

Shore Protection Manager

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**CARTERET COUNTY BEACH COMMISSION MEETING
AUGUST 24, 2020; 2:00 pm
EMERALD ISLE TOWN BOARD ROOM**

Remote Access Information (Zoom Meeting):

Video & Integrated Computer Phone:

<https://carteretcountync.zoom.us/j/88418127666?pwd=VmswOTUeEhxbVNiHJjYjA1SzJ0UT09>

Meeting ID = 884 1812 7666; Password = h*0Db2

Phone Only Access: = 1.929.205.6099 (Meeting ID = 884 1812 7666; Password = 507270)

AGENDA

(1)	Call to Order.	<i>Chairman Cooper</i>
(2)	Approval of Minutes. (Regular Beach Commission Meeting – July 27, 2020)	<i>Chairman Cooper</i>
(3)	Room Occupancy Tax (ROT) and “Beach Fund” Update.	<i>Greg “rudi” Rudolph</i>
(4)	Bogue Banks Coastal Storm Risk Management Project. Local Government Outlook - Daniel F. Adams, P.E., Coastal Program Manager, City of Virginia Beach - Michael Rose, Town Manager, Topsail Beach	
(5)	Public Comment.	
(6)	Other Business.	
(7)	September 2020 Meeting Date. (September 28, 2020)	
(8)	Adjourn.	<i>Chairman Cooper</i>

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CARTERET COUNTY BEACH COMMISSION

Agenda Topic Cover Sheet

Approval of Minutes

Regular Beach Commission Meeting – July 27, 2020

Meeting Date: **8/24/2020**

Topic No. **2**

Suggested Action: A motion should be entertained to approve the July 27, 2020 meeting minutes with any recommended changes from the Beach Commission.

Attached for the Beach Commission's review, comments, and subsequent approval are the minutes for the Commission's July 27, 2020 regular meeting.

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CARTERET COUNTY BEACH COMMISSION MEETING

Minutes

Emerald Isle Board Room (<10 persons with spatial distancing - COVID-19 Precaution)

Remotely via Carteret County Zoom Account (<https://carteretcountync.zoom.us/>)

July 27, 2020, 2 pm

Attendance.

Commission Members A.B. "Trace" Cooper (chair), Jim Normile (vice-chair), Larry Baldwin (remotely), Larry Corsello, Joel Fortune, Tom Rule, secretary Greg Rudolph, and the general public. Members Harry Archer, Jimmy Farrington, Douglas Guthrie, and Woody Warren were absent.

- (1) **Call to Order.** – Chairman Cooper called the meeting to order and thanked everyone for attending either in-person with proper spatial distancing measures employed or via conference call/Zoom.
- (2) **Approval of Minutes - Regular Beach Commission Meeting (June 22, 2020).** – Chairman Cooper asked the Commission if there were any corrections, additions, or comments regarding the June 22nd regular session minutes presented in the agenda packet. With no comments forthcoming, member Fortune subsequently made a motion to adopt the minutes as presented, which was seconded by vice-chair Normile and unanimously approved.
- (3) **Room Occupancy Tax (ROT) and "Beach Fund" Update.** – Secretary Rudolph mentioned that as a reminder, the April collection down by almost -90%, so surprisingly the May occupancy tax collection ([Slide 1](#)) was down by only -4.3%. Obviously we were in "lockdown" mode the first couple of weeks of May with the numerous COVID-19 precautionary measures that were implemented (e.g., event cancellation, no short-term rentals, restaurant shut downs, etc.). However, the latter couple/few weeks in May experienced a tremendous amount of visitation as the State transitioned from Phase I to Phase II, and short-term rentals became permissible. This series of events just about compensated for the lost visitation/revenue in the early stages of May. Chairman Cooper added this trend is what Member Warren forecasted last meeting. Also (the secretary continued), our rental inventory is back since all the damages from hurricane *Florence* have been remediated. Last summer, there were a significant amount of hotel/motels and cottages that were still undergoing repair. Thus for 2020, we may have enough inventory to meet the demand. In broader terms however, the collection for FY 2019-20 is down by over -10% with one more reporting month remaining (June). And in conclusion, the estimated reserve balance as of the end of May was ~\$16 million, which includes most of the expenditures associated with the Post-*Florence* Phase II Renourishment Project.
- (4) **Bogue Banks Coastal Storm Damage Reduction Project.** – Chairman Cooper introduced the topic and our speakers/presenters today which includes Robert (Bob) Keistler and Pam Castens from the Wilmington District, U.S. Corps of Engineers (Corps) and Layton Bedsole, the Shore Protection Coordinator for New Hanover County. The Wrightsville Beach and Carolina Beach

