



FY2014 FINANCIAL PLAN

OPERATING BUDGET

CAPITAL IMPROVEMENT PLAN / BUDGET

fenwickisland.delaware.gov

FY2014 OPERATING BUDGET

(August 1, 2013 – July 1, 2014)

The Town of Fenwick Island Budget Committee has considered and approved the following as its recommendation for the FY2014 Operating Budget – fiscal year beginning August 1, 2013.

In accordance with Section 23 part (1) of the Town of Fenwick Island Charter (The Charter), the attached document details the expenses of conducting each department in the ensuing fiscal year.

In accordance with Section 23 part (2) of The Charter, the value (balance) of supplies and materials (capital assets) on hand, as of July 31, 2012 per the Town Audit was:

Buildings	\$ 970,667
Vehicles	\$ 344,066
Office Equipment	\$ 108,059
Police Equipment	\$ 179,162
Street Signs and Fixtures	\$ 62,486
Machinery and Equipment	\$ 243,023
Beach and Lifeguard Equipment	\$ 106,823
Recreation Equipment	\$ 33,579
Land and Improvement	\$1,522,664
Accumulated Depreciation	(\$941,970)

The condition of the equipment, etc. (ref. Section 23, part 2) was examined in the course of the Capital Improvement Plan (CIP) / Budget proceedings. The current value of such assets will be re-evaluated as an integral component of the audit process at the close of the current fiscal year.

In accordance with Section 23 part (3) of The Charter, the Budget Committee reports that the Town will carry minimal debt of approximately \$200,000 on a fixed mortgage note which is less than 50% of the public safety building cost.

In accordance with Section 23 part (4) of The Charter, the estimate of amounts to be received in the next fiscal year is provided with the proposed expenses, as detailed within each department.

The proposed FY2014 Operating Budget is presented with a nominal surplus. The property tax rate will stay flat at \$1.92 per \$100 of assessed value. The Ambulance Service fee was increased to \$47 per year to assist with the purchase of a new ambulance and long-term capital improvements due to higher demand for emergency services. No other taxes, rates or fees have changed. Resolution #55-2013 details each, by category.

The proposed FY2014 Operating Budget is approximately 5% more in income and expenses than the FY2013 Operating Budget. Income such as rental receipt taxes, Comcast cable fees, beach service (rentals and food/beverage) contracts and the new sponsorship sign program are all forecasted to be higher due to an improving economy and new revenue programs. Expenses such as workers' compensation premiums, health care rates, fuel costs, utilities, and maintenance costs will also be higher due to inflationary increases in goods and services. Overall, the Town of Fenwick Island is in a strong financial position heading into the 2014 fiscal year.

FY2014 Town of Fenwick Island Operating and Capital Budget

	FY2014
Operating Revenue (income)	
43000 · Taxes	\$ 640,000.00
41020 · Property Taxes	\$ 260,000.00
42010 · Rental Receipt Taxes	\$ -
43000 · Taxes (other)	\$ 900,000.00
Total 43000 · Taxes	\$ 900,000.00
44550 · Charges for Services - Administration	
43010 · License Fees – Outside Contractors	\$ 42,000.00
43020 · License Fees - Rental Units	\$ 22,000.00
43030 · License Fees - Resident Merchants	\$ 22,000.00
44010 · Solid Waste Collection Fee	\$ 183,189.00
44020 · Comcast Cable Fee	\$ 31,000.00
44030 · BBVFC Ambulance Service Fee	\$ 38,211.00
45100 · Building Permit Fee	\$ 130,000.00
Total 44550 · Charges for Services - Administration	\$ 468,400.00
44800 · Fines and Forfeitures	
46100 · Penalties	\$ 4,100.00
46200 · Traffic Fines	\$ 32,000.00
46300 · Parking Violation Fees	\$ 10,000.00
44800 · Fines and Forfeitures - Other	\$ 500.00
Total 44800 · Fines & Forfeitures	\$ 46,600.00
45000 · Investments	
45030 · Interest - Investments	\$ -
47100 · Interest Income	\$ 3,000.00
Total 45000 · Investments	\$ 3,000.00

