

TOWN OF KURE BEACH FY 21-22 BUDGET WORK SESSION #2



APRIL 16, 2021

INITIAL FY 2022 BUDGET ASSUMPTIONS

1. No changes in services provided or level of services provided
2. Change current tax rate (\$0.34) to estimated revenue neutral tax rate (\$0.2535)
3. No change to General Fund fees
4. No changes to water and sewer rates
5. No General Fund Contingency
6. No transfer from the General Fund to the Beach Protection Fund
7. New paid parking program is budgeted as breakeven
8. General Fund full-time headcount increased by 2 (Fire Department)
9. Employee Compensation
 - COLA: 1.3%
 - Merit: 3.0%

REVISED FY 2022 BUDGET ASSUMPTIONS

1. No changes in services provided or level of services provided
2. Change current tax rate (\$0.34) to 1.5 cents above revenue neutral tax rate(RN rate is \$0.2558). New tax rate would be \$0.2708.
3. No change to General Fund fees
4. No changes to water and sewer rates
5. Increase Storm Water fees by 50%
6. No General Fund Contingency
7. No transfer from the General Fund to the Beach Protection Fund
8. New paid parking program is budgeted to net \$60,000
9. General Fund full-time headcount increased by 2 (Fire Department)
10. Employee Compensation
 - COLA: 1.3%
 - Merit: 3.0%

FY 2021/2022 BUDGET SUMMARY
AS OF APRIL 5, 2021

<u>FUND</u>	<u>FY 2022 REVENUE BUDGET</u>	<u>FY 2022 EXPENSE BUDGET</u>	<u>OVER/(SHORT)</u>	<u>COMMENTS</u>
General Fund	\$6,266,716	\$6,638,316	(\$371,600)	Does not include a transfer to the Beach Protection Fund or Contingency
Water/Sewer Fund	\$2,581,350	\$2,796,225	(\$214,875)	
Storm Water Fund	\$555,260	\$700,672	(\$145,412)	
Powell Bill Fund	\$318,650	\$318,650	\$0	Includes fund balance appropriation of \$257,075
SERF Fund	\$9,090	\$9,090	\$0	
Beach Protection Fund	\$390	\$390	\$0	Does not include a transfer from the General Fund
Asset Forfeiture Fund	\$25,000	\$25,000	\$0	
TOTAL	\$9,756,456	\$10,488,343	(\$731,887)	

KURE BEACH
CHANGE IN VALUATION BY CLASSIFICATION
01/01/2020 VS. 01/01/2021
AS OF MARCH 17, 2021

DESCRIPTION	PRIOR TO REVALUATION (01/01/2020)	AFTER REVALUATION (01/01/2021)	\$ CHANGE	% CHANGE
Real Property	\$889,813,300	\$1,225,000,000	\$335,186,700	37.7%
Personal Property	1,820,137	1,750,000	(70,137)	(3.9%)
Business Personal Property	2,674,194	2,500,000	(174,194)	(6.5%)
Motor Vehicles	28,975,635	29,622,500	646,865	2.2%
State Appraised	1,277,663	1,200,000	(77,663)	(6.1%)
Total	\$924,560,929	\$1,260,072,500	\$335,511,571	36.3%

KURE BEACH
CHANGE IN VALUATION BY CLASSIFICATION
01/01/2020 VS. 01/01/2021
AS OF APRIL 7, 2021

DESCRIPTION	PRIOR TO REVALUATION (01/01/2020)	AFTER REVALUATION (01/01/2021)	\$ CHANGE	% CHANGE
Real Property	\$889,813,300	\$1,213,000,000	\$323,186,700	36.3%
Personal Property	1,820,137	1,750,000	(70,137)	(3.9%)
Business Personal Property	2,674,194	2,500,000	(174,194)	(6.5%)
Motor Vehicles	28,975,635	29,622,500	646,865	2.2%
State Appraised	1,277,663	1,200,000	(77,663)	(6.1%)
Total	\$924,560,929	\$1,248,072,500	\$323,511,571	35.0%

**STATUS OF REVALUATION
REAL PROPERTY VALUES
AS OF APRIL 7, 2021**

	REVALUATION ESTIMATE AT 3/17/2021	REVALUATION ESTIMATE AT 4/7/2021	\$ CHANGE	% CHANGE
Kure Beach	\$1,225,000,000	\$1,213,000,000	(\$12,000,000)	(0.98%)
Carolina Beach	\$2,812,000,000	\$2,808,000,000	(\$4,000,000)	(0.14%)
Wrightsville Beach	\$3,672,000,000	\$3,668,000,000	(\$4,000,000)	(0.11%)
Wilmington	\$19,350,000,000	\$19,292,000,000	(\$58,000,000)	(0.30%)
Fire District	\$15,886,000,000	\$15,853,000,000	(\$33,000,000)	(0.21%)
Total New Hanover County	\$42,945,000,000	\$42,834,000,000	(\$111,000,000)	(0.26%)

**STATUS OF REVALUATION
REAL PROPERTY VALUES
AS OF APRIL 7, 2021**

	PRIOR TO REVALUATION (01/01/2020)	AFTER REVALUATION (01/01/2021)	% OF TOTAL NHC REVALUED PROPERTY	\$ CHANGE	% CHANGE
Kure Beach	\$889,813,300	\$1,213,000,000	2.8%	\$323,186,700	36.3%
Carolina Beach	\$1,881,660,244	\$2,808,000,000	6.6%	\$926,339,756	49.2%
Wrightsville Beach	\$2,594,640,756	\$3,668,000,000	8.6%	\$1,073,359,244	41.4%
Wilmington	\$13,578,336,950	\$19,292,000,000	45.0%	\$5,713,663,050	42.1%
Fire District	\$11,608,190,322	\$15,853,000,000	37.0%	\$4,244,809,678	36.6%
Total New Hanover County	\$30,552,641,572	\$42,834,000,000		\$12,281,358,428	40.2%

