



# Meeting Date December 1, 2014 BUDGET & FINANCE Snapshot

It's almost that time again...

## TOWN BUDGET PROCESS

The Town of Sunset Beach budget operates on a fiscal year (FY) that begins on July 1 and ends on June 30 each year. Prior to July 1, the Town Council passes a Budget Ordinance, which sets forth the amounts of anticipated revenues and planned expenditures for the operating year. The NC General Statutes require a balanced budget; meaning that the Town's anticipated revenues must equal the planned expenditures in each fund. Annual revenues are derived from various sources and some of these include ad valorem taxes, state sales taxes, program and service fees, other licensing fees and taxes and more.



The Town of Sunset Beach has an annual operating budget of just over \$6 million. The amounts appropriated within the budget provide Town staff with a guide of the maximum expenditures allowable by overall function. While municipal budgets are often fluid documents that can be amended as the Town needs

dictate, changes must be made through formal action of the Town Council and in most circumstances can not include any change to the municipal tax rate after the start of the fiscal year. With an ad valorem rate of 10.5 cents per \$100 valuation, property owners within the Town of Sunset Beach benefit from one of the lowest municipal tax rates in Brunswick County.

The Town's budget process for FY16 will kick off officially in January when the department heads begin to meet with the Finance Director and the Town Administrator to review their year-to-date expenditures and projections for both the current fiscal year performance and the upcoming fiscal year's needs. More information about the Town budget process will follow in future newsletters.

## TOWN PARK UPDATE

A detailed list of Town Park Project expenditures was presented to the Town Council at their November 13 work session by Bonnie Schwerd, the Town's new Finance Director. This information has been posted for the public on the Town's website at [www.sunsetbeachnc.gov](http://www.sunsetbeachnc.gov) with the work session packets for 2014. An additional report on progress is planned for the December Town Council meeting.



The Town Administrator halted work in the Park in order to submit for an Erosion and Sediment Control Permit and a Major CAMA permit. While the Permatrak walkway portions of the project are on hold at this time, the Town has received authorization from CAMA to finish the brickwork. This portion of the construction is anticipated to begin in early December 2014. See the Town's website for additional information and updates about progress on the Town Park.

## TOWN FINANCIALS

In the first four months of the fiscal year, the Town received \$1.82 million (30.5%) of its \$6 million annual budget. During the same time, the Town expended \$1.9 million, or 32.26% of the amount planned for expenditures. This included a \$320k debt service payment, which paid in full the Town's installment note on the renovations of Town Hall. This payment leaves the Town of Sunset Beach with no debt obligations.

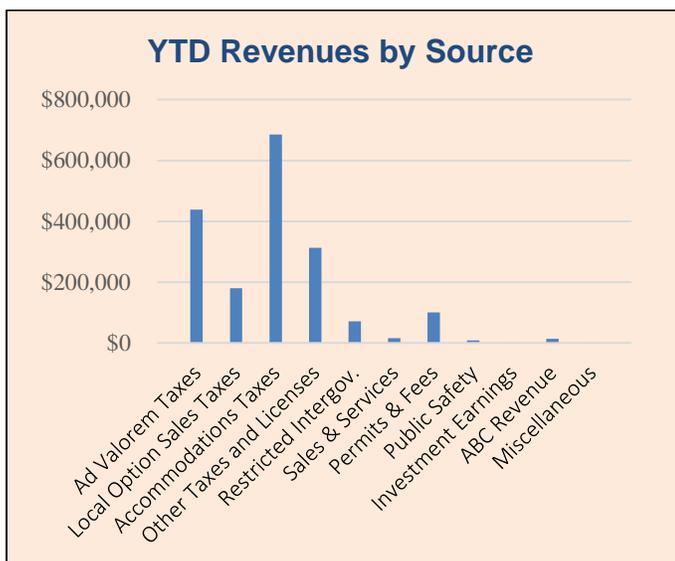


# TOWN BUDGET *Snapshot* AS OF OCTOBER 31, 2014

## REVENUES

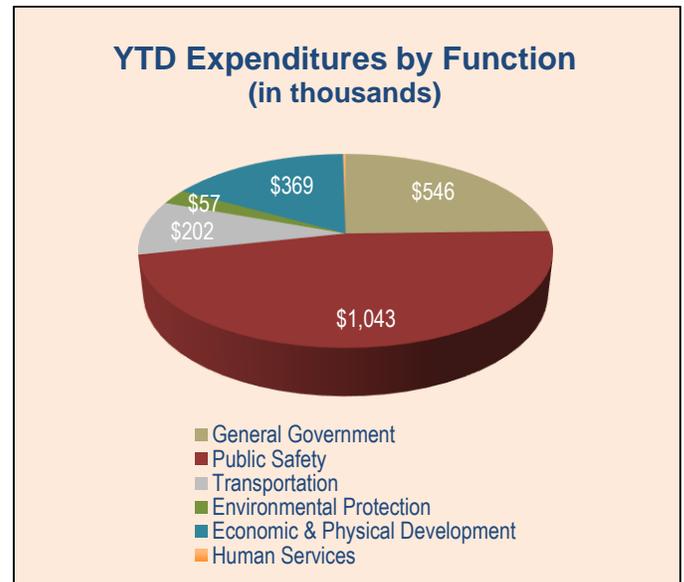
The annual budgeted and actual fiscal year-to-date revenues are shown in the table below. It should be noted that the Town's revenues are not received in evenly spaced increments throughout the fiscal year. For example, the majority of the revenues from the Town's Ad Valorem Tax will be received over the next two months, while the bulk of Accommodations Taxes are received between July and September. Other revenues, such as Local Option Sales Tax revenues, will not be fully received until approximately 60 days into the following fiscal year.

Revenue Sources	Budget	Fiscal Year to date
Ad Valorem Taxes	\$1,905,225	\$438,461
Local Option Sales Taxes	\$864,998	\$179,800
Accommodations Taxes	\$877,000	\$685,571
Other Taxes and Licenses	\$1,383,364	\$312,555
Restricted Intergovernmental	\$136,209	\$71,486
Sales and services	\$45,000	\$15,615
Permits & Fees	\$194,000	\$100,614
Public Safety	\$32,000	\$8,050
Investment Earnings	\$1,000	\$528
ABC Revenue	\$50,000	\$14,116
Miscellaneous	\$512,200	\$993
<b>TOTAL</b>	<b>\$6,000,996</b>	<b>\$1,827,790</b>



## EXPENDITURES

The fiscal year-to-date expenditures are shown by area of function in the pie chart below. Additional details, including the annual budgeted amounts and the year-to-date expenditures by department, are shown in the chart at the bottom of this column.



Department	Budget	Fiscal Year to Date
Governing Body	\$28,964	\$14,597
Administration	\$352,325	\$118,420
Finance	\$161,908	\$40,465
Tax	\$18,600	\$3,509
Legal	\$25,000	\$0
Public Buildings	\$507,098	\$369,478
Police	\$1,422,069	\$433,444
Fire	\$1,420,369	\$474,218
Inspections	\$413,853	\$135,716
Streets	\$979,291	\$166,582
Powell Bill	\$135,509	\$35,637
Sanitation	\$111,200	\$49,526
Environmental Protection	\$51,000	\$7,810
Planning/Zoning	\$24,603	\$3,157
Economic Development	\$266,068	\$80,268
Town Reserves for SR Funds	\$77,839	\$0
Human Services	\$1,000	\$1,000
Mosquito	\$4,300	\$2,330
<b>TOTAL</b>	<b>\$6,000,996</b>	<b>\$1,936,156</b>