

FISCAL YEAR
Recommended Budget 2022/2023



TOWN OF
NAGS HEAD

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TOWN OF NAGS HEAD, NC

2022-2023 Fiscal Year Recommended Budget

Nags Head's Board of Commissioners



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**Commissioner
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Amy Miller, Deputy Town Manager/Finance Officer

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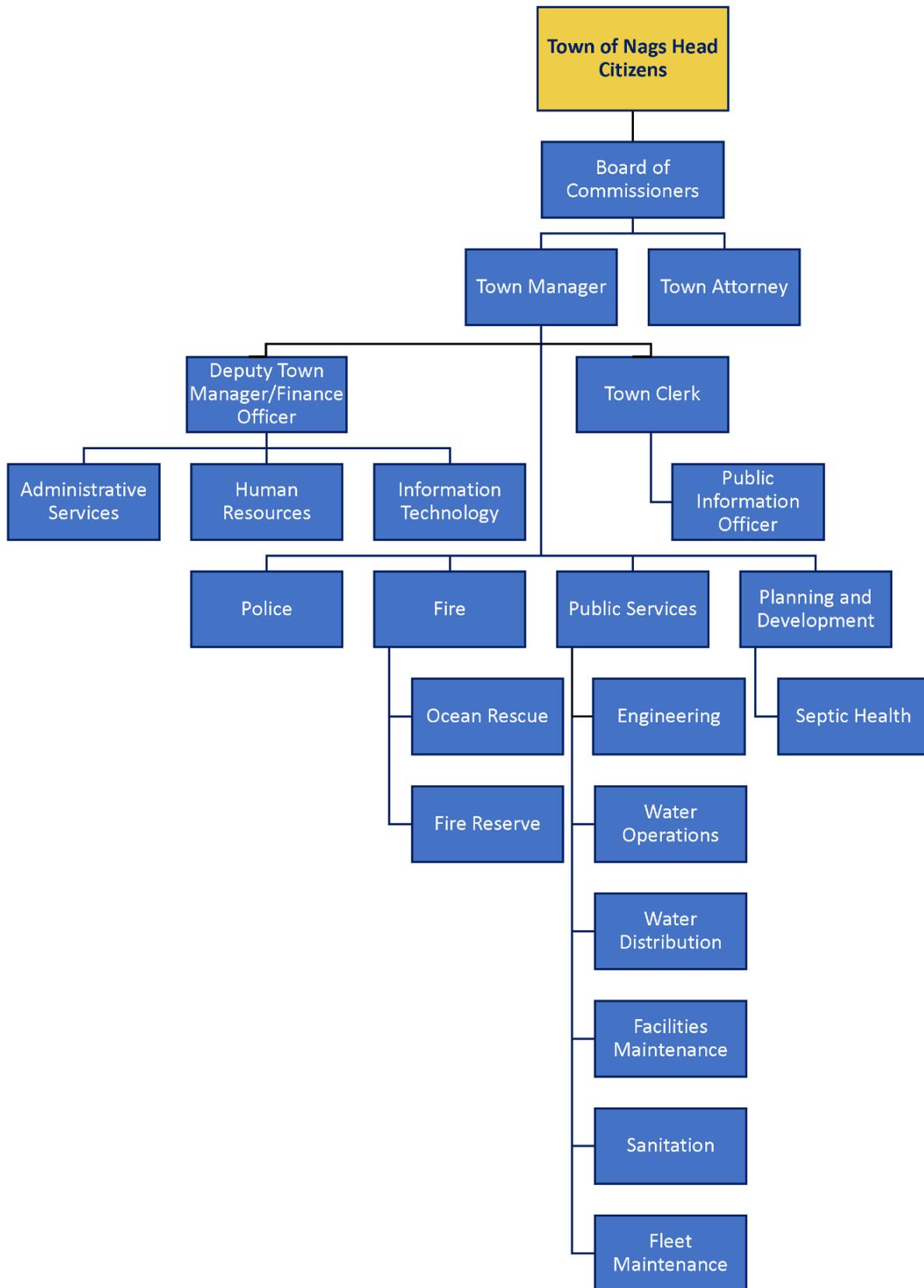
Roberta Thuman, Public Information Officer

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TOWN OF NAGS HEAD ORGANIZATIONAL CHART





May 4, 2022

The Honorable Mayor Benjamin B. Cahoon
Members of the Nags Head Board of Commissioners

Dear Mayor Cahoon and Members of the Nags Head Board of Commissioners:

I am pleased to present the FY 2023 recommended budget to the Board of Commissioners and to our Nags Head community. This budget was prepared in accordance with the provisions of the North Carolina Local Government Budget and Fiscal Control Act as required by North Carolina General Statute Chapter 159-11.

Several changes have been made to the budget and its development process this year including changes to the schedule and format, as well as to the strategies we are proposing to fund capital expenditures moving forward. This has been challenging, forcing us all to be flexible and adaptive as we have charted this new course. I am extremely grateful to everyone's dedication and extreme ownership of the process and am confident this budget reflects the Board's vision and goals for Town services that we have heard expressed over the past few years. I would like to extend gratitude for preparing this budget to Deputy Town Manager Amy Miller, as well as to Deputy Finance Officer Brooke Norris, Human Resources Manager Jan Mielke, Public Information Officer Roberta Thuman, and our staff including directors, deputy directors, supervisors, and office managers. So many hands play a vital role in this process; the budget is truly a team effort.

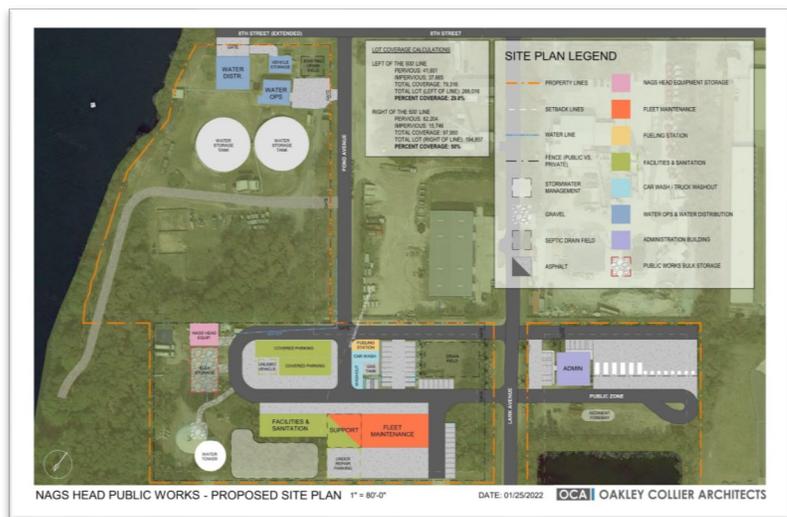
As I mentioned, we made several changes to this year's budget. Over time the budget has become increasingly complex, therefore our focus has been on making the material easier to understand. Ultimately this will improve transparency and participation in our process. We have a new simplified format for departmental budgets, which includes a summary of recent accomplishments, budget highlights including upcoming projects, a summary budget table with accompanying summary graphics, as well as a line-item budget. At the end of each section there is also a summary of items funded through our new Capital Investment Fund (CIF) which is explained below. The section titled "[How to Read the Budget Document](#)" illustrates an outline of departmental budget tables. We have included our [Strategic Plan](#) as a reference in the Appendix for readers to understand how our budget proposals align with this. There is also a [community profile](#) as well as more descriptive [information on the process we used to prepare the budget](#).

Finally, we have included additional information on how the Town's finances work, including [the flow of money in and out of the Town's various funds](#) as well as a [glossary of budget terms](#).

For this year's budget, we are not proposing a tax rate or water rate increase. This is partially due to the tax increase the Board approved last year (two cents), as well as the continued strength of our shared revenues, which include sales, occupancy, and land transfer taxes.

Another primary contributing factor that will allow us to maintain our rate structure for the FY 2023 budget is the creation of a new [capital investment fund \(CIF\)](#). This has been presented to the Board in several pre-budget workshops. The CIF will allow the Town to strategically plan for long-term capital expenditures and leverage existing financial resources. It will be a separate fund as part of the general fund dedicated to capital expenditures such as infrastructure projects and equipment. This will separate the Town's financial resources for these items and will carry a fund balance that can be used to cover those years with greater expenditures that exceed the Town's annual contribution. The CIF is designed to allow the Town to pay cash for capital items, including all equipment and rolling stock, as well as most infrastructure projects. Only the larger projects may still need financing. In this first year, we are proposing to seed the capital investment fund with a portion of our fund balance, which has been growing significantly due to increases in revenues over the last few years. The seed funding will assist with paying cash for capital items while still paying down debt on financed purchases from the past several years. This will require a change to our fund balance policy; however, it will allow the Town to monetize funds that have traditionally sat idle.

The impetus for the creation of the capital investment fund is a new Public Services complex, which the Board has been discussing for several years. The Town has developed a master plan to construct new facilities for our facilities maintenance, sanitation, fleet maintenance, water operations, water distribution, and administrative staff. This will also include re-development of the



bulk/brush collection yard, which will provide improved services for disposal of large items and vegetative debris. Public Services is an essential element of our town services, representing over a quarter of our total full-time workforce. It is also one of the most visible services to our residents and visitors. The proposed budget for this project is \$15.3 million. Included will be a combined fleet maintenance, sanitation, and facilities maintenance building, a new water distribution shop with offices, an administrative building for staff and public use, storage areas for vehicles and

equipment, and new fueling and vehicle wash down areas. We expect to begin construction in FY 2023; however, the project will be sequenced over a period of 18 months. The first year includes a partial year interest-only debt payment. We are proposing to begin principal payments when the project is complete.

To tackle a project of this magnitude, we will seek public financing, which will require the Town to obtain a bond rating. This will allow us to extend our financing terms and will open the Town to more competitive interest rate markets. We will undergo the bond rating process in the summer/fall of 2022 at the conclusion of our project planning.

As part of the establishment of the capital investment fund, the budget includes several new policies including a [debt policy](#), [capital investment fund policy](#), and a [fund balance policy](#).

Assets and Infrastructure

As part of our strategic plan, the Board has had a greater focus on maintenance of our assets and infrastructure. Part of this focus includes improving processes and our capacity for project delivery, as well as planning and forecasting our needs for different categories of infrastructure. We now have master plans for streets, water, and stormwater infrastructure and we use a connected [Capital Improvement Plan \(CIP\)](#) process to combine infrastructure improvement projects, when feasible, under a single project work scope. Infrastructure project work may consist of water distribution main (a main line in our water distribution system) and drainage system replacements or extensions, in combination with street construction/resurfacing. The pavement master plan serves as the guiding document towards project planning in association with the Stormwater CIP and the Water System Master Plan. This approach intends to avoid conducting separate infrastructure projects in the same location over different time periods in addition to preserving the street pavement condition. As part of the Capital Improvement Program, we have developed a five-year plan for these combined projects. In FY 2023, we will be planning and constructing the following:



A total of \$488,182 is budgeted towards design, drainage, and resurfacing paving projects in the following areas:

- East and West Soundside Road.
- East Barnes Street between South Croatan Highway and the East Barnes Street beach access.

- East Bladen Street between South Wrightsville Avenue and the East Bladen Street beach access.
- South Memorial Avenue between the East Bladen Street intersection and the southern terminus.
- East Barnes Street drainage pipe replacement.

We expect this work to proceed in the fall of 2022. We will combine this with the remaining paving work from FY 2022 in Nags Head Acres and Old Nags Head Cove once the waterline is complete in Old Nags Head Cove and the sidewalks are complete in both neighborhoods.

Grants

[Stormwater management](#) continues to be a priority, and the Town is pursuing several major grants as part of a comprehensive look at infrastructure needs and projects. We are leveraging generational infrastructure funding resulting from the American Rescue Plan Act (ARPA). We have applied for several grants we expect to receive in FY 2023 to assist with funding these projects. These are referenced in the portion of the budgeted titled "[Grant Funded Projects](#)" and include:

- A grant from the North Carolina Land and Water Fund to develop stormwater improvements along South Wrightsville Avenue (referred to as project area #4) that will pump water to a new infiltration area under the Bonnett Street beach access parking lot. The total project cost is \$775,300, with grants anticipated to cover over 50%, or \$410,909, of the cost.
- We expect to apply for funds in the fall of 2022 to complete stormwater improvements along State Route 1243 (South Old Oregon Inlet Road). This innovative stormwater technique involves pumping flooded portions of the roadway to new dune infiltration areas at some of the Town's public beach accesses. We will ask for grant funding of \$1,012,500 with project implementation in FY 2025. Local funding of \$50,000 is included in this budget for design work ahead of construction.

Changing Conditions

Recently I was asked to describe the measures/changes we have had to consider as we manage the ever-increasing demands of our seasonal population. As I prepared the list of responses, I realized that this list reflected the budget priorities we considered this year. Below are some of the ways we are adapting to the seasonal and non-seasonal growth our community is experiencing.

Sanitation

In the past few years, we have had significant issues with overflowing carts and blowing trash along South Virginia Dare Trail and South Old Oregon Inlet Road. This is primarily due to carts not being placed out for collection twice a week, or that they are placed out too early before collection. In addition, carts end up in the street or on the multi-use path, creating unsafe conditions for pedestrians and drivers. The Town has determined that a coordinated service is necessary to manage this issue. On May 1, 2022, Nags Head began an enhanced sanitation cart rollback service for properties with driveways on South Virginia Dare Trail and South Old Oregon Inlet Road. This is a fee-based service charge to the property owners being served. The cost of the contract is \$195,000 and is budgeted in Sanitation.



Tipping fees have increased significantly over the last two years:

Recommended FY 23	Estimated FY 22	Actual FY 21	Actual FY 20
\$850,818	\$820,000	\$828,826	\$652,606

The tipping fee budget was based on 8,900 residential and commercial tons at \$84.06 per ton plus a \$6.06 per ton surcharge, totaling \$90.12 per ton. This compares to the FY 22 budget of 9,346 tons at \$77 per ton. Although the cost per ton has increased, a subscription-based curbside recycling program, for which the Town supplements \$60 a year per subscriber, and a commercial cardboard recycling program, warrant a reduction in tonnage when recyclables are diverted from the landfill. Although our revenue has also increased due to a rise in shared revenues, this has represented a significant increase in expenses. We continue to budget our sanitation services for both commercial and residential properties from the general fund although many communities have resorted to assessing additional fees for sanitation services.

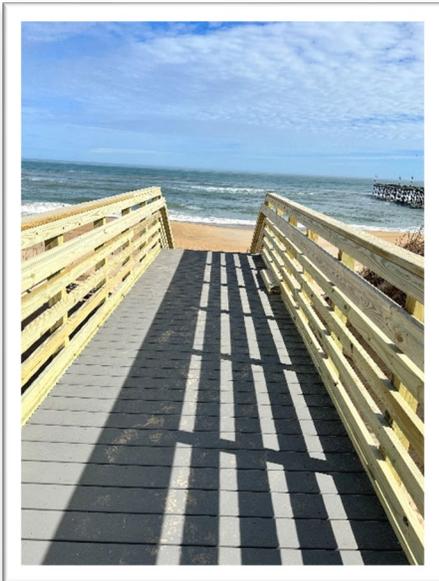
We continue to offer a robust curbside bulk collection service for seven months out of the year and operate a bulk/brush collection yard all year long, where the same material can be disposed of by our property owners. Staff time and tipping fees continue to come from our general fund budget for this service. Dare County charges \$65 per ton for this Construction & Demolition (C&D) tonnage. This budget estimates 750 C&D tons, representing 6% of budgeted tipping fees.

Other Facilities/Infrastructure

Beaches – The Town conducted a large-scale beach nourishment project in 2019 that combined a local project with Federal Emergency Management Agency (FEMA) and State of North Carolina disaster assistance funding for damages related to 2016’s Hurricane Matthew. We also received funding from Dare County and paid for a significant portion of the project using town-wide and Municipal Service District (MSD) taxes. We continue to pay off the debt service from this project; this expenditure can be found in the [bond debt section of the budget](#).

We are not proposing a change to the town-wide or the MSD beach nourishment tax rates this year.

The Town will be conducting a beach nourishment project in the summer of 2022 to replace sand lost from 2019’s Hurricane Dorian, primarily funded by FEMA and the North Carolina Division of Emergency Management. The project area spans from 8031 South Old Oregon Inlet Road south to Nags Head’s corporate limits with Cape Hatteras National Seashore. Also included will be sand fencing and vegetative sprigging to provide post-project stabilization.



Our beach nourishment capital project fund is also being used to support on-going planning for future projects. In FY 2023, we will be conducting Phase 3 of a master plan, which is a long-term, 30- year plan, to identify sand sources and develop programmatic permits that address identified needs.

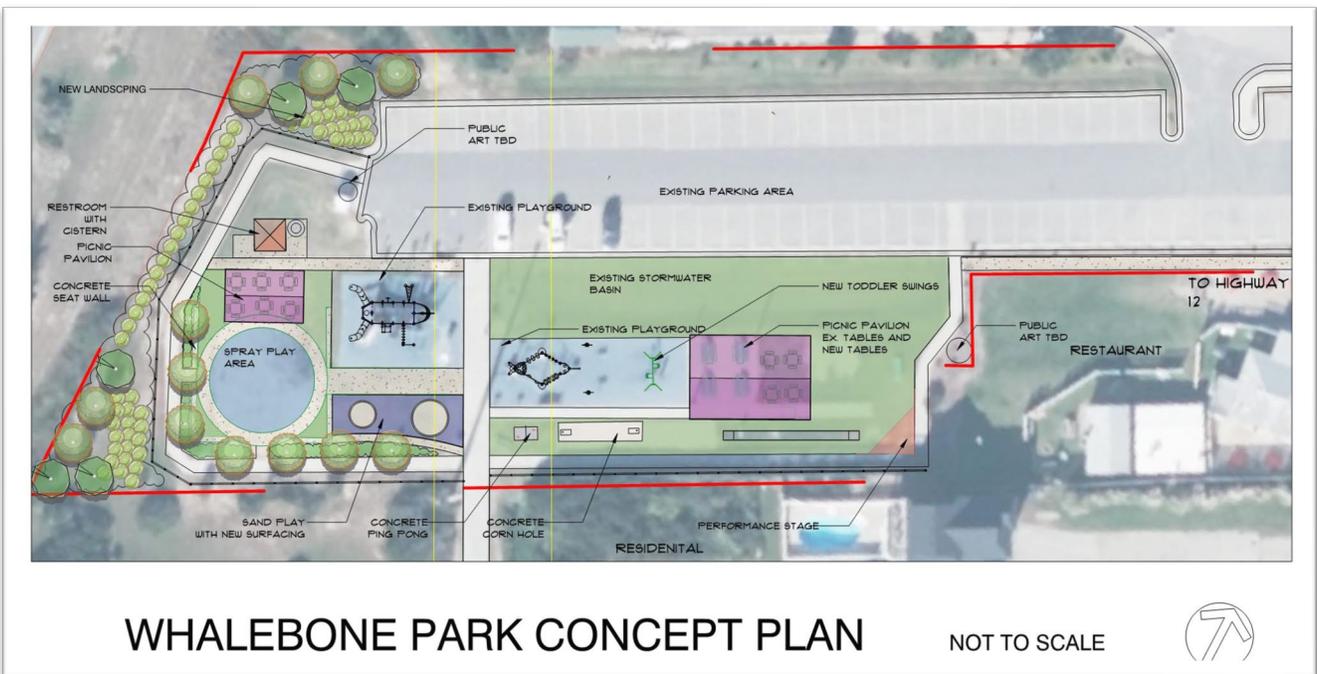
Town staff has developed a prioritized list of public beach access replacements that we are proposing to fund using the additional sales tax generated by the municipal service districts. In FY 23, we are proposing to replace the Conch Street and Hollowell Street dune walkovers, at a total cost of \$130,750. In FY 22, we received grant funds to replace the Epstein Street bathhouse; construction on this project is expected to begin in the fall of 2022.

Pedestrian Improvements – As mentioned previously, the Board is proceeding with installing sidewalks in Nags Head Acres and Old Nags Head Cove prior to scheduled paving. Staff has developed an updated sidewalk project list to consider for future years. We will ask the Board to establish an ad hoc committee to develop a prioritized list of projects for FY 2024 and beyond.



This year’s budget also includes funds to begin planning for maintenance/reconstruction of the multi-use path along South Virginia Dare Trail and South Old Oregon Inlet Road. We plan to use funds this year for survey and design work. In future years, we will identify portions of the path that may need to be reconstructed due to accessibility or drainage concerns. The CIP includes funds in future years to conduct the work.

Parks – Staff has been working with the Board and the public to design improvements for Whalebone Park. We submitted a grant to the North Carolina Parks and Recreation Trust Fund to pay for half of these improvements and will request a grant from the Dare County Tourism Board in the fall of 2022. The total project budget for Whalebone Park is \$540,000 and includes a restroom facility, splash pad, shaded seating areas, and other amenities.



Dowdy Park continues to be a success, drawing crowds to use the amenities and over 500 residents and visitors for the farmer’s markets. The Board has expressed interest in seeing these events grow throughout the year. In addition to the summer markets, in FY 23 we plan to offer

seasonal markets, winter markets, concerts, exercise classes, and family movie nights. We are estimating the Town will receive \$31,250 in revenue in FY 23 from vendor fees and sponsorships for these many activities. With these additional funds, we are asking to convert the existing part-time events planner position to full-time to assist with the planning these events and developing activities throughout the year.

Also in FY 23, we are proposing to provide improvements to our dog park and skate park. We have included \$30,000 from the general fund to provide enhancements at the dog park, which include new artificial turf and walkways in each part of the facility. For the skate park, we will ask the Dare County Tourism Board for additional funds to reconstruct the west side elements that were originally constructed of wood and have deteriorated.

Ocean Rescue Services

Due to the increasing beach populations later into the season, we continue to add/extend Ocean Rescue services. For FY 23, we are recommending funding for eight lifeguards from Labor Day through September 30, as well as maintaining two Ocean Rescue supervisors on patrol through October 31. Currently, two Ocean Rescue supervisors patrol the beach from October 1 through October 15.



Also, to keep up with the wage increases for seasonal staff now experienced in all industries locally, we are recommending increasing lifeguard hourly pay by \$.50 per hour to bring the minimum pay up to \$15.50 an hour.

Equipment

In recent years, the Town has made a concerted effort to follow a replacement schedule more strictly for rolling stock and equipment. This has helped limit downtime and stay on top of day-to-day activities. This year's budget is no different, replacing several large vehicles including sanitation collection vehicles, dump trucks, backhoes, police vehicles, and work trucks. A detailed list of equipment we propose to replace through pay-as-you-go (PAYGO) funding can be found in the [Capital Investment Fund Summary](#) and the [Water Fund Capital Outlay and Debt Service](#) summary.

Our Team

The Board has prioritized the Town's employees, making sure Nags Head is a great place to work through pay, benefits, training, and an engaging work environment. This year's budget remains competitive by offering the following:

- A 6% cost of living adjustment (COLA) for both general fund and water fund employees (\$527,118 – general fund; \$53,156 – water fund). This will move the pay scale for each position.
- Within-grade increases to progress staff within salary ranges. (\$207,753 – general fund; \$16,044; water fund). The within-grade increase is 2.5% for employees whose salaries fall below the midpoint and 1.25% for employees above the midpoint.
- Funding is included to implement career progression programs.
- To address a significant system funding shortfall expected in future years, the North Carolina Local Government Employees' Retirement System increased employer contribution rates by .74% and 1.06% for non-law enforcement employees and law enforcement officers, respectively, costing an additional \$62,907 in the general fund and \$5,731 in the water fund.
- Health insurance premiums did not increase for fiscal year 2022-2023 for active employees and retirees. A high deductible health plan with a health savings account (HSA), including employer HSA contributions, will be a new insurance option for employees.
- Funds are included to increase the Town's non-law enforcement officer 401k contribution to 5% from 3% with no required match. By state statute, the sworn law enforcement officer 401k contribution from the Town is 5% with no required match.



Positions/Organizational Recommendations

For this year's budget, we propose an additional internal stormwater crew leader position in Facilities Maintenance and are also requesting an additional stormwater technician position. This is mostly paid for by eliminating the additional contracted bathhouse cleaning service we started two years ago, and by converting the new cart rollback service to an entirely fee-based service.

As mentioned earlier, we are also proposing to convert the part-time event planner position to full-time, partially paid for through vendor fees and the proposed event sponsorship program.

Other position modifications include:

- We are proposing to upgrade the supervisor positions to superintendent positions in Facilities Maintenance and Sanitation to reflect their added responsibilities. These would both become exempt FLSA status positions. In Sanitation we propose to upgrade one equipment operator position to a sanitation crew leader position.
- We are also proposing to create an equipment operator trainee position on the pay scale for Sanitation employees training to get their Commercial Driving License.

Readiness and Responsiveness

For at least the past year, the [Police](#) and [Fire Departments](#) have remained mostly fully staffed. This is attributed to the efforts by the Board in previous years to address pay and benefits as well as career progression programs in these departments. The Town continues to offer first class public safety services.

In FY 23, we are proposing to work with Dare County to replace a records management system we have had for several years. This project will use a new Motorola real-time computer aided dispatch system and will provide connectivity and continuity with the County and other local agencies.

The Police and Fire departments are working on strategic plans which will be presented to the board at its Fall 2022 retreat.

In FY 22, the Town received a FEMA Hazard Mitigation Grant to update our Emergency Operations Plan. The Fire Department will be leading this activity. No local match was required for this project.



Comparison of FY 2021-22 to FY 2022-23

This year's [general fund budget totals \\$33,255,283](#), an increase of \$6,849,817, or over 25% from the fiscal year 2021-2022 adopted budget. Shared revenues consist of sales, occupancy, and land transfer taxes, and contribute to over 25% of our revenues. Dare County distributes these revenues using a formula based on our percentage of the total county-wide levy. These revenues are indicators of our tourism-driven economy and are budgeted to reflect a robust and growing economy. As compared to the prior year to date, our occupancy and land transfer taxes increased by 11% and sales tax increased by 14%. Prior history, and industry trends and projections, forecast continuation of strong occupancy and sales taxes revenues. These two visitor-based revenue sources are budgeted at a slightly higher level than the current year's revenues and are estimated to actually be 22% (\$1,470,564) higher than the current year's adopted budget. As the housing peak is anticipated to level off and mortgage interest rates have been slowly rising, land transfer taxes are budgeted at 13% less than the adopted budget or approximately half of the anticipated revenues this fiscal year.

The introduction of the capital investment fund requires a general fund transfer as an established funding source. A healthy fund balance allows a \$3,300,000 fund balance appropriation enabling an initial \$6,000,000 to seed the fund, while staying within fund balance policy. Grant money received towards projects within the CIF also will be transferred from the general fund to the CIF. The proposed fund balance policy would transfer any unassigned fund balance above 35% from the general fund to the CIF.

Total general fund current expenditures including personnel and operating costs, debt service, and capital outlay are calculated as a percentage of the recommended budget in the section of the budget titled "[Expenditures by Percentage](#)". A brief comparison between these two budgets is included below:

General Fund Revenues	Fiscal Year 2022-2023	Fiscal Year 2021-2022
Ad Valorem Taxes	\$10,546,600	\$10,501,165
Other Taxes and Licenses (occupancy, sales and land transfer taxes)	8,777,573	7,420,101
Unrestricted Intergovernmental	900,700	903,200
Restricted Intergovernmental	1,302,678	1,442,709
Permits and Fees	593,950	315,775
Investment Earnings	110,000	110,000
Other Revenue	312,775	321,403
Sales and Services	72,525	57,525
Other Finance Sources (bond debt and appropriated fund balance)	10,638,482	5,333,588
TOTAL	\$33,255,283	\$26,405,466

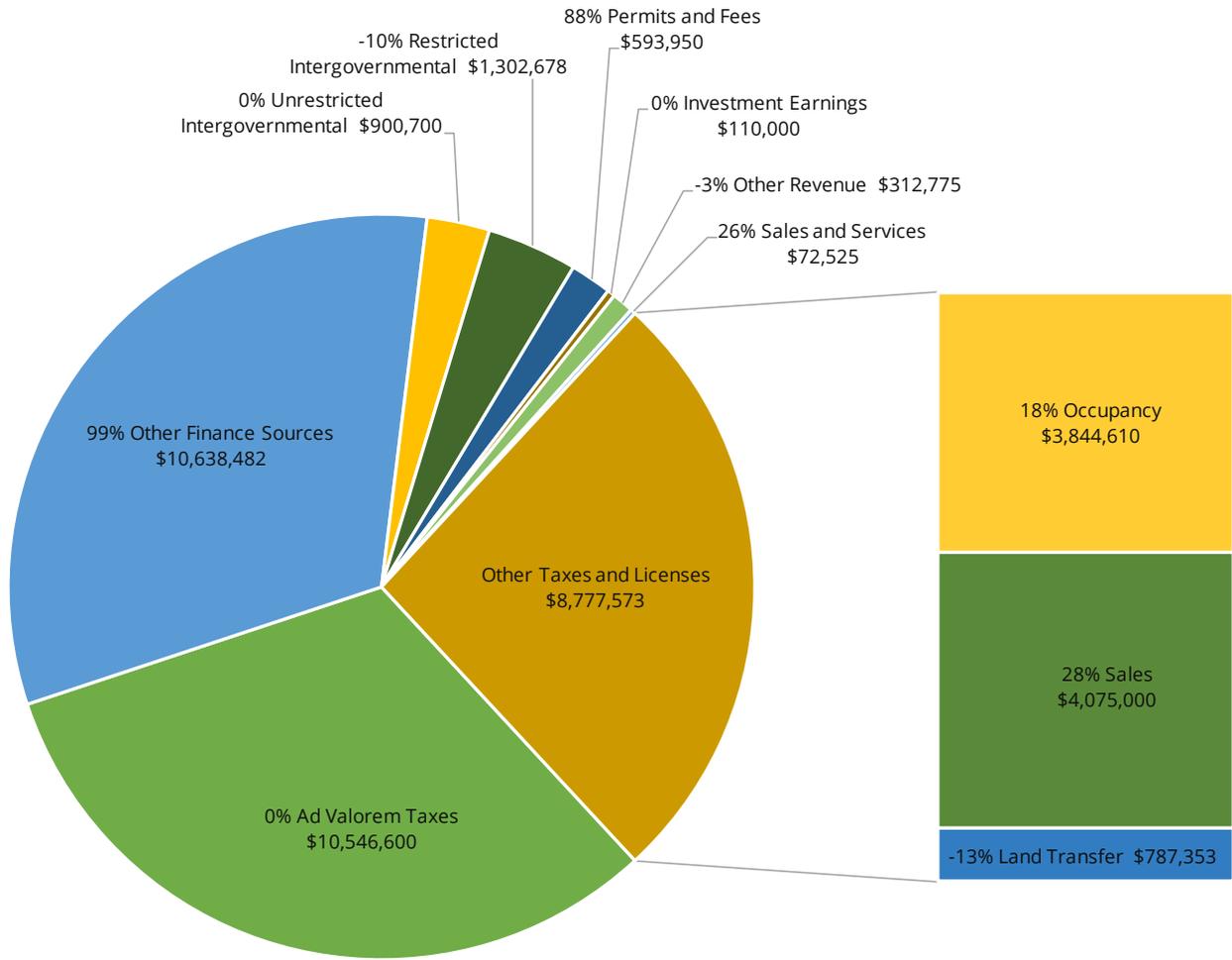
Fiscal Year 2022-2023

Fiscal Year 2021-2022

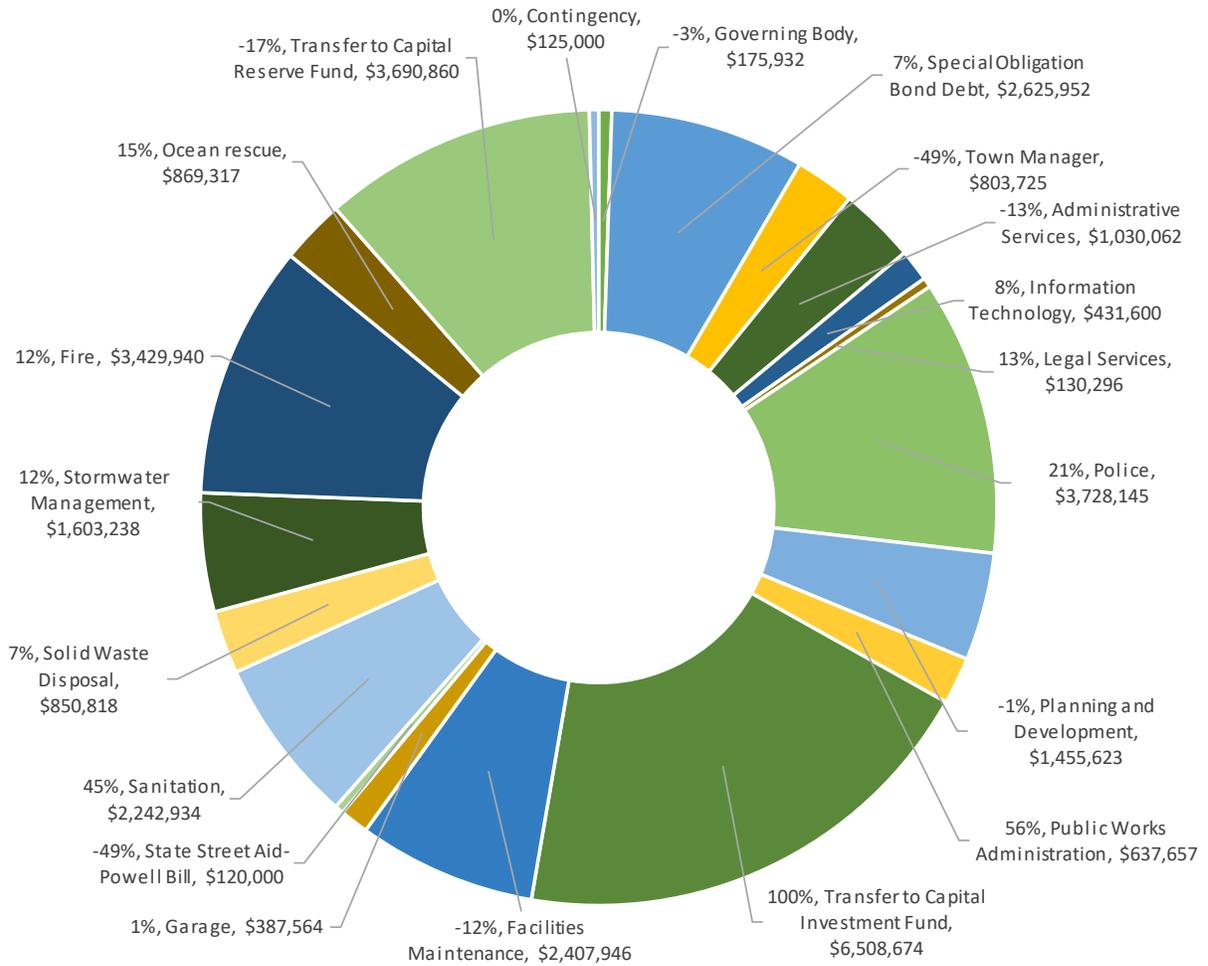
General Fund Expenditures

Governing Body	\$ 175,932	\$ 180,633
Special Obligation Bond Debt	2,625,952	2,451,252
Town Manager	803,725	1,585,853
Administrative Services	1,030,062	1,178,005
Information Technology	431,600	400,052
Legal Services	130,296	115,000
Planning and Development	1,455,623	1,464,609
Public Works Administration	637,657	408,618
Facilities Maintenance	2,407,946	2,747,752
Garage	387,564	383,860
State Street Aid-Powell Bill	120,000	234,000
Sanitation	2,242,934	1,544,708
Solid Waste Disposal	850,818	797,456
Stormwater Management	1,603,238	1,435,522
Police	3,728,145	3,080,100
Fire	3,429,940	3,050,343
Ocean rescue	869,317	757,224
Transfer to Capital Investment Fund	6,508,674	-
Transfer to Capital Reserve Fund	3,690,860	4,465,479
Contingency	125,000	125,000
TOTAL	\$ 33,255,283	\$ 26,405,466

**RECOMMENDED 2022-2023 GENERAL FUND REVENUES/
PERCENT CHANGES FROM FISCAL YEAR 2021-2022**



RECOMMENDED 2022-2023 GENERAL FUND EXPENDITURES/ PERCENT CHANGES FROM FISCAL YEAR 2021-2022



Water Fund Budget Highlights

To define a system-wide integrated water supply with a capital improvement strategy, an update to the Town's 2018 Water Master Plan is budgeted. A master plan cannot remain static, it has to be updated regularly for it to remain relevant to achieve its goal of meeting present and future needs. This will be our road map, connecting a series of projects with timeframes and financial planning. Short-term (up to 5 years) and long-term (beyond 5 years) requirements will be identified to meet current demands and plan for sustainable growth. In planning for long-term network capacity and expansion needs, this plan is an integral part of a comprehensive grant strategy.

The Town has been systematically replacing aging asbestos cement pipe (ACP) infrastructure with updated pipe distribution networks. In continuing this plan, we are opportunistic in leveraging grant funding using American Rescue Plan Act funds for these infrastructure improvements. In collaborating with our grant strategists, ACP in the Vista Colony neighborhood has been a project identified to score high on the North Carolina Division of Environmental Quality (NCDEQ), Division of Water Infrastructure's Spring 2022 application for funding. This project would serve over 200 residences and three commercial properties currently receiving drinking water provided via ACP's that have been in use since the 1970's. Our total grant request is \$1,876,888, of which \$220,000 is anticipated to be spent in FY 23 towards design work, while the remaining portion would be used to conduct work in the fall of 2023 (FY 24) to replace waterlines as well as provide drainage improvements and paving in this neighborhood.

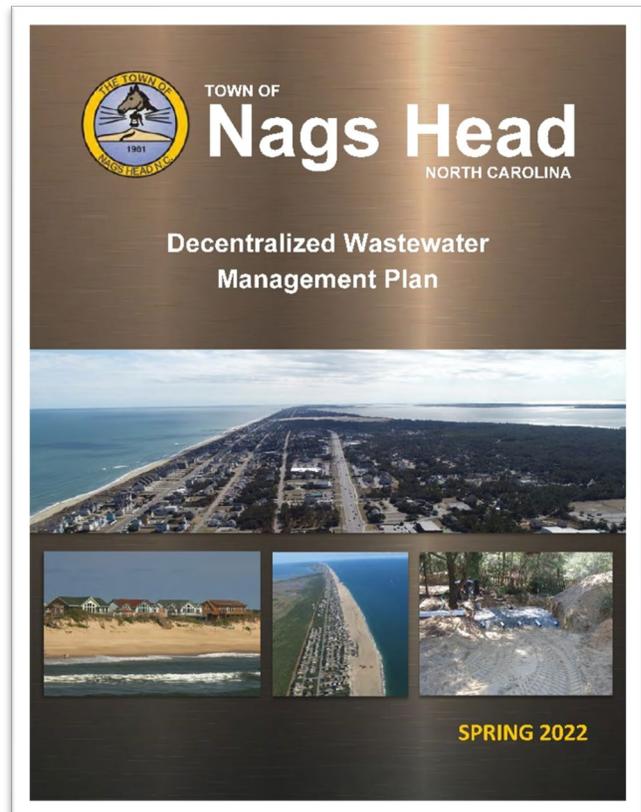
We are also applying for \$2,302,000 in grant funds from the same NCDEQ Spring 2022 application for funding to replace the Town's water meters with Smart Meters, or Advanced Metering Infrastructure (AMI). This new technology will no longer require Town staff to manually read meters as data will be transmitted via a cellular network, significantly improving meter accuracy and providing real-time data and leak detection information to our staff and to the public.

We have requested 100% grant funding for both projects with no local match. Thanks to these once in a lifetime grant opportunities, there is no proposed increase to water base rates or volumetric rates. Rates will continue to be evaluated in future years to sustain reliable operations.

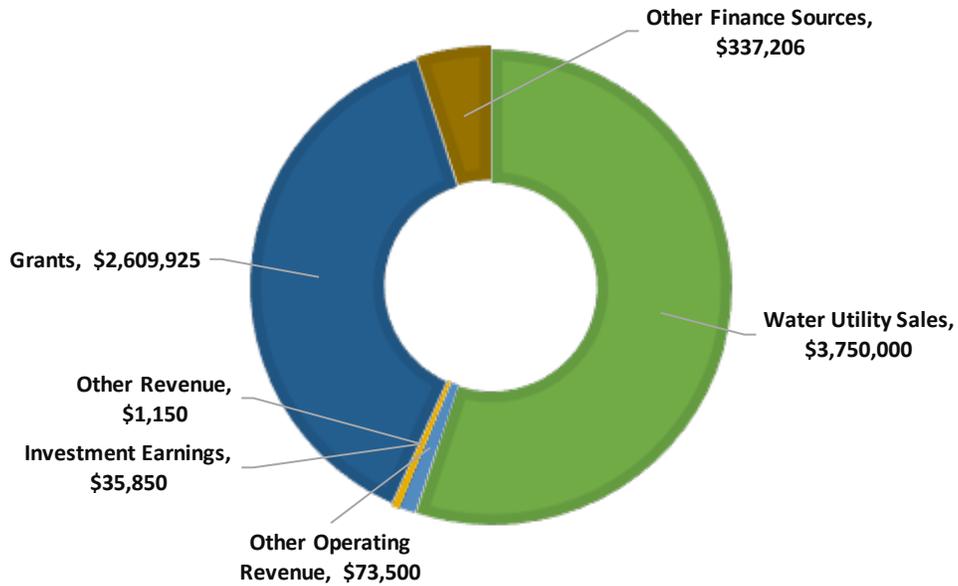
Environment

We continue to work to understand how growth and environmental changes impact our community. In FY 22 we completed an update to our Decentralized Wastewater Management Plan to understand how wastewater systems may be impacting the environment and water quality, and to determine additional measures to improve system performance. The plan recommends several changes to our Todd D. Krafft Septic Health Program, including increasing the wastewater system pumping credit from \$45 to \$150. The plan strongly incentivizes this activity. In addition, we have set new targets for inspections, which we propose to complete in FY 23 using existing staff and no change to the budget from last year to pay contracted inspectors. The budget recommends increasing the septic loan program to \$60,000 and authorizing up to \$12,000 per project. Finally, the plan recommends increasing our water quality monitoring and adding groundwater monitoring to our normal activities. Staff is proposing purchase water quality and groundwater data loggers, with 50% grant funding, or \$87,925, provided through NC Water Resources Development grants. The plan recommends the Board form a committee to develop a voluntary septic maintenance subscription program. Based on the recommendation from the committee, funds will be proposed in the FY 24 budget. In total, the recommendations from the plan update increase the [Septic Health budget](#) by \$284,346 (almost 200%) in FY 23 compared to the FY 22 adopted budget.