**JANUARY 2021 REVALUATION
REVENUE NEUTRAL TAX RATE CALCULATION
AS OF APRIL 7, 2021**

Average Growth % (FY 18 – 21)	1.57%
Current Tax Rate per \$100	\$0.34
FY 2021 Tax Levy (\$924,560,929/100) x \$0.34	\$3,143,507
FY 2022 Tax Levy Without Revaluation Including Average Growth % ((\$924,560,929 x 1.0157)/100) x \$0.34	\$3,192,860
Revenue Neutral Tax Rate For FY 2022 Based on Revaluation \$3,192,860 / (\$1,248,072,500/100)	\$0.2558
Change in Tax Rate From Current to Revenue Neutral	(\$0.0842)

GENERAL FUND
BUDGET CHANGES DURING AND AFTER 4/5/21 WORKSHOP

SHORTAGE ON 4/5/21 (WORKSHOP 1)		\$371,600
<u>EXPENDITURE CHANGES - Inc/(Dec):</u>		
Governing Body	\$8,800	
Streets & Sanitation	\$7,500	
Fire Department	<u>(\$17,500)</u>	
Net Change in Expenditures		(\$1,200)
<u>REVENUE CHANGES - (Inc)/Dec:</u>		
Current Year Property Taxes	(\$185,000)	
Current Year Motor Vehicle Taxes	(\$5,000)	
Prior Years Property Tax	(\$1,000)	
Sales Tax	(\$75,000)	
Electricity Sales Tax	(\$5,000)	
Paid Parking Program	(\$60,000)	
TDA Revenue	(\$9,800)	
Loan Proceeds	<u>\$25,000</u>	
Net Change in Revenue		<u>(\$315,800)</u>
SHORTAGE ON 4/16/21 (WORKSHOP 2)		<u>\$54,600</u>

**WATER/SEWER FUND
BUDGET CHANGES DURING AND AFTER 4/5/21 WORKSHOP**

SHORTAGE ON 4/5/21 (WORKSHOP 1)		\$214,875
<u>EXPENDITURE CHANGES - Inc/(Dec):</u>		
Water/Sewer Operations	<u>\$7,500</u>	
Net Change in Expenditures		\$7,500
<u>REVENUE CHANGES - (Inc)/Dec:</u>		
Water Charges	<u>(\$2,000)</u>	
Net Change in Revenue		<u>(\$2,000)</u>
SHORTAGE ON 4/16/21 (WORKSHOP 2)		<u>\$220,375</u>

**STORM WATER FUND
BUDGET CHANGES DURING AND AFTER 4/5/21 WORKSHOP**

SHORTAGE ON 4/5/21 (WORKSHOP 1)		\$145,412
<u>EXPENDITURE CHANGES - Inc/(Dec):</u>		
Net Change in Expenditures		\$0
<u>REVENUE CHANGES - (Inc)/Dec:</u>		
Storm Water Fees	(\$138,000)	
Net Change in Revenue		(\$138,000)
SHORTAGE ON 4/16/21 (WORKSHOP 2)		<u>\$7,412</u>

FY 2021/2022 BUDGET SUMMARY
AS OF APRIL 16, 2021

<u>FUND</u>	<u>FY 2022 REVENUE BUDGET</u>	<u>FY 2022 EXPENSE BUDGET</u>	<u>OVER/(SHORT)</u>	<u>COMMENTS</u>
General Fund	\$6,582,516	\$6,637,116	(\$54,600)	Includes a 1.5 cent tax increase over revenue neutral rate and \$60,000 of paid parking net profit. Does not include a transfer to the Beach Protection Fund or Contingency
Water/Sewer Fund	\$2,583,350	\$2,803,725	(\$220,375)	Shortfall may be addressed by use of American Rescue Plan funds for planned infrastructure project
Storm Water Fund	\$693,260	\$700,672	(\$7,412)	Includes a 50% increase to storm water fees
Powell Bill Fund	\$318,650	\$318,650	\$0	Includes fund balance appropriation of \$257,075
SERF Fund	\$9,090	\$9,090	\$0	
Beach Protection Fund	\$390	\$390	\$0	Does not include a transfer from the General Fund
Asset Forfeiture Fund	\$25,000	\$25,000	\$0	
TOTAL	\$10,212,256	\$10,494,643	(\$282,387)	

**FY 2022 BUDGET
GENERAL FUND
OTHER CONSIDERATIONS**

1. Include a transfer from the General Fund to the Beach Protection Fund?

FISCAL YEAR	AMOUNT TRANSFERRED
2021	\$5,000
2020	\$18,000
2019	\$9,807
2018	\$46,450
2017	\$50,000
2016	\$50,000
2015	\$103,000
2014	\$96,000
Average	\$47,282

**FY 2022 BUDGET
GENERAL FUND
OTHER CONSIDERATIONS**

2. Include a Contingency in the General Fund?

FISCAL YEAR	CONTINGENCY BUDGETED	CONTINGENCY ACTUALLY USED
2021	\$0	\$0
2020	\$20,000	\$20,000
2019	\$9,850	\$0
2018	\$48,100	\$12,000
2017	\$52,880	\$15,196
2016	\$130,680	\$59,508
2015	\$180,600	\$56,850
2014	\$184,000	\$52,266
Average	\$78,264	\$26,976

