

Town of **Sunset Beach**
NORTH CAROLINA

2016 FINANCIAL PICTURE

PRESENTED BY
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FINANCE DIRECTOR / BUDGET OFFICER

FUND BALANCE

FUND BALANCE

Common Questions about Fund Balance

What is Fund Balance?

What is Appropriated Fund Balance?

What is Fund Balance used for?

What should it be used for?

Do we have enough?



FUND BALANCES

GASB Fund Balance Reporting Categories

- Nonspendable Fund Balance
- Restricted Fund Balance
- Committed Fund Balance
- Assigned Fund Balance
- Unassigned Fund Balance

FUND BALANCES

Other Fund Balance Terminology

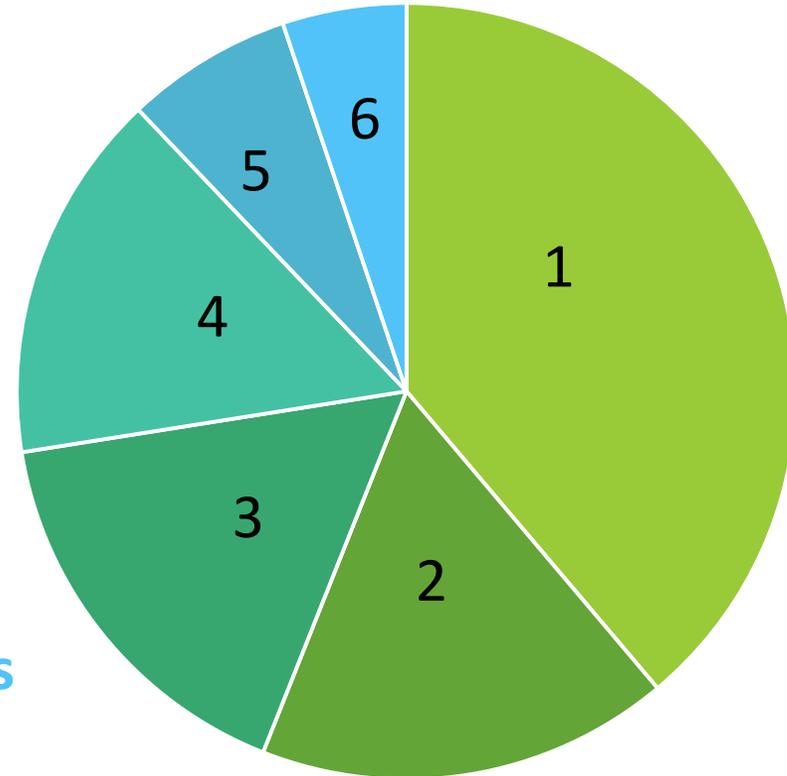
- Fund Balance Reserved by State Statute
- Fund Balance Available

FINANCIAL BENCHMARKS & TRENDS



MAJOR REVENUE SOURCES

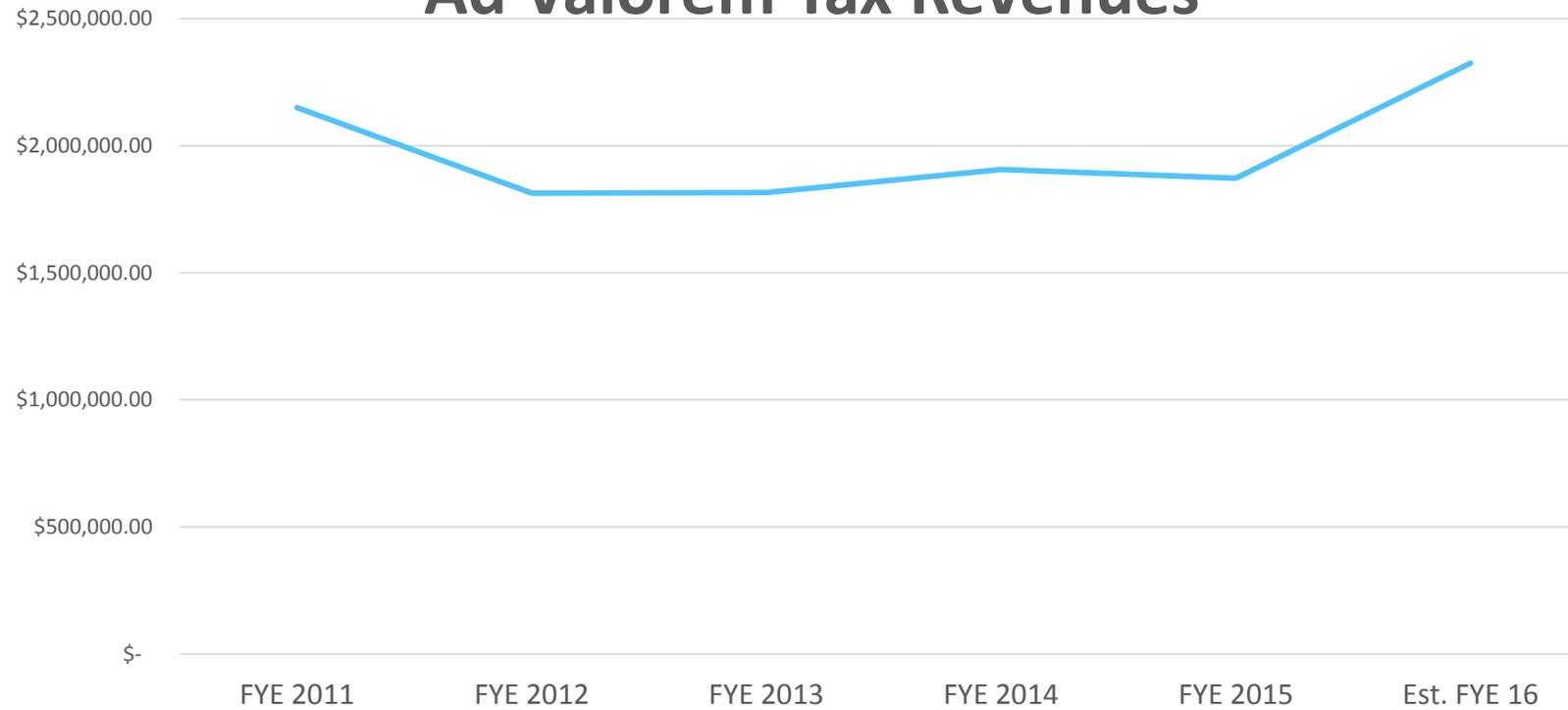
- 1- Ad Valorem Property Tax
- 2- Accommodations Taxes
- 3- Sales Taxes
- 4- Fire District Fees
- 5- Utilities & Telecom Taxes
- 6- Building Permits & Inspections





