

BUDGET 2020

July 1, 2019 - June 30, 2020



Biltmore Forest, North Carolina

**Town of Biltmore Forest
NORTH CAROLINA**

**Fiscal Year Ending
June 30, 2020
Annual Budget**

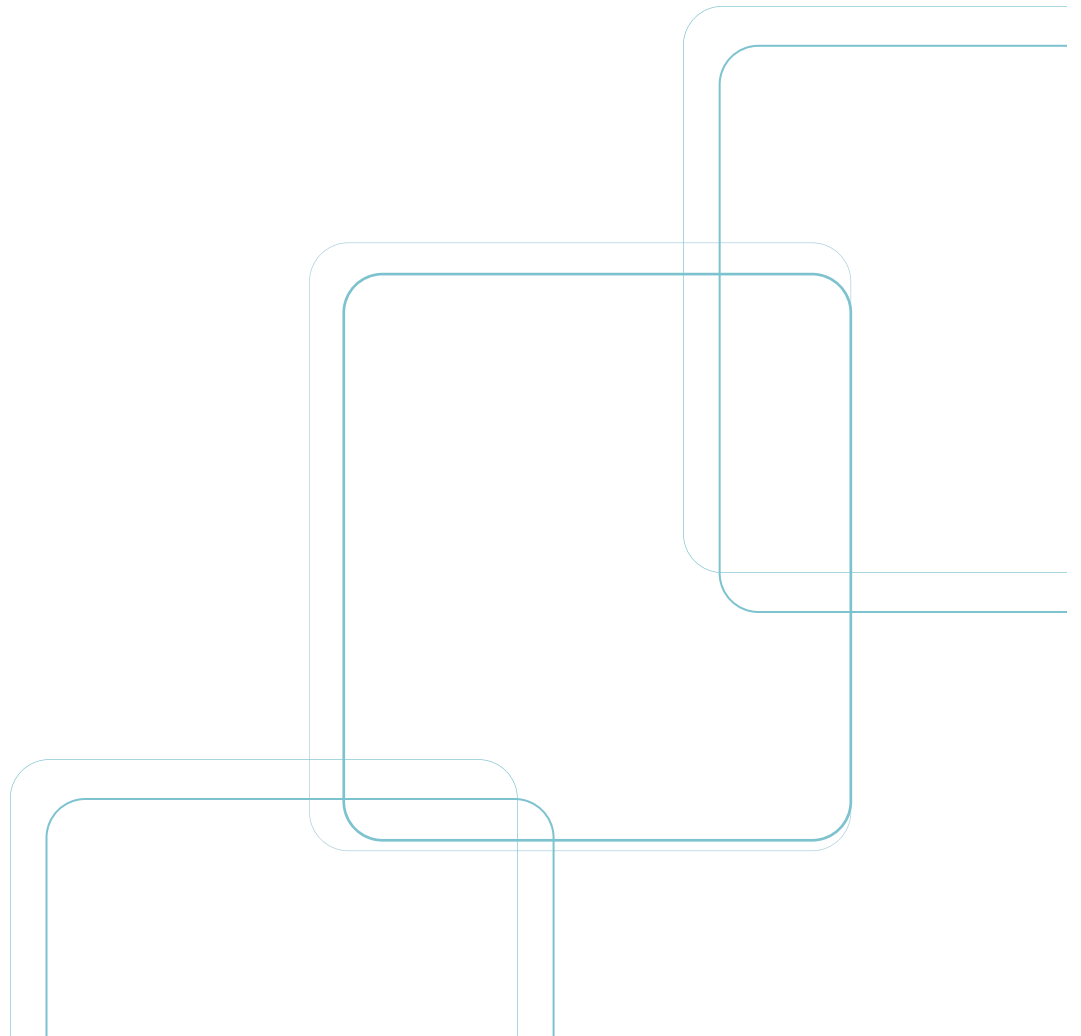


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BUDGET BASICS

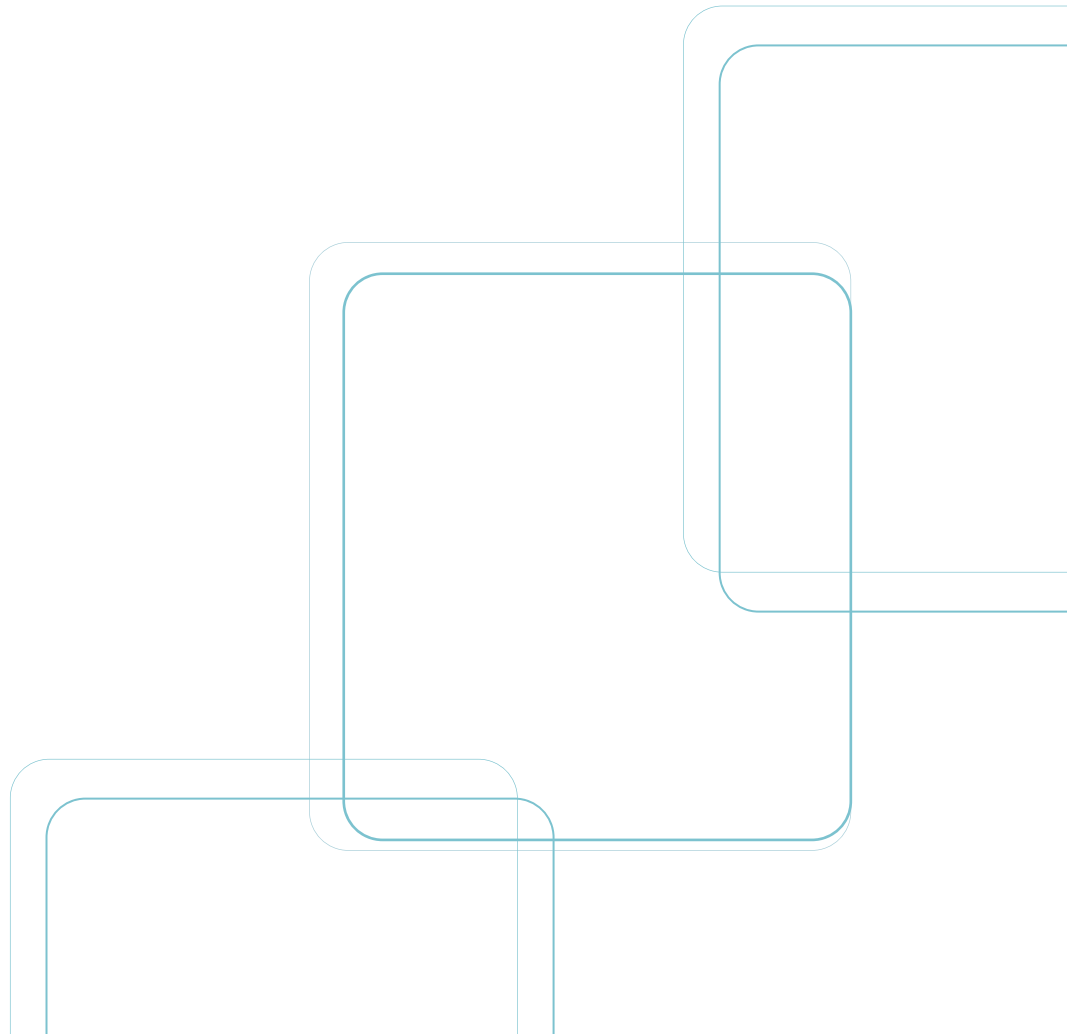
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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Biltmore Forest
North Carolina**

For the Fiscal Year Beginning

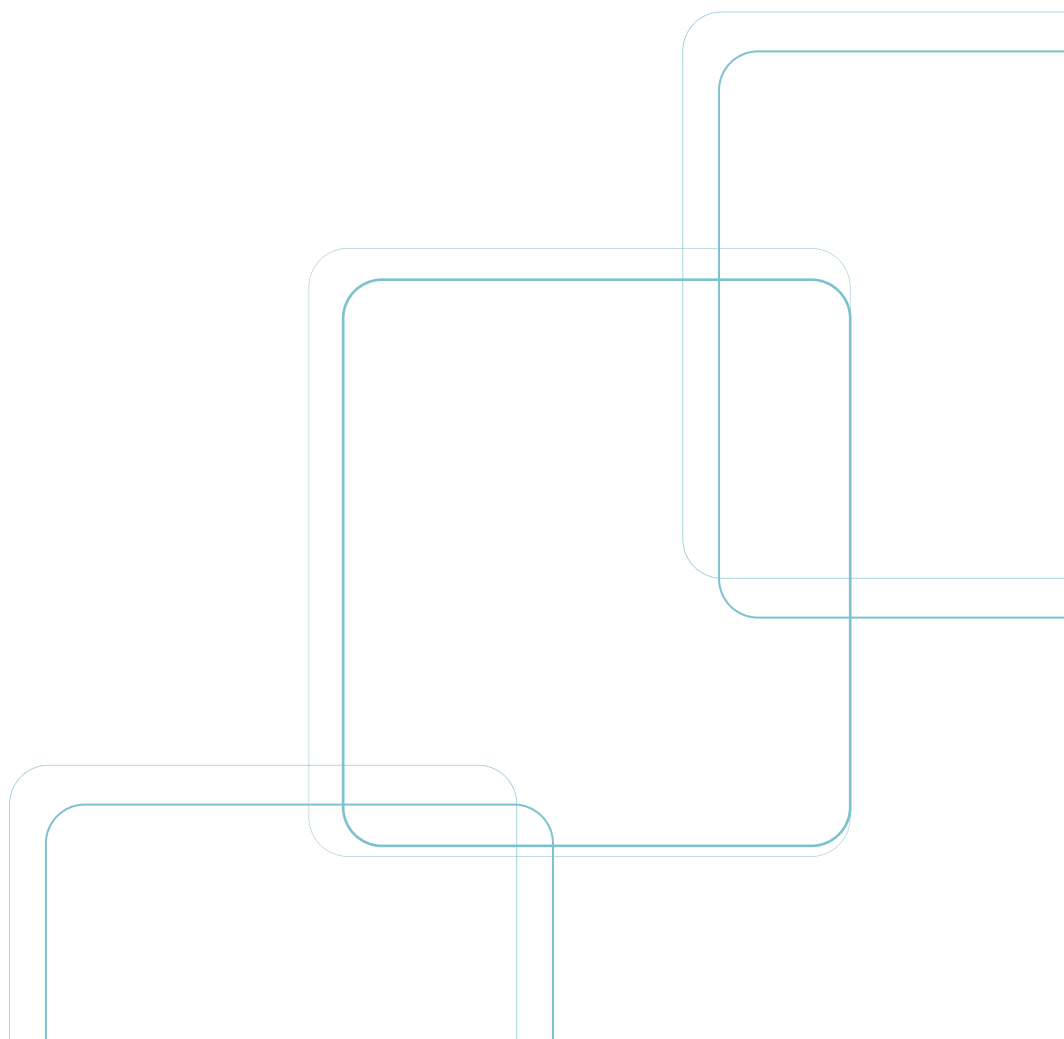
July 1, 2018

Christopher P. Morill

Executive Director

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Town of Biltmore Forest, North Carolina, for its Annual Budget for the fiscal year beginning July 1, 2018. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communication device.

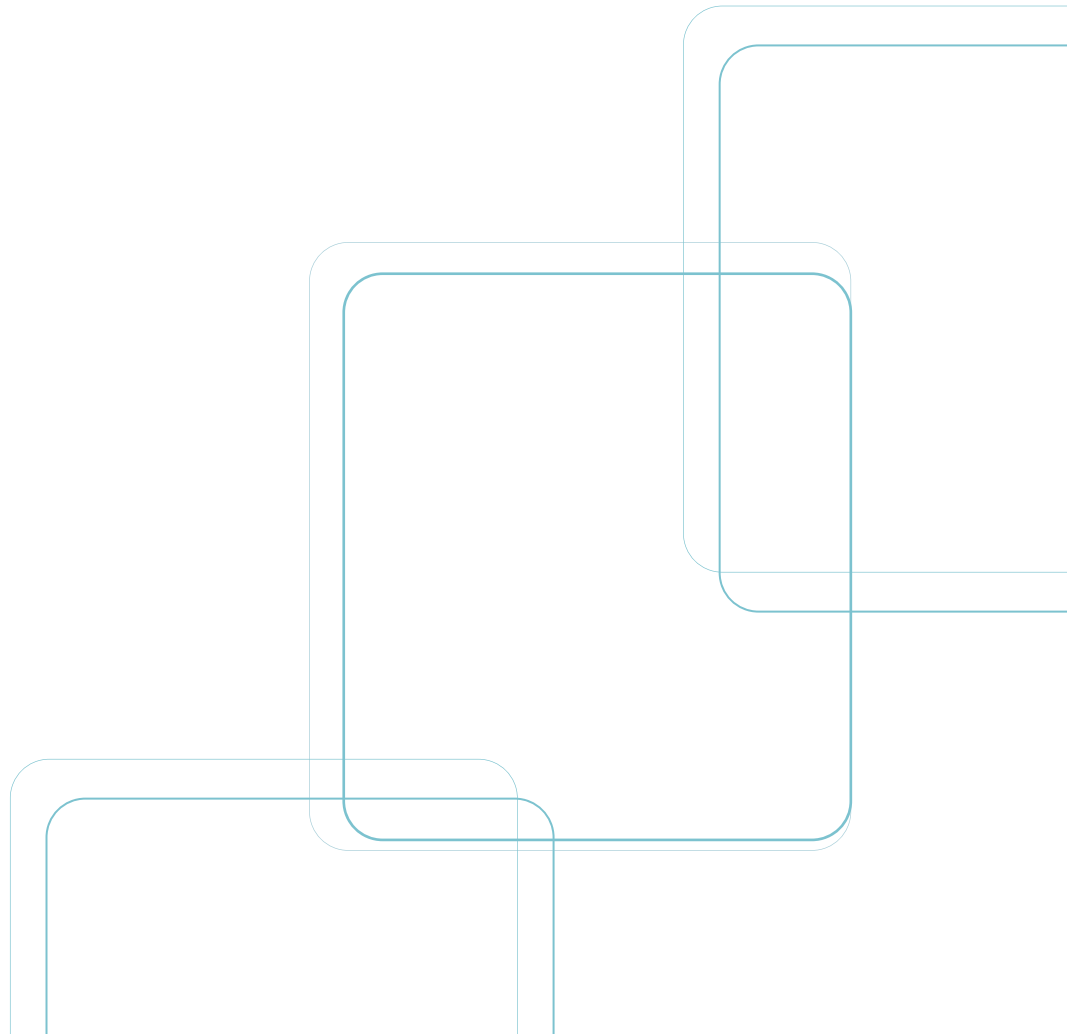
This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



ABOUT BILTMORE FOREST

History
Community Profile
Demographics





History

In 1916, following the unprecedented flood and resulting damage to Biltmore Village and the Biltmore Estate, the trustees of the George Vanderbilt Estate requested Junius Adams to make a survey and study the property and recommend plans to reduce the cost of maintenance. His report included recommendations that Biltmore Village be sold and that some 1,500 acres of Biltmore Estate bordering on Hendersonville Road, which was unproductive and bearing a heavy burden of taxation, be declared a restricted residential section and sold off as lots.

The trustees approved the recommendations of Mr. Adams which included postponing the project due to the threat of United States involvement in the First World War. The trustees agreed the project would proceed when the conditions were regarded as favorable. The project began in August of 1920.

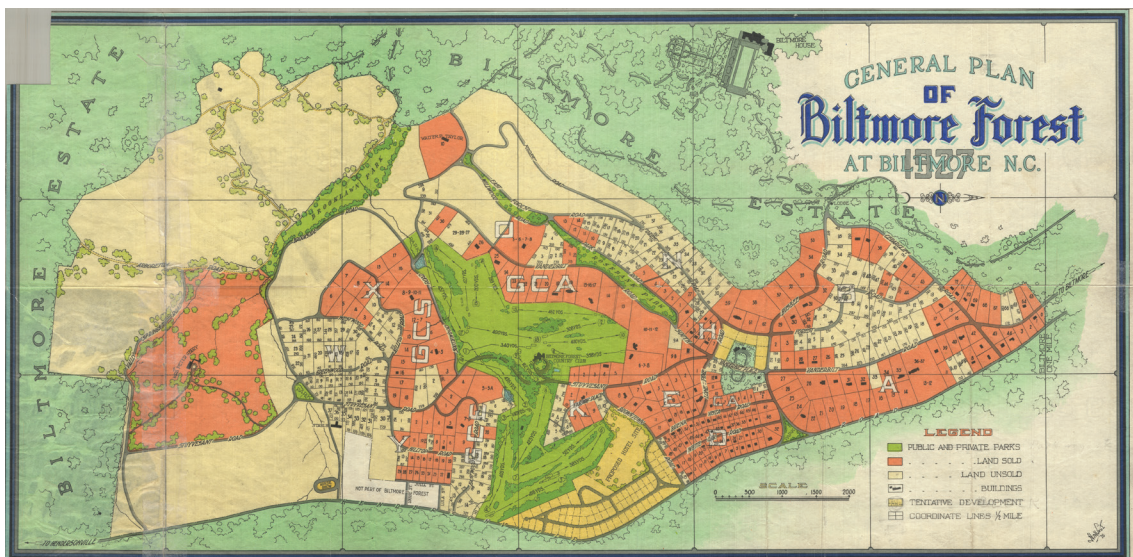
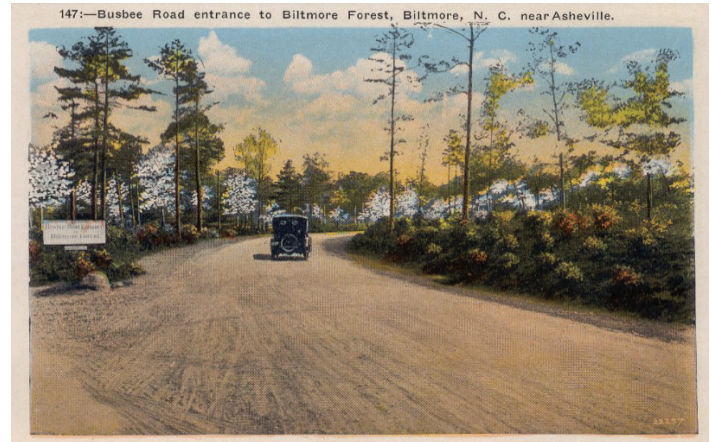
Junius Green Adams, Thomas Wadley Raoul, Burnham S. Colburn and William A. Knight with the co-operation of Mrs. Edith Vanderbilt, her daughter Cornelia, and the trustees of the estate of George Vanderbilt formed the Biltmore Estate Company. Their intent was to develop on almost 1,500 acres one of the finest residential parks in the country. The Town was officially chartered in 1923.

In 1925, Hiden Ramsey described the prevailing vision for the Town of Biltmore Forest:

“They wished to create and abide in a community where persons of moderate means could build homes that would embody on a smaller scale the same ideals which actuate Vanderbilt in the creation of the Biltmore Estate.... Not a tree was felled nor a bush disturbed until the atmosphere of the community had been determined and the whole plan of development had been worked out in the minutest detail.”

In 1990 the Biltmore Forest Historic District was determined eligible for the National Register of Historic Places. Eligibility included the pioneering method of suburban real estate development; the association with William Waldo Dodge Jr, a silversmith and architect, known for Colonial revival, craftsman, rustic and Tudor revival styles that permeate the area; and because of the coordination of plan, landscaping and architecture to create identity and character.

The attention to detail and environment that were so prominent during the development of the Town have been preserved by virtue of residential zoning designations and conscientious zoning regulations. Conservation of the naturalistic landscaping, designed with the same influences as the Biltmore Estate, has been possible through adoption of a tree protection ordinance and community forestry programs.



Community Profile

Governance

The Town of Biltmore Forest operates under a Council-Manager form of government. The Council, referred to as the Board of Commissioners, is the legislative body of government. The Board of Commissioners determines Town policy by enacting ordinances and resolutions. A professional Town Manager is appointed by the Board, and serves at the pleasure of the Board. The Manager administers the daily operations of the Town through appointed department heads and executive staff members.

Town Services

Town services are broadly categorized in three service areas: General Government and Administration, Public Safety, and Public Works. Each service area is comprised of specific departments that provide public services. The Town has 28 full-time employees.

General Government and Administration performs various functions including administration, financial management, human resources, billing and collections, public records management, and community events.

Public safety is made up of two components: the police department and the fire department contract. The Police Department provides patrol and investigative services. The fire department contract provides residents with response from Skyland Fire Department for fire protection and related services.



Public Works is made up of several departments which include physical development, streets and transportation, sanitation and recycling, and water. Sewer services are provided to Town residents by the Metropolitan Sewerage District of Buncombe County.

Community Engagement

As a residential community, the Town recognizes the importance of citizen engagement. Several surveys regarding specific projects have been made available to residents of Biltmore Forest in the past year. Additional surveys will be developed, as part of the Town's strategic plan, to evaluate resident opinions on quality of life, customer service, and project priorities.

The Town hosts a number of celebratory, service, and/or educational events throughout the year. Residents can connect with neighbors while enjoying the Fourth of July Picnic, trick-or-treating, and annual tree lighting. National Night Out and Arbor Day events are two of the service and educational events that help residents connect on a civic level, by providing educational information in a casual and friendly atmosphere.



Demographics

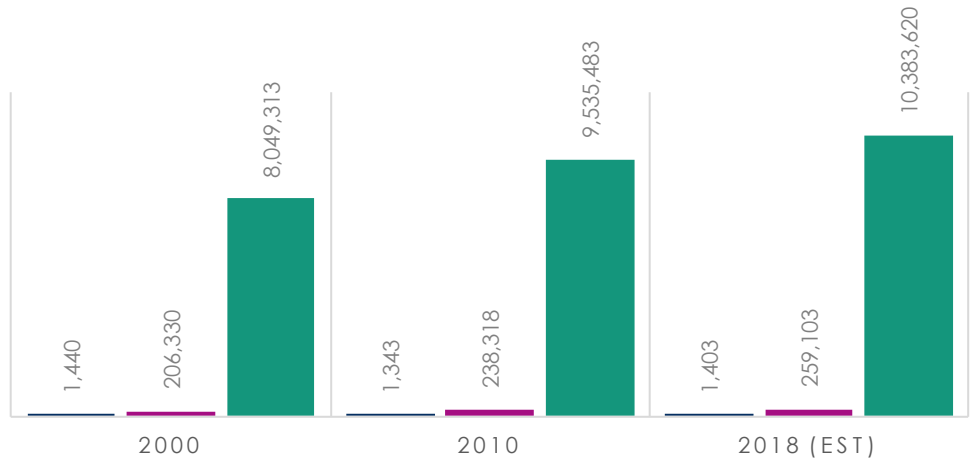
Population

The population of Biltmore Forest (1,403) makes up 0.014% of the population of the State of North Carolina. The Town's median age is 53.7 which makes the population of the Town older than the median age for North Carolina (38.4).

