



# TOWN COUNCIL MINUTES

**BUDGET WORKSHOP #2  
TOWN HALL**

**Friday, April 8, 2022 @ 9:00 am**

The Kure Beach Town Council held budget workshop # 2 for the proposed FY22-23 budget on Friday, April 8, 2022.

## COUNCIL MEMBERS PRESENT

Mayor Craig Bloszinsky  
Mayor Pro Tem (MPT) David Heglar  
Commissioner Allen Oliver  
Commissioner John Ellen

## COUNCIL MEMBER NOT PRESENT

Dennis Panicali

## STAFF PRESENT

Finance Officer (FO) – Arlen Copenhaver  
Town Clerk – Mandy Sanders  
Deputy Town Clerk – Beth Chase  
Police Chief – Mike Bowden  
Fire Chief – Ed Kennedy  
Building Inspector - John Batson  
Public Works Director – Jimmy Mesimer  
Recreation Director – Nikki Keely

## CALL TO ORDER

Mayor Bloszinsky called the meeting to order at 9:00 a.m.

**MOTION-** Commissioner Ellen made a motion to excuse Commissioner Panicali from the meeting

**SECOND-** MPT Oliver

**VOTE-** Unanimous

**MOTION-** Commissioner Heglar made a motion to add a closed session to the agenda for Attorney Client Privilege

**SECOND-** MPT Oliver

**VOTE-** Unanimous

## PRESENTATION OF REVISED DRAFT OF FY20-21 BUDGET

Finance Officer Copenhaver presented assumptions and revisions to the draft FY22-23 budget from the first budget workshop. Said presentation is herein incorporated as part of these minutes.

1. No changes in services provided or level of services provided
2. No change to the current tax rate of \$0.2658



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3. No change to General Fund fees, except for monthly recycle fee to match Waste Management price increase
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. No changes to full-time headcount
8. Modification of the expense allocation percentages for Governing Body, Administration and Finance between the General Fund and Water/Sewer Fund
9. Employee Compensation
  - COLA: 5.9%
  - Merit: 1.1%

Assumptions and revisions General Fund:

**General Fund:**

Expenditure increases:

Administration Professional Fees increased \$5,000

Police Department Building Maintenance increased \$14,000

Expenditure decreases:

Governing Body for Organization Contributions decreased \$3,000

Revenue Changes:

TDA Revenue increased \$19,380 for the Chamber of Commerce Concerts

Current Year Motor Vehicle Taxes decreased \$3,000

General Fund is currently over **\$38,958**

**Water/Sewer Fund:**

Net Change in Expenditures \$0

Water/Sewer Fund is currently over **\$85,940**

**Stormwater Fund:**

Shortage on 3/28/22 (Workshop 1) was \$61,863

Storm Water Operations increased \$40,000 for a stormwater Audit \$40,000

Revenue Changes: \$0

Storm Water Fund is currently short **\$101,863**



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## **Options to balance the Storm Water Fund:**

1. Appropriation of fund balance
  - Fund balance at 6/30/2021 was \$440,342
  - Current fund balance is approximately \$549,500
2. Expense reductions
3. Additional increase in storm water fees
  - Monthly storm water fee was increased by 14.8% in FY 2021 and by 50% in FY 2022

CONSENSUS – Town Council agreed to balance the Storm Water Fund with the Appropriation of Fund Balance.

## **Town Council Compensation:**

Commissioner Heglar commented all the Towns listed on the comparison slide in the presentation have a Town Manager. The Town Council last year raised the Council pay \$50 per month. This is not supposed to be a full-time job and he likes the way it operates but a change is necessary due to the hours that is required. He believes the Town Council does need to raise it again and recommends raising \$100 a month. This would give a 40% increase to Commissioners.

MPT Oliver commented how is the Town going to better recruit residents to run in the elections.

Mayor Bloszinsky commented the \$100 should be split \$50 in salary and \$50 in allowances. The Town did have 3 excellent candidates in the vacancy position.

MOTION- Commissioner Heglar made a motion to increase Town Council compensation with \$50.00 in salary and \$50.00 in allowances for expenditures

SECOND- MPT Oliver

VOTE- Unanimous

## **Public Works Department:**

Commissioner Heglar commented:

- He met with the Public Works Director Mesimer, Town Clerk Sanders, MPT Oliver, and Personnel & Facilities Manager Bailey to discuss the challenges the Public Works Department is having regarding staffing and hiring



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- MPT Oliver brought up a great point so the first recommendation is the Town Council add one Public Works position to this budget
- During the discussion Town Clerk Sanders mentioned she has a position in her budget that has not been filled in 3 years and after reviewing could give this position to the Public Works Department and reevaluate in the future if needed
- Public Works Director Mesimer has a few interviews this week so during the discussion MPT Oliver suggested Town Council give him approval to over hire and bring a Budget Amendment if both candidates are good to hire
- The last item to discuss is in the Capital Plan there is the purchase of a side pickup trash truck which helps with staffing issues
- Based on the market it will take about 18 months to receive the truck so would like it included in the Capital plan to purchase the truck to be able to receive the truck in the Summer of 2023 at the cost of around \$350,000

**CONSENSUS-** Town Council agreed to approve Public Works Director Mesimer to over hire and bring a Budget Amendment if both candidates are acceptable during his interviews this week

**MOTION-** Commissioner Heglar made a motion to include the purchase of a new side pickup trash truck for this coming budget year

**SECOND-** MPT Oliver

**VOTE-** Unanimous

## **American Rescue Funds:**

Commissioner Heglar stated at the last budget workshop Finance Officer Copenhaver requested a timeline and cost of Public Works projects to use the funds. Public Works Mesimer and himself reviewed the potential projects and came up with the following list:

## **Potential Projects:**

- Lift Station Control Panels Rehab - \$65,000
- Lagoon Sludge Removal - \$200,000
- Lagoon Baffle Replacement - \$40,000
- Water Tower Aeration – Amount TBD
- Well House Rehab - \$80,000
- Sewer Main Rehab - \$100/linear foot
- Replace Water Lines that are in Back Yards - \$40/ linear foot, not including service connection
- Valve Replacement in Town – Amount TBD
- Public Works Building – Amount TBD



