



**RECOMMENDED  
TOWN OF SYLVA BUDGET  
FY 2008-2009**

Presented to

Mayor Brenda Oliver  
Commissioner Sarah Graham  
Commissioner Harold Hensley  
Commissioner Stacy Knotts  
Commissioner Ray Lewis  
Commissioner Maurice Moody

By

Jay A. Denton, Town Manager  
May 15, 2008

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## BUDGET MESSAGE

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May 15, 2008

Honorable Mayor Brenda Oliver and Town of Sylva Board of Commissioners:

In accordance with G.S. 159, the Local Government and Fiscal Control Act, I am pleased to present to you a balanced Recommended Budget for the fiscal year July 1, 2008 to June 30, 2009. This budget has been assembled with the premise of ensuring that the budgeted funds are spent for public purposes in accordance with the North Carolina Constitution Article V, Section 2(1), “the power of taxation shall be exercised in a just and equitable manner, for public purposes only, and shall never be surrendered, suspended or contracted away.”

This budget document contains the recommended tax rate, revenue estimations, fund expenditures, fee schedules, staffing recommendations, and a capital improvement program for the Boards consideration. A goal of this budget is to continue with the Town’s tradition of providing quality and efficient services to the residents and businesses. This budget book provides you with the details of the Annual Budget Ordinance and will provide the budget officer with the necessary guidelines to conduct the Town’s financial management for the budget year. All recommendations in this document are subject to the desires of the Board and any changes will be reflected in the adopted budget.

This fiscal year is the first year of the re-valuation of the property taxes for the Town and there has been significant growth in property values. According to Jackson County’s Tax Administrator the values of properties within the Town have averaged a growth of between 40 and 60 percent. In budget work sessions and informally, the Town’s leaders have expressed concern about the rising increase in property values and the burden of increased taxes on its citizens.

This Recommended Budget includes a Revenue Neutral Property Tax Rate, as required and calculated by the formula provided by the North Carolina Department of Treasury. The Revenue Neutral rate for property taxes equates to 30.5 cents per hundred dollar valuation. This proposed budget recommends a rate of 30.0 cents per hundred dollar valuation, lowering the tax rate 12 cents from the current year tax rate of 42 cents per hundred dollar valuation. See Appendix 1

The following Budget Highlights outline the significant recommendations of the budget officer to provide the most cost effective and efficient services to the taxpayers of the Town of Sylva.

## **Budget Highlights**

### **FUND 10 – The General Operating Budget**

#### **Revenues for Fund 10**

The revenues for the General Operating Budget consist of locally collected taxes, State collected taxes, and Town incomes sources such as fees, fines, and interests on investments. The revenues are estimated by several means; North Carolina League of Municipalities (NCLM) Estimates, past and current revenue activity, and an analysis of current economic conditions and forecasts.

According to the NCLM, “the NC economy slowed recently and there is the possibility of another recession for the end of this fiscal year and perhaps into the next because of the effects of the housing market/mortgage crisis, higher energy prices, and the falling value of the dollar.” The State collected revenues were estimated using the NCLM recommendations and a conservative approach was taken to their recommendations. Minimal, flat and no growth was recommended for estimating these revenues which came out to an overall loss of about \$47,000 compared to the current year (2007-2008) budget.

Revaluation brought higher values to properties within the Town. Setting the property tax rate at 30 cents per one hundred dollar valuation realizes an estimated \$42,400 in additional property taxes. The same tax rate is applied to vehicle taxes therefore generating an estimated \$4,400 in vehicle tax revenue. Each one cent on the tax rate generates about \$33,000 in revenues. Property and vehicle taxes comprise about 52 percent (\$1,176,200) of the revenues for the general operating budget.

Earned interests on investments are projected to be considerably less this year due to the lowered interest rates. Investment professionals were consulted and they recommended estimating the investment income at 2.75% annual yields to be on the safe side. This results in a reduction of about \$8,500 in revenues over the current year.

Recommended Fund balance appropriations from Departmental Designated Fund Balances to the general operating budget will amount to \$31,328.

In summary, the overall estimate for general operating fund revenues is estimated to be \$129,000 less than the current year.

#### **Expenditures for Fund 10**

Personnel wages and benefits comprise over one half of most municipal budgets and Sylva is no exception. Management has requested and included in this recommendation the following increases in expenditures as they relate to personnel:

- A 2.5 % cost of living adjustment for personnel beginning the first pay period of FY 2008-2009

- Merit increases of 2.5% beginning the first pay period of their employment anniversary date
- A police officer position, Grade 11 Step 1, beginning July 1, 2008

At the Board's request additional funds are recommended for the Sanitation Department to conduct a Spring Cleaning event and an increase in funding in the Community Contributions Department. Most departments have a decrease in overall expenditures with the exception of the wages and benefits line items which reflect the aforementioned requested increases.

