

FY 24-25  
BUDGET WORK  
SESSION #2

APRIL 25, 2024



# INITIAL FY 2025 BUDGET ASSUMPTIONS

1. No changes in services provided or level of services provided
2. No change to the current tax rate of \$0.2658
3. No change to General Fund fees
4. No changes to water & sewer rates
5. No General Fund Contingency
6. No transfer from the General Fund to the Beach Protection Fund
7. Full-time headcount increase: 1 Police Dept. position
8. Employee Compensation  
COLA: 3.2%  
Merit: 2.8%



# UPDATED FY 2025 BUDGET ASSUMPTIONS

1. No changes in services provided or level of services provided
2. **2.42 cents tax rate increase (9.1%) – new tax rate is 29 cents**
3. **25% garbage collection fee increase**
4. **5.3% recycle collection fee increase**
5. **10% water & sewer rate tier increase (no change to minimum)**
6. No General Fund Contingency
7. No transfer from the General Fund to the Beach Protection Fund
8. Full-time headcount increase: 1 Police Dept. position
9. Employee Compensation
  - COLA: 3.2%
  - Merit: 2.8%



**FY 2024/2025 BUDGET SUMMARY  
AS OF APRIL 1, 2024**

<b>FUND</b>	<b>FY 2025 REVENUE BUDGET</b>	<b>FY 2025 EXPENSE BUDGET</b>	<b>OVER/(SHORT)</b>	<b>COMMENTS</b>
General Fund	\$8,470,817	\$9,000,691	(\$529,874)	Does not include a transfer to the Beach Protection Fund or Contingency
Water/Sewer Fund	\$2,680,860	\$2,822,414	(\$141,554)	
Storm Water Fund	\$522,000	\$453,744	\$68,256	
Powell Bill Fund	\$97,150	\$97,150	\$0	Includes \$25,000 fund balance appropriation for paving
SERF Fund	\$23,395	\$23,395	\$0	
Beach Protection Fund	\$24,000	\$24,000	\$0	Does not include a transfer from the General Fund
Asset Forfeiture Fund	\$25,000	\$25,000	\$0	
<b>TOTAL</b>	<b>\$11,843,222</b>	<b>\$12,446,394</b>	<b>(\$603,172)</b>	

**GENERAL FUND**  
**BUDGET CHANGES DURING AND AFTER 4/1/24 WORK SESSION**

<b>SHORTAGE ON 4/1/24 (WORK SESSION #1)</b>		<b>\$529,874</b>
<b>EXPENDITURE CHANGES - Inc/(Dec):</b>		
<b>Finance</b> – Workers Comp. Ins.	(\$31)	
<b>Administration</b> – Workers Comp. Ins.	(\$31)	
<b>Police Dept.</b> – Workers Comp. Ins.	\$5,035	
<b>Fire Dept.</b> – Workers Comp. Ins.	(\$833)	
<b>Lifeguards</b> – Seasonal P/T Pay \$44,203, FICA Taxes \$3,382 & Workers Comp. Ins. \$536	\$48,121	
<b>Parks &amp; Rec.</b> – Workers Comp. Ins.	(\$44)	
<b>Building Inspections</b> – Workers Comp. Ins.	\$59	
<b>Streets &amp; Sanitation</b> – Workers Comp. Ins.	(\$294)	
<b>Tax Collection</b> – New Hanover County Fees	<u>\$2,000</u>	
<b>Net Change in Expenditures</b>		<b>\$53,982</b>
<b>REVENUE CHANGES - (Inc)/Dec:</b>		
<b>Property Tax</b> (2.42 cents tax rate increase)	(\$313,900)	
<b>Garbage Collection</b> (25% rate increase)	(\$64,400)	
<b>TDA Revenue</b>	(\$47,585)	
<b>Appropriation of Fund Balance</b>	<b><u>(\$157,971)</u></b>	
<b>Net Change in Revenue</b>		<b><u>(\$583,856)</u></b>
<b>SHORTAGE ON 4/25/24 (WORK SESSION #2)</b>		<b><u>\$0</u></b>

**WATER & SEWER FUND  
BUDGET CHANGES DURING AND AFTER 4/1/24 WORK SESSION**

<b>SHORTAGE ON 4/1/24 (WORK SESSION #1)</b>		<b>\$141,554</b>
<b>EXPENDITURE CHANGES - Inc/(Dec):</b>		
<b>W/S Finance</b> - Workers Comp. Ins.	(\$39)	
<b>W/S Administration</b> - Workers Comp Ins.	(\$20)	
<b>W/S Operations</b> –Workers Comp. Ins.	(\$2,474)	
<b>W/S Operations</b> – Engineering Fees (AIA)	<u>\$150,000</u>	
<b>Net Change in Expenditures</b>		<b>\$147,467</b>
<b>REVENUE CHANGES - (Inc)/Dec:</b>		
<b>Water Charges</b> (10% rate tier increase)	(\$61,621)	
<b>Sewer Charges</b> (10% rate tier increase)	(\$76,400)	
<b>New Account Setup Fees</b>	(\$1,000)	
<b>AIA Water &amp; Sewer Grants</b>	<u>(\$150,000)</u>	
<b>Net Change in Revenue</b>		<b><u>(\$289,021)</u></b>
<b>SHORTAGE ON 4/25/24 (WORK SESSION #2)</b>		<b><u>\$0</u></b>