Coastal Storm Damage Reduction (CSDR) Projects are some the oldest projects not just in the District, but the Nation as well, so we will receive some great perspective from the Corps and the local sponsor in these regards. But first the secretary has a funding model to share taking all the nourishment projects we have conducted over the past 19 years, and retroactively superimposing the CSDR cost share formula to the block of projects. Secretary Rudolph continued by reviewing some of the assumptions and noted that nourishment associated with routine maintenance of the Morehead City Harbor should be teased out of the dataset; and once we do this, we can use our initial bond-referendum projects in the early 2000s as CSDR “construction”. The remaining projects (Section 933 and storm-related projects) could be considered “maintenance”. The next step is to apply the 65% and 50% federal cost share to construction and maintenance, respectively. Coincidentally, the federal/non-federal inputs are pretty similar – 49% federal (collectively) for the projects we performed since 2001 (mostly FEMA), and 54% federal for the CSDR hindcast exercise (Corps funding in theory) - [Slides 2 – 5](#). The annual amortized value over 19 years (2001 – 2020) for the non-federal share is still below our annual occupancy tax collection (\$3.5 million) for the CSDR hindcast model regardless if the State would provide a portion of non-federal funding or not.

With no questions concerning the CSDR hindcast funding model, the secretary turned the floor over to Mr. Keistler who provided a [PowerPoint Presentation](#) to the group. Mr. Keistler stressed the positive cost-sharing component of the CSDR Program, the Corps design process (i.e., placing sand where it needs to go in the template vs. mere chronology), and the federal appropriation process. To this latter end, while the President’s budget has been problematic in terms of providing funds; the workplan model has been very effective whereby Congress provides a lump sum to the Corps and the Corps subsequently administers the funding to projects. Also there are supplemental bills that surface in the wake of storms for instance that also can provide funds. And lastly, Flood Control & Coastal Emergency funding via Public Law 84-99 can also be accessed in certain instances after a storm and is a 100% federal cost. Mr. Keistler concluded his part of the presentation by showing examples of projects where the fill was altered based on current conditions to highlight the adaptive nature of the CSDR program. Mrs. Castens also addressed the federal appropriation issue with respect to the length of the Bogue Banks. From a Corps perspective, the length of project does not matter – maintenance is considered more programmatic than initial construction and *usually* is more successful to secure. Mrs. Castens added that we could include additional borrow area assessments (i.e., Bogue Inlet) without having to do a wholesale change of the authorized project.

Member Corsello inquired with respect to the federal appropriation process especially regarding whether the Corps presents Congress with projects that are placed in the budget or does the Corps receive a set amount of funds and the Corps internally decides what projects get funded or not. Mr. Keistler responded that in two years advance, the Corps identifies if there is a need for a particular project and provides an estimate (a capability). The request then goes up the Corps hierarchy and they “rack and stack”/prioritize projects based upon items such as the benefit/cost ratio, etc. Member Corsello thanked Mr. Keistler for the answer and added that competing against other projects with a budget ceiling can make appropriations for the Bogue Banks CSDR challenging. Member Corsello continued and asked how the trigger for nourishment is developed by the Corps. Mr. Keistler replied that it is basically based upon how much sand has left the template, which is similar to the Bogue Banks approach. The secretary and Sam Morrison (audience – Moffatt & Nichol) added that both approaches are the same for the most part. We

(Bogue Banks) look at the volume losses and will constrain how much width needs to be added to replace that volume. The Corps on the other hand basically looks at the template as a box – whatever goes out of the box is returned via nourishment to create the same shape (berm width). Of course replacing dunes is the same for both the Corps and Bogue Banks. The end the result is the same.

Mr. Morrison asked Mr. Keistler if the County could get credit moving forward if the Corps does not receive funding for renourishment (maintenance) but the County nourishes the beach using 100% non-federal funds. And if credit can be applied, could this mechanism be codified in the Project Partnership Agreement (PPA). Mr. Keistler replied that he's not at liberty to make those types of commitments, but this can be explored before the PPA is executed.

