Town of Weaverville
North Carolina

Annual Budget
Fiscal Year 2013-2014

TOWN COUNCIL
Al Root, Mayor
Dottie Sherrill, Vice Mayor
Doug Dearth
Gene Knoefel
Walter Currie
John Penley

TOWN MANAGER/BUDGET DIRECTOR
James Michael Boaz

FINANCE DIRECTOR Jim
McMillan

For further information or comments concerning the Town of Weaverville Annual Budget
for Fiscal Year 2013-2014, please call (828) 645-7116 or visit our website at www.weavervillenc.org

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Town of Weaverville

North Carolina

For the Fiscal Year Beginning

July 1, 2012

President Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation Town of Weaverville for its annual budget for the fiscal year beginning July 1, 2010.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as policy document, as an operations guide, as a financial plan and as a communication device.

The 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.

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Town of Weaverville Budget Fiscal Year 2013-2014

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Budget Message

Town of Weaverville
A Good Place For Your Home
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Al Root, *Mayor*

Walter Currie
Council Member
Doug Dearth
Council Member
Doug Jackson
Council Member
Gene Knoefel
Council Member
Dottie Sherrill
Council Member

Budget Message

May 20, 2013

Honorable Mayor Root and Weaverville Town Council:

I am pleased to present to you the FY 2013-2014 Proposed Budget for the Town of Weaverville. The General Fund Budget totaling $6,129,100 is an increase of 5.5% from the 2012-2013 Budget. This includes a 2.0% Cost of Living Adjustment for employees as well as increases in costs for health insurance, worker's compensation insurance, and property & liability insurance. In addition, the Town is continuing a number of capital projects that were funded in last year's budget, but were not completed. Finally, after many years of discussion, this budget includes the addition of the Town's first planner.

Over the course of the past year, the Town has seen slow economic recovery. The residential portion of the Weaver Village development has taken off and should be entirely built out during FY 2014. In addition, the Woodbriar subdivision has sold 52 out of 54 available lots. While this subdivision is outside the corporate limits of the Town, its success has spurred the developers in pursuing two developments that are inside the corporate limits. Staff expects those developments to be under construction during Fiscal Year 2014 and they should be added to the tax base for FY 2015.

In addition to this residential growth, there has been limited commercial activity. The new Aldi store will be constructed during FY 2014 and may open before the end of the fiscal year. In addition, the Dollar General and Steak and Shake buildings were completed during FY 2013 and added to our tax base. There are currently plans for several other new commercial buildings to open during FY 2014.

All that being said, the economy is still sluggish. We have not returned to pre-recession levels in sales tax collections or new housing starts. Buncombe County conducted a property revaluation this year and the assessed value of property in Town declined by over $30 million dollars. The Town Council has discussed, at great length, what the appropriate tax rate for this fiscal year will be. The Council decided that the revenue neutral rate of $.40 per $100 of valuation, which should result in roughly 80% of the tax payers in Weaverville paying less in property taxes this year versus last year.

Specific highlights of the proposed Budget are discussed in detail on the following pages.

Major Budget Issues

This Budget was developed with the goal as established by the Weaverville Town Council to maintain or have the lowest tax rate possible while not cutting the services provided to the citizens of Weaverville.

Ad Valorem

This budget was developed using a tax rate of $0.40 per $100 of evaluations. It is estimated that 1 cent of the tax rate is equal to $63,659.50. Based upon property evaluation data from the Buncombe County Tax Department, Weaverville can expect a tax base of $636,595,054, which is a decrease from last year.

Council Focus Areas

The Weaverville Town Council conducted a budget workshop on January 11-12, 2012 and listed five key areas for achieving the Town's vision. Those areas include:

Goal 1: Provide for orderly government and the provision of high quality services

Objective 1A: Responsible management of financial resources.
Objective 1B: Ensure delivery of services through adequate facilities and equipment.
Objective 1C: Retain trained, competent and motivated staff.
Objective 1D: Conduct town business in a transparent and accessible manner

Goal 2: Optimize land use for balanced residential, commercial and industrial purposes.

Objective 2A: Ensure comprehensive plan and land use mechanisms are updated regularly.
Objective 2B: Encourage a desirable variety of housing opportunities.
Objective 2C: Maintain existing infrastructure and improve as needed.
Objective 2D: Effectively buffer residential and other uses from each other.

Goal 3: Promote diverse economic development in keeping with the Town's residential character and the environment.

Objective 3A: Maintain and encourage a vibrant Central Business District.
Objective 3B: Maintain and expand existing diversity of low-impact light industry. Encourage beneficial, new economic investment for development and redevelopment and execute the comprehensive Economic Development Program.

Goal 4: Foster Community Engagement.

Objective 4A: Promote and encourage community events.
Objective 4B: Maintain and improve recreational facilities and encourage their use.
Objective 4C: Plan for future resources to accommodate regional programs.
Objective 4D: Plan for and maintain walkable community.

Governmental Funds

In government, much more than in business, the budget is an integral part of the Town's accounting system and daily operations. An annual or project budget ordinance, as amended by the governing body, creates a legal limit on spending authorizations. In accordance with North Carolina State Law, the Town's budget is prepared on the modified accrual basis, and its accounting records also are

maintained on that basis. Under modified accrual accounting, revenues are recorded when they are measurable and available. Expenditures are recorded when liability is incurred, except for interest on long-term debt and accrued vacations benefits. The Town of Weaverville has the following types of Governmental Funds:

General Fund
The General Fund Budget for FY 2013-2014 is $6,129,100 or a 5.5% increase from the FY 2012-2013 Budget.

Water Fund
The Water Fund Budget is $1,699,400 or a 3.7% decrease from FY 2012-2013.

Debt Service

General Fund
In the General Fund, the Town has the following Debt Service payments:

$274,530 Fire Station Building
$159,640 Fire Trucks
$434,170 General Fund Debt

Fund Balance Reduction
This budget will reduce the available Fund Balance by $257,890. The Powell Bill fund balance will be reduced by $440,410.

Water Fund
In the Water Fund, the Town has the following Debt Service payments:

$233,751 General Obligation Bond (Ivy River GO Bonds)

Conclusion

The FY 2013-2014 Proposed Budget increases the Town's tax rate to $.40 per $100 of valuation. We project that one cent of the tax rate equals approximately $63,659.50. The increase of the tax rate also increases the amount of tax received from Division of Motor Vehicles and the Sales Tax since both of these revenues are tax rate based.

The Town staff has presented you a balanced budget that maintains our existing level of high quality services necessary to meet Council's established goals.

The preparation of this report would not have been possible without the dedicated efforts of the employees of the Town of Weaverville and the support of the members of the Town of Weaverville Town Council.

James Michael Boaz
Town Manager/Budget Director

Jim McMillan
Finance Officer

Budget in Brief Executive Summary of Major Expenditures & Revenues General Fund and Water Fund

General Fund

• Governing Body Professional Services	$140,000
• Employee Salary Increases	$59,418
• Debt Service (Municipal Building, Fire Station & Trucks)	$434,170
• Planning Department	$235,650
• Street Resurfacing	$180,000
• Highland Street Sidewalk	$200,000
• Weaver Boulevard Sidewalk	$115,000
• Personnel Costs	$3,353,190

Summary of Revenues

• Total ad valorem tax	$2,520,920
• Local Government Sales Tax	$981,760
• North Buncombe Fire District Tax	$1,053,790
• Utility Franchise Tax	$410,000
• Powell Bill	$104,000
• Privilege License Tax	$105,000
• Interest Earned	$7,500
• Appropriated Fund Balance	$257,890
• Appropriated Powell Bill	$440,410

Water Fund Expenses

• Utilities	$128,100
• Chemicals	$50,000
• Water Testing	$29,600
• Sludge Removal	$26,000
• Meter Replacement Program	$70,000
• Tanker Truck	$75,000

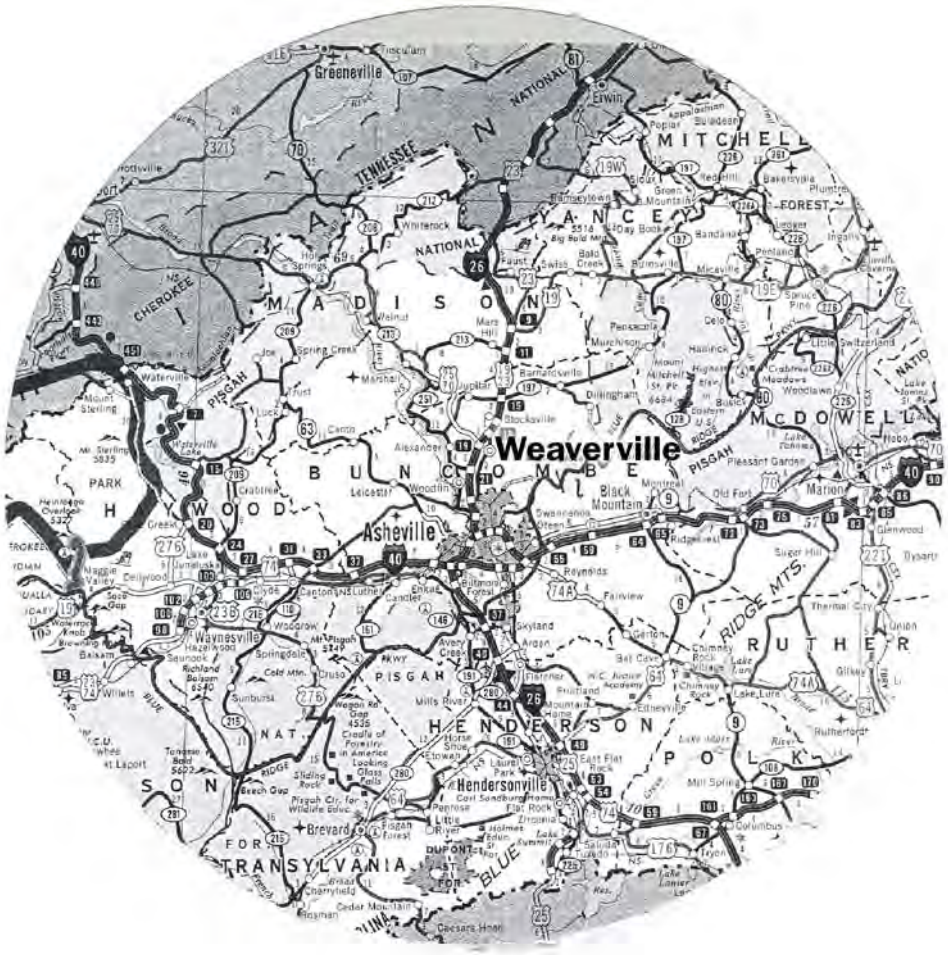
Water Fund Revenues

• Water sales	$1,637,500
• MSD Collection Fee	$35,000
• Late Payment Penalty	$2,800
• Investment Income	$2,500

The Town of Weaverville
General Description

The Town was established in 1875 and is located in the northern section of Buncombe County (the "County" approximately 10 miles north of Asheville, North Carolina. The Town is empowered by State statues to levy a tax on the assessed value of real and personal property located within the Town limits, not to exceed $1.50 per $100 valuation, for operating expenses. The current property tax rate of $.40 per $100 valuation includes all operating expenses and debt service requirements. The County levies a property tax at the rate of $0.569 per $100 valuation. There is no other overlapping jurisdiction with taxing authority. The Town is also empowered by General Statues to extend its corporate limits by annexation.

50-Mile Radius


Greeneville
Erwin
MITCHELL
YANCEY
MADISON
BUNCOMBE
Weaverville
Asheville
McDOWELL
HAYWOOD
PISGAH
HENDERSON
POLK
RUTHER
TRANSYLVANIA
Hendersonville
Brevard
Waynesville
Black Mountain
Marion
Mars Hill
Barnardsville
Mocksville
Alexander
Leicester
Woodfin
Swannanoa
Reynolds
Fairview
Skyland
Arden
Fletcher
Mills River
Etowah
Horse Shoe
Laurel Park
East Flat Rock
Flat Rock
Zirconia
Tuxedo
Saluda
Tryon
Columbus
Mill Spring
Rutherfordton
Lake Lure
Chimney Rock
Bat Cave
Gerton
Pisgah Forest
Brevard
Cedar Mountain
Cherryfield
Rosman
Cresson Hour
Sunburst
Cold Mtn.
Crusoe
Springdale
Woodrow
Canton
Clyde
Lake Junaluska
Maggie Valley
Cataloochee
Cove Creek
Balsam
Sylva
Cullowhee
Tuckasegee
Cashiers
Glenwood
Dysart
Thermal City
Union
Sugar Hill
Old Fort
Pleasant Garden
Montreat
Black Mountain
Ridgecrest
Swannanoa
Candler
Enka
Biltmore Forest
Avery Creek
Mt. Pisgah
Hazelwood
Richland Balsam
Beech Gap
Sliding Rock
Looking Glass Falls
Wagon Road Gap
Cradle of Forestry in America
Pisgah Ctr. for Wildlife Educ.
Pisgah Forest
Little River
Penrose
Cedar Mountain
Cherryfield
Rosman
Cresson Hour
Mt. Sterling
Waterville
Mt. Sterling
Hemingway Overlook
Heintooga Overlook
Cherokee
Bryson City
Tuckasegee
Cullowhee
Sylva
Dillsboro
Whittier
Cherokee
Hot Springs
Marshall
Spring Creek
Joe
Luck
Camp
Alexander
Jupiter
Dillingham
Mount Mitchell
Micaville
Bandana
Pentland
Burnsville
Bald Creek
Swiss
Celo
Green Mountain
Bakersville
Plumtree
Ingalls
Switzerland
Crabtree Meadows
Woodlawn
Lake Tomahetta
Nebo
Glenwood
Dysart
Thermal City
Union
Sugar Hill
Old Fort
Pleasant Garden
Montreat
Black Mountain
Ridgecrest
Swannanoa
Candler
Enka
Biltmore Forest
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Canton
Clyde
Lake Junaluska
Maggie Valley
Cataloochee
Cove Creek
Balsam
Sylva
Cullowhee
Tuckasegee
Cashiers

Description of Weaverville

Location

The Town of Weaverville is located in the northern section of Buncombe County approximately 10 miles north of Asheville, North Carolina.

History

The town, as community, was in existence long before it acquired the name of Weaverville. Back as far as 1803 there are records of roads through this area, roads that were widened from old Indian trails leading through valleys and hills. There was an old iron works on the site where Lake Louise now spreads its waters. John Weaver had been in his log cabin on the Reems Creek Road for about 15 years, with a growing family and a well producing farm. Others had joined him to come together at old time camp meetings.

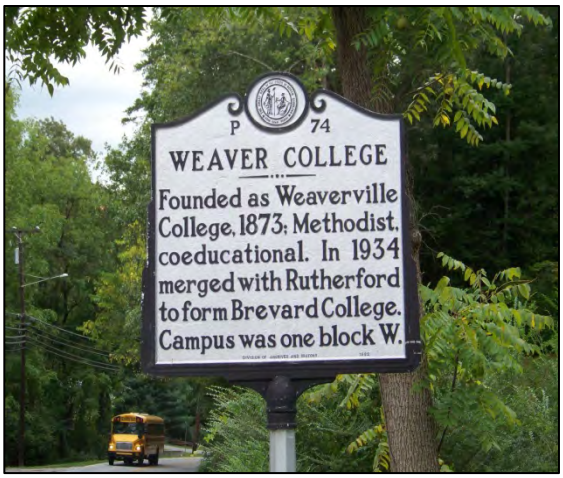
In 1832, Salem Camp Ground was a popular meeting place, in spite of bad roads and poor transportation. A Conference House was built in 1836 by the community to entertain the Holston Annual Conference of the Methodist Church. This same building was used as a school for several years, the first school in the area. This first church was built on the Camp Ground and was the only church until 1890, when a new Methodist Church was built on Church Street.

The first United States Post Office on record was in 1850, and Blackmer Masonic Lodge #170 was chartered in 1855, as the second oldest lodge in the Western part of the State. The Camp Ground also served as an emergency hospital when an epidemic of pneumonia broke out among soldiers then stationed in the present Beaver Lake section. There are graves of “Unknown Soldiers” in the old cemetery.

The first house in the village was the old home of Montraville Weaver, on the site of the new municipal parking lot. More houses were built in the community as homes for growing families. Land hungry people came to this bowl shaped valley surrounded by a rim of mountains that cast their late afternoon shadows on the housetops. Businesses of that era included a blacksmith shop, a tannery (then called a tan-yard), a tin shop, a harness making and saddle shop, a linseed oil mill and a wheelwright shop.

As 1875 neared its end, a college had grown out of the old Masonic and Temperance School on the Camp Ground. It was called Weaverville College, named after Rev. Montraville Weaver who had given the land and a generous sum of money for the school to be built. A movement to organize a town by the same name was started and in December, 1874 the name of Weaverville was made official by legislative action. Dr. James Americus Reagan was chosen as the first mayor. He had previously been named first master of Blackmer Masonic Lodge and first president of Weaverville College. The

official limits of this newly incorporated town were set at one-half mile in all directions, using the store previously occupied by Johnson Feed Store as a center.



The first project was to improve streets and walkways. No funds were available, so each man was asked to give 2 to 4 days per month on road work or else pay a fixed sum to the treasury. There were 30 homes in the community then and all men were registered for road work. Board walks were put down. A speed limit of 12 miles per hour was set ... and a calaboose was erected for those who violated the law of the land.

A Woolen Mill on the Reems Creek Road provided blue jean material and a gristmill nearby ground corn and wheat for the farmers. There was a general store, a drug store, and a grocery store where men might gather on Saturday night to share the news of the week. There was also a casket and funeral establishment.

At the turn of the century in 1900, there was a period of time when the town seems to have abandoned its charter, for there are no records from 1904 to 1909, the date the town was reorganized. By then, more homes had been built and more land cultivated. Plans to bring electricity to the village were made in
1908, bonds to install a water and sewer system were sold in 1912, and the telephone came to town in 1911. John V. Erskine was a leader in the development of all three of these public utilities. He served as mayor of Weaverville in different terms over a period of 22 years. In 1909, the total property evaluation was $90,000.

Businesses were flourishing. In addition to those previously named, there was a budding young taxi service, then based at the local livery stable. The men organized a Volunteer Fire Department, the first such department in the state, and it later served as a model for many other communities throughout the state. Its efficiency was recognized far and wide. The Odd Fellows organized the Hamburg Lodge; a unit of I.O.O.F. Chautauqua was the greatest cultural event of the year. The Chautauqua programs were presented under a big tent on the site of the present fire station.

There was a railroad – a real trolley car provided hourly transportation and freight service to and from Asheville. There were two hotels in town, one on a site back of the old Town Hall and the other across from the present Primary School. The first filling station in Buncombe County, outside the City of Asheville, was built on North Main Street. The first automobile was a red Maxwell with two speeds – one forward, the other backward. The Farmers 'I' and Traders Bank had opened its doors.

A new business had developed that brought many dollars into the area. Many owners of large homes began keeping summer guests to supplement the family income. Most of these homes were well filled with people from other areas, guests who often spent the entire summer in their chosen place. Friendships often developed and often the same people returned summer after summer. Some of them became permanent residents through marriage into local families.

In 1920, changes were beginning to come about rapidly. The first full-time public school was built on South Main Street in 1922– the brick building now occupied by the primary school. The new school housed all grades, one though twelve. Four years later, a second school was started further

down South Main Street as the Weaverville High School.

The Presbyterians organized in 1922. They built a wooden structure on the lot where the rock church now stands. The Baptists organized in the school building in 1922 and moved into their new church six years later. The Methodists had built a new church on Main Street after the one on Church Street had burned.

Bethel Home for tubercular patients had been established on Hamburg Mountain under the sponsorship of the Methodist Protestant Church group.

Weaverville developed a real "business block" on Main Street. It had a drug store, three grocery stores, two filling stations, a Post Office, a Farmer's Federation, a meat market, a cafe, barbershop, and a telephone exchange on the second floor of the cafe building. More homes were built. In 1925, the franchise for electricity was sold to Carolina Power and Light Company of Asheville.

The Methodist Church in 1934 deemed it wise to consolidate Weaver College with Brevard College and Rutherford College to make one strong institution, instead of three struggling colleges. The town parted with the college with deep regret, for it had been a great influence on the cultural and religious atmosphere of the whole area during all of its years it had provided an education for students from first grade through college.

When the college closed, Blackmer Masonic Lodge bought the administration building and converted the assembly room on the second floor into a lodge hall. The first floor was made into apartments. The lodgers' first meeting place had been on the old Camp Ground.

In 1926, the Presbyterians built their new church of native stone and a few years later a matching educational building, then a rock manse, and a fellowship building to complete the grouping. The Methodists and Baptists both built educational buildings adjoining their churches.

A new consolidated high school was planned for the North Buncombe area, to bring all high school students from Weaverville, Flat Creek, Red Oak, Barnardsville and French Broad to form its student body. This made it possible for the school in each section to adjust its curriculum for primary and grammar grade levels. The school population grew and grew– and the school bus system became a complex operation.

A community library was organized by book lovers in 1955. It was named the Bess Tilson Sprinkle Memorial Library in memory of a very fine teacher and wife of the town doctor. The first government building was erected and the Post Office moved into its new home on Main Street.

The telephone company was sold to a large corporation that built two new brick structures for its operation. The first big outside industry came when the Hadley Corporation built a plant near Weaverville. It employed 250 persons and operated many years before moving to Asheville.

Two hardware stores began business in town. Many additional new homes were built, a large percentage by children of families who had lived here for years. About this time a federal survey was made which revealed that Weaverville had the highest rate of owner-occupied dwellings of any town in the State. 75% of the homes were occupied by owners who took great care of their homes.

History is a story of people and Weaverville had more than its share of outstanding citizens. Through

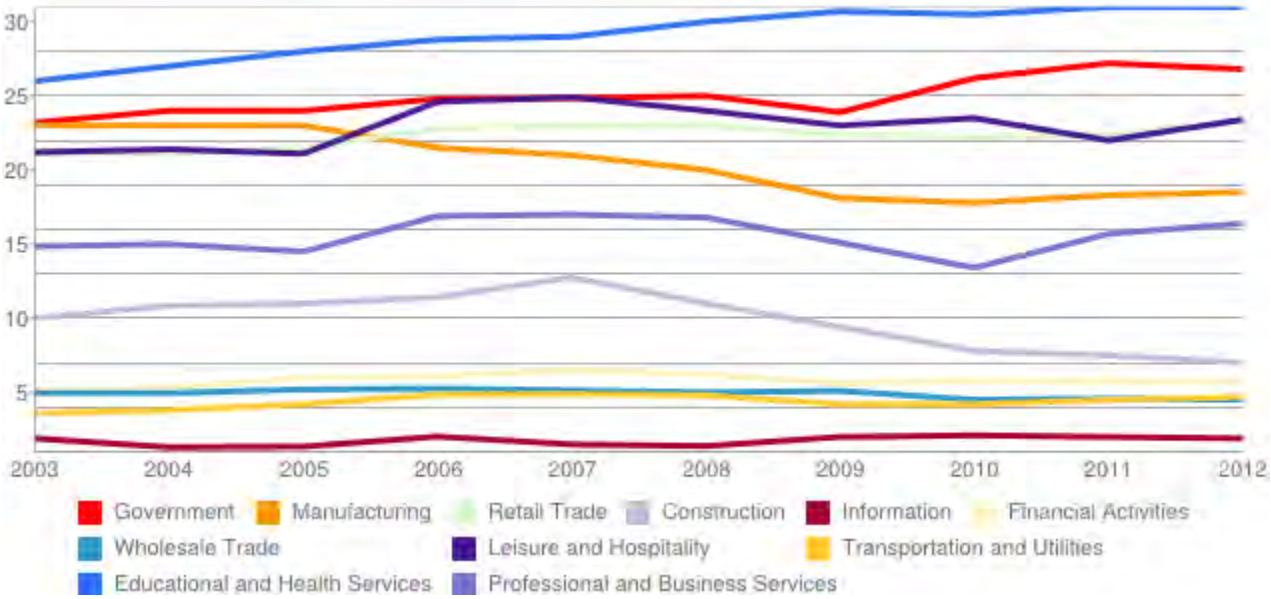
the years there have been many accomplished musicians. Local writers are listed in North Carolina histories. There have been good doctors and dentists and excellent lawyers. There are fine teachers and preachers who have left "footprints in the sands of time." There are cultural clubs, recreational and civic clubs, church and political organizations – each with its group of loyal workers.

Today, Weaverville offers every cultural advantage of modern schools, music and book clubs, civic groups, Girl and Boy Scout troops, plus Parent Teacher Associations and church activities. The motto chosen years ago is still applicable – Weaverville is "A Good Place for your Home."

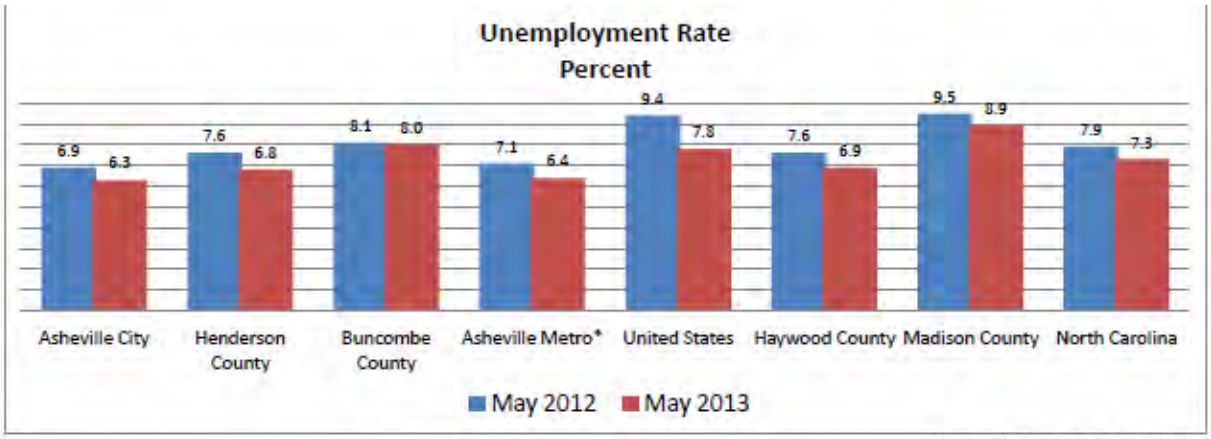
Town of Weaverville Demographic Statistics

The Town of Weaverville is a part of the Asheville MSA when reviewing Economic Indicators. The following information is taken from information compiled by the Asheville Area Chamber of Commerce for May 2013.

Industry Employment (in thousands)



Unemployment



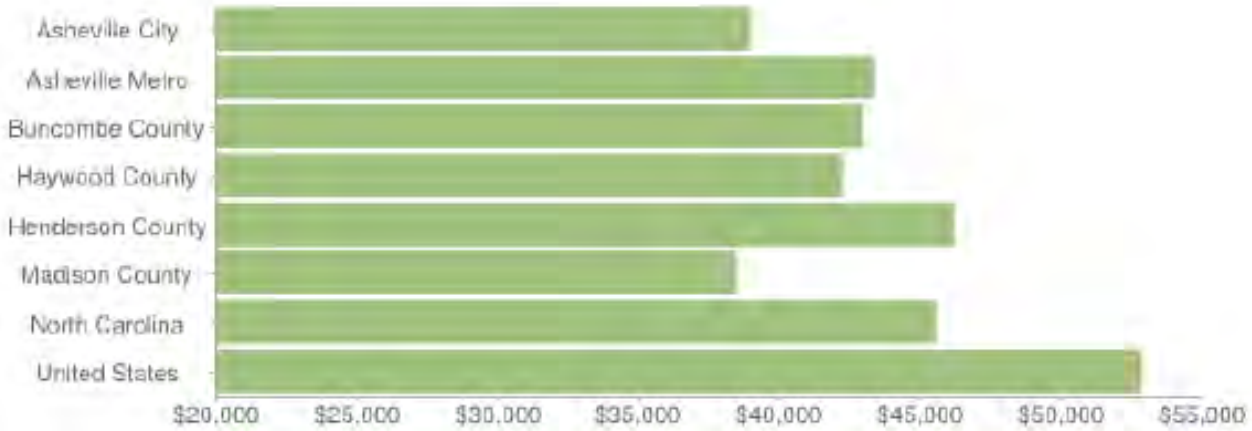
Source: US Bureau of Labor Statistics

	Monthly Data					
Unemployment Rate %	**May-12**	**May-13**	**Change**	**AVG Y-T-D 2012**	**AVG Y-T-D 2013**	**Change**
Asheville City	6.9	6.3	-0.6	7.0	6.6	-0.4
Buncombe County	7.6	6.8	-0.8	7.8	7.2	-0.7
Haywood County	8.1	8.0	-0.1	9.2	9.0	-0.1
Henderson County	7.1	6.4	-0.7	7.4	6.9	-0.5
Madison County	9.4	7.8	-1.6	9.9	8.2	-1.7
Asheville Metro*	7.6	6.9	-0.7	8.0	7.4	-0.6
North Carolina	9.5	8.9	-0.6	9.8	9.2	-0.6
United States	7.9	7.3	-0.6	8.3	7.7	-0.6
Source: US Bureau of Labor Statistics						
	May 2012	**May-13**	**% Change**	**AVG Y-T-D 2012**	**AVG Y-T-D 2013**	**% Change**
Total Employment (nonfarm)	172,300	177,300	2.9%	168,720	174,300	3.3%
Source: US Bureau of Labor Statistics						
	May-12	**May-13**	**% Change**	**AVG Y-T-D 2012**	**AVG Y-T-D 2013**	**% Change**
Construction	7,500	7,000	-6.7%	7,100	6,680	-5.9%
Manufacturing	18,600	18,500	-0.5%	18,300	18,500	1.1%
Retail Trade	21,800	24,500	12.4%	22,000	24,160	9.8%
Transportation and Utilities	4,600	4,800	4.3%	4,500	4,780	6.2%
Wholesale	4,700	4,600	-2.1%	4,580	4,520	-1.3%
Information	2,000	2,000	0.0%	2,000	2,000	0.0%
Financial Activities	5,800	5,800	0.0%	5,720	5,740	0.3%
Professional & Business Services	16,300	16,900	3.7%	16,020	16,540	3.2%
Health Services & Private Education	33,000	33,200	0.6%	32,060	32,780	2.2%
Leisure and Hospitality	22,400	25,400	13.4%	21,600	24,380	12.9%
Government (federal, state, and local)	28,100	27,700	-1.4%	27,720	27,440	-1.0%
Source: US Bureau of Labor Statistics						
	May 2012	**May 2013**	**% Change**	**Avg Y-T-D 2012**	**Avg Y-T-D 2013**	**% Change**
Number of Homes Sold	249	325	30.5%	196	257	31.4%
Average Price of Homes Sold	$256,547	$260,424	1.5%	$246,803	$245,753	-0.4%
Source: North Carolina Association of Realtors						
	May 2012	**May 2013**	**% Change**	**Y-T-D 2012**	**Y-T-D 2013**	**% Change**
Hotel/Motel Sales	$16,524,049	Pending	#VALUE!	$59,017,865	$30,397,124	-48.5%
Source: Buncombe County TDA						
	May 2012	**May 2013**	**% Change**	**Y-T-D 2012**	**Y-T-D 2013**	**% Change**
Total Passengers	55,785	58,404	4.7%	244,340	228,496	-6.5%
Source: Asheville Regional Airport						
	May 2012	**May 2013**	**% Change**	**Y-T-D 2012**	**Y-T-D 2013**	**% Change**
New Residential Permits (total units)	134	167	24.6%	468	535	14.3%
Value of New Residential Permits	$22,751,000	$28,934,000	27.4%	$86,811,000	$109,006,000	25.6%
Source: US Census Bureau						
	May 2012	**May 2013**	**% Change**	**Y-T-D 2012**	**Y-T-D 2013**	**% Change**
New Commercial Permits	3	1	-67%	20	16	-20%
Value of New Commercial Permits	$76,900	$69,000	-10%	$34,023,950	$1,170,050	-97%
Value of Add/Alter Commercial Permits	$706,690	$1,092,683	55%	$15,206,150	$4,216,132	-72%
New Residential Permits (total units)	52	38	-27%	167	199	19%
Value of New Residential Permits	$9,968,170	$7,339,718	-26%	$38,972,263	$43,651,757	12%
Mobile Home Permits	17	17	0%	75	80	7%
Value of All Mobile Home Permits	$735,880	$566,880	-23%	$2,128,614	$2,291,004	8%
Source: Buncombe County						

*Asheville metro area includes Buncombe, Haywood, Henderson and Madison counties. Contact EDC Research (828)258-6120 for more information.