Fuel increases will have a substantial effect on the Police, Streets and Sanitation Department's expenses. It is the recommendation of the Budget Officer to budget \$4.50 per gallon for gasoline and \$5.00 per gallon for diesel fuel. These recommended amounts are slightly higher than prices at the time of this submittal but forecasts are predicting a continued climb in fuel prices. This is standard being used by other managers in the region. If prices continue their unpredictable climb management will review current practices and request budget amendments if they become necessary.

Other significant reductions in expenditures are:

- The contingency line item has been reduced from \$50,000 to \$30,000
- The salary contingency has been reduced from \$10,000 to \$5,000
- The Hazard Abatement line item has been reduced from \$20,000 to \$5,000
- Powell Bill expenditures are down from \$83,246 to \$77,215 due to a estimated decrease in Powell Bill appropriations

I must note that reductions in many of these departmental expenditures cannot be continued in future budgets if any increases in the General Fund Balance are to be expected by the governing body.

### **Capital Improvement Program**

The recommended Capital Improvement Program for FY 2008-2009 includes at the Boards request: Resurfacing of the Municipal Parking Lot, Improvements to the Pinnacle Park Parking Lot, and funds for the Sylva to Dillsboro Sidewalk Project. These projects will be funded with Fisher Creek Watershed investment earnings, both accrued presently and those to be earned.

There are no major capital outlay items scheduled in this budget. There is a need to replace two service pick-up trucks within the Street Department but they will be scheduled in the FY 2009-2010 Capital Improvement Program. The Sanitation Department's knuckleboom truck debt has been retired this year lessening the department's expenditures by \$15,000.

The capital items the Town has purchased in the past were wise, high quality purchases that are nearing their life expectancy of being useful and will need to be replaced in the near future. An increase in spending for certain capital outlay items will strongly need to be considered in the next budget cycle.

As I conclude this message I would be remiss in not stating that in my opinion this Recommended Budget for FY 2008-2009 allows for minimal expansion of services or programs. The growth in the tax base has been less than optimal and this minimal growth will be a burden on future budget preparations and appropriations.

I wish to acknowledge the Mayor and the Board of Commissioners for their support and leadership through the development of this budget with the numerous work sessions we held.

This budget document would not be possible without the guidance and advice of Lynn Bryant. Additionally, I am extremely pleased to have working with me the other hard working, dedicated and committed staff of the Town of Sylva. My special thanks to each of them:

Jim Howell, Jeff Jamison, Jeremy Brooks, Daniel Wellmon, Mark Bennett, Judy Henry, Mickey Bumgarner, Tim Dillard, Dan Schaeffer, Curtis Lambert, Davis Woodard, Aimee Watson, John Buchanan, Brandi Henson, Stephen Shuler, Amanda Parker, Benny Frizzell, Dewey Sutton, George Lamphiear, Jason Owen, Scottie Holder, Jim Aust, Tammy Hooper, Rick Bryson and Lynn Bryant.

Respectfully,

Jay A. Denton  
Town Manager

# RECOMMENDED

## THE TOWN OF SYLVA FY 2009 **BUDGET ORDINANCE**

**BE IT ORDAINED** by the Board of Commissioners of the Town of Sylva, North Carolina:

**Section 1.** The following amounts are hereby appropriated in the General Operating Budget for the operation of the town government and its activities for the fiscal year beginning July 1, 2008 and ending June 30, 2009 in accordance with the chart of accounts heretofore established for this town.

Mayor/Board	\$35,305
Community Contributions	\$27,050
Administration	\$229,053
Highway Patrol Electric	\$1,000
Professional Services	\$49,550
Police Department	\$904,712
Street Department	\$304,687
Powell Bill Department	\$77,215
Street Lights	\$90,680
Planning/Codes Department	\$83,464
Sanitation Department	\$117,765
Facilities Management	\$37,998
Recreation	\$49,138
Fire Department	\$225,557
Cemetery Department	\$14,000
Non-Departmental	\$99,072
<u>Miscellaneous Appropriations</u>	<u>\$208,254</u>
<b>Total Appropriation</b>	<b>\$2,554,499</b>

**Section 2.** It is estimated that the following revenues will be available in the General Operating Budget for the fiscal year beginning July 1, 2008 and ending June 30, 2009.