With no further questions/comments for the Corps, Chairman Cooper welcomed Mr. Bedsole (remotely). Subsequent to mutual greetings, Mr. Bedsole outlined that he reviewed the pro/con CSDR sheet that was in the Beach Commission's June agenda and decided to address the cons one by one ([see Page 15](#)). To this end, addressing "Loss of Engineering Control" – New Hanover (like Carteret County) surveys the beach every year; and the background erosion rate and what the Corps places on the beach during maintenance cycles is almost spot-on the same if you average the nourishment volume per year. That's very encouraging and supports the "when" as well. Secondly with respect to federal funding; the New Hanover CSDR Projects have routinely received appropriations and the Corps has done a good job demonstrating the effectiveness of the projects (i.e., damages averted, etc.). New Hanover also has its own set of nourishment permits in case federal funding becomes problematic. So akin to Carteret County there would be a Plan A (Corps Project) and Plan B (Local Project). Mr. Bedsole continued that he has no experience with FEMA reimbursement. Procuring easements are indeed an effort. With respect to parking/access; that's a very local issue and how each island was originally developed plays into the decision making process. And lastly, with respect to Bogue Inlet – all inlets are different and require different approaches. Secretary Rudolph thanked Mr. Bedsole for his comments and asked what the "good, the not so good, and the ugly" is with respect to the CSDR Program. Mr. Bedsole replied; the good = consistency (volume and placement, funding, etc.), not so good and ugly = the bureaucracy of the Corps of Engineers once you get above the District level (i.e., Division and/or Headquarters). Mr. Bedsole concluded that the key of participating in the CSDR Program is to stay engaged, and stay engaged more.

Vice-chair Normile asked why the one or two communities have declined to participate in the CSDR Project after construction funding was awarded. Mrs. Castens replied that Topsail Beach has a locally constructed project as well with vastly different borrow sources and beach templates, which has made that decision a lot more difficult. Member Rule subsequently asked what are the two or three reasons we should participate in the CSDR Project now that we have construction funding. Mr. Keistler replied that for one, the federal cost sharing component will make nourishment less costly/cheaper for the County moving forward. Maintaining the beach "alone" would be more costly and there's no guarantees storms will strike and FEMA funds are available for repair. Secondly, the County has a lot of funds invested in the program already via the Feasibility Study and Preconstruction Engineering Design; and that would be a lot to leave on the table. And lastly, the experience with the Corps in the CSDR Program is good as Mr. Bedsole shared with the group earlier.

- (5) **Public Comment.** – None.
- (6) **Other Business.** – Secretary Rudolph provided the Commission a status concerning the Atlantic Harbor Project presenting several photos and drone video ([Slides 7 – 10](#)).
- (7) **August 2020 or Next Meeting Date.** – The Commission agreed to determine the next meeting date at a later time.
- (8) **Adjourn.** – Chairman Cooper asked for any additional comments or questions, and with none forthcoming, the meeting was adjourned.

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CARTERET COUNTY BEACH COMMISSION

Agenda Topic Cover Sheet

Room Occupancy Tax (ROT) and “Beach Fund” Update.

Meeting Date: **8/24/2020**

Topic No. **3**

Suggested Action: None.

A copy of Carteret County’s June Room Occupancy Tax (ROT) collection report is attached to this month’s “Beach Fund” update signifying the conclusion of the 2019-20 fiscal year from a reporting standpoint. The June data has been utilized to revise four summary tables presented at the end of this coversheet including; **Table 1** - a running summary of ROT collections comparing monthly revenues from FY 2019-20 to FY 2018-19, **Table 2** - a summary of ROT revenue from a Calendar Year perspective (CY 2020 - CY 2013), **Table 3** - a more detailed FY 2019-20 to FY 2018-19 revenue comparison of the collection by sectors (hotel/motel, condo/cottage, and “other”), and **Table 4** - a year-to-date estimate of the Beach Nourishment Reserve Fund.

The June 2020 occupancy tax collection was up by +16.9% compared to the June 2019 collection (Table 1), representing a +\$228,651 total increase for the month (+\$114,326 to the nourishment reserve = 50% of the total). In fact, the June 2020 collection was the highest ever for this particular month – albeit just barely and there’s always cross-pollination of collections from the preceding or consequent months to consider as well (Table 2). As the Commission has discussed/forecasted, although on the surface one would think the impacts from COVID-19 would be a detriment to visitation; the opposite has likely proved to be the case. Anecdotally we’re experiencing visitation from families who usually travel to other States or other Countries for that matter for vacation but because of travel restrictions, are now “discovering” Bogue Banks. Also, more of the public is working remotely which allows them the freedom to spend time at destination locations like the beaches of Carteret County. Couple these demographical trends with the fact that we can accommodate more visitors this year than last because the condos and hotels that were damaged during *Florence* are repaired and are back on line this year.

