



2023 - 2024 BUDGET

Mayor Pro Tem Action:

- Open Public Hearing
- Staff Report
- Public Comment
- Close Public Hearing

Options to Proceed:

1. Motion to adopt the 2023-2024 budget for the Town of Boiling Springs with (A, B, or C) tax increase.
2. Motion to table this item until June 27th (*last Tuesday in June*)

Option A. With no change in the tax rate, the following items are removed from the proposed budget:

1. \$5,000 – Council Expenses (removed)
2. \$8,000 – Reduce funding for the YMCA (from the proposed \$48k to \$40k).
3. \$5,000 – Downtown Enhancements (removed)
4. \$2,000 – Reduce funding for park maintenance/memorial (\$2k to \$0)
5. \$4,000 – Cut range improvements for the Police Department (\$10k to \$6k)
6. \$2,000 – Reduce community events (\$15k down to \$13k)

Option B. With a ½ cent tax increase, staff recommends the following be removed: (*or any combination of the above*)

1. \$5,000 – Council Expenses
2. \$5,000 – Downtown Enhancements
3. \$4,000 – Range Improvements for the Police Department

Option C. A one-cent increase keeps all the above items in the budget and costs the average taxpayer less than \$20 per year. **Staff recommends this option.**

SUMMARY

The outlook for the Town of Boiling Springs remains strong. While there are larger concerns within the national economy, the interest and potential for growth in our Town remain high. We have seen an increase in permits this past year (7/21-7/22 total 101 compared to 134 between 7/22-5/23), interest in development occurs multiple times per week, and the activity for all departments has grown exponentially. We have a newly adopted Strategic Plan, a Land Use Plan update underway, and a Park Master Plan in the beginning stages. Due to these, and many other factors and potential projects, we have included the following in this budget:



- Additional benefits for current and future employees; to retain and attract top talent
- Creation of a 'Planning and Community Development' position that will field questions around growth and development and manage code enforcement projects.
- Continued work on the S. Main Streetscape project and Downtown Master Plan
- Inclusion of new equipment, improvements to existing facilities, and maintenance of Town assets

Based on the feedback of the Manager's proposed budget at the two budget workshops, staff is providing the following points for the Council's consideration of the final budget:

- A one-cent tax increase provides approximately \$33,000 in revenue for Town services.
 1. On a house valued at \$225,000:
 - \$0.0037 is \$832.50 per year or \$69.36 per month (current rate).
 - \$0.0038 is \$855 per year, \$71.25 per month.
 - **That's an increase of \$22.50 per year or \$1.86 per month.**
- History of tax increases (values are per \$100 valuation):
 1. The Town raised taxes in FY 17-18 by 4 cents (from 0.33 to 0.37) to cover the 3.75 cents for the fire tax.
 2. It was raised 1 cent in FY 18-19 (from 0.37 to 0.38). Then again raised by 1 cent in FY 19-20 (from 0.38 to 0.39) to cover needs including park improvements.
 3. It remained 0.39 in FY 20-21.
 4. FY 21-22 was the revaluation year. The rate was still 0.39. NC General Statutes require that the revenue neutral rate of 0.35 be presented during revaluation years. Council lowered the rate to 0.37.
- Current taxes around us are:
 1. City of Shelby - \$0.5225
 2. Kings Mtn - \$0.43 (proposed is \$0.48)
 3. Cleveland County - \$0.57
- We have the option to change the tax rate by any increment. So, it could be 1 cent, ½ cent, etc.

We have prepared three budget ordinances for Council's consideration. They reflect no change in the tax rate, a ½ cent increase in the tax rate, and a 1 cent increase in the tax rate. A summary of differences are in the previous section and the full ordinances are attached.

Staff recommends the 1 cent increase to continue to provide existing services (which have rising costs) and to push forward the planned projects we have strategized for implementation.

MATERIALS PROVIDED

Budget Ordinances: No Tax Increase, ½ Cent Increase, 1 Cent Increase



THE TOWN OF
BOILING SPRINGS

ONE TOWN • ONE UNIVERSITY • ONE COMMUNITY

Provided for Reference: 2023-2024 Strategic Plan