



City of Brevard

North Carolina

GENERAL FUND

REVENUE

ANNUAL BUDGET ESTIMATE - REVENUE
 Amended - 2019-2020

CITY OF BREVARD
 FY 2018-2019

Account	2017 - 2018	2018 - 2019	4/30/2019	2018 - 2019		2019 - 2020		Approved
	Actual (\$)	Budget (\$)	Actual (\$)	Estimate	%Remaining	Requested	Recommended	
Fund: 10 General Fund								
10-3010-0000 Ad Valorem Tax - Current Levy	4,618,481.00	4,700,300.00	4,654,417.00		1		4,704,485.00	
10-3010-0100 Ad Valorem Tax - Prior Years	8,858.00	10,000.00	2,754.00		72		10,000.00	
10-3090-0000 Payments In Lieu Of Taxes	7,076.00	7,000.00	7,076.00		-1		7,000.00	
10-3120-0000 Refunds Pd On Ad Valorem Tax	-3,006.00	-2,500.00	-634.00		75		-2,500.00	
10-3170-0000 Tax Penalties & Interest	8,891.00	11,000.00	5,298.00		52		9,000.00	
10-3190-0000 Dept Of Motor Vehicle Taxes	275,051.00	215,000.00	155,166.00		28		255,000.00	
10-3250-0000 Privilege Licenses	1,545.00		1,003.00					
10-3290-0000 Interest Earned On Investments	37,931.00	60,000.00	74,012.00		-23		70,000.00	
10-3310-0000 Rentals (Cell Tower)	29,766.00	27,000.00	24,805.00		8		29,000.00	
10-3350-0100 Miscellaneous Revenue	15,900.00	6,000.00	16,960.00		-183		10,000.00	
10-3350-0200 Zoning Administration	40,545.00	20,000.00	38,415.00		-92		35,000.00	

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	Actual (\$)	Budget (\$)	Actual (\$)	Estimate	%Remaining	Requested	Recommended	
10-3370-0000 Utilities Franchise Tax	548,180.00	540,000.00	282,447.00		48		540,000.00	
10-3370-0100 Utilities Franchise Tax-Catv	45,597.00	45,000.00	21,890.00		51		45,000.00	
10-3410-0000 Wine & Beer Tax	34,659.00	30,000.00			100		30,000.00	
10-3430-0000 Powell Bill Allocation	224,254.00	222,000.00	221,909.00		0		222,000.00	
10-3450-0000 Article 39 1 Cent Tax	508,028.00	570,775.00	338,075.00		41		506,507.00	
10-3450-0100 Article 40 1/2 Cent Tax	366,885.00	375,775.00	215,813.00		43		360,531.00	
10-3450-0150 Article 42 1/2 Cent Tax	299,474.00	275,775.00	166,173.00		40		296,921.00	
10-3450-0200 Article -- Hold Harmless (42-44)	389,225.00	365,775.00	234,438.00		36		386,921.00	
10-3470-0000 Abc Net Revenues	208,967.00	150,000.00	75,000.00		50		150,000.00	
10-3510-0000 Court Costs & Fees	1,943.00	2,000.00	2,002.00		0		2,000.00	
10-3520-0000 Parking Violation Penalties	1,902.00	1,500.00	3,505.00		-134		3,000.00	
10-3530-0100 Donations To Police Department	2,786.00	3,000.00	4,555.00		-52		3,000.00	

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CITY OF BREVARD
FY 2018-2019