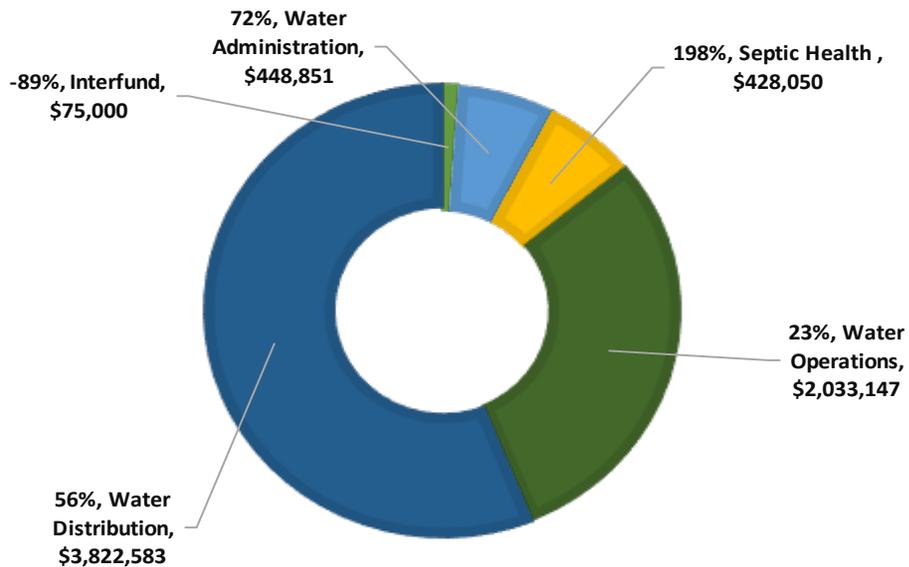
The [water fund budget](#) is \$6,807,631 for fiscal year 2022-2023, an increase of \$1,588,974 or 30% from the prior fiscal year. This increase can be attributed to the asbestos cement pipe (ACP) and Smart Meter (AMI) replacements, as well as the enhanced Septic Health initiatives described above. Additionally, the water fund will proportionally share 20% of the Public Service Complex debt repayments, with its portion of the first interest only debt payment at \$61,200. Asbestos cement pipe water main replacements will also occur in conjunction with planned drainage and paving projects. The water fund portion of the project is budgeted at \$44,500 and will take place along East Barnes Street and South Memorial Avenue.



FISCAL YEAR 2022-2023 RECOMMENDED WATER FUND REVENUES



FISCAL YEAR 2022-2023 RECOMMENDED WATER FUND EXPENSES/PERCENT CHANGE FROM FISCAL YEAR 2021-2022



Conclusion

Thank you for the opportunity to present the FY 2023 Recommended Budget to the Board of Commissioners. We appreciate the board's time and energy throughout this process and your openness to our recommendations. Again, this has truly been a team effort between the Board and staff. We hope you find that it reflects the priorities and vision you have established in our strategic plan as well as through our many work sessions and discussions. The budget for the coming year is aggressive in meeting the Town's operating needs as well as maintaining and/or expanding our capacity to maintain and improve our infrastructure. We believe the budget is a sound financial strategy that enables us to move forward with planned initiatives and services while maintaining financial resources to respond to unanticipated challenges. As stewards of public resources, we believe our role is to concentrate our budgeting efforts on maintaining and improving current services, Town-owned property, and infrastructure while attempting to keep rates and fees reasonable. This budget reflects our commitment to preserving and enhancing our community while positioning the Town of Nags Head to be financially sound in the future.

We welcome your comments and suggestions.

Sincerely,



Andy Garman, ICMA-CM, AICP
Town Manager

FY 2023 BUDGET ORDINANCE

Ordinance No. 22-06-xx
 FY 22-23 Budget ordinance
 BOC Meeting June 15, 2022



Town of Nags Head Budget Ordinance Fiscal Year 2022-2023

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 2022, that the budget ordinance adopted on June 15th, 2022, effective July 1, 2022, to read as follows:

SECTION I GENERAL FUND

Revenues Anticipated:	
Current year ad valorem taxes	\$ 7,991,453
Municipal Service District taxes	1,634,745
Current town wide beach nourishment ad valorem taxes	761,091
Penalties and interest	6,000
DMV Taxes	153,311
Other taxes and licenses	8,777,573
Unrestricted intergovernmental revenues	900,700
Restricted intergovernmental revenues	1,302,678
Permits and fees	593,950
Sales and services	72,525
Investment earnings	110,000
Other revenues	312,775
Transfer from Capital Reserve Fund	2,511,902
Transfer from Capital Investment Fund	4,806,580
Sale of capital assets	20,000
Undesignated Fund Balance Appropriated	<u>3,300,000</u>
Total General Fund Revenues	<u>\$ 33,255,283</u>

SECTION I GENERAL FUND

Expenditures Authorized:	
Governing Body	\$ 175,932
Bond Debt	2,625,952
Town Manager	803,725
Administrative Services	1,030,062
Information Technology	431,600
Legal Services	130,296
Planning and Development	1,455,623
PW Administration	637,657
Facilities Maintenance	2,407,946
Garage	387,564
State Street Aid - Powell Bill	120,000
Sanitation	2,242,934
Solid Waste Disposal	850,818
Stormwater Management	1,603,238
Police	3,728,145
Fire	3,429,940
Ocean Rescue	869,317
Transfer to Capital Reserve Fund	3,690,860
Transfer to Capital Investment Fund	6,508,674
Contingency	<u>125,000</u>
Total General Fund Expenditures	<u>\$ 33,255,283</u>



**Town of Nags Head
 Budget Ordinance
 Fiscal Year 2022-2023**

Section II WATER FUND

Revenues Anticipated:	
Charges for utilities	\$ 3,750,000
Taps/connection fees	20,000
Reconnection fees	3,500
System development fees	25,000
Restricted intergovernmental grants	2,609,925
Interest on investment	35,850
Penalties and interest	25,000
Septic loan repayments	25,000
Miscellaneous revenues	1,150
Appropriated Net Position	<u>312,206</u>
 Total Water Fund Revenues	 <u>\$ 6,807,631</u>

Expenses Authorized:	
Administration	\$ 448,851
Septic Health Initiative	428,050
Water Operations	2,033,147
Water Distribution	3,822,583
Transfer to Water Capital Reserve Fund	25,000
Contingency	<u>50,000</u>
 Total Water Fund Expenses	 <u>\$ 6,807,631</u>

Section III NAGS HEAD LEASING

Revenues Anticipated	\$ -
Expenses Authorized	\$ -



**Town of Nags Head
 Budget Ordinance
 Fiscal Year 2022-2023**

Section IV CAPITAL RESERVE FUND

Revenues Anticipated:	
Transfer from General Fund	\$ 3,690,860
Appropriations/Special Obligation Bond - debt	2,381,152
Appropriations/Restricted sales tax-beach access reconstruction	<u>130,750</u>
Total Revenues	<u>\$ 6,202,762</u>
Expenditures Authorized:	
Transfer to General Fund	\$ 2,511,902
Contributions to Fund Balance	<u>3,690,860</u>
Total Expenditures	<u>\$ 6,202,762</u>

Section V CAPITAL INVESTMENT FUND

Revenues Anticipated:	
Transfer from General Fund	\$ 6,508,674
Appropriations	<u>4,806,580</u>
Total Revenues	<u>\$ 11,315,254</u>
Expenditures Authorized:	
Transfer to General Fund	\$ 4,806,580
Contributions to Fund Balance	<u>6,508,674</u>
Total Expenditures	<u>\$ 11,315,254</u>

Section VI WATER CAPITAL RESERVE FUND

Revenue Anticipated:	
Transfer from Water Fund	<u>\$ 25,000</u>
Total Revenues	<u>\$ 25,000</u>
Expenses Authorized:	
Contributions to Net Position	<u>\$ 25,000</u>
Total Expenses	<u>\$ 25,000</u>
TOTAL BUDGET FISCAL YEAR 2022-2023	<u>\$ 57,605,930</u>



**Town of Nags Head
Budget Ordinance
Fiscal Year 2022-2023**

SECTION VII TAX RATES ESTABLISHED

A Town wide tax rate of twenty eight and three quarters (\$.2875) 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, 2022. The estimated valuation of said property is three billion, fifty one million, nine hundred ninety two thousand, nine hundred ninety seven dollars (\$3,051,992,997). 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, forty seven million, four hundred forty three thousand, nine hundred twenty three dollars (\$1,047,443,923). The estimated collection rate is one hundred percent (100.00%) 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 fifty nine million, seven hundred eighty eight thousand, four hundred five dollars (\$659,788,405). 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 twenty one million, six hundred ninety eight thousand, five hundred fifty seven dollars (\$1,421,698,557). The estimated collection rate is one hundred percent (100.00%) on all real estate and personal property and one hundred percent (100%) on all motor vehicle property.

A tax rate of twenty eight and three quarters (\$.2875) 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 three million, three hundred twenty five thousand, five hundred fifty seven dollars (\$53,325,557). 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, 2022.

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.



**Town of Nags Head
Budget Ordinance
Fiscal Year 2022-2023**

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 2022-2023 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 15TH DAY OF **JUNE 2022**.

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 _____

ORDINANCE ESTABLISHING A CAPITAL INVESTMENT FUND

Ordinance No. 22-06-xx
Capital Investment Fund
BOC Meeting June 15, 2022



TOWN OF NAGS HEAD CAPITAL INVESTMENT FUND

BE IT ORDAINED by the Governing Board of the Town of Nags Head, North Carolina that, in accordance with the provisions of NCGS-159-18, the following capital investment fund ordinance hereby follows:

WHEREAS, There is a need in the Town of Nags Head to set aside funds for future capital expenditures, debt service, and maintenance and repairs , and significant fiscal investments are essential to ensure the Town has necessary equipment and infrastructure; AND

WHEREAS, A fund needs to be established that will account for this specific revenue source, which is restricted for capital outlay, debt service, non-capital outlay repairs and maintenance, and Capital Improvement Program items; AND

WHEREAS, The Town maintains the Capital Investment Fund (CIF) within the general fund to account separately for these items; AND

WHEREAS, The Town emphasizes preventative maintenance as a cost-effective approach to maintain its assets; AND

WHEREAS, The Town maximizes pay-as-you-go (PAYGO) funding for rolling stock, equipment, and capital projects to reduce the need for debt financing.

NOW THEREFORE BE IT RESOLVED that the Town of Nags Head Board of Commissioners hereby establishes the Capital Investment Fund for the purpose of accumulating revenues as listed above by direct appropriation from the General Fund.

Section 1. The Finance Officer is authorized to create a fund to house revenues and expenditures for the Capital Investment Fund.

Section 2. Revenues for this fund will be generated through general fund transfers, grants, investment income, and miscellaneous other revenues as transferred from the general fund and will be defined each fiscal year in the adopted annual budget ordinance.

Section 3. Authorized expenditures for this fund will be defined each fiscal year in the adopted annual budget ordinance.

Section 4. Authorized uses of Capital Improvement Fund revenues are defined in the Capital Investment Fund Board of Commissioners Policy.

Section 5. Copies of this ordinance shall be furnished to the Budget Officer, the Finance Officer, and the Clerk to the Board of Commissioners.

Section 6. The Capital Investment Fund is to remain operational for a period not to exceed ten years (beginning July 1, 2022, and ending June 30, 2032), and unless terminated sooner, shall automatically renew for each succeeding year following June 30, 2032, until terminated by the Nags Head Board of Commissioners.

Adopted this 15th day of June 2022.

Benjamin Cahoon, Mayor
Town of Nags Head

ATTEST:

Carolyn F. Morris, Town Clerk

POLICIES

CAPITAL INVESTMENT FUND POLICY

Benjamin Cahoon
Mayor

Michael Siers
Mayor Pro Tem

Andy Garman
Town Manager



Town of Nags Head
Post Office Box 99
Nags Head, NC 27959
Telephone 252-441-5508
Fax 252-441-0776
www.nagsheadnc.gov

M. Renée Cahoon
Commissioner

Kevin Brinkley
Commissioner

Bob Sanders
Commissioner

Board of Commissioners Policy

Capital Investment Fund Policy

Original Adoption date: June 15, 2022

The Town maintains the Capital Investment Fund (CIF) within the general fund to account separately for capital assets, Capital Improvement Program projects, non-capital outlay major repairs and maintenance, and debt service. As a means to manage fund balance during both strong economic conditions and downturns, the Town will maintain a minimum fund balance within the CIF of 25% of CIF expenditures. A replenishment period will commence if CIF fund balance falls below 25%. Funds will be budgeted beginning with the subsequent fiscal year's adopted budget with a replenishment period not to exceed three consecutive fiscal years.

Funding within the CIF will include the Town's five-year capital improvement plan (CIP) which projects capital needs and expenditures and details the estimated cost, description and anticipated funding sources for capital projects. The first year of the CIP will be the basis of formal appropriations during the annual budget process. If new project needs arise during the year, a budget amendment will identify the funding sources and project appropriations to provide formal budgetary authority for the project.

The Town will emphasize preventive maintenance as a cost-effective approach to infrastructure maintenance. The Town maximizes the use of pay-as-you-go (PAYGO) funding for capital projects to reduce the need for debt financing.

The Capital Investment Fund will contain Capital Improvement Program (CIP) items, as defined by the Town's CIP policy, debt service payments, non-capital outlay major repairs and maintenance, and capital assets as defined by the Town's capital assets policy. Items excluded from this policy are defined in the Capital Reserve Fund, including the use of beach nourishment funds and facility fees.

Responsible for Update: Finance Officer

DEBT POLICY

Benjamin Cahoon
Mayor

Michael Siers
Mayor Pro Tem

Andy Garman
Town Manager



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M. Renée Cahoon
Commissioner

Kevin Brinkley
Commissioner

Bob Sanders
Commissioner

Board of Commissioners Policy

Debt Policy

Original Adoption date: June 15, 2022

The Town of Nags Head's Finance Officer is charged with the responsibility for prudently and effectively managing any and all debt incurred by The Town of Nag Head.

The Town utilizes various financing techniques to assist in the funding of capital improvements and equipment purchases. Debt may be incurred for financing capital assets that, because of their long-term nature or because of budgetary restraints, cannot be acquired from current or budgeted resources. Debt will not be used for operational needs.

This may include general obligation bonds, limited obligation bonds, revenue bonds, installment financings, or any other financing instrument allowed under North Carolina law.

The Town will seek to structure debt and to determine the best type of financing for each financing need based on the flexibility needed to meet project needs, the timing of the project, taxpayer or rate-payer equity, and the structure that will provide the lowest interest cost in the circumstances.

Debt service models are maintained which identify resources available for current and future payment of principal and interest on all outstanding debt. Projections must be made prior to the issuance of additional debt which will clearly identify the impact of future debt service and the adequacy of designated resources. Requirements for future increases of designated resources must be included in the decision-making process for authorization of additional debt. Debt financing will be considered in conjunction with the approval by the Local Government Commission.

New debt issued by the Town may be for varying maturity terms depending upon; first the expected life of the asset being financed; and second, the existence of cash and investment balances which may be used to reduce the overall cost of capital improvements.

- Debt will normally have a term of 20 years or less.
- USDA funded debt will normally have a term of 30 years or less.

Debt Affordability

- The net general obligation debt of the Town, as defined in NCGS 159-55, is statutorily limited to eight percent (8%) of the assessed valuation of the taxable property within the Town.
- Total General Fund debt service will not exceed any limits imposed by the Local Government Commission (LGC).

The Town will monitor for opportunities to obtain interest rate savings on outstanding debt.

The Capital Investment Fund will contain all debt service payments and estimated future payments, consistent with the Capital Investment Fund policy.

Responsible for Update: Finance Officer

FUND BALANCE POLICY

Benjamin Cahoon
Mayor

Michael Siers
Mayor Pro Tem

Andy Garman
Town Manager



Town of Nags Head

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M. Renée Cahoon
Commissioner

Kevin Brinkley
Commissioner

Bob Sanders
Commissioner

Board of Commissioners Policy

Fund Balance Policy

Original Adoption date: July 11, 2012

Adoption date: March 4, 2015

Amended: June 15, 2022

The Board of the Town of Nags Head recognizes the vital importance of sound fiscal management; and the Board of the Town of Nags Head also recognizes that the precarious location of the Town of Nags Head on the coast of North Carolina represents an additional threat to the financial security of the Town that is not otherwise faced by most municipalities in the State.

One of the primary keys to financial security is the maintenance of an adequate fund balance in the General Fund. In accordance with NCGS 159-8(a), appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum arising from liabilities, encumbrances, and deferred revenues arising from cash receipts at the close of the prior fiscal year. The Town will maintain an unassigned fund balance that exceeds eight percent (8%) of yearly expenditures in accordance with the North Carolina Local Government Commission's recommendation. However, it is the policy of the Town to maintain unassigned fund balance equal to 25-35% of general fund expenditures, less bond debt. Management is expected to manage the budget so that revenue shortfalls and expenditure increases do not impact the Town's total unassigned fund balance.

A replenishment period commences if unassigned fund balance falls below 25%. Funds will be budgeted beginning with the subsequent fiscal year's adopted budget with a replenishment period not to exceed three consecutive fiscal years.

Following the completion of the annual financial audit, any unassigned fund balance above 35% transfers to the Capital Investment Fund (CIF) to reduce reliance on debt.

Responsible for Update: Finance Officer



Town of Nags Head

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Board of Commissioners Policy

Capital Assets

Adoption Date: March 5, 2003

Updated: June 4, 2003

Updated: March 1, 2017

Updated : March 14, 2018

Capital assets are defined as assets with an initial, individual cost of more than a certain cost and estimated useful life in excess of five years. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at acquisition value. Minimum capitalization costs are as follows:

- Land, \$1, not depreciated
- Artwork, \$5,000, not depreciated
- Buildings \$20,000, useful life 10 to 40 years
- Improvements,\$5,000, useful life 5 to 40 years
- Infrastructure, \$100,000, useful life 5 to 40 years
- Equipment, \$5,000, useful life 5 to 20 years
- Vehicles, \$5,000, useful life 5 to 10 years
- Other capital assets, \$5,000, useful life 5 to 20 years

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the yearly straight-line method based on the estimated useful life of each assets class.

It is appropriate to track certain expenditures even when the cost does not meet the requirements for capitalization. Some examples of these assets would include but not be limited to: ATV's, jet skis, boats, trailers, computer equipment, and weapons.

Responsible for Update: Town Manager/ Finance Officer

CAPITAL IMPROVEMENT PROGRAM POLICY

Town of Nags Head
Post Office Box 99
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Fax 252-441-0776
www.nagsheadnc.gov



Administrative Policy

Capital Improvement Program

To allow for strategic planning and provide a basis for future fiscal policy decision making, the Town will annually update a Capital Improvements Program (CIP) which will be adopted by the Board of Commissioners. The annual update of the CIP will be conducted in conjunction with the annual operating budget process. The first year of the adopted CIP will be the basis of formal fiscal year appropriations during the annual budget year process and will be incorporated into the plan year budget and consolidated debt schedule. The CIP will be a minimum five (5) year plan along with future debt implications extending beyond.

The CIP will project capital needs and will address the following requests:

- New capital asset acquisition requests. For CIP purposes, a capital asset is defined by the Board of Commissioners Capital Assets Policy.
- Replacement item requests with a value of \$100,000 or more.
- A programming, cost estimation, or master plan study for which a future request is being considered in order to generate reliable cost estimates for the CIP.
- New requests should generally appear in the last year of the CIP

Adopted: 1/30/18; Rev. 2/28/18; Rev 1/13/2020

Finance

COMMUNITY PROFILE

Brief Nags Head History

Nags Head is one of the oldest seaside resorts in North Carolina. For over two centuries, people have come to relax in this oasis of sun, sand, and sea. The earliest visitors were wealthy Albemarle planters from inland river towns like Windsor, Edenton, and Elizabeth City, who brought their families to Nags Head during the summer months to escape miasmas, foul air from decomposing matter underground, which was thought to spread disease. Initial accommodations were family cottages built on the sound side near Jockey's Ridge, but soon a 200-room hotel was built, along with a small chapel—All Saints. In addition to the seasonal visitors, year-round residents known as “bankers” lived in a small community in Nags Head Woods. They made a living raising livestock, fishing, and salvaging shipwrecks.

By the dawn of the 20th century, Nags Head was a small, bustling seasonal village. Steamers running from Elizabeth City began making port at Nags Head regularly, sometimes twice a week during the summer months. By 1923 activity had increased to the point that Nags Head incorporated as a town. However, due to inactivity, the charter was repealed in 1949. The 1930s were particularly exciting for Nags Head. With the advent of the Wright Memorial Bridge and Virginia Dare Trail, in addition to the Roanoke Sound Bridge, Nags Head became accessible by automobile. In 1937, President Franklin Roosevelt stayed at the Buchanan Cottage on historic Cottage Row before attending the opening night of the Lost Colony. The first fishing pier along the Outer Banks, Jennette's Fishing Pier, opened in 1939 at Whalebone Junction.

On June 14, 1961, the Town of Nags Head was declared a municipality by special act of the North Carolina Legislature under a bill passed by Representative Keith Fearing at the request of several

freeholders. According to an article in *The Virginian-Pilot*, written for Nags Head's silver anniversary in 1986, the town incorporated to prevent the town of Kill Devil Hills from annexing the Carolinian Hotel. Less than a year after (re-)incorporating, the infamous Ash Wednesday Storm of March 7, 1962, wrought havoc upon Nags Head and the Mid-Atlantic coast, causing major flooding on



both ocean and sound sides. Saltwater infiltrated Nags Head's drinking water supply, spurring the fledgling Board of Commissioners to find ways to ensure safe water for the town's citizens.

The 1970s and 1980s saw a boom in development and a rise in population. In 1970, 414 people lived year-round in Nags Head. By 1990, that number had exploded to 1,800. In 1975, Jockey's Ridge, the largest sand dune on the East Coast, was made into a State Park, thanks to the efforts of concerned citizens like Carolista Baum. Today Jockey's Ridge is the most visited park in the North Carolina system. During the 1990s Nags Head completed its system of public beach accesses along both the ocean and sound, numbering 41 ocean side and 6 sound side. The Town of Nags Head, now over 3,000 residents strong, is currently endeavoring on a project to replenish its oceanfront in order to continue to have the wide beaches which first attracted visitors over two centuries ago.



Geography

Nags Head is located on North Carolina's Outer Banks, a chain of barrier islands along the Atlantic Ocean, 90 miles south of Norfolk, Virginia. Its 11 miles of oceanfront and 6.5 square miles of area are home to a year-round residential population of 3,175 and a summer population of approximately 40,000. Nags Head's roughly 5,000 property owners enjoy average temperatures moderated by the surrounding waters, providing for year-round enjoyment of the natural environment.

Fiscal Year 2021 Quick Facts



Year-round Population – 3,175
Seasonal Population - 40,000 people per day
Median Age - 49.6 years old
Per Capital Personal Income - \$57,688



Owner Occupied Houses:
Median property value - \$326,100
Average household size - 2.14



Total assessed property valuation - \$3,097,162,628
Net taxes levied - \$9,710,806
Tax collection rate - 99.954%

Principal Employers (in ranking order):

Dare County Schools
Vidant Medical Center
Food Lion
Village Realty & Management Services
Town of Nags Head
State of NC Dept of Cultural Resources



Top Ten Property Taxpayers (in ranking order):

Dominion NC Power
SRE Mustang
Nags Head Company, LLC
Stanford M White
Ocean Carolina, LLC
Brian K. Newman
Mildred Roughton
The Lacour Group, LLC
The Outer Banks Hospital, Inc.
ClubCorp Golf of North Carolina



Government

The Town of Nags Head operates under a council-manager form of government, whereby the Mayor and the Board of Commissioners address the legislative needs of the town. Citizens elect the mayor and commissioners to staggered four-year terms. The mayor pro tem serves as mayor in the absence or incapacitation of the mayor. The mayor and four board members make policy decisions and adopt ordinances in accordance with procedures and responsibilities set out in North Carolina law. The town manager carries out policies and directives of the Mayor and Board of Commissioners. Working hand in hand with the town manager, the Board of Commissioners plays a key role in the financial well-being of the Town of Nags Head, with a focused mission to serve the community's citizens, property owners, businesses, and visitors through open governance.

Town of Nags Head Mission

To provide for the health, safety and welfare of the citizens, property owners and visitors of the town, to fulfill the requirements placed on it by the State of North Carolina and to facilitate the achievement of community goals by providing municipal services in a flexible, cost effective, customer friendly manner and to achieve this through an open, consensus driven process that treats all with respect.

FUND BALANCE

Fund balance is the difference between the assets and liabilities in a fund. Fund balance acts as a reserve or “rainy day” fund for unanticipated incidents or opportunities. Revenues and expenditures in the budget are estimates for the current fiscal year. Often, revenues and expenditures do not exactly offset each other at the end of the fiscal year. If revenues exceed expenditures, the result is a surplus of money added to the fund balance. If expenditures exceed revenues, the result is a deficit and the Town withdraws money from the fund balance to balance the budget.

Purpose of Fund Balance

Fund Balance is available to help balance the Town’s budget in the event expenditures exceed revenues. A strong fund balance helps the Town achieve a solid bond rating but also helps the Town in other ways, including:

- paying for unexpected expenses or to make up for revenue shortfalls,
- balancing the budget without increasing taxes or rates,
- responding to emergencies,
- taking advantage of unexpected opportunities, and
- paying for capital projects or needs without needing to borrow money.

Issues Concerning Fund Balance

An inadequate fund balance can lead to cash flow problems, disruption of services, or the inability of the Town to respond in an emergency. Building a strong fund balance requires a substantial amount of time and often includes increases in taxes and fees and/or significant expenditure cuts. For these reasons, fund balance should be managed effectively to ensure it is not regularly used to offset operating deficits. While a strong fund balance provides the Town with flexibility and financial security, excessive fund balance can be an indicator that taxes or fees are too high or that the Town may not be spending money adequately to respond to the needs of citizens or the organization.

Funds & Line Items

General Fund. The General Fund is the general operating fund of the Town. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, grants, and various other taxes and

licenses. The primary expenditures are for general government services, public safety, public works, streets and drainage, and environmental protection services.

Capital Reserve Fund. This fund is a formalized savings mechanism within the General Fund to restrict fund balance for future capital purposes, including beach nourishment and community facilities and infrastructure.

Capital Investment Fund. This fund is a separately budgeted fund of the General Fund. It accounts for revenues restricted for capital or debt service and the related expenditures.

The Town of Nags Head currently has four capital project funds, or funds used to account for financial resources in the acquisition or construction of capital items including land, improvements, facilities, and infrastructure. These capital project funds are multi-year funds and do not expire with each fiscal year, rather they are open for the life of the project. Capital project funds are typically used for major capital projects than span across more than one fiscal year. Each of these capital project funds has a separate budget ordinance that is currently adopted; therefore, their ordinances are not included in this annual budget document.

Capital Project Fund – 2019 Beach Renourishment. This fund is committed for the Town's maintenance on a 2019 beach nourishment project.

Capital Project Fund – 2022 Beach Renourishment. This fund is committed for the Town's maintenance on a 2022 beach nourishment restoration project.

Capital Project Fund – Beach Renourishment Master Plan. This fund is committed for long-term beach nourishment planning.

Capital Project Fund. A single capital project fund may be used to account for multi capital projects as long as the revenues and expenditures can be segregated for each project. Currently there is one project being accounted for in this fund-the Public Services complex.

The Town reports the following enterprise funds:

Water Fund. The Water Fund is used to account for the Town's water operations. Customers pay fees for water consumption to cover the cost of water treatment and distribution. This fund includes three divisions containing information similar to the department sections in the General Fund

Water Capital Reserve Fund. The Town has legally adopted a fund that is restricted for future capital projects and is consolidated in the Water Fund.

The budget for each fund consists of individual line items that represent specific expenditures and revenues. Examples of line item expenditures include salaries, insurance, maintenance and repair, supplies, and capital outlay. Examples of line item revenues include property tax revenues, sales

tax revenues, grants, and fees. Line items are the most detailed way to list budgeted expenditure and revenue information.

Budgetary Data

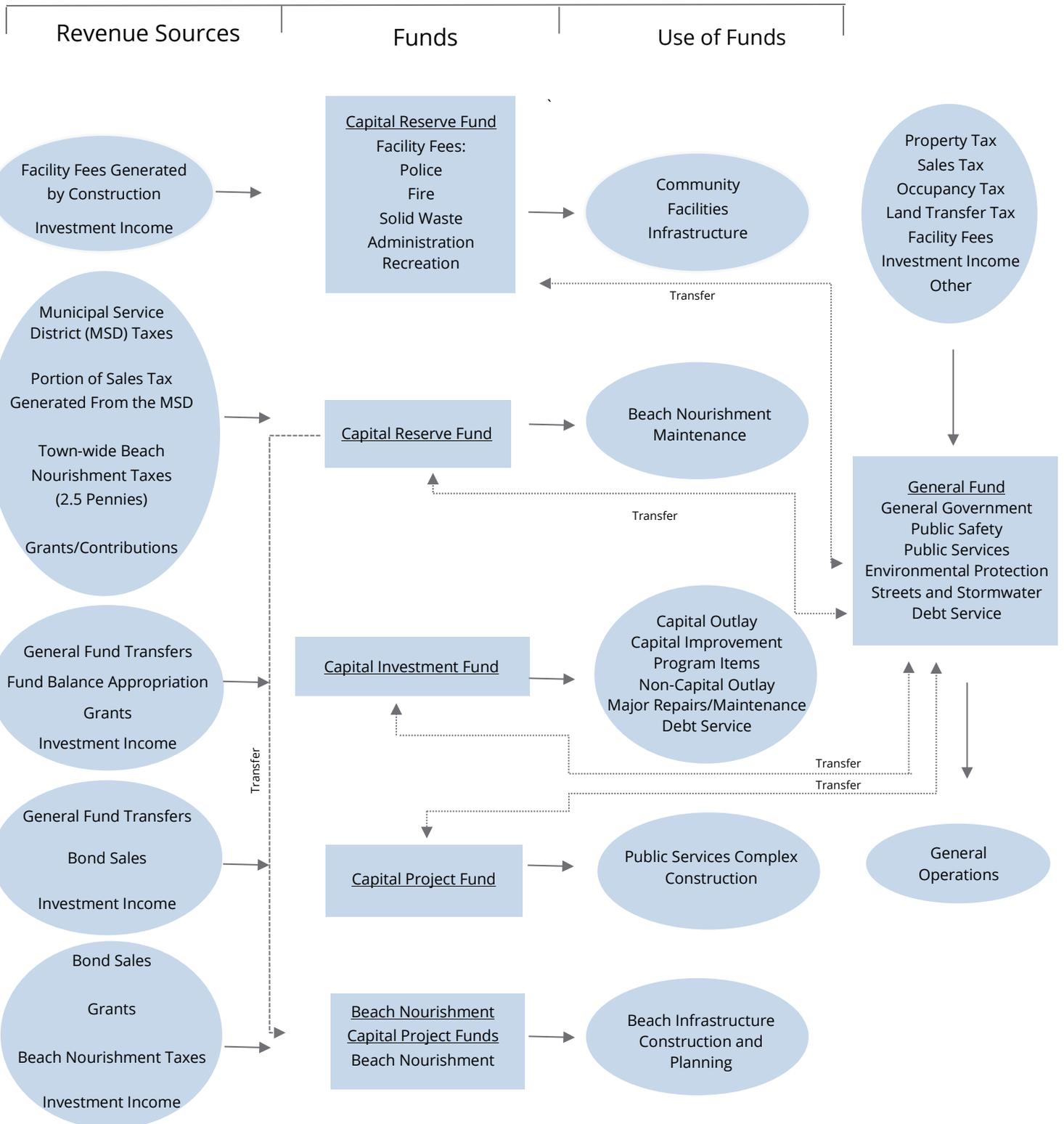
As required by the North Carolina General Statutes, the governing board must adopt, by July 1, an annual balanced budget ordinance for all funds except for those funds that operate under project ordinances. All annual appropriations lapse at fiscal year-end. The annual budget is prepared on the modified accrual basis of accounting to be compatible with the accounting system used in recording transactions. Multi-year capital project ordinances have been adopted for the Capital Project Fund and the Beach Renourishment, Beach Nourishment Maintenance, and Beach Nourishment Master Plan Capital Project Funds. Capital Reserve ordinances have been adopted for the Capital Reserve, Capital Investment, and Water Capital Reserve Funds, and a revised budget is amended as reserve funds have been used.

Revenues may be amended during the year for unforeseen revenues such as grant monies. These amendments must meet board approval. Revenues from taxes levied may not be amended once the tax rate is set.

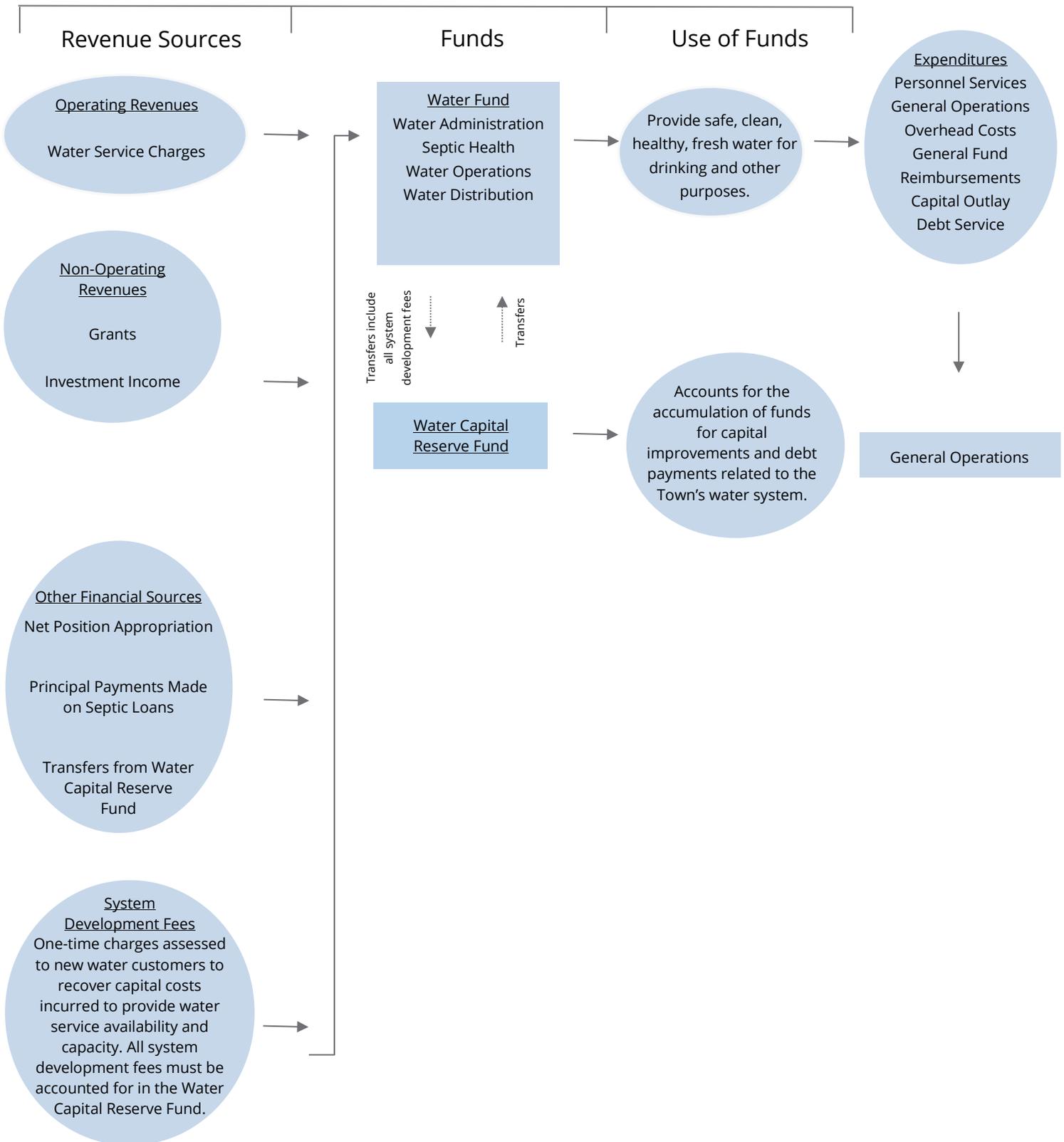
Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds and at the object level for the multi-year funds. Budgetary control is exercised in all funds, and appropriations are made at the departmental level and amended as necessary by the governing board. The town manager, by law, is the budget officer in the council-manager form of government and is authorized to transfer amounts between objects of expenditures within a department without limitation and without a report being requested; however, any revisions that alter total expenditures of any fund must be approved by the governing board.

FLOW OF FUNDS

Flow of Governmental Funds



Flow of Enterprise Funds



HOW TO READ THE BUDGET DOCUMENT

Notes: The fiscal year runs from July 1 – June 30 each year.

Budgets are anticipated over a 2-year period. Changes to the financial plan may occur due to unfunded mandates, changes to Board goals, or other unforeseen circumstances.

Town manager's recommended budget for the new fiscal year.

Estimate of prior year final cost by category.

The departmental requested budget for the new fiscal year.

Budget for each category as originally adopted for the prior fiscal year.

Budget for each category as amended during the prior fiscal year.

Audited data from the last two completed fiscal years.

Expenditures							
	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Prior Year Actual Expenditures
Personnel	685,912	609,041	609,041	685,750	668,576	644,592	1,019,632
Operations	492,228	536,210	525,210	492,255	506,786	475,695	859,337
Cost Reimbursement	-	(108,288)	(108,288)	-	(73,094)	(73,094)	(172,969)
Capital Investment Fund Transfers	-	-	-	-	-	-	-
Capital Outlay	1,000	33,000	-	-	12,855	12,855	91,947
Debt Service	11,088	-	-	-	-	-	159,893
Total	1,190,228	1,069,963	1,025,963	1,178,005	1,115,123	1,060,048	1,957,840

Includes principal and interest loan payments.

Includes cost for land, buildings, equipment, and other purchases with an expected usefulness of 5 years or more and a cost of more than \$5,000.

Separate fund, maintained within the general fund, to account separately for capital projects and debt.

Includes reimbursement from the water fund to the general fund for indirect administrative costs.

Includes all operating costs except those related to personnel and capital outlay.

Includes wages, salaries, and employee benefits (FICA, insurances, etc...)

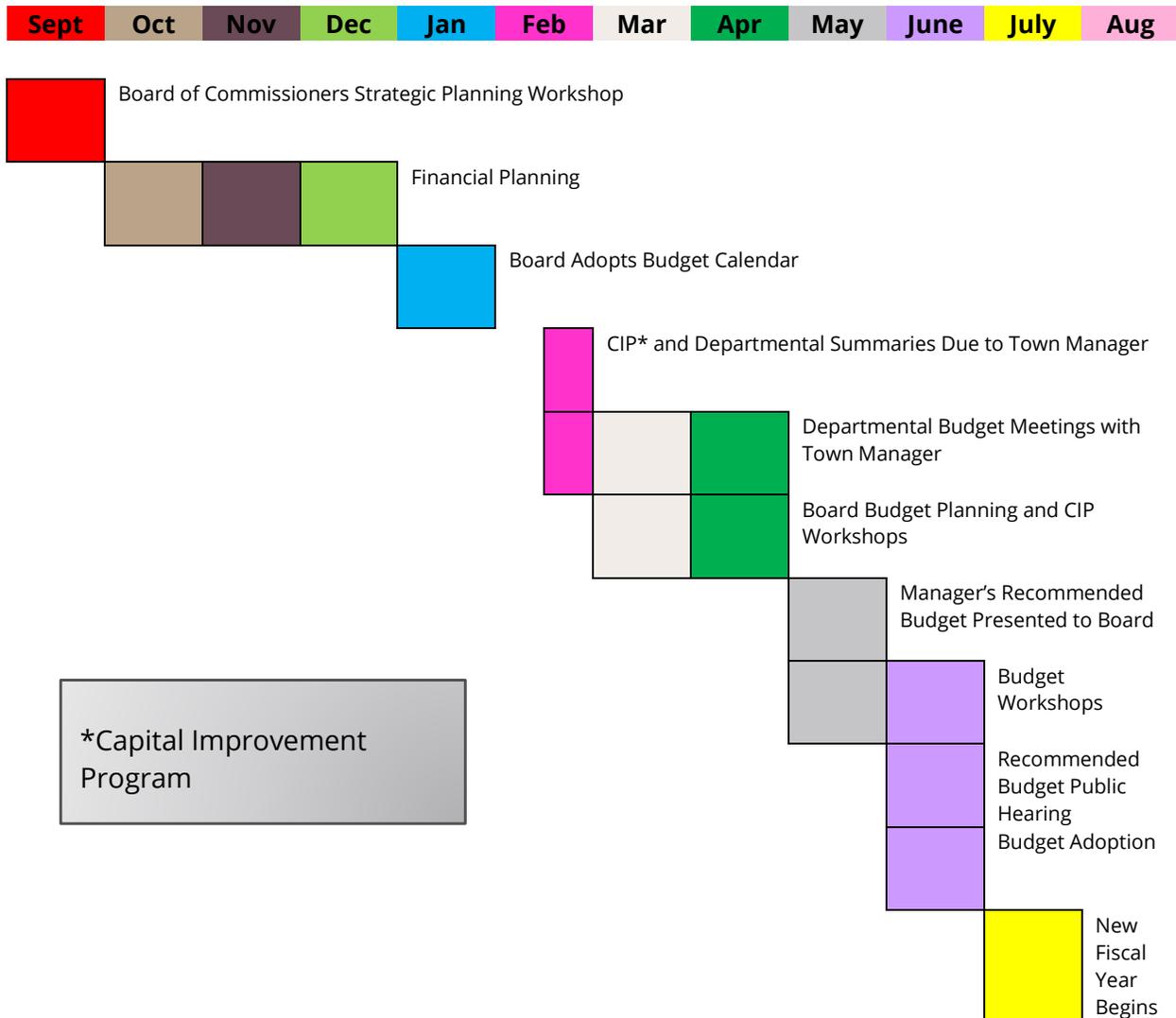
Revenues						
	Financial Plan 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Revenues 2021-2022	Prior Year Actual Revenues
General Revenues	10,901,532	9,980,557	9,161,401	9,161,401	9,690,324	9,199,976
Restricted	1,077,019	1,472,709	1,166,475	1,380,317	1,419,196	9,038,449
Permits and Fees	321,175	315,775	315,775	313,175	306,211	308,973
Sales and Services	65,000	57,525	65,000	56,834	106,977	65,191
Other Sources	4,934,945	5,266,876	5,333,588	6,657,680	4,704,678	21,627,126
Total	17,299,671	17,093,442	16,042,239	17,569,407	16,227,386	40,239,715

These revenues are directly related to departmental functions.