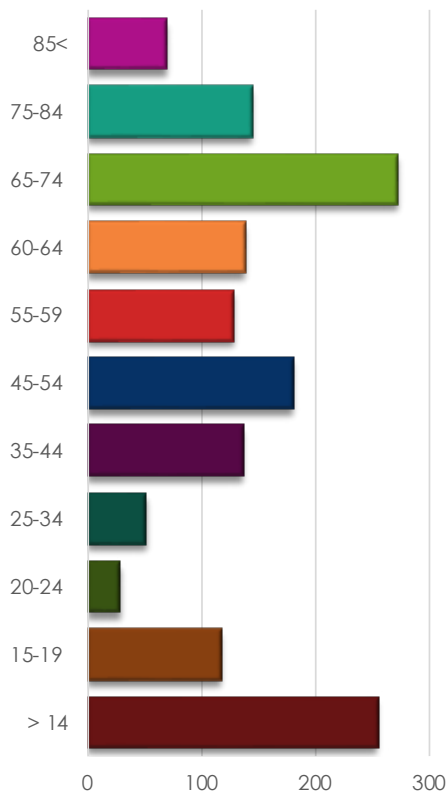
POPULATION

- Biltmore Forest
- Buncombe County
- North Carolina

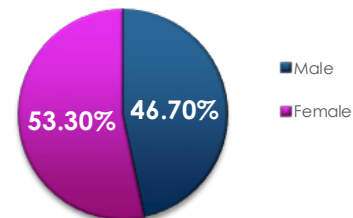
Data from:
2000 Census
2010 Census
2018 Population
Estimate- American
Community Survey



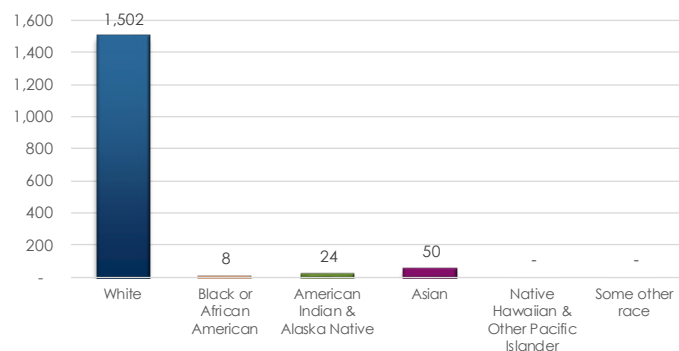
Town of Biltmore Forest
Population by Age
(2013-2017 American Community Survey)



Town of Biltmore Forest
Population by Gender
(2013-2017 American Community Survey)



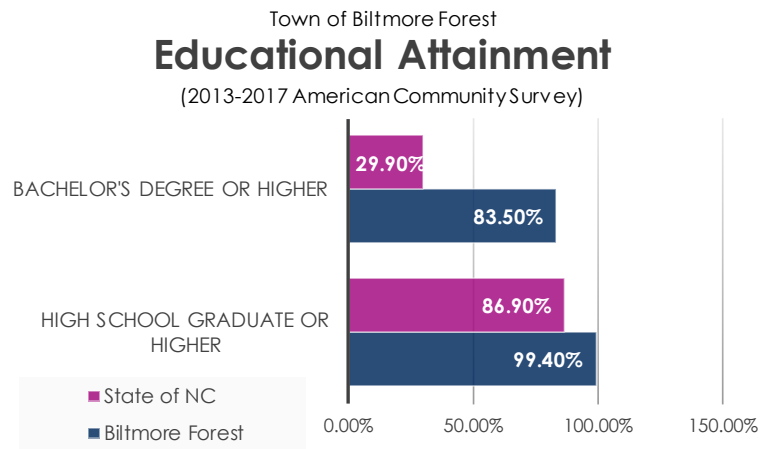
Town of Biltmore Forest
Population by Race
Race alone or in combination with one or more other races
(2013-2017 American Community Survey)



Demographics

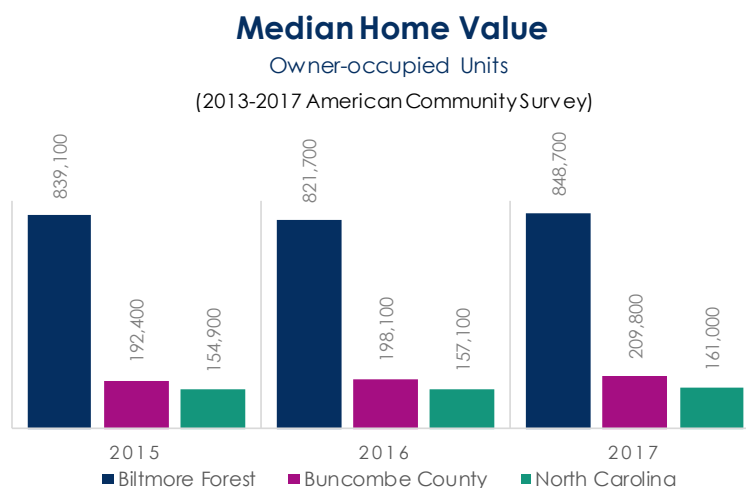
Education

Residents of Biltmore Forest (25 years of age and older) are highly educated, with most residents being a high school graduate or higher and many having a bachelor's degree or higher. Additionally, 37.2% of the residents have a graduate or professional degree.



Housing

53% of the 695 housing units in Biltmore Forest were built prior to 1960. The median home value of owner occupied units is \$848,700. According to a MarketWatch article, Biltmore Forest is set to become the first city in North Carolina where the median home value surpasses seven figures (Jacob Passy. "The U.S. is about to add even more cities with a median home value of \$1 million," www.marketwatch.com (August 11, 2018))

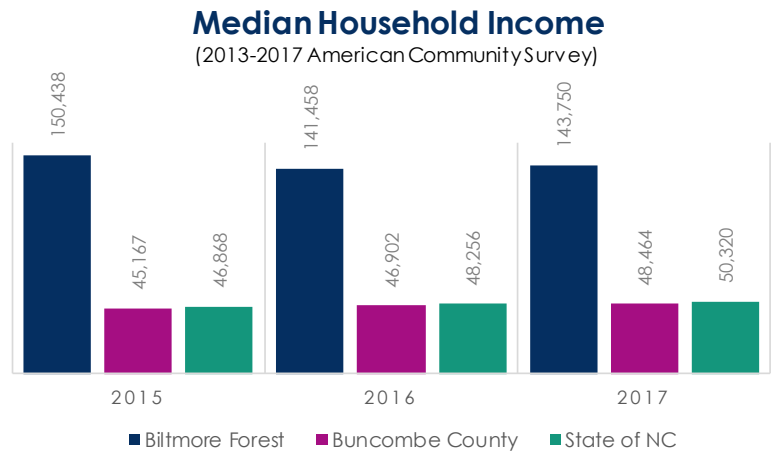


Demographics

Income

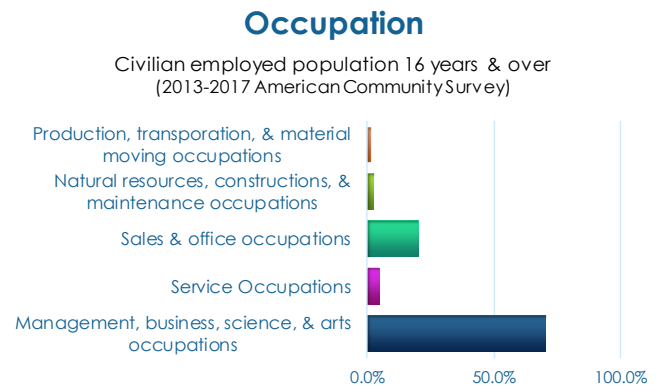
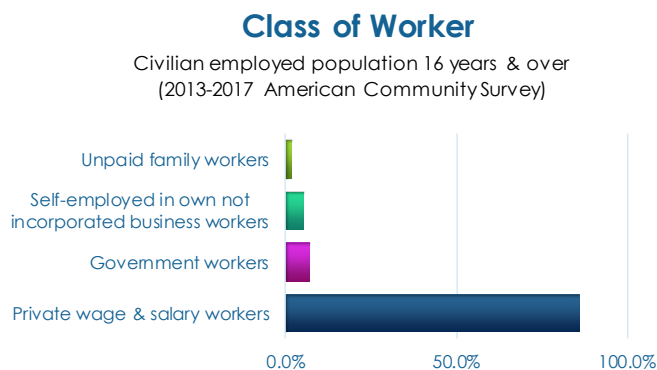
The median household income in Biltmore Forest (\$143,750) is significantly higher than that of Buncombe County and North Carolina. The mean household income for Biltmore Forest is \$250,065.

Households by Income	
Under \$25,000	9.59%
\$ 25,000 to \$ 49,999	6.18%
\$ 50,000 to \$99,999	20.65%
\$100,000 to \$149,999	14.47%
\$150,000 to \$199,999	10.41%
\$200,000 or more	38.70%



Employment & Occupation

Of the civilian population 16 years and over, the Town's predominant class of worker is a private wage & salary worker. The primary occupation in the same group, is management, business, science, and arts occupations. The primary industry in this group is educational services, healthcare, and social assistance, followed by professional, scientific, management, administrative, and waste management services. The unemployment rate for Biltmore Forest is not available, however the August 2019 unemployment rate for Buncombe County was 3.3% and the State of North Carolina unemployment rate was 4.3%



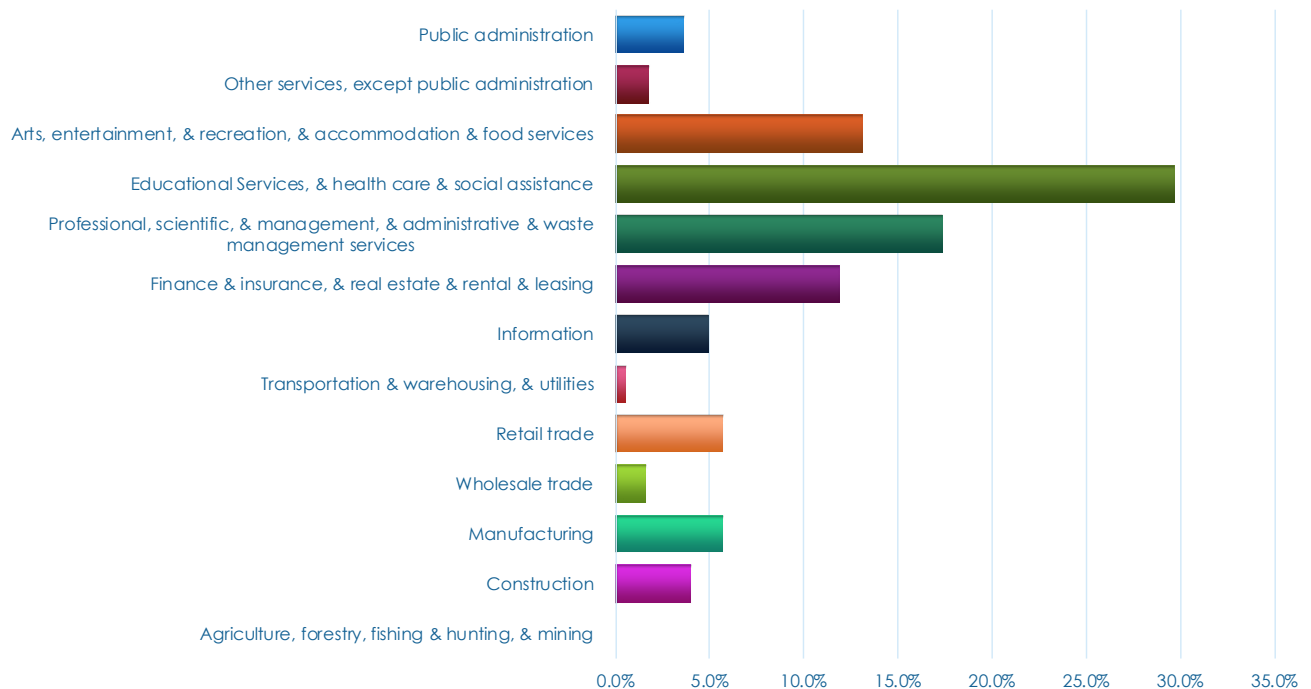
Demographics

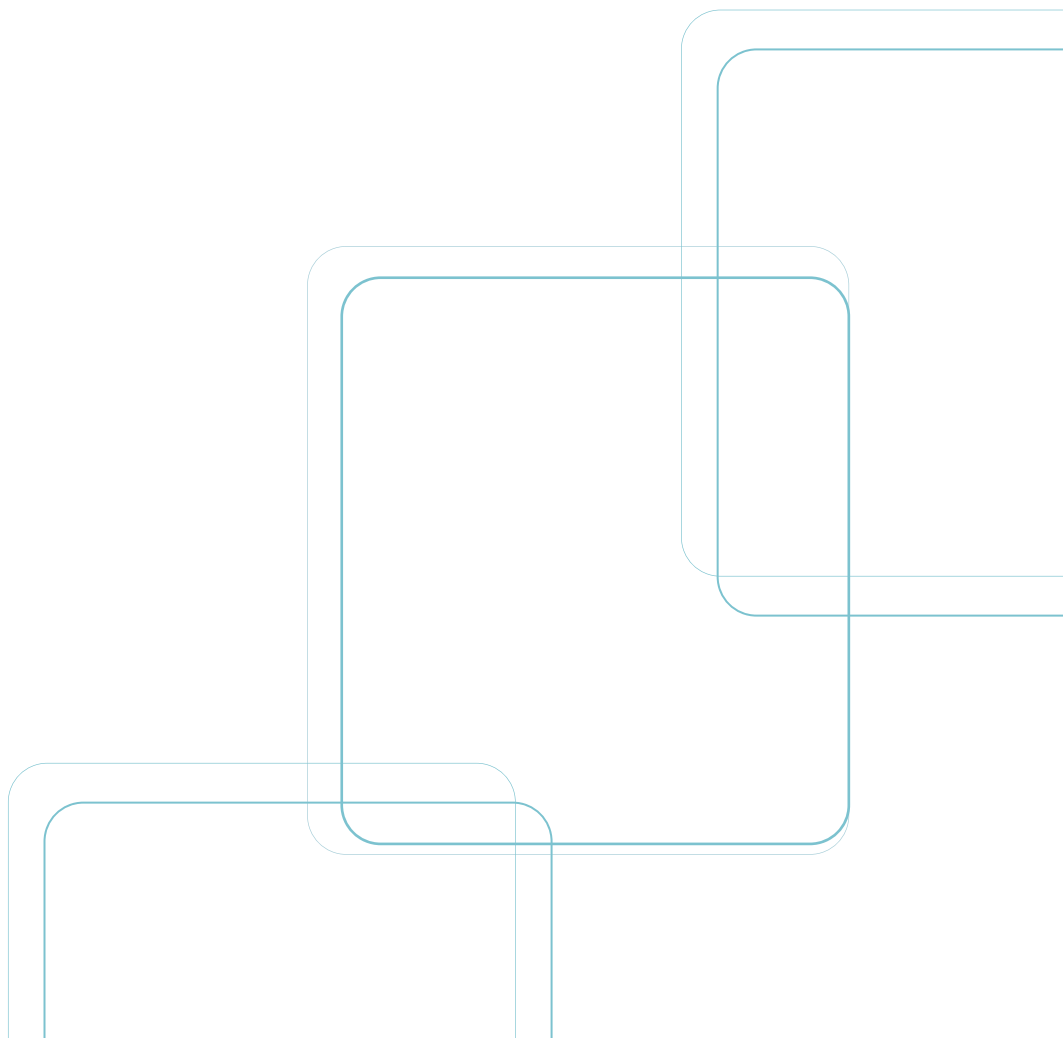
PRINCIPAL EMPLOYERS			
Rank	Company	Industry	Employment Range
1	MEMORIAL MISSION HOSPITAL INC	Education & Health Services	1000+
2	BUNCOMBE COUNTY BOARD OF EDUCATION	Education & Health Services	1000+
3	INGLES MARKETS, INC	Trade, Transportation, & Utilities	1000+
4	BILTMORE WORKFORCE MANAGEMENT INC	Leisure & Hospitality	1000+
5	VETERANS ADMINISTRATION VA RO318	Public Administration	1000+
6	COUNTY OF BUNCOMBE	Public Administration	1000+
7	CITY OF ASHEVILLE	Public Administration	1000+
8	WAL-MART ASSOCIATES INC.	Trade, Transportation, & Utilities	1000+
9	EATON CORPORATION	Manufacturing	1000+
10	MISSION MEDICAL ASSOCIATES INC	Education & Health Services	1000+
NC Department of Commerce Labor & Economic Analysis 3Q 2018 for Buncombe County			

Town of Biltmore Forest

Industry

Civilian employed population 16 years & over
(2013-2017 American Community Survey)

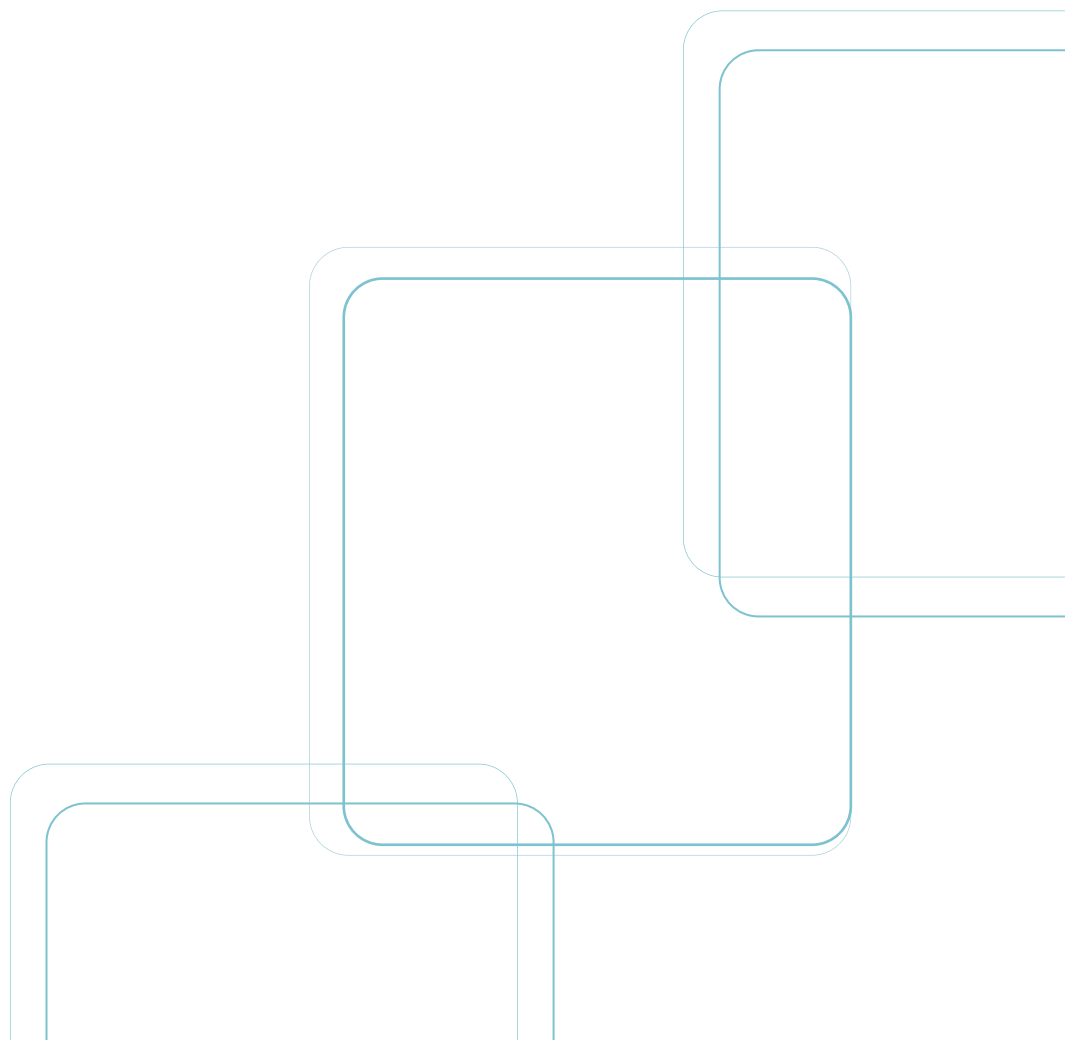




ORGANIZATIONAL STRUCTURE

Boards & Key Personnel
Town Organizational Chart
Employees by Department
Strategic Plan





Organizational Structure

Town Boards

Elected Board

Board of Commissioners

The Mayor and each Commissioner are elected, at-large, for a term of four years. The Board of Commissioners are responsible for establishing the Town's fiscal policy by adopting the annual budget ordinance and levying the taxes; adopting Town ordinances; establishing services and service levels; and other policy making decisions that establish the framework for the government to meet the needs of the community. The Mayor presides at meetings of the Commission and is recognized as head of the Town government for all official functions. The Mayor-pro-tem is designated among the elected Commissioners to serve as acting Mayor in the absence of the Mayor.



George F. Goosmann, III
Mayor



Fran G. Cogburn
Mayor Pro Tem



E. Glenn Kelly
Commissioner



Doris P. Loomis
Commissioner

Appointed Boards

Board of Adjustment

The Board of Adjustment is a quasi-judicial board which considers requests for conditional use permits, variances, and other associated land development. The Board of Adjustment is comprised of five members and an alternate member, appointed by the Board of Commissioners, each serving three year terms. Members' terms are staggered.

Design Review Board

The Design Review Board is an advisory board that reviews any changes to the exterior structure or new structure to recommend adherence to the Town's design standards. The Design Review Board is comprised of five members, appointed by the Board of Commissioners, each serving three year terms. Members' terms are staggered.

Planning Board

The Planning Board evaluates changes to the zoning ordinance and makes formal recommendations to the Board of Commissioners. The Planning Board is comprised of three members, appointed by the Board of Commissioners, each serving three year terms. Members' terms are staggered.

Key Personnel

Jonathan B. Kanipe, Town Manager

Billy Clarke, Town Attorney*

Helen Stephens, Assistant Finance Director

Laura Jacobs, Assistant Town Clerk

Adrienne Isenhower, Town Planner*

Chris Beddingfield, Chief of Police

Mark Allen, Police Lieutenant

Terry Crouch, Public Works Director

Austin Tucker, Public Works Supervisor

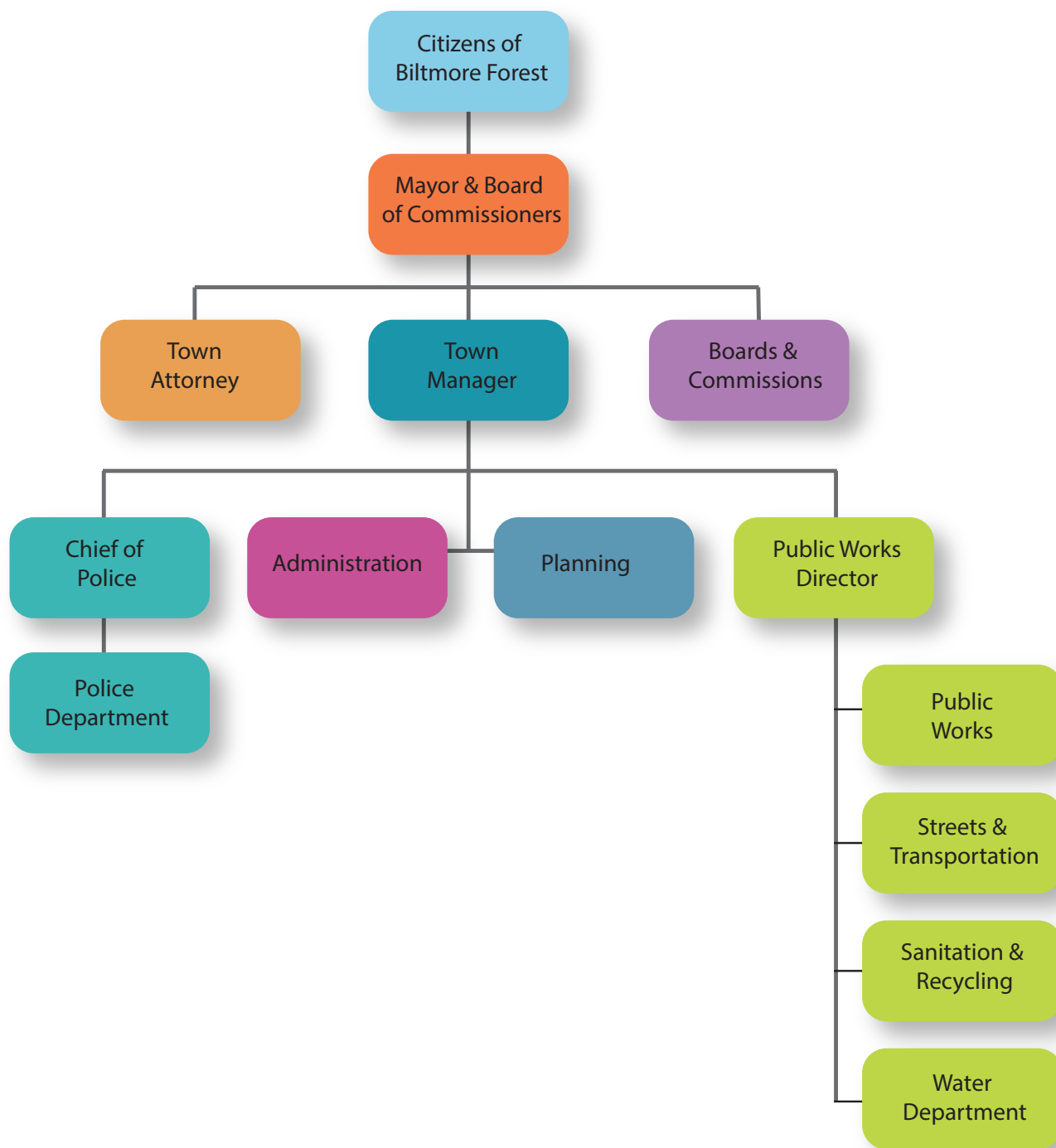
*Persons not employed by the Town but perform work by contract.



Jonathan B. Kanipe
Town Manager

Organizational Structure

Town Organizational Chart



Organizational Structure

Full-time Equivalent Positions (FTE) by Department

	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 ACTUAL	2019-20 ADOPTED
ADMINISTRATION				
Town Manager	1.0	1.0	1.0	1.0
Assistant Finance Director	1.0	1.0	1.0	1.0
Assistant Town Clerk	0.0	0.0	0.5	0.5
	2.0	2.0	2.5	2.5
PLANNING				
Planner*	0.0	0.5	0.5	0.5
POLICE				
Chief of Police	1.0	1.0	1.0	1.0
Lieutenant	1.0	1.0	1.0	1.0
Sergeant	4.0	4.0	4.0	4.0
Patrol Officer	4.0	4.0	4.0	6.0
Telecommunicator	4.0	4.0	4.0	4.0
	14.0	14.0	14.0	16.0
PUBLIC WORKS				
Public Works Director	1.0	1.0	1.0	1.0
Public Works Supervisor	1.0	1.0	1.0	1.0
Public Services Technician	1.0	1.0	1.0	1.0
Public Services Maint. Worker	2.0	2.0	2.0	2.0
Skilled Labor	1.0	0.0	0.0	0.0
	6.0	5.0	5.0	5.0
STREETS & TRANSPORTATION				
Maintenance Worker	1.0	1.0	1.0	1.0
SANITATION & RECYCLING				
Sanitation Worker	2.0	3.0	3.0	3.0
WATER				
Billing Clerk	1.0	1.0	0.5	0.5
TOTAL EMPLOYEES	26.0	26.5	26.5	28.5
Percent Change	0.0%	1.9%	0.0%	7.5%
General Fund Employees	25.0	25.5	26.0	28.0
Water Fund Employees	1.0	1.0	0.5	0.5

*Planner position is contracted with Land of Sky Regional Council for 0.5 FTE.