Income

Median Household Income 2012



Average and Per Capita Household Income

Area	Total Households	Average Household Income	Per Capita Income
Asheville Metro*	183,245	$59,943	$25,779
Buncombe	103,086	$60,854	$26,263
Haywood	25,824	$56,323	$24,741
Henderson	45,728	$62,162	$26,295
Madison	8,607	$48,084	$20,409
North Carolina	3,799,008	$64,199	$25,355
United States	117,729,583	$74,695	$28,452

Median Household Income

Year	Asheville City	Asheville Metro*	Buncombe County	Haywood County	Henderson County	Madison County	North Carolina	United States
2000	$33,109	$36,419	$36,795	$34,029	$38,385	$31,065	$39,257	$42,257
2012	$38,999	$43,347	$42,900	$42,194	$46,193	$38,444	$45,546	$52,822
2017 (Est.)	$44,503	$50,071	$49,276	$48,547	$54,216	$45,247	$51,955	$60,730

Households by Income

Household Income	Asheville Metro*	Buncombe	Haywood	Henderson	Madison	North Carolina	United States
Income $0 - $14,999	14.2%	14.0%	15.8%	13.0%	17.3%	14.4%	12.8%
Income $15,000 - $24,999	13.2%	13.3%	14.7%	11.6%	16.9%	11.9%	10.8%
Income $25,000 - $34,999	12.6%	12.3%	13.7%	12.6%	12.0%	11.7%	10.7%
Income $35,000 - $49,999	16.4%	16.4%	16.6%	16.7%	13.8%	15.3%	14.4%
Income $50,000 - $74,999	19.6%	19.8%	17.7%	20.0%	20.8%	19.3%	19.0%
Income $75,000 - $99,999	11.6%	11.1%	9.8%	13.9%	11.3%	11.6%	12.5%
Income $100,000 - $149,999	7.9%	8.1%	7.9%	7.9%	6.2%	10.1%	12.1%
Income $150,000 +	4.5%	5.0%	3.7%	4.3%	1.6%	5.8%	7.8%

Cost of Living

Source: ACCRA Cost of Living Index, 2012 Annual Average: 307 Urban areas participated in the survey.

Cost of Living

Area Metros	All Items	Food	Housing	Utilities	Transportation	Health Care	Misc.
Asheville NC	101.2	105.3	96.0	103.1	101.3	107.8	102.4
Charlotte NC	94.7	103.2	81.3	100.1	96.9	97.4	99.4
Durham NC	92.7	99.6	79.0	90.1	100.2	98.0	98.5
Raleigh NC	90.8	101.0	71.5	104.8	95.9	93.6	95.7
Wilmington NC	99.1	107.7	84.4	112.2	100.3	96.0	103.6
Winston-Salem NC	88.5	100.4	71.0	93.2	85.6	103.0	95.8
Atlanta GA	96.9	106.4	84.2	93.2	105.0	101.1	101.1
Charleston SC	98.4	106.0	85.4	113.2	95.8	105.2	101.4
Columbia SC	95.1	103.4	75.6	117.6	106.9	99.0	95.6
Chattanooga TN	94.1	100.1	89.7	93.7	98.0	93.2	94.0
Knoxville TN	89.3	90.2	85.7	88.9	86.5	91.9	92.7
Richmond VA	102.1	103.5	91.3	105.9	101.1	114.7	107.9
Roanoke VA	91.4	92.5	88.5	95.0	93.7	87.5	92.0

Source: ACCRA COLI

Average Medical Costs

	Optometrist Visit	Doctors Visit	Dentist Visit
Asheville	$100.92	$97.76	$101.75
Survey Median*	$91.24	$94.17	$83.33
Survey Average*	$94.26	$98.39	$84.95

*Average/median for participating areas nationwide.
Optometrist, doctor and dentist visits are established patient charges.
Source: ACCRA COLI

Average Housing Costs: Existing Home Sales

Year	Units Sold	Average Price
2010	2,162	$250,985
2011	2,267	$238,704
2012	2,734	$247,651

Source: North Carolina Association of Realtors, Inc.

Apartment Rental Rates (Asheville)

Average rental for a 2 bedroom, 1-2 bath, unfurnished, 950-sq. ft. apartment: **$865**
Source: ACCRA COLI

Education

Asheville-Buncombe Technical	8,056
Haywood Community College	2,467

Colleges and Universities

	Enrollment
University of North Carolina at Asheville	3,967
Warren Wilson College	992
Montreat College	1,082
Asheville-Buncombe Technical	8,056
South College	223
Western Carolina University	9,407
Mars Hill College	1,175
Haywood Community College	2,467

Source: U.S. Department of Education, 2012

Public Schools

	Asheville City	Buncombe County	Haywood County	Henderson County	Madison County
Elementary	5	23	9	13	4
Secondary	3	17	7	8	2
Combined	0	2	0	2	1
Student Enrollment	3,996	25,463	7,677	13,438	2,600
Projected High School Graduates	229	1,587	503	810	139

Mean-SAT Scores

	Math	Critical Reading	Sub-Total	Writing	Grand Total	Percent Tested
Asheville City	537	540	1077	509	1586	76.8%
Buncombe County	536	519	1055	492	1547	59.7%
Haywood County	505	480	985	461	1446	47.6%
Henderson County	529	513	1042	488	1530	55.6%
Madison County	510	498	1008	461	1469	39.2%
North Carolina	506	491	997	472	1469	68.0%
United States	514	496	1010	488	1498	52.0%

Non-Public Schools

	Buncombe	Haywood	Henderson	Madison
Independent	14	1	3	0
Religious	17	3	6	2
Total	31	4	9	2
Total Enrollment	3,139	130	894	62

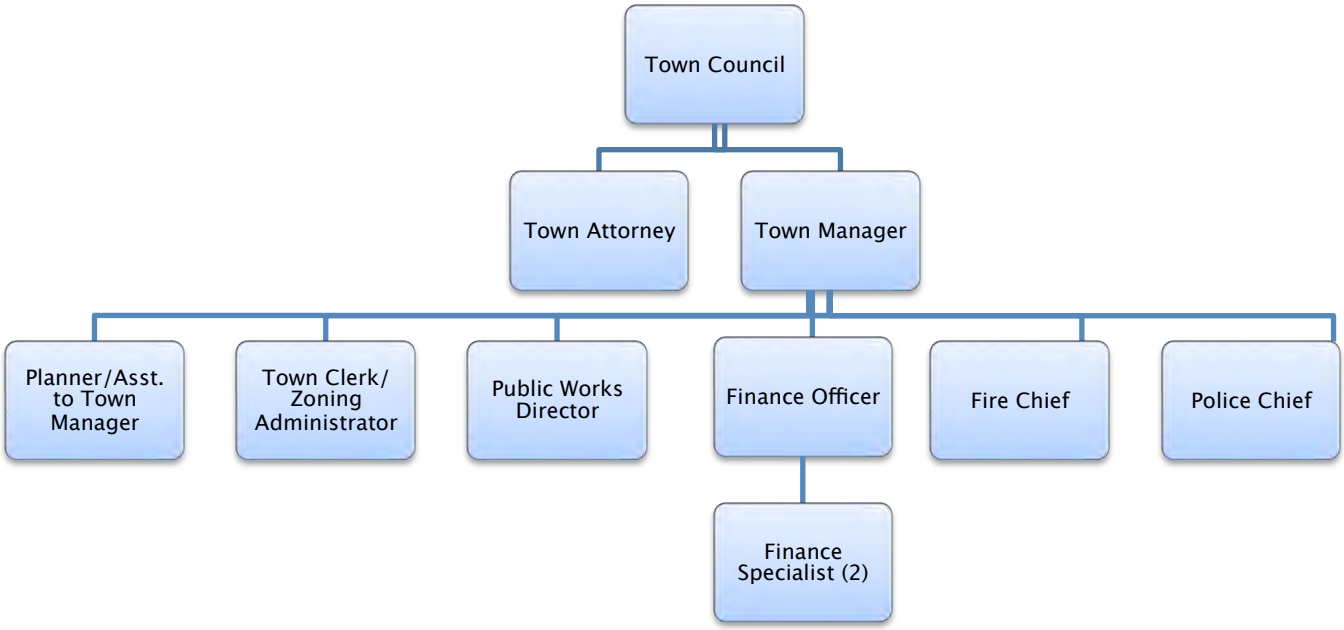
Regional Population

The Asheville area has a regional labor draw of nine counties in western North Carolina.

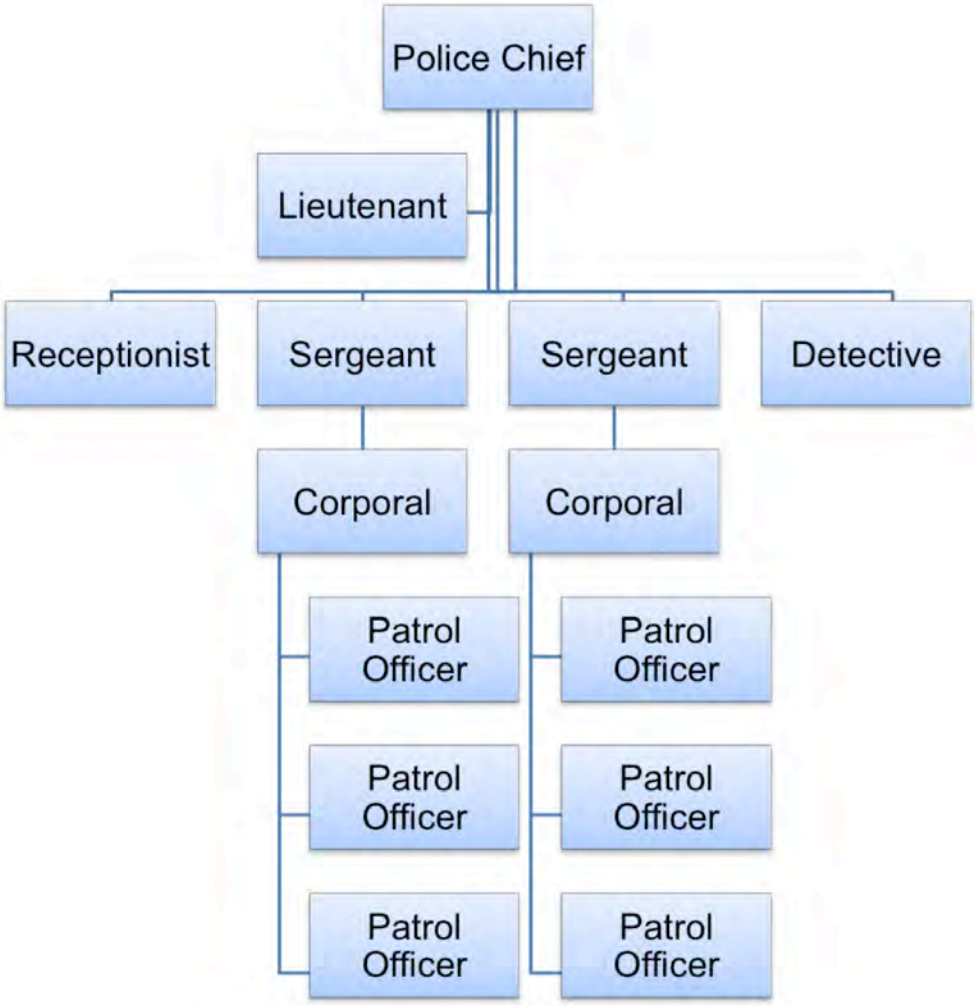
Population Growth	1970	1980	1990	2000	2010	% Change 2000-2010
Buncombe County	145,056	160,897	174,727	206,330	233,932	13.4
Asheville	57,681	54,022	64,625	68,555	74,140	8.1
Biltmore Forest	1,298	1,499	1,346	1,434	1,522	6.1
Black Mountain	3,204	4,083	6,537	7,499	7,646	2.0
Montreat	581	741	799	884	774	-12.4
Weaverville	1,280	1,495	2,056	2,474	2,894	17.0
Woodfin	N/A	3,260	3,002	3,169	3,395	7.1

Source: SRC, LLC
Updated 12/2011

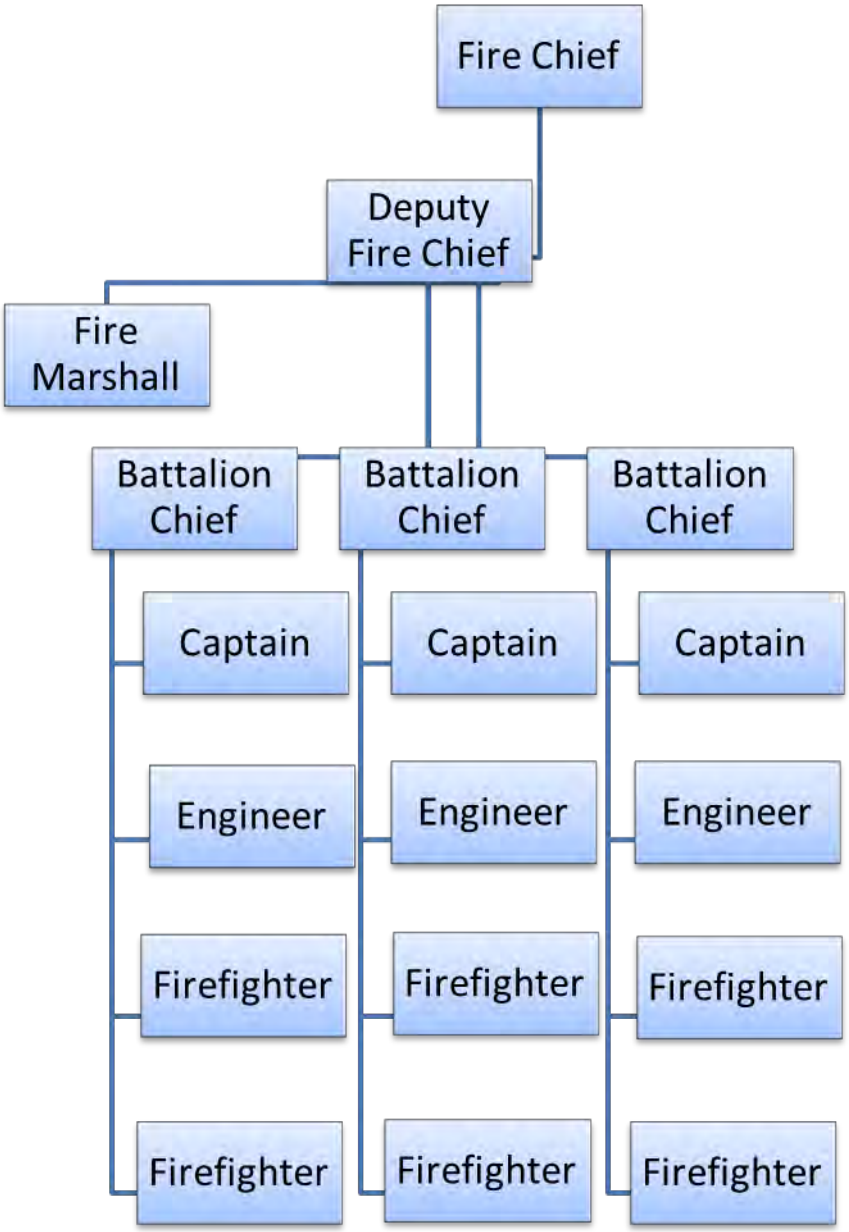
Administration Organizational Chart



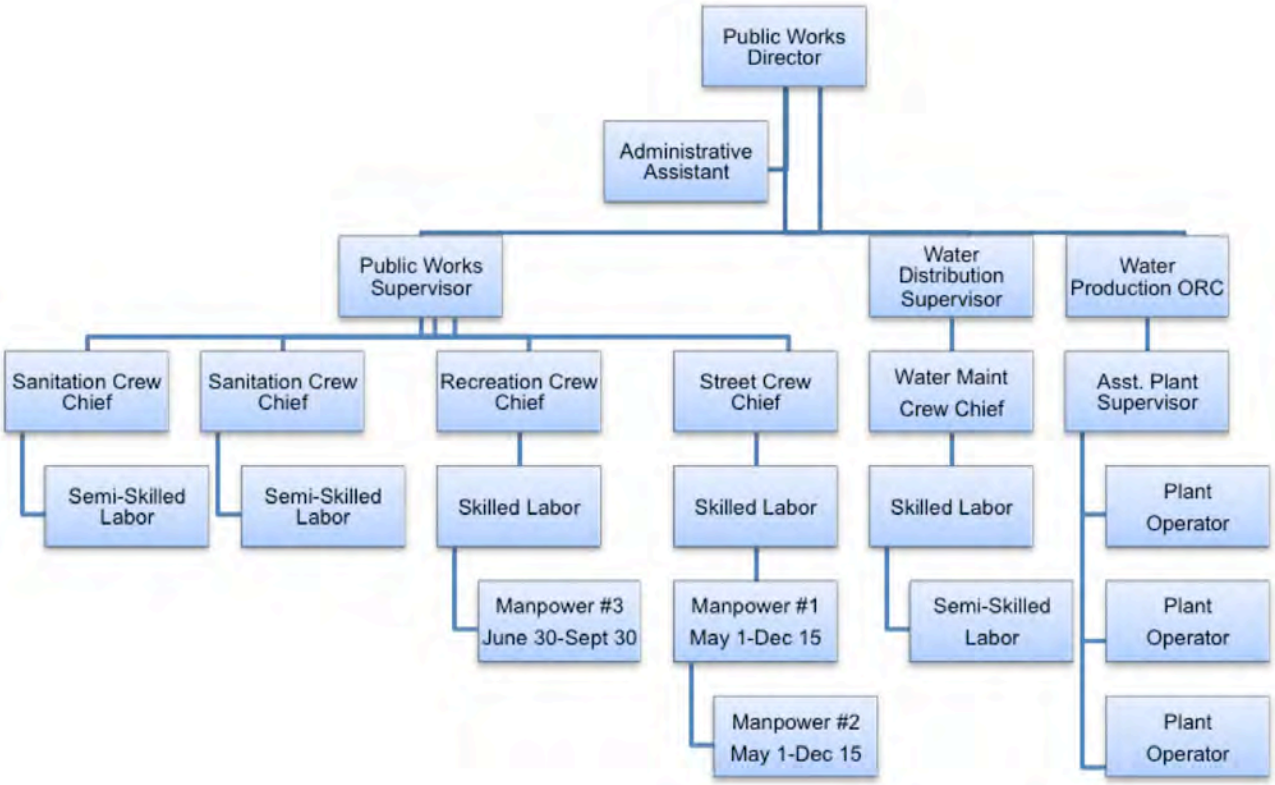
Police Department Organizational Chart



Fire Department Organizational Chart



Public Works Department Organizational Chart



Town Of Weaverville Budgeted Positions

	FY 04	FY 05	FY 06	FY 07	FY 08	F09	FY 10	FY 11	FY 12	FY 13	FY 14
Administration	5	5	5	5	5	6	6	5	5	5	6
Police	12	12	12	14	14	14	15	15	15	15	15
Fire	17	17	17	17	17	18	18	18	18	18	18
Public Works	20	20	20	20	20	20	20	22	22	21	21
Total	54	54	54	56	56	58	59	61	61	60	62

FISCAL YEAR 2013-2014

Administration – 6 full time

Town Manager
Finance Officer
Finance Specialist (2)
Clerk
Planner/Assistant to the Town Manager

Police – 15 full time

Chief of Police
Deputy Chief
Detective
Sergeant (2)
Corporal (2)
Master Officer
Officer (7)

Fire – 18 full time

Fire Chief
Deputy Chief
Fire Marshal
Battalion Chief (3)
Captain (3)
Engineer (3)
Fire Fighter (6)

Public Works – 21 full time

Director
Administrative Assistant
Public Works Supervisor
Water Maintenance Supervisor
Water Treatment Supervisor
Chief Treatment Plant Operator
Water Treatment Operator (2)
Equipment Operator II
Equipment Operator I
Meter Reader
Senior Maintenance Worker (3)
Maintenance Worker (5)

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Our Vision

A Vision for the Town Of Weaverville, North Carolina: Non-financial Goals & Objectives

Long-Term Concerns and Issues

Weaverville will maintain its small town and neighborly atmosphere while actively managing the growth that is inevitable near a larger city. We will maintain Weaverville as a distinctive Town with a vital Main Street as its focus. Our town will be attractive to both young and old with a wide range of housing choices at a variety of prices. Neighborhoods and business areas are key building blocks of our community. We will reserve areas for both types of uses while buffering each from the other. We seek an attractive town that is well landscaped and accessible to pedestrians and cyclists. We will create a favorable atmosphere for the right type of business and industry, those that are clean and pro- vide a good living for our residents. The services expected from the Town are sidewalks, parks, green spaces, financially responsible services and well-run utilities and emergency services. To develop this vision we intend to assertively use zoning, subdivision regulations, extraterritorial planning authority and annexation.

Town of Weaverville: Strategic Long-Term Planning Goals

How does our Budget meet these goals?

Strategic Goal #1
To provide for orderly government and the provision of high quality services.

Objective: Responsible management of financial services.
Objective: Ensure delivery of services through adequate facilities and equipment.
Objective: Retain trained, competent and motivated staff.
Objective: Conduct Town business in a transparent and accessible manner.

Strategic Goal #2
Promote the stability of existing residential neighborhoods while fostering a diversity of housing opportunities.

Objective: Ensure that the Comprehensive Land Use Plan is updated on a regular basis.
Objective: Ensure that the zoning and subdivision ordinances allow for a desirable variety of housing opportunities.
Objective: Maintain existing infrastructure and plan for future expansion.

Strategic Goal #3
Promote diverse economic development in keeping with the Town's residential character and the environment.

Objective: Maintain and encourage a vibrant Central Business District.
Objective: Maintain and expand existing diversity of low-impact light industry.
Objective: Encourage beneficial, new economic investment for development and redevelopment.
Objective: Execute the comprehensive economic development program.

Strategic Goal #4
Provide, support and encourage a high quality of life for the Town of Weaverville.

Objective: Promote and encourage community events.
Objective: Maximize existing resources to maintain recreational facilities and encourage their use.
Objective: Plan for future resources to accommodate regional programs.
Objective: Plan for and maintain walkable community.

Major Accomplishments of FY 2012-2013

1. Contracted with Benchmark, CMR to update the Town's Zoning and Subdivision Ordinances and to prepare a set of Design Guidelines for downtown buildings.

2. Contracted with Martin-McGill to complete a financial analysis of the Water Fund to help set rates that will allow the Town to adequately fund future expenses.

3. Purchased a vibratory roller to bring street patching in house which will result in a savings of $10,000 per year.

4. Conducted a process for hiring a new Fire Chief and new top level command staff at the Fire Department.

5. Developed a system for analyzing the pavement condition of the Town's roads and used the results to develop a paving priority list.

Town of Weaverville Short-Term Initiatives Organizational Goals for FY 2012-2013

At the Town Council Goal Setting workshop held on January 11-12, 2013 the Town Council established a set of organizational goals for the Town for the upcoming year. Town staff used these goals to develop a set of short term initiatives or objectives for each department for the coming year. These initiatives guided staff in the preparation of the budget requests for the FY 2013-2014 budget. These short term initiatives are summarized below.

Administration

- **Goal #1:** To continue to publish monthly the "Focus on Weaverville"

  Newsletters will be published during the third week of each month. These newsletters will be mailed to each resident in Weaverville.

- **Goal # 2:** To ensure that all accounting practices are in compliance with the North Carolina Local Government requirements.

  Follow the local Government Budget and Fiscal Control Act in all monetary actions. Review the "Management Letter" of the Town's auditors and make the necessary changes or corrections as necessary.

- **Goal #3:** Continue the cross-training of the Administrative Staff

  In an organization such as the town of Weaverville, with a limited number of personnel for certain administrative functions, it is necessary for other members of the organization to be cross-trained to fill-in, in the event of sickness, vacation, etc. A detailed back up plan has been developed and assigned our staff members to certain job responsibilities. Staff will be sent to training sessions as necessary in order to obtain the additional skills.

- **Goal #4:** Pursue the Government Finance Officers Association "Distinguished Budget Presentation Award"

  The 2013-2014 Budget for the Town of Weaverville will be presented in a format as outlined by the Government Finance Officers Association.

Public Works Department

The majority of the day-to-day services provided to the Citizens of Weaverville by the Public Works Department remain the same from year to year. Thus many of the Goals and Objectives are the same each year as they apply to recurring activities of the Department.

Street Department

- **Goal #1:** Evaluate general street surfaces to determine appropriate use for the re-paving funds and complete repaving in accordance with available funds.

- **Goal #2:** Continue all routine maintenance activities of the Department.

- **Goal #3:** Continue the present program of asphalt patching as needed.

- **Goal #4:** Purchase new equipment in accordance with the Capital Improvement Program.

Street Department – Powell Bill

- **Goal #1:** Continue the funding for the replacement of storm system structures (pipes, catch basins, inlets, etc.) which have been identified in the Inventory of Storm Drainage Structures as being in need of immediate replacement.

- **Goal #2:** Continue sidewalk replacement and construction as necessary.

- **Goal #3:** Continue all routine maintenance activities of the Department.

Sanitation Department

- **Goal #1:** Continue weekly curbside garbage collection and the present set-out program.

- **Goal #2:** Continue the collection of brush and yard waste on a biweekly schedule.

Recreation Department

- **Goal #1:** Continue routine grounds keeping activities such as mowing and trimming.

- **Goal #2:** Continue daily cleaning and maintenance of the public restrooms.

Water Department Administration

- **Goal #1:** Continue the Water Distribution System Improvement Projects. Identify and prioritize the next waterline replacement/improvement projects to be completed. Complete the engineering design and approval process for all such projects.

- **Goal #2:** Continue the development of water line segment maps for use by the water maintenance department in locating waterline and associated valves.

- **Goal #3:** Continue to review the Water Policy and Procedures Ordinance and recommend up- dates as necessary.

- **Goal #4:** Review plans and specifications for all planned extensions to the water system.

Water Department Production

- **Goal #1:** Explore options for the replacement of the chlorination system at the Ivy River Water Plant including the option of switching to another type disinfectant to reduce the hazard of handling and storing chlorine and address byproducts of chlorination.

- **Goal #2:** Continue the process of implementation of mandated disinfectant byproducts.

- **Goal #3:** Continue to produce and distribute high quality water to our customers.

- **Goal #4:** Continue the process of certification for Water Treatment Operators.

Water Department Maintenance

- **Goal #1:** Continue the process of inventorying all valves in the distribution system to include valve location, approximate age and condition, date of last maintenance, etc. This work is to be coordinated with the segment mapping program.

- **Goal #2:** Continue the distribution system flushing program as required to maintain water quality in the distribution system. Evaluate ways to automate flush in problem areas.

- **Goal #3:** Continue the program of replacing old rusted galvanized service lines in residential areas. Design and obtain approval for the additional replacement lines in order of priority.

- **Goal #4:** Obtain Continuing Education Credits for Water Distribution Operators as required by State regulations.

- **Goal #5:** Continue the implementation of a program in accordance with Town Code to protect the water supply from contamination due to Cross-Connections and Backflow.

Fire Department

- **Goal #1:** Educate the public in fire and life safety issues.

- **Goal #2:** Prepare for an insurance ratings inspection to reduce our ISO rating (inside and outside of the Town Limits)

- **Goal #3:** Maintain a professional physical appearance and professional job knowledge.

- **Goal #4:** Maintain an excellent working relationship with other Town Departments.

- **Goal #5:** Continue to assist the Town Council and Community with special events.

Police Department

- **Goal #1:** Continue our community policing efforts by maintaining our high visibility patrol, foot patrols, community watch, our drug awareness program, and provide assistance for any problem that occurs in our community.

- **Goal #2:** Increase officer training for better job performance and decrease the chance of losing a civil lawsuit.

- **Goal #3:** Maintain a “highly visible” patrol unit.

- **Goal #4:** Continue to perform walk through patrols for the business district.

- **Goal #5:** Perform Business security checks.

- **Goal #6:** Conduct residential security checks.

- **Goal #7:** Senior reassurance program.

Long-Term Debt

Debt Information

Legal Debt Limit

In accordance with the provisions of the State Constitution and The Local Government Bond Act, as amended, allowing for the issuance of all presently authorized bonds, the Town has the statutory capacity to incur additional net general obligation debt in the approximate amount of $53,177,000.

