



**Town of Nags Head
Budget Ordinance
Fiscal Year 2017-2018**

BE IT ORDAINED by the Board of Commissioners of the Town of Nags Head, North Carolina, meeting in session this the 21st day of June 2017, that the budget ordinance adopted on June 21st, 2017, effective July 1, 2017, to read as follows:

SECTION I GENERAL FUND

Revenues Anticipated:

Current year ad valorem taxes	\$ 6,291,785
Municipal Service District taxes	1,392,090
Current town wide beach nourishment ad valorem taxes	629,179
Prior year taxes	1,300
Penalties and interest	7,500
DMV Taxes	109,816
Other taxes and licenses	5,080,147
Unrestricted intergovernmental revenues	1,005,000
Restricted intergovernmental revenues	236,218
Permits and fees	328,800
Sales and services	100,750
Investment earnings	120,000
Other revenues	122,500
Contributions from Capital Reserve Fund	503,534
Contributions from Water Fund	655,357
Committed Fund Balance	40,000
Undesignated Fund Balance Appropriated	275,503
	<u>\$ 16,899,479</u>



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SECTION I GENERAL FUND

Expenditures Authorized:	
Governing Body	\$ 195,383
Town Manager	950,822
Administrative Services	1,040,534
Information Technology	327,279
Legal Services	94,480
Planning and Development	836,254
PW Administration	439,122
Facilities Maintenance	1,715,963
Garage	349,212
State Street Aid-Powell Bill	120,000
Sanitation	1,450,456
Solid Waste Disposal	641,000
Stormwater Management	235,534
Police	2,597,316
Fire	2,619,371
Ocean Rescue	624,426
Transfer to Capital Reserve Fund	2,537,327
Contingency	<u>125,000</u>
Total General Fund Expenditures	<u>\$ 16,899,479</u>



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Section II WATER FUND

Revenues Anticipated:	
Charges for utilities	\$ 2,609,000
Taps/connection fees	10,000
Reconnection fees	7,500
Special assessments	569
Interest on Investment	35,000
Penalties and interest	30,000
Septic loan repayments	26,250
Miscellaneous revenues	2,000
Appropriated retained earnings	<u>493,279</u>
Total Water Fund Revenues	<u>\$ 3,213,598</u>
Expenditures Authorized:	
Administration	\$ 237,179
Septic health	332,226
Operations	1,452,499
Distribution	486,337
Contribution to general fund	655,357
Contingency	<u>50,000</u>
Total Water Fund Expenditures	<u>\$ 3,213,598</u>



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Section IV NAGS HEAD LEASING

Revenues Anticipated	\$	-
Expenditures Authorized	\$	-

Section V CAPITAL RESERVE FUND

Revenues Anticipated:		
Contributions from General Fund	\$	2,537,327
Appropriations/Fire facility fees		25,000
Appropriations/Police facility fees		10,000
Appropriations/Stormwater Management		235,534
Appropriations/ Parks and paths		233,000
Appropriations/Beach Nourishment Capital Project Fund		<u>5,950,000</u>
Total Revenues	\$	<u>8,990,861</u>
Expenditures Authorized:		
Transfer to General Fund	\$	503,534
Transfer to Beach Nourishment Capital Project Fund		5,950,000
Contributions to Fund Balance		<u>2,537,327</u>
Total Expenditures	\$	<u>8,990,861</u>
TOTAL BUDGET FISCAL YEAR 2017-2018	\$	<u>29,103,938</u>



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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, 2017. The estimated valuation of said property is two billion, three hundred thirty six million, one hundred thirty one thousand, two hundred thirty dollars (\$ 2,336,131,230). 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, 2017.

A tax rate of seventeen and five tenths (\$.175) cents per hundred dollar valuation is hereby levied on all real estate, personal property, and motor vehicle property located in the municipal service districts, seven hundred ninety seven million, four hundred seventy six thousand, one hundred thirty seven dollars (\$797,476,137). 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, 2017.

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 thirty seven million, sixty seven thousand eight hundred fifty six dollars (\$37,067,856). 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, 2017.

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.



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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.



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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 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.



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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 2017-2018 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 17-18 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 21ST DAY OF JUNE 2017.



Robert C. Edwards, Mayor

Attest:



Michelle H Gray, Dep Town Clerk

Motion to Adopt by Commissioner
Motion Seconded By Commissioner
Vote ____ Ayes ____ Noes
Recorded in Minute Book _____, Page

