

Town of Chincoteague FY25 Budget Presentation

May 6, 2024

Prepared by,
Michael Tolbert,
Town Manager



Town of Chincoteague, Inc.



TO: Mayor Leonard and Council Members
FROM: Michael Tolbert, Town Manager
DATE: May 6, 2025
SUBJECT: FY25 Budget Presentation

Enclosed for your review and consideration is the proposed FY25 Budget. The goal of this budget as always is to provide and maintain high quality services and facilities while using the Town's resources, and taxpayer funds both wisely and efficiently.

This budget is the product of many hours of research and planning by the Town staff and Council. The FY25 Budget by fund is as follows:

1. General Fund		\$9,586,140
a. General Government	\$2,794,880	
b. Emergency Services	\$1,454,458	
c. Public Works	\$2,453,895	
d. Mosquito Control	\$ 172,498	
e. Roads	\$ 928,500	
f. Police	\$1,445,335	
g. Dispatch	\$ 336,574	
2. Harbor Fund		\$ 822,269
3. Trolley Fund		\$ 92,803
4. Water Fund		\$1,028,000
5. Center Fund		\$ 218,400
Total FY2025 Budget		\$11,747,612

Town of Chincoteague, Inc.

Highlights of this budget are:

- A salary market review and increase for all employees.
- The addition of 4 full-time EMS providers to Emergency Services.
- Continued funding of street maintenance and paving.
- The Town's first public sewer collection system.
- Harbor long term savings.
- Water plant filter upgrades.

The following presentation attempts to explain the budget process as well as the sources of revenue, operational expenses and capital improvements to give the citizens of Chincoteague a more clear understanding of the use of tax dollars.

Budgeting used to be Simple!

TOWN OF CHINCOTEAGUE

125

REVENUE

PROPOSED 1971

REVENUE:

Property taxes:

Tax levy and penalties	\$49,000.00	
Bank share tax	3,000.00	
Interest	<u>150.00</u>	\$ 52,150.00
Water rent		89,585.00
Share of AEC profits		7,000.00
Business licenses		9,000.00
Motor vehicle licenses		6,500.00
Sales tax		5,800.00
Parking Meter receipts		3,500.00
Service connections		5,000.00
Fines-Mayor's court		2,500.00
Cleaning septic tanks		3,600.00
Material and services		7,500.00
Memorial park		1,800.00
Sidewalk assessments		800.00
Telephone pay station		150.00
Sundry		<u>200.00</u>
		\$195,085.00

TOTAL REVENUE -----\$195,085.00



Chincoteague Toll Bridge

Funding Demands Have Grown Over the years!

1967

Police Protection
Public Works
Domestic Water Utility
Street Maintenance
Town Administration
Trash Collection
Mosquito Control
Sanitary Pumping

1992

24 Hour Police Protection
Public Works
Domestic Water Utility
Street Maintenance
Town Administration
Trash Collection
Mosquito Control
Parks and Recreation
8-Hour Emergency Services
Tourism Economic- Development



What does the Town fund now?

24 Hour Police Protection

Public Works

Domestic Water Utility

Street Maintenance

Town Administration

Trash Collection

Mosquito Control

Parks and Recreation

24 Hour Emergency Services

Tourism & Economic Development

Harbor of Refuge

Boat Ramps

Civic Center

Cemetery Care

Trolley Service



The Budget Process

Preparation

- *October - The Town Manager Meets with Department heads to review needs for the next fiscal year.*
- *January - Year to date expenditures are reviewed to gauge budget discipline and forecast accuracy.*

Budget Construction

- *December - The first draft budget is constructed by the Town Manager and presented as unbalanced with all department requests and Capital Improvement items included.*
- *February – Subsequent drafts are fine tuned with input from Budget and Personnel Committee and Council and finally presented in balanced form.*

Approval

- *April - Per Virginia State Code, a summary of the budget must be advertised in the local paper.*
- *May - The budget is formally presented at a public hearing where the citizens have an opportunity to offer comment on the completed document.*
- *May - After the required waiting time, The Council votes to approve and appropriate the budget.*

Budget Structure

The Town Budget consists of 5 separate funds.

- General Fund (Government)
- Harbor Fund (Enterprise)
- Trolley Fund (Hybrid)
- Water Fund (Enterprise)
- Center Fund (Hybrid)

Government General Funds receive revenue primarily from Taxes.

Enterprise Funds receive revenue primarily from user fees and services.

Each fund must balance independently.