**STORM WATER FUND  
BUDGET CHANGES DURING AND AFTER 4/1/24 WORK SESSION**

<b>OVERAGE ON 4/1/24 (WORK SESSION #1)</b>		<b>\$68,256</b>
<b>EXPENDITURE CHANGES - Inc/(Dec):</b>		
Workers Comp. Insurance	(\$941)	
System Maintenance	\$29,197	
Capital Outlay - Improvements	<u>\$40,000</u>	
Net Change in Expenditures		<b>\$68,256</b>
<b>REVENUE CHANGES - (Inc)/Dec:</b>		
Net Change in Revenue		<b><u>\$0</u></b>
<b>OVERAGE ON 4/25/24 (WORK SESSION #2)</b>		<b>\$0</b>

**FY 2024/2025 BUDGET SUMMARY  
AS OF APRIL 25, 2024**

<b>FUND</b>	<b>FY 2025 REVENUE BUDGET</b>	<b>FY 2025 EXPENSE BUDGET</b>	<b>OVER/(SHORT)</b>	<b>COMMENTS</b>
General Fund	\$9,054,673	\$9,054,673	\$0	Includes a 2.42 cents property tax increase (9.1%), a 25% garbage collection rate increase and a fund balance appropriation of \$157,971
Water/Sewer Fund	\$2,969,881	\$2,969,881	\$0	Includes a 10% water and sewer usage-based rate tier increase
Storm Water Fund	\$522,000	\$522,000	\$0	
Powell Bill Fund	\$97,150	\$97,150	\$0	Includes \$25,000 fund balance appropriation for paving
SERF Fund	\$23,395	\$23,395	\$0	
Beach Protection Fund	\$24,000	\$24,000	\$0	Does not include a transfer from the General Fund
Asset Forfeiture Fund	\$25,000	\$25,000	\$0	
<b>TOTAL</b>	<b>\$12,641,099</b>	<b>\$12,716,099</b>	<b>\$0</b>	



**TOTAL FY 2025 EXPENSE BUDGET BY FUND  
VS. FY 2024 APPROVED BUDGET  
AS OF APRIL 25, 2024**

FUND	APPROVED FY 2024 BUDGET	REQUESTED FY 2025 BUDGET	DIFF. FY 2025 & FY 2024	% CHANGE
General	\$8,046,713	\$9,054,673	\$1,007,960	12.5%
Water/Sewer	\$2,674,255	\$2,969,881	\$295,626	11.1%
Storm Water	\$1,108,677	\$522,000	(\$586,677)	(52.9%)
Powell Bill	\$70,500	\$97,150	\$26,650	37.8%
Sewer Expansion Reserve	\$18,380	\$23,395	\$5,015	27.3%
Beach Protection	\$40,000	\$24,000	(\$16,000)	(40.0%)
Federal Asset Forfeiture	\$25,000	\$25,000	\$0	0.0%
<b>TOTAL - ALL FUNDS</b>	<b>\$11,983,525</b>	<b>\$12,716,099</b>	<b>\$732,574</b>	<b>6.1%</b>

## GENERAL FUND BUDGET BY DEPARTMENT FY 2025 VS. FY 2024

DEPARTMENT	DEPT. NO.	APPROVED FY 2024 BUD.	REQUESTED FY 2025 BUD.	DIFF. FY 2025 & FY 2024	% CHG.	SIGNIFICANT CHANGES FY 2025 VS. FY 2024
Streets & Sanitation	550	\$1,592,909	\$2,041,483	\$448,574	28.2%	<p><b><u>Increases:</u></b>            F/T Personnel-related Costs: \$45,752 / 7.0%            Capital Outlay–Equipment: \$223,000 / 826%            Capital Outlay–Improvements: \$175,000 / New            Minor Equipment: \$20,000 / 200%            OFP Maintenance: \$20,000 / 57%            Recycling: \$6,500 / 3%            Truck Maintenance: \$5,000 / 25%            Equipment Maintenance: \$2,000 / 17%            Uniforms: \$1,000 / 11%</p> <p><b><u>Decreases:</u></b>            Capital Outlay – Truck: \$50,000 / 100%</p> <p><b><u>Summary:</u></b>            Operating Costs: \$100,574 / 6.6%            Capital Outlay: \$348,000 / 452%</p>

