



## Budget Message

April 18, 2024

The Honorable Mayor Brenda Bozeman  
Esteemed Members of the Leland Town Council

Dear Mayor Bozeman and Leland Town Councilmembers,

I am writing to formally present the second version of the proposed Annual Budget for the fiscal year commencing July 1, 2024 and concluding June 30, 2025, in accordance with the Local Government Budget and Fiscal Control Act and North Carolina General Statute 159-11.

The revised proposed balanced budget, totaling \$50 million, has been strictly crafted to ensure balance without the appropriation of fund balance. Notably, however, the proposed budget entails an **adjusted tax rate increase of 4 cents from 0.23 per \$100 in valuation to 0.27 per \$100 in valuation**. The tax rate adjustment **results in approximately \$2.6 million in tax revenue** for increased investment in the Town.

The Town Council has clearly indicated, through multiple public budget meetings, that they desire to improve and expand the Town's service delivery to prevent potential degradation of the community and improve the quality of life for the citizens now and into the future. The primary focus of the Town Council is improved public safety to proactively prevent crime and improved infrastructure to enhance mobility and community connectivity. This is a change in the Town's philosophy and approach to service delivery and long-term operations to assure sustainability for future years. The Town has historically maintained a low tax rate and created a lean organization. The Town's growth has gradually increased revenues each year, allowing for some organizational growth and service improvements. However, the gradual growth and low tax rate have not been sufficient enough for any significant service improvements and have postponed many infrastructure, facility, and operational improvement projects.

Initially, a proposed budget was presented that outlined an adjustment in the tax rate to \$0.39 per \$100 valuation. Following thorough discussions, the Town Council suggested a more moderate increase in the tax rate to facilitate the phasing of increased service levels. This newly proposed budget reflects the Town Council's conscious decision to invest in infrastructure improvement projects and establish a new standard for public safety. The effect of these improvements and potential additional improvements will be reanalyzed next year during the budget process.

Numerous factors have influenced our annual budgetary discussions, including the prevailing conditions of the national, state, and local economies, as well as the priorities delineated by the Town Council, dedicated staff, and engaged citizens. While we are appreciative of our resilience in weathering economic fluctuations, recent years have necessitated prudent adjustments to our decision-making processes and long-term outlook on service delivery.

As we transition into another budgetary year, we continue to confront emerging external challenges, such as escalating inflation and potential statutory revisions. The ability to balance current and improved services to support our growing community's quality of life is increasingly difficult. Nevertheless, our staff

remains steadfast in their commitment to fiscal responsibility to ensure the sustained provision of tangible benefits and services to all residents. It is our endeavor to fulfill the Town's obligations to its residents, achieve established objectives, and safeguard our fiscal health.

In formulating the Fiscal Year 2024-2025 (FY24-25) Budget, staff adhered to the guidance provided by the Town Council. The resulting budget harmonizes the maintenance of existing Town programs and essential services with the initiation of new plans and projects, while also planning for the future. Key appropriations in the budget include \$4 million in roadway improvements, \$2 million in loan proceeds for fire apparatus, and partial year funding for a new Police power shift. **The increase of \$2 million in roadway infrastructure above the standard Powell Bill and Municipal Vehicle Tax funding, along with approximately \$600,000 for the additional Police power shift, accounts for the entire \$2.6 million in tax revenue increase achieved by the proposed 4 cent tax rate adjustment.** These budgetary allocations, as well as all others, are aligned with the vision statements articulated by the Town Council, thereby ensuring a strategic alignment of our financial resources with our collective aspirations.

Anticipated revenues have been calculated based on historical financial trends, including sales tax, fire fee, and population data, property tax valuations from Brunswick County, and economic projections provided by the North Carolina League of Municipalities.

In summation, the proposed budget of \$50 million embodies a balanced plan that earnestly addresses the priorities outlined by the Town Council for FY24-25, while upholding principles of fiscal prudence. As stewards of public resources, we are steadfast in our commitment to providing essential services for the citizens that they cannot easily provide for themselves by prioritizing community safety, investing in critical infrastructure, providing reasonable quality of life amenities, and protecting the natural environment, while maintaining service excellence and endeavoring to uphold reasonable rates and fees. This budget epitomizes the Town's unwavering dedication to enhancing and sustaining our community, while steadfastly positioning Leland for enduring financial stability.

The Town encourages public participation in the budget process. The opportunity to provide feedback to Town Council regarding the updated budget will be during the budget public hearing at the Town Council meeting on May 2 at 6 p.m.

Sincerely,



David A. Hollis  
Town Manager

## Town Council Service Area Vision Statements FY2024-2025:

### Internal Support

- Be a workplace that attracts high performers of various backgrounds who value learning, innovation, and service excellence.
- 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, and 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.