Budget Priorities

- *Employee Compensation*
- *Public Safety*
- *An increase in employee health care contributions of 5%*
- *Retention of Police and EMS Personnel*
- *Continued funding of street maintenance and paving*

The FY 25 Budget Summary

1. General Fund		\$9,586,140
<i>a. General Government</i>	\$2,794,880	
<i>b. Emergency Services</i>	\$1,454,458	
<i>c. Public Works</i>	\$2,453,895	
<i>d. Mosquito Control</i>	\$ 172,498	
<i>e. Roads</i>	\$ 928,500	
<i>f. Police</i>	\$1,445,335	
<i>g. Dispatch</i>	\$ 336,574	
2. Harbor Fund		\$ 822,269
3. Trolley Fund		\$ 92,803
4. Water Fund		\$1,028,000
5. Center Fund		\$ 218,400
<u>Total FY2025 Proposed Budget</u>		<u>\$11,747,612</u>



Revenues

WATER
\$1,028,000

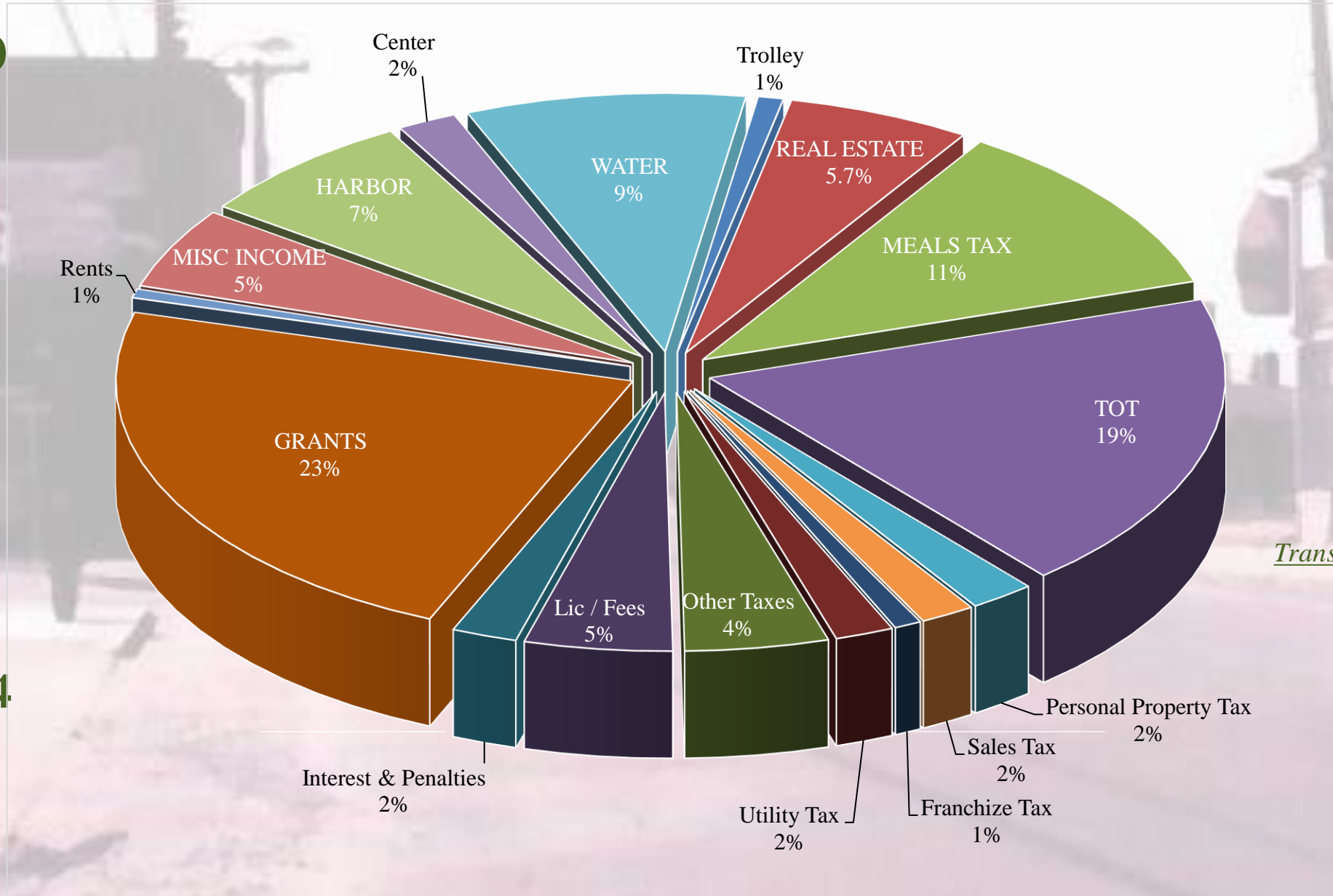
Real Estate Taxes
\$675,000

Harbor
\$822,269

Meals Tax
\$1,300,000

Grants
\$2,686,384

Transient Occupancy Tax
\$2,200,000



Tax Revenue

\$4,690,000 - 40% of Total



Transient Occupancy Tax
\$0.47

Meals Tax \$0.28

Real Estate Tax, \$0.14

Personal Property Tax \$0.05

Sales Tax \$0.04

Cigarette Tax \$0.02

EXPENDITURES

Water
\$1,028,000

