

Town of North Topsail Beach

Joann M. McDermon, Mayor
Mike Benson, Mayor Pro Tem

Aldermen:
Richard Grant
Don Harte
Connie Pletl
Bob Swantek



Alice Derian, ICMA-CM
Town Manager

Kate Winzler, NCCMC
Deputy Town Clerk

Nature's Tranquil Beauty

Board of Aldermen

Special Meeting Regular Minutes

Monday, May 23, 2022

North Topsail Beach Town Hall

2008 Loggerhead Court, North Topsail Beach, NC 28460

Present: Mayor McDermon; Mayor Pro Tem Benson; Aldermen Grant, Harte, Pletl, and Swantek; Town Manager Derian; Town Attorney Edes; Finance Officer Elliott; Deputy Town Clerk Winzler.

I. CALL TO ORDER

Mayor McDermon called the meeting to order at 6:00 P.M.

Town Manager Derian introduced Ricky Schwisow, IT Director, to the Board.

II. BUDGET WORKSHOP

Town Manager Derian presented the *Budget Overview and Economic Outlook* to the Board (attached).

The Board discussed the COLA and merit increase, specifics regarding the Christmas Tree and concert expenses, and the increase in property and liability insurance.

Finance Officer Elliott presented the *Budget Workshop* report to the Board (attached).

Officer Elliott pointed out a deficit in the General Fund of \$639,471.20 when the budget is tax revenue neutral encompassing all the incorporated changes.

Mayor McDermon asked for clarification on which committees are included in "Committees." Officer Elliott clarified that it included the Planning Board and the Board of Adjustment. The Parks and Recreation Committee is represented in "Recreation."

Alderman Grant pointed out the increase in the Inspections Department includes funding for demolitions.

Mayor Pro Tem Benson inquired about the Recreation increase. Finance Officer Elliott explained that it includes \$15,000 for the Christmas tree, \$25,000 for the concert, park landscaping, park maintenance, and snowflake light maintenance. There was discussion. Alderman Grant raised concerns regarding the Town borrowing money at higher interest rates in an approaching recession. Mr. Grant wants to conservatively select a tax rate that avoids having to raise taxes next year, while also having reserve funds on hand to begin FEMA projects without needing to borrow at high interest rates.

Mayor Pro Tem Benson noted that the BISAC will need funds included in the Committee budget to attend meetings in the future. Finance Officer Elliott stated that there is a

specific line item for meeting and travel expenses used historically for the Board and may be used for BISAC in Fund 30.

Mayor Pro Tem Benson stated there is not enough money in the capital improvements fund to cover the interest for building the new fire station. Mr. Benson suggested increasing the funds reserved for the capital improvements fund.

Alderman Grant recommended a forty-cent tax rate with at least five cents going to the capital improvement fund for building the fire house, additional public safety concerns, and new equipment.

Finance Officer Elliott reviewed the Shoreline Protection Summary, Fund 30, noting a more than one-million-dollar surplus, including \$30,000 for a 30-year beach engineering plan, and the cost for BISAC expenses.

Mayor Pro Tem Benson inquired about the deficit; Ms. Elliott corrected it is a surplus. There was discussion.

Alderman Swantek suggested a forty-three-cent tax rate, reducing the current tax rate by three cents, and allowing for extra funds to go into shoreline protection funds.

Finance Officer Elliott reviewed the capital assets within the general fund. There was discussion regarding clean streets for bicyclist safety.

Fire Chief Soward explained the fire department air packs and cascade system to the Board.

Finance Officer Elliott reviewed the Analysis of Revenue and Cost Projections. Town Manager Derian pointed to this as a tool to assist the Board in selecting the tax rate with the projected financial needs of the Town for the next five years. Mayor McDermon noted that this a huge step forward for the Board's consideration. Alderman Grant pointed out that revenue neutral is more than a million dollars short over a five-year period.

Ms. Elliott illustrated the tax levy example charts for different hypothetical home valuations showing last year's tax rate compared to examples for this year at revenue neutral, thirty-five cents, forty cents, and forty-five cents.

Ms. Elliott noted that the Tax Conversation chart illustrates the tax levy at each tax rate between thirty cents and forty-five cents, including the revaluation by the county of a sixty-percent increase.

Mayor McDermon requested the Board consider the rising costs of expenses such as fuel when selecting a tax rate.

