

**Town of Nags Head  
Recommended Budget  
Water Fund Revenues and Expenditures Summary  
For the Fiscal Year 2017-2018**

Description	Departmental Requested 2017-2018	Manager's Recommended 2017-2018	Financial Plan 2018-2019	Adopted Budget 2016-2017	Adjusted Budget 2016-2017	Estimated Actual 2016-2017	Actual 2015-2016	Actual 2014-2015
<b>REVENUES</b>								
Operating Revenues	\$ 2,657,069	\$ 2,657,069	\$ 2,748,969	\$ 2,747,500	\$ 2,747,500	\$ 2,695,069	\$ 2,825,802	\$ 2,839,952
Investment Earnings	61,250	61,250	63,750	45,750	56,250	61,250	50,496	35,611
Other Revenue	2,000	2,000	2,000	1,000	1,000	3,000	2,122	4,238
Other Finance Sources	660,966	495,567	814,346	285,096	516,794	73,149	51,412	150
<b>TOTAL</b>	<b>\$ 3,481,680</b>	<b>\$ 3,215,886</b>	<b>\$ 3,629,065</b>	<b>\$ 3,079,346</b>	<b>\$ 3,321,544</b>	<b>\$ 2,832,468</b>	<b>\$ 2,929,832</b>	<b>\$ 2,879,952</b>
<b>EXPENDITURES</b>								
Interfund	\$ 705,357	\$ 705,357	\$ 705,357	\$ 606,830	\$ 50,000	\$ 3,530	\$ -	\$ -
Water Administration	237,448	237,448	246,775	206,447	292,865	278,917	449,053	422,881
Septic Health Initiative	332,360	332,360	174,754	175,568	226,082	219,896	205,384	209,710
Water Operations	1,475,107	1,453,307	1,778,725	1,473,020	1,806,971	1,695,096	1,817,444	1,921,382
Water Distribution	731,408	487,414	723,454	617,481	945,626	904,431	669,451	653,546
<b>TOTAL</b>	<b>\$ 3,481,680</b>	<b>\$ 3,215,886</b>	<b>\$ 3,629,065</b>	<b>\$ 3,079,346</b>	<b>\$ 3,321,544</b>	<b>\$ 3,101,870</b>	<b>\$ 3,141,332</b>	<b>\$ 3,207,519</b>