ESTIMATED ANNUAL COST OF RESIDENTIAL AND COMMERCIAL GARBAGE COLLECTION

DESCRIPTION		AMOUNT
Labor Costs		\$110,000
Management Costs		\$38,000
Equipment Costs:		
Fuel	\$10,000	
Maintenance	\$13,400	
Insurance	\$3,000	
Depreciation	\$40,000	
Loan Interest	<u>\$2,000</u>	
Total Equipment Costs		\$68,400
Landfill Costs		<u>\$110,000</u>
Estimated Total Annual Garbage Collection Costs		<u>\$326,400</u>

ESTIMATED GARBAGE COLLECTION REVENUE AND COSTS

ESTIMATED ANNUAL GARBAGE COLLECTION REVENUE AT CURRENT RATES	\$254,893
ESTIMATED ANNUAL GARBAGE COLLECTION COST	\$326,400
SHORTFALL IN GARBAGE COLLECTION REVENUE	\$71,507

FY 2022 BUDGET OPTIONS TO BALANCE GENERAL FUND

SHORTAGE OF \$54,600 AS OF 4/16/2021

1. Expense reductions
2. Increase the estimated net profit from the paid parking program (current amount is \$60,000)
3. Increase garbage collection fees by 21.43% (first residential can increase of \$1.50 per month)
4. Increase the property tax rate by an additional ½ cent
5. Appropriation of General Fund balance
 - Fund balance at 6/30/2020 was \$4,117,665

GENERAL FUND POTENTIAL RATE/FEE INCREASES

Garbage Collection Fees

SERVICE TYPE	CURRENT RATE/FEE	% INCREASE	RATE/FEE AFTER INC.	ADDITIONAL COST PER MONTH & YEAR PER CART	EST. INCREASE IN ANNUAL REVENUE (with 21.43% rate increase)	% INCREASE	RATE/FEE AFTER INC.	ADDITIONAL COST PER MONTH & YEAR PER CART	EST. INCREASE IN ANNUAL REVENUE (with 27.86% rate increase)
Residential - 1st Cart	\$7.00	21.43%	\$8.50	\$1.50 / \$18.00	\$39,780	27.86%	\$8.95	\$1.95 / \$23.40	\$51,714
Residential - Extra Carts	\$14.00	21.43%	\$17.00	\$3.00 / \$36.00	\$7,200	27.86%	\$17.90	\$3.90 / \$46.80	\$9,360
					\$46,980				\$61,074
Commercial	\$30.63	21.43%	\$37.19	\$6.56 / \$78.72	\$7,636	27.86%	\$39.16	\$8.53 / \$102.36	\$9,929
TOTAL					\$54,616				\$71,003

PROPERTY TAXES
INCREMENTAL REVENUE FROM VARIOUS INCREASE AMOUNTS

	TAX RATE INCREASE							
	0.5 Cent	1.0 Cents	1.5 Cents	2.0 Cents	2.5 Cents	3.0 Cents	3.5 Cents	4.0 Cents
Percentage Increase In Tax Rate	1.95%	3.91%	5.86%	7.82%	9.77%	11.73%	13.68%	15.64%
Tax Levy Related To Tax Rate Increase	\$62,404	\$124,807	\$187,211	\$249,615	\$312,018	\$374,422	\$436,825	\$499,229
Net Increase To Town Revenue	\$61,780	\$123,807	\$185,339	\$247,118	\$308,898	\$370,678	\$432,457	\$494,237
Tax Rate After Increase (\$0.2558 + increase)	\$0.2608	\$0.2658	\$0.2708	\$0.2735	\$0.2808	\$0.2858	\$0.2908	\$0.2958
Impact on Household With Home Valued at \$425,000:								
Annual Increase	\$21.25	\$42.50	\$63.75	\$85.00	\$106.25	\$127.50	\$148.75	\$170.00
Monthly Increase	\$1.77	\$3.54	\$5.31	\$7.08	\$8.85	\$10.63	\$12.40	\$14.17
Total Annual Tax	\$1,108.40	\$1,129.65	\$1,150.90	\$1,172.15	\$1,193.40	\$1,214.65	\$1,235.90	\$1,257.15

ASSUMPTIONS:

- (1) - Starting point is revenue neutral tax rate of **\$0.2558** per \$100 of valuation.
- (2) - Estimated tax base from NHC Tax Department as of 4/7/21 was: **\$1,248,072,500** (includes \$29,622,500 for motor vehicles)
- (3) - Estimated property tax collection rate is: **99%**

**FY 2022 BUDGET
OPTIONS TO BALANCE
WATER/SEWER FUND**

SHORTAGE OF \$220,375 AS OF 4/16/2021

1. Expense reductions
2. Increase water and sewer rates
3. Appropriate fund balance to use anticipated American Rescue Plan funds for FY 2022 budgeted infrastructure projects

WATER & SEWER FUND POTENTIAL RATE/FEE INCREASES

OPTION		ESTIMATED ANNUAL REVENUE INCREASE			
NO.	RATE ACTION	RESIDENTIAL	COMMERCIAL	FORT FISHER	TOTAL
1	10% monthly minimum increase	\$88,500	\$2,070	\$385	\$90,955
2	20% monthly minimum increase	\$177,000	\$4,140	\$770	\$181,910
3	10% rate tier increase	\$87,750	\$9,480	\$23,980	\$121,210
4	20% rate tier increase	\$175,430	\$18,960	\$47,975	\$242,365
5	4% monthly minimum & 5% tier increase	\$79,725	\$5,590	\$12,150	\$97,465
6	4% monthly minimum & 10% tier increase	\$123,600	\$10,325	\$24,140	\$158,065
7	10% total rate increase (minimum rate & tiers)	\$176,250	\$11,550	\$24,365	\$212,165
8	20% total rate increase (minimum rate & tiers)	\$352,430	\$23,100	\$48,745	\$424,275