Mayor Pro Tem Benson noted that the thirty-two-cent tax rate would balance the proposed budget. He asked how that would impact the five cents the Board wants reserved for capital improvements. Ms. Elliott noted that rate would balance only the general fund which includes a portion of the requested capital improvement funds. To reach the capital improvement fund goal set by the Board requires additional funds. There was discussion.

Alderman Grant stated that he would be comfortable with a forty-cent tax rate if five cents was reserved for the capital improvement budget. He re-iterated inflation concerns, increasing interest rates, required capital improvements, and choosing a tax rate that is sustainable until the next revaluation. The current tax rate is forty-six cents, so the considered rate is technically a tax rate reduction.

Alderman Harte asked what the total budget amount is. Alderman Swantek answered \$6,840,000. Alderman Harte pointed out that a forty-one-cent tax rate is needed to cover the budget. Ms. Elliott stated that the current budget deficit is six hundred thirty-nine thousand dollars. Alderman Grant pointed out that some of the revenues from occupancy tax and sales tax go into another fund. Ms. Elliott agreed that this conversation is just the property tax component of the revenue. Mr. Grant noted that the occupancy and sales tax assumed in the budget reflects increases in both- but what happens if there is a hurricane, and the Town loses six months of occupancy tax?

Mayor McDermon polled the Board for their thoughts on a proposed tax rate.

Mayor Pro Tem Benson noted his desire to build a slight budget cushion for the next five years, without having to borrow capital improvement funds. He offered that the Town has been running on a shoestring budget for years, and eventually it catches up. It's time to realize as a Board that we must raise the taxes to meet the expectations of our citizens to have the things they expect when they come to our Town, besides the beach. Mayor McDermon emphasized that is especially true for public safety.

Alderman Swantek reiterated the need to build a financial cushion, and that it is possible to lower the tax rate in the future. The Town especially needs to fund the fire and police departments.

Alderman Grant noted the last time the Town purchased a fire engine was 2014, and the firemen are housed in a leaky building on the south end of town. To Mayor Pro Tem Benson's point, we need to keep our citizens safe, and be able to fight fires safely.

Mayor McDermon noted there is no funding in contingency right now, and this is the first time the Board is open to consider funding needs not one hundred percent beach related. She expressed appreciation to the departments who accurately represent what their departments need to keep our residents and visitors safe, as well as upkeep the parks.

Alderman Pletl expressed appreciation for the Board's cooperation on the budget and raised concern for the citizens with fixed income facing inflation while the tax bills are being raised. She understands the safety aspect and doesn't want to put anybody in jeopardy. She would like a tax rate closer to forty cents, but she's heartened by the idea that if a surplus of funding comes in, the tax rate may be lowered in the future.

Finance Officer Elliott requested direction from the Board regarding the special event in October and a recommended tax rate for the passing of the budget.

Mayor McDermon noted some concern for the planning of an October event, especially signing the contract with the vendor. She polled to Board asking for their comfort level moving forward with the event in October, noting that if the Parks and Recreation Committee is not comfortable with that timeline, additional members of the Board may need to assist planning it:

- Alderman Grant: Yes and willing to sponsor it.
- Alderman Swantek: Yes and willing to be on the committee.
- Mayor McDermon: Yes and willing to assist in anyway.
- Mayor Pro Tem Benson: Yes but concerned about the funding for other Parks and Recreation activities.

- Alderman Harte: Yes but October is too soon because of unresolved items such as parking, sponsorship from corporations (which can take a year of planning), recognition of the sponsors, competition with Autumn with Topsail. Recommends next May to allow for proper planning. Supports budgeting this event currently. He noted the sizable followings of the three bands included in the contract.
- Alderman Pletl: Yes but supports Alderman's Harte's comment. The Parks and Recreation Committee voted to not recommend it in October. The Parks and Recreation Committee is not ready to plan this event in October, as it is just getting established.

Mayor McDermon summarized the Board's desire to keep the concert in the budget, divide up the sponsors and talk to them about availability of funds, as well as talk to Onslow County regarding parking.

Town Manager Derian offered to inquire about other dates with the vendor, including a weather-delay-related date, and anticipates a revised contract from the vendor.

Alderman Grant cautioned against delaying this event to the point that it doesn't happen. He suggested moving forward and sees the breakeven point as achievable. He offered to talk to Onslow County next week about parking.

Alderman Swantek offered the worst scenario of losing the deposit.