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TOWN HALL**

**Friday, April 8, 2022 @ 9:00 am**

**MOTION-** Mayor Bloszinsky made a motion to use the General Fund balance to make up any differences in the budget as there will be no tax increase this fiscal year

**SECOND-** Commissioner Heglar

**VOTE-** Unanimous

**Fire Department:**

Fire Chief Kennedy commented Town Council requested an update regarding Lifeguard compensation. Fort Fisher is increasing to \$15 an hour, Carolina Beach is increasing to \$15 starting July 1<sup>st</sup>, Wrightsville Beach is also requesting \$15 in this coming fiscal year. The Town is currently at \$13 an hour for lifeguards with 14 returning lifeguards signed up this year. His largest concern is lifeguards leaving and his personal recommendation is to increase the pay to \$15 an hour starting July 1, 2022.

**MOTION-** Commissioner Heglar made a motion to raise lifeguard pay to \$15 starting July 1, 2022

**SECOND-** Mayor Bloszinsky

**VOTE-** Unanimous

**Schedule FY 22-23 Budget Hearing**

**MOTION-** Commissioner Heglar made a motion to schedule the Budget Hearing to Monday, June 6, 2022 at 5:00 p.m.

**SECOND-** MPT Oliver

**VOTE-** Unanimous

**MOTION -** Commissioner Ellen made a motion to go into Closed Session for Attorney Client Privilege G.S. 143-318.11(a)(3) at 10:08 a.m.

**SECOND –** MPT Oliver

**VOTE –** Unanimous

**MOTION –** MPT Oliver made a motion to return to open session

**SECOND –** Commissioner Heglar

**VOTE –** Unanimous

**MOTION -** Commissioner Ellen motioned to adjourn the budget workshop at 11:03 a.m.

**SECOND –** MPT Oliver

**VOTE –** Unanimous

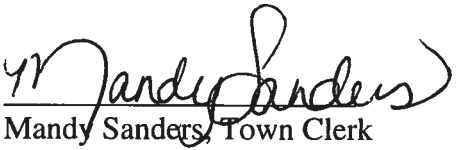


# TOWN COUNCIL MINUTES

**BUDGET WORKSHOP #2  
TOWN HALL**

**Friday, April 8, 2022 @ 9:00 am**

  
Craig Bloszinsky, Mayor

ATTEST:   
Mandy Sanders, Town Clerk

*NOTE: These are action minutes reflecting items considered and actions taken by Council. These minutes are not a transcript of the meeting. An audio recording of the meeting is available on the town's website at [www.townofkurebeach.org](http://www.townofkurebeach.org), under government/kurebeachcouncil.*

# TOWN OF KURE BEACH FY 22-23 BUDGET WORK SESSION #2



APRIL 8, 2022

# **TOWN COUNCIL GOALS**

## **FY 2023**

- 1. Work smarter to maintain and improve our quality of life in Kure Beach**
  - a. Adoption of the Land Use Plan and Survey
  - b. Work on Department of Defense Land Use Plan to retain assets
  - c. Implement Bike/Ped 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 2023**

### **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)

### **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

# INITIAL FY 2023 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, except for monthly recycle fee to match Waste Management price increase
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. No changes to full-time headcount
8. Modification of the expense allocation percentages for Governing Body, Administration and Finance between the General Fund and Water/Sewer Fund
9. Employee Compensation
  - COLA: 5.9%
  - Merit: 1.1%

**FY 2022/2023 BUDGET SUMMARY  
AS OF MARCH 28, 2022**

<b>FUND</b>	<b>FY 2023 REVENUE BUDGET</b>	<b>FY 2023 EXPENSE BUDGET</b>	<b>OVER/(SHORT)</b>	<b>COMMENTS</b>
General Fund	\$7,811,355	\$7,778,777	\$32,578	Does not include a transfer to the Beach Protection Fund or Contingency
Water/Sewer Fund	\$2,406,045	\$2,320,105	\$85,940	
Storm Water Fund	\$475,070	\$536,933	(\$61,863)	
Powell Bill Fund	\$70,035	\$70,035	\$0	
SERF Fund	\$8,940	\$8,940	\$0	
Beach Protection Fund	\$135	\$135	\$0	Does not include a transfer from the General Fund
Asset Forfeiture Fund	\$25,000	\$25,000	\$0	
<b>TOTAL</b>	<b>\$10,796,580</b>	<b>\$10,739,925</b>	<b>\$56,655</b>	

**GENERAL FUND  
BUDGET CHANGES DURING AND AFTER 3/28/22 WORKSHOP**

<b>OVERAGE ON 3/28/22 (WORKSHOP 1)</b>		<b>\$32,578</b>
<b><u>EXPENDITURE CHANGES - Inc/(Dec):</u></b>		
Governing Body – Organization Contributions	(\$3,000)	
Administration – Professional Fees	\$5,000	
Police Dept. – Building Maintenance	<u>\$14,000</u>	
Net Change in Expenditures		\$16,000
<b><u>REVENUE CHANGES - (Inc)/Dec:</u></b>		
TDA Revenue	(\$19,380)	
Current Year Motor Vehicle Taxes	(\$3,000)	
Net Change in Revenue		<u>(\$22,380)</u>
<b>OVERAGE ON 4/8/22 (WORKSHOP 2)</b>		<b><u>\$38,958</u></b>

**WATER/SEWER FUND  
BUDGET CHANGES DURING AND AFTER 3/28/22 WORKSHOP**

<b>OVERAGE ON 3/28/22 (WORKSHOP 1)</b>		<b>\$85,940</b>
<b><u>EXPENDITURE CHANGES - Inc/(Dec):</u></b>		
Net Change in Expenditures		\$0
<b><u>REVENUE CHANGES - (Inc)/Dec:</u></b>		
Net Change in Revenue		<u>\$0</u>
<b>OVERAGE ON 4/8/22 (WORKSHOP 2)</b>		<b><u>\$85,940</u></b>

