

CHIMNEY ROCK VILLAGE

North Carolina

ANNUAL BUDGET ORDINANCE

Fiscal Year beginning

July 1, 2019

Ending

June 30, 2020

INCLUDES:

Cash Flow Management, Line Items Defined, Budget Details
And Explanations of Revenues and Expenditures

Village Council

*Peter O’Leary; Council Term 2015 – 2019
Elected by Council to Serve as Mayor December 2015

*April Sottile; Council Term 2017 – 2021
Elected by Council to Serve as Mayor Pro Tem December 2015

Bruce Godzik; Council Term 2017 – 2021
Bill Robson; Council Term 2015 – 2019
Don Cason; Council Term 2015 - 2019

Planning Board

Appointed Officials

Barbara Meliski (Chair)	Term 2017 - 2021	Stephen G Duncan; Administration/Finance/Zoning
Ann Gaskey	Term 2016 – 2020	John B. Crotts; Village Attorney
Danny Holland	Term 2016 – 2020	*King Law Firm; Rutherfordton, NC
Don Cason	Term 2019 – 2023	Stephen G Duncan; Village Clerk
Amy Wald	Term 2019 – 2023	

Updated as of July 1, 2019

CHIMNEY ROCK VILLAGE

ANNUAL BUDGET

FY 2019/2020

STATEMENT REGARDING BUDGET PRIORITIES AND POLICIES:

The Chimney Rock Village Budget:

- Includes all Funds, including the General Fund, Water Fund, Committed General Fund Reserves, Savings Funds and a line-item account narrative and guide for management for each.
- This Budget does serve as the **“CASH MANAGEMENT PLAN AND POLICIES”** for Chimney Rock Village.
- Cash Reserves retained are equal to or exceed 100% of the General Governmental Expenditures, meeting the Village Policy and the recommendation of the NC Local Government Commission.
 - This budget follows a policy this fiscal year to retain approximately \$ 25,000 in the general fund operational checking account, \$ 170,000+ in General Fund Savings and \$ 170,000+ in the General Fund – Committed Reserves.
- Water Fund - Capital Reserves are estimated to be approximately \$ 140,000 this FY.
- **The General Fund Property Tax Rates are as follows:**
 - **General Fund .14/\$100**
 - **Municipal Service (tax) District .20/\$100**
 - **Parking Fees to increase to \$ 5.00 per car per day in the Downtown Public Parking Lot**

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Chimney Rock Village – Annual Budget Ordinance

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Annual Budget – FY 2019/2020

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***CHIMNEY ROCK VILLAGE
NORTH CAROLINA***

**GENERAL FUND ACCOUNTS
June 30, 2019**

**Annual Budget Ordinance
Fiscal Year Beginning July 1, 2019
Ending June 30, 2020**

**CHIMNEY ROCK VILLAGE
NORTH CAROLINA**

**BUDGET ORDINANCE
FISCAL YEAR BEGINNING JULY 1, 2019
THROUGH JUNE 30, 2020**

BE IT ORDAINED by the Village Council of Chimney Rock Village, North Carolina:

There is hereby levied **a tax at the rate of fourteen cents (.14)** per one hundred dollars (\$100) valuation of property as listed for taxes at the Rutherford County Tax Office as of January 1, 2019, for the purposes of raising the revenue listed as "Current Year's Ad Valorem Taxes" in the General Fund as named and shown in this Annual Budget Ordinance.

This rate is based on the total valuation of property for the purposes of taxation of **\$ 57,546,557** and an estimated collection rate of (98.5%) for Ad Valorem Revenues of **\$ 79,350**. The estimated vehicle tax value is **\$ 960,000** at **(fourteen cents .14 per hundred dollars value)**, creating the estimated collection for vehicle tax of **\$ 1,000**. These estimates are based on a review of the previous year's tax collections and estimated tax values provide by the Rutherford County Tax Assessors Office as of January 1, 2019.

A Municipal Service District, as established by Village Council, has a tax valuation of **\$17,905,867**. Village Council sets **a tax rate twenty cents (.20)** per one hundred dollars and estimates a tax collection rate of (98.5%) for estimated revenues of **\$ 35,275**.

Section 1. It is estimated that the following revenues will be available in the General Fund for the Fiscal Year beginning July 1, 2019 and ending June 30, 2020.

Tax Revenues:

Current Year's Ad Valorem Tax	\$ 79,350
Previous Year's Taxes Collected	1,000
Property Tax – Late Payment Interest	1,000
Municipal Tax District Revenues	35,275
Vehicle/Auto Tax Collected	1,000
State Sales Tax Revenue	37,000
State Franchise Tax Distribution	17,750
State ABC Distribution	500
State Recycling Distribution	50
Solid Waste Disposal Revenue	70

Total Governmental Revenues: **\$ 172,995**

User Fees/Permits/Interest Earned:

Garbage Collection Fees	22,000
Public Parking Fees (\$5.00/vehicle)	90,500
Fees and Permits (Planning)	1,500
Cell Tower Lease Revenues	11,400
Interest Reinvested (Accounts)	4,000

Total Fees/Leases/Interest Collected: **\$ 129,400**

TOTAL ESTIMATED REVENUES AVAILABLE: **\$ 302,395**

Section 2. The following amounts are hereby appropriated in the General Fund for the operation of the Village Government and its activities for the Fiscal Year beginning July 1, 2019 and ending June 30, 2020, in accordance with the chart of accounts heretofore established for the government of Chimney Rock Village:

General Government Operations	\$ 48,100
Beautification Projects (Cultural & Recreation)	30,000
Election Expense	1,500
Professional Fees	20,500
Health and Safety (Restrooms/Emergency Services)	21,500
Environmental Protection (Garbage)	15,750
Recycling Program	7,020
Transportation (Street Lights)	9,000
*Parking Lot (VFD) Lease/Maintenance	1,000
*Parking Lot CC Fees (Included Gen Gov. Operations)	-0-
*Parking Lot – Electrical/Telephone (Gate)	<u>3,000</u>

TOTAL ESTIMATED GENERAL EXPENDITURES: \$ 157,370

Capital Enhancement - (Parking)	-0-
Capital Enhancement – (Public Restrooms)	10,000
Capital Projects – Economic Development (Matching Grant)	50,000
Sidewalk Enhancement (Matching Grant funding)	1,000
Interest Re-invested	4,000
Transfer to Committed Reserves	35,000
Transfer to Village Savings	4,025
Contingency	<u>5,000</u>

TOTAL DESIGNATED EXPENDITURES: \$ 109,025

DEBT SERVICE

- *Economic Development – Annual Debt Payment: \$ 36,000
{Initial Loan Amount \$ 350,000, Term 20 yr. at 3.95%}
- Budgeted payment approx. \$ 2,100 monthly payment
 - Plus an Additional Principle Payment/month of \$ 900 = \$ 3,000/mo.

