



Nice Matters!

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MEMO TO: Frank A. Rush, Jr., Town Manager
FROM: Laura Rotchford, Finance Director
SUBJECT: Budget Amendments – General Fund, Future Beach Nourishment Fund, and new Special Revenue Fund – Beach Music Festival

The Board of Commissioners is asked to approve Budget Amendments for the General Fund, the Future Beach Nourishment Fund, as well as the establishment of the new Special Revenue Fund for the Beach Music Festival.

General Fund – On June 24th, the Board of Commissioners approved an amendment to move account codes within the FY 2016 budget to more accurately reflect the accounting for the lease payment revenue from the Tourism Development Authority (TDA) for the New Welcome Center. This budget amendment is requested for the same purpose for the FY 2017 budget. The amendment will reduce Lease Payment Revenues in the General Fund, with a reciprocal increase in the Future Beach Nourishment Fund. The offsetting expense line item of Debt Principal in the General Fund will be eliminated. A transfer in the amount of \$2,484 to the Future Beach Nourishment Fund is the amount that was previously coded as Debt Interest expense.

An increase in the Donations – Fire Department revenue line of \$2,433 is requested to appropriate funds for donations provided to the Fire Department specifically for the purchase of a new beach wheelchair.

An increase in Appropriated Fund Balance is requested for the rollover of three open purchase commitments, previously budgeted in FY 2016 as follows:

- Parks & Recreation - \$7,500 for the construction of the new Emerald Isle Woods Walkway, plus \$5,000 for a new treadmill.
- Planning & Inspections – \$10,182 for the continuation of consulting services for the Land Use Plan.

A request to reclassify \$15,000 for the expenditures related to the installation of small relay pumps for storm water improvements. This amount was originally budgeted as a Transfer to another fund, but would be more accurately recorded in the Public Works department as a capital expense.

Future Beach Nourishment Fund – As mentioned above, at the June 24th Special Meeting, the Board of Commissioners also approved the reciprocal amendment for the FY 2016 budget of the Future Beach Nourishment Fund to more accurately reflect the accounting for the lease payment revenue from the TDA for the New Welcome Center. This amendment is the same, as previously mentioned, but for the 2017 Fiscal Year.

Beach Music Festival Fund – The amendment establishes a new Special Revenue Fund for the 2017 Fiscal Year, with appropriations totaling \$50,000, including revenues from the TDA, Sponsorships, T-Shirt Sales, and Vendor Fees. This fund will be specific for the upcoming Fall Beach Music Festival.

I recommend approval of the attached budget amendments.