Computation of Legal Debt Margin June 30, 2011

	2007	2008	2009	2010	2011	2012	2013
Debt Limit	$44,345,253	$48,789,920	$52,487,042	$55,326,750	$59,439,794	$55,836,240	$58,571,000
Total net debt	8,020,960	7,399,961	8,176,532	7,948,818	7,492,066	6,261,600	5,394,000
Legal Debt Margin	$36,324,293	$41,389,959	$44,310,510	$47,827,932	$51,947,728	$49,574,640	$53,177,000
Net Debt as % of limit	18.09%	15.17%	15.58%	13.55%	7.93%	8.87%	9.21%

Legal Debt Margin Calculation for Fiscal Year 2013

Assessed value of taxable property	**$ 699,649,000**
Debt Limit-Eight (8%) percent of assessed value	58,571,000
Gross Debt:	
Total Bonded Debt	2,795,000
Authorized and Unissued Bonds	
Installment Purchase Agreements	2,599,000
Gross Debt	5.394,000
Legal Debt Margin	**$53,177,000**

Debt Policy

1. Capital projects financed through the issuance of bonds shall be financed for a period not to exceed the expected useful life of the project.
2. The general obligation debt of the Town of Weaverville will not exceed 8% of the assessed valuation of the taxable property of the Town.
3. Total debt service on tax-supported debt of the Town will not exceed 15% of total general government operating revenue.
4. Interest, operating, and/or maintenance expenses will be capitalized only for facilities of enterprise activities and will be strictly limited to those expenses incurred prior to actual operation of the facilities.
5. The Town will maintain its financial condition so as to maintain a 77 Municipal rating.

6. The Town's debt policy will be comprehensive and the Town will not knowingly enter into any contract creating significant unfunded liabilities.

Outstanding General Obligation and Water Fund Debt

General obligation bonds issued to finance the construction of facilities utilized in the operations of the water system and which are being retired by its resources are reported as long-term debt in the Water Fund. All general obligation bonds are collateralized by the full, faith, credit, and taxing power of the Town. Principal and interest requirements are appropriated when due.

Bonds payable at June 30, 2010 are comprised of the following:
General Obligation Bonds
Serviced by the Water and Sewer Fund:

$3,685,000 of 2007 Water Refunding Bonds due on June 30 and December 31 in varying installments through 2030; interest at 3.00 percent. The amount shown is net of the unamortized discount of $28,962.

Annual debt service requirements to maturity for general obligation bonds, including interest of $1,105,342 are as follows:

Year Ending June 30	**Principal**	**Interest**
2014	125,000	108,751
2015	125,000	104,689
2016	130,000	100,470
2017	140,000	95,920
2018	145,000	91,020
2019-2023	785,000	373,081
2024-2028	960,000	205,581
2029-2030	410,000	25,830
Totals	**$2,820,000**	**$1,105,342**

Other Long-Term Commitments

On January 31, 2000, the Town entered into an installment purchase contract to finance construction of a municipal building. On March 17, 2003, the Town entered into a refinancing agreement. The refinancing contract requires semi-annual principal payments beginning in July 2003, with interest at 3.83% and will be repaid by General Fund.

In June 2007, the Town entered into an installment purchase contract to finance the construction of a fire department facility. The contract requires semi-annual principal payments beginning in December 2007, with interest at 4.06% and will be paid by General Fund.

In July 2008, the town entered into an installment purchase contract to finance the purchase of $1.3 million dollars of major equipment. The purchase included a 105 foot ladder truck, heavy rescue truck, pumper engine, and a new brush truck.

Debt Outlook and Impact on Operating Budget

The Town is not currently planning any new debt financed capital projects. During the 2013 FY, the Town refinanced the loan on its Fire Station which lowered the annual debt service payment by

almost $40,000 per year. In addition, the Town paid off the installment purchase debt on the Town Hall/Police Station building. This refinancing and early payoff gives the Town nearly $200,000 in additional money in the annual operating budget.

Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of as- sets; errors and omissions; injuries to employees; and natural disaster. The Town participates in two self-funded risk financing pools administered by the North Carolina League of Municipalities. Through these pools, the Town obtains general liability and auto liability coverage of $1 million per occurrence, property coverage up to the total insurance values of the property policy, workers' compensation coverage up to statutory limits. The pools are reinsured through commercial companies for single occurrence claims against property, general liability, and auto liability in excess of $500,000 and $300,000 up to statutory limits for workers compensation. The property liability pool has an aggregate limit for the total property loses in a single year, with the reinsurance limit based upon a percentage of the total insurance values. The Town carries commercial coverage for all other risks of loss. Settled claims have not exceeded coverage in any of the past three fiscal years and there have been no significant reductions in insurance coverage in the prior year.

Pension Plans

The Town participates in the North Carolina Local Governmental Employees' Retirement System and the Supplemental Retirement Income Plan of North Carolina.

North Carolina Local Governmental Employees' Retirement System -The North Carolina Local Governmental Employees' Retirement System is a service agency ad ministered through a board of trustees by the State for public employees of counties, cities, boards, commissions and other similar governmental entities. While the State Treasurer is the custodian of system funds, administrative costs are borne by the participating employer governmental entities. The State makes no contributions to the system.

The system provides, on a uniform system-wide basis, retirement and, at each employer's option, death benefits from contributions made by employers and employees. Employee members contribute six percent of their individual compensation. Each new employer makes a normal contribution plus, where applicable, a contribution to fund any accrued liability over a 24-year period. The normal contribution rate, uniform for all employers, is currently 3.5 percent of eligible payroll for general employees and 4.86 percent of eligible payroll for law enforcement officers. The accrued liability contribution rate is determined separately for each employer and covers the liability of the employer for benefits based on employees' service rendered prior to the date the employer joins the system.

Members qualify for a vested deferred benefit at age 50 with at least 20 years of creditable service; at age 60 after at least 5 years of creditable service; at age 60 with at least 25 years of creditable service; or after 30 years of service, regardless of age. Benefit payments are computed by taking an average of the annual compensation for the four consecutive years of membership service yielding the highest average. This average is then adjusted by a percentage formula, by a total years of service factor, and by an age service factor if the individual is not eligible for unreduced benefits.

Contingent Liabilities

The Town has no contingent liabilities which, in the opinion of the Town Attorney, would adversely and materially affect the Town’s ability to meet its financial obligations.

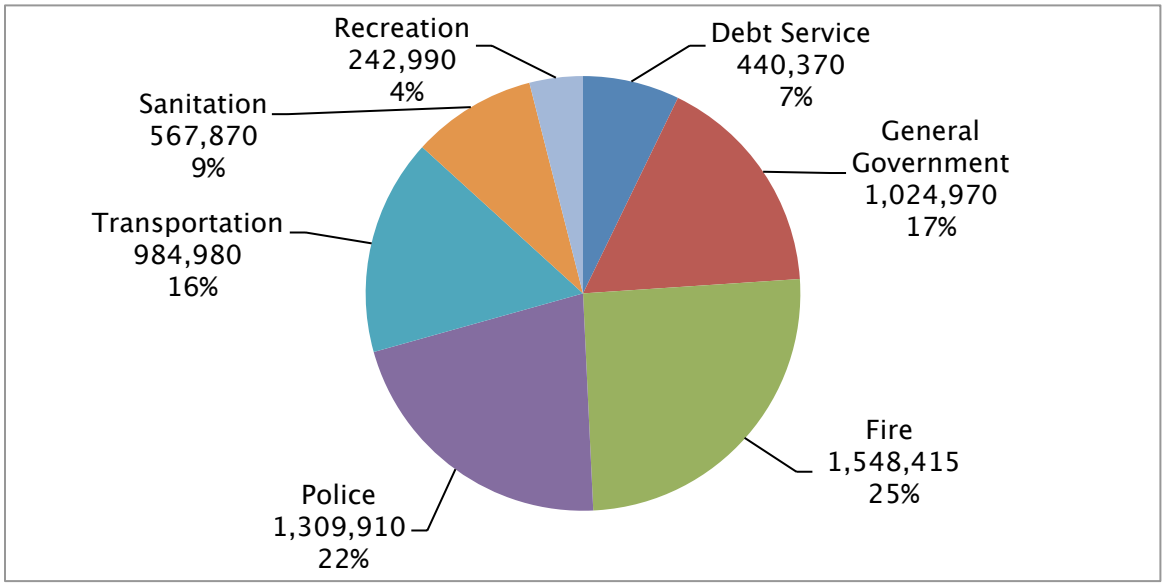
General Fund - Fund Balance Recap

Unassigned Fund Balance, *6/30/13*	**$ 3,898,817**
less Budget Appropriations - 13-14	**$ (257,890)**
Unassigned Fund Balance, *6/30/14*	**$ 3,424,198**
FY 13-14 Budgeted Expenditures	**$6,069,100**
Projected Unassigned Fund Balance %	**56%**

Summary of Tax Information

What Do You Get for Your Weaverville Tax Dollar?

The following information was sent to all residents within the Town of Weaverville to help explain Town services and cost. In Weaverville our tax rate is $0.40 per $100 of property valuation; a $200,000 home generates $800 in annual property taxes. This comes to $66.67 per month for Town of Weaverville taxes.



What could you purchase for $66.67 a month?

One of These

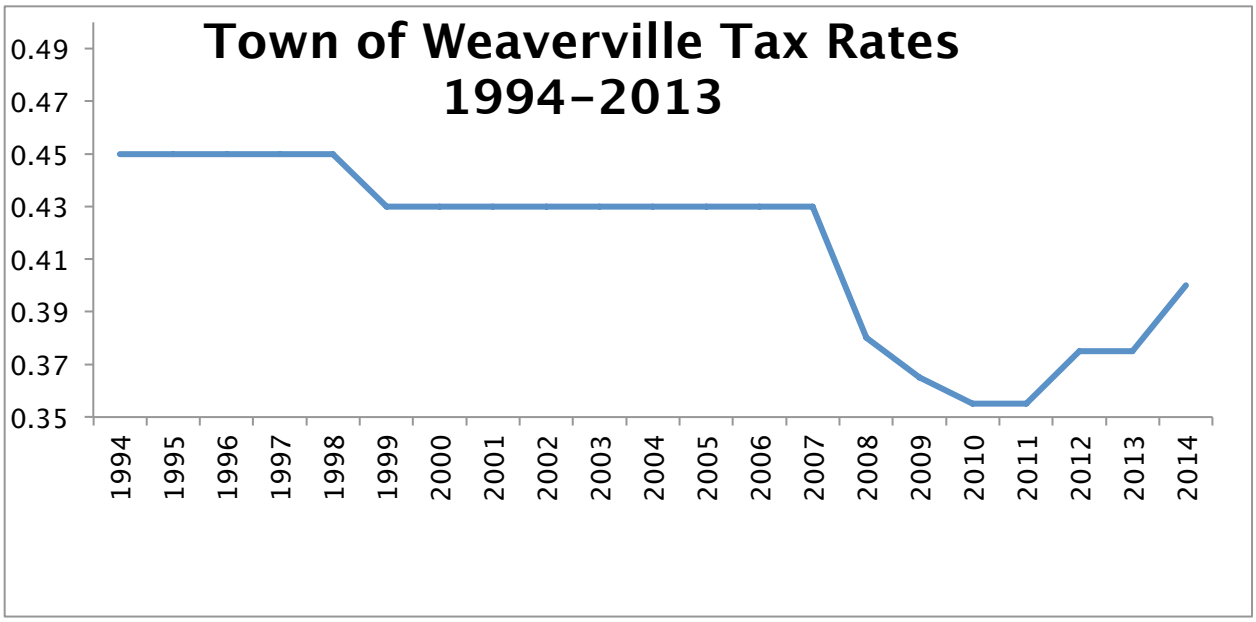
□ One month of cable service
□ One month at a gym
□ Three compact discs
✓ Dinner for two
□ Movie and snacks for a family of four

<u>All</u> of These

✓ 24-hour Police protection
✓ 24-hour Fire protection
✓ Zoning and Subdivision service
✓ Curbside garbage/recycling collection
✓ Leaf and brush collection
✓ Paved and maintained Town streets
✓ Snow and ice removal
✓ Street lighting
✓ Well groomed park and Lake
✓ Right of way mowing
✓ Special Events

Town of Weaverville Tax Rate 1993-2013

Year	Rate	Year	Rate	Year	Rate
1994	0.45	2001	0.43	2008	0.38
1995	0.45	2002	0.43	2009	0.365
1996	0.45	2003	0.43	2010	0.355
1997	0.45	2004	0.43	2011	0.355
1998	0.45	2005	0.43	2012	0.375
1999	0.43	2006	0.43	2013	0.375
2000	0.43	2007	0.43	2014	0.40



Assessed Value of Taxable Property

Last ten fiscal years (in thousands)

Fiscal Year	Real Property	Personal Property	Public Service	Total
2004	245,317	101,126	3,288	349,731
2005	256,561	101,126	3,288	360,975
2006	265,324	131,057	2,216	398,797
2007	390,336	130,465	8,268	529,069
2008	430,779	146,763	4,063	581,605
2009	460,439	165,411	4,145	629,995
2010	508,170	154,739	4,495	667,044
2011	558,749	140,051	4,991	703,791
2012	571,098	121,819	5,036	697,593
2013	569,789	107,519	4,873	682,181

Note: Property in the Town of Weaverville is normally assessed by the Buncombe County Tax Office every four years. The County conducted a re-valuation in 2013. Tax exempt property is not assessed by Buncombe County for tax purposes. Tax rates are per $100 of valuation.

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Stability of Weaverville and Economic Trends and Forces

Stability of the Town of Weaverville

Although the national recession officially ended some time ago, economic conditions nationally and in North Carolina remain at record low levels. Economists had predicted that the economy would begin to rebound in 2011 and in 2012. While the economy has been growing, it has been at a slower pace than was anticipated. Unemployment remains at a very high level and consumer confidence remains at historically low levels. The Federal Reserve has taken the unprecedented step of fixing the overnight interest rate at its current, low level until at least 2014. This means that the economy is unlikely to show strong growth during 2012 but hopefully the modest growth we have experienced will continue throughout 2013 and begin to pick up in 2014. However, it is highly unlikely that there will be any growth in municipal revenues in the upcoming fiscal year or the next.

The national unemployment rate is at its highest level since the 1980-82 recession, but the percentage of unemployed workers who have been out of work for over half a year is at the highest level (40 percent) since the figure began being kept in 1948. This figure had never been higher than 26 percent prior to this recession. While comparable figures are not provided at the state level, North Carolina data on the duration of insured unemployment suggest that the North Carolina situation is similar to the national one. Because long-term unemployment is so high, and employers remain reluctant to hire until more signs of consumer demand for goods are in place, the overall unemployment rate is not expected to decline more than one percentage point during 2010.

The nature of unemployment in this recession also suggests a slow recovery in employment and retail sales. The recession in North Carolina has hit hardest in the construction and manufacturing sectors. Of the jobs lost in the state since the peak of employment in February 2008, 27 percent have been construction jobs and 35 percent have been manufacturing jobs. In February 2008, these two sectors made up only 19 percent of total employment in North Carolina, yet they have accounted for over 60 percent of the job losses. By comparison, the financial services sector made up 5.1 percent of employment in February 2008, and accounts for 4.6 percent of the jobs lost.

Manufacturing employment in North Carolina has been in decline for over 15 years and never recovered from the last recession. This trend is likely to continue in the long-term, but a short-term improvement is not expected either. Much of North Carolina's loss in manufacturing during this recession has been in the furniture and wood-related product industries, which have been in decline for the last ten years. As a result, many of the manufacturing jobs lost during this recession may not return as the economy improves.

Construction jobs will return, but employment growth will be limited until the demand for new residential housing increases enough to justify hiring significant numbers of workers. While the national inventory of new homes has declined due to a near halt in the construction of new homes, the inventory of existing homes for sale remains well above non-recession levels. Until this inventory declines and builders feel that sufficient demand for new homes exists, new home construction should not increase appreciably in most markets.

We provide this fairly dismal picture as a caution against being overly optimistic about revenues as national economic conditions begin to improve. We hope that economic conditions have reached their lowest levels, but some economists have talked about the possibility of a double dip recession. If this happens, municipal revenues will continue to decline. We have projected some growth in municipal revenues for Fiscal Year 2014, but this growth will be at a much slower rate than growth before the Great Recession.

The Town of Weaverville has a history of operating surpluses and high level of reserves that have created operating flexibility. Weaverville's General Fund has run a surplus every year since fiscal year 2000. With the Town Council election of 2007, three new council members were elected. After Council discussion, it was decided to reduce the fund balance of the Town. Therefore, during FY 2007-2008, the town transferred over $193,331 from General Fund Balance. In the 2008-2009 FY, the Town Council decided to reduce the fund balance by $1,273,543. This represents a 24% reduction in General Fund Balance. This lowering of the tax rate combined with the economic downturn and incredibly slow recovery has created an annual difference between revenues and expenditures.

Weaverville's tax base is not dependent on any one type of industry. We have a very diverse tax base. The one exception to this is Sonopress Inc. Sonopress is a manufacture of CD's and DVD's and has an assessed valuation of $127,130,170, which represents 20.1% of our valuation. Projected commercial and residential developments continue to expand our tax base prior to the current recession. At this time we expect a growth rate of approximately 3%. The Town was very fortunate to have Wal-Mart and Lowe's Home Improvement to build super stores in Weaverville prior to the recession beginning in the area. Both stores opened in May of 2009, hiring over 600 people.

Town of Weaverville
Zoning Permits

	2011	2012
Single Family Residential		
In-Town	7	23
E-T-J	9	37
	16	60
Multi-Family Residential		
In-Town	0	0
E-T-J	10	6
	10	6
Residential Additions		
In-Town	8	9
E-T-J	8	10
	16	19
Commercial/Industrial New		
In-Town	4	2
E-T-J	0	1
	4	3
Mobile Homes		
In-Town	0	0
E-T-J	1	1
	1	1

North Carolina Financial Condition Analysis

Key: *WEAVERVILLE* *Benchmark*

Benchmark peers selected:
CANTON, BLACK MOUNTAIN, BREVARD, FLETCHER

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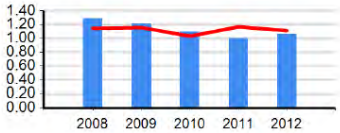
Governmental Activities

Resource Flow

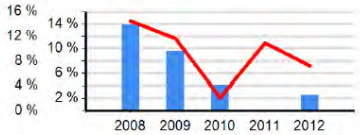
Interperiod Equity
Total margin ratio



WEAVERVILLE = 1.06, Benchmark = 1.11

Interperiod equity measures whether or not a local government lived within its financial means. The total margin ratio - total financial resources divided by total financial obligations - is used to analyze this dimension of resource flow.

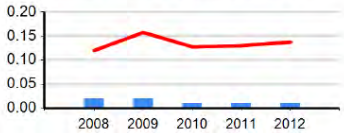
Financial Performance
Percent change in net assets



WEAVERVILLE = 2.57 %, Benchmark = 7.18 %

Financial performance shows how much a government's financial position improved or deteriorated as a result of resource flow. The percent change in net assets is calculated as the change in net assets divided by net assets, beginning.

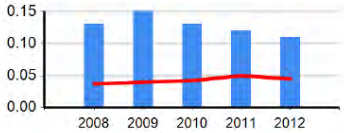
Self-Sufficiency
Charge-to-expense ratio



WEAVERVILLE = 0.01, Benchmark = 0.14

Self-sufficiency addresses the extent to which charges for services covered total expenses. The charge-to-expense ratio is calculated as charges for services divided by total expenses.

Financing Obligation
Debt service ratio

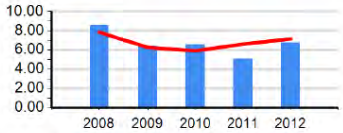


WEAVERVILLE = 0.11, Benchmark = 0.05

Financing obligation looks at service flexibility by determining the amount of total expenses committed to annual debt service. The debt service ratio is calculated as annual debt service divided by total expenses.

Resource Stock

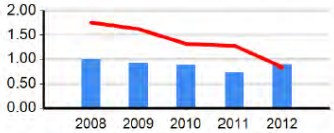
Liquidity
Quick ratio



WEAVERVILLE = 6.74, Benchmark = 7.15

Liquidity measures a government's ability to meet its short-term obligations. The quick ratio—cash & investments divided by current liabilities—is used to analyze this dimension of resource stock.

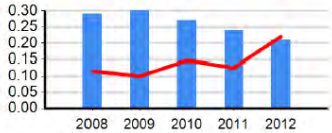
Solvency
Net assets ratio



WEAVERVILLE = 0.89, Benchmark = 0.84

Solvency measures a government's ability to meet long-term obligations. The net assets ratio is calculated as unrestricted net assets divided by total liabilities.

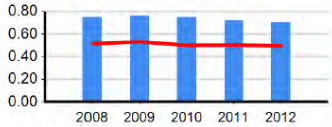
Leverage
Debt-to-assets ratio



WEAVERVILLE = 0.21, Benchmark = 0.22

Leverage measures the extent to which total assets are financed with long-term debt. The debt-to-assets ratio is calculated as long-term debt divided by total assets.

Capital
Capital-assets-condition ratio



WEAVERVILLE = 0.70, Benchmark = 0.50

Capital is the condition of capital assets as defined by their remaining useful life. The capital assets condition ratio is calculated as accumulated depreciation divided by capital assets being depreciated. This result is then subtracted from one.

WEAVERVILLE			2008	2009	2010	2011	2012
Dimension	Indicator	Elements					
Interperiod Equity	Margin Ratio		1.29	1.21	1.09	1.00	1.06
		Total Resource Inflow	5,255,331	5,421,392	5,314,266	5,255,550	5,468,651
		Total Resource Outflow	4,065,979	4,485,908	4,876,680	5,243,325	5,182,871
Financial Performance	Percent Change in Net Assets		13.90	9.60	4.10	0.11	2.57
		Change in Net Assets	1,189,352	935,484	437,586	12,225	285,780
		Net Assets, Beginning	8,556,015	9,745,367	10,680,851	11,118,437	11,130,661
Self-Sufficiency	Charge-to-Expense Ratio		0.02	0.02	0.01	0.01	0.01
		Charges for Services	61,278	80,941	41,273	37,910	47,165
		Total Expenses	4,065,979	4,485,908	4,876,680	5,243,325	5,182,871
Financing Obligation	Debt Service Ratio		0.13	0.15	0.13	0.12	0.11
		Debt Service	563,957	727,817	713,458	675,275	633,594
		Total Expenses plus Principal	4,463,426	5,019,356	5,410,128	5,758,915	5,680,604
Liquidity	Quick Ratio		8.56	6.35	6.56	5.03	6.74
		Cash & Investments	4,863,188	5,363,477	4,867,444	4,146,782	4,322,757
		Current Liabilities (not including Deferred Revenue)	568,062	844,544	742,333	823,769	641,818
Solvency	Net Assets Ratio		1.00	0.91	0.87	0.73	0.89
		Unrestricted Net Assets	4,438,275	4,990,309	4,186,043	3,377,333	3,633,538
		Total Liabilities	4,419,871	5,455,019	4,791,843	4,637,301	4,060,230
Leverage	Debt-to-Assets Ratio		0.29	0.30	0.27	0.24	0.21
		Long-Term Debt	4,041,819	4,868,371	4,334,923	3,819,333	3,321,600
		Total Assets	14,165,238	16,135,870	15,910,280	15,767,962	15,476,671
Capital	Capital-Assets-Condition Ratio		0.75	0.76	0.75	0.72	0.70
		Accumulated Depreciation	2,493,396	2,744,647	3,089,101	3,621,148	3,791,927
		Capital Assets being Depreciated	10,149,567	11,539,215	12,498,270	12,780,825	12,663,839

BLACK MOUNTAIN			2008	2009	2010	2011	2012
Dimension	Indicator	Elements					
Interperiod Equity	Margin Ratio		1.05	1.13	0.96	1.09	1.10
		Total Resource Inflow	6,507,307	7,480,538	6,901,094	7,170,445	7,019,464
		Total Resource Outflow	6,220,888	6,633,053	7,199,954	6,603,354	6,374,675
Financial Performance	Percent Change in Net Assets		4.71	13.31	(4.14)	6.89	7.32
		Change in Net Assets	286,419	847,485	(298,860)	567,091	644,789
		Net Assets, Beginning	6,079,551	6,365,971	7,213,454	8,227,357	8,804,697
Self-Sufficiency	Charge-to-Expense Ratio		0.20	0.26	0.16	0.17	0.18
		Charges for Services	1,255,165	1,754,992	1,140,336	1,093,726	1,120,739
		Total Expenses	6,220,888	6,633,053	7,199,954	6,603,354	6,374,675
Financing Obligation	Debt Service Ratio		0.03	0.03	0.04	0.06	0.06
		Debt Service	196,159	205,314	311,933	377,329	397,518
		Total Expenses plus Principal	6,379,569	6,798,834	7,454,977	6,831,487	6,630,428
Liquidity	Quick Ratio		5.67	2.42	2.92	7.93	5.49
		Cash & Investments	2,865,337	3,048,197	2,860,958	2,552,894	2,788,332
		Current Liabilities (not including Deferred Revenue)	505,507	1,260,100	980,443	321,888	507,878
Solvency	Net Assets Ratio		1.99	1.11	0.59	0.58	0.67
		Unrestricted Net Assets	2,882,185	2,814,118	2,637,909	2,222,335	2,343,722
		Total Liabilities	1,448,504	2,530,053	4,463,333	3,863,343	3,512,731
Leverage	Debt-to-Assets Ratio		0.11	0.12	0.30	0.25	0.23
		Long-Term Debt	839,512	1,173,731	3,388,863	3,216,745	2,961,992
		Total Assets	7,814,475	9,743,507	11,377,927	12,657,791	12,962,217
Capital	Capital-Assets-Condition Ratio		0.42	0.48	0.45	0.45	0.51
		Accumulated Depreciation	4,106,190	4,342,942	4,637,137	4,814,913	5,090,280
		Capital Assets being Depreciated	7,081,810	8,363,253	8,453,070	8,798,322	10,385,077

BREVARD			2008	2009	2010	2011	2012
Dimension	Indicator	Elements					
Interperiod Equity	Margin Ratio		1.26	1.13	1.07	1.12	1.13
		Total Resource Inflow	9,398,457	7,125,130	7,718,794	8,474,821	8,844,691
		Total Resource Outflow	7,470,562	6,328,606	7,186,089	7,576,589	7,815,786
Financial Performance	Percent Change in Net Assets		30.98	9.77	5.95	10.02	10.43
		Change in Net Assets	1,927,895	796,524	532,705	898,232	1,028,905
		Net Assets, Beginning	6,222,917	8,150,812	8,947,336	8,965,900	9,864,132
Self-Sufficiency	Charge-to-Expense Ratio		0.20	0.27	0.23	0.22	0.25
		Charges for Services	1,529,013	1,714,606	1,643,130	1,672,568	1,941,611
		Total Expenses	7,470,562	6,328,606	7,186,089	7,576,589	7,815,786
Financing Obligation	Debt Service Ratio		0.02	0.03	0.03	0.04	0.03
		Debt Service	157,005	227,614	242,814	296,857	268,793
		Total Expenses plus Principal	7,584,660	6,504,712	7,358,218	7,797,239	8,017,866
Liquidity	Quick Ratio		15.72	12.09	12.23	11.90	10.26
		Cash & Investments	4,974,204	5,703,954	5,355,757	5,564,840	5,768,155
		Current Liabilities (not including Deferred Revenue)	316,424	471,735	438,049	467,456	562,427
Solvency	Net Assets Ratio		2.92	2.66	2.28	2.20	2.36
		Unrestricted Net Assets	5,429,057	5,020,474	5,830,018	5,068,011	5,117,953
		Total Liabilities	1,860,540	1,885,496	2,551,504	2,299,069	2,167,070
Leverage	Debt-to-Assets Ratio		0.13	0.10	0.16	0.15	0.11
		Long-Term Debt	1,269,145	1,093,039	1,860,910	1,863,988	1,438,180
		Total Assets	10,011,352	10,832,832	11,282,009	12,163,201	13,060,107
Capital	Capital-Assets-Condition Ratio		0.42	0.44	0.41	0.38	0.35
		Accumulated Depreciation	4,760,587	5,085,685	5,208,255	5,680,173	6,131,285
		Capital Assets being Depreciated	8,242,086	9,125,991	8,882,375	9,195,613	9,468,910

CANTON			2008	2009	2010	2011	2012
Dimension	Indicator	Elements					
Interperiod Equity	Margin Ratio		1.17	1.33	0.98	1.17	1.00
		Total Resource Inflow	6,444,437	6,302,216	5,222,086	6,116,188	5,442,362
		Total Resource Outflow	5,517,512	4,752,811	5,318,746	5,212,068	5,428,330
Financial Performance	Percent Change in Net Assets		14.09	20.93	(1.09)	10.33	0.14
		Change in Net Assets	926,925	1,549,405	(96,660)	904,120	14,032
		Net Assets, Beginning	6,577,034	7,402,513	8,851,592	8,754,932	9,695,320
Self-Sufficiency	Charge-to-Expense Ratio		0.05	0.07	0.08	0.09	0.08
		Charges for Services	298,335	340,669	435,067	468,710	431,961
		Total Expenses	5,517,512	4,752,811	5,318,746	5,212,068	5,428,330
Financing Obligation	Debt Service Ratio		0.05	0.05	0.05	0.05	0.04
		Debt Service	287,916	243,899	269,953	266,280	251,061
		Total Expenses plus Principal	5,774,243	4,996,710	5,554,857	5,451,681	5,653,677
Liquidity	Quick Ratio		4.75	4.84	3.79	2.19	8.27
		Cash & Investments	2,316,570	2,273,497	2,197,961	1,932,250	1,883,114
		Current Liabilities (not including Deferred Revenue)	487,574	469,962	580,016	883,536	227,725
Solvency	Net Assets Ratio		1.09	1.35	0.63	0.20	0.12
		Unrestricted Net Assets	1,383,144	1,561,277	1,021,115	494,339	244,075
		Total Liabilities	1,269,936	1,152,383	1,628,643	2,500,068	2,086,899
Leverage	Debt-to-Assets Ratio		0.10	0.08	0.06	0.06	0.04
		Long-Term Debt	838,930	827,828	591,717	696,226	470,879
		Total Assets	8,773,895	10,104,301	10,383,575	12,159,120	11,796,251
Capital	Capital-Assets-Condition Ratio		0.53	0.52	0.48	0.50	0.46
		Accumulated Depreciation	2,157,382	2,236,738	2,446,627	2,489,059	2,666,245
		Capital Assets being Depreciated	4,555,897	4,670,381	4,712,330	4,956,872	4,978,233

FLETCHER			2008	2009	2010	2011	2012
Dimension	Indicator	Elements					
Interperiod Equity	Margin Ratio		1.11	1.04	1.12	1.29	1.22
		Total Resource Inflow	4,988,975	4,622,963	4,896,672	5,398,666	5,286,048
		Total Resource Outflow	4,485,957	4,446,386	4,377,487	4,181,377	4,349,834
Financial Performance	Percent Change in Net Assets		8.20	2.62	7.52	16.40	10.83
		Change in Net Assets	503,018	176,577	519,185	1,217,289	936,214
		Net Assets, Beginning	6,133,152	6,727,972	6,904,549	7,423,734	8,641,023
Self-Sufficiency	Charge-to-Expense Ratio		0.03	0.03	0.04	0.04	0.04
		Charges for Services	142,647	139,950	156,670	176,375	153,972
		Total Expenses	4,485,957	4,446,386	4,377,487	4,181,377	4,349,834
Financing Obligation	Debt Service Ratio		0.05	0.05	0.05	0.05	0.05
		Debt Service	237,432	230,711	231,838	215,822	224,165
		Total Expenses plus Principal	4,688,123	4,647,813	4,586,311	4,381,364	4,540,580
Liquidity	Quick Ratio		5.24	5.65	4.68	4.39	4.56
		Cash & Investments	1,385,781	1,389,887	1,432,059	1,069,918	1,974,818
		Current Liabilities (not including Deferred Revenue)	264,362	245,790	306,273	243,989	433,252
Solvency	Net Assets Ratio		1.01	1.36	1.76	2.13	0.19
		Unrestricted Net Assets	1,018,490	1,162,563	1,190,803	1,040,795	1,877,718
		Total Liabilities	1,009,203	855,808	677,743	488,831	9,838,426
Leverage	Debt-to-Assets Ratio		0.12	0.10	0.07	0.04	0.50
		Long-Term Debt	885,452	739,189	530,365	330,378	9,639,632
		Total Assets	7,645,373	7,760,357	8,101,477	9,129,854	19,415,663
Capital	Capital-Assets-Condition Ratio		0.70	0.69	0.67	0.69	0.67
		Accumulated Depreciation	1,416,359	1,475,678	1,556,449	1,660,970	1,790,165
		Capital Assets being Depreciated	4,668,214	4,728,991	4,755,880	5,417,545	5,505,146

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Financial Policies

Statement of Purpose

The financial integrity of the Town of Weaverville is of utmost importance. To discuss, write, and adopt a set of financial polices is a key element to maintaining this integrity. The Town has evolved with a variety of financial policies that can be found in many different sources including: Town Council Resolutions, Budget Documents, North Carolina Department of Treasurer Procedures, North Carolina General Statutes and Capital Improvement Programs. Additionally, there are a number of informal Council and Administrative polices which may not have been officially discussed or adopted.