**STORM WATER FUND  
BUDGET CHANGES DURING AND AFTER 3/28/22 WORKSHOP**

<b>SHORTAGE ON 3/28/22 (WORKSHOP 1)</b>		<b>\$61,863</b>
<b><u>EXPENDITURE CHANGES - Inc/(Dec):</u></b>		
Storm Water Operations – SW Audit	\$40,000	
Net Change in Expenditures		\$40,000
<b><u>REVENUE CHANGES - (Inc)/Dec:</u></b>		
Net Change in Revenue		<u>\$0</u>
<b>SHORTAGE ON 4/8/22 (WORKSHOP 2)</b>		<b><u>\$101,863</u></b>

**FY 2022/2023 BUDGET SUMMARY  
AS OF APRIL 8, 2022**

<b>FUND</b>	<b>FY 2023 REVENUE BUDGET</b>	<b>FY 2023 EXPENSE BUDGET</b>	<b>OVER/(SHORT)</b>	<b>COMMENTS</b>
General Fund	\$7,833,735	\$7,794,777	\$38,958	Does not include a transfer to the Beach Protection Fund or Contingency
Water/Sewer Fund	\$2,406,045	\$2,320,105	\$85,940	
Storm Water Fund	\$475,070	\$576,933	(\$101,863)	
Powell Bill Fund	\$70,035	\$70,035	\$0	
SERF Fund	\$8,940	\$8,940	\$0	
Beach Protection Fund	\$135	\$135	\$0	Does not include a transfer from the General Fund
Asset Forfeiture Fund	\$25,000	\$25,000	\$0	
<b>TOTAL</b>	<b>\$10,818,960</b>	<b>\$10,795,925</b>	<b>\$23,035</b>	

**FY 2023 BUDGET  
OPTIONS TO BALANCE  
STORM WATER FUND**

**SHORTAGE OF \$101,863 AS OF 4/8/2022**

1. Appropriation of fund balance
  - Fund balance at 6/30/2021 was \$440,342
  - Current fund balance is approximately \$549,500
2. Expense reductions
3. Additional increase in storm water fees
  - Monthly storm water fee was increased by 14.8% in FY 2021 and by 50% in FY 2022



**TOTAL FY 2023 EXPENSE BUDGET BY FUND  
VS. FY 2022 APPROVED BUDGET  
AS OF APRIL 8, 2022**

<b>FUND</b>	<b>2022 ORIGINAL BUDGET</b>	<b>2022 AMENDED BUDGET</b>	<b>REQUESTED 2023 BUDGET</b>	<b>DIFF. 2023 &amp; ORIG. 2022</b>	<b>% CHANGE</b>	<b>DIFF. 2023 &amp; AMENDED 2022</b>	<b>% CHANGE</b>
General	\$6,678,496	\$6,821,595	<b>\$7,794,777</b>	\$1,116,281	16.7%	\$973,182	14.3%
Water/Sewer	\$2,804,933	\$2,804,933	<b>\$2,320,105</b>	(\$484,828)	(17.3%)	(\$484,828)	(17.3%)
Storm Water	\$700,457	\$700,457	<b>\$576,933</b>	(\$123,524)	(17.6%)	(\$123,524)	(17.6%)
Powell Bill	\$318,650	\$318,650	<b>\$70,035</b>	(\$248,615)	(78.0%)	(\$248,615)	(78.0%)
Sewer Expansion Reserve	\$9,090	\$9,090	<b>\$8,940</b>	(\$150)	(1.7%)	(\$150)	(1.7%)
Beach Protection	\$390	\$390	<b>\$135</b>	(\$255)	(65.4%)	(\$255)	(65.4%)
Federal Asset Forfeiture	\$25,000	\$25,000	<b>\$25,000</b>	\$0	0.0%	\$0	0.0%
<b>TOTAL - ALL FUNDS</b>	<b>\$10,537,016</b>	<b>\$10,680,115</b>	<b>\$10,795,925</b>	<b>\$258,909</b>	<b>2.5%</b>	<b>\$115,810</b>	<b>1.1%</b>

## GENERAL FUND BUDGET BY DEPARTMENT FY 2023 VS. FY 2022

DEPARTMENT	DEPT. NO.	ORIGINAL 2022 BUD.	AMENDED 2022 BUD.	REQUESTED 2023 BUD.	DIFF. 2023 & ORIG. 2022	% CHG.	DIFF. 2023 & AMENDED 2022	% CHG.	SIGNIFICANT CHANGES FY 2023 VS. ORIG. FY 2022
Streets & Sanitation	550	\$1,467,617	\$1,489,542	\$1,422,556	(\$45,061)	(3.1%)	(\$66,986)	(4.5%)	<p><b>Increases:</b>  F/T Personnel-related Costs: \$37,239 / 7.6%  Recycling: \$34,500 / 16%  Capital Outlay-Equipment: \$5,000 / 50%  Gas/Oil/Tires: \$5,000 / 13%  Travel &amp; Training: \$3,500 / 140%  Truck Maintenance: \$3,000 / 20%  OFP Maintenance: \$3,000 / 13%  Garbage Cart Purchases: \$2,000 / 13%  Telephone: \$1,200 / 27%</p> <p><b>Decreases:</b>  Capital Outlay-Improvements: \$89,500 / 46%  Capital Outlay - Truck: \$50,000 / 100%</p>
Police	510	\$1,664,669	\$1,697,613	\$1,847,807	\$183,138	11.0%	\$150,194	8.8%	<p><b>Increases:</b>  F/T Personnel-related Costs: \$101,750 / 7.7%  P/T Personnel-related Costs: \$5,383 / 25%  Capital Outlay - Vehicles: \$35,000 / 64%  Building Maintenance: \$18,000 / 300%  Contracts: \$15,500 / 48%  Gas/Oil/Tires: \$5,000 / 13%  Travel &amp; Training: \$4,000 / 25%  Uniforms: \$4,000 / 25%  Computer Services: \$3,240 / 12%  Vehicle Maintenance: \$2,000 / 17%  K-9 Maintenance: \$1,000 / 33%</p> <p><b>Decreases:</b>  LEO Separation Allowance: \$7,735 / 35%  Minor Equipment: \$4,000 / 33%</p>