TOTAL DEBT SERVICE – GENERAL FUND: \$ 36,000

**TOTAL ESTIMATED EXPENDITURES,
CAPITAL RESERVES, DEBT SERVICE, TRANSFERS, AND
CONTINGENCY:** \$ 302,395

Section 3. The Budget Officer (Mayor) and Finance Officer (Appointed by Village Council) are hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. The Budget Officer and Finance Officer may transfer amounts, not to exceed \$25,000 between line item expenditures within the same fund without a report being immediately required. These should be orally reported to the Village Council on a regular basis.
- b. The Budget Officer and Finance Officer may transfer amounts up to \$25,000 between funds, including fund balance appropriations, yet, they will be required to make an official written or oral report on such transfers at the next regular meeting of the Village Council.
- c. The Budget Officer and Finance Officer may not transfer any amount from the Contingency Funds or the Capital Reserve Fund, except as approved by the Village Council with the appropriate motion and vote at a regular Council Meeting, a Budget Ordinance Amendment or Capital Reserve Fund Resolution.
- d. The Mayor serves as the Budget Officer and the Mayor Pro Tem serves as the Deputy Finance Officer for the purpose of signing checks. All checks require these two signatures unless there is a conflict of interest or one of these parties is unavailable, then the Finance Officer shall sign as the second signature for payment by check.

Section 4. The Budget Officer and Finance Officer may make cash advances between funds for periods not to exceed sixty (60) days and shall report these to the Village Council at the next regular meeting. The Governing Council must approve any advances that exceed beyond sixty (60) days. Should any advances be outstanding at the end of the fiscal year, they must be approved by the Village Council prior to June 30, of the same fiscal year.

Section 5. Cash Reserves: The Village will maintain a savings account in an amount not to exceed sixty-five percent (65%) of the projected governmental tax expenditures plus debt payment obligations during the fiscal year, nor should this savings drop below twenty percent (20%) without a written report and explanation to the Village Council by the Budget Officer and/or the Finance Officer at the next regular Council meeting. Should these funds remain below 20% of the required balance at the end of the Fiscal Year the Village Council must approve this deficit along with a fiscal plan to restore this savings account balance.

- **Funds held in the General Fund primary checking (operational accounts) in addition to funds held within the General Fund Savings and the Committed General Fund Reserves accounts are available for immediate use by the Village Council by resolution and serve as reserves for the General Fund for the Village. (Combined funds should equal, at minimum, approximately 100% of projected governmental operating expenditures plus debt payment obligations for the fiscal year.)**

Section 6. The Budget, as approved, will be furnished to the Village Clerk, the Budget Officer and the Finance Officer to be maintained on file by them for their direction in the disbursement of funds on behalf of the Governing Council for Chimney Rock Village.

Section 7. This budget, as approved by the Village Council will include an Explanation of Line Items for the General Fund, the Water Fund, any Capital or other funds and an Annual Audit Preparation Guide and this document shall serve as the Chimney Rock Village Cash Management Plan.

THIS BUDGET ORDINANCE IS HEREBY ADOPTED THIS 18th DAY OF JUNE, IN THE YEAR 2019.

PETER O'LEARY; Mayor and Budget Officer

STEPHEN G. DUNCAN; Finance Officer & Clerk to the Board

EXPLANATION OF LINE ITEMS FOR THE GENERAL FUND AND ANNUAL AUDIT PREPARATION GUIDELINES

The following is an explanation of accounts and serves as the Budget Cash Management Plan. This addendum is to serve as the guiding portion of the budget. This is to be attached to the budget ordinance for the purpose of providing direction and detail on budget line-items.

REVENUES:

Ad Valorem Taxes: These are determined based upon estimates provided by the Rutherford County Tax Assessors Office. **This budget establishes a tax rate of fourteen cent .14 per \$ 100 valuation.** Estimated Real Property Values as of January 1, 2019 are \$ 57,546,557 and an estimated Ad Valorem Tax Collection to be: \$ 79,350 (98.5% collection rate). (NOTE: The Village is using current collection data as well as estimates from the County Assessor's Office to project these revenues.) In addition to the real property tax assessment there is an estimated tax collection of \$ 1,000 on motor vehicles. **NOTE: PROPERTY TAX LATE PAYMENT INTEREST** revenue paid by late paying tax obligations is estimated to be \$ 1,000.

Municipal Service District: These are funds generated by the Ad Valorem tax levied upon the properties within the special tax area known as the Municipal Service District. The estimated taxable value is \$17,905,867. These funds are used by the Village Government to promote and maintain the central business community. **This tax rate is set at twenty cents (.20) per \$100 valuation** and will collect an estimated \$ 35,275. (Estimated collection rate of 98.5%) This revenue is shown within the General Fund. The primary use of Municipal Service District Fund is to support the public restrooms, public parks and recreation areas, portion of streetlights, parking lot maintenance, improvements and upgrades and functions that benefit the immediate commercial downtown business areas.

Inter-Governmental Revenues: These are revenues collected by the State of North Carolina and shared with incorporated municipalities and local governments. These include but are not limited to: Sales Tax Revenue of \$ 37,000 and State Franchise Tax Revenue \$17,750.

Interest Earned: These Revenues are: Checking Account Interest Earned, Savings Account Interest Earned and our Capital Reserve Account Interest Earned (and reinvested). We must show each of these as income. Each are actually deposited directly into the account (Checking) or re-invested automatically with the Savings Account and the Capital Reserve Account. \$ 4,000.

ABC Revenue: This is a Revenue paid to Chimney Rock Village by the State of North Carolina based on the Alcohol Sales within the Village. Estimated Annual Distribution: \$500.00

Garbage Collection Fees (Environmental Protection): This is a fee charged to all residential property owners that have an inhabitable structure within Chimney Rock Village. This fee is charged by the Rutherford County Tax Assessors Office to all residents that are not in an area that provides garbage collection. The Village initiated the residential garbage collection program and collects this fee, (instead of the County). These fees are used to support the residential collection and disposal program. The fee is \$140 per household at an estimated 155+/- homes. The estimated fees to be collected are: \$ 22,000.

*Also; included is an annual state allotment paid to Chimney Rock Village for recycling \$ 50.00 and waste disposal of \$ 70.00.

Chimney Rock Village

Budget Ordinance

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Cell Tower Lease Revenues: The Village entered into a lease for the use of property next to the Village Amphitheatre in spring of 2016. The lease initially is with Carolina West Wireless for the location and erection of a Cell Tower to service the valley, gorge and lake areas. The lease began at \$ 950 per month (2016/2017) and will increase 10% each renewal term over the previous term's lease payment. The initial lease term is for 5 years and will be available for renewal in 5 year increments. The first renewal will be in April 2021. The estimated lease revenue for fiscal year 2019/2020 will be \$ 950/mo. or \$ 11,400 annually.