While we may have ended FY 2019-20 on a high note, it was not enough to overcome the negative impacts of COVID-19 restrictions that caused dramatic drops in March and April (e.g., access closures, cessation of short term rentals, etc.). To these ends, FY 2019-20 was down by -5.4% compared to the year prior (FY 2018-19), or \$7,271,245 in

FY 2019-20 compared to \$7,689,127 in FY 2018-19. As a quick exercise to demonstrate the impacts of COVID-19, if we had the exact same collection for just March and April in 2020 as we had in 2019, then the FY 2019-20 collection would have been up by just under +0.5% (granted there are inventory issues associated with *Florence* and the strong June 2020 collection to take into consideration). The Commission should also take note of the collections as divided by sectors (hotel/motel, condo/cottage, and "other") – Table 3. To no surprise, the "other" sector was strongly positive and is attributable to the on-line reservations as evidenced in the June collection report itself. Again, this makes intuitive sense considering how COVID-19 has affected how and why visitation is occurring.

And lastly as illustrated in Table 4 below, our estimated value for the "Beach Fund" at the conclusion of June 2020/FY 2019-20 is approximately \$16.3 million and was generated by taking our opening balance on July 1, 2019, our revenue through June 2020, and our expenditures to date through June 2020 into account. A copy of the expenditure report for the month of June is also attached to this cover sheet for the Commission's review and is constrained to more of the Shore Protection Office's administrative functions. We have also incorporated the financial transactions (invoicing and reimbursement payments) associated with all aspects of Phase I and II of the Post-*Florence* Renourishment Project into our reserve estimate – again current through June 2020, which includes almost all of the Phase II Project expenditures (i.e., some dune planting and engineering/construction administration costs remaining).

**Cumulative Analysis and Monthly Comparison
Room Occupancy Tax (ROT) and the "Beach Fund"
FY 2019-2020 v. 2018-19
Carteret County**

Month	Gross Receipts TDA & Beach		Beach Fund (Monthly)*		Beach Fund (YTD)*		Occ. Tax Total Monthly Difference	Occ. Tax Total YTD Difference
	FY 18-19	FY 19-20	FY 18-19	FY 19-20	FY 18-19	FY 19-20		
Jul	\$1,951,256	\$1,713,896	\$975,628	\$856,948	\$975,628	\$856,948	-12.16%	-12.16%
Aug	\$1,339,735	\$1,565,053	\$669,867	\$782,526	\$1,645,495	\$1,639,475	16.82%	-0.37%
Sep	\$720,343	\$609,740	\$360,172	\$304,870	\$2,005,667	\$1,944,345	-15.35%	-3.06%
Oct	\$304,571	\$412,272	\$152,286	\$206,136	\$2,157,953	\$2,150,481	35.36%	-0.35%
Nov	\$380,894	\$240,881	\$190,447	\$120,440	\$2,348,400	\$2,270,921	-36.76%	-3.30%
Dec	\$150,872	\$144,499	\$75,436	\$72,249	\$2,423,836	\$2,343,171	-4.22%	-3.33%
Jan	\$166,761	\$149,611	\$83,380	\$74,806	\$2,507,216	\$2,417,976	-10.28%	-3.56%
Feb	\$153,978	\$159,825	\$76,989	\$79,913	\$2,584,205	\$2,497,889	3.80%	-3.34%
Mar	\$241,029	\$118,782	\$120,514	\$59,391	\$2,704,719	\$2,557,280	-50.72%	-5.45%
Apr	\$367,884	\$40,378	\$183,942	\$20,189	\$2,888,661	\$2,577,469	-89.02%	-10.77%
May	\$558,112	\$533,963	\$279,056	\$266,981	\$3,167,717	\$2,844,451	-4.33%	-10.21%
Jun	\$1,353,693	\$1,582,344	\$676,846	\$791,172	\$3,844,564	\$3,635,623	16.89%	-5.43%
Totals=	\$7,689,127	\$7,271,245	\$3,844,564	\$3,635,623	\$3,844,564	\$2,577,469	Avg. = -12.50%	-5.43%

Note: 6% overall collection rate (* = 50 TDA/50 Beach Fund split).

TABLE 1 – Monthly and cumulative summary of the Carteret County room occupancy tax collection reflecting the current and previous fiscal year in terms of the gross revenue and the portion of revenue legislatively mandated for beach nourishment (i.e., the "Beach Fund").

