

# MARINE & ENVIRONMENTAL AFFAIRS DEPARTMENT

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## Department Purpose Statement

The purpose of the Marine & Environmental Enterprise Funds is to maintain programmatic oversight of the Town's waterways and waterside marine facilities and Sandy Neck Park, in order to provide quality recreational, commercial, and informational opportunities to our citizens, visitors, and business community.

## Enterprise Funds



**Marinas**



**Sandy Neck  
Beach Park**

# MARINA ENTERPRISE FUND

## Purpose Statement

The purpose of the Marina Enterprise Fund is to provide services in a manner that is fair and uniform to all users, as well as to protect the safety of people and vessels that use our waterways and waterside facilities.

## Town Operated Marinas



Barnstable Harbor Marina



Bismore Park Marina

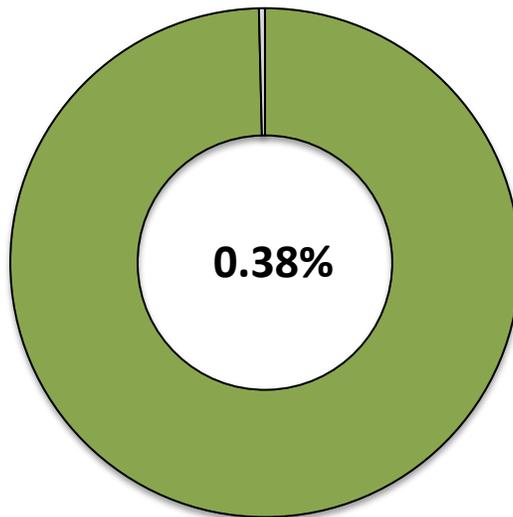


Gateway Marina



Prince Cove Marina

% of FY 2022 All Appropriated Funds



Marina Enterprise Fund comprises 0.38% of all appropriated funds.

## Enterprise Fund Services Provided

The Marina Enterprise Fund was established as part of the FY 2006 budget. With extensive study by the Comprehensive Financial Advisory Committee (CFAC) and the Waterways Committee as directed by the Town Council, the Marina Enterprise Fund requires that all marina related expenses are recovered by the revenues of the users of the marinas and that no funds are required from the General Fund. As the fund grows, future upgrades to all the marinas will be possible.

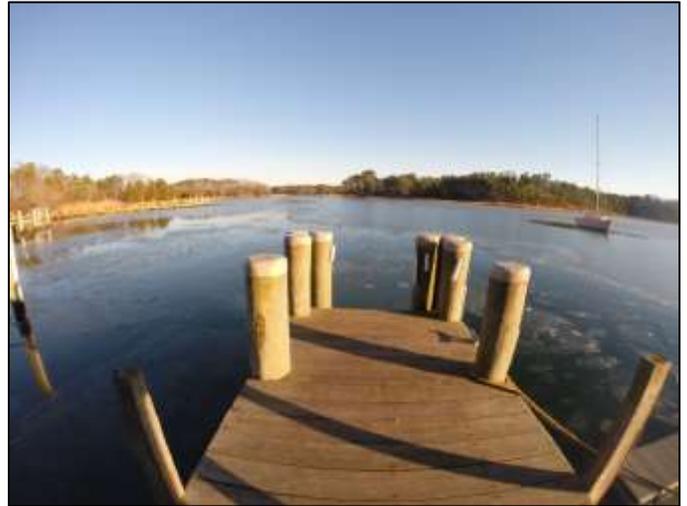
The Marina Enterprise Fund encompasses the four Town owned marina facilities: Barnstable Harbor Marina, Bismore Park Marina, Gateway Marina, and The Marina at Prince Cove. With 188 boat slips available.

The Marina Enterprise Fund was established to:

- Maintain order on the Marina grounds;
- Monitor slip and marina use;
- Oversee, review, and promulgation of regulations (subject to approval of the Town Manager);
- Enforcement of marina regulations;
- Review of applications received for contract compliance;



***Bismore Park Docks***



***Prince Cove Slips***

- Filled vacancies from established waiting lists, filled 2 slips;
- Implemented online software to handle online slip contracts and online transient dockage requests and payments;
- Continued dock hardware improvements at all Town Marinas, replaced 4 floating docks at Barnstable Harbor;
- Continued to repair all docks and piers as needed;
- Updated landscape/hardscape and signage at Prince Cove Marina;
- Collect fees for use of offloading area (Bismore Park) and transient use;
- Collect fees for parking at The Marina at Prince Cove;
- Cleanup of Marina grounds;
- Provide pump out service at Barnstable Harbor Marina, Bismore Park Marina, and the Marina at Prince Cove;
- Mailing of reminder notices to wait list applicants of deadlines to renew;

## Enterprise Fund Services Provided

- Award slip agreements (renewal and new);
- Collect seasonal, transient, and winter dockage fees;
- Maintain waiting lists, collect associated fees award slips from the lists;
- Worked with Planning and Development to implement new bathroom facilities cleaning;
- Updated all Transient Dockage with signage for improved communication to boaters;
- Modified operations at Marinas to allow for continued usage during pandemic;
- Prepare for and responsible for payment of supplies and utilities including trash removal, lighting, electrical service, restroom supplies, vending, etc., and;
- Cover all expenses with revenues generated by the fees assessed to the users of the marina facilities.