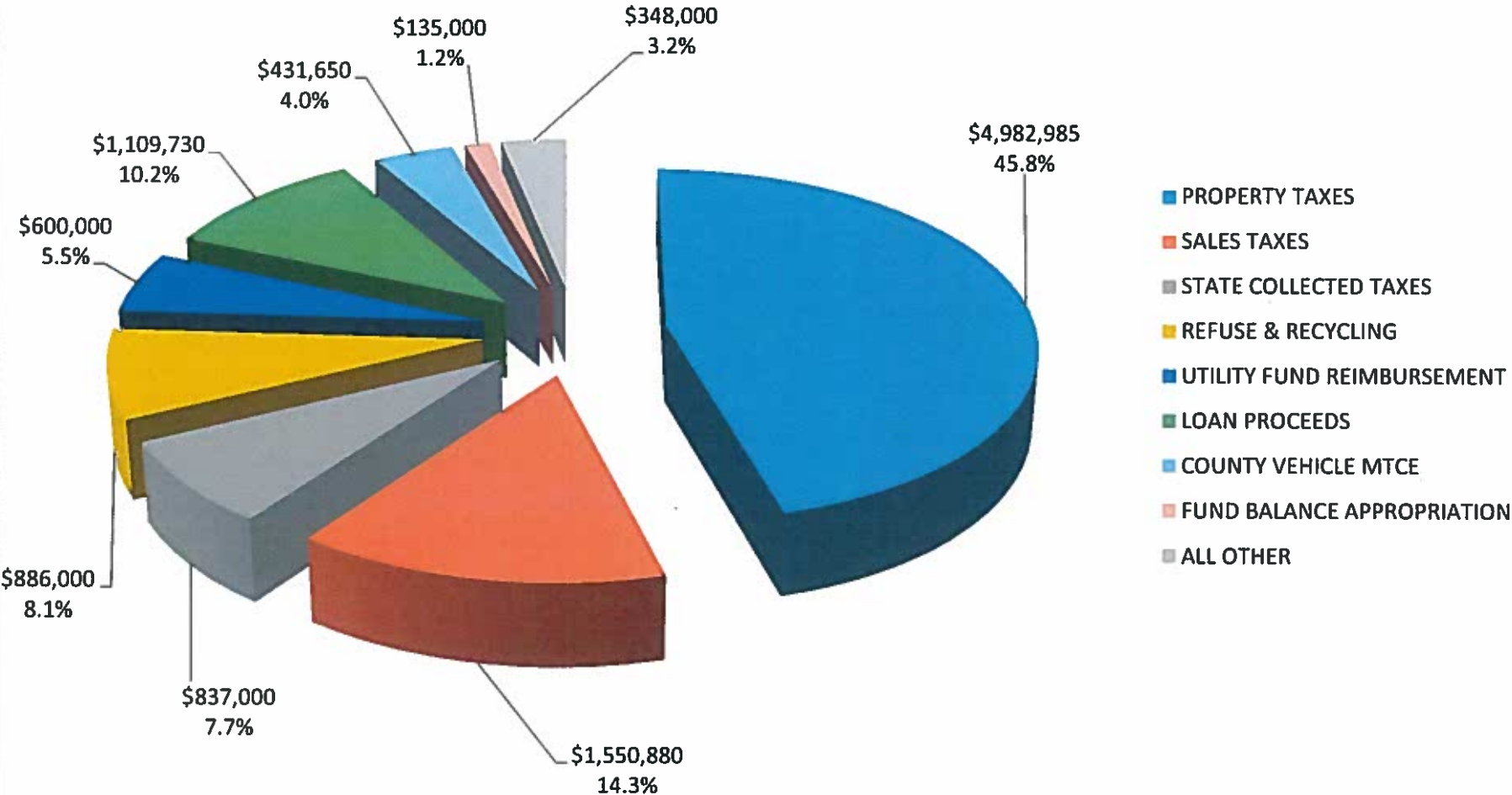
Account	2017 - 2018	2018 - 2019	4/30/2019	2018 - 2019		2019 - 2020		Approved
	Actual (\$)	Budget (\$)	Actual (\$)	Estimate	%Remaining	Requested	Recommended	
10-3590-0100 Refuse Collection Fees	374,275.00	370,000.00	319,063.00		14		375,000.00	
10-3590-0200 Special Refuse Coll Charges	5,389.00	2,000.00	5,066.00		-153		5,000.00	
10-3590-0300 County Disposal Fees-Refuse	285,995.00	280,000.00	244,599.00		13		280,000.00	
10-3590-0400 Solid Waste Disposal Tax	6,589.00	5,000.00	2,960.00		41		6,000.00	
10-3590-0500 Special - Electronics - Mulch	610.00		420.00					
10-3590-0600 * Cardboard Recycling	61,141.00	70,000.00	52,358.00		25		60,000.00	
10-3750-0000 Recycling Revenue	169,936.00	150,000.00	136,981.00		9		160,000.00	
10-3800-0000 Bankruptcy Settlement	197,085.00							
10-3830-0000 Sale Of Fixed Assets	29,745.00		460.00					
10-3910-0000 Reimbursement From Utility Fund	575,000.00	575,000.00	575,000.00				600,000.00	
10-3910-0400 Loan Reimb From Pedistrian Fund		45,000.00			100		45,000.00	
10-3920-0040 Proceeds From Borrowing	222,346.00	918,000.00			100		1,109,730.00	