Parking Lot Revenue: This is revenue from the Public Parking Lots located in the central business district. The estimated gross annual income from both parking permits and hourly fees is estimated to be: \$ 90,000 per year. **Based on a parking fee of \$5.00/vehicle/day**, and using previous year's assessment of the number of cars/vehicles that paid for parking. ***The Primary Central Business Gated Parking Facility will charge \$5.00/vehicle for all day parking. The Chimney Rock Fire Dept. Parking Lot below the Fire Dept. will charge \$1.00 and is for employees.**

Revenue Estimates:

- Approx. 18,000 vehicles @ \$5.00/car = \$ 90,000
- Additional Fees/Annual Permits and other parking \$ 500
- * Total Estimated Revenue \$ 90,500

Note: Based on 2018/2019 statistics for the number of paying vehicles

EXPENDITURES:

***Personnel and Management:** These positions serve the Mayor and Council as the General Administrator, Clerk to the Board, Finance Officer, Zoning and Planning, bookkeeping and website management. Typically, these administrative positions serve as management of the Village Budget, Policy Formation, Zoning and Planning; as well as general clerk duties of maintaining the Village Records and operations of the Village Website. General Administration/Finance; Planning and Zoning/Clerk to the Board: \$ 27,000/year; Bookkeeping and record maintenance, Main Street and Coordinate with the Community Development Association and other groups, Village Computer and Website Administration: \$ 10,000/year. The amount budgeted is \$ 37,000 per year.

***Public Officials Liability Insurance:** This liability insurance protects the Elected Officials and their appointees. This insurance secures them when acting according to and within the limits set forth by Federal and State Laws they are entrusted to follow and administer. This also insures the Village against claims against Governmental activities and assets. Budget: \$ 2,500. (General Fund portion.) NOTE: Water Fund shares in this expenditure. (\$ 3,500 Water Fund portion = Total of approximately \$ 6,000/year.)

***General Operating Expenses:** Telephone and Online Network connections (\$ 1,250), Printing and Postage (\$ 150), Advertisement (\$ 500), Membership Fees (\$ 2,100), Account Maintenance Fees (\$ 1,500), Office Supplies (\$ 500), and General Office Equipment (\$ -0-). **Travel Expenses:** Funds are allocated to support the travel of Professional Staff, the Mayor and Council, when business is beyond Rutherford County (\$ 250). ***Codification Expense:** Funds support the continued organization, documentation, and

maintenance of the Village Code of Ordinances (\$ 1,250). General Operations Projected Budget \$ 5,750 plus annual estimated fees of \$ 1,250 for Codification = Total Budget \$ 7,000

Chimney Rock Village
Budget Ordinance
FY 2019/2020
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***Office Lease:** The Village leases an office from the Chimney Rock Volunteer Fire Department. The amount of the lease is \$1,500 per year to offset their cost for the use of the office and meeting room, the utilities to light, heat and provide water to the facility. Budget: \$ 1,500.

***Miscellaneous Expenses:** This is to support small expenses that do not fit into other items identified within the Budget. Typical expenses include: Research materials, snacks and drinks for community meetings, awards, etc. Budget: \$ 100.

***Items with * are included within the Budget Ordinance as *General Government Operations*.**

■ **SUMMARY OF GENERAL GOVERNMENT OPERATIONS:**

● Personnel and Management	\$ 37,000
● Public Officials and Village Liability Ins.	2,500 (General Fund Portion)
● General Operation Expense	5,750
● Ordinance Codification and Maintenance	1,250
● Office/Community Meeting Room Expense	1,500
● Miscellaneous (travel, awards, etc.)	100
■ <u>TOTAL GENERAL GOVERNMENT OPERATIONS EXPENSE SUMMARY:</u>	<u>\$ 48,100</u>

SPECIAL EXPENDITURES:

Beautification (Cultural and Recreation): These funds are for public activities and properties such as: parking lots, the Riverwalk, the Amphitheatre, and general maintenance. Public Parks maintenance \$ 24,000; Basic Improvements/Repairs \$ 5,000; and Event (July 4th Fireworks) \$ 1,000. Total: \$ 30,000

Professional Fees: This provides funding for professional services such as legal counsel, accounting or other required professional assistance. The Budget allocates funds for the following: Legal: \$ 8,000; CPA/Auditor: \$ 10,000 (portion of Auditing fees from General Fund, Balance from Water Fund); Tax Collector: \$1,500; Engineer/Survey: \$1,000 (General Fund Portion). The total for this Budget item is: \$ 20,500

Election Expenses: Municipalities {Chimney Rock Village} have elections every other fall (November) in odd numbered years. Therefore, **Chimney Rock Village will have an election expense during this fiscal year.** \$ 1,500 {Note: The Village Council set the filing fee at \$ 10.00 per candidate.}

Health and Safety (Restrooms and Emergency Services): This item supports community groups, agencies or organizations that protect the health, safety and well-being of the Village Citizens. The Budget supports the following: Chimney Rock Volunteer Fire Department: \$500; Hickory Nut Gorge Emergency Management Services: \$500; and law enforcement agencies: Rutherford County Sheriff's Department \$4,500; the Town of Lake Lure Police Department \$1,000 and the Village Public Restrooms: \$ 15,000. Budget: \$ 21,500.

***See Restroom Expense Summary next page.**

■ **RESTROOM EXPENSE SUMMARY:**

- Personnel / Cleaning \$ 9,150 (\$ 760/mo. estimated)
- Supplies 2,250
- Sewer Cost 1,675
- Electric Cost 850
- Repairs/Maintenance 1,000
- Contingency for Expenses 75

■ **Total Restroom Operational Cost** **\$ 15,000**

Environmental Protection (Garbage Collection): This Line Item supports two collection programs. General Garbage Collection for residential properties is \$1,312.50/month or \$15,750/year. The Village Recycling Program for residences is \$585/month or \$7,020/year. Total Budget: \$22,770.

Transportation (Street Lights): This line item supports the Streetlight program @ approx. \$ 750/mo.: Budget \$ 9,000.

Village Parking Maintenance and Enhancement Programs: This Line Item reflects annual expenses for leasing, then maintenance and operations (Parking Lot Arm Tele Service \$ 1,000 and Electric \$ 700) of the Village's parking facilities. Budget for Operations, Maintenance and Basic Improvements \$ 3,000. Lease to CRV-VFD \$ 1,000 Total Budget: \$ 1,000

NOTE: Credit Card processing fees \$ 1,250 included in Bank Charges/General Government Operations

Public/Private Partnership Programs: The Village is participating with the Tourist Development Authority (TDA) in a county-wide Public/Private Partnership program for economic development. These programs may provide matching funds for special projects and the Village participation for 2019/2020 is set at \$ 50,000. This amount is allocated within this budget. These funds will be earmarked and deposited in the Savings Fund for these TDA projects. (\$ 100,000 Available for Matching Grant Program in 2019/2020)

Contingency: Audit guidelines state that contingency cannot exceed 5% of the Budget. This year's contingency will be budgeted at \$ 5,000

Capital Expenditures:

- **Capital Improvement Parking Projects:** The purpose of the Capital Improvement Projects are to invest in downtown infrastructure (TDA Matching Grant Program \$ 50,000 and renovations to the Public Restrooms \$ 10,000). **SEE SAVINGS ACCOUNT FOR ADDITIONAL INSTRUCTION**
 - **Estimated Balance due for current FY \$ 60,000**

DEBT SERVICE 2019/2020:

Commercial (Credit Line) Loan – Capital Projects for Public Parking/Restrooms: *A loan repayment will be paid in monthly installments based on the terms of the refinanced Loan Note of \$ 350,000 as of May 2019. The annual estimated payments will be \$ 36,000 for the parking lot improvements and expansion program and the public restroom updates.