## Goals and Objectives - Town Council's Quality of Life Strategic Plan (SP)

### Short-Term:

1. Continue to fill vacancies from established waitlists of all Town-owned marinas. **(SP: Regulatory Process and Performance, Economic Development, Communication).**
2. Continue with float replacement program and float improvements at all Town owned marinas. **(SP: Infrastructure, Economic Development)**
3. Continue to implement bulkhead repair and upgrades survey to the Bismore Park Bulkhead. **(SP: Infrastructure).**
4. Update Marina Regulations **(SP: Regulatory Process and Performance).**



**Barnstable Harbor Marina**

### Long-Term:

1. Replace the Bismore Park Marina Bulkhead. **(SP: Public Health and Safety, Communication, Economic Development)**
2. Survey the west side of Barnstable Harbor Marina riprap stone for repair. **(SP: Public Health and Safety, Economic Development)**
3. Continue with float plan upgrades to all four Town owned marinas. **(SP: Public Health and Safety, Infrastructure, Economic Development)**

**MARINA ENTERPRISE FUND**

**Enterprise Fund Budget Comparison**

| <b>Marina Enterprise Fund</b>                | <b>Actual</b>    | <b>Projected</b> | <b>Approved</b>    | <b>Proposed</b>    | <b>Change</b>     | <b>Percent</b> |
|--|------------------|------------------|--------------------|--------------------|-------------------|----------------|
| <b>Source of Funding</b>                     | <b>FY 2020</b>   | <b>FY 2021</b>   | <b>FY 2021</b>     | <b>FY 2022</b>     | <b>FY21 - 22</b>  | <b>Change</b>  |
| Fees, Licenses, Permits                      | \$722,780        | \$771,813        | \$528,750          | \$687,250          | 158,500           | 29.98%         |
| Charges for Services                         | 18,854           | 18,666           | 10,000             | 15,000             | 5,000             | 50.00%         |
| Interest and Other                           | 16,304           | 11,177           | 10,000             | 10,000             | -                 | 0.00%          |
| Special Revenue                              | 30,000           | 30,000           | 30,000             | -                  | (30,000)          | -100.00%       |
| Capital Trust Fund Reserves                  | 55,631           | 54,031           | 54,031             | 46,981             | (7,050)           | -13.05%        |
| Transfer In                                  | -                | 27,465           | -                  | 30,000             | 30,000            | 0.00%          |
| <b>Total Operating Sources</b>               | <b>\$843,569</b> | <b>\$913,152</b> | <b>\$632,781</b>   | <b>\$789,231</b>   | <b>\$156,450</b>  | <b>24.72%</b>  |
| Borrowing Authorizations                     | -                | -                | -                  | 375,000            | 375,000           | 0.00%          |
| <b>Total Capital Sources</b>                 | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>         | <b>\$375,000</b>   | <b>\$375,000</b>  | <b>0.00%</b>   |
| <b>Total Source of Funding</b>               | <b>\$843,569</b> | <b>\$913,152</b> | <b>\$632,781</b>   | <b>\$1,164,231</b> | <b>\$531,450</b>  | <b>83.99%</b>  |
| <b>Direct Operating Expenses</b>             |                  |                  |                    |                    |                   |                |
| Personnel                                    | \$193,885        | \$208,263        | \$244,294          | \$249,416          | \$5,122           | 2.10%          |
| Benefits                                     | 8,810            | 10,949           | 14,852             | 11,599             | (3,253)           | -21.90%        |
| Operating Expenses                           | 95,498           | 76,505           | 96,324             | 103,145            | 6,821             | 7.08%          |
| Capital Outlay                               | 41,312           | 43,098           | 20,000             | 55,000             | 35,000            | 175.00%        |
| Debt Service                                 | 355,504          | 341,544          | 341,544            | 295,426            | (46,118)          | -13.50%        |
| Transfers Out                                | -                | -                | -                  | 27,465             | 27,465            | 0.00%          |
| <b>Total Direct Operating Expenses</b>       | <b>\$695,008</b> | <b>\$680,359</b> | <b>\$717,014</b>   | <b>\$742,051</b>   | <b>\$25,037</b>   | <b>3.49%</b>   |
| <b>Indirect Operating Costs</b>              |                  |                  |                    |                    |                   |                |
| General Fund Staff                           | \$30,932         | \$32,280         | \$32,280           | \$28,373           | (\$3,907)         | -12.10%        |
| Pensions                                     | 24,566           | 25,343           | 25,343             | 20,292             | (5,051)           | -19.93%        |
| Audit & Software Costs                       | 3,560            | 4,644            | 4,644              | 4,989              | 345               | 7.43%          |
| Property, Liability Insurance                | 8,784            | 8,695            | 8,695              | 4,416              | (4,279)           | -49.22%        |
| <b>Total Indirect Operating Expenses</b>     | <b>\$67,842</b>  | <b>\$70,962</b>  | <b>\$70,962</b>    | <b>\$58,069</b>    | <b>(\$12,893)</b> | <b>-18.17%</b> |
| <b>Total Operating Expenses</b>              | <b>\$762,850</b> | <b>\$751,321</b> | <b>\$787,976</b>   | <b>\$800,120</b>   | <b>\$12,144</b>   | <b>1.54%</b>   |
| Capital Improvement Program                  | 11,678           | -                | -                  | 375,000            | 375,000           | 0.00%          |
| <b>Total Capital Expenses</b>                | <b>\$11,678</b>  | <b>\$0</b>       | <b>\$0</b>         | <b>\$375,000</b>   | <b>\$375,000</b>  | <b>0.00%</b>   |
| <b>Total Expenses</b>                        | <b>\$774,528</b> | <b>\$751,321</b> | <b>\$787,976</b>   | <b>\$1,175,120</b> | <b>\$387,144</b>  | <b>49.13%</b>  |
| <b>Excess (Deficiency) cash basis</b>        | <b>\$69,041</b>  | <b>\$161,831</b> | <b>(\$155,195)</b> | <b>(\$10,889)</b>  | <b>\$144,306</b>  |                |
| <b>Beginning Certified Free Cash</b>         | <b>\$920,456</b> |                  | <b>\$989,497</b>   | <b>\$834,302</b>   |                   |                |
| <b>FY 2021 Projected Excess (Deficiency)</b> |                  |                  |                    | <b>161,831</b>     |                   |                |
| <b>Ending Projected Certified Free Cash</b>  | <b>\$989,497</b> |                  | <b>\$834,302</b>   | <b>\$985,244</b>   |                   |                |

**MARINA ENTERPRISE FUND**

**Enterprise Fund Budget Comparison (Continued)**

**Summary of Budget Changes**

The Marina Enterprise Fund’s proposed FY 2022 budget is increased by \$12,144 (1.54%) from the approved FY 2021 budget. Personnel budget change includes contractual obligations and seasonal wage increase. Operating budget change includes returned line items that were reduced in the FY 2021 budget due to the public health crisis, and anticipated gasoline/diesel contract price increases. Transfer out includes the General Fund reimbursement for the FY 2021 Town Council appropriation order 2021-038. Capital outlay includes the annual dock replacement program as well as Bismore timber and dock repairs.