Mayor McDermon noted that with the Board's approval for the sale of the Folkstone lots it may result in additional revenue.

Mayor McDermon again polled the Board, and most of the Board members recommended the forty-three-cent tax rate with five-cents going to the capital budget for budget adoption:

- Alderman Grant: forty-three-cent rate with five-cents to capital budget
- Alderman Swantek: forty-three-cent rate with five-cents to capital budget
- Mayor Pro Tem Benson: forty-three-cent rate with five-cents to capital budget
- Alderman Harte: forty-three-cent rate
- Alderman Pletl: forty-cent rate with five-cents to the capital budget

Finance Director Elliott reviewed the budget calendar, noting the earliest budget adoption date is June 8th.

III. PUBLIC HEARING

Mayor McDermon opened the public hearing at 7:25 P.M.

There was no public comment.

Alderman Swantek made a motion to close the public hearing. Mayor Pro Tem Benson seconded the motion. The motion passed unanimously, 5-0.

IV. ADJOURNMENT

Alderman Swantek made a motion to adjourn. Mayor Pro Tem Benson seconded; the motion passed unanimously, 5-0.

The Board of Aldermen special meeting adjourned at 7:25 P.M.

Budget Overview and Economic Outlook

The draft budget we are presenting today has been slightly amended since our previous budget workshop on April 13th. Noteworthy changes include:

- ✓ COLA / Merit: 4% and 2%, Respectively
- ✓ Increased ORBIT Percentages
- ✓ Increased Employee Insurance
- ✓ New Line item in Administration for IT
- ✓ New Line item in Fund 30 for 30-year beach plan
- ✓ Special Event Expense

In April we discussed COLA and Merit being 6% with the decision left to me on the split. A decision was made to do a 4% COLA and 2% Merit. I have included for tonight's meeting survey information obtained from the NC League of Municipalities to show where we stand in comparison beyond what the surrounding municipalities were implementing. I have included in the next two slides some results of that survey. You can see in the pie chart that 46% of the respondents are planning to offer both COLA and Merit. The bar chart shows the breakdown by population group. NTB would be comparable to the first bar labeled "A" for population below 2,500. 77.3% Offer COLA and/or Merit in this population group. The second slide shows a COLA Summary and Merit Increase Summary. There is a reported 4.7% statewide average for COLA and again in the bar chart you can see where it is broken down for the average planned % increase by population group. You can see in our population group that 2% was at the low end and 4.7% was reported as average. In regard to the Merit Increase Summary, 57% reported they are planning to provide merit increases. These ranges varied by region, with a statewide average of 1.8% to 3.7%. Again, you can see in our population group that a low-end average is 2%.

The second item is the increased ORBIT percentages which is our state retirement allocation. The increase was minimal at .07% that equates to \$2,000.

The third item is the increase for Employee Insurance. Since our last meeting we have been meeting and receiving new rate estimates. A 7.3% increase is included which equates to \$21,000.

The fourth item is the addition of a line item in Administration to account for IT expenses in the amount of \$6,500. Funds were reduced on the contracted services side. This is essentially a wash but wanted to convey this as it is a new line item in your budget.

The fifth item is a new line item in Fund 30 for an engineer developed 30-year beach plan. An estimate to do a concept plan, to work out the logistics and finances is about \$100-\$150K. We allocated what is estimated we would need in the first year 1/5 of the cost at \$30K. If BISAC is going to develop an engineer-focused 30-yr beach plan we need to put a 'placeholder' amount in the budget for 2022-2023.

The final item is the Special Event Expense. The line item for Parks and Recreation was increased per direction at the last budget meeting to account for \$10k for the concert and we discussed \$15k for a Christmas Tree. Since the last meeting we approved \$18k for a concert and will need the remaining allocation for logistics, such as portable toilets, electrical, trash removal and shuttle service if the board desires to continue to move forward with this event.

Another item of note is we had already temporarily increased our property and liability insurance by 8% as a place holder. We have met with the provider and requested quotes to increase coverage for flood and building contents. This line item increased 48%, which provides for cyber insurance and flood insurance for Town Hall and we doubled town hall replacement values. These are still subject to change; however, this is the latest information received from our carrier late today.

We discussed initial tax estimates from Onslow County and North Topsail Beach which showed a 58% increase from last year and reported that the projected levy is subject to change as the County works through the appeal process. We received an updated levy that increased to 60.59%, which equated to an additional \$25 million.