- Initial Loan Amount \$ 350,000;
- Monthly Allocation \$ 3,000 or \$ 36,000 annually Debt Service Obligation

Chimney Rock Village
Budget Ordinance
FY 2019/2020
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CHIMNEY ROCK VILLAGE – DEBT SERVICE (Commercial Loan)

- The Village has entered into an agreement with Carolina Trust Bank for a loan for the purpose of purchasing property and completing certain projects as identified in the Village Comprehensive Plan and to fund the Matching Grant of \$ 50,000 for downtown infrastructure project in 2019/2020. These projects are the enhancement and improvements to the Village Parking Facilities, the Public Rest Rooms and the streetscape in the central business district.
- This loan will be reimbursed through budgeted distributions and debt service payments from the General Fund. Village will make payments of \$ 3,000 per month which includes approximately \$ 2,200 towards regular payment (principle and interest) plus an additional estimated \$ 800 per month towards principle.

TERMS OF LOAN AGREEMENT: (Loan initiated per Council Approval May 2019. Incorporated in Annual Budget fiscal year beginning July 1, 2019 through June 30, 2020.)

*Loan Type: \$350,000 Commercial loan note.

*Terms: Commitment for a term of 20 years from May 2019. Interest / principle payable on a monthly basis of approximately \$ 2,118/month. (Balloon Payment or update loan note in 60 months – May 2024)

*Interest: Interest Rate is 3.95% fixed rate, 20 year amortization with a 5 year balloon or refinance clause.

ANNUAL TRANSFERS TO CAPITAL MANAGEMENT TRUST ACCTS:

- General Fund - Savings Fund: \$ 4,025
- General Fund – Committed Reserves: \$ 35,000

VILLAGE ACCOUNTS:

The Village maintains the following accounts:

- Checking Account; Carolina Trust Bank
- North Carolina Cash Management Accounts*; (Approved Investment by N.C. Local Government Commission) include the: General Fund – Committed Reserves, the Water Fund Capital Improvement Reserve, and the General Fund Savings Account.

*NOTE: This are the primary investments the North Carolina Local Government Commission will approve for Chimney Rock Village to invest funds.

ANNUAL VILLAGE AUDIT: The Village is required by municipal law to have an annual audit. This audit must be filed with and reviewed by the Village Council and the N.C. Local Government Commission. This audit will take place during fall 2019 for the fiscal year ending June 30, 2019. The Village files other required reports throughout the fiscal year with the NC Department of Revenue, State Treasurers Office (Local Government Commission).

SUMMARY

**CHIMNEY ROCK VILLAGE
NORTH CAROLINA**

Savings Account

Note: Per Chimney Rock Village Budget Ordinance, the Village will maintain up to 50% of the projected annual governmental expenses in a savings account and this balance should not ever be below 20% of the projected annual income. This is to protect the Village from unforeseen expenditures and is available for cash flow needs in the General Fund and are not Capital Improvement related.

Savings Fund:

Unrestricted Balance June 30, 2019	\$ 66,650
(TDA) Savings for Matching Grant (earmarked)	50,000*
(TDA) Matching Grant – FY Contribution	50,000*
Annual Contribution to Account	4,025
Estimated Annual Income	1,500

Budgeted/Available: **\$ 172,175**

Available Funds for Distribution: **\$ 172,175**

Note: *\$ 100,000 is earmarked to match TDA Funds for downtown economic development infrastructure projects.

Balance and Reserve Requirements for 2019/2020:

Estimated 2018/2019 General Fund Government Operating Expenditures are estimated at \$ 300,000

**General Operating Budget and Debt Service combined.

- Minimum Savings Balance Required by Ordinance \$ 50,000 (20%) *rounded
- Maximum Savings Balance Allowed by Ordinance \$ 195,000 (65%) *rounded
- **Cash Reserves Estimated: Minimum Balance \$ 25,000+ General Fund Operation Acct. (Average Account Balance), Savings \$ 170,000 includes Earmarked Funds TDA of \$ 100,000 and Committed General Fund Reserve \$ 170,000+. {NOTE: This amount, including earmarked TDA Matching Grant Funds exceeds the minimum required reserves as suggested by the Local Government Commission.}**

The Current Estimated Balance on Hand for the Savings Account does meet the Ordinance Requirements as outlined in Section 5: “CASH RESERVES”. Current CASH balances held meet

expectations of the NC Local Government Commission. SEE Section 5: "CASH RESERVES" of the Chimney Rock Village Budget Ordinance.

Chimney Rock Village
Village Budget Ordinance
Committed General Fund Reserves
Resolution Establishing and Maintaining
FY 2019/2020
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RESOLUTION

**CREATING A "COMMITTED GENERAL FUND RESERVE" ACCOUNT FOR SPECIAL PROJECTS AND
OTHER GOVERNMENTAL PURPOSES.
PROVIDING FUNDING FOR PARKING, STREETS, PUBLIC SIDEWALKS,
PUBLIC COMMON AREA DEVELOPMENT AND PUBLIC RESTROOMS**

BE IT RESOLVED THAT THE VILLAGE COUNCIL FOR THE INCORPORATED MUNICIPALITY OF CHIMNEY ROCK VILLAGE HEREBY DOES ESTABLISH AND RETAIN A COMMITTED GENERAL FUND RESERVE ACCOUNT.

- 1) Village Council retains a **COMMITTED GENERAL FUND RESERVE** account.
- 2) This fund is for the purpose of repairing, constructing, expanding or any other venture to establish additional parking, street accesses, public pedestrian passages, Riverwalk, Amphitheater, public common area development, sidewalks, public restrooms and other special projects as determined by the Village Council.
- 3) These funds can be distributed by a simple majority vote of the Village Council at any regular Village Council meeting. These funds are readily available as directed by the Village Council.
- 4) These funds are considered a part of and available as a part of the Chimney Rock Village Reserves, Savings and Cash Management Plan.
- 5) This **Committed General Fund Reserve** is created by incorporating the former Capital Reserve Fund into this Fund Reserve during the Fiscal Year beginning July 1, 2018 and will continue until either changed or terminated by a majority vote of the Village Council.
- 6) This Fund will be maintained through General Fund annual allocations as a part of each fiscal year budget in an amount to be determined by the Village Council.