**FY 2022 BUDGET
OPTIONS TO BALANCE
STORM WATER FUND**

SHORTAGE OF \$7,412 AS OF 4/16/2021

1. Expense reductions
2. Additional increase in storm water fees
 - 50% increase was already determined at 4/5/21 Budget Work Session
3. Appropriation of fund balance
 - Fund balance at 6/30/2020 was \$259,693
 - Current fund balance is approximately \$400,000

KURE BEACH STORM WATER FEE INCREASE SCENARIOS

	CURRENT MONTHLY FEE (\$10.00)	50% FEE INCREASE (\$15.00)	53% FEE INCREASE (\$15.30)	55% FEE INCREASE (\$15.50)
Monthly SW Fee Revenue	\$22,970	\$34,455	\$35,144	\$35,604
Annual SW Fee Revenue	\$275,640	\$413,460	\$421,728	\$427,248
Estimated Increase in Annual SW Fee Revenue		\$137,820	\$146,088	\$151,608
Additional Annual Revenue Above 50% Increase			\$8,268	\$13,788

**TOTAL FY 2022 EXPENSE BUDGET BY FUND
VS. FY 2021 APPROVED BUDGET
AS OF APRIL 16, 2021**

FUND	2021 ORIGINAL BUDGET	2021 AMENDED BUDGET	REQUESTED 2022 BUDGET	DIFF. 2022 & ORIG. 2021	% CHANGE	DIFF. 2022 & AMENDED 2021	% CHANGE
General	\$5,693,981	\$5,784,029	\$6,637,116	\$943,135	16.6%	\$853,087	14.7%
Water/Sewer	\$2,616,095	\$2,693,611	\$2,803,725	\$187,630	7.2%	\$110,114	4.1%
Storm Water	\$532,330	\$532,330	\$700,672	\$168,342	31.6%	\$168,342	31.6%
Powell Bill	\$110,000	\$110,000	\$318,650	\$208,650	189.7%	\$208,650	189.7%
Sewer Expansion Reserve	\$10,380	\$10,380	\$9,090	(\$1,290)	(12.4%)	(\$1,290)	(12.4%)
Beach Protection	\$8,375	\$8,375	\$390	(\$7,985)	(95.3%)	(\$7,985)	(95.3%)
Federal Asset Forfeiture	\$50,000	\$50,000	\$25,000	(\$25,000)	(50.0%)	(\$25,000)	(50.0%)
TOTAL - ALL FUNDS	\$9,021,161	\$9,188,725	\$10,494,643	\$1,473,482	16.3%	\$1,305,918	14.2%

GENERAL FUND BUDGET BY DEPARTMENT FY 2022 VS. FY 2021

	DEPT.	ORIGINAL	AMENDED	REQUESTED	DIFF. 2022 &	%	DIFF. 2022 &	%	
DEPARTMENT	NO.	2021 BUD.	2021 BUD.	2022 BUD.	ORIG. 2021	CHG.	AMENDED 2021	CHG.	SIGNIFICANT CHANGES FY 2022 VS. ORIGINAL FY 2021
Streets & Sanitation	550	\$978,192	\$998,846	\$1,413,584	\$435,392	44.5%	\$414,738	41.5%	<p><u>Increases:</u> F/T Personnel-related Costs: \$19,221 / 4.1% Temporary Employees Costs: \$5,813 / new Recycling: \$213,000 / new (from Admin) Capital Outlay–Improve.: \$138,500 / new Landfill Expense: \$22,000 / 19% OFP Maintenance: \$11,000 / 92% Capital Outlay – Equipment: \$10,000 / new Capital Outlay – Truck: \$10,000 / 25% Computer Software/Service: \$9,600 / 122% Uniforms: \$2,000 / 29%</p> <p><u>Decreases:</u> Christmas Decorations: \$3,000 / 23% Utilities: \$3,000 / 6%</p>
Police	510	\$1,576,105	\$1,604,046	\$1,661,277	\$85,172	5.4%	\$57,231	3.6%	<p><u>Increases:</u> F/T Personnel-related Costs: \$54,682 / 4.3% P/T Personnel-related Costs: \$2,153 / 11.1% Travel/Training: \$6,000 / 60% Capital Outlay - Vehicles: \$6,000 / 15% Computer Services: \$4,760 / 22% Building Maintenance: \$2,000 / 50% Vehicle Maintenance: \$2,000 / 20% Uniforms: \$2,000 / 14% Cell Phone Reimbursement: \$1,000 / 13% Contracts: \$1,000 / 3%</p> <p><u>Decreases:</u> None</p>