**Town of Nags Head  
Water Fund Revenues-Recommended  
For the Fiscal Year 2017-2018**

Account Description	Manager's Recommended 2016-2017	Financial Plan 2018-2019	Adopted Budget 2016-2017	Adjusted Budget 2016-2017	Estimated Actual Revenues 2016-2017	Actual Revenues 2015-2016	Actual Revenues 2014-2015
<b>OPERATING REVENUES</b>							
POND ISLAND SPECIAL ASSESSMENT PRINCIPAL	\$ 385	\$ 385	\$ -	\$ -	\$ 385	\$ 2,033	\$ 14,823
POND ISLAND SPECIAL ASSESSMENT INTEREST	184	184	-	-	184	348	37
WATER UTILITY SALES	2,650,000	2,750,000	2,700,000	2,700,000	2,600,000	2,723,904	2,670,725
ADJUSTMENTS TO WATER SALES	(40,000)	(40,000)	-	-	(60,000)	(47,604)	(60,544)
CUSTOMER SERVICE ADJUSTMENTS	(1,000)	(100)	-	-	(2,000)	(1,021)	(1,594)
10% LATE PAYMENT PENALTY	30,000	30,000	30,000	30,000	26,000	28,859	31,650
INITIAL IMPACT FEES	-	-	-	-	110,000	100,500	154,500
AMMONS DARE IMPACT FEES	-	-	-	-	-	2,000	8,000
TAPS AND CONNECTION FEES	10,000	1,000	10,000	10,000	13,000	10,583	15,255
TAG CUTOFF FEES	7,500	7,500	7,500	7,500	7,500	6,200	7,100
<b>Subtotal Operating Revenues</b>	<b>\$ 2,657,069</b>	<b>\$ 2,748,969</b>	<b>\$ 2,747,500</b>	<b>\$ 2,747,500</b>	<b>\$ 2,695,069</b>	<b>\$ 2,825,802</b>	<b>\$ 2,839,953</b>
<b>INVESTMENT EARNINGS</b>							
SEPTIC LOAN PRINCIPAL PAID	\$ 25,000	\$ 25,000	\$ 15,000	\$ 25,000	\$ 25,000	\$ 19,699	\$ 14,324
INTEREST ON CASH/INVESTMENTS	35,000	37,500	30,000	30,000	35,000	29,948	20,697
SEPTIC LOAN INTEREST PAID	1,250	1,250	750	1,250	1,250	850	591
<b>Subtotal Investment Earnings</b>	<b>\$ 61,250</b>	<b>\$ 63,750</b>	<b>\$ 45,750</b>	<b>\$ 56,250</b>	<b>\$ 61,250</b>	<b>\$ 50,496</b>	<b>\$ 35,611</b>
<b>OTHER REVENUE</b>							
MISCELLANEOUS REVENUES	\$ 2,000	\$ 2,000	\$ 1,000	\$ 1,000	\$ 2,500	\$ 1,762	\$ 3,763
MISCELLANEOUS REVENUES - ACCRUAL	-	-	-	-	500	360	475
<b>Subtotal Other Revenue</b>	<b>\$ 2,000</b>	<b>\$ 2,000</b>	<b>\$ 1,000</b>	<b>\$ 1,000</b>	<b>\$ 3,000</b>	<b>\$ 2,122</b>	<b>\$ 4,238</b>
<b>OTHER FINANCE SOURCES</b>							
PROCEEDS FROM LOAN	\$ -	\$ -	\$ -	\$ 73,099	\$ 73,099	\$ 51,412	\$ -
REFUNDS OF PRIOR YEAR EXPENSES	-	-	-	-	50	-	150
APPROPRIATED RETAINED EARNINGS	495,567	814,346	285,096	443,695	-	-	-
<b>Subtotal Other Finance Sources</b>	<b>\$ 495,567</b>	<b>\$ 814,346</b>	<b>\$ 285,096</b>	<b>\$ 516,794</b>	<b>\$ 73,149</b>	<b>\$ 51,412</b>	<b>\$ 150</b>
<b>TOTAL</b>	<b>\$ 3,215,886</b>	<b>\$ 3,629,065</b>	<b>\$ 3,079,346</b>	<b>\$ 3,321,544</b>	<b>\$ 2,832,468</b>	<b>\$ 2,929,832</b>	<b>\$ 2,879,952</b>

