

**Town of Nags Head
 Budget Ordinance
 Fiscal Year 2016-2017**

BE IT ORDAINED by the Board of Commissioners of the Town of Nags Head, North Carolina, meeting in session this the 15th day of June 2016, that the budget ordinance adopted on June 15, 2016, effective July 1, 2016, to read as follows:

SECTION I GENERAL FUND

Revenues Anticipated:

Current year ad valorem taxes	\$	6,234,414
Current town wide beach nourishment ad valorem taxes		623,442
Prior year taxes		3,000
Penalties and Interest		10,000
DMV Taxes		80,160
Other taxes and licenses		5,528,294
Unrestricted Intergovernmental revenues		978,000
Restricted Intergovernmental revenues		731,218
Permits and fees		328,850
Sales and services		80,948
Investment earnings		110,000
Other revenues		121,500
Contributions from Capital Reserve Fund		543,264
Contributions from Water Fund		556,830
Undesignated Fund Balance Appropriated		74,169
	\$	<u>16,004,089</u>

Expenditures Authorized:

Governing Body	\$	191,944
Town Manager		874,660
Administrative Services		957,860
Information Technology		253,684
Legal Services		94,811
Planning and Development		894,653
PW Administration		345,390
Facilities Maintenance		2,326,360
Garage		324,676
State Street Ald-Powell Bill		120,000
Sanitation		1,301,390
Solid Waste Disposal		635,000
Stormwater Management		230,904
Police		2,454,508
Fire		2,550,525
Ocean Rescue		599,607
Transfer to Capital Reserve Fund		1,723,118
Contingency		125,000
Total General Fund Expenditures	\$	<u>16,004,089</u>

**Town of Nags Head
 Budget Ordinance
 Fiscal Year 2016-2017**

Section II WATER FUND

Revenues Anticipated:	
Charges for utilities	\$ 2,700,000
Taps/connection fees	10,000
Reconnection fees	7,500
Interest on investment	30,000
Penalties and interest	30,000
Septic loan repayments	15,750
Miscellaneous revenues	1,000
Appropriated retained earnings	<u>285,096</u>

Total Water Fund Revenues \$ 3,079,346

Expenditures Authorized:	
Administration	\$ 206,447
Septic health	175,568
Operations	1,473,020
Distribution	617,481
Contribution to general fund	556,830
Contingency	<u>50,000</u>

Total Water Fund Expenditures \$ 3,079,346

Section IV NAGS HEAD LEASING

Revenues Anticipated	-
Expenditures Authorized	-

Section V CAPITAL RESERVE FUND

Revenues Anticipated:	
Contributions from General Fund	\$ 1,723,118
Appropriations/Admin facility fees	35,000
Appropriations/Stormwater Management	230,904
Appropriations/ Parks and paths	277,360
Appropriations/Beach Nourishment Capital Project Fund	<u>2,580,211</u>

Total Revenues \$ 4,846,593

Expenditures Authorized:	
Transfer to General Fund	\$ 543,264
Transfer to Beach Nourishment Capital Project Fund	2,604,211
Contributions to Fund Balance	<u>1,699,118</u>

Total Expenditures \$ 4,846,593

TOTAL BUDGET FISCAL YEAR 2016-2017 \$ 23,930,028

**Town of Nags Head
Budget Ordinance
Fiscal Year 2016-2017**

SECTION VI TAX RATES ESTABLISHED

A Town wide tax rate of twenty-nine and seven tenths (\$.297) cents per hundred dollar valuation is hereby levied on all real estate and personal property in the Town of Nags Head as of January 1, 2016. The estimated valuation of said property is two billion, three hundred fourteen million, eight hundred twenty nine thousand, and eight hundred five dollars (\$ 2,314,829,805). The estimated collection rate of ninety-nine and three quarters percent (99.75%) is based on the collection rate for the fiscal year ended June 30, 2016.

A tax rate twenty nine and seven tenths (\$.297) cents per hundred dollar valuation is hereby levied on all motor vehicle property in the Town of Nags Head as renewed through the State during the year. The estimated valuation of said property of twenty seven million, fifty thousand dollars (\$27,050,000). The estimated collection rate of ninety nine and three quarters percent (99.75%) is based on the collection rate for the fiscal year ended June 30, 2016.