The County will still be adjusting values from appeals after June 10th, and will not provide initial levy numbers until annual bills are generated in early July. The appeals board will continue to meet and hear appeals that were filed before the June 10th adjournment date. That date is just the deadline for filing an appeal. As you can see in the next slides that Caitlin is reviewing, she has broken out each tax rate and it is recommended we budget for 90% of receivables of whichever tax rate you decide on. This will account for the possibility of a decrease in levy from the appeals process.



Budget Workshop 3 & Public Hearing

Fiscal Year 2022 - 2023

NOTEWORTHY CHANGES

COLA / Merit: 4% and 2%, Respectively

Increased ORBIT Percentages

Increased Employee Insurance

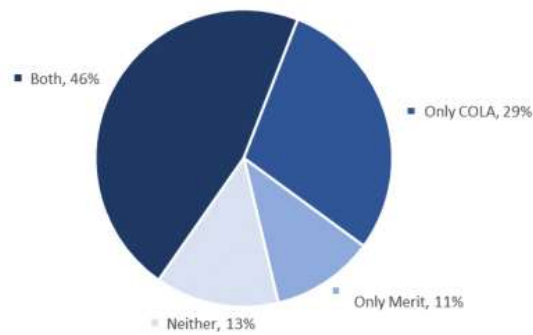
New Line Item in Administration for IT

New Line Item in Fund 30 for 30 Year Beach Plan

Special Event Expense

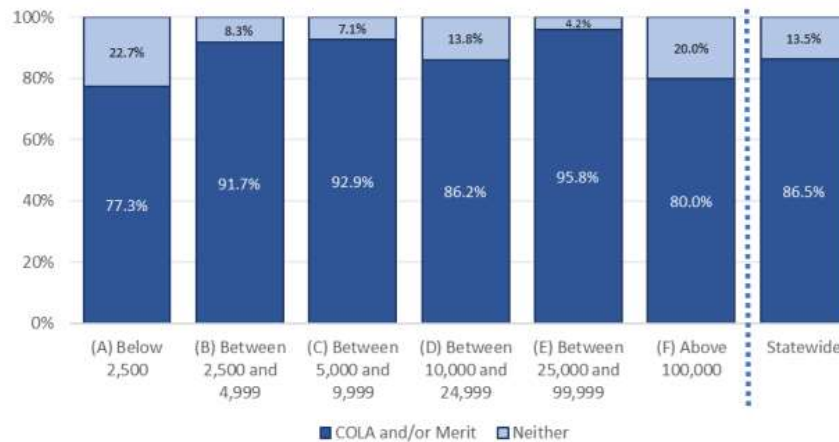
Increased Town Property & Liability Insurance

**Percent of Respondents Planning on Offering COLA and/or Merit Increases in FY23
(Statewide) (n=223)**



The same data show that at least three-fourths of respondents in each population group are planning on providing COLA and/or merit:

**Percent of Respondents Planning on Offering COLA and/or Merit Increases in
FY23, by Population Group (n=223)**



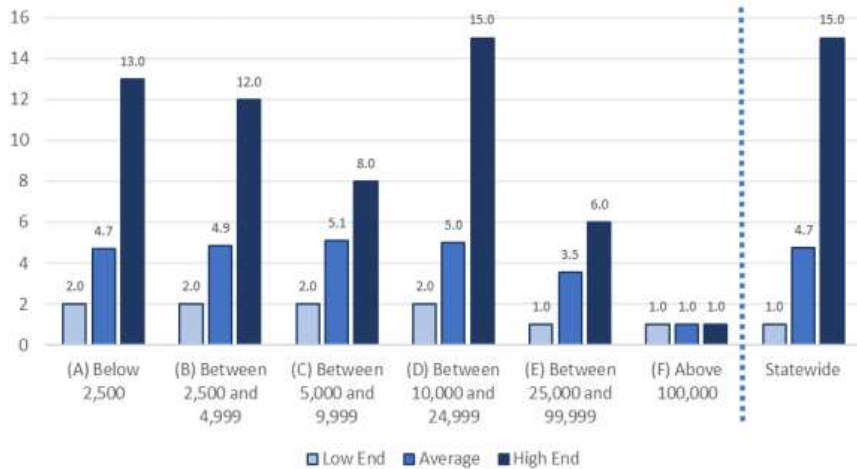
Cost Of Living Adjustment & Merit

NCLM
Anticipated Cost-of Living
Adjustments
(COLA) and Merit
Increase
Survey Results

COLA Summary

Of 223 respondents, 168 (75%), reported that they are planning on providing COLA in their FY23 budgets. These data, showing a statewide average of 4.7%, are broken down below. The average 4.7% COLA reported has more than doubled from the average planned COLA at this time last year, as shown in the table at the bottom of page 6.