| Job Title                               | FY 2020     |
|---|-------------|
| Administrative Assistant                | 0.30        |
| Director Marine & Environmental Affairs | 0.15        |
| Supervisor Harbor Master                | 0.75        |
| Office Manager                          | 0.10        |
| <b>Full-time Equivalent Employees</b>   | <b>1.30</b> |

| FY 2021     | FY 2022     | Change   |
|-------------|-------------|----------|
| 0.20        | 0.20        | -        |
| 0.15        | 0.15        | -        |
| 0.75        | 0.75        | -        |
| 0.10        | 0.10        | -        |
| <b>1.20</b> | <b>1.20</b> | <b>-</b> |

| Budget Reconciliation                         | Personnel        | Operating         | Capital         | Totals           | FTE      |
|---|------------------|-------------------|-----------------|------------------|----------|
| <b>FY 2021 Approved Budget</b>                |                  |                   |                 | <b>\$787,976</b> |          |
| Contractual Obligations Net of Staff Turnover | (7,132)          | -                 | -               | (7,132)          | -        |
| Change in Indirect Costs                      | (5,051)          | (7,841)           | -               | (12,892)         |          |
| One-Time Charges                              | -                | -                 | (20,000)        | (20,000)         | -        |
| Debt Service                                  | -                | (46,118)          | -               | (46,118)         | -        |
| <b>FY 2022 Budget Changes</b>                 |                  |                   |                 |                  |          |
| 1. Seasonal Pay Increases                     | 9,000            | -                 | -               | 9,000            | -        |
| 2. Line Item Increases                        | -                | 5,050             | -               | 5,050            | -        |
| 3. Anticipated Gasoline/Diesel Increases      | -                | 1,770             | -               | 1,770            | -        |
| 4. Bismore Park Repairs                       | -                | 27,465            | -               | 27,465           | -        |
| 5. Bismore Timber and Dock Repairs            | -                | -                 | 30,000          | 30,000           | -        |
| 6. Dock Replacement and Maintenance           | -                | -                 | 25,000          | 25,000           | -        |
| <b>FY 2022 Proposed Budget</b>                | <b>(\$3,183)</b> | <b>(\$19,674)</b> | <b>\$35,000</b> | <b>\$800,120</b> | <b>-</b> |

- 1. Minimum Wage Impact** - The Massachusetts Minimum Wage Act gradually increases the minimum wage in Massachusetts from \$11/hour to \$15/hour over five years.
- 2. Operations Line Items Increase** - The line items requesting to increase are Marine Related Services, Gasoline, Uniforms, Boats/Equipment and Ice/Water Expenses. In FY 2021, due to budget reductions funding was cut. The Marina Operations Enterprise Account was not negatively affected by COVID-19 and the program actually saw an increase in transient dockage usage therefore, seeing an increase in revenue generated.
- 3. Gasoline/Diesel Contract Price Increases** - The Town anticipates contract cost increases for the purchase of gasoline and diesel through County bids.
- 4. Bismore Park Repairs** – The Marina Enterprise Fund will reimburse the General Fund for repairs at Bismore Park Marina in Hyannis. These original funds were provided in FY 2021 Town Council #2021-038.

## **Enterprise Fund Budget Comparison (Continued)**

- 5. Bismore Timber and Dock Repairs** - On September 25th, 2018 Foth-CLE performed nondestructive visual inspections on the all of the existing timber structures located at Bismore Park Marina in Barnstable, MA. This inspection was part of a larger condition assessment that was conducted at Bismore Park and Gateway Marina for the Town of Barnstable. The final condition assessment report provided a full list of all observed structural deficiencies and described the overall condition of all existing waterfront infrastructure. This request is intended to address the prioritized repairs to maintain the structural capacity of the timber pier structures prior to bulkhead replacement.
- 6. Dock Replacement and Maintenance** - Due to outdoor elements and use, the docks/floats and gangways have become safety hazards for the public use. Ongoing replacement and maintenance is mandatory for use of the marina facilities in a safe manner.

### **Factors Affecting Revenues**

The rates are set in accordance with the necessary revenue required to run the marina operations including all capital improvements. The possibility of expanding the number of slips would allow for additional revenue sources in this area. The marinas have a waiting list for slip space, so vacancy rates are not a significant factor in calculating revenues. Revenues are projected to increase slightly each year through a combination of activity levels and rate adjustments. Other factors that could affect revenue include weather conditions, economic conditions (fuel costs), state and/or federal regulations, and staffing.

### **Factors Affecting Expenses**

The purchase of the Prince Cove Marina in FY 2003 was financed with the issuance of a new loan. The new revenue sources derived from taking over the operations of the marina covers the annual loan payments for the acquisition. Additionally, a loan of \$1,250,000 was issued to replace the Barnstable Harbor Bulkhead. The General Fund will repay \$725,000 of the loan and the Marina Enterprise Fund will repay the remaining \$525,000. The FY 2016 and FY 2017 capital programs authorized another \$1.5 million in dredging and bulkhead improvement projects. The annual debt payments for this operation have increased significantly as a result.

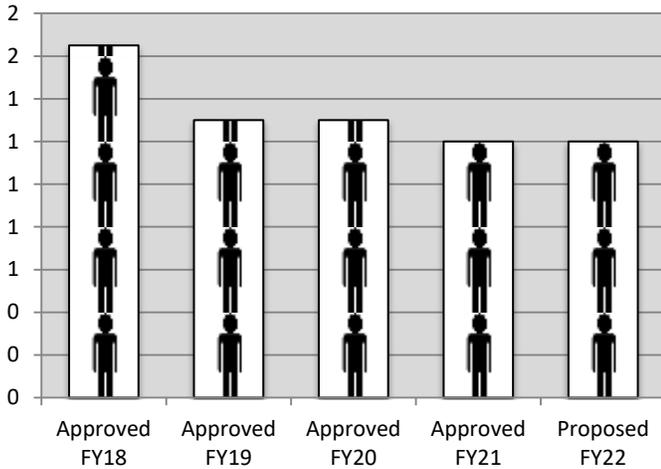
The Marina Enterprise Fund revenues have met expectations for the past few fiscal years due to vibrant transient activity, and most of the operation's slips are occupied. However, over the past 2 years \$1.5 million of capital improvements have been approved for projects such as the dredging of Gateway Marina and the reconstruction of the Prince Cove bulkhead. Further request include the design and construction for a new bulkhead at Bismore Marina. Even with vibrant activity levels, rate increases will be necessary to repay the bonds issued for the capital improvements.



