

TOWN OF TOPSAIL BEACH
 BUDGET SUMMARY
 Proposed Fiscal Year Budget
 2015-2016

To: The Honorable, Howard M. Braxton, Mayor and Topsail Beach Board of Commissioners
From: J. Michael Moore, Interim Town Manager
Date: June 2, 2015

The Board of Commissioners of Topsail Beach and the Town staff herein submit the 2015-2016 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 2015-2016 Fiscal Budget appropriates no 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 of 2015 the Mayor, Board of Commissioners and Town Manager discussed projects and programs that have been incorporated and continued in the Fiscal Year 2015-2016 Budget. This 2015-2016 Fiscal Year Budget does reflect a hold the line and keeping the Tax Rate the same as in 2014-2015 at \$0.2925. This is a very tight budget and I would recommend the Board watch the Budget very closely. All departments within the general fund decreased in expenditures with the exception of Solid Waste. The General Fund is close to the point where the Board may have to raise taxes next year or begin to cut some of your services. You have just completed a very successful Beach and Inlet Project. The funds the Board sets aside for Beach, Inlet, and Sound Protection Program will also need to be reviewed closely during the preparation of the 2016-2017 Fiscal Year Budget in the General Fund to ensure that the Beach Inlet and Sound Program stays on course for our 30 year plan.

General Fund Revenue Summary:

Proposed Ad Valorem Tax Rates:

2015 - 2016 Proposed BIS Maintenance Tax =	\$0.1200 per \$100 valuation
2015 - 2016 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 2015 – 2016

BIS Maintenance Tax =	\$ 731,112
General Ops Fund Tax =	\$ 1,050,975

Total Ad Valorem Tax Collection	\$1,782,087
Total Other Revenue for General Fund	<u>\$1,869,907</u>
Total General Fund	\$3,651,994

Solid Waste Fees

The Town provides residential solid waste pickup through a private contract with Tons of Trash. This Budget does recommend a One Dollar (\$1.00) increase in Solid Waste as well as .33 increase for Recycling.

Federal Emergency Management Revenues

The Town successfully completed the Hurricane Irene Project and Staff is currently waiting on the final numbers. The project was completed under budget and any unused funds will be placed in the BIS Fund Balance. At this time Staff is still waiting for final review from FEMA. Staff does anticipate a Fund Balance and any Fund Balance from the Project will be placed in the BIS Fund Balance for our 30 year project. The Inlet Dredging project has also been successfully completed and all are very pleased with this project and very appreciative for the work done by T. I. Coastal Services, Inc. of NC and especially Mr. Chris Gibson.

General Fund Expenditures:

General Fund total expenditures are \$3,651,994. The Town anticipates placing \$1,156,652 in Beach Inlet and Sound Reserves plus any Fund Balance from the closure of the FEMA project. The Town plans to purchase: (1) one new police car, (2) Replacement of the Granicus Server, (3) Body Cameras for Police Department, (4) Tractor replacement for Public Works, (5) \$15,000 for the match on the final Phase III of the Town Center, (6) Beach Access Maintenance has \$25,000 set aside. The Salary for our Part Time Inspector has increased from \$11,000 to \$24,000. Staff has also included \$11,500 for matching grant to improve our Recycling Site. There are no funds set aside for Street Paving Maintenance but Board has suggested that with the Fire Truck being paid off this year that a portion of that money should be directed towards Street Maintenance in the 2016-2017 Fiscal Year.

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 2015 -- 2016 is \$164,364 with 6 years remaining on the debt and interest. One year remains on the Fire Truck debt and the FY 2015 - 2016 payment is \$80,934.

Water Fund Revenues

The Water Fund Revenues are \$851,900.

Water Fund Expenditures

Water Fund total expenditures are \$851,900.

Water Fund Debt Service

The Water Fund services two loans. One loan is for the development of Well #5. The payment in FY 2015 - 2015 is \$129,164.60 and 11 years remain on this debt. The second loan is for the

completed water infrastructure project and the payment for FY 2015 - 2016 is \$175,000 with 18 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. I truly hope all appreciate and thank the outstanding efforts from Connie Forand whom has picked up her efforts with this 2015-2016 Budget with the departure of your former Manager.

Michael Moore
Interim Town Manager