**Town of Nags Head  
Recommended Budget  
Water Fund Expenditures by Account  
For the Fiscal Year 2017-2018**

Account Description	Departmental Requested 2017-2018	Manager's Recommended 2017-2018	Financial Plan 2018-2019	Adopted Budget 2016-2017	Adjusted Budget 2016-2017	Estimated Actual Expenditures 2016-2017	Actual Expenditures 2015-2016	Actual Expenditures 2014-2015
<b>PERSONNEL SERVICES</b>								
SALARIES/WAGES - REGULAR	\$ 538,122	\$ 538,122	\$ 548,802	\$ 527,189	\$ 530,568	\$ 505,078	\$ 441,975	\$ 442,420
SALARIES - LONGEVITY PAY	16,084	16,084	19,942	3,379	-	-	-	12,492
SALARIES/WAGES - PARTTIME	-	-	-	-	-	-	-	1,794
OVERTIME PAY	2,900	2,900	2,900	-	-	-	-	2,092
HOLIDAY PAY	7,100	7,100	7,100	-	-	-	-	-
FICA TAX	43,162	43,162	44,273	40,482	40,482	35,121	31,275	32,269
GROUP HEALTH INSURANCE	169,076	169,076	176,936	151,588	151,588	141,838	119,949	122,603
RETIRES GROUP HEALTH INSUR	26,964	26,964	28,184	24,408	24,408	25,271	24,520	24,297
RETIREMENT	42,347	42,347	43,792	37,621	37,621	36,044	29,750	31,749
402 K	11,202	11,202	11,494	10,377	10,377	7,284	5,913	6,144
<b>Subtotal Personnel Services</b>	<b>\$ 856,957</b>	<b>\$ 856,957</b>	<b>\$ 883,423</b>	<b>\$ 795,044</b>	<b>\$ 795,044</b>	<b>\$ 750,636</b>	<b>\$ 653,382</b>	<b>\$ 675,860</b>
<b>OPERATIONS</b>								
TRAINING	\$ 11,420	\$ 11,420	\$ 12,420	\$ 10,195	\$ 10,270	\$ 2,493	\$ 5,966	\$ 3,456
BUILDING/EQUIPMENT RENTAL	1,480	1,480	1,480	774	774	943	826	669
TELEPHONE	9,738	9,738	9,738	4,900	4,900	4,825	5,279	5,442
TELEPHONE - CELL PHONE STIPEND	2,025	2,025	2,025	1,920	1,920	1,657	1,530	1,035
UTILITIES	53,906	53,906	58,218	52,950	52,950	50,026	46,309	45,462
TRAVEL	-	-	-	-	-	-	-	2,431
POSTAGE	17,710	17,710	22,450	17,060	17,060	13,624	12,930	13,478
ADVERTISING	3,525	3,525	3,595	3,460	3,460	3,270	1,688	66
PRINTING	5,825	5,825	5,825	5,325	5,325	2,768	3,686	4,208
FUEL COSTS	14,900	14,900	14,900	16,000	16,000	10,924	10,629	14,569
STREET SUPPLIES	2,500	2,500	2,500	2,500	2,500	2,500	2,620	1,024
DEPARTMENT SUPPLIES	56,640	52,640	57,140	47,024	40,564	39,609	51,601	46,246
OTHER SUPPLIES	23,225	23,225	24,600	21,375	21,375	19,486	13,906	28,447
OTHER SUPPLIES - COMPUTER	2,000	2,000	-	-	-	-	723	713
MAINT/REPAIR BUILDINGS	1,500	1,500	2,000	1,000	1,000	915	300	872
MAINT/REPAIR EQUIPMENT	41,400	30,400	306,850	96,200	63,150	47,469	26,488	142,715
VEHICLE MAINTENANCE	6,150	6,150	7,150	3,750	3,750	4,599	3,630	2,208
VEHICLE REPAIRS	1,000	1,000	1,000	-	-	-	-	-
MAINT/REPAIR OTHER	34,740	34,740	36,510	31,200	21,200	23,228	15,913	35,402
UNIFORMS	4,500	4,500	4,500	4,000	4,000	3,414	3,553	4,866
PROFESSIONAL FEES	17,115	17,115	17,275	155,570	157,170	153,469	4,814	3,454
PROF. FEES H2O QUALITY TESTING	43,300	43,300	43,300	43,300	43,300	43,300	46,939	43,670
CONTRACTED SERVICES	51,076	49,201	47,536	35,169	35,169	33,149	16,571	16,589
PURCHASES FOR RESALE	831,168	831,168	872,726	854,865	854,865	779,680	753,552	858,977
INSPECTION REBATE	10,000	10,000	10,000	9,000	9,475	9,475	7,975	8,213
PUMPING CREDIT FOR H2O USAGE	2,000	2,000	2,000	1,500	1,500	1,890	1,710	1,320
DEPRECIATION EXPENSE	-	-	-	-	-	-	312,758	287,647
BAD DEBT EXPENSE	5,000	5,000	5,000	5,000	5,000	-	-	-