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CITY OF BREVARD
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Account	2017 - 2018	2018 - 2019	4/30/2019	2018 - 2019		2019 - 2020		Approved
	Actual (\$)	Budget (\$)	Actual (\$)	Estimate	%Remaining	Requested	Recommended	
10-3970-0300 Trans From Bjerg Trust		100.00			100		1,000.00	
10-3970-1100 County-Vehicle Maintenance	351,994.00	431,650.00	259,641.00		40		431,650.00	
10-3990-0000 Fund Balance Appropriated		87,000.00			100		135,000.00	
Total	\$9,953,043.00	\$10,569,150.00	\$8,141,627.00				\$10,881,245.00	
Report Total Revenue	\$9,953,043.00	\$10,569,150.00	\$8,141,627.00				\$10,881,245.00	

GENERAL FUND REVENUE



TOTAL REVENUE: \$10,881,245

**City of Brevard, NC
General Fund Budget
Fiscal Year 2019-2020**

GENERAL FUND REVENUES

These revenues are specific to the general fund and by North Carolina Local Government Commission standards should only be used for general fund purposes. These include police, fire, streets, solid waste, recreation, administration, planning, finance, as well as other permitted purposes.

3010.0000 Property Taxes - Current Year

The property tax for fiscal year 2019-2020 is proposed to be 0.5100 cents per \$100 valuation of property. The following table shows current years projected receipts and the proposed years estimated receipts. This figure takes into account growth that occurred during the past calendar year.

Description	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Real & Personal Property Valuation	950,000,000	973,000,000	985,650,000	1,018,500,000
Total Valuation	950,000,000	973,000,000	985,650,000	1,018,500,000
Tax Rate per \$100 Valuation	0.4800	0.4950	0.5100	0.5100
Property Tax Levy	4,520,652	4,816,350	5,026,815	5,194,350
Historical Collection % @ July 1	0.9989	0.9992	0.9988	0.9990
Estimated Tax Levy Collection @ July 1	4,515,679	4,812,497	5,020,783	5,189,155

Budgeted Amount \$ 4,704,485

PROPERTY TAXES

3010.0100 thru .0400 Property Taxes Prior Years

This line item accounts for uncollected property taxes for 2018 and prior years. Overall collection percentages at July 1 have remained steady for the past 5 years. The budgeted amount here will continue to increase slightly annually as the tax base and the numbers of taxpayers grow. The proposed budget projections below were based upon information taken directly from past audit reports showing uncollected balances at June 30 as well as past collection history.

Budgeted Amount \$ 10,000

3090.0000 Payments in Lieu of Taxes

This revenue is derived from a City agreement with the Brevard Housing Authority and Keystone Camp that allows for a payment in lieu of taxes. The BHA is a property tax exempt organization that places service demands on City departments. In order to offset this cost this agreement was entered into several years ago. The amount is based upon a formula that is based primarily upon the number of occupied units.