FY2014 Town of Fenwick Island Operating and Capital Budget

46430 - Revenue - Administration		
45320 - Contractor Decals	\$	2,500.00
45330 - Bonfire Permits	\$	5,000.00
46400 - Other Income	\$	-
47120 - Town Hall Rental Fee	\$	1,000.00
47150 - Photo/Audio Copy Fee	\$	50.00
47200 - Parking Permits	\$	15,000.00
47250 - Subdivision Application Fee	\$	275.00
47275 - Public Hearing Fee	\$	275.00
47300 - Income [FI Sponsorship Program]	\$	15,000.00
47800 - Sale of Equipment	\$	14,750.00
48100 - Insurance Reimbursements	\$	-
48200 - Income Restrict Purpose	\$	500.00
	\$	54,350.00
Total 46430 - Revenue - Administration		
46440 - Other Types of Revenue - Police		
47160 - Police Accident Report Fee	\$	250.00
46440 - Police Revenue - Pension	\$	15,000.00
47161 - Salary/OT Reimbursement	\$	3,400.00
	\$	18,650.00
Total 46440 - Other Types of Revenue - Police		
47000 - Intergovernmental Revenue Lifeguard		
47280 - State Line Beach (State of DE)	\$	45,000.00
47290 - State Line Beach (Sussex County, DE)	\$	15,000.00
	\$	60,000.00
Total 47000 - Intergovernmental Revenue Lifeguard		
47050 - Intergovernmental Revenue Police		
47285 - Sussex County Police Grant	\$	25,000.00
47050 - Intergovernmental Revenue Police	\$	5,000.00
42795 - State Police Grant	\$	-
	\$	30,000.00
Total 47050 - Intergovernmental Revenue Police		
48150 - Junior Lifeguard Program	\$	5,500.00
49000 - Beach / Concession Services	\$	25,000.00
	\$	1,611,500.00
TOTAL INCOME		

FY2014 Town of Fenwick Island Operating and Capital Budget

Operating Expense		FY2014
61100 - POLICE DEPARTMENT		
	61110 - Police Salaries	\$ 309,470.00
	61140 - Police Life Insurance	\$ 1,590.00
	61150 - Police Health Insurance	\$ 55,334.10
	61155 - Police Dental Insurance	\$ 1,590.60
	61160 - Police Payroll Taxes	\$ 25,438.46
	61170 - Police Pension Expense	\$ 19,725.92
	61180 - Police Workers' Compensation	\$ 25,000.00
	61210 - Police Supplies	\$ 4,500.00
	61220 - Police Office Supplies	\$ 2,500.00
	61310 - Police Office Equipment Maintenance	\$ 600.00
	61320 - Police Printing and Advertising	\$ 600.00
	61330 - Police Uniforms	\$ 8,800.00
	61335 - Police Mobile Computer Access	\$ 2,920.00
	61340 - Police Vehicle Maintenance	\$ 6,500.00
	61345 - Police Fuel	\$ 19,800.00
	61350 - Police Communication Equipment	\$ 1,000.00
	61370 - Police Vehicle Acquisition	\$ -
	61380 - Police Professional Development	\$ 5,000.00
	61100 - Police Department Payroll Expense	\$ -
	61390 - Police Other	\$ -
Total 61100 - POLICE DEPARTMENT		\$ 490,369.08

FY2014 Town of Fenwick Island Operating and Capital Budget

Expense	FY2014
61500 · LIFEGUARD DEPARTMENT	
61510 · Lifeguard Salaries – Fenwick	\$ 124,165.00
61515 · Lifeguard Salaries - State	\$ 60,324.00
61530 · Lifeguard Payroll Taxes – Fenwick	\$ 12,975.24
61535 · Lifeguard Payroll Taxes – State	\$ 6,303.86
61540 · Lifeguard Workers' Compensation	\$ 15,000.00
61610 · Lifeguard Supplies and Equipment – Fenwick	\$ 2,345.00
61735 · Lifeguard Supplies and Equipment - State	\$ 1,155.00
61620 · Lifeguard Uniforms	\$ 4,500.00
61630 · Lifeguard Junior Guard Program	\$ 1,500.00
61640 · Lifeguard Chair and Sign Maintenance	\$ 3,000.00
61665 · Lifeguard Professional Development	\$ 675.00
61670 · Lifeguard USLA Certification	\$ 900.00
61673 · Lifeguard Beach Vehicle Maintenance	\$ 500.00
61675 · Lifeguard Fuel	\$ 500.00
61680 · Lifeguard Physicals	\$ -
61710 · Lifeguard Other Expenses	\$ 300.00
Total 61500 · LIFEGUARD DEPARTMENT	\$ 234,143.10

