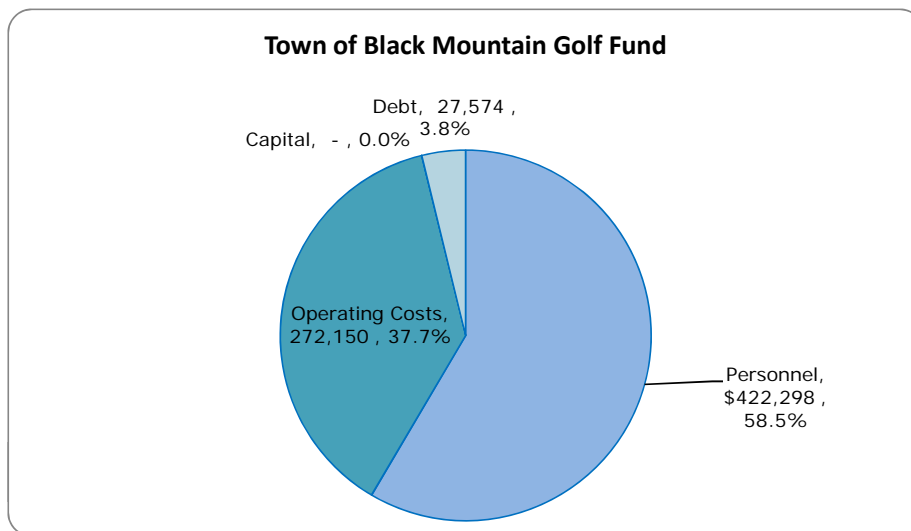
The debt breakdown in the Water Operations budget is as follows:

DEBT PAYMENTS	
Water Tank	6,078
Lake Tomahawk Stormwater	9,427
Water Line Replacement	73,165
Total	\$ 88,670

GOLF FUND BUDGET SUMMARY

EXPENDITURES SUMMARY by CATEGORY

	FY09-10 Actual	FY10-11 Original Budget	FY10-11 Amended Budget	FY10-11 Estimated Expenditures	FY11-12 Adopted Budget	% Change From FY10-11 Original
Personnel	\$ 392,715	\$ 422,405	\$ 422,405	\$ 414,173	\$ 422,298	-0.03%
Operating Costs	306,416	267,795	267,795	292,424	272,150	1.63%
Capital	-	-	55,400	55,400	-	N/A
Debt	-	-	-	4,596	27,574	N/A
Total	\$ 699,132	\$ 690,200	\$ 745,600	\$ 766,593	\$ 722,023	4.61%



GOLF FUND REVENUES

Account Description	FY09-10	FY10-11	FY10-11	FY10-11	FY11-12 Adopted	% Change From
	Actual	Original Budget	Amended Budget	Estimated Revenues	Budget	FY10-11 Original
Green Fees	\$ 172,537	\$ 175,000	\$ 175,000	\$ 150,000	\$ 197,000	12.57%
Memberships	203,233	150,000	150,000	90,946	156,000	4.00%
Golf Carts	213,654	325,000	325,000	290,000	322,965	-0.63%
Croquet Court	-	500	500	-	2,000	300.00%
Misc Revenue	854	900	900	1,200	3,058	239.78%
Proceeds - Capital Lease	-	-	55,400	55,400	-	N/A
Pro Shop Merchandise	32,971	37,000	37,000	30,000	36,200	-2.16%
Association Building Lease	-	600	600	1,675	-	-100.00%
Snack Shop Lease	400	1,200	1,200	500	4,800	300.00%
Self Insurance Funds	3,200	-	-	-	-	N/A
Fund Balance Appropriated	-	-	-	-	-	N/A
Total	\$ 626,849	\$ 690,200	\$ 745,600	\$ 619,721	\$ 722,023	4.61%

GOLF OPERATIONS

EXPENDITURES SUMMARY

	FY09-10 Actual	FY10-11 Original Budget	FY10-11 Amended Budget	FY10-11 Estimated Expenditures	FY11-12 Adopted Budget	% Change From FY10-11 Original
Personnel	\$ 278,282	\$ 294,455	\$ 294,455	\$ 293,422	\$ 267,170	-9.27%
Operating Costs	243,552	213,295	213,295	234,724	220,200	3.24%
Capital	-	-	55,400	55,400	-	N/A
Debt	-	-	-	4,596	27,574	N/A
Total	\$ 521,834	\$ 507,750	\$ 563,150	\$ 588,142	\$ 514,945	1.42%

The personnel budget shows a decrease due to one employee retiring early in FY12 and the position not being filled, and heavier reliance on part time employees.