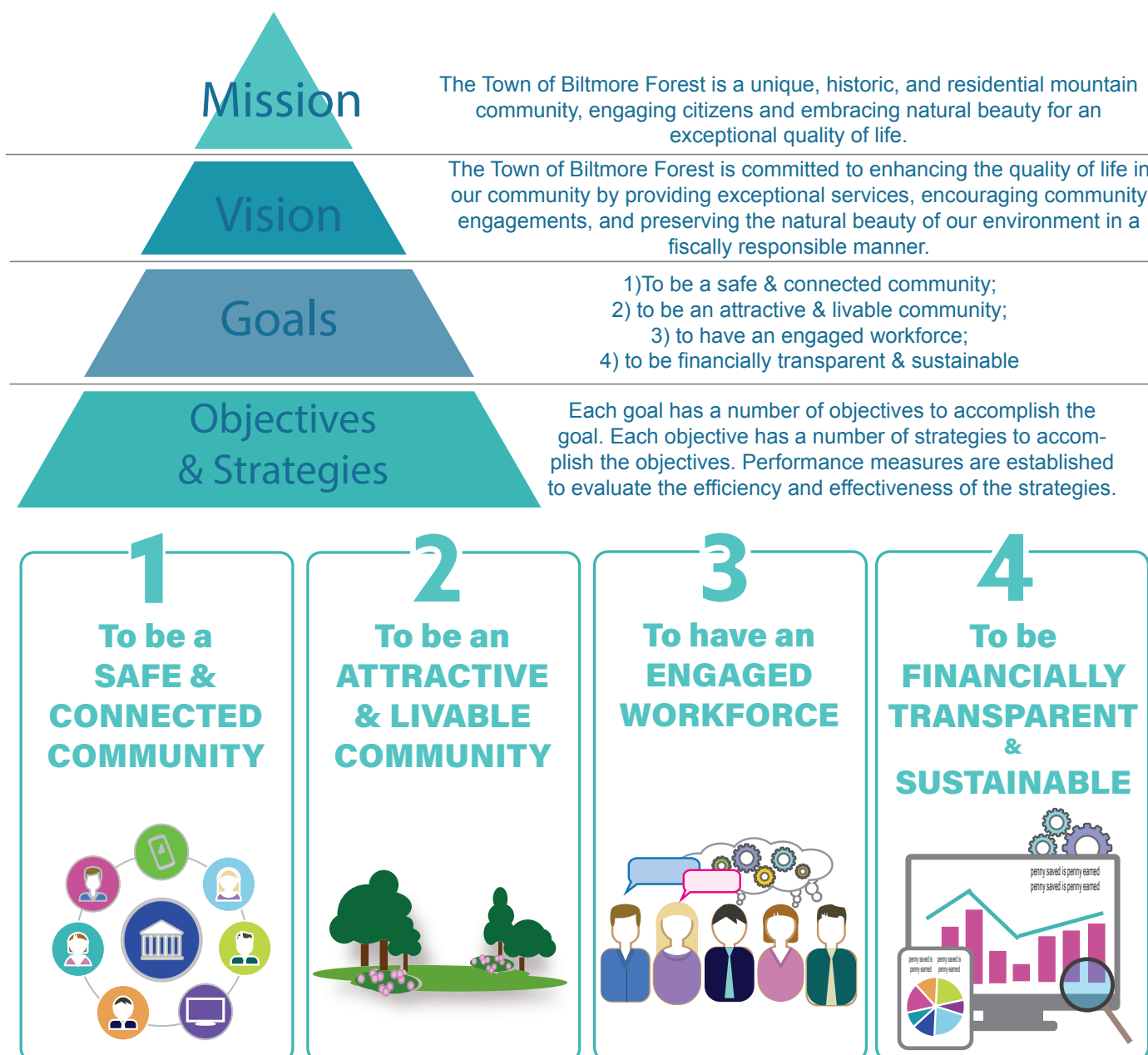
** Additional two (2) FTE positions added in Police Department. Details for this increase are located in the departmental expenditures page.

Organizational Structure

Strategic Plan

The Town initiated a strategic planning process to identify and align the needs and wants of the Town with current available resources. A Strategic Plan is a planning document that establishes the direction of an organization by outlining goals, objectives, and strategies. The Strategic Plan directs major initiatives and demonstrates the connection of those initiatives to the overall mission. The strategic plan is to be reviewed and updated annually as the Town evaluates feedback from elected officials and residents to identify the community needs and wants. Once the needs and wants are identified, departments will develop initiatives to address those needs. The initiatives will then be prioritized and incorporated into the budget for funding.

The evaluation method for the strategies in the Town's plan will be mostly output measures, which would indicate completion of a strategy or underlying component. As the strategic plan evolves, additional indicators for program evaluation will be incorporated to more accurately depict the efficiency of certain strategies. Output measures are located in the departmental expenditure section of this document.

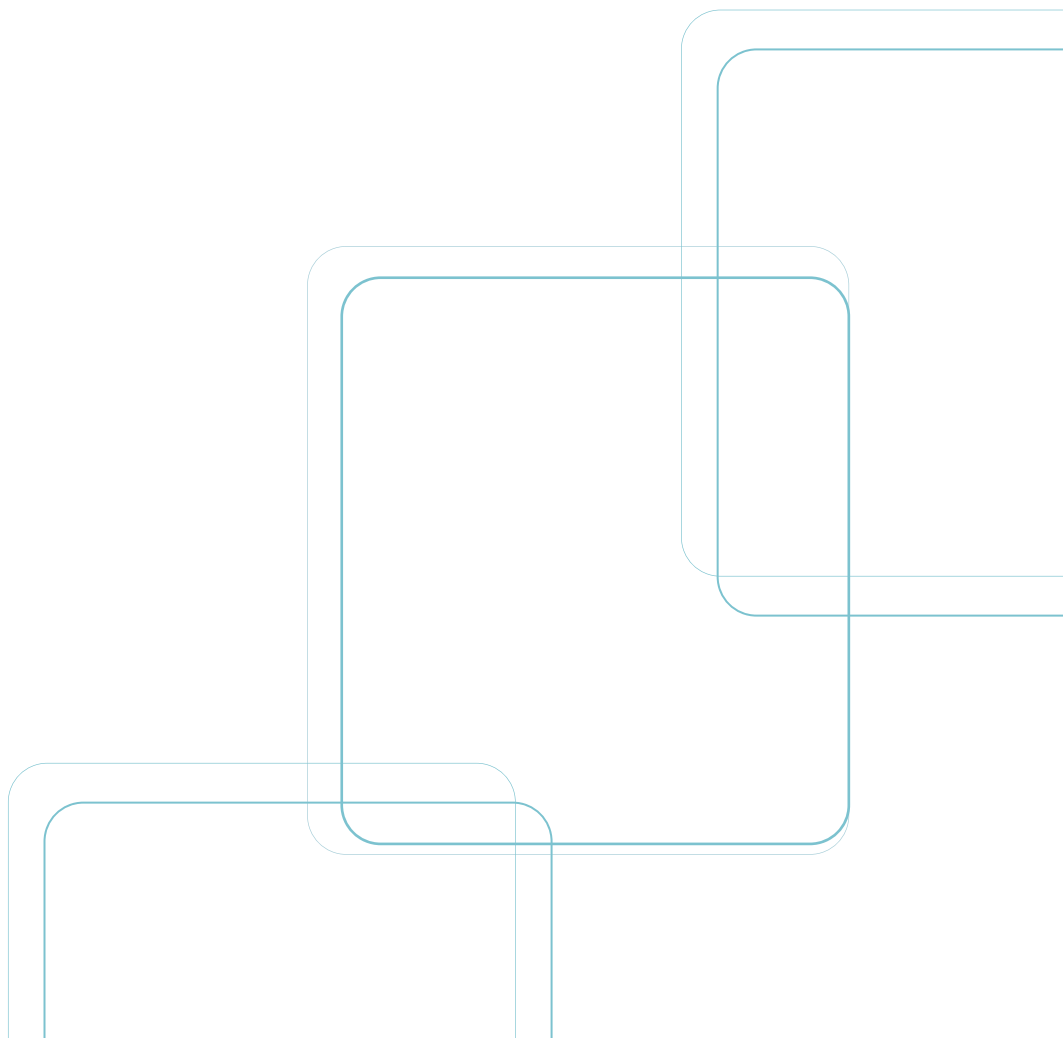


Organizational Structure

Strategic Priorities

The strategic goals, objectives and strategies identified for the budget year are outlined below.

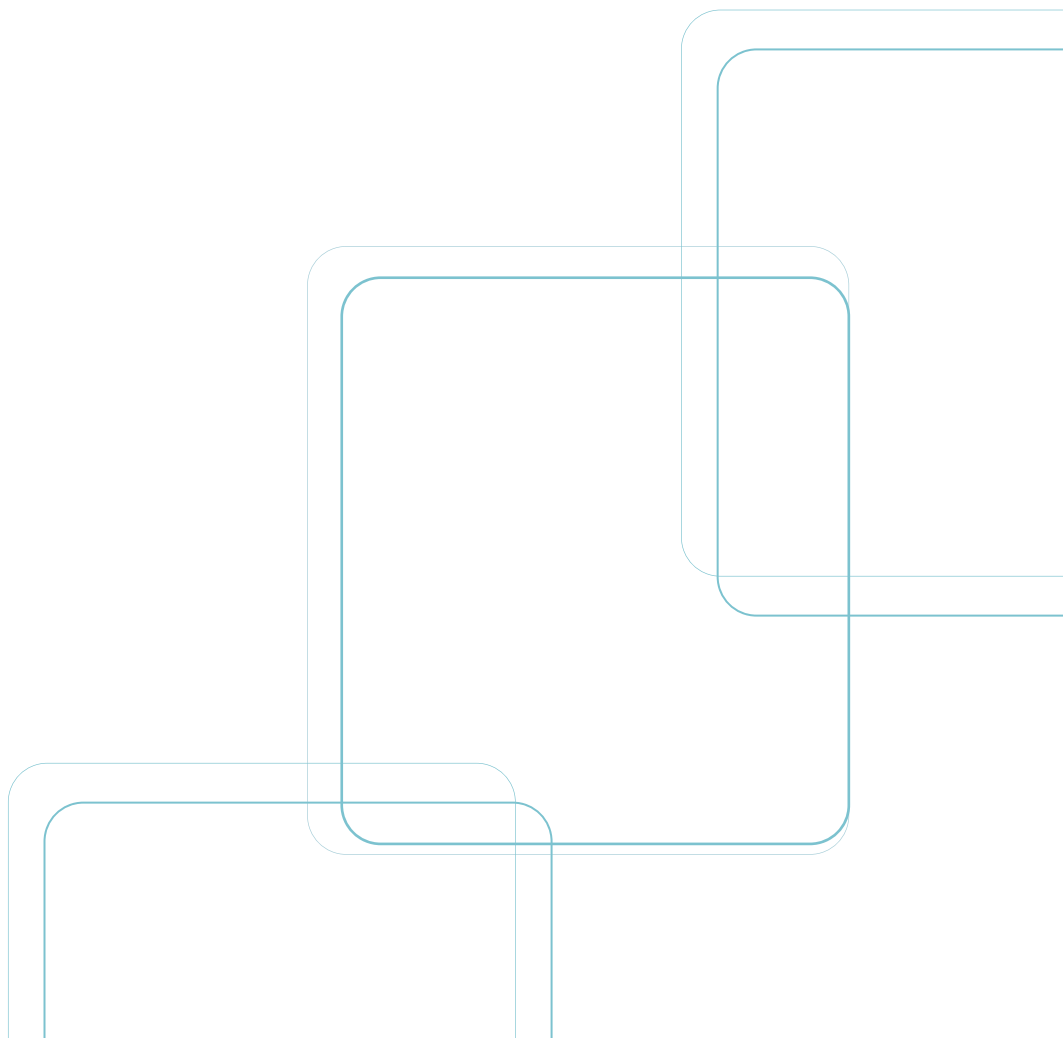
GOALS	OBJECTIVES	STRATEGIES
To be a SAFE & CONNECTED COMMUNITY	1) Enhance the sense of safety in the Town	1.1.1 Develop a survey to determine the sense of safety
		1.1.2 Evaluate & invest in traffic flow strategies
		1.1.3 Utilize technology to enhance safety of parks, open spaces, and interseptions
	2) Promote the use of technology to enhance and inform the community	1.2.1 Develop social media presence to communicate quickly & directly with citizens
		1.2.2 Determine citizen preferred method of contact and tailor reverse 911 system to this
	3) Build citizen participation in the community	1.3.1 Develop customer service program in each department focused on citizen contact
		1.3.2 Develop mini- "citizens academy" to reinforce what local government does
		1.3.3 Utilize BFCPC to organize "semi-frequent" events (lectures, park meet ups, etc)
To be an ATTRACTIVE & LIVABLE COMMUNITY	1) Enhance the parks and greenspaces in the Town	2.1.1 Complete Greenwood Park Masterplan
		2.1.2 Create a reforestation program
		2.1.3 Develop program for woodland clean up and trail construction
		2.1.4 Initiate Rosebank Park Master Plan process for centennial celebration in 2023
	2) Improve stormwater infrastructure	2.2.1 Complete Stormwater Masterplan
		2.2.2 Prioritize stormwater infrastructure projects & fund through CIP
		2.2.3 Review stormwater ordinances for BMP
		2.2.4 Develop citizen education program for stormwater program
	3) Refine & simplify develop guidelines for residents	2.3.1 Develop concise "at a glance" sheet for town ordinances to distribute at first point of contact
		2.3.2 Improve proactiveness of code enforcement program to develop better outcomes
		2.3.3 Utilize Planning Commission more appropriately on ordinance review & recommendations
		2.3.4 Develop ad hoc focus group for improving communication of town regs to newcomers
To have an ENGAGED WORKFORCE	1) Evaluate staff engagement	3.1.1 Develop a survey to determine the sense of engagement
		3.1.2 Provide survey results along with follow up answers/solutions
		3.1.3 Institute yearly "check-in" on survey and perform annual or biannual survey updates
	2) Encourage staff development	3.2.1 Provide continuing professional development of staff
		3.2.2 Create a succession plan through staff development and talent/goal identification
		3.2.3 Utilize staff performance reviews for opportunities to discuss future goals of each employee
	3) Develop staff ownership within the organization	3.3.1 Reward employees who create efficiency without loss of effectiveness
		3.3.2 Create monthly employee recognition/service award
		3.3.3 Initiate monthly employee lunches and build relationships
		3.3.4 Create "safe" space for employee suggestions and feedback
To be FINANCIALLY TRANSPARENT & SUSTAINABLE	1) Maintain public trust in the sustainability of the Town's finances	4.1.1 Increase transparency in financial reporting
		4.1.2 Continue development of user friendly financial documents & expand reach where practicable
		4.1.3 Provide accountability for financial decisions via memos to Board and public documents
	2) Evaluate financial policies to comply with recommended practices	4.2.1 Review financial policies to reflect best practices
		4.2.2 Ensure town resources are spent prudently through bidding and documentation



FINANCIAL STRUCTURE

Fund Structure
Department/Fund Matrix
Basis of Budgeting & Accounting
Financial Policies
Budget Calendar

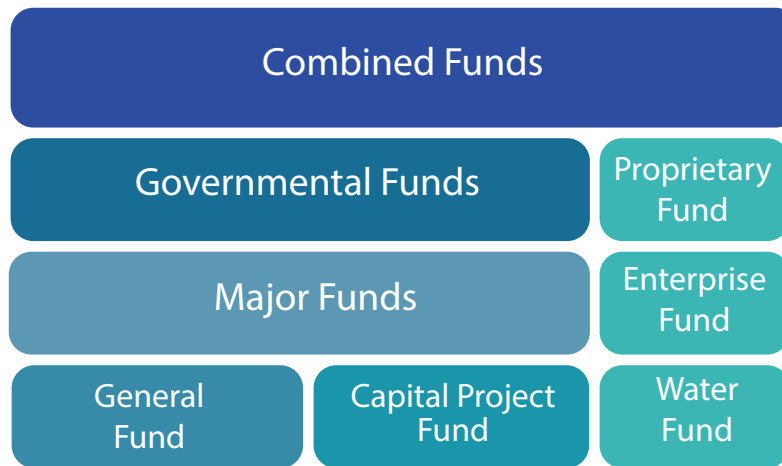




Financial Structure

Fund Structure

The Town's financial system is established in accordance with the North Carolina Local Government Budget & Fiscal Control Act (NCGS 159) and Generally Accepted Accounting Principles (GAAP). The accounts of the Town are segregated by fund, which is an independent accounting entity that possesses a set of self-balancing accounts to carry out specific activities.



GOVERNMENTAL FUNDS account for the Town's governmental functions. The Town has two major governmental funds, the general fund and the capital project fund. The GENERAL FUND is the general operating fund for the Town and accounts for all financial resources not accounted for and reported by another fund. The General Fund revenues are comprised largely of property taxes and sales tax revenues. General Fund expenditures include salaries and benefits, and operating expenses for most departments. The CAPITAL PROJECT FUND is the fund used to account for financial resources to be used for major projects, acquisitions or construction. This is a multi-year fund that has been adopted by the Board of Commissioners in a Capital Project Ordinance.

PROPRIETARY FUNDS account for the Town's business-like activities. The Town has one type of proprietary fund, and enterprise fund. An ENTERPRISE FUND provides goods or services for a fee that makes the fund self-supporting. The WATER FUND is the Town's only enterprise fund and is used to account for the water service provided to residents of the Town. Revenues from the Water Fund are generated from charges for water and fees. Water Fund expenditures include the cost of operations including billing, purchase of water, and meter maintenance.

Department/Fund Matrix

The department/fund matrix illustrates the relationship between the Town's functional units (departments/divisions) with the major funds. As noted previously, most departments are funded by the General Fund. Departments impacted by the Capital Project Fund will change based on the nature of projects that have been assigned to the fund by the Board of Commissioners.

Department	Governmental		Proprietary
	General	Capital Project	Enterprise
Administration	✓		
Planning	✓		
Police	✓		
Fire Contract	✓		
Public Works	✓	✓	
Streets & Transportation	✓		
Sanitation & Recycling	✓		
General Government	✓		
Water Department			✓

Financial Structure

Basis of Budgeting & Accounting

The basis of budgeting and accounting determine when a transaction is recognized. The Town's basis of budgeting and basis of accounting are the same, with all funds being budgeted and maintained on a modified accrual basis. The modified accrual basis recognizes revenues when they become measurable and available, and expenditures at the time the liability is incurred. All revenues and expenditures must be included in the annual budget ordinance. Any operational appropriations that are not expended or encumbered shall lapse. To comply with Generally Accepted Accounting Principles (GAAP), an annual reconciliation from the budgetary basis (modified accrual) to full accrual is included in the audited financial statements.

	FUND TYPE	CLASS	ACCOUNTING BASIS	BUDGETING BASIS
GOVERNMENTAL FUNDS				
GENERAL FUND	GENERAL	MAJOR	MODIFIED ACCRUAL	MODIFIED ACCRUAL
CAPITAL PROJECT FUND	GENERAL	MAJOR	MODIFIED ACCRUAL	MODIFIED ACCRUAL
PROPRIETARY FUND				
WATER FUND	ENTERPRISE	MAJOR	ACCRUAL	MODIFIED ACCRUAL

Financial Policies

BUDGETARY POLICY

The Town shall adhere to the Local Government Budget and Fiscal Control Act (LGBFCA) NCGS 159-7:17, to prepare a balanced budget. A balanced budget, defined by statute, is when the sum or estimated net revenues and appropriated fund balance is equal to appropriations. The Town's Annual Budget Ordinance shall be adopted by each July 1, for the period July 1 to June 30, making appropriations and levying taxes for the budget year.

The Board of Commissioners will be provided monthly financial reports to demonstrate actual revenues and expenditures in relation to the budgeted amounts.

INVESTMENT POLICY

The Town will monitor cash flow of all funds on a regular basis to ensure maximum investment of idle cash. Investments will be selected based on safety, liquidity, and yield. Investment of idle funds shall be made in accordance with the Local Government Budget and Fiscal Control Act (LGBFCA) NCGS 159-30.

The Board of Commissioners will be provided monthly financial reports to demonstrate actual investments and yields.

FUND BALANCE POLICY

Unassigned fund balance refers to the funds that remain available for appropriation after all state statutes, previous designation, and expenditure commitments have been calculated. The Town has updated this policy and determined that the Town shall maintain an available fund balance of 25-35% of budgeted expenditures.

The Board of Commissioners will be presented annually the audited financial statements that specify the fund balance and the portion thereof that is unassigned.

DEBT POLICY

The Town will utilize a balanced approach to capital funding utilizing debt financing, fund balance, and pay-as-you-go appropriations. No appropriations of the proceeds of a debt instrument will be made except for the purpose for which the debt instrument was intended and will not be used to finance current operating expenditures. Capital projects will be financed for a period not to exceed the expected useful life of the project. The sum of general obligation debt and installment purchase debt will not exceed the statutory limit (NCGS 159-55) of eight (8) percent of the appraised value of property subject to taxation.

The Board of Commissioners will be presented annually the Comprehensive Annual Financial Report that exhibits the legal debt margin calculation.

Financial Structure

Budget Calendar

The North Carolina Budget and Fiscal Control Act (NCBFCA) specifies dates by which certain stages of the budget process are to be completed.

DEPARTMENTAL REQUESTS

NCGS 159-10 Before April 30 of each fiscal year (or an earlier date fixed by the budget officer), each department head shall transmit to the budget officer the budget requests and revenue estimates for his department year.

The Budget Officer (Town Manager) gives department heads the departmental operating budget materials and instructions in February. Department heads estimate departmental expenditures and revenues.

RECOMMENDED BUDGET

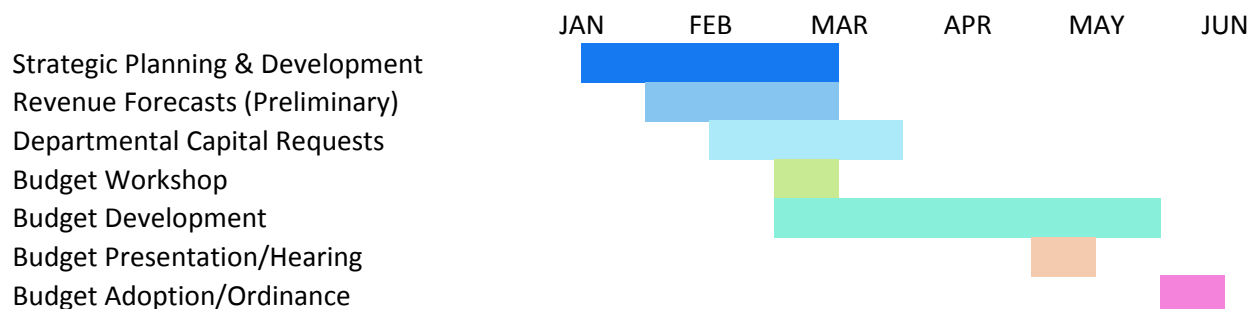
NCGS 159-11(b) The budget, together with a budget message, shall be submitted to the governing board no later than June 1.

The Town Manager reviews operational needs and priorities and presents a balanced proposed budget and a budget message to the Town Board. The budget message specifies governmental goals fixed by the budget for the budget year, explains the important features of the activities anticipated in the budget, the reasons for any changes from prior year program goals, programs and appropriation levels, as well as any major changes in fiscal policy. The Board reviews the proposed budget and makes recommendations.

