

## Tacks in the Road

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restoring the tax. Some argued that a one-cent temporary reduction wouldn't materially affect our preparedness to deal with storm damage to the beach in the immediate future, as our beach reserve fund is in excess of \$4 million. Money cannot be diverted from the beach reserve fund to the general fund to help balance the budget because of the disproportionate contributions of the beach- and non-beach-front property owners.

**Use of reserves.** There was a general discussion about the adequacy of our reserves, currently about 37% of our current year's budget, below our financial target of 50%, and how much is enough. Some commissioners felt our reserves were more than adequate and that it made sense to use reserves to offset some of the proposed tax increase. This, in effect, would allow the taxpayers to hold their money in reserve rather than having the town hold it for them. The use of reserves issue is tied to the expected purchase of a new fire truck using FEMA money that has not yet been obligated to us for that purpose. There is an expectation that an increase in the price of the new truck will require us to use some reserves to make up the difference between what we get from FEMA and the cost of the truck. After some discussion, the commissioners seemed to agree that we had other options available to us to cover a possible increase in price and that it made sense to use some reserves now to lower the tax hike.

**Mortgaging our future.** This gave rise to a general discussion about the likely need for an eventual tax increase and the wisdom (or lack thereof) of minimizing this year's increase at the expense of greater rises in the coming years. If we use all the offsets available to us now, what will we do next year? All the commissioners were striving for a balance between minimizing this year's tax hike and the risk of mortgaging our future in a way that damages our fiscal flexibility.

**At the end of the meeting,** there was general agreement that we would use ARP funds (\$200K) and \$100K from reserves to bring the proposed tax rate increase down to about three cents from an initial rise of six cents with no offsets. Please be aware that there may be some further adjustment to these figures and that the budget isn't final until the BOC votes its approval. This rate increase, coupled with the water rate increase, yields an additional payment of \$206 per year for a property with an assessed value of \$400K using less than 5,000 gallons of water per month. This was sufficient to allow the town manager to proceed with drafting a budget message for review by the BOC at their May 25 meeting. At the same time, the BOC will call for a public hearing on the proposed budget during the upcoming BOC meeting on June 8, 2022. The BOC then has until June 30, 2022, to vote to approve the budget.

**Revaluation and revenue neutral.** As a final note, there seems to be a lot of misinformation floating around about our next revaluation of property values for ad valorem tax assessments. The new values will not go into effect until January 2024. The town manager is under no obligation to produce a budget based on a revenue neutral tax rate, which is the tax rate that would have to be applied to the new values to produce revenue equal to that of the previous fiscal year. The manager is obligated to publish and inform our public of what a revenue neutral tax rate would be, but doesn't have to actually use it in budget preparations.

Please contact me by cell at 252-622-2338 or at [mayor@townofpks.com](mailto:mayor@townofpks.com) if you have questions.

## What's Up With PARC?

By Jean McDanal

We are planning on the return of the Fourth of July parade; however, it will be on *Saturday, July 2*, starting at Garner Park at 9 a.m. Lemonade and cookies will be served. Be sure to get decked out in your red, white and blue and bring your friends and neighbors to celebrate the USA.

The 14th Annual Post-Fourth of July Beach Cleanup, conducted in conjunction with our Pine Knoll Shores Police Department and the NC Aquarium at Pine Knoll Shores, will take place on Tuesday, July 5. Here are the particulars:

- **Where and When:** Meet at the Iron Steamer beach access parking lot on Tuesday, July 5, at 8 a.m. for sign in.
- **What to bring:** Work gloves, comfortable shoes, sunscreen and appropriate protective clothing. Plastic garbage bags and ice water will be provided.
- **Who should come:** Residents and visitors, young and old, can participate. Do what you can without overdoing.
- **Program:** Working at their own pace, participants will pick a section of beach (for example a half-mile segment between public accesses) and pick up any trash they find. When the trash bag is full or too heavy to comfortably carry, place the bag on the dry sand on the beach close to the sand fence/vegetation line. Large items (lawn chairs, umbrellas, awning frames, coolers, lumber, etc.) should also be placed near the fence line in plain sight. Town staff will cruise the beach on an ATV later in the morning and pick up the trash collected by participants. Special mention will be awarded to those who find the strangest items . . . and strange items there are in abundance.

If you have questions, please contact Linda Pearson at [rpear9356@yahoo.com](mailto:rpear9356@yahoo.com).

Your Parks and Recreation Committee welcomes any suggestions for activities that will get people out, moving and involved. If you have suggestions for PARC, we want to hear from you. Please email [PARCPR@ec.rr.com](mailto:PARCPR@ec.rr.com) or come to one of our meetings on the first Tuesday of the month. The next meeting is June 7 at town hall.

## Pour Decisions

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The uniqueness imparted by the terroir of the *climats* is the basis for the region's intimidating AOC hierarchy. Burgundy's wines, made from only two grapes, account for only six percent of all the wine produced in France. However, Burgundy's 84 AOCs make up 23 percent of the country's 363 AOCs. Here, *vive la difference* is taken to the nth degree.

*Brett Chappell is a French Wine Scholar, Certified Sommelier and Wine Educator. He and his wife, Jen, a Wine and Spirits Education Trust Level Two, own MF Chappell Wine Merchant in Atlantic Beach. Their website is MFChappellWine.com, and the phone number is 252-773-4016.*