The following Chart of Accounts represents the Chimney Rock Village Committed General Fund Reserves:

Beginning Balance as of July 1, 2019 **\$ 135,850**

Transfer to General Fund Committed reserves:	\$	\$ 35,000
Estimated Reinvestment Income:	\$	2,500

Funds Available for Committed Reserve Distribution: **\$ 173,350**

This Resolution is hereby a part of this fiscal year budget and will remain a part of every subsequent Budget Ordinance until changed or eliminated by the Village Council. This COMMITTED GENERAL FUND RESERVE is approved by the Chimney Rock Village Council, this the 18th day of June 2019.

Peter O'Leary; Mayor

Stephen G. Duncan; Finance Officer; Clerk to the Board

Chimney Rock Village

Budget Ordinance

FY 2019/2020

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This concludes the Village Budget Ordinance (General Fund) section referred to as the Explanation of Accounts. This section includes explanations regarding revenues and the divisions or specifics as to the use of funds. This section also includes the general guidelines for making expenditures and for the annual audit preparation.

These explanations, guidelines and Cash Management Plans and Policies are hereby approved as part of the Chimney Rock Village Budget Ordinance, this the 18th day of June, 2019.

Peter O'Leary; Mayor

Stephen G. Duncan, Finance Officer; Clerk to the Board

“INVENTORY OF REAL PROPERTY”

GENERAL FUND PROPERTY:

	<u>Value:</u>
1) Terrace Drive – Deed Restricted for Village Public Use only (6 acres behind VFD) Map 521-1-6	\$ 58,400
2) Main Street (.25 acres) (Riverwalk Park Entrance) Map 521-2-13A	\$148,500
3) Riverside Park (Old VFD-Highway 74A) Map 521-2-31	\$105,000
Map 521-2-32	\$126,700
4) Boy’s Camp Road (North side of Road) Map 519-1-20	\$ 4,800
5) Main Street – Parking Lot (Next to Post Office) Map 521-1-22	\$ 56,700
Map 521-1-23	\$ 35,400
Map 521-1-24-B	\$ 8,600
6) Chimney Rock Large Public Parking and Amphitheater Map 521-1-5-C	\$529,300
7) Section of Riverwalk (Near Eastern entrance) Map 521-2-13	\$ 10,000
8) Small parking lot Main St. **	\$ 5,000
9) Formerly Kritters–(East End) Parking Lot**	\$ 100,000
10) Thatcher Family Riverside Park	\$ 100,000
11) West End Parking Facility (Wald Property)**	\$ 300,000

TOTAL (ESTIMATE) REAL PROPERTY VALUE:

\$ 1,588,400

*Per Rutherford County Tax Records – January 2014

**Actual purchase price and Improvement Costs included

CHIMNEY ROCK VILLAGE

Capital Improvement Projects

Comprehensive Plan – Outline

FY 2018/2019

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**CHIMNEY ROCK VILLAGE
CAPITAL IMPROVEMENT PROJECTS
COMPREHENSIVE SHORT, MEDIUM AND LONG-RANGE PLANS**

Budget Priorities Updated July 1, 2019

As per the Comprehensive Plan as Updated July 1, 2016

The follow projects are a reflection of the Comprehensive Plan for Chimney Rock Village. For budgetary considerations, this can serve this Council and future Councils in having a vision for the Village along with certain goals and needs to aid the Village in moving forward. The projects are to enable the Village to meet current and future growth needs for residential, retail and commercial development, safety and for the overall lifestyle, economy and pleasant enjoyment of the community.

(1) Village Public Parking Facilities*

a. Village Public Parking	\$ 35,000	<u>Ongoing 19/22</u>
i. Expanding parking areas		
ii. Enhancement to parking areas		
b. Village Employee Parking	\$ 20,000	<u>Ongoing 19/22</u>
c. Contingency and Change Orders	\$ 10,000	
<u>TOTAL ESTIMATED (PROJECTED) COST</u>	<u>\$ 110,000</u>	

(2) Public Restrooms – Downtown Facilities*

a. Basic immediate needs	\$ 10,000	<u>Ongoing 19/20</u>
b. Complete Renovation Upgrades	\$ 20,000	<u>Ongoing 21/25</u>
<u>TOTAL ESTIMATED (PROJECTED) COST</u>	<u>\$ 30,000*</u>	

(3) Main Street Program Initiatives – Sidewalk Matching Grants**

- | | | |
|---------------------------------------|----------|-------------------------------|
| a. Annual Allocation (Council) | \$ 1,000 | FY Annual through 2025 |
|---------------------------------------|----------|-------------------------------|
- Note: Council will review each year for actual projected needs.

TOTAL ESTIIMATED (PROJECTED) COST **\$ 10,000 (over 5 to 10 years)**

(4) Village Pedestrian/Vehicular Signage Program

- | | | |
|---|--------------|--------------------------|
| a. Updates and Corrected Signage | | |
| i. Allocation \$ 2,000/Year x 10 | \$ 2,000/YR. | Reviewed Annually |
| ii. Chimney Rock / Lake Lure Walkway | \$ 10,000 | Reviewed Annually |

TOTAL ESTIMATED (PROJECTED) COST **\$ 30,000**

(5) DOWNTOWN, RIVERWALK THROUGH VILLAGE

- | | | |
|---|----------------------|---------------------|
| a. Riverwalk East to Lake Lure | \$ 200,000 | FY 2018/2023 |
| b. Riverwalk West to Bat Cave | \$ 200,000 | FY 2023/2030 |
| c. Downtown Infrastructure (TDA) | \$ 50,000/yr. | FY 2019/2024 |
- Note: These projects are still in design and funding determination. These numbers are only possible cost and are more placeholder numbers than actual estimated expenditures. Further development and work will be required before these would be considered for any specific annual inclusion as a line item in the Village Fiscal Budget.
 - Downtown Infrastructure is a program where the Village is coordinating with the Rutherford County Tourism Development Authority for enhancements and improvements to the downtown district. This is projected to be a \$ 50,000 per year matching grant program for an estimated \$ 100,000 per year in project work.

TOTAL ESTIMATED (PROJECTED) COST \$ 600,000+/-

NOTATION:

This budget priority is added to the Chimney Rock Village Comprehensive Plan annually. The Village Comprehensive Plan has been updated as of June 2016 and recommended by the Chimney Rock Village Planning Board and adopted by the Chimney Rock Village Council as of July 1, 2016.

- This document has been added to the Chimney Rock Village Annual Budget Ordinance and Management Document and has updated the projections for the Comprehensive Plan as of June 30, 2019.

***COMPREHENSIVE PLAN – Fiscal Year Programs for 2019/2020:**

- The Village General Fund Budget (Budget Ordinance) does hereby include the following projects for the fiscal year beginning July 1, 2019 and Ending June 30, 2020.
 - Note: The Parking Lot projects will continue but are not budgeted for any improvements this fiscal year. The primary focus for the Village will be downtown development in coordination with the Tourism Development Authority County-wide enhancement projects.
- The Parking Lot Enhancement and General Work (Continue but on hold in this FY.)
- The Public Restroom Improvements Scheduled for 2019/2020
- Downtown Infrastructure Enhancements (TDA Projects) as per Matching Grant Availability and Project determination, contracts and commencement of work.