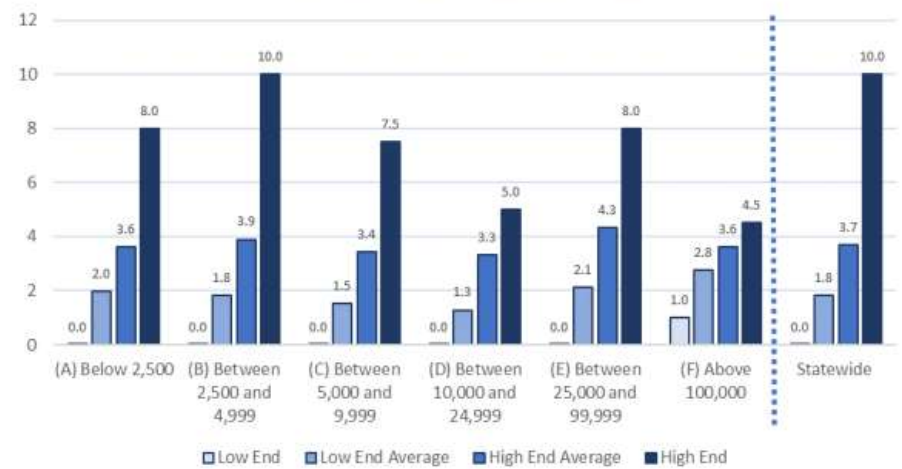
Average Planned % Increases in Organizations Providing COLA, by Population Group (n=168)



Merit Increase Summary

Of 223 respondents, 128 (57%), reported that they are planning on providing merit increases in their FY23 budgets. Respondents were asked to report the ranges they were offering, including a low and high end of planned merit increases. As shown below, these ranges varied by region, with a statewide average of 1.8% to 3.7%.

Average Ranges of Planned % Increases in Organizations Providing Merit, by Population Group (n=128)



	Budget Workshop 2 Total Expenditures:	Adopted 07/01/2021	Proposed	Difference from Current Year	
					DIFFERENCE:
	Total Expenditures:	\$ 6,106,884.00	\$ 6,502,620.36	6.48%	\$ 430,952.00
	Total Revenues:	\$ 6,106,884.00	\$ 6,071,668.36	-0.58%	

410	Governing Board	\$ 213,604.00	\$ 218,104.00	2.11%	
420	Administration Department	\$ 524,263.00	\$ 687,783.60	31.19%	
430	Elections	\$ 4,700.00	\$ -	-100.00%	
490	Planning Department	\$ 163,226.00	\$ 153,649.75	-5.87%	
491	Inspections Department	\$ 222,247.00	\$ 350,958.40	57.91%	
500	Public Buildings	\$ 849,500.00	\$ 513,750.00	-39.52%	
501	Town Insurances	\$ 171,750.00	\$ 277,500.00	61.57%	
509	Police Separation Allowance	\$ 17,125.00	\$ 17,125.00	0.00%	
510	Police Department	\$ 1,353,426.00	\$ 1,435,191.00	6.04%	
545	Public Works Department	\$ 349,898.00	\$ 641,433.80	83.32%	
560	Public Streets	\$ 100,000.00	\$ 141,000.00	41.00%	
580	Sanitation Department	\$ 500,412.00	\$ 514,524.36	2.82%	
620	Recreation	\$ 11,000.00	\$ 120,750.00	997.73%	
690	Fire Department	\$ 1,297,433.00	\$ 1,637,369.65	26.20%	
695	Committees	\$ 2,000.00	\$ 2,000.00	0.00%	
720	Beach	\$ 199,500.00	\$ -	-100.00%	
999	Contingency	\$ 126,800.00	\$ -	-100.00%	
	Total Expenditures:	\$ 6,106,884.00	\$ 6,711,139.56	9.89%	DIFFERENCE:
	Total Revenues:	\$ 6,106,884.00	\$ 6,071,668.36		\$ 639,471.20