**Town of Nags Head  
Recommended Budget  
Water Fund Expenditures by Account  
For the Fiscal Year 2017-2018**

<b>Account Description</b>	<b>Departmental Requested 2017-2018</b>	<b>Manager's Recommended 2017-2018</b>	<b>Financial Plan 2018-2019</b>	<b>Adopted Budget 2016-2017</b>	<b>Adjusted Budget 2016-2017</b>	<b>Estimated Actual Expenditures 2016-2017</b>	<b>Actual Expenditures 2015-2016</b>	<b>Actual Expenditures 2014-2015</b>
<b><i>OPERATIONS - CONTINUED</i></b>								
OPEB Funding	\$ -	\$ -	\$ 2,700	\$ -	\$ -	\$ -	\$ 768	\$ 2,816
DUES AND SUBSCRIPTIONS	4,628	4,628	4,728	4,438	4,438	5,414	3,627	3,582
INSURANCE	60,000	60,000	60,000	50,000	50,000	50,000	56,271	55,874
<b><i>Subtotal Operations</i></b>	<b>\$ 1,318,471</b>	<b>\$ 1,301,596</b>	<b>\$ 1,638,166</b>	<b>\$ 1,478,475</b>	<b>\$ 1,431,115</b>	<b>\$ 1,308,126</b>	<b>\$ 1,412,564</b>	<b>\$ 1,635,449</b>
<b><i>COST REIMBURSEMENT</i></b>								
COST REIMBURSEMENT	\$ -	\$ -	\$ -	\$ -	\$ 556,830	\$ 556,830	\$ 542,618	\$ 515,000
<b><i>Subtotal Cost Reimbursement</i></b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 556,830</b>	<b>\$ 556,830</b>	<b>\$ 542,618</b>	<b>\$ 515,000</b>
<b><i>CAPITAL OUTLAY</i></b>								
CAPITAL OUTLAY BUILDINGS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 94,695	\$ -
CAPITAL OUTLAY OTHER	385,000	150,000	235,000	8,541	207,500	203,781	172,652	160,276
CAPITAL OUTLAY EQUIPMENT	13,919	-	-	25,000	105,099	104,349	84,689	59,695
CAPITAL OUTLAY VEHICLE	1,000	1,000	-	-	-	-	-	-
<b><i>Subtotal Capital Outlay</i></b>	<b>\$ 399,919</b>	<b>\$ 151,000</b>	<b>\$ 235,000</b>	<b>\$ 33,541</b>	<b>\$ 312,599</b>	<b>\$ 308,130</b>	<b>\$ 352,036</b>	<b>\$ 219,971</b>
<b><i>DEBT SERVICE</i></b>								
L/P PRINCIPAL	\$ 145,815	\$ 145,815	\$ 113,648	\$ 133,784	\$ 133,784	\$ 133,161	\$ 140,274	\$ 119,768
L/P INTEREST	5,161	5,161	3,471	6,672	6,672	6,672	13,866	17,281
SEPTIC LOAN PROGRAM	50,000	50,000	50,000	25,000	35,500	34,785	25,540	24,190
ACCRUED INTEREST	-	-	-	-	-	-	1,053	-
	<b>\$ 200,976</b>	<b>\$ 200,976</b>	<b>\$ 167,119</b>	<b>\$ 165,456</b>	<b>\$ 175,956</b>	<b>\$ 174,618</b>	<b>\$ 180,733</b>	<b>\$ 161,239</b>
<b><i>INTERFUND</i></b>								
CONTRIB. TO GENERAL FUND	\$ 655,357	\$ 655,357	\$ 655,357	\$ 556,830	\$ -	\$ -	\$ -	\$ -
CONTINGENCY	50,000	50,000	50,000	50,000	50,000	3,530	-	-
<b><i>Subtotal Interfund</i></b>	<b>\$ 705,357</b>	<b>\$ 705,357</b>	<b>\$ 705,357</b>	<b>\$ 606,830</b>	<b>\$ 50,000</b>	<b>\$ 3,530</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total</b>	<b>\$ 3,481,680</b>	<b>\$ 3,215,886</b>	<b>\$ 3,629,065</b>	<b>\$ 3,079,346</b>	<b>\$ 3,321,544</b>	<b>\$ 3,101,870</b>	<b>\$ 3,141,332</b>	<b>\$ 3,207,519</b>