Total Capital Expenditures for the 2019/2020 Comprehensive Plan \$ 60,000.

**** Sidewalk Grant Program:**

- Program initiated in fiscal year 2016/2017.
 - This budget FY 2019/2020 continues at \$ 1,000 per year budgetary allocation for one sidewalk matching grant up to \$ 1,000.
 - Council may continue including in the annual budget until changed.

AUDIT PROCEDURES

The following procedure will be followed by the Village Finance Officer and the Village Auditor in the preparation and submission of the Village financial documents and the preparation of the Chimney Rock Village annual audit.

- 1) The Village Finance Officer will submit on or before August 15th after the end of the previous fiscal year all such documents as required or needed for the Village Auditor to begin preparation of the Chimney Rock Village Annual Audit.
- 2) The Village Financial Officer and the Village Auditor will review all information submitted to determine if the Auditor requires any further documents for the annual audit on or before September 1st of each fiscal year and the Financial Officer will make every effort to provide the Auditor all such documentation required by September 15th of each fiscal year.
- 3) The Village Auditor will work to complete all such reviews and summary on or before the Village Council regular monthly meeting which is the third Tuesday of the month of October.
- 4) The Village Auditor and Finance Officer will present a completed annual audit to the Chimney Rock Village at the regularly scheduled Village Council meeting during October of each year for their review and subsequent approval.
- 5) The Village Auditor will submit the approved Chimney Rock Village Annual Audit and any other required reports to the State of North Carolina, Local Government Commission and any other governing agency requiring a copy of the Village Audit on or before October 31st of each fiscal year.
- 6) Any changes or deviation from the procedures will be reported to the Village Mayor and Council at the next regular meeting of the Village Council.

***CHIMNEY ROCK VILLAGE
NORTH CAROLINA***

**WATER FUND
WATER SYSTEM OPERATIONS
July 1, 2019**

**Annual Budget Ordinance
Fiscal Year Beginning July 1, 2019
Ending June 30, 2020**

**CHIMNEY ROCK VILLAGE
NORTH CAROLINA**

**WATER FUND
Chimney Rock Village Water Works**

**BUDGET ORDINANCE
Fiscal Year Beginning July 1, 2019
And Ending June 30, 2020**

BE IT FURTHER ORDAINED by the Chimney Rock Village Council, that a Water Fund be established for the operation and administration of the Chimney Rock Village Water Works. Current user (customer) fees are utilized and attached is a Rate Schedule that will generate Revenues of approximately \$ 63,500 (including interest reinvested) for the Fiscal Year beginning July 1, 2019 and ending June 30, 2020. (Estimated Customer Revenues \$ 60,000 plus Interest Earned Reinvested \$ 3,500) Be it further understood that the following guidelines for operation are in effect:

- 1) The operator/administrator of the Village Water System will be the Town of Lake Lure and the Town of Lake Lure will maintain and operate the water system, billing the Village customers monthly or bi-monthly according to the accounts approved by the Village Council.
- 2) The operator/administrator of the system will bill regularly all customers based upon the rate structure approved by the Village Council.
- 2) The Village administrator/finance officer and Budget Officer will review and approve Disbursements.
- 3) There are no restrictions on the Capital Reserve Improvement Fund. These funds are available by a majority vote of the Chimney Rock Village Council.

Checking Accounts will be maintained at Carolina Trust Bank. The Water Fund also has a “Capital Improvement” Fund with the North Carolina Cash Management Trust with a balance of **\$ 148,500** as of July 1, 2019. All standard accounting provisions controlling these accounts are applicable as well as the general guidelines as outlined within this Budget Ordinance. These accounts will be subject to audit alongside the General Fund Budget each fall.

As of this Budget, the Water Improvement Loan with the State of North Carolina, Department of Environment and Natural Resources, Clean Water Fund, is paid in full as of previous fiscal year’s budget. There is no line item remaining in this budget for this loan or debt service.

The following chart of accounts is hereby adopted and the Budget is authorized as follows:

REVENUES:

Existing Customers:

(Gross)	\$ 60,000
*Based on Continued Rates	

New Customers (Projected):

Tap Fees	\$ 1,000
Reserve Funds – Sewer Study	20,000
Interest Earned on Accounts	\$ 3,500

**TOTAL ESTIMATED REVENUES
FOR FY 2019/2020:**

\$ 84,500

NOTE: The primary revenue is determined based upon customer receipts.

EXPENDITURES:

Administration:	\$ 15,000
Liability Insurance:	3,500
Testing/Monitoring:	3,500
Electricity:	7,000
Phone/Radio (pumps)	500
Professional Fees:	13,000
Maintenance/Repairs:	5,000
Maintenance Supplies:	2,000
Equipment Purchase:	-0-
Postage	200
Memberships/Permits	600

**TOTAL ESTIMATED EXPENDITURE
FOR FY 2019/2020:**

\$ 50,300

Capital Reserve Transfer	\$ 10,000
Special Engineering (Sewer)	\$ 20,000
*Capital Reserve Project	\$ -0-

Dividend Re-investment	\$ 3,500
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Contingency	\$ 700
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**TOTAL EXPENSES, CAPITAL
IMPROVEMENTS, DEBT
SERVICE AND
CONTINGENCY:**

\$ 84,500

Schedule of Rates for the Chimney Rock Village Water System will follow and will become a part of the overall Village Budget Ordinance. The Village Council at any regular meeting may change these if necessary.

*The Village Council does approve the attached Schedule of Fees and Late Payment Penalties. (See policies procedures and fees for the Water Fund operations dated July 1, 2019 through June 30, 2020.)

These rates are set and are included as part of this Water Fund Budget for the Chimney Rock Village Water System. The Village Council at any regular meeting of Council can, after a Public Hearing, properly advertised and held, adjust these rates by Budget Amendment. This rate schedule remains adopted unless amended by Council and shall be reviewed and adopted and included as a part of each budget submitted and considered each fiscal year.

This portion of the Chimney Rock Budget Ordinance, known as the Water Fund, which operates the Chimney Rock Water Works, is hereby approved, this the 18th day of June, 2019.

Peter O'Leary; Mayor

Stephen G. Duncan, Finance Officer; Clerk to the Board

EXPLANATION OF LINE ITEMS IN CHIMNEY ROCK WATER WORKS BUDGET

Repayment of Loan:

Balance Due - **Paid in full in 2018/2019.**

Testing Fees:

Includes invoices sent by Pace Analytical Laboratory and others for testing completed on water samples and wells. Budgeted: \$ 3,500.

Postage:

For billing customers and general correspondence. Budgeted: \$ 250

Phone:

Pumps are connected by radios (some phone services remain): \$ 500.