Written, adopted financial policies have many benefits, such as assisting the Council and Town Manager and Finance Officer in the financial management of the Town, saving time and energy when discussing financial matters, engendering public confidence, and providing continuity over time as Council and staff members change. While these policies will be amended periodically, they will provide the basic foundation and framework for many of the issues and decisions facing the Town of Weaverville. They will promote sound financial management and assist in the Town's stability, efficiency and effectiveness.

Budget and Fiscal Controls

NCGS Article 3 – The Local Government Budget and Fiscal Control Act

It was the intent of the North Carolina General Assembly by enactment of this article to prescribe for local governments and public authorities a uniform system of budget adoption and administration and fiscal controls. The Town of Weaverville has developed our fiscal policies in compliance with North Carolina General Statutes. Annually, the Town of Weaverville has independent auditors check and monitor for compliance.

Balanced Budget Policy – NCGS 159-8

The Town of Weaverville is required by law to administer financial affairs with a balanced budget throughout the fiscal year.

§ 159-8. Annual balanced budget ordinance.

(a) Each local government and public authority shall operate under an annual balanced budget ordinance adopted and administered in accordance with this Article. A budget ordinance is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations. Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget year. It is the intent of this Article that, except for moneys expended pursuant to a project ordinance or accounted for in an intra-governmental service fund or a trust and agency fund excluded from the budget ordinance under G.S. 159-13(a), all moneys received and expended by a local government or public authority should be included in the budget ordinance. Therefore, notwithstanding any other provision of law, no local government or public authority may expend any moneys, regardless of their source (including moneys derived from bond proceeds, federal, state, or private grants or loans, or special assessments), except in accordance with a budget ordinance or project ordinance adopted under this Article or through an intra-governmental service fund or trust and agency fund properly excluded from the budget ordinance. (b) The budget ordinance of a unit of local government shall cover a fiscal year beginning July 1 and ending June 30. The budget ordinance of a public authority shall cover a fiscal year beginning July 1 and ending June 30, except that the Local Government Commission, if it determines that a different fiscal year would facilitate the authority's financial operations, may enter an order permitting an authority to operate under a fiscal year other than from July 1 to June 30. If the Commission does permit an authority to operate under an altered fiscal year, the Commission's order shall also modify the budget calendar set forth in G.S. 159-10 through 159-13 so as to provide a new budget calendar for the altered fiscal year that will clearly enable the authority to comply with the intent of this part.

The Budget Process

Section 159-8 of the North Carolina General Statutes states that each local government and public authority shall operate under an annual balanced budget ordinance. Notwithstanding any other provision of law, no local government or public authority may expend any moneys, regardless of their source, except in accordance with a Board approved budget ordinance or project ordinance, or through an internal service fund or trust and agency fund properly excluded from the budget ordinance, if not budgeted in the annual budget ordinance. Internal Service Funds must operate under a balanced financial plan that has been approved by the governing board. Trust and Agency funds are not required to operate under a budget or financial plan.

The budget provides a basis for all fiscal policy decisions during the period covered. The budget officer is responsible for budget preparation and execution, while the finance officer is responsible for determining that all expenditures made are authorized by the budget.

Budget Ordinance

The budget ordinance is the legal document adopted by the Board to estimate revenues, establish appropriations, and levy taxes for a unit of government for the coming year. G.S. 159-13(b) provides specific directions and limitations that bind the governing board in adopting the budget. The ordinance must be organized by fund (see attached sample budget ordinance). Within each fund, revenues should be organized by source and expenditures by function, department, or program. Transfers, appropriated fund balance, and contingencies should be separated within each fund. In addition to the ordinance, most units also prepare a detailed budget document. Unless the detailed budget document is specifically identified and referred to in the budget ordinance, it is not part of the ordinance.

The budget ordinance should be adopted as an official document. The ordinance may not be adopted by mere reference to it in the Board meeting minutes [G.S. 15913(d)]. Once the ordinance is adopted, a copy must be presented to the finance officer, the budget officer, and the unit's clerk within five days of the ordinance being adopted by the Board.

The ordinance must be approved by the governing board no later than July 1 of the year being budgeted [G.S. 15913(a)). (See the "Budget Calendar" section of this document.) If a budget ordinance is not adopted by July 1, an interim budget ordinance must be passed to cover usual and ordinary expenses of the unit plus any emergency expenses (G.S. 159-16). The statute speaks only of interim appropriations. It is not necessary to include revenues to balance the budget; although there obviously must be cash available to fund the appropriations. Taxes may not be levied in an interim budget. It is, therefore, to the unit's best advantage to pass an annual budget in a timely manner.

The budget ordinance should cover the period from July 1 to June 30. Any other fiscal year must have the approval of the Local Government Commission [G.S. 159-8(b)].

To have a legally set ad valorem tax rate, the unit should include the tax rate, valuation, and the expected collection percentage of the tax in the ordinance. Also, the estimated tax collection percentage cannot exceed the actual collected percentage at June 30 of the year immediately preceding the budget [G.S. 159-13(b) (6)].

Budget Office

G.S. 159-9 states that "each local government and public authority shall appoint a budget officer to serve at the will of the governing board." If a county or municipality has the manager form of government, then the manager of the unit is the budget officer. In counties not having the manager form of government, the finance officer or any other county officer or employee may fill the role except the sheriff or, if the county population exceeds 7,500, the register of deeds. Municipalities not having the manager form of government may impose the duties of the budget officer on any city officer or employee, including the mayor. Public authorities and special districts may impose the budget officer's duties on the chairperson or any member of the governing board, or any unit officer or employee.

Budget Preparation

Developing a workable, legal budget ordinance is a multistep process that involves all levels of management within a unit. The process begins with the department managers preparing and submitting their revenue estimates and estimated appropriations to the budget officer at least by April 30 (or earlier if requested by the budget officer, G.S. 159-10). Each request consists of an estimate of the financial requirements of each department for the coming year. The revenue estimate should be a reasonable estimate of revenues to be realized by the department's operations during the year. These estimates should be in the form prescribed by the budget officer. While the department heads are developing these requests, the finance officer, unit manager, and budget officer should be developing some overall budget policies, such as the amount of salary increases to be given and the amount of funds available for new positions. Much of this work may actually be completed prior to the departmental managers submitting their requests. The finance officer is also responsible for submitting the following statements to the budget officer (by April 30)

a) A complete statement of the amount expended for each category of expenditure in the budget ordinance and the amount realized from each source of revenue during the preceding year;

b) A complete statement of the amount estimated to be expended for each category of the budget ordinance and the amount estimated to be received from each source during the current year (G.S. 159-10).

Once the budget officer receives the departmental requests, he or she has several responsibilities in re- viewing the requests prior to submitting them to the Board. First, the budget officer has a responsibility to review the continuation appropriations to determine that all programs and services are still viable in their present form and quantity. Second, the budget officer should verify that all requests for increases in funding over the current year's budget are well documented and that each request specifies how the extra funds would be spent. Third, all requests for new positions should be evaluated. Additional permanent positions represent a long-term financial commitment for a unit and should therefore be carefully considered. Fourth, any requests for new equipment should be evaluated carefully, especially those for additional equipment as opposed to replacement equipment. Often, new equipment requests are associated with new projects or services, or improvements to existing programs or services. Also, additional buildings and equipment will result in long-term increased operations and maintenance costs. These are less obvious than the outlays for the assets, but they represent recurring future appropriations. Any such requests should be reviewed in detail and well documented to justify spending the extra funds. Decisions should be made concerning renovation and repairs versus new equipment. Finally, as discussed earlier, it is usually the budget officer's responsibility to determine what type of salary increases and adjustments will be recommended to the Board. A decision could be made about this prior to the department managers

making their requests so that salary increases could be factored into the department requests from the beginning of the process.

Submission of Budget to the Board

Once the budget officer completes his or her review of the budget requests and makes any necessary changes, including the appropriation of fund balance if necessary, the budget is then presented to the

Board for review. At this point the recommended budget should be in balance unless the Board specifically requests that the budget officer not balance it prior to presentation. The Board occasionally wants to see both the original department requests and revenue estimates (requested appropriations in excess of estimated revenues) and the budget officer's adjusted budget (balanced budget) so that the Board members can determine what adjustments have already been made to the original requests from the department managers (G.S. 159-11).

Along with submitting the budget, the budget officer also must submit a budget message to the Board [G.S.159-11(b)]. This may be oral but is most likely written so that it will be available to anyone reviewing the budget at a later time. The statutes require that the message should contain a "concise explanation of the governmental goals, fixed by the budget for the budget year," should explain "important features of the activities anticipated in the budget," should set forth "the reasons for stated changes from the previous year in program goals, programs, and appropriation levels", and should explain "any major changes in fiscal policy." The budget message is usually accompanied by a budget book or some other detailed document, which, in addition to detailing the budget requests, sometimes includes information about items of interest or concern to the unit, such as specific problems the unit is facing, economic factors which affect the budget, historical analyses of fees charged to users, and other similar data. The document also may include complete explanations and documentation of changes in the requested bud- get from the current year budget, as well as a statement of goals, policies, and performance indicators. For each program area, it may be beneficial to provide the Board with a description of the levels and types of services being provided. This will help them understand how the unit's funds are being spent.

Board Review and Adoption of the Budget Ordinance

Once the budget has been presented to the Board, a public hearing concerning the budget must be scheduled and the budget must be filed with the clerk to the Board (G.S. 15912). The Board must hold a public hearing before it can adopt the budget, and at least 10 days must pass between presentation of the budget to the Board and adoption of the budget by the Board [G.S. 159-13(a)]. Copies of the budget must be made available to the media, and a statement must be published that the budget is available at the clerk's office for inspection by the general public [G.S. 159-12(a)]. The statement must also give notice of the time and place of the public hearing. During the period of time between the presentation of the budget to the Board and its adoption, which is a minimum of ten days, but is usually much longer, the Board will review the budget and either make changes as the review is conducted or make all changes at the end of the budget process including the public hearing. The Board may conduct its review during regular or special meetings. The notice requirements of the open meetings law (G.S. 143-318.12) must be complied with in relation to budget meetings and hearings, meaning that any public body with the power to hold hearings, deliberate, or take action on the budget must do so in public unless specifically allowed by law to hold executive sessions. (There are currently no such laws allowing executive sessions with reference to the budget process.) The Board may go into executive session if only non-budget related matters (e.g., personnel or real estate) are exclusive topics of conversation.

Town of Weaverville
2013-2014 Budget Schedule

January 11-12 2013	Council & Staff Goal Setting Retreat
March 15, 2013	Department Budget Request Due to Town Manager
April 5, 2013	Draft Budget Sent to Council
April 11, 2013	Council Budget Workshop
April 25, 2013	Council Budget Workshop
May 9, 2013	Council Budget Workshop (if needed)
May 30, 2013	Advertising of the Public Hearing
June 6, 2013	Public Hearing 7:00 PM
June 17, 2013	Council Meeting 7:00 PM

Town of Weaverville
2013-2014 Budget Ordinance

BE IT ORDAINED AND ESTABLISHED by the Town Council of the Town of Weaverville that:

SECTION 1. The General Fund Budget of expected revenues and expenditures are as follows:

GENERAL FUND:
REVENUES

Prior Years Taxes	$500
Ad Valorem Tax	2,520,920
DMV Tax Revenue	122,000
Tax Penalties & Interest	10,000
Privilege License	105,000
Utility Franchise Tax	410,000
Beer and Wine Excise Tax	10,000
Powell Bill Funds	104,000
Local Government Sales Tax	981,760
Contracted Fire Protection	1,053,790
Grant Funds	70,750
Cell Tower Revenue	15,580
Miscellaneous Revenue	10,000
Interest Income	7,500
Powell Bill Interest Income	500
Zoning and Inspection Fees	5,000
Fire Inspection Fees	1,000
Sale of Surplus Property	2,500
Appropriated Fund Balance	257,890
Appropriated Powell Bill Funds	440,410
TOTAL BUDGETED REVENUE	$6,129,100

GENERAL FUND:
EXPENDITURES:

General Government	1,024,970
Public Safety	2,804,920
Transportation	984,980
Environmental Protection	567,870
Culture & Recreation	242,990
Contingency	63,000
Debt Service	440,370
TOTAL BUDGETED EXPENDITURES	$6,129,100

SECTION 2. The Water Enterprise Budget of expected revenue and expenditures areas as follows:

WATER ENTERPRISE FUND REVENUES	
Water Revenue	$1,637,500
Miscellaneous Revenue	5,600
Water Tap	6,000
Impact Fees	10,000
Fee for MSD Collections	35,000
Interest Water Revenue	2,800
Interest Earned NCCMT	2,500
TOTAL BUDGETED REVENUES	$1,699,400
EXPENDITURES	
Water Fund Operations	$1,699,400
TOTAL BUDGETED EXPENDITURES	$1,699,400

SECTION 3. The Budget and Finance Officers are hereby authorized to distribute department funds upon the line item budget and make expenditures there for, in accordance with the Local Government Budget and Fiscal Control Act.

SECTION 4. The Budget Officer is hereby authorized to transfer appropriations as contained herein under the following conditions:

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

B. He/she may transfer amounts up to $5,000 between departments within any one division, including contingency appropriations, within the same fund during any month. For the purpose of this ordinance, the Town of Weaverville has the following divisions: Public Works, Public Safety, and General Government. The Budget Officer must make an official report on such transfers at the next regular meeting of the Governing Board. Transfers between divisions would require action of the Governing Board.

C. He/she may not transfer any amounts between funds, except as approved by the Governing Board in the Budget Ordinance as amended.

SECTION 5. The Ad Valorem tax rate for the 2013-2014 fiscal year is hereby set at $0.400 per $100 valuation. The revenue neutral tax rate is $.4196 per $100 valuation.

Adopted this the 18th of June, 2013.

Allen P. Root, Mayor

Shelby Shields, Town Clerk

Budget Amendments

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

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

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

Board approval or review should be indicated on each amendment, either by signature of the clerk to the Board attesting to Board approval or by including the actual amendment itself in the Board meeting minutes. The amendments include the account numbers to which the changes are to be posted on the amendment form for ease in recording the changes. As discussed below, the Board has the option of allowing the budget officer to make minor changes to the budget without obtaining prior Board approval by formal budget amendments. Such changes must be within a fund and not between two or more funds.

The Town of Weaverville Budget Ordinance states the following:

The Budget and Finance Officers are hereby authorized to distribute department funds upon the line item budget and make expenditures therefrom, in accordance with the Local Government Budget and Fiscal Control Act. The Budget Officer is hereby authorized to transfer appropriations as contained herein under the following conditions:

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

b. He/she may transfer amounts up to $5,0 00 between departments within any one division, including contingency appropriations, within the same fund during any month. For the purpose of this ordinance, the Town of Weaverville has the following divisions: Public Works, Fire, Police, and Administration. The Budget Officer must make an official report on such transfers at the next regular meeting of the Governing Board. Transfers between divisions would require action of the Governing Board.

c. He/she may not transfer any amounts between funds, except as approved by the Governing Board in the Budget Ordinance as amended.

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

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

Cash Management Policy

Effective management of cash resources is a vital function of local government finance. Generating interest income, an important goal of any cash management plan, is an efficient way to increase non-tax revenue to aid in meeting funding needs. As a result of the growing instability among some financial institutions and securities dealers, it is essential that all local governments have a cash management and investment policy in place that emphasizes safety and liquidity of public funds. Earning higher rates of return should be secondary to the safeguarding of public funds. Establishing and following a plan can help to reduce the personal liability of government officials making cash management-related decisions. A written cash management policy should address five specific areas. These areas include cash receipts, cash mobilization and management of available resources (deposits/investments), cash disbursements, banking relations, and monitoring and reporting on the plan.

Town of Weaverville Cash Management Policy

I. Cash Receipts

A. Deposits

Deposits are to be made every Friday, or any day when the monies on hand amount to $250.00. In any event, deposits are to be made on the last business day of the month.

For high-volume periods during the year, the finance officer will make personnel reassignments, if necessary, to assure that prompt deposits are made.

For checks received and deposited that are returned to the finance officer due to insufficient funds, prompt action will be undertaken to collect good funds.

B. Billings

Applications and reports to the state or federal government for reimbursement or claims are to be filed promptly.

For utility billing, procedures will be applied in accordance with the Water and Sewer Policies and Procedures Ordinance dated February 1990.

Tax bills are to be mailed as soon as possible after the budget is adopted and the tax rate established, but not later than October 15th.

C. Collection Procedures

Utility collection procedures will be applied in accordance with the Water and Sewer Policies and Procedures Ordinance dated February 1990.

A second notice will be mailed to all delinquent taxpayers promptly after January 6. The governing board directs the tax collector to advertise tax liens on real property for failure to pay on the second Monday in March in accordance with G.S. 105-369.

The tax collector will begin attachment and garnishment procedures on intangible personal property on February 1 or the next business day. The unit does not obtain a lien on personal property until the collector completes the procedures of either attachment and garnishment or levy. The tax collector may request a law enforcement officer capable of serving summonses to deliver the Notices to property owners. On the first day of March, if it appears that the procedure of attachment and garnishment will not provide for the payment of all delinquent taxes by June 30, the tax collector will begin levy procedures on tangible personal property. At the first meeting of the Board of Commissioners in April, a list of all delinquent taxpayers will be presented to discuss further collection measures that need to be taken.

II. Cash Mobilization and Management of Available Resources

A. Mobilization

The Board of Commissioners shall authorize the Town to establish as its central depository First Citizens Bank of Weaverville for its cash concentration account (interest bearing checking account). Other official depositories shall be: North Carolina Cash Management Trust, Cash Investment Accounts; Clyde Savings Bank, Savings Account; First Commercial Bank, Savings Account.

Monies shall be deposited into the cash concentration account before the daily cutoff to ensure that the deposit will be credited for that day. The deposit shall be made by the finance officer or employees duly authorized to do so and supervised by the finance officer.

All monies received by the Town from the state shall be wired through the Governmental Monies Transfer System (GMTS) (where applicable) in order to ensure immediate investment of those monies on the transfer date. The finance officer also shall establish an account with the North Carolina Cash Management Trust in order for GMTS monies to be wired into that account.

The Town shall remain 100% invested at all times with the exception of monies held for petty cash and change purposes.

B. Investments

Eligible investments shall be limited to: obligations of the U.S. Government, such as Treasury Bills, Bonds, and Notes; time deposits with any financially sound bank or savings institution whose principal office is in North Carolina; Al , P-1, domestic commercial paper; and the North Carolina Cash Management Trust.

C. Collateralization

Collateralization for deposits shall be in accordance with Title 20, Chapter 7 of the North Carolina Administrative Code (NCAC). All deposits for the Town shall be fully protected through deposit insurance and eligible collateral securities pursuant to 20 NCAC 7. When utilizing an Option I financial institution, the finance officer shall immediately require additional collateral to be pledged should the value of the securities pledged for the Town's deposits fall to a level materially less than the amount of deposits. All escrow agreements for Option I financial institutions shall be executed between the depository and the escrow

agent as found in 20 NCAC 7.

In utilizing an Option I bank or savings and loan, it is the finance officer's responsibility to ensure that the Town's funds are properly collateralized. If collateral is being pledged, the Town needs to ensure that an escrow agreement is set up between the depository and a third party escrow agent with instructions that the securities are to be placed in the Town's escrow account. This assures the Town of having proper custody of the pledged securities in case the Option I bank defaults. In addition to having proper custody, the finance officer can verify with the third party that collateral has been escrowed and that the market values of the collateral securities remain at acceptable levels.

For all deposits held in financial institutions that utilize the Option 2 method of collateralizing, the finance officer shall maintain all necessary documentation to show that the responsibility of monitoring collateralization levels is now with the State Treasurer.

The finance officer shall monitor the investment portfolio and make adjustments as necessary. Wire transfers to the North Carolina Management Trust will be processed no later than 1:00 p.m. with written confirmation forwarded the next business day. These confirmations will be documented and delivered to the finance officer for review.

D. Forecasting Cash Flow

The finance officer (or designee) for the Town shall continue to forecast cash flow. The objective of the forecast will be to ensure sufficient funds will be available to meet the Town's commitments and that the timing and amount of excess funds is known as to maximize the amount of monies available for investments.

III. Cash Disbursements

The objective of this section of the Town's Cash Management Plan is to retain monies for investment until the agreed upon contractual date of payment unless early payment provides a benefit to the Town.

The finance officer shall appropriate and spend the Town monies pursuant to G.S. 159 28(b). To create the maximum funds available for investment, the finance officer shall pay the obligations of the Town on or about the 10th and 30th day of the month. The finance officer shall determine whether or not the discount of cash payment is more beneficial than payment on the billings due date. The finance officer shall periodically review the disbursement cycle and changes instituted if the disbursement cycle can be extended. Payroll checks shall be issued biweekly. No unauthorized obligations shall be paid without prior approval of the supporting documents.

IV. Monitoring and Reporting on the Plan

The objective of this section of the Plan is to devise a systematic reporting schedule for review of the Plan itself to make necessary amendments and changes.

The finance officer shall semiannually submit to the Local Government Commission a Report of Cash Balance to the Secretary of the Local Government Commission pursuant to G. S. 159-33.

Each year the plan shall be reviewed by the finance officer during budget preparation. The finance officer shall report to the Town Council any amendments of procedural changes he or she has made or any actions he or she recommends the Council take to enhance the plan changes instituted if the disbursement cycle can be extended. Payroll checks shall be issued biweekly. No unauthorized obligations shall be paid without prior approval of the supporting documents.

Adopted this the 17th day of March 2003.

Town of Weaverville Fund Balance Policy

Fund balance, by definition is simply the difference between the assets and liabilities of a governmental fund. Because governmental funds report only financial assets and certain near-term liabilities, it may be tempting to view total fund balance as a measure of expendable available financial resources. However, not all of the financial resources of the fund may be available to liquidate liabilities of the current period. A long-term receivable, for instance, cannot be used to liquidate a liability that is currently due and payable. Consequently, fund balance in total is not a good measure of expendable available financial resources in a governmental fund. The appropriate measure for this purpose is unreserved fund balance.

Unreserved fund balance is intended to serve as a measure of expendable available financial resources rather than as a measure of economic health. While an absence of expendable available financial resources may well be an indication of actual or potential economic problems, the presence of such resources is no guarantee of sound economic health. For example, just as individuals can increase their checkbook balance by taking out a loan, so too can a governmental fund increase its expendable available financial resources (i.e., unreserved fund balance) by issuing long-term debt. In neither case would the overall economic position of the borrower be improved.

In short, a significant level of unreserved fund balance should not be interpreted, of itself, as proof of overall economic well-being. It is the government-wide financial statements, rather than the fund financial statements, which are designed to assist those seeking to evaluate a government's overall economic health. It is essential that governments maintain adequate levels of unreserved fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates. Levels of unreserved fund balance are a crucial consideration as well in long-term financial planning. Accordingly, the Government Finance Officers Association (GFOA) recommends that governments establish a formal policy on unreserved fund balance for all of their governmental funds.

Any policy on unreserved fund balance should be set by the appropriate policy body. Since unreserved fund balance often is subject to unexpected fluctuations, a well-designed policy will provide specific guidance on what actions a government should take (and over what period) to adjust unreserved fund balance to appropriate levels if it happens to fall outside of predetermined parameters as the result of such fluctuations. In rare instances, reserved fund balance includes resources that are available to finance items that typically would require the use of unreserved fund balance (e.g., a state-mandated contingency reserve). In that case, such amounts should be treated as part of unreserved fund balance for purposes of policy and analysis.

As a practical matter, governments typically assess the adequacy of unreserved fund balance in the general fund by comparing it to either revenues or expenditures. The choice between the two frequently is dictated by their relative predictability for a given government. In either case, unusual items that would distort trends (e.g., one-time revenues and expenditures) should be excluded, whereas recurring transfers should be included.

The adequacy of unreserved fund balance in the general fund should be assessed based upon a government's own specific circumstances. Nevertheless, GFOA recommends that general-purpose governments, regardless of size, maintain unreserved fund balance in their general fund at no less than the following minimum level:

- For governments that compare "unreserved fund balance" to revenues: A minimum balance of no less than 5 to 15 percent of regular general fund operating revenues.

- For governments that compare "unreserved fund balance" to expenditures: A minimum balance of no less than 8 to 17 percent (i.e., one to two months) of regular general fund operating expenditures.

Minimum General Fund Balance Policy

Resolution to Establish Minimum General Fund Balance

Whereas, the Town of Weaverville is required to budget and expend all funds under the Local Government Budget and Fiscal Control Act established by the North Carolina General Assembly, and

Whereas to ensure the Town of Weaverville's fiscal stability, it is necessary to maintain a healthy operating fluid balance, and

Whereas, because of the need for emergency funds, it is crucial that the Town maintains adequate cash flow levels, provides for a steady investment income, be able to absorb revenue shortfalls, and occasionally aid in making non-recurring purchases, and

Whereas, since Weaverville is a small Town and is especially vulnerable to the financial impact of a major emergency, the need for a financial healthy General Fund Balance is very important.

Whereas, the Weaverville Town Council establishes the following General Fund Balance Policy:

The Budget Officer and the Finance Officer for the Town of Weaverville are hereby authorized to maintain an unreserved General Fund balance equal to at least (target goal of 40% with a minimum goal of 20%) of the General Fund revenues as of June 30th.

Adopted this the 18th day of February,
2002

During the 2008-2009 Budget process the Weaverville Town Council had considerable discussions concerning the fact that the Town's Fund Balance had exceeded the target goal of 40% to an estimated
53% of General Fund Revenues. Therefore, the council chose to budget necessary capital projects such as sidewalk extensions, additional paving projects, and to start the process of fire truck replacements.

Another issue facing the Town will be the need for major annexation of areas adjacent to the municipality. If the Town undertakes these annexations, there will be a need for major infrastructure additions. North Carolina law requires that infrastructure development in newly annexed areas must be completed within one year after annexation. Therefore, the current fund balance will be needed to meet these expenditures.

Town of Weaverville Fixed Assets Policy

Fixed assets are tangible in nature and have a useful life longer than one year. They are classified as land, improvements other than buildings, buildings, operating plants, equipment, vehicles, and construction in progress. Fixed assets can be both movable and immovable. Items of insignificant value, while they may meet the above criteria, are normally expensed instead of being considered fixed assets.

Important Considerations

Local governments and public authorities are required by G.S. 159-26(b) (8) to maintain "a ledger or group of accounts in which to record the details relating to the general fixed assets of the unit or public authority."

Fixed assets records are required under GAAP and are necessary for the local government's auditor to render an unqualified opinion on its financial statements. Governmental units having an unqualified opinion on their statements are viewed favorably by bond rating agencies and normally pay lower interest rates on their bonds. To meet GAAP requirements, governmental units should record the fixed assets at cost when historical records are available and at an estimated historical cost when no historical records exist. The LGC will no longer authorize the issuance of long-term debt for any units having a fixed assets opinion qualification. Fixed assets information also is required for a Comprehensive Annual Financial Report to qualify for the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting.

Benefits of a Fixed Assets Accounting System

Establishing and maintaining complete and accurate records accounting for fixed assets is important for several reasons. First, the value of fixed assets for most governmental jurisdictions is large. Therefore, adequate accounting procedures and records are essential for effective property management (including risk management) and control. Second, the stewardship responsibility involved in safeguarding such a large public investment is of the utmost importance to sound financial administration. Third, adequate fixed assets records can assist in making management decisions. Proper use of these records may prevent unneeded assets from being purchased. When budgeting for and preparing routine preventative maintenance and replacement schedules management may use these records to determine whether maintenance costs are too high for particular assets. Fixed assets records also could be used to help clarify long-term capital budgeting needs. Finally, accurate and complete fixed assets records can prevent the possible misstatement of a local government's financial statements. Otherwise, assets such as those acquired under capital leases and joint ventures could be overlooked.

Classification of Fixed Assets

Fixed assets owned by the governmental unit should be recorded in the accounting records. Accounting classifications of fixed assets are:

Land - A fixed assets account that reflects the acquisition value of land and the rights to land owned by the governmental unit. It includes all land held in fee simple and all rights to land that have no termination date.

Improvements Other Than Buildings - A fixed assets account that reflects the acquisition value of permanent improvements (other than buildings) that add value to the land or improve the use of the land. Examples of such improvements are: fences, retaining walls, drainage systems, sidewalks, parking lots, and driveways. Note that when used with fixed assets, the terms improvement and betterment have different meanings. Improvements are fixed assets permanently attached to land. Betterments are additions to or changes in existing depreciable assets intended to increase their efficiency or prolong their useful lives.

Recording of public domain or infrastructure type fixed assets in the accounting records is optional. This category of fixed assets includes roads, bridges, curbs and gutters, streets and sidewalks, drain- age systems, and similar assets that are immovable and of value only to the governmental unit.

Buildings - A fixed assets account that reflects the acquisition value of permanent structures owned by the governmental unit used to house persons and property. Permanently installed fixtures to or within these structures are considered parts of the structures. The costs of major improvements to structures are included in this account.

