



TOWN OF KNIGHTDALE

950 Steeple Square Court • Knightdale, NC 27545
Office (919) 217-2210 • Fax (919) 217-2209
ren.wiles@ci.knightdale.nc.us

October 16, 2008

Mintues – Town of Knightdale Budget Committee meeting

Date: October 15, 2008, 6:00 pm, Knightdale Town Hall

Attending Mayor Russell Killen, Committee Chair Mike Chalk,
Council Member Tim Poirier, Town Manager Gary
McConkey, Assistant Town Manager Seth Lawless,
Finance Director Ren Wiles

A routine meeting of the Budget Committee was scheduled at this time. The mayor requested that the agenda focus on town revenues, budgeted and collected to date. The thrust of the meeting was to review the General Fund finances in the midst of the “credit crisis” and financial turmoil in the country.

Finance Director Wiles prepared an analysis of the property tax, showing actual collections compared to last year. He also prepared an graphical analysis of the local option sales tax revenue for the past 4 years. (Copies of these documents are attached to these minutes.)

As presented, property tax collection is down from the same point last year. Comparisons were made for current tax year only, total collections, and collections per account. All these different measurements produced the same result. Collections to date are behind the pace established last year for the same time. Finance Director Wiles also shared an e-mail from the Wake County tax collector. By this time last year, one file of escrow payments had been received from one mortgage company. No such payment has been received so far this year.

The Local Option Sales Tax (LOST) addressed the trends and the increased revenue last year. Attention was called to the unexpected steady upswing at the end of last fiscal year. One possible explanation was the effect of the economic stimulus checks received at that time. Through cautious budgeting, the current budget is only 1.79% higher than the actual cash received last year. Also included in the presentation was a review of revenues subject to consumer influence.

Discussion centered on the implications of all this information. The group did reach the consensus that it was unusual for the tax department to have received escrow payments so early in the fiscal year in 2007. All were in agreement that it would not be until December or January until meaningful data on tax collections would be available. In regards to LOST, the recent retail report was discussed (The mayor reported retail sales were down 1%). During the discussion, Director Wiles pointed out the timing difference between when the sales occurred, when funds are sent to DOR and when the town finally sees the money.

Budget Committee Minutes

10-15-06 Meeting

Page 2

After much discussion, the group was in agreement that this is a time to be financially cautious. No cuts or reductions in services were specifically recommended. Because of the timing differences in receiving the revenues, the current events have not made themselves evident in the revenues yet. The committee was in agreement to watch revenues and do another in-depth review in late January or February. As current action, any actions to add recurring expenses (additional staff hiring, additional debt issuance) should be suspended.