**Town of Nags Head  
Recommended Budget  
For the Fiscal Year 2017-2018**

**Water Fund Expenditures by Function**

	<b>Adopted 2016-2017</b>	<b>Manager's Recommended 2017-2018</b>	<b>Net Change Recommended</b>	<b>Financial Plan 2018-2019</b>
PERSONNEL	\$ 795,044	\$ 856,957	7.79%	\$ 883,423
OPERATIONS	1,478,475	1,301,596	-11.96%	1,638,166
CAPITAL OUTLAY	33,541	151,000	350.20%	235,000
DEBT SERVICE	<u>165,456</u>	<u>200,976</u>	21.47%	<u>167,119</u>
SUB-TOTAL	2,472,516	2,510,529	1.54%	2,923,708
INTERFUND TRANSFERS	556,830	655,357	17.69%	655,357
CONTINGENCY	<u>50,000</u>	<u>50,000</u>	0.00%	<u>50,000</u>
<b>TOTAL</b>	<b>\$ 3,079,346</b>	<b>\$ 3,215,886</b>	<b>4.43%</b>	<b>\$ 3,629,065</b>

**Water Fund Expenditures by Percentage**

	<b>Adopted 2016-2017</b>	<b>Percentage of Total</b>	<b>Manager's Recommended 2017-2018</b>	<b>Percentage of Total</b>	<b>Financial Plan 2018-2019</b>	<b>Percentage of Total</b>
PERSONNEL	\$ 795,044	25.82%	\$ 856,957	26.65%	\$ 883,423	24.34%
OPERATIONS	1,478,475	48.01%	1,301,596	40.47%	1,638,166	45.14%
CAPITAL OUTLAY	33,541	1.09%	151,000	4.70%	235,000	6.48%
DEBT SERVICE	<u>165,456</u>	5.37%	<u>200,976</u>	6.25%	<u>167,119</u>	4.61%
SUB-TOTAL	2,472,516	80.29%	2,510,529	78.07%	2,923,708	80.56%
INTERFUND TRANSFERS	556,830	18.08%	655,357	20.38%	655,357	18.06%
CONTINGENCY	<u>50,000</u>	1.62%	<u>50,000</u>	1.55%	<u>50,000</u>	1.38%
<b>TOTAL</b>	<b>\$ 3,079,346</b>	<b>100.00%</b>	<b>\$ 3,215,886</b>	<b>100.00%</b>	<b>\$ 3,629,065</b>	<b>100.00%</b>