General Fund Summary

Assuming Tax Revenue Neutral

Capital Improvements Fund Summary

Assuming Tax Revenue Neutral

Account Number	Account Description	FY21-22 Approved Budget	FY22-23 Estimated Revenues
12-301-00	AD VALOREM TAX (0.04)	\$ 389,280.00	\$ 389,280.00
Account Number	Account Description	FY21-22 Approved Budget	FY22-23 Budget Request
12-750-01	SOUTH END FIRE DEPARTMENT	\$ 291,960.00	\$ 291,960.00
12-750-02	FIRE TRUCK	\$ 97,320.00	\$ 97,320.00
		TOTAL EXPENDITURES	\$ 389,280.00

	Budget Workshop 2 Total Expenditures:	Adopted 07/01/2021	Proposed	Difference from Current Year	
720	Beach	\$ 1,690,115.00	\$ 2,950,484.00	74.57%	
999	Future Projects Fund	\$ 2,426,857.00	\$ -	-100.00%	
					DIFFERENCE:
		\$ 4,116,972.00	\$ 2,950,484.00	-28.33%	\$(1,180,431.00)
	Total Revenues:	\$ 4,116,972.00	\$ 4,130,915.00	0.34%	

	Total Expenditures:	Adopted 07/01/2021	Proposed	Difference from Current Year	
720	Beach	\$ 1,690,115.00	\$ 2,980,484.00	76.35%	
999	Future Projects Fund	\$ 2,426,857.00	\$ -	-100.00%	
					DIFFERENCE:
		\$ 4,116,972.00	\$ 2,980,484.00	-27.60%	\$(1,150,431.00)
	Total Revenues:	\$ 4,116,972.00	\$ 4,130,915.00	0.34%	

Shoreline Protection Summary

Assuming Tax Revenue Neutral

Capital Assets within General Fund

North End Fire
Station: \$350,000

Two Police
Vehicles: \$75,000

Public Works
Loader: \$200,000

Public Works
Dump Work:
\$45,000

Fire Dept Air
Packs & Cascade
System: \$240,000

Streets Vacuum
Truck: \$40,000

Capital Assets

	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	Total Estimated Cost
2 PD Replacement Vehicles	\$ 76,000	\$ 80,000	\$ 85,000	\$ 80,000	\$ 85,000	\$ 406,000
Police Dept Expansion			\$ 2,000,000			\$ 2,000,000
Weapon Replacement				\$ 10,000		\$ 10,000
Vehicle Computer Replacement					\$ 25,000	\$ 25,000
FD Chief Vehicle Replacement		\$ 30,000				\$ 30,000
FD Dep Chief Vehicle Replacement			\$ 30,000			\$ 30,000
FD Engine Replacement		\$ 600,000				\$ 600,000
FD Ladder Replacement						\$ -
South End Fire Department	\$ 5,734,000					\$ 5,734,000
Temporary Housing	\$ 35,000					\$ 35,000
North End Fire Department	\$ 350,000					\$ 350,000
Equipment Replacement		\$ 30,500	\$ 20,500	\$ 39,300	\$ 35,300	\$ 125,600
PW Loader	\$ 200,000					\$ 200,000
PW Dump Truck	\$ 45,000					\$ 45,000
Vacuum Truck	\$ 40,000					\$ 40,000
Replacement Vehicle		\$ 40,000	\$ 45,000		\$ 50,000	\$ 135,000
Bucket Truck			\$ 45,000			\$ 45,000
Mowing Equipment				\$ 35,000		\$ 35,000
Admin Replacement Vehicle			\$ 30,000			\$ 30,000
Off Site EOC / Storage		\$ 1,000,000				\$ 1,000,000
Computer Replacement		\$ 20,000				\$ 20,000
Planning Replacement Vehicle		\$ 30,000				\$ 30,000
Total:	\$ 6,480,000	\$ 1,830,500	\$ 2,255,500	\$ 164,300	\$ 195,300	\$ 10,925,600