Operating Plants - A fixed assets account that reflects the acquisition value of plants used to provide the services of utilities, including both the buildings and equipment.

Equipment - A fixed assets account that reflects the value of tangible property not permanently affixed to real property, used in carrying out the operations of the governmental unit. Examples of equipment are machinery, furniture, and vehicles.

Vehicles – A fixed assets account that reflects the value of motor vehicles owned by the local government.

Construction in Progress - Assets account used when a government reports amounts expended on an uncompleted building or other capital construction project. These subclasses such as buildings, improvements and equipment might be used. When the project is complete, the cumulative costs are transferred to another appropriate fixed assets account.

Fiscal Procedures For Fixed Assets

Introduction

The Town of Weaverville Fixed Asset Control Program was established to comply with requirements of the North Carolina General Statutes to inventory and account for fixed assets and to properly manage the fixed assets of the Town of Weaverville. Fixed assets are tangible in nature and have a useful life longer than one year. They are classified as land, buildings, operating plants, equipment, vehicles, and construction in progress. Fixed assets can be both movable and immovable. Items of insignificant value, while they may meet the above criteria, are normally expensed instead of being considered fixed assets.

Important Considerations

North Carolina General Statutes 159-26(b) (8) requires the Town of Weaverville to maintain "a ledger or group of accounts in which to record the details relating to the general fixed assets of the Town." The Local Government Commission will not issue long-term debt for the Town of Weaverville without having a fixed assets opinion qualification.

Benefits of a Fixed Assets Accounting System

Establishing and maintaining complete and accurate records accounting for fixed assets is important for several reasons:

1) The value of fixed assets for the Town of Weaverville is large. Therefore, adequate accounting procedures and records are essential for effective property management (including risk management) and control.

2) The stewardship responsibility involved in safeguarding such a large public investment is the utmost importance to the sound financial management of the Town of Weaverville.

3) Adequate fixed assets records can assist in making management decisions. Proper use of these records may prevent unneeded assets from being purchased. When budgeting for and preparing routine preventative maintenance and replacement schedules, management may use these records to determine whether maintenance costs are too high for particular assets. Fixed assets records also could be used to help clarify long-term capital budgeting needs. Finally, accurate and complete fixed assets records can prevent the possible misstatement of a local government's financial statements. Otherwise, assets such as those acquired under capital leases and joint ventures could be overlooked.

Classification of Fixed Assets

Fixed assets owned by the Town of Weaverville will be recorded in the accounting records. Accounting classifications of fixed assets are:

- Land - A fixed assets account that reflects the acquisition value of land and the rights to land owned by the Town. It includes all land in fee simple and all rights to land that have no termination date.

- Building - A fixed assets account that reflects the acquisition value of permanent structures owned by the Town used to house persons and property. Permanently installed fixtures to or within these structures are considered parts of the structures. The costs of major improvements to structures are included in this account.

- Operating Plants - A fixed assets account that reflects the acquisition value of plants used to provide the services of utilities, including both the buildings and equipment.

- Equipment - A fixed assets account that reflects the value of tangible property not permanently affixed to real property, used in carrying out the operations of the Town. Examples of equipment are machinery, furniture, and vehicles.

- Vehicles - A fixed assets account that reflects the value of motor vehicles owned by the Town of Weaverville.

Recording Fixed Assets

The Town of Weaverville may acquire fixed assets by several methods. Possible acquisition methods include purchase, lease-purchase, installment purchase, construction, eminent domain, tax foreclosures, and gifts. The method of acquisition of fixed assets should be properly recorded on the books of account and in subsidiary records that provide detailed information on each asset.

- Land - All land and permanent rights to land (e.g., easements) should be recorded without regard to any significant value.

- Improvements Other Than Buildings - Improvements other than buildings that cost $5,000 or more should be recorded as fixed assets.

- Buildings - All buildings should be recorded at acquisition cost without regard to significant value. Additions costing $20,000 or more should be recorded as fixed assets.

- Operating Plants - All buildings classified within the operating plants account should be recorded at acquisition cost without regard to significant value. Additions to these buildings costing $20,000 or more should be recorded as fixed assets. All equipment classified within the operating plant's account costing $5,000 or more should be recorded as fixed assets. Additions costing $5,000 or more to this equipment should be recorded as fixed assets. Equipment costing less than the above should not be recorded except:

- Assets costing less than $5,000 for which property records are required to be maintained by the terms of a grant or other agreement should be capitalized at $1.00 for each separate asset record.

- Equipment and Vehicles Equipment and vehicles costing $5,000 or more should be recorded as fixed assets. Additions costing $5,000 or more to equipment and vehicles should be recorded as fixed assets. Equipment and vehicles costing less than the above should not be recorded unless they meet the criteria listed for equipment under operating plants.

Controlling Fixed Assets

All assets must be physically identified and clearly marked, and the responsibility for their custody must be assigned.

(Note: Only items of equipment are to be physically tagged with fixed assets control numbers. For internal control purposes, fixed assets such as buildings, improvements, or other than buildings, and land are assigned sequentially numbered fixed assets control numbers in the accounting records but are not physically tagged.)

Valuation of Fixed Assets

Fixed assets should be accounted for at cost or if the cost is not practicably determinable, at estimated historical cost. Donated fixed assets should be recorded at their estimated fair market value when received.

Fixed Asset Summary

1) Fixed assets are tangible in nature and have a useful life longer than one year.

2) G. S. 15 0-26(b) (8) requires local governments to maintain “a ledger or group of accounts in which to record the details relating to the general fixed assets of the unit or public authority.” The LGC will no longer issue long-term debt for units having a fixed asset opinion qualification.

3) A fixed assets system is important because it provides for effective property management, control, and safeguarding of a large public investment. It also can assist in making management decisions, and it can prevent possible misstatement of financial statements.

4) Accounting classifications of fixed assets are land, improvements other than buildings, operating plants, equipment, vehicles, and construction in progress.

5) To avoid recording assets with immaterial values, local governments should set minimum unit values below which an asset is not recorded in the fixed assets records. The dollar amount set should be a policy decision of the governing board.

6) Each fixed asset should be assigned a control number. All equipment should be tagged.

7) Fixed assets should be accounted for at cost or estimated historical cost if actual cost is not available. Donated fixed assets should be recorded at their estimated fair market value when received. Estimated costs can be calculated by using price deflator tables to discount replacement costs.

8) The initial fixed assets inventory involves identifying and describing all land and buildings,

and identifying and tagging all equipment.

9) The existence, location, and condition of all fixed assets should be verified by taking an annual inventory.

10) Regardless of the method of payment, if a local government acquires most of the benefits and risks of ownership of a property and assumes title, the property must be recorded as a fixed asset.

11) Unlike a capital lease, an operating lease does not transfer the benefits and risks of ownership to the local governmental unit. A capital lease exists if at the inception of the lease it transfers ownership to the governmental unit by the end of the lease term, or it contains a bargain purchase option, or the lease term is 75% or more of the estimated economic life of the asset, or the present value of the minimum lease payments is at least 90% of the fair value of the property. With leases involving land, a lease must fulfill one of the first two above to be accounted for as a capital lease. For capital leases, a unit should record a fixed asset and the related obligation.

12) Under the North Carolina Constitution, it is generally unconstitutional for a local government to dispose of property for less than its fair market value. However, in certain cases a contract with the receiving party to put the property to some public use constitutes sufficient consideration for the conveyance.

13) Subject to certain limitations, the Town of Weaverville may dispose of real or personal property belonging to it by: 1) private negotiation and sale; 2) advertisement for sealed bids; 3) negotiated offer, advertisement, and upset bid; 4) public auction; or 5) exchange.

14) Office of Management and Budget Circular A-102 sets requirements for the use and disposal
of fixed assets acquired with federal financial assistance.

15) Depreciation should be recorded in the accounts of proprietary funds and some trust funds.

Although not required, calculation of depreciation for assets recorded in the general fixed assets account group is encouraged for cost accounting purposes. Even if calculated, depreciation should not be recorded in the governmental funds; however, accumulated depreciation may be recorded in the General Fixed Assets Account Group.

16) The objective of depreciation is to charge each accounting period for the estimated loss in economic value of the depreciable assets used during the period.

17) Theoretically, a depreciation method should be selected that achieves the most realistic reflection of the loss in economic value of the asset. There are two commonly used depreciation approaches: uniform rate of depreciation (straight-line) and accelerated depreciation.

Revenues and Expenditures

Explanation of Fiscal Year 2013-2014 Basis of Budgeting and Accounting

The basis of budgeting is the same as the basis of accounting for the Town's budgeted funds. In accordance with North Carolina General Statutes, all funds of the Town are maintained during the year using the modified accrual basis of accounting.

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

Governmental Fund Financial Statements. Governmental funds are used to account for those functions reported as governmental activities in the government-side financial statements. Most of the Town's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called modified accrual accounting which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the Town's programs. The relationship between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The Town of Weaverville adopts an annual budget for its General Fund, as required by the General Statutes. The budget is legally adopted document that incorporates input from the citizens of the Town, the management of the Town, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Town to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Town compiled with the budget ordinance and whether or not the Town succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the board; 2) the final budget as amended by the board: 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the Town are recognized as revenue. Intergovernmental

revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Grant revenues, which are unearned at year-end, are recorded as unearned revenues.

As permitted by generally accepted accounting principles, the Town has elected to apply only applicable FASB Statements and Interpretations issued before November 30, 1989, that do not contract GASB pronouncements, in its accounting and reporting practices for its proprietary operations.

Funds Subject to Appropriation

The accounts of the Town are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts comprised of as- sets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The account groups are not funds but are a reporting device used to account for certain assets and liabilities of the governmental funds that are not recorded directly in those funds.

The Town uses the following fund categories further divided by fund type, and account groups.

Governmental Funds are used to account for the Town's governmental functions. Governmental funds include the following fund types:

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

Capital Projects Fund -The Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The Town has no capital projects funds at this time.

Proprietary Funds include the following fund types:

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

Account Groups - The general fixed assets account group is used to account for fixed assets that are not accounted for in proprietary or trust funds. The general long-term debt account group is used to account for general long-term debt and certain other liabilities that are not specific liabilities of proprietary or trust funds.

Fund Structure

Governmental budgeting and accounting differ from their commercial counterparts in that they use a fund accounting system. Instead of having a single, unified set of accounts that reflects all transactions, governments must group their transactions into a number of funds. A fund is simply a separate fiscal and accounting entity with its own self-balancing set of accounts; its own assets, liabilities, and equity; and its own revenues and expenditures. Governmental transactions are grouped into funds for various reasons. Some governmental revenues are earmarked bylaw for specific uses. Therefore the accounting system must be structured so that proper use of earmarked revenues is both assured and demonstrable. One way to accomplish this is by the use of funds that segregate specific earmarked revenues and related expenditures.

A fund also may be used to segregate all revenues and costs attributable to a particular activity, to permit management to assess whether that activity is self-supporting. Other reasons for establishing funds will be apparent in the discussion of types of funds, below. The independence of a fund may be maintained by accounting techniques. It is not necessary to maintain a separate bank account for each fund.

The LGBFCA requires that certain types of funds be maintained [G.S. 159-26(b)]. Which funds, and how many, are maintained by a particular county or city will depend on what functions the unit performs and how those functions are financed. Any local government probably engages in a number of activities that could appropriately be placed in either of two or more fund types. For example, a city could account for state street aid, an earmarked revenue, either in its general fund or in a special revenue fund. By and large a unit should be cautious about establishing funds that are not required by law. Separate books must be maintained for each fund, increasing the amount of necessary bookkeeping, the possibilities of bookkeeping error, and audit costs. Also, units are often hesitant to pool cash from several funds even though there is no legal barrier to doing so. Finally, additional funds limit administrative flexibility: A governing board may authorize the budget officer to transfer Appropriations within a fund but not between funds.' The more funds The unit has, the more often budget ordinance adjustments must be referred to the governing board itself. It is for these reasons that one of the fundamental tenets of generally accepted ac- counting principles is that a unit should establish as few funds as is legally and administratively possible.

The funds used by the Town of Weaverville are as follows:

General Fund

This is the main operating fund of the Town of Weaverville and accounts for all transactions that are not property accounted for in another fund. In Weaverville the accounts for Administration, Police, Fire, Streets, Powell Bill, Sanitation, and Recreation is in the general fund.

Enterprise Funds

A separate fund must be established for each enterprise owned or operated by a county or city. Weaverville operates a water system. In the Water Fund, there are the following departments:

<u>Administration, Production, and Maintenance.</u> Enterprises bear many analogies to private businesses, among them the capacity to be self-supporting or to operate at a profit. By grouping all transactions of a particular enterprise in a single fund, a unit can determine whether the enterprise is, in fact, self-supporting or whether it is being subsidized from general revenues.

The following charts explain the funding sources for each fund and the function for each fund.

Budget Summary of Revenues FY 2013-2014

Funding Sources

BY FUND AND FUNCTION

Funding Sources	General Fund	Enterprise Fund	Total
↘ Property Taxes			2,520,920
			2,520,920
↘ Unrestricted Intergovernmental	1,523,760		1,523,760
↘ Restricted Intergovernmental	1,228,540		1,228,540
↘ Permits & Fees	6,000		6,000
↘ Sales & Service	2,500	1,637,500	1,640,000
↘ Miscellaneous	10,000	5,600	15,600
↘ Other Funding Sources	837,380	56,300	893,680
Total Revenue & OFS	**6,129,100**	**1,699,400**	**7,828,500**

Budget Summary of Expenditures FY 2013-2014

Expenditures

BY FUND AND FUNCTION

Expenditures	General Fund	Enterprise Fund	Total
↘ General Government	1,024,970		1,024,970
↘ Public Safety	2,804,920		2,804,920
↘ Transportation	984,980		984,980
↘ Environmental	567,870		567,870
↘ Cultural & Recreational	242,990		242,990
↘ Water Administration		237,560	237,560
↘ Water Production & Treatment		690,670	690,670
↘ Water Maintenance		517,420	517,420
↘ Debt Service	440,370	233,750	674,120
↘ Other Funding Uses	63,000	20,000	83,000
Total Expenditures & OFU	**6,129,100**	**1,699,401**	**7,828,500**

Town of Weaverville
General Fund Summary

Revenues and Expenditures

Revenues	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
General Fund Revenues	5,377,058	5,183,230	5,257,034	5,430,800	173,766	3.2%
Other Financing Sources	249,000	(25,390)	552,162	698,300	146,138	26.5%
Total General Fund Revenues	**5,626,058**	**5,157,840**	**5,809,196**	**6,129,100**	319,938	5.2%

Expenditures	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Governing Body	245,765	245,477	253,895	281,920	28,025	11.0%
Administration	437,251	452,776	652,184	507,400	(144,784)	-22.2%
Development Services	0	0	0	235,650	235,650	N/A
Police	1,265,698	1,229,257	1,312,141	1,309,910	(2,231)	-0.2%
Fire	1,481,428	1,489,699	1,543,090	1,495,010	(48,080)	-3.1%
Streets	529,581	341,315	369,970	440,570	70,600	19.1%
Powell Bill	32,860	145,768	424,100	544,410	120,310	28.4%
Sanitation	497,045	465,371	488,210	567,870	79,660	16.3%
Recreation	143,255	145,180	153,732	242,990	89,258	58.1%
Debt Service	698,552	642,996	623,620	440,370	(183,250)	-29.4%
Other Funding Uses	0	0	63,000	63,000	0	0.0%
Total General Fund Expenditures	**5,331,435**	**5,157,840**	**5,883,942**	**6,129,100**	245,158	4.2%

Town of Weaverville
Water Fund Summary
Revenues and Expenditures

Revenues	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Water Fund Revenues	1,650,169	1,625,530	1,639,390	1,699,400	60,010	3.7%
Other Financing Sources	0	0			0	N/A
Total Water Fund Revenues	**$1,650,169**	**$1,625,530**	**$ 1,639,390**	**$ 1,699,400**	**60,010**	**3.7%**

Expenditures	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Utilities Administration	233,039	239,851	222,040	237,560	15,520	7.0%
Water Production	642,353	630,838	636,560	690,670	54,110	8.5%
Utilities Maintenance	395,702	412,714	528,140	517,420	(10,720)	-2.0%
Debt & Contingency Expenses	235,290	142,999	252,650	253,750	1,100	0.4%
Total Water Fund Expenditures	**$1,506,384**	**$1,426,402**	**$1,639,390**	**$1,699,400**	**60,010**	**3.7%**

Estimating Revenues for Fiscal Year 2012-2013

Revenues can be separated into two basic categories: 1) intergovernmental revenues, over which the unit usually has no control with regards to amount or time of receipt, and 2) unit-controlled revenues, such as ad valorem taxes, user charges, license and permit fees, and investment earnings. A simplified approach to budgeting both types of revenues would be as follows:

a) Estimate the amount of intergovernmental revenues the unit can expect to receive in the up-coming year, based on legislative appropriations and other relevant sources of information. If possible, obtain an estimate of revenues from the source of the funds. The N. C. Department of Revenue can provide useful information concerning revenues that are passed through them. [Requests to the Department of Revenue should be made to the Tax Research Division (919) 733-4548.] Also, the League of Municipalities, the Association of County Commissioners, and your council of governments often provide statewide averages on the estimated intergovernmental revenues available on an annual basis to assist units in the preparation of their budgets. [Caution: Statewide averages may not apply to a particular unit's situation.]

b) Estimate the revenue to be generated from taxes, enterprise charges, and user fees for the up- coming year if no changes are made in the tax rate or user fees charged. When estimating ad valorem tax revenue, remember to base it on an estimated, assessed value of property subject to tax. This estimated value can be obtained from the county tax assessor's or supervisor's office. Remember, the estimated tax collection percentage cannot by law (G.S. 159-13(b) (6)] exceed the actual collected percentage at June 30 of the current year (the year prior to the budget year). Even though the year has not ended by the time the budget is prepared and adopted, the amount of property taxes collected to date should be very close to the amount that will be collected by year-end. If, after the budget is adopted, more revenue is collected from the original tax levy than was budgeted, the unit cannot amend its tax collection percentage for that levy, even though the extra funds are on hand. However, units may amend their budgets for tax revenue from discovered property, using the estimated collection percentage adopted in the original budget ordinance. For example, if discovered property results in an additional levy of $300,000 of taxes, and the unit originally budgeted to collect 95% of its tax revenue, then the unit may amend its budget for additional tax revenue of $285,000 (95% of $300,000). If the unit has fund balance available, this may be appropriated in place of appropriating additional property tax revenue.

c) Consider other sources of funds, such as transfers and appropriated fund balance when applicable. Generally, each fund should be self-supporting. Also, adequate fund balances should always be maintained. The amount of fund balance that may be used to balance the budget is limited by State statute.

d) Once the estimated appropriations have been determined (as described below), compare the estimated revenues to the estimated appropriations to determine what type of adjustments, if any, the unit will need to make.

If estimated revenues fall short of estimated appropriations, the unit may want to consider in-creasing the estimated revenues it can control-ad valorem taxes, enterprise charges (if applicable) and

user fees -or reducing estimated appropriations to match the, revenue estimates. Increasing controllable revenues can be realized in at least four different ways: 1) increase the amount of the prior years' ad valorem taxes to be collected and take steps to improve the collection of these taxes. Caution: the increase should be realistic. (See the "Tax Billing and Collection" section of this Policies manual for guidance in this area); 2) increase the ad valorem tax rate; 3) increase rates or fees currently being charged to users for services; and 4) impose new fees to be charged to users for services currently being provided at no charge. Increasing tax collections may be the least controversial of the four methods to increase revenues, as the unit has a legal obligation to collect all of its taxes. When a unit considers raising its ad valorem tax rate, it should take into consideration the rates of other units of similar size offering similar services. The unit may discover that the rate it charges is significantly different from others of similar size. If this is the case, a closer look at the unit's tax rate would certainly be warranted. When considering fee or rate increases, the unit should be aware that an increase in user charges might not be accompanied by an equal increase in revenues. Service demand may flatten out or possibly decrease due to a rate increase. Units should consider the possible change in demand when determining how much of a rate increase to implement. If rate increases are implemented or new fees put into place, the changes should be specifically mentioned in the board meeting minutes or in the budget ordinance itself so that changes in the unit's fee structure can be plainly seen.

Financial Forecasting

Revenue and expenditure forecasting plays an important role in public budgeting and financial management, particularly during times of financial constraint, when citizens impose greater accountability upon government to use taxpayer dollars more efficiently. Despite its significance, revenue and expenditure forecasting is often overlooked in the budget process, and there is an imbalance between practice and research in this area. Based on the collaboration of budget scholars and practitioners, Government Budget Forecasting fulfills two purposes- Enhances the understanding of revenue and expenditure estimation both theoretically and practically stimulates dialogue and debate among practitioners and academicians to identify good forecast practices as well as areas for improvement.

As part of the Town of Weaverville budgeting process, the Weaverville Town Council looked at the actual revenues and expenditures of the town for fiscal years ending 6/30/2011 and 6/30/2012 and we projected what the financial condition of the Town would be ending 6/30/2013.

When dealing with truly hard to predict revenues, a forecaster must use a variety of techniques concurrently. In making the projections for the financial condition of the Town for the next four years we relied on the judgment of the staff and reviewing projected growth patterns of our Town.

Staff discussed the type of developments that have express and interest in building in the Weaverville area. In 2009 a new Wal-Mart and Lowe's Home Improvement store moved into a new shopping center. We review the outlook for additional stores moving into the shopping center. 2) What major capital needs that will need to be accomplished. 3) We reviewed areas of expenditures that would be out of the control of the Town such as health insurance and retirement increases. 4) What has been the history of the financial condition of the Town?

Financial forecasting is a snap shot of the future of the Town. It is really looking into a crystal ball with an eye on the future. However, even accurate long-term projections may raise credibility issues. If a local government heeds the warnings of the long range forecast and takes action to avert the problem, then the problem never occurs. When the budget office next predicts a serious problem, public officials may be skeptical. The very success of long range forecasting can thus cause a loss of credibility.

REVENUE PROJECTIONS FY 2014-2018

Town of Weaverville
General Fund Revenues
Projections/Comparison

Description	FY 13-14 BUDGET	FY 14-15 Projected	FY 15-16 Projection	FY 16-17 Projection	FY 17-18 Projection
Prior Year Tax Revenue	500	510	520	530	541
Ad Valorem Tax Revenue	2,504,130	2,486,100	2,468,500	2,476,000	2,552,200
DMV Tax Revenue	108,380	110,548	112,759	116,142	121,949
Tax Penalties & Interest	9,600	9,600	9,600	9,600	9,600
Privilege License	110,000	112,200	114,444	117,877	121,413
Utilities Franchise Tax	375,000	378,750	382,538	390,189	397,993
Beer and Wine Tax	10,000	10,000	10,000	10,000	10,000
Powell Bill Funds	102,000	104,040	106,121	109,305	112,584
Local Govt Sales Tax	890,000	907,800	925,956	953,735	982,347
Bunc County Fire Protection	1,090,000	1,111,800	1,134,036	1,168,057	1,203,099
Cell Tower Revenue	15,380	15,380	15,380	15,380	15,380
Miscellaneous Revenue	10,000	10,000	10,000	10,000	10,000
Interest Earned	15,000	15,075	15,150	15,302	15,455
Interest Earned - Powell Bill	500	503	506	511	516
Zoning Inspection Fees	5,000	5,100	5,202	5,358	5,519
Project Review Inspections	8,044	8,205	8,369	8,620	8,879
Fire Inspection Fees	1,000	1,020	1,040	1,071	1,103
Recycling Fees	0	0	0	0	0
Sale of Property	2,500	2,525	2,550	2,576	2,602
Powell Bill Appropriation	322,100	87,466	86,429	84,317	82,139
General Fund Appropriation	230,062				
Total Revenues	$5,809,196	$5,396,622	$5,434,100	$5,519,570	$5,683,319
		-7.1%	***0.7%***	***1.6%***	***3.0%***

AD VALOREM TAX REVENUE PROJECTIONS FY 2014-2018

Town of Weaverville
Real & Personal Property
Ad Valorem Taxes
Projection

	Budget FY 13-14	INPUT Tax Value Growth Factors FY 14-15	FY 15-16	FY 16-17	FY 17-18	Projection FY 14-15	Projection FY 15-16	Projection FY 16-17	Projection FY 17-18
Real Estate	$523,139,700	1.0%	1.0%	2.0%	5.0%	$528,371,097	$533,654,808	$544,327,904	$571,544,299
Personal Property	$108,580,788	-10.0%	-10.0%	-10.0%	-10.0%	$97,722,709	$87,950,438	$79,155,394	$71,239,855
Public Service	$4,874,566	0.5%	0.5%	0.5%	0.5%	$4,898,939	$4,923,434	$4,948,051	$4,972,791
Total Tax Value	$636,595,054					$630,992,745	$626,528,680	$628,431,349	$647,756,945
Tax Rate Per $100	$0.400					$0.400	$0.400	$0.400	$0.400
Total Tax Levy	$2,546,380					$2,523,971	$2,506,115	$2,513,725	$2,591,028
Collection Rate	98.5%					98.5%	98.5%	98.5%	98.5%
Total Tax Revenue	$2,508,200					$2,486,100	$2,468,500	$2,476,000	$2,552,200

EXPENDITURE PROJECTIONS FY 2014-2018

Function	FY 13-14 BUDGET	*Input* Percent Change FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 14-15 Projected	FY 15-16 Projection	FY 16-17 Projection	FY 17-18 Projection
Government									
Personnel Services	472,300	3.0%	3.0%	3.0%	3.0%	486,469	501,063	516,095	531,578
Operating Expenses	552,670	2.0%	2.0%	2.0%	2.0%	563,723	574,997	586,497	598,227
Capital Outlay	0	See CIP Listing				0	0	0	0
Total	1,024,970					1,050,192	1,076,060	1,102,592	1,129,805
						2.5%	2.5%	2.5%	2.5%
Public Safety									
Personnel Services	2,226,840	3.0%	3.0%	3.0%	3.0%	2,293,645	2,362,454	2,433,328	2,506,328
Operating Expenses	457,050	2.0%	2.0%	2.0%	2.0%	466,191	475,515	485,025	494,726
Capital Outlay	121,030	See CIP Listing				0	0	0	0
Total	2,804,920					2,759,836	2,837,969	2,918,353	3,001,054
						-1.6%	2.8%	2.8%	2.8%
Transportation									
Personnel Services	189,620	3.0%	3.0%	3.0%	3.0%	195,309	201,168	207,203	213,419
Operating Expenses	197,360	2.0%	2.0%	2.0%	2.0%	201,307	205,333	209,440	213,629
Capital Outlay	598,000	See CIP Listing				180,000	180,000	180,000	0
Total	984,980					576,616	586,501	596,643	427,048
						-41.5%	1.7%	1.7%	-28.4%
Environmental									
Personnel Services	354,270	3.0%	3.0%	3.0%	3.0%	364,898	375,845	387,120	398,734
Operating Expenses	135,800	2.0%	2.0%	2.0%	2.0%	138,516	141,286	144,112	146,994
Capital Outlay	77,800	See CIP Listing				240,000	0	0	0
Total	567,870					743,414	517,131	531,232	545,728
						30.9%	-30.4%	2.7%	2.7%
Cultural & Recreation									
Personnel Services	110,160	2.0%	2.0%	3.0%	3.0%	112,363	114,610	118,048	121,589
Operating Expenses	72,830	2.0%	2.0%	2.0%	2.0%	74,287	75,773	77,288	78,834
Capital Outlay	60,000	See CIP Listing				0	36,000	98,000	0
Total	242,990					186,650	226,383	293,336	200,423
						-23.2%	21.3%	29.6%	-31.7%
Debt Service									
Personnel Services	0					0	0	0	0
Operating Expenses	0	See Debt Payments Schedule Tab				623,620	604,243	584,867	441,687
Capital Outlay	0					0	0	0	0
Total	0					623,620	604,243	584,867	441,687
						#DIV/0!	-3.1%	-3.2%	-24.5%
Other Funding Uses									
Personnel Services	0					0	0	0	0
Operating Expenses	63,000	0.0%	0.0%	0.0%	0.0%	63,000	63,000	63,000	63,000
Capital Outlay	0					0	0	0	0
Total	63,000					63,000	63,000	63,000	63,000
						0.0%	0.0%	0.0%	0.0%
Total General Fund									
Personnel Services	3,353,190					3,452,684	3,555,140	3,661,794	3,771,648
Operating Expenses	1,478,710					2,130,644	2,140,147	2,150,229	2,037,097
Capital Outlay	856,830					420,000	216,000	278,000	0
Total	5,688,730					6,003,328	5,911,287	6,090,023	5,808,745
						5.5%	-1.5%	3.0%	-4.6%

DEBT SERVICE PROJECTIONS FY 2014-2018

TOWN OF WEAVERVILLE
DEBT PAYMENTS

	Projection FY 13-14	Projection FY 14-15	Projection FY 15-16	Projection FY 16-17
Fire Trucks	***159,644***	***154,666***	***149,688***	***144,711***
Fire Station	***311,221***	***301,610***	***291,999***	***282,387***
Municipal Building	***133,378***	***128,591***	***0***	***0***
TOTAL DEBT PAYMENTS	***604,243***	***584,867***	***441,687***	***427,098***

Explanation of Fiscal Year 2013-2014 Revenue Sources

(Assumptions and Projections For All Major Revenue Sources)

Estimating municipal state-collected revenues is always a challenge, but this year presents unique challenges. The current economic downturn is unprecedented in recent history for both North Carolina and the nation. While the Great Recession has officially ended, unemployment rates remain extremely high and consumer confidence levels remain low. The estimates that we present here are based on this still sluggish economy. Should our assumptions about the pace of the economic recovery prove incorrect, then the revenue estimates that we have presented will be affected.

Ad Valorem Tax

This year's budget is based on a property evaluation of $523,139,700; personal property $108,580,788; public service $4,874,566 and motor vehicle valuation of $32,615,100. This budget reflects a tax rate of $0.40 cents per $100 valuation in the FY 2013-2014 budget.

Local Government Sales Taxes

Statewide sales tax distributions to local governments for the first six months of FY 12-13 (October-March distributions) were 1.5 percent above the comparable period in FY 11-12. Retail sales in North Carolina have only flirted with growth on a year-to-year basis in the last few months, while national and state forecasters predict that retail sales growth will continue during FY 13-14 at a rate below the long-term average, but at a rate similar to this year. As a result, we expect the statewide local sales tax base to grow by 3.0-3.5 percent from the FY 12-13 level. Because single family residential construction is beginning to rebound, some areas of the state could see much higher growth rates. Sales tax revenues in North Carolina are impacted heavily by the housing industry. Between FY 07-08 and FY 09-10, the level of taxable sales at building supply and furniture stores in North Carolina declined by 33 percent, or $6.5 million. Taxable sales of other non-food items declined by $6.7 million during the same period. As such, almost 50 percent of the sales tax revenue lost during these two years is due to decline in the construction industry. Sales tax revenue will not rise quickly without a recovery of the housing market. Locally, the stock of existing housing is high and therefore the housing market is unlikely to make a significant recovery during FY 13-14. We anticipate only modest growth in sales tax revenues during FY 13-14.