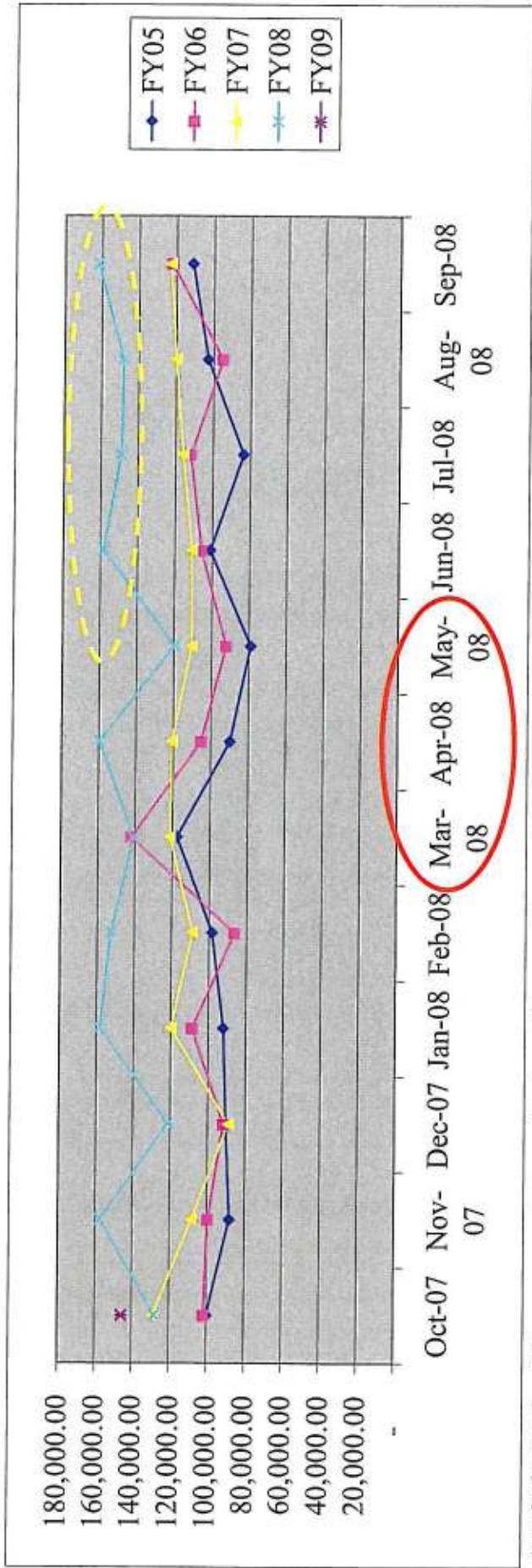
Prepared: Ren E. Wiles

Ren E. Wiles, Finance Director

Signed. Mike Chalk

Mike Chalk, Budget Committee Chairman.

Town of Knightdale
 Four Year Local Option Sales Tax collection analysis
 As of 10-14-08



Actual sales month	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
FY05	\$ 1,155,008											
FY06	\$ 1,263,190	9.37%	6,694	3.24%								
FY07	\$ 1,377,877	9.08%	6,947	3.78%								
FY08	\$ 1,753,660	27.27%	8,877	27.78%								
FY09	budgeted \$ 1,785,000	1.79%	9,813	10.54%								

Wairiness. Not as expected.

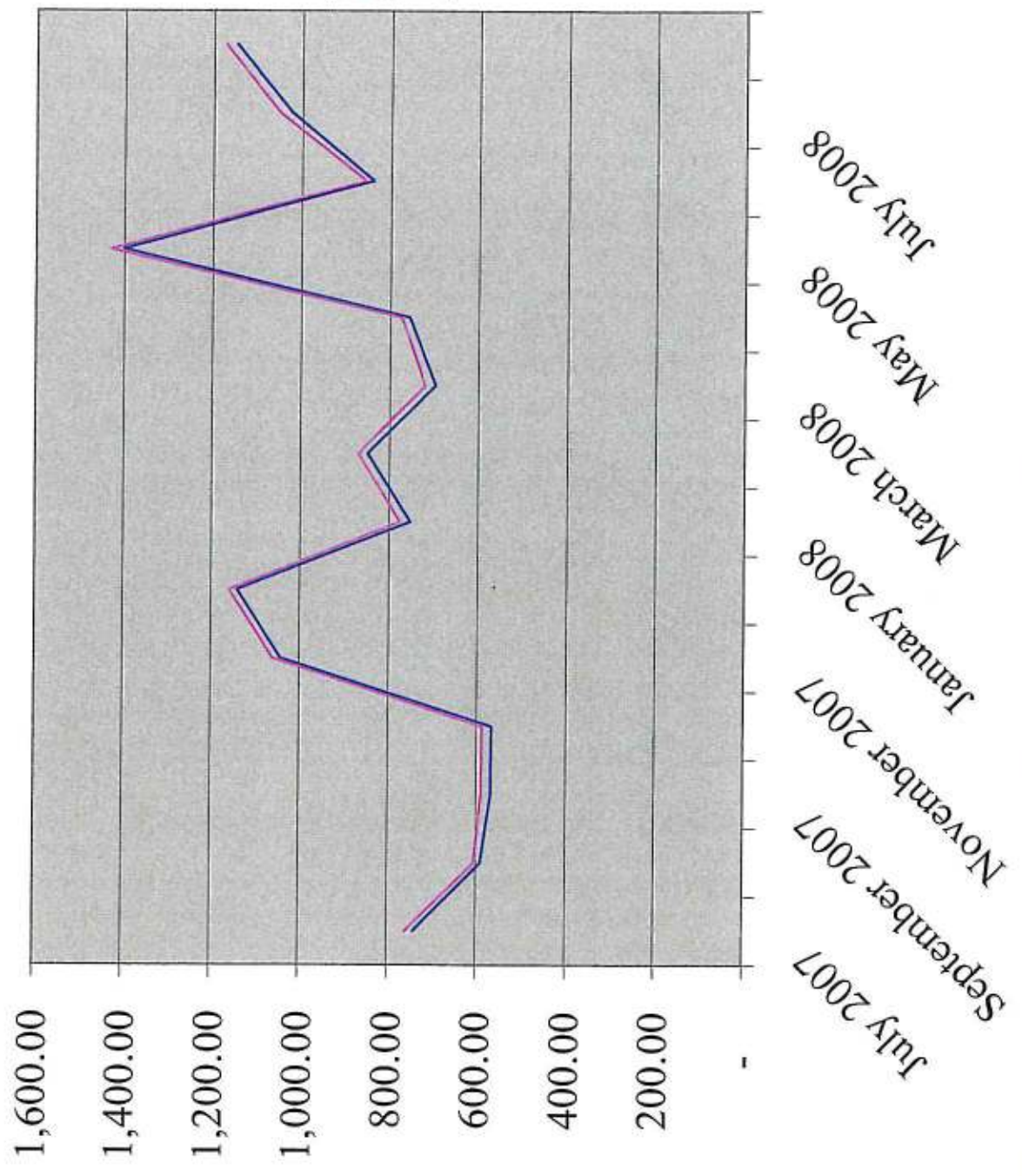
Blue, last year. Big population jump. Pic