FY2014 Town of Fenwick Island Operating and Capital Budget

Expense	FY2014
61800 · PUBLIC WORKS DEPARTMENT	
61810 · Public Works Salaries	\$ 115,154.40
61830 · Public Works Life Insurance	\$ 720.00
61840 · Public Works Health Insurance	\$ 35,367.46
61845 · Public Works Dental Insurance	\$ 387.24
61850 · Public Works Payroll Taxes	\$ 9,317.00
61870 · Public Works Pension Expense	\$ 8,170.88
61880 · Public Works Workers' Compensation	\$ 12,000.00
61905 · Public Works Professional Development	\$ 500.00
61910 · Public Works Office Supplies	\$ 200.00
61920 · Public Works Shop Supplies	\$ 2,500.00
61930 · Public Works Shop Equipment	\$ 4,000.00
61940 · Public Works Safety Equipment	\$ 600.00
62010 · Public Works Printing and Advertising	\$ 150.00
62015 · Public Works Utilities	\$ 5,200.00
62020 · Public Works Building Maintenance	\$ 1,500.00
62025 · Public Works Uniforms	\$ 1,000.00
62030 · Public Works Fuel	\$ 5,000.00
62035 · Public Works Vehicle Maintenance	\$ 2,000.00
62060 · Public Works - Other Expenses	\$ -
62075 · Public Works CDL Testing	\$ 400.00
62100 · Public Works Contract Service	\$ 150.00
Total 61800 · PUBLIC WORKS DEPARTMENT	\$ 204,316.98

FY2014 Town of Fenwick Island Operating and Capital Budget

Expense	FY2014
62200 - ADMINISTRATION DEPARTMENT	
62210 - Admin Salaries	\$ 199,584.58
62220 - Admin Life Insurance	\$ 903.00
62230 - Admin Health Insurance	\$ 50,800.11
62235 - Admin Dental Insurance	\$ 1,795.92
62240 - Admin Payroll Taxes	\$ 15,548.90
62250 - Admin Pension Expense	\$ 17,958.46
62255 - Admin Workers' Compensation	\$ 1,600.00
62260 - Admin Financial Services	\$ 3,500.00
62310 - Admin Office Equipment Maintenance	\$ 1,000.00
62320 - Admin Office Supplies	\$ 4,000.00
62330 - Admin Travel Reimbursement	\$ 600.00
62332 - Admin Vehicle Acquisition	\$ 4,200.00
62334 - Admin Vehicle Fuel and Maintenance	\$ 600.00
62340 - Admin Printing and Advertising	\$ 2,200.00
62350 - Admin Professional Development	\$ 1,000.00
62360 - Admin Personnel Supplies	\$ 400.00
62410 - Admin Capital Expenditures	\$ -
Total 62200 - ADMINISTRATION DEPARTMENT	\$ 305,690.96

FY2014 Town of Fenwick Island Operating and Capital Budget

Expense	FY2014
63200 · GENERAL GOVERNMENT	
63205 · Gen Gov Insurance	\$ 65,359.00
63210 · Gen Gov Telephone	\$ 4,800.00
63220 · Gen Gov Website Services	\$ 3,500.00
63225 · Gen Gov Legal Services	\$ 13,000.00
63230 · Gen Gov Audit Services	\$ 9,000.00
63235 · Gen Gov Postage	\$ 2,800.00
63240 · Gen Gov Printing and Advertising	\$ 1,000.00
63245 · Gen Gov Utilities	\$ 16,300.00
63250 · Gen Gov Appraisal	\$ 4,500.00
63255 · Gen Gov Emergency Management	\$ 500.00
63260 · Gen Gov Sewer	\$ 1,200.00
63265 · Gen Gov Dues	\$ 2,914.00
63270 · Gen Gov Service Grants	\$ 500.00
63271 · Gen Gov Recycling and Yard Waste	\$ 56,580.00
63272 · Gen Gov Building Maintenance	\$ 5,000.00
63273 · Gen Gov Cell Phones	\$ 3,600.00
63274 · Gen Gov Contract Services	\$ 5,343.00
63275 · Gen Gov County Fee Tax Billing	\$ -
63280 · Gen Gov Contingencies	\$ 800.00
63281 · Gen Gov Employee Relations	\$ 3,400.00
63285 · Gen Gov Codification	\$ 5,200.00
63290 · Gen Gov Pension Administration	\$ 3,080.00
63296 · Gen Gov Interest Expense	\$ 9,200.00
63300 · Gen Gov Government Liaison	\$ 1,500.00
63305 · Gen Gov Median Landscape Maintenance	\$ 9,500.00
63310 · Gen Gov Community Projects	\$ 2,500.00
63320 · CRS Flood Program	\$ 1,000.00
63325 · Gen Govt BBVFC Ambulance Service	\$ 38,211.00
63330 · Gen Govt Solid Waste Collection	\$ 96,021.00
63370 · Gen Gov Parking Permits	\$ 2,000.00
63380 · Gen Gov Expense Restricted Purpose	\$ -
Total 63200 · GENERAL GOVERNMENT	\$ 368,308.00
66900 · Reconciliation Discrepancies	\$ -
TOTAL EXPENSE	\$ 1,602,828.12
Net Ordinary Income	\$ 8,671.88