**Cumulative Analysis and Monthly Comparison
Room Occupancy Tax (ROT) and the "Beach Fund"
Calendar Year 2020 - 2013
Carteret County (6% collection rate)**

Month	2020	2019	2018	2017	2016	2015	2014	2013	
	6%	6%	6%	6%	6%	6%	6%	6%	5%
Jan.	\$149,611	\$166,761	\$108,736	\$90,369	\$72,738	\$65,107	\$54,359	\$48,955	\$40,796
Feb.	\$159,825	\$153,978	\$147,363	\$102,895	\$80,744	\$66,976	\$60,118	\$52,897	\$44,081
Mar.	\$118,782	\$241,029	\$194,638	\$198,697	\$197,020	\$142,289	\$121,346	\$128,088	\$106,740
Apr.	\$40,378	\$367,884	\$426,106	\$378,586	\$267,064	\$238,039	\$218,570	\$187,767	\$156,472
May	\$533,963	\$558,112	\$314,986	\$574,112	\$495,403	\$519,427	\$530,041	\$373,921	\$311,601
June	\$1,582,344	\$1,353,693	\$1,582,294	\$1,211,103	\$1,254,762	\$1,194,984	\$1,119,788	\$1,126,150	\$938,458
July		\$1,713,896	\$1,951,256	\$2,022,661	\$1,945,706	\$1,799,562	\$1,714,309	\$1,440,439	\$1,200,365
Aug.		\$1,565,053	\$1,339,735	\$1,345,057	\$1,310,899	\$1,310,391	\$1,327,500	\$1,270,274	\$1,058,562
Sept.		\$609,740	\$720,343	\$651,908	\$632,513	\$598,281	\$514,648	\$471,580	\$392,983
Oct.		\$412,272	\$304,571	\$424,176	\$354,178	\$357,967	\$348,348	\$296,997	\$247,497
Nov.		\$240,881	\$380,894	\$260,361	\$192,591	\$148,172	\$125,217	\$145,665	\$121,388
Dec.		\$144,499	\$150,872	\$97,436	\$98,029	\$89,584	\$92,698	\$72,597	\$60,498
Totals =	\$2,584,904	\$7,527,797	\$7,621,795	\$7,357,361	\$6,901,648	\$6,530,780	\$6,226,944	\$5,615,329	\$4,679,441
YTD =	-9.03%								
(+/-) previous year		-1.23%	3.59%	6.60%	5.68%	4.88%	10.89%	6.55%	

TABLE 2 – Monthly and cumulative summary of the Carteret County Room Occupancy Tax collection reflecting the current and previous seven calendar years in terms of the gross revenue only.

HOTELS/MOTELS

Month	2018-19		2019-20		FY 2019-20 v. 2018-19	
	Monthly	Year-to-Date	Monthly	Year-to-Date	Monthly	Year-to-Date
Jul	\$365,114	\$365,114	\$311,918	\$311,918	-\$53,196	-14.57%
Aug	\$217,643	\$582,757	\$252,144	\$564,062	\$34,502	-3.21%
Sep	\$236,742	\$819,499	\$167,716	\$731,778	-\$69,026	-10.70%
Oct	\$147,923	\$967,422	\$168,045	\$899,824	\$20,123	-6.99%
Nov	\$129,778	\$1,097,200	\$90,380	\$990,203	-\$39,398	-9.75%
Dec	\$92,243	\$1,189,443	\$62,371	\$1,052,574	-\$29,872	-11.51%
Jan	\$86,242	\$1,275,685	\$61,738	\$1,114,312	-\$24,504	-12.65%
Feb	\$83,762	\$1,359,447	\$77,605	\$1,191,917	-\$6,157	-12.32%
Mar	\$121,653	\$1,481,100	\$56,610	\$1,248,528	-\$65,043	-15.70%
Apr	\$156,419	\$1,637,519	\$23,288	\$1,271,816	-\$133,130	-22.33%
May	\$202,368	\$1,839,887	\$130,486	\$1,402,302	-\$71,882	-23.78%
Jun	\$271,570	\$2,111,457	\$307,441	\$1,709,743	\$35,872	-19.03%
Totals=	\$2,111,457	\$2,111,457	\$1,709,743	\$1,709,743	-\$401,713	-19.03%