## GENERAL FUND BUDGET BY DEPARTMENT FY 2023 VS. FY 2022

DEPARTMENT	DEPT. NO.	ORIGINAL 2022 BUD.	AMENDED 2022 BUD.	REQUESTED 2023 BUD.	DIFF. 2023 & ORIG. 2022	% CHG.	DIFF. 2023 & AMENDED 2022	% CHG.	SIGNIFICANT CHANGES FY 2023 VS. ORIG. FY 2022
Fire Dept.	530	\$1,125,287	\$1,125,287	\$1,850,392	\$725,105	64.4%	\$725,105	64.4%	<p><b><u>Increases:</u></b>  F/T Personnel-related Costs: \$87,429 / 11.8%  P/T Personnel-related Costs: \$12,323 / 9.7%  Drill Fees: \$3,983 / 7.7%  Capital Outlay - Trucks: \$610,000 / 1,220%  Equipment Maintenance: \$6,000 / 92%  Minor Equipment: \$2,500 / 7%  Supplies: \$1,710 / 17%</p> <p><b><u>Decreases:</u></b>  None</p>
Lifeguards	531	\$270,628	\$341,858	\$316,353	\$45,725	16.9%	(\$25,505)	(7.5%)	<p><b><u>Increases:</u></b>  Personnel-related Costs: \$43,005 / 18.4%  Capital Outlay - ATV: \$1,450 / 13%  Equipment Maintenance: \$1,350 / 82%</p> <p><b><u>Decreases:</u></b>  None</p>
Bldg. Inspection	540	\$209,913	\$214,913	\$245,033	\$35,120	16.7%	\$30,120	14.0%	<p><b><u>Increases:</u></b>  F/T Personnel-related Costs: \$13,090 / 7.8%  Contracts: \$19,750 / 7,900%  Travel &amp; Training: \$2,500 / 100%  Vehicle (Gas) Allowance: \$1,200 / 14%</p> <p><b><u>Decreases:</u></b>  Telephone: \$1,060 / 26%</p>

## GENERAL FUND BUDGET BY DEPARTMENT FY 2023 VS. FY 2022

DEPARTMENT	DEPT. NO.	ORIGINAL 2022 BUD.	AMENDED 2022 BUD.	REQUESTED 2023 BUD.	DIFF. 2023 & ORIG. 2022	% CHG.	DIFF. 2023 & AMENDED 2022	% CHG.	SIGNIFICANT CHANGES FY 2023 VS. ORIG. FY 2022
Parks & Recreation	532	\$228,550	\$228,550	\$342,969	\$114,419	50.1%	\$114,419	50.1%	<p><b><i>Increases:</i></b>  F/T Personnel-related Costs: \$15,266/9.4%  P/T Personnel-related Costs: \$2,153/62.5%  Capital Outlay: \$66,000 / new  Professional/Consulting Fees: \$21,000/new  Minor Equipment: \$6,000 / 300%  Boogie In The Park: \$6,000 / 67%  Children/Family Programs: \$3,000 / 75%  Other Town Events: \$2,500 / 33%  Boardwalk Fish: \$1,000 / 20%</p> <p><b><i>Decreases:</i></b>  Annual Street Festival: \$9,000 / 60%</p>
Community Center	421	\$21,500	\$21,500	\$27,000	\$5,500	25.6%	\$5,500	25.6%	<p><b><i>Increases:</i></b>  Maintenance: \$4,000 / 33%  Operations: \$1,500 / 100%</p> <p><b><i>Decreases:</i></b>  None</p>
Governing Body	410	\$47,810	\$50,810	\$61,734	\$13,924	29.1%	\$10,924	21.5%	<p><b><i>Increases:</i></b>  Pay, Taxes &amp; Allowances: \$2,581 / 19.5%  Contributions: \$10,580 / 68%</p> <p><b><i>Decreases:</i></b>  None</p>

## GENERAL FUND BUDGET BY DEPARTMENT FY 2023 VS. FY 2022

DEPARTMENT	DEPT. NO.	ORIGINAL 2022 BUD.	AMENDED 2022 BUD.	REQUESTED 2023 BUD.	DIFF. 2023 & ORIG. 2022	% CHG.	DIFF. 2023 & AMENDED 2022	% CHG.	SIGNIFICANT CHANGES FY 2023 VS. ORIG. FY 2022
Administration	420	\$345,715	\$345,715	\$402,154	\$56,439	16.3%	\$56,439	16.3%	<p><b><i>Increases:</i></b>  F/T Personnel-related Costs: \$35,642/29.3%  P/T Personnel-related Costs: \$3,230 / new  Computer service: \$6,722 / 20%  Professional/Consulting Fees: \$5,480/228%  P&amp;L Insurance: \$4,710 / 9%  Minor Equipment: \$3,900 / 130%  Building Maintenance: \$3,897 / 20%  Telephone: \$3,178 / 20%  Meetings/Events: \$1,900 / 91%  Utilities: \$1,680 / 20%  Retiree Medical: \$1,390 / 5%  Employee Recognition: \$1,300 / 37%  Travel &amp; Training: \$1,200 / 20%</p> <p><b><i>Decreases:</i></b>  Land Use Plan: \$17,500 / 67%  Supplies: \$1,400 / 10%</p>
Legal	470	\$82,400	\$82,400	\$82,900	\$500	0.6%	\$500	0.6%	<p><b><i>Increases:</i></b>  Travel: \$500 / 100%</p> <p><b><i>Decreases:</i></b>  None</p>
Emergency Management	446	\$2,500	\$2,500	\$2,500	\$0	0%	\$0	0%	

