



**Town of Nags Head  
 Budget Ordinance  
 Fiscal Year 2023-2024**

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 2023, that the budget ordinance adopted on June 21, 2023, effective July 1, 2023, to read as follows:

**SECTION I - GENERAL FUND**

|  |               |
|--|---------------|
| Revenues Anticipated:                                |               |
| Current year ad valorem taxes                        | \$ 9,326,063  |
| Municipal Service District taxes                     | 1,639,351     |
| Current town wide beach nourishment ad valorem taxes | 764,431       |
| Penalties and interest                               | 6,000         |
| DMV Taxes  | 194,045       |
| Other taxes and licenses                             | 10,158,589    |
| Unrestricted intergovernmental revenues              | 932,200       |
| Restricted intergovernmental revenues                | 3,589,978     |
| Permits and fees                                     | 574,510       |
| Sales and services                                   | 82,600        |
| Investment earnings                                  | 133,840       |
| Other revenues                                       | 413,842       |
| Transfer from Capital Reserve Fund                   | 2,780,713     |
| Transfer from Capital Investment Fund                | 6,727,094     |
| Sale of capital assets                               | 30,000        |
| Unassigned Fund Balance Appropriated                 | 350,000       |
|  | <hr/>         |
| Total General Fund Revenues                          | \$ 37,703,256 |

**SECTION I - GENERAL FUND**

|                                     |               |
|-------------------------------------|---------------|
| Expenditures Authorized:            |               |
| Governing Body                      | \$ 190,690    |
| Bond Debt                           | 3,086,300     |
| Town Manager                        | 903,814       |
| Administrative Services             | 1,162,484     |
| Information Technology              | 518,216       |
| Legal Services                      | 155,086       |
| Planning and Development            | 1,448,238     |
| PW Administration                   | 667,864       |
| Facilities Maintenance              | 3,568,414     |
| Garage                              | 422,693       |
| State Street Aid - Powell Bill      | 125,000       |
| Sanitation                          | 2,424,114     |
| Solid Waste Disposal                | 902,950       |
| Streets and Stormwater              | 2,989,169     |
| Police                              | 3,926,829     |
| Fire                                | 3,770,084     |
| Ocean Rescue                        | 921,640       |
| Transfer to Capital Reserve Fund    | 3,856,197     |
| Transfer to Capital Investment Fund | 6,513,474     |
| Contingency                         | 150,000       |
|                                     | <hr/>         |
| Total General Fund Expenditures     | \$ 37,703,256 |



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**Section II - WATER FUND**

|  |                     |
|--|---------------------|
| Revenues Anticipated:                    |                     |
| Charges for utilities                    | \$ 4,190,000        |
| Taps/connection fees                     | 20,000              |
| Reconnection fees                        | 1,800               |
| System development fees                  | 25,000              |
| Interest on investments                  | 45,850              |
| Penalties and interest                   | 20,000              |
| Septic loan repayments                   | 24,000              |
| Miscellaneous revenues                   | 1,300               |
| Transfer from Water Capital Reserve Fund | 30,000              |
| Appropriated Net Position                | <u>91,192</u>       |
| <br>                                     |                     |
| Total Water Fund Revenues                | <u>\$ 4,449,142</u> |
| <br>                                     |                     |
| Expenses Authorized:                     |                     |
| Administration                           | \$ 698,858          |
| Septic Health Initiative                 | 305,452             |
| Water Operations                         | 1,790,992           |
| Water Distribution                       | 1,578,840           |
| Transfer to Water Capital Reserve Fund   | 25,000              |
| Contingency                              | <u>50,000</u>       |
| <br>                                     |                     |
| Total Water Fund Expenses                | <u>\$ 4,449,142</u> |

**Section III - NAGS HEAD LEASING**

|                      |      |
|----------------------|------|
| Revenues Anticipated | \$ - |
| Expenses Authorized  | \$ - |



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**Section IV - CAPITAL RESERVE FUND**

|  |                     |
|--|---------------------|
| Revenues Anticipated:  |                     |
| Transfer from General Fund   | \$ 3,856,197        |
| Appropriations/Special Obligation Bond - debt                                | 2,311,050           |
| Appropriations/Recreation Facility Fees - pedestrian project                 | 29,663              |
| Appropriations/Streets and Stormwater - drainage infrastructure improvements | 250,000             |
| Appropriations/Restricted sales tax - beach access reconstruction            | <u>190,000</u>      |
| <b>Total Revenues</b>  | <b>\$ 6,636,910</b> |
| Expenditures Authorized:   |                     |
| Transfer to General Fund   | \$ 2,780,713        |
| Contributions to Fund Balance  | <u>3,856,197</u>    |
| <b>Total Expenditures</b>  | <b>\$ 6,636,910</b> |