Electricity:

Includes electricity to run water pumps and chlorinator and reservoir/well house. Budgeted: \$ 7,000.

Operating Permit:

Annual Permit Fee charged by the State of North Carolina to operate a public water system. (SEE BELOW Line Item: Memberships/Permits).

Administrative Fees:

Includes basic administrative charge, billing and collection; and general operations of water system. These fees are paid by contract to the Administrator of the Water System, the Town of Lake Lure. Annual Amount Budgeted: \$ 15,000.

Liability Insurance:

This is the Water Fund portion of the cost of liability insurance. Budgeted: \$ 3,500.

Professional Fees: \$ 1,000 portion of legal fees, \$ 10,000 for engineering and reviews of potential sewer utility involvement, continued evaluation of current water system for future strategic planning and a new rate study for water system, and \$ 2,000 portion of audit fees. Total Professional Budgeted: \$ 13,000

Sewer Study Engineering: Council has allocated \$ 20,000 for engineering to evaluate the sewer system and options for Village consideration.

Chimney Rock Village
Budget Ordinance – Water Fund
FY 2019/2020
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Memberships/Permits: Annual membership in the N. C. Rural Water Association and Annual Water Utility Permit Fee paid to State of North Carolina. Budget: \$ 600. (\$ 330 Permit Fee, \$ 265 NC Rural Water Assoc.)

Equipment Expense:
Budget: \$ 0

Repair, Maintenance:
Includes labor to repair and maintain the water system. Budgeted: \$ 5,000.

Materials/Supplies:
Includes any materials and supplies needed to repair and maintain the water system.
Budget: \$ 2,000.

Capital Improvements:

A Capital Improvement Account has been established for the Water System Budget

Balance as of July 1, 2019: \$ 148,500

Note: This balance needs to be maintained and increased to make sure there are sufficient funds available for unplanned capital needs or capital repairs.

Public Water Fund - Capital Improvement Projects – 2019/2020:

- No Capital Improvements planned for 2019/2020.
- There is NO Debt and no debt service in the Water Fund.
- There are no proposed capital projects for the fiscal year.
- There remains further study and potential sewer participation and expanding the utility and enterprise fund to include sewer management within Chimney Rock Village.
- Note:
 - Funds are allocated in the Professional Fee Line Item for two items:
 - Additional study and work on possible participation in the Sewer
 - A water rate study for consideration in the next fiscal year

“INVENTORY OF REAL PROPERT

WATER FUND PROPERTY:

<u>Address:</u>	<u>Value:</u>
1) Silver City Rd. (New Reservoir) Map 521-1-96	\$ 16,500
2) Off Terrace Dr. (Original well) Map 520-2-66	\$ 2,300
3) Cliffside of Hickory Nut Falls (Reservoir) Map 522-1-76	\$ 1,000
4) Rocky River Crossing (Well site) Map 522-1-34-C	\$ 1,900
5) Short Street (Portion) (Pump Station) (Building)	\$ 3,500 (not designated)

TOTAL VALUE OF REAL PROPERTY ESTIMATES: \$ 25,200

NOTES:

- 1) There are no projected sales of real property assets during this fiscal year.
- 2) Well and well house are located on parking lot property.

*Values per Rutherford County Tax Assessment – January 2014.

Chimney Rock Village
Budget Ordinance – Water Fund
FY 2019/2020
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**CAPITAL RESERVE AND IMPROVEMENT ACCOUNT
CHIMNEY ROCK WATER FUND**

RESOLUTION

The following is a chart of accounts for the administration of the Capital Reserve and Improvement Funds for the Water Fund. This serves as the annual resolution to continue to maintain this account.

The Capital Reserve and Improvement Account is for the purpose of making improvements to the Water System within Chimney Rock Village or in other areas where the Village Council may deem necessary to either continue services or to expand the service areas.

By approval of this Resolution on an annual basis, the Chimney Rock Village Council will continue to fund and retain this Capital Reserve and Improvement Fund for the Chimney Rock Water Works.

Beginning Balance as of July 1, 2019	\$ 146,500
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Annual Transfer into Fund	\$ 10,000
Estimated Reinvestment Income	\$ 3,300

Distribution:

Funding for Sewer Engineer Study	[\$ 20,000]
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Total Estimate of Funds Available	<u>\$ 139,800</u>
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Funds Available for Capital Reserve Distribution	<u>\$ 139,800</u>
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This Resolution and Chart of Accounts is included as a portion of the Chimney Rock Village Budget Ordinance. This continuing resolution is approved this 18th day of June, 2019.

Chimney Rock Village
Budget Ordinance – Water Fund
FY 2019/2020
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WATER AND SEWER POLICIES

A reminder to water customers that the following policies are now in effect:

Water bills are sent out between the 15th and 20th of the billing month and are due and payable by the 10th of the following month. If payment is not received by the 10th, a delinquency notice is issued approximately ten days later. Inaccuracies may be challenged by mail or in person. The penalty for delinquencies is a \$25 fee added to past due balance. **Note:** Payment by mail must be post-marked by the 10th of the month; direct payment must be in the Town Hall by the 10th. Weekends and Holidays are allowed for. Example: When the 10th falls on a Saturday, payment will not be due until the following Monday and will be indicated on bill.

If payment is not made within ten days of a delinquency notice, service will be discontinued until past due charges are paid. At that time, an additional charge in the amount of \$200 reconnection and all legal fees involved will be charged. ***Note: Property owners who receive Chimney Rock water and who rent to others are responsible for any payments due to Chimney Rock Village. Owners must make sure their renters are current on payment of utility bills.***

When selling a home, water customers are responsible for notifying the Town of the new owner's name and address.

BASIC CHIMNEY ROCK VILLAGE WATER RATES

The Chimney Rock Village water rate schedule is as follows:

Basic Service Charge (Minimum Monthly Fee)	\$	30.00/month
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The following rates will be assessed per 1000 gallons:

Zero Gallons to 5,000 Gallons	\$	2.50/1000 Gal.
5,001 to 10,000 Gallons	\$	3.00/1000 Gal.
Over 10,001 Gallons	\$	4.00/1000 Gal.

Tanker water loads for commercial and private purposes shall be charged \$30.00/load. (Per Village Council – April 2010.)

The basic service charge (Minimum Monthly Fee) is the minimum charge
And is assessed to all customers each month.
The per/gallon rate is charged to each customer in addition to the
Minimum monthly basic service fee.
The customers will be billed bi-monthly (every two months).