Sharp drop in real circle, I got conservative.

Collections up. Yellow started.

See Black circle. →

~~to adjust~~
adjust.



Town of Knightdale
 Property Tax Collection Comparison
 10/14/2008

Source: Page 52, Wake County Revenue Dept report on weekly collection results

Report through...	Total Billed	<i>Current Year Levy Only.</i>		Collected	
		Total Due to K-dale			
10/12/2007 real	3,340,650.80	2,929,527.06		411,123.74	12.31%
vehicles.	196,718.79	110,560.89		<u>86,157.90</u>	43.80%
				<u>\$ 497,281.64</u>	
10/10/2008 real	4,161,641.60	3,726,048.66		435,592.94	10.47%
vehicles.	239,186.19	135,041.23		<u>104,144.96</u>	43.54%
				<u>\$ 539,737.90</u>	
If 2008 collected at 2007 rates,		4,161,641.60	12.31%	512,298.08	
		239,186.19	43.80%	104,763.55	
				\$ 617,061.63	
				\$ (77,323.73)	

- CY to
CY

Total Collections to date

As of 10-10-08, 15 weeks of collections	513,273.59
As of 10-12-07, 15 weeks of collections	<u>520,920.94</u>
Difference	(7,647.35)
Number of Bills issued	
10/2/2007	7,887
10/2/2008	<u>8,384</u>
Increase	497
Increase %	6.30%
Estimated collection if payment made at same rate.	553,746.82
Difference	(40,473.23)

Daily
Collections
to
Daily
Collections

Bills to
Bills.

Conclusion: Anyway you slice it, tax collection is down. What does this mean?

Too soon to tell. Legal implications of not paying taxes are serious enough that most taxes should be collected.

Real evaluation will be most meaningful after December.



Revenue Department

www.WakeGov.com

TEL 919 856 5400

FAX 919 856 7128

Property Assessment & Collection

ONE BANK OF AMERICA PLAZA
421 FAYETTEVILLE STREET., P.O. BOX 2331 RALEIGH, NC 27602

October 2, 2008

Ren E Wiles
Town of Knightdale Finance Director
950 Steeple Square Ct
Knightdale, NC 27545

Dear Mr. Wiles:

Subject : 2008-2009 KNIGHTDALE Tax Levy

This report summarizes 2008 billing activity through the October billing. All tax amounts shown on this report are totals that include rounding (up or down) on fractions of cents in the computation of individual tax bills.

Table with 2 columns: Description and Amount. Rows include No of Tax Bills (8,384), Real Property Value (980,409,614), Personal Property Value (51,631,501), Public Service Value (9,022,081), Prior Rate Year Vehicle Value (30,987,440), 2008 Vehicle Value (6,768,041), Total Value (1,078,818,677), Real and Personal Property Tax (4,124,006.22), Public Service Property Tax (36,088.32), Prior Rate Year Vehicle Tax (156,280.72), 2008 Vehicle Tax (27,291.75), Total Property Tax (4,343,667.01), Late List Penalty (1,011.92), Vehicle Decal Fee (55,950.00), Vehicle Interest (0.00), Special District Tax (0.00), Special District Late list (0.00), Subtotal (4,400,628.93), Rebates (71,835.29), Grand Total (4,328,793.64).

+ 789 from last month.
10.4% increase.