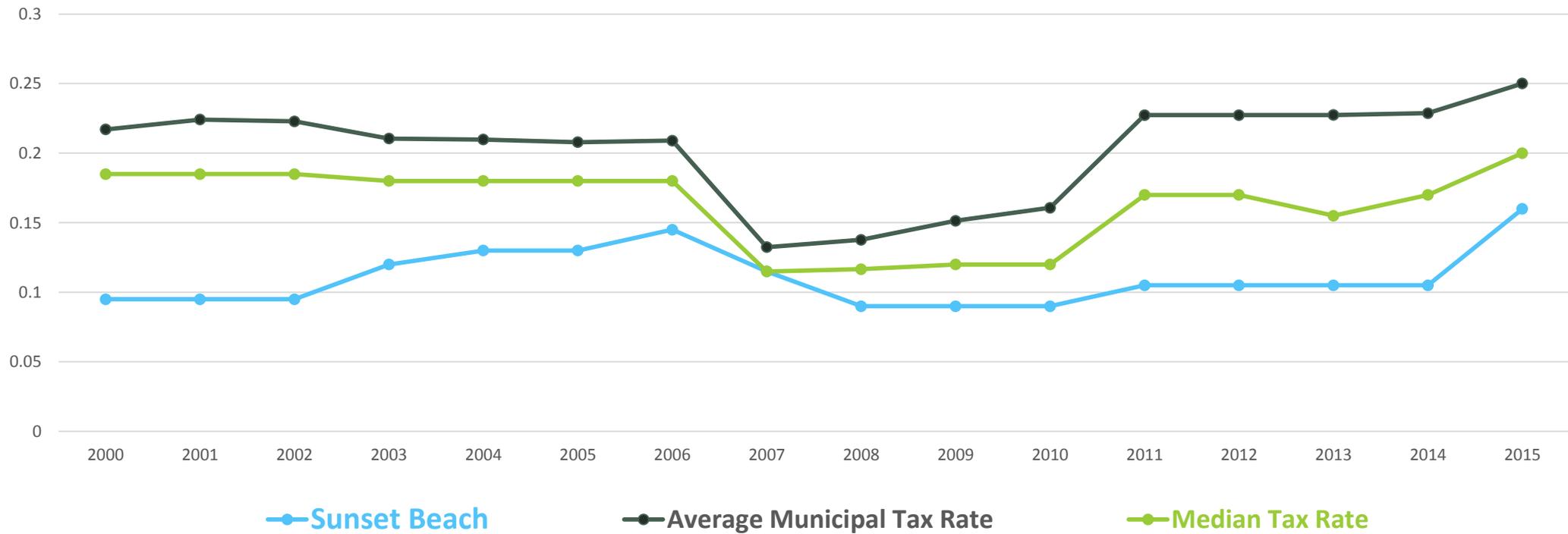
HISTORICAL TREND

Ad Valorem Tax Revenues



COMMUNITY BENCHMARKS

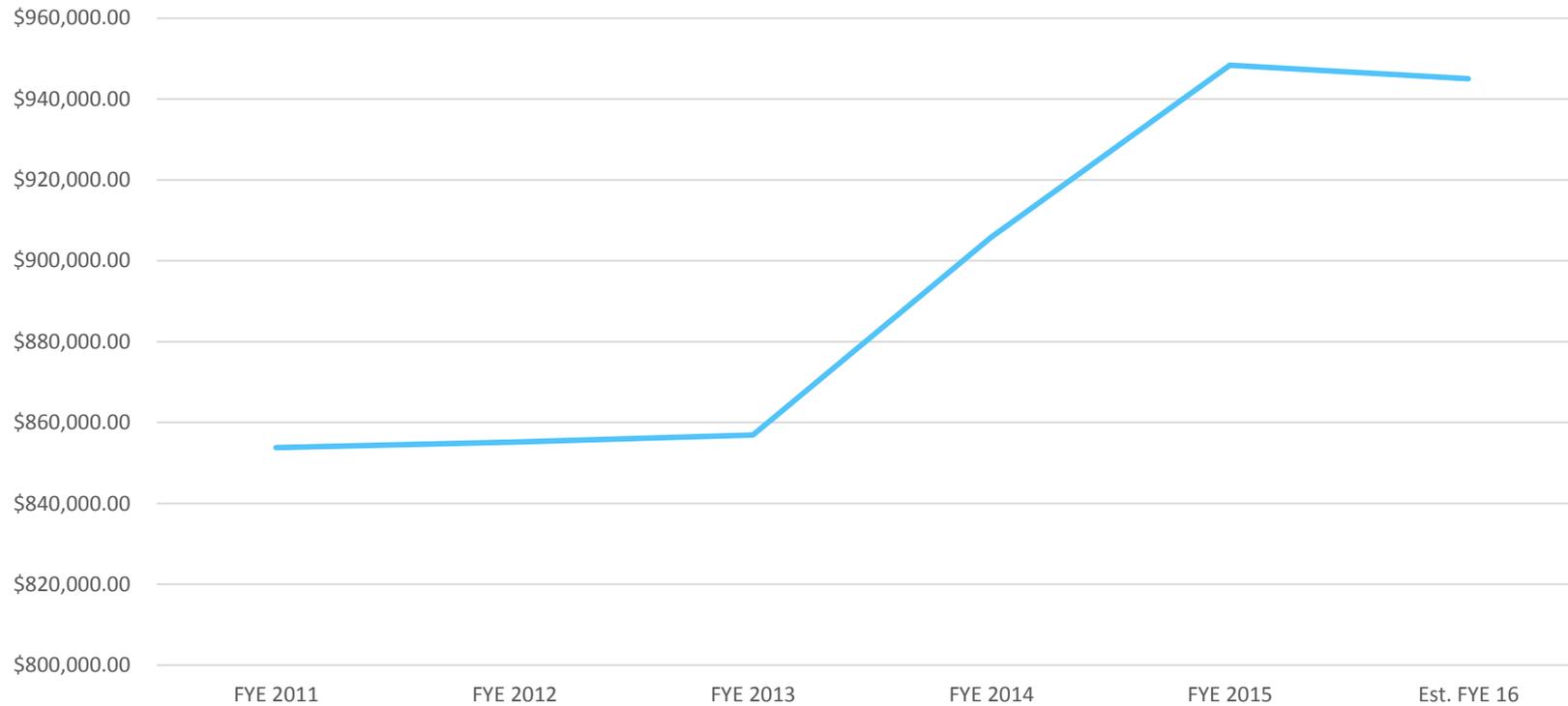
Tax Rates of Brunswick County Municipalities