FY2014 Town of Fenwick Island Operating and Capital Budget

Other Income (Capital Budget)		
42795 · State of Delaware Police Grant	\$	-
41030 · Realty Transfer Taxes (RTT)	\$	344,400.00
41100 · General Government Grants	\$	-
41200 · Letter of Credit Proceeds	\$	-
45020 · Appropriation from Reserve Funds	\$	35,000.00
45030 · Interest-Investments	\$	-
Total Other Income	\$	379,400.00
Other Expense (Capital Budget)		
61410 · Police Department	\$	62,400.00
62120 · Public Works' Department	\$	126,000.00
62140 · Emergency Services	\$	-
62160 · Lifeguard Department	\$	5,000.00
63350 · Municipal Street projects	\$	35,000.00
63360 · Municipal Street Lighting	\$	-
63410 · General Government	\$	114,000.00
63430 · Administrative Department	\$	37,000.00
Total Other Expense	\$	379,400.00
Net Other Income	\$	-
Total Net Income	\$	8,671,888

FY2014 CAPITAL IMPROVEMENT PLAN / BUDGET

(August 1, 2013 – July 1, 2014)

The Town of Fenwick Island Budget Committee has considered and approved funding for \$379,400 of expenditures as its Capital Budget for the fiscal year beginning August 1, 2013.

Capital Improvement Plan / Budget Balance (Realty Transfer Funds):

Capital Improvement Plan / Budget expenditures are primarily supported by existing Realty Transfer Tax (RTT) account reserve funds and existing saving account reserve funds.

YEAR	2010	2011	2012	2013
BALANCE	\$1,351,940	\$1,584,987	\$1,803,572	\$1,694,724

The April 2013 Realty Transfer Fund account balance is \$1,694,724 of which \$322,039 is in General Reserve Accounts and \$1,372,684 is in General Non-Reserve Accounts. Town management continues to increase reserve account balances through annual RTT allocations, surplus funding, non-matching grants, fiscal discipline and strategic financial management.

Overall, the Town of Fenwick Island has a grand total of \$2,187,209 in all accounts. Town management, with the assistance of the Town Treasurer, consistently manages each applicable account not to exceed the Federal Deposit Insurance Corporation (FDIC) of \$250,000 per insured bank.

The Budget Committee considered the condition, remaining life expectancy and replacement value of capital assets by department and prioritized those items which were likely to fail in the short-term. Town management reviewed descriptions of existing equipment and offered reasonable recommendations to replace in FY2014 or consider for replacement in subsequent fiscal years.

Authorized Capital Improvement Plan / Budget Expenses:

- Approved funds to replant median landscape areas
- Approved funds for information technology projects
- Approved funds for emergency management
- Approved eight (8) new radios for police department (State of Delaware mandate)
- Approved the purchase of one motor vehicle for police department (replacement)
- Approved the purchase of a new lawn mower for the public works' department
- Approved the purchase of a new Bobcat Skid Steer for the public works' department
- Approved funds for street and drainage projects
- Approved funding to reduce the public safety building mortgage note

Please see attached approved Capital Improvement Plan / Budget for details.

TOWN OF FENWICK ISLAND, DELAWARE

FY2014

APPROVED CAPITAL IMPROVEMENT PLAN / BUDGET

<u>Department</u>	<u>Asset</u>	<u>Value</u>	<u>Actual</u>	<u>Depreciation</u>	<u>Reserve Fund</u>	<u>Purchase Date</u>
Administration	Bank of Ocean City	\$114,000		Annual	Bank of Delmarva	2013 (August)
	Median Landscaping	\$16,000		5 years	PNC (RTT)	2013
	Information Tech.	\$15,000		Various	PNC (RTT)	FY2014
	Server (replacement)	\$3,500		5 years	PNC (RTT)	2013
Emergency Services	Conferences	\$2,500		Annual	PNC (RTT)	FY2014
	Emergency Supplies	\$5,000		Annual	PNC (RTT)	FY2014
	Motor Vehicle	\$30,000		5 years	PNC (RTT)	2013
Police	Portable Radios	\$30,000		20 years	PNC (RTT)	2013
	Motor Vehicle Laptops	\$2,400		5 years	PNC (RTT)	2013
	Bobcat Skid Steer	\$65,000		10 years	PNC (RTT)	2013 (August)
Public Works	Street Repairs	\$50,000		15 years	PNC (RTT)	2013
	Sidewalk Project	\$35,000		5 years	MSAF	2013
	Stone Project	\$8,000		5 years	PNC (RTT)	2013
	Lawnmower	\$1,500		5 years	PNC (RTT)	May 2012
	Mig Welder	\$1,500		5 years	PNC (RTT)	2013 (August)
Grand Total		\$379,400				