**Prince Cove Staff Shed**

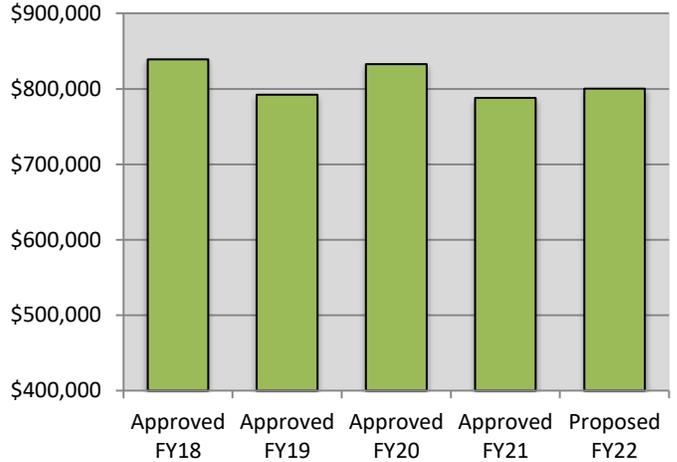
## Marina Enterprise Fund Budget History

Full Time Employee History



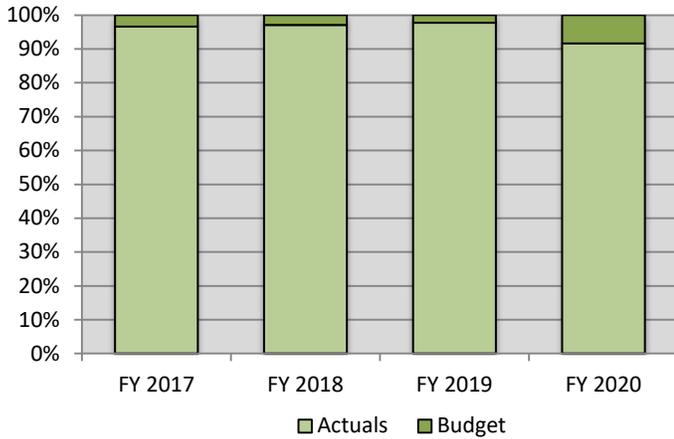
Any change is the result of a reallocation of permanent salary to the General Fund.

Budget History



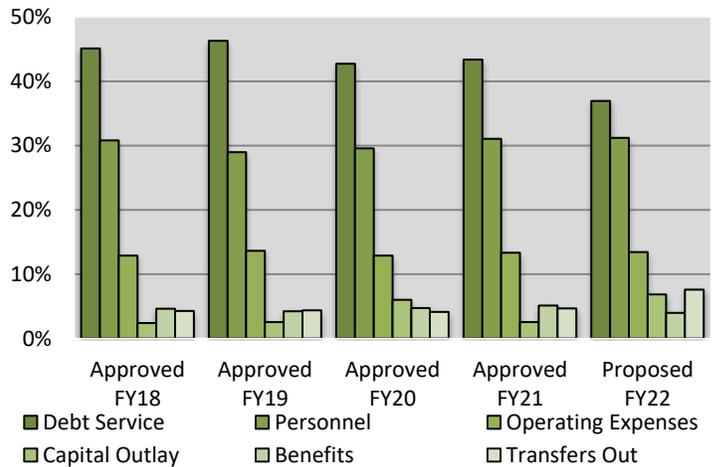
The spike in FY 2020 was due to a one-time vehicle purchase. Over the five year period this budget has remained level.

Actuals to Budget History



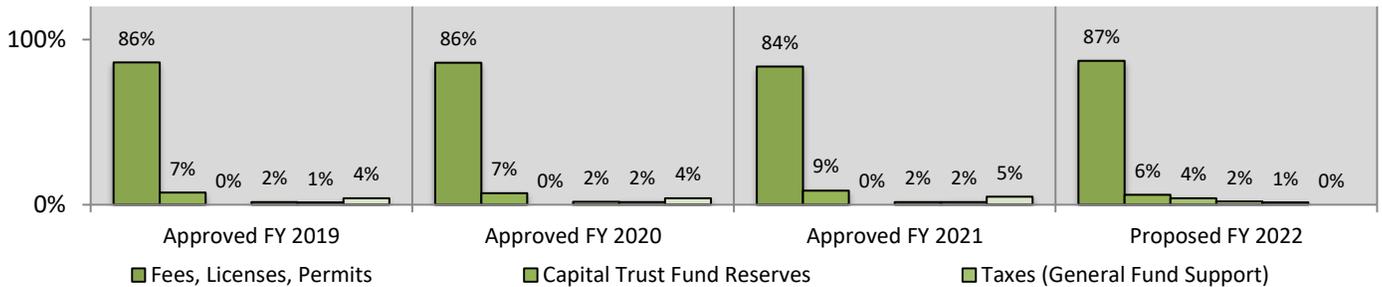
The Marina Enterprise fund actual expenditures range 96% to 98% of annually approved budgets.

Budget History By Category



Debt service represents the largest expense category within the Marina operations at 37%.

Sources of Funding By Category



Fees, Licenses, Permits account for 87% of all Marina Enterprise Fund revenues. This includes both transient docking fees and annual slip holders. The Capital Trust Fund provides the second largest source of revenue at 6% for debt service payments associated with the Barnstable Marina Bulkhead project in 2011.