Revenues for the general benefit of the town and not related to specific functions. These revenues include property taxes, sales taxes, and other state-shared unrestricted revenues, occupancy tax, land transfer tax, interest earnings, and appropriated fund balance.

BUDGET PROCESS

Budget Process Overview



Budget preparation allows departments the opportunity to reassess goals and objectives and the means for accomplishing them. Even though the budget may be heard by the Mayor and Board of Commissioners in May and adopted in June, its preparation begins at least six months prior, with projection of Town reserves, revenues, expenditure limit requirements, and financial capacity. It is with this “groundwork” that departmental expenditure requests are made and subsequently reviewed.

Financial Capacity Phase

Forecasting is an integral part of the decision-making process. Both long-range and short-range projections are prepared. The Town’s long-range financial projections are updated annually to

assess not only the current financial condition given existing Town programs, but also the future financial capacity, given long-range plans and objectives.

Policy/Strategy Phase

The Board of Commissioners' goals and directives set the tone for the development of the budget. Shortly after the budget is adopted for the next fiscal year, the Board meets, as early as September, to identify priorities, issues, and projects impacting the next fiscal year budget. This strategic planning workshop identifies key policy issues that will provide the direction and framework of the budget. The manager and finance officer provide an updated short-and long-range financial forecast to assist the Board in providing budget policy and direction for the upcoming budget.

GRANT FUNDED PROJECTS

<u>Description</u>		<u>Project Cost and Funding Sources</u>	
		<u>Requested</u> <u>FY 2022-2023</u>	<u>Recommended</u> <u>FY 2022-2023</u>
<u>Outer Banks Visitors Bureau Grant</u>	<u>Total Project Cost:</u>	\$131,500	\$131,500
	<u>Funding Sources:</u>		
Skate Park	Grant Revenue	\$80,000	\$80,000
	Local Funding	\$51,500	\$51,500
<u>Outer Banks Visitors Bureau Grant</u>	<u>Total Project Cost:</u>	\$25,000	\$25,000
	<u>Funding Sources:</u>		
Fourth of July fireworks display	Grant Revenue	\$12,500	\$12,500
	Local Funding	\$12,500	\$12,500
<u>N.C. Department of Environmental Quality Grant</u>	<u>Total Project Cost:</u>	\$889,877	\$789,877
	<u>Funding Sources:</u>		
Pump station/infiltration area below Bonnett Street beach access	Grant Revenue	\$427,300	\$410,909
	Local Funding	\$448,000	\$364,391
Community waste reduction and recycling grant	Grant Revenue	\$10,000	\$10,000
	Local Funding	\$4,577	\$4,577
<u>Dominion Power Grant</u>	<u>Total Project Cost:</u>	\$68,446	\$68,446
	<u>Funding Sources:</u>		
Lighting and occupancy sensor upgrades	Grant Revenue	\$12,765	\$12,765
	Local Funding	\$55,681	\$55,681
Total Grant Project Costs		\$1,114,823	\$1,014,823

Water Fund

Description

Project Cost and Funding Sources

N.C. Department of Environmental Quality Grant

		Requested FY 2022-2023	Recommended FY 2022-2023
	<u>Total Project Cost:</u>	\$2,697,850	\$2,697,850
	<u>Funding Sources:</u>		
Advanced Metering Infrastructure (AMI)	Grant Revenue	\$2,302,000	\$2,302,000
Asbestos Cement Pipe (ACP) replacement design	Grant Revenue	\$220,000	\$220,000
Water quality data loggers	Grant Revenue	\$77,000	\$77,000
	Local Funding	\$77,000	\$77,000
Groundwater data loggers	Grant Revenue	\$10,925	\$10,925
	Local Funding	\$10,925	\$10,925
Total Grant Project Costs		\$2,697,850	\$2,697,850

SUMMARY DEBT SCHEDULE

Description	Fiscal Year	Amount Financed	2021-2022	2022-2023	2023-2024	Fiscal Year 2024-2025	2025-2026	2026-2027	2028 and Beyond
Capital Investment Fund									
Bonds:									
Beach Renourishment Series A - 3.08% Public Works Complex*	19/20	\$ 11,380,000	\$ 2,451,252	\$ 2,381,152	\$ 2,311,050	\$ -	\$ -	\$ -	\$ -
	22/23	<u>12,240,000</u>	<u>-</u>	<u>244,800</u>	<u>489,600</u>	<u>1,120,926</u>	<u>1,095,158</u>	<u>1,069,389</u>	<u>13,619,900</u>
		\$ 23,620,000	\$ 2,451,252	\$ 2,625,952	\$ 2,800,650	\$ 1,120,926	\$ 1,095,158	\$ 1,069,389	\$ 13,619,900
Planning:									
Sidewalk Pedestrian Plan	19/20	\$ 1,121,068	\$ 204,931	\$ 200,410	\$ 195,888	\$ 191,367	\$ -	\$ -	\$ -
Pickup	19/20	26,152	8,869	-	-	-	-	-	-
SUV	21/22	28,565	9,732	9,732	9,732	-	-	-	-
		\$ 1,175,785	\$ 223,532	\$ 210,142	\$ 205,620	\$ 191,367	\$ -	\$ -	\$ -
Public Services Administration:									
Fuel tank conversion	19/20	\$ 164,208	\$ 30,018	\$ 29,355	\$ 28,693	\$ 28,031	\$ -	\$ -	\$ -
Public Works Facilities Maintenance :									
Boom Tractor	17/18	\$ 154,062	\$ 32,605	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bonnett Street Bath House Replacement	17/18	460,000	93,785	-	-	-	-	-	-
Motor grader	18/19	177,900	36,872	36,872	-	-	-	-	-
Fire Station 16 HVAC	18/19	85,000	18,057	17,529	-	-	-	-	-
Dowdy Park lighting	19/20	78,375	14,327	14,011	13,695	13,379	-	-	-
Pickup	19/20	32,746	11,105	-	-	-	-	-	-
Excavator	19/20	137,888	46,758	-	-	-	-	-	-
Roller	19/20	25,613	8,686	-	-	-	-	-	-
Pickup	20/21	31,100	10,626	10,496	-	-	-	-	-
105 W. Seachase Drive	21/22	1,200,000	-	148,440	145,596	142,752	139,908	137,064	642,660
Loader	21/22	194,795	40,883	40,883	40,883	40,883	40,883	-	-
Pickup	21/22	31,159	10,616	10,616	10,616	-	-	-	-
Street sweeper	21/22	168,351	57,354	57,354	57,354	-	-	-	-
		\$ 2,776,989	\$ 381,674	\$ 336,201	\$ 268,144	\$ 197,014	\$ 180,791	\$ 137,064	\$ 642,660
Public Works Sanitation:									
Autocar ACX 42	16/17	\$ 309,200	\$ 65,010	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Freightliner Knuckle Boom	17/18	131,288	27,785	-	-	-	-	-	-
Residential Truck (\$20,000 capital reserve)	18/19	263,132	54,537	54,537	-	-	-	-	-
Residential Truck (\$10,000 capital reserve)	19/20	306,328	63,400	63,400	58,519	-	-	-	-
Loader	19/20	83,860	28,437	-	-	-	-	-	-
Dump Truck	19/20	109,890	37,264	-	-	-	-	-	-
Residential Truck (\$5,000 capital reserve)	20/21	274,533	58,530	57,624	56,719	55,813	-	-	-
Boom truck	20/21	236,876	50,502	49,720	48,939	48,157	-	-	-
Side Load truck	20/21	275,521	58,741	57,832	56,923	56,013	-	-	-
		\$ 1,990,628	\$ 444,206	\$ 283,113	\$ 221,100	\$ 159,983	\$ -	\$ -	\$ -

Description	Fiscal Year	Amount Financed	2021-2022	2022-2023	2023-2024	Fiscal Year 2024-2025	2025-2026	2026-2027	2028 and Beyond
Capital Investment Fund									
Streets and Stormwater:									
Stormwater project areas 1-3A	18/19	\$ 620,000	\$ 131,252	\$ 112,556	\$ -	\$ -	\$ -	\$ -	\$ -
Police:									
Police Vehicles (3)	19/20	\$ 137,715	\$ 46,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Replacement of 800Mhz Radios	20/21	240,085	51,186	50,394	49,602	48,809	-	-	-
Police Vehicles (3)	20/21	150,054	51,268	50,643	-	-	-	-	-
		\$ 527,854	\$ 149,154	\$ 101,037	\$ 49,602	\$ 48,809	\$ -	\$ -	\$ -
Fire:									
Fire Apparatus Truck	12/13	\$ 722,158	\$ 77,482	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pumper	18/19	697,620	76,101	76,101	76,101	76,101	76,101	76,101	76,101
Brush Truck	20/21	65,074	22,234	21,962	-	-	-	-	-
Pumper/Quint	21/22	1,358,079	-	157,426	157,426	157,426	157,426	157,426	787,130
		\$ 2,842,931	\$ 175,817	\$ 255,489	\$ 233,527	\$ 233,527	\$ 233,527	\$ 233,527	\$ 863,231
Ocean Rescue:									
Replacement of 800Mhz Radios	20/21	\$ 99,765	\$ 21,270	\$ 20,941	\$ 20,611	\$ 20,282	\$ -	\$ -	\$ -
Pickup	21/22	47,364	16,136	16,136	16,136	-	-	-	-
		\$ 147,129	\$ 37,406	\$ 37,077	\$ 36,747	\$ 20,282	\$ -	\$ -	\$ -
Total Capital Investment Fund Debt Service Payments			\$ 4,024,311	\$ 3,990,922	\$ 3,844,083	\$ 1,999,939	\$ 1,509,476	\$ 1,439,980	\$ 15,125,791

*Budgeted as a twenty year public financing, 4% interest rate, interest only payment until fiscal year 2024-2025

Description	Fiscal Year	Amount Financed	2021-2022	2022-2023	2023-2024	Fiscal Year 2024-2025	2025-2026	2026-2027	2028 and Beyond
Water Fund									
Water Administration									
Fuel tank conversion	19/20	\$ 37,745	\$ 6,900	\$ 6,748	\$ 6,596	\$ 6,444	\$ -	\$ -	\$ -
Public Works Complex*	22/23	3,060,000	-	61,200	122,400	280,232	273,789	267,347	3,404,975
		\$ 3,097,745	\$ 6,900	\$ 67,948	\$ 128,996	\$ 286,676	\$ 273,789	\$ 267,347	\$ 3,404,975
Water Operations:									
Pickup	20/21	\$ 32,890	\$ 11,237	\$ 11,100	\$ -	\$ -	\$ -	\$ -	\$ -
Water Distribution:									
Pickup	19/20	\$ 30,837	\$ 10,457	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pickup	20/21	32,890	11,237	11,100	-	-	-	-	-
		\$ 63,727	\$ 21,694	\$ 11,100	\$ -	\$ -	\$ -	\$ -	\$ -
Total Water Fund Debt Service Payments			\$ 39,831	\$ 90,148	\$ 128,996	\$ 286,676	\$ 273,789	\$ 267,347	\$ 3,404,975

*Budgeted as a twenty year public financing, 4% interest rate, interest only payment until fiscal year 2024-2025

**Budgeted as a fifteen year installment financing, payment in advance, 5% interest rate

CAPITAL IMPROVEMENT PROGRAM

Yellow highlights indicate items on the Adopted Fiscal Year 2021-2022 CIP Schedule

Rank	Description General Fund	Fiscal Year	Cash Cost	Grant Funding	Total Cost to Town (including interest) Community Investment Fund	Total Cost	Capital Investment Fund		Cash and Financing Payment Schedule						
							Impact FY 23	Impact FY 24	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028 And Beyond	
Bond Debt:															
9	Public Works Complex*	2023	\$ 12,240,000	\$ -	\$ 17,639,773	\$ 17,639,773	\$ 244,800	\$ 489,600	\$ 244,800	\$ 489,600	\$ 1,120,926	\$ 1,095,158	\$ 1,069,389	\$ 13,619,900	
Town Manager:															
Multi-use path and sidewalk projects for future years as determined by the Board of Commissioners^															
17	Community Survey	2023	\$ 30,000	\$ -	\$ 30,000	\$ 30,000	\$ 30,000	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	
	Soundside boardwalk construction	2024	1,100,000	900,000	200,000	1,100,000	-	100,000	-	550,000	550,000	-	-	-	
			\$ 1,130,000	\$ 900,000	\$ 230,000	\$ 1,130,000	\$ 30,000	\$ 100,000	\$ 30,000	\$ 550,000	\$ 550,000	\$ -	\$ -	\$ -	
Planning:															
21	Records management/digitization	2023	\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	
18	Whalebone Park	2023	540,000	450,000	90,000	540,000	40,000	50,000	40,000	500,000	-	-	-	-	
10	Skate Park	2023	131,500	80,000	51,500	131,500	51,500	-	131,500	-	-	-	-	-	
22	Dog Park	2023	30,000	-	30,000	30,000	30,000	-	30,000	-	-	-	-	-	
			\$ 751,500	\$ 530,000	\$ 221,500	\$ 751,500	\$ 131,500	\$ 60,000	\$ 211,500	\$ 510,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	
Public Works Facilities Maintenance :															
7	Conch Street beach access maintenance**	2023	\$ 60,750	\$ -	\$ 60,750	\$ 60,750	\$ 60,750	\$ -	\$ 60,750	\$ -	\$ -	\$ -	\$ -	\$ -	
8	Hollowell Street beach access maintenance**	2023	70,000	-	70,000	70,000	70,000	-	70,000	-	-	-	-	-	
11	Security and energy conservation retrofits	2023	80,000	-	80,000	80,000	80,000	-	80,000	-	-	-	-	-	
12	LED lighting/occupancy sensor upgrade	2023	68,446	12,765	55,681	68,446	55,681	-	68,446	-	-	-	-	-	
16	Beach road multi-use path maintenance	2023	460,000	-	460,000	460,000	60,000	100,000	60,000	100,000	100,000	100,000	100,000	-	
3	Replacement Dump truck	2023	170,000	-	170,000	170,000	170,000	-	170,000	-	-	-	-	-	
19	Message board	2024	20,550	-	20,550	20,550	-	20,550	-	20,550	-	-	-	-	
	Pothole patcher	2024	100,000	-	100,000	100,000	-	100,000	-	100,000	-	-	-	-	
	Indigo Street beach access maintenance**	2024	110,000	-	110,000	110,000	-	110,000	-	110,000	-	-	-	-	
	June Street beach access maintenance**	2024	110,000	-	110,000	110,000	-	110,000	-	110,000	-	-	-	-	
	Gulfstream Street beach access maintenance**	2025	80,000	-	80,000	80,000	-	-	-	80,000	-	-	-	-	
	Holden Street beach access maintenance**	2025	165,000	-	165,000	165,000	-	-	-	165,000	-	-	-	-	
	Hargrove bath house design and construction	2026	780,000	500,000	280,000	780,000	-	-	-	-	55,000	725,000	-	-	
	Governor Street beach access maintenance**	2026	150,000	-	150,000	150,000	-	-	-	-	150,000	-	-	-	
	Glidden Street beach access maintenance**	2026	160,000	-	160,000	160,000	-	-	-	-	160,000	-	-	-	
	Barnes Street beach access maintenance**	2027	90,000	-	90,000	90,000	-	-	-	-	-	90,000	-	-	
	Albatross Street beach access maintenance**	2027	70,000	-	70,000	70,000	-	-	-	-	-	70,000	-	-	
	Loggerhead beach access maintenance**	2028	69,000	-	69,000	69,000	-	-	-	-	-	-	69,000	-	
	Juncos Street beach access maintenance**	2028	153,333	-	153,333	153,333	-	-	-	-	-	-	153,333	-	
			\$ 2,967,079	\$ 512,765	\$ 2,454,314	\$ 2,967,079	\$ 496,431	\$ 440,550	\$ 509,196	\$ 440,550	\$ 345,000	\$ 465,000	\$ 985,000	\$ 222,333	
Public Works Sanitation:															
2	Dump truck	2023	\$ 144,000	\$ -	\$ 144,000	\$ 144,000	\$ 144,000	\$ -	\$ 144,000	\$ -	\$ -	\$ -	\$ -	\$ -	
1	Replacement commercial truck	2023	305,129	-	305,129	305,129	305,129	-	305,129	-	-	-	-	-	
	Replacement roll off truck	2024	225,500	-	225,500	225,500	-	225,500	-	225,500	-	-	-	-	
	Replacement commercial truck	2024	400,000	-	400,000	400,000	-	400,000	-	400,000	-	-	-	-	
	Additional sanitation truck	2025	40,000	-	40,000	40,000	-	-	-	40,000	-	-	-	-	
	Replacement front load truck	2025	400,000	-	400,000	400,000	-	-	-	400,000	-	-	-	-	
	Replacement knuckle boom truck	2026	180,000	-	180,000	180,000	-	-	-	-	180,000	-	-	-	
	Replacement residential truck	2026	400,000	-	400,000	400,000	-	-	-	-	400,000	-	-	-	
			\$ 2,094,629	\$ -	\$ 2,094,629	\$ 2,094,629	\$ 449,129	\$ 625,500	\$ 449,129	\$ 625,500	\$ 440,000	\$ 580,000	\$ -	\$ -	
Streets and Stormwater:															
5	Streets-Stormwater-Water (Streets-Stormwater)	2023	\$ 488,182	\$ 95,000	\$ 393,182	\$ 488,182	\$ 393,182	\$ 653,200	\$ 488,182	\$ 748,200	\$ 643,460	\$ 368,760	\$ 383,364	\$ -	
4	Replacement backhoe	2023	200,000	-	200,000	200,000	200,000	-	200,000	-	-	-	-	-	
13	Bonnett St. pump station Project Area #4	2023	775,300	410,909	364,391	775,300	364,391	-	775,300	-	-	-	-	-	
14	S. Old Oregon Inlet Road Project Area #12	2023	1,062,500	1,012,500	50,000	1,062,500	50,000	-	50,000	-	1,012,500	-	-	-	
15	Emergency floodwater pump	2024	80,000	-	80,000	80,000	-	80,000	-	80,000	-	-	-	-	
	S. Old Oregon Inlet Road Project Area #13	2025	907,500	907,500	-	907,500	-	-	-	-	907,500	-	-	-	
	Village at Nags Head drainage infrastructure	2026	125,000	-	125,000	125,000	-	-	-	-	-	125,000	-	-	
	Stormwater master plan update	2027	325,000	-	325,000	325,000	-	-	-	-	-	-	325,000	-	
			\$ 3,963,482	\$ 2,425,909	\$ 1,537,573	\$ 3,963,482	\$ 1,007,573	\$ 733,200	\$ 1,513,482	\$ 828,200	\$ 2,563,460	\$ 493,760	\$ 708,364	\$ -	
Police:															
6	Dare County Motorola CAD/RMS project	2023	\$ 176,671	\$ -	\$ 176,671	\$ 176,671	\$ 134,975	\$ 10,424	\$ 134,975	\$ 10,424	\$ 10,424	\$ 10,424	\$ 10,424	\$ -	
Fire:															
20	Hose roller	2024	\$ 9,500	\$ -	\$ 9,500	\$ 9,500	\$ 9,500	\$ -	\$ 9,500	\$ -	\$ -	\$ -	\$ -	\$ -	
Total General Fund Debt Payments and Capital Outlay							\$ 2,503,908	\$ 2,459,274	\$ 3,102,582	\$ 3,454,274	\$ 5,039,810	\$ 2,654,342	\$ 2,783,177	\$ 13,842,233	

Costs are estimates

*twenty year public financing, 4% interest rate, interest only payment until fiscal year 2024-2025

**funding source is beach nourishment capital reserve generated from sales tax

^A list of 16 multi-use path and sidewalk projects are presented for Board consideration with implementation spanning approximately ten years.

^Staff is recommending funding \$200,000 a year towards these projects to fully cash fund the local portion for completion within ten years.

Yellow highlights indicate items on the Adopted Fiscal Year 2021-2022 CIP Schedule

Rank	Description Water Fund	Fiscal Year	Cash Cost	Grant Funding	Total Cost to Town (including interest) Water Fund	Total Cost	Water Fund Impact FY 23	Water Fund Impact FY 24	FY 2023	Cash and Financing Payment Schedule				FY 2027	FY 2028 And Beyond
									FY 2024	FY 2025	FY 2026				
Water Administration:															
2	Public Works Complex*	2023	\$ 3,060,000	\$ -	\$ 4,409,943	\$ 4,409,943	\$ 61,200	\$ 122,400	\$ 61,200	\$ 122,400	\$ 280,232	\$ 273,789	\$ 267,347	\$ 3,404,975	
Septic Health:															
5	Groundwater Data Loggers	2023	\$ 21,850	\$ 10,925	\$ 10,925	\$ 21,850	\$ 10,925	\$ -	\$ 21,850	\$ -	\$ -	\$ -	\$ -	\$ -	
6	Water Quality Data Loggers	2023	154,000	77,000	77,000	154,000	77,000	-	154,000	-	-	-	-	-	
			\$ 175,850	\$ 87,925	\$ 87,925	\$ 175,850	\$ 87,925	\$ -	\$ 175,850	\$ -	\$ -	\$ -	\$ -	\$ -	
Water Operations:															
	Liquid chlorine conversion at Gull Street	2024	\$ 154,440	\$ -	\$ 154,440	\$ 154,440	\$ -	\$ 154,440	\$ -	\$ 154,440	\$ -	\$ -	\$ -	\$ -	
	Liquid chlorine conversion at Eighth Street	2025	168,480	-	168,480	168,480	-	-	-	168,480	-	-	-	-	
	One million gallon treatment train**	2027	6,913,250	-	9,332,450	9,332,450	-	-	-	-	-	462,050	8,870,400		
			\$ 7,236,170	\$ -	\$ 9,655,370	\$ 9,655,370	\$ -	\$ 154,440	\$ -	\$ 154,440	\$ 168,480	\$ -	\$ 462,050	\$ 8,870,400	
Water Distribution:															
3	Update to water system comprehensive plan	2023	\$ 79,600	\$ -	\$ 79,600	\$ 79,600	\$ 79,600	\$ -	\$ 79,600	\$ -	\$ -	\$ -	\$ -	\$ -	
1	Streets-Stormwater-Water (Water Portion)	2023	2,866,524	1,876,888	989,636	2,866,524	44,500	-	264,500	1,656,888	-	175,000	770,136	-	
7	Trailer for mini excavator	2023	19,000	-	19,000	19,000	19,000	-	19,000	-	-	-	-	-	
	Advanced Metering Infrastructure (AMI)	2023	2,302,000	2,302,000	-	2,302,000	-	-	2,302,000	-	-	-	-	-	
	Update of GIS mapping of water infrastructure	2024	80,000	64,000	16,000	80,000	-	16,000	-	80,000	-	-	-	-	
	Gull Street pump station improvements	2026	1,774,630	-	1,774,630	1,774,630	-	-	-	-	858,000	-	916,630		
	Back hoe loader	2026	250,000	-	250,000	250,000	-	-	-	-	250,000	-	-		
			\$ 7,371,754	\$ 4,242,888	\$ 3,128,866	\$ 7,371,754	\$ 143,100	\$ 16,000	\$ 2,665,100	\$ 1,736,888	\$ -	\$ 1,283,000	\$ 770,136	\$ 916,630	
Total Water Fund Debt Payments and Capital Outlay							\$ 292,225	\$ 292,840	\$ 2,902,150	\$ 2,013,728	\$ 448,712	\$ 1,556,789	\$ 1,499,533	\$ 13,192,005	

Costs are estimates

*twenty year public financing, 4% interest rate, interest only payment until fiscal year 2024-2025

**fifteen years at 5%

TRANSFERS FROM THE CAPITAL RESERVE AND CAPITAL INVESTMENT FUNDS TO THE GENERAL FUND

Description General Fund	Replace Year	Estimated Cost	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	FY 2028 and Beyond
Bonds:									
Beach Renourishment Series A - 3.08%**	19/20	\$ 11,380,000	\$ 2,451,252	\$ 2,381,152	\$ 2,311,050	\$ -	\$ -	\$ -	\$ -
Public Works Complex*	22/23	12,240,000	-	244,800	489,600	1,120,926	1,095,158	1,069,389	13,619,900
		\$ 23,620,000	\$ 2,451,252	\$ 2,625,952	\$ 2,800,650	\$ 1,120,926	\$ 1,095,158	\$ 1,069,389	\$ 13,619,900
Town Manager:									
Community Survey	22/23	\$ 35,000	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment for Board of Commissioners room	22/23	5,000	-	5,000	-	-	-	-	-
Soundside boardwalk construction	23/24	1,100,000	-	-	550,000	550,000	-	-	-
		\$ 1,140,000	\$ -	\$ 35,000	\$ 550,000	\$ 550,000	\$ -	\$ -	\$ -
Admin Services:									
Fuel efficient vehicle	23/24	\$ 33,000	\$ -	\$ -	\$ 33,000	\$ -	\$ -	\$ -	\$ -
Planning:									
Sidewalk Pedestrian Plan	19/20	\$ 1,121,068	\$ 204,931	\$ 200,410	\$ 195,888	\$ 191,367	\$ -	\$ -	\$ -
Pickup	19/20	26,152	8,869	-	-	-	-	-	-
SUV	21/22	28,565	9,732	9,732	9,732	-	-	-	-
Records management/digitization	22/23	50,000	-	10,000	10,000	10,000	10,000	10,000	-
Whalebone Park	22/23	540,000	-	40,000	500,000	-	-	-	-
Skate Park	22/23	131,500	-	131,500	-	-	-	-	-
Dog Park	22/23	30,000	-	30,000	-	-	-	-	-
Pickup	24/25	35,000	-	-	-	35,000	-	-	-
		\$ 1,962,285	\$ 223,532	\$ 421,642	\$ 715,620	\$ 236,367	\$ 10,000	\$ 10,000	\$ -
Public Services Administration:									
Fuel tank conversion	19/20	\$ 164,208	\$ 30,018	\$ 29,355	\$ 28,693	\$ 28,031	\$ -	\$ -	\$ -
Pickup	26/27	40,000	-	-	-	-	-	40,000	-
		\$ 204,208	\$ 30,018	\$ 29,355	\$ 28,693	\$ 28,031	\$ -	\$ 40,000	\$ -
Public Works Facilities Maintenance :									
Boom Tractor	17/18	\$ 154,062	\$ 32,605	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bonnett Street Bath House Replacement	17/18	460,000	93,785	-	-	-	-	-	-
Motor grader	18/19	177,900	36,872	36,872	-	-	-	-	-
Fire Station 16 HVAC	18/19	85,000	18,057	17,529	-	-	-	-	-
Dowdy Park lighting	19/20	78,375	14,327	14,011	13,695	13,379	-	-	-
Pickup	19/20	32,746	11,105	-	-	-	-	-	-
Excavator	19/20	137,888	46,758	-	-	-	-	-	-
Roller	19/20	25,613	8,686	-	-	-	-	-	-
Pickup	20/21	31,100	10,626	10,496	-	-	-	-	-
105 W. Seachase Drive	21/22	1,200,000	-	148,440	145,596	142,752	139,908	137,064	642,660
Loader	21/22	194,795	40,883	40,883	40,883	40,883	40,883	-	-
Pickup	21/22	31,159	10,616	10,616	10,616	-	-	-	-
Street sweeper	21/22	168,351	57,354	57,354	57,354	-	-	-	-
Security and energy conservation retrofits	22/23	80,000	-	80,000	-	-	-	-	-
LED lighting/occupancy sensor upgrade	22/23	68,446	-	68,446	-	-	-	-	-
Dump Truck	22/23	170,000	-	170,000	-	-	-	-	-
Pickup truck to pull trailers	22/23	63,654	-	63,654	-	-	-	-	-
Conch Street beach access maintenance**	22/23	60,750	-	60,750	-	-	-	-	-
Hollowell Street beach access maintenance**	22/23	70,000	-	70,000	-	-	-	-	-
Beach road multi-use path maintenance	22/23	460,000	-	60,000	100,000	100,000	100,000	100,000	-
HVAC maintenance agreement	22/23	30,878	-	30,878	-	-	-	-	-
Town Hall window replacements	22/23	20,000	-	20,000	-	-	-	-	-
Town Hall HVAC replacement	22/23	17,500	-	17,500	-	-	-	-	-
Crosswalk lighting	22/23	20,000	-	20,000	-	-	-	-	-
Multi-use path repairs	22/23	25,000	-	25,000	-	-	-	-	-
Message board	23/24	20,550	-	-	20,550	-	-	-	-
Pothole patcher	23/24	100,000	-	-	100,000	-	-	-	-
Indigo Street beach access maintenance**	23/24	110,000	-	-	110,000	-	-	-	-
June Street beach access maintenance**	23/24	110,000	-	-	110,000	-	-	-	-
Pickup	23/24	35,000	-	-	35,000	-	-	-	-
Bobcat	23/24	60,000	-	-	60,000	-	-	-	-
Gulfstream Street beach access maintenance**	24/25	80,000	-	-	-	80,000	-	-	-
Holden Street beach access maintenance**	24/25	165,000	-	-	-	165,000	-	-	-
Hargrove bath house design and construction	25/26	780,000	-	-	-	-	55,000	725,000	-
Governor Street beach access maintenance**	25/26	150,000	-	-	-	-	150,000	-	-
Glidden Street beach access maintenance**	25/26	160,000	-	-	-	-	160,000	-	-
Dingo	25/26	28,000	-	-	-	-	28,000	-	-
Pickup	25/26	35,000	-	-	-	-	35,000	-	-
Barnes Street beach access maintenance**	26/27	90,000	-	-	-	-	-	90,000	-
Albatross Street beach access maintenance**	26/27	70,000	-	-	-	-	-	70,000	-
Loggerhead beach access maintenance**	27/28	69,000	-	-	-	-	-	-	69,000
Juncos Street beach access maintenance**	27/28	153,333	-	-	-	-	-	-	153,333
		\$ 6,079,100	\$ 381,674	\$ 1,022,429	\$ 803,694	\$ 542,014	\$ 708,791	\$ 1,122,064	\$ 864,993

Description General Fund	Replace Year	Estimated Cost	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	FY 2028 and Beyond
Public Works Sanitation:									
Autocar ACX 42	16/17	\$ 309,200	\$ 65,010	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Freightliner Knuckle Boom	17/18	131,288	27,785	-	-	-	-	-	-
Residential Truck (\$20,000 capital reserve)	18/19	263,132	54,537	54,537	-	-	-	-	-
Residential Truck (\$10,000 capital reserve)	19/20	306,328	63,400	63,400	58,519	-	-	-	-
Loader	19/20	83,860	28,437	-	-	-	-	-	-
Dump Truck	19/20	109,890	37,264	-	-	-	-	-	-
Residential Truck (\$5,000 capital reserve)	20/21	274,533	58,530	57,624	56,719	55,813	-	-	-
Boom truck	20/21	236,876	50,502	49,720	48,939	48,157	-	-	-
Side Load truck	20/21	275,521	58,741	57,832	56,923	56,013	-	-	-
Dump Truck	22/23	144,000	-	144,000	-	-	-	-	-
Commercial Truck	22/23	305,129	-	305,129	-	-	-	-	-
Replacement curotto can	22/23	45,000	-	45,000	-	-	-	-	-
Upgraded gripper arm	22/23	16,000	-	16,000	-	-	-	-	-
Commercial Truck	23/24	400,000	-	-	400,000	-	-	-	-
Roll off Truck	23/24	225,500	-	-	225,500	-	-	-	-
Sanitation truck (new to fleet)	24/25	40,000	-	-	-	40,000	-	-	-
Front Load Truck	24/25	400,000	-	-	-	400,000	-	-	-
Knuckle Boom Truck	25/26	180,000	-	-	-	-	180,000	-	-
Residential Truck	25/26	400,000	-	-	-	-	400,000	-	-
		\$ 4,146,257	\$ 444,206	\$ 793,242	\$ 846,600	\$ 599,983	\$ 580,000	\$ -	\$ -
Streets and Stormwater:									
Stormwater project areas 1-3A	18/19	\$ 620,000	\$ 131,252	\$ 112,556	\$ -	\$ -	\$ -	\$ -	\$ -
Backhoe	22/23	200,000	-	200,000	-	-	-	-	-
Streets-Stormwater-Water (Streets-Stormwater paving)***	22/23	488,182	-	488,182	748,200	643,460	368,760	383,364	-
Bonnett St. pump station Project Area #4	22/23	775,300	-	775,300	-	-	-	-	-
S. Old Oregon Inlet Road Project Area #12	22/23	1,062,500	-	50,000	-	1,012,500	-	-	-
Emergency floodwater pump	23/24	80,000	-	-	80,000	-	-	-	-
S. Old Oregon Inlet Road Project Area #13	24/25	907,500	-	-	-	907,500	-	-	-
Village at Nags Head drainage infrastructure	25/26	125,000	-	-	-	-	125,000	-	-
Stormwater master plan update	26/27	325,000	-	-	-	-	-	325,000	-
		\$ 4,583,482	\$ 131,252	\$ 1,626,038	\$ 828,200	\$ 2,563,460	\$ 493,760	\$ 708,364	\$ -
Police:									
Police Vehicles (3)	19/20	\$ 137,715	\$ 46,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Replacement of 800Mhz Radios	20/21	240,085	51,186	50,394	49,602	48,809	-	-	-
Police Vehicles (3)	20/21	150,054	51,268	50,643	-	-	-	-	-
Police Vehicles (4)	22/23	226,215	-	226,215	-	-	-	-	-
Records Management System	22/23	134,975	-	134,975	-	-	-	-	-
Power Edge computer	22/23	18,308	-	18,308	-	-	-	-	-
Rimage DVD burner	22/23	16,813	-	16,813	-	-	-	-	-
Mobile Command Trailer	23/24	70,000	-	-	70,000	-	-	-	-
Police Vehicles (3)	23/24	189,126	-	-	189,126	-	-	-	-
Police Vehicles (3)	24/25	184,650	-	-	-	184,650	-	-	-
Police Vehicles (3)	25/26	197,526	-	-	-	-	197,526	-	-
Police Vehicles (4)	26/27	260,000	-	-	-	-	-	260,000	-
		\$ 1,825,467	\$ 149,154	\$ 497,348	\$ 308,728	\$ 233,459	\$ 197,526	\$ 260,000	\$ -
Fire:									
Fire Apparatus Truck	12/13	\$ 722,158	\$ 77,482	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pumper	18/19	697,620	76,101	76,101	76,101	76,101	76,101	76,101	76,101
Brush Truck	20/21	65,074	22,234	21,962	-	-	-	-	-
Pumper/Quint	21/22	1,358,079	-	157,426	157,426	157,426	157,426	157,426	787,130
Hose roller	22/23	9,500	-	9,500	-	-	-	-	-
Pickup	25/26	50,000	-	-	-	-	50,000	-	-
Pickup	26/27	45,000	-	-	-	-	-	45,000	-
		\$ 2,947,431	\$ 175,817	\$ 264,989	\$ 233,527	\$ 233,527	\$ 283,527	\$ 278,527	\$ 863,231
Ocean Rescue:									
Replacement of 800Mhz Radios	20/21	\$ 99,765	\$ 21,270	\$ 20,941	\$ 20,611	\$ 20,282	\$ -	\$ -	\$ -
Pickup	21/22	47,364	16,136	16,136	16,136	-	-	-	-
Pickup	22/23	48,410	-	48,410	-	-	-	-	-
Four-wheelers for beach patrol (2 replacements)	22/23	12,000	-	12,000	-	-	-	-	-
Pickup	24/25	52,000	-	-	-	52,000	-	-	-
		\$ 259,539	\$ 37,406	\$ 97,487	\$ 36,747	\$ 72,282	\$ -	\$ -	\$ -
Total Capital Investment Fund Transfers to the General Fund			\$ 4,024,311	\$ 7,413,482	\$ 7,185,459	\$ 6,180,049	\$ 3,368,762	\$ 3,488,344	\$ 15,348,124

Replacement costs are estimates

*twenty year public financing, 4% interest rate, interest only payment until fiscal year 2024-2025

**funding source is beach nourishment capital reserve

***less \$95,000 state street aid (Powell Bill) funding each year

WATER FUND CAPITAL OUTLAY AND DEBT SERVICE

Description	Replace Year	Estimated Cost	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	FY 2028 and Beyond
Water Fund									
Water Administration									
Fuel tank conversion	19/20	\$ 37,745	\$ 6,900	\$ 6,748	\$ 6,596	\$ 6,444	\$ -	\$ -	\$ -
Public Works Complex*	22/23	3,060,000	-	61,200	122,400	280,232	273,789	267,347	3,404,975
		\$ 3,097,745	\$ 6,900	\$ 67,948	\$ 128,996	\$ 286,676	\$ 273,789	\$ 267,347	\$ 3,404,975
Water Operations:									
Pickup	20/21	\$ 32,890	\$ 11,237	\$ 11,100	\$ -	\$ -	\$ -	\$ -	\$ -
Pickup	26/27	36,500	-	-	-	-	-	36,500	-
Pickup	24/25	48,000	-	-	-	-	-	-	-
1 Million Gallon Treatment Train**	26/27	6,913,250	-	-	-	-	-	462,050	8,870,400
		\$ 7,030,640	\$ 11,237	\$ 11,100	\$ -	\$ -	\$ -	\$ 498,550	\$ 8,870,400
Water Distribution:									
Pickup	19/20	\$ 30,837	\$ 10,457	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pickup	20/21	32,890	11,237	11,100	-	-	-	-	-
Air compressor	23/24	30,000	-	-	30,000	-	-	-	-
Service truck	23/24	72,600	-	-	72,600	-	-	-	-
Pickup	25/26	37,500	-	-	-	-	37,500	-	-
Back hoe loader	25/26	250,000	-	-	-	-	250,000	-	-
Pickup	25/26	56,000	-	-	-	-	56,000	-	-
Pickup	26/27	48,000	-	-	-	-	-	48,000	-
Excavator	26/27	50,000	-	-	-	-	-	50,000	-
		\$ 607,827	\$ 21,694	\$ 11,100	\$ 102,600	\$ -	\$ 343,500	\$ 98,000	\$ -
Septic Health:									
Groundwater data loggers	22/23	\$ 21,850	\$ -	\$ 21,850	\$ -	\$ -	\$ -	\$ -	\$ -
Water quality data loggers	22/23	154,000	-	154,000	-	-	-	-	-
Pickup	24/25	35,000	-	-	-	35,000	-	-	-
		\$ 210,850	\$ -	\$ 175,850	\$ -	\$ 35,000	\$ -	\$ -	\$ -
Total Water Fund Capital Outlay and Debt Service			\$ 39,831	\$ 265,998	\$ 231,596	\$ 321,676	\$ 617,289	\$ 863,897	\$ 12,275,375

Replacement costs are estimates

*twenty year public financing, 4% interest rate, interest only payment until fiscal year 2024-2025

**fifteen year payment in advance

PERSONNEL SUMMARY

Full Time Equivalent Personnel Summary - General Fund

	Adopted FY 2021-2022	Existing FY 2021-2022	Requested FY 2022-2023	Recommended FY 2022-2023
Office of Town Manager	5.75	5.0	5.0	5.0
Administration				
Full Time	6.5	5.5	5.5	5.5
Part Time	1.0	1.0	1.0	1.0
Information Technology	1.0	1.0	1.0	1.0
Planning and Development				
Full Time	10.25	10.25	10.25	10.25
Part Time	1.0	1.0	0.0	0.0
Public Works				
Public Works Administration	2.75	4.25	4.25	4.25
Facility Maintenance	13.0	12.0	13.0	13.0
Garage	4.0	4.0	4.0	4.0
Sanitation, Full Time	9.0	9.0	9.0	9.0
Sanitation, Part Time	1.0	1.0	1.0	1.0
Public Safety				
Police	25.0	25.0	25.0	25.0
Fire	27.33	27.33	27.33	27.33
Ocean Rescue, Full Time	0.67	0.67	0.67	0.67
Ocean Rescue, Seasonal	25	25	25	25
Total, Full Time Equivalent	105	104	105	105
Total, Part Time	3	3	2	2
Total, Seasonal	25	25	25	25

Full Time Equivalent Personnel Summary - Water Fund

	Adopted FY 2021-2022	Existing FY 2021-2022	Requested FY 2022-2023	Recommended FY 2022-2023
Water Administration	2.25	2.5	2.5	2.5
Septic Health	0.5	0.5	0.5	0.5
Water Operations	5	5	5	5
Water Distribution	5	5	5	5
Total, Full Time Equivalent	12.75	13	13	13