- 15,412,806



Revenue Department

www.WakeGov.com

TEL 919 856 5400
FAX 919 856 7128

Property Assessment & Collection

GARLAND H. JONES BUILDING LOWER LEVEL
300 S. SALISBURY STREET, P.O. BOX 2331 RALEIGH, NC 27602

October 2, 2007

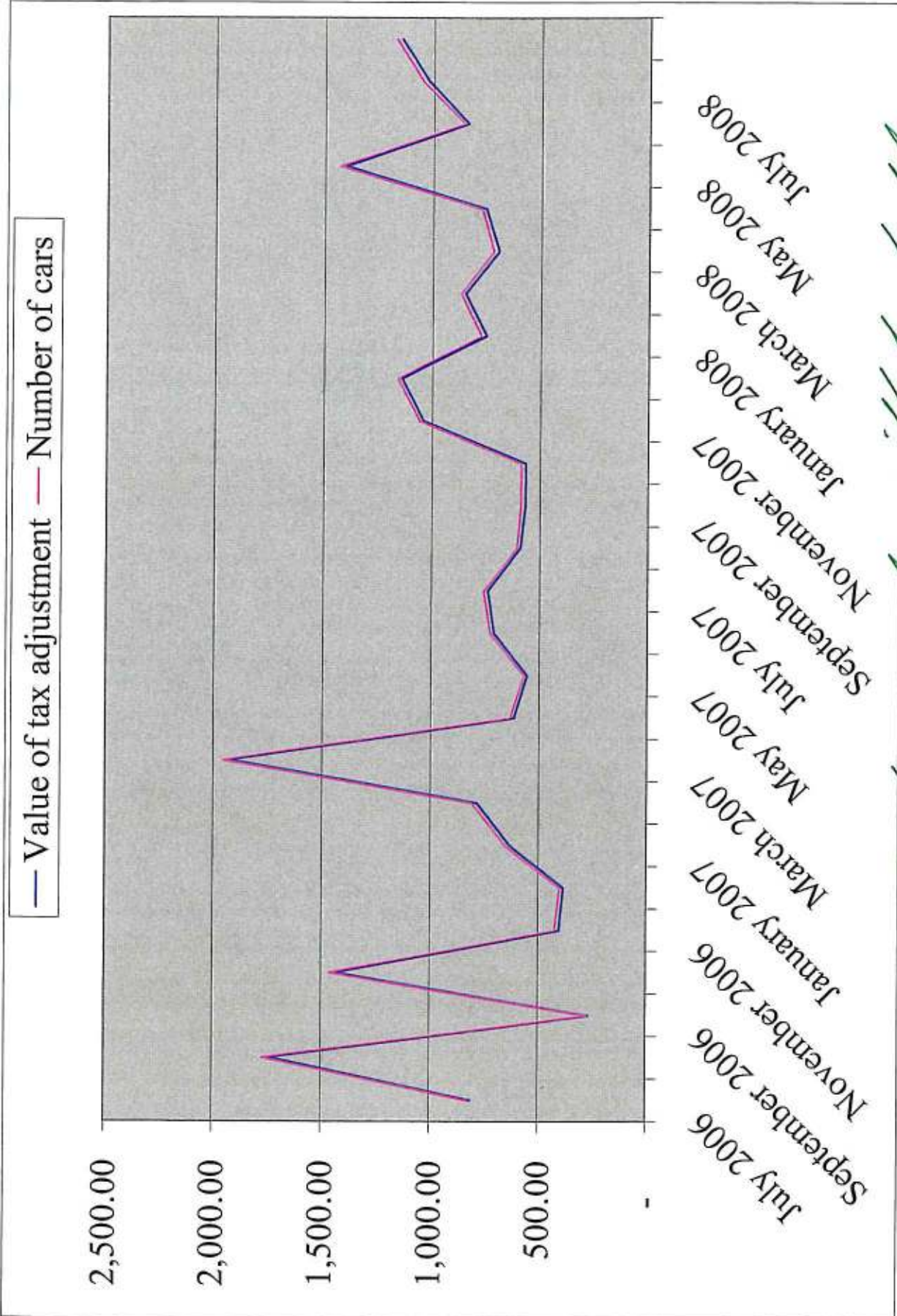
Ren E Wiles
Town of Knightdale Finance Director
950 Steeple Square Ct
Knightdale, NC 27545

Dear Mr. Wiles:

Subject : 2007-2008 KNIGHTDALE Tax Levy

This report summarizes 2007 billing activity through the October billing. All tax amounts shown on this report are totals that include rounding (up or down) on fractions of cents in the computation of individual tax bills.