Budgeted Amount \$ 7,000

**City of Brevard, NC
General Fund Budget
Fiscal Year 2019-2020**

GENERAL FUND REVENUES

3120.0000 Property Tax Refunds

Property tax discounts are not available in Transylvania County. This item is budgeted to take into account property tax billing errors and justified refunds from the Tax Collector's Office.

Budgeted Amount (\$ 2,500)

3170.0000 Property Taxes - Penalties/Interest

Property tax penalties are applicable each year for those taxes due and paid after January 9.

Budgeted Amount \$ 9,000

3190.0000 Department of Motor Vehicle Tax

This line item accounts for the Department of Motor Vehicle tax collected as authorized by NC General Statutes.

Budgeted Amount \$ 255,000

3250.0000 Privilege Licenses

The privilege license tax is an excise tax levied on the privilege of conducting a particular trade or business in a county or city. Effective July 1, 2015, municipalities can no longer collect privilege license fees with the exception of businesses that sell beer/wine and a taxi business.

Budgeted Amount \$ -0-

3290.0000 Investment Income - General

This revenue is generated through the investment of general fund balance and idle funds received throughout the fiscal year.

Budgeted Amount \$ 70,000

3310.0000 Rentals – Cell Tower

This revenue is generated through the lease agreement entered into with National Wireless. This tower currently houses four mobile phone antennae.

Budgeted Amount \$ 29,000

**City of Brevard, NC
General Fund Budget
Fiscal Year 2019-2020**

GENERAL FUND REVENUES

3350.0100 Miscellaneous Revenue

Revenue not otherwise categorized is included under this line item. Insufficient fund checks from customers are the most significant example.

Budgeted Amount \$ 10,000

3350.0200 Zoning Administration

These charges are received for the issuance of zoning compliance permits, variance applications, rezoning applications, subdivision review, and other miscellaneous zoning charges.

Budgeted Amount \$ 35,000

3370.0000 Utilities Franchise Tax / Piped Natural Gas Excise Tax

- Utility franchise tax on piped natural gas was replaced in 1998 by the General Assembly with a new excise tax.
- The State levies a 3.22 percent franchise tax on the total gross receipts of all businesses within the state that furnish electricity. A portion equal to 3.09 percent of the total gross receipts of electricity service derived from the sale within any municipality is distributed to the municipality in which these gross sales are made.
- The State of NC also levies a sales tax on telecommunications of 8% of gross receipts. Included are receipts from local, intrastate, interstate, toll, private and mobile telecommunication services. Other service charges for specific services are also used in calculating gross receipts.
- The State of N.C. also levies an excise tax on piped natural gas which is based on monthly therm volumes received by the end-user of the gas.

Distributions for these taxes are made quarterly on September 15, December 15, March 15 and June 15.

Budgeted Amount \$ 540,000

3370.0100 Utilities Franchise Tax-CATV

The N.C. Department of Revenue distributes part of the sales tax received on video programming revenues as follows: 23.60% of the sales tax collections from video programming service; an additional 6.74% of the existing telecommunications sales tax; 37.10% of sales tax collections on satellite television service.

Budgeted Amount \$ 45,000

**City of Brevard, NC
General Fund Budget
Fiscal Year 2019-2020**

GENERAL FUND REVENUES

3410.0000 Wine and Beer Tax

This revenue source is derived from state levied excise taxes on beer and wine. The State of North Carolina shares a portion of each tax; beer (20.47%), wine (49.44%) and unfortified wine (18.00%), within municipalities where each can be sold legally. Distribution is on a per capita basis. This revenue is typically received after March 31 but before June 30 of each year. These percentages are the levels set in 2012 after the State raised its beer and wine tax rates.