GENERAL FUND SUMMARY

REVENUES AND EXPENDITURES SUMMARY

Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual 2021-2022	Actual 2020-2021	Actual 2019-2020
REVENUES								
Ad Valorem Taxes	\$ 10,901,532	\$ 10,546,600	\$ 10,546,600	\$ 10,501,165	\$ 10,501,165	\$ 10,563,990	\$ 9,724,927	\$ 9,199,976
Other Taxes & Licenses	7,249,427	8,777,573	8,777,573	7,420,101	7,541,860	9,475,109	9,398,513	6,288,313
Unrestricted Intergovernmental	908,700	900,700	900,700	903,200	903,200	920,065	918,654	932,135
Restricted Intergovernmental	1,077,019	1,302,678	1,302,678	1,442,709	1,459,629	1,516,685	1,332,338	9,038,449
Permits & Fees	321,775	593,950	593,950	315,775	315,775	383,911	348,234	271,054
Sales & Services	65,000	72,525	72,525	57,525	62,860	100,192	90,281	106,977
Investment Earnings	115,000	110,000	110,000	110,000	110,000	91,929	(52,908)	247,132
Other Revenue	226,974	312,775	312,775	321,403	323,803	382,547	229,128	186,699
Other Finance Sources	4,934,945	11,580,331	10,638,482	5,333,588	10,609,695	7,227,331	4,005,319	21,627,126
TOTAL	\$ 25,800,372	\$ 34,197,132	\$ 33,255,283	\$ 26,405,466	\$ 31,827,987	\$ 30,661,759	\$ 25,994,486	\$ 47,897,861
EXPENDITURES								
Interfund	\$ 4,492,531	\$ 10,324,534	\$ 10,324,534	\$ 4,590,479	\$ 4,855,429	\$ 4,847,939	\$ 3,977,779	\$ 18,154,054
Governing Body	182,033	179,682	175,932	180,633	167,988	168,947	117,769	144,952
Special Obligation Bond Debt	3,054,727	2,625,952	2,625,952	2,451,252	2,451,252	2,451,252	2,521,353	19,254,100
Town Manager	1,165,992	813,725	803,725	1,585,853	1,157,087	1,024,749	706,814	947,427
Admin. Services	1,190,228	1,074,062	1,030,062	1,178,005	1,115,123	1,060,048	974,756	983,084
IT	399,455	481,250	431,600	400,052	377,623	329,161	370,215	371,973
Legal	115,000	130,296	130,296	115,000	107,516	132,516	102,894	110,442
Planning	1,499,638	1,480,080	1,455,623	1,464,609	1,437,126	1,314,813	1,746,088	2,093,116
PW Admin	419,730	640,382	637,657	408,618	386,267	379,165	361,479	500,618
PW Facilities	2,602,837	2,706,498	2,407,946	2,747,752	5,120,214	4,922,896	2,773,546	2,177,248
PW Garage	400,755	387,564	387,564	383,860	349,031	333,946	284,188	293,755
Street Aid	110,000	120,000	120,000	234,000	249,000	244,450	10,337	185,126
PW Sanitation	1,537,298	2,381,484	2,242,934	1,544,708	3,070,921	2,593,934	1,744,972	1,774,795
PW Solid Waste	810,807	850,818	850,818	797,456	797,456	820,000	828,826	652,606
Stormwater	575,845	1,803,238	1,603,238	1,435,522	1,482,102	1,457,074	456,785	612,733
Police	3,230,897	3,778,551	3,728,145	3,080,100	3,460,119	3,362,157	3,363,538	2,836,581
Police Drug Forfeiture	-	-	-	-	-	-	-	13,788
Fire	3,233,799	3,524,854	3,429,940	3,050,343	4,440,524	4,414,939	3,282,964	3,608,004
Ocean Rescue	778,800	894,162	869,317	757,224	803,209	807,926	778,993	602,492
TOTAL	\$ 25,800,372	\$ 34,197,132	\$ 33,255,283	\$ 26,405,466	\$ 31,827,987	\$ 30,665,912	\$ 24,403,296	\$ 55,316,894

REVENUES - RECOMMENDED

Account Description	Financial Plan 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
AD VALOREM TAXES							
AD VALOREM REVENUES CURRENT	\$ 8,353,676	\$ 7,991,453	\$ 7,967,445	\$ 7,967,445	\$ 8,015,681	\$ 7,378,252	\$ 6,977,408
AD VALOREM TAXES PRIOR YEARS	-	-	-	-	2,526	7,324	930
AD VALOREM REVENUES SOB/MSD CURRENT	1,623,587	1,629,463	1,622,100	1,622,100	1,629,804	1,490,828	1,416,659
AD VALOREM SOB/MSD PRIOR YEARS	-	-	-	-	-	612	-
CURRENT TOWNWIDE BEACH NOURISH	766,392	761,091	758,804	758,804	762,780	684,310	649,040
PRIOR YR TOWNWIDE BEACH NOURISH	-	-	-	-	239	675	89
TAX PENALTIES/INTEREST	7,000	6,000	7,000	7,000	6,625	8,849	9,789
DMV REVENUES CURRENT	146,206	153,311	141,150	141,150	141,150	148,166	140,077
DMV SOB/MSD CY REVENUES	4,671	5,282	4,666	4,666	4,666	5,230	5,110
DMV INTEREST	-	-	-	-	519	681	874
Subtotal Ad Valorem Taxes	\$ 10,901,532	\$ 10,546,600	\$ 10,501,165	\$ 10,501,165	\$ 10,563,990	\$ 9,724,927	\$ 9,199,976
OTHER TAXES & LICENSES							
OCCUPANCY TAXES	\$ 3,185,423	\$ 3,844,610	\$ 3,254,377	\$ 3,278,436	\$ 3,990,333	\$ 4,152,935	\$ 2,741,871
LAND TRANSFER TAXES	850,000	787,353	906,205	1,003,905	1,564,449	1,639,383	719,914
LOCAL GOVT SALES TAX	1,899,933	2,450,000	1,940,779	1,940,779	2,296,519	2,013,275	1,515,617
ONE HALF SALES TAX (40)	403,283	475,000	406,066	406,066	471,019	441,093	372,425
ONE HALF SALES TAX (42)	845,803	1,150,000	847,824	847,824	1,078,894	962,906	718,771
ONE HALF SALES TAX (44)	-	-	-	-	-	337	(6)
HOLD HARMLESS SALES TAX	-	-	-	-	-	128,742	154,654
BUSINESS LICENSE REVENUES	1,985	1,885	1,850	1,850	1,900	1,840	1,850
BUSINESS REGISTRATION FEES	16,000	16,725	16,000	16,000	17,450	16,325	16,775
PRIVILEGE LICENSE PENALTIES	2,000	2,000	2,000	2,000	2,400	3,100	2,675
SHORT TERM RENTAL REGISTRATION FEES	5,000	5,000	5,000	5,000	5,200	6,350	2,600
MIXED BEVERAGE TAX	40,000	45,000	40,000	40,000	46,945	32,227	41,167
CAROLINIAN CIRCLE SPEC ASSESSMENT PRINC	-	-	-	-	-	-	-
CAROLINIAN CIRCLE SPEC ASSESSMENT INT	-	-	-	-	-	-	-
Subtotal Other Taxes and Licenses	\$ 7,249,427	\$ 8,777,573	\$ 7,420,101	\$ 7,541,860	\$ 9,475,109	\$ 9,398,513	\$ 6,288,313

Account Description	Financial Plan 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2020-2021	Amended Budget 2020-2021	Estimated Actual Revenues 2021-2022	Actual Revenues 2020-2021	Actual Revenues 2019-2020
UNRESTRICTED INTERGOVERNMENTAL							
UTILITIES SALES TAX	\$ 670,000	\$ 670,000	\$ 670,000	\$ 670,000	\$ 687,968	\$ 685,944	\$ 702,176
TELECOMMUNICATIONS SALES TAX	30,000	22,000	25,000	25,000	22,080	27,232	27,451
EXCISE TAX - NATURAL GAS	3,500	3,000	3,000	3,000	3,223	5,441	3,737
SOLID WASTE DISPOSAL TAX	2,200	2,200	2,200	2,200	2,480	2,297	2,276
CABLE FRANCHISE FEES	111,000	108,000	111,000	111,000	108,497	108,146	108,317
CABLE FRANCISE - PEG FUNDS	58,000	58,000	58,000	58,000	58,000	53,435	54,613
BEER AND WINE	13,000	12,500	13,000	13,000	12,817	12,818	12,938
ABC REVENUE	21,000	25,000	21,000	21,000	25,000	23,341	20,627
Subtotal Unrestricted Intergovernmental	\$ 908,700	\$ 900,700	\$ 903,200	\$ 903,200	\$ 920,065	\$ 918,654	\$ 932,135
RESTRICTED INTERGOVERNMENTAL							
STATE STREET AID/POWELL BILL	\$ 110,000	\$ 120,000	\$ 110,000	\$ 125,000	\$ 132,695	\$ 110,487	\$ 117,277
FEMA GRANT	-	-	75,000	-	-	-	-
FEMA REIMBURSEMENT REVENUE	-	-	-	-	-	-	5,499,910
CORONAVIRUS RELIEF FUND	-	-	-	-	-	31,636	76,958
DEPARTMENT OF JUSTICE GRANT	-	-	-	-	-	2,480	3,075
HOMELAND SECURITY GRANT	-	-	-	-	-	12,664	12,661
NATIONAL FISH AND WILDLIFE GRANT	-	-	-	75,000	75,000	-	-
DRUG ENFORCEMENT SHARED REVENUE	-	-	-	-	423	5,392	9,930
DRUG ENFORCEMENT FED FUNDS	-	-	-	-	48,704	4,736	24,458
ASSISTANCE TO FIREFIGHTERS GRANT	-	-	-	21,771	22,458	267,496	178,975
VISITORS BUREAU GRANT	185,515	92,500	351,205	302,078	301,625	40,000	500,432
GOVERNMENT ACCESS CHANNEL GRANT	5,000	5,000	5,000	5,000	5,000	5,000	8,619
WELLNESS GRANT	-	-	-	2,500	2,500	7,456	1,909
NC PARKS AND RECREATION TRUST FUND GRAN	125,000	-	-	-	-	-	-
NC GOVERNORS CRIME COMMISSION	-	-	-	24,276	24,276	24,029	48,604
NC DEQ GRANTS	-	420,909	-	-	-	-	-
DOMINION POWER GRANT	-	12,765	-	-	-	-	-
NC COATSAL AREAS MANAGEMENT GRANT	-	-	250,000	250,000	250,000	169,458	19,110
NC EMERGENCY MANAGEMENT GRANT	-	-	-	-	-	-	1,833,303
NC COMMUNITY CONSERVATION GRANT	-	-	-	2,500	2,500	-	-
CONTRIBUTION FROM DARE COUNTY	624,000	624,000	624,000	624,000	624,000	624,000	648,000
NC GRANT- SCHOOL RESOURCE OFFICER	23,504	23,504	23,504	23,504	23,504	23,504	50,228
CONTRIBUTIONS - FIRE RANGE	4,000	4,000	4,000	4,000	4,000	4,000	5,000
Subtotal Restricted Intergovernmental	\$ 1,077,019	\$ 1,302,678	\$ 1,442,709	\$ 1,459,629	\$ 1,516,685	\$ 1,332,338	\$ 9,038,449

Account Description	Financial Plan 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2020-2021	Amended Budget 2020-2021	Estimated Actual Revenues 2021-2022	Actual Revenues 2020-2021	Actual Revenues 2019-2020
PERMITS & FEES							
AUTOMOBILE LICENSES	\$ 600	\$ 600	\$ 600	\$ 600	\$ 760	\$ 803	\$ 662
BEACH DRIVING PERMITS	30,000	65,000	30,000	30,000	49,610	45,981	29,162
BUILDING PERMITS	200,000	215,000	195,000	195,000	243,348	221,105	189,016
CAMA PERMITS	4,000	3,500	3,500	3,500	3,300	3,700	3,900
MINOR PERMIT REIMBURSEMENT NC	3,000	2,500	2,500	2,500	2,500	7,075	2,760
CART ROLL BACK FEE	-	220,000	-	-	-	-	-
REVIEW FEES	11,000	15,000	11,000	11,000	20,054	15,822	10,930
INITIAL ALARM FEES	100	100	100	100	200	125	75
RENEWAL ALARM FEES	25	25	25	25	25	25	50
ADMIN FACILITY FEE	10,000	10,000	10,000	10,000	10,340	9,192	4,979
FIRE FACILITY FEE	10,000	10,000	10,000	10,000	4,809	3,065	1,636
POLICE FACILITY FEE	10,000	10,000	10,000	10,000	6,246	3,086	1,918
SANITATION FACILITY FEE	10,000	10,000	10,000	10,000	4,518	1,661	3,688
RECREATION FACILITY FEE	10,000	10,000	10,000	10,000	5,720	5,720	2,860
FIRE NEW CONSTRUCTION FEES	300	75	300	300	75	300	400
FIRE TENT FEE	1,000	650	1,000	1,000	900	800	1,000
FIRE HYDRANT TESTING FEES	250	-	250	250	-	250	500
PIT FIRE FEES	15,000	15,000	15,000	15,000	18,390	22,130	13,090
COURT COST, FEES, CHARGES	2,500	2,500	2,500	2,500	3,866	2,444	2,528
CIVIL PENALTIES PUBLIC SAFETY	1,000	1,000	1,000	1,000	6,250	4,050	650
CROWD GATHERING PERMIT FEE	3,000	3,000	3,000	3,000	3,000	900	1,250
Subtotal Permits & Fees	\$ 321,775	\$ 593,950	\$ 315,775	\$ 315,775	\$ 383,911	\$ 348,234	\$ 271,054
INVESTMENT EARNINGS							
INTEREST ON CASH/INVESTMENTS	\$ 115,000	\$ 110,000	\$ 110,000	\$ 110,000	\$ 91,929	\$ (52,908)	\$ 247,132
OTHER REVENUE							
RENTS	\$ 194,474	\$ 260,625	\$ 188,903	\$ 188,903	\$ 225,458	\$ 183,462	\$ 151,639
PURCHASE DISCOUNTS	2,000	2,000	2,000	2,000	2,292	3,151	4,157
CONTRIBUTIONS	-	-	100,000	100,000	100,000	-	-
CONTRIBUTIONS POLICE	-	-	-	-	100	100	800
CONTRIBUTIONS FIRE/RESCUE	6,500	6,500	6,500	7,500	7,500	10,232	9,590
DONATIONS - ADOPT A BENCH	-	-	-	1,400	1,400	-	1,400
MISCELLANEOUS REVENUES	5,500	5,900	5,500	5,500	10,495	6,420	7,420
MISC REVENUES - RECYCLABLES	6,500	6,500	6,500	6,500	14,390	8,822	6,143
SPONSORSHIPS	-	7,000	-	-	-	-	-
SPECIAL EVENTS	12,000	24,250	12,000	12,000	20,912	16,941	5,550
Subtotal Other Revenue	\$ 226,974	\$ 312,775	\$ 321,403	\$ 323,803	\$ 382,547	\$ 229,128	\$ 186,699

Account Description	Financial Plan 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
SALES & SERVICES							
SALE OF DUMPSTERS	\$ 45,000	\$ 47,000	\$ 40,000	\$ 40,000	\$ 55,442	\$ 55,051	\$ 30,250
SALE OF AUTOMATED CARTS	20,000	25,525	17,525	22,860	44,380	34,700	76,355
SALE OF SIGNS	-	-	-	-	270	330	90
SALE OF TOWN FLAGS	-	-	-	-	100	200	282
Subtotal Sales & Services	\$ 65,000	\$ 72,525	\$ 57,525	\$ 62,860	\$ 100,192	\$ 90,281	\$ 106,977
OTHER FINANCE SOURCES							
PROCEEDS FROM LOAN	\$ -	\$ -	\$ -	\$ 3,028,313	\$ 3,028,313	\$ 1,373,008	\$ 2,223,843
TRANSFERS CAP RESERVE FUND	3,855,982	2,511,902	4,185,733	4,185,733	4,185,733	2,595,653	19,393,185
TRANSFERS COMMUNITY INVESTMENT FUND	-	4,806,580	-	-	-	-	-
SALE OF CAPITAL ASSETS	20,000	20,000	20,000	20,000	13,285	36,658	10,098
TRANSFERS WATER FUND	633,241	-	633,241	-	-	-	-
STATE STREET AID FUND BALANCE	-	-	124,000	124,000	-	-	-
COMMITTED FUND BALANCE	-	-	53,902	53,902	-	-	-
APPROPRIATED FUND BALANCE	425,722	3,300,000	316,712	3,197,747	-	-	-
Subtotal Other Finance Sources	\$ 4,934,945	\$ 10,638,482	\$ 5,333,588	\$ 10,609,695	\$ 7,227,331	\$ 4,005,319	\$ 21,627,126
TOTAL	\$ 25,800,372	\$ 33,255,283	\$ 26,405,466	\$ 31,827,987	\$ 30,661,759	\$ 25,994,486	\$ 47,897,861

EXPENDITURES BY ACCOUNT

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
Administrative								
FEES PAID - ELECTED OFFICIALS	\$ 38,553	\$ 40,302	\$ 40,302	\$ 38,019	\$ 38,019	\$ 42,253	\$ 37,056	\$ 30,140
Subtotal Administrative	\$ 38,553	\$ 40,302	\$ 40,302	\$ 38,019	\$ 38,019	\$ 42,253	\$ 37,056	\$ 30,140
PERSONNEL SERVICES								
SALARIES/WAGES - REGULAR	\$ 6,918,117	\$ 7,379,622	\$ 7,379,622	\$ 6,667,141	\$ 6,674,918	\$ 6,251,503	\$ 6,377,901	\$ 6,204,507
SALARY ADJUSTMENTS	-	-	-	25,000	7,826	-	-	-
SALARIES - LONGEVITY PAY	169,332	175,734	175,734	154,424	154,424	155,046	-	-
SALARIES/WAGES - PARTTIME	572,505	626,471	608,872	569,777	569,777	588,182	497,231	452,370
OVERTIME PAY	46,700	91,300	91,300	46,700	46,700	45,314	-	-
HOLIDAY PAY	97,694	127,508	127,508	97,694	97,694	94,081	-	-
FICA TAX	594,098	640,365	639,019	573,584	576,839	529,242	500,476	478,238
GROUP HEALTH INSURANCE	1,518,396	1,421,718	1,421,718	1,433,219	1,421,630	1,510,285	1,329,666	1,366,937
RETIRES GROUP HEALTH INSUR	153,368	146,274	146,274	165,588	169,177	172,926	169,228	116,847
RETIREMENT	633,294	709,413	709,413	602,508	598,984	566,230	488,136	431,804
RETIREMENT LAW ENFORCEMENT	200,697	243,057	243,057	191,475	200,329	195,895	168,339	131,255
UNEMPLOYMENT	10,000	10,000	10,000	10,000	10,000	4,435	7,957	2,857
401 K	219,513	292,182	292,182	158,416	157,473	149,096	78,821	81,824
401 K LAW ENFORCEMENT	86,357	98,524	98,524	82,217	85,878	81,351	74,894	69,007
EMPLOYEE WELLNESS	1,000	12,500	11,500	1,000	3,500	700	7,414	3,574
POLICE SEPARATION ALLOWANCE	57,563	57,563	57,563	69,017	69,017	69,017	69,017	69,017
Subtotal Personnel Services	\$ 11,278,634	\$ 12,032,231	\$ 12,012,286	\$ 10,847,760	\$ 10,844,166	\$ 10,413,303	\$ 9,769,080	\$ 9,408,237
OPERATIONS								
PLANNING BOARD FEES	\$ 7,240	\$ 7,240	\$ 7,240	\$ 7,240	\$ 7,240	\$ 7,080	\$ 9,660	\$ 6,060
BOARD OF ADJUSTMENT FEES	2,500	2,500	2,500	2,500	2,500	2,293	-	1,720
TRAINING	119,394	151,099	117,560	118,254	112,504	61,566	29,007	63,257
COMPUTER TRAINING	6,000	12,100	7,500	6,000	880	-	595	-
SAFETY TRAINING	3,933	6,023	2,563	3,933	3,933	3,874	4,239	3,253
OSHA COMPLIANCE COSTS	2,950	4,450	4,450	2,950	2,950	1,740	1,952	4,374
BUILDING/EQUIPMENT RENTAL	80,187	80,807	79,807	80,187	80,187	72,818	76,323	65,856
TELEPHONE	33,291	33,567	33,567	33,291	33,291	23,716	27,727	21,637
TELEPHONE - CELL PHONE STIPEND	-	-	-	-	-	-	-	-
INTERNET COSTS	8,400	16,686	13,686	8,400	8,400	8,400	8,231	8,167
UTILITIES	224,172	240,042	225,002	223,922	223,922	207,293	214,494	220,258
POSTAGE	15,055	14,775	14,025	15,055	15,055	6,921	7,664	8,808
ADVERTISING	12,950	12,825	12,700	12,950	12,950	8,018	7,661	8,835
PRINTING	7,970	9,670	8,470	8,470	8,720	5,573	4,196	7,166
TIPPING FEES	810,807	850,818	850,818	797,456	797,456	820,000	828,826	652,606

Account Description	Financial	Departmental	Manager's	Adopted	Amended	Estimated	Actual	Actual	Actual
	Plan	Requested	Recommended	Budget	Budget	Actual	Expenditures	Expenditures	Expenditures
	2022-2023	2022-2023	2022-2023	2021-2022	2021-2022	2021-2022	2021-2022	2020-2021	2019-2020
FUEL COSTS	223,950	291,550	291,550	223,950	223,950	245,438	171,173	186,565	
STREET SUPPLIES	15,000	25,000	25,000	15,000	30,000	25,450	10,337	19,766	
DEPARTMENT SUPPLIES	263,344	347,487	261,921	278,750	286,976	238,414	248,723	263,962	
OTHER SUPPLIES	56,075	65,974	51,974	59,524	83,800	66,194	40,710	42,006	
OTHER SUPPLIES - COMPUTER	3,500	28,800	3,843	3,543	3,543	3,640	46,839	-	
MAINT/REPAIR BUILDINGS	125,338	85,810	50,360	125,338	324,460	323,617	311,616	153,543	
MAINT/REPAIR EQUIPMENT	115,667	125,600	102,518	112,667	113,265	84,578	94,774	86,456	
MAINT/REPAIR FIRING RANGE	4,000	4,000	4,000	4,000	25,445	25,445	-	2,715	
VEHICLE MAINTENANCE	224,318	325,310	229,235	230,110	238,934	210,069	317,795	204,071	
MAINT/REPAIR OTHER	72,105	86,105	59,605	62,105	67,378	26,393	56,598	43,319	
UNIFORMS	73,415	85,541	77,441	77,778	77,778	48,624	47,254	52,177	
PROFESSIONAL FEES	205,050	290,750	271,870	210,260	283,426	263,392	176,182	227,540	
FINES & FORFEITURES BOC	9,000	7,000	7,000	9,000	9,000	6,500	3,844	9,164	
PROF FEE/WATER QUALITY TESTING	2,000	2,000	2,000	2,000	2,000	1,720	1,560	1,440	
INCENTIVE PAY	5,000	5,000	5,000	5,000	5,000	3,450	1,338	5,230	
SIGNS	17,500	30,000	20,000	15,000	16,890	13,251	6,343	25,521	
SPECIAL PROJECTS SAND FENCING	24,000	24,000	24,000	24,000	24,000	24,000	24,000	48,000	
CONTRACTED SERVICES	502,707	609,822	590,092	527,744	667,095	663,408	362,983	351,144	
CONTRACTED SERVICES - WEBSITE	12,405	12,805	12,805	12,405	12,405	12,405	10,571	11,284	
CONTRACTED SERVICES - GIS	5,000	12,160	9,260	5,000	18,500	18,500	-	-	
CONTRACTED ANNUAL SUPPORT/MAIN	104,486	118,291	114,141	101,897	101,897	101,897	100,983	81,519	
SPECIAL CONTRACTED SERVICES	6,000	7,000	7,000	6,000	6,000	5,382	5,905	5,527	
PURCHASES FOR RESALE	69,875	85,005	85,005	69,875	85,210	85,052	80,530	64,459	
RECYCLING	70,580	83,604	83,604	70,580	70,580	52,290	78,677	163,309	
SPECIAL EVENTS	13,200	22,750	22,750	12,600	14,280	11,980	5,955	10,113	
SUPPLEMENTAL PENSION FUND	3,500	3,500	3,500	3,500	3,500	1,680	2,490	2,660	
DUES AND SUBSCRIPTIONS	37,906	36,340	36,340	37,481	36,481	25,264	25,090	28,356	
INSURANCE	345,173	355,000	355,000	341,200	341,200	341,200	307,739	330,434	
SPECIAL INVESTIGATIONS	3,000	6,000	5,000	4,000	4,000	4,000	1,833	4,000	
CONTRIBUTION GOVT ACCESS CHANNEL	59,000	59,000	59,000	59,000	59,000	59,000	54,435	55,613	
CONTRIBUTIONS MISCELLANEOUS	10,450	10,750	10,750	10,450	10,450	10,200	10,550	10,850	
DOWDY PARK	-	-	-	-	48,393	48,393	-	89,758	
Subtotal Operations	\$ 4,017,393	\$ 4,694,556	\$ 4,261,452	\$ 4,040,365	\$ 4,604,824	\$ 4,280,118	\$ 3,827,402	\$ 3,652,498	
COST REIMBURSEMENT									
COST REIMBURSEMENT	\$ -	\$ (796,773)	\$ (796,773)	\$ -	\$ (633,241)	\$ (633,241)	\$ (667,283)	\$ (705,718)	
Subtotal Cost Reimbursement	\$ -	\$ (796,773)	\$ (796,773)	\$ -	\$ (633,241)	\$ (633,241)	\$ (667,283)	\$ (705,718)	

Account Description	Financial	Departmental	Manager's	Adopted	Amended	Estimated	Actual	Actual	Actual
	Plan	Requested	Recommended	Budget	Budget	Actual	Expenditures	Expenditures	Expenditures
	2022-2023	2022-2023	2022-2023	2021-2022	2021-2022	2021-2022	2021-2022	2020-2021	2019-2020
NON-CAPITAL OUTLAY									
NON-CAPITAL OUTLAY - BUILDINGS	\$ -	\$ 98,500	\$ 37,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NON-CAPITAL OUTLAY - CONTRACTED SERVICE	-	30,878	30,878	-	-	-	-	-	-
NON-CAPITAL OUTLAY - EQUIPMENT	-	20,000	20,000	20,000	20,000	1,900	26,700	-	-
NON-CAPITAL OUTLAY - IMPROVEMENTS	25,000	25,000	25,000	25,000	50,000	50,000	-	-	18,744
NON-CAPITAL OUTLAY - PROFESSIONAL FEES	-	40,000	40,000	-	-	-	-	-	-
Subtotal Non-capital Outlay	\$ 25,000	\$ 214,378	\$ 153,378	\$ 45,000	\$ 70,000	\$ 51,900	\$ 26,700	\$ -	\$ 18,744
CAPITAL OUTLAY									
CAPITAL OUTLAY LAND	\$ -	\$ -	\$ -	\$ -	\$ 872,780	\$ 872,780	\$ 872,532	\$ 79,318	\$ -
CAPITAL OUTLAY BUILDINGS	139,800	148,446	148,446	1,000,600	1,607,869	1,607,869	44,991	26,151	-
CAPITAL OUTLAY IMPROVEMENTS	570,000	320,000	190,750	190,000	190,000	190,000	109,307	25,844	-
CAPITAL OUTLAY OTHER	-	-	-	-	3,331	3,331	79,198	352,648	-
CAPITAL OUTLAY IMPROVEMENTS	25,000	221,500	201,500	21,250	21,250	21,250	10,656	3,200	-
CAPITAL OUTLAY EQUIPMENT	82,812	603,146	457,596	68,759	350,664	332,196	631,150	933,048	-
CAPITAL OUTLAY VEHICLES	1,000	33,000	-	-	-	-	-	-	-
CAPITAL OUTLAY INFRASTRUCTURE	468,736	1,413,482	1,313,482	1,576,792	1,640,165	1,640,165	894,187	1,322,483	-
CAPITAL OUTLAY VEHICLE	15,410	957,408	957,408	12,450	3,330,139	2,971,738	653,589	1,166,797	-
Subtotal Capital Outlay	\$ 1,302,758	\$ 3,696,982	\$ 3,269,182	\$ 2,869,851	\$ 8,016,198	\$ 7,639,329	\$ 3,295,610	\$ 3,909,489	\$ -
DEBT SERVICE									
L/P PRINCIPAL	\$ 3,812,234	\$ 3,523,093	\$ 3,523,093	\$ 3,728,579	\$ 3,787,179	\$ 3,778,359	\$ 3,807,427	\$ 20,022,960	\$ -
L/P INTEREST	833,269	467,829	467,829	245,413	245,413	245,952	329,525	826,490	-
Subtotal Debt Service	\$ 4,645,503	\$ 3,990,922	\$ 3,990,922	\$ 3,973,992	\$ 4,032,592	\$ 4,024,311	\$ 4,136,952	\$ 20,849,450	\$ -
INTERFUND									
TRANSFER TO CAP INVESTMENT FUND	\$ -	\$ 6,508,674	\$ 6,508,674	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRANSFER TO CAP PROJECT FUND	-	-	-	-	389,950	389,950	-	-	-
TRANSFER TO CAP RESERVE FUND	4,367,531	3,690,860	3,690,860	4,465,479	4,465,479	4,457,989	3,977,779	18,154,054	-
TRANSFER TO WATER FUND	-	-	-	-	-	-	-	-	-
CONTINGENCY	125,000	125,000	125,000	125,000	-	-	-	-	-
Subtotal Interfund	\$ 4,492,531	\$ 10,324,534	\$ 10,324,534	\$ 4,590,479	\$ 4,855,429	\$ 4,847,939	\$ 3,977,779	\$ 18,154,054	\$ -
Total	\$ 25,800,372	\$ 34,197,132	\$ 33,255,283	\$ 26,405,466	\$ 31,827,987	\$ 30,665,912	\$ 24,403,296	\$ 55,316,894	\$ -

EXPENDITURES BY PERCENTAGE

	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Manager's Recommended Net Change	Financial Plan 2022-2023
ELECTED OFFICIALS	\$ 40,302	\$ 40,302	0.00%	\$ 38,553
PERSONNEL SERVICES	12,032,231	12,012,286	-0.17%	11,278,634
OPERATIONS	4,694,556	4,261,452	-9.23%	4,017,393
COST REIMBURSEMENT	(796,773)	(796,773)	0.00%	-
NON-CAPITAL OUTLAY	214,378	153,378	-28.45%	25,000
CAPITAL OUTLAY	3,696,982	3,269,182	-11.57%	1,302,758
DEBT SERVICE	<u>3,990,922</u>	<u>3,990,922</u>	0.00%	<u>4,645,503</u>
SUB-TOTAL	23,872,598	22,930,749	-3.95%	21,307,841
INTERFUND TRANSFERS	10,199,534	10,199,534	0.00%	4,367,531
CONTINGENCY	<u>125,000</u>	<u>125,000</u>	0.00%	<u>125,000</u>
TOTAL	<u>\$ 34,197,132</u>	<u>\$ 33,255,283</u>	-2.75%	<u>\$ 25,800,372</u>

	Departmental Requested 2022-2023	Percentage of Total	Manager's Recommended 2022-2023	Percentage of Total	Financial Plan 2022-2023	Percentage of Total
ELECTED OFFICIALS	\$ 40,302	0.12%	\$ 40,302	0.12%	\$ 38,553	0.15%
PERSONNEL	12,032,231	35.18%	12,012,286	36.12%	11,278,634	43.72%
OPERATIONS	4,694,556	13.73%	4,261,452	12.81%	4,017,393	15.57%
COST REIMBURSEMENT	(796,773)	-2.33%	(796,773)	-2.40%	-	0.00%
NON-CAPITAL OUTLAY	214,378	0.63%	153,378	0.46%	25,000	0.10%
CAPITAL OUTLAY	3,696,982	10.81%	3,269,182	9.83%	1,302,758	5.05%
DEBT SERVICE	<u>3,990,922</u>	11.67%	<u>3,990,922</u>	12.00%	<u>4,645,503</u>	18.01%
SUB-TOTAL	23,872,598	69.81%	22,930,749	68.95%	21,307,841	82.59%
INTERFUND TRANSFERS	10,199,534	29.83%	10,199,534	30.67%	4,367,531	16.93%
CONTINGENCY	<u>125,000</u>	0.37%	<u>125,000</u>	0.38%	<u>125,000</u>	0.48%
TOTAL	<u>\$ 34,197,132</u>	100.00%	<u>\$ 33,255,283</u>	100.00%	<u>\$ 25,800,372</u>	100.00%

DEPARTMENTAL BUDGETS

GOVERNING BODY

DESCRIPTION

The Governing Body manages all expenditures related to Nags Head's Board of Commissioners, which is comprised of four commissioners elected to staggered four-year terms and a mayor elected by popular vote to a four-year term.

The Board is responsible for establishing policy, initiating legislation, and providing for the general welfare of Nags Head's residents and visitors. They meet the first Wednesday of each month and hold an additional mid-month recessed session on the third Wednesday of the month, as necessary.

During an existing or potential state of emergency, the mayor is empowered under G.S. 166A-19.31 to issue state of emergency proclamations to more effectively protect the lives and property of people in Nags Head. In addition, the mayor is also a member of the Senior Leaders in Dare County, which consists of the Chairman of the Dare County Board of Commissioners, the six municipal mayors, the superintendent of the Cape Hatteras National Seashore, and the Dare County sheriff. The Senior Leaders provide direction and control during multi-jurisdictional emergencies and disasters such as hurricanes.

RECENT ACCOMPLISHMENTS

- The annual Board of Commissioners/Town staff strategic planning workshop was held to re-visit the Town's long-term vision and the goals and objectives that will move the Town forward to realizing that vision.
- The Nags Head Lightkeeper honor was awarded to long-time Town of Nags Head volunteers John and Annette Ratzenberger.
- Timestamps were added to the Board of Commissioners' meeting videos on YouTube to more efficiently direct users to the information they are seeking.

UPCOMING PROJECTS

- Web site redesign has started and will continue into the 2022-2023 fiscal year.

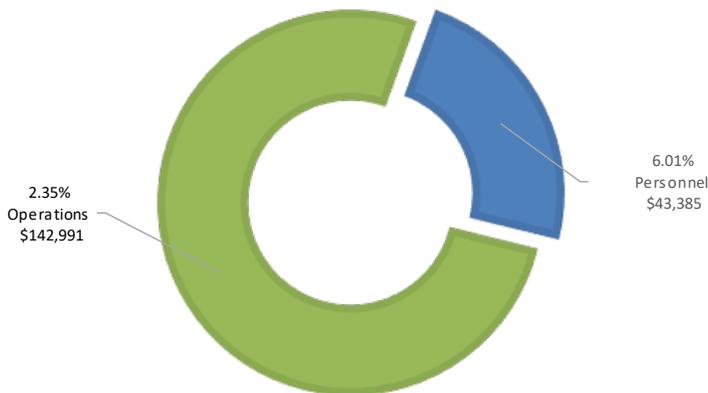
FY 2022-23 BUDGET HIGHLIGHTS

- Funds are included for the Government Access cable TV channel.
- Contributions reflect \$10,000 for environmental education/ programming in Nags Head Woods in partnership with The Nature Conservancy.
- Funds of \$25,000 are included for a 4th of July fireworks display. Grant funds of \$12,500 from the Outer Banks Visitors Bureau are included to assist with costs associated with the display.
- Contracted services of \$3,500 are included for a videographer at Board meetings.
- The cost reimbursement of \$796,773 from the water fund to the general fund for indirect administrative costs is budgeted departmentally.

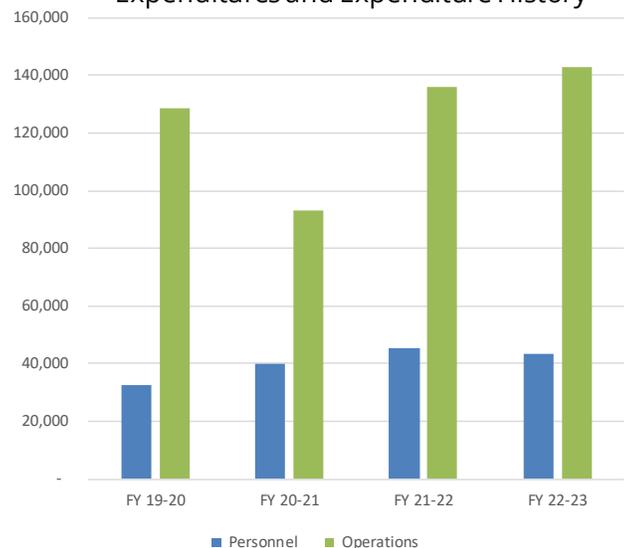
BUDGET SUMMARY GOVERNING BODY

Expenditures By Type				
Type	FY 21-22 Estimated Actual	FY 21-22 Adopted Budget	FY 22-23 Recommended Budget	Percent Change
Personnel	\$ 45,485	\$ 40,927	\$ 43,385	6.01%
Operations	136,107	139,706	142,991	2.35%
Capital Investment Fund	-	-	-	0.00%
Subtotal	181,592	180,633	186,376	3.18%
Cost Reimbursement	(12,645)	0	(10,444)	
Total	\$ 168,947	\$ 180,633	\$ 175,932	-2.60%

Recommended Expenditures by Function 2022-2023/Percentage change from FY 2021-2022



FY 2022-2023 Recommended Expenditures and Expenditure History



LINE-ITEM BUDGET GOVERNING BODY

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated		
						Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
ADMINISTRATIVE								
FEES PAID - ELECTED OFFICIALS	\$ 38,553	\$ 40,302	\$ 40,302	\$ 38,019	\$ 38,019	\$ 42,253	\$ 37,056	\$ 30,140
FICA TAX	2,949	3,083	3,083	2,908	2,908	3,232	2,835	2,306
Subtotal Administrative	\$ 41,502	\$ 43,385	\$ 43,385	\$ 40,927	\$ 40,927	\$ 45,485	\$ 39,891	\$ 32,446
OPERATIONS								
TRAINING	\$ 6,670	\$ 5,370	\$ 5,370	\$ 4,950	\$ 3,200	\$ 927	\$ 443	\$ 1,957
BUILDING/EQUIPMENT RENTAL	50	50	50	50	50	1	3	6
POSTAGE	25	25	25	25	25	-	-	-
ADVERTISING	100	100	100	100	100	-	-	32
PRINTING	500	1,500	1,500	500	750	818	979	1,588
DEPARTMENT SUPPLIES	3,900	3,500	3,500	4,200	5,200	5,283	4,608	2,092
CONTRACTED SERVICES	47,250	53,750	50,000	48,445	49,945	49,945	12,868	48,749
SPECIAL EVENTS	2,200	1,750	1,750	1,600	1,600	310	660	150
DUES AND SUBSCRIPTIONS	10,386	10,946	10,946	10,386	9,386	9,623	8,442	7,764
CONTRIBUTION GOVT ACCESS CHANNEL	59,000	59,000	59,000	59,000	59,000	59,000	54,435	55,613
CONTRIBUTIONS MISCELLANEOUS	10,450	10,750	10,750	10,450	10,450	10,200	10,550	10,850
Subtotal Operations	\$ 140,531	\$ 146,741	\$ 142,991	\$ 139,706	\$ 139,706	\$ 136,107	\$ 92,988	\$ 128,801
COST REIMBURSEMENT								
COST REIMBURSEMENT	\$ -	\$ (10,444)	\$ (10,444)	\$ -	\$ (12,645)	\$ (12,645)	\$ (15,110)	\$ (16,295)
Totals	\$ 182,033	\$ 179,682	\$ 175,932	\$ 180,633	\$ 167,988	\$ 168,947	\$ 117,769	\$ 144,952

BOND DEBT

DESCRIPTION

In August 2019, the Town completed construction of a 4 million cubic yard beach nourishment maintenance collaborative cost-sharing project to add sand along 10 miles of its 11-mile shoreline. The construction came in on time and on budget at \$36,644,500. A special revenue bond of \$11,380,000 supplemented funding towards this project. The fourth of five annual debt payments at \$2,381,151 will be made in fiscal year 2022/2023. The annual debt payments are funded from beach nourishment taxes through a transfer from capital reserve fund supplemented by a \$600,000 contribution from Dare County.

An initial six-month interest-only debt payment is included to pay for the design and construction of a proposed public services facilities complex, consisting of building new facilities in the late fall of 2022. Financing will be provided through the Town's first public offering of a limited supplemented obligation bond in achieving Nags Head's first ever bond rating status. The financed cost of the project is \$15,300,000, with 80% funding from the general fund and 20% funding from the water fund. The general fund portion being financed is \$12,240,000 budgeted at 4% on a 20-year principal repayment schedule, with the first principal repayment being made in fiscal year 2024/2025. The water fund portion being financed is \$3,060,000 budgeted at 4% on a 20-year principal repayment schedule, with the first principal repayment being made in fiscal year 2024/2025.

RECENT ACCOMPLISHMENTS

- Nags Head has been utilizing full service financial advisors to plan for strategic long-term fiscal health and guidance through the capital planning process.

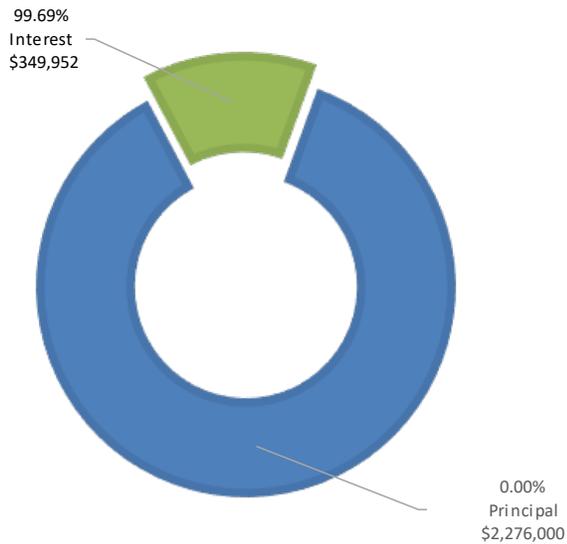
UPCOMING PROJECTS

- The limited obligation bond debt payments will be funded through the Capital Investment Fund (CIF). Funded primarily through an initial general fund fund-balance appropriation and a flat rate general fund transfer, the CIF will be used to account for capital items including long-term debt payments.
- Adoption of policies, plans, and solutions to strengthen our credit ratings and outline best practices to meet capital planning needs.
- Nags Head will be rated as high quality and low credit risk in our ability to repay our public debt obligation.