Current Year's Property Tax	\$1,108,131
Prior Year's Property Tax	\$6,000
Interest on Taxes	\$5,000
Tax Advertising Penalties	\$300
Vending Machine Revenues	\$800
Privilege License	\$18,500
Vehicle Taxes	\$62,075
ABC License	\$800
Interest on Investments	\$42,405
Sale of Recycling Bins	\$400
Street Sweeping	\$1,200
Chamber Bldg. Rent	\$12,000
Sales of Telecommunication	\$78,660
Excise Tax on Natural Gas	\$2,300
Local Video Programming	\$16,000
Franchise Tax on Power	\$125,240

Sales Tax Art 40	\$110,000
Sales Tax Article 42	\$109,000
Sales Tax Article 39	\$227,000
Sales Tax Article 44	\$99,000
Wine and Beer	\$11,500
Powell Bill	\$77,215
ABC Revenue	\$122,450
Police Department Fines and Fees	\$5,000
Zoning Permits	\$1,000
Sales Tax Refund	\$6,500
Administration Department Fund Balance	\$2,600
PD Designated Fund Balance	\$8,878
Street Department Fund Balance	\$2,000
Annexation Fund Balance	\$10,000
Alcohol Reserve Fund Balance	\$7,850
Recreation	\$49,138
<u>Fire Department</u>	<u>\$225,557</u>
<b>Total Revenues</b>	<b>\$2,554,499</b>

**Section 3.** The following amounts are hereby appropriated in the UDAG Fund 12 for the Fiscal Year beginning July 1, 2008 and ending June 30, 2009.

<u>Fund Balance Contribution</u>	<u>\$44,750</u>
<b>Total Expenses</b>	<b>\$44,750</b>

**Section 4.** It is estimated that the following revenues will be available in UDAG Fund 12 for the Fiscal Year beginning July 1, 2008 and ending June 30, 2009.

Jackson County Library Reimbursement	\$42,000
<u>Interest</u>	<u>\$2,750</u>
<b>Total Revenues</b>	<b>\$44,750</b>

**Section 5.** The following amounts are hereby appropriated in the Post Employment Trust Fund 14 for the Fiscal Year beginning July 1, 2008 and ending June 30, 2009.

Payroll – Separation Allowance	\$6,749
FICA – Separation Allowance	\$516
Fund Balance Contribution	\$37,817
<u>Retiree Insurance</u>	<u>\$30,536</u>
<b>Total Expenses</b>	<b>\$75,618</b>

**Section 6.** It is estimated that the following revenues will be available in Post Employment Trust Fund 14 for the Fiscal Year beginning July 1, 2008 and ending June 30, 2009.

Transfer from General Fund	\$73,618
<u>Interest</u>	<u>\$2,000</u>
<b>Total Revenues</b>	<b>\$75,618</b>

**Section 7,** The following amounts are hereby appropriated in the Revolving Loan Fund 15 for the Fiscal Year beginning July 1, 2008 and ending June 30, 2009.

RLF Expenses	\$5,000
<u>RLF Fund Balance Contribution</u>	<u>\$2,920</u>
<b>Total Expenses</b>	<b>\$7,920</b>

**Section 8.** It is estimated that the following revenues will be available in the Revolving Loan Fund 15 for the Fiscal Year beginning July 1, 2008 and ending June 30, 2009.

<u>Interest</u>	<u>\$7,920</u>
<b>Total Revenues</b>	<b>\$7,920</b>

**Section 9.** The following amounts are hereby appropriated in the Fisher Creek Department Fund 24 for the Fiscal Year beginning July 1, 2008 and ending June 30, 2009.

Municipal Parking Lot Project	\$60,000
Fisher Creek Parking Lot Project	\$25,000
Sylva-Dillsboro Project	\$104,422
Sales Taxes	\$6,528
<b>Total Expenses</b>	<b>\$195,950</b>

**Section 10.** It is estimated that the following revenues will be available in Fisher Creek Fund 24 for the Fiscal Year beginning July 1, 2008 and ending June 30, 2008.

Fisher Creek Fund Balance	\$90,950
<u>Fisher Creek Interest</u>	<u>\$105,000</u>
<b>Total Revenues</b>	<b>\$195,950</b>

**Section 11.** The following amounts are hereby appropriated in the Retirement Department Fund 25 for the Fiscal Year beginning July 1, 2008 and ending June 30, 2009.

Transfer from General Fund	\$63,745
Retiree Insurance Interest	\$1,000
<b>Total Revenues</b>	<b>\$64,745</b>

**Section 12.** It is estimated that the following revenues will be available in Retirement Department Fund 25 for the Fiscal Year beginning July 1, 2008 and ending June 30, 2009..