HISTORICAL TREND

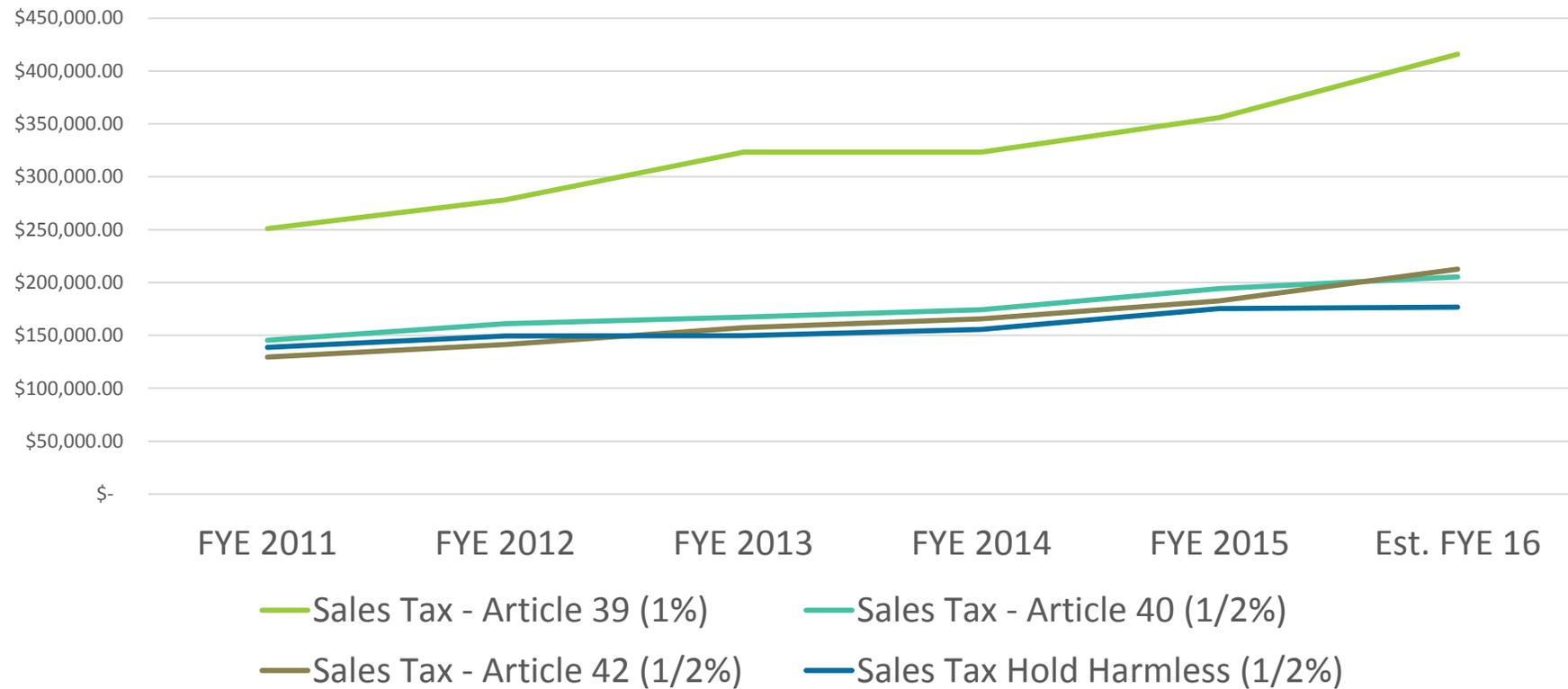
Fire District Fees





HISTORICAL TREND

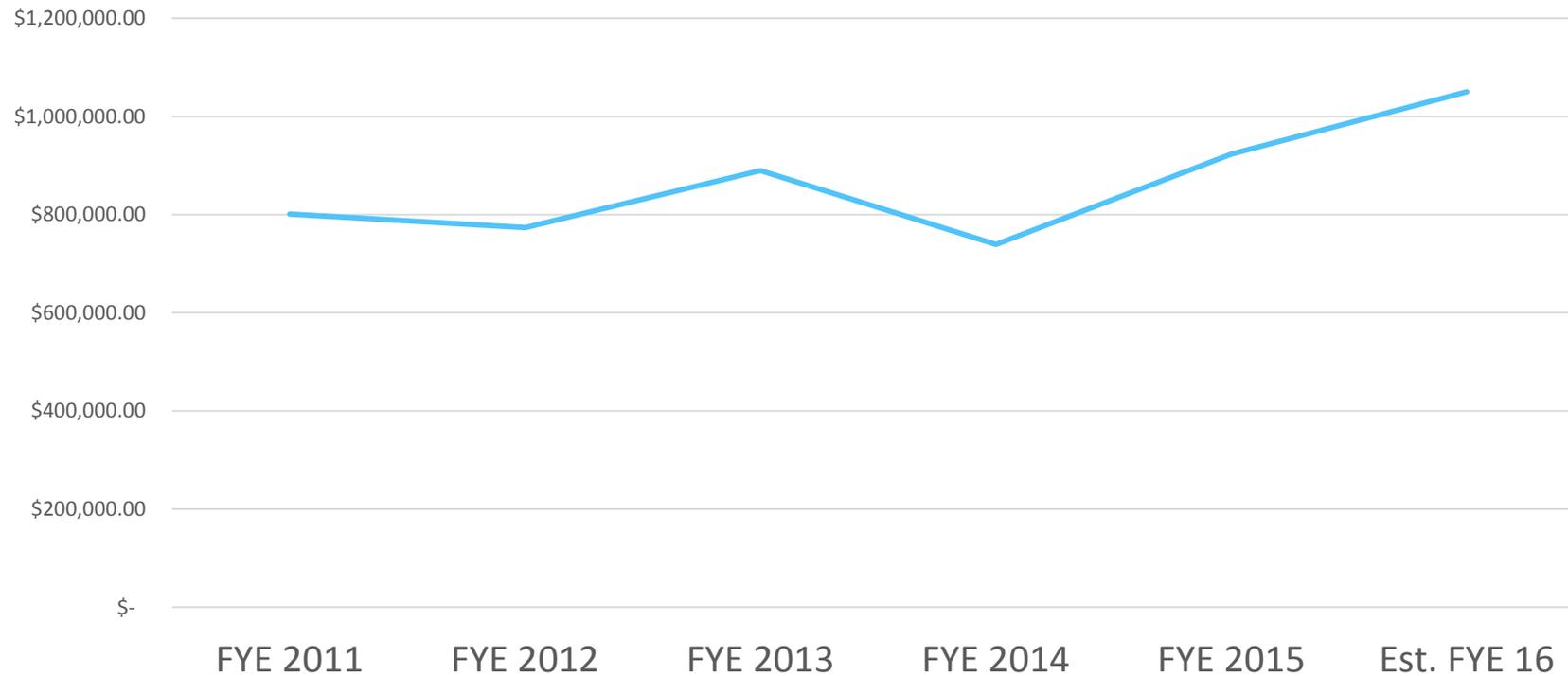
Sales Taxes





HISTORICAL TREND

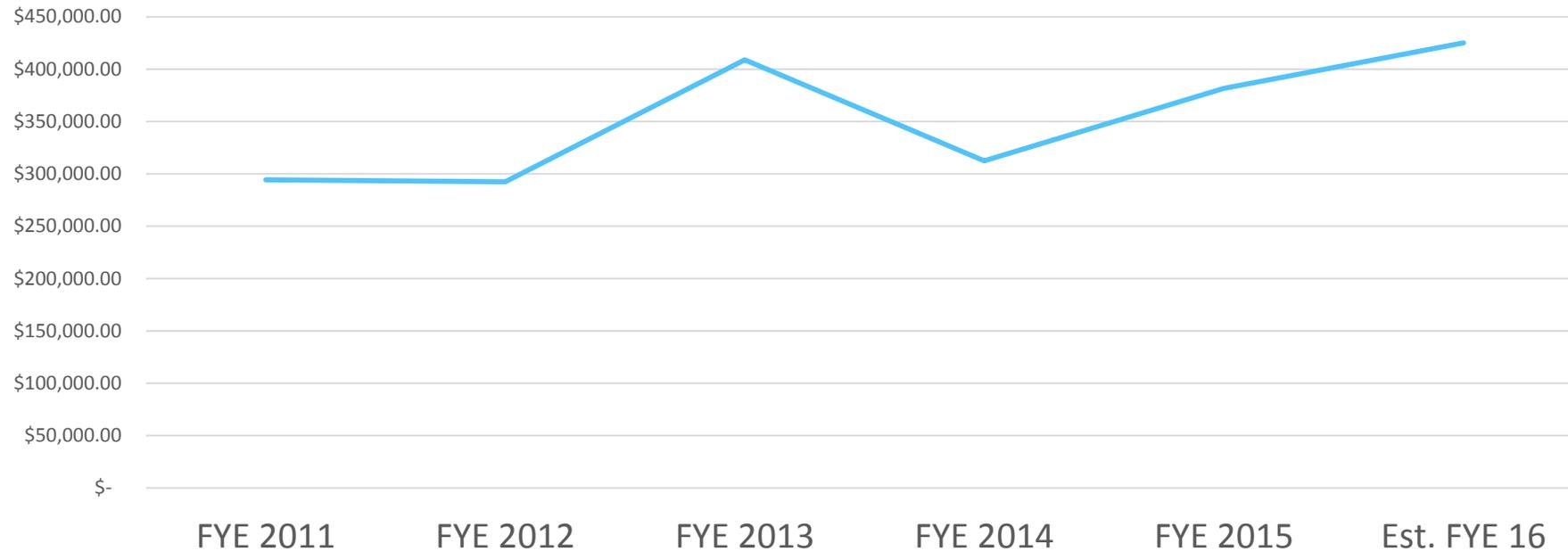
Accommodations & Beach Tax Revenues





HISTORICAL TREND

Utilities and Telecom Taxes





COMMUNITY BENCHMARKS



Liquidity - Quick Ratio



Solvency - Fund Balance as a Percentage of Expenditures



Leverage - Debt and Long-term obligations as a percentage of Assessed Value

ECONOMIC CONDITIONS

ECONOMIC INDICATORS

Unemployment Rate (December 2015):