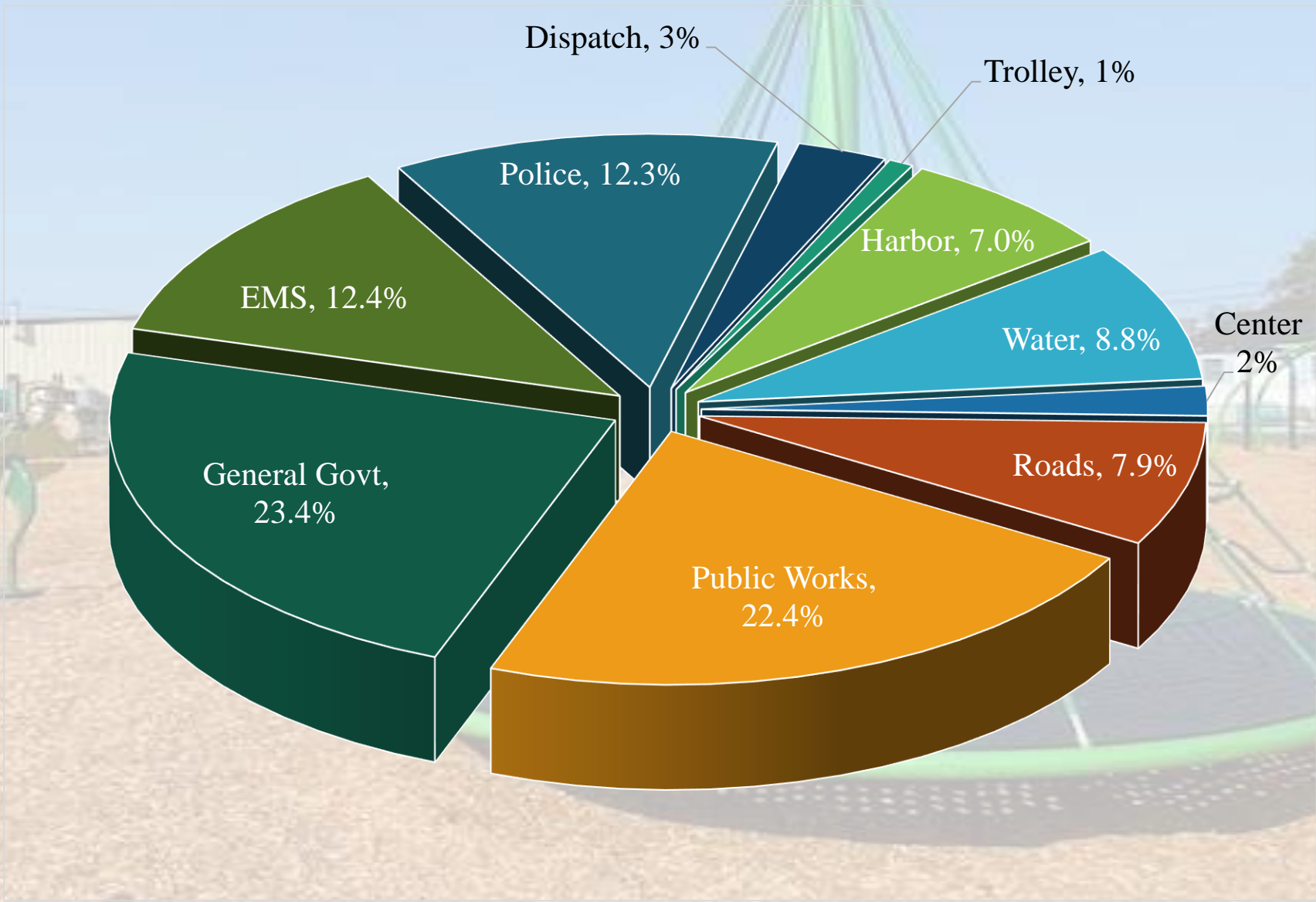
Harbor
\$822,269

Public Works
\$2,626,393

General Government
\$2,749,880,

EMS
\$1,454,458

Police
\$1,445,335,



Townwide Expenditures

\$11,747,612



Payroll, \$0.43

Operations, \$0.21

Purchased Services \$0.06

Capital Projects
\$0.24

Reserves
\$0.02

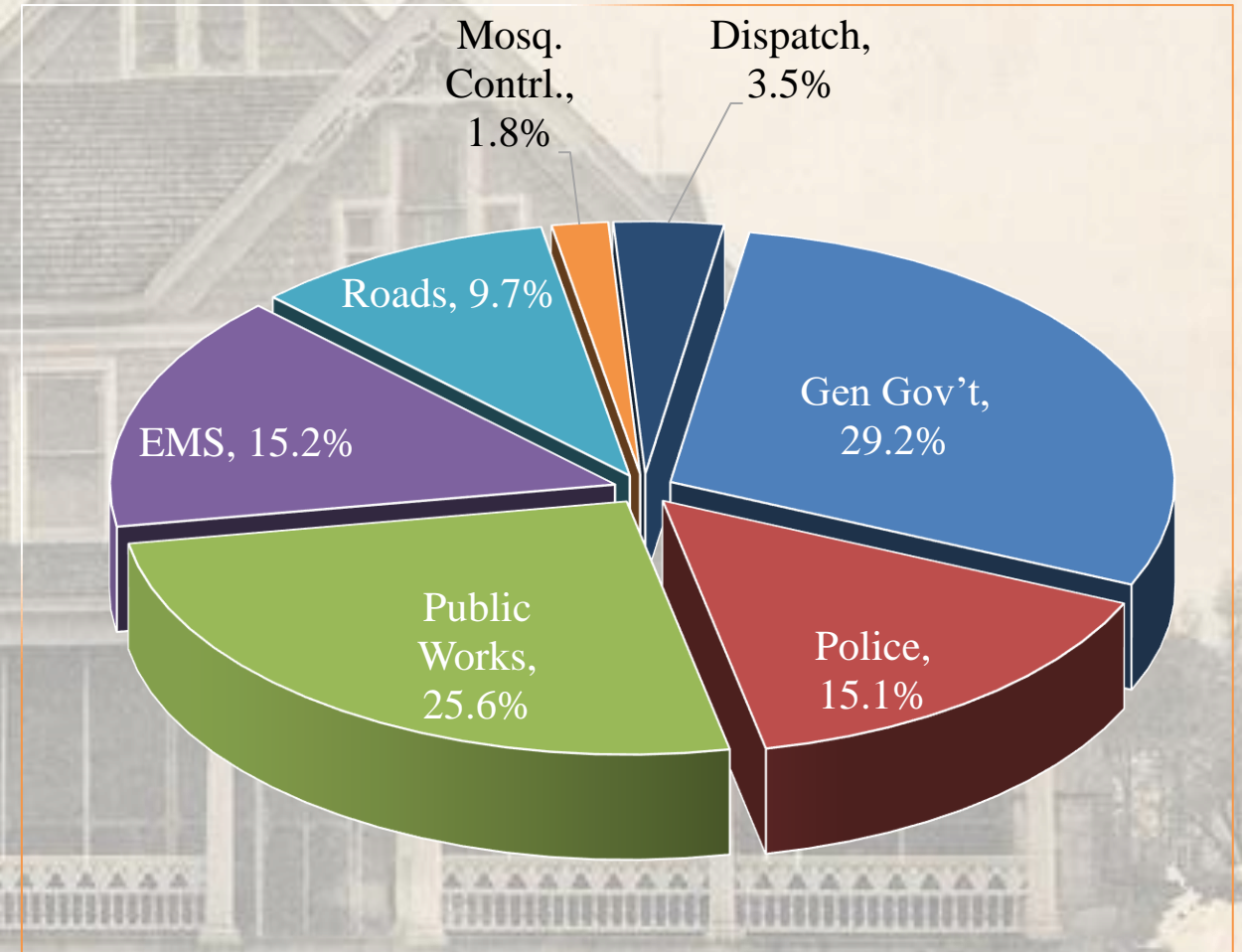
Tourism \$0.03

Debt \$0.01

General Fund

- ❑ General Government - \$2,794,880
- ❑ Police - \$1,445,335
- ❑ Dispatch - \$336,574
- ❑ Public Works - \$2,453,894
- ❑ EMS - \$1,454,458
- ❑ Roads - \$928,500
- ❑ Mosquito Control - \$172,498

