



Town of Ahoskie

OFFICE OF THE TOWN MANAGER

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Honorable Mayor

G. Brien Lassiter

Town Council

Linda L. Blackburn.

Charles A. Freeman

Elaine Myers

Maurice Vann

C. David Stackhouse

Town Manager

Charles A. (Tony) Hammond, MBA

2015-2016 Budget Message -

June 09, 2015

Mayor G. Brien Lassiter
Mayor Pro Tem Linda L. Blackburn
Council Member Charles Freeman
Council Member Elaine Myers
Council Member Maurice Vann
Council Member C. David Stackhouse

In accordance with the Local Government Budget and Fiscal Control Act and the North Carolina General Statute 159-11, the proposed Annual Budget for Fiscal Year 15/16 is submitted for your consideration. This budget reflects \$7,357,667 in General Fund expenditures which is a 3.10% reduction from the current fiscal year's budget and \$4,010,983 in Enterprise Fund expenditures, a 13.57% increase over the current fiscal year's budget. Even with the increase in Professional Services, Utilities, Employee Benefits such as Health Care and Workers' Comp., fuel oil/gasoline and auto and property insurance, the annual payment for the Police Station, the Fire Station and additional staff to fill vacant billets the staff has developed a viable and tight budget.

After the revaluation conducted by Hertford County in 2010, the tax rate was reduced from \$.79 to \$0.76. It is recommended that this tax rate remain at the current rate of \$0.76 per \$100.00. The tax rate would be applied to a new estimated tax base of 299,186,113 (a decrease of 2,597,813 over last year's tax base) which includes Residential (129,175,234), Corporate (109,437,870) and Personal Property (60,573,009) which will at the present collection rate generate \$2,273,814 in tax revenue. This new level of tax base reflects an increase in some growth of new homes and new businesses but does not reflect the newer development of the last 6 months or the expected growth of the next twelve months. One cent of tax rate now yields \$22,738. Over the last 6 fiscal years there has been a need to balance the budget by appropriating from both the Un-appropriated Fund Balance and Enterprise Fund and at the end of the year; Department and Finance Officer Management resulted in negative appropriations. This year there will be a need to appropriate \$197,920 from the Un-appropriated Fund Balance and the transfer of funds from the Enterprise Fund to the General Fund to offset Water/Sewer related expenditures was \$350,000. This covers salaries and other Enterprise Fund related expenditures

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but with the same oversight, appropriations might not be needed. Unlike the last years, it is recommended that the water and sewer rates remain the same.

Although there was a significant decrease in some revenues for 2014 and 2015 mainly due to the loss of Privilege License Revenue and economy, an increase in sales tax has offset some loss of revenue. Overall, General Fund revenue growth is driven by the increase in Residential, Corporate and Property Tax, building fees, franchise fees, additional revenues, interest and a moderate growth in the property tax base.

Currently sixty eight full time and twenty five to thirty five part-time/seasonal employee positions exist within the Ahoskie System to meet the service and program demands; however these numbers do not reflect the two positions that have been vacant for the last two years in the Public Works and Recreation Department. These positions will be filled during the first quarter of the fiscal year. This budget reflects those positions as being filled. This budget does reflect a 2% cost of living increase this fiscal year as approved by Town Council but does reflect a merit raise. Employee benefit (some State mandated) cost has increased substantially as it has each year. Health Care and Workers Comp. premiums have also increased but only by 5% as compared to 18+% in other municipalities.

The Town Council reviewed the proposed budget in its regularly scheduled budget work session's where only two suggested changes were made and incorporated.

This proposed FY 15/16 Budget has been available in the Town Clerk's Office for a minimum of ten days (and has been available since May 26, 2015) and a Public Hearing will be held prior to its adoption. Accordingly, Town Council set the Public Hearing and adoption date as June 09, 2015 at 10:00 a.m.

I would like to express my sincere appreciation to the Department Heads for their support and assistance in preparing this budget. I particularly want to thank our Finance Department Ms. Harrell and Ms. Bradley as well as our Town Clerk Ms. Chestnutt for their help. We look forward to review of this document by you and the public. We are prepared to make adjustments as the Mayor and Town Council deem appropriate.

The following schedule is for the proposed budget:
10:00 a.m. Tuesday, June 09, 2015 Public Hearing
10:00 a.m. Tuesday, June 09, 2015 Adoption of Budget

Respectfully Submitted

C. A. Hammond
Town Manager

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