Budgeted Amount \$ 30,000

3430-0000 Powell Bill Allocation

The State of NC levies a gasoline tax of 17.5 cents plus a variable rate of either 3 ½ cents per gallon or 7 percent of the average wholesale price of motor fuel for the applicable base period, whichever is greater, on each gallon of gasoline sold in North Carolina. 10.4 percent of net amount after refunds of this gasoline tax is distributed to cities and towns for street and sidewalk construction as well as maintenance purposes. Of this allocation, the distribution of 25 percent is to cities and towns based upon the relative mileage of the qualifying non-state system or local streets, and 75 percent based upon relative official state certified populations. To receive funds, each city or town must file an annual certified map and an annual expenditure report.

The 1989 General Assembly also provided for distribution of a portion of the NC Highway Trust Fund for Powell Bill purposes. Powell Bill allocations are distributed by October 1 of each year.

- 75% State certified population (8,002 x \$ 19.86 per capita)
- 25% Street mileage of local system (40.35 mi. x \$ 1,620)

Budgeted Amount \$ 222,000

**City of Brevard, NC
General Fund Budget
Fiscal Year 2019-2020**

GENERAL FUND REVENUES

Sales Taxes

Distribution: Transylvania County currently uses the Ad Valorem distribution method. Under this method the proceeds must be divided between the county and the municipalities in proportion to the total amount of ad valorem taxes levied by each. For the purposes of this type of distribution, the amount of ad valorem taxes levied by the county or municipality includes any ad valorem taxes levied and collected by the county or municipality on behalf of a taxing district (such as a fire district, sanitary district, or school district). If the county employs this basis, a municipality or county must share the proceeds with these districts in proportion to the ad valorem levied on their behalf. These funds are distributed monthly by the State within 45 days from the end of the collection month.

3450.0000 Article 39 - 1 Cent Local Option Sales and Use Tax

1 Percent Local Government Sales Tax: Article 39 of Chapter 105 of the General Statutes provides that the county commission in each county may, either upon their own action or upon the approval of the voters, levy a one percent local government sales tax along with the State sales and use tax at the general State rate. The act further provides for the allocation of all the local option sales taxes to the county of origin but is collected and administered by the Secretary of Revenue. The distribution of this tax is now on a point of delivery basis, with most sales delivered within the county (in the store) in which the sales take place. The division of the proceeds between a county and its municipalities is on one of two bases, depending upon the method chosen by the county commission at the time they levy the tax: Population or Ad Valorem Distribution.

Budgeted Amount \$ 506,507

3450.0100 Article 40 – 1/2 Cent Supplemental Local Government Sales Tax

The 1983 General Assembly gave each county authority to levy an additional one-half percent local option sales tax (Article 40, G.S. Chapter 105). The procedures for levy and collections are the same as for the original local option sales tax. However, the distribution of net proceeds is on a per capita basis among the counties that have levied the tax, instead of on a point-of-delivery basis.

Budgeted Amount \$ 360,531

**City of Brevard, NC
General Fund Budget
Fiscal Year 2019-2020**

GENERAL FUND REVENUES

3450.0150 Article 42 Additional 1/2 Percent Local Government Sales Tax

The 1985 General Assembly authorized counties to levy a second one-half percent local option sales tax, with an effective date not earlier than September 1, 1986. The distribution of net proceeds originally was on a per capita basis. In 2007 the General Assembly passed legislation to change the distribution for the Article 42 local option sales tax from per capita to point of delivery distribution, effective October 1, 2009.

Budgeted Amount \$ 296,921

3450-0200 City Hold Harmless (Article 44 Replacement)

The 2001 General Assembly gave each county authority to levy a third one-half percent local option sales tax. In 2007 the General Assembly passed legislation to have the State assume county Medicaid costs, eliminate the Article 44 local sales tax, and raise the State tax rate commensurately. Effective October 1, 2008, the State took over one-quarter cent of the Article 44 local option sales tax, and effective October 1, 2009, the State took over the remaining one-quarter cent of that local tax. Because the assumption of Medicaid costs did not benefit municipalities, the 2007 legislation provided for municipalities to be completely reimbursed for the loss of Article 44 taxes through a “City Hold Harmless” payment. The Hold Harmless payment ensures that neither the change in Article 42 nor 44 would reduce the amount of revenue that any municipality receives. There is no expiration date on the hold harmless payments.