Fund Balance Contribution	\$30,296
Retiree Insurance	\$34,449
<b>Total Revenues</b>	<b>\$64,745</b>

**Section 13.** There is hereby levied a tax at the **rate of thirty cents (.30)** per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2008 for the purpose of raising the revenue listed as “Current Year’s Property Taxes” in the General Fund in Section 2 of this Ordinance. This is based on a total estimated valuation of property for the purposes of taxation of **\$ 378,692,986** and an estimated rate of collection of **97.54%**. Also for the purpose of raising the revenue listed as “Current Year’s Motor Vehicle Taxes” in the General Fund in Section 2 of this Ordinance total estimated valuation of property for the purpose of taxation of **\$ 17,710,312** and an estimated rate of collection of **92.97%**.

**Section 14.** The capitalization threshold for 2008-2009 is \$5,000 for all capital asset classes.

**Section 15.** The Town Manager is hereby authorized to transfer appropriations within a fund as contained herein under the following conditions:

- a. Amounts between objects of expenditures within a department may be transferred without limitations and without report being given.
- b. Amounts up to \$2,000.00 dollars may be transferred between departments with an official report on such transfers at the next board meeting.

ADOPTED THIS THE \_\_\_\_ DAY OF JUNE 2008.

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Brenda A. Oliver, Mayor

ATTEST: \_\_\_\_\_  
Brandi Henson, Clerk

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## **PROPOSED FY 2008-2009 BUDGET DETAILS**

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### **PROPERTY VALUATION**

The property valuation is estimated at \$378,692,986. The tax rate is recommended to be set at \$.30 per \$100 valuation. Taxes are based on assessed values as of January 1, 2008.

### **AD VALOREM TAXES AND TAX COLLECTION RATE**

The collection rate for Ad Valorem Taxes is 97.54% and the Motor Vehicle Tax Collection rate is 92.97%.

The Town levies Ad Valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. Taxes are due September 1, although interest does not accrue until the following January 6<sup>th</sup>.

### **REVENUE OUTLOOK**

#### **Ad Valorem and Motor Vehicle Taxes**

Estimated revenue for the Town's Ad Valorem taxes are \$1,108,131.42 at the tax rate of \$.30 per \$100. Revenue from Ad Valorem taxes will be budgeted at 97.54 of the assessed valuation excluding motor vehicles. Total Ad Valorem and vehicle taxes, current and past due, comprise approximately 51% of the revenues and the remaining 49% being composed of restricted and unrestricted intergovernmental funds, permits and fees, investment earnings, and other miscellaneous sources.

#### **Unrestricted Intergovernmental Revenues**

Growth of revenues from Local Government Sales Tax and Fees, ABC Profit Distribution, Investment Earnings were substantial this year compared to past years. The combination of all non-Ad Valorem and Motor Vehicle revenues generated an estimated increase of \$138,335 over the prior year revenue estimates.

- Telecommunication Sales Tax is estimated to decrease by \$8,340.
- The Excise Tax on Natural Gas is predicted to decrease by \$900.
- Local Video Programming Sales Tax is estimated to remain stable at \$16,000.
- Franchise Tax on Power is estimated to increase by \$4,240.
- Local Option Sales Taxes (Articles 40, 42, 39 and 44) are estimated to decrease by \$42,000.
- Wine and Beer Tax is expected to remain stable at \$11,500.

#### **Restricted Governmental Funds**

- Powell Bill Fund estimates are estimated to decrease by \$1,685.

### Investment on Earnings

The Town's Fund Balance and General Fund will generate approximately \$42,405 in interest on investments this coming year if the interest rate remains at or above 2.75%.

### ABC Profits Distribution

The profits from the ABC Store sales are expected to remain stable this year. Profits experienced substantial growth previously but this growth is expected to level off.

### Miscellaneous Revenues and Fines and Fees

These revenue categories have demonstrate zero growth and are budgeted the same as the current year. They include the privilege licenses, police fines, inspection and zoning fees, rent, street sweeping for Dillsboro and other minor sources.

## DEPARTMENTAL EXPENDITURES

Fund 10 is the General Operating Budget for the Town and includes all of the departments and has the Fire Department and Recreation Department broken out into two separate funds, Funds 19 and 13, for accounting purposes only. This break-out allows for a distinct accounting of the departmental costs of their operations. The other funds, UDAG, Revolving Loan, Retirement, Post Employment and Fisher Creek are special revenue funds and are recognized separately in the audit process.

