

Currituck OK's 16.5-cent tax hike

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CURRITUCK — Saying it was the only way to maintain the county's current level of services, the Currituck Board of Commissioners signed off Monday on a \$47 million spending plan for next year that raises the property tax rate by 16.5 cents.

The seven-member board voted unanimously for the tax hike, which county officials said was necessary to offset a \$3 billion loss in property valuation revealed recently in a countywide revaluation. The county's new tax rate of 48.5 cents per \$100 of valuation is "revenue neutral," meaning it's expected to raise about \$27 million in revenues — the same amount in the current year's budget.

Prior to the board's vote, County Manager Dan Scanlon said about 64 percent of county property owners will see some kind of increase in their taxes, while 36 percent will actually see their taxes decrease.

Scanlon said that the majority of those paying less in taxes will be on the county's Outer Banks and in Lower Currituck. That's because their property saw most of the decline in the revaluation, he said.

Property owners in the Moyock area, on the other hand, will see tax increases because their property values did not decrease to the same degree, Scanlon said. In fact, there are many places in Moyock where property values actually increased, Scanlon said on Tuesday. He cited Moyock's proximity to the Hampton Roads, Va. area as one reason why property values there remain high.

With the tax hike, the county's first since 2005, the owner whose home is still valued at \$200,000 will see their taxes increase by \$330 next year.

But even with the tax rate increase, Currituck continues to be one of the lowest tax counties in northeastern North Carolina, Scanlon said.

Commission Chairman Paul O'Neal said that point sometimes gets lost in discussions about taxes and spending. O'Neal said Currituck residents enjoy a tremendous number of services and low taxes, regardless of the tax rate, because of all the absentee property owners on the Currituck Outer Banks. He also noted that the county's population remains slightly more than 24,000 despite the downturn in the economy.

"So, you still have to have somebody respond for a fire call. You still have to have somebody responsible for an EMS call. You still have to have schools to educate people. And you still have to have the same things whether the economy is up or down," he said.

O'Neal also noted that Currituck is much different from its neighbors because it has to provide services to isolated areas such as Knotts Island, Carova Beach, Gibbs Woods and Corolla.

“This county is probably the most diverse county in the entire state, from a geographic standpoint,” he said.

Commissioner Butch Petrey noted that while the tax increase is upsetting, it’s nowhere as distressing as the loss of value in a home. Petrey says since the collapse of the housing market, there are property owners who’ve lost at least \$1 million in value in their home and personally knows of someone who lost \$250,000 in value.

Petrey said he had a proposition for property owners complaining about their taxes going up \$500 or \$600 a year. He said he would find those taxpayers someone who would gladly pay the \$500 or \$600 in additional taxes, provided the complaining taxpayer paid them the \$200,000 they lost in value on their home.

Commissioner Vance Aydlett said none of the commission’s seven members wanted to raise taxes. But there was no alternative given the \$3 billion loss in property valuation. Not raising the tax rate would have meant the loss of \$9 million in revenue — the amount the county will spend on the public schools next year.

“Lord, have mercy, we have beat our heads to death, trying to figure out things to do with this (tax increase). I don’t know what else to do,” Aydlett said.

The budget does not provide a cost-of-living adjustment for county employees. It does include spending for three major capital projects: a new \$2.5 million animal shelter in the Maple area; a public beach access site in the Corolla Light area; and a heritage museum at the Rural Center in the Powells Point area.

The budget also calls for enhanced paramedic service in the Carova area and a new shooting range for the sheriff’s department in the Maple area.

After the schools, emergency medical services will receive the second-largest slice of the county budget: slightly more than \$6.5 million. The sheriff’s department will receive nearly \$6.2 million, while nearly \$2.9 million will go to social services and nearly \$2.1 million to the detention center.