Budgeted Amount \$ 386,921

3470.000 ABC Net Revenues

This revenue is derived from annual net sales profits generated by the Brevard ABC store. Figures are based upon audited financial records with the City receiving 75% of the distribution and the County receiving the remaining 25%.

Budgeted Amount \$ 150,000

3510.0000 Court Costs, Fee and Charges

This revenue includes reimbursements received from the County Clerk of Court for court cost reimbursements received by the Police Department.

Budgeted Amount \$ 2,000

**City of Brevard, NC
General Fund Budget
Fiscal Year 2019-2020**

GENERAL FUND REVENUES

3520.0000 Parking Violations and Penalties

This revenue is generated from the issuance of civil parking citations by the Police Department in the downtown area. This revenue does fluctuate annually based upon the number of seasonal visitors and manpower availability for enforcement.

Budgeted Amount \$ 3,000

3530.0100 Donations to Police Department

Budgeted Amount \$ 3,000

3590.0100 Refuse Collection Fees

This fee offsets the overall cost of providing refuse collection for both residential and commercial customers. The monthly business charges have also remained fairly stable. Projected revenues for the coming year are as follows:

- Monthly Residential Charges (2,487 customers @ \$9.75 per month)
- Monthly Business Charges (339 customers @ tiered rate schedule)

Budgeted Amount \$ 375,000

3590.0200 Special Refuse Collection Fees

This fee is charged to all customers requesting a special bulk collection by the City. It is recommended that this charge be proposed at \$30.00. Last year the City conducted approximately 149 special collections.

Budgeted Amount \$ 5,000

3590.0300 County Refuse Disposal Fees

This fee offsets the overall cost of providing refuse disposal for all municipal solid waste collected by the City and taken to the Transylvania County Sanitary Landfill. The landfill tipping fee is set at \$60 per ton. Projected revenues for the coming year are as follows:

- Monthly Residential Charges (2,500 customers @ \$ 7.25 per month)
- Monthly Business Charges (341 customers @ tiered rate schedule)

Budgeted Amount \$ 280,000

**City of Brevard, NC
General Fund Budget
Fiscal Year 2019-2020**

GENERAL FUND REVENUES

3590.0400 Solid Waste Disposal Tax

The 2007 session of the General Assembly enacted a \$2 per ton statewide “tipping tax.” The excise tax went into effect July 1, 2008 and will be charged on municipal solid waste and construction and demolition debris that is deposited in a landfill in the state or transferred at a transfer station for disposal outside the state. Municipalities receive 18.75% of the tax on a per capita basis for solid waste management programs and services.

Budgeted Amount \$ 6,000

3590.0600 Commercial Recycling (previously “Cardboard Recycling”)

This revenue stream was enacted July 1, 2009 for cardboard through a fee. The recycling fee is \$10.00.

Budgeted Amount \$ 60,000

3650.0000 Recreation Department Revenue

This revenue is generated through the collection of admission fees paid by the public at Franklin Park Pool.

Budgeted Amount \$ -0-

3650.0100 Recreation Concessions

This revenue is generated through the sale of concessions at Franklin Park Pool.

Budgeted Amount \$ -0-

3750.0000 Recycling Revenue

This revenue is generated from the \$3.00 monthly residential recycling and \$4.00 commercial recycling charge. Additional recycling revenue is realized through the periodic sale of cardboard collected from commercial establishments in the City. The City has approximately 2,975 residential recycling customers and 557 commercial customers. Recycling customers are provided 96-gallon roll-out recycling containers or bins.

