



TOWN OF EMERALD ISLE, NORTH CAROLINA

FY 2016-2017 RECOMMENDED BUDGET

Presented to the Emerald Isle Board of Commissioners - May 10, 2016



FY 16-17 Recommended Budget

Primary Budget and Capital Plan Goals

- **Maintain current property tax rates**
- **Address Osprey Ridge storm water concerns**
- **Maintain high service quality, and consider additional resources for Police community programs**
- **Provide fair and reasonable compensation for employees**



FY 16-17 Recommended Budget

Primary Budget and Capital Plan Goals (continued)

- Utilize dedicated funds for bicycle and pedestrian improvements on Bogue Inlet Drive, at The Point
- Strategically pursue redevelopment goals for Islander Drive area
- Continue planning for renovation / expansion of Fire Station 1 in next 2 – 3 years



FY 16-17 Recommended Budget

Other Important Budget and Capital Plan Goals

- **Structurally sound budget**
- **Maintain strong customer focus**
- **Maintain high priority on community aesthetics**
- **Maintain responsible capital replacement strategy**
- **Avoid use of General Fund balance**

FY 16-17 Recommended Budget

- **Total Town Budget = \$9,445,387 across all funds**
- **General Fund = \$9,076,200**
 - **\$173,765, or 1.9% increase from FY 15-16 original budget**
 - **Maintain current service levels and service quality**
 - **Key service enhancements**
 - **Priority capital investment**
- **Future Beach Nourishment Fund**
 - **\$679,187 to be reserved for future nourishment activities**
 - **Approximately equal to previous years**