## GENERAL FUND BUDGET BY DEPARTMENT FY 2025 VS. FY 2024

DEPARTMENT	DEPT. NO.	APPROVED FY 2024 BUD.	REQUESTED FY 2025 BUD.	DIFF. FY 2025 & FY 2024	% CHG.	SIGNIFICANT CHANGES FY 2025 VS. FY 2024
Police	510	\$2,058,222	\$2,231,966	\$173,744	8.4%	<p><b><u>Increases:</u></b>  F/T Personnel-related Costs: \$206,565 / 12.8%  Contracts: \$17,000 / 33%  Computer Software/Support: \$12,000 / 40%  Workers Comp. Insurance: \$6,174 / 33%  Building Maintenance: \$6,000 / 40%  Telephone/Postage: \$5,000 / 31%  Cell Phone Reimbursement: \$3,000 / 33%</p> <p><b><u>Decreases:</u></b>  P/T Personnel-related Costs: \$13,995 / 52%  Capital Outlay - Vehicles: \$40,000 / 36%  Minor Equipment: \$11,000 / 42%  Uniforms: \$5,000 / 25%  Gas/Oil/Tires: \$5,000 / 9%  Vehicle Maintenance: \$4,000 / 29%  Travel &amp; Training: \$3,000 / 15%</p> <p><b><u>Summary:</u></b>  Operating Costs: \$213,744 / 11.0%  Capital Outlay: (\$40,000) / (36.4%)</p>

## GENERAL FUND BUDGET BY DEPARTMENT FY 2025 VS. FY 2024

DEPARTMENT	DEPT. NO.	APPROVED FY 2024 BUD.	REQUESTED FY 2025 BUD.	DIFF. FY 2025 & FY 2024	% CHG.	SIGNIFICANT CHANGES FY 2025 VS. FY 2024
Fire Dept.	530	\$1,394,852	\$1,570,504	\$175,652	12.6%	<p><b><u>Increases:</u></b>  F/T Personnel-related Costs: \$90,975 / 9.1%  P/T Personnel-related Costs: \$4,427 / 6.7%  Drill Fee-related Costs: \$3,929 / 7.8%  Minor Equipment: \$100,000 / 267%  Building Maintenance: \$5,000 / 50%  Telephone: \$1,400 / 18%</p> <p><b><u>Decreases:</u></b>  Capital Outlay – Equipment: \$30,331 / 30%</p> <p><b><u>Summary:</u></b>  Operating Costs: \$205,983 / 15.9%  Capital Outlay: (\$30,331) / (30.3%)</p>
Lifeguards	531	\$510,620	\$637,810	\$127,190	24.9%	<p><b><u>Increases:</u></b>  F/T Personnel-related Costs: \$18,246 / 8.7%  Seasonal Personnel-related Costs: \$47,980 / 18.6%  Capital Outlay – Equipment/Vehicle: \$60,000 / 444%  Workers Comp. Insurance: \$964 / 14%</p> <p><b><u>Decreases:</u></b>  None</p> <p><b><u>Summary:</u></b>  Operating Costs: \$67,190 / 13.5%  Capital Outlay: \$60,000 / 444.4%</p>

## GENERAL FUND BUDGET BY DEPARTMENT FY 2025 VS. FY 2024

DEPARTMENT	DEPT. NO.	APPROVED FY 2024 BUD.	REQUESTED FY 2025 BUD.	DIFF. FY 2025 & FY 2024	% CHG.	SIGNIFICANT CHANGES FY 2025 VS. FY 2024
Bldg. Inspection	540	\$267,165	\$285,889	\$18,724	7.0%	<p><b>Increases:</b>  F/T Personnel-related Costs: \$18,158 / 8.9%  Computer Software/Support: \$1,500 / 25%</p> <p><b>Decreases:</b>  Vehicle Allowance: \$1,200 / 12%</p> <p><b>Summary:</b>  Operating Costs: \$18,724 / 7.0%</p>
Parks & Recreation	532	\$326,274	\$325,928	(\$346)	(0.1%)	<p><b>Increases:</b>  F/T Personnel-related Costs: \$14,963 / 7.3%  P/T Personnel-related Costs: \$1,722 / 15.4%  Other Town Events: \$2,000 / 20%  Children/Family Programs: \$1,000 / 11%</p> <p><b>Decreases:</b>  Professional/Consulting Fees: \$20,000 / 57%</p> <p><b>Summary:</b>  Operating Costs: (\$346) / (0.1%)</p>
Community Center	421	\$32,000	\$32,000	\$0	0%	<p><b>Increases:</b>  None</p> <p><b>Decreases:</b>  None</p> <p><b>Summary:</b>  Operating Costs: \$0 / 0%</p>