United States 5.0%

North Carolina 5.6%

Brunswick County 7.1%

Producer Price Index (PPI):

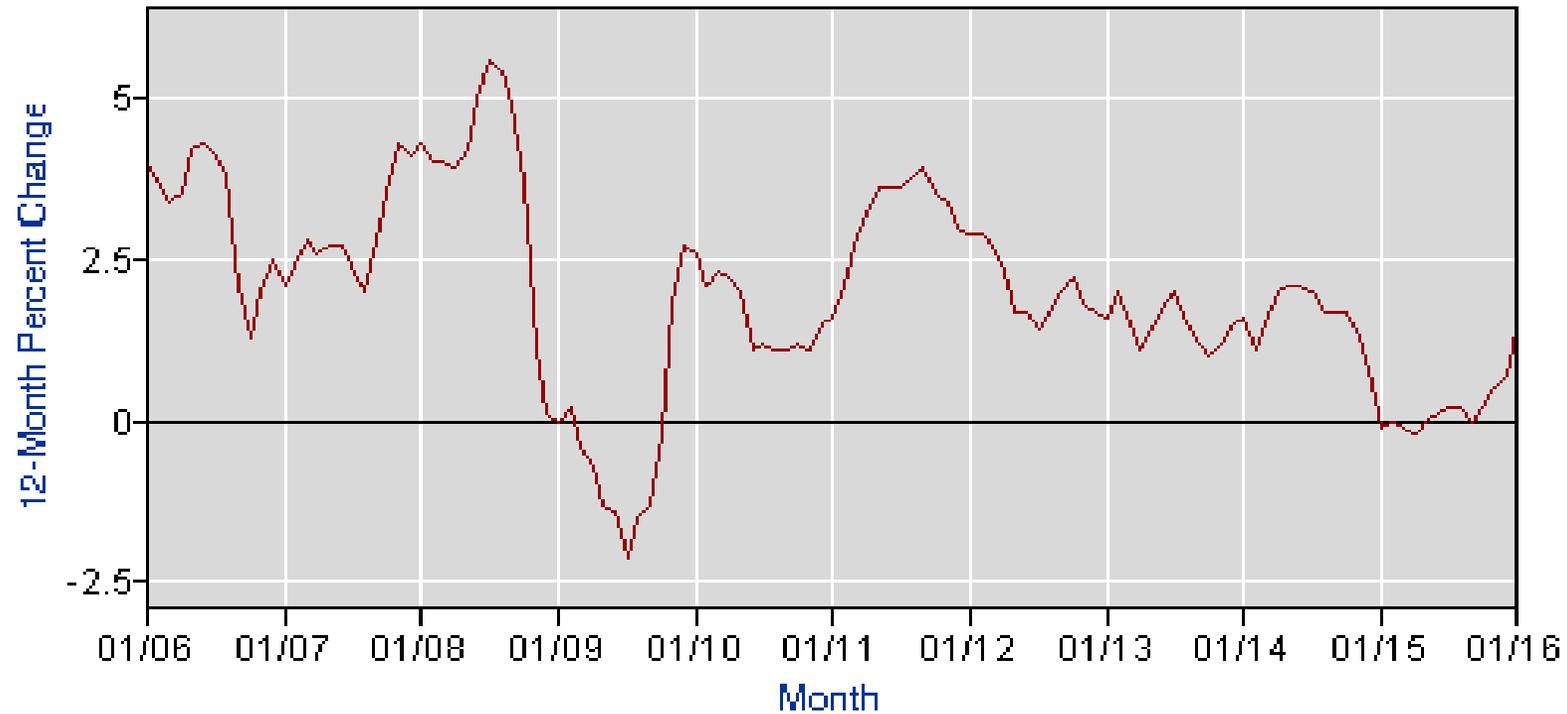
December 2015 – Total final demand is down by 1% from December 2014

Services indices are tracking are higher than goods indices.

ECONOMIC INDICATORS

STATE & NATIONAL LEVEL

Consumer Price Index ("CPI")



ECONOMIC INDICATORS

STATE & NATIONAL LEVEL

Consumer Price Index (“CPI”)

236.525 for December 2015

This is an increase of 1.71 index points from December of 2014

- Significant decreases in cost of gasoline and crude oil.
- Shelter, transportation and medical care seeing increases.

Short-Term Energy Outlook

Gas for less than \$2 per gallon appears to be the new “norm” for 2016.

This is due to high supply levels and decreased demand.



REVENUE FORECAST

Increased Consumer Spending Locally
(Sales Taxes Revenues)



Growth in Construction in Town
(Building Permits & Inspections Revenues)