BUDGET SUMMARY BOND DEBT

Expenditures By Type				
Type	FY 21-22 Estimated Actual	FY 21-22 Adopted Budget	FY 22-23 Recommended Budget	Percent Change
Principal	\$ 2,276,000	\$ 2,276,000	\$ 2,276,000	0.00%
Interest	175,252	175,252	349,952	99.69%
Total	2,451,252	2,451,252	2,625,952	7.13%

Recommended Expenditures by Function 2022-2023/Percentage change from FY 2021-2022



LINE-ITEM BUDGET BOND DEBT

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
DEBT SERVICE								
PRINCIPAL	\$ 2,276,000	\$ 2,276,000	\$ 2,276,000	\$ 2,276,000	\$ 2,276,000	\$ 2,276,000	\$ 2,276,000	\$ 18,509,837
INTEREST	778,727	105,152	105,152	175,252	175,252	175,252	245,353	744,263
Subtotal Debt Service	\$ 3,054,727	\$ 2,381,152	\$ 2,381,152	\$ 2,451,252	\$ 2,451,252	\$ 2,451,252	\$ 2,521,353	\$ 19,254,100
Capital Investment Fund Transfers								
DEBT SERVICE								
PRINCIPAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INTEREST	-	244,800	244,800	-	-	-	-	-
Subtotal Debt Service	\$ -	\$ 244,800	\$ 244,800	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 3,054,727	\$ 2,625,952	\$ 2,625,952	\$ 2,451,252	\$ 2,451,252	\$ 2,451,252	\$ 2,521,353	\$ 19,254,100

**Capital Investment Fund
For the Fiscal Year 2022-2023**

Description	Fiscal Year	Estimated Cost	Recommended 2022-2023
Bonds:			
Debt Service			
Beach Renourishment Series A	19/20	\$ 11,380,000	\$ 2,381,152
Public Works Complex	22/23	<u>12,240,000</u>	<u>244,800</u>
		\$ 23,620,000	\$ 2,625,952

TOWN MANAGER

DESCRIPTION

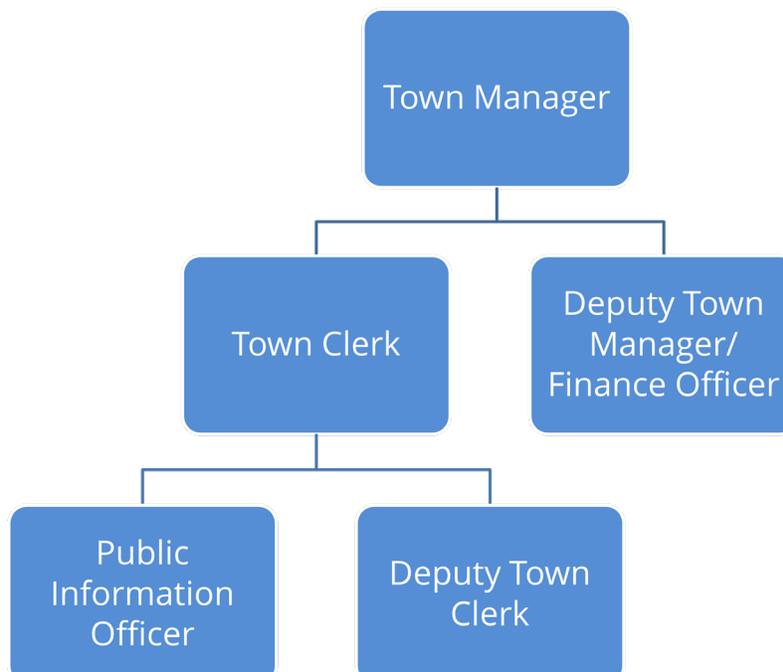
The town manager, appointed by the Board of Commissioners, is responsible for the implementation of the policies set forth by the governing body and ensures compliance with state and federal laws and regulations. This department exercises management control over all operational departments, except for the town attorney.

The town clerk, operating under the town manager, is responsible for the duties established by North Carolina General Statutes, specifically to maintain the official records of the Town and to provide required public notice of all official meetings. Additionally, the town clerk is responsible for coordinating the staffing of all Board-appointed committees, updating the Town Code of Ordinances/Unified Development Ordinance (UDO), and recording the minutes for all Board and committee meetings.

The public information officer, also part of this department, is responsible for managing the Town's external communications regarding policy/public information and any assigned projects by the town manager or town clerk. This position also manages the Town's federal public disaster assistance grant process.

The other employees in this department are the deputy town manager/finance officer, and the deputy town clerk.

ORGANIZATIONAL CHART



RECENT ACCOMPLISHMENTS

- A diagram that more clearly explains the beach nourishment municipal tax districts was added to the web site.
- An external communications plan was developed to clearly define the messages, priorities, strategies, and tools the Town will use to reach its external community. The plan aligns with the strategic priorities of Nags Head's Board of Commissioners.
- Process improvements included a strategic planning framework integrated with a process for continuous evaluation of the strategic plan, budget, and capital improvement program.

UPCOMING PROJECTS

- A style guide will be created to ensure consistency among external Town communications.
- A multitude of recent grant opportunities has emphasized the need to establish a grant strategy using additional resources for grant identification, procurement, administration, and assistance. Consultants will assist the Town with all aspects of grant administration.

FY 2022-23 BUDGET HIGHLIGHTS

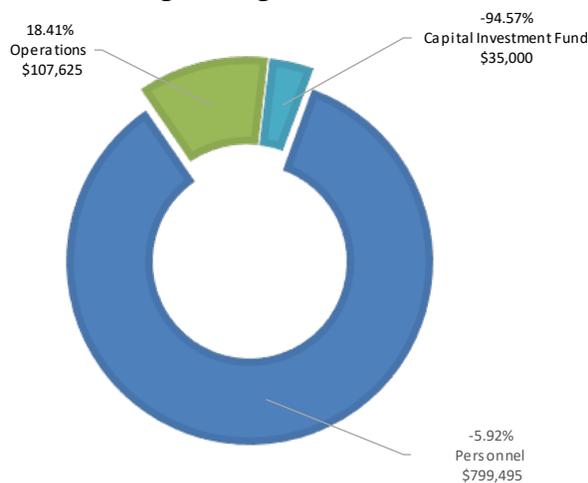
- Departmentally funded salary and benefit costs include:
 - o Funding of \$527,118 in the general fund and \$53,156 in the water fund for a 6% cost of living adjustment (COLA). Salary ranges will be adjusted for the COLA each year.
 - o To move staff up the salary range, a performance-based within-grade-increase plan continues to be implemented. A total of \$207,753 will be budgeted in the general fund and \$16,044 in the water fund in the form of a 2.5% increase to employees whose salaries fall below the midpoint and a 1.25% increase to employees whose salaries fall above the midpoint.
 - o Funding is included to implement career progression programs.
 - o To address a significant system funding shortfall expected in future years, the North Carolina Local Government Employees' Retirement System increased employer contribution rates by .74% and 1.06% for non-law enforcement employees and law enforcement officers, respectively, costing an additional \$62,907 in the general fund and \$5,731 in the water fund.
 - o Health insurance premiums did not increase for fiscal year 2022-2023 for active employees and retirees. A high deductible health plan with a health savings account (HSA), including employer HSA contributions, will be a new insurance option for employees.
 - o Funds are included to increase the Town's non-law enforcement officer 401k contribution to 5% with no required match. By state statute, the sworn law enforcement officer 401k contribution from the Town is 5% with no required match.

- The deputy town manager/finance officer position is budgeted in the Town Manager department.
- Capital Improvement Program items include:
 - A community survey at \$30,000
- Grant funding of \$5,000 is included from the Government Education Access Channel.
- Professional fees include consulting assistance for grant administration and financial advisory services.

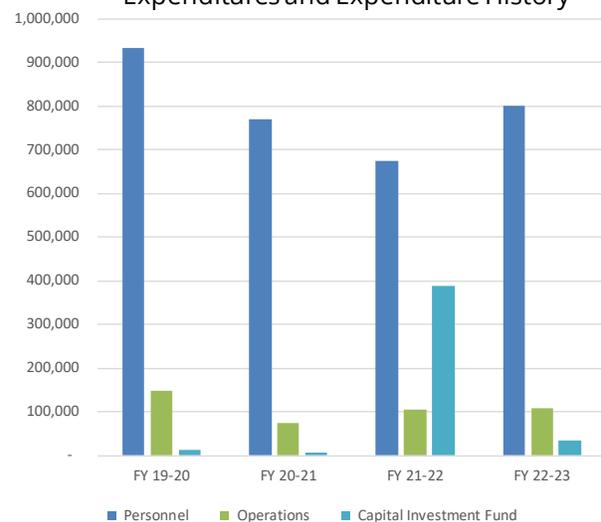
BUDGET SUMMARY TOWN MANAGER

Expenditures By Type				
Type	FY 21-22 Estimated Actual	FY 21-22 Adopted Budget	FY 22-23 Recommended Budget	Percent Change
Personnel	\$ 675,852	\$ 849,836	\$ 799,495	-5.92%
Operations	105,007	90,895	107,625	18.41%
Capital Investment Fund	389,065	645,122	35,000	-94.57%
Subtotal	1,169,924	1,585,853	942,120	-40.59%
Cost Reimbursement	(145,175)	-	(138,395)	
Total	\$ 1,024,749	\$ 1,585,853	\$ 803,725	-49.32%

Recommended Expenditures by Function 2022-2023/Percentage change from FY 2021-2022



FY 2022-2023 Recommended Expenditures and Expenditure History



LINE-ITEM BUDGET TOWN MANAGER

Account Description	Financial	Departmental	Manager's	Adopted	Amended	Estimated	Actual	Actual	Actual
	Plan	Requested	Recommended	Budget	Budget	Actual	Expenditures	Expenditures	Expenditures
	2022-2023	2022-2023	2022-2023	2021-2022	2021-2022	2021-2022	2021-2022	2020-2021	2019-2020
PERSONNEL SERVICES									
SALARIES/WAGES - REGULAR	\$ 593,076	\$ 544,216	\$ 544,216	\$ 588,252	\$ 514,252	\$ 448,060	\$ 559,102	\$ 670,474	
SALARIES - LONGEVITY PAY	16,373	17,930	17,930	16,344	16,344	14,657	-	-	
FICA TAX	46,459	42,825	42,825	46,087	43,087	33,613	40,502	47,731	
GROUP HEALTH INSURANCE	103,983	84,216	84,216	98,997	90,997	99,422	88,727	126,869	
RETIREEES GROUP HEALTH	15,056	14,358	14,358	14,358	14,358	14,358	14,358	14,379	
RETIREMENT	69,270	67,960	67,960	67,936	63,436	52,046	56,886	59,634	
401 K	24,010	27,990	27,990	17,862	16,662	13,696	11,251	13,050	
Subtotal Personnel Services	\$ 868,227	\$ 799,495	\$ 799,495	\$ 849,836	\$ 759,136	\$ 675,852	\$ 770,826	\$ 932,137	
OPERATIONS									
TRAINING	\$ 13,325	\$ 11,725	\$ 11,725	\$ 14,275	\$ 14,275	\$ 699	\$ 2,994	\$ 16,953	
BUILDING/EQUIPMENT RENTAL	4,950	4,950	4,950	4,950	4,950	4,910	4,664	4,711	
TELEPHONE	2,200	2,200	2,200	2,200	2,200	1,201	2,115	1,148	
POSTAGE	1,000	1,000	1,000	1,000	1,000	54	176	317	
ADVERTISING	7,625	7,000	7,000	7,625	7,625	4,685	5,544	7,603	
PRINTING	-	-	-	-	-	-	-	720	
FUEL COSTS	1,500	1,200	1,200	1,500	1,500	526	563	1,210	
DEPARTMENT SUPPLIES	8,770	14,150	4,150	9,770	9,770	2,973	7,470	13,971	
VEHICLE MAINTENANCE	500	-	-	500	500	438	50	574	
PROFESSIONAL FEES	25,000	50,000	50,000	25,000	82,916	62,916	6,869	55,792	
CONTRACTED SERVICES	16,050	19,200	19,200	16,050	21,300	21,300	40,139	33,008	
DUES AND SUBSCRIPTIONS	8,025	6,200	6,200	8,025	8,025	5,305	5,499	12,002	
Subtotal Operations	\$ 88,945	\$ 117,625	\$ 107,625	\$ 90,895	\$ 154,061	\$ 105,007	\$ 76,083	\$ 148,009	
COST REIMBURSEMENT									
COST REIMBURSEMENT	\$ -	\$ (138,395)	\$ (138,395)	\$ -	\$ (145,175)	\$ (145,175)	\$ (146,895)	\$ (147,192)	

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
Capital Investment Fund Transfers								
NON-CAPITAL OUTLAY								
PROFESSIONAL FEES	\$ -	\$ 30,000	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -
CAPITAL OUTLAY								
IMPROVEMENTS	\$ -	\$ -	\$ -	\$ 21,250	\$ 21,250	\$ 21,250	\$ 652	\$ 3,200
EQUIPMENT	5,000	5,000	5,000	5,000	7,100	7,100	6,148	-
BUILDING	139,800	-	-	500,600	225,650	225,650	-	-
INFRASTRUCTURE	64,020	-	-	118,272	135,065	135,065	-	-
Subtotal Capital Outlay	\$ 208,820	\$ 5,000	\$ 5,000	\$ 645,122	\$ 389,065	\$ 389,065	\$ 6,800	\$ 3,200
DEBT SERVICE								
PRINCIPAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,971
INTEREST	-	-	-	-	-	-	-	302
Subtotal Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,273
TOTAL	\$ 1,165,992	\$ 813,725	\$ 803,725	\$ 1,585,853	\$ 1,157,087	\$ 1,024,749	\$ 706,814	\$ 947,427

**Capital Investment Fund
For the Fiscal Year 2022-2023**

Description	Fiscal Year	Estimated Cost	Recommended 2022-2023
Town Manager:			
Non-Capital Outlay			
Community Survey	22/23	\$ 30,000	\$ 30,000
Capital Outlay			
Equipment for Board of Commissioners room	22/23	\$ 5,000	\$ 5,000
Soundside boardwalk construction	23/24	1,100,000	-
		<u>\$ 1,135,000</u>	<u>\$ 35,000</u>

LEGAL

DESCRIPTION

The primary goal of the Legal Department is to provide legal services to the Town of Nags Head. This service includes a wide range of legal matters such as litigation, real estate transactions, and drafting legal documents and ordinances. The Legal Department consists of the town attorney and the attorney's firm, paid on a monthly retainer.

The Town Attorney is the primary legal advisor for the Board of Commissioners, Town staff, and Town boards, and is appointed directly by the Board of Commissioners. The Town's Board of Adjustments is represented by a separate attorney and is funded under professional fees.

LINE-ITEM BUDGET LEGAL

Account Description	Financial	Departmental	Manager's	Adopted	Amended	Estimated	Actual	Actual	Actual
	Plan	Requested	Recommended	Budget	Budget	Actual	Expenditures	Expenditures	Expenditures
	2022-2023	2022-2023	2022-2023	2021-2022	2021-2022	2021-2022	2021-2022	2020-2021	2019-2020
OPERATIONS									
PROFESSIONAL FEES	\$ 115,000	\$ 150,000	\$ 150,000	\$ 115,000	\$ 125,000	\$ 150,000	\$ 119,401	\$ 128,165	
COST REIMBURSEMENT									
COST REIMBURSEMENT	\$ -	\$ (19,704)	\$ (19,704)	\$ -	\$ (17,484)	\$ (17,484)	\$ (16,507)	\$ (17,723)	
TOTAL	\$ 115,000	\$ 130,296	\$ 130,296	\$ 115,000	\$ 107,516	\$ 132,516	\$ 102,894	\$ 110,442	

ADMINISTRATIVE SERVICES

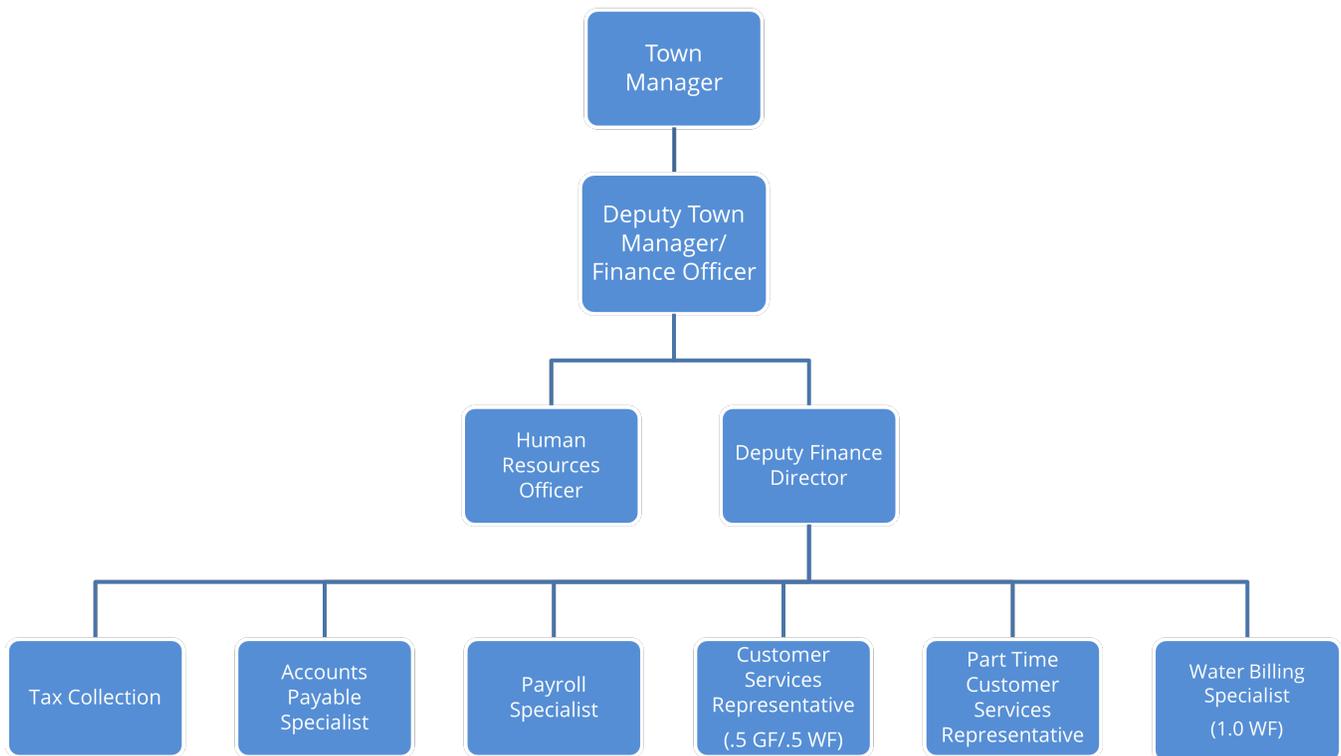
DESCRIPTION

The Administrative Services Department is responsible for accounting, financial reporting, and human resources.

The Accounting, Collections, and General Administration section is responsible for general ledger accounting, budgeting, financial reporting, tax, business license/registration, and utility billing as well as collections, treasury management, beach driving permit administration, fixed asset administration, payroll processing, and purchasing. This section is also responsible for greeting and assisting the public, answering incoming calls and forwarding them to the appropriate people, accepting and processing customer payments, bank deposits, and processing all Town mail.

Human resources is responsible for developing and implementing human resources programs that directly contribute to achieving Town objectives. Activities may include employee development, benefit program creation and administration, engagement initiatives, employee relations, talent acquisition, recognition initiatives, compensation administration, policy development, and enhanced internal communications.

ORGANIZATIONAL CHART



RECENT ACCOMPLISHMENTS

ADMINISTRATIVE SERVICES

- The Government Finance Officers Association recognized the Administrative Services Department for its fiscal year 2020 reporting. A Certificate of Achievement for Excellence in Financial Reporting was awarded for the fiscal year 2020 Annual Comprehensive Financial Report (ACFR) for the fifth consecutive year as well as an Outstanding Achievement in Popular Annual Financial Reporting (PAFR) for fiscal year 2020 for the fourth consecutive year.
- The Department provided a wider range of online services including beach driving permit applications.

HUMAN RESOURCES

- Medical benefits for employees were enhanced by adding a High Deductible Health Plan with a Health Savings Account.
- A town-wide, internal engagement survey was initiated for the first time. Results were analyzed and will be used to create additional programs to address strengths and areas of concern.
- An internal communications campaign was created and implemented that includes a monthly newsletter, bi-annual Town-wide staff meetings, and a human resources Intranet site.

UPCOMING PROJECTS

ADMINISTRATIVE SERVICES

- Create a strategic work plan that aligns goals and priorities with those of the Town.
- Develop an annual strategic planning and budgeting cycle and calendar that connects town-wide and departmental planning. Community input will be key in developing the dynamic strategic direction of the town.

HUMAN RESOURCES

- Develop and enhance career progression plans to support employee professional development and to better meet the Town's needs.

FY 2022-23 BUDGET HIGHLIGHTS

- The General Fund proportionate share of insurance, including workers compensation, general property and liability, and flood, are centrally budgeted at \$355,000 in Administrative Services.

- Professional fees include recurring annual services for the audit, other post-employment benefits (OPEB), and law enforcement officer special separation allowance (LEOSSA) actuarial valuations, as well as independent testing of the Town’s pension census data reported to the Office of the State Auditor.
- Funds are included for Team Member Advocacy Group (TMAG) initiatives such as team member activities and events, all-hands staff meetings, and wellness center equipment.
- Contracted services include pre-employment screenings, brokerage services, an Employee Assistance Program (EAP), and annual financial administration subscription services.

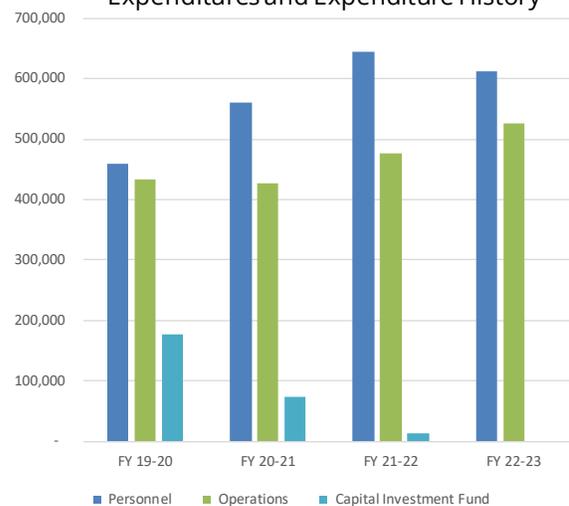
BUDGET SUMMARY ADMINISTRATIVE SERVICES

Expenditures By Type				
Type	FY 21-22 Estimated Actual	FY 21-22 Adopted Budget	FY 22-23 Recommended Budget	Percent Change
Personnel	\$ 644,592	\$ 685,750	\$ 613,140	-10.59%
Operations	475,695	492,255	525,210	6.69%
Capital Investment Fund	12,855	-	-	
Subtotal	1,133,142	1,178,005	1,138,350	-3.37%
Cost Reimbursement	(73,094)	-	(108,288)	
Total	\$ 1,060,048	\$ 1,178,005	\$ 1,030,062	-12.56%

Recommended Expenditures by Function 2022-2023/Percentage change from FY 2021-2022



FY 2022-2023 Recommended Expenditures and Expenditure History



LINE-ITEM BUDGET ADMINISTRATIVE SERVICES

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
PERSONNEL SERVICES								
SALARIES/WAGES - REGULAR	\$ 470,971	\$ 412,012	\$ 412,012	\$ 457,828	457,828	\$ 419,942	\$ 396,459	\$ 330,462
SALARIES - LONGEVITY PAY	4,353	4,005	4,005	4,226	4,226	3,645	-	-
SALARIES/WAGES - PARTTIME	18,931	20,285	20,285	18,738	18,738	48,112	14,304	10,463
FICA TAX	36,183	31,706	31,706	35,173	35,173	34,947	30,261	24,818
GROUP HEALTH INSURANCE	75,083	67,571	67,571	71,378	71,378	72,810	67,080	55,468
RETIREMENT	52,272	47,852	47,852	50,206	50,206	48,055	40,246	29,527
UNEMPLOYMENT	10,000	10,000	10,000	10,000	10,000	4,435	7,957	2,857
401 K	18,119	19,709	19,709	13,201	13,201	12,646	3,199	6,531
SALARY ADJUSTMENTS	-	-	-	25,000	7,826	-	-	-
Subtotal Personnel Services	\$ 685,912	\$ 613,140	\$ 613,140	\$ 685,750	\$ 668,576	\$ 644,592	\$ 559,506	\$ 460,126
OPERATIONS								
EMPLOYEE WELLNESS	\$ 1,000	\$ 12,500	\$ 11,500	\$ 1,000	\$ 3,500	\$ 700	\$ 7,414	\$ 3,574
TRAINING	15,000	15,015	10,015	15,000	11,000	7,262	4,325	1,427
BUILDING/EQUIPMENT RENTAL	9,200	9,230	9,230	9,200	9,200	5,436	7,521	6,711
POSTAGE	6,500	6,500	6,500	6,500	6,500	5,960	5,335	6,052
ADVERTISING	1,250	1,750	1,750	1,250	1,250	882	1,214	100
FUEL COSTS	500	650	650	500	500	650	172	289
DEPARTMENT SUPPLIES	15,000	15,000	10,000	15,000	15,000	13,355	8,198	12,677
MAINT/REPAIR EQUIPMENT	500	500	500	500	500	473	-	150
VEHICLE MAINTENANCE	750	1,000	1,000	750	4,750	721	230	530
PROFESSIONAL FEES	30,100	46,500	46,500	34,100	39,350	39,350	29,890	28,151
FINES & FORFEITURES BOC	9,000	7,000	7,000	9,000	9,000	6,500	3,844	9,164
CONTRACTED SERVICES	47,530	54,575	54,575	47,530	54,311	44,603	41,274	25,179
SPECIAL CONTRACTED SERVICES	6,000	7,000	7,000	6,000	6,000	5,382	5,905	5,527
PURCHASES FOR RESALE	2,350	2,350	2,350	2,350	2,350	2,192	2,310	1,561
DUES AND SUBSCRIPTIONS	2,375	1,640	1,640	2,375	2,375	1,029	1,220	1,220
INSURANCE	345,173	355,000	355,000	341,200	341,200	341,200	307,739	330,434
Subtotal Operations	\$ 492,228	\$ 536,210	\$ 525,210	\$ 492,255	\$ 506,786	\$ 475,695	\$ 426,591	\$ 432,746

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
<i>COST REIMBURSEMENT</i>								
COST REIMBURSEMENT	\$ -	\$ (108,288)	\$ (108,288)	\$ -	\$ (73,094)	\$ (73,094)	\$ (85,382)	\$ (87,587)
Capital Investment Fund Transfers								
<i>CAPITAL OUTLAY</i>								
EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ 12,855	\$ 12,855	\$ 1,956	\$ 89,991
VEHICLE	1,000	33,000	-	-	-	-	-	-
<i>Subtotal Capital Outlay</i>	\$ 1,000	\$ 33,000	\$ -	\$ -	\$ 12,855	\$ 12,855	\$ 1,956	\$ 89,991
<i>DEBT SERVICE</i>								
PRINCIPAL	\$ 11,088	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,810	\$ 84,861
INTEREST	-	-	-	-	-	-	1,275	2,947
<i>Subtotal Debt Service</i>	\$ 11,088	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 72,085	\$ 87,808
TOTAL	\$ 1,190,228	\$ 1,074,062	\$ 1,030,062	\$ 1,178,005	\$ 1,115,123	\$ 1,060,048	\$ 974,756	\$ 983,084

**Capital Investment Fund
For the Fiscal Year 2022-2023**

Description	Fiscal Year	Estimated Cost	Recommended 2022-2023
Admin Services:			
Fuel efficient vehicle	23/24	\$ 33,000	\$ -

INTERFUND TRANSFERS – GENERAL FUND

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
TRANSFER TO CAPITAL RESERVE FUND	\$4,367,531	\$3,690,860	\$3,690,860	\$ 4,465,479	\$ 4,465,479	\$ 4,457,989	\$ 3,977,779	\$ 18,154,054
TRANSFER TO CAPITAL PROJECT FUND	-	-	-	-	389,950	389,950	-	-
TRANSFER TO CAPITAL INVESTMENT FUND	-	6,508,674	6,508,674	-	-	-	-	-
TRANSFER TO WATER FUND	-	-	-	-	-	-	-	-
CONTINGENCY	125,000	125,000	125,000	125,000	-	-	-	-
TOTAL	\$4,492,531	\$10,324,534	\$10,324,534	\$ 4,590,479	\$ 4,855,429	\$ 4,847,939	\$ 3,977,779	\$ 18,154,054

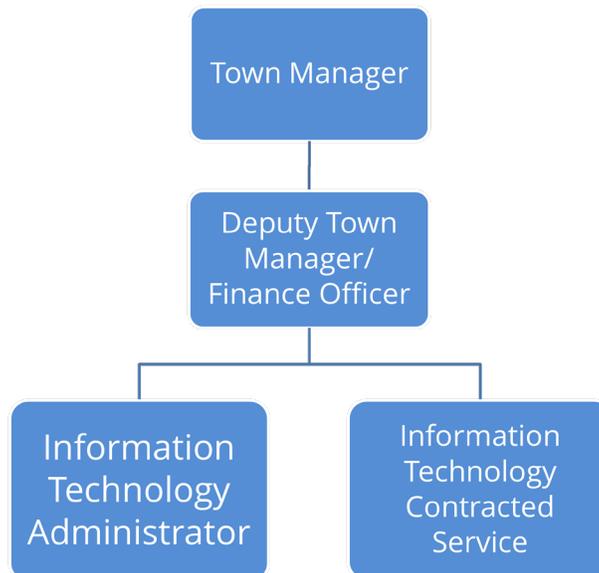
INFORMATION TECHNOLOGY

DESCRIPTION

The Information Technology Department provides administration and support of all areas of information technology for Town management, Town staff, and the Board, to support the delivery of high quality, efficient, and cost-effective services.

Information Technology is responsible for planning, budgeting, installing, maintaining, and supporting Town computer systems, software, phone systems, network operations, and other devices. The Department provides technical assistance and support to Town employees, researches information technology solutions applicable to Town use, ensures the preservation and security of Town data, connects Town systems via a network and Internet connection, and assists in technical training to ensure the smooth operation of government for Town staff, management, the Board of Commissioners, and Nags Head's citizens and visitors.

ORGANIZATIONAL CHART



RECENT ACCOMPLISHMENTS

- Developed an employee Intranet site to enhance internal communications.
- Deployed a comprehensive sign inventory using GIS (Global Information System).

UPCOMING PROJECTS

- Implement GIS parcel data mapping using GeoAdapter to leverage data spatially, layering information from databases for both internal and external use.
- Leverage SharePoint as a network drive to be used as a server for file sharing and managing disaster recovery to support a collaborative work environment.

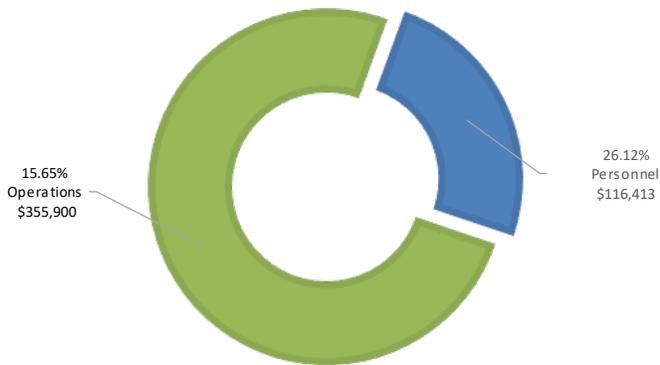
FY 2022-23 BUDGET HIGHLIGHTS

- Annual funding of \$112,260 is included for a professional information technology service contract.
- A hardware equipment lease is included with annual funding of \$37,800 for desktops, laptops, servers, and routers.
- Funding is included for team member educational learning and training opportunities.
- Installations to enhance internet connectivity include WIFI at Dowdy Park and upgraded wireless access points.
- Contracted service items include assistance with SharePoint migration and server upgrades.
- Continued implementation of GIS data layering is budgeted.
- Contracted annual support is included for Town-wide Enterprise Resource Planning (ERP) software and disaster recovery and security services.
- Annual service maintenance support agreements are included for DocuSign, Zoom, Adobe, and Microsoft 365.

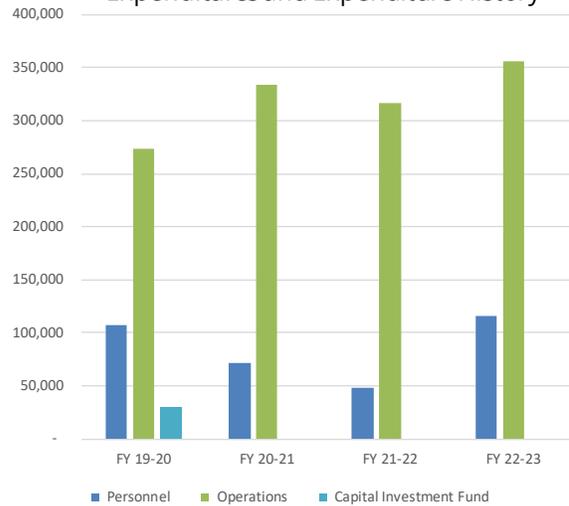
BUDGET SUMMARY INFORMATION TECHNOLOGY

Expenditures By Type				
Type	FY 21-22 Estimated Actual	FY 21-22 Adopted Budget	FY 22-23 Recommended Budget	Percent Change
Personnel	\$ 48,589	\$ 92,302	\$ 116,413	26.12%
Operations	316,501	307,750	355,900	15.65%
Capital Investment Fund	-	-	-	
Subtotal	365,090	400,052	472,313	18.06%
Cost Reimbursement	(35,929)	-	(40,713)	
Total	\$ 329,161	\$ 400,052	\$ 431,600	7.89%

Recommended Expenditures by Function 2022-2023/Percentage change from FY 2021-2022



FY 2022-2023 Recommended Expenditures and Expenditure History



LINE-ITEM BUDGET INFORMATION TECHNOLOGY

Account Description	Financial	Departmental	Manager's	Adopted	Amended	Estimated		Actual	Actual	Actual
	Plan	Requested	Recommended	Budget	Budget	Actual	Actual	Expenditures	Expenditures	Expenditures
	2022-2023	2022-2023	2022-2023	2021-2022	2021-2022	2021-2022	2021-2022	2020-2021	2019-2020	
PERSONNEL SERVICES										
SALARIES/WAGES - REGULAR	\$ 64,782	\$ 80,514	\$ 80,514	\$ 62,350	\$ 62,350	\$ 29,685	\$ 45,990	\$ 71,566		
FICA TAX	4,924	6,100	6,100	4,738	4,738	2,245	3,488	5,121		
GROUP HEALTH INSURANCE	9,429	16,132	16,132	8,960	8,960	3,392	7,467	13,293		
RETIRES GROUP HEALTH INSUR	-	-	-	7,349	7,349	8,711	9,799	9,814		
RETIREMENT	7,412	9,680	9,680	7,051	7,051	3,607	4,029	6,402		
401 K	2,569	3,987	3,987	1,854	1,854	949	789	1,417		
Subtotal Personnel Services	\$ 89,116	\$ 116,413	\$ 116,413	\$ 92,302	\$ 92,302	\$ 48,589	\$ 71,562	\$ 107,613		
OPERATIONS										
TRAINING	\$ -	\$ 4,000	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
COMPUTER TRAINING	6,000	12,100	7,500	6,000	880	-	595	-	-	-
BUILDING/EQUIPMENT RENTAL	48,300	48,890	48,890	48,300	48,300	48,300	47,797	35,828		
TELEPHONE	9,168	9,468	9,468	9,168	9,168	7,145	7,781	-		
INTERNET COSTS	8,400	16,686	13,686	8,400	8,400	8,400	8,231	8,167		
DEPARTMENT SUPPLIES	3,500	6,000	5,500	3,500	3,500	2,414	2,980	25,050		
OTHER SUPPLIES	-	-	-	-	-	-	500	5,880		
OTHER SUPPLIES - COMPUTER	-	24,500	-	-	-	-	43,796	-		
MAINT/REPAIR EQUIPMENT	8,350	9,310	9,310	8,350	8,350	7,920	5,850	1,300		
PROFESSIONAL FEES	200	200	200	200	200	-	-	180		
CONTRACTED SERVICES	104,400	131,010	121,010	104,400	109,520	109,520	104,400	104,400		
CONTRACTED SERVICES - WEBSITE	12,405	12,805	12,805	12,405	12,405	12,405	10,571	11,284		
CONTRACTED SERVICES - GIS	5,000	12,160	9,260	5,000	18,500	18,500	-	-		
CONTRACTED ANNUAL SUPPORT/MAIN	104,486	118,291	114,141	101,897	101,897	101,897	100,983	81,519		
DUES AND SUBSCRIPTIONS	130	130	130	130	130	-	-	-		
Subtotal Operations	\$ 310,339	\$ 405,550	\$ 355,900	\$ 307,750	\$ 321,250	\$ 316,501	\$ 333,484	\$ 273,608		

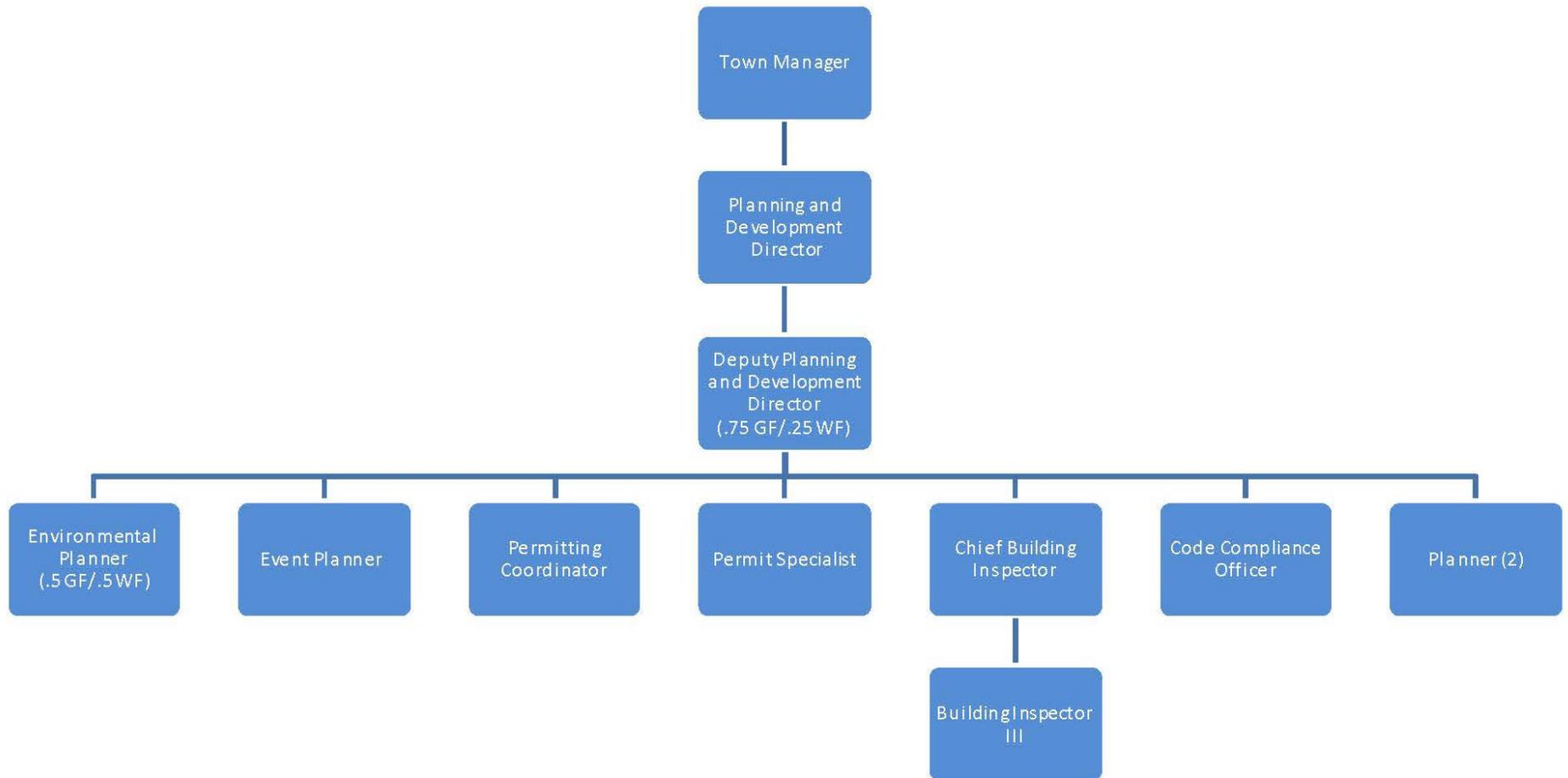
Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
<i>COST REIMBURSEMENT</i>								
COST REIMBURSEMENT	\$ -	\$ (40,713)	\$ (40,713)	\$ -	\$ (35,929)	\$ (35,929)	\$ (34,831)	\$ (38,792)
<i>CAPITAL OUTLAY</i>								
EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,544
TOTALS	\$ 399,455	\$ 481,250	\$ 431,600	\$ 400,052	\$ 377,623	\$ 329,161	\$ 370,215	\$ 371,973

PLANNING AND DEVELOPMENT

DESCRIPTION

The Planning and Development Department implements Town goals related to the growth, development, environment, and quality of life in the Town of Nags Head. The Department is responsible for zoning and subdivision administration, code compliance, floodplain management, erosion and sedimentation control, long-range planning activities, and Planning Board, Board of Commissioners, Board of Adjustment, and Committee for Arts and Culture staffing. The Department provides building permitting and inspection services to enforce state and local regulations relating to the construction, renovation, or alteration of structures to ensure a safe, sanitary, and healthy community. The Department is also responsible for storm damage assessment and repair permits and provides local permitting services under the Coastal Area Management Act (CAMA) in areas of environmental concern (AEC) throughout the Town.

ORGANIZATIONAL CHART



RECENT ACCOMPLISHMENTS

- Increased Community Rating System (CRS) rating to a five, resulting in further decreases in flood insurance premiums.
- Adopted a revised, non-volume-based residential stormwater management ordinance.
- Adopted the Updated Decentralized Wastewater Management Plan (DWMP) as part of the Todd D. Krafft Septic Health Initiative.
- CAMA Certified the 2017 Comprehensive Land Use Plan.
- Completed Phase I of the Committee for Art & Culture's Art Mast Project.
- Coordinated with Dominion Energy on the pilot project conversion of streetlights at eight beach accesses to LED amber colored turtle-friendly lights.
- Transitioned to an in-house water quality sampling/testing.
- Received a bronze designation from the National SolSmart Program.