## SANDY NECK BEACH PARK ENTERPRISE FUND

### Purpose Statement

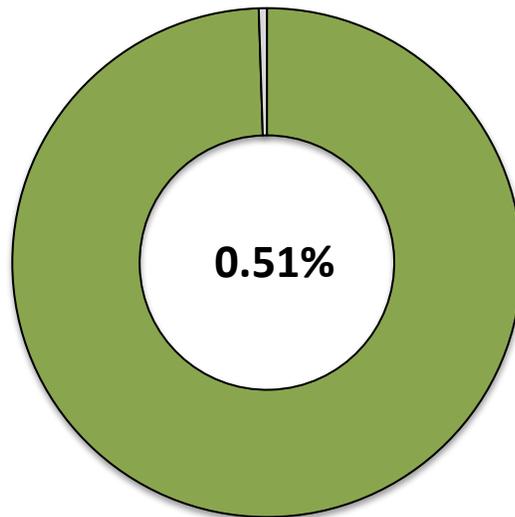
The objective of the Sandy Neck Beach Park is to provide access and recreational opportunities to our Town's citizens and visitors while protecting the natural, cultural, and historic resources on Sandy Neck so that a long-term, sustainable balance between use and conservation of these resources is achieved.

4,700 Acres of Dunes

Maritime Forests and Marshes

Recreational Opportunities

% of FY 2022 All Appropriated Funds



Sandy Neck Park Enterprise Fund comprises 0.51% of all appropriated funds.

## **Enterprise Fund Services Provided**

The purpose of the Sandy Neck Program is to provide recreational opportunities and access to our Town's citizens and visitors while protecting the natural, cultural, and historic resources on Sandy Neck so that a long term, sustainable balance between use and conservation of these resources is achieved.

The Sandy Neck Program is responsible for the protection and enhancement of Sandy Neck Beach Park. Some of the specific services include:

### **Gatehouse Operations: (the hub of all beach activities):**

- Processing vehicles, collecting fees, database and record keeping, scheduling cottage owner escorts and issuing trail passes;
- Providing the public with beach information and written materials (maps, regulations, policies, tide charts, etc.);
- Issuing Special Permits for large events such as weddings, charitable functions and organized campfire gatherings;
- Merchandise sales (clothing, firewood and Sandy Neck memorabilia), and;
- Liaison for all communication including emergencies.

### **Natural Resource Management and Enhancement:**

- Monitoring/GPS/recording of piping plover, least tern and diamond back terrapin nests;
- Erecting enclosures and fencing around protected species nesting habitat;
- Mandatory data collection and reporting of endangered species populations to state agencies;
- Injured wildlife rescue, including marine mammals and cold stunned sea turtles, and;
- Overseeing Sandy Neck hunting activities.



***Sandy Neck Public Beach***

### **Off Road Vehicle (ORV) Operations:**

- Educating ORV beach patrons regarding expectations for safety and natural resource protection;
- Patrolling the ORV beach to ensure regulatory compliance (curfew, campfires, speed, tire pressure requirements, etc.), and;
- Cottage owner escorts, Beach Point patrols, tent camping program and shellfishing compliance;

### **Enforcement and Emergency Response:**

- Issuing verbal and written warnings, non-criminal citations, and permit suspensions;
- Court hearings and resulting appeals, and;
- First responder duties for Sandy Neck medical emergencies over a wide variety of incidents.

### **Educational Program:**

- Junior Ranger Programs;
- Diamondback terrapin headstart and outreach programs; and
- Halfway House environmental and educational events.

## Recent Accomplishments

- Responded to the on-going Covid-19 pandemic through the incorporation of new policies, guidelines and adherence to State mandates while allowing as many recreational opportunities as possible to the public and ensuring both staff and patron safety;
- Implemented a reservation system for campers on the Off Road Vehicle (ORV) beach;
- Submitted an updated HCP to the state NHESP to include more coverage and activities in order to enhance our abilities to provide recreational access for patrons while still protecting our endangered species;
- Increased safety measures through the installation of a radar speed sign on Sandy Neck Road, new signage and increased visibility for pedestrian crossing at the Sandy Neck Gatehouse;
- Fully implement an RFID system for ORV permits to better enhance tracking, safety, enforcement, processing and statistics for ORV beach use;
- Addressed issues in the Sandy Neck Parking lot by scraping back encroaching sediment and re-painting lines to increase patron use/ease of access and emergency vehicle response, and;
- Investigated Sandy Neck Safety Solutions to address beach patron and staff safety.

## Goals and Objectives - Town Council's Quality of Life Strategic Plan (SP)

### Short-Term:

1. Update Sandy Neck Beach Rules and Regulations to address new issues and enhance public safety **(SP: Public Health and Safety, Recreation)**.
2. Continue to adjust and respond to the on-going Covid-19 pandemic to ensure both staff/patron safety while adhering to state guidelines and providing recreational opportunities at Sandy Neck **(SP: Public Health and Safety, Recreation)**.

3. Improve and streamline Endangered Species monitoring through the implementation of a new digital data recording system **(SP: Recreation, Environmental and Natural Resources)**.

### Long-Term:

1. Implement coastal resiliency strategies to the bathhouse/parking area thereby protecting Sandy Neck Infrastructure. **(SP: Environment and Natural Resources, Infrastructure, Recreation)**
2. Construct a Coastal Interpretive Center that will provide the public, as well as school groups, with interactive educational materials about Sandy Neck; its cultural history, ecology and geology. **(SP: Infrastructure, Education, Environment and Natural Resources, Recreation)**