### General Operating Budget Expenditures: Requested, Recommended, Prior Years

	Requested 2009	Recommended 2009	2008
<b>FUND 10: EXPENDITURES</b>			
410 Governing	35,394	35,304	36,653
415 Community Contributions	27,050	27,050	16,500
420 Administration	229,053	229,053	225,712
421 Highway Patrol Electric	1,000	1,000	1,000
470 Professional Services	53,550	49,550	53,550
510 Police Department	906,166	904,712	806,435
560 Street Department	310,747	304,687	316,123
561 Powell Bill	83,200	77,215	78,900
562 Street Lights	148,680	90,680	98,000
570 Planning and Code Enforcement	97,615	83,465	85,265
580 Sanitation Department	119,265	117,765	155,283
590 Facility Maintenance	49,989	37,997	48,569
640 Cemetery Department	14,400	14,000	13,500
660 Non-Departmental	120,072	99,072	145,100
690 Miscellaneous Appropriations	208,254	208,254	200,452
999 Suspense	0	0	0
<b>FUND 10: TOTAL EXPENDITURES</b>	<b>2,404,436</b>	<b>2,279,804</b>	<b>2,281,042</b>

**Governing**

Expenditures for this department covers the appropriations for the pay, training, travel, and associated expenses of the mayor and commissioners. The appropriation for this department is \$1,300 less than the current year.

**Community Contributions**

This department contains the contributions to non-governmental agencies that request funding on an annual basis. This department’s appropriation will increase by \$10,550.

**Administration**

The budget for Administration includes appropriations for the operations of the administrative portion of the Town. Increases this year are due to salary increases and the replacement of two computers.

**Highway Patrol Electricity**

Expenditures increase slightly to account for an increase in electrical rates.

**Professional Services**

This department accounts for all the professional services the Town receives from the town attorney, auditing, surveying and engineering. Appropriations to this department will decrease by \$4,000.

**Police Department**

This department’s proposed increase is due primarily to the addition of a new police officer position. Also the increases in salaries and wages and fuel prices have contributed to the increase. The departmental budget will increase by \$98,276

**Street Department**

The Street Department budget will decrease by \$11,000. The capital outlay request of \$2,000 will be funded by the departmental fund balance.

**Powell Bill**

Powell Bill appropriations will fund the repair and resurfacing of three streets and the repair and construction of new sidewalks within the Town. Powell Bill funding has decreased this year by \$1,658. The following road resurfacing projects will completed with the appropriations:

Municipal Drive	24,900.00
Old Dillsboro Road	11,625.00
Wilkes Crescent	34,575.00
<b>TOTAL</b>	<b>71,100.00</b>

**Street Lights**

This department is for the funding of the street lights throughout the Town. The Town owns a portion of the street lights and the others are leased from Duke Energy.

### **Planning / Code Enforcement**

This department is charged with the enforcement of the zoning regulations and code enforcement within the city limits and any extraterritorial jurisdiction. Additionally it has the responsibility of this department to serve as the Planning Board's administrative and advisory arm.

Continued attention to the hazard abatement efforts are emphasized in this budget. This department's budget will be reduced by \$1,800 over last year but the recommended budget is \$14,000 less than requested.

### **Sanitation Department**

This department includes 40% of the salaries for personnel working in the department with the Street Department accounting for the other portion of the salaries. This department's budget will decrease by \$37,000 due to the retirement of a debt on the knuckle boom truck. As with the Street Department sharp increases in fuel prices will have an effect on this department's budget.

### **Facilities Maintenance**

This department accounts for the expenses associated with the physical operations of the Town. A conversion from propane to natural gas heating is expected to hold the costs of heating flat. A capital outlay request of \$18,000 has been requested to paint the Town Hall and Police Department. Management recommends \$6,000 for this expenditure. Town staff will be used for the completion of this project.

### **Cemetery**

This department continues to fund the mowing and maintenance of the Keener Cemetery and the recommended funding is \$500 more than the current year.

### **Non-Departmental**

In this department the Contingency line item has been decreased by \$46,000 by a reduction of the Contingency, salary contingency, employment security contingency, and election line items.

### **Miscellaneous**

This department has increased due to an increase in the allocation to the Fire Department and the funding of the Post Employment Fund. The transfer of funds to the Recreation Fund decreased this year by approximately \$8,000 due to increases in ABC profits and park rental fees.

## **Other Funds**

**Fund 14 – Post Employment:** This proposed budget continues the practice of appropriating funds accounts Law Enforcement Officer's Separation Allowance.

### **Fund 12 – UDAG Special Revenue Fund**

Urban Development Grant funds established this fund to promote urban development activities within the Town. The primary revenue source for this fund is interest, closed projects, and reimbursements from General Fund when available.

**Fund 15 – Revolving Loan Fund**

The Revolving Loan Fund was established to provide low interest loans to businesses that will in turn, generate employment and economic growth. The fund was established with moneys from the UDAG Fund. The fund sustains itself through the repayment of the loans with interest.