SECTION VII, SPECIAL AUTHORIZATION - BUDGET OFFICER

The Budget Officer shall be authorized to transfer amounts between objects of expenditures within a department without limitation and without a report being requested. The Budget Officer is authorized to reallocate appropriations between departments among the various objects of expenditures as (s)he believes necessary. Such changes shall be reported to the Finance Director immediately and to the Governing Body at the next regular meeting or on the next succeeding monthly budget transfer report.

**Town of Nags Head
Budget Ordinance
Fiscal Year 2016-2017**

SECTION VIII, RESTRICTION-BUDGET OFFICER

The use of any contingency appropriations shall be accomplished only with prior authorization from the Board of Commissioners.

No salary increases, beyond those set forth in the budget document, excluding promotional increases in accordance with the personnel policy not to exceed 5%, may be made without Board approval.

The use of appropriations established for Capital Reserve may be accomplished only with the approval of the Board.

Interfund transfers, not established in the budget document, may be accomplished only with prior authorization from the Board.

In case of emergency which threatens the lives, health, and safety of the public, the Town Manager may execute contractual documents and authorize expenditures in an amount necessary to meet the emergency so long as such amount does not exceed the amount in contingency accounts not to exceed \$ 125,000 and the expenditure is reported to the Board of Commissioners as soon as possible, and the appropriate budget amendments are submitted at the next regular meeting.

SECTION IX - AUTHORIZATION TO EXECUTE CONTRACTUAL DOCUMENTS

The Town Manager, or in his absence his designee, is hereby authorized to execute contractual documents under the following conditions:

- (a) The Town Manager may execute contracts for: (1) Purchases or apparatus, supplies and materials, or equipment which are within budgeted department appropriations where formal bid is not required; (2) Leases of personal property for durations of one year or less which are within budgeted departmental appropriations; (3) Services and service contracts which are within budgeted departmental appropriations; and (4) formal bids involving purchase contracts, including rejecting bids and re-advertising to receive bids. This delegation can not be applied to construction or repair contracts.
- (b) The Town Manager may execute contracts, as the lessor or lessee of real property, which are of a

**Town of Nags Head
Budget Ordinance
Fiscal Year 2016-2017**

duration of one year or less which are within budgeted departmental appropriations not to exceed an annual amount of \$ 20,000.

(c) The Town Manager may execute contracts for design consultant services, where consultant fees are estimated to be less than \$ 50,000.

(d) The Town Manager may execute contracts for construction or repair projects which do not require formal competitive bid procedures.

(e) The Town Manager may execute change orders or amendments to construction contracts in amounts up to \$ 25,000 when the appropriate annual budget or capital project ordinance contains sufficient appropriated but encumbered funds.

(f) The Town Manager may execute grant agreements to or from public nonprofit organizations which are within budgeted appropriations unless the grantor organization requires execution by the Board of Commissioners.

SECTION X, UTILIZATION OF BUDGET AND BUDGET ORDINANCE

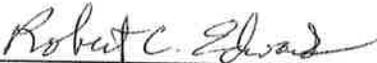
This ordinance and the budget document shall be the basis of the financial plan for the Town of Nags Head, North Carolina Municipal Government during the 2016-2017 fiscal year. The Budget Officer shall administer the Budget and (s)he shall insure that operating officials are provided guidance and sufficient details to implement their appropriate portion of the Budget. The Accounting Section shall establish records which are in accordance with the Budget and this Ordinance and the appropriate statutes of the State of North Carolina.

SECTION XI, REPAYMENT OF WATER FUND FOR LAND ACQUISITION

It is the intent of the Nags Head Board of Commissioners to strive to continue the General Fund's repayment of the Water Fund's purchase of real property beginning with fiscal year 12-13 and continuing in fiscal year 13-14 in annual payments of approximately \$300,000 until such time as the Water Fund has been repaid in full in the amount of \$1,623,174. The adopted operating budget for FY 16-17 does not contain funding for a third year of payments pending the determination of available fund balance during the annual audit.

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ADOPTED THIS 15TH DAY OF JUNE 2016.


Robert C. Edwards, Mayor



Attest:


Carolyn F. Morris, Town Clerk

Motion to Adopt by **Comr. Marvin Demers**
Motion Seconded by **Mayor Pro Tem Susie Walters**
Vote 3 Ayes 2 Noes

Ayes Mayor Bob Edwards
Mayor Pro Tem Susie Walters
Comr. Marvin Demers

Noes Comr. Renée Cahoon
Comr. John Ratzenberger