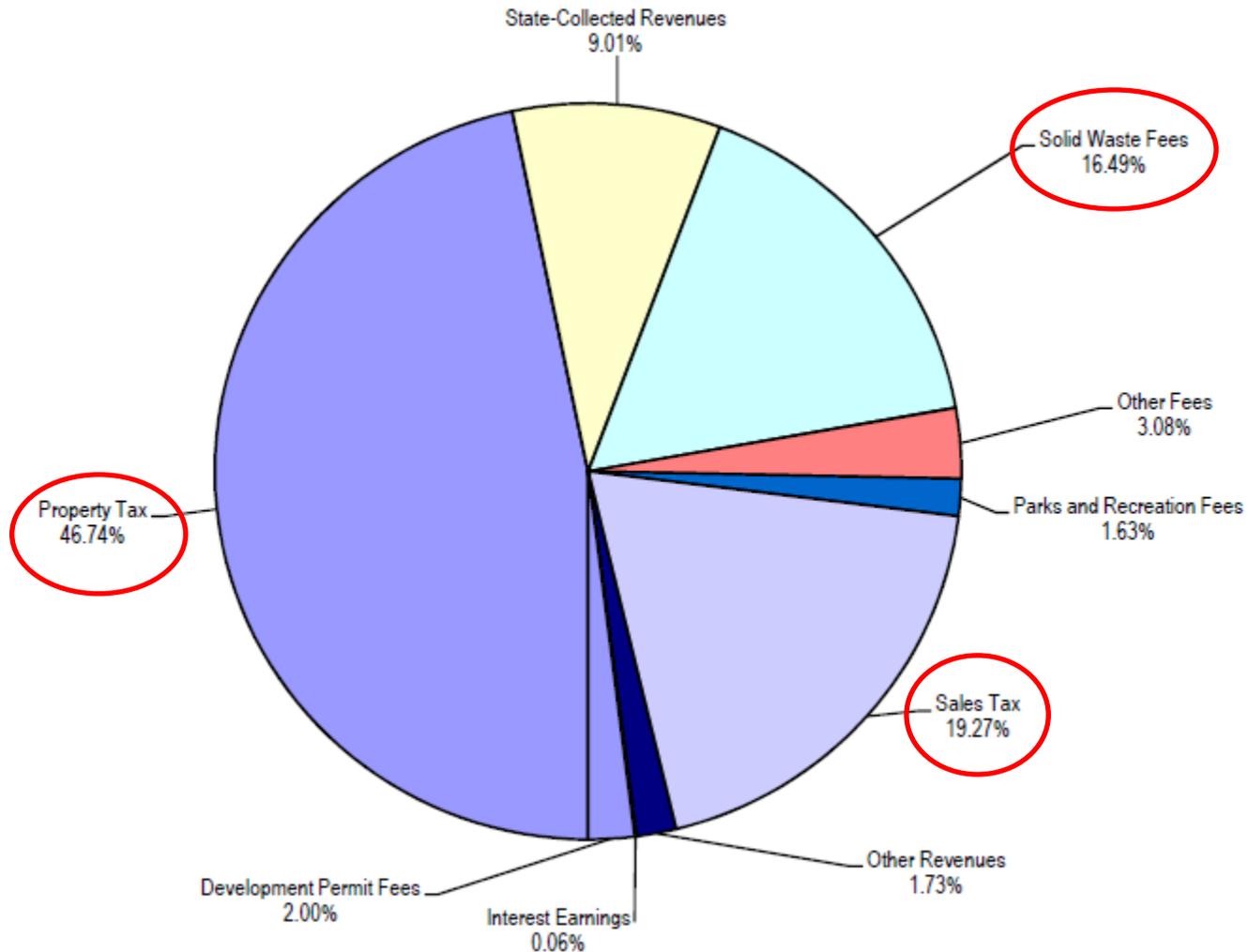


FY 16-17 Recommended Budget

- **No change in General Fund tax rate – 15.5 cents**
 - 14 cents for general services, 1.5 cent for beach nourishment
 - Town remains 2nd lowest of 21 NC oceanfront municipalities
- **No increase in annual solid waste fee**
- **No change in beach nourishment special district tax rate – 4 cents**
- **No other fee increases of any kind**

General Fund Revenues

FY 16-17 Recommended Budget



FY 16-17 Recommended Budget

- **Total General Fund property tax revenues ~ \$4.24 million**
 - Average value (\$359,309) taxpayer's annual General Fund tax bill is approximately \$785 (\$557 plus \$228 annual solid waste fee)
 - Increase of ~ \$36,000 due to growth, previous conservative estimate
- **Sales tax revenues projected at nearly \$1.75 million**
 - Decrease of \$13,800 from FY 15-16 adopted budget
- **Electricity sales tax is projected to increase by more than \$122,000 over FY 15-16 original budget**
 - Offsets projected decrease in sales tax revenue, other State revenues