UPCOMING PROJECTS

- Initiate Phase II of the Committee for Art and Culture's Art Mast Project.
- Update and renovate the Town's Skate Park.
- Secure PARTF grant for Whalebone Park Renovations
- Begin Phase II of Resilient Coastal Communities Program (RCCP).
- Complete reference manual for the Unified Development Ordinance (UDO).
- Continue to develop strategy for digitizing permitting records.
- Develop resources for business retention and succession.
- Continue outreach, monitoring, and compliance enforcement of short-term rental regulations.
- Develop community education opportunities.
- Continue to work with the consultant, advisory committee, and community on an Estuarine Shoreline Management Plan.
- Complete LID Stormwater Demonstration Project at Town Hall as a community education tool.
- Develop a residential energy and water conservation guide via North Carolina AIA Activate.
- Complete an Electric Vehicle Action Plan and continue to seek EV charger on Town Hall property.
- Continue to expand Dune Vegetation Cost-Share Program to consider offsetting costs of sand relocation.
- Continue to explore opportunities to secure housing for the Town's seasonal workforce.
- Continue to develop and implement further fitness-focused enhancements at Dowdy Park, including a Biba Interactive Playground platform (or similar) for multi-generational opportunities.

- Continue to improve the UDO by the periodic correction of errors and clarifying regulations.
- Reinitiate regular communication with the building community and the public on the use of online tools and updates on general departmental business.

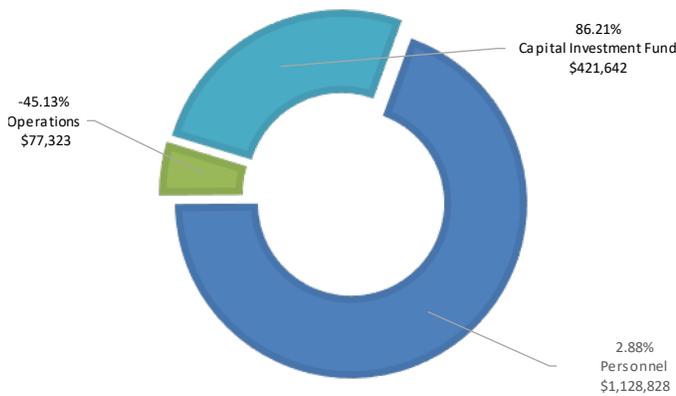
FY 2022-23 BUDGET HIGHLIGHTS

- The Principal Planner and Senior Environmental Planner positions were combined to add an additional Planner position.
- The Deputy Planning Director is budgeted at a .75% general fund/.25% water fund split.
- The event planner position is proposed to be moved from part-time to full-time, allowing for up to 13 off-season markets to expand upon the current summer and holiday markets offered at Dowdy Park. This position would also structure a sponsorship program for movies and concerts at the park.
- Special events at Dowdy Park also include holiday lights and a tree lighting.
- Expand the art mast project for additional canvas banners to be created by local artists and installed along South Virginia Dare Trail.
- Capital Improvement items include:
 - Digitizing planning documents - \$10,000
 - Design for Whalebone Park Improvements - \$40,000
 - Skate park improvements totaling \$131,500, which includes \$80,000 in grant funding
 - Dog park improvements totaling \$30,000
- The fourth annual pedestrian path debt payment is included, totaling \$200,410, with the last debt payment being made in fiscal year 2024-2025.

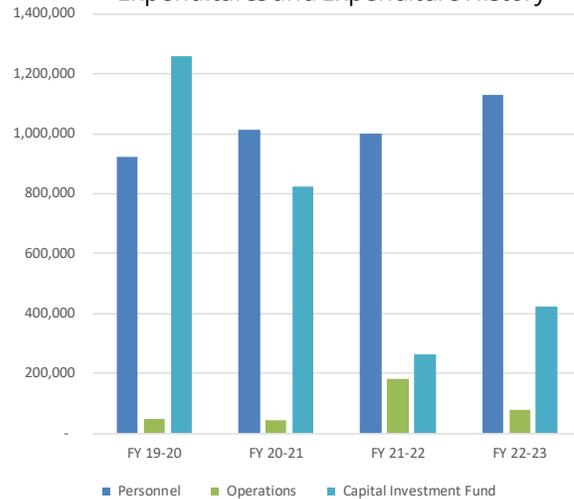
BUDGET SUMMARY PLANNING AND DEVELOPMENT

Expenditures By Type				
Type	FY 21-22 Estimated Actual	FY 21-22 Adopted Budget	FY 22-23 Recommended Budget	Percent Change
Personnel	\$ 1,000,196	\$ 1,097,248	\$ 1,128,828	2.88%
Operations	183,890	140,923	77,323	-45.13%
Capital Investment Fund	261,980	226,438	421,642	86.21%
Subtotal	1,446,066	1,464,609	1,627,793	11.14%
Cost Reimbursement	(131,253)	-	(172,170)	
Total	\$ 1,314,813	\$ 1,464,609	\$ 1,455,623	-0.61%

Recommended Expenditures by Function 2022-2023/Percentage change from FY 2021-2022



FY 2022-2023 Recommended Expenditures and Expenditure History



LINE-ITEM BUDGET PLANNING AND DEVELOPMENT

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
PERSONNEL SERVICES								
SALARIES/WAGES - REGULAR	\$ 780,564	\$ 756,834	\$ 756,834	\$ 755,518	\$ 755,518	\$ 666,610	\$ 734,765	\$ 654,874
SALARIES - LONGEVITY PAY	15,994	20,326	20,326	14,610	14,610	14,610	-	-
SALARIES/WAGES - PARTTIME	17,253	-	-	17,015	17,015	12,025	-	14,894
OVERTIME PAY	1,000	1,000	1,000	1,000	1,000	1,000	-	-
HOLIDAY PAY	250	250	250	250	250	250	-	-
FICA TAX	60,758	59,299	59,299	58,741	58,741	50,025	52,702	48,059
GROUP HEALTH INSURANCE	149,431	158,257	158,257	142,141	142,141	157,886	139,209	135,526
RETIREMENT	89,462	94,104	94,104	85,494	85,494	77,417	73,439	58,742
401 K	31,009	38,758	38,758	22,479	22,479	20,373	12,664	11,098
Subtotal Personnel Services	\$ 1,145,721	\$ 1,128,828	\$ 1,128,828	\$ 1,097,248	\$ 1,097,248	\$ 1,000,196	\$ 1,012,779	\$ 923,193
OPERATIONS								
PLANNING BOARD FEES	\$ 7,240	\$ 7,240	\$ 7,240	\$ 7,240	\$ 7,240	\$ 7,080	\$ 9,660	\$ 6,060
BOARD OF ADJUSTMENT FEES	2,500	2,500	2,500	2,500	2,500	2,293		1,720
TRAINING	7,000	8,500	8,500	7,000	7,000	1,673	1,807	3,233
BUILDING/EQUIPMENT RENTAL	2,200	2,200	2,200	2,200	2,200	1,692	2,131	3,373
TELEPHONE	4,800	4,800	4,800	4,800	4,800	3,894	3,893	4,516
POSTAGE	4,000	4,000	4,000	4,000	4,000	364	786	1,775
ADVERTISING	1,500	1,500	1,500	1,500	1,500	792		-
PRINTING	3,500	3,500	3,500	3,500	3,500	2,289	726	2,726
FUEL COSTS	3,100	3,200	3,200	3,100	3,100	2,094	2,085	2,350
DEPARTMENT SUPPLIES	5,900	6,400	6,400	5,900	5,900	2,955	3,361	3,743
OTHER SUPPLIES	1,500	1,500	1,500	1,500	1,500	-	2,546	250
OTHER SUPPLIES - COMPUTER	3,500	3,500	3,043	3,043	3,043	3,640	3,043	-
VEHICLE MAINTENANCE	1,440	1,440	1,440	1,440	1,440	699	649	439
UNIFORMS	500	1,000	1,000	500	500	500	219	268
PROFESSIONAL FEES	2,700	5,000	1,000	2,700	2,700	-	3,422	5,090
CONTRACTED SERVICES	-	-	-	75,000	139,500	139,500	-	-
SPECIAL EVENTS	11,000	21,000	21,000	11,000	12,680	11,670	5,295	9,963
DUES AND SUBSCRIPTIONS	4,000	4,500	4,500	4,000	4,000	2,755	3,389	1,979
Subtotal Operations	\$ 66,380	\$ 81,780	\$ 77,323	\$ 140,923	\$ 207,103	\$ 183,890	\$ 43,012	\$ 47,485

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
COST REIMBURSEMENT								
COST REIMBURSEMENT	\$ -	\$ (172,170)	\$ (172,170)	\$ -	\$ (131,253)	\$ (131,253)	\$ (132,260)	\$ (136,009)
Capital Investment Fund Transfers								
NON-CAPITAL OUTLAY								
PROFESSIONAL FEES	\$ -	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -
CAPITAL OUTLAY								
OTHER	\$ -	\$ -	\$ -	\$ -	\$ 1,441	\$ 1,441	\$ 2,322	\$ 1,500
EQUIPMENT	50,000	-	-	-	7,584	7,584	-	3,395
INFRASTRUCTURE IMPROVEMENTS	-	-	-	-	-	-	601,152	1,003,935
VEHICLE	25,000	221,500	201,500	-	-	-	-	-
	-	-	-	1,050	29,615	29,423	785	26,152
Subtotal Capital Outlay	\$ 75,000	\$ 221,500	\$ 201,500	\$ 1,050	\$ 38,640	\$ 38,448	\$ 604,259	\$ 1,034,982
DEBT SERVICE								
PRINCIPAL	\$ 198,057	\$ 196,159	\$ 196,159	\$ 207,689	\$ 207,689	\$ 205,293	\$ 195,412	\$ 222,144
INTEREST	14,480	13,983	13,983	17,699	17,699	18,239	22,886	1,321
Subtotal Debt Service	\$ 212,537	\$ 210,142	\$ 210,142	\$ 225,388	\$ 225,388	\$ 223,532	\$ 218,298	\$ 223,465
TOTAL	\$ 1,499,638	\$ 1,480,080	\$ 1,455,623	\$ 1,464,609	\$ 1,437,126	\$ 1,314,813	\$ 1,746,088	\$ 2,093,116

Capital Investment Fund
For the Fiscal Year 2022-2023

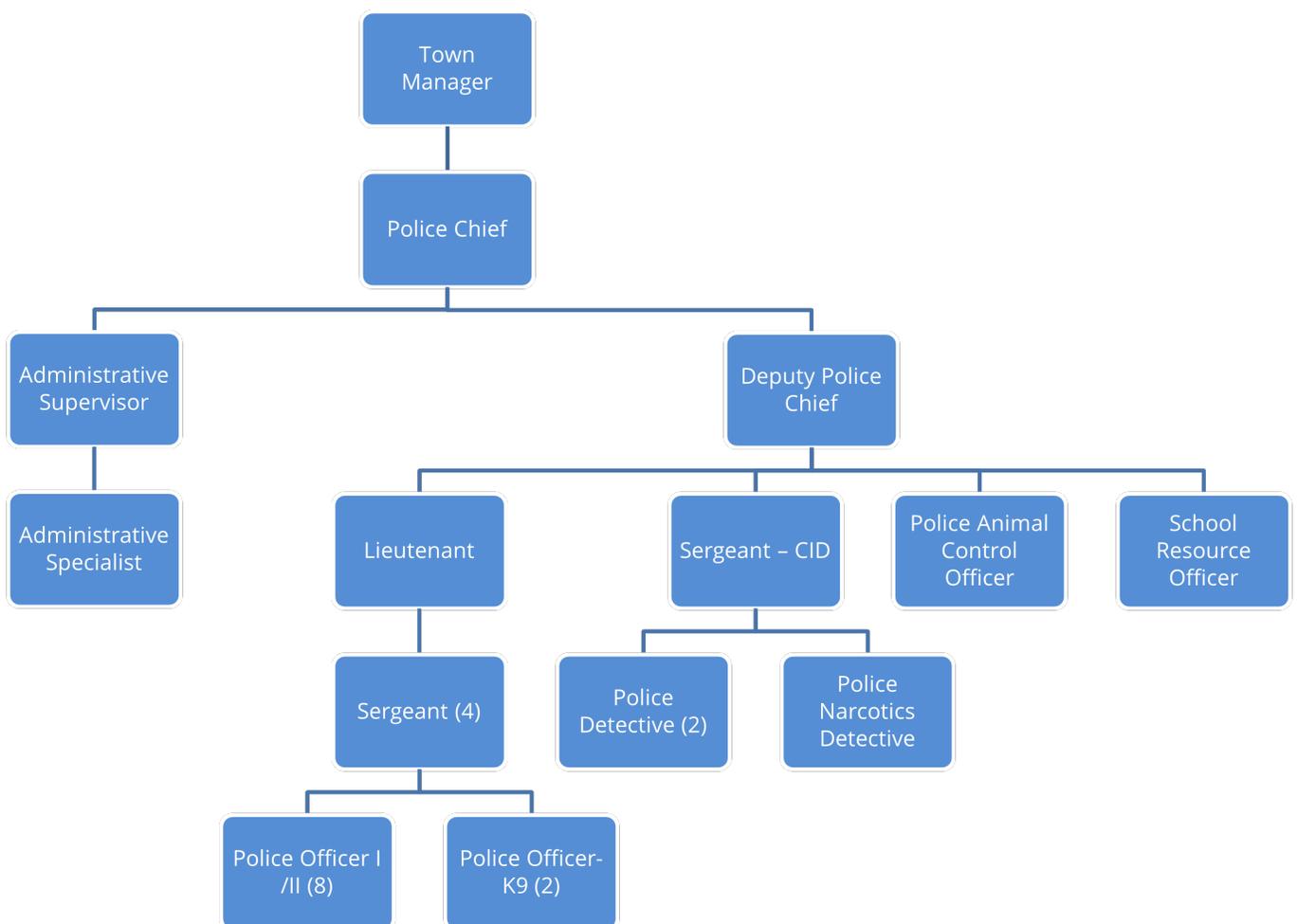
Description	Fiscal Year	Estimated Cost	Recommended 2022-2023
Planning:			
Non-Capital Outlay			
Records management/digitization	22/23	\$ 10,000	\$ 10,000
Debt Service			
Sidewalk Pedestrian Plan	19/20	\$ 1,121,068	\$ 200,410
SUV	21/22	28,565	9,732
		<u>\$ 1,149,633</u>	<u>\$ 210,142</u>
Capital Outlay			
Whalebone Park	22/23	\$ 40,000	\$ 40,000
Skate Park	22/23	131,500	131,500
Dog Park	22/23	30,000	30,000
		<u>\$ 201,500</u>	<u>\$ 201,500</u>

POLICE

DESCRIPTION

The Nags Head Police Department provides law enforcement services for the town. The department is comprised of Administration, Uniform Patrol, Criminal Investigations, and Animal Control. Our officers enforce the laws and ordinances of our state and town in a fair and impartial manner. The department places an emphasis on proactive policing and building community relationships.

ORGANIZATIONAL CHART



RECENT ACCOMPLISHMENTS

- A five-year analysis of traffic crash data shows a decline in motor vehicle collisions.
- A 30-year-old Baby Doe cold case was closed. The department resolved this case by partnering with the private sector and the State of North Carolina to leverage resources. The investigation led to the arrest of two suspects from the 1991 incident involving a previously unsolved death of an infant.
- The Department received a federal conviction of four individuals on charges related to an overdose incident that occurred in Nags Head.
- Staffing and service levels were maintained throughout the pandemic with a low number of infections and no serious illnesses reported.
- A record number of community members attended National Night Out, which was held in the fall of 2021 at Dowdy Park.
- Two storm vehicles, specifically equipped for storm response, have been acquired.

UPCOMING PROJECTS

- Over the next year the Department will partner with local law enforcement agencies to upgrade its computer aided dispatch (CAD) and records management system.
- An internal and external survey will be completed that will address issues including quality of life, departmental mission, crime rate contributors, and departmental effectiveness.
- Internal and External Strengths, Weaknesses, Opportunities and Threat (SWOT) exercises will be completed with both departmental staff and community members.
- The internal and external surveys, as well as the SWOT exercises results will aid in building a departmental strategic plan.
- An update of the Departmental Policy and Procedure Manual will be completed.
- The Department will assist the town manager in the update and implementation of the Town's traffic control map.

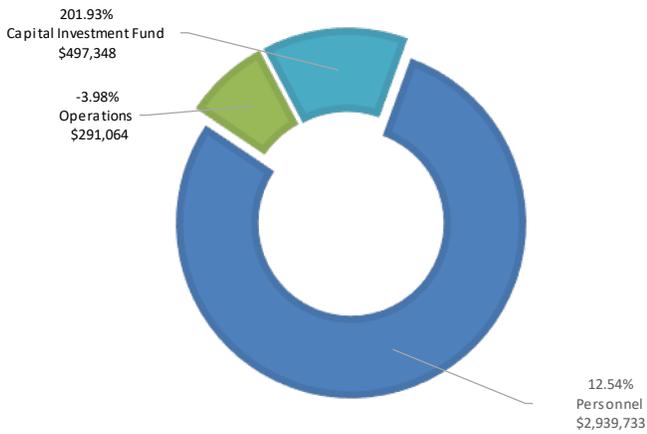
FY 2022-23 BUDGET HIGHLIGHTS

- Capital Improvement Program item includes:
 - Upgraded Records Management System (RMS) - \$134,975
- Capital outlay cash purchases includes:
 - Replacement hardware to burn DVD's - \$35,121
 - Four replacement police vehicles and associated equipment totaling \$226,215
- Funding of \$57,563 is included for the state statute-required police separation allowance for three retired officers.

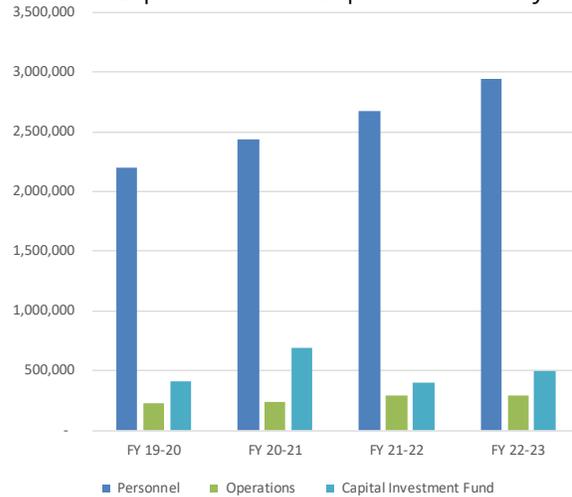
BUDGET SUMMARY POLICE

Expenditures By Type				
Type	FY 21-22 Estimated Actual	FY 21-22 Adopted Budget	FY 22-23 Recommended Budget	Percent Change
Personnel	\$ 2,672,158	\$ 2,612,244	\$ 2,939,733	12.54%
Operations	290,770	303,133	291,064	-3.98%
Capital Investment Fund	399,229	164,723	497,348	201.93%
Subtotal	3,362,157	3,080,100	3,728,145	21.04%
Cost Reimbursement	-	-	-	
Total	\$ 3,362,157	\$ 3,080,100	\$ 3,728,145	21.04%

Recommended Expenditures by Function 2022-2023/Percentage change from FY 2021-2022



FY 2022-2023 Recommended Expenditures and Expenditure History



LINE-ITEM BUDGET POLICE

Account Description	Financial	Departmental	Manager's	Adopted	Amended	Estimated	Actual	Actual	Actual
	Plan	Requested	Recommended	Budget	Budget	Actual	Expenditures	Expenditures	Expenditures
	2022-2023	2022-2023	2022-2023	2021-2022	2021-2022	2021-2022	2021-2022	2020-2021	2019-2020
PERSONNEL SERVICES									
SALARIES- REGULAR PAY	\$ 1,655,772	\$ 1,846,390	\$ 1,846,390	\$ 1,596,217	\$ 1,669,434	\$ 1,649,289	\$ 1,589,664	\$ 1,442,725	
SALARIES - LONGEVITY PAY	42,111	45,520	45,520	38,148	38,148	31,281	-	-	
OVERTIME PAY	26,100	45,300	45,300	26,100	26,100	26,020	-	-	
HOLIDAY PAY	38,066	44,000	44,000	38,066	38,066	34,332	-	-	
FICA TAX	134,067	150,741	150,741	129,217	134,818	126,611	114,513	104,010	
GROUP HEALTH INSURANCE	388,030	331,482	331,482	369,489	369,489	384,225	352,601	325,647	
RETIRES GROUP HEALTH INSUR	60,223	57,432	57,432	57,432	57,432	59,825	57,432	49,149	
RETIREMENT	12,615	13,970	13,970	11,771	11,771	11,330	8,959	7,316	
RETIREMENT LAW ENFORCEMENT	200,697	243,057	243,057	191,475	200,329	195,895	168,339	131,255	
401 K	4,373	5,754	5,754	3,095	3,095	2,982	1,769	1,618	
401 K LAW ENFORCEMENT	86,357	98,524	98,524	82,217	85,878	81,351	74,894	69,007	
POLICE SEPARATION ALLOWANCE	57,563	57,563	57,563	69,017	69,017	69,017	69,017	69,017	
Subtotal Personnel Services	\$ 2,705,974	\$ 2,939,733	\$ 2,939,733	\$ 2,612,244	\$ 2,703,577	\$ 2,672,158	\$ 2,437,188	\$ 2,199,744	
OPERATIONS									
TRAINING	\$ 31,303	\$ 33,277	\$ 30,777	\$ 30,303	\$ 30,303	\$ 29,786	\$ 9,964	\$ 17,434	
BUILDING/EQUIPMENT RENTAL	9,827	9,827	8,827	9,827	9,827	9,118	8,426	8,955	
TELEPHONE	11,258	11,258	11,258	11,258	11,258	7,305	9,798	10,910	
POSTAGE	1,950	1,950	1,200	1,950	1,950	440	1,075	488	
ADVERTISING	475	475	350	475	475	200	131	295	
PRINTING	1,270	1,770	1,270	1,770	1,770	371	749	394	
FUEL COSTS	63,000	78,000	78,000	63,000	63,000	54,019	46,603	48,304	
DEPARTMENT SUPPLIES	49,079	59,689	29,933	45,024	48,740	38,719	63,729	43,683	
OTHER SUPPLIES	8,060	10,260	6,260	7,060	31,336	27,255	-	5,068	
MAINT/REPAIR EQUIPMENT	44,617	41,218	36,998	42,217	42,815	42,496	39,751	28,636	
MAINT/REPAIR FIRING RANGE	4,000	4,000	4,000	4,000	25,445	25,445	-	2,715	
VEHICLE MAINTENANCE	25,358	27,020	25,945	28,750	32,895	16,286	26,371	23,729	
UNIFORMS	21,339	26,791	24,791	26,159	26,159	14,390	14,996	20,406	
PROFESSIONAL FEES	11,860	12,460	10,960	11,960	11,960	5,791	4,938	2,557	
CONTRACTED SERVICES	12,880	14,850	12,870	12,880	12,880	12,880	7,005	6,430	
DUES AND SUBSCRIPTIONS	2,570	2,625	2,625	2,500	2,500	2,269	1,357	1,142	
SPECIAL INVESTIGATIONS	3,000	6,000	5,000	4,000	4,000	4,000	1,833	4,000	
Subtotal Operations	\$ 301,846	\$ 341,470	\$ 291,064	\$ 303,133	\$ 357,313	\$ 290,770	\$ 236,726	\$ 225,146	

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
Capital Investment Fund Transfers								
<i>CAPITAL OUTLAY</i>								
EQUIPMENT	\$ 16,812	\$ 170,096	\$ 170,096	\$ 10,569	\$ 13,770	\$ 13,770	\$ 240,085	\$ 52,801
VEHICLE	4,000	226,215	226,215	5,000	236,305	236,305	254,903	165,018
<i>Subtotal Capital Outlay</i>	\$ 20,812	\$ 396,311	\$ 396,311	\$ 15,569	\$ 250,075	\$ 250,075	\$ 494,988	\$ 217,819
<i>DEBT SERVICE</i>								
PRINCIPAL	\$ 199,263	\$ 98,035	\$ 98,035	\$ 143,936	\$ 143,936	\$ 143,936	\$ 191,541	\$ 189,030
INTEREST	3,002	3,002	3,002	5,218	5,218	5,218	3,095	4,842
<i>Subtotal Debt Service</i>	\$ 202,265	\$ 101,037	\$ 101,037	\$ 149,154	\$ 149,154	\$ 149,154	\$ 194,636	\$ 193,872
TOTALS	\$ 3,230,897	\$ 3,778,551	\$ 3,728,145	\$ 3,080,100	\$ 3,460,119	\$ 3,362,157	\$ 3,363,538	\$ 2,836,581

**Capital Investment Fund
For the Fiscal Year 2022-2023**

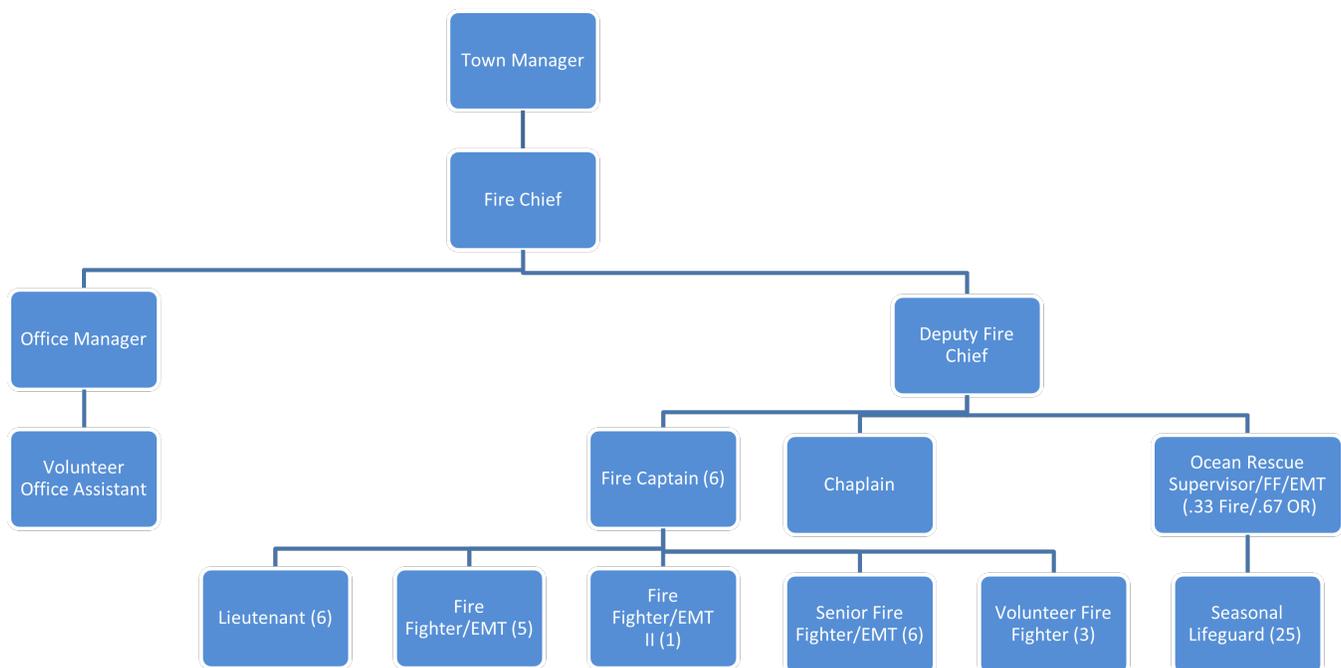
Description	Fiscal Year	Estimated Cost	Recommended 2022-2023
Police:			
Debt Service			
Replacement of 800Mhz Radios	20/21	\$ 240,085	\$ 50,394
Police Vehicles (3)	20/21	150,054	50,643
		\$ 390,139	\$ 101,037
Capital Outlay			
Police Vehicles (4)	22/23	\$ 226,215	\$ 226,215
Records Management System	22/23	134,975	134,975
Power Edge computer	22/23	18,308	18,308
Rimage DVD burner	22/23	16,813	16,813
		\$ 396,311	\$ 396,311

FIRE AND OCEAN RESCUE

DESCRIPTION

The Nags Head Fire Department provides fire, emergency medical service rescue, community risk reduction, public education, fire investigation, and fire inspection services. To accomplish its mission, the Nags Head Fire Department operates out of two strategically located stations. Ocean Rescue provides seasonal beach patrol, lifesaving and rescue services, emergency medical services, and public education. They operate out of a separate, centrally located station and use several of the public bathhouses for equipment storage and training. Fire and Ocean Rescue currently has three functional divisions, including fire administration, fire operations, and Ocean Rescue. Dare County Emergency Medical Services also shares facilities with Nags Head Fire.

ORGANIZATIONAL CHART



RECENT ACCOMPLISHMENTS

- Health and Wellness Program - Improved firefighter physicals to include cardiac stress tests. Studies by Harvard researchers and others demonstrate that heart disease kills more on-duty firefighters than anything else, including fires and collapsing buildings.
- Exercise Equipment and Quality of Life - We have improved the amount and types of exercise equipment at Fire Station 21. Improved Station 21's building envelope to increase the HVAC efficacy and quality of life. At Fire Station 16 we improved all the bay doors to

wind-rated roll-up doors, replaced the HVAC system in the south wing, and installed new bay heaters with large fans to improve air circulation.

- Fire Prevention Education- Even during the Covid -19 pandemic, Nags Head Fire Rescue continued to provide fire and life safety education to citizens and visitors. We used a variety of outreach programs, including social media engagement, Open Air Fire Prevention Night, participation in National Night Out, and lifeguard ocean and swimmer awareness programs.
- Completed an order to purchase a new Quint fire apparatus including equipment that will arrive in the spring of 2023.

UPCOMING PROJECTS

- Thanks in part to a Hazard Mitigation Program Grant, we will update and improve the Town's Emergency Operations Plan.
- Improve communications and access to valuable data. Nags Head Fire Rescue is committed to increasing the use of quality data to improve operations, resource management, and planning.
- Prepare for an upcoming ISO Public Protection Ratings inspection that will occur in the spring of 2023.
- Continue our ongoing project that includes replacing all our gasoline-powered tools with battery-operated devices.

FY 2022-23 BUDGET HIGHLIGHTS

FIRE

- Capital Improvement Program cash purchases include:
 - One hose roller - \$9,500
- The first of 10 annual debt payments at \$157,426 will be made in arrears on a replacement pumper/quint financed at \$1,358,079 with a 2.78% interest rate.
- Funding of \$10,000 is recommended to outsource maintenance on fire apparatuses
- Funding of \$29,750 is included for turnout gear.
- Items requested but not recommended include:
 - Concrete repair/replacement at Fire Station #16 - \$41,000
 - One replacement boat motor - \$15,000

OCEAN RESCUE

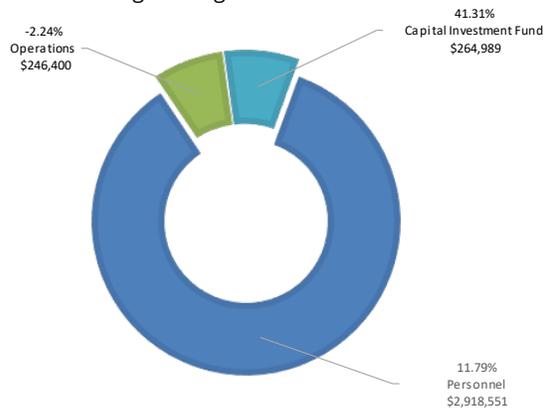
- It is recommended for eight seasonal lifeguards to patrol the beach from Labor Day through September 30.

- This would increase the patrol by four additional lifeguards; currently two supervisors and four lifeguards patrol the beach from Labor Day through September 30.
- Funding is included to extend patrolling the beach through October 31
 - Two Ocean Rescue supervisors will patrol through October 31; currently two Ocean Rescue supervisors patrol the beach from October 1 through October 15.
- Lifeguard hourly rates have been increased by \$.50 per hour to bring the minimum pay up to \$15.50 an hour.
 - A \$1.00 per hour rate increase was requested
- Capital outlay cash purchases include:
 - One replacement four-wheel drive truck - \$48,410
 - Two all-terrain vehicle replacements totaling \$12,000
- A replacement wave-runner at \$10,990

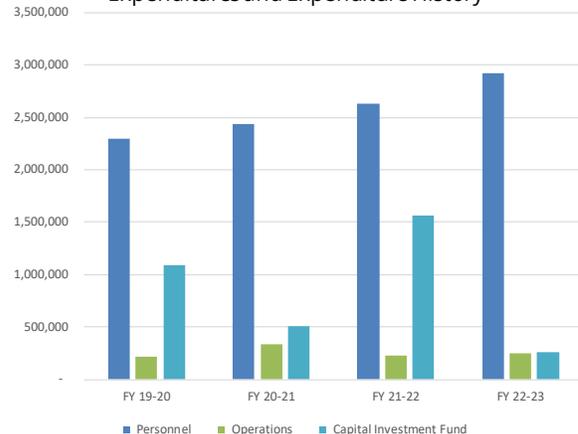
BUDGET SUMMARY FIRE

Expenditures By Type				
Type	FY 21-22 Estimated Actual	FY 21-22 Adopted Budget	FY 22-23 Recommended Budget	Percent Change
Personnel	\$ 2,626,282	\$ 2,610,781	\$ 2,918,551	11.79%
Operations	224,218	252,045	246,400	-2.24%
Capital Investment Fund	1,564,439	187,517	264,989	41.31%
Subtotal	4,414,939	3,050,343	3,429,940	12.44%
Cost Reimbursement	-	-	-	-
Total	\$ 4,414,939	\$ 3,050,343	\$ 3,429,940	12.44%

Recommended Expenditures by Function 2022-2023/Percentage change from FY 2021-2022



FY 2022-2023 Recommended Expenditures and Expenditure History



LINE-ITEM BUDGET FIRE

Account Description	Financial	Departmental	Manager's	Adopted	Amended	Estimated	Actual	Actual	Actual
	Plan	Requested	Recommended	Budget	Budget	Actual	Expenditures	Expenditures	Expenditures
	2022-2023	2022-2023	2022-2023	2021-2022	2021-2022	2021-2022	2020-2021	2019-2020	
PERSONNEL SERVICES									
SALARIES/WAGES - REGULAR	\$ 1,740,274	\$ 1,858,973	\$ 1,858,973	\$ 1,677,412	\$ 1,677,412	\$ 1,634,892	\$ 1,687,089	\$ 1,593,489	
SALARIES - LONGEVITY PAY	54,223	52,653	52,653	48,834	48,834	48,834	-	-	
OVERTIME PAY	11,000	30,000	30,000	11,000	11,000	11,000	-	-	
HOLIDAY PAY	44,000	65,000	65,000	44,000	44,000	44,000	-	-	
FICA TAX	141,601	153,374	153,374	136,380	136,380	134,399	121,926	114,978	
GROUP HEALTH INSURANCE	399,080	370,003	370,003	379,861	379,861	431,176	375,205	374,321	
RETIREEES GROUP HEALTH INSUR	47,978	45,768	45,768	57,733	57,733	57,733	50,554	43,505	
RETIREMENT	212,537	242,786	242,786	202,356	202,356	209,197	170,933	143,151	
401 K	73,670	99,994	99,994	53,205	53,205	55,051	31,170	29,514	
Subtotal Personnel Services	\$ 2,724,363	\$ 2,918,551	\$ 2,918,551	\$ 2,610,781	\$ 2,610,781	\$ 2,626,282	\$ 2,436,877	\$ 2,298,958	
OPERATIONS									
TRAINING	\$ 17,431	\$ 19,242	\$ 17,378	\$ 18,721	\$ 18,721	\$ 8,853	\$ 6,745	\$ 13,240	
SAFETY TRAINING	3,933	6,023	2,563	3,933	3,933	3,874	4,239	3,253	
OSHA COMPLIANCE COSTS	2,950	4,450	4,450	2,950	2,950	1,740	1,952	4,374	
BUILDING/EQUIPMENT RENTAL	3,560	3,560	3,560	3,560	3,560	2,055	3,688	3,970	
TELEPHONE	2,881	2,881	2,881	2,881	2,881	1,824	1,824	2,281	
POSTAGE	980	700	700	980	980	87	145	135	
ADVERTISING	200	200	200	200	200	-	-	-	
PRINTING	700	900	200	700	700	-	894	46	
FUEL COSTS	19,500	20,500	20,500	19,500	19,500	14,966	12,463	13,544	
DEPARTMENT SUPPLIES	68,370	80,981	66,921	75,831	79,343	78,211	68,069	57,180	
OTHER SUPPLIES	4,870	3,870	3,870	3,870	3,870	3,873	5,018	3,497	
OTHER SUPPLIES - COMPUTER	-	800	800	500	500	-	-	-	
MAINT/REPAIR BUILDINGS	23,060	30,010	20,560	23,060	30,807	29,964	140,430	28,784	
MAINT/REPAIR EQUIPMENT	6,410	7,220	7,220	6,410	6,410	5,563	4,970	13,011	
VEHICLE MAINTENANCE	25,100	26,900	26,900	26,400	26,400	31,168	50,693	32,808	
UNIFORMS	16,856	18,720	15,720	17,399	17,399	5,412	12,867	14,030	
PROFESSIONAL FEES	12,490	13,490	7,110	13,600	13,600	2,389	2,435	2,555	
INCENTIVE PAY	5,000	5,000	5,000	5,000	5,000	3,450	1,338	5,230	
CONTRACTED SERVICES	19,694	32,408	32,408	19,590	21,590	27,906	18,695	17,519	
SUPPLEMENTAL PENSION FUND	3,500	3,500	3,500	3,500	3,500	1,680	2,490	2,660	
DUES AND SUBSCRIPTIONS	3,460	3,959	3,959	3,460	3,460	1,203	2,198	2,204	
Subtotal Operations	\$ 240,945	\$ 285,314	\$ 246,400	\$ 252,045	\$ 265,304	\$ 224,218	\$ 341,153	\$ 220,321	

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
Capital Investment Fund Transfers								
NON-CAPITAL OUTLAY								
BUILDINGS	\$ -	\$ 41,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CAPITAL OUTLAY								
EQUIPMENT	\$ -	\$ 24,500	\$ 9,500	\$ 9,700	\$ 28,543	\$ 28,543	\$ 264,043	\$ 207,379
VEHICLE	-	-	-	2,000	1,360,079	1,360,079	65,074	699,620
Subtotal Capital Outlay	\$ -	\$ 24,500	\$ 9,500	\$ 11,700	\$ 1,388,622	\$ 1,388,622	\$ 329,117	\$ 906,999
DEBT SERVICE								
PRINCIPAL	\$ 260,605	\$ 209,539	\$ 209,539	\$ 165,200	\$ 165,200	\$ 165,200	\$ 165,200	\$ 156,103
INTEREST	7,886	45,950	45,950	10,617	10,617	10,617	10,617	25,623
Subtotal Debt Service	\$ 268,491	\$ 255,489	\$ 255,489	\$ 175,817	\$ 175,817	\$ 175,817	\$ 175,817	\$ 181,726
Totals	\$ 3,233,799	\$ 3,524,854	\$ 3,429,940	\$ 3,050,343	\$ 4,440,524	\$ 4,414,939	\$ 3,282,964	\$ 3,608,004

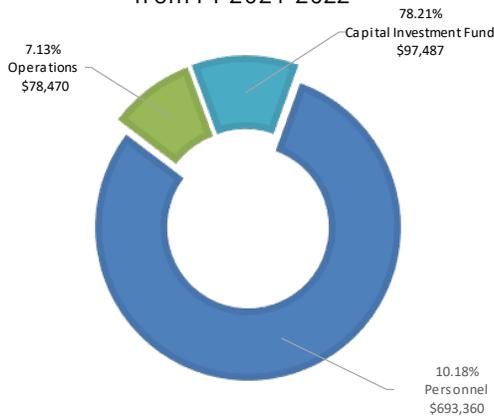
**Capital Investment Fund
For the Fiscal Year 2022-2023**

Description	Fiscal Year	Estimated Cost	Recommended 2022-2023
Fire:			
Debt Service			
Pumper	18/19	\$ 697,620	\$ 76,101
Brush Truck	20/21	65,074	21,962
Pumper/Quint	21/22	<u>1,358,079</u>	<u>157,426</u>
		\$ 2,120,773	\$ 255,489
Capital Outlay			
Hose roller	22/23	\$ 9,500	\$ 9,500

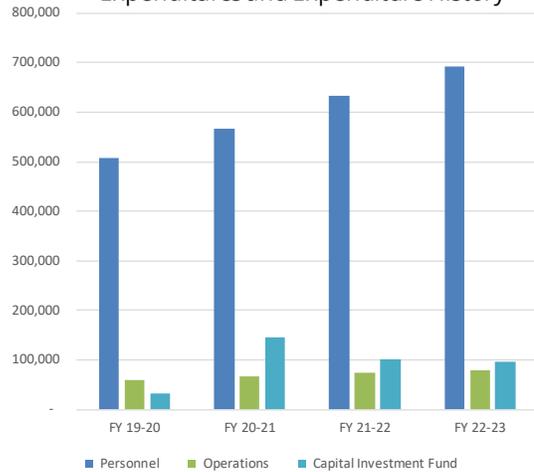
BUDGET SUMMARY OCEAN RESCUE

Expenditures By Type				
Type	FY 21-22 Estimated Actual	FY 21-22 Adopted Budget	FY 22-23 Recommended Budget	Percent Change
Personnel	\$ 633,248	\$ 629,272	\$ 693,360	10.18%
Operations	73,447	73,250	78,470	7.13%
Capital Investment Fund	101,231	54,702	97,487	78.21%
Subtotal	807,926	757,224	869,317	14.80%
Cost Reimbursement	-	-	-	0.00%
Total	\$ 807,926	\$ 757,224	\$ 869,317	14.80%

Recommended Expenditures by Function 2022-2023/Percentage change from FY 2021-2022



FY 2022-2023 Recommended Expenditures and Expenditure History



LINE-ITEM BUDGET OCEAN RESCUE

Account Description	Financial	Departmental	Manager's	Adopted	Amended	Estimated		
	Plan	Requested	Recommended	Budget	Budget	Actual	Actual	Actual
	2022-2023	2022-2023	2022-2023	2021-2022	2021-2022	2021-2022	2020-2021	2019-2020
PERSONNEL SERVICES								
SALARIES/WAGES - REGULAR	\$ 51,478	\$ 52,744	\$ 52,744	\$ 47,753	\$ 47,753	\$ 54,042	\$ 35,798	\$ 42,180
SALARIES - LONGEVITY PAY	3,067	3,137	3,137	2,581	2,581	3,943	-	-
SALARIES/WAGES - PARTTIME	520,898	587,784	570,185	518,569	518,569	518,569	482,927	425,804
FICA TAX	44,000	49,259	47,913	43,500	43,500	41,014	37,196	29,359
GROUP HEALTH INSURANCE	10,200	9,762	9,762	9,669	9,669	9,669	7,253	6,885
RETIREMENT	6,252	6,813	6,813	5,701	5,701	4,759	3,659	3,731
401 K	2,167	2,806	2,806	1,499	1,499	1,252	735	823
Subtotal Personnel Services	\$ 638,062	\$ 712,305	\$ 693,360	\$ 629,272	\$ 629,272	\$ 633,248	\$ 567,568	\$ 508,782
OPERATIONS								
TRAINING	\$ 10,220	\$ 9,650	\$ 9,650	\$ 9,560	\$ 9,560	\$ 6,068	\$ 1,242	\$ 7,071
TELEPHONE	2,000	2,000	2,000	2,000	2,000	1,779	1,810	1,800
POSTAGE	300	300	300	300	300	-	27	34
ADVERTISING	1,000	1,000	1,000	1,000	1,000	1,000	-	805
PRINTING	2,000	2,000	2,000	2,000	2,000	2,095	848	1,692
FUEL COSTS	12,000	13,000	13,000	12,000	12,000	14,036	7,375	7,831
DEPARTMENT SUPPLIES	19,635	25,500	20,500	17,435	17,435	20,098	28,196	25,850
MAINT/REPAIR EQUIPMENT	5,900	6,400	6,400	5,900	5,900	4,969	5,299	2,146
VEHICLE MAINTENANCE	2,500	3,600	3,600	3,600	3,600	4,321	3,232	2,946
UNIFORMS	13,950	14,850	13,950	13,950	13,950	13,950	11,559	7,631
PROFESSIONAL FEES	2,625	2,950	2,950	2,625	2,625	2,546	4,246	430
CONTRACTED SERVICES	1,520	1,520	1,520	1,520	1,520	1,225	320	550
DUES AND SUBSCRIPTIONS	1,860	1,600	1,600	1,360	1,360	1,360	2,060	1,170
Subtotal Operations	\$ 75,510	\$ 84,370	\$ 78,470	\$ 73,250	\$ 73,250	\$ 73,447	\$ 66,214	\$ 59,956

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
Capital Investment Fund Transfers								
<i>CAPITAL OUTLAY</i>								
EQUIPMENT	\$ 11,000	\$ 12,000	\$ 12,000	\$ 16,490	\$ 16,490	\$ 16,490	\$ 110,763	\$ 9,500
VEHICLE	1,410	48,410	48,410	1,350	47,335	47,335	-	-
<i>Subtotal Capital Outlay</i>	\$ 12,410	\$ 60,410	\$ 60,410	\$ 17,840	\$ 63,825	\$ 63,825	\$ 110,763	\$ 9,500
<i>DEBT SERVICE</i>								
PRINCIPAL	\$ 50,654	\$ 35,396	\$ 35,396	\$ 35,545	\$ 35,545	\$ 36,089	\$ 34,011	\$ 23,248
INTEREST	2,164	1,681	1,681	1,317	1,317	1,317	437	1,006
<i>Subtotal Debt Service</i>	\$ 52,818	\$ 37,077	\$ 37,077	\$ 36,862	\$ 36,862	\$ 37,406	\$ 34,448	\$ 24,254
TOTALS	\$ 778,800	\$ 894,162	\$ 869,317	\$ 757,224	\$ 803,209	\$ 807,926	\$ 778,993	\$ 602,492

**Capital Investment Fund
For the Fiscal Year 2022-2023**

Description	Fiscal Year	Estimated Cost	Recommended 2022-2023
Ocean Rescue:			
Debt Service			
Replacement of 800Mhz Radios	20/21	\$ 99,765	\$ 20,941
Pickup	21/22	<u>47,364</u>	<u>16,136</u>
		\$ 147,129	\$ 37,077
 Capital Outlay			
Pickup	22/23	\$ 48,410	\$ 48,410
Four-wheelers for beach patrol (2 replacements)	22/23	<u>12,000</u>	<u>12,000</u>
		\$ 60,410	\$ 60,410

PUBLIC SERVICES

DESCRIPTION

Nags Head Public Services is comprised of six divisions: Administration, Facilities Maintenance, Fleet Maintenance, and Sanitation, discussed below, and Water Operations and Water Distribution, discussed in the Water Fund section of this budget.