Powell Bill

Based on the latest State Budget Office estimates of highway revenues, the total October 2012 Powell Bill distribution should be about equal with the October 2011 distribution. The Powell Bill distribution is based largely on the volume of motor fuel taxed by the State and on the value of vehicles purchased and titled in North Carolina, both of which are expected to decline during the current fiscal year from last year's levels.

Of the total Powell Bill distribution, 75 percent is allocated among eligible cities based on their population. The projected per capita allocation for the FY 12-13 Powell Bill distribution is $20.16. The Town of Weaverville's estimated population, based on the 2010 Census and the annexation that took effect on 6/30/10, is 3,674.

The remaining 25 percent of the distribution is allocated based on the number of town maintained street system miles. The projected value of the mileage-based allocation for the FY 11-12 Powell

Bill distribution is between $1,596 per street mile. The Town of Weaverville maintains approximately 18 miles of streets.

Utility Franchise Tax

The utility franchise tax is a grouping of several local revenues that are collected by the State of North Carolina and remitted to the Town on a quarterly basis. They include the electricity franchise tax, telecommunications sales tax, and piped natural gas excise tax. These taxes are collected on a formula established by State law. We anticipate modest growth in this revenue stream during FY 2014. This expectation is based on the increase in electric rates that has been approved by the NC Utility Commission that are scheduled to take effect during the course of the fiscal year. As the tax is based on the amount of revenue received, an increase in revenue will lead to a higher electricity franchise tax. The other utilities' revenue streams are expected to remain flat and so we have moderated the increase expected from the rise in electric rates.

Beer and Wine Taxes

In North Carolina, municipalities share in the beer and wine tax based on their population. We have estimated that this revenue source will remain flat during FY 2013-2014.

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Final Budget Summary

Town of Weaverville

General Fund Revenues

Description	FY 10-11 Actual	FY 09-10 Projected	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Prior Year Tax Revenue	6,254	0	500	500	500	0	0.0%
Ad Valorem Tax Revenue	2,608,272	2,320,000	2,561,200	2,504,130	2,520,920	16,790	0.7%
DMV Tax Revenue	107,829	85,000	93,630	108,380	122,000	13,620	12.6%
Tax Penalties & Interest	10,671	42,000	9,600	9,600	10,000	400	4.2%
Privilege License	106,069	6,000	120,000	110,000	105,000	(5,000)	-4.5%
Utilities Franchise Tax	415,022	280,000	304,500	375,000	410,000	35,000	9.3%
Beer and Wine Tax	15,914	10,000	10,000	10,000	10,000	0	0.0%
Powell Bill Funds	101,861	90,657	100,000	102,000	104,000	2,000	2.0%
Local Govt Sales Tax	873,692	800,000	832,000	890,000	981,760	91,760	10.3%
Bunc County Fire Protection	1,060,134	1,118,696	1,074,100	1,090,000	1,053,790	(36,210)	-3.3%
ABC Store - Police Dept Revenue	0	1,118,696	3,000	-		0	N/A
Gasoline Tax Refund	0	20	0			0	N/A
Federal Fuel Tax Refund	0	2,500	0			0	N/A
Grant Funds	0	0	0		10750	10,750	N/A
Cell Tower Revenue	0	13,704	13,700	15,380	15,580	200	1.3%
Miscellaneous Revenue	387	15,000	12,000	10,000	10,000	0	0.0%
Interest Earned	17,557	105,000	40,000	15,000	7,500	(7,500)	-50.0%
Interest Earned - Powell Bill	11,451	1,000	1,000	500	500	0	0.0%
Zoning Inspection Fees	27,782	9,000	1,000	5,000	5,000	0	0.0%
Project Review Inspections	356	0		8,044	-	(8,044)	-100.0%
Fire Inspection Fees	7,041	2,100	2,000	1,000	1,000	0	0.0%
Sale of Property	6,765	349,300	5,000	2,500	2,500	0	0.0%
Total Revenues	**$5,377,058**	**$6,368,673**	**$5,183,230**	**$ 5,257,034**	**$ 5,370,800**	**$113,766**	**1.4%**
Other Financing Sources							
Appropriated Fund Balance	***249,000***	0	***0***	***230,062***	***257,890***	27,828	12.1%
Appropriated Powell Bill Funds	0	0	182,830	322,100	440,410	118,310	36.7%
Transfer from Fund 060	0	0	0			0	N/A
Transfer from Fund 070	0	0	0			0	N/A
Loan Proceeds - Fire Trucks	0	0	0			0	N/A
Total Other Financing Sources	**$249,000**	**$0**	**$182,830**	**$552,162**	**$698,300**	**$146,138**	**26.5%**
Total General Fund Revenues	**$5,626,058**	**$6,368,673**	**$5,366,060**	**$5,809,196**	**$6,069,100**	**$259,904**	**4.5%**

Town of Weaverville
General Fund
Expenditures
Governing Body

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Council Honorarium	19,200	1,920	19,200	19,200	0	0.0%
FICA	1,469	1,469	1,470	1,470	0	0.0%
Retirees Health Insurance	3,792	5,625	9,080	9,750	670	7.4%
Professional Services	162,327	127,879	120,000	140,000	20,000	16.7%
Supplies & Materials	1,045	585	1,000	1,500	500	50.0%
Contributory Expense	0	0	1,978	-	(1,978)	-100.0%
Forestry Program	0	805	7,763	1,500	(6,263)	-80.7%
Grant Program	0	2,226	1,770	-	(1,770)	-100.0%
Wildlife Habitat	0	23,738	1,384	-	(1,384)	-100.0%
Main Street Nature Park	0	0	-	-	0	N/A
Travel & Training	3,329	6,428	3,000	5,000	2,000	66.7%
Postage	6,058	5,148	5,000	5,000	0	0.0%
Public Bldg Maintenance & Utilities	16,552	17,144	17,500	17,500	0	0.0%
Advertising	663	827	3,500	3,500	0	0.0%
Newsletters	5,220	7,092	7,500	7,500	0	0.0%
Printing	2,838	0	1,000	2,000	1,000	100.0%
Janitorial Services	1,155	840	1,500	1,500	0	0.0%
Dues and Subscriptions	96	250	3,500	-	(3,500)	-100.0%
Community Promotions	16,567	27,870	34,750	50,000	15,250	43.9%
Election Expenses	0	8,700	-	10,000	10,000	N/A
Insurance	5,454	6,930	6,500	6,500	0	0.0%
Capital Equipment	0	0	-		0	N/A
Total Expenditures	**$245,765**	**$245,477**	**253,895**	**281,920**	**$28,025**	**11.0%**

Town of Weaverville
General Fund Expenditures
Government Administration

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Salaries & Wages	273,838	261,887	277,160	283,330	6,170	2.2%
FICA	20,357	19,567	21,200	21,680	480	2.3%
Retirement	17,275	18,282	18,490	15,880	(2,610)	-14.1%
401-K	13,491	10,923	11,350	8,230	(3,120)	-27.5%
Health Insurance	30,033	25,406	24,440	23,810	(630)	-2.6%
Professional Services	14,469	30,702	35,000	45,000	10,000	28.6%
Project Review Services		6,580	8,044	-	(8,044)	-100.0%
Economic Development Program	0	0	50,000	-	(50,000)	-100.0%
Vehicle Supplies	1,235	1,817	2,000	1,200	(800)	-40.0%
Office Supplies	8,712	9,522	9,500	10,000	500	5.3%
Travel & Training	8,373	6,856	8,500	8,500	0	0.0%
Telephone	6,891	7,435	7,500	5,400	(2,100)	-28.0%
Postage	2,132	3,491	4,500	4,000	(500)	-11.1%
Utilities	5,344	4,633	5,300	5,300	0	0.0%
Building Repair & Maintenance	6,352	4,911	6,500	6,500	0	0.0%
Equipment Maintenance	1,900	1,126	1,500	4,000	2,500	166.7%
Vehicle Maintenance	1,880	2,659	2,500	750	(1,750)	-70.0%
Advertising	0	0	-	-	0	N/A
Janitorial Services	2,400	2,400	2,500	2,500	0	0.0%
Bank Service Charges	4,486	781	2,000	500	(1,500)	-75.0%
Bank Card Fees			3,500	3,500	0	0.0%
Insurance	7,378	7,633	7,200	7,200	0	0.0%
ESC Reimbursemetn		6,896	7,500	27,120	19,620	261.6%
Small Equipment	10,705	10,490	11,000	23,000	12,000	109.1%
Capital Equipment	0	8,780	125,000	-	(125,000)	-100.0%
Govt Administration Expend.	$437,251	$452,776	$652,184	507,400	($144,784)	-22.2%

Town of Weaverville
General Fund
Expenditures

Development Services

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Actual	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Salaries & Wages				65,100	0	N/A
FICA				4,970	0	N/A
Retirement				4,710	0	N/A
401-K				3,900	0	N/A
Health Insurance				10,270	0	N/A
Professional Services				61,000	0	N/A
Economic Development Program				40,000	0	N/A
Vehicle Supplies				1,000	0	N/A
Office Supplies				5,000	0	N/A
Travel & Training				3,000	0	N/A
Telephone				1,200	0	N/A
Postage				1,000	0	N/A
Utilities				2,500	0	N/A
Building Repair & Maintenance				500	0	N/A
Equipment Maintenance				500	0	N/A
Vehicle Maintenance				1,500	0	N/A
Advertising				3,500	0	N/A
Janitorial Services				26,000	0	N/A
Insurance				-	0	N/A
Small Equipment				-	0	N/A
Capital Equipment				-	0	N/A
Development Serv Expend.	**$0**	**$0**	**$0**	**235,650**	**$0**	N/A

Town of Weaverville
General Fund Expenditures
Police Department

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Salaries & Wages	724,969	732,600	745,320	748,260	2,940	0.4%
FICA	54,406	54,627	57,020	57,240	220	0.4%
Retirement	46,633	51,830	50,510	54,460	3,950	7.8%
401-K	35,872	35,819	35,400	35,510	110	0.3%
Health Insurance	87,432	89,728	98,090	99,360	1,270	1.3%
Professional Services	25,048	21,970	22,200	22,000	(200)	-0.9%
Vehicle Supplies	43,289	50,158	49,800	49,800	0	0.0%
Supplies / Materials	9,092	6,921	7,000	6,600	(400)	-5.7%
Crime Prevention	1,881	883	1,300	1,300	0	0.0%
Drug Education & Prevention	0	0	4,334	-	(4,334)	-100.0%
Alcohol Education & Prevention	0	0	3,000	-	(3,000)	-100.0%
Grant Projects	0	0	-		0	N/A
Contributory Expense		278	-	-	0	N/A
Grant Projects		0	18,817		(18,817)	-100.0%
COPS for KIDS		17,630	-	-	0	N/A
Uniforms	8,397	6,818	7,000	6,700	(300)	-4.3%
Travel & Training	2,123	1,867	3,500	3,300	(200)	-5.7%
Telephone	11,432	17,927	17,800	15,200	(2,600)	-14.6%
Postage	373	315	350	350	0	0.0%
Utilities	5,224	4,456	5,000	5,000	0	0.0%
Building Repair & Maintenance	9,217	7,649	7,100	6,700	(400)	-5.6%
Equipment Maintenance	3,478	2,400	2,800	2,600	(200)	-7.1%
Vehicle Maintenance	16,114	13,222	16,200	16,000	(200)	-1.2%
Insurance	29,756	29,117	32,000	30,000	(2,000)	-6.2%
Small Equipment	55,954	45,063	26,000	28,500	2,500	9.6%
Capital Equipment	95,008	37,981	101,600	121,030	19,430	19.1%
Total Expenditures	$1,265,698	$1,229,257	1,312,141	1,309,910	($2,231)	-0.2%

Town of Weaverville
General Fund Expenditures
Fire Department

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Salaries & Wages	842,900	893,150	943,040	852,780	(90,260)	-9.6%
Relief Pay	22,674	38,054	40,000	51,350	11,350	28.4%
Overtime		0	-	35,000		
FICA	63,569	68,457	75,200	69,170	(6,030)	-8.0%
Retirement	53,482	63,355	65,260	65,550	290	0.4%
401-K	37,411	40,225	43,010	39,900	(3,110)	-7.2%
Health Insurance	116,286	118,580	121,080	118,260	(2,820)	-2.3%
Professional Services	5,906	1,339	3,000	3,000	0	0.0%
Vehicle Supplies	21,131	19,711	23,500	23,500	0	0.0%
Supplies / Materials	14,413	12,139	15,500	15,500	0	0.0%
Medical Vacinations	810	6,945	9,000	8,500	(500)	-5.6%
Prevention Supplies	2,045	3,231	4,000	4,000	0	0.0%
Contributory Expense					0	N/A
Grant Projects					0	N/A
Medical Equipment & Supplies	7,639	3,401	500	5,000	4,500	900.0%
Grant Projects	41,871		-		0	N/A
Uniforms	15,542	14,142	12,000	12,000	0	0.0%
Travel & Training	16,503	12,013	16,000	16,000	0	0.0%
Telephone	12,205	10,812	13,000	13,000	0	0.0%
Utilities	15,039	14,514	17,000	17,000	0	0.0%
Building Repair & Maintenance	15,289	8,668	10,000	10,000	0	0.0%
Equipment Maintenance	17,738	17,857	18,000	18,000	0	0.0%
Vehicle Maintenance	16,304	20,919	17,000	20,000	3,000	17.6%
Dues & Subscriptions	5,798	6,603	7,000	7,500	500	7.1%
Insurance	71,475	67,138	70,000	70,000	0	0.0%
Small Equipment	48,670	41,786	20,000	20,000	0	0.0%
Capital Equipment	16,728	6,660	-	-	0	N/A
District Facility					0	N/A
Capital Equipment - Fire Trucks	0	0			0	N/A
Capital Equipment - Fire Substatio	0				0	N/A
Fire Dept Expenditures	$1,481,428	$1,489,699	$1,543,090	$1,495,010	($83,080)	-3.1%

Town of Weaverville

General Fund Expenditures

Streets Department

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Salaries & Wages	97,451	105,133	122,600	124,180	1,580	1.3%
FICA	7,251	7,772	9,380	9,600	220	2.3%
Retirement	6,160	7,454	8,560	9,100	540	6.3%
401-K	3,546	4,197	4,560	4,660	100	2.2%
Uniform Expense Town	983	1,876	1,060	1,440	380	35.8%
Health Insurance	13,917	14,601	15,980	15,830	(150)	-0.9%
Professional Services	43,881	25,607	10,000	10,000	0	0.0%
Contract Labor	7,497	14,234	9,860	9,860	0	0.0%
Contract Work	28,442	37,170	43,000	33,000	(10,000)	-23.3%
Vehicle Supplies	9,485	10,868	18,000	18,000	0	0.0%
Supplies / Materials	26,075	38,817	21,000	21,000	0	0.0%
Telephone	5,594	5,554	6,000	4,600	(1,400)	-23.3%
Utilities	54,131	53,755	57,000	57,000	0	0.0%
Building Repair & Maintenance	981	2,290	2,500	2,500	0	0.0%
Equipment Maintenance	5,487	3,142	6,000	6,000	0	0.0%
Vehicle Maintenance	1,619	1,457	3,000	3,000	0	0.0%
Insurance	4,286	4,947	5,470	5,000	(470)	-8.6%
Small Equipment	1,803	4,205	2,500	2,800	300	12.0%
Capital Improvements	200,072	(1,765)	-	-	0	N/A
Capital Equipment	10,920	0	23,500	103,000	79,500	338.3%
Sidewalks	0	0	-	-	0	N/A
Total Expenditures	**$529,581**	**$341,315**	**369,970**	**440,570**	**$70,600**	**19.1%**

Town of Weaverville
General Fund Expenditures
Powell Bill Department

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Salaries & Wages	15,005	15,626	18,900	19,330	430	2.3%
FICA	1,105	1,141	1,450	1,480	30	2.1%
Retirement	949	1,108	1,310	1,400	90	6.9%
401-K	509	582	530	540	10	1.9%
Uniform Expense Town	155	175	70	-	(70)	-100.0%
Health Insurance	2,281	2,225	2,040	2,060	20	1.0%
Professional Services	603	16,034	10,000	10,000	0	0.0%
Contract Labor	2,917	2,043	3,000	3,000	0	0.0%
Contract Work	0	0	4,500	4,500	0	0.0%
Supplies / Materials	2,171	0	4,000	4,000	0	0.0%
Equipment Maintenance	261	0	1,500	1,500	0	0.0%
Insurance	1,403	1,555	1,800	1,600	(200)	-11.1%
Capital Improvements	5,501	105,280	375,000	495,000	120,000	32.0%
Total Expenditures	$32,860	$145,768	$ 424,100	$ 544,410	$120,310	28.4%
Streets & Powell Bill Expend.	$562,441	$487,084	$794,070	$984,980	$190,910	24.0%

Town of Weaverville
General Fund
Expenditures

Sanitation Department

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Salaries & Wages	252,307	235,816	251,570	258,800	7,230	2.9%
FICA	18,840	17,479	19,250	19,800	550	2.9%
Retirement	15,942	16,747	17,600	18,760	1,160	6.6%
401-K	9,896	10,051	8,750	8,910	160	1.8%
Uniform Expense Town	2,791	4,422	2,830	3,600	770	27.2%
Health Insurance	41,393	35,583	42,910	44,400	1,490	3.5%
Professional Services	1,034	659	1,200	1,200	0	0.0%
Contract Labor	8,346	8,484	12,000	12,000	0	0.0%
Vehicle Supplies	19,483	21,471	29,000	26,500	(2,500)	-8.6%
Supplies / Materials	4,842	5,085	600	6,300	5,700	950.0%
Utilities	5,821	5,057	6,500	5,800	(700)	-10.8%
Building Repair & Maintenance	2,050	3,197	2,000	2,000	0	0.0%
Equipment Maintenance	299	2,991	5,000	4,000	(1,000)	-20.0%
Vehicle Maintenance	6,560	7,695	8,000	8,000	0	0.0%
Tipping Fees	52,738	51,856	58,000	60,000	2,000	3.4%
Insurance	7,322	8,057	9,000	8,000	(1,000)	-11.1%
Small Equipment	1,749	1,799	2,000	2,000	0	0.0%
Capital Equipment	45,632	28,925	12,000	77,800	65,800	548.3%
Total Expenditures	**$497,045**	**$465,371**	**488,210**	**567,870**	**79,660**	**16.3%**

Town of Weaverville
General Fund Expenditures
Recreation Department

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Salaries & Wages	76,197	78,554	81,290	81,930	640	0.8%
FICA	5,777	5,824	6,222	6,360	138	2.2%
Retirement	4,817	5,570	5,690	6,030	340	6.0%
401-K	2,374	2,958	2,130	2,170	40	1.9%
Uniform Expense Town	906	1,540	910	1,200	290	31.9%
Health Insurance	13,067	10,831	11,860	12,470	610	5.1%
Professional Services	162	42	1,000	13,750	12,750	1275.0%
Contract Labor	7,883	5,852	10,000	12,000	2,000	20.0%
Contract Work	840	859	2,430	2,430	0	0.0%
Vehicle Supplies	2,316	3,144	4,900	4,900	0	0.0%
Supplies / Materials	3,712	9,366	10,000	14,000	4,000	40.0%
Utilities	5,769	14,089	8,000	16,500	8,500	106.3%
Building Repair & Maintenance	831	1,431	1,500	1,500	0	0.0%
Equipment Maintenance	15,394	1,164	2,000	2,000	0	0.0%
Vehicle Maintenance	1,652	703	1,500	1,500	0	0.0%
Insurance	1,558	1,837	2,300	2,000	(300)	-13.0%
Small Equipment	0	1,415	2,000	2,250	250	12.5%
Capital Equipment	0	0	0	60,000	60,000	N/A
Total Expenditures	$143,255	$145,180	153,732	242,990	89,258	58.1%

Town of Weaverville

General Fund Expenditures

Debt Service Payments

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Loan Payment Fire Department	340,056	330,444	320,830	275,750	(45,080)	-14.1%
Capital Lease - Fire Trucks	174,576	169,599	164,620	164,620	0	0.0%
Loan Payment Municipal Building	147,741	142,953	138,170	-	(138,170)	-100.0%
Loan Payment Public Works Bldg	36,179	0	-		0	N/A
Total Expenditures	**$698,552**	**$642,996**	**$623,620**	**440,370**	**(183,250)**	**-29.4%**

Town of Weaverville
Water Fund Summary
Revenues and
Expenditures

Revenues	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Water Fund Revenues	1,650,169	1,625,530	1,639,390	1,699,400	60,010	3.7%
Other Financing Sources	0	0			0	N/A
Total Water Fund Revenues	**$1,650,169**	**$1,625,530**	**$ 1,639,390**	**$ 1,699,400**	**60,010**	**3.7%**

Expenditures	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Utilities Administration	233,039	239,851	222,040	237,560	15,520	7.0%
Water Production	642,353	630,838	636,560	690,670	54,110	8.5%
Utilities Maintenance	395,702	412,714	528,140	517,420	(10,720)	-2.0%
Debt & Contingency Expenses	235,290	142,999	252,650	253,750	1,100	0.4%
Total Water Fund Expenditures	**$1,506,384**	**$1,426,402**	**$1,639,390**	**$1,699,400**	**60,010**	**3.7%**

Town of Weaverville
Water Fund Revenues

Description	FY 10-11 Actual	FY 09-10 Projection	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Water Revenue	1,539,696	1,447,000	1,502,163	1,577,390	1,637,500	(37,533)	-2.4%
Miscellaneous Revenue	10,056	16,000	5,590	6,000	5,600	(400)	-6.7%
Water Taps	18,660	10,000	18,735	5,000	6,000	1,000	20.0%
Impact Fees	22,567	12,000	38,150	5,000	10,000	5,000	100.0%
Fee for MSD Collections	38,878	36,000	40,117	37,500	35,000	(2,500)	-6.7%
Interest Water Revenue	5,237	5,000	4,080	3,500	2,800	(700)	-20.0%
Interest Earned	15,075	33,000	16,693	5,000	2,500	(2,500)	-50.0%
Security Grant	0	0	0	0		0	N/A
Total Revenues	**$1,650,169**	**$1,559,000**	**$1,625,530**	**$1,639,390**	**$1,699,400**	**60,010**	**3.7%**
Appropriated Fund Balance	0	208,050	0	0	0	0	N/A
Residual Bond Proceeds	0	0	0	0	0	0	N/A
Total Other Financing Sources	**$0**	**$208,050**	**$0**	**$ -**	**$ -**	**$0**	N/A
Total Water Fund Revenues	**$1,650,169**	**$1,767,050**	**$1,625,530**	**$1,639,390**	**$1,699,400**	**$1,639,390**	3.7%

Town of Weaverville
Water Fund Debt Service

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Reserve for Bond Payment	235,290	117,999	232,650	233,750	1,100	0.5%
Bond Refinancing Cost	0	0		0	0	N/A
Loan Payment PW Building	0	0		0	0	N/A
Contingency	0	25,000	20,000	20,000	0	0.0%
Total Expenditures	$235,290	$142,999	$252,650	$253,750	1,100	0.4%

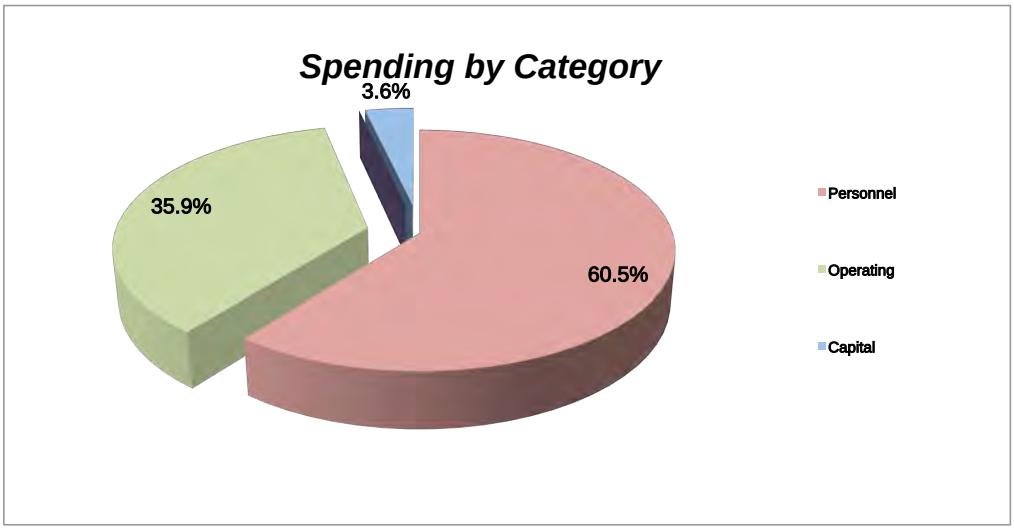
Town of Weaverville
Water Fund Expenditures
Water Administration

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Salaries & Wages	154,981	137,570	139,210	142,240	3,030	2.2%
FICA	11,151	10,607	10,650	10,880	230	2.2%
Retirement	9,425	10,213	9,630	10,310	680	7.1%
401-K	7,364	6,790	7,830	7,990	160	2.0%
Uniform Expense Town	566	326	-	600	600	N/A
Health Insurance	19,373	17,004	14,620	13,480	(1,140)	-7.8%
Retiree's Health Insurance		3,750	3,000	6,500	3,500	116.7%
Professional Services	15,303	28,404	15,000	20,000	5,000	33.3%
Vehicle Supplies	1,183	3,531	5,000	3,850	(1,150)	-23.0%
Supplies / Materials	1,044	3,793	3,500	4,410	910	26.0%
Travel & Training				2,000		
Telephone	458	1,062	600	2,100	1,500	250.0%
Postage	6,802	7,719	6,500	6,800	300	4.6%
Vehicle Maintenance	280	92	1,400	1,400	0	0.0%
Insurance	2,727	2,827	3,100	3,000	(100)	-3.2%
Small Equipment	2,382	310	2,000	2,000	0	0.0%
Capital Equipment	0	5,853	-	-	0	N/A
Total Expenditures	**$233,039**	**$239,851**	**$222,040**	**$237,560**	**15,520**	**7.0%**

Town of Weaverville
Water Fund Expenditures
Water Production Department

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Salaries & Wages	283,694	210,881	197,220	187,010	(10,210)	-5.2%
FICA	20,499	15,902	15,090	14,570	(520)	-3.4%
Retirement	17,645	15,117	13,650	13,810	160	1.2%
401-K	10,683	7,118	6,910	6,600	(310)	-4.5%
Uniform Expense Town	1,627	1,023	1,800	2,400	600	33.3%
Health Insurance	37,778	25,450	24,710	25,780	1,070	4.3%
Professional Services	7,348	6,964	10,000	12,000	2,000	20.0%
Water Testing / Maintenance	28,318	27,516	29,600	29,600	0	0.0%
Contract Work	0	14,053	13,600	13,000	(600)	-4.4%
Chemicals	35,287	48,055	48,000	50,000	2,000	4.2%
Vehicle Supplies	3,819	4,323	5,850	12,900	7,050	120.5%
Supplies / Materials	10,130	8,478	14,000	16,000	2,000	14.3%
Lab Supplies	18,247	19,290	22,000	24,500	2,500	11.4%
Travel & Training	570	2,282	3,000	3,000	0	0.0%
Telephone	3,213	3,431	3,800	3,200	(600)	-15.8%
Utilities	108,144	93,844	105,000	105,000	0	0.0%
Sludge Removal	17,783	30,534	36,000	26,000	(10,000)	-27.8%
Building Repair / Maintenance	8,000	2,192	2,000	3,600	1,600	80.0%
Equipment Maintenance	16,697	13,921	18,000	18,000	0	0.0%
Vehicle Maintenance	602	496	2,000	3,200	1,200	60.0%
Insurance	5,744	5,371	6,330	5,500	(830)	-13.1%
Water Purchases	4,753	14,835	8,000	8,000	0	0.0%
Security System	0	0	-	2,000	2,000	N/A
Small Equipment	1,772	9,117	2,000	105,000	103,000	5150.0%
Capital Equipment	0	50,643	48,000		(48,000)	-100.0%
Total Expenditures	**$642,353**	**$630,838**	**$636,560**	**$690,670**	**54,110**	**8.5%**

Spending by Category



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Departmental Operational Guide

Town Of Weaverville Administration and Finance

- **Professional Services**
- **Zoning and Subdivision**
- **Water Administration**
- **Tax Collection**
- **Finance**

❑ Mission Statement

The Administration of the Town of Weaverville is dedicated to providing the citizens of Weaverville with quality customer service and to always seek innovative approaches to solving the concerns of our residents with the most cost effective means.

❑ Budget Summary

At the March budget workshop, one of the top priorities of the Weaverville Council was to maintain a quality workforce. While no funds were allocated for cost of living increases or merit increases in this budget, funds have been allocated to allow for a detail salary and benefit survey. The Council also budgeted 2% of payroll to help with any issues that may be discovered.

❑ Objectives

- Continue to work with and provide staff for the Weaverville Board of Adjustments and the Weaverville Planning and Zoning Board.
- To continue to publish monthly the "Focus on Weaverville."
- To ensure that all accounting practices are in compliance with the North Carolina Local Government requirements.
- Continue the cross training of the Administrative Staff.
- Pursue the Government Finance Officers Association "Distinguished Budget Presentation Award" and complete a "Comprehensive Annual Financial Report" for FY 2013.

Performance Measurement System – Administration and Finance

Standard No. 1

During Fiscal Year 2012-2013, revenues and expenditures were written within 90% of budget. This goal remains the same for fiscal year 2013-2014.

Standard No. 2

During Fiscal Year 2012-2013, the Town of Weaverville collected 99.93% of taxes levied, exceeding the 99% collection rate goal. In fiscal year 2013-2014, the Town will again aim to collect 99% of the tax levy.

Standard No. 3

During Fiscal Year 2012-2013, staff presented monthly reports regarding actual revenues and expenditures, as compared to budgeted amounts, to the governing body each month. This practice will continue in fiscal year 2013-2014.