Expenditures



Harbor Fund

☐ Capital Improvements - \$273,269

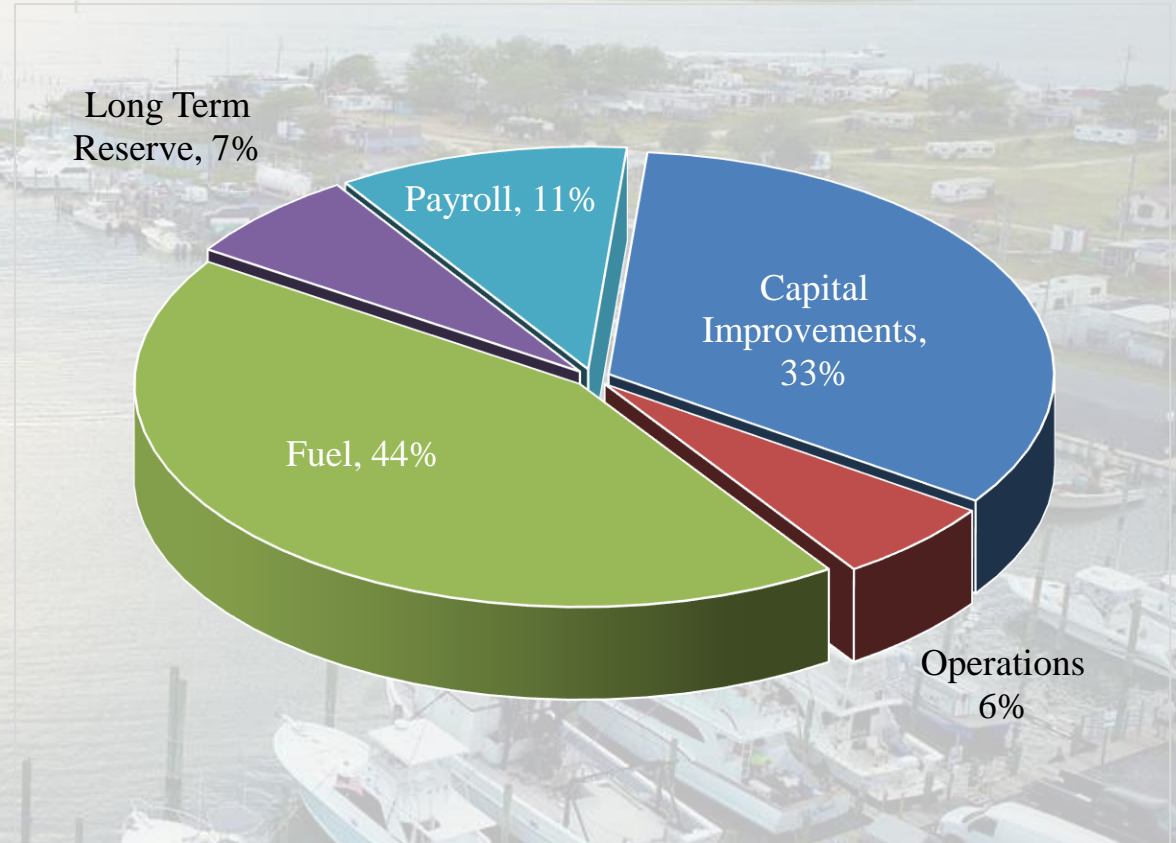
☐ Fuel - \$359,129

☐ Payroll - \$86,871

☐ Long Term Reserve - \$54,000

☐ Operations - \$49,000