No of Tax Bills	<u>7,887</u>
Real Property Value	627,998,760
Personal Property Value	37,056,638
Public Service Value	6,507,904
Prior Rate Year Vehicle Value	28,511,212
2007 Vehicle Value (For 07)	<u>6,183,747</u>
Total Value	706,258,261
Real and Personal Property Tax	3,301,524.72
Public Service Property Tax	32,539.56
Prior Rate Year Vehicle Tax	143,439.80
2007 Vehicle Tax (For 07)	<u>30,953.99</u>
Total Property Tax	3,508,458.07
Late List Penalty	4,453.14
Vehicle Decal Fee	22,710.00
Vehicle Interest	0.00
Special District Tax	0.00
Special District Late list	<u>0.00</u>
Subtotal	3,535,621.21
Rebates	<u>13,372.32</u>
Grand Total	<u>3,522,248.89</u>



NCLM - Concern that people will be holding on to their cars longer.

Ren Wiles

From: Jeff Triezenberg
Sent: Wednesday, October 15, 2008 9:52 AM
To: Ren Wiles
Cc: Mike Frangos
Subject: RE: Any information on foreclosures in Knightdale?
Attachments: image002.jpg

A search on a national database in the 27545 zip code shows that there are:

Active Foreclosures: 0
Pre-foreclosures: 19
Bank-Owned: 45

> *Foreclosures happening.*

Keep in mind that this likely includes several outside our jurisdiction but in our zip code (Amber Acres, Rutledge Landing, Bishops Point, etc.)



Jeffrey S. "Jeff" Triezenberg, AICP, GISP
Planner II – Long Range
950 Steeple Square Court
Knightdale, North Carolina 27545
(v) 919.217.2245 (f) 919.217.2249
(e) jeff.triezenberg@ci.knightdale.nc.us
(w) www.knightdalenc.gov

From: Ren Wiles
Sent: Wednesday, October 15, 2008 8:28 AM
To: Jeff Triezenberg
Cc: Mike Frangos
Subject: Any information on foreclosures in Knightdale?

I make a presentation to the mayor and the budget committee tonight regarding the economic condition and its impact on Knightdale. Do you have information on how foreclosures in town?

Ren

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IMPORTANT: When sending confidential or sensitive information, encryption should be used.



- Discussed $\bar{\epsilon}$ DOR.

 - They are uncertain why collections stayed up!

 - Economic stimulus checks.

- ~~Pre-tim~~ Preliminary ^{next month}, still higher than expected.

- Conclusion:

 - All things equal, drop $\bar{\epsilon}$ Govt checks. Off setting slightly bigger piece of the pie.

 - \$145,000 Monday.

Town of Knightdale

Review of selected revenues

	Actual FY08	Budgeted, FY09	Received to date	
Beer and Wine Tax	40,891	42,950	-	Payment made in May 09 5% increase. 10% population increase
Prepared Meals Tax	na	na		Not in Knightdale
① Video Programming Tax	91,716	76,920	(1,409)	Audit adjustment. Adjust to actual. New in FY08.
① Electric Franchise Fee tax	146,339	274,000	-	Includes adjustment for JT work Adjusted, electricity for 1,900 sq ft house, X 75%, <i>Annualized</i> tax rate applied. X 2713 accounts found. First distribution with this, 12-15-08
① Piped Natural Gas	36,213	36,390	-	0.50% increase.

① Received 2 1/2 months of service provided.