CONDOS/COTTAGES

Month	2018-19		2019-20		FY 2019-20 v. 2018-19	
	Monthly	Year-to-Date	Monthly	Year-to-Date	Monthly	Year-to-Date
Jul	\$1,462,838	\$1,462,838	\$1,291,633	\$1,291,633	-\$171,206	-11.70%
Aug	\$1,046,472	\$2,509,310	\$1,245,633	\$2,537,266	\$199,161	1.11%
Sep	\$446,022	\$2,955,332	\$399,296	\$2,936,562	-\$46,726	-0.64%
Oct	\$118,172	\$3,073,504	\$209,600	\$3,146,162	\$91,428	2.36%
Nov	\$225,997	\$3,299,501	\$109,563	\$3,255,725	-\$116,434	-1.33%
Dec	\$38,797	\$3,338,298	\$48,031	\$3,303,756	\$9,235	-1.03%
Jan	\$42,818	\$3,381,116	\$32,126	\$3,335,882	-\$10,693	-1.34%
Feb	\$25,854	\$3,406,970	\$21,635	\$3,357,517	-\$4,220	-1.45%
Mar	\$66,460	\$3,473,431	\$37,818	\$3,395,335	-\$28,642	-2.25%
Apr	\$154,609	\$3,628,039	\$8,580	\$3,403,915	-\$146,028	-6.18%
May	\$283,506	\$3,911,545	\$251,304	\$3,655,219	-\$32,202	-6.55%
Jun	\$1,044,576	\$4,956,121	\$976,893	\$4,632,112	-\$67,683	-6.54%
Totals=	\$4,956,121	\$4,956,121	\$4,632,112	\$4,632,112	-\$146,028	-6.54%

OTHER, LESS THAN 5, & ON-LINE TOTAL

Month	2018-19		2019-20		FY 2019-20 v. 2018-19	
	Monthly	Year-to-Date	Monthly	Year-to-Date	Monthly	Year-to-Date
Jul	\$123,303	\$123,303	\$110,346	\$110,346	-\$12,958	-10.51%
Aug	\$75,620	\$198,923	\$67,276	\$177,621	-\$8,345	-10.71%
Sep	\$37,579	\$236,503	\$42,728	\$220,350	\$5,149	-6.83%
Oct	\$38,477	\$274,980	\$34,627	\$254,976	-\$3,850	-7.27%
Nov	\$25,120	\$300,099	\$40,938	\$295,914	\$15,818	-1.39%
Dec	\$19,832	\$319,931	\$34,096	\$330,011	\$14,265	3.15%
Jan	\$37,701	\$357,632	\$55,747	\$385,758	\$18,046	7.86%
Feb	\$44,361	\$401,993	\$60,586	\$446,344	\$16,225	11.03%
Mar	\$52,915	\$454,908	\$24,354	\$470,698	-\$28,562	3.47%
Apr	\$56,856	\$511,764	\$8,510	\$479,207	-\$48,346	-6.36%
May	\$72,238	\$584,002	\$152,173	\$631,380	\$79,935	8.11%
Jun	\$37,547	\$621,549	\$298,010	\$929,390	\$260,463	49.53%
Totals=	\$621,549	\$621,549	\$929,390	\$929,390	\$307,841	49.53%

TABLE 3 – Monthly and cumulative summary of the Carteret County occupancy tax collection segregated by each of the three collection sectors (hotel/motel, condo/cottage, and “other”) for the current and previous fiscal years in terms of the gross revenue only. Note: On-line collection was first implemented in January 2016.

**Estimated Year-to-Date "Beach Fund" Reserve Balance
FY 2019-20**

Opening Fund Balance (7/1/19)	\$10,679,909
 Revenues	
Occupancy Tax (to date)	\$3,635,623
Reimbursement from Municipalities (Indian Beach & Emerald Isle)	\$16,800,788
Coastal Storm Damage Mitigation Fund (S.L. 2018-134 & 138)	\$15,516,110
Interest on Reserve	NA
Total Revenues	\$35,952,520
 Expenditures	
Shore Protection Office (6/30/2020)	\$468,806
Post Florence Renourishment Project - Phase I & II	\$29,764,238
County Occupancy Tax Administration Fee*	\$41,356
Total Expenditures	\$30,274,400
 (Deficit)/Surplus for Year	\$5,678,120
 Fund Balance	\$16,358,029

*Up to 3% of first \$500,000 of gross proceeds and 1% of remaining gross receipts collected each year.

TABLE 4 – Estimated value of the “Beach Fund” utilizing the opening fund balance at the beginning of the current fiscal year, coupled with the revenues and expenditures to date.