GENERAL FUND BUDGET BY DEPARTMENT FY 2022 VS. FY 2021

DEPARTMENT	DEPT. NO.	ORIGINAL 2021 BUD.	AMENDED 2021 BUD.	REQUESTED 2022 BUD.	DIFF. 2022 & ORIG. 2021	% CHG.	DIFF. 2022 & AMENDED 2021	% CHG.	SIGNIFICANT CHANGES FY 2022 VS. ORIGINAL FY 2021
Fire Dept.	530	\$889,113	\$894,186	\$1,124,947	\$235,834	26.5%	\$230,761	25.8%	<p><u>Increases:</u> F/T Personnel-related Costs (includes 2 new F/T positions): \$148,751 / 25.2% P/T Personnel-related Costs: \$15,168 / 13.6% Drill Fees: \$9,405 / 22% Capital Outlay - Trucks: \$50,000 / new Truck Maintenance: \$10,000 / 100% Building Maintenance: \$5,000 / 100% Computer Services: \$2,800 / 56% Uniforms: \$1,000 / 17%</p> <p><u>Decreases:</u> Minor Equipment: \$7,000 / 17%</p>
Lifeguards	531	\$256,709	\$264,920	\$271,186	\$14,477	5.6%	\$6,266	2.4%	<p><u>Increases:</u> Personnel-related Costs: \$11,262 / 5.1% Equipment/Supplies: \$2,000 / 31% Capital Outlay - ATV: \$1,000 / 10%</p> <p><u>Decreases:</u> None</p>
Bldg. Inspection	540	\$204,792	\$206,216	\$210,265	\$5,473	2.7%	\$4,049	2.0%	<p><u>Increases:</u> F/T Personnel-related Costs: \$7,133 / 4.4% Homeowners Recovery: \$650 / 186%</p> <p><u>Decreases:</u> Gas Allowance: \$1,800 / 17% Turtle Monitoring: \$600 / 10%</p>

GENERAL FUND BUDGET BY DEPARTMENT FY 2022 VS. FY 2021

DEPARTMENT	DEPT. NO.	ORIGINAL 2021 BUD.	AMENDED 2021 BUD.	REQUESTED 2022 BUD.	DIFF. 2022 & ORIG. 2021	% CHG.	DIFF. 2022 & AMENDED 2021	% CHG.	SIGNIFICANT CHANGES FY 2022 VS. ORIGINAL FY 2021
Parks & Recreation	532	\$204,244	\$205,667	\$228,574	\$24,330	11.9%	\$22,907	11.1%	<p>Increases: F/T Personnel-related Costs: \$11,113 / 7.3% Annual Street Festival: \$9,000 / 150% Sponsorship Maintenance: \$4,000 / 200% Children/Family Programs: \$1,500 / 60%</p> <p>Decreases: P/T Personnel-related Costs: \$1,291 / 27.3%</p>
Community Center	421	\$21,500	\$21,500	\$21,500	\$0	0.0%	\$0	0.0%	
Administration	420	\$533,505	\$554,191	\$342,738	(\$190,767)	(35.8%)	(\$211,453)	(38.2%)	<p>Increases: F/T Personnel-related Costs: \$6,810 / 5.9% Land Use Plan: \$26,250 / new P&L Insurance: \$4,100 / 9% Supplies: \$2,000 / 17% Building Maintenance: \$1,877 / 11%</p> <p>Decreases: Recycling: \$229,905 / 100% (to PW) Retiree Medical Insurance: \$3,580 / 12%</p>
Governing Body	410	\$42,937	\$42,937	\$46,203	\$3,266	7.6%	\$3,266	7.6%	<p>Increases: Contributions: \$3,265 / 27%</p> <p>Decreases: None</p>

GENERAL FUND BUDGET BY DEPARTMENT FY 2022 VS. FY 2021

DEPARTMENT	DEPT. NO.	ORIGINAL 2021 BUD.	AMENDED 2021 BUD.	REQUESTED 2022 BUD.	DIFF. 2022 & ORIG. 2021	% CHG.	DIFF. 2022 & AMENDED 2021	% CHG.	SIGNIFICANT CHANGES FY 2022 VS. ORIGINAL FY 2021
Legal	470	\$51,963	\$51,963	\$82,400	\$30,437	58.6%	\$30,437	58.6%	<p><u>Increases:</u> Legal Service–Town Attorney: \$57,600 / new</p> <p><u>Decreases:</u> Attorney Retainer: \$19,163 / 100% Professional Legal Service: \$8,000 / 25%</p>
Emergency Management	446	\$2,500	\$2,500	\$2,500	\$0	0%	\$0	0%	
Elections	430	\$0	\$0	\$3,700	\$3,700		\$3,700		Local election in FY 2022.
Finance	415	\$181,301	\$183,437	\$238,427	\$57,126	31.5%	\$54,990	30.0%	<p><u>Increases:</u> F/T Personnel-related Costs: \$2,609 / 2.7% Capital Outlay - Software: \$55,000 / new Payroll Processing Fees: \$800 / 7% Postage: \$600 / 48%</p> <p><u>Decreases:</u> Unemployment Insurance: \$2,480 / 60%</p>
Committees	412	\$4,370	\$4,370	\$79,450	\$75,080	1,718%	\$75,080	1,718%	<p><u>Shoreline Access & Beach Protection:</u> \$5,200 for beach location signs & replacement signs</p> <p><u>Bike/Ped:</u> \$2,750 for training, signs & public education \$60,000 for 3 solar crosswalk signs \$11,500 for paving of walking path</p>

GENERAL FUND BUDGET BY DEPARTMENT FY 2022 VS. FY 2021

	DEPT.	ORIGINAL	AMENDED	REQUESTED	DIFF. 2022 &	%	DIFF. 2022 &	%	
DEPARTMENT	NO.	2021 BUD.	2021 BUD.	2022 BUD.	ORIG. 2021	CHG.	AMENDED 2021	CHG.	SIGNIFICANT CHANGES FY 2022 VS. ORIGINAL FY 2021
Debt Service	560	\$711,650	\$711,650	\$679,765	(\$31,885)	(4.5%)	(\$31,885)	(4.5%)	Continued pay down of existing loans.
Tax Collection	460	\$30,100	\$30,100	\$30,600	\$500	1.7%	\$500	1.7%	
Paid Parking Program	570	\$0	\$0	\$200,000	\$200,000		\$200,000		New paid parking program.
Transfers	580	\$5,000	\$7,500	\$0	(\$5,000)	(100%)	(\$7,500)	(100%)	No transfer to the Beach Protection Fund in initial budget proposal.
Contingency	490	\$0	\$0	\$0	\$0		\$0		No amount initially allocated.
TOTAL GENERAL FUND		\$5,693,981	\$5,784,029	\$6,637,116	\$943,135	16.6%	\$853,087	14.7%	