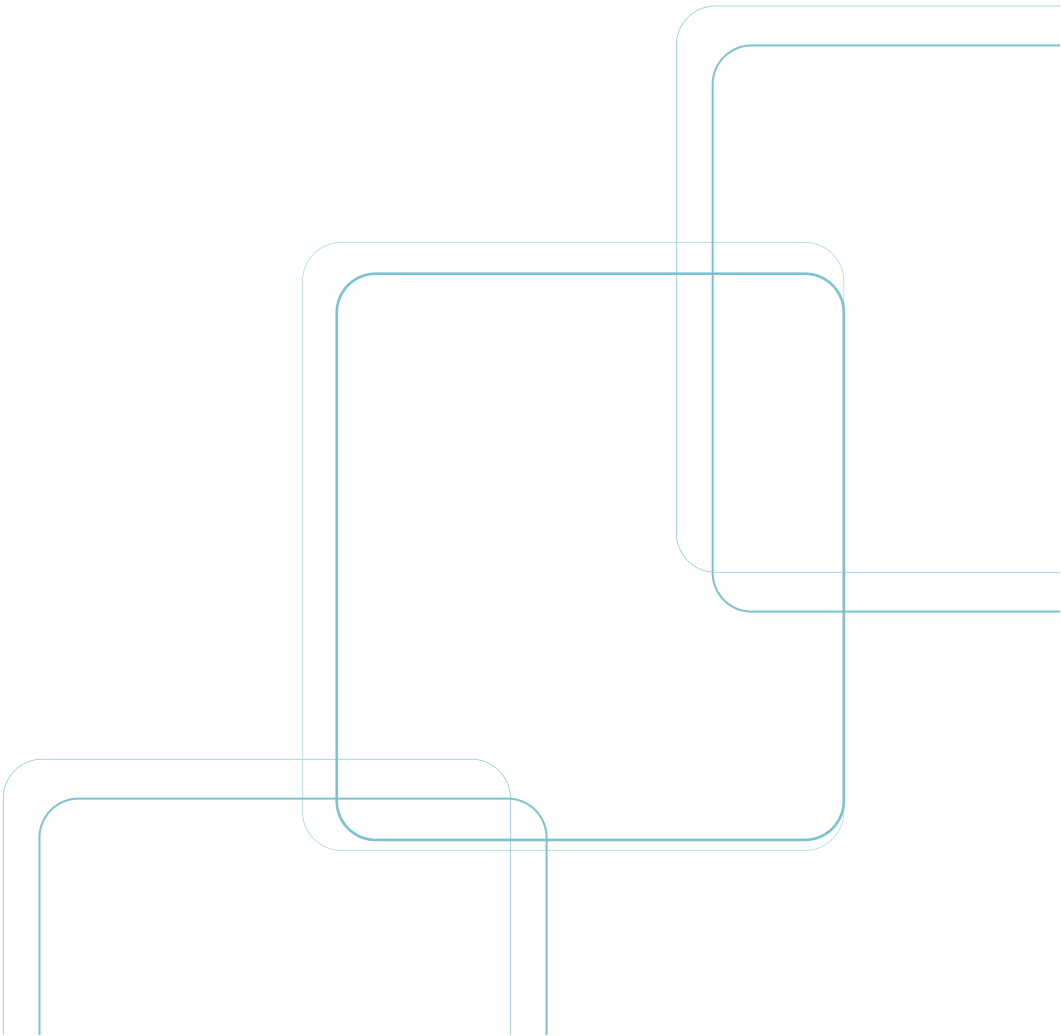
BUDGET ADOPTION

NCGS 159-1(1) Not earlier than 10 days after the day the budget is presented to the board, and not later than July 1, the governing board shall adopt a budget ordinance making appropriations and levying taxes for the budget year in such sums as the board may consider sufficient and proper, whether greater or less than the sums recommended in the budget.

A copy of the proposed budget is filed with the Town Clerk and is also available on the Town's website. The proposed budget is presented in a public hearing for adoption by the governing board.



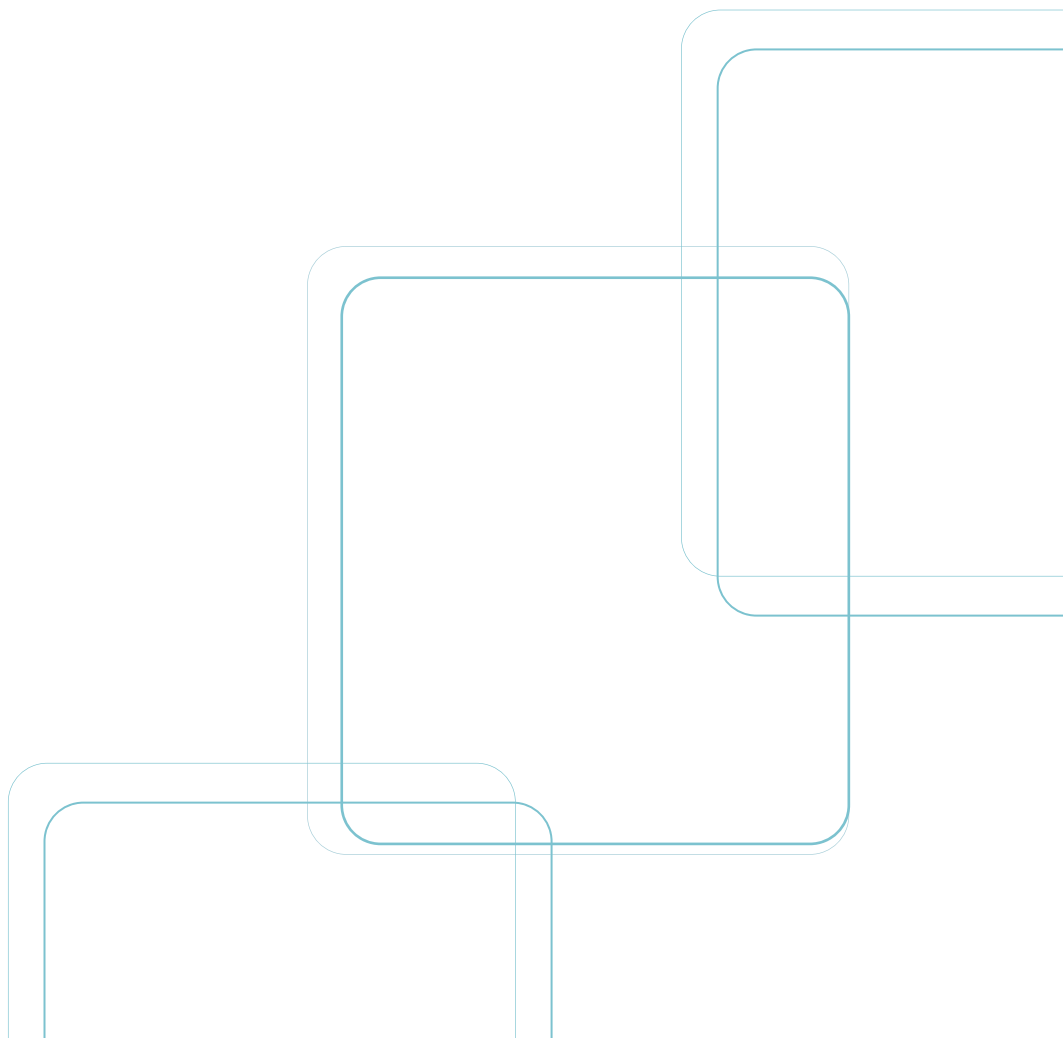
03/01/19	Department heads submitted departmental requests (<i>Statutory requirement 4/30</i>)
03/08/19	Budget & strategic planning workshop with Council, Administration & Department Heads
05/14/19	Proposed budget & budget message presented to Council (<i>Statutory requirement 6/1</i>)
05/26/19	Notice of public hearing published
06/11/19	Public hearing for budget adoption (<i>Statutory requirement 7/1</i>)
07/01/19	New fiscal year begins



BUDGET BASICS

Budget Message
Budget Ordinance
Schedule of Fees





Budget Message

Budget Message

355 Vanderbilt Rd | Asheville, NC 28803
 PO Box 5352 | Asheville, NC 28803
 P(828) 274-0824 | F (828) 274-8131
www.biltmoreforest.org



George F. Goosmann, III, Mayor
 Fran G. Cogburn, Mayor-Pro Tem
 E. Glenn Kelly, Commissioner
 Doris P. Loomis, Commissioner
 Jonathan B. Kanipe, Town Manager

May 14, 2019

Honorable George F. Goosman, III, Mayor
 Honorable Fran G. Cogburn, Mayor-Pro Tem
 Honorable E. Glenn Kelly, Commissioner
 Honorable Doris P. Loomis, Commissioner

INTRODUCTION

I am pleased to present the proposed Town budget for upcoming fiscal year 2019-2020. The Town's financial condition remains strong, and the Mayor and Board of Commissioners have provided a clear vision and direction for staff. The focus of this year's budget is simple: improve services provided to citizens. The Town does a commendable job in this regard, but there is room for improvement. The funding allocations laid out in the proposed budget will bridge this gap.

A budget represents the ultimate planning document for the Town. The Board and staff held a planning retreat in March 2019 to review staff projections and proposals for the coming year. This meeting resulted in prioritization of specific service level improvements as laid out in this document. Each item is tied back to the Town staff's overall vision to provide our citizens an exceptional quality of life.

The following budget message outlines staff recommendations that will embrace this vision in a fiscally prudent and responsible manner. Staff feels confident these revenue projections will be met and that they will adequately cover the Town's needs for the next fiscal year.

Strategic Plan – Biltmore Forest 2023

This year's budget, and subsequent budgets, should be treated as component pieces to the Town's strategic plan – Biltmore Forest 2023. This strategic plan recognizes the importance of the Town's upcoming centennial and reflects staff's efforts at designing our budgetary plan while reflecting and focusing on the Town's formation, history, and future.

GENERAL FUND REVENUE PROJECTIONS

Property Tax

The Town derives approximately sixty (60) percent of its entire revenue for the General Fund from ad valorem taxes paid on real property, personal property, and public service companies. Last year, the Town's tax assessed valuation grew by just over 1 percent. Growth for FY19-20 is projected at 1.2 percent, or \$8,849,000 greater than last year's total assessed value. However, this figure includes a five (5) percent reduction in public service companies due to depreciation of assets. The motor vehicle levy is forecast to decrease by 11 percent. The result is a projected motor vehicle valuation of \$28,605,208. Pursuant to state law, the Town must budget for its coming year tax revenue based on the current year's collection percentage. The Town's collection percentage remains high, and this year our levy is based on a 99.71 collection percentage as of May 7, 2019.

Budget Message

In order to improve service levels for Biltmore Forest citizens, staff recommends a tax increase of one and one-half (1.5) cents for FY19-20. If adopted, the Town's tax rate would be thirty-four and one-half (34.5) cents per \$100 valuation. This equates to a \$150 tax increase on a property valued at \$1 million.

A tax increase will allow increased and enhanced service improvements throughout the Town. A new forestry and public spaces management line item is included within this budget, allowing the Town to proactively remove hazardous trees from public areas and Town rights of way. This increased revenue also funds the implementation of the Town's storm water master plan. The additional revenue offsets costs for our proposal to add two (2) new full time Police Department patrol positions. Budget discussions recently have centered on reducing overtime at the Police Department; quite simply, we have been unable to do that while maintaining the expected service level for the Town. The addition of two new full-time officers will allow the Department to incorporate a new shift that will overlap traditional patrol officer hours. While the anticipated reduction in overtime costs largely offsets the expense for both new positions, the additional tax revenue will ensure this is done in a fiscally prudent manner.

Sales Tax

Sales tax proceeds are another vital source of funding for the Town, contributing twenty-five (25) percent to the entire General Fund. Sales tax revenue continues to grow in North Carolina and remains very strong in Buncombe County. Sales tax growth in FY19 exceeded our conservative projection of four (4) percent, and we believe this trend will continue in FY20. Statewide, sales tax growth is projected at 4.5 percent. Forecasts for Buncombe County show similar growth. Staff's projection for sales tax growth is 3.5 percent of current year returns, with a total of just over \$1.14 million in sales tax revenue forecast for FY20.

Statewide Utility Sales Taxes

Utility taxes on electricity and piped natural gas are difficult to track year over year due to weather patterns and overall customer base fluctuation. This revenue is derived at the state level and passed down to municipalities – the overall revenue is not based on the usage or customer base within Biltmore Forest. Revenues in FY19 were estimated to lag, but instead showed substantial improvements and growth. The statewide forecasts for these utility taxes show both positive and negative trends (electricity and natural gas, respectively). Due to the volatility in this revenue, staff projects a minimal increase of one (1) percent based off current year's distribution. This is in line with the overall state forecast for utility sales taxes.

Powell Bill Revenue

Powell Bill funding comes to the Town twice a year from the State of North Carolina for street maintenance and other street projects. This revenue is projected to remain constant for the fourth fiscal year in a row. The Town continues to allocate Powell Bill funds to paving projects, stormwater improvements, engineering, and maintenance for Town streets. A substantial portion of funding goes to the purchase of supplies for maintaining streets during winter weather and repairing streets after adverse weather.

Zoning Permit Revenue

Zoning permit revenues are projected to finish the current fiscal year twenty (20) percent above the estimated level of \$25,000. Permit revenues have held steady the past few years and the Town continues to see interest and growth in significant renovation projects on existing homes. New home construction waned in FY19, and staff does not believe this will increase dramatically in FY20.

Interest Revenues

As interest rates have increased nationally, the Town's revenue from interest rate returns has also increased. FY19 marks the fourth year in a row of substantial growth. This is due to both rising interest rates and a new holding offered by the North Carolina Capital Management Trust. The Town has utilized this fund for the past year and a half and netted nearly double the amount of interest revenue as a result. While interest revenues will remain high, staff projects an overall decrease from current year levels. This is due to the use of Town fund balance for the Public Works building project.

GENERAL FUND EXPENDITURE PROJECTIONS

Introduction

As in previous years, the aim in this budget message is to provide a snapshot of major projects and programs within each departmental budget. This provides a view into the priorities important to the Town in the coming year.

Budget Message

Some changes, such as salary dependent benefits, are applicable across each department.

This year's budget continues changes made two years ago to the employee pay program. The Town provides a cost of living adjustment (COLA) for all employees, generally comparable to other local governments and based on the Consumer Price Index (CPI) average for the southeastern United States. The merit based employee pay plan includes a pool of 1.5 percent of the total salary from each department for merit increases. Merit increases are provided to employees from that pool. Staff recommends a continuation of this process in FY19-20, and has budgeted a three (3) percent COLA adjustment for all employees this year, with merit increases out of a 1.5 percent departmental salary pool for certain employees.

These merit increases are based on outstanding work from employees, which includes additional training, certifications that benefit the Town, and continuing education. Employees who take on additional work and demonstrate excellent performance are also eligible for merit increases. This method allows for a deliberative, performance based accounting that rewards exemplary effort. The goal is a diversified and skilled staff who handle duties that are more complex and, ultimately, better serve the citizens of Biltmore Forest.

Administration

During the last fiscal year, the Town reorganized staff in the administration department. This resulted in title changes for two staff members and rolling all of one position into the administration department and half of another into the administration department. These positions are the Assistant Finance Director/Tax Collector (formerly titled the Assistant to the Town Manager) and the Assistant Town Clerk (formerly titled Financial Assistant). This transition has worked well and in the coming year, we will likely recommend to the Board that the Assistant Town Clerk be designated the Town Clerk. Our current Assistant Town Clerk will graduate from the UNC School of Government's Clerk Academy in October 2019; her knowledge and skills from this training will prepare her to move into this role as the Town Clerk.

The remaining budget items for the administration department include funding for new furniture and equipment related to restructuring the office space and layout of the Town Hall. The Board expressed a desire to consider a Town Hall space assessment and this will be presented to the Board within the next few months. Training and staff development will continue at previous year levels.

Zoning and Code Enforcement

The proposed budget continues the Town's agreement with Land of Sky Regional Council for zoning and code enforcement services two days per week. This collaborative effort with the Town of Montreat and Land of Sky has provided more robust zoning and code enforcement oversight. This budget provides for this contract service in FY19-20 and additional training and professional development.

Police Department

The Police Department accomplished many Board priorities during FY18-19, including the purchase of new shotguns, policy tracking software, improvements to the communications network, the purchase of ballistic plates, and continued staff development. The Department continues to work on the installation of security camera placement in high traffic public areas. The Town utilized available funding to purchase two (2) additional speed limit radar signs in FY19. Improvements to the communications center and exterior of the building are in process but not likely to be completed by fiscal year's end.

The Police Department budget included one (1) new vehicle in FY19, but the factory producing these vehicles shut down in August 2018 – resulting in the Town being unable to fulfill this budget priority. The Town purchased a used Ford Crown Victoria from Skyland Fire Department in order to put another Ford Interceptor SUV into regular patrol service; however, there is still a need to purchase more than one vehicle in the coming fiscal year to maintain the Town's fleet. As a result, staff has reached out to several financial institutions regarding an installment financing project that would allow the purchase of three (3) vehicles in FY20. Staff investigated capital lease programs being utilized by other police departments, but an installment purchase plan is better suited for the Town. Interest rates continue to be low, and staff believes we could receive funding for these vehicles at below 3.5 percent interest. The result is interest payments totaling just over \$6,000 in a three-year period beginning in FY21. Additionally, the Town will surplus one vehicle with the purchase and based on prior auctions, should receive a decent return.

The Board heard from Chief Beddingfield at this year's planning retreat about increased overtime costs and discussed opportunities related to adding additional patrol officers. After significant review and consideration, staff recommends two (2) new full time patrol positions for the coming year. These positions would cover what is known as a power shift – in essence, this patrol officer would overlap both the daytime and evening shifts by working from 12pm-12am each day. The addition of two officers allows the Town to maintain full coverage without expending significant money on overtime. Based upon projections for the remainder of the year and yearly averages since FY15, the in-

Budget Message

creased costs for these two new positions will be offset by the reduced overtime for the department. Clearly, there is a service increase and benefit to the citizens through added coverage, and with no projected increase in real costs, staff recommends the Board consider the addition of these two positions.

Chief Beddingfield also discussed the need for a wellness program focused on the Police Department and responder services. Funding for this project is included in the proposed budget.

Public Works Department

The Public Works Building project will be completed in July or August 2019 and the Department fully moved in shortly thereafter. The Town funded this project with an \$800,000 loan and utilizing fund balance for the difference (approximately \$895,000). This project has consumed considerable time and resources over the past few years but the result is a reconstructed building that will serve the Public Works Department well for many years.

The Public Works Department budget for FY19-20 includes funding for the Town's Greenwood Park improvements. Funding for the Town's portion of the grant is included in this budget proposal, and the grant proceeds themselves are reflected in revenue side of the budget. If the Town does not receive the grant, we will need to amend the budget to reflect this. Additional funds in the overall public works division budget are allocated for safety improvements and equipment.

Streets and Transportation

The Town's Storm Water Master Plan will be completed in early FY20. This project will include both a recommended capital improvement plan (CIP) for storm water projects and a prioritization schedule for implementing changes. These changes will vary significantly in cost and scale, and the resulting report may require a budget amendment in order to begin fully integrating recommendations. As a baseline, staff has included infrastructure repairs of \$100,000 and engineering costs of \$50,000 for work to commence in FY20. This should provide a substantial jumping off point for several projects identified in the master plan.

Additional funds are included for regular road maintenance projects, including repaving a portion of Vanderbilt Road. The Town is pursuing grant opportunities to fund the replacement of at least one heavy-duty truck. These trucks are utilized extensively during our salt and sand operations during the winter; as a result, they wear out quickly and must be replaced for safety concerns. Grant funding will be available by the conclusion of FY20 – if funds are not readily available for allocation, the Town may need to pursue traditional funding options.

Solid Waste

The Solid Waste department budget for FY20 is slightly below this year's current expenditure level. The focus in FY20 is on continued work with the NCLM's workers compensation program to ensure safety protections are in place for employees. New tires will be purchased for each truck in the coming year – these vehicles typically wear tires out more quickly due to their braking and tight turning in resident driveways.

General Government

General Government funds are utilized for projects that move across departmental functions, such as insurance, utility bills, or professional services. The Community Events line item for the coming year includes funds allocated to the July 4th picnic, Christmas tree lighting, Town Arbor Day event, and a National Night Out event hosted by the Police Department. Forest management is included as a line item for the first time. This will include tree removal services for hazardous trees on town property and cleaning downed or dangerous trees within the Town's parks.

Debt Service

The projected debt service schedule includes payments for the Police Department renovations and street improvements. The Town will be entering year 2 of 3 for debt service on the 2018 sanitation truck. The debt service for the Town's Public Works Building project will begin in FY20 with two payments totaling \$125,000. Additional debt service related to the purchase of three (3) new patrol vehicles will not be due until FY21.

WATER FUND

Revenue Projections

Staff recommends a 2.5 percent increase for both water and sewer rates in the coming fiscal year. This reflects the cost increases conveyed by the City of Asheville for bulk water purchases and the Town's cost from the Metropolitan Sewerage District. Staff has reduced the projected revenue for water taps due to current year trends being lower than anticipated.

Budget Message

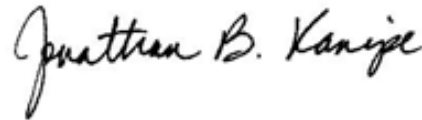
Expenditure Projections

The Town's continued use of the automated meter infrastructure (AMI) has resulted in earlier leak detection. The cost of these cellular transmitters is passed on to the customer and covers the Town's fees for this service. The supplies and equipment and general repairs line items are reduced to reflect current year spending and previous year trends. The capital improvement line item includes \$25,000 for water meter change outs/water meter box changes, and the purchase of a new light duty vehicle for \$25,000.

CONCLUSION

It is a pleasure to serve the Mayor, Board of Commissioners, and Citizens of Biltmore Forest. This budget is a reflection of the hard work and dedication put forward by Town staff, and reflects our overall vision to provide our citizens an exceptional quality of life. Staff works diligently to ensure we attain this vision and realize there is always an area for improvement. This budget proposal define and prioritizes these areas and addresses those challenges. As always, staff welcomes questions or concerns regarding this proposal and any of the projects proposed.

Sincerely,

A handwritten signature in black ink that reads "Jonathan B. Kanipe". The signature is written in a cursive, flowing style.

Jonathan B. Kanipe
Town Manager

Budget Ordinance

Budget Ordinance

BUDGET ORDINANCE FOR THE TOWN OF BILTMORE FOREST NORTH CAROLINA FOR THE FISCAL YEAR 2019-2020

BE IT ORDAINED by the Board of Commissioners of the Town of Biltmore Forest, North Carolina, that in accordance with NCGS 159-13(b)(16) of the 2019-2020 Budget be approved as follows:

SECTION 1. GENERAL FUND REVENUES

It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2019 and ending June 30, 2020:

Ad Valorem Taxes (Property)	2,593,341
Ad Valorem Taxes (DMV)	101,548
Tax Interest & Penalties	2,500
Franchise & Utilities Tax	215,488
Alcohol Beverage Tax	6,000
Sales Tax-Article 39	597,047
Sales Tax-Article 40	232,530
Sales Tax-Article 42	312,187
Gasoline Tax Refund	4,000
Solid Waste Disposal Tax	950
Powell Bill	62,500
Building Permits	25,000
Dog License Fee	1,500
Interest Earned	59,953
American Tower Agreement	28,000
Miscellaneous-Other	15,000
Sale of Property	15,000
Grant (Governmental) Funds	181,000
Donation (Land)	80,000
Total General Fund Revenues	4,533,544

SECTION 2. GENERAL FUND APPROPRIATIONS

The following amounts are appropriated in the General Fund for the operation of the Town government and its activities for the fiscal year beginning July 1, 2019 and ending June 30, 2020 in accordance with the chart of accounts heretofore established for this Town on June 11, 2019:

Administration	428,816
Planning	36,727
Police Department	1,539,625
Fire Contract	425,000
Public Works	914,156
Streets & Transportation	351,680
Sanitation & Recycling	292,704

Budget Ordinance

General Government	349,400
Debt Service	195,436
Total General Fund Expenditures	4,533,544

SECTION 3. WATER FUND REVENUES

It is estimated that the following revenues will be available in the Water Fund for the fiscal year beginning July 1, 2019 and ending June 30, 2020:

Sales & Services	712,904
Interest Earned	1,500
Total Water Fund Revenues	714,404

SECTION 4. WATER FUND APPROPRIATIONS

The following amounts are appropriated in the General Fund for the operation of the Town government and its activities for the fiscal year beginning July 1, 2019 and ending June 30, 2020:

Personnel Cost	44,392
Operating Cost	588,095
Capital Cost	81,917
Total Water Fund Appropriations	714,404

SECTION 5. LEVY OF TAXES

There is hereby levied a tax at the rate of \$0.345 per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2019, as listed as "Ad Valorem Taxes" in the General Fund section 1 of this ordinance. The rate is based on an estimated valuation of \$750,021,744 and an estimated rate of collection of 99.74%.

SECTION 6. FEES & CHARGES

There is hereby established, for fiscal year 2019-2020, various fees and charges as contained in the Schedule of Fees attachment to this document.

SECTION 7. SPECIAL AUTHORIZATION OF THE BUDGET OFFICER

The Budget Officer is authorized to transfer appropriations of up to \$5,000 between line items within the same department. Reallocations of appropriations transferred shall be reported to the Town Board monthly.

SECTION 8. CLASSIFICATION & PAY PLAN

The Cost of Living Adjustment (COLA) for all Town employees shall be 3.00% and shall begin the first payroll in the new fiscal year.

The Town Manager is hereby authorized to grant merit increases to Town employees, when earned, based upon the approved performance plan.