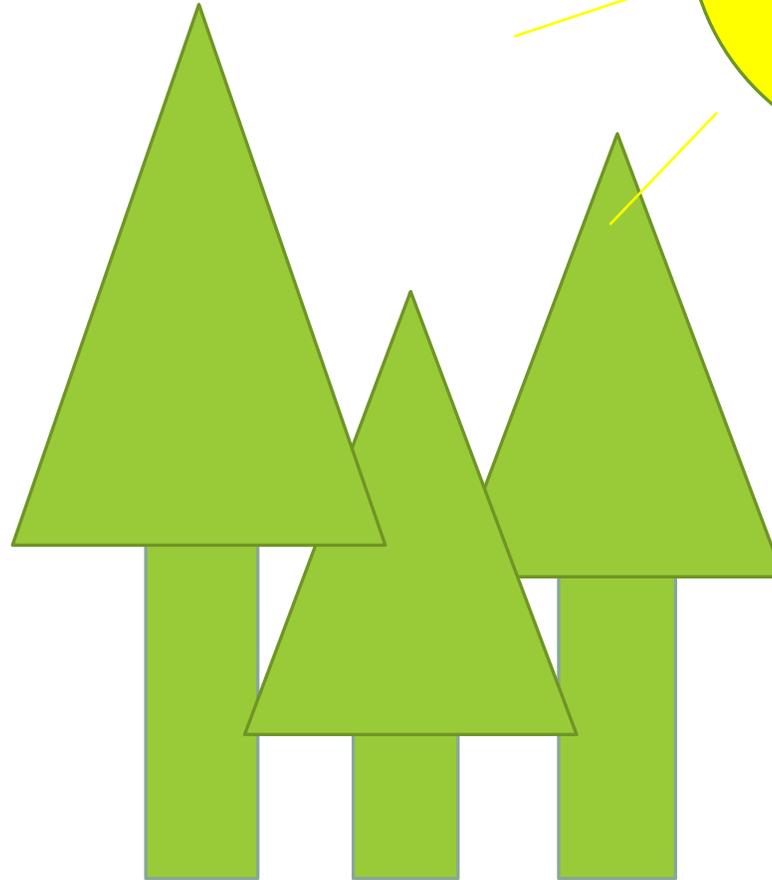
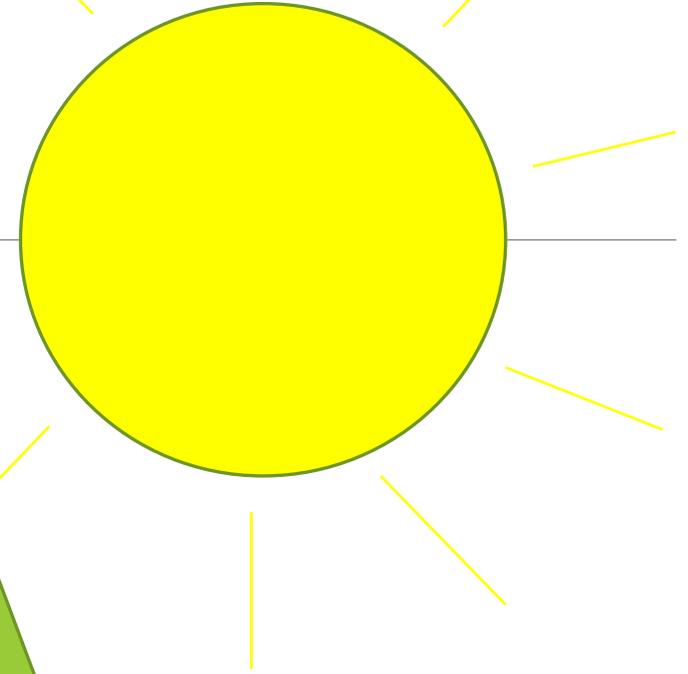
Expanded Tourism
(Accommodations & Beach Tax Revenues)



