

TOWN OF TOPSAIL BEACH
 BUDGET SUMMARY
 Proposed Fiscal Year Budget
 2014-2015

To: The Honorable, Howard M. Braxton, Mayor and Topsail Beach Board of Commissioners
From: Tim H. Holloman, Town Manager
Date: June 11, 2014

The Board of Commissioners of Topsail Beach and the Town staff herein submit the 2014-2015 Fiscal Year Budget in accordance with the North Carolina Budget and Fiscal Control Act. The budget before you is the culmination of multiple drafts and revisions with input from citizens, commissioners and staff. The 2014-2015 Fiscal Budget appropriates Beach, Inlet and Sound Reserves as per the Beach Management Plan, but no other fund balance for operation or capital expense. Service levels will be maintained at the highest level as expected by the residents and businesses of the Town of Topsail Beach.

Following a Board retreat in January of 2014 the Town Manager, Mayor and Board of Commissioners discussed projects and programs that have been incorporated and continued in the Fiscal Year 2014-15 Budget

General Fund Revenue Summary:

Proposed Ad Valorem Tax Rates:

2014 – 2015 Proposed BIS Maintenance Tax =	\$0.1200 per \$100 valuation
2014 – 2015 Proposed General Ops Fund Tax =	<u>\$0.1725 per \$100 valuation</u>
Total Proposed Tax Rate =	\$0.2925 per \$100 valuation

Total Ad Valorem Tax Collection

	FY 2014 – 2015
BIS Maintenance Tax =	\$ 723,761
General Ops Fund Tax =	\$ 1,040,118
Total Ad Valorem Tax Collection	\$1,777,879
Total Other Revenue for General Fund	\$1,700,377
Total BIS Revenue from Reserve	\$2,992,424
Total Revenue from State Dredge Funds	\$3,805,028
Total Revenue from FEMA	<u>\$2,908,132</u>
Total General Fund	\$13,183,840

Solid Waste Fees

The Town provides residential solid waste pickup through a private contract with Tons of Trash. There will be no increase in fees.

Federal Emergency Management Revenues

The Town anticipates additional revenues to cover expenditures for the second phase of the Hurricane Irene Project. These revenues and expenditures are reflected in the 2014-2015 Fiscal Year Budget. Costs may fluctuate through the process and budget amendments will be made accordingly.

General Fund Expenditures:

General Fund total expenditures are \$13,183,840. The Town anticipates placing \$55,942 in Beach Inlet and Sound Reserves. The Town will purchase one new police car. \$60,000 is budgeted for long term vehicle/equipment expenses in the Fire and Public Works Department. Reserves are also set aside for in the Fire Department for Dorm Facilities and Air Packs for \$10,000 and \$5,000 respectively. Reserves in the amount of \$81,131 are also set aside to rebuild the fund balance in case of emergencies. There are also funds budgeted for the second phase of a matching Parks and Recreation Trust Fund Grant for the Town Center in the amount of \$30,000.. \$15,000 is budgeted for a matching CAMA grant for the Darden Ocean Access.

General Fund Debt Service

The General Fund services two loans; one for the Bush Marina purchase and one for the Fire Truck purchase. The Marina debt payment in FY 2014-15 is \$167,799.38 with 7 years remaining on the debt and interest. The Town refinanced the Marina Loan in 2013 saving \$168,000 by taking advantage of a lower interest rate and a shorter term. Two years remain on the Fire Truck debt and the FY 2014-15 payment is \$80,968.72.

Water Fund Revenues

Total Water Revenues have increased to do a minimum fee increase in 2013 and to a fee assessment to condominium units. Impact Fee revenues reflect a moderate increase due to development. Fees remain the same for fiscal year 2014 – 2015. (Fees were changed in May 2013 in Fiscal Year 2012-2013) Total Water Fund Revenues are \$830,248.

Water Fund Expenditures

Water Fund total expenditures are \$830,248 a \$80,529 increase over FY 2013-14.

Water Fund Debt Service

The Water Fund services two loans. One loan is for the development of Well #5. The payment in FY 2014-15 is \$131,496.76 and 12 years remain on this debt. The second loan is for the recently completed water infrastructure project and the payment for FY 2014-2015 is \$175,000 with 19 years remaining on this debt.

End of Fund Summary

Working with the Board and Staff, we have prepared a conservative and efficient budget that reflects the interests of our citizens and owners while providing the service that our residents deserve. This budget reflects a major priority of rebuilding General Fund reserves.

Tim Holloman
Town Manager