**Section V - CAPITAL INVESTMENT FUND**

|                               |                      |
|-------------------------------|----------------------|
| Revenues Anticipated:         |                      |
| Transfer from General Fund    | \$ 6,513,474         |
| Appropriations                | <u>6,727,094</u>     |
| <b>Total Revenues</b>         | <b>\$ 13,240,568</b> |
| Expenditures Authorized:      |                      |
| Transfer to General Fund      | \$ 6,727,094         |
| Contributions to Fund Balance | <u>6,513,474</u>     |
| <b>Total Expenditures</b>     | <b>\$ 13,240,568</b> |

**Section VI - WATER CAPITAL RESERVE FUND**

|   |                      |
|---|----------------------|
| Revenue Anticipated:                      |                      |
| Transfer from Water Fund                  | \$ 25,000            |
| Appropriations/System development fees    | <u>30,000</u>        |
| <b>Total Revenues</b>                     | <b>\$ 55,000</b>     |
| Expenses Authorized:                      |                      |
| Transfer to Water Fund                    | 30,000               |
| Contributions to Net Position             | <u>\$ 25,000</u>     |
| <b>Total Expenses</b>                     | <b>\$ 55,000</b>     |
| <b>TOTAL BUDGET FISCAL YEAR 2023-2024</b> | <b>\$ 62,084,876</b> |



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**SECTION VII TAX RATES ESTABLISHED**

A Town wide tax rate of thirty three (\$.33) cents per hundred dollar valuation is hereby levied on all real estate, corporate utilities, and personal property in the Town of Nags Head as of January 1, 2023. The estimated valuation of said property is three billion, sixty five million, three hundred eighty nine thousand, one hundred forty seven dollars (\$3,065,389,147). The estimated collection rate is ninety-nine and three quarters percent (99.75%).

A tax rate of fourteen and three tenths (\$.143) cents per hundred dollar valuation is hereby levied on all real estate, personal property, and motor vehicle property located in municipal service districts 1 and 2 with an estimated value of one billion, fifty two million, four hundred ninety one thousand, six hundred nine dollars (\$1,052,491,609). The estimated collection rate is ninety-nine and three quarters percent (99.75%) on all real estate and personal property and one hundred percent (100%) on all motor vehicle property. A tax rate of one (\$.01) cent per hundred dollar valuation is hereby levied on all real estate, personal property, and motor vehicle property located in municipal service district 4 with an estimated value of six hundred sixty seven million, three hundred ten thousand, seventyeight dollars (\$667,310,078). The estimated collection rate is ninety-nine and three quarters percent (99.75%) on all real estate and personal property and one hundred percent (100%) on all motor vehicle property. A tax rate of one half (\$.005) cent per hundred dollar valuation is hereby levied on all real estate, personal property, and motor vehicle property located in municipal service districts 3 and 6 with an estimated value of one billion, four hundred thirty two million, nine hundred fifty four thousand, nine hundred forty three dollars (\$1,432,954,943). The estimated collection rate is ninety-nine and three quarters (99.75%) on all real estate and personal property and one hundred percent (100%) on all motor vehicle property. A tax rate of thirty three (\$.33) cents per hundred dollar valuation is hereby levied on all motor vehicle property in the Town of Nags Head as renewed throughout the State during the year. The estimated valuation of said property is fifty eight million, eight hundred one thousand, five hundred fifty one dollars (\$58,801,551). The estimated collection rate is hundred percent (100%).

All estimated collection rates are based on the collection rates for the fiscal year ended June 30, 2023.

**SECTION VIII - SPECIAL AUTHORIZATION - BUDGET OFFICER**

The Budget Officer shall be authorized to transfer amounts between objects of expenditures not adopted in the Capital Improvements Program (CIP) 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 Officer immediately and to the Governing Body at the next regular meeting or on the next succeeding monthly budget transfer report.

**SECTION IX - RESTRICTION - BUDGET OFFICER**

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

Salary increases, beyond those set forth in the budget document, shall not exceed 5% without Board approval. Promotional or merit increase are excluded and shall be administered in accordance with the Personnel Policy. 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 X - AUTHORIZATION TO EXECUTE CONTRACTUAL DOCUMENTS**

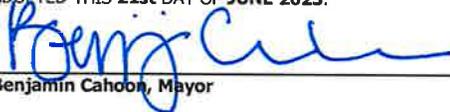
The Town Manager, or in his absence his designee, is hereby authorized to execute contractual documents under the following conditions:

- (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 \$50,000 when the appropriate annual budget or capital project ordinance contains sufficient appropriated but unencumbered 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 XI - 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 2023-2024 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.

ADOPTED THIS 21st DAY OF JUNE 2023.

  
\_\_\_\_\_  
Benjamin Cahoon, Mayor

Attest:  
  
\_\_\_\_\_  
Carolyn F. Morris, Town Clerk



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