Budgeted Amount \$ 160,000

3830.0000 Sale of Fixed Assets

This revenue is generated from the sale of retired and obsolete equipment not currently in use by City departments. The City periodically inventories equipment and materials that no longer have a practical use and conducts a public auction to dispose of these items.

Budgeted Amount \$ -0-

**City of Brevard, NC
General Fund Budget
Fiscal Year 2019-2020**

GENERAL FUND REVENUES

3910.0000 Reimbursement from Utility Fund – Administrative Services

The General Fund provides administrative services to the Utility Fund and annually charges an administrative services fee. This fee is based upon the actual documented costs incurred by the General Fund for administrative support of the Utility systems. These costs are determined by a formula taking into consideration those positions dedicated to utility billing and collections, accounts payable, finance, planning, management and clerical support. This formula was adopted by City Council in 2002 in an effort to provide justification for the transfer of these funds.

All identifiable hard costs associated with Utility Administration are accounted for by an established percentage for each applicable department providing service to the Utility Fund for which it would not otherwise incur a cost.

Budgeted Amount \$ 600,000

3910.0100 Transfer from Heart of Brevard Fund

Prior year, Heart of Brevard (HOB) fund balance was transferred to General Fund to provide additional monies to HOB Economic Development Grant.

Budgeted Amount \$ -0-

3910.0400 Loan Reimbursement from Pedestrian Fund

The City Council approved Pedestrian Fund Loan reimbursement to the General Fund at \$45,000 annually for 15 years.

Budgeted Amount \$ 45,000

3920.0000 Police Department Grant Revenue

This revenue is comprised of various grant receipts from programs that provide specific funding for local law enforcement. Grants are periodically received from the Governor's Highway Safety Program, the Governor's Crime Commission, and various federal sources.

Budgeted Amount \$ -0-

3920.0040 Proceeds from Borrowing

Budgeted Amount \$ 1,109,730

**City of Brevard, NC
General Fund Budget
Fiscal Year 2019-2020**

GENERAL FUND REVENUES

3940.0000 Human Resource Grants

Budgeted Amount \$ -0-

3970.0300 Transfer from Bjerg Trust Fund

This revenue is derived from interest income generated from the investment of the Bjerg nonexpendable trust fund principal. These funds were donated to the City with the stipulation that only the interest produced from investment of the principal be used for the maintenance of the French Broad Community Center. This amount stands at \$60,293 as of June 30, 2017.

Budgeted Amount \$ 1,000

3970.1100 County Vehicle Maintenance Contract

The City garage currently provides vehicle maintenance services to Transylvania County on a contractual basis. It is recommended that an increase equal to the Cost of Living Adjustment budgeted for employees be charged for this service. The fee will remain at \$76,650. Besides the personnel cost associated with the vehicle maintenance, the budgeted amount includes the cost of parts and materials used on County vehicles. This fee plus cost is billed monthly.

Budgeted Amount \$ 431,650

3980.0000 Transfer From Capital Reserve

Budgeted Amount \$ -0-

3990.0000 Fund Balance Appropriated

This revenue represents an appropriation of reserve funds that are not reserved by state statute, designated or committed for a specific purpose. Appropriations from reserve are typically only made for special projects approved by the City Council, unforeseen capital expenses or in rare emergency situations for operating expenses that result from an unexpected budget shortfall or additional unanticipated expenses.

Budgeted Amount \$ 135,000

**City of Brevard, NC
General Fund Budget
Fiscal Year 2019-2020**

GENERAL FUND REVENUES

3990.0300 Fund Balance Appropriated – Capital Budget

Included in the budget recommendation is to appropriate dollars into the General Fund Balance for the following projects:

Budgeted Amount \$ -0-

General Fund Revenue

Total \$ 10,881,245

CITY OF BREVARD ANNUAL CUMULATIVE SALES TAX REVENUE