**Fund 24 – Fisher Creek Fund Balance**

This fund was set up in FY 2007 to account for the expenditures and revenues of the Clean Water Management Trust Fund grant to the Town. The recommended budget for this fund appropriates funds for the resurfacing of the Municipal Parking Lot, improvements to the Fisher Creek Parking Lot, and funding of the Sylva to Dillsboro Sidewalk Project.

**Fund 25 – Retirement Insurance Fund**

This fund was established to fund the retirement insurance costs of the Town's retired employees who qualified for this benefit. Annual appropriations are made from the General Fund.

**FUND BALANCE**

As stated in prior budget proposals our goal will be to observe the Town’s Cash Management Policy that states that the Town will maintain at least a 30 percent unreserved fund balance. FY 2006-2007 ended with an unreserved fund balance of 62 percent of total fund expenditures for the year.

**DEBT**

The following table outlines the principal and interest breakdown on the debt ending for FY 2009.

<b>Principal/Interest Breakdown on Debt Payments for For FY Ending June 30, 2009</b>					
<b>Police Department:</b>			<b>Street Department:</b>		
3 PD Cars	Principal:	22,873	Track Hoe	Principal:	10,832
	Interest	1,555		Interest:	952
	<b>Total</b>	<b>24,429</b>		<b>Total</b>	<b>11,784</b>
			Track Hoe Trailer	Principal:	1,306
				Interest:	115
				<b>Total</b>	<b>1,421</b>
<b>Fire Department:</b>					
Rescue Pumper	Principal:	18,204	Water Truck	Principal:	1,403
	interest	2,350		Interest:	603
	<b>Total</b>	<b>20,554</b>		<b>Total</b>	<b>2,006</b>
International Fire Truck	Principal	6,831	<b>Sanitation Department:</b>		
	Interest:	3,091	Knuckleboom Truck	Principal:	0
	<b>Total</b>	<b>9,840</b>		Interest:	0
				<b>Total</b>	<b>0</b>

## PERSONNEL

### **Highlights**

Employee health insurance premiums remained steady this year and only a slight increase occurred with the costs of insurance for retirees. The Town will continue with the non-mandated employee benefits approved by the Board previously; dental and life insurance, a 401K Plan with up to a five percent match by the Town.

### **Funded Positions**

The following positions are budgeted by department. One new position of a Police Officer is requested in this Recommended Budget.

#### **Administration**

Town Manager  
Town Clerk  
Tax Collector/Assistant Finance Officer  
Zoning-Code Enforcement  
Administrator

#### **Public Works**

Director  
Crew Leader  
2 - Senior Maintenance Technicians  
3 - Maintenance Technicians  
1-Temporary Maintenance Technician

#### **Recreation**

2 -Temporary Park Attendants

#### **Police**

Chief  
Assistant Chief  
Administrative Assistant  
2 - Detectives  
3 - Police Sergeants  
6 - Police Officers  
Auxiliary Officer (as needed)

### **Pay Grade and Step Table**

The FY 2008-2008 Pay Grade and Step Table increased 2.5% overall. Each step is in increments of 2.5 %. The table is used to determine the hourly and annual rates of pay for 40 and 42 hour per week employees according to their pay grade and step. See Appendix 2

## PROPOSED FEE SCHEDULE

The proposed fee schedules are recommended in this proposed budget to recover the costs of administering the respective programs. Town resources are stretched thin providing essential governmental services. These fees are in essence “User Fees” that will only apply to those using the services and will not burden the tax payer for the extra expenses. These schedules are recommended to begin July 1, 2007. There are no increases in any of the fees.

### Recreation Fees

Poteet Park and Bryson Park Pavilion Rental.....\$20.00 per two hour reservation block

### Public Works Cost Basis for Equipment and Manpower

Vehicle, Equipment and Manpower Charges:

Labor Charge (per hour)

1. During normal work hours.....\$25.00 per person
2. After normal work hour.....\$37.50 per person

Equipment Charge (per hour)

- |                             |                        |
|-----------------------------|------------------------|
| 1. Backhoe                  | \$45.00                |
| 2. Bucket Truck             | \$60.00                |
| 3. Dump Truck               | \$40.00                |
| 4. Knuckleboom Truck        | \$60.00                |
| 5. Trackhoe                 | \$50.00                |
| 6. Water Truck              | \$40.00 + Water Charge |
| 7. Ton Truck                | \$40.00                |
| 8. Weedeater or Leaf Blower | \$15.00                |
| 9. Mower                    | \$40.00                |

### Planning and Code Enforcement Permits and Fees

#### Development/Use Permits

Category	Use	Fee
1. Residential	Single-family	\$25
	Multi-family, less than 10,000 sf	\$100
	Multi-family, 10,000 sf or greater	\$100 plus \$25 per additional 1,000 sf
	Manufactured Home	\$25
	Accessory Building	\$25