## GENERAL FUND BUDGET BY DEPARTMENT FY 2023 VS. FY 2022

DEPARTMENT	DEPT. NO.	ORIGINAL 2022 BUD.	AMENDED 2022 BUD.	REQUESTED 2023 BUD.	DIFF. 2023 & ORIG. 2022	% CHG.	DIFF. 2023 & AMENDED 2022	% CHG.	SIGNIFICANT CHANGES FY 2023 VS. ORIG. FY 2022
Elections	430	\$3,700	\$3,700	\$0	(\$3,700)	(100%)	(\$3,700)	(100%)	No local election in FY 2023.
Committees	412	\$59,450	\$68,450	\$95,750	\$36,300	61.1%	\$27,300	39.9%	<u>Shoreline Access &amp; Beach Protection (\$8,250):</u> Replace lost/damaged signs - \$4,500 SLABP Brochure - \$500 Sea Oats (5,000 @ \$0.65) - \$3,250  <u>Bike/Ped (\$87,500):</u> Education for Members - \$1,500 Public Education Information - \$1,000 Sidewalk to Town Hall - \$10,000 3 Crosswalk Improvements - \$75,000
Finance	415	\$238,392	\$238,392	\$268,319	\$29,927	12.6%	\$29,927	12.6%	<u>Increases:</u> F/T Personnel-related Costs: \$36,915/36.9% Computer Service/Software: \$46,350/757%  <u>Decreases:</u> Capital Outlay - Software: \$55,000 / 100%

## GENERAL FUND BUDGET BY DEPARTMENT FY 2023 VS. FY 2022

	DEPT.	ORIGINAL	AMENDED	REQUESTED	DIFF. 2023 &	%	DIFF. 2023 &	%	
DEPARTMENT	NO.	2022 BUD.	2022 BUD.	2023 BUD.	ORIG. 2022	CHG.	AMENDED 2022	CHG.	SIGNIFICANT CHANGES FY 2023 VS. ORIG. FY 2022
Tax Collection	460	\$30,600	\$30,600	\$31,600	\$1,000	3.3%	\$1,000	3.3%	
Paid Parking Program	570	\$200,000	\$200,000	\$200,000	\$0	0%	\$0	0%	
Debt Service	560	\$679,765	\$679,765	\$597,710	(\$82,055)	(12.1%)	(\$82,055)	(12.1%)	Continued pay down of existing loans.
<b>TOTAL GENERAL FUND</b>		<b>\$6,678,496</b>	<b>\$6,821,595</b>	<b>\$7,794,777</b>	<b>\$1,116,281</b>	<b>16.7%</b>	<b>\$973,182</b>	<b>14.3%</b>	

## WATER/SEWER FUND BUDGET BY DEPARTMENT FY 2023 VS. FY 2022

	DEPT.	2022	REQUESTED	DIFF. 2023	%	
DEPARTMENT	NO.	BUDGET	2023 BUD.	& 2022	CHG.	SIGNIFICANT CHANGES FY 2023 VS. FY 2022
W/S Operations	810	\$2,183,867	\$1,747,551	(\$436,316)	(20.0%)	<p><b><i>Increases:</i></b>  F/T Personnel-related costs: <b>\$31,419 / 7.5%</b>  Supplies &amp; Materials: <b>\$15,000 / 14%</b>  Computer Service/Software: <b>\$5,000 / 40%</b></p> <p><b><i>Decreases:</i></b>  Capital Outlay - Equipment: <b>\$220,000 / 100%</b>  Capital Outlay - Improvements: <b>\$170,000 / 68%</b>  Capital Outlay - Sewer Rehab: <b>\$20,000 / 33%</b>  Debt Service: <b>\$77,835 / 19%</b></p>
Administration	720	\$297,165	\$270,879	(\$26,286)	(8.8%)	<p><b><i>Increases:</i></b>  P/T Personnel-related costs: <b>\$2,153 / new</b>  P&amp;L Insurance: <b>\$4,710 / 9%</b>  Minor Equipment: <b>\$1,600 / 53%</b>  Supplies: <b>\$1,400 / 20%</b></p> <p><b><i>Decreases:</i></b>  F/T Personnel-related Costs: <b>\$16,780 / 13.8%</b>  Computer Service: <b>\$6,575 / 20%</b>  Building Maintenance: <b>\$3,861 / 20%</b>  Telephone: <b>\$3,248 / 20%</b>  Retiree Medical: <b>\$2,115 / 15%</b>  Utilities: <b>\$1,680 / 20%</b>  Travel &amp; Training: <b>\$1,200 / 20%</b></p>



## WATER/SEWER FUND BUDGET BY DEPARTMENT FY 2023 VS. FY 2022

	DEPT.	2022	REQUESTED	DIFF. 2023	%	
<u>DEPARTMENT</u>	<u>NO.</u>	<u>BUDGET</u>	<u>2023 BUD.</u>	<u>&amp; 2022</u>	<u>CHG.</u>	<u>SIGNIFICANT CHANGES FY 2023 VS. FY 2022</u>
Governing Body	410	\$19,445	\$16,526	(\$2,919)	(15.0%)	<u>Increases:</u> None  <u>Decreases:</u> Council Pay, Taxes & Allowances: <b>\$1,082 / 9.3%</b> Dues & Subscriptions: <b>\$1,337 / 30%</b>
Legal	470	\$15,200	\$14,700	(\$500)	(3.3%)	<u>Increases:</u> None  <u>Decreases:</u> Travel: <b>\$500 / 100%</b>
Finance	715	\$289,256	\$270,449	(\$18,807)	(6.5%)	<u>Increases:</u> Computer Service/Software: <b>\$46,350 / 287%</b> Postage: <b>\$1,700 / 18%</b>  <u>Decreases:</u> F/T Personnel-related Costs: <b>\$13,000 / 7.2%</b> Capital Outlay - Software: <b>\$55,000 / 100%</b>
<b>TOTAL WATER/ SEWER FUND</b>		<b>\$2,804,933</b>	<b>\$2,320,105</b>	<b>(\$484,828)</b>	<b>(17.3%)</b>	