Town of Knollendale
Utility Tax Analysis
as of 3-25-08

Distribution Date	FY-Qtr	Piped Natural Gas	2006 Nat. Gas	Electric Power	2006 Electric	Telecommunications	Video Programming	PEG Channel Support
3/17/2008	FY08-2	5,168.00	9,973.00 -48%	34,652.82	26,753.54	30% FY07-2	19,229.65	10,996.69
12/17/2007	FY08-1	4,526.00	5,122.00 -12%	47,732.29	38,456.12	24% FY07-1	18,439.78	-
9/17/07	FY07-4	7,669.00	7,661.00 0%	31,234.96	11,275.83	177% FY06-4	15,670.01	9,029.91
6-15-07	FY07-3	<u>18,850.00</u>	<u>16,684.00</u> 13%	<u>32,718.75</u>	<u>24,708.23</u>	32% FY06-3	<u>10,810.22</u>	<u>9,375.00</u>
		36,213.00	39,440.00 -8%	146,338.82	101,193.72	45%	64,149.66	29,401.60
	Growth (Shrinkage) factor	0.50%		101,938.51		3.50%	4 X 3-17-08 disamb	2 X 3-17-08 Disamb
		36,394.07		273,997.33		83,538.86	76,918.60	21,993.38
		36,390.00		274,000.00		83,540.00	76,920.00	22,000.00
		<u>\$ 393,930.00</u>					<u>\$ 76,920.00</u>	<u>22,000.00</u>
	Estimated Utility Franchise Taxes							22,000.00
	Estimated Video Programming							22,000.00
	Estimated PEG Channel Support							22,000.00
								<u>\$ 35,295.00</u>

May 2008. Adjusted to figures from Gary McConkey worksheet.

*Bills for 1400 sq ft house.
x 75%.
Annualized, Tax rate applied,
2713.*

CITY OF KNIGHTDALE
TAX COLLECTION REPORT
 10/06/2008 THRU 10/10/2008

DATE 10/14/2008
 TIME 8:34:21AM
 PAGE 50

Tax Year	Property Tax	Late List	Special District 1	Special District 2	Vehicle City Tag	Billed Interest	Total City		
							Levy Collected	Accrued Interest	Total Cash City Collected
2007	REG 3,338.62	0.00	0.00	0.00	0.00	0.00	3,338.62	292.13	3,630.75
2007	DEF 0.00	0.00	0.00	0.00	0.00	0.00	0.00		
2007	DMV 1,040.03	0.00	0.00	332.92	0.00	0.00	1,372.95	99.77	1,472.72
Total	REG 3,338.62	0.00	0.00	0.00	0.00	0.00	3,338.62	292.13	3,630.75
Prior and First	DEF 0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Prior	DMV 1,054.18	0.00	0.00	342.92	0.00	0.00	1,397.10	103.31	1,500.41
2008	REG 22,506.89	0.40	0.00	0.00	0.00	0.00	22,507.29	0.00	22,507.29
2008	DEF 0.00	0.00	0.00	0.00	0.00	0.00	0.00		
2008	DMV 3,659.92	0.00	0.00	992.08	0.00	0.00	4,652.00	39.68	4,691.68
Total	REG 25,845.51	0.40	0.00	0.00	0.00	0.00	25,845.91	292.13	26,138.04
Current and All	DEF 0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Prior	DMV 4,714.10	0.00	0.00	1,335.00	0.00	0.00	6,049.10	142.99	6,192.09
2009	REG						0.00		
2009	DEF						0.00		
2009	DMV						0.00		
Total	REG 25,845.51	0.40	0.00	0.00	0.00	0.00	25,845.91	292.13	26,138.04
Future, Current and All	DEF 0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Prior	DMV 4,714.10	0.00	0.00	1,335.00	0.00	0.00	6,049.10	142.99	6,192.09
TOTAL	30,559.61	0.40	0.00	1,335.00	0.00	0.00	31,895.01	435.12	32,330.13
									Billing Fee to County 62.07
									Veh. Tag Fee to County 0.00
									Total Net City Collections 32,268.06