## GENERAL FUND BUDGET BY DEPARTMENT FY 2025 VS. FY 2024

	DEPT.	APPROVED	REQUESTED		DIFF. FY 2025	%	
DEPARTMENT	NO.	FY 2024 BUD.	FY 2025 BUD.		& FY 2024	CHG.	SIGNIFICANT CHANGES FY 2025 VS. FY 2024
Governing Body	410	\$75,161	\$93,461		\$18,300	24.3%	<u>Increases:</u> Contributions: \$18,300 / 53%  <u>Decreases:</u> None  <u>Summary:</u> Operating Costs: \$18,300 / 24.3%
Administration	420	\$456,474	\$484,248		\$27,774	6.1%	<u>Increases:</u> F/T Personnel-related Costs: \$14,525 / 8.1% P&L Insurance: \$7,450 / 10% Building Maintenance: \$2,500 / 10% Computer Service: \$2,194 / 5% Meetings/Events: \$1,000 / 18% Utilities: \$1,000 / 10% Supplies: \$1,000 / 7% Employee Recognition: \$500 / 9%  <u>Decreases:</u> Retiree Medical: \$2,795 / 11%  <u>Summary:</u> Operating Costs: \$27,774 / 6.1%
Emergency Management	446	\$2,500	\$2,500		\$0	0%	

## GENERAL FUND BUDGET BY DEPARTMENT FY 2025 VS. FY 2024

DEPARTMENT	DEPT. NO.	APPROVED FY 2024 BUD.	REQUESTED FY 2025 BUD.	DIFF. FY 2025 & FY 2024	% CHG.	SIGNIFICANT CHANGES FY 2025 VS. FY 2024
Legal	470	\$86,300	\$90,400	\$4,100	4.8%	<p><b><u>Increases:</u></b> Legal Service – Town Attorney: <b>\$4,000 / 6.7%</b></p> <p><b><u>Decreases:</u></b> None</p> <p><b><u>Summary:</u></b> Operating Costs: <b>\$4,100 / 4.8%</b></p>
Elections	430	\$4,250	\$0	(\$4,250)	(100%)	No local election in FY 2025.
Committees	412	\$19,225	\$20,425	\$1,200	6.2%	<p><b><u>Shoreline Access &amp; Beach Protection (\$10,425):</u></b> Replace lost/damaged signs - \$5,250 SLABP Brochure - \$1,250 Sea Oats (3,000 @ \$0.65) - \$1,950 Education Giveaway Items - \$1,975</p> <p><b><u>Bike/Ped (\$10,000):</u></b> Education for Members - \$2,000 Public Education Information - \$5,000 Traffic Garden- \$1,000 Spot Lane Connector Beautification - \$2,000</p> <p><b><u>Summary:</u></b> Operating Costs: <b>\$1,200 / 6.2%</b></p>

## GENERAL FUND BUDGET BY DEPARTMENT FY 2025 VS. FY 2024

	DEPT.	APPROVED	REQUESTED	DIFF. FY 2025	%	
DEPARTMENT	NO.	FY 2024 BUD.	FY 2025 BUD.	& FY 2024	CHG.	SIGNIFICANT CHANGES FY 2025 VS. FY 2024
Finance	415	\$266,186	\$282,009	\$15,823	5.9%	<p><b><i>Increases:</i></b>  F/T Personnel-related Costs: \$10,920 / 7.2%  Bank/Payroll/Credit Card Fees: \$7,500 / 34%</p> <p><b><i>Decreases:</i></b>  Postage: \$3,400 / 69%</p> <p><b><i>Summary:</i></b>  Operating Costs: \$15,823 / 5.9%</p>
Tax Collection	460	\$32,600	\$34,600	\$2,000	6.1%	Increase in tax rate increases collection expenses.
Paid Parking Program	570	\$200,000	\$220,200	\$20,200	10.1%	Increase based on budget and forecast provided by Premium Parking.
Debt Service	560	\$721,975	\$701,250	(\$20,725)	(2.9%)	Pay down of existing loans.
<b>TOTAL GENERAL FUND</b>		<b>\$8,046,713</b>	<b>\$9,054,673</b>	<b>\$1,007,960</b>	<b>12.5%</b>	



## WATER/SEWER FUND BUDGET BY DEPARTMENT FY 2025 VS. FY 2024

	DEPT.	APPROVED	REQUESTED	DIFF. FY 2025	%	
DEPARTMENT	NO.	FY 2024 BUD.	FY 2025 BUD.	& FY 2024	CHG.	SIGNIFICANT CHANGES FY 2025 VS. FY 2024
W/S Operations	810	\$2,071,430	\$2,324,665	\$253,235	12.2%	<p><b><u>Increases:</u></b>  F/T Personnel-related Costs: \$36,470 / 7.1%  Engineering Fees: \$150,000 / 1500%  Capital Outlay - Equipment: \$60,000 / New  Equipment Maintenance: \$13,000 / 108%  Water Testing Services: \$6,000 / 33%  Maintenance of System: \$5,000 / 4%  Supplies &amp; Materials: \$4,778 / 4%  Capital Outlay - Improvements: \$2,000 / 1%  Uniforms: \$1,500 / 15%</p> <p><b><u>Decreases:</u></b>  Debt Service: \$23,580 / 7%  Workers Comp. Insurance: \$1,933 / 22%</p> <p><b><u>Summary:</u></b>  Operating Costs: \$214,815 / 16.2%  Capital Outlay: \$62,000 / 15.6%</p>