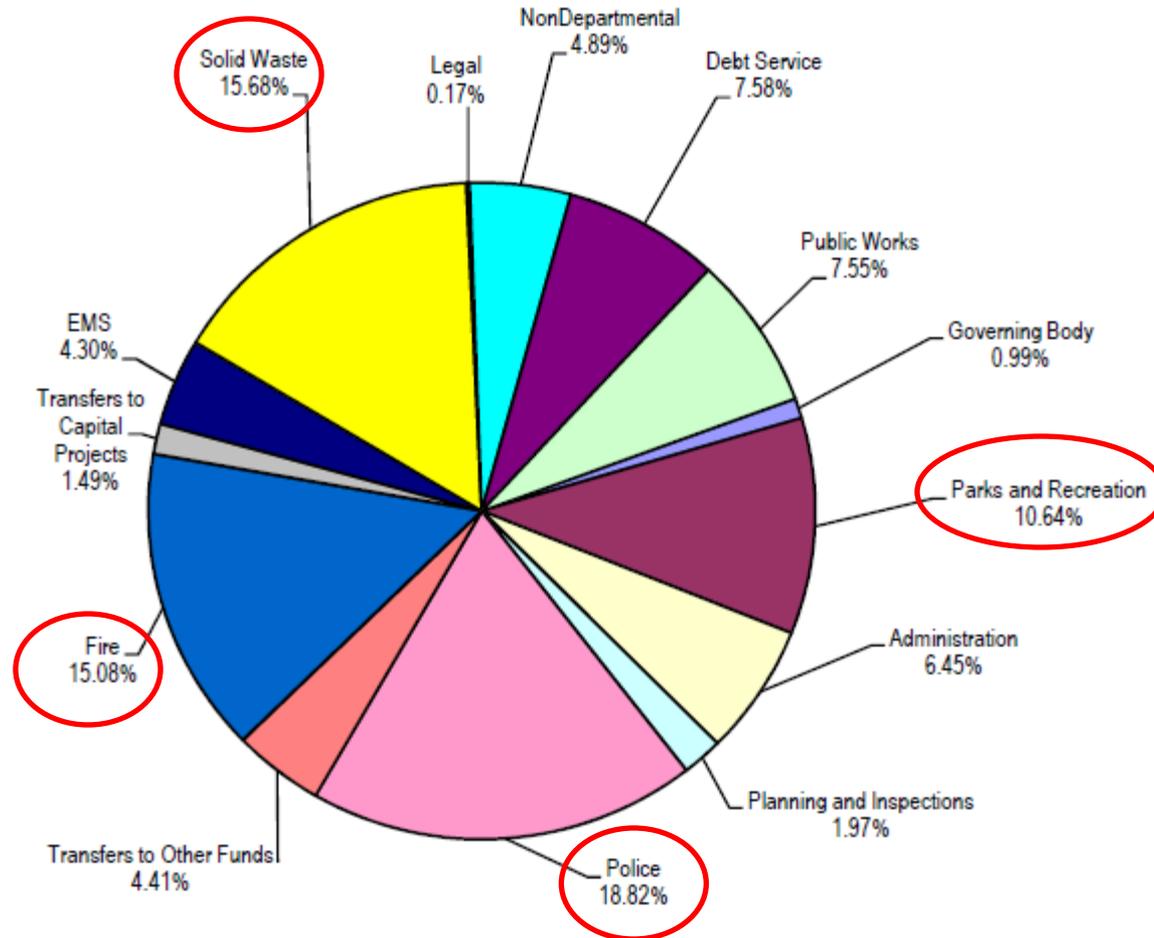
FY 16-17 Recommended Budget

- **Other State-shared revenues declining**
 - Net decrease of \$23,000
- **Development permit fees trending up**
 - Additional \$35,500 anticipated in FY 16-17
- **Golf cart permits, beach driving permits, ABC revenues up**
- **No General Fund balance appropriated**
 - Adjusted fund balance projected at nearly \$2.1 million at June 30
 - Approximately 23.1% of FY 16-17 Recommended Budget



General Fund Expenditures

FY 16-17 Recommended Budget



FY 16-17 Recommended Budget

- **General Fund budget honors Board's expressed priorities**
- **New Osprey Ridge storm water pump station**
 - **\$120,000; pay-as-you-go funding**
 - **Other than tax rate goal, Board's #1 priority**
 - **Should effectively resolve chronic storm water flooding concerns in this area**



FY 16-17 Recommended Budget

- **Community Resource Officer in Police Department**
 - Approximately \$52,000
 - Coordinate Neighborhood Watch, other public education and awareness programs in EIPD

- **Additional staffing, supervision for Fire Dept Lifeguard Program**
 - Increases beach presence from 4 to 5 daily during summer
 - Enhance professionalism
 - Approximately \$14,000 additional cost



FY 16-17 Recommended Budget

- **Transfer golf cart permits and beach parking permit programs from Town Administration to other departments**
- **Additional EMS funding (\$13,000 increase)**
 - Enable use of full-time personnel for driver positions
 - Total Town contribution of \$390,000 is supplemented by \$170,000 of call fees
- **New Town software system**
 - Approximately \$17,000 for 3 years to replace outdated applications
 - Enable tax payment information to go online



FY 16-17 Recommended Budget

- **Bogue Inlet Drive bicycle path extension**
 - \$70,000, funded by \$34,000 from Bicycle and Pedestrian Fund and \$36,000 from capital reserve funds (traffic signal poles)
 - Need to carefully consider alignment, other road improvements
- **Employee compensation**
 - 1% cost of living adjustment for all employees (\$34,448 increase)
 - Maintain employee health insurance benefit
 - First year funding for retiree health insurance program (\$5,600)
- **Transfer to Future Beach Nourishment Fund**
 - \$400,000, equivalent of 1.5 cent of General Fund tax rate

FY 16-17 Recommended Budget

- **Includes \$72,000 for beach access walkway replacements at Georgia, Hubert, Sea Crest**
- 
- **Replacement of 4 vehicles = \$118,000**
 - **Two Police vehicles, one Parks and Recreation truck, one Public Works utility vehicle**
 - **Other notable items:**
 - **\$15,000 for new beach access walkway at The Point**
 - **\$15,000 for new small storm water relay pumps**
 - **\$75,000 for County inspections contract**

Capital Replacement / Improvement Program

- **Five year plan for replacement of major capital equipment, plus a few new capital projects**
- **Total cost of projects in plan = ~\$20 million over 5 years**
 - **Scheduled vehicle and other capital replacements**
 - **\$600,000 for land purchase on Islander Drive (75% grant funded; only if private investor does not emerge) in FY 17-18**
 - **\$1 million for renovation / expansion of Fire Station 1 in FY 18-19**
 - **\$875,000 for new Fire aerial truck in FY 18-19**
 - **\$15 million for next realignment of Bogue Inlet channel / beach nourishment project in FY 20-21 (reserved beach nourishment funding)**

Capital Replacement / Improvement Program



Budget Perspective

- **With recommended 15.5-cent General Fund property tax rate, the average-value property owner would pay approximately \$46 of property tax per month to Town of Emerald Isle; less than:**
 - **Monthly cable bill**
 - **Monthly smartphone bill**
 - **Daily cup of coffee at nice coffee shop**
 - **Dinner for two at a moderately-priced restaurant**
 - **Movie night out for family of 4**
 - **Tank of gas for many vehicles**

Budget Perspective

HOW MUCH DO GENERAL FUND TOWN SERVICES REALLY COST YOU?