Chimney Rock Village
Budget Ordinance – Water Fund
FY 2019/2020
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CHIMNEY ROCK VILLAGE WATER SYSTEM GUIDELINES

1. Chimney Rock Water Works abides by the North Carolina rules governing Public Water Systems.
2. Chimney Rock Water Works encourages customers to keep plumbing fixtures in good repair and to conserve water whenever possible.
3. Persons or businesses wanting to apply for water service must complete an Application for service which is available at the Lake Lure Town Hall.
4. Chimney Rock Water Works has only active customers – no inactive accounts. Customers are considered customers only if they are legally connected to the water system, receive regular bills, and pay those bills in a timely manner.
5. Customers must request to be disconnected from the system in writing.
6. Disconnection from the water system at the customer's request or for non-payment of bills is considered the termination of the customer's rights to the water system. Customers who are disconnected from the water system and who later want to be reconnected must complete a new application for service.
7. Tenants of rental property on the water system may be billed and pay the charges, but any unpaid amount will be the responsibility of the property owner.
8. Account balances which are unpaid at the time of the sale of the property will be transferred to the new owner.
9. Installation of pressure or booster pumps is prohibited unless approved in writing by the Chimney Rock Water Works in advance of installation and/or operation.
10. No person, other than an authorized Chimney Rock Water Works employee or designee, is permitted to connect or reconnect water service, or to tamper with the Water System's water meters. If water is found to be in use without being turned on by an authorized person, the consumer of the water will be subject to prosecution. The Village will not be liable for any damages that may result to consumers from shutting off water service for any cause whatever, even in cases where no motive is given, and no deduction in bills will be made in consequence thereof. If you need your water turned on or off you must contact the Town of Lake Lure. If you have a water-related emergency after normal business hours, or on weekends or holidays, telephone 911 and the Police will contact water department employees on call.
11. Every structure served by the water system shall be connected through a single water meter approved by the director of public works with the following

exceptions:

- a. Each dwelling unit under separate ownership in multiple family dwellings shall have an individual meter.
- b. Separate residential structures on the same lot or parcel which do not have complete kitchen facilities and which are typically rented for less than one month at a time are not required to have individual meters.

Chimney Rock Village
Budget Ordinance – Water Fund
FY 2019/2020
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- c. Accessory structures such as workshops, garages, and the like (but not residential dwelling units) may be connected to the Main structure without an additional meter.
12. A minimum fee of \$250 will be charged for relocating a meter at the owner's request. A \$1000 tap fee will also be charged if a new tap on the main line is necessary due to the relocation.

Tap and Meter Fees

<u>Type of Work</u>	<u>Amount</u>
¾ tap fee	\$ 1051
1" tap fee	\$ 1576
2" tap fee	\$ 2627
3" tap fee	\$ 3677
4" tap fee	\$ 5253

13. Fee Schedule:

- a. Late or delinquent payment fee: \$ 25
- b. Reconnection fee: \$ 200
- c. Turn on fee: \$ 20
- d. Turn off fee: \$ 40
- e. Returned check fee: \$ 25

14. If payment of a bill is not received on time, a delinquency notice is issued. Inaccuracies may be challenged by mail or in person. If payment is not made within five days of a delinquency notice, service will be disconnected until past due charges are paid. At that time, an additional charge of \$200 will be levied for turning the service back on. The Village will place liens on the property involved if the delinquency persists beyond 90 days. In addition to paying all outstanding indebtedness, a \$200 reconnection fee and all legal fees involved will be charged.
15. The late payment penalty may be waived by the Operator of the system not more than once per year upon a finding that there were extenuating circumstances preventing the prompt payment of a utility bill. To receive

a waiver, the customer must submit a request in writing within 30 days of the date the payment was due explaining the extenuating circumstances.

16. When selling a home, water customers are responsible for notifying the town of the new owner's name and address.

Chimney Rock Village
Budget Ordinance – Water Fund
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17. Water Bill Adjustment Policy

A. Water Bill Accuracy

1. Any customer who feels that a bill is not correct, or who has a dispute over a bill, may question the accuracy of the bill by contacting the Water Department office at Town Hall, in person or by telephone, 1-828-625-9983.
2. Billing office staff will review the appropriate account records to determine if a mistake has been made in recording the usage figures, or in processing the bill. If a mistake is found the bill will be adjusted to correct the error.
3. If no mistake is found in recording the figures or in the processing of the bill the customer may request a rereading or a testing of their meter. If no errors or defects are found, service charges in the amounts of \$5.00 for rereading and \$15.00 for testing will be made. If an error or defect is found the bill will be adjusted to correct the error at no cost to customer.
4. If it is determined that no errors have been made by the Water Department when reading or recording the usage or processing the bills, and if the meter is found to have no defects, it is highly probable that a leak exists on the customer's side of the meter and it is the responsibility of the customer to have it repaired.

B. Adjustments

1. For the purposes of this policy the term adjustment means a reduction in the amount of money required to be paid by the customer from what is printed on a water bill.
2. Water charges are not adjusted when Village water is used to fill swimming pools. A onetime adjustment per year to the sewer bill can be made. The sewer bill adjustment is based upon the number of gallons the pool held. This usage would be deducted from the total in calculation for the sewer charge.
3. Adjustments to bills as a result of leaks on the customer's side of the meter shall be

governed by the following rules:

- a. No adjustments shall be made unless the leak created an excess usage in one billing period that is greater than 50% over the average usage for the previous annual billing period.

Chimney Rock Village
Budget Ordinance – Water Fund
FY 2019/2020
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- b. No adjustments shall be made unless the customer presents a bill from a plumber showing that repair work has been performed or a bill for materials if the repair was not contracted.
- c. Adjustments, when warranted, will be made for one billing period only. In the event the leak extends into a second billing period, the higher bill of the two can be adjusted.
- d. The adjustment allowed in all circumstances will be that amount over and above the figure calculated in 3 a. above.

Example: If your average water usage bill over the previous Annual billing period was \$30.00 then a billing 50% over that amount would be \$45.00. In this example you would not receive an adjustment for any bill of \$45.00 or less. You may ask for an adjustment of the entire amount (if any) over \$45.00. The adjustment of the eligible amount would be 50%.

- e. Only one adjustment per residence per year will be allowed.
4. No adjustment will be considered for any bill after 90 days from the billing date.
5. Billing office staff will make every reasonable effort to fully explain this policy to customers requesting an adjustment.

Adopted this the 18th day of June, 2019.

ATTEST:

Chimney Rock Village
Budget Ordinance – Water Fund
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**WATER RATE SCHEDULE
CHIMNEY ROCK VILLAGE, NORTH CAROLINA
Rates Effective – July 1, 2019**

RATE SCHEDULE (PER 1,000)	<u>WATER RATES</u>
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BASIC SERVICE, RESIDENTIAL AND COMMERCIAL	30.00
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ALL USERS 0-5,000	2.50
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ALL USERS OVER 5,000-10,000	3.00
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ALL USERS OVER 10,000	4.00
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TAP FEE STRUCTURES:

WATER, 3/4" OR LESS	1,000.00
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WATER, 1"	2,000.00
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WATER, 2"	3,000.00
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OTHER FEES:

LATE PAYMENT PENALTY	25.00
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WATER TURN-ON FEE	40.00
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TRANSFER FEE	20.00
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*****RATES SHOWN BI-MONTHLY*****

Reviewed June 30, 2019