## STORM WATER FUND BUDGET BY EXPENSE TYPE FY 2023 VS. FY 2022

	DEPT.	2022	REQUESTED	DIFF. 2023	%	
DEPARTMENT	NO.	BUDGET	2023 BUD.	& 2022	CHG.	SIGNIFICANT CHANGES FY 2023 VS. FY 2022
SW Operations	610	\$243,509	\$290,883	\$47,374	19.5%	<p><b><u>Increases:</u></b>  F/T Personnel-related costs: <b>\$7,374 / 6.3%</b>  Storm Water Professional Fees: <b>\$40,000 / 160%</b></p> <p><b><u>Decreases:</u></b>  None</p>
Debt Service	610	\$36,948	\$46,050	\$9,102	24.6%	New loan in FY 2022 for vac. truck split with Water/Sewer Fund
Capital Outlay	610	\$420,000	\$240,000	(\$180,000)	(42.9%)	<p><b><u>Increases:</u></b>  Capital Outlay - Improvements: <b>\$40,000 / 20%</b></p> <p><b><u>Decreases:</u></b>  Capital Outlay - Equipment: <b>\$220,000 / 100%</b></p>
<b>TOTAL STORM WATER FUND</b>		<b>\$700,457</b>	<b>\$576,933</b>	<b>(\$123,524)</b>	<b>(23.3%)</b>	

**COMBINED GENERAL FUND & WATER/SEWER FUND BUDGET**  
**FOR GOVERNING BODY, ADMINISTRATION & FINANCE**  
**FY 2023 VS. FY 2022**

DEPARTMENT	DEPT. NO.	ORIGINAL 2022 BUD.	AMENDED 2022 BUD.	REQUESTED 2023 BUD.	DIFF. 2023 & ORIG. 2022	% CHG.	DIFF. 2023 & AMENDED 2022	% CHG.	SIGNIFICANT CHANGES FY 2023 VS. ORIG. FY 2022
Governing Body	410	\$67,255	\$70,255	\$78,260	\$11,005	16.4%	\$8,005	11.4%	<b><u>Increases:</u></b> Pay, Taxes & Allowances: \$1,499 / 6% Contributions: \$10,580 / 68%  <b><u>Decreases:</u></b> Dues & Subscriptions: \$1,074 / 12%
Administration	420 / 720	\$642,880	\$642,880	\$673,033	\$30,153	4.7%	\$30,153	4.7%	<b><u>Increases:</u></b> F/T Personnel-related Costs: \$18,862/7.8% P/T Personnel-related Costs: \$5,383 / new P&L Insurance: \$9,420 / 9% Minor Equipment: \$5,500 / 92% Professional/Consulting Fees: \$5,000/104% Meetings/Events Expense: \$1,900 / 91% Codification: \$1,200 / 20% Employee Recognition: \$1,000 / 14%  <b><u>Decreases:</u></b> Land Use Plan: \$17,500 / 67%
Finance	415 / 715	\$527,648	\$527,648	\$538,768	\$11,120	2.1%	\$11,120	2.1%	<b><u>Increases:</u></b> F/T Personnel-related Costs: \$23,915/8.5% Computer Service/Software: \$92,700/417% Postage: \$1,700 / 15% Banking Charges & Fees: \$1,600 / 32% Audit & Actuarial Fees: \$1,150 / 4%  <b><u>Decreases:</u></b> Capital Outlay - Software: \$110,000 / 100%

## GENERAL FUND REVENUE BUDGET FY 2023 VS. FY 2022

REVENUE TYPE	ORIGINAL 2022 BUD.	AMENDED 2022 BUD.	2023 BUDGET	DIFF. 2023 & ORIG. 2022	% CHG.	DIFF. 2023 & AMENDED 2022	% CHG.	SIGNIFICANT CHANGES FY 2023 VS. FY 2022
Property Taxes	\$3,293,500	\$3,293,500	<b>\$3,353,500</b>	\$60,000	1.8%	\$60,000	1.8%	Assumes current tax rate (\$0.2658) and estimated tax base provided by NHC Tax Dept.
Sales Tax	\$1,305,000	\$1,314,000	<b>\$1,457,000</b>	\$152,000	11.6%	\$143,000	10.9%	Actual growth in FY 2022 greater than budgeted. FY 2023 estimated to be increase over FY 2022 budget and forecast.
Parking Program Revenue	\$355,040	\$358,540	<b>\$742,000</b>	\$386,960	109.0%	\$383,460	107.0%	FY 2023 based on actual results from first paid parking season.
Garbage & Recycle Fees	\$512,500	\$512,500	<b>\$556,200</b>	\$43,700	8.5%	\$43,700	8.5%	Increase in recycling rate during FY 2023 due to increase by Waste Management.
TDA	\$316,426	\$412,581	<b>\$383,733</b>	\$67,307	21.3%	(\$28,848)	(7.0%)	FY 2023 budget is for lifeguards (\$316,353), OFP maintenance (\$26,000), OFP entertainment (\$22,000) & PI Chamber of Commerce contribution (\$19,380).
Franchise & Utility Taxes	\$245,000	\$245,000	<b>\$243,000</b>	(\$2,000)	(0.8%)	(\$2,000)	(0.8%)	Estimated decrease in telecommunication and video programming taxes.
Building Permits, CAMA, Impact Fees, Fire Inspections	\$76,050	\$76,050	<b>\$123,320</b>	\$47,270	62.2%	\$47,270	62.2%	FY 2023 based on FY 2022 forecast and expected level of construction activity.