CITY OF KNIGHTDALE

TAX COLLECTION REPORT

10/06/2008 THRU 10/10/2008

Tax Year	City Levy Collected	Rebates	Release	Levy Credit	Levy Rebilled	New Levy Billed	Total City Levy Billed	Total City Levy Due
1962 - 1999 REG	0.00	0.00	0.00	0.00	0.00	0.00	6,079,538.96	3,130.26
1962 - 1999 DEF	0.00	0.00	0.00	0.00	0.00	-63,659.99	11,194.32	0.00
1962 - 1999 DMV	0.00	0.00	0.00	0.00	0.00	0.00	1,071,284.24	14,761.67
2000 REG	0.00	0.00	0.00	0.00	0.00	0.00	1,574,304.47	200.38
2000 DEF	0.00	0.00	0.00	0.00	0.00	-11,467.56	0.00	0.00
2000 DMV	0.00	0.00	0.00	0.00	0.00	0.00	252,394.16	4,251.40
2001 REG	0.00	0.00	0.00	0.00	0.00	0.00	1,745,770.68	253.26
2001 DEF	0.00	0.00	0.00	0.00	0.00	-11,295.23	59.10	0.00
2001 DMV	0.00	0.00	0.00	0.00	0.00	0.00	239,028.73	3,924.48
2002 REG	0.00	0.00	0.00	0.00	0.00	0.00	1,877,641.87	253.05
2002 DEF	0.00	0.00	0.00	0.00	0.00	-11,808.65	61.78	0.00
2002 DMV	0.00	0.00	0.00	0.00	0.00	0.00	251,154.39	4,083.08
2003 REG	0.00	0.00	0.00	0.00	0.00	0.00	2,058,357.49	598.97
2003 DEF	0.00	0.00	0.00	0.00	0.00	-12,322.07	64.48	0.00
2003 DMV	0.00	0.00	0.00	0.00	0.00	0.00	265,604.30	3,948.69
2004 REG	0.00	0.00	0.00	0.00	0.00	0.00	2,254,420.44	623.44
2004 DEF	0.00	0.00	0.00	0.00	0.00	-12,935.50	67.16	0.00
2004 DMV	0.00	0.00	0.00	0.00	0.00	0.00	301,565.82	6,627.84
2005 REG	0.00	0.00	0.00	0.00	0.00	0.00	2,651,173.99	4,600.49
2005 DEF	0.00	0.00	0.00	0.00	0.00	-12,995.35	753.89	0.00
2005 DMV	0.00	0.00	0.00	0.00	0.00	0.00	344,759.52	9,289.99
2006 REG	0.00	0.00	0.00	0.00	0.00	0.00	2,872,536.92	2,893.46
2006 DEF	0.00	0.00	0.00	0.00	0.00	-12,995.35	0.00	0.00
2006 DMV	24.15	0.00	0.00	24.15	0.00	0.00	386,011.75	14,554.85
Total	REG	0.00	0.00	0.00	0.00	0.00	21,113,744.82	12,553.31
Prior	DEF	0.00	0.00	0.00	0.00	-149,479.70	12,200.73	0.00
	VEH	24.15	0.00	24.15	0.00	0.00	3,111,802.91	61,442.00

CITY OF KNIGHTDALE

TAX COLLECTION REPORT
10/06/2008 THRU 10/10/2008

Tax Year	City Levy Collected	Rebates	Release	Levy Credit	Levy Rebilled	New Levy Billed	Total City Levy Billed	Total City Levy Due
2007 REG	3,338.62	0.00	0.00	3,338.62	0.00	0.00	3,352,215.50	18,567.58
2007 DEF	0.00	0.00	0.00	0.00	0.00	-25,415.72	0.00	0.00
2007 DMV	1,372.95	0.00	0.00	1,372.95	0.00	0.00	477,703.61	63,065.28
Total Prior and First	3,338.62	0.00	0.00	3,338.62	0.00	0.00	24,465,960.32	31,120.89
Prior	1,397.10	0.00	0.00	1,397.10	0.00	0.00	3,589,506.52	124,507.28
2008 REG	22,507.29	124.19	0.00	22,631.48	0.00	45.14	4,161,641.60	3,726,048.66
2008 DEF	0.00	0.00	0.00	0.00	0.00	-27,193.90	0.00	0.00
2008 DMV	4,652.00	213.11	0.00	4,865.11	0.00	153.72	239,186.19	135,041.23
Total Current and All Prior	25,845.91	124.19	0.00	25,970.10	0.00	45.14	28,627,601.92	3,757,169.55
Prior	6,049.10	213.11	0.00	6,262.21	0.00	153.72	3,828,692.71	259,548.51
2009 REG	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2009 DEF	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2009 DMV	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Future, Current and All Prior	25,845.91	124.19	0.00	25,970.10	0.00	45.14	28,627,601.92	3,757,169.55
Prior	6,049.10	213.11	0.00	6,262.21	0.00	153.72	3,828,692.71	259,548.51
TOTAL	31,895.01	337.30	0.00	32,232.31	0.00	-201,890.46	32,468,495.36	4,016,718.06