WATER/SEWER FUND BUDGET BY DEPARTMENT FY 2022 VS. FY 2021

	DEPT.	ORIGINAL	AMENDED	REQUESTED	DIFF. 2022 &	%	DIFF. 2022 &	%	
DEPARTMENT	NO.	2021 BUD.	2021 BUD.	2022 BUD.	ORIG. 2021	CHG.	AMENDED 2021	CHG.	SIGNIFICANT CHANGES FY 2022 VS. ORIGINAL FY 2021
W/S Operations	810	\$2,056,239	\$2,132,705	\$2,185,612	\$129,373	6.3%	\$52,907	2.5%	<p><u>Increases:</u> F/T Personnel-related Costs: \$20,398 / 5.1% Capital Outlay-Improve.: \$208,295 / 499% Supplies/Materials: \$10,000 / 10%</p> <p><u>Decreases:</u> Capital Outlay-Equipment: \$60,000 / 21% CB Treatment Charges: \$25,000 / 7% Computer Software/Service: \$19,600 / 61% Debt Service: \$2,394 / 1% Utilities: \$2,000 / 4% Telephone: \$1,000 / 9%</p>
Administration	720	\$285,209	\$286,259	\$294,187	\$8,978	3.1%	\$7,928	2.8%	<p><u>Increases:</u> F/T Personnel-related Costs: \$6,811 / 5.9% P&L Insurance: \$4,100 / 9% Building Maintenance: \$1,877 / 11%</p> <p><u>Decreases:</u> Retiree Medical Expense: \$5,490 / 28%</p>
Governing Body	410	\$19,455	\$19,455	\$19,453	(\$2)	0%	(\$2)	0%	

WATER/SEWER FUND BUDGET BY DEPARTMENT FY 2022 VS. FY 2021

DEPARTMENT	DEPT. NO.	ORIGINAL 2021 BUD.	AMENDED 2021 BUD.	REQUESTED 2022 BUD.	DIFF. 2022 & ORIG. 2021	% CHG.	DIFF. 2022 & AMENDED 2021	% CHG.	SIGNIFICANT CHANGES FY 2022 VS. ORIGINAL FY 2021
Legal	470	\$27,963	\$27,963	\$15,200	(\$12,763)	(45.6%)	(\$12,763)	(45.6%)	<p><u>Increases:</u> Legal Service–Town Attorney: \$14,400 / new</p> <p><u>Decreases:</u> Attorney Retainer: \$19,163 / 100% Professional Legal Service: \$8,000 / 100%</p>
Finance	715	\$227,229	\$227,229	\$289,273	\$62,044	27.3%	\$62,044	27.3%	<p><u>Increases:</u> F/T Personnel-related Costs: \$6,248 / 3.6% Capital Outlay - Software: \$55,000 / new Postage: \$700 / 8%</p> <p><u>Decreases:</u> Unemployment Insurance: \$675 / 63%</p>
TOTAL WATER/ SEWER FUND		\$2,616,095	\$2,693,611	\$2,803,725	\$187,630	7.2%	\$110,114	4.1%	

STORM WATER FUND BUDGET BY EXPENSE TYPE FY 2022 VS. FY 2021

	DEPT.	2021	REQUESTED	DIFF. 2022	%	
DEPARTMENT	NO.	BUDGET	2022 BUD.	& 2021	CHG.	SIGNIFICANT CHANGES FY 2022 VS. FY 2021
SW Operations	610	\$225,835	\$243,724	\$17,889	7.9%	<p><u>Increases:</u> F/T Personnel-related costs: \$3,826 / 3.4% Supplies: \$14,000 / 233%</p> <p><u>Decreases:</u> None</p>
Debt Service	610	\$45,520	\$36,948	(\$8,572)	(18.8%)	Continued pay down of existing loans.
Capital Outlay	610	\$260,975	\$420,000	\$159,025	60.9%	<p><u>Increases:</u> Capital Outlay - Improvements: \$139,025 / 228% Capital Outlay - Equipment: \$20,000 / 10%</p> <p><u>Decreases:</u> None</p>
TOTAL STORM WATER FUND		\$532,330	\$700,672	\$168,342	31.6%	

**TOTAL FY 2022 REVENUE BUDGET BY FUND
VS. FY 2021 APPROVED BUDGET
AS OF APRIL 16, 2021**

	2021 ORIGINAL	2021 AMENDED	REQUESTED		DIFF. 2022 &	%	DIFF. 2022 &	%
FUND	BUDGET	BUDGET	2022 BUDGET		ORIG. 2021	CHANGE	AMENDED 2021	CHANGE
General	\$5,693,981	\$5,784,029	\$6,582,516		\$888,535	15.6%	\$798,487	13.8%
Water/Sewer	\$2,616,095	\$2,693,611	\$2,583,350		(\$32,745)	(1.3%)	(\$110,261)	(4.1%)
Storm Water	\$532,330	\$532,330	\$693,260		\$160,930	30.2%	\$160,930	30.2%
Powell Bill	\$110,000	\$110,000	\$318,650		\$208,650	189.7%	\$208,650	189.7%
Sewer Expansion Reserve	\$10,380	\$10,380	\$9,090		(\$1,290)	(12.4%)	(\$1,290)	(12.4%)
Beach Protection	\$8,375	\$8,375	\$390		(\$7,985)	(95.3%)	(\$7,985)	(95.3%)
Federal Asset Forfeiture	\$50,000	\$50,000	\$25,000		(\$25,000)	(50.0%)	(\$25,000)	(50.0%)
TOTAL - ALL FUNDS	\$9,021,161	\$9,188,725	\$10,212,256		\$1,191,095	13.2%	\$1,023,531	11.1%