Analysis of Revenue and Cost Projections

FY 22-23 - FY 27-28

<i>General Fund</i>	2022-23 Projected	2023-24 Estimated	2024-25 Estimated	2025-26 Estimated	2026-27 Estimated	2027-28 Estimated
Personnel Services	\$ 3,537,920.00	\$ 3,714,816.00	\$ 3,900,556.80	\$ 4,095,584.64	\$ 4,300,363.87	\$ 4,515,382.07
Operations & Maintenance	\$ 2,029,700.36	\$ 2,131,185.38	\$ 2,237,744.65	\$ 2,349,631.88	\$ 2,467,113.47	\$ 2,590,469.15
Capital Equipment	\$ 951,000.00	\$ 230,500.00	\$ 255,500.00	\$ 164,300.00	\$ 195,300.00	\$ 115,000.00
Estimated Total Costs	\$ 6,518,620.36	\$ 6,076,501.38	\$ 6,393,801.45	\$ 6,609,516.52	\$ 6,962,777.35	\$ 7,220,851.21
Ad Valorem*	\$ 2,690,898.00	\$ 2,717,806.98	\$ 2,744,985.05	\$ 2,772,434.90	\$ 2,800,159.25	\$ 2,828,160.84
Sales & Use Tax	\$ 1,864,500.00	\$ 1,957,725.00	\$ 2,055,611.25	\$ 2,158,391.81	\$ 2,266,311.40	\$ 2,379,626.97
Other Taxes	\$ 477,150.00	\$ 481,921.50	\$ 486,740.72	\$ 491,608.12	\$ 496,524.20	\$ 501,489.45
Permits/Fees	\$ 898,324.36	\$ 907,307.60	\$ 916,380.68	\$ 925,544.49	\$ 934,799.93	\$ 1,131,107.92
Other Revenues	\$ 140,796.00	\$ 142,203.96	\$ 143,626.00	\$ 145,062.26	\$ 146,512.88	\$ 147,978.01
Estimated Total Revenues	\$ 6,071,668.36	\$ 6,206,965.04	\$ 6,347,343.69	\$ 6,493,041.58	\$ 6,644,307.67	\$ 6,988,363.19
<i>Capital Improvements Fund</i>						
South End Fire Department	\$ 573,400.00	\$ 573,400.00	\$ 573,400.00	\$ 573,400.00	\$ 573,400.00	\$ 573,400.00
Fire Truck	\$ -	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00
Offsite EOC / Storage	\$ -	\$ 1,000,000.00	\$ -	\$ -	\$ -	\$ -
Police Department Expansion	\$ -	\$ -	\$ 400,000.00	\$ 400,000.00	\$ 400,000.00	\$ 400,000.00
Estimated Total Costs	\$ 573,400.00	\$ 1,693,400.00	\$ 1,093,400.00	\$ 1,093,400.00	\$ 1,093,400.00	\$ 1,093,400.00
Ad Valorem**	\$ 389,280.00	\$ 393,172.80	\$ 397,104.53	\$ 401,075.57	\$ 405,086.33	\$ 409,137.19
Estimated Total Revenues	\$ 389,280.00	\$ 393,172.80	\$ 397,104.53	\$ 401,075.57	\$ 405,086.33	\$ 409,137.19
Revenues Needed	\$ 631,072.00	\$ 1,169,763.53	\$ 742,753.22	\$ 808,799.36	\$ 1,006,783.35	\$ 916,750.83

*Based on current revenue neutral General Fund tax rate of \$0.28/\$100 and an estimated 1% annual growth

*With the new tax values, 0.01 = \$154,710

**Based on current revenue neutral CIF tax rate of \$0.04/\$100 and an estimated 1% annual growth

Tax Levy Examples

- Last year your home was valued at \$400,000 for taxes.
- At last year's NTB tax rate of \$0.46 per \$100 valuation that equated to \$1,840 in taxes.
[$(400,000 \cdot .46) / 100$]
- With the reappraisal, your home is now valued at \$650,000.
- Your NTB taxes could be as follows, based on the tax rate set:



Revenue Neutral -
\$0.2848/\$100
valuation
 $(650,000 \cdot .2848) / 100 =$
\$1,851.20

Tax Rate: \$0.35/\$100
valuation
 $(650,000 \cdot 0.35) / 100 =$
\$2,275.00
*\$435 increase

Tax Rate: \$0.40/\$100
valuation
 $(650,000 \cdot 0.40) / 100 =$
\$2,600.00
*\$760 increase

Tax Rate: \$0.45/\$100
valuation
 $(650,000 \cdot 0.45) / 100 =$
\$2,925.00
*\$1,085 increase