*Sandy Neck Marsh*

**SANDY NECK BEACH PARK ENTERPRISE FUND**

## Enterprise Fund Budget Comparison

| <b>Sandy Neck Enterprise Fund</b>            | <b>Actual</b>      | <b>Projected</b>   | <b>Approved</b>    | <b>Proposed</b>    | <b>Change</b>      | <b>Percent</b> |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|----------------|
| <b>Source of Funding</b>                     | <b>FY 2020</b>     | <b>FY 2021</b>     | <b>FY 2021</b>     | <b>FY 2022</b>     | <b>FY21 - 22</b>   | <b>Change</b>  |
| Intergovernmental Aid                        | \$2,968            | \$0                | \$0                | \$0                | \$0                | 0.00%          |
| Fees, Licenses, Permits                      | 523,069            | 541,451            | 416,000            | 491,000            | 75,000             | 18.03%         |
| Charges for Services                         | 225,936            | 296,316            | 169,455            | 250,957            | 81,502             | 48.10%         |
| Interest and Other                           | 98,987             | 99,762             | 95,000             | 95,000             | -                  | 0.00%          |
| General Fund Transfer                        | -                  | 108,000            | -                  | -                  | -                  | 0.00%          |
| <b>Total Operating Sources</b>               | <b>\$850,960</b>   | <b>\$1,045,528</b> | <b>\$680,455</b>   | <b>\$836,957</b>   | <b>\$156,502</b>   | <b>23.00%</b>  |
| Gift/Contributions & Donations               | 636                | -                  | -                  | -                  | -                  | 0.00%          |
| <b>Total Capital Sources</b>                 | <b>\$636</b>       | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>0.00%</b>   |
| <b>Total Source of Funding</b>               | <b>\$851,596</b>   | <b>\$1,045,528</b> | <b>\$680,455</b>   | <b>\$836,957</b>   | <b>\$156,502</b>   | <b>23.00%</b>  |
| <b>Direct Operating Expenses</b>             |                    |                    |                    |                    |                    |                |
| Personnel                                    | \$474,145          | \$488,074          | \$500,718          | \$524,984          | \$24,266           | 4.85%          |
| Benefits                                     | 37,705             | 29,857             | 36,382             | 35,845             | (537)              | -1.47%         |
| Operating Expenses                           | 156,915            | 159,748            | 205,400            | 216,900            | 11,500             | 5.60%          |
| Capital Outlay                               | 7,578              | 108,000            | 12,000             | 15,000             | 3,000              | 25.00%         |
| Debt Service                                 | 92,581             | 90,181             | 90,181             | 84,083             | (6,098)            | -6.76%         |
| Transfers Out                                | -                  | -                  | -                  | 108,000            | 108,000            | 0.00%          |
| <b>Total Direct Operating Expenses</b>       | <b>\$768,924</b>   | <b>\$875,860</b>   | <b>\$844,681</b>   | <b>\$984,812</b>   | <b>\$140,131</b>   | <b>16.59%</b>  |
| <b>Indirect Operating Costs</b>              |                    |                    |                    |                    |                    |                |
| General Fund Staff                           | \$39,599           | \$44,632           | \$44,632           | \$35,250           | (\$9,382)          | -21.02%        |
| Pensions                                     | 56,791             | 59,376             | 59,376             | 59,621             | 245                | 0.41%          |
| Audit & Software Costs                       | 3,984              | 5,369              | 5,369              | 5,670              | 301                | 5.61%          |
| Property, Liability Insurance                | 7,562              | 7,230              | 7,230              | 8,028              | 798                | 11.04%         |
| <b>Total Indirect Operating Expenses</b>     | <b>\$107,936</b>   | <b>\$116,607</b>   | <b>\$116,607</b>   | <b>\$108,570</b>   | <b>(\$8,037)</b>   | <b>-6.89%</b>  |
| <b>Total Operating Expenses</b>              | <b>\$876,860</b>   | <b>\$992,467</b>   | <b>\$961,288</b>   | <b>\$1,093,381</b> | <b>\$132,094</b>   | <b>13.74%</b>  |
| Capital Improvement Program                  | 520                | -                  | -                  | 225,000            | 225,000            | 0.00%          |
| <b>Total Capital Expenses</b>                | <b>\$520</b>       | <b>\$0</b>         | <b>\$0</b>         | <b>\$225,000</b>   | <b>\$225,000</b>   | <b>0.00%</b>   |
| <b>Total Expenses</b>                        | <b>\$877,380</b>   | <b>\$992,467</b>   | <b>\$961,288</b>   | <b>\$1,318,381</b> | <b>\$357,094</b>   | <b>37.15%</b>  |
| <b>Excess (Deficiency) cash basis</b>        | <b>(\$25,785)</b>  | <b>\$53,061</b>    | <b>(\$280,833)</b> | <b>(\$481,424)</b> | <b>(\$200,592)</b> |                |
| <b>Beginning Certified Free Cash</b>         | <b>\$1,011,899</b> |                    | <b>\$986,115</b>   | <b>\$705,282</b>   |                    |                |
| <b>FY 2021 Projected Excess (Deficiency)</b> |                    |                    |                    | <b>53,061</b>      |                    |                |
| <b>Ending Projected Certified Free Cash</b>  | <b>\$986,115</b>   |                    | <b>\$705,282</b>   | <b>\$276,919</b>   |                    |                |

### Summary of Budget Changes

Sandy Neck Enterprise Fund proposed FY 2022 budget is increased \$132,094 (13.74%) from the approved FY 2021 budget. Personnel budget change includes contractual obligations and minimum wage increases. Operating budget change includes shorebird data tracking and anticipated gasoline/diesel cost increases. Transfer out includes reimbursing the General Fund for FY 2021 Town Council appropriation #2021-075 for sand replenishment. Capital outlay includes a one-time vehicle purchase.

**SANDY NECK BEACH PARK ENTERPRISE FUND**

**Enterprise Fund Budget Comparison (Continued)**

| Job Title                               | FY 2020     |
|---|-------------|
| Administrative Assistant                | 0.10        |
| Director Marine & Environmental Affairs | 0.15        |
| Natural Resource Officer                | 2.00        |
| Operations Supervisor                   | 1.00        |
| Office Manager                          | 0.10        |
| Dir. NR/SN Park Manager                 | 0.50        |
| <b>Full-time Equivalent Employees</b>   | <b>3.85</b> |

| FY 2021     | FY 2022     | Change   |
|-------------|-------------|----------|
| 0.10        | 0.10        | -        |
| 0.15        | 0.15        | -        |
| 2.00        | 2.00        | -        |
| 1.00        | 1.00        | -        |
| 0.10        | 0.10        | -        |
| 0.50        | 0.50        | -        |
| <b>3.85</b> | <b>3.85</b> | <b>-</b> |