GENERAL FUND REVENUE BUDGET FY 2022 VS. FY 2021

	ORIGINAL	AMENDED	2022	DIFF. 2022 &	%	DIFF. 2022 &	%	
REVENUE TYPE	2021 BUD.	2021 BUD.	BUDGET	ORIG. 2021	CHG.	AMENDED 2021	CHG.	SIGNIFICANT CHANGES FY 2022 VS. FY 2021
Property Taxes	\$3,104,950	\$3,104,950	\$3,357,000	\$252,050	8.1%	\$252,050	8.1%	Assumes 1.5 cents increase over revenue neutral tax rate (\$0.2708) and estimated tax base provided by NHC Tax Dept.
Sales Tax	\$991,500	\$1,041,700	\$1,305,000	\$313,500	31.6%	\$263,300	25.3%	Actual growth in FY 2021 greater than budgeted. FY 2022 estimated to be increase over FY 2021 budget and forecast.
Garbage & Recycle Fees	\$530,405	\$530,405	\$512,500	(\$17,905)	(3.4%)	(\$17,905)	(3.4%)	Decrease in recycling rate during FY 2021.
TDA	\$256,530	\$272,230	\$316,986	\$60,456	23.6%	\$44,756	16.4%	FY 2022 budget is for lifeguards (\$271,186), OFP maintenance (\$23,000), OFP entertainment (\$13,000) & Pleasure Island Chamber of Commerce concerts (\$9,800).
Franchise & Utility Taxes	\$252,000	\$252,000	\$245,000	(\$7,000)	(2.8%)	(\$7,000)	(2.8%)	Estimated decrease in video programming and telecommunications taxes.
Parking Program Revenue	\$0	\$0	\$260,000	\$260,000		\$260,000		Conservative initial estimate.
Communication Tower Rent	\$81,627	\$81,627	\$78,635	(\$2,992)	(3.7%)	(\$2,992)	(3.7%)	FY 2022 includes annual increase for existing leases. Also, last Comspeco lease was terminated in FY 2021.

GENERAL FUND REVENUE BUDGET FY 2022 VS. FY 2021

	ORIGINAL	AMENDED	2022	DIFF. 2022 &	%	DIFF. 2022 &	%	
REVENUE TYPE	2021 BUD.	2021 BUD.	BUDGET	ORIG. 2021	CHG.	AMENDED 2021	CHG.	SIGNIFICANT CHANGES FY 2022 VS. FY 2021
Building Permits, CAMA, Impact Fees, Fire Inspections	\$75,300	\$75,300	\$76,050	\$750	1.0%	\$750	1.0%	
Sales Tax Refund	\$105,000	\$105,000	\$46,000	(\$59,000)	(56.2%)	(\$59,000)	(56.2%)	Estimated sales tax refund based on sales tax paid in prior fiscal year. Higher in FY 2021 due to water meter replacement capital project.
Community Center/ Parks & Rec/ Street Festival/Bluefish	\$26,800	\$26,800	\$30,050	\$3,250	12.1%	\$3,250	12.1%	Increase relates to expected additional revenue for the Town's 75 th anniversary.
Town Facility Rentals	\$19,000	\$19,000	\$14,000	(\$5,000)	(26.3%)	(\$5,000)	(26.3%)	Estimated decrease due to continued impact of COVID-19.
ABC Revenue	\$19,875	\$19,875	\$14,925	(\$4,950)	(24.9%)	(\$4,950)	(24.9%)	Downward trend in ABC revenue.
Motor Vehicle License Tax	\$10,500	\$10,500	\$11,000	\$500	4.8%	\$500	4.8%	
Beer & Wine Tax	\$9,600	\$9,600	\$9,600	\$0	0.0%	\$0	0.0%	

GENERAL FUND REVENUE BUDGET FY 2022 VS. FY 2021

	ORIGINAL	AMENDED	2022	DIFF. 2022 &	%	DIFF. 2022 &	%	
REVENUE TYPE	2021 BUD.	2021 BUD.	BUDGET	ORIG. 2021	CHG.	AMENDED 2021	CHG.	SIGNIFICANT CHANGES FY 2022 VS. FY 2021
Parking Fines/ Civil Citations/ Court Fees	\$2,600	\$2,600	\$1,750	(\$850)	(32.7%)	(\$850)	(32.7%)	Impact of paid parking program.
Re-Entry Decal Sales	\$1,400	\$1,400	\$1,800	\$400	28.6%	\$400	28.6%	
Interest & Investment Earnings	\$4,395	\$4,395	\$945	(\$3,450)	(78.5%)	(\$3,450)	(78.5%)	Significant decrease in CD interest rates & NCCMT earnings.
All Other Revenue	\$4,775	\$21,180	\$5,275	\$500	10.5%	(\$15,905)	(75.1%)	Largest component is surplus property sales (\$3,500).
Appropriation of Fund Balance	\$117,724	\$125,467	\$0	(\$117,724)	(100%)	(\$125,467)	(100%)	No appropriation of fund balance included in current version of budget.
Other Financing Sources	\$80,000	\$80,000	\$296,000	\$216,000	270.0%	\$216,000	270.03 %	Financing for paving projects (\$150,000), Police vehicle (\$46,000), Public Works Truck (\$50,000) & Fire vehicles (\$75,000).
TOTAL GENERAL FUND	\$5,693,981	\$5,784,029	\$6,582,516	\$888,535	15.6%	\$798,487	13.8%	