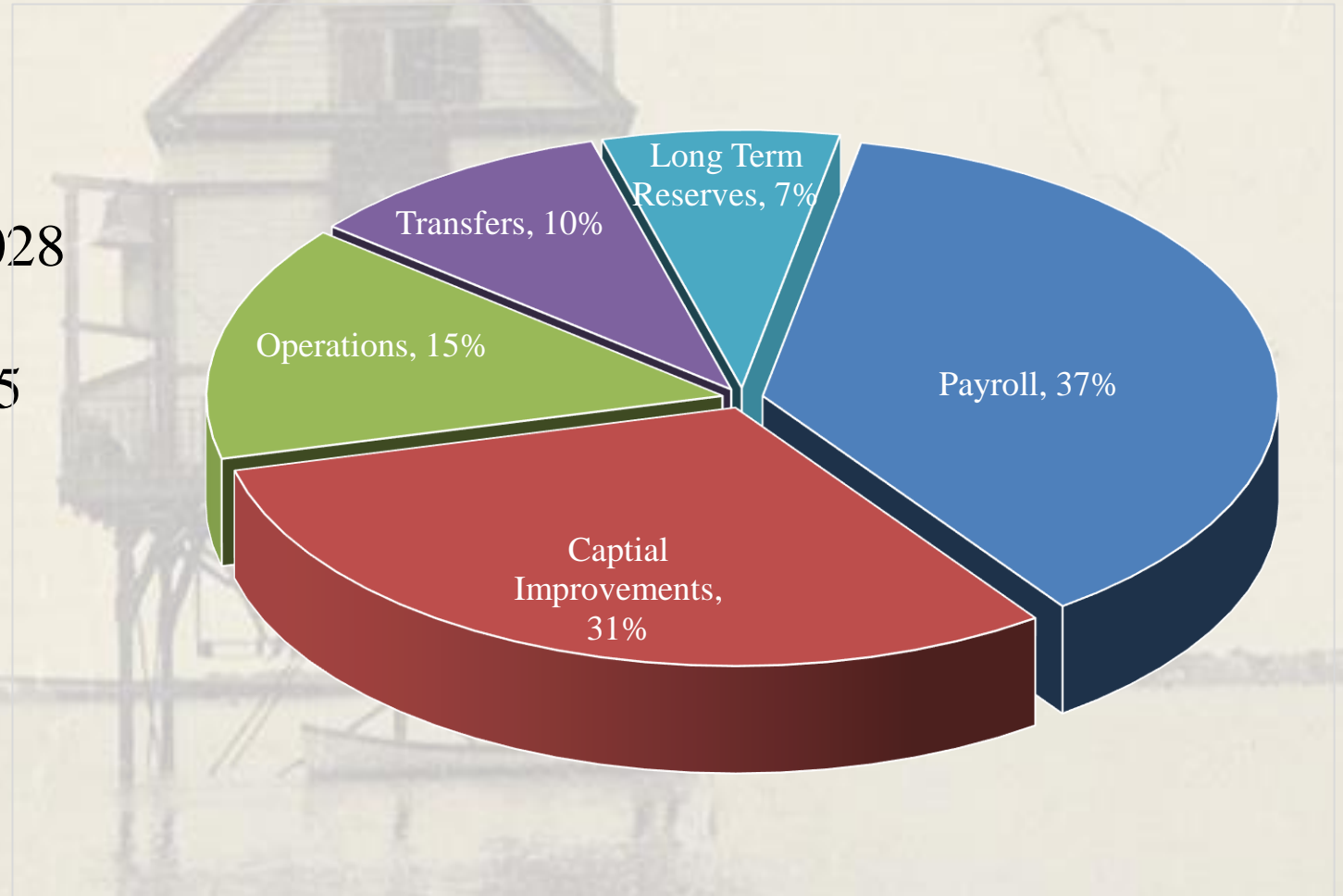
Expenditures



Water Fund

- ❑ Payroll - \$381,237
- ❑ Capital Improvement - \$318,028
- ❑ Long Term Reserves - \$76,285
- ❑ Transfers - \$100,000
- ❑ Operations - \$152,450