Taxpayer:
Mr. Average Taxpayer
1957 Emerald Drive
Emerald Isle, NC 28594

Town of Emerald Isle
7500 Emerald Drive
Emerald Isle, NC 28594
252-354-3424
www.emeraldisle-nc.org



Assessed Value (2015 dollars): \$ 359,309
FY 2016-2017 Property Tax Rate Per \$100: 15.50 cents

TOTAL FY 2016-2017 PROPERTY TAX DUE:	\$	556.93
TOTAL FY 2016-2017 SOLID WASTE FEE DUE:	\$	228.00
TOTAL FY 2016-2017 AMOUNT DUE:	\$	784.93



Your Property Taxes Are Used For:	Which Provides For:	Itemized Cost Annual Amount	Itemized Cost Monthly Amount
Police Services	24-hour police patrol, police response, traffic enforcement, criminal investigations, general ordinance enforcement, and general community assistance.	\$ 122.17	\$ 10.18
Parks and Recreation	Recreation programs, Community Center operations, public beach accesses, community festivals, NC 58 landscaping, bicycle path maintenance, Bogue Sound accesses, community parks, public boating access maintenance, and other quality of life enhancements.	\$ 57.49	\$ 4.79
Planning and Inspections	Fair and consistent enforcement of NC building code to insure building safety; fair and consistent enforcement of land development ordinances, including zoning, subdivision, storm water, flood damage prevention, and signs, to insure compatible and orderly growth and development in Emerald Isle.	\$ -	\$ -
Emergency Medical Services	Rapid emergency medical response and transport at the paramedic level of care.	\$ 28.74	\$ 2.40
Fire Services	24-hour fire response and suppression services, emergency medical care first response, water rescue capabilities, summertime lifeguards, hurricane preparedness and emergency management, public education, and low ISO insurance ratings.	\$ 97.01	\$ 8.08
Public Works Services	Public facilities maintenance, public ROW mowing, street maintenance, public street lights and signs, storm water management operations, and other activities intended to maintain an attractive town appearance and safe environment.	\$ 39.52	\$ 3.29
Solid Waste Services	Twice per week residential trash collection, once per week residential recycling collection, container roll-back service, weekly yard waste collection, monthly white goods collection, beach strand trash collection and recycling collection, and public right of way litter collection.	\$ 228.00	\$ 19.00
General Government and Town Administration	Coordination of local democracy, non-political management of Town services and programs, thorough research on issues, public education and involvement initiatives, sound financial management, fair and equitable administration of tax system, and contributions to outside groups that enhance the quality of life in EI.	\$ 82.64	\$ 6.89
Debt Service	Principal & interest payments on major capital facilities completed in recent years and refinanced in 2013, plus principal & interest payments associated with the 2013 community improvement package that includes new bicycle paths and storm water improvements, plus principal & interest payments for Fire Engine and land.	\$ 64.68	\$ 5.39
Transfer to Future Beach Nourishment Fund	Contribution to reserve fund for future beach nourishment projects in Emerald Isle.	\$ 53.90	\$ 4.49
Transfer to Capital Projects	Construction of Osprey Ridge storm water pump station, other small pump stations	\$ 10.78	\$ 0.90
TOTAL FY 2016-2017 AMOUNT DUE:		\$ 784.93	\$ 65.41

Budget Perspective

- **Average-value property owner in EI pays approx \$503 annually for general services (14 cents of rate). The same value property in other towns pays (for general services):**
 - **Oak Island** \$ 988
 - **Duck** \$ 755
 - **Kitty Hawk** \$1,078
 - **Carolina Beach** \$ 769
 - **Nags Head** \$ 862
 - **Surf City** \$ 934
 - **Sunset Beach** \$ 575
 - **Wrightsville Beach** \$ 478
 - **Bald Head Island** \$1,837