SECTION 9. RE-APPROPRIATION OF ENCUMBERED FUNDS

Operating funds encumbered on the financial records as of June 30, 2019 are hereby re-appropriated to fiscal year 2019-2020.

SECTION 10. COPIES OF THIS BUDGET ORDINANCE

Copies of this Budget Ordinance shall be furnished to the Finance Director of the Town of Biltmore Forest to be kept on file for the disbursement of funds.

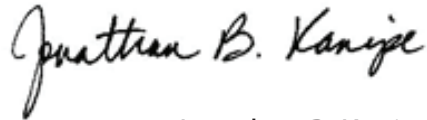
Budget Ordinance

Adopted this 11th day of June, 2019.

A handwritten signature in black ink, reading "George F. Goosmann, III". The signature is written in a cursive style with a prominent "G" and a stylized "III" at the end.

George F. Goosmann, III
Mayor

ATTEST:

A handwritten signature in black ink, reading "Jonathan B. Kanipe". The signature is written in a cursive style with a prominent "J" and a stylized "K".

Jonathan B. Kanipe
Town Manager

Schedule of Fees

Schedule of Fees

Amounts due are based upon the Schedule of Fees in effect at the time payment is due. It is the Town Council's intention that the Schedule of Fees be revised as needed by July 1st of each year, however some fees may be adjusted during the year as circumstances change.

ADMINISTRATIVE

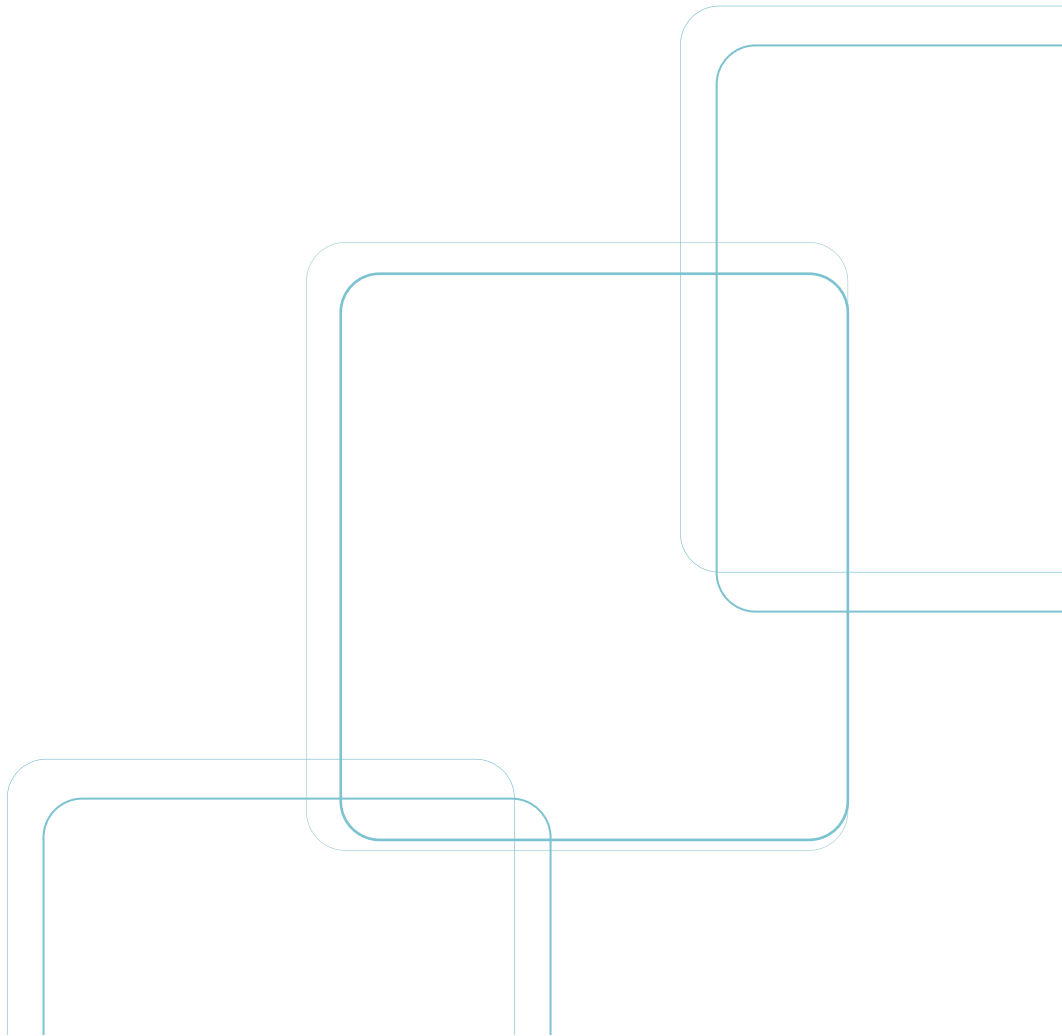
Ad Valorem Tax	\$ 0.345 per \$100 assessed valuation
Dog License Fee	\$5 sterile; \$10 fertile
Return Check/Draft Charge	\$25

PLANNING & ZONING

Zoning Permit	\$25 first \$2,000 construction value and \$2 for each additional \$1,000 construction value
Conditional Use Permit	\$100 due with application
Variance	\$300 due with application
Demolition Permit	\$100 due with application
Non-permitted Construction	Double the Zoning Permit Fee

WATER & SEWER CHARGES

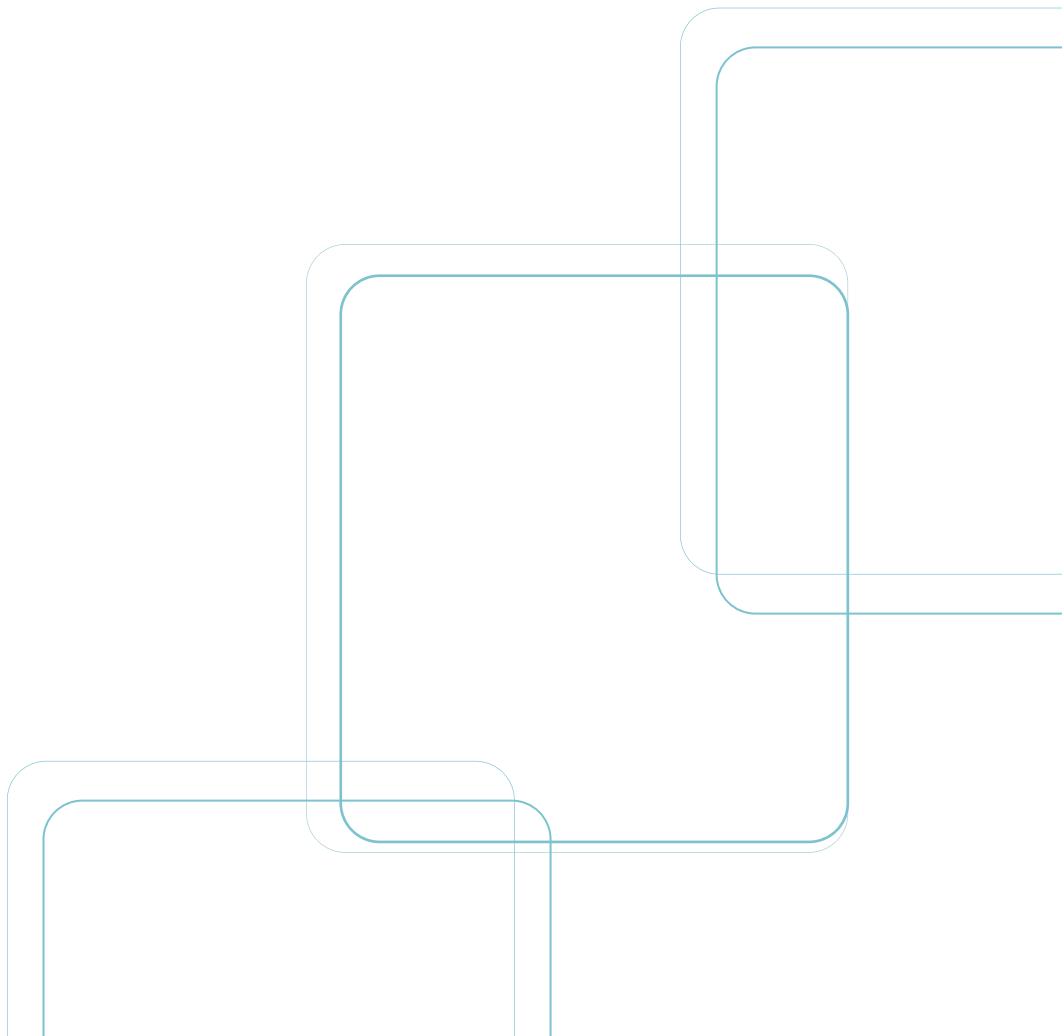
New/Transfer Account		\$	30.00
AMI Transmitter Fee	<i>per bill</i>	\$	1.78
Meter Rental Fee			
5/8" meter	<i>per bill</i>	\$	0.10
1" meter	<i>per bill</i>	\$	0.18
1 1/2" meter	<i>per bill</i>	\$	0.50
2" meter	<i>per bill</i>	\$	0.65
Water Charges			
Base Rate (no Consumption)		\$	28.15
1-2,250 gallons	<i>per 1,000 gallons</i>	\$	9.26
2,251-60,000 gallons	<i>per 1,000 gallons</i>	\$	5.82
60,001-100,000 gallons	<i>per 1,000 gallons</i>	\$	5.40
100,000+ gallons	<i>per 1,000 gallons</i>	\$	3.35
Sewer Charges <i>(as set by Metropolitan Sewerage District of Buncombe County)</i>			
Base Rate			
5/8" meter	<i>per bill</i>	\$	17.04
1" meter	<i>per bill</i>	\$	40.12
1 1/2" meter	<i>per bill</i>	\$	88.64
2" meter	<i>per bill</i>	\$	154.86
Treatment Fee		\$	6.31



BEYOND THE BASICS

Financial Summaries
General Fund Revenues
General Fund Expenditures
Water Fund Revenues
Water Fund Expenditures
Capital Project Fund Revenues
Capital Project Fund Expenditures





Financial Summaries

Budget at a Glance

2019-2020 BUDGET SUMMARY

GENERAL FUND REVENUE	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2018-19 PROJECTED	2019-20 ADOPTED
Ad Valorem	2,483,187	2,569,457	2,553,520	2,574,825	2,697,389
Unrestricted Intergovernmental	1,221,920	1,241,491	1,310,058	1,326,600	1,367,252
Restricted Intergovernmental	65,154	64,655	64,753	64,452	63,450
Permits & Fees	16,415	28,527	24,791	40,142	26,500
Investment Earnings	3,803	10,647	39,630	79,937	59,953
Miscellaneous	84,163	160,556	43,381	45,103	43,000
Other Financing Source	101,239	-	113,907	8,979	276,000
TOTAL General Fund Revenues	3,975,881	4,075,333	4,150,040	4,140,038	4,533,544

GENERAL FUND EXPENDITURES	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2018-19 PROJECTED	2019-20 ADOPTED
Administration	261,043	213,892	229,454	371,722	428,816
Planning	-	-	-	35,273	36,727
Police Department	1,285,591	1,380,188	1,338,222	1,363,306	1,539,625
Fire Contract	425,000	425,000	425,000	425,000	425,000
Public Works	876,615	649,808	617,004	530,857	914,156
Streets & Transportation	259,316	184,159	189,658	326,302	351,680
Sanitation & Recycling	-	345,721	361,397	231,409	292,704
General Government	218,880	62,756	324,631	286,953	349,400
Debt Service	39,859	71,354	112,227	105,729	195,436
TOTAL General Fund Expenditures	3,366,304	3,332,878	3,597,593	3,676,551	4,533,544

GENERAL FUND REVENUES 4,533,544
GENERAL FUND EXPENDITURES 4,533,544

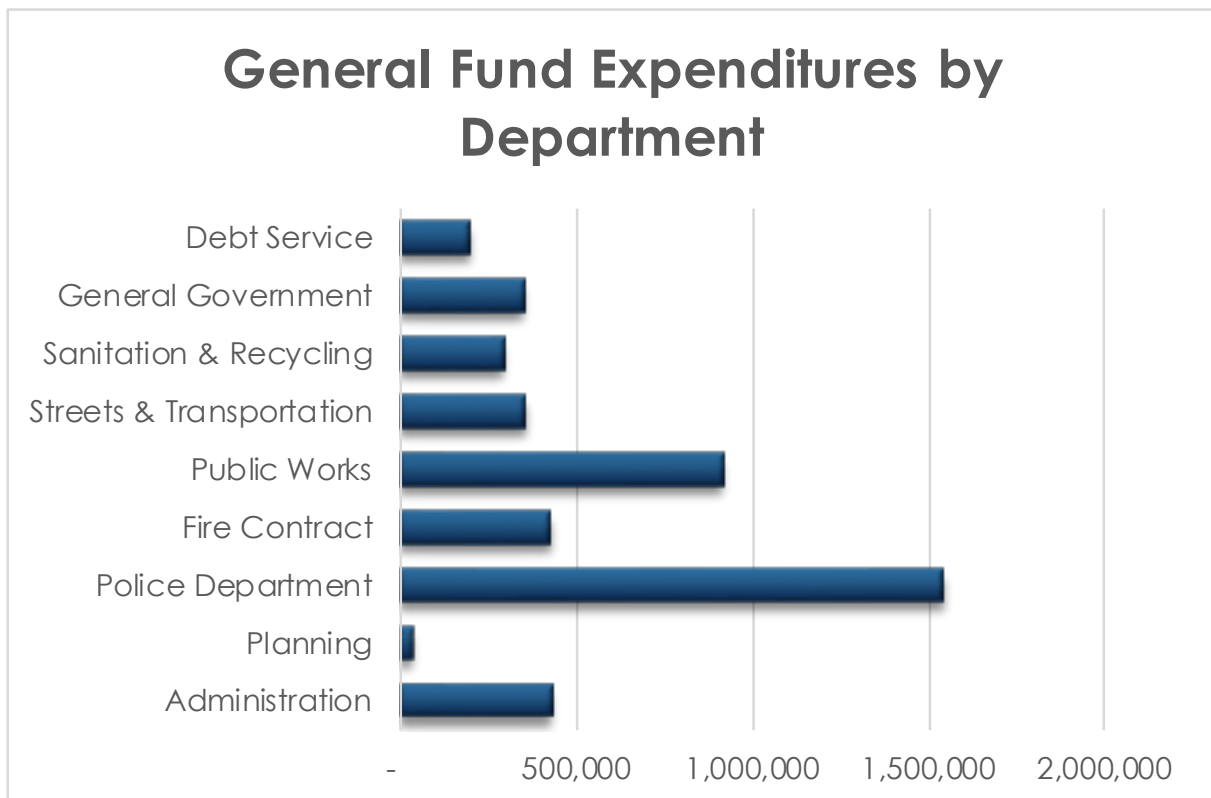
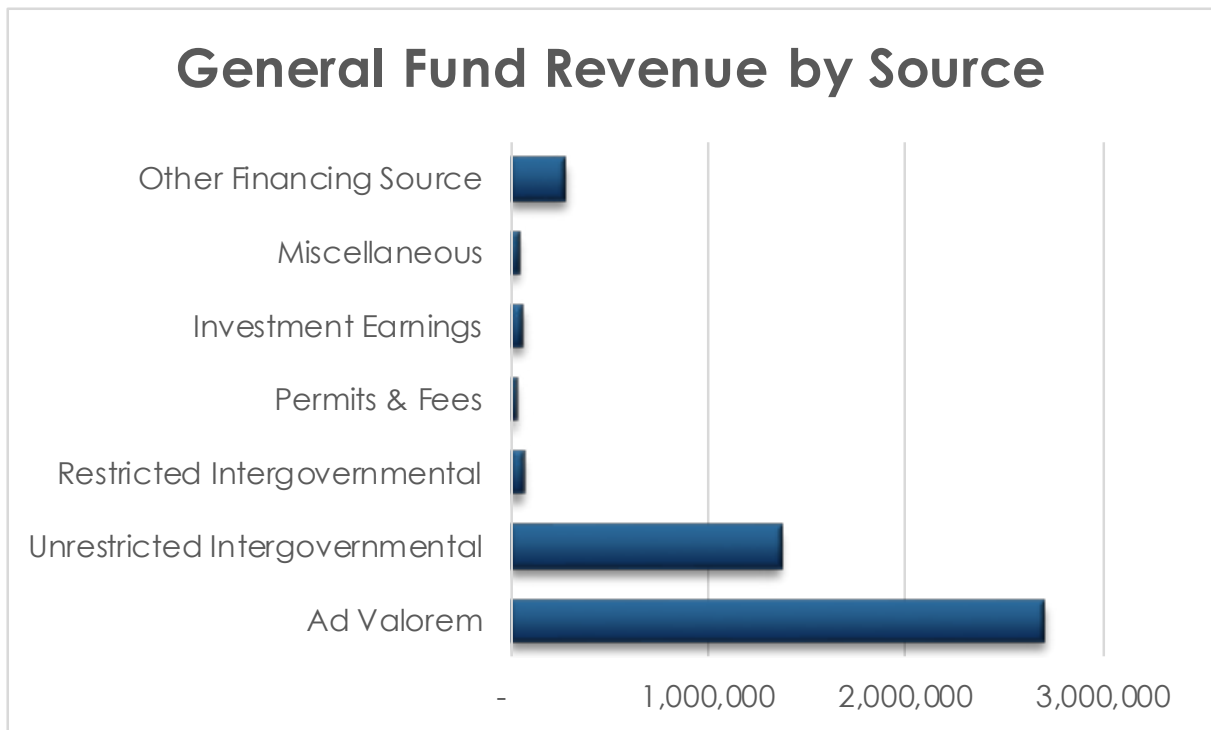
WATER FUND REVENUE	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2018-19 PROJECTED	2019-20 ADOPTED
Operating Revenues	849,980	772,221	726,000	693,544	712,904
Non-Operating Revenues	110,408	1,105	1,000	1,956	1,500
TOTAL Water Fund Revenues	960,388	773,326	727,000	695,500	714,404

WATER FUND EXPENDITURES	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2018-19 PROJECTED	2019-20 ADOPTED
Personnel Cost	80,003	84,571	56,869	44,713	44,392
Operating Cost	598,978	559,550	571,156	525,201	588,094
Capital Cost	185,513	8,604	97,081	6,125	81,918
TOTAL Water Fund Expenditures	864,494	652,725	725,106	576,039	714,404

WATER FUND REVENUES 714,404
WATER FUND EXPENDITURES 714,404

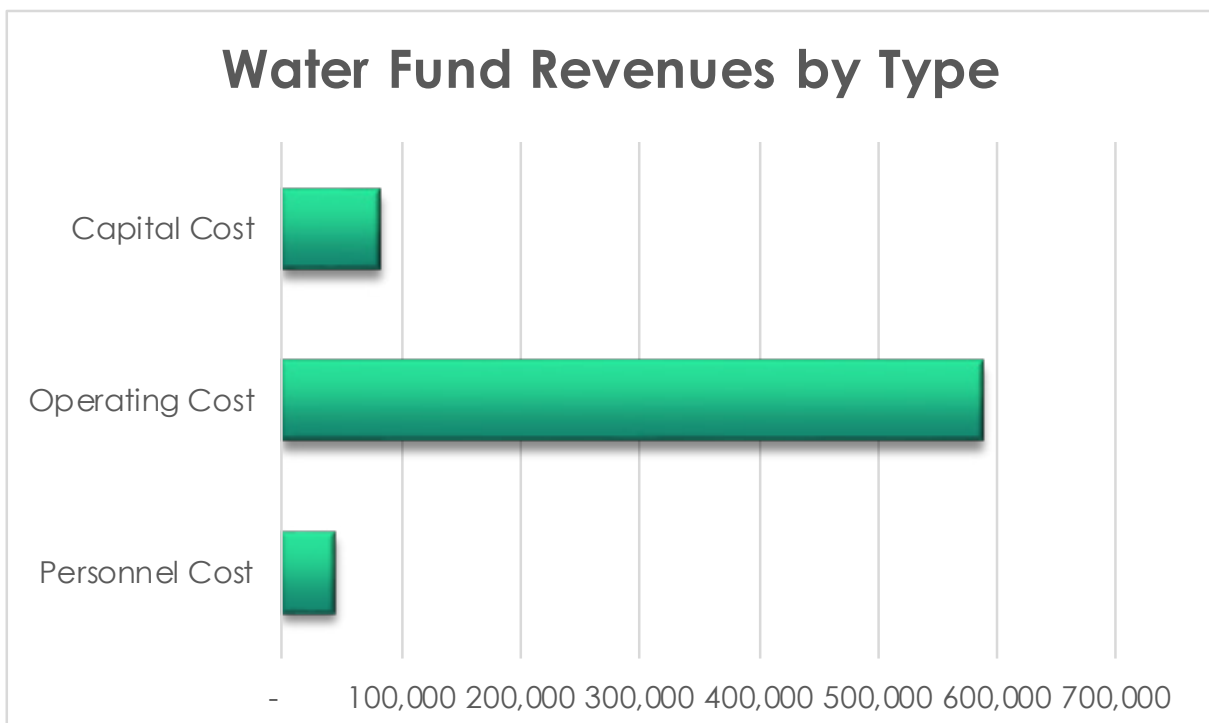
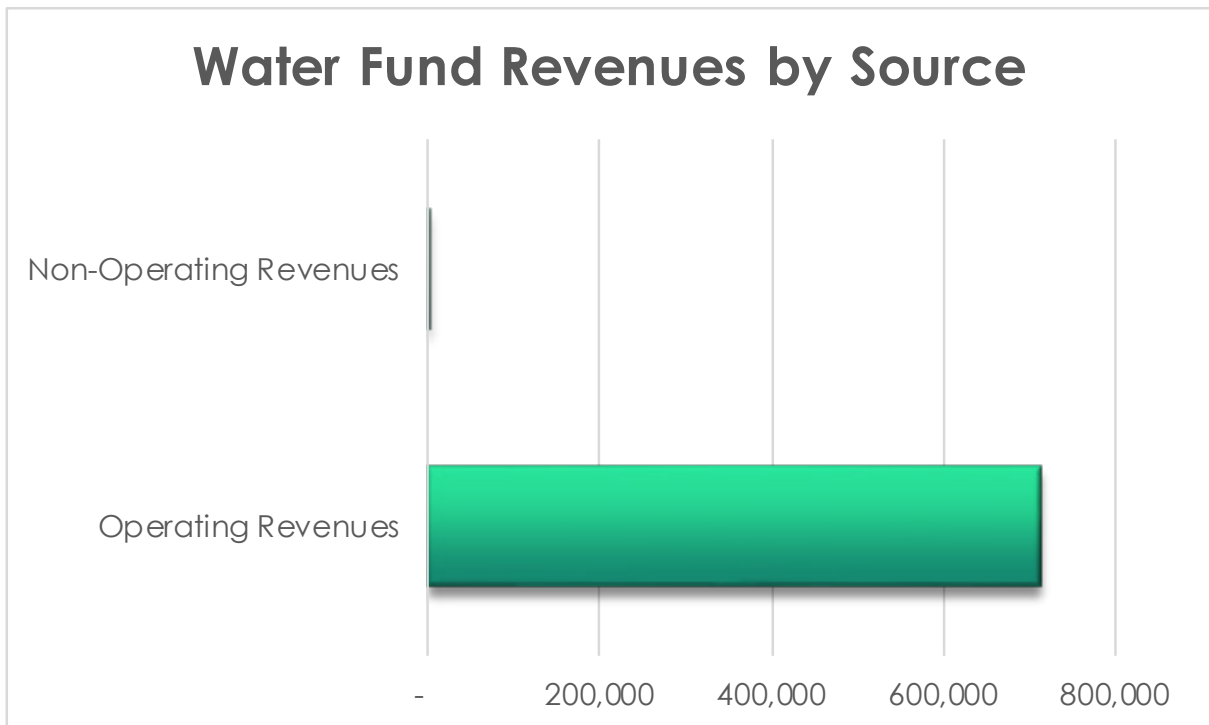
COMBINED FUNDS REVENUES 5,247,948
COMBINED FUNDS EXPENDITURES 5,247,948

Budget at a Glance



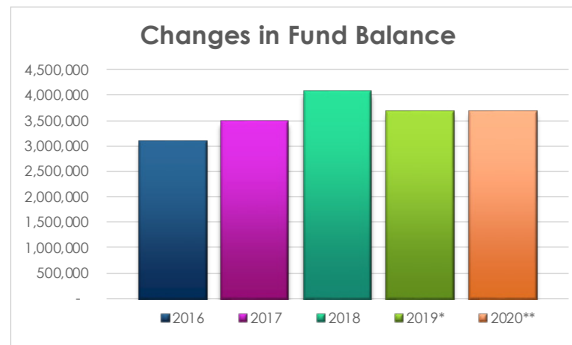
Financial Summaries

Budget at a Glance



Fund Balance

Fund balance is a necessary tool to avoid cash flow interruptions, generate investment income, eliminate the need for short-term borrowing, and act as a reserve for emergencies. A positive change in fund balance increases the funds available; a negative change in fund balance reduces the funds available.