INCREASING

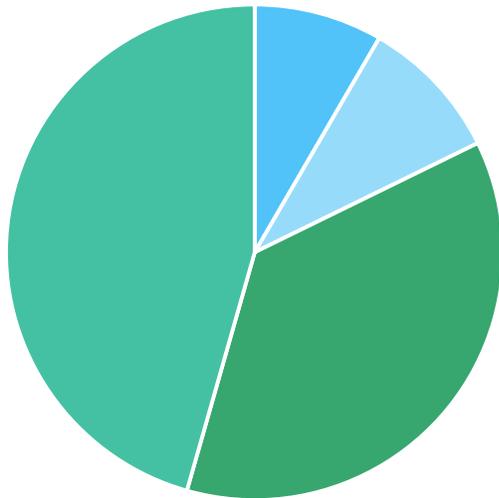


REVENUE FORECAST

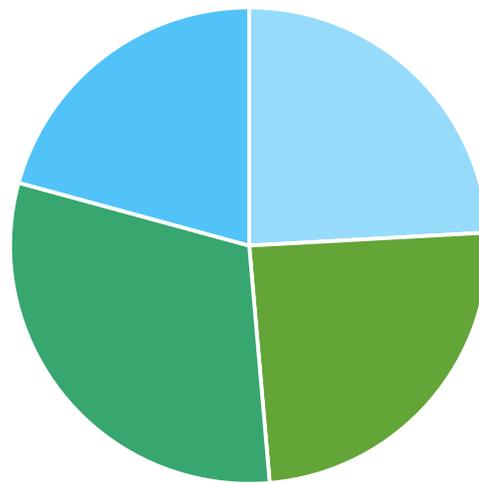


POPULATION-BASED DATA

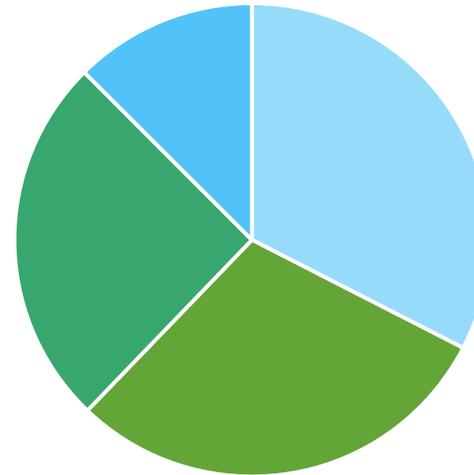
Sunset Beach



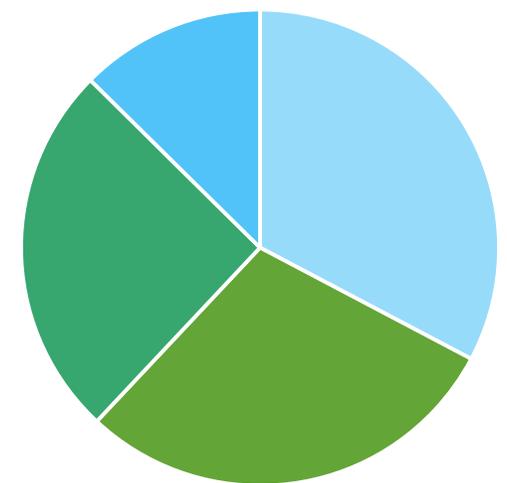
Brunswick County



North Carolina



United States



Population Age Distribution

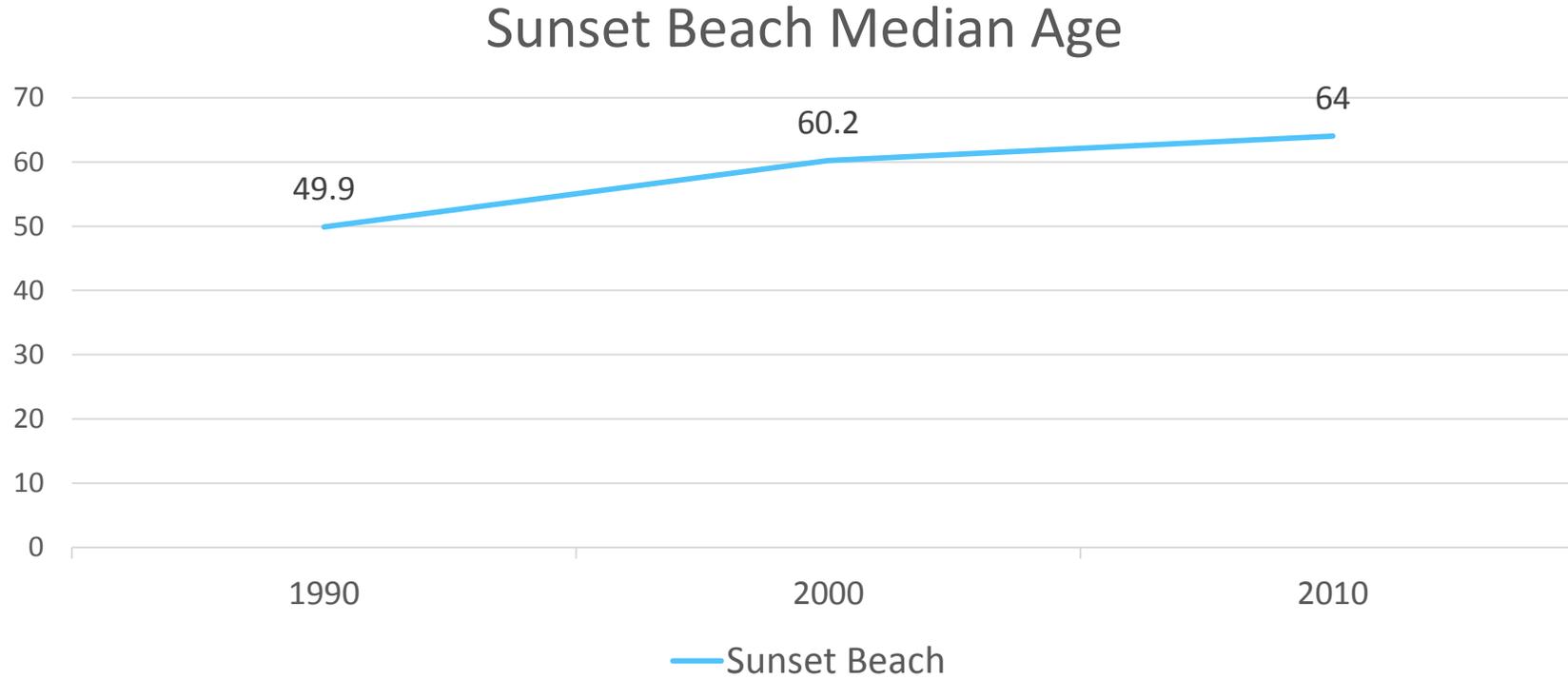
Age < 25

Ages 25-44

Ages 45-64

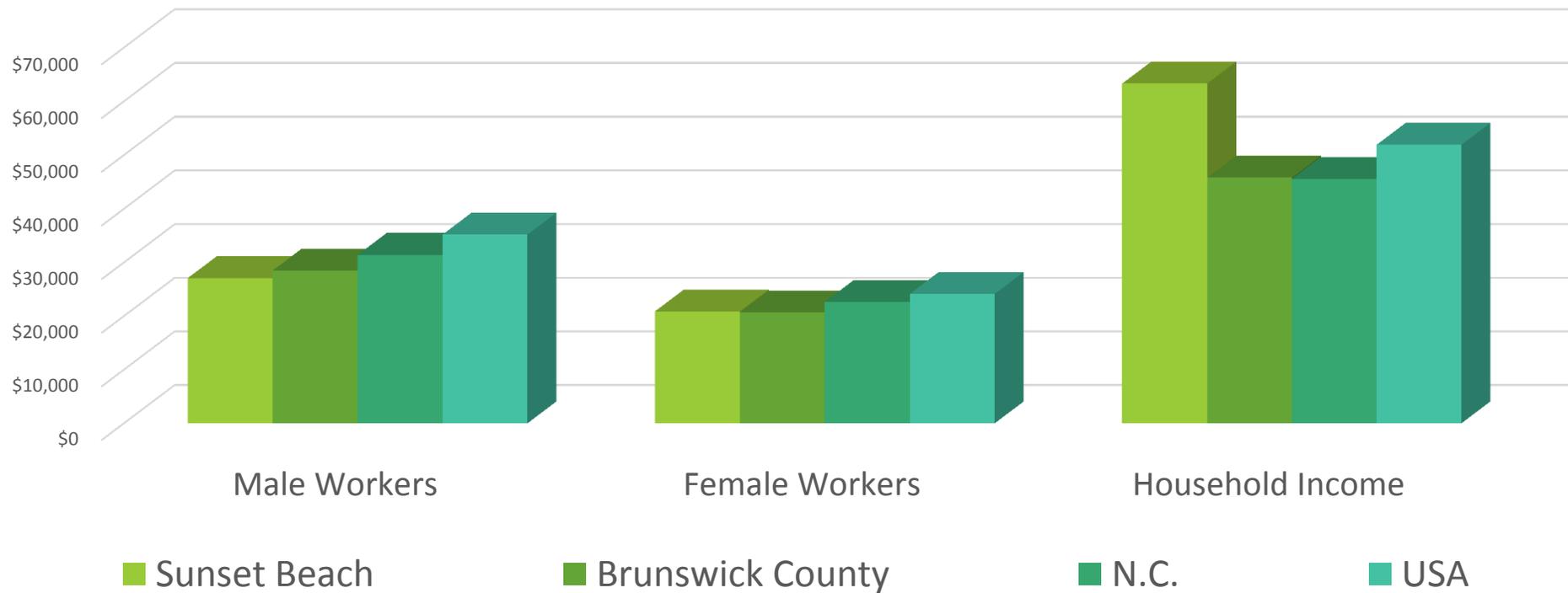
Age > 64

POPULATION-BASED DATA



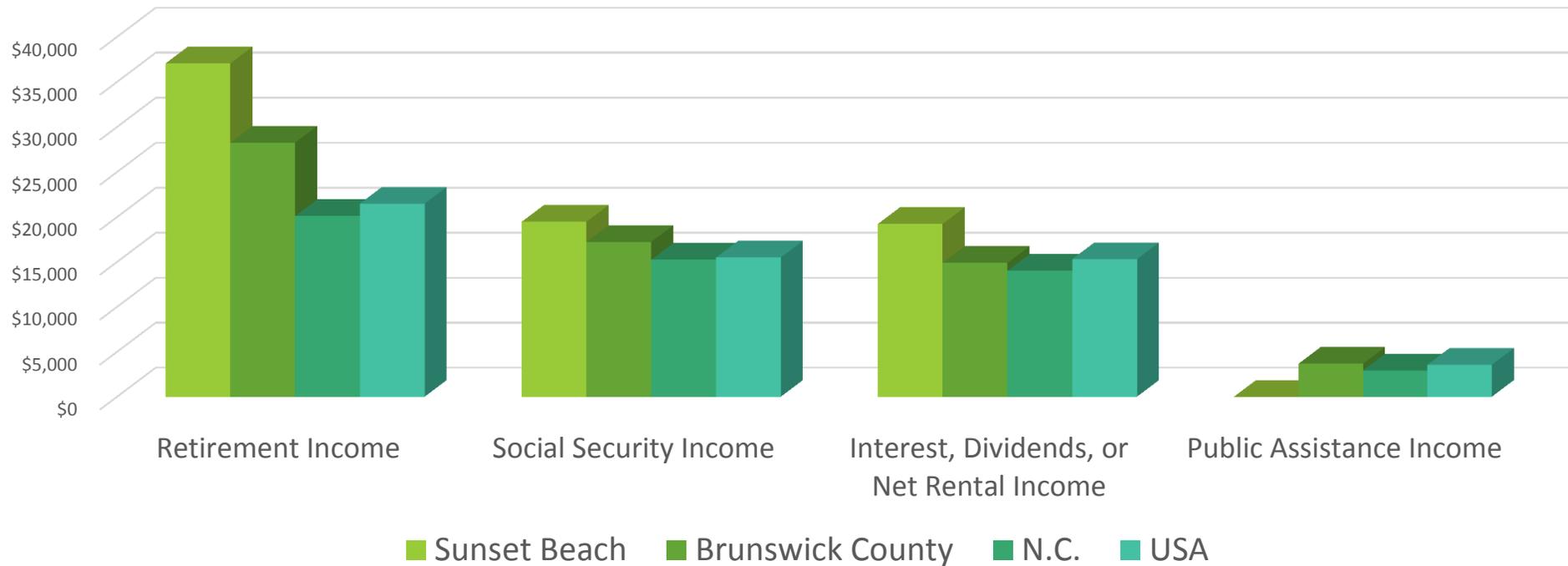
POPULATION-BASED DATA

Median Income



POPULATION-BASED DATA

Household Income other than Earnings



REGIONAL COMMUNITY PROSPERITY

“Wealthiest Zip Codes Ranked by Average Net Worth”

Rank	Zip Code - Postal Name	Average Net Worth	Average Household Income	Average Disposable Income
1	28468 – Sunset Beach	\$1,491,467	\$77,232	\$56,453
2	28449 – Kure Beach	\$1,148,389	\$81,208	\$60,085
3	28467 – Calabash	\$1,140,983	\$58,158	\$43,782
4	28469 – Ocean Isle Beach	\$1,139,429	\$67,642	\$49,946
5	28409 – Wilmington	\$1,095,398	\$101,224	\$71,422
6	28461 – Southport	\$1,016,238	\$49,030	\$29,570
7	28465 – Oak Island	\$980,269	\$51,049	\$32,291
8	28411 – Wilmington	\$882,432	\$66,152	\$37,396

REVENUE GENERATION OPPORTUNITIES

REVENUE GENERATION

Ways that Towns can increase revenues without increasing the tax rate...

- Grow the Town's Tax base
- Build Value through Economic Development
- Maximize Investment Strategies
- Establish New or Increased Service Fees
- Increase Collection Efforts