Expenditures



Trolley Fund

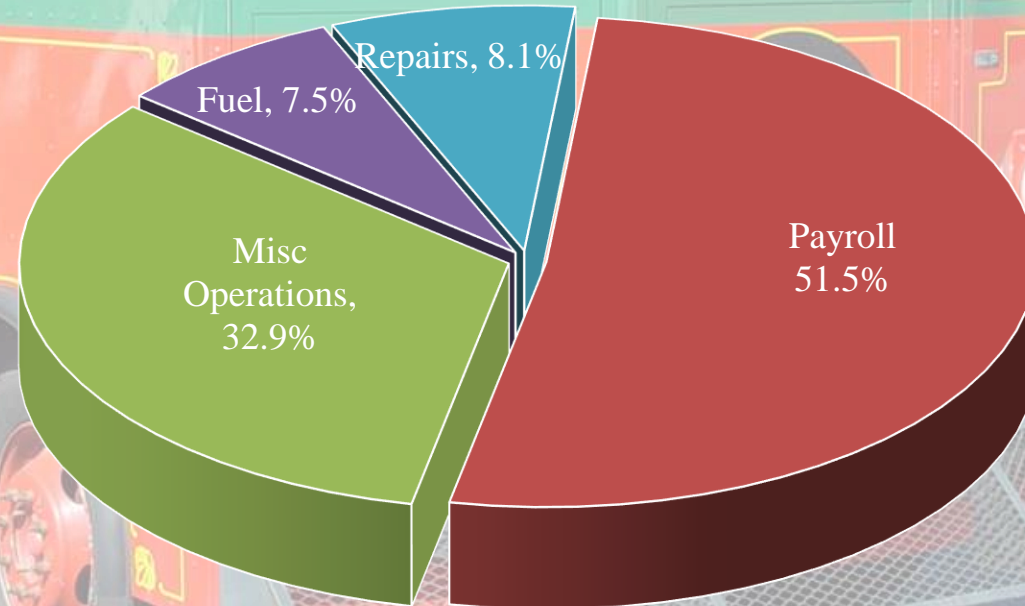
Expenditures

☐ Payroll - \$53,803

☐ Operations - \$39,150

☐ Fuel - \$8,000

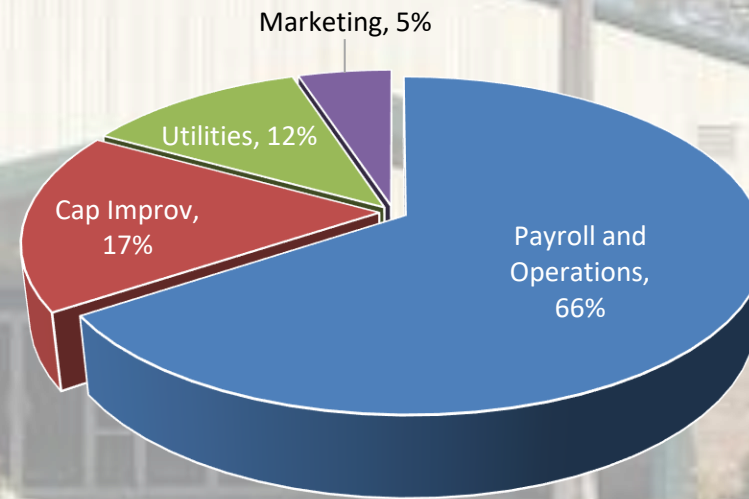
☐ Repairs - \$7,500



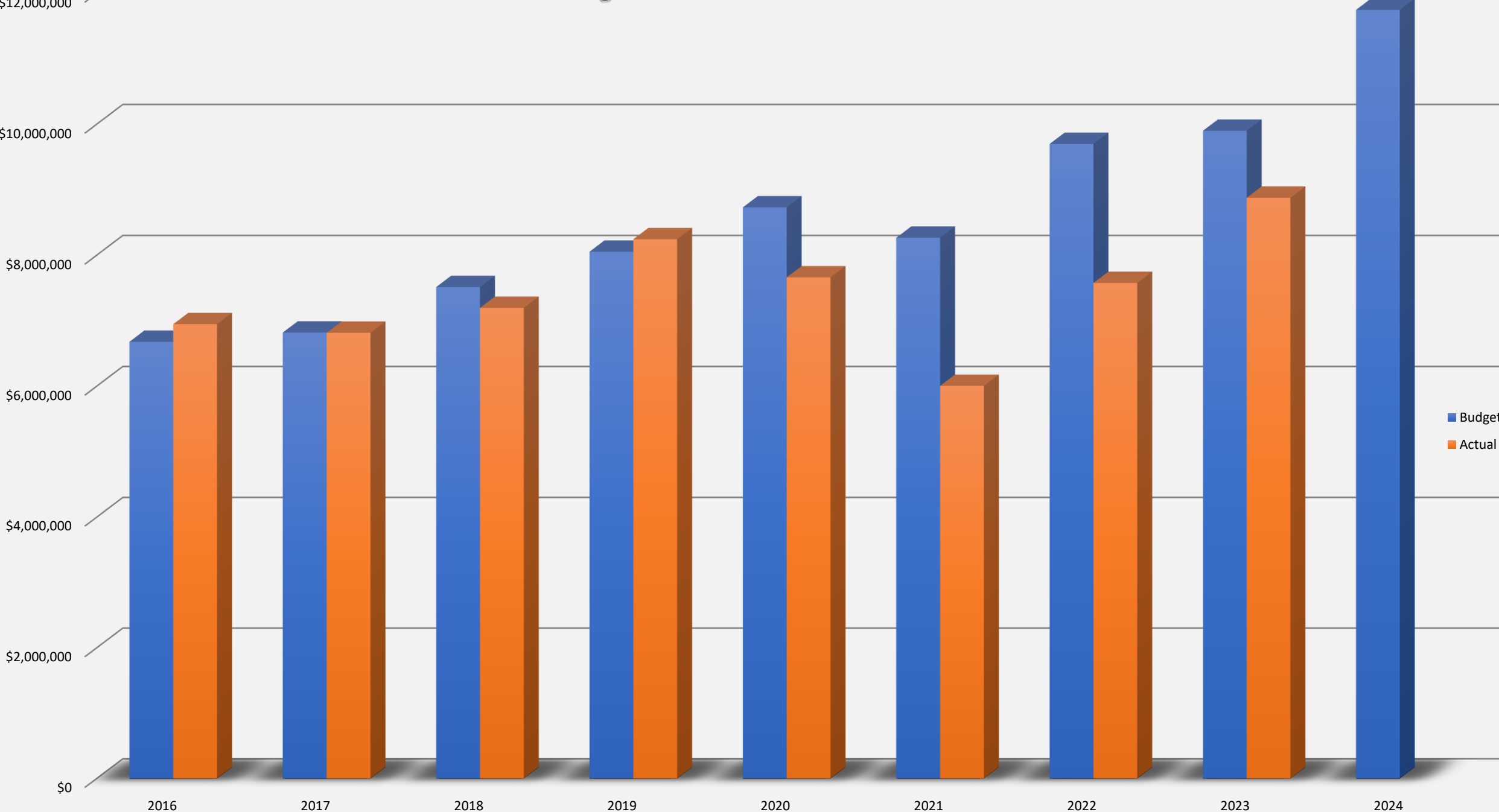
Center Fund

- ❑ Capital Improvements - \$38,000
- ❑ Operations and Payroll - \$143,400
- ❑ Utilities - \$26,000
- ❑ Marketing - \$11,200