## WATER/SEWER FUND BUDGET BY DEPARTMENT FY 2025 VS. FY 2024

DEPARTMENT	DEPT. NO.	APPROVED FY 2024 BUD.	REQUESTED FY 2025 BUD.	DIFF. FY 2025 & FY 2024	% CHG.	SIGNIFICANT CHANGES FY 2025 VS. FY 2024
Administration	720	\$306,667	\$324,666	\$17,999	5.9%	<p><b><u>Increases:</u></b>            F/T Personnel-related Costs: \$9,683 / 8.1%            P&amp;L Insurance: \$7,450 / 10%            Building Maintenance: \$1,750 / 10%            Computer Service: \$1,463 / 5%            Utilities: \$1,000 / 15%            Supplies: \$1,000 / 11%            Employee Recognition: \$600 / 18%</p> <p><b><u>Decreases:</u></b>            Retiree Medical: \$5,414 / 54%</p> <p><b><u>Summary:</u></b>            Operating Costs: \$17,999 / 5.9%</p>
Governing Body	710	\$19,056	\$19,056	\$0	0%	<p><b><u>Increases:</u></b>            None</p> <p><b><u>Decreases:</u></b>            None</p>

## WATER/SEWER FUND BUDGET BY DEPARTMENT FY 2025 VS. FY 2024

	DEPT.	APPROVED	REQUESTED	DIFF. FY 2025	%	
DEPARTMENT	NO.	FY 2024 BUD.	FY 2025 BUD.	& FY 2024	CHG.	SIGNIFICANT CHANGES FY 2025 VS. FY 2024
Legal	770	\$17,700	\$18,600	\$900	5.1%	<p><b><u>Increases:</u></b> Legal Service – Town Attorney : \$1,000 / 6%</p> <p><b><u>Decreases:</u></b> None</p> <p><b><u>Summary:</u></b> Operating Costs: \$900 / 5.1%</p>
Finance	715	\$259,402	\$282,894	\$23,492	9.1%	<p><b><u>Increases:</u></b> F/T Personnel-related Costs: \$13,345 / 7.2% Bank/Payroll/Credit Card Fees: \$7,300 / 59% Postage: \$2,500 / 19%</p> <p><b><u>Decreases:</u></b> None</p> <p><b><u>Summary:</u></b> Operating Costs: \$23,492 / 9.1%</p>
<b>TOTAL WATER/ SEWER FUND</b>		<b>\$2,674,255</b>	<b>\$2,969,881</b>	<b>\$295,626</b>	<b>11.1%</b>	

## STORM WATER FUND BUDGET BY EXPENSE TYPE FY 2025 VS. FY 2024

	DEPT.	APPROVED	REQUESTED	DIFF. FY 2025	%	
DEPARTMENT	NO.	FY 2024 BUD.	FY 2025 BUD.	& FY 2024	CHG.	SIGNIFICANT CHANGES FY 2025 VS. FY 2024
SW Operations	610	\$343,282	<b>\$324,000</b>	(\$19,282)	(5.6%)	<p><b><i>Increases:</i></b>  F/T Personnel-related Costs: <b>\$9,737 / 7.5%</b>  Dues &amp; Permit Fees: <b>\$2,140 / 249%</b></p> <p><b><i>Decreases:</i></b>  System Maintenance: <b>\$30,803 / 31%</b>  Workers Comp. Insurance: <b>\$756 / 25%</b></p>
Debt Service	610	\$65,395	<b>\$48,000</b>	(\$17,395)	(26.6%)	Pay down of existing loans.
Capital Outlay	610	\$700,000	<b>\$150,000</b>	(\$550,000)	(78.6%)	<p><b><i>Increases:</i></b>  None</p> <p><b><i>Decreases:</i></b>  Capital Outlay - Improvements: <b>\$550,000 / 79%</b></p>
<b>TOTAL STORM WATER FUND</b>		<b>\$1,108,677</b>	<b>\$522,000</b>	<b>(\$586,677)</b>	<b>(52.9%)</b>	

