



STAFF REPORT

Meeting Date: 5-21-14

Agenda Item #: 1

TO: Mayor and Town Council
FROM: Donna Rogers, Finance Director/Budget Officer
THRU: Susan Parker, Town Administrator
TITLE: Proposed Property & Vehicle Tax Revenue for 2014-2015 Budget

Summary: Please find the following property valuation amounts as of:

2-25-141,810,189,414
3-25-141,811,350,616
4-25-141,817,403,447

The amount in the revised revenue worksheet is from the 4-25-14 valuation with a tax rate of 10-1/2 cents and the required applied formula of 96.03% tax rate from the last audit, plus the additional \$50,000 instructed by the Council to increase the budgeted amount -

According to G.S. 159-13 (b)(6), The estimated percentage of property taxes shall not be greater than the percentage of the levy actually realized in cash as of June 30 during the preceding fiscal year. This holds true for the motor vehicle tax, but the proposed \$48,000 seems to be in line.

The \$50,000 is over stating the property tax revenue based on the collection amount of cash of the preceding year of 1,815,250 with a collection rate of 96.03. It is my recommendation the \$50,000 be removed from current tax revenue and stand as \$1,832,516.

The tax collector and chief building inspector are researching the empty lots for their values to see if any increases could take place.

Being this close to adoption of the new budget and the year end, it is my recommendation to keep the billing and collection of property tax with the county at least for another year. In November and December is when it is recommended to evaluate services and if any RFP's need to go out they would be submitted back to us in the months of January through March to be considered in the budget process for the next year.