**GENERAL FUND REVENUE BUDGET  
FY 2023 VS. FY 2022**

<b>REVENUE TYPE</b>	<b>ORIGINAL 2022 BUD.</b>	<b>AMENDED 2022 BUD.</b>	<b>2023 BUDGET</b>	<b>DIFF. 2023 &amp; ORIG. 2022</b>	<b>% CHG.</b>	<b>DIFF. 2023 &amp; AMENDED 2022</b>	<b>% CHG.</b>	<b>SIGNIFICANT CHANGES FY 2023 VS. FY 2022</b>
Communication Tower Rent	\$78,635	\$78,635	<b>\$80,992</b>	\$2,357	3.0%	\$2,357	3.0%	FY 2023 includes annual increase for existing leases.
Sales Tax Refund	\$46,000	\$51,000	<b>\$49,500</b>	\$3,500	7.6%	(\$1,500)	(2.9%)	Estimated sales tax refund based on sales tax paid in prior fiscal year.
Community Center/ Parks & Rec/ Street Festival/Bluefish	\$30,050	\$30,050	<b>\$30,200</b>	\$150	0.5%	\$150	0.5%	
ABC Revenue	\$14,925	\$14,925	<b>\$18,725</b>	\$3,800	25.5%	\$3,800	25.5%	FY 2023 based on FY 2022 revenue forecast.
Town Facility Rentals	\$14,000	\$14,000	<b>\$16,000</b>	\$2,000	14.3%	\$2,000	14.3%	Increase in facility rentals expected as COVID-19 impact lessens.
Motor Vehicle License Tax	\$11,000	\$11,000	<b>\$10,750</b>	(\$250)	(2.3%)	(\$250)	(2.3%)	
Beer & Wine Tax	\$9,600	\$9,600	<b>\$9,600</b>	\$0	0.0%	\$0	0.0%	

## GENERAL FUND REVENUE BUDGET FY 2023 VS. FY 2022

REVENUE TYPE	ORIGINAL 2022 BUD.	AMENDED 2022 BUD.	2023 BUDGET	DIFF. 2023 & ORIG. 2022	% CHG.	DIFF. 2023 & AMENDED 2022	% CHG.	SIGNIFICANT CHANGES FY 2023 VS. FY 2022
Re-Entry Decal Sales	\$1,800	\$1,800	\$1,800	\$0	0.0%	\$0	0.0%	
Parking Fines/ Civil Citations/ Court Fees	\$1,750	\$1,750	\$1,750	\$0	0.0%	\$0	0.0%	
All Other Revenue	\$6,220	\$35,664	\$5,665	(\$555)	(8.9%)	(\$29,999)	(84.1%)	Largest components are surplus property sales (\$3,500) and Special Events (\$1,000).
Other Financing Sources	\$361,000	\$361,000	\$750,000	\$389,000	107.8%	\$389,000	107.8%	Financing for Fire Engine (\$660,000) and two Police vehicles (\$90,000).
<b>TOTAL GENERAL FUND</b>	<b>\$6,678,496</b>	<b>\$6,821,595</b>	<b>\$7,833,735</b>	<b>\$1,155,239</b>	<b>17.3%</b>	<b>\$1,012,140</b>	<b>14.8%</b>	

**WATER/SEWER FUND REVENUE BUDGET  
FY 2023 VS. FY 2022**

	2022	2023		DIFF. 2023 &	%	
REVENUE TYPE	BUDGET	BUDGET		2022	CHANGE	SIGNIFICANT CHANGES FY 2023 VS. FY 2022
Water Charges	\$915,000	\$925,000		\$10,000	1.1%	Increase in number of accounts.
Sewer Charges	\$1,400,000	\$1,420,000		\$20,000	1.4%	Increase in number of accounts
Water & Sewer Tap Fees	\$45,000	\$45,000		\$0	0.0%	
Cutoff & Reconnection Fees	\$1,800	\$1,800		\$0	0.0%	
Account Past Due Charges	\$6,000	\$7,200		\$1,200	20.0%	During FY 2022, the process for assessing late fees on past due accounts was changed.
New Account Setup Fees	\$6,500	\$6,500		\$0	0.0%	

**WATER/SEWER FUND REVENUE BUDGET  
FY 2023 VS. FY 2022**

	2022	2023		DIFF. 2023 &	%	
REVENUE TYPE	BUDGET	BUDGET		2022	CHANGE	SIGNIFICANT CHANGES FY 2023 VS. FY 2022
Interest Income	\$735	\$200		(\$535)	(72.8%)	Significant decrease in CD interest rates & NCCMT earnings.
Other Revenue/ Fees	\$318	\$345		\$27	8.5%	
Other Financing Sources	\$220,000	\$0		(\$220,000)	(100%)	No anticipated financing needs for FY 2023 capital outlay.
Transfers In	\$209,580	\$0		(\$209,580)	(100%)	No anticipated fund transfers for FY 2023 capital outlay.
<b>TOTAL WATER/SEWER FUND</b>	<b>\$2,804,933</b>	<b>\$2,406,045</b>		<b>(\$398,888)</b>	<b>(14.2%)</b>	



**STORM WATER FUND REVENUE BUDGET  
FY 2023 VS. FY 2022**

	2022	2023		DIFF. 2023 &	%	
REVENUE TYPE	BUDGET	BUDGET		2022	CHANGE	SIGNIFICANT CHANGES FY 2023 VS. FY 2022
Storm Water Charges	\$413,000	\$415,000		\$2,000	0.5%	Increase in number of accounts.
Storm Water Building Fees	\$60,000	\$60,000		\$0	0.0%	
Interest Income	\$260	\$70		(\$190)	(73.1%)	Significant decrease in CD interest rates & NCCMT earnings.
Other Financing Sources	\$220,000	\$0		(\$220,000)	(100%)	No anticipated financing needs for FY 2023 capital outlay.
Appropriation of Fund Balance	\$7,197	\$0		(\$7,197)	(100%)	
<b>TOTAL STORM WATER FUND</b>	<b>\$700,457</b>	<b>\$475,070</b>		<b>(\$225,387)</b>	<b>(32.2%)</b>	