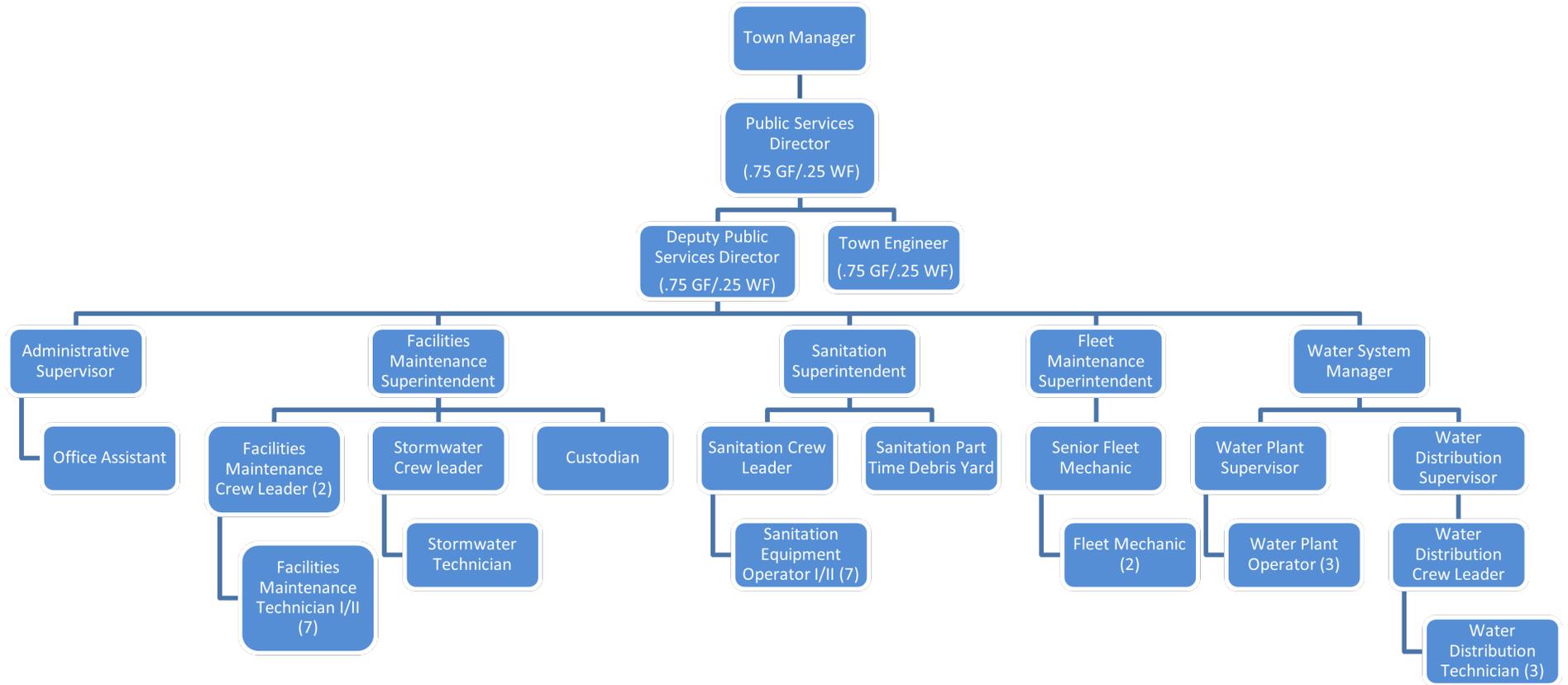
Public Services Administration handles public inquiries and provides overall support and technical assistance for the department.

Public Facilities Maintenance maintains the overall appearance and cleanliness of the Town's facilities and provides efficient, cost-effective general maintenance and repair of Town-maintained streets, public beach accesses and rights-of-way.

Fleet Maintenance maintains, repairs, and services Town vehicles and heavy equipment. Efficient, cost-effective maintenance of equipment is essential to providing uninterrupted service.

Sanitation collects commercial and residential refuse, including bulk items and brush. This division is also responsible for coordinating Town recycling efforts, which are presently a subscription-based curbside service contracted through a franchise agreement.

ORGANIZATIONAL CHART



RECENT ACCOMPLISHMENTS

- Continued progress on the Integrated Public Services Maser Plan, including reviewing and revising the site layout and floor plans for the new Public Services facility.
- As part of an overall plan to manage the Town's equipment, facilities, and infrastructure, a sign inventory was conducted ahead of establishing a new GIS sign database.
- Continued to inspect and renovate infrastructure including replacing the Bainbridge and Huron public beach access walkovers, replacing bulkhead sections on South Virginia Dare Trail, rebuilding the Harvey public sound access shelter and bathrooms, and replacing systems at the Douglas A. Remaley Fire Station 16.
- In partnership with rental property managers to address sanitation issues, a new sanitation cart rollback service was developed for South Virginia Dare Trail and South Old Oregon Inlet Road to improve pedestrian safety and the overall appearance of the area.
- Prepared and presented a Town Code revision for use of motorized, electric-assist, and muscle-powered vehicles on streets, sidewalks, and multi-use paths that will improve pedestrian safety.
- To improve communications regarding sanitation, the process for the curbside collection of bulk items and brush was refined and communicated to the public.
- Rebuilt a substantial section of the state ditch on west side of South Old Oregon Inlet Road due to erosion.

UPCOMING PROJECTS

- Pedestrian and traffic safety improvements throughout the town will continue, including enhancing crosswalk safety through additional lighting and adding traffic calming features on South Virginia Dare Trail and in the neighborhoods.
- Continue to move forward with inspecting and renovating Town-owned infrastructure including bulkhead replacement on South Virginia Dare Trail, renovations to Town Hall and the Conch and Hollowell Street public beach accesses
- Institute a yearly contracted maintenance program for the roof and siding of Town Hall as part of the overall plan to manage the Town's equipment, facilities, and infrastructure.
- Install storm surge poles at Jennette's Pier and a public sound access to better communicate flooding risks to the public

FY 2022-23 BUDGET HIGHLIGHTS

PUBLIC WORKS ADMINISTRATION

- o The public works director, deputy public works director, and town engineer positions are budgeted at a 75% general fund/25% water fund split in Public Works Administration.
- o Trash carts and dumpsters are purchased for resale and are budgeted as purchases for resale.
- o The fourth annual above-ground fuel tank debt payment is included totaling \$29,355. This annual debt payment is through fiscal year 2024-2025.

PUBLIC WORKS FACILITIES MAINTENANCE

- o Personnel recommendations include:
 - One new stormwater crew leader position. The total cost to backfill a stormwater technician position is \$66,529.
 - All bathhouse cleaning will be performed by Town staff members.
 - The facilities maintenance supervisor position (non-exempt FLSA status) will be upgraded to a facilities maintenance superintendent position (exempt FLSA status).
- o Capital Improvement program cash purchases include:
 - Multi-use path repair work - \$60,000
 - \$100,000 was requested
 - Replacement dump truck - \$170,000
 - Security and energy conservation retrofits - \$80,000
 - LED lighting/occupancy sensor upgrades - \$68,446
 - Partially offset by a Dominion Power grant awarded of \$12,765
 - A new message board was requested but not recommended - \$20,550
- o Funded through sales tax received from Municipal Service Districts:
 - Hollowell Street beach access maintenance at \$70,000
 - Conch Street beach access maintenance at \$60,750
 - Beach access maintenance at Governor and Hollowell Streets were requested but will be deferred to leverage potential grant opportunities.
- o Non-capital outlay repairs and maintenance include:
 - HVAC service contract agreement at all Town buildings - \$30,878
 - HVAC unit replacement at Town hall - \$17,500
 - Multi-use path bulkhead repairs - \$25,000
 - Additional lighting for crosswalks on South Virginia Dare trail - \$20,000
 - Town Hall window replacements - \$20,000

- \$40,000 was requested
- o Town Hall shutter replacements are budgeted at \$5,000.
- o Annual sand fencing, fully funded through a Dare County grant, is included at \$24,000 in addition to funding included in the Beach Nourishment Capital Project Fund.
- o Funding of \$29,605 is included for beach access crosswalk repairs, refurbishments, and maintenance.
- o Funds of \$25,000 are included for maintaining Dowdy Park, Whalebone Park, and Town Park.
- o Capital outlay cash purchases include:
 - A replacement pickup truck to pull trailers - \$63,654

PUBLIC WORKS GARAGE

- o Fuel prices are calculated and budgeted on average usage for the prior twelve months and are reflected departmentally. For fiscal year 2022-2023, prices are budgeted at \$3.099 per gallon for regular unleaded and \$3.329 per gallon for diesel.

PUBLIC WORKS STATE STREET AID

- o The Powell Bill State Street Aid revenue is budgeted at \$120,000 and includes \$25,000 for maintenance and repairs of allowable State Street Aid projects. The remaining \$95,000 is budgeted in conjunction with streets and stormwater funding of \$393,182, totaling \$488,182 towards design, drainage, and resurfacing paving projects that incorporate:
 - East and West Soundside Road
 - East Barnes Street between South Croatan Highway and the East Barnes Street beach access
 - East Bladen Street between South Wrightsville Avenue and the East Bladen Street beach access
 - South Memorial Avenue between the East Bladen Street intersection and the southern terminus
 - East Barnes Street drainage pipe replacement

This represents an integrated approach to planning, design, and construction of combined streets, stormwater, and watermain project work using a neighborhood-by-neighborhood approach based on a five-year paving plan. An economy of scale and a more streamlined approach will be realized in combining multiple paving projects along with associated drainage improvements and waterline upgrades.

PUBLIC WORKS SANITATION

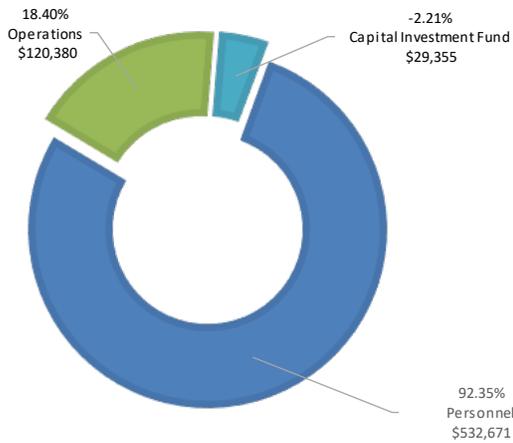
- o Personnel recommendations include:

- Upgrade one equipment operator position to a sanitation crew leader position.
- The sanitation supervisor position (non-exempt FLSA status) will be upgraded to a sanitation superintendent position (exempt FLSA status).
- Create an equipment operator trainee position on the pay scale for Sanitation employees training to get their Commercial Driving License.
- o Tipping fees are budgeted at \$802,068 for 8,900 residential and commercial tons at \$84.06 per ton plus \$6.06 for a fuel surcharge, for a total of \$90.12 per ton.
- o Construction and demolition tons are budgeted for 750 tons at \$65.00 per ton, totaling \$48,750.
- o Funding is included for contracted recycling at public Town drop off locations and forty-five recycling cart locations including beach accesses, parks, and Town buildings, totaling \$15,084.
- o A recycling supplement of \$67.20 per year is included for an estimated 800 customers using curbside recycling services totaling \$65,520.
- o A recycling grant for \$14,577 was approved to provide cardboard recycling containers to retail businesses.
 - \$10,000 will be offset by grant funding
- o Capital improvement program cash purchases include:
 - One replacement dump truck - \$144,000
 - One replacement commercial truck - \$305,129
- o Capital outlay cash purchases include:
 - One replacement Curotto can - \$45,000
 - Two upgraded gripper arms-compatible to empty 300-gallon cans totaling \$16,000
 - A pilot program is being launched to convert ten 4-yard side load dumpsters to 300-gallon cans on private streets. Upon successful evaluation the cans could be offered for resale purchase.
- o Contacted services are included for six months of enhanced cart roll back services on South Virginia Dare Trail and South Old Oregon Inlet Road, totaling \$195,000.
 - This cost is offset by an annual cart roll back fee.

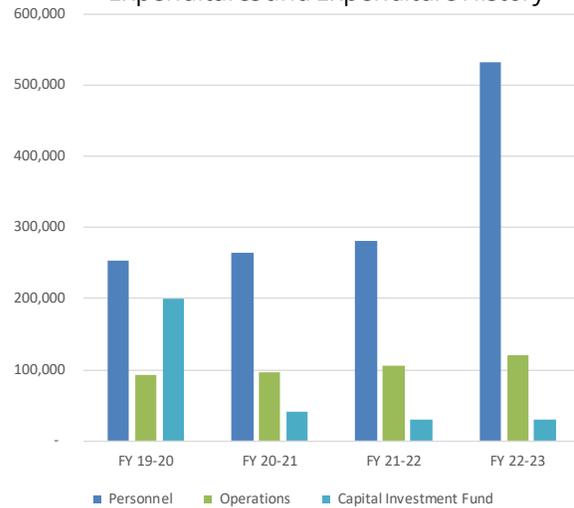
BUDGET SUMMARY PUBLIC WORKS ADMINISTRATION

Expenditures By Type				
Type	FY 21-22 Estimated Actual	FY 21-22 Adopted Budget	FY 22-23 Recommended Budget	Percent Change
Personnel	\$ 280,671	\$ 276,926	\$ 532,671	92.35%
Operations	106,162	101,674	120,380	18.40%
Capital Investment Fund	30,018	30,018	29,355	-2.21%
Subtotal	416,851	408,618	682,406	67.00%
Cost Reimbursement	(37,686)	-	(44,749)	
Total	\$ 379,165	\$ 408,618	\$ 637,657	56.05%

Recommended Expenditures by Function 2022-2023/Percentage change from FY 2021-2022



FY 2022-2023 Recommended Expenditures and Expenditure History



LINE-ITEM BUDGET PUBLIC WORKS ADMINISTRATION

Account Description	Financial	Departmental	Manager's	Adopted	Amended	Estimated		
	Plan	Requested	Recommended	Budget	Budget	Actual	Actual	Actual
	2022-2023	2022-2023	2022-2023	2021-2022	2021-2022	Expenditures	Expenditures	Expenditures
						2021-2022	2020-2021	2019-2020
PERSONNEL SERVICES								
SALARIES/WAGES - REGULAR	\$ 185,272	\$ 355,155	\$ 355,155	\$ 180,879	\$ 180,879	\$ 170,643	\$ 180,787	\$ 175,711
SALARIES - LONGEVITY PAY	4,310	5,233	5,233	2,444	2,444	10,008	-	-
FICA TAX	14,458	27,435	27,435	13,979	13,979	12,344	12,720	12,124
GROUP HEALTH INSURANCE	56,033	83,378	83,378	53,348	49,759	58,064	42,947	46,734
RETIREES GROUP HEALTH INSUR	-	-	-	-	3,589	3,589	8,375	-
RETIREMENT	21,765	43,538	43,538	20,806	20,806	20,527	15,573	15,706
401 K	7,544	17,932	17,932	5,470	5,470	5,496	3,278	3,292
Subtotal Personnel Services	\$ 289,382	\$ 532,671	\$ 532,671	\$ 276,926	\$ 276,926	\$ 280,671	\$ 263,680	\$ 253,567
OPERATIONS								
TRAINING	\$ 3,250	\$ 5,125	\$ 3,600	\$ 3,250	\$ 3,250	\$ 1,687	\$ 52	\$ 650
BUILDING/EQUIPMENT RENTAL	2,100	2,100	2,100	2,100	2,100	1,306	2,093	2,302
TELEPHONE	984	960	960	984	984	568	506	982
POSTAGE	300	300	300	300	300	16	120	7
ADVERTISING	300	300	300	300	300	300	275	-
FUEL COSTS	2,500	2,250	2,250	2,500	2,500	1,179	1,224	1,919
DEPARTMENT SUPPLIES	5,200	8,300	7,300	6,200	6,200	6,854	6,198	3,652
MAINT/REPAIR EQUIPMENT	-	-	-	-	-	-	-	13,750
VEHICLE MAINTENANCE	2,500	2,500	2,500	2,500	2,500	29	2,959	1,068
UNIFORMS	1,220	1,200	1,000	1,220	1,220	93	257	197
PROFESSIONAL FEES	-	-	-	-	-	-	-	-
CONTRACTED SERVICES	10,214	12,725	12,725	9,750	9,750	9,750	3,435	3,924
PURCHASES FOR RESALE	67,525	82,655	82,655	67,525	82,860	82,860	78,220	62,898
DUES AND SUBSCRIPTIONS	4,900	4,690	4,690	5,045	5,045	1,520	875	875
Subtotal Operations	\$ 100,993	\$ 123,105	\$ 120,380	\$ 101,674	\$ 117,009	\$ 106,162	\$ 96,214	\$ 92,224
COST REIMBURSEMENT								
COST REIMBURSEMENT	\$ -	\$ (44,749)	\$ (44,749)	\$ -	\$ (37,686)	\$ (37,686)	\$ (39,112)	\$ (45,626)

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
CAPITAL OUTLAY								
CAPITAL OUTLAY OTHER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CAPITAL OUTLAY EQUIPMENT	-	-	-	-	-	-	10,004	-
CAPITAL OUTLAY IMPROVEMENTS	-	-	-	-	-	-	-	164,905
Subtotal Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,004	\$ 164,905
Capital Investment Fund Transfers								
DEBT SERVICE								
PRINCIPAL	\$ 27,368	\$ 27,368	\$ 27,368	\$ 27,368	\$ 27,368	\$ 27,368	\$ 27,368	\$ 35,341
INTEREST	1,987	1,987	1,987	2,650	2,650	2,650	3,325	207
Subtotal Debt Service	\$ 29,355	\$ 29,355	\$ 29,355	\$ 30,018	\$ 30,018	\$ 30,018	\$ 30,693	\$ 35,548
TOTALS	\$ 419,730	\$ 640,382	\$ 637,657	\$ 408,618	\$ 386,267	\$ 379,165	\$ 361,479	\$ 500,618

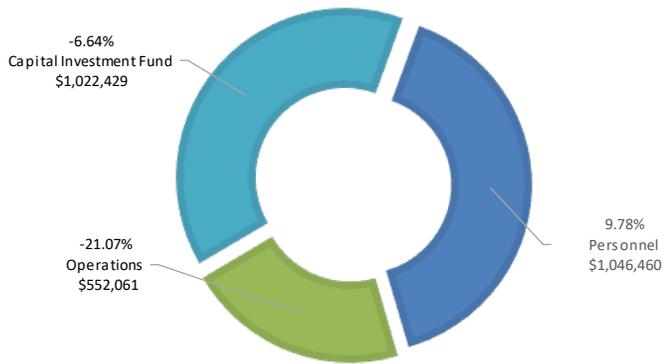
**Capital Investment Fund
For the Fiscal Year 2022-2023**

Description	Fiscal Year	Estimated Cost	Recommended 2022-2023
Public Services Administration:			
Debt Service			
Fuel tank conversion	19/20	\$ 164,208	\$ 29,355

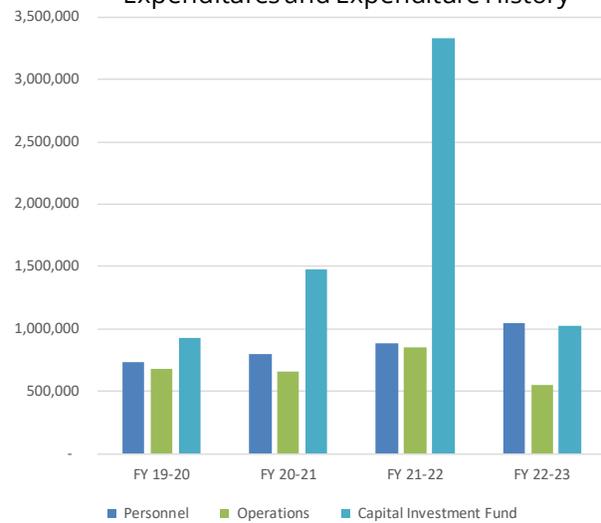
BUDGET SUMMARY PUBLIC WORKS FACILITIES MAINTENANCE

Expenditures By Type				
Type	FY 21-22 Estimated Actual	FY 21-22 Adopted Budget	FY 22-23 Recommended Budget	Percent Change
Personnel	\$ 882,509	\$ 953,208	\$ 1,046,460	9.78%
Operations	849,719	699,451	552,061	-21.07%
Capital Investment Fund	3,330,256	1,095,093	1,022,429	-6.64%
Subtotal	5,062,484	2,747,752	2,620,950	-4.61%
Cost Reimbursement	(139,588)	-	(213,004)	
Total	\$ 4,922,896	\$ 2,747,752	\$ 2,407,946	-12.37%

Recommended Expenditures by Function
2022-2023/Percentage change from FY
2021-2022



FY 2022-2023 Recommended
Expenditures and Expenditure History



LINE-ITEM BUDGET PUBLIC WORKS FACILITIES MAINTENANCE

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
PERSONNEL SERVICES								
SALARIES/WAGES - REGULAR	\$ 693,590	\$ 698,466	\$ 698,466	\$ 639,186	\$ 643,192	\$ 591,969	\$ 569,909	\$ 525,458
SALARIES - LONGEVITY PAY	16,215	15,826	15,826	16,315	16,315	17,146	-	-
SALARIES/WAGES - PARTTIME	-	-	-	-	-	-	-	1,209
OVERTIME PAY	1,800	6,000	6,000	1,800	1,800	494	-	-
HOLIDAY PAY	1,890	5,000	5,000	1,890	1,890	2,011	-	-
FICA TAX	54,266	55,072	55,072	50,134	50,440	45,170	42,491	39,062
GROUP HEALTH INSURANCE	178,127	142,706	142,706	149,760	149,760	138,208	118,700	117,912
RETIREMENT	81,609	87,395	87,395	74,528	74,985	69,283	57,643	47,065
401 K	28,287	35,995	35,995	19,595	19,715	18,228	8,482	7,639
Subtotal Personnel Services	\$ 1,055,784	\$ 1,046,460	\$ 1,046,460	\$ 953,208	\$ 958,097	\$ 882,509	\$ 797,225	\$ 738,345
OPERATIONS								
TRAINING	\$ 9,500	\$ 19,500	\$ 10,000	\$ 9,500	\$ 9,500	\$ 2,687	\$ 473	\$ 1,292
UTILITIES	221,172	237,292	222,252	221,172	221,172	206,901	212,526	218,920
FUEL COSTS	28,000	35,000	35,000	28,000	28,000	23,846	21,849	24,683
DEPARTMENT SUPPLIES	24,280	35,830	29,980	36,680	36,680	28,391	19,710	29,610
OTHER SUPPLIES	26,250	35,000	25,000	31,750	31,750	21,667	21,129	17,707
MAINT/REPAIR BUILDINGS	102,278	55,800	29,800	102,278	293,653	293,653	171,186	124,759
MAINT/REPAIR EQUIPMENT	30,000	40,862	22,000	22,000	22,000	18,997	34,655	18,003
VEHICLE MAINTENANCE	13,920	15,380	15,380	13,920	13,920	9,430	13,347	13,551
MAINT/REPAIR OTHER	72,105	86,105	59,605	62,105	67,378	26,393	56,598	43,319
UNIFORMS	8,050	12,000	10,000	8,050	8,050	7,022	2,973	2,993
PROFESSIONAL FEES	175	5,250	250	175	175	267	4,708	850
SIGNS	17,500	30,000	20,000	15,000	16,890	13,251	6,343	25,521
SPECIAL PROJECTS SAND FENCING	24,000	24,000	24,000	24,000	24,000	24,000	24,000	48,000
CONTRACTED SERVICES	124,711	48,744	48,744	124,621	124,621	124,621	66,970	24,253
DUES AND SUBSCRIPTIONS	200	50	50	200	200	200	50	-
DOWDY PARK	-	-	-	-	48,393	48,393	-	89,758
Subtotal Operations	\$ 702,141	\$ 680,813	\$ 552,061	\$ 699,451	\$ 946,382	\$ 849,719	\$ 656,517	\$ 683,219
COST REIMBURSEMENT								
COST REIMBURSEMENT	\$ -	\$ (213,004)	\$ (213,004)	\$ -	\$ (139,588)	\$ (139,588)	\$ (153,210)	\$ (169,594)

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
Capital Investment Fund Transfers								
NON-CAPITAL OUTLAY								
BUILDINGS	\$ -	\$ 57,500	\$ 37,500	\$ -	\$ -	\$ -	\$ -	\$ -
IMPROVEMENTS	25,000	25,000	25,000	25,000	50,000	50,000	-	18,744
EQUIPMENT	-	20,000	20,000	20,000	20,000	1,900	26,700	-
CONTRACTED SERVICES	-	30,878	30,878	-	-	-	-	-
Subtotal Operations	\$ 25,000	\$ 133,378	\$ 113,378	\$ 45,000	\$ 70,000	\$ 51,900	\$ 26,700	\$ 18,744
CAPITAL OUTLAY								
LAND	\$ -	\$ -	\$ -	\$ -	\$ 872,780	\$ 872,780	\$ 872,532	\$ 79,318
BUILDINGS	-	148,446	148,446	500,000	1,382,219	1,382,219	44,991	26,151
IMPROVEMENTS	570,000	320,000	190,750	190,000	190,000	190,000	109,307	25,844
OTHER	-	-	-	-	1,890	1,890	76,876	185,788
EQUIPMENT	-	20,550	-	27,000	245,854	245,854	8,155	255,023
VEHICLE	6,000	233,654	233,654	3,050	203,939	203,939	31,100	33,728
Subtotal Capital Outlay	\$ 576,000	\$ 722,650	\$ 572,850	\$ 720,050	\$ 2,896,682	\$ 2,896,682	\$ 1,142,961	\$ 605,852
DEBT SERVICE								
PRINCIPAL	\$ 232,890	\$ 298,927	\$ 298,927	\$ 322,613	\$ 381,213	\$ 374,245	\$ 288,277	\$ 284,242
INTEREST	11,022	37,274	37,274	7,430	7,430	7,429	15,076	16,440
Subtotal Debt Service	\$ 243,912	\$ 336,201	\$ 336,201	\$ 330,043	\$ 388,643	\$ 381,674	\$ 303,353	\$ 300,682
TOTAL	\$ 2,602,837	\$ 2,706,498	\$ 2,407,946	\$ 2,747,752	\$ 5,120,216	\$ 4,922,896	\$ 2,773,546	\$ 2,177,248

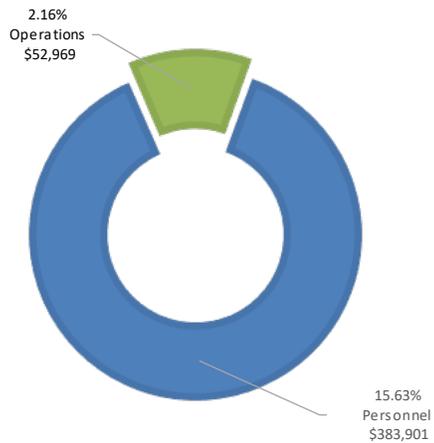
**Capital Investment Fund
For the Fiscal Year 2022-2023**

Description	Fiscal Year	Estimated Cost	Recommended 2022-2023
Public Works Facilities Maintenance :			
Non-Capital Outlay			
HVAC maintenance agreement	22/23	\$ 30,878	\$ 30,878
Town Hall window replacements	22/23	20,000	20,000
Town Hall HVAC replacement	22/23	17,500	17,500
Crosswalk lighting	22/23	20,000	20,000
Multi-use path repairs	22/23	25,000	25,000
		\$ 113,378	\$ 113,378
Debt Service			
Motor grader	18/19	\$ 177,900	\$ 36,872
Fire Station 16 HVAC	18/19	85,000	17,529
Dowdy Park lighting	19/20	78,375	14,011
Pickup	20/21	31,100	10,496
105 W. Seachase Drive	21/22	1,200,000	148,440
Loader	21/22	194,795	40,883
Pickup	21/22	31,159	10,616
Street sweeper	21/22	168,351	57,354
		\$ 1,966,680	\$ 336,201
Capital Outlay			
Security and energy conservation retrofits	22/23	\$ 80,000	\$ 80,000
LED lighting/occupancy sensor upgrade	22/23	68,446	68,446
Dump Truck	22/23	170,000	170,000
Pickup truck to pull trailers	22/23	63,654	63,654
Conch Street beach access maintenance**	22/23	60,750	60,750
Hollowell Street beach access maintenance**	22/23	70,000	70,000
Beach road multi-use path maintenance	22/23	60,000	60,000
		\$ 572,850	\$ 572,850

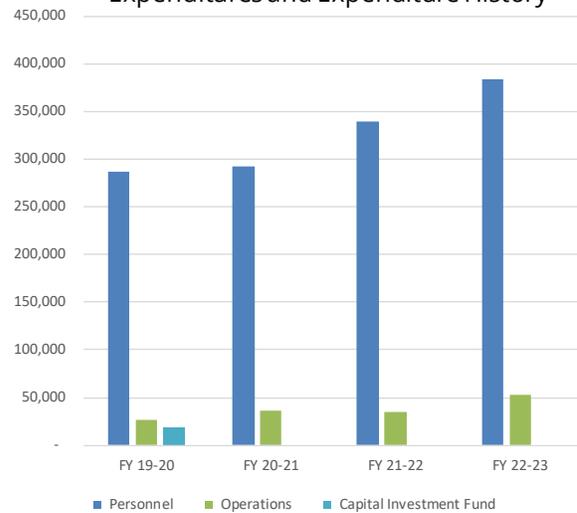
BUDGET SUMMARY PUBLIC WORKS GARAGE

Expenditures By Type				
Type	FY 21-22 Estimated Actual	FY 21-22 Adopted Budget	FY 22-23 Recommended Budget	Percent Change
Personnel	\$ 339,259	\$ 332,011	\$ 383,901	15.63%
Operations	35,074	51,849	52,969	2.16%
Capital Investment Fund	-	-	-	
Subtotal	374,333	383,860	436,870	13.81%
Cost Reimbursement	(40,387)	-	(49,306)	
Total	\$ 333,946	\$ 383,860	\$ 387,564	0.96%

Recommended Expenditures by Function
2022-2023/Percentage change from FY
2021-2022



FY 2022-2023 Recommended
Expenditures and Expenditure History



LINE-ITEM BUDGET PUBLIC WORKS GARAGE

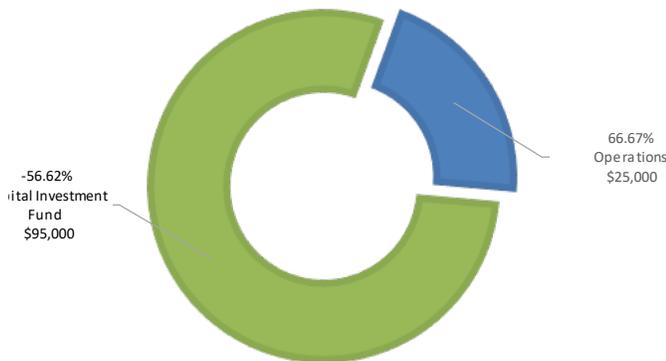
Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
PERSONNEL SERVICES								
SALARIES/WAGES - REGULAR	\$ 240,909	\$ 267,487	\$ 267,487	\$ 231,252	\$ 235,806	\$ 231,621	\$ 213,664	\$ 208,758
SALARIES - LONGEVITY PAY	6,457	6,705	6,705	6,315	6,315	6,315	-	-
SALARIES/WAGES - PARTTIME	-	-	-	-	-	-	-	-
OVERTIME PAY	800	500	500	800	800	800	-	-
HOLIDAY PAY	730	500	500	730	730	730	-	-
FICA TAX	19,041	21,052	21,052	18,291	18,639	17,957	15,995	15,431
GROUP HEALTH INSURANCE	42,348	40,489	40,489	40,269	40,269	47,353	37,241	46,043
RETIREMENT	28,642	33,408	33,408	27,202	27,721	27,299	21,593	18,847
401 K	9,928	13,760	13,760	7,152	7,289	7,184	3,973	4,116
Subtotal Personnel Services	\$ 348,855	\$ 383,901	\$ 383,901	\$ 332,011	\$ 337,569	\$ 339,259	\$ 292,466	\$ 293,195
OPERATIONS								
TRAINING	\$ 3,695	\$ 3,695	\$ 3,695	\$ 3,695	\$ 3,695	\$ 93	\$ 962	\$ -
FUEL COSTS	1,100	1,750	1,750	1,100	1,100	1,212	794	852
DEPARTMENT SUPPLIES	18,250	18,250	18,250	18,250	18,250	15,180	16,805	15,267
OTHER SUPPLIES	15,395	15,344	15,344	15,344	15,344	13,399	11,517	9,604
MAINT/REPAIR EQUIPMENT	5,840	5,840	5,840	5,840	5,840	1,925	1,338	662
VEHICLE MAINTENANCE	2,250	2,250	2,250	2,250	2,250	411	265	318
UNIFORMS	3,300	3,480	3,480	3,300	3,300	1,684	1,521	590
PROFESSIONAL FEES	900	900	900	900	900	-	246	-
CONTRACTED SERVICES	1,170	1,460	1,460	1,170	1,170	1,170	2,250	1,920
Subtotal Operations	\$ 51,900	\$ 52,969	\$ 52,969	\$ 51,849	\$ 51,849	\$ 35,074	\$ 35,698	\$ 29,213
COST REIMBURSEMENT								
COST REIMBURSEMENT	\$ -	\$ (49,306)	\$ (49,306)	\$ -	\$ (40,387)	\$ (40,387)	\$ (43,976)	\$ (46,900)

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
DEBT SERVICE								
PRINCIPAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	17,977
INTEREST	-	-	-	-	-	-	-	270
Subtotal Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	18,247
TOTAL	\$ 400,755	\$ 387,564	\$ 387,564	\$ 383,860	\$ 349,031	\$ 333,946	\$ 284,188	\$ 293,755

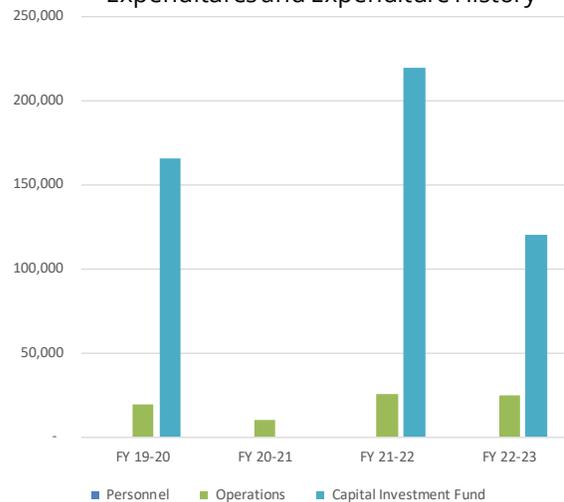
BUDGET SUMMARY STATE STREET AID (POWELL BILL)

Expenditures By Type				
Type	FY 21-22 Estimated Actual	FY 21-22 Adopted Budget	FY 22-23 Recommended Budget	Percent Change
Personnel	\$ -	\$ -	\$ -	
Operations	25,450	15,000	25,000	66.67%
Capital Investment Fund	219,000	219,000	95,000	-56.62%
Subtotal	244,450	234,000	120,000	-48.72%
Cost Reimbursement	-	-	-	
Total	\$ 244,450	\$ 234,000	\$ 120,000	-48.72%

Recommended Expenditures by Function 2022-2023/Percentage change from FY 2021-2022



FY 2022-2023 Recommended Expenditures and Expenditure History



LINE-ITEM BUDGET STATE STREET AID (POWELL BILL)

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
OPERATIONS								
STREET SUPPLIES	\$ 15,000	\$ 25,000	\$ 25,000	\$ 15,000	\$ 30,000	\$ 25,450	\$ 10,337	\$ 19,766
CAPITAL OUTLAY								
OTHER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 165,360
INFRASTRUCTURE	95,000	95,000	95,000	219,000	219,000	219,000		-
Subtotal Capital Outlay	\$ 95,000	\$ 95,000	\$ 95,000	\$ 219,000	\$ 219,000	\$ 219,000	\$ -	\$ 165,360
TOTAL	\$ 110,000	\$ 120,000	\$ 120,000	\$ 234,000	\$ 249,000	\$ 244,450	\$ 10,337	\$ 185,126

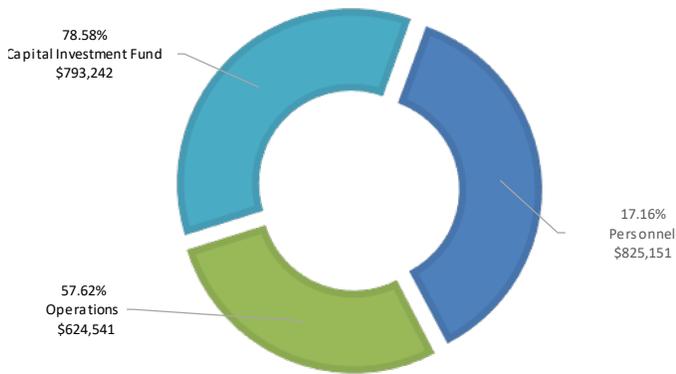
**Capital Investment Fund
For the Fiscal Year 2022-2023**

Description	Fiscal Year	Estimated Cost	Recommended 2022-2023
State Street Aid (Powell Bill):			
Capital Outlay			
Streets-Stormwater-Water (Streets-Stormwater paving)		\$ 95,000	\$ 95,000