UNRESTRICTED FUND BALANCE (General Fund)

The Town Board of Commissioners has adopted a fiscal policy of maintaining an unrestricted fund balance of 25-35% of General Fund expenditures. The North Carolina Local Government Commission (LGC) monitors the available fund balance of local government units and will advise governing boards when the available fund balance, as a percentage of General Fund Expenditures, falls below the average range of similar municipalities in the state.

According to the North Carolina State Treasurer's office, for fiscal year ending 2018 and a municipal population between 1,000 and 2,499 that does not operate an electric system, the average fund balance available, as a percentage of average expenditures was 105.16%.

Projected FYE 19 unassigned fund balance for general fund is estimated based on appropriation from fund balance to the Capital Project Fund for the Public Works Building construction. Projected FYE 20 unassigned fund balance for the general fund is based on lack of appropriation or transfer to fund balance having been budgeted.

Capital Expenditures Summary

The Town capitalizes expenditures for the purchase of an asset that exceeds \$5,000 and has a useful life of five (5) years or more. The capital expenditures in the summary below are included in the General Fund and Water Fund expenditures by department.

Department	Capital Expenditure Description	Projected Cost
Town Hall	Furniture	20,000.00
Police	Ford Explorer Interceptor (3)	98,289.00
Police	Building Maintenance (Painting)	16,000.00
Public Works	Nissan Frontier	25,000.00
Public Works	Park Rd Stormwater	115,000.00
Public Works	Greenwood Park Improvements	325,000.00
Public Works	Cub Cadet Mower	14,000.00
Total Budgeted Capital Expenditures-General Fund		613,289.00

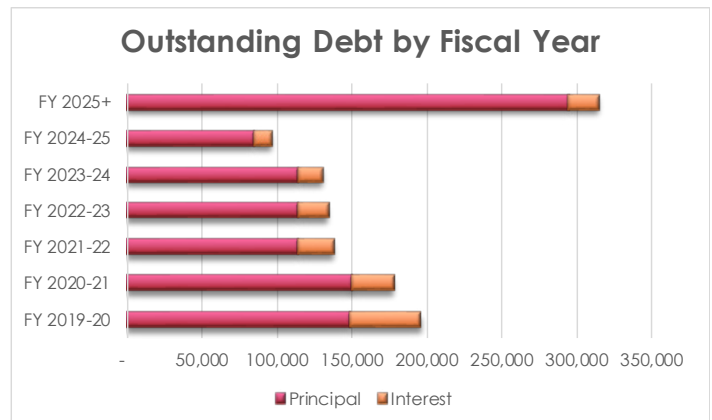
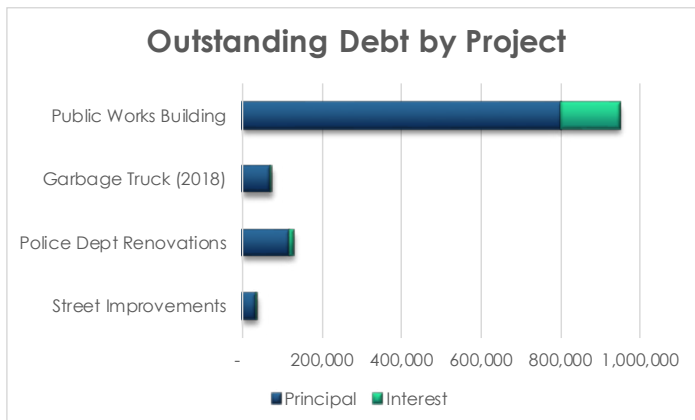
Department	Capital Expenditure Description	Projected Cost
Water	Water meter replacement	12,000.00
Water	Cedarcliff Road Line Replacement	70,000.00
Total Budgeted Capital Expenditures-Water Fund		82,000.00

Financial Summaries

Debt Service

The Town utilizes installment purchase agreements to finance long-term capital purchases or projects. Purchase agreements, or financing agreements, allow the Town to make large purchases while still maintaining adequate cash flow. The outstanding debt is illustrated in the charts below, showing principal and interest due for each project until the financing agreements reach maturity.

Project	FY 19-20		FY 20-21		FY 21-22		FY 22-23		FY 23-24		FY 24-25	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Street Improvements	6,667	1,175	6,667	921	6,667	667	6,667	413	6,667	159		
Police Dept Renovations	23,333	4,112	23,333	3,223	23,333	2,334	23,333	1,445	23,333	555		
Garbage Truck (2018)	34,327	1,625	35,130	822								
Public Works Building	84,211	39,986	84,211	23,343	84,211	20,514	84,211	17,684	84,211	14,855	84,211	12,025
	148,538	46,898	149,341	28,309	114,211	23,514	114,211	19,542	114,211	15,569	84,211	12,025



NET DEBT LIMIT

NCGS 159-55 limits outstanding debt to eight (8%) percent of the appraised value of property subject to taxation. The legal debt margin is the difference between the debt limit and the Town's net debt outstanding, applicable to the limit, and represents the Town's legal borrowing authority.

Assessed Value of Taxable Property (2018)	752,097,392
Debt Limit (8%)	60,167,791
Bonded Debt	-
Installment Purchase Agreements	1,185,120
Gross Debt	1,185,120
Net Debt	1,185,120
Legal Debt Margin	58,982,671
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	1.97%

General Fund (Revenues)

Revenues

REVENUES		2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2018-19 PROJECTED	2019-20 ADOPTED
10-3010-0000	Ad Valorem Taxes (Property)	2,460,600	2,458,457	2,447,140	2,481,921	2,593,341
10-3010-0100	Ad Valorem Taxes (DMV)	105,929	90,676	105,634	89,978	101,548
10-3010-0200	Tax Interest & Penalties	3,101	4,387	2,500	2,926	2,500
10-3010-0300	Tax Collection Prior Years	(173)	-	-	-	-
Total Ad Valorem		2,569,457	2,553,520	2,555,274	2,574,825	2,697,390
10-3020-0000	Franchise & Utilities Tax	210,654	218,157	168,794	213,354	215,488
10-3020-0100	Alcohol Beverage Tax	6,311	6,130	5,996	5,900	6,000
10-3020-0200	Sales Tax-Article 39	525,963	560,776	568,397	576,857	597,047
10-3020-0300	Sales Tax-Article 40	219,056	225,999	228,879	224,667	232,530
10-3020-0400	Sales Tax-Article 42	276,153	294,803	298,053	301,630	312,187
10-3020-0600	Sales Tax Refund	(881)	1	-	-	-
10-3020-0700	Gasoline Tax Refund	4,234	4,193	3,500	4,193	4,000
Total Unrestricted Intergovernmental		1,241,491	1,310,058	1,273,619	1,326,600	1,367,252
10-3030-0000	Solid Waste Disposal Tax	948	966	970	952	950
10-3030-0100	Powell Bill	63,699	63,787	63,500	63,500	62,500
10-3030-0200	Illicit Substance Tax	7	-	-	-	-
Total Restricted Intergovernmental		64,655	64,753	64,470		63,450
10-3040-0000	Building Permits	27,309	22,826	25,000	38,697	25,000
10-3040-0100	Dog License Fee	1,218	1,965	1,600	1,445	1,500
Total Permits & Fees		28,527	24,791	26,600	40,142	26,500
10-3050-0000	Interest Earned	10,647	39,630	15,000	79,937	59,953
Total Investment Earnings		10,647	39,630	15,000	79,937	59,953
10-3060-0000	Rental - Community Hall	1,200	900	-	-	-
10-3060-0100	American Tower Agreement	27,100	27,176	27,664	28,087	28,000
10-3060-0200	Miscellaneous-Other	132,256	15,305	15,000	17,016	15,000
Total Miscellaneous		160,556	43,381	42,664	45,103	43,000
10-3500-0000	Sale of Property	-	10,907	10,000	4,548	15,000
10-3500-0200	Installment Agreement	-	103,000	-	-	-
10-3500-0400	Grant (Non-Governmental) Funds	-	-	-	-	-
10-3500-0500	Grant (Governmental) Funds	-	-	-	4,431	181,000
10-3500-0600	Donation (Land)	-	-	-	-	80,000
Total Other Financing Source		-	113,907	10,000	8,979	276,000
TOTAL General Fund Revenues		4,075,333	4,150,040	3,987,627	4,075,587	4,533,544

General Fund (Revenues)

Revenue Analysis

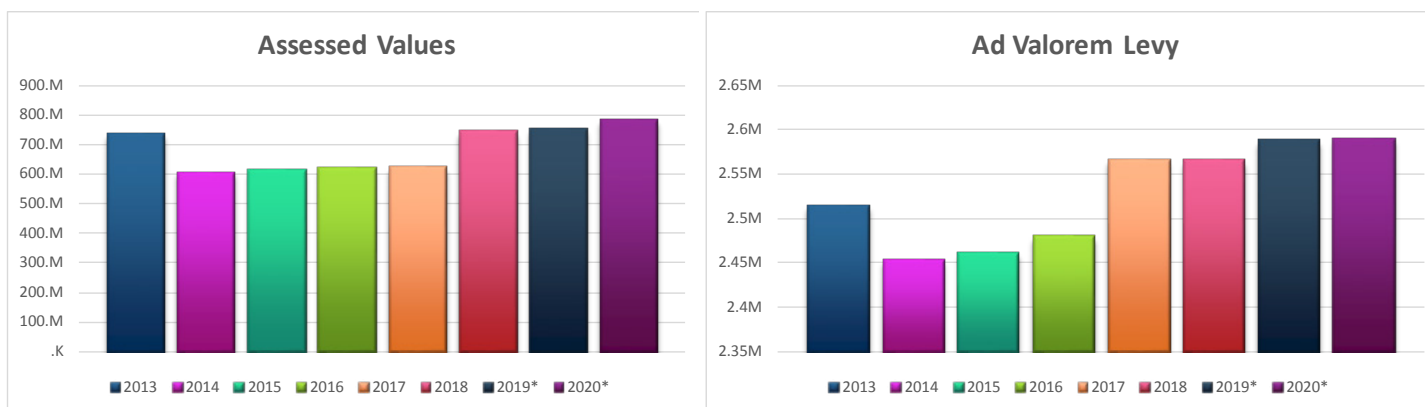
AD VALOREM TAXES

Ad valorem taxes are taxes paid on real and personal property located within the Town of Biltmore Forest. Taxes for real and personal properties are levied based upon the preceding January 1 valuations of the property and the tax rate established by the Town Commissioners. Buncombe County revalues real and personal property no less than every eight years. The most recent revaluation occurred in 2017.

Ad valorem taxes on motor vehicles are collected by the North Carolina Department of Motor Vehicles at the time of registration. The motor vehicle taxes collected are distributed to the counties once a month. The amount collected on behalf of the Town is remitted to the Town by Buncombe County once a month.

Ad valorem taxes are the Town's main revenue source, representing 63.36% of General Fund revenues (excluding other financing source).

The Buncombe County Tax Assessor's office has provided estimated assessed value of property of \$784,848,428. An estimated value of 4,706,567 is added for assessed value of Public Service Companies. An additional \$2,500 is included for delinquent penalties and interest. The Town may budget a tax levy at the collection rate of the year before for the estimated assessed value per North Carolina Statute. The prior year tax collection rate was 99.98%. The Town has adopted a tax rate of 0.345 per \$100 of assessed value for a budgeted levy of \$2,697,389.



UNRESTRICTED INTERGOVERNMENTAL

Unrestricted intergovernmental revenue is comprised of Utility Franchise Tax, Beer and Wine Tax, Sales Tax, sales tax refund, and gas tax refund. The Town has experienced growth averaging 5.7% in this revenue group in the preceding five-year period.

An increase of 5.7% is budgeted for this revenue source. Individual factors considered are listed in the subsections that follow.

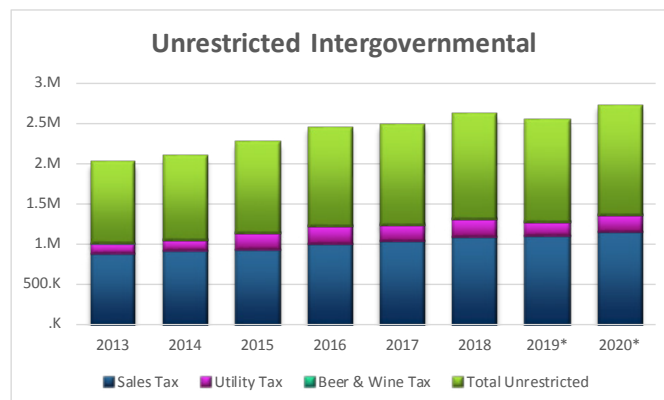
UTILITY FRANCHISE TAX

The utility franchise tax is a portion of state collected taxes from utility companies. Tax on electricity, piped natural gas and telecommunications is a percentage (varying by type of utility) of gross receipts attributed to the municipality and distributed by the state quarterly.

Revenue Projections from the NCLM estimate an increase of 1.5 percent for electricity sales tax, a decrease of 1.3 percent for piped natural gas sales tax, a decrease of 0.1 percent in local video programming tax, and a decrease of 3.9 percent in telecommunications sales tax. This revenue source is budgeted with a 0.1 percent increase from prior year projections.

BEER AND WINE TAXES

Beer and Wine Taxes are distributed by the state on a per capita basis if beer and/or wine are legally sold within the jurisdiction.



General Fund (Revenues)

The NCLM revenue projection for the beer and wine taxes anticipate a one percent (1%) increase in this revenue source. This revenue source is budgeted with an increase of 1.67% of prior year projections.

LOCAL OPTION SALES & USE TAX

The State levies two half cent local sales taxes (Article 40 and 42) and a one cent local sales tax (Article 39) in addition to the state sales tax of 4.25%. The article 39 and 42 taxes are returned to the county in which the goods were delivered, while article 40 is distributed on a per capita basis.

Buncombe County uses the ad valorem method which bases the Town share using the proportion of the tax levy across all local governments within the County. The local sales tax collected by the State is distributed to the counties. The county is responsible for distributing the local sales tax proceeds to the localities, based on either a per capita or ad valorem basis. The County may change the distribution method each year, at its discretion, during the month of April.

The NCLM projection for sales tax is an increase of 4.5%. This revenue source is budgeted with a projected increase of 3.38% of prior year projections.

RESTRICTED INTERGOVERNMENTAL

Restricted intergovernmental revenue is comprised of the Solid Waste Disposal Tax, Powell Bill funds, and Illicit Substance Tax. The Town has experienced little growth in restricted intergovernmental revenues in the preceding five year period.

The total restricted intergovernmental revenue has been budgeted on a cumulative basis of negative growth. Individual factors considered are listed in the subsections that follow.

SOLID WASTE DISPOSAL TAX

A portion of the state levied Solid Waste Disposal Tax is distributed to municipalities on a per capita basis for solid waste management programs and services. Solid waste revenue is received quarterly. Revenues received by municipalities from this tax are encouraged to be used towards recycling and waste reduction programs.

Revenues from the solid waste disposal tax have remained steady over the past five years, the projection for this revenue source is budgeted with a 0.21% decrease from prior year projections.

POWELL BILL

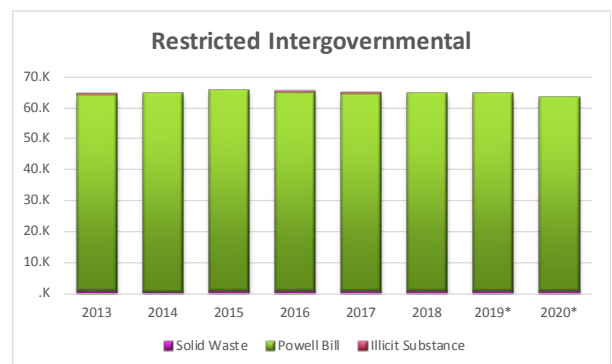
The Powell Bill revenue is the annual appropriation from the State Highway Fund for the proceeds from a one and three quarter (1 $\frac{3}{4}$) cent sales tax per gallon of motor fuel sold in the state. The annual Powell Bill distribution is calculated by the state and is based on population and the number of road miles maintained by the Town.

This revenue source is budgeted with a reduction of 1.6% from prior year projections. While there are no significant changes to the Town population or road miles maintained by the Town, the increase in more fuel efficient and electric vehicles are impacting the sale of motor fuels.

UNAUTHORIZED SUBSTANCE TAX

The Unauthorized Substance Tax is an excise tax on controlled substances. A portion of the tax (75%) is returned to the law enforcement agency whose investigation led to the assessment.

Since this revenue is based on law enforcement activity, and the revenue is unpredictable and irregular, the projection for this budget year will be zero.



PERMITS AND FEES

BUILDING PERMITS

Building permit fees are established by the Town Commissioners. Application fees are set for different zoning requests and granted permits are variable and based on estimated value of construction. These fees are charged for new construction and additions or changes to the property.

Revenues from building permits are conservatively budgeted at the same level as the prior year. This is a 54.79% decrease from prior year projections which include several large projects that skew the five year average in this category.

General Fund (Revenues)

DOG LICENSE FEES

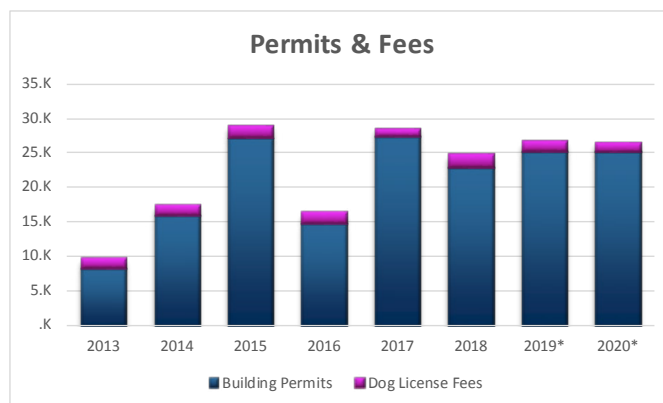
Dog license fees are also established by the Town Commissioners and are collected at the time of dog registration. Annual renewal of the dog license fee is billed in December.

INVESTMENT EARNINGS

Investment earnings include the return earned on cash and investment balances. Interest is earned on cash balances invested with the North Carolina Capital Management Trust (NCCMT) and money market checking. This revenue varies widely based on current market conditions and the amount available for investment.

Investment earnings have increased noticeably in the preceding 20 months due to diversification with the NCCMT Term Portfolio, market conditions and more substantial investment balances.

The Town anticipates continued growth in investment earnings for this budget, but also recognizes an anticipated draw against invested funds. Investment earnings are budgeted conservatively to reflect strong earnings, but also to recognize a reduction in the amount of invested funds subject to earnings. A reduction of 33% of prior year projections has been budgeted.



MISCELLANEOUS

Miscellaneous revenues include proceeds from the rental of the social room and lease of the communications tower. Other revenues that are irregular or not otherwise accounted for are also included in this classification. Miscellaneous revenues are budgeted conservatively at 0.79% over the prior year budgeted but at 4.89% less than prior year projections.

OTHER FINANCING SOURCE

Sales of capital assets, transfers to/from other fund, fund balance appropriations and installment agreements are considered other financing sources. The Town anticipates the sale of some surplus property and the revenue estimate is based on market value for age and condition of the item(s) identified.

There is a substantial increase (96.75%) anticipated for the budget year as the Town anticipates grant proceeds and a specified donation.

General Fund (Expenditures)

ADMINISTRATION

The Administration department is responsible for executing the mission of the Board to promote, enhance , and sustain the quality of life for residents. Functions of this department include day-to-day supervision of Town operations, financial management, human resources, billing and collections, and public records management.

		2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2018-19 PROJECTED	2019-20 ADOPTED
10-4200-0200	Salaries	114,086	107,757	228,184	198,234	215,249
10-4200-0300	Overtime	-	-	-	664	1,000
10-4200-0500	FICA	6,977	7,521	17,265	13,145	16,543
10-4200-0550	Unemployment Insurance	15	-	-	-	-
10-4200-0600	Health Insurance	10,016	10,395	24,621	24,619	25,852
10-4200-0650	Dental, Vision, Life Insurance	1,408	1,820	4,153	4,186	4,361
10-4200-0675	Health Reimbursement Acct	1,000	1,500	3,750	3,750	3,750
10-4200-0700	LGERS Retirement	13,486	13,874	32,074	28,607	33,299
10-4200-0800	401k Supplemental Retirement	4,708	5,121	11,284	9,950	10,762
10-4200-1000	Accounting & Taxes	18,583	39,269	35,000	41,348	45,000
10-4200-1200	Postage, Printing & Stationary	6,183	6,187	8,000	3,482	5,000
10-4200-1400	Board Mileage	21,600	21,600	22,000	22,000	22,000
10-4200-3300	Supplies & Equipment	4,570	4,530	5,000	5,304	5,000
10-4200-5300	Dues & Fees	3,505	3,627	5,000	4,500	5,000
10-4200-5700	Miscellaneous	1,501	1,092	5,000	811	1,000
10-4200-6500	Training & Education	6,254	5,161	16,000	11,122	15,000
10-4200-6600	Capital Improvements	-	-	-	-	20,000
TOTAL		213,891	229,456	417,331	371,723	428,816

BUDGET HIGHLIGHTS

The total increase in Administration budget for FYE 20 is 2.75% over the budgeted amount for FYE 19. The most significant change being an allocation for capital improvements for new furniture and equipment related to the modification of the layout of existing space in the Town Hall building.

FY 19 ACCOMPLISHMENTS

STRATEGY 4) To be FINANCIALLY TRANSPARENT & SUSTAINABLE

- Received an unmodified "clean" audit opinion from external auditors
- Received GFOA Certificate of Achievement in Financial Reporting for FYE 18 CAFR
- Received GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting for FYE 18
- Received GFOA Distinguished Budget Presentation Award for FYB 19
- Increased number of invoices paid by ACH

STRATEGY 3) To have an ENGAGED WORKFORCE

- Staff attended 190 hours of training/education related to management, governmental finance, and municipal clerk duties

FY 20 OBJECTIVES

STRATEGY 4) To be FINANCIALLY TRANSPARENT & SUSTAINABLE

- Obtain unmodified audit opinion from external auditors for FYE 19
- Prepare FYE 19 CAFR and PAFR and submit to respective GFOA award programs
- Continue to increase the number of invoices paid by ACH, reducing the number of checks written
- Submit FYB 19 budget to GFOA Distinguished Budget Award Program

General Fund (Expenditures)

FY 20 OBJECTIVES (Continued)

STRATEGY 1) To be a SAFE & CONNECTED COMMUNITY

Develop a citizen academy to illustrate how local government works

STRATEGY 3) To have an ENGAGED WORKFORCE

Complete Municipal Clerk program

Continue staff development with ongoing training and education

Develop a survey to determine sense of employee engagement for all Town employees

STRATEGY 4) To be FINANCIALLY TRANSPARENT & SUSTAINABLE

Continue efforts to enhance strategic plan and performance measures

PERFORMANCE MEASURES

WORK LOAD	FY 18-19 ACTUAL	FY 19-20 TARGET
Number of invoices processed	1577	1500
Number of purchase orders processed	166	165
Number of payroll checks issued	52	0
Number of direct deposit payroll statements issued	725	728
Number of journal entries processed	882	880
Number of public hearings	1	2
Number of Commissioners meetings	15	14
Number of ordinances, resolutions & proclamations processed	20	25
Number of agendas published-all Town Boards	40	38
Number of CodeRed messages sent via phone, email, and text	26	30
Average training hours per employee	63.33	60.00
EFFICIENCY	FY 18-19 ACTUAL	FY 19-20 TARGET
Expenditures per capita	\$274.96	\$305.64
Percentage of total Invoices paid by ACH	10.72%	15.00%
Percentage of total payroll paid by ACH	93.31%	100.00%
Percentage of bank reconciliations completed within 5 days of month end	92.00%	100.00%
Percentage of monthly financial reports completed within 5 days of month end	92.00%	100.00%
Percentage of agendas published with no substantive changes	100.00%	100.00%
Percentage of ad valorem taxes collected (real & personal property)	99.71%	100.00%
EFFECTIVENESS	FY 18-19 ACTUAL	FY 19-20 TARGET
Improve score for Popular Annual Financial Report (GFOA)	79.73%	88.57%
Receive Certificate of Excellence in Financial Reporting for CAFR	Pending	Yes
Receive Award for Outstanding Achievement for PAFR	Pending	Yes
Receive GFOA Distinguished Budget Presentation Award	Yes	Yes
Increase average number of residents contacted by CodeRed via text messages	195.12	215.00
Increase average number of residents contacted by in CodeRed vis email	97.62	115.00
Increase number of residents enrolled in EyeOnWater	42.00	75.00

General Fund (Expenditures)

PLANNING

The Planning Department is responsible for ensuring zoning compliance with Town Ordinances, assisting residents with navigating the zoning process, and issuing permits for approved projects. This department is staffed by a part-time contract planner.

