

Narrative related to financials YTD through August,2020

In general, it's still too early to re-cast or draw sound conclusions regarding the annual budget based on the results of the first four months. The most significant comments follow:

Revenue-

Almost all categories are trending like prior years with the most significant items as follows:

- Property taxes, Trash and Ambulance Fees are all billed early in the fiscal year with collections at 98%, consistent with prior years.
- Realty Transfer Tax is at 52% of the annual budget for the 4 months.
Comments: 1) This may be a catch-up from the months law offices and courts were closed, 2) individuals trying to buy here to get away from the larger cities and 3) the pace may decrease as the summer months close.
- Rental Taxes are based upon property owners self-reporting in October. This may be an area of concern regarding the annual target. Realtors are claiming rental rates are moderate to high, but we do not know for sure how many rentals were discounted due to the Covid-19. We will be able to tell once some of the larger realtors submit the rental tax. Some believe that numerous homes were taken off the market to be used by the owners.
- Building permits are at 37% of budget. There are a few new structures being built which will generate more building permit fees. Renovations are also still coming in strong.
- Seasonal revenue items including parking permits, parking tickets rental license and mercantile license combined are at 62% of the annual budget, with a balance of \$51,000 to be achieved in the short remaining season.

Expenditures-

In general expenses are in line or trending below budget.

Capital Items-

The significant capital items not yet spent are the beach access ramps of \$70,000 and the town hall / security upgrades of \$50,000.