**Town of Nags Head  
Recommended Budget  
Debt Schedule (Projected Lease Payments)  
For the Fiscal year 2017-2018**

Description	Replace Year	Estimated Cost	16-17	17-18	18-19	19-20	20-21	21-22	FY 2023 and Beyond
<b>Water Fund</b>									
<b>Water Administration</b>									
Utility Billing Software	16/17	\$ 39,925	\$ 8,241	\$ 8,241	\$ 8,241	\$ 8,241	\$ 8,241	\$ -	\$ -
<b>Water Operations:</b>									
Water Tower	06/07	\$ 950,688	\$ 91,036	\$ 90,567	\$ 88,617	\$ -	\$ -	\$ -	\$ -
Ford F-150	15/16	24,369	8,223	8,223	-	-	-	-	-
Pickup	20/21	25,000	-	-	-	-	8,662	8,662	8,662
1 Million Gallon Treatment Train*****	21/22	3,400,000	-	-	-	-	-	226,667	4,363,333
		<b>\$ 4,429,057</b>	<b>\$ 99,259</b>	<b>\$ 98,790</b>	<b>\$ 88,617</b>	<b>\$ -</b>	<b>\$ 8,662</b>	<b>\$ 235,329</b>	<b>\$ 4,371,995</b>
<b>Water Distribution:</b>									
Water Distribution Backhoe	13/14	\$ 71,939	\$ 14,727	\$ 14,558	\$ -	\$ -	\$ -	\$ -	\$ -
Excavator	16/17	33,174	8,480	8,480	8,480	8,480	-	-	-
Pickup	17/18	34,000	-	11,781	11,781	11,781	-	-	-
4x4 Pickup	19/20	35,000	-	-	-	12,127	12,127	12,127	-
4x4 Pickup	19/20	36,000	-	-	-	12,474	12,474	12,474	-
Chloramine Conversion for Disinfection	21/22	99,200	-	-	-	-	-	34,372	68,744
		<b>\$ 309,313</b>	<b>\$ 23,207</b>	<b>\$ 34,819</b>	<b>\$ 20,261</b>	<b>\$ 44,862</b>	<b>\$ 24,601</b>	<b>\$ 58,973</b>	<b>\$ 68,744</b>
<b>Septic Health:</b>									
Chevy Silverado	15/16	\$ 27,043	\$ 9,126	\$ 9,126	\$ -	\$ -	\$ -	\$ -	\$ -
SUV	21/22	30,000	-	-	-	-	-	10,395	20,790
		<b>\$ 57,043</b>	<b>\$ 9,126</b>	<b>\$ 9,126</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,395</b>	<b>\$ 20,790</b>
<b>Total Water Fund Lease Payments</b>			<b>\$ 139,833</b>	<b>\$ 150,976</b>	<b>\$ 117,119</b>	<b>\$ 53,103</b>	<b>\$ 41,504</b>	<b>\$ 304,697</b>	<b>\$ 4,461,529</b>

Replacement costs are estimates  
 Estimated interest rate of 4%, 3 year payment in advance  
 Estimated interest rate of 5% for:  
 \*\*five years \*\*\* six years\*\*\*\*\*ten years\*\*\*\*\*fifteen years

Possible cash down payment on some lessening future year lease payments

**Town of Nags Head  
Recommended Budget  
CIP Schedule with Projected Lease Payments  
For the Fiscal Year 2017-2018**

Department	Description	Funding Year	Cash Cost	Cash and Financing Payment Schedule					FY 2023 and Beyond
				17-18	18-19	19-20	20-21	21-22	
<b>Water Fund</b>									
<b>Water Operations:</b>									
810	1 Million Gallon Treatment Train*****	21/22	\$ 3,400,000	\$ -	\$ -	\$ -	\$ -	226,667	4,363,333
<b>Water Distribution:</b>									
818	Diamond Street to Danube Street	19/20	\$ 193,000	\$ -	\$ -	\$ 193,000	\$ -	\$ -	\$ -
818	Chloramine Conversion for Disinfection	21/22	99,200	-	-	-	-	34,372	68,744
			<b>\$ 292,200</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 193,000</b>	<b>\$ -</b>	<b>\$ 34,372</b>	<b>\$ 68,744</b>
<b>Septic Health:</b>									
725	Decentralized Wastewater Management Plan	17/18	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Water Fund Lease Payments and Capital Outlay</b>				<b>\$ 150,000</b>	<b>\$ -</b>	<b>\$ 193,000</b>	<b>\$ -</b>	<b>\$ 261,039</b>	<b>\$ 4,432,077</b>

Replacement costs are estimates  
 Estimated interest rate of 4%, 3 year payment in advance  
 \*\*five years at 5% \*\*\* six years at 5%\*\*\*\* ten years at 5%\*\*\*\*\*fifteen years at 5%  
 Possible cash down payment on some lessening future year lease payments