## GENERAL FUND REVENUE BUDGET FY 2025 VS. FY 2024

	APPROVED	FY 2025	DIFF. FY 2025 &	%	
REVENUE TYPE	FY 2024 BUD.	BUDGET	FY 2024	CHG.	SIGNIFICANT CHANGES FY 2025 VS. FY 2024
Property Taxes	\$3,408,100	<b>\$3,768,000</b>	\$359,900	10.6%	Assumes a 2.42 cents tax rate increase (9.1%) (new tax rate of \$0.29) and estimated tax base provided by NHC Tax Dept.
Sales Tax	\$1,699,000	<b>\$1,696,000</b>	(\$3,000)	(0.2%)	Based on forecasts of state-wide sales tax proceeds.
Parking Program Revenue	\$742,000	<b>\$820,000</b>	\$78,000	10.5%	Based on historical parking revenue and forecasts for FY 2024.
TDA	\$612,620	<b>\$777,585</b>	\$164,965	26.9%	FY 2025 budget is for lifeguards (\$637,810), OFP & JEP maintenance (\$62,775), OFP entertainment (\$37,000), Pleasure Island Chamber request (\$30,000) & Aquarium request (\$10,000).
Garbage & Recycle Fees	\$568,700	<b>\$651,650</b>	\$82,950	3.3%	25% increase in garbage collection fees. Also, 5.3% increase in recycling rates due to estimated increase in cost of service.
Franchise & Utility Taxes	\$251,000	<b>\$264,500</b>	\$13,500	5.4%	Estimated increase in electricity sales tax.
Interest/Investment Earnings	\$86,000	<b>\$175,000</b>	\$89,000	103.5%	Increased investment in the North Carolina Capital Management Trust.

## GENERAL FUND REVENUE BUDGET FY 2025 VS. FY 2024

	APPROVED	FY 2025	DIFF. FY 2025 &	%	
REVENUE TYPE	FY 2024 BUD.	BUDGET	FY 2024	CHG.	SIGNIFICANT CHANGES FY 2025 VS. FY 2024
Building Permits, CAMA, Impact Fees, Fire Inspections	\$109,720	<b>\$109,470</b>	(\$250)	(0.2%)	FY 2025 based on FY 2024 forecast and expected level of construction activity.
Communication Tower Rent	\$83,419	<b>\$91,097</b>	\$7,678	9.2%	FY 2025 includes annual increase for existing leases.
Sales Tax Refund	\$50,500	<b>\$57,000</b>	\$6,500	12.9%	Estimated sales tax refund based on sales tax paid in prior fiscal year.
Community Center/ Parks & Rec/ Street Festival/Bluefish	\$34,400	<b>\$36,000</b>	\$1,600	4.7%	Increase in expected program rental fees and market fees.
ABC Revenue	\$22,670	<b>\$23,300</b>	\$630	2.8%	FY 2025 based on FY 2024 revenue forecast.
Town Facility Rentals	\$18,000	<b>\$19,000</b>	\$1,000	5.6%	Increase in facility rentals expected.
Motor Vehicle License Tax	\$10,500	<b>\$10,500</b>	\$0	0.0%	

## GENERAL FUND REVENUE BUDGET FY 2025 VS. FY 2024

REVENUE TYPE	APPROVED FY 2024 BUD.	FY 2025 BUDGET	DIFF. FY 2025 & FY 2024	% CHG.	SIGNIFICANT CHANGES FY 2025 VS. FY 2024
Beer & Wine Tax	\$9,600	\$10,000	\$400	4.2%	
Parking Fines/ Civil Citations/ Court Fees	\$1,750	\$1,750	\$0	0.0%	
All Other Revenue	\$8,105	\$5,850	(\$2,255)	(27.8%)	Largest components are Surplus Property sales (\$3,500), Special Events (\$500) and Re-entry Decal sales (\$800).
Appropriation of Fund Balance	\$170,629	\$157,971	(\$12,658)	(7.4%)	
Other Financing Sources	\$160,000	\$380,000	\$220,000	137.5%	Proposed financing for Police vehicle (\$70,000), Garbage truck (\$250,000) and Ocean Rescue truck (\$60,000).
<b>TOTAL GENERAL FUND</b>	<b>\$8,046,713</b>	<b>\$9,054,673</b>	<b>\$1,007,960</b>	<b>12.5%</b>	

## WATER/SEWER FUND REVENUE BUDGET FY 2025 VS. FY 2024

	APPROVED	FY 2025		DIFF. FY 2025	%	
REVENUE TYPE	FY 2024 BUD.	BUDGET		& FY 2024	CHANGE	SIGNIFICANT CHANGES FY 2025 VS. FY 2024
Water Charges	\$1,030,000	\$1,065,121		\$35,121	3.4%	FY 2025 includes a 10% increase to usage-based rate tiers.
Sewer Charges	\$1,534,700	\$1,568,400		\$33,700	2.2%	FY 2025 includes a 10% increase to usage-based rate tiers.
Water & Sewer Tap Fees	\$45,000	\$51,000		\$6,000	13.3%	Based on estimated building activity.
Cutoff & Reconnection Fees	\$1,500	\$6,000		\$4,500	300%	Increase based on change in cutoff process with new accounting software.
Account Past Due Charges	\$7,270	\$20,000		\$12,730	175%	Increase based on change in late fee process with new accounting software.
New Account Setup Fees	\$5,500	\$4,000		(\$1,500)	(27.3%)	FY 2025 budget based on FY 2024 forecast.