	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2018-19 PROJECTED	2019-20 ADOPTED
10-4300-1000 Contract			34,128	34,128	34,128
10-4300-1200 Postage, Printing & Stationary			1,500	1,145	1,500
10-4300-3300 Supplies & Equipment			500	-	500
10-4300-5300 Subscriptions			100	-	100
10-4300-6500 Training & Education			1,000	-	500
TOTAL	-	-	37,228	35,273	36,728

BUDGET HIGHLIGHTS

There is no significant change to this department for the fiscal year. FYE 19 was the first full year of the contract for the Town planner.

FY 19 ACCOMPLISHMENTS

STRATEGY 2) To be an ATTRACTIVE & LIVABLE COMMUNITY

Conducted code enforcement activities with bi-weekly site visits and informal enforcement phone calls/emails
 Doubled frequency of meetings from prior year & conducted extensive citizen outreach during ordinance review
 Developed site visit and permitting database for more efficient review of property compliance

STRATEGY 3) To have an ENGAGED WORKFORCE

Provided access to stormwater training courses and quasi-judicial training

FY 20 OBJECTIVES

STRATEGY 2) To be an ATTRACTIVE & LIVABLE COMMUNITY

Create monthly planning reports for Board of Commissioners meetings
 Refine permit process via post-application user surveys
 Distribute town code and zoning ordinance primers
 Distribute town code and zoning ordinance primers

PERFORMANCE MEASURES

WORK LOAD	FY 18-19 ACTUAL	FY 19-20 TARGET
Number of Site Inspections	650	750
Number of Zoning Permits Issued	44	50
Number of Zoning Clearance Letters Issued	17	20
Number of meetings attended/facilitated (Board of Adjustment, Design Review Board, Planning Commission)	26	27
Average Training Hours Per employee	60	80
EFFICIENCY	FY 18-19 ACTUAL	FY 19-20 TARGET
Expenditures per capita	\$24.98	\$26.53
Zoning Permits Picked up within One Month	79.55%	90.00%
EFFECTIVENESS	FY 18-19 ACTUAL	FY 19-20 TARGET
Code Violations Abated within One Month	20	30

General Fund (Expenditures)

POLICE

The Police Department is responsible for promoting and maintaining a peaceful, safe and secure environment by providing high-quality, community oriented police services.

	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2018-19 PROJECTED	2019-20 ADOPTED
10-5100-0200 Salaries	739,853	738,896	806,975	724,881	861,265
10-5100-0300 Overtime	86,250	59,940	15,000	107,886	42,000
10-5100-0400 Separation Allowance	27,027	30,617	30,617	29,646	40,022
10-5100-0500 FICA	62,089	61,244	60,433	63,707	69,100
10-5100-0550 Unemployment Insurance	194	-	500	200	500
10-5100-0600 Medical Insurance	111,252	115,532	126,684	116,525	139,380
10-5100-0650 Dental, Vision, Life Insurance	13,614	17,628	18,333	16,131	19,358
10-5100-0675 Health Reimbursement Account	12,999	20,750	21,000	21,000	24,000
10-5100-0700 LGERS Retirement	123,368	110,774	114,593	118,234	141,112
10-5100-0800 401K Supplemental Retirement	39,933	38,648	39,499	40,136	43,888
10-5100-0900 Short Term Disability	-	-	5,000	-	-
10-5100-1500 Maint/Repair -Building & Grounds	-	-	10,000	1,375	10,000
10-5100-1600 Maint/Repair - Equipment	931	1,694	12,000	1,158	15,000
10-5100-1700 Maint/Repair - Vehicles	14,128	11,354	22,500	20,873	20,000
10-5100-3100 Motor Fuels	13,555	13,682	16,000	13,502	18,000
10-5100-3300 Supplies	11,419	9,737	10,000	6,215	10,000
10-5100-3600 Uniforms	5,578	16,599	10,000	5,026	12,500
10-5100-3700 Technology & Software	14,180	22,620	15,000	17,038	15,000
10-5100-5700 Miscellaneous	8,914	6,660	8,000	9,223	7,000
10-5100-5800 Physical Exams	585	230	1,500	1,371	1,500
10-5100-6500 Staff Development	11,651	737	15,000	14,097	15,000
10-5100-7400 Equipment Purchases	82,668	60,880	55,000	35,082	35,000
TOTAL	1,380,188	1,338,222	1,413,634	1,363,306	1,539,625

BUDGET HIGHLIGHTS

The most significant change in the police department budget is illustrative of personnel needs at the police department. Two additional officers were budgeted for this year in an effort to reduce the amount of overtime in the interest of both officer burn-out and fiscal responsibility. The amount of overtime budgeted has been reduced to account for these two new positions. Benefit line items reflect the additional personnel. The addition of two additional officers should mitigate issues like working short-handed, improve response times, and more equitably distribute responsibilities among officers.

General Fund (Expenditures)

FY 19 ACCOMPLISHMENTS

STRATEGY 1) To be a SAFE & CONNECTED COMMUNITY

Began planning for National Night Out Event with administration staff and BFCPC volunteers

Initiated public outreach regarding traffic pattern changes

STRATEGY 3) To have an ENGAGED WORKFORCE

Utilized employee surveys to review preferred schedule and other concerns

Provided survey results to employees as part of basis for continuing with existing schedule

Create open discussion among employee and department head regarding areas in which they may improve

STRATEGY 4) To be FINANCIALLY TRANSPARENT & SUSTAINABLE

Reviewed needed equipment with Board in open meetings to ensure transparency and clarity of purchases

FY 20 OBJECTIVES

STRATEGY 1) To be a SAFE & CONNECTED COMMUNITY

Hold National Night Out Event

Install cameras where applicable to provide continual monitoring of open, public areas

STRATEGY 3) To have an ENGAGED WORKFORCE

Send employees to supervisor and law enforcement executive courses

Continue employee evaluation methods to ensure performance reviews were effective

Open door policy to allows front line officers to communicate through chain of command or to Chief with areas for improvement

STRATEGY 4) To be FINANCIALLY TRANSPARENT & SUSTAINABLE

Continue providing BOC with information relative to usage of town funds for vehicles and equipment

Identify additional performance measures for the department

PERFORMANCE MEASURES

WORK LOAD	FY 18-19	FY 19-20
	ACTUAL	TARGET
Total calls for police service	7,016.00	6,682.00
Number of arrests	38.00	35.00
Number of traffic accidents	58.00	50.00
Number of citations issued	158.00	150.00
Number of animal/wildlife complaints	282.00	250.00
Average training hours per civilian employee	0.00	20.00
Average training hours per sworn employee	54.00	57.00
EFFICIENCY	FY 18-19	FY 19-20
	ACTUAL	TARGET
Expenditures per capita	\$983.65	\$1,007.58
EFFECTIVENESS	FY 18-19	FY 19-20
	ACTUAL	TARGET
Supervisors who have attended supervisory management training	2.00	2.00
Sworn officers who have Intermediate Law Enforcement Certificate	1.00	2.00
Sworn officers who have Advanced Law Enforcement Certificate	6.00	6.00

General Fund (Expenditures)

FIRE CONTRACT

This department reflects the appropriation(s) required by contract for fire suppression and emergency medical services.

		2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2018-19 PROJECTED	2019-20 ADOPTED
10-5200-0000	Fire Contract	425,000	425,000	425,000	425,000	425,000
	TOTAL	425,000	425,000	425,000	425,000	425,000

BUDGET HIGHLIGHTS

On September 1, 2013 the Town entered into a fifteen (15) year contract with Skyland Fire & Rescue Corporation. The terms of the agreement are that the Town shall make quarterly payments in the sum of \$425,000 per year, providing that the Town maintains the Insurance Service Office (ISO) fire protection rating of 6 or lower as determined by the North Carolina Department of Insurance. As a contract service, there are no significant nonrecurring capital expenditures in this department for this budget year.

PERFORMANCE

The fire contract differs from the planning contract in the sense that the fire contract employs staff that rotate between fire stations, and service a larger area than just the Town in the Biltmore Forest substation. Data presented to the Board of Commissioners monthly is reflective of the service area rather than the Town. The only performance indicator in the fire contract is the ISO rating of 6 or lower, which the Skyland Fire Department has maintained.

General Fund (Expenditures)

PUBLIC WORKS

The Public Works Department is responsible for departmental coordination of Town projects, maintains the overall appearance and cleanliness of Town facilities and grounds, and performs fleet maintenance for Town vehicles.

		2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2018-19 PROJECTED	2019-20 ADOPTED
10-5600-0200	Salaries	354,683	368,476	319,598	274,088	293,310
10-5600-0300	Overtime	-	-	-	16,770	10,000
10-5600-0500	FICA	26,700	27,692	24,449	20,968	23,203
10-5600-0500	Unemployment Insurance	84	-	-	-	-
10-5600-0600	Medical Insurance	39,419	44,100	37,741	37,224	39,628
10-5600-0650	Dental, Vision, Life Insurance	6,013	6,651	5,218	5,798	5,479
10-5600-0675	Health Reimbursement Account	5,166	9,250	7,500	7,500	7,500
10-5600-0700	LGERS Retirement	51,812	50,290	44,105	40,415	46,922
10-5600-0800	401K Supplemental Retirement	17,808	18,210	15,980	14,030	15,165
10-5600-1000	Outside Services	2,301	25,420	11,000	10,057	10,000
10-5600-1300	Streetlights Electric	6,565	6,818	7,000	6,666	7,000
10-5600-1500	Maint/Repair-Building & Grounds	1,040	2,148	5,000	5,054	5,000
10-5600-1600	Maint/Repair - Streetlights	2,117	1,786	10,000	4,815	10,000
10-5600-1700	Maint/Repair-Vehicles	25,072	14,786	23,000	20,033	20,000
10-5600-3100	Motor Fuels	10,364	10,343	15,000	10,780	15,000
10-5600-3300	Supplies	7,610	7,404	8,000	9,884	10,000
10-5600-3400	Street Signs & Numbers	522	752	1,000	949	1,000
10-5600-3600	Uniforms	6,290	5,610	9,000	9,218	10,000
10-5600-5200	Parks	15,150	12,886	37,500	30,924	30,000
10-5600-5201	Greenwood Park Renovations	-	-	-	-	324,950
10-5600-5800	Physical Exams	120	-	-	-	-
10-5600-5900	Miscellaneous	4,415	4,322	3,000	3,384	5,000
10-5600-6000	Capital Outlay	65,646	-	-	-	20,000
10-5600-6500	Staff Development	911	60	5,000	2,300	5,000
TOTAL		649,807	617,003	589,091	530,858	914,158

BUDGET HIGHLIGHTS

The largest deviations for the Public Works budget are for the renovations at Greenwood Park and Capital Outlay. The Greenwood Park renovations are an extensive overhaul of the existing park, with updates to accessibility, new picnic areas, and updated playground equipment. The Town will be applying for a grant for the park improvements to assist with the cost of these renovations. These updates should not have a significant operating impact; mowing will continue as scheduled, maintenance of play structures should be reduced. Capital outlay includes furniture for the public works building post construction.

FY 19 ACCOMPLISHMENTS

STRATEGY 1) To be a SAFE & CONNECTED COMMUNITY

Hosted first Arbor Day celebration with BFCPC

STRATEGY 2) To be an ATTRACTIVE & LIVABLE COMMUNITY

Finalized the Greenwood Park Masterplan

Designated certified arborist to perform tree inspections for Town Ordinance compliance

General Fund (Expenditures)

FY 19 ACCOMPLISHMENTS (Continued)

STRATEGY 3) To have an ENGAGED WORKFORCE

One employee completed training to become a certified arborist

Public Works Supervisor attended 4 day leadership training

Conducted one-on-one meetings with public works employees regarding vision for the department and review of their personal career goals

STRATEGY 4) To be FINANCIALLY TRANSPARENT & SUSTAINABLE

Apply for grant funding for Greenwood Park masterplan & stream restoration loan funding

FY 20 OBJECTIVES

STRATEGY 2) To be an ATTRACTIVE & LIVABLE COMMUNITY

Revise tree protection ordinance for greater replanting throughout private properties

Create a reforestation program in town spaces

Develop RFQ for Rosebank Park master plan process

Begin 3 year program to remove dead and diseased trees from woodlands and rights of way

Form resident focused volunteer trails committee

Identify additional performance measures for the department

PERFORMANCE MEASURES

WORK LOAD	FY 18-19	FY 19-20
	ACTUAL	TARGET
Acres of parks maintained	34.54	34.54
Acres of ponds maintained	0.04	0.04
Number of playgrounds maintained	2.00	2.00
Number of streetlights maintained	63.00	63.00
Number of excavation permits issued	28.00	30.00
Number of fleet vehicles maintained	8.00	8.00
Number of trees (resident owned) inspected	325.00	400.00
Average training hours per employee	24.20	28.00
EFFICIENCY	FY 18-19	FY 19-20
	ACTUAL	TARGET
Expenditures per capita	\$364.05	\$651.57
Percentage of streetlights repaired	44.44%	40.00%

General Fund (Expenditures)

STREETS & TRANSPORTATION

The Streets & Transportation Department is responsible for maintenance and repair of public streets, clearing of roads and right-of-ways, storm drainage maintenance and infrastructure, and street signs.

	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2018-19 PROJECTED	2019-20 ADOPTED
10-5700-0200 Salaries	39,542	44,410	47,516	42,275	49,898
10-5700-0300 Overtime	-	-	-	2,015	5,000
10-5700-0500 FICA	3,025	3,393	3,635	3,388	3,817
10-5700-0550 Unemployment Insurance	15	-	-	-	-
10-5700-0600 Medical Insurance	5,834	6,259	6,749	6,691	7,086
10-5700-0650 Dental, Vision, Life Insurance	454	606	632	629	664
10-5700-0675 Health Reimbursement Account	833	1,500	1,500	1,500	1,500
10-5700-0700 LGERS Retirement	5,727	5,995	6,557	6,209	7,719
10-5700-0800 401K Supplemental Retirement	2,020	2,212	2,376	2,214	2,495
10-5700-1700 Maint/Repair - Vehicles	305	1,903	12,500	10,441	10,000
10-5700-2200 Contracts-Paving & Striping	79,788	41,875	83,344	83,344	80,000
10-5700-2300 Supplies	11,217	15,452	22,500	24,399	25,000
10-5700-2400 Traffic Signs	67	-	1,000	835	500
10-5700-2500 Storm Water Infrastructure	22,854	3,500	75,000	97,170	100,000
10-5700-6500 Staff Development	-	-	1,000	60	1,000
10-5700-7400 Equipment Purchases	1,902	-	20,000	-	7,000
10-5700-7500 Engineering	10,576	62,553	75,000	45,132	50,000
TOTAL	184,159	189,658	359,309	326,302	351,680

BUDGET HIGHLIGHTS

The Streets & Transportation budget is less than the previous year's budget by two percent. The changes in Stormwater Infrastructure and Engineering line items correlate to the Town finalizing the Stormwater masterplan and into Implimentation of phase 1 of the masterplan. Contracts-Paving & Striping remains at prior year levels to continue the regular and scheduled paving and striping of town roads.

FY 19 ACCOMPLISHMENTS

STRATEGY 2) To be an ATTRACTIVE & LIVABLE COMMUNITY

- Began Phase 2 of engineering study for stormwater masterplan
- Staff training for stormwater ordinance revision
- Developed stormwater priority projects
- Identified hazard trees along town streets

STRATEGY 4) To be FINANCIALLY TRANSPARENT & SUSTAINABLE

- Begin construction of new public works building

FY 20 OBJECTIVES

STRATEGY 1) To be a SAFE & CONNECTED COMMUNITY

- Revise brush pickup schedule & effectively notify residents about changes
- Identify jurisdictions with successful stormwater education programs

STRATEGY 2) To be an ATTRACTIVE & LIVABLE COMMUNITY

- Complete the stormwater masterplan; finalize engineering and begin priority projects
- Implement traffic mitigation strategies

General Fund (Expenditures)

FY 20 OBJECTIVES (Continued)

Improve aesthetic look of town rights of ways in conjunction with stormwater master plan improvements

STRATEGY 4) To be FINANCIALLY TRANSPARENT & SUSTAINABLE

Conclude construction of new public works building

Research & consider development of stormwater utility for future stormwater CIP funding

Approval of CIP for 10 year stormwater projects

Identify additional performance measures for the department

PERFORMANCE MEASURES

WORK LOAD	FY 18-19 ACTUAL	FY 19-20 TARGET
Loads of brush collected	294.00	280.00
Number of storm drains maintained	108.00	108.00
Miles of maintained rights-of-way	21.97	21.97
Average training hours per employee	24.00	28.00
EFFICIENCY	FY 18-19 ACTUAL	FY 19-20 TARGET
Expenditures per capita	\$252.51	\$250.66
EFFECTIVENESS	FY 18-19 ACTUAL	FY 19-20 TARGET
Percentage of stormwater master plan completed	75.00%	100.00%

General Fund (Expenditures)

SANITATION & RECYCLING

The Sanitation and Recycling department is responsible for the weekly pickup of household garbage, the bi-weekly pickup of household recycling, and a drop off service for household garbage and cardboard recycling.

		2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2018-19 PROJECTED	2019-20 ADOPTED
10-5800-0200	Salaries	113,789	110,690	121,891	91,534	105,855
10-5800-0300	Overtime	-	-	-	3,443	10,000
10-5800-0500	FICA	8,491	8,231	9,325	7,266	8,863
10-5800-0550	Unemployment Insurance	44	-	-	-	-
10-5800-0600	Medical Insurance	21,720	21,386	29,716	17,810	31,202
10-5800-0650	Dental, Vision, Life Insurance	2,786	3,505	3,874	1,843	4,068
10-5800-0675	Health Reimbursement Account	3,000	4,000	4,500	4,500	4,500
10-5800-0700	LGERS Retirement	16,461	14,976	16,821	13,316	17,923
10-5800-0800	401K Supplemental Retirement	6,891	5,936	6,095	4,749	5,793
10-5800-1700	Maint/Repair - Vehicles	11,195	6,391	10,000	10,896	15,000
10-5800-3100	Motor Fuels	14,581	15,028	15,000	16,470	17,500
10-5800-3300	Supplies	250	52	2,000	966	1,000
10-5800-3600	Uniforms	-	-	100	117	-
10-5800-5800	Physical Exams	-	-	-	-	-
10-5800-5900	Miscellaneous	715	526	1,000	-	1,000
10-5800-6000	Capital Outlay	101,976	107,640	19,900	-	-
10-5800-8000	Tipping Fees & Brush Removal	37,074	51,975	55,000	49,118	55,000
10-5800-8100	Recycling	6,748	11,061	15,000	9,381	15,000
TOTAL		345,721	361,398	310,222	231,411	292,703

BUDGET HIGHLIGHTS

The Sanitation & Recycling budget is less than prior year's budget by five percent. Over the past several years, the Town has replaced the fleet of sanitation & recycling vehicles, reducing the need for capital expenditures in this budget year. Additional funds have been allocated to the Maintenance/Repair-Vehicles line item to ensure proper maintenance of the town's investment in the fleet.

FY 19 ACCOMPLISHMENTS

STRATEGY 1) To be a SAFE & CONNECTED COMMUNITY

Utilized reverse 911 system during periods of expected missed pickups

STRATEGY 2) To be an ATTRACTIVE & LIVABLE COMMUNITY

Provided citizens with annual recycling and solid waste schedules

STRATEGY 3) To have an ENGAGED WORKFORCE

Met with recycling and solid waste employees to review route and current division practices

FY 20 OBJECTIVES

STRATEGY 1) To be a SAFE & CONNECTED COMMUNITY

Review and consider revisions to sanitation & recycling pickup schedule

Create customer outreach program regarding recycling program limitations

Utilize GPS technology to evaluate route

STRATEGY 3) To have an ENGAGED WORKFORCE

Decrease number of missed trash pickups

Increase number of safety training hours for solid waste and recycling handlers

Identify additional performance measures for the department

General Fund (Expenditures)

<i>PERFORMANCE MEASURES</i>		
WORK LOAD	FY 18-19	FY 19-20
	ACTUAL	TARGET
Tons of residential solid waste collected	402.83	395.00
Tons of residential recycling collected	202.92	210.00
Average training hours per employee	16.00	20.00
EFFICIENCY	FY 18-19	FY 19-20
	ACTUAL	TARGET
Sanitation routes completed on time/schedule	85.00%	95.00%
Recycling routes completed on time/schedule	75.00%	95.00%
Average response time to missed pick-ups (in days)	1.00	0.5
Expenditures per capita	\$185.15	\$208.63
EFFECTIVENESS	FY 18-19	FY 19-20
	ACTUAL	TARGET
Diversion rate	33.50%	35.00%

General Fund (Expenditures)

GENERAL GOVERNMENT

The General Government department covers appropriations not associated with a specific department. These costs include insurance, utilities, forestry and wildlife management, community events, and elections.

		2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2018-19 PROJECTED	2019-20 ADOPTED
10-6600-0400	Outside Professional Services	32,400	129,952	100,000	57,540	-
10-6600-0401	Legal Services	-	-	-	-	40,000
10-6600-0402	Architectural Services	-	-	-	-	-
10-6600-1100	Technology	17,168	71,196	72,061	80,198	85,000
10-6600-1300	Municipal Utilities	1,796	16,809	16,000	16,469	16,881
10-6600-1500	General Maintenance	7,346	25,634	20,000	25,809	20,000
10-6600-2800	Elections	-	103	6,000	77	100
10-6600-3300	Supplies & Equipment	-	-	2,000	-	2,000
10-6600-5400	Insurance	624	63,131	77,000	77,000	80,000
10-6600-6000	Contingency	1,891	1,442	2,022	-	4,919
10-6600-6100	Miscellaneous	323	5,096	10,000	9,149	10,000
10-6600-6300	Community Events	1,208	9,227	20,000	19,211	-
10-6600-6301	4th of July	-	-	-	-	15,000
10-6600-6302	National Night Out	-	-	-	-	5,000
10-6600-6303	Holiday Lighting	-	-	-	-	2,500
10-6600-6304	Arbor Day Event	-	-	-	-	3,000
10-6600-6400	Wildlife Management	-	2,041	5,000	1,500	5,000
10-6600-6500	Forest Management	-	-	-	-	60,000
TOTAL		62,756	324,631	330,083	286,953	349,400

BUDGET HIGHLIGHTS

The general government budget has increased by five percent. Additional line items were added for internal tracking of specific functions. Overall, the community events line item (broken down into four line items for specific events) has been increased to reflect the Town's commitment to community outreach and engagement. Outside professional services (broken down into two line items: legal and architectural services) has been significantly reduced which is reflective of the completion of several projects requiring engineering/architectural services not accounted for in another department. An additional line item for Forest Management has been added with a significant initial funding to start a forest management program to evaluate and preserve the town's trees and provide tree health outreach to the community.

FY 19 ACCOMPLISHMENTS

STRATEGY 1) To be a SAFE & CONNECTED COMMUNITY

Organized first town open house event

Initiated two new town wide events -Arbor Day and National Night Out

Hosted annual community events - July 4th parade & picnic and tree lighting ceremony

STRATEGY 3) To have an ENGAGED WORKFORCE

Hosted annual appreciation luncheon for employees, retirees, and board members

FY 20 OBJECTIVES

STRATEGY 1) To be a SAFE & CONNECTED COMMUNITY

Institute semi-regular learning sessions regarding the role of local government with specific division being the focus of each session (finance, solid waste, streets, police, etc.)

General Fund (Expenditures)

FY 20 OBJECTIVES (Continued)

Create surveys to determine citizen concerns and obtain feedback

Create overall town customer service program based on other successful municipal programs

Create and utilize new social media accounts

Publish and mail BFCPC annual calendar to all residents

STRATEGY 2) To be an ATTRACTIVE & LIVABLE COMMUNITY

Review current website content and begin refresh process with website contractor

STRATEGY 3) To have an ENGAGED WORKFORCE

Create town wide employee recognition program

Create 2020 town employee survey

Identify additional performance measures for the department

PERFORMANCE MEASURES

WORK LOAD	FY 18-19	FY 19-20
	ACTUAL	TARGET
Number of dangerous/hazardous trees removed	16.00	25.00
Number of town informational lectures	2.00	3.00
Number of town sponsored community events	5.00	8.00
EFFICIENCY	FY 18-19	FY 19-20
	ACTUAL	TARGET
Number of worker's compensation claims	6.00	0.00
Number of property & liability claims	4.00	0.00
Cost per capita of wildlife management program	N/A	\$5.00
Cost per capita of forest management program	N/A	\$5.00
Expenditures per capita (exclusive of debt)	\$208.18	\$249.04

Water Fund (Revenues)

	2016-17 ACTUAL	2017-18 ACTUAL	2018-19 BUDGET	2018-19 PROJECTED	2019-20 ADOPTED
30-3290-0000 Interest Earned	191	1,105	1,000	1,956	1,500
30-3350-0000 Commissions (Sewer Collection Fee)	9,166	9,205	6,000	8,394	8,000
30-3710-0000 Water Charges	467,436	410,152	415,000	374,981	384,355
30-3710-0100 Sewer Charges	354,889	330,852	280,000	299,365	306,849
30-3710-0200 AMI Transmitter Charges	-	6,931	7,000	7,417	7,700
30-3730-0000 Water Tap & Connection Fees	18,490	15,080	18,000	3,387	6,000
TOTAL	850,171	773,326	727,000	695,498	714,404
30-3710-0000 Transfers from General Fund	110,217	-	-	-	-
TOTAL	960,388	773,326	727,000	695,498	714,404

Revenue Analysis

WATER CHARGES

Record rainfall has had an impact on water consumption for irrigation. The water charges are projected to fall below budgeted figures, while sewer charges are on track to exceed budgeted figures. The Town has adopted a 2.5% increase in water rate charges.