WATER/SEWER FUND REVENUE BUDGET FY 2022 VS. FY 2021

	ORIGINAL	AMENDED	2022		DIFF. 2022 &	%	DIFF. 2022 &	%	
REVENUE TYPE	2021 BUD.	2021 BUD.	BUDGET		ORIG. 2021	CHG.	AMENDED 2021	CHG.	SIGNIFICANT CHANGES FY 2022 VS. FY 2021
Water Charges	\$947,250	\$947,250	\$905,000		(\$42,250)	(4.5%)	(\$42,250)	(4.5%)	Reduction relates to decrease in FY 2021 full year forecast.
Sewer Charges	\$1,322,540	\$1,322,540	\$1,398,000		\$75,460	5.7%	\$ 75,460	5.7%	Increase relates primarily to out of jurisdiction customers.
Water & Sewer Tap Fees	\$45,000	\$45,000	\$45,000		\$0	0.0%	\$0	0.0%	Based on estimated building activity.
Cutoff & Reconnection Fees	\$1,800	\$1,800	\$1,800		\$0	0.0%	\$0	0.0%	
Account Past Due Charges	\$6,300	\$6,300	\$6,000		(\$300)	(4.8%)	(\$300)	(4.8%)	
New Account Setup Fee	\$6,200	\$6,200	\$6,500		\$300	4.8%	\$300	4.8%	
Interest Income	\$6,615	\$6,615	\$735		(\$5,880)	(88.9%)	(\$5,880)	(88.9%)	Significant decrease in CD interest rates & NCCMT earnings.

WATER/SEWER FUND REVENUE BUDGET FY 2022 VS. FY 2021

	ORIGINAL	AMENDED	2022		DIFF. 2022 &	%	DIFF. 2022 &	%	
REVENUE TYPE	2021 BUD.	2021 BUD.	BUDGET		ORIG. 2021	CHG.	AMENDED 2021	CHG.	SIGNIFICANT CHANGES FY 2022 VS. FY 2021
Other Revenue/ Fees	\$390	\$1,440	\$315		(\$75)	(19.2%)	(\$1,125)	(5.2%)	Largest component is returned check fees (\$225).
Other Financing Sources	\$280,000	\$280,000	\$220,000		(\$60,000)	(21.4%)	(\$60,000)	(21.4%)	Financing for ½ of Vac. Truck.
Transfers In	\$0	\$76,466	\$0		\$0		(\$76,466)	(100%)	Amended FY 2021 budget includes a transfer from the Water Meter Replacement Capital Project Fund.
TOTAL WATER/SEWER FUND	\$2,616,095	\$2,693,611	\$2,583,350		(\$32,745)	(1.3%)	(\$110,261)	(4.1%)	

STORM WATER FUND REVENUE BUDGET FY 2022 VS. FY 2021

	2021	2022		DIFF. 2022 &	%	
<u>REVENUE TYPE</u>	<u>BUDGET</u>	<u>BUDGET</u>		<u>2021</u>	<u>CHANGE</u>	<u>SIGNIFICANT CHANGES FY 2022 VS. FY 2021</u>
Storm Water Charges	\$270,000	\$413,000		\$143,000	53.0%	Includes a 50% storm water fee increase and an increase in number of accounts.
Storm Water Building Fees	\$60,000	\$60,000		\$0	0.0%	Based on estimated building activity.
Interest Income	\$2,330	\$260		(\$2,070)	(88.8%)	Significant decrease in CD interest rates & NCCMT earnings.
Other Financing	\$200,000	\$220,000		\$20,000	10.0%	Financing for ½ of Vac. Truck.
TOTAL STORM WATER FUND	\$532,330	\$693,260		\$160,930	30.2%	

REQUESTS RECEIVED FROM OUTSIDE ORGANIZATIONS

ORGANIZATION	FY 2022 APPROVED AMOUNT	REQUEST REC'D FY 2022	REQUEST REC'D FY 2021	ACTUAL FY 2021	ACTUAL FY 2020	ACTUAL FY 2019	ACTUAL FY 2018
Pleasure Island Chamber of Commerce (concert series) (1)	\$9,800	\$0	\$9,800	\$6,535	\$9,800	\$8,800	\$8,800
Federal Point Historic Preservation Society	\$1,500	\$3,000	\$5,000	\$1,500	\$1,500	\$1,500	\$1,500
Island of Lights (2)	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Friends of Fort Fisher, Inc.	\$1,500	\$2,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Federal Point Help Center (3)	\$1,500	\$0	\$0	\$1,500	\$1,500	\$1,500	\$1,500
Katie B. Hines Senior Center (4)	\$0	\$0	\$0	\$0	\$0	\$2,000	\$2,000
TOTAL GOVERNING BODY BUDGET	\$15,500	\$6,700	\$17,500	\$12,235	\$15,500	\$16,500	\$16,500
Pleasure Island Sea Turtle Project (5)	\$4,800	\$4,800	\$5,400	\$5,400	\$5,400	\$5,400	\$5,400
GRAND TOTAL	\$20,300	\$11,500	\$22,900	\$17,635	\$20,900	\$21,900	\$21,900

NOTES:

(1) - FY 2022 request of \$42,500 received 10 days after application deadline.

(2) - Island of Lights request for FY 2022 (and FY 2018 - 2021) also includes \$900 of in-kind.

(3) - No request received for FY 2020 to 2022.

(4) - No request received for FY 2019 to 2022.

(5) - Included in Building Inspection/Code Enforcement budget.