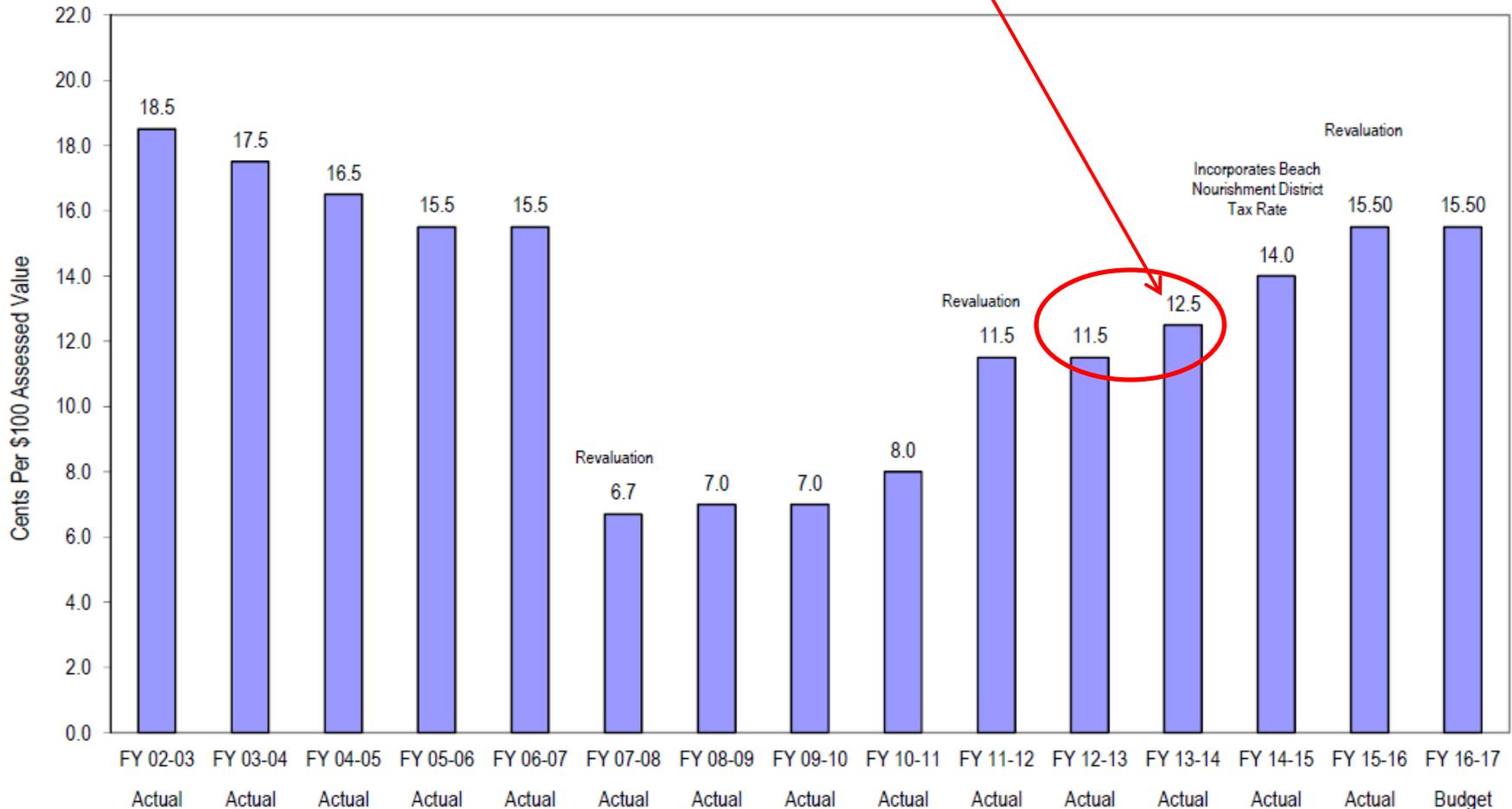
Budget Perspective

- **FY 16-17 Recommended Budget includes 57 full-time positions**
 - **FY 07-08 budget included 63 full-time positions**
- **Since FY 01-02 (15 years), the Town's property tax rate has:**
 - **Decreased in 4 of those years**
 - **Stayed the same or "revenue-neutral" in 7 of those years**
 - **Increased in 4 of those years**
- **Since 2001, Town has secured more than \$33 million in grants and outside funding sources for beneficial projects**