| Budget Reconciliation                         | Personnel       | Operating        | Capital        | Totals             | FTE      |
|---|-----------------|------------------|----------------|--------------------|----------|
| <b>FY 2021 Approved Budget</b>                |                 |                  |                | <b>\$961,288</b>   |          |
| Contractual Obligations Net of Staff Turnover | 10,229          | -                | -              | 10,229             | -        |
| Change in Indirect Costs                      | 245             | (8,283)          | -              | (8,037)            | -        |
| One-Time Charges                              | -               | -                | (12,000)       | (12,000)           | -        |
| Debt Service                                  | -               | (6,098)          | -              | (6,098)            | -        |
| <b>FY 2022 Budget Changes</b>                 |                 |                  |                |                    |          |
| 1. Seasonal Pay Increases                     | 13,500          | -                | -              | 13,500             | -        |
| 2. Digital Shorebird Data Tracking            | -               | 3,100            | -              | 3,100              | -        |
| 3. Anticipated Gasoline/Diesel Increases      | -               | 8,400            | -              | 8,400              | -        |
| 4. Used Patrol Vehicle                        | -               | -                | 15,000         | 15,000             | -        |
| 5. Sand Replenishment                         | -               | 108,000          | -              | 108,000            | -        |
| <b>FY 2022 Proposed Budget</b>                | <b>\$23,975</b> | <b>\$105,119</b> | <b>\$3,000</b> | <b>\$1,093,381</b> | <b>-</b> |

- 1. Minimum Wage Impact** - The Massachusetts Minimum Wage Act gradually increases the minimum wage in Massachusetts from \$11/hour to \$15/hour over five years, culminating in 2023. It will increase to \$12/hour on January 1, 2019, and will then go up by \$0.75/hour every year until it hits \$15/hour on January 1, 2023.
- 2. Digital Shorebird Data Tracking Program** - Requesting funds for NestStory software and the purchase of two iPads (128gb) for field staff use to more efficiently and effectively to track nesting shorebird data for Piping Plovers and Least Terns.
- 3. Gasoline/Diesel Contract Price Increases** - The Town anticipates contract cost increases for the purchase of gasoline and diesel through County bids.
- 4. Used Patrol Vehicle** - Requesting to purchase a used patrol vehicle (possibly a 2009 Chevy Silverado 2500 from the Mooring Program) to replace an aging Sandy Neck Beach patrol vehicle.
- 5. Sand Stabilization Budget Reduction** - Due to the recent weather events the frontal dune sustained significant erosion that had jeopardized the integrity of the Sandy Neck parking lots and septic field due to the loss of the protective dune. Emergency repair funds were provided by a transfer from the Town Council's Operating Reserve Fund in FY 2021.

## **Enterprise Fund Budget Comparison (Continued)**

### **Factors Affecting Revenues**

Major sources of revenue for this operation include beach sticker sales, parking revenue, and off-road vehicle sticker sales. Weather plays a significant role in the revenue generated at this park as approximately 20% to 25% of revenue is derived from daily parking fees. Other factors that can affect revenue are nesting endangered shorebirds and turtles. This can affect activity levels at the off-road portion of the beach and corresponding sticker sales. Staff continues to work with state officials to mitigate the impacts while protecting these species. The Sandy Neck Enterprise Fund broke the \$1 million mark in revenue generation in FY 2016 for the first time, but since dropped to \$850,960 in FY 2020.



***Sandy Neck Diamondback Terrapin Release***

### **Factors Affecting Expenses**

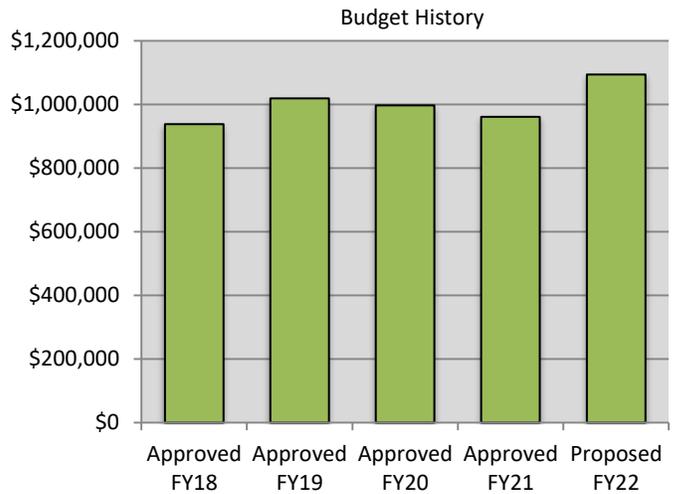
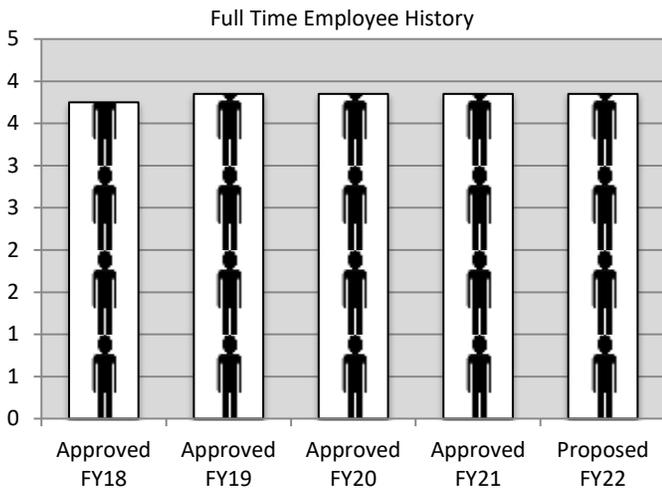
The state's mandatory minimum wage increases will affect expenses for the next few years. Weather plays an important role in Sandy Neck's operations. Any significant storm that causes shoreline erosion will cost the operations in terms of sand replenishment and dune repairs. Reserves need to be maintained to provide the funding necessary in the event of such occurrence.