## REQUESTS RECEIVED FROM OUTSIDE ORGANIZATIONS

ORGANIZATION	FY 2023 APPROVED AMOUNT	REQUEST REC'D FY 2023	REQUEST REC'D FY 2022	ACTUAL FY 2022	ACTUAL FY 2021	ACTUAL FY 2020	ACTUAL FY 2019
Pleasure Island Chamber of Commerce (concert series) (1)	\$19,380	\$19,380	\$42,500	\$12,800	\$6,535	\$9,800	\$8,800
Federal Point Historic Preservation Society	\$2,000	\$5,000	\$3,000	\$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.	\$0	\$0	\$2,500	\$1,500	\$1,500	\$1,500	\$1,500
Federal Point Help Center (3)	\$1,500	\$1,500	\$0	\$1,500	\$1,500	\$1,500	\$1,500
Katie B. Hines Senior Center (4)	\$2,000	\$2,000	\$0	\$0	\$0	\$0	\$2,000
<b>TOTAL GOVERNING BODY BUDGET</b>	<b>\$26,080</b>	<b>\$29,080</b>	<b>\$49,200</b>	<b>\$18,500</b>	<b>\$12,235</b>	<b>\$15,500</b>	<b>\$16,500</b>
Pleasure Island Sea Turtle Project (5)	\$4,800	\$4,800	\$4,800	\$4,800	\$5,400	\$5,400	\$5,400
<b>GRAND TOTAL</b>	<b>\$30,880</b>	<b>\$33,880</b>	<b>\$54,000</b>	<b>\$23,300</b>	<b>\$17,635</b>	<b>\$20,900</b>	<b>\$21,900</b>

**NOTES:**

- (1) - FY 2022 request of \$42,500 received 10 days after application deadline.
- (2) - Island of Lights request for FY 2023 (and FY 2019 - 2022) 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.

## TOWN COUNCIL COMPENSATION COMPARATIVE INFORMATION

TOWN/ CITY	POPULATION	MAYOR		MAYOR PRO TEM		COMMISSIONERS		OTHER INFORMATION
		ANNUAL	MONTH	ANNUAL	MONTH	ANNUAL	MONTH	
Wrightsville Beach	2,473	\$7,800	\$650			\$6,600	\$550	
Carolina Beach	6,565	\$8,400 (incl. allowances)	\$700 (incl. allowances)	\$7,800 (incl. allowances)	\$650 (incl. allowances)	\$7,200 (incl. allowances)	\$600 (incl. allowances)	Annual car allowance of \$3,000 (\$250/month) & 100% paid health insurance of \$6,800 annually (\$567/month)
Topsail Beach	462	\$6,000	\$500			\$6,000	\$500	
Southern Shores	3,097	\$4,200	\$350			\$3,600	\$300	
Surf City	3,874	\$5,776	\$481			\$4,396	\$366	
Oak Island	7,851	\$10,200	\$850			\$7,200	\$600	
Kure Beach	2,191	\$4,200 (incl. allowances)	\$350 (incl. allowances)	\$3,300 (incl. allowances)	\$275 (incl. allowances)	\$3,000 (incl. allowances)	\$250 (incl. allowances)	Annual car allowance of \$900 (\$75/month) & annual cell phone allowance of \$300 (\$25/month)

**PUBLIC WORKS  
POTENTIAL PROJECTS  
AS OF APRIL 8, 2022**

<b>DATE</b>	<b>PROJECT NAME</b>	<b>WATER/SEWER/ OTHER</b>	<b>DESCRIPTION</b>	<b>ESTIMATED COST</b>
On-going	Manhole Rehab	Sewer	Continued rehab to prevent deterioration or collapse.	\$5,000/manhole
July 2022	Lift Station Control Panels Rehab	Sewer	Replace/upgrade control panels (Snapper, Riggings, Little Ocean Dunes, Big Ocean Dunes)	\$65,000
Sept. 2022	Lagoon Sludge Removal	Sewer	Remove sludge from bottom of lagoon. Will aid in processing and cleaning wastewater.	\$200,000
Sept. 2022	Lagoon Baffle Replacement	Sewer	There are 2 baffles in the lagoon that separates the different cleaning sections. There are holes and tears making it difficult to treat the wastewater properly.	\$40,000
Sept. 2022	Water Tower Aeration	Water	Installing an aeration system in both water towers would make cl2 more controllable in our water system.	
Oct. 2022	Well House Rehab	Water	Replace pumps, check valves, air release valves, gaskets, etc. Also, removing the pump and sending a camera down the well would be beneficial for identifying any issues.	\$80,000

**PUBLIC WORKS  
POTENTIAL PROJECTS  
AS OF APRIL 8, 2022**

<b>DATE</b>	<b>PROJECT NAME</b>	<b>WATER/SEWER/ OTHER</b>	<b>DESCRIPTION</b>	<b>ESTIMATED COST</b>
Dec. 2022 to Mar. 2023	Sewer Main Rehab	Sewer	Sink holes noticeable in town caused by sewer laterals leaking or bell ends leaking need to be lined or repaired to stop sink holes and blockage in sewer lines. Areas noticeable are Fort Fisher Blvd., 3rd Ave., 4th Ave., 5th Ave. & 6th Ave.	\$100/linear foot
Sept. 2023	Replace Water Lines that are in Back Yards	Water	There are old water lines in the older part of town that run between the blocks in the back of properties. This is where a significant number of our leaks on water mains are located and it is difficult to get equipment or workers to the back of the properties. Also, most of the valves do not turn off because of age and makes it more difficult to fix a live leak in someone's back yard. Putting a new line with valves in the front right of way seems more plausible.	\$40/ linear foot, not including service connection
Oct. 2023	Valve Replacement in Town	Water	There are water valves throughout town that are not operable. Need to replace valves so not fixing breaks or adding pipe under pressure. Also, will help with isolating a leak so that water service is not shut off to more homes than necessary.	
Jan. 2023	Public Works Building	Other	New Public Works office building. \$250,000 SCIF Grant. Additional funding will be needed.	