CITY OF KNIGHTDALE
TAX COLLECTION REPORT
 10/06/2008 THRU 10/10/2008

Tax Year	Begin Month		Begin Month		Begin Month		End Month		End Month	
	City Levy	Billed	City Levy	Collected	City Levy	Billed	City Levy	Due	City Levy	Collected
1962 - 1999	REG	0.00	0.00	0%	6,079,538.96	3,130.26	99.95%			
1962 - 1999	DEF	0.00	0.00	0%	74,854.31	0.00	100.00%			
1962 - 1999	DMV	0.00	0.00	0%	1,071,284.24	14,761.67	98.62%			
2000	REG	0.00	0.00	0%	1,574,304.47	200.38	99.99%			
2000	DEF	0.00	0.00	0%	11,467.56	0.00	100.00%			
2000	DMV	0.00	0.00	0%	252,394.16	4,251.40	98.32%			
2001	REG	0.00	0.00	0%	1,745,770.68	253.26	99.99%			
2001	DEF	0.00	0.00	0%	11,354.33	0.00	100.00%			
2001	DMV	0.00	0.00	0%	239,028.73	3,924.48	98.36%			
2002	REG	0.00	0.00	0%	1,877,641.87	253.05	99.99%			
2002	DEF	0.00	0.00	0%	11,870.43	0.00	100.00%			
2002	DMV	0.00	0.00	0%	251,154.39	4,083.08	98.37%			
2003	REG	0.00	0.00	0%	2,058,357.49	598.97	99.97%			
2003	DEF	0.00	0.00	0%	12,386.55	0.00	100.00%			
2003	DMV	0.00	0.00	0%	265,604.30	3,948.69	98.51%			
2004	REG	0.00	0.00	0%	2,254,420.44	623.44	99.97%			
2004	DEF	0.00	0.00	0%	13,002.66	0.00	100.00%			
2004	DMV	0.00	0.00	0%	301,565.82	6,627.84	97.80%			
2005	REG	0.00	0.00	0%	2,651,173.99	4,600.49	99.83%			
2005	DEF	0.00	0.00	0%	13,749.24	0.00	100.00%			
2005	DMV	0.00	0.00	0%	344,759.52	9,289.99	97.31%			
2006	REG	0.00	0.00	0%	2,872,536.92	2,893.46	99.90%			
2006	DEF	0.00	0.00	0%	12,995.35	0.00	100.00%			
2006	DMV	0.00	0.00	0%	386,011.75	14,554.85	96.23%			
Total	REG	0.00	0.00	0%	21,113,744.82	12,553.31	99.94%			
Prior	DEF	0.00	0.00	0%	161,680.43	0.00	100.00%			
	DMV	0.00	0.00	0%	3,111,802.91	61,442.00	98.03%			

CITY OF KNIGHTDALE

TAX COLLECTION REPORT

10/06/2008 THRU 10/10/2008

Tax Year	Begin Month	City Levy Billed	Begin Month	City Levy Due	Begin Month	City Levy Collected	End Month	City Levy Billed	End Month	City Levy Due	End Month	City Levy Collected
2007	REG	0.00	0.00	0.00	0%	3,352,215.50	18,567.58	99.45%				
2007	DEF	0.00	0.00	0.00	0%	25,415.72	0.00	100.00%				
2007	DMV	0.00	0.00	0.00	0%	477,703.61	63,065.28	86.80%				
Total	REG	0.00	0.00	0.00	0%	24,465,960.32	31,120.89	99.87%				
Prior and First	DEF	0.00	0.00	0.00	0%	187,096.15	0.00	100.00%				
Prior	DMV	0.00	0.00	0.00	0%	3,589,506.52	124,507.28	96.53%				
2008	REG	0.00	0.00	0.00	0%	4,161,641.60	3,726,048.66	10.47%				
2008	DEF	0.00	0.00	0.00	0%	27,193.90	0.00	100.00%				
2008	DMV	0.00	0.00	0.00	0%	239,186.19	135,041.23	43.54%				
Total	REG	0.00	0.00	0.00	0%	28,627,601.92	3,757,169.55	86.88%				
Current and All	DEF	0.00	0.00	0.00	0%	214,290.05	0.00	100.00%				
Prior	DMV	0.00	0.00	0.00	0%	3,828,692.71	259,548.51	93.22%				
2009	REG											
2009	DEF											
2009	DMV											
Total	REG	0.00	0.00	0.00	0%	28,627,601.92	3,757,169.55	86.88%				
Future, Current	DEF	0.00	0.00	0.00	0%	214,290.05	0.00	100.00%				
and All	DMV	0.00	0.00	0.00	0%	3,828,692.71	259,548.51	93.22%				
Prior												
TOTAL		0.00	0.00	0.00	0%	32,670,584.68	4,016,718.06	87.71%				