Expenditures

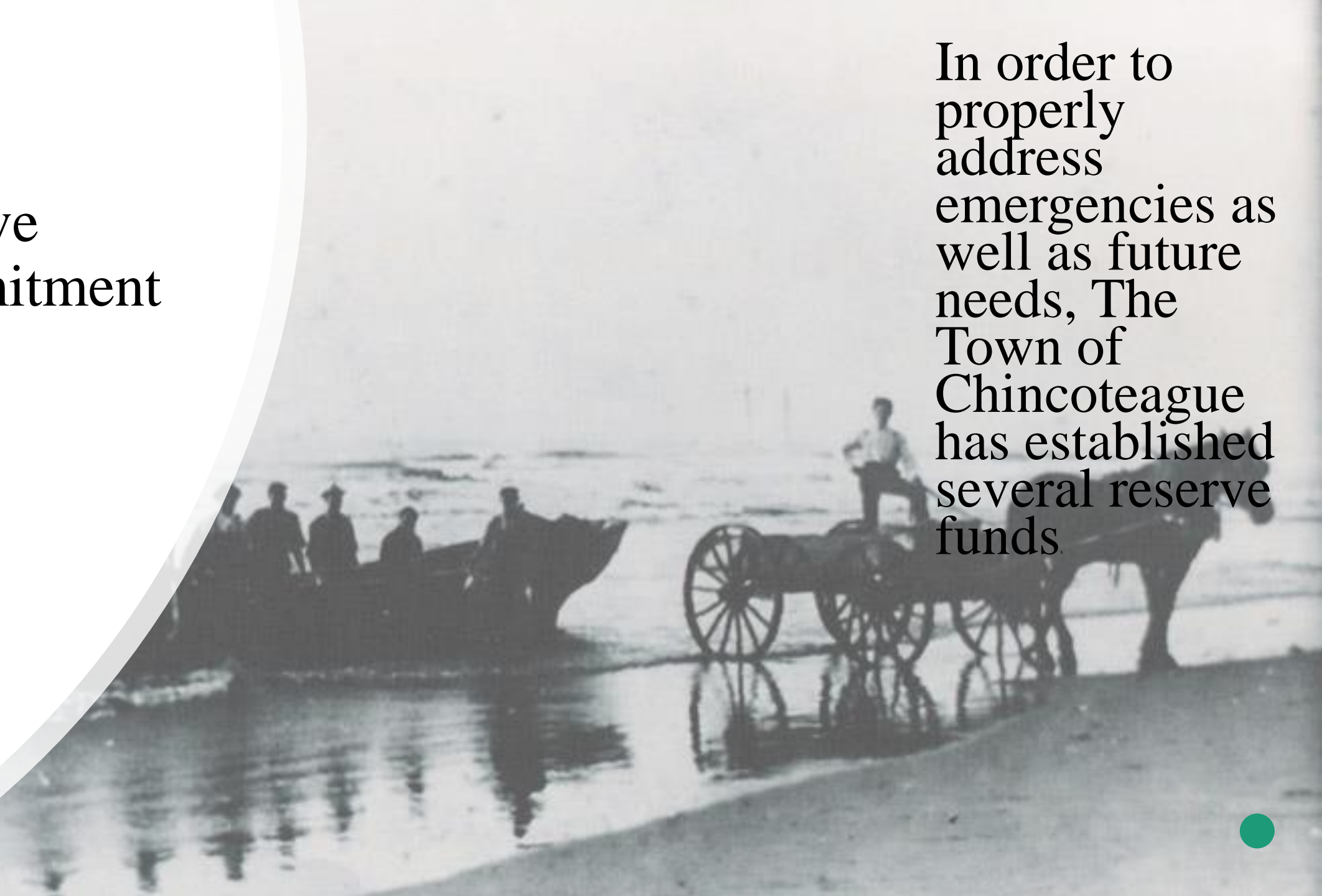


Budget Vs. Actual Performance



Reserve Commitment

In order to properly address emergencies as well as future needs, The Town of Chincoteague has established several reserve funds.



Reserves and Long-Term Savings

	<u>LGIP</u>	<u>Long Term Savings</u>
Harbor	\$ 133,185	\$ 141,925
Water	\$ 717,810	\$ 293,543
General Fund Savings		
- General	\$2,152,943	\$1,085,111
- ARPA	\$2,851,110	\$ 0
- Drainage	\$ 243,234	\$ 0
- Boat Ramp	\$ 0	\$ 0
- Land Acquisition	\$ 193,600	\$ 0
- Playground Equipment	\$ 0	\$ 0
- Beach/Rec/Tourism	\$ 954,481	\$ 0
- Beach Access Committee	\$ 22,000	\$ 0
- Retiree Prescriptions	\$ 38,127	\$ 0
- Mosquito Control	\$ 119,104	\$ 45,000
- <u>Mosquito Control Drainage</u>	<u>\$ 20,450</u>	<u>\$ 0</u>
Total General Fund Savings	\$ 6,595,049	\$ 1,130,111
Total All Reserve Accounts	\$ 7,446,044	\$ 1,565,579

as of May 1, 2024

FY24 Capital Improvement Project Highlights

1. **New Website Design \$20,000**
2. **Water Plant Filter Upgrades \$120,000**
3. **Public Sewer Collection System \$1,120,000**
4. **Water Meter Bonds \$103,028**
5. **High Rise Lift Pump, Water Plant \$30,000**
6. **Harbor Long Term Replacement Reserve \$54,000**
7. **Digital Communications Display \$35,000**





Questions?