The debt breakdown in the Golf Fund budget is as follows:

DEBT PAYMENTS	
Irrigation system capital lease	27,574
Total	\$ 27,574

GOLF PRO SHOP

EXPENDITURES SUMMARY

	FY09-10 Actual	FY10-11 Original Budget	FY10-11 Amended Budget	FY10-11 Estimated Expenditures	FY11-12 Adopted Budget	% Change From FY10-11 Original
Personnel	\$ 114,433	\$ 127,950	\$ 127,950	\$ 120,751	\$ 155,128	21.24%
Operating Costs	62,865	54,500	54,500	57,700	51,950	-4.68%
Capital	-	-	-	-	-	N/A
Debt	-	-	-	-	-	N/A
Total	\$ 177,298	\$ 182,450	\$ 182,450	\$ 178,451	\$ 207,078	13.50%

The personnel budget shows an increase due to a new position, the Golf Course Manager, whose responsibilities include both the Pro Shop and Golf Course Operations. The Golf Operations Manager position has been eliminated.

SCHEDULE OF FEES AND RATES

GOLF COURSE FEES		
	Mon. - Fri.	Sat., Sun., & Holidays
Green Fees	\$17.00	\$20.00
Cart Rental Fees	\$15.00	\$15.00
<p>Information regarding twilight rates and membership packages can be obtained by contacting the Golf Course Pro Shop at 828-419-9300, ext. 689. Rates are subject to change. Promotional & seasonal rates apply.</p>		
RECREATION & PARKS FEES		
DESCRIPTION	RESIDENT	NON-RESIDENT
Grey Eagle Arena	\$35.00 per hour	\$50.00 per hour
Lakeview Clubhouse Rental	\$275.00	\$325.00
Lakeview Center Rental	\$185.00	\$230.00
Carver Community Center Rental	\$100.00	\$120.00
Lake Tomahawk Pavilion Rental	\$50.00	\$75.00
Lake Tomahawk Gazebo Rental	\$14.00	\$25.00
Pool Rental	\$150.00	\$200.00
Rec Park Facility Rental	Fee based per activity	Fee based per activity
<p>Fee schedule does not reflect any deposit or cleaning fees for rentals. Fee schedule shown is for private groups with weekend rates. Contact the Recreation & Parks office at 828-419-9300 for complete fee schedule. Rates are subject to change.</p>		
WATER RATES AND FEES		
DESCRIPTION	RESIDENT	NON-RESIDENT
Water Charge (per 1000 gallons)	\$5.25	\$8.52
3/4" Water Tap + Impact Fees	\$1,500.00	\$1,900.00
1" Water Tap + Impact Fee	\$1,700.00	\$2,200.00
1 1/2" Water Tap + Impact Fee	\$2,700.00	\$3,700.00
2" Water Tap + Impact Fee	\$3,200.00	\$4,450.00
4" Water Tap + Impact Fee	\$8,700.00	\$12,700.00
6" Water Tap + Impact Fee	\$16,700.00	\$24,700.00
<p>This is a listing of customary rates as of July 1, 2011 and may not be representative of all rates charged to customer. Impact fee of \$700 is levied for each 12,000 gallons per month capacity needed. Rates are subject to change.</p>		

Schedule of fees effective with the adoption of the FY 2011-12 Budget and are subject to change during the fiscal year.

GLOSSARY

Accrual – Revenues are recorded when earned and expenses are recorded as soon as they result in liabilities for benefits received.

Ad Valorem tax - A tax levied in proportion to the value of a property.

Allocate - To set apart portions of budgeted expenditures which are specifically designated to organizations for special activities and purposes.

Annual Budget - A budget covering a single fiscal year.

Appropriation - The amount budgeted on a yearly basis to cover projected expenditures which the Town Board legally authorizes through the Budget Ordinance.

Approved Budget - The budget as formally adopted by the Town Board for the upcoming fiscal year.

Assessed Valuation - The estimated dollar value placed upon real and personal property by the County Assessor as the basis for levying property taxes. The General Assembly exempted household personal property from taxation effective July 1, 1987.

Balanced Budget - Occurs when planned expenditures equal anticipated revenues. In North Carolina, it is required that the budget submitted to the Town Board be balanced.

Board of Alderman - Five-member Board elected at large by the voters of the Town for staggered four year terms. The meetings of this Board are presided over by the Mayor (also elected at large for a four year term), who can vote on matters before the Board in the event of a tie.

Budget - A financial plan for a specified period of time that matches planned revenues and expenditures with various Town services.

Budget Message - A written overview of the proposed budget from the Town Manager to the Town Board. This overview discusses the major budget items of the Manager's recommended budget.

Capital Outlay - An expenditure which results in the acquisition of or addition to a fixed asset.