Example 2

- Last year your home was valued at \$170,000 for taxes.
- At last year's NTB tax rate of \$0.46 per \$100 valuation that equated to \$782 in taxes.
[$(170,000 \cdot .46) / 100$]
- With the reappraisal, your home is now valued at \$340,000.
- Your NTB taxes could be as follows, based on the tax rate set:

Revenue Neutral -
\$0.2848/\$100
valuation
 $(340,000 \cdot .2848) / 100 =$
\$968.32

Tax Rate: \$0.35/\$100
valuation
 $(340,000 \cdot 0.35) / 100 =$
\$1,190.00
*\$408 increase

Tax Rate: \$0.40/\$100
valuation
 $(340,000 \cdot 0.40) / 100 =$
\$1,360.00
*\$578 increase

Tax Rate: \$0.45/\$100
valuation
 $(340,000 \cdot 0.45) / 100 =$
\$1,530.00
*\$748 increase

Example 3

- Last year your home was valued at \$675,000 for taxes.
- At last year's NTB tax rate of \$0.46 per \$100 valuation that equated to \$3,105 in taxes.
[$(675,000 * .46) / 100$]
- With the reappraisal, your home has almost doubled, now valued at \$1,200,000.
- Your NTB taxes could be as follows, based on the tax rate set:



Revenue Neutral -
\$0.2848/\$100
valuation

$$(1,200,000 * .2848) / 100 \\ = \$3,417.60$$

Tax Rate: \$0.35/\$100
valuation

$$(1,200,000 * 0.35) / 100 \\ = \$4,200.00$$

*\$1,095 increase

Tax Rate: \$0.40/\$100
valuation

$$(1,200,000 * 0.40) / 100 \\ = \$4,800.00$$

*\$1,695 increase

Tax Rate: \$0.45/\$100
valuation

$$(1,200,000 * 0.45) / 100 \\ = \$5,400.00$$

*\$2,295 increase

Tax Conversation

Fiscal Year		Assessed Value	Valuation + / -	% Change	MOTV	Levy without MOTV
2022-2023	Revaluation	1,589,800,000	599,800,000	60.59%	17,700,000	1,572,100,000
2021-2022		990,000,000	19,590,000	2.02%	16,800,000	973,200,000

Revenue Neutral Tax Rate	\$0.2848	\$	4,477,307.40
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Rate	Amount	Additional	90% Net
@ 30	\$ 4,716,300.00	\$ 239,580.00	\$ 215,622.00
@ 31	\$ 4,873,510.00	\$ 396,790.00	\$ 357,111.00
@ 32	\$ 5,030,720.00	\$ 554,000.00	\$ 498,600.00
@ 33	\$ 5,187,930.00	\$ 711,210.00	\$ 640,089.00
@ 34	\$ 5,345,140.00	\$ 868,420.00	\$ 781,578.00
@ 35	\$ 5,502,350.00	\$ 1,025,630.00	\$ 923,067.00
@ 36	\$ 5,659,560.00	\$ 1,182,840.00	\$ 1,064,556.00
@ 37	\$ 5,816,770.00	\$ 1,340,050.00	\$ 1,206,045.00
@ 38	\$ 5,973,980.00	\$ 1,497,260.00	\$ 1,347,534.00
@ 39	\$ 6,131,190.00	\$ 1,654,470.00	\$ 1,489,023.00
@ 40	\$ 6,288,400.00	\$ 1,811,680.00	\$ 1,630,512.00
@ 41	\$ 6,445,610.00	\$ 1,968,890.00	\$ 1,772,001.00
@ 42	\$ 6,602,820.00	\$ 2,126,100.00	\$ 1,913,490.00
@ 43	\$ 6,760,030.00	\$ 2,283,310.00	\$ 2,054,979.00
@ 44	\$ 6,917,240.00	\$ 2,440,520.00	\$ 2,196,468.00
@ 45	\$ 7,074,450.00	\$ 2,597,730.00	\$ 2,337,957.00

Budget Calendar

COMPLETED:

- **Budget Workshop 1**
– *March 30th*
- **Budget Workshop 2**
– *April 13th*
- **Budget Workshop 3 & Public Hearing**
– *May 23rd*

TO COMPLETE:

- **Budget /Ordinance Adoption –**
Date to be scheduled; at least 10 days from public hearing per statute



Public Hearing Will Begin Shortly

Town of 

NORTH TOPSAIL BEACH

FOUNDED IN 1990 *Nature's Tranquil Beauty* **NORTH CAROLINA**
