

**Town of Surf City
Regular Council Meeting Minutes
May 11, 2012**

Mayor Guy called the reconvened emergency meeting of the Surf City Town Council to order at 10:00 a.m. Also present for the meeting were Mayor Pro Tem Medlin, Councilwoman Albury, Councilmen Curley, Fowler and Helms, Town Manager Michael Moore, Finance Director Jane Kirk, and Town Clerk Patricia Arnold.

Staff members present were Park & Recreation Director Kristie Grubb, Public Works Director, Dean Wise, Planning Director Todd Rademacher, Asst. Fire Chief Josh Bradley, and Police Chief Mike Halstead.

Manager Moore went over the 2012-2013 Proposed Budget Charts and Revenue Neutral Calculation.

Manager Moore went over the **Draft Budget for FY 2012-2013**

General Fund	\$ 6,745,222	an increase of \$597,986
Accommodation Tax	\$ 994,043	an increase of \$177,920
Enterprise Fund	\$ 4,400,367	an increase of \$111,817
Total Budget	\$12,139,632	an increase of \$887,723

Assessed Valuation \$1,309,543,650 an increase of \$44,167,707
Each 1 cent amounts to \$130,000.

Current Tax Rate	\$0.2826	
Revenue Neutral Tax Rate	\$0.3329	Based on State Revenue Neutral Form
2012-2013 Draft Budget Tax Rate	\$0.31	Tax Rate Increase \$0.0274

Tax Rate and Year for Surf City

0.2826	2011	Pender Reval
0.31	2010	Onslow Reval
0.31	2009	
0.31	2008	
0.31	2007	
0.31	2006	Onslow Reval
0.35	2005	
0.35	2004	Pender Reval
0.35	2003	Onslow Reval
0.37	2002	
0.37	2001	
0.37	2000	

General Fund new employees

Fire Department	3	100% Grant funded
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Rec. Department 1

New Vehicles

Police	5	3 year lease
Public Works	1	Truck Replacement
Utilities	1	Truck Replacement

Appropriated Fund Balance to Budget

2013	\$669,249	5.1 cents
2012	\$581,240	4.5 cents
2011	\$732,197	5.6 cents
2010	\$581,240	4.5 cents

Unappropriated Fund Balance Remaining \$2,731,209
LGC Recommended \$400,000

Local Option Sales Tax has decreased

2012	\$600,000	-23%
2011	\$740,549	-15%
2010	\$853,164	

Fuel Cost

2012	\$97,805	increase	16%
2011	\$81,506	increase	35%
2010	\$59,929		

Utility Cost

2012	\$393,365	increase	16%
2011	\$332,351	increase	14%
2010	\$283,675		

Employee 2% Cost of Living and 2% merit for those employees that qualify

				2%
General Fund	\$2338,382	\$ 88,782	Increase	\$44,391
Accommodation Tax	\$ 103,947	\$ 2,439	Increase	\$ 1,220
Enterprise Fund	\$ 538,649	\$ 12,300	Increase	\$ 6,150
Total	\$2980,978	\$103,521	Increase	\$51,761

Last installment to CFCC \$167,000

Sidewalk - mainland \$50,000

Solid Waste will have an increase of \$1.00.

Commercial solid waste is being looked at and the manager will contact the business and see if the majority would like to go with the increase or go with a contract on their own, no through the town.

Manager Moore walked through page by page of the 2012-2013 Budget.

Ad Valorem Taxes	\$3,922,606
Other Taxes	\$1,005,000
Intergovt Taxes	\$ 76,500
Restricted Int Gov Taxes	\$ 207,079
Fees and Charges	\$ 753,788
Investment Income	\$ 5,000
Misc. Income	\$ 5,000
Fees & Charges Rec. Dept	\$ 26,000
Other Income	\$ 15,000
Fund Balance Appropriated	\$ 669,429
Transfer from other funds	\$ 60,000
Total Gen Fund Revenues	\$6,745,222

Councilwoman Albury asked if the Community Center paid for itself.

Manager Moore stated that special programs like summer camp pay for themselves. The Community Center is a town operated tax funded service provided for tax payers.

Mayor Pro Tem Medlin said that it will never break even.

Councilman Fowler stated that unless the town wants to charge the citizens \$100-\$120 each for membership. The Council decided to make it for the community and for the citizens.

Manager Moore went through each Department's Expenditures.

Manager Moore Discussed the Proposed Utilities Increase as set in Accordance with the Local Government Commission Guideline.

Proposed Utilities

Residential Water	Current	Proposed
Base 1-2000 gallons	18.86	20.27
2001-5000	2.67	2.87
5001+	2.96	3.18
Commercial Water	Current	Proposed
Base 1-2000 gallons	19.17	20.60
2001+	2.96	3.18

Reconvened Meeting Minutes

May 11, 2012

Page 4

5001+	2.96	3.18
Irrigation	Current	Proposed
Base no flow	18.54	19.93
1+	2.69	2.89
Residential Sewer	Current	Proposed
Base 1-2000 gallons	32.25	34.67
2001-5000	3.23	3.47
5001+	3.76	4.04
Commercial Sewer	Current	Proposed
Base 1-2000 gallons	32.25	34.67
2001+	3.76	4.04

Councilwoman Albury stated that she hopes that the economy comes back because we cannot keep going up on taxes and rates because people will not be able to afford it.

ADJOURNMENT

There being no further business the meeting was adjourned at 10:45 p.m. upon the motion by Councilman Fowler and seconded by Mayor Pro Tem Medlin. The Council unanimously approved motion.

Patricia E. Arnold, Town Clerk

A. D. (Zander) Guy, Jr., Mayor