OCCUPANCY TAX COLLECTION

Reporting period: **Jun-20**

Type	Tax Received	Penalties & Interest	Total Reporting Tax	Total No Tax
CONDOS/COTTAGE	\$ 976,820.32	\$ 72.61	62	122
HOTEL / MOTEL	\$ 306,858.60	\$ 582.66	32	3
OTHER	\$ 17,563.96	\$ 41.85	36	98
ONLINE	\$ 280,404.13	\$ -	6	1
TOTAL ALL TYPES	\$ 1,581,647.01	\$ 697.12	136	224
Total Collected	\$ 1,582,344.13			

June-20

Reporting Location	Condos/Cottage Tax	Hotel/Motel Tax	Other Tax	On Line	Total
Atlantic Beach	\$103,478.44	\$84,057.99	\$3,056.50	\$0.00	\$190,592.93
Beaufort	\$1,387.16	\$39,877.58	\$6,540.07	\$0.00	\$47,804.81
Cape Carteret	\$0.00	\$13,150.60	\$0.00	\$0.00	\$13,150.60
Emerald Isle	\$859,386.12	\$36,670.04	\$5,689.31	\$0.00	\$901,745.47
PKS / Salter Path/ Indian Beach	\$7,362.53	\$68,312.91	\$1,040.70	\$0.00	\$76,716.14
Morehead City	\$0.00	\$56,644.15	\$233.25	\$0.00	\$56,877.40
On Line	\$0.00	\$0.00	\$0.00	\$280,404.13	\$280,404.13
Unincorporated	\$5,278.68	\$8,727.99	\$1,045.98	\$0.00	\$15,052.65
Totals	\$976,892.93	\$307,441.26	\$17,605.81	\$280,404.13	\$1,582,344.13

Notes:

- (a) The collection value represents the location of the reporting office only, and may not be 100% correlative to the actual lodging location.
- (b) The locations listed as "Unincorporated" are collectors not located in a municipality.

*** USER MAY NOT HAVE ACCESS ***		ANNUAL	ACT MTD	POSTED	ACT YTD	POSTED	REMAINING		
*** TO ALL ACCOUNTS IN RANGE ***		AMENDED BUDGET	ENCUMBERED	AND IN PROCESS	AND IN PROCESS	AND IN PROCESS	BALANCE	PCT	
110	GENERAL FUND								
40	ECONOMIC & PHYSICAL DEVELOP								
4901	BEACH NOURISHMENT								
12100	SALARIES	108,840.00	0.00	11,302.42	113,104.81	4,264.81-	103	-----	
12600	PART TIME WAGES	0.00	0.00	0.00	0.00	0.00	0	-----	
18100	FICA EXPENSE	8,330.00	0.00	834.79	8,385.13	55.13-	100	-----	
18200	RETIREMENT CONTRIBUTION	9,850.00	0.00	1,055.47	10,248.16	398.16-	104	-----	
18300	HOSPITALIZATION INSURANCE	9,515.00	0.00	622.09	7,502.68	2,012.32	78	-----	
18500	UNEMPLOYMENT	0.00	0.00	0.00	0.00	0.00	0	-----	
18600	WORKMENS COMP	2,000.00	0.00	0.00	1,911.00	89.00	95	-----	
18700	401 K PLAN	5,445.00	0.00	565.11	5,655.16	210.16-	103	-----	
20000	SUPPLIES	2,000.00	0.00	948.70	948.70	1,051.30	47	----	
28000	SMALL EQUIPMENT	2,000.00	0.00	0.00	0.00	2,000.00	0	-----	
31400	TRAVEL IN-COUNTY	2,400.00	0.00	730.25	3,004.79	604.79-	125	-----!!	
32100	TELEPHONE & DATA SERVICES	3,660.00	0.00	358.56	3,036.19	623.81	82	-----	
32500	POSTAGE	1,000.00	0.00	162.60	372.85	627.15	37	---	
39500	TRAVEL	5,880.00	0.00	0.00	1,111.91	4,768.09	18	-	
44000	CONTRACTED SERVICES	385,470.00	0.00	3,140.00	327,871.09	57,598.91	85	-----	
44100	FEASIBILITY AGREEMENT	0.00	0.00	0.00	0.00	0.00	0	-----	
44200	SECTION 933 REIMBURSEMENT	0.00	0.00	0.00	0.00	0.00	0	-----	
49100	DUES AND SUBSCRIPTIONS	5,000.00	0.00	0.00	5,373.48	373.48-	107	-----	
69900	GRANT CONTRIBUTIONS EDC	0.00	0.00	0.00	0.00	0.00	0	-----	
TOTAL:	BEACH NOURISHMENT	551,390.00	0.00	19,719.99	488,525.95	62,864.05	88	-----	
TOTAL:	ECONOMIC & PHYSICAL DEVELOP	551,390.00	0.00	19,719.99	488,525.95	62,864.05	88	-----	
TOTAL:	GENERAL FUND	551,390.00	0.00	19,719.99	488,525.95	62,864.05	88	-----	

Shore Protection Manager

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CARTERET COUNTY BEACH COMMISSION

Agenda Topic Cover Sheet

Bogue Banks Coastal Storm Risk Management Project.