## WATER/SEWER FUND REVENUE BUDGET FY 2025 VS. FY 2024

	APPROVED	FY 2025		DIFF. FY 2025	%	
REVENUE TYPE	FY 2024 BUD.	BUDGET		& FY 2024	CHANGE	SIGNIFICANT CHANGES FY 2025 VS. FY 2024
Interest/Investment Earnings	\$50,000	\$105,000		\$55,000	110%	Increased investment in the North Carolina Capital Management Trust.
AIA Grants – Water & Sewer Systems	\$0	\$150,000		\$150,000		Remaining grant revenue for water & sewer systems inventory & assessment
Other Revenue/ Fees	\$285	\$360		\$75	26.3%	
<b>TOTAL WATER/SEWER FUND</b>	<b>\$2,674,255</b>	<b>\$2,969,881</b>		<b>\$295,626</b>	<b>11.1%</b>	

## STORM WATER FUND REVENUE BUDGET FY 2025 VS. FY 2024

	APPROVED	FY 2025	DIFF. FY 2025	%	
REVENUE TYPE	FY 2024 BUD.	BUDGET	& FY 2024	CHANGE	SIGNIFICANT CHANGES FY 2025 VS. FY 2024
Storm Water Charges	\$419,775	\$422,000	\$2,225	0.5%	Increase in number of accounts.
Storm Water Building Fees	\$60,000	\$68,000	\$8,000	13.3%	FY 2025 based on FY 2024 forecast and estimated level of construction activity.
Interest/Investment Earnings	\$14,500	\$32,000	\$17,500	120.7%	Increased investment in the North Carolina Capital Management Trust.
Appropriation of Fund Balance	\$614,402	\$0	(\$614,402)	(100%)	
<b>TOTAL STORM WATER FUND</b>	<b>\$1,108,677</b>	<b>\$522,000</b>	<b>(\$586,677)</b>	<b>(52.9%)</b>	

# REQUESTS RECEIVED FROM OUTSIDE ORGANIZATIONS

ORGANIZATION	REQUEST REC'D FY 2025	REQUEST REC'D FY 2024	ACTUAL FY 2024	ACTUAL FY 2023	ACTUAL FY 2022	ACTUAL FY 2021
Pleasure Island Chamber of Commerce	\$30,000	\$30,000	\$25,000	\$19,380	\$12,800	\$6,535
Federal Point Historic Preservation Society	\$5,000	\$5,000	\$5,000	\$2,000	\$1,500	\$1,500
Island of Lights (1)	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Friends of Fort Fisher, Inc.	\$0	\$0	\$0	\$0	\$1,500	\$1,500
Federal Point Help Center	\$1,800	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Katie B. Hines Senior Center (2)	\$5,000	\$2,000	\$2,000	\$2,000	\$0	\$0
North Carolina Aquarium Society (3)	\$10,000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL GOVERNING BODY BUDGET</b>	<b>\$53,000</b>	<b>\$39,700</b>	<b>\$34,700</b>	<b>\$26,080</b>	<b>\$18,500</b>	<b>\$12,235</b>
Pleasure Island Sea Turtle Project (4)	\$5,400	\$5,400	\$5,400	\$4,800	\$4,800	\$5,400
<b>GRAND TOTAL</b>	<b>\$58,400</b>	<b>\$45,100</b>	<b>\$40,100</b>	<b>\$30,880</b>	<b>\$23,300</b>	<b>\$17,635</b>
<b>NOTES:</b>						

(1) - Island of Lights request for FY 2025 (and FY 2021 - 2024) also includes \$900 of in-kind.

(2) - No request received for FY 2021 to 2022.

(3) - No requests received prior to FY 2025.

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

# FY 2025 BUDGET

## POTENTIAL RATE/FEE INCREASES

### 1. General Fund

- a. Property Taxes
- b. Garbage Collection Fees

### 2. Water & Sewer Fund

- a. Water Rates
- b. Sewer Rates

# GENERAL FUND

## POTENTIAL RATE/FEE CHANGES

### 1. Property Taxes

- Increase the current tax rate of 26.58 cents per \$100 of value by an amount to be determined by Town Council
- Current estimate of property tax increase, assuming no reductions to the expense budget and not implementing any other fee or rate increases:
  - Increase of 4.1 cents (15.43%) generating approximately \$531,000 of annual revenue

**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	4.10 Cents
Percentage Increase In Tax Rate	1.88%	3.76%	5.64%	7.52%	9.41%	11.29%	13.17%	15.43%
Tax Levy Related To Tax Rate Increase	\$65,391	\$130,783	\$196,174	\$261,565	\$326,956	\$392,348	\$457,739	\$536,208
<b>Net Increase To Town Revenue</b>	<b>\$64,737</b>	<b>\$129,475</b>	<b>\$94,212</b>	<b>\$258,949</b>	<b>\$323,687</b>	<b>\$388,424</b>	<b>\$453,161</b>	<b>\$530,846</b>
Tax Rate After Increase (\$0.2658 + increase)	\$0.2708	\$0.2758	\$0.2808	\$0.2858	\$0.2908	\$0.2958	\$0.3008	\$0.3068
Impact on Household With Home Valued at \$500,000:								
Annual Increase	\$25	\$50	\$75	\$100	\$125	\$150	\$175	\$205
Monthly Increase	\$2.08	\$4.17	\$6.25	\$8.33	\$10.42	\$12.50	\$14.58	\$17.08
Total Annual Tax	\$1,354	\$1,379	\$1,404	\$1,429	\$1,454	\$1,479	\$1,504	\$1,534