Budget Perspective

GENERAL FUND PROPERTY TAX RATE HISTORY

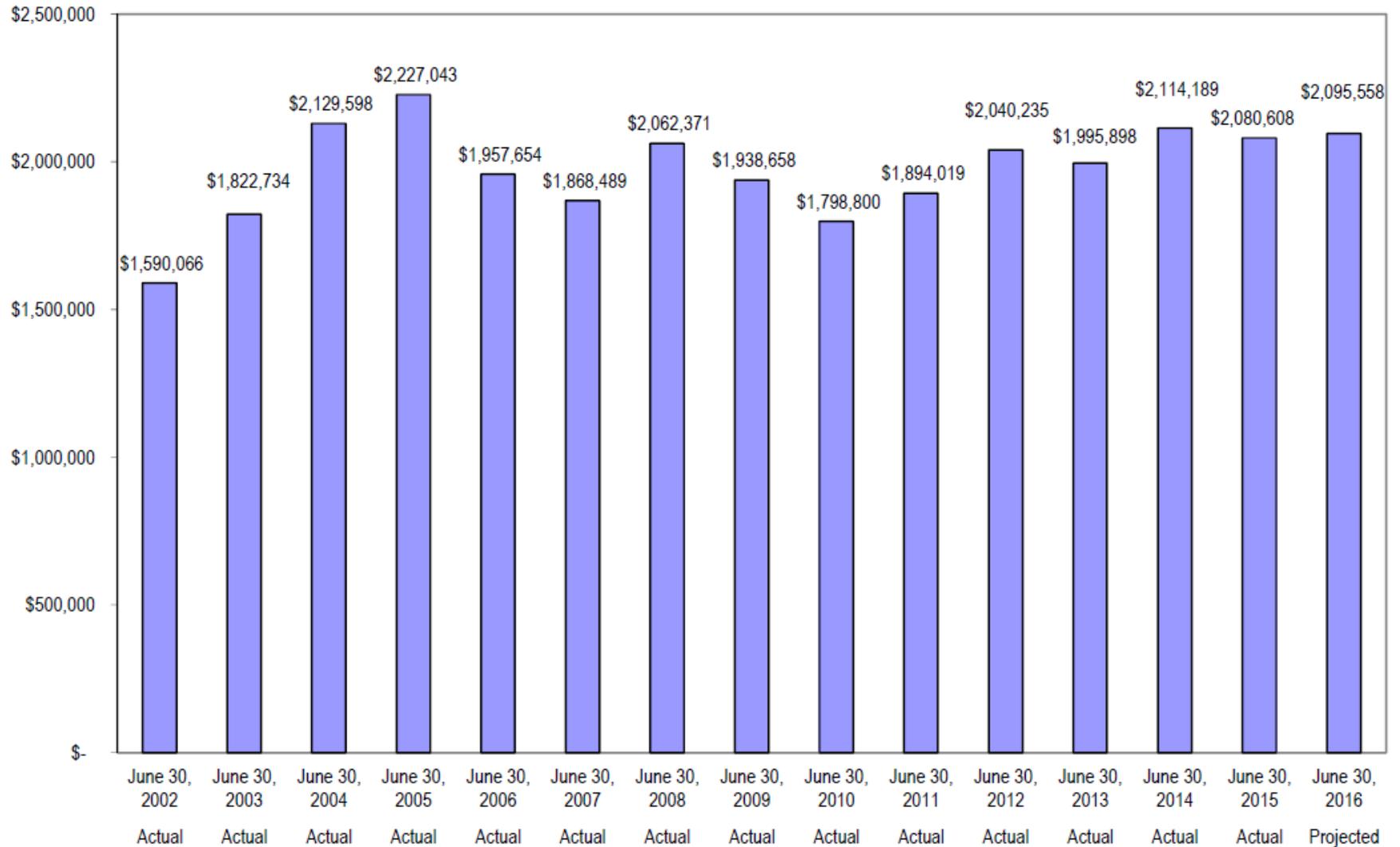
Only (effective) tax rate increase in past 6 years –
1 cent for 2013 Community Improvements Package



Budget Perspective

ADJUSTED GENERAL FUND BALANCE

Undesignated Plus Stabilization by State Statute



Budget Calendar

- **Budget Workshop and Public Hearing**
 - **Thursday, May 12 2 pm**
- **Budget Workshop – Tuesday, June 7 6 pm**
(official public hearing)
- **Budget Adoption – Tuesday, June 14 6 pm**
- **Other meetings as necessary or desired**

Recommended Budget is the Town Manager's recommendation.

The Board of Commissioners should adjust this recommendation in any manner that more clearly represents the Board's priorities.