***Sandy Neck Trail***

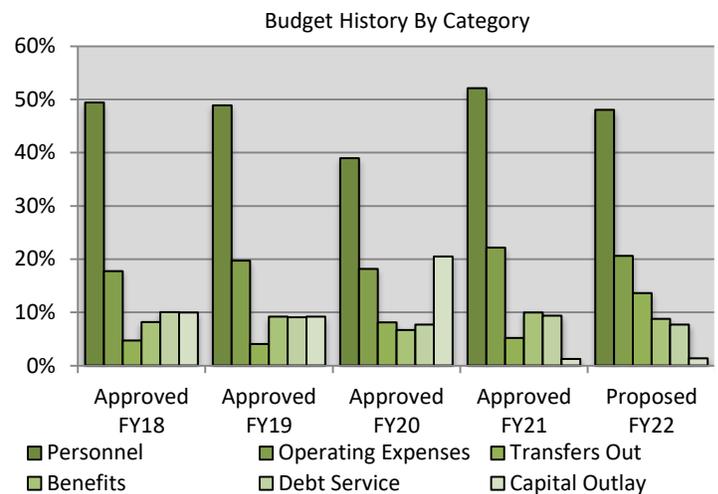
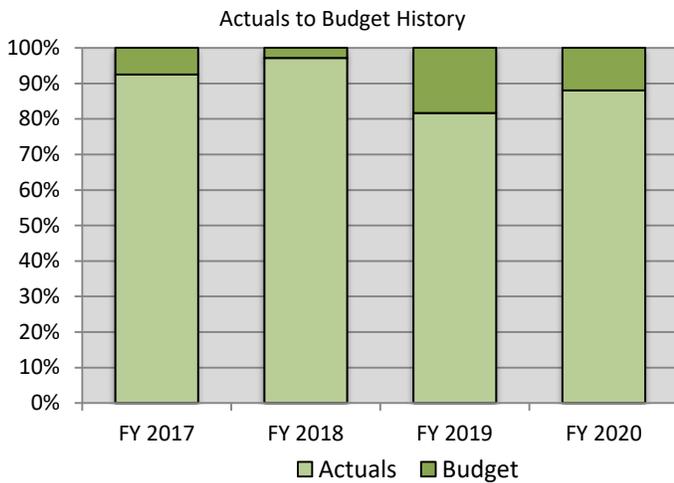
The embankment in front of the main parking lot by the bathing beach area continues to be an area of major concern for this operation. Storms out of the Northeast can cause severe erosion to this embankment. A capital improvement plan for a long-term solution is being evaluated and will most likely impact fees charged by this operation in order to finance it.

# Sandy Neck Enterprise Fund Budget History



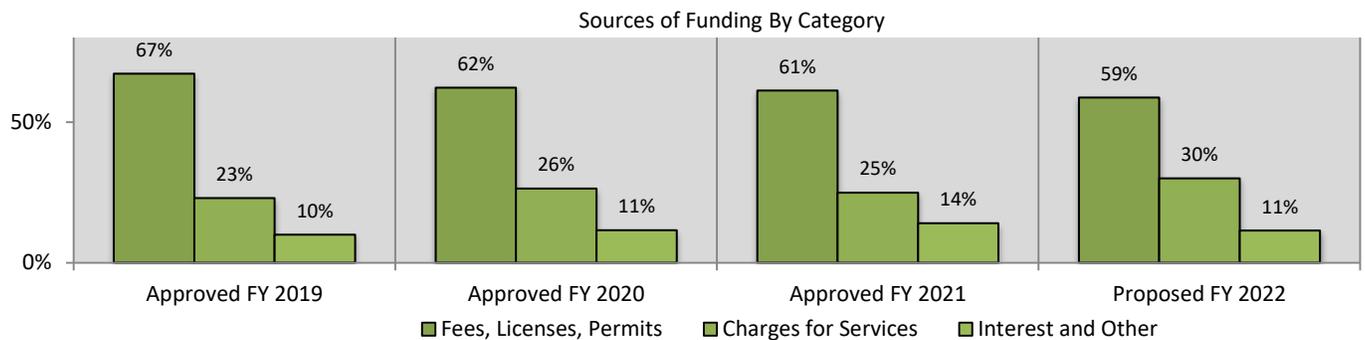
Full-time employees have remained level through the fiscal years. Any change attributes to reallocations of salary between funds.

This budget has increased 3.31% annually over the five-year period.



Sandy Neck Enterprise Fund actual expenditures range 80% to 98% of annually approved budgets.

Personnel and benefits expenses comprise 57% of all expenditures.



Fees, Licenses, Permits represent the largest funding source at 59% and off-road vehicle (ORV) sticker fees provide the largest contribution to this revenue category. The second largest category is Charges for Services at 30% and includes beach stickers and parking lot fees.

**SANDY NECK BEACH PARK ENTERPRISE FUND**

**Enterprise Fund Workload Indicators**

| Workload Indicator  | FY 2018 Actual | FY 2019 Actual | FY 2020 Actuals | FY 2021 Projected |
|---|----------------|----------------|-----------------|-------------------|
| Sandy Neck Beach Park ORV Permits Issued (represented in calendar year) | 4,750          | 3,979          | 3,217           | 3,200             |
| Total Revenue   | \$1,017,159    | \$929,935      | \$847,991       | \$680,455         |
| Educational Hikes/Talks (represented in calendar year)                  | 32             | 32             | 0               | 0                 |
| Overnight Camping (represented in calendar year)                        | 5,466          | 5,451          | 2,976           | 3,000             |
| Merchandise Sales   | \$39,179       | \$41,102       | \$27,941        | \$50,000          |

| Description                | Historical Trends |                |                 |                 | Benchmark         |
|----------------------------|-------------------|----------------|-----------------|-----------------|-------------------|
|                            | FY 2017 Actual    | FY 2018 Actual | FY 2019 Actuals | FY 2020 Actuals | FY 2021 Projected |
| Actual Revenue             | \$1,103,234       | \$1,017,161    | \$929,935       | \$847,991       | \$680,500         |
| Estimated Revenue          | \$887,998         | \$968,462      | \$1,065,249     | \$957,055       | \$680,455         |
| Exceeds Expectations >100% | 124%              | 105%           | 87%             | 89%             | -                 |

Due to endangered shorebird nest locations, the off road beach availability has become limited and revenue has been negatively affected. Our goal for FY 2021 and beyond is to bring our revenue projections back in line with our actual revenue. This will be achieved by both reducing our revenue projections and by attempting to increase our beach accessibility to the public during crucial times of the busy summer season. During the winter of 2020, we submitted a State of Massachusetts Habitat Conservation Permit (HCP) that, if approved, could improve our management flexibility of endangered shorebirds while still protecting these important species. Improved beach access can increase revenue via improved off road vehicle permit sales.



**Snowy Owl – Beach Point, Sandy Neck Beach Park**