**ASSUMPTIONS:**

- (1) - Starting point is current tax rate of **\$0.2658** per \$100 of valuation.
- (2) - Estimated tax base from NHC Tax Department as of 4/16/24 was: **\$1,307,825,000** (includes \$36,840,000 for motor vehicles)
- (3) - Estimated property tax collection rate is: **99%**

# GENERAL FUND

## POTENTIAL RATE/FEE INCREASES

### 2. 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 14.3% rate increase)	% INCREASE	RATE/FEE AFTER INC.	ADDITIONAL COST PER MONTH & YEAR PER CART	EST. INCREASE IN ANNUAL REVENUE (with 25% rate increase)
Residential - 1st Cart	\$7.00	14.3%	\$8.00	\$1.00 / \$12.00	\$27,100	25%	\$8.75	\$1.75 / \$21.00	\$47,450
Residential - Extra Carts	\$14.00	14.3%	\$16.00	\$2.00 / \$24.00	\$5,400	25%	\$17.50	\$3.50 / \$42.00	\$9,450
					\$32,500				\$56,900
Commercial	\$30.63	14.3%	\$35.01	\$4.38 / \$52.56	\$4,300	25%	\$38.29	\$7.66 / \$91.92	\$7,500
<b>TOTAL</b>					\$36,800				\$64,400

# 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	\$102,370	\$3,250	\$385	<b>\$106,005</b>
2	20% monthly minimum increase	\$204,730	\$6,490	\$770	<b>\$211,990</b>
3	10% rate tier increase	\$90,000	\$20,000	\$23,550	<b>\$133,550</b>
4	20% rate tier increase	\$179,250	\$40,200	\$47,100	<b>\$266,550</b>
5	10% total rate increase (minimum rate & tiers)	\$192,370	\$23,250	\$23,935	<b>\$239,555</b>
6	20% total rate increase (minimum rate & tiers)	\$338,980	\$46,690	\$47,870	<b>\$478,540</b>



# TOWN COUNCIL GOALS

## FY 2024

- 1. Work smarter to maintain and improve our quality of life in Kure Beach**
  - a. Secure CAMA approval of the Land Use Plan and Survey
  - b. Work on Department of Defense Land Use Plan to retain assets
  - c. Implement the Bike/Ped Committee solutions
  
- 2. Ensure the integrity of Town financial data and maintain financial stability in all Town funds**
  - a. Be fiscally responsible
  - b. Review ordinance for enforcement process
  - c. Maintain tax and water/sewer rates

# TOWN COUNCIL GOALS

## FY 2024

- 3. Enable an optimum working environment for staff to produce high levels of service to the Town**
  - a. Ensure policies are fair (morale)
  - b. Public Works space (physical)
  - c. Enhance procedures to retain and attract Town personnel
  - d. Complete and execute the Salary Plan
  
- 4. Provide all departments with the support to maintain a safe working and living environment**
  - a. Support camera program
  - b. Use technology to multiply abilities
  - c. Continue to improve employee safety plan
  - d. Support K9 program
  - e. Provide necessary tools for safe environment

# PROPOSED TOWN COUNCIL GOALS

## FY 2025

### 1. **Work smarter to maintain and improve our quality of life in Kure Beach**

- a. Implementation of approved CAMA Land Use Plan
- b. Continue to work with Department of Defense Land Use Plan (MOTSU) to retain current town owned assets
- c. Implement the Bike/Ped Master Plan
- d. Implementation of approved Beach Management Plan
- e. Continue to work with leaders of the General Assembly to address the needs of the Town

### 2. **Ensure the integrity of Town financial data and maintain financial stability in all Town funds**

- a. Be fiscally responsible
- b. Set tax and water/sewer rates that support the expected level of service by the Citizens of the Town

## PROPOSED TOWN COUNCIL GOALS FY 2025

- 3. Enable an optimum working environment for staff to produce high levels of service to the Town**
  - a. Ensure Town policies are fair (morale)
  - b. Enhance procedures to retain and attract Town personnel
  - c. Update and adjust the Salary Plan as needed to keep employees fairly compensated
  
- 4. Provide all departments with the support to maintain a safe working and living environment**
  - a. Support camera program
  - b. Use technology to support Town functions
  - c. Continue to improve employee safety plan
  - d. Support K9 program
  - e. Provide necessary tools for safe working environment