Town of Weaverville
General Fund
Expenditures
Government
Administration

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Salaries & Wages	273,838	261,887	277,160	283,330	6,170	2.2%
FICA	20,357	19,567	21,200	21,680	480	2.3%
Retirement	17,275	18,282	18,490	15,880	(2,610)	-14.1%
401-K	13,491	10,923	11,350	8,230	(3,120)	-27.5%
Health Insurance	30,033	25,406	24,440	23,810	(630)	-2.6%
Professional Services	14,469	30,702	35,000	45,000	10,000	28.6%
Project Review Services		6,580	8,044	-	(8,044)	-100.0%
Economic Development Program	0	0	50,000	-	(50,000)	-100.0%
Vehicle Supplies	1,235	1,817	2,000	1,200	(800)	-40.0%
Office Supplies	8,712	9,522	9,500	10,000	500	5.3%
Travel & Training	8,373	6,856	8,500	8,500	0	0.0%
Telephone	6,891	7,435	7,500	5,400	(2,100)	-28.0%
Postage	2,132	3,491	4,500	4,000	(500)	-11.1%
Utilities	5,344	4,633	5,300	5,300	0	0.0%
Building Repair & Maintenance	6,352	4,911	6,500	6,500	0	0.0%
Equipment Maintenance	1,900	1,126	1,500	4,000	2,500	166.7%
Vehicle Maintenance	1,880	2,659	2,500	750	(1,750)	-70.0%
Advertising	0	0	-	-	0	N/A
Janitorial Services	2,400	2,400	2,500	2,500	0	0.0%
Bank Service Charges	4,486	781	2,000	500	(1,500)	-75.0%
Bank Card Fees			3,500	3,500	0	0.0%
Insurance	7,378	7,633	7,200	7,200	0	0.0%
ESC Reimbursement		6,896	7,500	27,120	19,620	261.6%
Small Equipment	10,705	10,490	11,000	23,000	12,000	109.1%
Capital Equipment	0	8,780	125,000	-	(125,000)	-100.0%
Govt Administration Expend.	**$437,251**	**$452,776**	**$652,184**	**507,400**	**($144,784)**	**-22.2%**

Town Of Weaverville Police Department

- **Patrol**
- **Criminal Investigation**
- **Auxiliary Force**
- **Community Policing**

❑ Mission Statement

The Weaverville Police Department's mission is to provide innovative policing methods concentrating on involving community members in policing efforts, thereby clarifying community goals for policing, building stronger relationships between individual citizens and officers, empowering citizens to create safer neighborhoods, and increasing citizen approval of policing services.

❑ Budget Summary

The Budget of the Weaverville Police Department was developed with the idea of trying to stop crime before it can occur. Therefore the department will be heavily involved in the "Community Policing Initiative."

❑ Objectives:

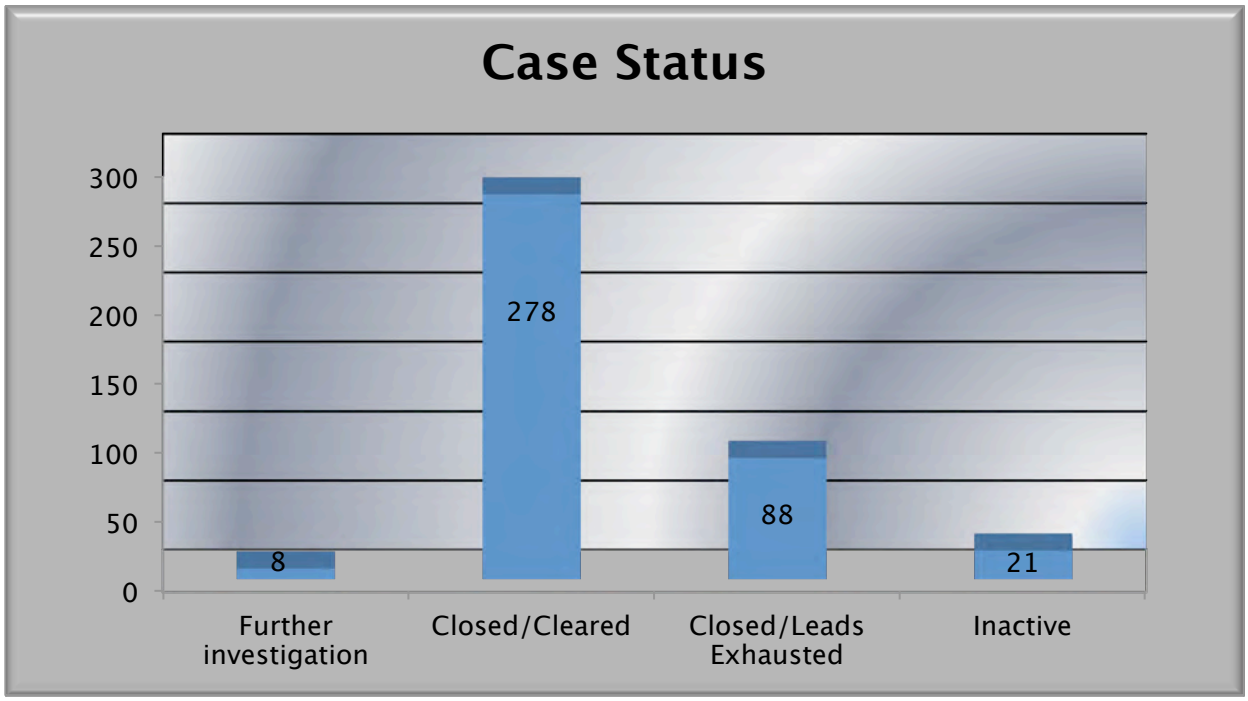
- Maintain a low crime rate.
- Maintain our highly visible patrol techniques
- Continue to perform walk through patrols for our businesses
- Continue to check all business doors after hours
- Conduct residential security checks for citizens on vacation
- Senior citizen reassurance programs
- Continue our community policing efforts by maintaining our high visibility patrol, foot patrols, community watch, our drug awareness program, and provide assistance for any problem that occurs in our community.
- Preventing Business Crime Program
- Victim's Assistance Program
- Reading Partners Program in our Schools
- Safety Awareness Program
- Police Department Tours
- Provide more emphasis on enforcing the speed laws in Town.

- Increase officer training for better job performance and decrease the chance of losing a civil lawsuit.
- Continue our volunteer program.
- Operate the Department in a sound financial manner within the approved line item Budget.

Town of Weaverville
Police Department
Activity Comparison by Year

Activity	2009	2010	2011	2012	Percentage
					Increase/Decrease
Vehicle Crashes	225	239	295	258	13%
Parking Ticket	36	40	25	9	64%
Written Warning	513	619	557	332	40%
Verbal Warning	162	135	105	117	11%
Misdemeanor Charges	399	457	460	365	21%
Felony Charges	64	66	134	125	7%
Officer Assist	1,185	1,259	1,621	1,356	16%
Alarm Response	248	239	221	273	24%
Disturbance Calls	450	453	623	753	21%
Escorts / Delivery	911	1,038	825	1,030	25%
Building Checks	12,702	19,648	32,029	36,909	15%
Residential Checks	1,937	1,460	1,900	3,088	63%
Buildings Unsecure	251	228	254	293	15%
Pedestrian Crossing	504	519	592	628	6%
Senior Checks	1,935	1,817	1,808	1,893	5%
Motorist Assist	162	187	153	151	1%
Suspicious Person/Vehicle	480	428	704	797	13%
Traffic Surveillance	847	872	571	484	15%
Citations	468	640	522	336	36%
Drugs	64	75	124	20	84%
DWI	46	44	49	23	53%
Reports Taken	483	571	685	591	14%
Court	26	19	17	30	76%
Investigation Followup	573	561	789	683	13%
Vehicle Stops	920	1,118	978	582	40%
C.O.P.P.S. Activity	877	784	670	917	37%
Miles Patrolled	124,067	114,598	127,476	124,653	2%

Weaverville Police Department
2012 Incidents by
Case Status



Case Status

Further investigation	8
Closed / Cleared	278
Closed / Leads Exhausted	88
Inactive	21
Total Incidents	395

Performance Measurement System – Police

Standard No. 1

During fiscal year 2012-2013, the police department cleared 90.1% of reported crimes, exceeding its goal of 85%. In fiscal year 2013-2014, the police department will again aim to clear 85% of reported crimes.

Standard No. 2

During fiscal year 2012-2013, 90% of non-emergency dispatched calls were responded to within 11.3 minutes, exceeding the goal of response within 20 minutes. In fiscal year 2013-2014, 90% of non-emergency dispatched calls will be responded to within 20 minutes.

Standard No. 3

During fiscal year 2012-2013, all dispatched emergency calls were responded to within 3.1 minutes, exceeding the goal of 6 minutes. In fiscal year 2013-2014, all dispatched emergency calls will again be responded to within 6 minutes.

Standard No. 4

During fiscal year 2012-2013, police department expenditures and revenues fell within 98% of the proposed budget. During fiscal year 2013-2014, the department will work to have all expenditures and revenues fall within 90% of proposed budgets.

Town of Weaverville

General Fund Expenditures

Police Department

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Salaries & Wages	724,969	732,600	745,320	748,260	2,940	0.4%
FICA	54,406	54,627	57,020	57,240	220	0.4%
Retirement	46,633	51,830	50,510	54,460	3,950	7.8%
401-K	35,872	35,819	35,400	35,510	110	0.3%
Health Insurance	87,432	89,728	98,090	99,360	1,270	1.3%
Professional Services	25,048	21,970	22,200	22,000	(200)	-0.9%
Vehicle Supplies	43,289	50,158	49,800	49,800	0	0.0%
Supplies / Materials	9,092	6,921	7,000	6,600	(400)	-5.7%
Crime Prevention	1,881	883	1,300	1,300	0	0.0%
Drug Education & Prevention	0	0	4,334	-	(4,334)	-100.0%
Alcohol Education & Prevention	0	0	3,000	-	(3,000)	-100.0%
Grant Projects	0	0	-		0	N/A
Contributory Expense		278	-	-	0	N/A
Grant Projects		0	18,817		(18,817)	-100.0%
COPS for KIDS		17,630	-	-	0	N/A
Uniforms	8,397	6,818	7,000	6,700	(300)	-4.3%
Travel & Training	2,123	1,867	3,500	3,300	(200)	-5.7%
Telephone	11,432	17,927	17,800	15,200	(2,600)	-14.6%
Postage	373	315	350	350	0	0.0%
Utilities	5,224	4,456	5,000	5,000	0	0.0%
Building Repair & Maintenance	9,217	7,649	7,100	6,700	(400)	-5.6%
Equipment Maintenance	3,478	2,400	2,800	2,600	(200)	-7.1%
Vehicle Maintenance	16,114	13,222	16,200	16,000	(200)	-1.2%
Insurance	29,756	29,117	32,000	30,000	(2,000)	-6.2%
Small Equipment	55,954	45,063	26,000	28,500	2,500	9.6%
Capital Equipment	95,008	37,981	101,600	121,030	19,430	19.1%
Total Expenditures	**$1,265,698**	**$1,229,257**	**1,312,141**	**1,309,910**	**($2,231)**	**-0.2%**

Town Of Weaverville Fire Department

- **Fire Suppression**
- **Investigations/Inspections**
- **First Responder**
- **Public Education**
- **Training/Safety**

❑ Mission Statement

The Weaverville Fire Department's mission is to assist the public in the protection of life and property by minimizing the impact of fire, medical emergencies and potential disasters or events that affect the community and environment.

❑ Budget Summary

The Weaverville Fire Department has 18 full-time firefighters with 2011-2012 personnel expenditures of $1,261,060. Personnel expenditures represent the largest expenditure in the department's budget. During FY 2009-2010, the Department replaced a 105-foot ladder truck, brush truck, engine pumper, heavy rescue vehicle, and rebuilt a brush truck and tanker. Therefore, in the 2011-2012 Budget, the Department has budgeted $169,600 to cover debt service.

❑ Objectives

Objective: To have a fully staffed engine company or rescue company on the scene of alarmed events within nine (9) minutes of the time of call for assistance, 90% of the time.

Objective: To provide well-trained professionals with credentials in fire, rescue, emergency medical and Hazardous Materials.

The validation of training is obtaining and maintaining of credentials meeting State, Federal and International Standards. Our in-house training program is based on these standards and education requirements are maintained. Examples of obtained and maintained credentials are:

International Fire Service Accreditation Congress:

- Firefighter I
- Firefighter II
- Fire Instructor I
- Fire Instructor II Hazmat Level I
- Rescue Technicians
- Driver/Operator - Aerial and Pumper
- Fire Officer I, II
- Fire & Life Safety Educator I, II
- Fire Inspector I, II, III

NFPA:

- Certified Fire Protection Specialist

National:

Child Passenger Safety Technician NIMS: ICS 100, 200, 300 ICS: 700, 800

OSHA:

Authorized Trainer for Construction and General Industry

North Carolina State:

Emergency Medical Technician
Forestry Wildland Firefighter
Fire/Arson Investigator
High Angle Rescue
Swift Water Rescue
Heavy Rescue

Performance Measurement System – Fire

Standard No. 1

During fiscal year 2012-2013, firefighters obtained 7,636 hours of training. Achieving 76% of the 10,000 hours goal. In fiscal year 2013-2014, firefighters will seek to achieve 100% of the 10,000 hour goal.

Standard No. 2

During fiscal year 2012-2013, the fire department responded to emergency calls within 9 minutes 90.4% of the time, meeting the goal of 90%. In fiscal year 2013-2014, the fire department will, again, aim to respond to all emergency calls within 9 minutes 90% of the time.

Standard No. 3

During fiscal year 2012-2013, the department determined the cause of 100% of fires, exceeding its goal of 85%. In fiscal year 2013-2014, the department will seek to determine the cause of 100% of fires.

Standard No. 4

During fiscal year 2012-2013, 96% of fires were confined to the room of origin, exceeding the goal of 60% confinement to room of origin. In 2013-2014, 70% of fires will be confined to room of origin on arrival.

Standard No. 5

During fiscal year 2012-2013, 90% of fire code violations were cleared within 90 days, exceeding the goal of 80% clearance within 90 days. In fiscal year 2013-2014, the department will, again, aim to clear 90% of fire code violates within 90 days.

Standard No. 6

During fiscal year 2012-2013, the department performed approximately 170 fire safety inspections, meeting 71% of the 240 inspection goal. In fiscal year 2013-2014, the department will seek to achieve 100% of the 240 fire safety inspection goal.

Town of Weaverville

General Fund Expenditures

Fire Department

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Salaries & Wages	842,900	893,150	943,040	852,780	(90,260)	-9.6%
Relief Pay	22,674	38,054	40,000	51,350	11,350	28.4%
Overtime		0	-	35,000		
FICA	63,569	68,457	75,200	69,170	(6,030)	-8.0%
Retirement	53,482	63,355	65,260	65,550	290	0.4%
401-K	37,411	40,225	43,010	39,900	(3,110)	-7.2%
Health Insurance	116,286	118,580	121,080	118,260	(2,820)	-2.3%
Professional Services	5,906	1,339	3,000	3,000	0	0.0%
Vehicle Supplies	21,131	19,711	23,500	23,500	0	0.0%
Supplies / Materials	14,413	12,139	15,500	15,500	0	0.0%
Medical Vacinations	810	6,945	9,000	8,500	(500)	-5.6%
Prevention Supplies	2,045	3,231	4,000	4,000	0	0.0%
Medical Equipment & Supplies	7,639	3,401	500	5,000	4,500	900.0%
Grant Projects	41,871		-		0	N/A
Uniforms	15,542	14,142	12,000	12,000	0	0.0%
Travel & Training	16,503	12,013	16,000	16,000	0	0.0%
Telephone	12,205	10,812	13,000	13,000	0	0.0%
Utilities	15,039	14,514	17,000	17,000	0	0.0%
Building Repair & Maintenance	15,289	8,668	10,000	10,000	0	0.0%
Equipment Maintenance	17,738	17,857	18,000	18,000	0	0.0%
Vehicle Maintenance	16,304	20,919	17,000	20,000	3,000	17.6%
Dues & Subscriptions	5,798	6,603	7,000	7,500	500	7.1%
Insurance	71,475	67,138	70,000	70,000	0	0.0%
Small Equipment	48,670	41,786	20,000	20,000	0	0.0%
Capital Equipment	16,728	6,660	-	-	0	N/A
Fire Dept Expenditures	**$1,481,428**	**$1,489,699**	**$ 1,543,090**	**$ 1,495,010**	**($83,080)**	**-3.1%**

Town of Weaverville
Fire Department
2012 Quarterly Call Breakdowns

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	***Total for Year***
Brush/Woods Fire	0	5	3	2	***10***
Vehicle Fire	0	4	5	3	***12***
Structure Fire	3	4	1	0	***8***
Investigation	47	51	54	49	***201***
Haz-mat Incidents	4	4	8	1	***17***
Mutual Aid - Fire	26	38	19	32	***115***
Fire Alarm Activation	17	22	21	14	***74***
Public Assistance - Fire	40	50	29	43	***162***
MVA/MCA	24	44	42	30	***140***
EMS Calls	200	186	191	181	***758***
Mutual Aid-Rescue	1	0	1	2	***4***
Search	1	0	1	0	***2***
Totals	**363**	**408**	**375**	**357**	***1503***
Fire Loss	44,100	92,000	32,500	5,800	***174400***
Fire Saved	675,900	491,400	291,000	17,700	***1,476,000***
Inspections	50	93	65	49	***257***
Blood Pressure Checks	10	7	8	7	***32***
Fire & Life Safety					
Participants				6,021	***6,021***
Hours of Presentation				150	***150***
Number of Programs				127	***127***
Smoke Detectors Issued				6	***6***
Child Seats Issued				12	***12***
Response Time (Minutes)					
0-1 minute	22	21	16	9	**68**
1-2 minutes	7	16	15	7	**45**
2-3 minutes	22	27	13	15	**77**
3-4 minutes	28	45	41	28	**142**
4-5 minutes	29	37	44	35	**145**
5-6 minutes	39	38	66	38	**181**
6-7 minutes	52	45	60	48	**205**
7-8 minutes	36	40	27	33	**136**
8-9 minutes	30	29	29	31	**119**
9-10 minutes	11	20	20	24	**75**
10-11 minutes	10	13	11	12	**46**
11-12 minutes	7	4	8	12	**31**
12 + minutes	22	22	14	21	**79**
Cancelled Enroute	48	51	11	44	**154**
Total Calls	**363**	**408**	**375**	**357**	**1503**

Town of Weaverville
Fire Department
Year-to-Year Call Breakdowns

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Brush/Woods Fire	54	43	37	40	72	57	23	11	22	18	10
Vehicle Fire	14	10	7	8	12	7	6	6	6	7	12
Structure Fire	8	10	10	28	15	20	14	7	12	13	8
Investigation	134	112	130	176	212	231	208	213	216	204	201
Haz-mat Incidents	20	12	13	29	23	13	31	19	24	27	17
Mutual Aid - Fire	74	89	99	83	94	93	102	73	74	146	115
Fire Alarm Activation	83	69	78	75	76	80	91	110	89	76	74
Public Assistance - Fire	107	132	206	154	187	265	196	346	161	184	162
MVA/MCA	158	177	181	186	150	129	157	154	187	203	140
EMS Calls	574	588	651	668	731	660	770	786	776	784	758
Public Assistance- Rescue	444	357	0	7	16	0	0	0	0	0	0
Mutual Aid-Rescue	0	6	3	3	0	1	1	2	3	2	4
Search	1	2	1	1	0	2	3	0	1	2	2
Totals	**1671**	**1607**	**1416**	**1458**	**1588**	**1558**	**1602**	**1727**	**1571**	**1666**	**1503**
Fire Loss	89,650	90,500	106,840	618,895	113,120	557,870	1,053,415	413,800	450,600	346,530	174,400
Fire Saved	1,036,200	333,800	2,113,125	4,583,940	4,793,155	303,548,550	1,342,435	1,993,200	1,645,600	3,424,480	1,476,000
Inspections	176	304	194	262	197	274	241	330	238	228	257
Blood Pressure Checks	284	466	270	147	127	49	0	0	20	20	32
Fire & Life Safety											
Participants	3,590	2,352	2,592	8,837	13,169	12,871	12,679	8,350	5,321	5,404	6,021
Hours of Presentation	157	172	125	187	185.5	163	137.5	136.5	100	116	150
Number of Programs	75	215	166	212	247	255	172	163	83	97	127
Smoke Detectors Issued	10	7	2	3	2	9	4	13	12	8	6
Child Seats Issued	8	16	12	6	12	9	2	3	7	6	12

Town of Weaverville
Fire Department
2012 Response Times

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Response Time (Minutes)											
0-1 minute	30	63	78	55	72	83	113	124	76	84	68
1-2 minutes	74	79	94	89	93	77	63	75	55	50	45
2-3 minutes	115	135	152	130	151	117	118	88	114	103	77
3-4 minutes	201	203	256	258	202	158	170	171	141	165	142
4-5 minutes	214	198	250	263	264	175	159	190	188	155	145
5-6 minutes	210	202	200	211	211	211	208	210	224	237	181
6-7 minutes	135	117	150	159	180	152	165	155	227	211	205
7-8 minutes	100	79	90	92	137	98	128	103	129	146	136
8-9 minutes	56	36	40	63	93	105	118	85	97	90	119
9-10 minutes	30	34	37	51	55	55	57	73	76	71	75
10-11 minutes	26	25	24	36	38	62	62	67	54	57	46
11-12 minutes	7	17	15	19	29	38	24	23	37	32	31
12 + minutes	29	39	30	32	63	54	68	138	65	66	79
Cancelled Enroute	0	0	0	0	0	173	149	225	88	199	154
Total Calls	1227	1227	1416	1458	1588	1558	1602	1727	1571	1666	1503
(Door Unlocks stopped in 2003)	444	380	0	0	0	0	0	0	0	0	0
Grand Total Calls	**1671**	**1607**	**1416**	**1458**	**1588**	**1558**	**1602**	**1727**	**1571**	**1666**	**1503**
Apparatus Responses											
Chief 8	0	77	210	509	322	393	382	277	225	302	166
Engine 8	118	76	138	220	605	375	294	236	348	380	343
Ladder 8	50	76	25	35	59	44	58	3	13	31	46
Rescue 8	542	429	56	33	125	47	84	132	251	257	141
Engine 8-2	363	262	289	319	12	356	382	302	180	146	213
Engine 8-3	0	0	0	0	0	0	0	42	0	0	0
Special Ops Trailer	0	0	0	0	0	0	0	0	1	0	0
Brush 8	133	173	118	105	98	105	629	694	470	298	444
Brush 8-2	0	0	0	0	0	0	0	200	409	578	429
Tac 8	0	0	554	637	721	585	218	0	0	0	0
Tanker 8	99	86	100	124	129	143	146	116	114	90	101
Tanker 8-2	28	20	22	13	23	28	5	14	13	83	7
Truck 8	446	358	43	72	60	44	55	27	22	27	16
ATV	0	0	0	0	0	0	3	5	4	7	5
Deputy Chief	0	0	0	0	0	0	12	32	36	28	57
Chiefs Vehicle	284	251	255	76	58	43	30	21	42	36	27
Fire Marshals Vehicle	25	10	12	27	12	16	19	13	22	27	26
Total Responses	**2088**	**1818**	**1822**	**2170**	**2224**	**2179**	**2317**	**2114**	**2150**	**2290**	**2021**

Town Of Weaverville Department Of Public Works

❑ Mission Statement

The Weaverville Public Works Department's mission is to help improve the quality of life for the residents of Weaverville by providing for efficient sanitation and waste removal, provide safe and well maintained public streets, clean and safe water to meet the needs of residents and area industry, and to assist in meeting the recreational needs of our citizens.

❑ Description of the Department

The Public Works Department is staffed with a trained workforce of 20 employees. These employees provide general services in the area of sanitation collections, street and sidewalk maintenance, recreation park maintenance and the production and distribution of the town's drinking water.

During the year, the Weaverville Public Works Department is responsible for services including:

- The collection and disposal of approximately 1200 tons of garbage, and over 3,000 cubic yards of yard waste (leaves, yard trimmings and brush).
- The production and distribution of over 200 million gallons of drinking water.
- The maintenance of over 50 miles of water mains, 40 pumps of various size and type, over 1,000 system valves of various sizes, and over 400 fire hydrants.
- The maintenance of approximately 18 miles of Town Streets, 500 street name and traffic control signs, and approximately 450 storm drainage pipes.

The Department of Public Works is divided into the following operational divisions or departments:

- Street Department (funded by General Fund revenue)
- Street Department – Powell Bill Funds (funded by Gasoline Tax Revenue)
- Sanitation Department (funded by General Fund revenue)
- Recreation Department (funded by General Fund revenue)
- Water Administration (funded by Water Revenue)
- Water Production (funded by Water Revenue)
- Water Distribution (funded by Water Revenue) The type and level of services provided by the Department of Public Works is established by the Weaverville Town Council. Each year, as part of the normal budget process, the Council reviews these services and adds, suspends or amends these services as the Council sees fit.

The Public Works Director is responsible for the operation of all divisions of the Department of Public Works and the Administration of the $3.50 million combined budget of the Department.

In the Town of Weaverville, the Department of Public Works provides the following non-emergency services to the Citizens of Weaverville on a daily basis:

- Street and sidewalk construction and maintenance
- Street cleaning
- Litter collection
- Asphalt patching
- Right-of-way mowing, trimming
- Parking lot maintenance
- Storm drainage system construction and maintenance (Ditches, catch basins and storm sewers)
- Snow and ice removal
- Street lighting
- Garbage collection
- Brush collection and disposal
- Leaf and yard waste collection and disposal
- Collection of old household appliances and junk
- Lake Louise Park maintenance
- Water production (treatment)
- Water distribution system construction and maintenance
- Water meter reading
- Water testing and quality control

There are presently twenty-one (21) full-time budgeted positions in the Department of Public Works. Salaries for the employees are divided between the operational divisions or departments according to the activities performed by the individual employee. Most employees are cross trained and work for more than one operational department.

In addition to the full-time budgeted positions, the Department budgets for several part-time positions during the summer season. These positions are filled by employees from part-time agencies during the designated months. Through the use of part-time positions, the Department is able to add additional personnel during peak labor seasons such as grass mowing and fall leaf collection and reduce back to the normal workforce for the winter months when the work load is lighter.

Public Works Organization

The Department of Public Works is divided into the following operational divisions:

- Sanitation Department
- Street Department
- Recreation Department
- Water Administration
- Water Production
- Water Distribution

Street Sanitation and Recreation Departments

The Street, Sanitation and Recreation Departments are General Fund departments. Funding for the operation of these departments comes from property taxes and other general revenues. General Fund revenues also fund the operation of the Police Department, the Fire Department and general administrative duties such as zoning administration and enforcement.

Water Department

The Water Department is organized into three division, Water Administration, Water Production, and Water Maintenance. Water Administration activities include water account maintenance and billing and finances which are performed primarily by Town Hall staff. The Town Manager and the Public Works Director are also involved in Water Department administrative duties.

Water Production activities take place at the Ivy River Treatment Plant. The activities of this department include operation of the water treatment plant and monitoring of water quality within the water distribution system. Four full-time employees work within this division.

Water Maintenance is the department responsible for the maintenance of the water distribution system necessary to supply water to our customers. These activities also include water meter reading, installing new water taps, and the physical duties necessary to maintain water quality in the system such as routine flushing programs. Five full-time employees are employed in Water Maintenance.

Town Of Weaverville Public Works – Sanitation Department

- **Curbside Garbage Collection**
- **Curbside Recycling**
- **Appliance Collection**
- **Recycle Collection**
- **Leaf Collection**
- **Brush Collection**

❑ Budget Summary

We plan to continue the weekly curbside garbage/recycling collection and the present set-out program for disabled citizens. All of the Town of Weaverville solid waste collection will be taken to the Buncombe County Landfill. The current landfill charge is $42.00 per ton.

❑ Objectives

- Continue weekly curbside garbage collection and the present set-out program.
- Continue the collection of brush, leaves and yard waste on a biweekly schedule.

Performance Measurement System – Sanitation

Standard No. 1

During fiscal year 2012-2013, there were .134 complaints per 100 collection points, exceeding the goal of less than two complaints per 100 collection points. In fiscal year 2013-2014, there will be one complaint per collection point.

Standard No. 2

During fiscal year 2012-2013, 100% of all citizen complaints were addressed within four hours. In fiscal year 2013-2014, the Sanitation Department will work to address all citizen complaints within three hours.

Standard No. 3

During fiscal year 2012-2013, 100% of all spillage reports were addressed within four hours. In fiscal year 2013-2014, the Department will work to address all spillage reports within three hours.

Standard No. 4

During fiscal year 2012-2013, all routes were completed on schedule 100% of the time, exceeding the goal of 95%. In fiscal year 2013-2014, the department will again aim to complete all routes on schedule 95% of the time.

Standard No. 5

During fiscal year 2012-2013, sanitation department expenditures and revenues fell within 87% of the proposed budget, exceeding the goal of 90%. During fiscal year 2013-2014, the department will, again, work to have all expenditures and revenues fall within 90% of proposed budget.

Sanitation Department Performance Indicators

	Appliances Disposed	Cu yards of Yard Waste	Cu yards of Leaves	Cu yards of brush Chipped	Total Waste to Landfill
FY 2013	**24**	**470**	**2,989**	**1,282**	**1,190**
FY 2012	**33**	**638**	**3,294**	**1,725**	**1,176**
FY 2011	**43**	**838**	**4,858**	**1,510**	**1,201**
FY 2010	**54**	**756**	**1,988**	**4,340**	**1,041**
FY 2009	**54**	**540**	**2,974**	**880**	**1,070**

Sanitation Department Expenditures

Town of Weaverville
Sanitation Department
Expenditures

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Salaries & Wages	252,307	235,816	251,570	258,800	7,230	2.9%
FICA	18,840	17,479	19,250	19,800	550	2.9%
Retirement	15,942	16,747	17,600	18,760	1,160	6.6%
401-K	9,896	10,051	8,750	8,910	160	1.8%
Uniform Expense Town	2,791	4,422	2,830	3,600	770	27.2%
Health Insurance	41,393	35,583	42,910	44,400	1,490	3.5%
Professional Services	1,034	659	1,200	1,200	0	0.0%
Contract Labor	8,346	8,484	12,000	12,000	0	0.0%
Vehicle Supplies	19,483	21,471	29,000	26,500	(2,500)	-8.6%
Supplies / Materials	4,842	5,085	600	6,300	5,700	950.0%
Utilities	5,821	5,057	6,500	5,800	(700)	-10.8%
Building Repair & Maintenance	2,050	3,197	2,000	2,000	0	0.0%
Equipment Maintenance	299	2,991	5,000	4,000	(1,000)	-20.0%
Vehicle Maintenance	6,560	7,695	8,000	8,000	0	0.0%
Tipping Fees	52,738	51,856	58,000	60,000	2,000	3.4%
Insurance	7,322	8,057	9,000	8,000	(1,000)	-11.1%
Small Equipment	1,749	1,799	2,000	2,000	0	0.0%
Capital Equipment	45,632	28,925	12,000	77,800	65,800	548.3%
Total Expenditures	**$497,045**	**$465,371**	**488,210**	**567,870**	**79,660**	**16.3%**

Town Of Weaverville
Public Works Recreation Department

- **Lake Louise Park**
- **Community Center**
- **Lake Aeration**

❑ Budget Summary

As part of the recreation budget, we have included the cost of daily cleaning and maintenance of the public restrooms at Lake Louise Park. A major expense ($8,500) is the utility charge to operate the fountain at Lake Louise.

