



Proposed Budget Message

April 17, 2023

The Honorable Mayor Brenda Bozeman
Members of the Leland Town Council

Dear Mayor Bozeman and Leland Town Council:

In accordance with the Local Government Budget and Fiscal Control Act and NC General Statute 159-11, the proposed Annual Budget of \$42.8 Million for Fiscal Year beginning July 1, 2023, and ending June 30, 2024, is balanced with no appropriation of fund balance. \$900,000 is allocated to the General Fund reserve to increase fund balance for the financial stability of the Town's future. The proposed budget reflects a reduction in the tax rate from .25 per \$100 in valuation to .23 per \$100 in valuation. Staff are also proposing an increase in fire fees to the maximum allowed with the current fee structure this will help to close the gap between fire fee revenue and operating expenses.

Multiple factors influence the annual budget process, including the condition of the national, state, and local economies and the priorities identified by our elected officials, staff, and citizens. Though we are thankful we have been able to withstand inflation, it has certainly affected our operations and decisions over the last few years and continues to be a consideration moving forward. We remain committed to providing outstanding services as we have through all the tumult and uncertainty of the last three years. As we have moved past the COVID-19 pandemic, we are facing new challenges: rising inflation, potential statutory changes, and balancing current services to maintain a high quality of life for our citizens. To address economic challenges such as inflation and supply chain constraints, staff will remain fiscally responsible to ensure tangible benefits and services are continuously provided to all residents. Considering the external effects of the economy, regulatory changes, identified community needs, and desire to complete projects, the proposed budget represents thoughtful consideration and conservative planning so the Town can fulfill its obligations to residents, meet established goals, and remain fiscally healthy.

In preparing the Fiscal Year 2023-2024 (FY23-24) Budget, Town staff followed guidance from Town Council to develop a budget that will balance current Town programs and vital services with development of new plans and projects. Additionally, Town Council reviewed their identified vision statements and staff focused on initiatives related to meeting those vision statements while creating the budget.

The Town's anticipated revenues are calculated using historical financial trends, property tax values from Brunswick County, and projections provided by the North Carolina League of Municipalities (NCLM). The Town had been fortunate in past years to have revenues exceed expenditures, keeping an adequate fund balance; but, in the present year and the previous year, that balance has started to decline. Staff feel strongly about building our reserves to ensure our stability moving forward.

In summary, the proposed budget of \$42.8 M (\$38.8 M General Fund) is a balanced budget that focuses on the priorities set by Town Council for FY23-24, as well as being fiscally sound. As stewards of public resources, staff believes our primary role is to concentrate budgeting efforts on ensuring the safety of our community and staff by investing in public safety and infrastructure, maintaining current service levels, while attempting to keep rates and fees reasonable. This budget reflects the Town's commitment to maintaining and improving our community while positioning Leland to be financially stable well into the future.

We will hold a Budget Public Hearing on May 10, 2023 @ 6:00 p.m. or shortly thereafter at Town Hall.

Sincerely,

A handwritten signature in black ink, appearing to read "David A. Hollis".

David A Hollis, Town Manager

Governmental Goals

Internal Support

- Be a well-trained, innovative, and customer-centric workforce.
- Be a community that is transparent, fair, and fiscally responsible with the Town's resources to ensure the future sustainability of the Town and its citizens.
- Be a governing body that proactively educates and communicates with the public, municipal, county, and state officials.

Public Safety

- Be the safest southeastern NC town through preventative and responsive emergency services and citizen engagement.
- Be a town well-prepared for, responsive to, and able to recover from natural and man-made hazards.

Public Places

- Be a community that finds opportunities and leverages partnerships to have unique, inviting, and connected gathering places.
- Be a community that protects and promotes sustainability for our natural environment, facilities, and parks.
- Be a safe and healthy community with fun, accessible, and stimulating recreational and cultural activities for all.

Public Services

- Be a resilient, sustainable, and environmentally conscious community.
- Be a community that proactively advocates, accommodates, and plans for safe and accessible pedestrian, vehicular, and multi-modal movement within the transportation network.

Business & Neighborhood Enhancement

- Be an inclusive, connected, strong, beautiful, and healthy community comprised of distinct, complementary, and diverse neighborhoods that offer housing options for all residents.
- Be a town well-positioned within the economic and tourism markets of southeastern North Carolina.
- Be a town that leverages our proximity to area beaches, blueways, air and nautical ports, rail connections, neighboring municipalities, and institutions of higher learning.
- Be a center for advanced, innovative manufacturing and technology employment.



Town of
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Fiscal Year 2023-2024 Budget Presentation

Town of Leland
April 17, 2023

Total Proposed Budget

TOTAL REVENUES	FY 2023-2024 BUDGET	PERCENT OF BUDGET
GENERAL FUND	38,800,000	90.7%
POWELL BILL	800,000	1.9%
BUILDING INSPECTIONS	3,200,000	7.5%
<i>Total</i>	42,800,000	
TOTAL EXPENDITURES	FY 2023-2024 BUDGET	PERCENT OF BUDGET
GENERAL FUND	38,800,000	90.7%
POWELL BILL	800,000	1.9%
BUILDING INSPECTIONS	3,200,000	7.5%
<i>Total</i>	42,800,000	