Capital Project - A project expected to have a useful life greater than 1 year and an estimated cost of \$5,000 or more. Capital projects include the construction, purchase or major renovation of buildings, utility systems, parks, or other physical structures or property; purchase of land; and purchase of large equipment.

Category - Expenditure budgets are presented in one of four categories: Personnel Services, Operations, Capital Outlay, and Debt Payments.

Contingency - Appropriation intended for unanticipated expenditures. Transfer of these funds into an expendable account is controlled by the Town Board.

Debt Service - Principal, interest and administrative costs associated with the repayment of long-term debt.

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

GLOSSARY

incurred.

Department - A major administrative division of the Town that has overall management responsibility for an operation within a functional area.

Depreciation – An allowance made for the loss in the value of property over time.

Employee Benefits - For budgeting purposes, employee benefits include employer payments for social security, retirement, group health and life insurance, and workers' compensation and any similar form of employee compensation.

Encumbrances - A financial commitment for services, contracts, or goods which have not been delivered or performed.

Enterprise Fund - A grouping of activities whose expenditures are wholly or partially offset by revenues collected from consumers in the form of fees and charges; in the case of Black Mountain, these include the Water and Golf Funds.

Expenditures - The total cost of a program or capital project.

Fiscal Year - A 12 month period (July 1 through June 30) in which the annual operating budget applies and at the end of which an assessment is made of the Town's financial condition and performance of operations.

Fund - An accounting entity created to record the financial activity for a selected financial group.

Fund Balance - Funds accumulated through the under-expenditure of appropriations and/or receiving revenues greater than anticipated and included in the budget.

General Fund - A fund which provides for the accounting for most of the basic government services, such as police, fire, sanitation, street maintenance, planning & inspections, recreation and other general services.

Governmental Funds – Funds generally used to account for tax-supported activities.

Interest and Penalties Receivable on Taxes - Uncollected interest and penalties on property taxes.

Intergovernmental Revenues - Revenues from other governments (State, federal, and local) which can be in the form of grants, shared revenue, or entitlement.

Lease Purchase - A method of purchasing equipment in which payments are spread over a period of time.

Levy - The amount of tax, service charge, and assessments imposed by the government.

LGC – The Local Government Commission.

Line Item - A budgetary account representing a specific object of expenditure.

Modified Accrual - The basis of accounting for the Town. Under this system, expenditures are recognized

GLOSSARY

when encumbered.

NCDOT – North Carolina Department of Transportation

Non-Operating Expenses - Expenses which are not directly related to the provision of services such as debt service.

Ordinance - A formal legislative enactment by the Town Board which has the full force and effect of law within the boundaries of the Town.

Operating Budget - The Town's financial plan which outlines proposed expenditures for the upcoming fiscal year and estimates revenues which will be used to finance them.

Operating Expenses - Those expenditures generally of a recurring nature, covering services and supplies necessary to operate individual departmental activities.

Personnel Services - Salaries and wages paid to employees for full-time, part-time and temporary work, including overtime and similar compensation. Also included in this account group are employee benefits paid for employees.

Property Tax Rate - The rate at which real property in the Town is taxed in order to produce revenues sufficient to conduct necessary governmental activities.

Property Tax - Tax paid by those owning property in the Town.

Proprietary Fund - A fund used to account for the operations similar to those in the private sector. This includes enterprise funds. The focus is on determination of net income, financial position and changes in financial position.

Public Safety - A group of expenditures related to the provision and enforcement of law enforcement and fire and disaster protection.

Real Property - Land, buildings, and items permanently affixed to land or buildings.

Real Property Value - The value of land and buildings which are taxable.

Reappraisal - The process of revaluing a jurisdiction's real property in order to adjust the tax value to the market value; by North Carolina law, a revaluation must be conducted at a minimum of every eight years. Property within Black Mountain was to be revalued in the current year, but Buncombe County decided to delay the next revaluation until 2014.

Reserve - An account designated for a portion of the fund balance which is to be used for a specific purpose.

Revenue - All funds that the Town government receives as income, including items such as tax payments, fees for specific services, receipts from other governments, fines, forfeitures, shared revenues, and interest income.

GLOSSARY

Revenue Neutral Tax Rate – G.S. §159-11(e) states that “the revenue-neutral tax rate is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue that would have been produced for the next fiscal year by the current tax rate if no reappraisal had occurred.” This rate is calculated in revaluation years.

Sales Tax - Tax paid by retail consumers.

Service Level - The amount of service provided during the fiscal year as indicated by one or more performance indicators.

Tax Levy - Revenue produced by applying a given tax rate to a property's assessed, or tax value.