❑ Objectives

- Continue routine grounds keeping activities such as mowing and trimming.
- Continue daily cleaning and maintenance of the public restrooms.
- Take aggressive measures toward making Lake Louise Park facilities fully accessible to the handicapped.

Performance Measurement System – Recreation

Standard No. 1

During fiscal year 2012-2013, routine ground keeping activities were completed weekly 100% of the time. In fiscal year 2013-2014, the Recreation Department will work to achieve this goal again.

Standard No. 2

During fiscal year 2012-2013, public restrooms, when in use, were cleaned and maintained daily 100% of the time. In fiscal year 2013-2014, the Recreation Department will work to achieve this goal again.

Standard No. 3

During fiscal year 2012-2013, staff took measures to maintain existing handicap facilities at Lake Louise 100% of the time. In fiscal year 2013-2014, the department will work to achieve this goal again.

Standard No. 4

During fiscal year 2012-2013, the recreation department expended 100% of the proposed budget. During fiscal year 2013-2014, the department will work to have all expenditures and revenues fall within 90% of proposed budget.

Recreation Department Expenditures

Town of Weaverville

General Fund Expenditures

Recreation Department

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Salaries & Wages	76,197	78,554	81,290	81,930	640	0.8%
FICA	5,777	5,824	6,222	6,360	138	2.2%
Retirement	4,817	5,570	5,690	6,030	340	6.0%
401-K	2,374	2,958	2,130	2,170	40	1.9%
Uniform Expense Town	906	1,540	910	1,200	290	31.9%
Health Insurance	13,067	10,831	11,860	12,470	610	5.1%
Professional Services	162	42	1,000	13,750	12,750	1275.0%
Contract Labor	7,883	5,852	10,000	12,000	2,000	20.0%
Contract Work	840	859	2,430	2,430	0	0.0%
Vehicle Supplies	2,316	3,144	4,900	4,900	0	0.0%
Supplies / Materials	3,712	9,366	10,000	14,000	4,000	40.0%
Utilities	5,769	14,089	8,000	16,500	8,500	106.3%
Building Repair & Maintenance	831	1,431	1,500	1,500	0	0.0%
Equipment Maintenance	15,394	1,164	2,000	2,000	0	0.0%
Vehicle Maintenance	1,652	703	1,500	1,500	0	0.0%
Insurance	1,558	1,837	2,300	2,000	(300)	-13.0%
Small Equipment	0	1,415	2,000	2,250	250	12.5%
Capital Equipment	0	0	0	60,000	60,000	N/A
Total Expenditures	**$143,255**	**$145,180**	**153,732**	**242,990**	**89,258**	**58.1%**

Town Of Weaverville Public Works Streets and Powell Bill Department

- **Street & Sidewalk Construction**
- **Street Cleaning**
- **Right of Way Mowing**
- **Parking Lot Maintenance**
- **Storm Drainage**
- **Snow and Ice Removal**
- **Street Lighting**

❑ Budget Summary

For several years, a primary budget goal for the Town of Weaverville has been to maintain the street system in sound stable manner. In order to accomplish this goal, the Public Works Department has developed a priority order in which town streets will be repaved.

❑ Objectives

- Evaluate general street surfaces to determine appropriate use for repaving funds and complete repaving in accordance with available funds.
- Continue all routine maintenance activities of the department.
- Continue the present program of asphalt patching as needed.
- Purchase all new equipment in accordance with the Capital Improvement Program outlined herein.

Performance Measurement System – Streets and Powell Bill

Standard No. 1

During fiscal year 2012-2013, streets were evaluated on a needs basis to determine paving schedule. In fiscal year 2013-2014, the department will continue to evaluate streets on a needs basis for paving.

Standard No. 2

During fiscal year 2012-2013, potholes were assessed within four hours of notification. In fiscal year 2013-2014, the department will work to achieve this goal again.

Standard No. 3

During fiscal year 2012-2013, street signs needing repairs were addressed within four hours of notification. In fiscal year 2013-2014, the department will work to achieve this goal again.

Standard No. 4

During fiscal year 2012-2013, expenditures fell within 63% of proposed budget. In fiscal year 2013-2014, the department will work to have all expenditures and revenues fall within 90% of the proposed budget.

Street & Powell Bill Department Performance Indicators

	Street Signs Installed	Paving Repairs
July 2012 to June 2013	**14**	**12**
July 2011 to June 2012	**229**	**19**
July 2010 to June 2011	**42**	**13**
July 2009 to June 2010	**12**	**13**
July 2008 to June 2009	**15**	**30**

Streets Department Expenditures

Town of Weaverville

General Fund Expenditures

Streets Department

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Salaries & Wages	97,451	105,133	122,600	124,180	1,580	1.3%
FICA	7,251	7,772	9,380	9,600	220	2.3%
Retirement	6,160	7,454	8,560	9,100	540	6.3%
401-K	3,546	4,197	4,560	4,660	100	2.2%
Uniform Expense Town	983	1,876	1,060	1,440	380	35.8%
Health Insurance	13,917	14,601	15,980	15,830	(150)	-0.9%
Professional Services	43,881	25,607	10,000	10,000	0	0.0%
Contract Labor	7,497	14,234	9,860	9,860	0	0.0%
Contract Work	28,442	37,170	43,000	33,000	(10,000)	-23.3%
Vehicle Supplies	9,485	10,868	18,000	18,000	0	0.0%
Supplies / Materials	26,075	38,817	21,000	21,000	0	0.0%
Telephone	5,594	5,554	6,000	4,600	(1,400)	-23.3%
Utilities	54,131	53,755	57,000	57,000	0	0.0%
Building Repair & Maintenance	981	2,290	2,500	2,500	0	0.0%
Equipment Maintenance	5,487	3,142	6,000	6,000	0	0.0%
Vehicle Maintenance	1,619	1,457	3,000	3,000	0	0.0%
Insurance	4,286	4,947	5,470	5,000	(470)	-8.6%
Small Equipment	1,803	4,205	2,500	2,800	300	12.0%
Capital Improvements	200,072	(1,765)	-	-	0	N/A
Capital Equipment	10,920	0	23,500	103,000	79,500	338.3%
Sidewalks	0	0	-	-	0	N/A
Total Expenditures	**$529,581**	**$341,315**	**369,970**	**440,570**	**$70,600**	**19.1%**

Powell Bill Department Expenditures

Town of Weaverville

General Fund Expenditures

Powell Bill Department

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Salaries & Wages	15,005	15,626	18,900	19,330	430	2.3%
FICA	1,105	1,141	1,450	1,480	30	2.1%
Retirement	949	1,108	1,310	1,400	90	6.9%
401-K	509	582	530	540	10	1.9%
Uniform Expense Town	155	175	70	-	(70)	-100.0%
Health Insurance	2,281	2,225	2,040	2,060	20	1.0%
Professional Services	603	16,034	10,000	10,000	0	0.0%
Contract Labor	2,917	2,043	3,000	3,000	0	0.0%
Contract Work	0	0	4,500	4,500	0	0.0%
Supplies / Materials	2,171	0	4,000	4,000	0	0.0%
Equipment Maintenance	261	0	1,500	1,500	0	0.0%
Insurance	1,403	1,555	1,800	1,600	(200)	-11.1%
Capital Improvements	5,501	105,280	375,000	495,000	120,000	32.0%
Total Expenditures	**$32,860**	**$145,768**	**$ 424,100**	**$ 544,410**	**$120,310**	**28.4%**
Streets & Powell Bill Expend.	**$562,441**	**$487,084**	**$794,070**	**$984,980**	**$190,910**	**24.0%**

Town of Weaverville Public Works – Water

- **Water Treatment**
- **Water System Distribution**
- **Water Service Installation**
- **Water Billing**
- **Water Operation & Administration**

❑ Budget Summary

Throughout the United States and other developed countries, citizens take the ability to have clean and safe drinking water for granted. The cornerstone of a healthy and prosperous population is the availability of an adequate public water supply.

North Carolina General Statues provide for the creation and operation of various local government enterprises. Water and sewer services are the most important of such enterprises are the ones most often operated by cities and towns and are considered traditional city government services.

The Town of Weaverville began operating a public water supply system shortly after its incorporation in 1875. Over the years the system has been improved and expanded to serve the town and surrounding area. The system serves approximately 1,800 customers within Town Limits, and 590 customers in northern Buncombe County. The primary source of water is the Ivy River with a treatment plant located approximately 6 miles north of Weaverville near the border of Buncombe and Madison counties. The water system is also interconnected with the water system of the City of Asheville to the south.

❑ Budgeting and Finance

The Weaverville Water System is operated as an Enterprise Fund. Enterprise Funds are used for account for operations that are financed and operated in a manner similar to private businesses. As such, the intent of the governing body is that user charges fund the cost of providing goods and services to the general public on a continuing basis. Each year at budget time, and at other times if determined relevant, the Town staff completes an analyses of Water Department finances to determine the financial stability of the Department. This analysis includes future infrastructure needs and changing growth pat- terns of the Town and surrounding area. Also, included in the review is an analysis of user charges to determine their adequacy in funding the annual operating cost and capital infrastructure improvement needs of the Department.

Preparation of the annual budget for the Water Department begins by looking at those expenditures necessary for the day to-day operation of the Department. Year-to-date expense figures for the previous full month are projected to yearend and each line item is analyzed and compared to year-end expenditures for the previous year. This information is combined with outside figures, which include anticipated increases in cost for items such as electricity, fuel, supplies and materials. A review of the Consumer Price Index (CPI) for the previously completed full year (January 2010 to January 2011) is also reviewed and projected for the next year. The proposed budget for the new year is then assembled on a line-by-line basis.

The Water Department operations are broken down into four divisions for operating and budget purposes. These divisions are Water Administration, Water Production, Water Maintenance and Non-Departmental (divisional) expenses. The function of these divisions should be self-explanatory

with the exception of the Non-Departmental category, which primarily includes debt service payments.

Revenues for the Department are derived primarily from user charges based upon the individual customer's water consumption. Water usage is billed to the customer on a monthly basis. Water billing is based on a unit price (for each 1,000 gallons of water) which increases as the number of units used goes up. This increasing rate structure encourages conservation and promotes residential development by charging a higher rate to large commercial type users. Revenue derived from customer usage is listed as Water Revenue in the budget and the table below.

Like most North Carolina cities, Weaverville also uses a differential rate structure where users outside the city limits are charged rates that are double the rate charged inside town.

The Town Council approved a 2% increase is water rates to offset the continuing increase in consumer prices.

Performance Measurement System – Water Fund

Standard No. 1

During fiscal year 2012-2013, 100% of all commercial backflow assemblies were tested. In fiscal year 2013-2014, the department will work to achieve annual testing of all commercial backflow assemblies again.

Standard No. 2

During fiscal year 2012-2013, 86% service requests for water leaks will be assessed within four hours of notification. In fiscal year 2013-2014, 100% of service requests will be assessed within four hours of notification.

Standard No. 3

During fiscal year 2012-2013, safe and clean drinking water met or exceeded all state and federal regulatory standards for all customers.

Standard No. 4

During fiscal year 2012-2013, 99.98% of total meters read were accurate, exceeding the goal of 98% accuracy. In fiscal year 2013-2014, the department will work to achieve this goal again.

Standard No. 5

During fiscal year 2012-2013, 100% of all water quality complaints were addressed within two hours of notification. In fiscal year 2013-2014, the department will continue to evaluate streets on a needs basis for paving.

Standard No. 6

During fiscal year 2012-2013, water department expenditures and revenues fell within 96% of proposed budgets. During fiscal year 2013-2014, the department will work to have all expenditures and revenues fall within 90% of proposed budgets.

Water Fund Performance Indicators

	Leaks Repaired	New Water Taps	Water Re-Reads	Total Water Produced & Purchased	Total Water Accounted For	Gallons Unaccounted
July 2012 to June 2013	22	82	443	184,892,000	179,689,862	5,202,138
July 2011 to June 2012	26	49	406	188,701,300	179,017,448	9,683,352
July 2010 to June 2011	29	39	387	193,665,944	186,671,409	7,646,735
July 2009 to June 2010	45	40	430	186,315,900	179,105,900	7,210,000
July 2008 to June 2009	52	47	722	184,725,300	174,154,500	10,570,800

Water Fund Expenditures

Town of Weaverville Water Fund
Expenditures Water Administration

Description	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Budget	FY 13-14 Request	Yr to Yr Budget $$ Change	Yr to Yr Budget % Change
Salaries & Wages	154,981	137,570	139,210	142,240	3,030	2.2%
FICA	11,151	10,607	10,650	10,880	230	2.2%
Retirement	9,425	10,213	9,630	10,310	680	7.1%
401-K	7,364	6,790	7,830	7,990	160	2.0%
Uniform Expense Town	566	326	-	600	600	N/A
Health Insurance	19,373	17,004	14,620	13,480	(1,140)	-7.8%
Retiree's Health Insurance		3,750	3,000	6,500	3,500	116.7%
Professional Services	15,303	28,404	15,000	20,000	5,000	33.3%
Vehicle Supplies	1,183	3,531	5,000	3,850	(1,150)	-23.0%
Supplies / Materials	1,044	3,793	3,500	4,410	910	26.0%
Travel & Training				2,000		
Telephone	458	1,062	600	2,100	1,500	250.0%
Postage	6,802	7,719	6,500	6,800	300	4.6%
Vehicle Maintenance	280	92	1,400	1,400	0	0.0%
Insurance	2,727	2,827	3,100	3,000	(100)	-3.2%
Small Equipment	2,382	310	2,000	2,000	0	0.0%
Capital Equipment	0	5,853	-	-	0	N/A
Total Expenditures	**$233,039**	**$239,851**	**$ 222,040**	**$ 237,560**	**15,520**	**7.0%**

Capital Improvements

Capital Improvement Program

In developing its long range financial and budget plans, there are several important issues to consider. One of these is the capital equipment and infrastructure needs of the Town during the planning period. The Town of Weaverville has developed a five year Capital Improvement Program to help identify these capital needs and allow management to plan for their acquisition.

The Weaverville Town Council has established a capital threshold of $5,000. This means that no asset valued at less than $5,000 will be included in the capital improvement program. Any item with a projected cost above the $5,000 limit will be included in the CIP.

In the FY 2013-2014 budget, the Council authorized the purchase of the following capital items.

FY13-14 Capital Purchases

Item	Fund	Initial Cost	Operating Budget Impact
Planning vehicle	General	$26,000	$3,000/year
Police vehicle replacement	General	$30,200	None
Highland St. sidewalk phase III	Powell	$200,000	None
Replace backhoe with wheel loader	General	$105,000	None
Street resurfacing	Powell Bill	$180,000	None
Weaver Boulevard Sidewalk	Powell Bill	$115,000	None
Replace 2001 dump truck	General	$60,900	-$1,000/year
Refuse lift assist and carts	General	$16,900	None
Pine St. parking & sidewalk	General	$60,000	None
Replace #2 water basin mixer	Water	$21,000	None
Wastewater tanker truck	Water	$75,000	-$10,000/year
Replace water plant exterior pipe insulation	Water	$9,000	None
AMR system (7 year change out)	Water	$50,00	2% revenue increase

GENERAL FUND
CAPITAL IMPROVEMENT PROGRAM

Proj #	Department	Project Title	Total Project Cost	Projected Spending by Year				
				Budget Yr	FY 14-15	FY 15-16	FY 16-17	FY 17-18
GG 01	Admin	Replace Town Manager Vehicle	$0					
GG 02	Admin	Technology Improvements	$80,000	$0	$25,000	$15,000	$20,000	$20,000
GG 03	Admin	GIS System-Shared with Water Fund	$0					
GG 04	Dev Services	Planning Vehicle	$26,000	$26,000				
		TOTAL GOV ADMINISTRATION	$106,000	$26,000	$25,000	$15,000	$20,000	$20,000
PS01	Police	Vehicle Replacement	$90,600	$30,200		$30,200		$30,200
PS02	Fire	SCBA Replacement	$100,000		$100,000			
PS04	Fire	Replace Battalion Chief Command Vehicle	$50,000			$50,000		
PS06	Fire	Replacement of Engine 8-2	$425,000		$425,000			
PS07	Fire	Replacement of Tanker 8-2	$0			$0		
PS08	Fire	Refurbish Tanker 8-1	$75,000		$75,000			
PS09	Police	Patrol Unit Refurbish	$28,000		$14,000		$14,000	
		TOTAL PUBLIC SAFETY	$768,600	$30,200	$614,000	$80,200	$14,000	$30,200
PW 11	Powell	Sidewalk Construction - Highland Street	$200,000	$200,000				
PW 13	Streets	Repaving High Bluff Drive	$0					
PW 12	Powell	Sidewalk Construction - Hamburg Mtn Road	$385,000					$385,000
PW 03	Streets	Replace Backhoe with Wheel Loader	$105,000	$105,000				
PW 08	Streets	Replace 2005 4X4 1/2 Ton Pickup	$25,600			$25,600		
PW 13	Powell	Sidewalk Construction-Weaver Blvd	$0					
PW 14	Streets	Mower Replacement	$0					
PW 15	Streets	Mule Replacement	$0					
PW 19	Streets	Replace 1988 Ford 3910 Tractor	$28,000				$28,000	
PW 20	Streets/ Powell	Street Resurface Program	$900,000	$180,000	$180,000	$180,000	$180,000	$180,000
PW 21	Streets	50% of PW Expansion Site Grading	$30,000		$30,000			
PW 29	Powell	Weaver Blvd Sidewal	$115,000	$115,000				
		TOTAL STREETS	$1,788,600	$600,000	$210,000	$205,600	$208,000	$565,000
PW 01	Sanitation	Replace 1999 4X4 1/2 Ton Pickup	$22,900					
PW 02	Sanitation	Replace 2002 4X4 1/2 Ton Pickup	$0					
PW 07	Sanitation	Replace 2001 1-Ton Dump Truck	$60,900	$60,900				
PW 05	Sanitation	Replace 1999 Garbage Truck	$240,000		$240,000			
PW 06	Sanitation	Purchase 1700 95-Gal Rollout Trash Containers	$102,000		$102,000			
PW 04	Sanitation	Replace 2001 International Swaploader Truck	$96,000			$96,000		
PW 22	Sanitation	Refuse Lift Assist & Carts	$16,900	$16,900				
PW 23	Sanitation	Replace 2005 Freightliner Swap Loader	$98,000				$98,000	
PW 24	Sanitation	Replace 2002 Vermer Chipper	$36,000			$36,000		
PW 25	Sanitation	Replace OBB Leaf Vac	$38,000			$38,000		
PW 26	Sanitation	Replace 2007 GMC Garbage Truck	$265,000					$265,000
		TOTAL ENVIRONMENTAL	$975,700	$77,800	$342,000	$170,000	$98,000	$265,000
PW 09	Recreation	Replace 2005 4X4 1/2 Ton Pickup	$25,600			$25,600		
PW 18	Recreation	Pine Street Parking/ Sidewalk	$60,000	$60,000				
PW 27	Recreation	Replace 2008 John Deer Z Turn Mower	$14,800		$14,800			
PW 28	Recreation	Replace Husky Z Turn Mower	$14,800					$14,800
		TOTAL RECREATION	$115,200	$60,000	$14,800	$25,600	$0	$14,800
		TOTAL GENERAL FUND C-I-P	$3,754,100	$794,000	$1,205,800	$496,400	$340,000	$895,000

WATER FUND
CAPITAL IMPROVEMENT PROGRAM

Proj #	Department	Project Title	Total Project Cost	Projected Spending by Year				
				Budget Yr	FY 14-15	FY 15-16	FY 16-17	FY 17-18
WTR 01	Water Prod	Replace 1997 4X4 1/2 Ton Pickup	$22,200					
WTR 12	Water Prod	Filter Media Rehabilitation	$17,000					
WTR 16	Water Prod	Rebuild 1 Raw Water Pump	$12,800					
WTR 17	Water Prod	Rebuild 2 High Service Water Pumps	$9,500		$9,500			
WTR 19	Water Prod	Install Waste Effluent Monitoring System	$25,000		$25,000			
WTR 20	Water Prod	Replace Lab Steam Washer	$0					
WTR 21	Water Prod	Water Plant Roof Replacement	$0					
WTR 22	Water Prod	Replace Backwash Flow Control Actuator	$0					
WTR 04	Water Prod	Replace 1999 Explorer - Sampling & Testing	$0					
WTR 13	Water Prod	Replace Filter Bed Media	$92,500				$92,500	
WTR 14	Water Prod	Chlorine Gas Delivery System Rebuild	$26,400		$26,400			
WTR 07	Water Prod	Install Standby Diesel Generators	$612,360					$612,360
WTR 15	Water Prod	Replace Chlorine Gas Disinfection System	$182,500		$182,500			
WTR 18	Water Prod	Replace Bulk Chemical Tank & Transfer System	$67,000		$67,000			
WTR 06	Water Prod	Replace 2005 Explorer - Production Supervisor	$32,500			$32,500		
WTR 26	Water Prod	Replace Flow Level Transmitters	$11,200		$11,200			
WTR 27	Water Prod	Replace #2 Water Basin Mixer	$21,000	$21,000				
WTR 28	Water Prod	Waste Water Tanker Truck	$75,000	$75,000				
WTR 29	Water Prod	Replace Water Plant Exterior Pip Insulation	$9,000	$9,000				
		TOTAL WATER PRODUCTION	$1,215,960	$105,000	$321,600	$32,500	$92,500	$612,360
WTR 23	Water Maint	Replace Water Lines - Yost Street	$52,000			$52,000		
WTR 02	Water Maint	Replace 1999 Water Service Truck	$58,000		$58,000			
WTR 11	Water Maint	Replace Water Lines - Coleman Street	$60,200		$60,200			
WTR 09	Water Maint	Replace Water Lines in Boyds Union Chapel area	$320,000					$320,000
WTR 03	Water Maint	Replace 1986 Air Compressor	$18,500				$18,500	
WTR 05	Water Maint	Replace 2007 Mini-Excavator	$52,000			$0	$52,000	
WTR 10	Water Maint	Replace Water Lines - Oakland St to Highland St	$78,000			$78,000		
WTR 24	Water Maint	AMR System (7 year change out schedule)	$350,000	$70,000	$70,000	$70,000	$70,000	$70,000
WTR 25	Water Maint	GIS System-Shared with GF	$0					
WTR 30	Water Maint	Replace 1999 Backhoe	$100,000		$100,000			
WTR 31	Water Maint	Public Works Expansion Site Prep 50% Share	$30,000		$30,000			
		TOTAL WATER MAINTENANCE	$1,118,700	$70,000	$318,200	$200,000	$140,500	$390,000
		TOTAL WATER FUND CI-P	$2,334,660	$175,000	$639,800	$232,500	$233,000	$1,002,360

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Glossary

Glossary

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

Ad Valorem Taxes – Please see Property Taxes.

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

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

Assets – Resources owned or held by a government which have a monetary value.

Audit – An examination of the government's accounting records by an independent auditor.

Audit Report – The report prepared by an independent auditor covering the audit work. The auditor's opinion is included in the audit report. It is usually the first page in the CAFR's financial section.

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

Balance Sheet – The basic financial statement which discloses what a government owns (asset), what it owes (liabilities) and its equity (its net worth or the difference between assets and liabilities) at a specified date in conformity with GAAP

Basic Financial Statements – Those financial statements, including notes thereto, which are necessary for a fair presentation of the financial position and results of operation of a government in conformity with GAAP.

Basis of Accounting – Refers to that point in time when revenues, expenditures or expenses (as appropriate), and the related assets and liabilities are recognized in the accounts and reported in the financial statements.

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

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

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

Budgetary Fund Balance – The difference between assets and liabilities in a governmental fund calculated in accordance with the basis of budgeting.

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

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

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

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

Business Type Activities – In the context of the government wide financial statements, activities of a state or local government that are intended to totally or partially recover costs through user charges.

Capital Maintenance Measurement Focus – The accounting convention that requires all assets and all liabilities (whether current or noncurrent) associated with a government's activity to be included on its balance sheets.

Capital Outlay – Items (such as vehicles, equipment, and furniture) purchased by the Town which have an expected life which exceeds one year.

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

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

Capital Assets – Assets used in operations that will not become available for spending (e.g., land, buildings, equipment).

Combined Statements Overview – The five basic financial statements comprising the second level of the financial reporting pyramid's reporting levels (see Exhibit 4).

Combining Statements – The second of the financial reporting pyramid's three reporting levels containing GAAP basic financial statements. Such statements are presented for each fund type for which the government maintains more than one fund.

Component Unit – A separate governmental unit, agency or nonprofit corporation which, pursuant to the criteria in NCGA Statement 3, is combined with other component units to constitute the reporting entity.

Comprehensive Annual Financial Report (CAFR) – A government's official annual report. It usually includes five Combined Statements Overview and financial statements.

Co**ntingency –** Accounts which funds are set aside for unforeseen expenditures which may become necessary during the year; use of the funds must be approved by the Board of Commissioners before they can be appropriated.

Current Assets - Those assets which are available or can be made readily available to finance current operations or to pay current liabilities (i.e., those assets which will be used up or converted into cash within one year). Some examples are cash, temporary investments and accounts receivable which will be collected within one year.

Current Financial Resources Measurement Focus – An approach to financial reporting that presents only financial assets and certain near term liabilities, consistent with the focus of a typical operating budget. The current financial resources measurement focus is used exclusively in connection with governmental funds.

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

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

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

Depreciation –The portion of the cost of a fixed asset which is charged as an expense during a particular reporting period.

Designated Unreserved Fund Balance – Expendable, available financial resources in a governmental fund for which the legislative body or management has tentative plans.

Economic Resources Measurement Focus – An approach to financial reporting that presents all assets, regardless of whether they are, or will become, available for spending, and all liabilities, regardless of when and how they will be liquidated. The economic resources measurement focus is used for proprietary funds, fiduciary funds, and government wide financial statements, as well as by private sector business enterprises.

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

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

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

Equity – A generic term used to describe the difference between assets and liabilities in a fund or in a column of the government wide financial statements.

Estimated Revenue – The amount of projected revenue to be collected during the fiscal year.

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

Expenses – Decreases in net total assets. Expenses represent the total cost of operations during a period regardless of the timing of related expenditures.

Fiduciary Funds – Funds used to account for resources held for the benefit of outside parties as a trustee or agent, and therefore not available to support the government's own programs.

Financial Assets – Assets that either now are, or will become, available for spending.

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

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

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

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

Fund Categories – One of three broad groupings (i.e., governmental, proprietary, and fiduciary) into which all funds must be classified.

Fund Types – One of eleven subcategories into which all funds must be classified. There are five fund types within the governmental fund category, two fund types within the proprietary fund category, and four fund types within the fiduciary fund category.

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

GAAP Fund Balance – The difference between assets and liabilities reported in a governmental fund, calculated in accordance with GAAP.

General Fixed Assets – Fixed assets used in the operations accounted for by governmental funds. General fixed assets include all fixed assets not accounted for in proprietary funds or in Trust and Agency Funds.

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

Generally Accepted Auditing Standards (GAAS) – Measures of the performance quality of auditing procedures and the objectives to be attained through their use. GAAS are concerned with the auditor's professional qualities and with the judgment exercised in the performance of an audit.

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

General Long Term Debt – Long term debt (other than special assessment bonds) expected to be repaid from governmental funds.

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

General Purpose Financial Statements (GPFS) – Those basic financial statements which comprise the minimum acceptable fair presentation in conformity with GAAP.

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

Governmental Activities – In the context of the government wide financial statements, activities of a state or local government that are supported by taxes.

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

Government Wide Financial Reporting – Financial statements that report governmental activities and business type activities rather than funds or fund types. Fiduciary funds are not reflected in government wide financial statements.

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

Individual Fund Statements – The third of the financial reporting pyramid's three reporting levels containing GAAP basic financial statements. Such statements should be presented only when necessary or appropriate.

Interfund Transfer – Money transferred from one fund to another.

Interim Financial Statements – A financial statement prepared before the end of the current fiscal year and covering only financial transactions during the current year to statement date.

Invested in Capital Assets Net of Related Debit – The portion of net assets reflecting equity in capital assets (i.e., capital assets minus related debt).

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

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

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

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

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

Maturities – The dates on which the principal or stated values of investments or debt obligations mature.

Measurement Focus – The accounting convention which determines (1) which assets and liabilities are included on a government's balance sheet and (2) whether its operating statement presents "financial flow" information (revenues and expenditures) or "capital maintenance" information (revenues and expenses).

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

Net Assets – The difference between assets and liabilities in proprietary funds, fiduciary funds, and government wide financial statements.

Notes to the Financial Statements – The summary of significant accounting policies and other disclosures required for a fair presentation of the basic financial statements of a government in conformity with GAAP.

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

Operating Statement – The basic financial statement which discloses the financial results of operations of a government during an accounting period in conformity with GAAP.

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

Oversight Unit – The component unit which has the ability to exercise the basic criterion of oversight responsibility, as defined in NCGA Statement 3, over other component units. Typically, an oversight unit is the primary unit of government directly responsible to the chief executive and the elected legislative body.

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

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

Property Tax Rate – The rate at which real and personal property in Town is taxed in order to produce the necessary revenues to conduct vital governmental activities. The current tax rate in the Town of Weaverville is $.0375 per $100 of assessed valuation.

Proprietary Funds – Funds used to account for business type activities.

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

Reporting Entity – The oversight unit and all related component units, if any, combined in accordance with NCGA Statement 3, to constitute the governmental reporting entity.

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

Restricted Net Assets – The portion of net assets equal to resources whose use is legally restricted minus any non-capital related liabilities payable from those same resources.

Revenues – Increases in governmental fund type net current assets from other than expenditure refunds and residual equity transfers. Also increases in proprietary fund type net total assets from other than expense refunds, contributed capital and residual equity transfer.

Revenue Bonds – Bonds whose principal and interest normally are payable from earnings of an Enterprise Fund.

Single Audit – An expanded financial and compliance audit which includes standardized program compliance audit elements. Single audits are required for governments receiving certain levels of federal aid.

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

Spending Measurement Focus – The accounting convention requiring that only current assets and current liabilities generally are included on a government's balance sheet.

Statement of Changes in Financial Condition – The basic financial statement which presents information on the amount of the sources and uses of a government's cash or working capital during an accounting period in conformity with GAP.

Statistical Tables – Financial presentations included in the statistical section of the CAFR which provide detailed data on the physical, economic, social and political characteristics of the reporting entity.

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

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

Unreserved Fund Balance – The portion of fund balance that reflects expendable available financial resources in a governmental fund.

Unrestricted Net Assets – The residual balance of net assets after the elimination of invested in capital assets nets of related debt and restricted net assets.

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

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