SEWER CHARGES

The Metropolitan Sewerage District (MSD) of Buncombe County is responsible for the sewer infrastructure and treatment. MSD sets the rates for sewer charges, and also adopted a rate increase of 2.5%.

COMMISSIONS

The Town bills on behalf of MSD, remits payment and receives a fee per bill for sewer collection.

AMI TRANSMITTER CHARGES

AMI transmitter charges rate is set based upon the cost per unit, and is billed at cost to the customer. This will be the first full year that all transmitters are active and billable.

WATER TAP & CONNECTION FEES

Water tap and connection fees are charged for new water taps (new location) and change in customer at existing locations. Based on current year projected revenues for water tap & connection fees, the adopted budget amount for this line item was reduced.

INTEREST EARNED

Since changing the investment portfolio two years ago, the Town has seen growth in the interest earned. Considering market sensitivities, the amount budgeted for this line item is conservatively less than projected earnings for FYE 19.

Water Fund (Expenditures)

WATER DEPARTMENT

The Water Department is responsible for maintaining water service lines and meters, installing water taps, and billing for water and for sewer on behalf of the Metropolitan Sewerage District of Buncombe County. The Town does not maintain a water treatment facility, instead it purchases water at wholesale rates from the City of Asheville.

		2016-17	2017-18	2018-19	2018-19	2019-20
		ACTUAL	ACTUAL	BUDGET	PROJECTED	ADOPTED
30-8100-0200	Salaries	49,701	49,770	29,371	26,399	26,363
30-8100-0300	Overtime	-	-	2,247	332	1,200
30-8100-0400	Professional Services	4,834	3,809	2,247	3,928	4,000
30-8100-0500	FICA	3,610	3,671	-	2,020	92
30-8100-0550	Unemployment Insurance	15	-	-	-	-
30-8100-0600	Medical Insurance	9,977	10,395	5,435	5,422	5,707
30-8100-0650	Dental, Vision, Life Insurance	856	1,674	750	842	884
30-8100-0675	Health Reimbursement Account	1,000	1,500	750	750	750
30-8100-0700	LGERS Retirement	7,424	11,151	1,469	3,701	4,078
30-8100-0800	401K Supplemental Retirement	2,586	2,601	14,600	1,320	1,318
30-8100-1200	Postage, Printing & Stationary	4,024	2,882	5,000	2,526	5,000
30-8100-1500	General Repairs	400	1,758	20,000	3,618	10,000
30-8100-3300	Supplies & Equipment	15,223	14,045	20,000	2,816	10,000
30-8100-4800	Water Purchases	227,631	203,040	232,656	205,049	239,636
30-8100-4900	Sewer Purchases	349,340	329,577	280,000	300,251	309,259
30-8100-5000	AMI Transmitter Fees	-	6,463	7,000	6,536	7,700
30-8100-5700	Miscellaneous	1,163	1,124	1,500	946	1,500
30-8100-6500	Staff Development	1,197	660	5,000	3,459	5,000
30-8100-7400	Capital Improvement	185,513	8,604	97,081		81,918
TOTAL		864,494	652,725	725,106	576,039	714,404

BUDGET HIGHLIGHTS

The water department expenditures are budgeted at one and a half percent less than the prior year budget. This reduction reflects the completion of the AMI transmitter project, which retrofitted the customer water meters with cellular transmitters to a website that should reduce billing errors and help the Town and the customer identify leaks more quickly, reducing loss. The salaries and benefits for this department reflect 0.5 FTE which was part of the reorganization of personnel after determining time spent on activities and due to the billing frequency (every other month).

FY 19 ACCOMPLISHMENTS

STRATEGY 1) To be a SAFE & CONNECTED COMMUNITY

Utilized CodeRED system to alert impacted users to water line issues

Annual CCR water quality report distributed to residents

STRATEGY 2) To be an ATTRACTIVE & LIVABLE COMMUNITY

Fully implemented Beacon AMI water meter system

STRATEGY 3) To have an ENGAGED WORKFORCE

Two employees successfully received backflow certifications

Two employees successfully received Class B water certifications

Water Fund (Expenditures)

FY 20 OBJECTIVES

STRATEGY 1) To be a SAFE & CONNECTED COMMUNITY

Complete planned water line repairs with advanced notice to impacted homeowners

STRATEGY 2) To be an ATTRACTIVE & LIVABLE COMMUNITY

Utilize Beacon technology more effectively to verify leaking or misreading meters

Increase "Eye on Water" usage by citizens

STRATEGY 4) To be FINANCIALLY TRANSPARENT & SUSTAINABLE

Complete Cedarcliff Rd waterline project

Develop CIP for next 10 years

PERFORMANCE MEASURES

WORK LOAD	FY 18-19	FY 19-20
	ACTUAL	TARGET
Miles of water lines maintained	23.00	23.00
Number of hydrants	179.00	179.00
Number of water bills issued	4,820.00	4,835.00
Number of RPZ inspections performed	150.00	150.00
Town employees with water certifications	5.00	5.00
EFFICIENCY	FY 18-19	FY 19-20
	ACTUAL	TARGET
Percentage of water meters replaced as regular maintenance	4.55%	10.00%
Percentage of water bills generated/mailed on time	67.00%	85.00%
Percentage of water bills adjusted due to billing error/leaks	0.06%	0.05%
EFFECTIVENESS	FY 18-19	FY 19-20
	ACTUAL	TARGET
Number of emergency line repairs performed	2.00	0.00

Capital Project Fund

A capital project fund is a fund used to account for financial resources used to acquire or construct major general governmental capital facilities. In October 2018 the Town adopted a Capital Project Ordinance to create the Capital Project Fund for the purpose of construction of the Public Works Building.

Description

The Public Works Building, originally constructed in 1929, was in need of a number of large scale repairs. The Town wanted to retain the architectural and historical aspects of the original building and opted to “gut” the building, taking the building down to the studs. A portion of the building, added after 1929, was demolished and rebuilt. The renovations incorporate a number of updates for building code compliance and technological access.

Revenues

FUND BALANCE

The amount of fund balance (general fund) transferred to the capital project fund was based on the amount of the project less the amount of debt the Town was willing to incur for the project. The impact of the transfer from fund balance was evaluated to ensure compliance with the Town’s fund balance policy. Installment financing funds are used before utilizing fund balance.

INSTALLMENT FINANCING

The Town solicited proposals for installment financing for \$800,000. After reviewing the terms of the proposals provided, the Town accepted the financing schedule of ten years at 3.36%. The installment financing payments have been added to the general fund debt schedule. Installment financing for this project is received upon receipt of invoicing each month.

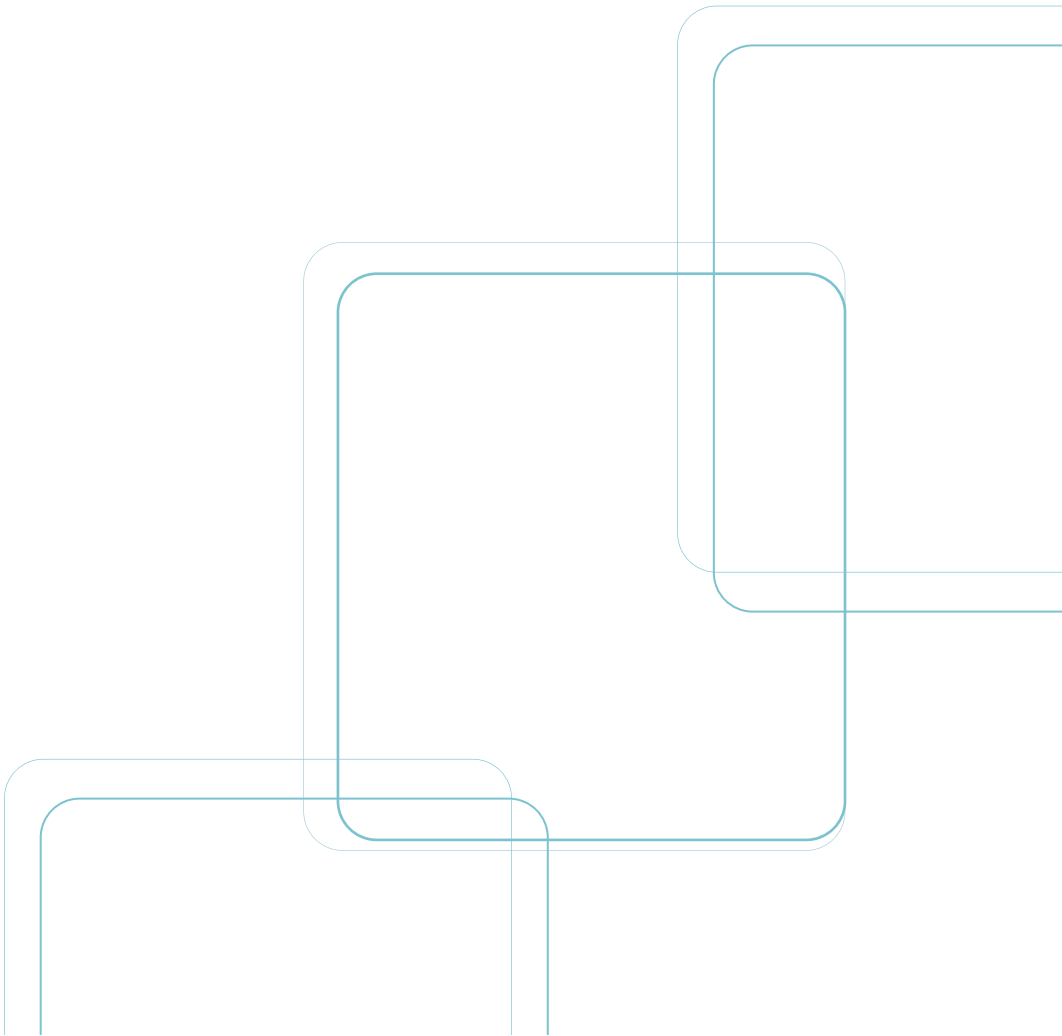
Revenue	Budgeted	Projected	Remaining
Transfer from Fund Balance	719,250	719,250	-
Installment Financing	800,000	800,000	-
Total	1,519,250	1,519,250	-

Expenditures

The construction project in the Capital Project Fund began in October 2018 with a scheduled completion date of July 2019. Delays in the project moved the completion date to mid-August 2019. The design and construction line items reflect the outstanding work projected to complete the project as a result of the shift in completion date.

Expenditure	Budgeted	Projected	Remaining
Design & Architectural Services	22,000	11,733	10,267
Construction (Const Mgr at Risk)	1,497,250	545,660	951,590
Total	1,519,250	557,393	961,857

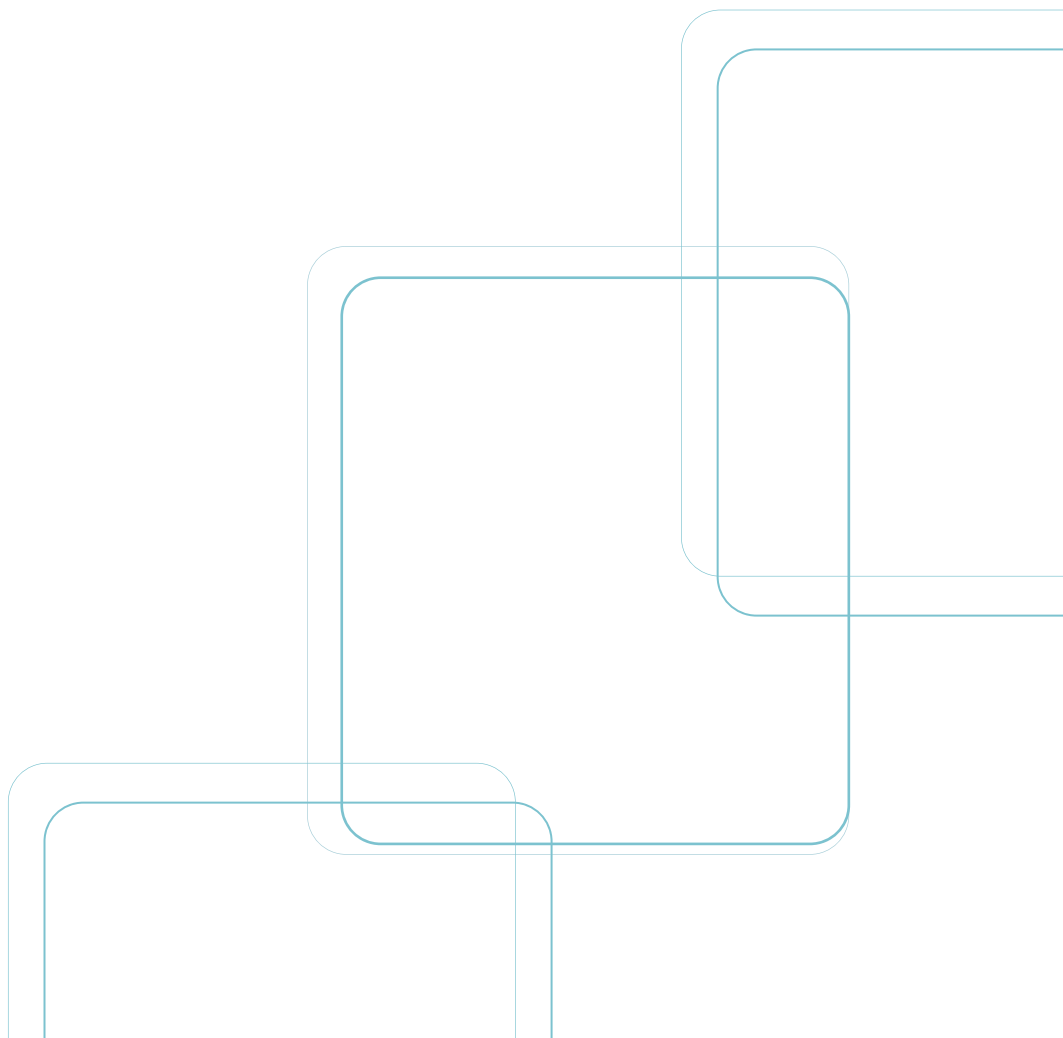




APPENDIX

Glossary Acronym Guide





GLOSSARY

ACCRUAL ACCOUNTING: A basis of accounting in which revenues and expenses are recorded at the time they are incurred, instead of when cash is actually received or disbursed.

ACCOUNTS: Accounts are a record in the general ledger that is used to sort and store transactions.

ADOPTED BUDGET: The term used to describe the formally adopted budget; budget as adopted by the Board of Commissioners

AD VALOREM TAX: A tax levied in proportion to the value of a property.

APPROPRIATION: The legal authority to incur obligations and to make expenditures for specific purposes.

APPROPRIATED FUND BALANCE: The amount of fund balance appropriated as a revenue source for the current fiscal year.

ASSESSED VALUATION: The value established by the County tax assessor for real or personal property for use as a basis to levy property taxes.

BALANCED BUDGET: As defined by the North Carolina Local Government Budget and Fiscal Control Act, is when the sum of estimated net revenues and appropriated fund balance is equal to appropriations for each fund.

BASIS OF ACCOUNTING: The method under which revenues and expenses are recognized in the financial statements; used to describe the timing of recognition of revenues and expenditures.

BASIS OF BUDGETING: The method under which revenues and expenses are recognized in the budget; used to describe the timing of recognition of revenues and expenditures.

BUDGET: A plan of financial activity for a specified period of time (fiscal year beginning July 1 and ending June 30) designating planned revenues and expenses for the budget period.

BUDGET AMENDMENT: The legal mechanism used to revise a budget appropriation.

BUDGET DOCUMENT: The official written statement prepared by Town staff reflecting the decisions made by the

Commissioners in budget deliberations.

BUDGET MESSAGE: The opening section of the budget that provides the Town Board and the public with a general summary of the most important aspects of the budget, changes from current and previous fiscal years, and the views and recommendations of the Town Manager.

BUDGET ORDINANCE: The official enactment by the Town Board to establish legal authority for the Town officials to obligate and expend resources.

BUDGET SCHEDULE: The schedule of key dates or milestones that the Town follows in preparation and adoption of the budget.

CAPITAL EXPENDITURE: An expenditure for an asset that exceeds a predetermined dollar amount and a predetermined number of years of useful life; the Town of Biltmore Forest established a threshold for the cost to equal or exceed \$5,000 and a useful life of 5 years or more.

CAPITAL IMPROVEMENTS: Major construction, repairs, or additions to buildings, parks, streets, bridges, and other Town facilities.

CAPITAL OUTLAY: Expenditures for the acquisition of capital assets, including land, buildings, permanent improvements, machinery, large tools, rolling and stationary equipment.

CAPITAL PROJECT FUND: A fund used to track the financial resources used to acquire and/or construct a major capital asset.

CAPITAL PROJECT ORDINANCE: The official enactment by the Town Board to establish legal authority to appropriate revenues and authorize expenditures for a project involving the construction or acquisition of a capital asset.

CASH MANAGEMENT: The activity of forecasting cash flows, improving cash availability for investment, and establishing/maintaining banking relationships.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): A report containing the Town's annual financial statements, auditor's report of the financial statement, various tables and graphs as supplemental data and a transmittal letter describing the year's activity.

CONTINGENCY: A budgetary reserve set aside for emer-

Appendix

GLOSSARY

gencies or unforeseen expenditures not otherwise budgeted.

COUNCIL-MANAGER FORM of Government: A structure of government in which the Mayor and Council (Commissioners) establish policy, while a professional manager and manager's appointees are responsible for governmental operations.

DEBT LIMIT: The maximum amount of outstanding gross or net debt legally permitted. North Carolina law prohibits municipalities from incurring debt in excess of 8% of the total assessed valuation of taxable property in the municipality.

DEBT SERVICE: the cost of paying principal and interest on borrowed money according to a predetermined payment schedule.

DEPARTMENT: An organizational unit responsible for carrying out a major governmental function.

ENCUMBRANCE: The commitment of appropriated funds to purchase an item or services.

ENTERPRISE FUND: a fund used to account for operations in which the cost of providing services are financed or recovered primarily through user charges.

ESTIMATED REVENUE: The amount of projected revenue to be collected during the fiscal year.

EXPENDITURE: The amount of net financial resources expended during the reporting period for current operations, capital outlay, long-term debt principal retirement and interest.

FINAL BUDGET: Term used to describe revenues and expenditures for the upcoming year beginning July 1 as adopted by the Board of Commissioners.

FISCAL YEAR: The twelve-month period to which the annual operating budget applies. The fiscal year for the Town of Biltmore Forest begins July 1st and ends June 30th.

FIXED ASSETS: Long-term assets intended to be held or used, such as land, buildings, machinery, furniture, and other equipment.

FULL-TIME POSITION: Any employee who receives full benefits and works at least 40 hours per week.

FULL-TIME EQUIVALENT POSITION (FTE): A ratio in

which the unit of measure is an employee working full-time.

FUNCTION: A group of related programs crossing organization/departmental boundaries to accomplish a broad goal or major service.

FUND: An accounting entity that possesses a set of self-balancing accounts segregated to carry out specific activities.

FUND BALANCE: The amount of assets in excess of the liabilities or appropriated for expenditures; surplus funds.

FUND BALANCE APPROPRIATED: The amount representing the fund's equity to be used to offset expenditures; Fund balance available for appropriation equals cash and investments less the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP): Accounting principles commonly used in preparing financial statements and generally accepted by the readers of those statements. The authoritative source of GAAP for local governments is the Governmental Accounting Standards Board (GASB).

GENERAL FUND: The principal operating fund for Town government; The General Fund is used to account for all Town government activities, except those activities with a legal, contractual, or managerial requirement to be accounted for in a separate fund. The General Fund provides resources for the functional areas of general government, development, public protection, general services, parks, and for non-departmental expenditures.

GOAL: A broad statement of direction, purpose, or intent based on the needs of the community.

GOVERNMENTAL FUND: A fund generally used to account for tax supported or grant activities that go to the delivery of public goods and services. Both the general fund and capital project fund are examples of governmental funds.

GRANT: A contribution by a government or other organization to support a particular function.

INSTALLMENT PURCHASE AGREEMENT: A method of financing the acquisition of assets where the purchase price is paid in a series of partial payments over a specified period.

GLOSSARY

INTERFUND TRANSFERS: The movement of money between funds of the same government entity.

INTERGOVERNMENTAL REVENUE: Funds received from federal, state, and other local government sources for a specified purpose.

INVESTMENT EARNINGS: Revenue earned on investments with a third party.

LEVY: To impose taxes for the support of governmental activities. The levy amount represents the total dollar amount of property taxes to be collected through real and personal property tax billings.

LIABILITIES: Debts or other legal obligations, as a result of past transactions or other past events, which must be liquidated, renewed, or refunded at some future date.

LOCAL GOVERNMENT BUDGET & FISCAL CONTROL ACT (LGBFCA): North Carolina General Statute that governs all financial activities of local governments within the state.

LOCAL GOVERNMENT COMMISSION (LGC): An agency in the North Carolina State Treasurer's Office which oversees local government fiscal management.

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: The accounting method of recording revenues when measurable and available and recording expenditures when liability is incurred and unmatured principal and interest on general long term debt is recognized when due.

NORTH CAROLINA LEAGUE OF MUNICIPALITIES (NCLM): A service and advocacy organization representing municipalities in North Carolina.

OBJECTIVES: Something to be accomplished in specific, well-defined, and measurable terms that can be achieved within a specific time frame.

OPERATING BUDGET: The Town's financial plan that outlines proposed expenditures for the coming fiscal year, and

estimates the revenues that will be used to finance them.

OPERATING EXPENSES: The portion of the budget pertaining to the daily operations that provide basic governmental services; includes appropriates for such expenditures as supplies, utilities, materials, and travel.

OUTSTANDING DEBT: Existing debt service obligations due in future years.

PERFORMANCE MEASURES: Descriptions of a program's effectiveness or efficiency.

PERFORMANCE MEASUREMENT: A systematic attempt to learn how responsive a government's services are to the needs of the residents through the use of standards, workload indicators, etc.

PERSONAL PROPERTY: Visible and movable property not permanently affixed to real property; includes but not limited to automobiles, boats, trailers and equipment.

POWELL BILL: An intergovernmental transfer from the State of North Carolina, restricted for the purpose of transportation projects.

PROPERTY TAX: A tax levied on the assessed value of real and personal property. The property tax rate is expressed as a dollar value per \$100 of assessed valuation.

PROPRIETARY FUNDS: a fund used to account for the sale of private goods and services (business-like activity).

RECLASSIFICATION: A change in position title and/or the associated pay range based on changed in the job skills required for a given position.

REAL PROPERTY: Land, buildings, and items permanently affixed to land or buildings.

RESERVE: An account used to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

RESOLUTION: A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

RESOURCES: Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

Appendix

GLOSSARY

REVALUATION: The process used by the assessor to place a new value on real property and improvements for determining the assessed value for property tax purposes. A revaluation would be performed on all taxable properties in the same year by the County Tax Assessor.

REVENUE: Sources of income including tax payments, fees from specific services, receipts from other governments, fines, grants, shared revenues, and interest income.

SOURCE OF REVENUE: Classification of revenues according to their source or point of origin.

TAX BASE: The assessed valuation of all taxable real and personal property within the Town limits.

TRANSFER: An appropriation to or from another fund; the movement of money from one fund to another to support the functions of the receiving fund either in whole or in part.

UTILITY FRANCHISE TAX: Proceeds from a state levied tax on electric, gas, video programming, and telecommunications services.

ACRONYMS

ABC	Alcohol Beverage Commission	GFOA	Government Finance Officers Association
CAFR	Comprehensive Annual Financial Report	GS	General Statute
FT	Full-time	LGBFCA	Local Government Budget and Fiscal Control Act
FTE	Full-time Equivalent	LGC	Local Government Commission
FY	Fiscal Year	MSD	Metropolitan Sewerage District of Buncombe County
FYB	Fiscal Year Beginning	N/A	Not Applicable
FYE	Fiscal Year Ending	NCGS	North Carolina General Statute
GAAP	Generally Accepted Accounting Principles	NCLM	North Carolina League of Municipalities
GASB	Governmental Accounting Standards Board	PAFR	Popular Annual Financial Report
GF	General Fund		

ADDITIONAL INFORMATION

In addition to this budget document, the Town prepares a Comprehensive Annual Financial Report (CAFR) & a Popular Annual Financial Report (PAFR). All financial reports may be viewed on the finance page of our website.
www.biltmoreforest.org/finance



Town of Biltmore Forest
355 Vanderbilt Rd | Asheville, NC 28803
www.biltmoreforest.org | (828) 274-0824