Proposed General Fund Revenue Budget

GENERAL FUND REVENUE	FY 2023-2024 BUDGET	PERCENT OF BUDGET
PROPERTY TAX	14,270,000	36.8%
SALES & USE TAX	12,700,000	32.7%
FIRE FEES	5,835,000	15.0%
OTHER REVENUE	1,290,000	3.3%
LOAN PROCEEDS	1,000,000	2.6%
INTEREST INCOME	990,000	2.6%
FRANCHISE TAX	950,000	2.4%
MUNICIPAL VEHICLE TAX	900,000	2.3%
ALLOCATION REVENUE	480,000	1.2%
ZONING/PERMITS	285,000	0.7%
BEER & WINE TAX	100,000	0.3%
Total	38,800,000	

Proposed General Fund Expenditure Budget

DEPARTMENT	FY 2023-2024 BUDGET	PERCENT OF BUDGET
FIRE	7,445,000	19.2%
POLICE	6,730,000	17.3%
DEBT	4,120,000	10.6%
STREETS & GROUNDS	3,610,000	9.3%
TRANSFER TO CAPITAL IMPROVEMENT PROJECTS	3,375,000	8.7%
INFORMATION TECHNOLOGY (IT)	3,285,000	8.5%
ADMINISTRATION	2,300,000	5.9%
FACILITIES & FLEET	1,490,000	3.8%
PLANNING	1,280,000	3.3%
PARKS, RECREATION, & CULTURAL RESOURCES	1,210,000	3.1%
ENGINEERING	1,050,000	2.7%
FINANCE	1,000,000	2.6%
TRANSFER TO GENERAL FUND RESERVES	900,000	2.3%
HUMAN RESOURCES	470,000	1.2%
GOVERNING BODY	315,000	0.8%
EMERGENCY MANAGEMENT	220,000	0.6%
Total	38,800,000	



Revenue Neutral Calculation

Fiscal year		Assessed Valuation as of June 30	Annexation (Deannexation)		Total Adjusted for Annexation or Deannexation	Valuation Increase (Decrease)	Percentage change	
2023-24		6,218,574,352	-	24-25	6,218,574,352			
				23-24	4,053,167,086			
	Revaluation							
2022-23	1/1/2023	4,053,167,086	11,620,690	23-24	4,041,546,396	338,080,796	9.13%	
				22-23	3,703,465,600			
2021-22		3,703,465,600	6,291,690	22-23	3,697,173,910	266,913,910	7.78%	
				21-22	3,430,260,000			
2020-21		3,430,260,000	5,342,320	21-22	3,424,917,680	281,203,394	8.94%	
				20-21	3,143,714,286			
2019-20	Revaluation	3,143,714,286						
	1/1/2019					Average growth:	8.62%	Average growth %
								Doesn't include
								revaluation increase
								(decrease)
Revenue neutral tax rate, to be included in budget ordinance, adjusted for growth:					0.1770			

Fiscal Year 2023-2024 Proposed Budget Highlights

Ad Valorem Tax Rate

There is decrease in the tax rate from 25.0 cents per \$100.00 of valuation down to 23.0 cents per \$100.00 of valuation with this proposed budget.

Fire Fees

The proposed budget includes a 21% increase in fire fees which will bring the fees up to the maximum allowed with the current fee structure.

New Employee Positions

The budget includes the addition of nineteen (19) new full-time employees, including (1) Communications Specialist II, (4) Police Officers, (1) Fire Logistics position, (1) Grounds & Maintenance Supervisor, (2) Maintenance Workers, (2) IT positions, (1) Safety & Training Coordinator, (2) Planner I positions, and (5) Building Inspections positions.

Radio Equipment for Public Safety

Over \$750,000 allocated to replace radio hardware for Police and Fire Departments in preparation for mandatory NC VIPER Program Upgrade (2025 deadline)

Fiscal Year 2023-2024 Proposed Budget Highlights (Cont.)

PRCR: Operational Supplies/Equipment

Addition of a new electric kiln and (3) pottery wheels

Planning Department: Professional/Contract Fees

Consultant for Integrated Mobility Plan (IMP)

Engineering: Stormwater and MS4

Stormwater mapping

Stormwater upgrades

Cape Fear River Watch and Clean Water Education Partnership

Police: Operational Supplies/Equipment

(5) Traffic light transfer switches and (2) portable generators for traffic light emergency power

Special Thanks to Town Staff

Ashli Barefoot, Planning Manager

Buddy Brooks, Deputy Fire Chief

John Grimes, Emergency Management Chief

Ronnie Hayes, Fire Chief

Allison Hensley, PRCR Manager

Jeremy Humphries, Police Chief

Jessica Jewell, Communications Manager

Daniel Knoch, Chief Building Official

Bill Nadeau, Fleet & Facilities Manager

Kelli Newton, Budget & Strategy Manager

Melissa Norton, Assistant Finance Director

Sabrina Reinhardt, Town Clerk

Bruce Sandy, Information Technology Manager

Josh Spence, Deputy Police Chief

Lynn Vetter, Public Services Manager

Ben Andrea, Planning & Inspections Director

Barnes Sutton, Economic & Community Development Director

Corrie Evans, Staff Attorney

Carly Hagg, Finance Director

Chris Langlois, Public Safety Director

Sara Meyer, Human Resources Director

Rob Miller, Public Services Director

Wyatt Richardson, Community Enrichment Director

Anthony Thomas, Information Technology Director

Gary Vidmar, Economic & Community Development Director

Niel Brooks, Assistant Town Manager

Missy Rhodes, Assistant Town Manager

David Hollis, Town Manager



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