<b>Category</b>	<b>Use</b>	<b>Fee</b>
2. Commercial, Business, Mixed Use, Industrial	Less than 10,000 sf 10,000 sf or greater	\$100 \$100 plus \$25 per additional 1000 sf
3. Hillside Development	Residential hillside areas with an average slope of 15 percent or greater and is at or above 2000 feet mean sea level (MSL)	\$100
4. Overlay Districts	Planned Unit Development Transition Manufactured Home Community	\$150
5. Subdivision Plat	Residential Non-Residential	\$150
6. Demolition Permit	Residential Non-Residential	\$50 \$100
7. Sign Permit	Free Standing Wall/Hanging Off-Premise	\$25 per location \$25 \$50 per sign
8. ABC Permit Inspections	On-Premise Off-Premise	\$50
9. Sexually Oriented Business Permit	Establishment Permit Entertainer Permit	\$1,000 \$100
10. Street/Sidewalk Cut Permit	Streets Sidewalks	\$25
11. Hazardous Material Special Use Permit	All Hazardous Material located on or within 10 feet of any street, alley or sidewalk	\$10 for first two containers \$25 per additional container Annual renewal required
12. Driveway Access Permit	Residential Non-residential	\$0 \$50
13. Flood Plain Permit	Residential Non-residential	\$50 \$100

### **Administrative Processing Fees**

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<b>Process</b>	<b>Type</b>	<b>Fee</b>
14. Flood Damage Prevention Variance	Residential	\$50
	Non Residential	\$100
15. Zoning Ordinance Variance	Residential	\$50
	Non-Residential	\$100
16. Conditional Use Approval	Residential	\$50
	Non-Residential	\$100
17. Zoning Ordinance Amendment	Text Amendment	\$100
	Map Amendment	
18. Appeal Hearing	All	\$50
19. Zoning Vested Rights Approval	All	\$100
20. Hazard Abatement	All	\$150

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**FY 2008-200 CAPITAL IMPROVEMENT PROGRAM**

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The Capital Improvement Program (CIP) for the Town is a long range plan of proposed capital projects that could be carried out over the next six years, covering this fiscal year and the next five. This program will be updated annually for the purpose of reassessing capital needs and funding sources.

Not all capital outlays will be recorded in the CIP. Only capital outlay that have a value of \$1,000 or more and a life span of more than two years are included in this plan.

This CIP includes equipment and vehicles that have been financed and the debt payments are reflected annually in respect to their amortization.

**SIX YEAR CAPITAL IMPROVEMENT PROGRAM**

This CIP includes projects that have been discussed by the Board in budget planning work sessions during the budget preparation. Funding sources for some projects in upcoming years have not been identified and their completion will be contingent upon the fiscal condition and financial demands on the Town's resources at the time of planned implementation.

**CAPITAL IMPROVEMENT BUDGET**

The Capital Improvement Budget is a list of capital improvement projects for the FY 2009. Funding sources and cost amounts are included in this plan. These are the capital expenditures by department that are included for purchase in this budget.

<u>Project</u>	<u>Funding Source</u>	<u>Amount</u>
Resurface Municipal Parking Lot	Fisher Creek Funds	\$60,000
Improvements to the Pinnacle Park Parking Lot	Fisher Creek Funds	\$25,000
Sylva to Dillsboro Sidewalk Project	Fisher Creek Funds	\$104,422
Fire Department Expansion	Jackson County	\$1,800,000

## CAPITAL IMPROVEMENT PROGRAM FUNDING

The CIP includes items that have identified funding sources and items in which solid funding sources are yet to be identified and secured. CIPs can be funded through financing via commercial institutions but this is not a method suggested in this program. The program includes projects that may be put on hold until a definite funding source is identified but at the present the following methods are recommended:

FY 2009 - 2014 TOWN OF SYLVA CAPITAL IMPROVEMENT PROGRAM								
CATEGORY / IMPROVEMENT	TOTAL COST	YEAR 1 2009	Funding Source	YEAR 2 2010	YEAR 3 2011	YEAR 4 2012	YEAR 5 2013	YEAR 6 2014
<b>GENERAL GOVERNMENT</b>								
Paint Town Hall and Police Department	\$6,000	6,000	General Fund					
MOVE POLICE DEPT TO MUNICIPAL BLDG	\$225,000		General Fund		225,000			
<b>SUBTOTAL</b>	<b>\$231,000</b>	<b>\$6,000</b>		<b>\$0</b>	<b>\$225,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>PUBLIC SAFETY</b>								
<b>VEHICLES</b>								
Police Car Rotation Program	\$161,160	24,000	General Fund	24,000	27,600	27,600	27,600	30,360
New Police Car	\$50,400		General Fund	24,000			26,400	
Fire Department Resuce Pumper	\$41,110	20,555	General Fund	20,555				
Fire Department Mini-Pumper	\$79,408	9,929	General Fund	9,929	9,929	9,929	9,929	29,763
<b>SUBTOTAL</b>	<b>\$332,078</b>	<b>\$54,484</b>		<b>\$78,484</b>	<b>\$37,529</b>	<b>\$37,529</b>	<b>\$63,929</b>	<b>\$60,123</b>
<b>PUBLIC WORKS</b>								
<b>STREET LIGHTS</b>								
<b>STREET RESURFACING</b>								
Municipal Drive		24,900.00	Powell Bill					
Old Dillsboro Road		11,625.00	Powell Bill					
Wilkes Crescent		34,575.00	Powell Bill					
<b>SIDEWALK CONSTRUCTION</b>								
Mark Watson Park to Savannah Dr	\$300,000	\$300,000	Fisher Creek					
<b>STREET CONSTRUCTION-IMPROVEMENT</b>								
Resurface Municipal Parking Lot	\$60,000		Fisher Creek	60,000				
<b>PUBLIC WORKS VEHICLES AND EQUIPMENT</b>								
Water Truck (financed)	\$16,056	2,007	General Fund	2,007	2,007	2,007	2,007	6,021
Knuckleboom Truck(financed)	\$2,079	2,079	General Fund					
Trackhoe and Trailer(financed)	\$26,410	13,205	General Fund	13,205				
Pickup Truck - Ranger	\$15,000		General Fund	13,000				
Pickup Truck - Ranger	\$15,000		General Fund		13,000			
<b>SUBTOTAL</b>	<b>\$434,545</b>	<b>\$388,391</b>		<b>\$88,212</b>	<b>\$15,007</b>	<b>\$2,007</b>	<b>\$2,007</b>	<b>\$6,021</b>
<b>INFORMATION TECHNOLOGY</b>								
Administration-Computer Replacement	\$2,600	2,600	General Fund					
Police - Computer Replacement	\$8,400			4,000		4,400		
New Phone System - Municipal Bldg/PD	\$0							
<b>SUBTOTAL</b>	<b>\$11,000</b>	<b>\$2,600</b>		<b>\$4,000</b>	<b>\$0</b>	<b>\$4,400</b>	<b>\$0</b>	<b>\$0</b>
<b>RECREATION</b>								
Pinnacle Park Parking Lot Improvement	\$25,000	25,000	Fisher Creek					
Bryson Park Playground Equipment	\$20,000	20,000	GF and Grant					
Utility Vehicle for Pinnacle Park Maintenance				8,000				
<b>SUBTOTAL</b>	<b>\$28,000</b>	<b>\$20,000</b>		<b>\$8,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>STORMWATER MANAGEMENT:</b>								
<b>DRAINAGE IMPROVEMENTS</b>								
Fisher Creek	\$50,000			10,000	10,000	10,000	10,000	10,000
<b>SUBTOTAL</b>	<b>\$50,000</b>	<b>\$0</b>		<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>
<b>TOTAL CAPITAL IMPROVEMENTS</b>								
	<b>\$1,086,623</b>	<b>\$471,475</b>		<b>\$188,696</b>	<b>\$287,536</b>	<b>\$53,936</b>	<b>\$75,936</b>	<b>\$76,144</b>

# Appendix 1

## Neutral Property Tax Increase

Note: The top part of this worksheet is used as working papers to make it easier for you (counties and municipalities) to calculate amounts that should be used in the actual

Revaluations as of:  
January 1, 2005-2008

Fiscal year	Assessed Valuation	Annexation eannexatic	Total w/ Annexation or Deannexation	Valuation Increase	Percentage change
2008	396,403,298		396,403,298		
2007	280,487,330		280,487,330	9,200,375	3.39%
2006	271,286,955		271,286,955	2,988,524	1.11%
2005	268,298,431		268,298,431	8,090,723	3.11%
2004	260,207,708				2.54%
					<b>Average growth % Doesn't include revaluation increase</b>
<hr/>					
Last year prior to revaluation				Tax rate	Estimated tax levy
2007	280,487,330			0.4200	1,178,047
<hr/>					
First year of revaluation				Tax rate to produce equivalent levy	
2008	396,403,298			0.2972	1,178,047
<hr/>					
Increase tax rate for average growth rate				Revenue neutral tax rate, to be included in budget	
	396,403,298			0.3047	1,207,948
				Increase	29,901
<b>Average Percentage Increase</b>					<b>2.54%</b>