Meeting Date: **8/24/2020**

Topic No. **4**

Suggested Action: Discussion.

Reference is made to our past three meetings where/when we have discussed the U.S. Army Corps of Engineers' (Corps) Bogue Banks Coastal Storm Risk Management (CSRM) Project. As a review, in [May](#) we received a [detailed briefing](#) from Lee Wrenn & Associates concerning the procurement process for Real Estate Easements & Right-of-Entry Authorizations. In [June](#) we reviewed and had a good dialogue concerning some of the "Pros and Cons" regarding our potential participation in the CSRM Project and comparing these positive and negative elements to our current Master Plan/FEMA reimbursement approach ([slides](#)). And lastly for our [July](#) meeting, we received first hand perspectives of the CSRM program from both a local sponsor (New Hanover County, N.C.) who has undergone construction and numerous maintenance cycles for multiple CSRM Projects, and from the Corps (Wilmington District) themselves ([slides](#)). For our August meeting, we have invited the Town Manager of Topsail Beach, Michael Rose (Mike) and the Coastal Program Manager for the City of Virginia Beach, Daniel F. Adams, P.E. (Dan) to speak us to provide some additional local perspective.

As mentioned in the past, the Corps' [West Onslow Beach CSRM Project](#) essentially encompasses 5.0 miles of beach within the Town of Topsail Beach and adjacent borrow areas off the coast. The remainder of Topsail Island ([Surf City and North Topsail](#)) are a separate CSRM Project in itself. The West Onslow Beach Project was originally authorized in 1992, however the local sponsor was not able to execute a Project Cooperation Agreement at that time which led to the development of a General Re-evaluation Report (GRR) in the following years (note: the GRR was authorized by Congress in 2001). The GRR was completed in 2010 and the "new" West Onslow Beach CSRM Project was subsequently authorized for construction in 2014. Akin to the Bogue Banks CSRM Project, the West Onslow Beach CSRM Project remained in a holding pattern until construction funding was furnished earlier this year. In the interim, Topsail Beach has constructed their own engineered-beach project and has received FEMA reimbursement in the wake of federally-

declared disasters (i.e., hurricanes – namely *Florence* and *Dorian*). Accordingly they (Topsail Beach) are also evaluating their participation in the CSRSM program and considering the same issues we are – e.g., easements, parking & access, reliability of future federal funding, cost-sharing, success of their own program, etc. A big difference in their decision matrix than ours however lies in the fact that the borrow sources and beach design for the CSRSM Project and their engineered beach program are very different. For instance, the sand source for the Town Program is New Topsail Inlet and the adjacent interior waterway of Banks Channel, while the CSRSM Project intends to utilize offshore borrow areas. Topsail Beach is leaning towards not participating in the CSRSM Project and Mr. Rose will provide some insight into why this is the predominant line of thought.

The City of Virginia Beach's main CSRSM effort is the 5.3-mile long [Sandbridge Project](#), which was initially authorized by Congress for construction in 1992. Generally speaking Virginia Beach has roughly 14 miles of oceanfront shoreline including large areas that are State and federally owned, and importantly there are also federally authorized navigation projects within the City's jurisdiction that include concurrent beach nourishment. The City financed initial construction of the Sandbridge CSRSM Project in 1998, yet via a 2002 Project Cooperation Agreement (or a Project Partnership Agreement in today's vernacular); the Corps and City have successfully undergone four maintenance (renourishment) cycles since with the last recently completed earlier this year. The federal cost-share for renourishment has been inconsistent at times; however the City has overcome these issues and the CSRSM program at Sandbridge is very successful. Also, the Sandbridge CSRSM Project is administered by the Norfolk District of the Corps rather than the Wilmington District, and Mr. Adams will speak to these and other aspects of the Project. Mr. Adams may also be joined on our conference call/Zoom meeting with Phillip J. Roehrs, P.E. (Phill) who is the Water Resources Engineer for Virginia Beach and has been with the City for over 30 years. The Shore Protection Office very much appreciates the City of Virginia Beach and the Town of Topsail Beach participating at our August meeting, and hopes the Beach Commission finds their thoughts and perspective valuable.