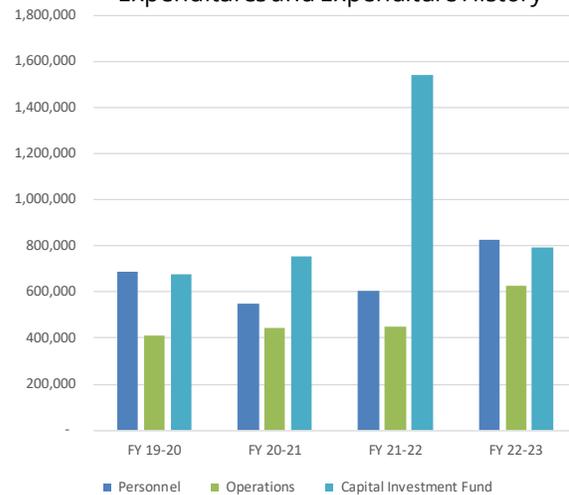
BUDGET SUMMARY PUBLIC WORKS SANITATION

Expenditures By Type				
Type	FY 21-22 Estimated Actual	FY 21-22 Adopted Budget	FY 22-23 Recommended Budget	Percent Change
Personnel	\$ 606,015	\$ 704,274	\$ 825,151	17.16%
Operations	449,056	396,228	624,541	57.62%
Capital Investment Fund	1,538,863	444,206	793,242	78.58%
Subtotal	2,593,934	1,544,708	2,242,934	45.20%
Cost Reimbursement	-	-	-	-
Total	\$ 2,593,934	\$ 1,544,708	\$ 2,242,934	45.20%

Recommended Expenditures by Function 2022-2023/Percentage change from FY 2021-2022



FY 2022-2023 Recommended Expenditures and Expenditure History



LINE-ITEM BUDGET PUBLIC WORKS SANITATION

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
PERSONNEL SERVICES								
SALARIES/WAGES - REGULAR	\$ 441,429	\$ 506,831	\$ 506,831	\$ 430,494	\$ 430,494	\$ 354,750	\$ 364,674	\$ 488,810
SALARIES - LONGEVITY PAY	6,229	4,399	4,399	4,607	4,607	4,607	-	-
SALARIES/WAGES - PARTTIME	15,423	18,402	18,402	15,455	15,455	9,476	-	-
OVERTIME PAY	6,000	8,500	8,500	6,000	6,000	6,000	-	-
HOLIDAY PAY	12,758	12,758	12,758	12,758	12,758	12,758	-	-
FICA TAX	35,392	40,419	40,419	34,436	34,436	27,685	25,847	35,239
GROUP HEALTH INSURANCE	106,652	117,722	117,722	109,347	109,347	108,080	93,236	118,239
RETIREEES GROUP HEALTH INSURANCE	30,111	28,716	28,716	28,716	28,716	28,710	28,710	-
RETIREMENT	51,458	61,907	61,907	49,457	49,457	42,710	35,176	41,683
401 K	17,837	25,497	25,497	13,004	13,004	11,239	1,511	2,726
Subtotal Personnel Services	\$ 723,289	\$ 825,151	\$ 825,151	\$ 704,274	\$ 704,274	\$ 606,015	\$ 549,154	\$ 686,697
OPERATIONS								
TRAINING	\$ 2,000	\$ 16,000	\$ 2,850	\$ 2,000	\$ 2,000	\$ 1,831		\$ -
ADVERTISING	500	500	500	500	500	159	497	-
FUEL COSTS	90,000	134,000	134,000	90,000	90,000	132,061	77,187	83,355
DEPARTMENT SUPPLIES	27,960	52,687	42,287	27,960	27,960	21,781	16,283	12,658
MAINT/REPAIR EQUIPMENT	6,700	7,500	7,500	14,700	14,700	1,307	2,409	1,307
VEHICLE MAINTENANCE	150,000	245,220	150,220	150,000	150,679	146,566	219,999	128,108
UNIFORMS	8,200	7,500	7,500	7,200	7,200	5,573	2,862	6,062
CONTRACTED SERVICES	48,288	196,080	196,080	33,288	87,488	87,488	45,016	15,745
RECYCLING	70,580	83,604	83,604	70,580	70,580	52,290	78,677	163,309
Subtotal Operations	\$ 404,228	\$ 743,091	\$ 624,541	\$ 396,228	\$ 451,107	\$ 449,056	\$ 442,930	\$ 410,544

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
Capital Investment Fund Transfers								
CAPITAL OUTLAY								
VEHICLE	\$ 4,000	\$ 449,129	\$ 449,129	\$ -	\$ 1,452,866	\$ 1,094,657	\$ 301,727	\$ 242,279
EQUIPMENT	-	81,000	61,000	-	18,468	-	-	83,860
Subtotal Capital Outlay	\$ 4,000	\$ 530,129	\$ 510,129	\$ -	\$ 1,471,334	\$ 1,094,657	\$ 301,727	\$ 326,139
DEBT SERVICE								
PRINCIPAL	\$ 395,175	\$ 272,507	\$ 272,507	\$ 426,228	\$ 426,228	\$ 426,228	\$ 434,808	\$ 337,634
INTEREST	10,606	10,606	10,606	17,978	17,978	17,978	16,353	13,781
Subtotal Debt Service	\$ 405,781	\$ 283,113	\$ 283,113	\$ 444,206	\$ 444,206	\$ 444,206	\$ 451,161	\$ 351,415
TOTAL	\$ 1,537,298	\$ 2,381,484	\$ 2,242,934	\$ 1,544,708	\$ 3,070,921	\$ 2,593,934	\$ 1,744,972	\$ 1,774,795

**Capital Investment Fund
For the Fiscal Year 2022-2023**

Description	Fiscal Year	Estimated Cost	Recommended 2022-2023
Public Works Sanitation:			
Debt Service			
Residential Truck (\$20,000 capital reserve)	18/19	\$ 263,132	\$ 54,537
Residential Truck (\$10,000 capital reserve)	19/20	306,328	63,400
Residential Truck (\$5,000 capital reserve)	20/21	274,533	57,624
Boom truck	20/21	236,876	49,720
Side Load truck	20/21	275,521	57,832
		\$ 1,356,390	\$ 283,113
Capital Outlay			
Dump Truck	22/23	\$ 144,000	\$ 144,000
Commercial Truck	22/23	305,129	305,129
Replacement curotto can	22/23	45,000	45,000
Upgraded gripper arm	22/23	16,000	16,000
		\$ 510,129	\$ 510,129

LINE-ITEM BUDGET SOLID WASTE DISPOSAL

Account Description	Financial	Departmental	Manager's	Adopted	Amended	Estimated	Actual	Actual	Actual
	Plan	Requested	Recommended	Budget	Budget	Actual	Expenditures	Expenditures	Expenditures
	2022-2023	2022-2023	2022-2023	2021-2022	2021-2022	2021-2022	2020-2021	2020-2021	2019-2020
OPERATIONS									
TIPPING FEES	\$ 810,807	\$ 850,818	\$ 850,818	\$ 797,456	\$ 797,456	\$ 820,000	\$ 828,826	\$ 652,606	
TOTAL	\$ 810,807	\$ 850,818	\$ 850,818	\$ 797,456	\$ 797,456	\$ 820,000	\$ 828,826	\$ 652,606	

STREETS AND STORMWATER

DESCRIPTION

The Streets and Stormwater Department reflects a more holistic approach to the planning, design and construction of combined streets, stormwater and watermain project work. This methodology synthesizes the various utility and infrastructure plans and prioritization into a single combined project plan.

The Town recently completed a pavement condition survey and developed a pavement maintenance plan that addresses maintenance of all Town-owned streets (37 miles) over a period of 20-years. The Town has also developed a list of drainage and waterline projects that will be planned, in conjunction with, or in advance of, street work. Combining the streets and stormwater budgets will increase available revenue to accommodate larger projects year-to-year when planning on an incremental five-year basis as part of the Town's capital improvement program

RECENT ACCOMPLISHMENTS

- South Memorial Avenue drainage infrastructure replacement
- East Soundside Road driveway culvert replacements
- East Baymeadow Street cross street culvert pipe replacements
- South Virginia Dare Trail drop inlet repair
- South Memorial Avenue drop inlet repair
- West Health Center Drive roadway swale improvements
- Wrightsville Avenue roadway swale improvements

UPCOMING PROJECTS

For FY 22-23, the focus is centered on existing storm drain and Asbestos-cement (A/C) waterline replacement in advance of paving working between the 2700 and 2800 block of South Memorial Avenue and between the 3200 and 3300 blocks of South Memorial Avenue. Upon completion of the utility work, paving will proceed along East Barnes Street, East Bladen Street, Bainbridge Street, and East and West Soundside Road. The proposed scope of work will fill out the balance of the Year Two paving schedule and complete the Year Three paving work.

FY 2022-23 BUDGET HIGHLIGHTS

- Powell Bill State Street Aid of \$95,000 is budgeted in conjunction with streets and stormwater funding of \$393,182, totaling \$488,182 towards design, drainage, and resurfacing paving projects that incorporate:
 - East and West Soundside Road

- East Barnes Street between South Croatan Highway and the East Barnes Street beach access
- East Bladen Street between South Wrightsville Avenue and the East Bladen Street beach access
- South Memorial Avenue between the East Bladen Street intersection and the southern terminus
- East Barnes Street drainage pipe replacement

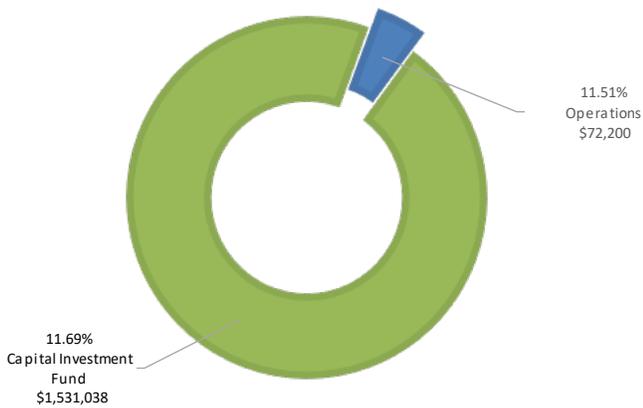
This is an integrated approach using a neighborhood-by-neighborhood approach based on a five-year paving plan. An economy of scale and a more streamlined approach will be realized in combining multiple paving projects along with associated drainage improvements and waterline upgrades.

- Funding of \$19,500 is budgeted for floodwater pump maintenance and repairs and rentals
- Capital Improvement Program cash purchases include:
 - One replacement backhoe - \$200,000
 - Bonnett Street pump station drainage construction project - \$775,300
 - Partially offset by grant funding of \$410,909
 - Design for drainage improvements along South Old Oregon Inlet Road - \$50,000
 - An emergency floodwater pump was requested but not recommended - \$80,000
- The final annual debt payment of \$112,556 is budgeted for stormwater project improvements for areas around the Red Drum ocean outfall, Nags Head Acres/Vista Colony neighborhood, and the Village at Nags Head-South Virginia Dare Trail-Mall Drive to Epstein Street.

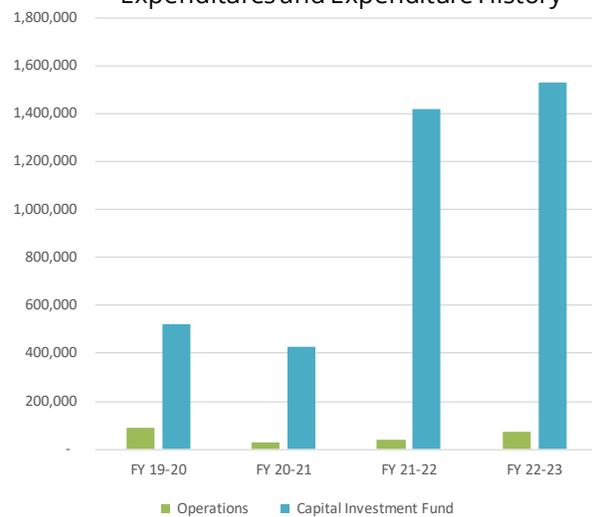
BUDGET SUMMARY STREETS AND STORMWATER

Expenditures By Type				
Type	FY 21-22 Estimated Actual	FY 21-22 Adopted Budget	FY 22-23 Recommended Budget	Percent Change
Personnel	\$ -	\$ -	\$ -	
Operations	39,722	64,750	72,200	11.51%
Capital Investment Fund	1,417,352	1,370,772	1,531,038	11.69%
Subtotal	1,457,074	1,435,522	1,603,238	11.68%
Cost Reimbursement	-	-	-	
Total	\$ 1,457,074	\$ 1,435,522	\$ 1,603,238	11.68%

Recommended Expenditures by Function 2022-2023/Percentage change from FY 2021-2022



FY 2022-2023 Recommended Expenditures and Expenditure History



LINE-ITEM BUDGET STREETS AND STORMWATER

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2020-2021	Estimated Actual Expenditures 2021-2022	Actual Expenditures 2020-2021	Actual Expenditures 2019-2020
OPERATIONS								
UTILITIES	\$ 3,000	\$ 2,750	\$ 2,750	\$ 2,750	\$ 2,750	\$ 392	\$ 1,968	\$ 1,338
FUEL COSTS	2,750	2,000	2,000	2,750	2,750	849	858	2,228
DEPARTMENT SUPPLIES	13,500	21,200	17,200	13,000	13,000	2,200	3,116	10,078
MAINT/REPAIR EQUIPMENT	7,350	6,750	6,750	6,750	6,750	928	502	5,924
PROFESSIONAL FEES	4,000	4,000	2,000	4,000	4,000	133	27	-
PROF FEE/WATER QUALITY TESTING	2,000	2,000	2,000	2,000	2,000	1,720	1,560	1,440
CONTRACTED SERVICES	69,000	43,500	39,500	33,500	33,500	33,500	20,611	69,467
Subtotal Operations	\$ 101,600	\$ 82,200	\$ 72,200	\$ 64,750	\$ 64,750	\$ 39,722	\$ 28,642	\$ 90,475
Capital Investment Fund Transfers								
CAPITAL OUTLAY								
EQUIPMENT	\$ -	\$ 290,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 36,650
INFRASTRUCTURE	309,716	1,318,482	1,218,482	1,239,520	1,286,100	1,286,100	293,035	318,548
Subtotal Capital Outlay	\$ 309,716	\$ 1,608,482	\$ 1,418,482	\$ 1,239,520	\$ 1,286,100	\$ 1,286,100	\$ 293,035	\$ 355,198
DEBT SERVICE								
PRINCIPAL	\$ 161,134	\$ 109,162	\$ 109,162	\$ 124,000	\$ 124,000	\$ 124,000	\$ 124,000	\$ 151,572
INTEREST	3,395	3,394	3,394	7,252	7,252	7,252	11,108	15,488
Subtotal Debt Service	\$ 164,529	\$ 112,556	\$ 112,556	\$ 131,252	\$ 131,252	\$ 131,252	\$ 135,108	\$ 167,060
TOTAL	\$ 575,845	\$ 1,803,238	\$ 1,603,238	\$ 1,435,522	\$ 1,482,102	\$ 1,457,074	\$ 456,785	\$ 612,733

**Capital Investment Fund
For the Fiscal Year 2022-2023**

Description	Fiscal Year	Estimated Cost	Recommended 2022-2023
Streets and Stormwater:			
Debt Service			
Stormwater project areas 1-3A	18/19	\$ 620,000	\$ 112,556
Capital Outlay			
Backhoe	22/23	\$ 200,000	\$ 200,000
Streets-Stormwater-Water (Streets-Stormwater paving)	22/23	393,182	393,182
Bonnett St. pump station Project Area #4	22/23	775,300	775,300
S. Old Oregon Inlet Road Project Area #12	22/23	50,000	50,000
		<u>\$ 1,418,482</u>	<u>\$ 1,418,482</u>

WATER FUND SUMMARY

REVENUES AND EXPENSES SUMMARY

Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenses 2021-2022	Actual Expenses 2020-2021	Actual Expenses 2019-2020
REVENUES								
Water Utility Sales	\$ 3,791,615	\$ 3,750,000	\$ 3,750,000	\$ 3,610,348	\$ 3,610,348	\$ 3,750,000	\$ 3,664,298	\$ 3,318,439
Other Operating Revenue	71,000	73,500	73,500	71,000	71,000	77,000	71,470	57,648
Grants	-	2,609,925	2,609,925	435,000	513,125	948,125	43,000	-
Investment Earnings	29,850	35,850	35,850	29,850	29,850	30,850	(19,042)	79,242
Other Revenue	1,500	1,150	1,150	1,000	1,000	1,150	4,220	2,193
Other Finance Sources	25,000	554,206	337,206	1,071,459	1,398,282	81,239	967,506	178,222
TOTAL	\$ 3,918,965	\$ 7,024,631	\$ 6,807,631	\$ 5,218,657	\$ 5,623,605	\$ 4,888,364	\$ 4,731,452	\$ 3,635,744
EXPENSES								
Interfund	\$ 1,028,023	\$ 75,000	\$ 75,000	\$ 708,241	\$ 29,852	\$ 25,000	\$ 15,930	\$ 8,496
Water Administration	269,630	448,851	448,851	260,661	320,762	303,738	298,860	345,970
Septic Health	145,636	428,050	428,050	143,694	302,603	274,122	178,711	190,568
Water Operations	1,781,171	2,033,147	2,033,147	1,656,348	2,024,982	2,000,145	2,034,087	1,721,029
Water Distribution	694,505	4,039,583	3,822,583	2,449,713	2,945,406	2,871,585	990,106	1,376,732
TOTAL	\$ 3,918,965	\$ 7,024,631	\$ 6,807,631	\$ 5,218,657	\$ 5,623,605	\$ 5,474,590	\$ 3,517,694	\$ 3,642,795

REVENUES-RECOMMENDED

Account Description	Financial Plan 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Revenues 2021-2022	Actual Revenues 2020-2021	Actual Revenues 2019-2020
OPERATING REVENUES							
WATER UTILITY SALES	\$ 3,791,615	3,750,000	\$ 3,610,348	\$ 3,610,348	\$ 3,750,000	\$ 3,664,298	\$ 3,318,439
10% LATE PAYMENT PENALTY	25,000	25,000	25,000	25,000	25,000	24,610	28,952
SYSTEM DEVELOPMENT FEES	25,000	25,000	25,000	25,000	25,000	15,930	8,496
AMMONS DARE FEES	-	-	-	-	-	6,000	2,000
TAPS AND CONNECTION FEES	16,000	20,000	16,000	16,000	23,500	19,530	14,300
TAG CUTOFF FEES	5,000	3,500	5,000	5,000	3,500	5,400	3,900
Subtotal Operating Revenues	\$ 3,862,615	\$ 3,823,500	\$ 3,681,348	\$ 3,681,348	\$ 3,827,000	\$ 3,735,768	\$ 3,376,087
RESTRICTED INTERGOVERNMENTAL							
GRANTS-AMERICAN RESCUE PLAN	-	-	435,000	513,125	948,125	-	-
INTERGOVERNMENTAL GRANTS	-	2,609,925	-	-	-	43,000	-
Subtotal Restricted Intergovernmental	\$ -	\$ 2,609,925	\$ 435,000	\$ 513,125	\$ 948,125	\$ 43,000	\$ -
INVESTMENT EARNINGS							
INTEREST ON CASH/INVESTMENTS	29,000	35,000	29,000	29,000	30,000	(19,946)	78,086
SEPTIC LOAN INTEREST PAID	850	850	850	850	850	904	1,156
Subtotal Investment Earnings	\$ 29,850	\$ 35,850	\$ 29,850	\$ 29,850	\$ 30,850	\$ (19,042)	\$ 79,242
OTHER REVENUE							
MISCELLANEOUS REVENUES	1,500	1,150	1,000	1,000	1,150	4,220	2,193
CONTRIBUTIONS	-	-	-	-	-	-	-
Subtotal Other Revenue	\$ 1,500	\$ 1,150	\$ 1,000	\$ 1,000	\$ 1,150	\$ 4,220	\$ 2,193
OTHER FINANCE SOURCES							
SEPTIC LOAN PRINCIPAL PAID	25,000	25,000	25,000	25,000	24,000	29,194	32,754
PROCEEDS FROM LOAN	-	-	-	-	-	65,780	68,582
SALE OF FIXED ASSETS	-	-	-	-	-	872,532	76,886
TRANSFER FROM WATER CAPITAL RESERVE	-	-	50,000	57,130	57,130	-	-
TRANSFER FROM NAGS HEAD LEASING FUND	-	-	-	109	109	-	-
RESTRICTED NET POSITION-AMERICAN RESCUE PLAN	-	-	435,000	435,000	-	-	-
APPROPRIATED NET POSITION	-	312,206	561,459	881,043	-	-	-
Subtotal Other Finance Sources	\$ 25,000	\$ 337,206	\$ 1,071,459	\$ 1,398,282	\$ 81,239	\$ 967,506	\$ 178,222
TOTAL	\$ 3,918,965	\$ 6,807,631	\$ 5,218,657	\$ 5,623,605	\$ 4,888,364	\$ 4,731,452	\$ 3,635,744

EXPENSES BY ACCOUNT

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenses 2021-2022	Actual Expenses 2020-2021	Actual Expenses 2019-2020
PERSONNEL SERVICES								
SALARIES/WAGES - REGULAR	\$ 697,806	\$ 799,396	\$ 799,396	\$ 677,259	\$ 687,213	\$ 659,507	\$ 626,150	\$ 602,450
SALARIES - LONGEVITY PAY	2,645	750	750	2,520	2,520	2,520	-	-
FICA TAX	2,158	2,282	2,282	2,075	2,075	1,984	1,913	1,383
SALARIES - LONGEVITY PAY	13,677	14,292	14,292	11,811	11,811	11,811	-	-
OVERTIME PAY	2,000	2,150	2,150	2,000	2,000	1,297	-	-
HOLIDAY PAY	7,100	7,950	7,950	7,100	7,100	7,100	-	-
FICA TAX	52,968	60,499	60,499	51,327	52,088	46,927	43,481	42,209
GROUP HEALTH INSURANCE	164,770	177,057	177,057	167,544	167,544	175,916	145,072	143,658
RETIREES GROUP HEALTH INSUR	15,056	14,358	14,358	14,358	14,358	14,358	14,358	26,291
RETIREMENT	81,142	97,368	97,368	77,886	79,021	76,879	62,609	54,015
401 K	28,449	41,033	41,033	20,660	20,958	20,406	9,315	8,725
Subtotal Personnel Services	\$ 1,067,771	\$ 1,217,135	\$ 1,217,135	\$ 1,034,540	\$ 1,046,688	\$ 1,018,705	\$ 902,898	\$ 878,731
OPERATIONS								
TRAINING	\$ 13,050	\$ 22,765	\$ 18,765	\$ 13,910	\$ 13,910	\$ 2,965	\$ 5,068	\$ 7,122
BUILDING/EQUIPMENT RENTAL	940	940	940	940	940	152	444	707
TELEPHONE	5,608	7,391	7,391	5,128	5,128	2,204	2,019	1,583
UTILITIES	59,310	55,150	55,150	55,150	55,150	52,000	48,962	51,152
POSTAGE	21,150	21,150	21,150	21,150	21,150	8,951	14,825	17,673
ADVERTISING	3,460	3,760	3,760	3,260	3,260	1,032	906	1,836
PRINTING	5,825	5,826	5,826	5,825	5,825	4,187	2,975	5,355
FUEL COSTS	16,250	23,250	23,250	16,250	16,250	15,161	12,572	12,247
STREET SUPPLIES	3,096	3,240	3,240	3,096	3,096	1,920	2,697	1,437
DEPARTMENT SUPPLIES	59,691	63,637	63,637	58,691	58,691	49,036	55,347	46,842
OTHER SUPPLIES	36,415	36,415	36,415	36,415	36,415	23,405	17,814	15,527
MAINT/REPAIR BUILDINGS	2,000	34,600	34,600	51,800	51,800	56,920	670	1,853
MAINT/REPAIR EQUIPMENT	34,215	68,865	68,865	48,215	44,773	38,247	48,607	36,439
VEHICLE MAINTENANCE	7,150	7,150	7,150	7,150	7,150	3,139	3,589	3,512
MAINT/REPAIR OTHER	37,000	37,000	37,000	37,000	37,000	16,115	28,113	31,857
UNIFORMS	6,500	6,500	6,500	5,900	5,900	4,607	4,019	5,034
PROFESSIONAL FEES	115,420	135,770	135,770	57,670	42,170	42,170	19,306	12,965
PROF. FEES H2O QUALITY TESTING	36,000	54,000	54,000	36,000	36,000	36,000	32,952	43,224
CONTRACTED SERVICES	128,430	170,698	170,698	174,495	195,080	195,080	101,665	38,131
PURCHASES FOR RESALE	910,785	895,000	895,000	901,042	901,042	891,477	956,560	752,856

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenses 2021-2022	Actual Expenses 2020-2021	Actual Expenses 2019-2020
INSPECTIONS	10,000	10,000	10,000	10,000	10,000	10,000	11,775	1,913
PUMPING CREDIT FOR H2O USAGE	3,500	30,000	30,000	3,500	3,500	2,100	3,780	2,085
BAD DEBT EXPENSE	5,000	5,000	5,000	5,000	5,000	-	-	-
DUES AND SUBSCRIPTIONS	5,028	5,093	5,093	5,028	5,028	4,360	4,960	3,821
INSURANCE	60,000	65,000	65,000	60,000	60,000	65,000	55,680	57,542
Subtotal Operations	\$ 1,585,823	\$ 1,768,200	\$ 1,764,200	\$ 1,622,615	\$ 1,624,258	\$ 1,526,228	\$ 1,435,305	\$ 1,152,713
COST REIMBURSEMENT								
COST REIMBURSEMENT	\$ -	\$ 796,773	\$ 796,773	\$ -	\$ 633,241	\$ 633,241	\$ 667,283	\$ 705,718
Subtotal Cost Reimbursement	\$ -	\$ 796,773	\$ 796,773	\$ -	\$ 633,241	\$ 633,241	\$ 667,283	\$ 705,718
CAPITAL OUTLAY								
CAPITAL OUTLAY OTHER	\$ -	\$ -	\$ -	\$ -	\$ 120,169	\$ 120,169	\$ 29,831	\$ -
CAPITAL OUTLAY IMPROVEMENTS	-	-	-	-	-	-	-	37,919
CAPITAL OUTLAY EQUIPMENT	173,400	2,539,875	2,539,875	18,500	42,771	42,771	44,240	7,721
CAPITAL OUTLAY INFRASTRUCTURE	-	439,500	264,500	889,930	1,103,670	1,103,670	284,798	758,611
CAPITAL OUTLAY AMER RESCUE PLAN	-	-	-	870,000	948,125	948,125	-	-
CAPITAL OUTLAY VEHICLE	-	38,000	-	-	-	-	65,780	31,762
Subtotal Capital Outlay	\$ 173,400	\$ 3,017,375	\$ 2,804,375	\$ 1,778,430	\$ 2,214,735	\$ 2,214,735	\$ 424,649	\$ 836,013
DEBT SERVICE								
L/P PRINCIPAL	\$ 28,219	\$ 28,219	\$ 28,219	\$ 38,497	\$ 38,497	\$ 38,497	\$ 46,431	\$ 43,008
L/P INTEREST	729	61,929	61,929	1,334	1,334	1,334	1,248	676
SEPTIC LOAN PROGRAM	35,000	60,000	60,000	35,000	35,000	16,850	23,950	17,440
Subtotal Debt Service	\$ 63,948	\$ 150,148	\$ 150,148	\$ 74,831	\$ 74,831	\$ 56,681	\$ 71,629	\$ 61,124
INTERFUND								
CONTRIB. TO GENERAL FUND	\$ 633,241	\$ -	\$ -	\$ 633,241	\$ -	\$ -	\$ -	\$ -
CONTRIB. TO WATER CAP RESERVE FUN	344,782	25,000	25,000	25,000	25,000	25,000	15,930	8,496
CONTINGENCY	50,000	50,000	50,000	50,000	4,852	-	-	-
Subtotal Interfund	\$ 1,028,023	\$ 75,000	\$ 75,000	\$ 708,241	\$ 29,852	\$ 25,000	\$ 15,930	\$ 8,496
Grand Total	\$ 3,918,965	\$ 7,024,631	\$ 6,807,631	\$ 5,218,657	\$ 5,623,605	\$ 5,474,590	\$ 3,517,694	\$ 3,642,795

EXPENSES BY PERCENTAGE

	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Manager's Recommended Net Change	Financial Plan 2022-2023
PERSONNEL SERVICES	\$ 1,217,135	\$ 1,217,135	0.00%	\$ 1,067,771
OPERATIONS	1,768,200	1,764,200	-0.23%	1,585,823
COST REIMBURSEMENT	796,773	796,773	0.00%	-
CAPITAL OUTLAY	3,017,375	2,804,375	-7.06%	173,400
DEBT SERVICE	<u>150,148</u>	<u>150,148</u>	0.00%	<u>63,948</u>
SUB-TOTAL	6,949,631	6,732,631	-3.12%	2,890,942
INTERFUND TRANSFERS	25,000	25,000	0.00%	978,023
CONTINGENCY	<u>50,000</u>	<u>50,000</u>	0.00%	<u>50,000</u>
TOTAL	\$ 7,024,631	\$ 6,807,631	-3.09%	\$ 3,918,965

	Departmental Requested 2022-2023	Percentage of Total	Manager's Recommended 2022-2023	Percentage of Total	Financial Plan 2022-2023	Percentage of Total
PERSONNEL	\$ 1,217,135	17.33%	\$ 1,217,135	17.88%	\$ 1,067,771	27.25%
OPERATIONS	1,768,200	25.17%	1,764,200	25.92%	1,585,823	40.47%
COST REIMBURSEMENT	796,773	11.34%	796,773	11.70%	-	0.00%
CAPITAL OUTLAY	3,017,375	42.95%	2,804,375	41.19%	173,400	4.42%
DEBT SERVICE	<u>150,148</u>	2.14%	<u>150,148</u>	2.21%	<u>63,948</u>	1.63%
SUB-TOTAL	6,949,631	98.93%	6,732,631	98.90%	2,890,942	73.77%
INTERFUND TRANSFERS	25,000	0.36%	25,000	0.37%	978,023	24.96%
CONTINGENCY	<u>50,000</u>	0.71%	<u>50,000</u>	0.73%	<u>50,000</u>	1.28%
TOTAL	<u>\$ 7,024,631</u>	100.00%	<u>\$ 6,807,631</u>	100.00%	<u>\$ 3,918,965</u>	100.00%

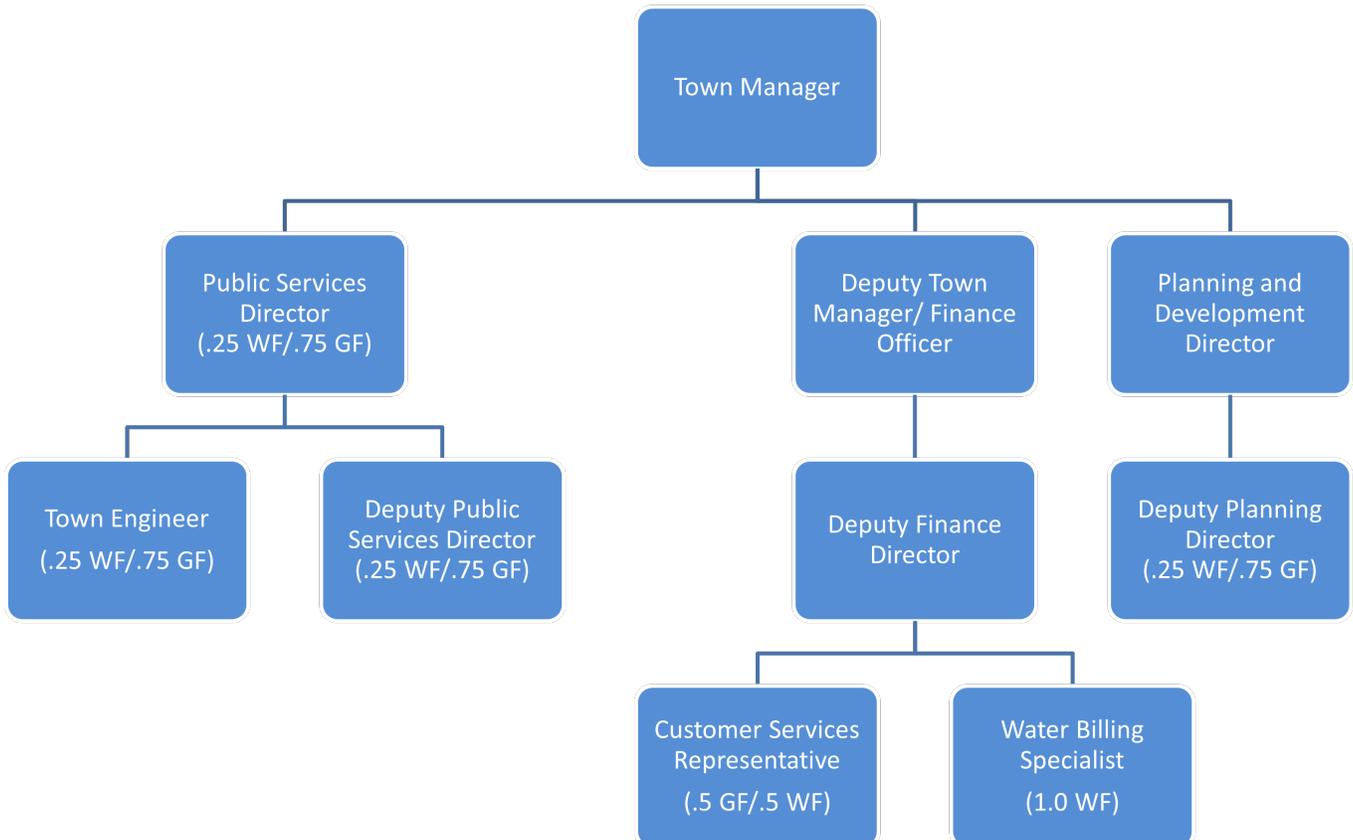
DEPARTMENTAL BUDGETS

WATER ADMINISTRATION

DESCRIPTION

Water Administration is responsible for billing and collecting revenues generated through distribution of water resources. Activities include scheduled utility billing; customer service changes; proactive leak identification, notification, and resolution; and courteous, timely responses to customer inquiries. Water Administration staff are in the Administrative Services Department, but are funded through the Water Fund, rather than the General Fund.

ORGANIZATIONAL CHART



RECENT ACCOMPLISHMENTS

- Created a website for on-demand self-service documents for customer-initiated forms, eliminating paper documents.
- Enabled electronic payment services to provide real-time, immediate payment capabilities for customers using their financial institution's online bill pay.
- Consolidated payments from different financial institutions into one electronic interface that integrates payment transactions with existing accounts receivable software.

UPCOMING PROJECTS

- All online forms will be in an electronic format that does not require the use of printing. Eliminating paper forms lowers costs, creates faster turnaround times, and elevates the customer experience.
- Provide timely water usage data including up to date leak/unusual account usage through Advanced Metering Infrastructure. The benefits extend to small leak detection and water conservation that reduce non-revenue water loss.

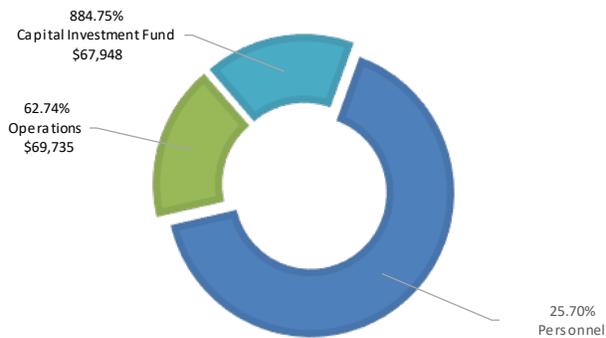
FY 2022-23 BUDGET HIGHLIGHTS

- The cost reimbursement of \$796,773 from the water fund to the general fund for indirect administrative costs is budgeted departmentally.
- An additional position budgeted in Public Works Administration is the Deputy Public Works Director, budgeted at a 75% general fund/25% water fund split.
- The Deputy Planning Director is budgeted at a 75% general fund/25% water fund split.
- An initial interest-only debt payment of \$61,200 is budgeted for the design and construction of the proposed public services facilities complex. The financed cost of the project is \$15,300,000, with 80% funding from the general fund and 20% funding from the water fund. The water fund portion being financed is \$3,060,000, budgeted at 4%, on a 20-year principal repayment schedule, with the first principal repayment being made in fiscal year 2024/2025.
- Professional fees are included for consulting assistance for grant administration, legal retainer fees, and professional services performed for the Town's annual audit.

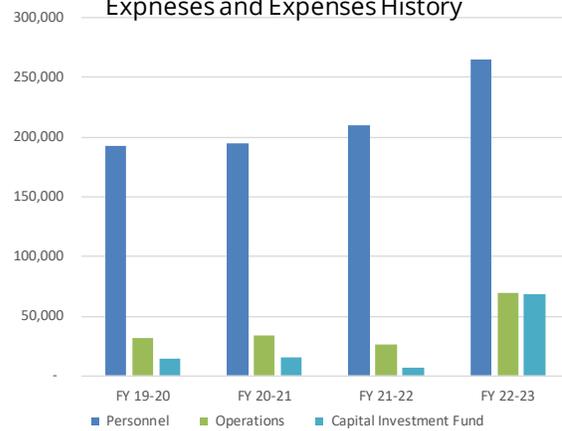
BUDGET SUMMARY WATER ADMINISTRATION

Expenses By Type				
Type	FY 21-22 Estimated Actual	FY 21-22 Adopted Budget	FY 22-23 Recommended Budget	Percent Change
Personnel	\$ 209,956	\$ 210,911	\$ 265,122	25.70%
Operations	26,781	42,850	69,735	62.74%
Capital Investment Fund	6,900	6,900	67,948	884.75%
Subtotal	243,637	260,661	402,805	54.53%
Cost Reimbursement	60,101	-	46,046	
Total	\$ 303,738	\$ 260,661	\$ 448,851	72.20%

Recommended Expenses by Function 2022-2023/Percentage change from FY 2021-2022



FY 2022-2023 Recommended Expenses and Expenses History



LINE-ITEM BUDGET WATER ADMINISTRATION

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenses 2021-2022	Actual Expenses 2020-2021	Actual Expenses 2019-2020
PERSONNEL SERVICES								
SALARIES/WAGES - REGULAR	\$ 142,319	\$ 176,070	\$ 176,070	\$ 138,454	\$ 138,454	\$ 133,515	\$ 134,249	\$ 130,514
SALARIES - LONGEVITY PAY	2,645	750	750	2,520	2,520	2,520	-	-
FICA TAX	11,052	13,467	13,467	10,747	10,747	9,197	9,224	8,859
GROUP HEALTH INSURANCE	41,395	44,662	44,662	39,054	39,054	45,221	35,530	38,586
RETIREMENT	16,587	21,371	21,371	15,944	15,944	15,421	12,716	11,725
401 K	5,749	8,802	8,802	4,192	4,192	4,082	2,585	2,593
Subtotal Personnel Services	\$ 219,747	\$ 265,122	\$ 265,122	\$ 210,911	\$ 210,911	\$ 209,956	\$ 194,304	\$ 192,277
OPERATIONS								
TRAINING	\$ 2,350	\$ 6,000	\$ 6,000	\$ 2,350	\$ 2,350	\$ 527	\$ 817	\$ 125
POSTAGE	15,000	15,000	15,000	15,000	15,000	6,770	13,217	12,621
FUEL								
DEPARTMENT SUPPLIES	3,950	3,950	3,950	3,950	3,950	2,561	3,967	3,913
MAINT/REPAIR EQUIPMENT	2,815	2,815	2,815	2,815	2,815	3,188	1,968	2,340
PROFESSIONAL FEES	11,570	34,520	34,520	11,420	11,420	11,420	11,420	11,020
CONTRACTED SERVICES	2,450	2,450	2,450	2,315	2,315	2,315	2,177	2,073
BAD DEBT EXPENSE	5,000	5,000	5,000	5,000	5,000	-	-	-
INSURANCE		-	-	-	-			
Subtotal Operations	\$ 43,135	\$ 69,735	\$ 69,735	\$ 42,850	\$ 42,850	\$ 26,781	\$ 33,566	\$ 32,092
CAPITAL OUTLAY								
EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,397
IMPROVEMENTS	-	-	-	-	-	-	-	37,919
Subtotal Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,316

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenses 2021-2022	Actual Expenses 2020-2021	Actual Expenses 2019-2020
<i>COST REIMBURSEMENT</i>								
COST REIMBURSEMENT	\$ -	\$ 46,046	\$ 46,046	\$ -	\$ 60,101	\$ 60,101	\$ 55,694	\$ 66,733
<i>DEBT SERVICE</i>								
PRINCIPAL	\$ 6,291	\$ 6,291	\$ 6,291	\$ 6,291	\$ 6,291	\$ 6,291	\$ 14,402	\$ 14,274
INTEREST	457	61,657	61,657	609	609	609	894	278
<i>Subtotal Debt Service</i>	\$ 6,748	\$ 67,948	\$ 67,948	\$ 6,900	\$ 6,900	\$ 6,900	\$ 15,296	\$ 14,552
Total	\$ 269,630	\$ 448,851	\$ 448,851	\$ 260,661	\$ 320,762	\$ 303,738	\$ 298,860	\$ 345,970

**Water Fund Capital Outlay and Debt Service
For the Fiscal Year 2022-2023**

Description	Fiscal Year	Estimated Cost	Recommended 2022-2023
Water Fund			
Water Administration:			
Debt Service			
Fuel tank conversion	19/20	\$ 37,745	\$ 6,748
Public Works Complex	22/23	<u>3,060,000</u>	<u>61,200</u>
		\$ 3,097,745	\$ 67,948

INTERFUND TRANSFERS – WATER FUND

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenses 2021-2022	Actual Expenses 2020-2021	Actual Expenses 2019-2020
TRANSFER TO GENERAL FUND	\$ 633,241	\$ -	\$ -	\$ 633,241	\$ -	\$ -	\$ -	\$ -
TRANSFER TO WATER CAP RESERVE FUND	344,782	25,000	25,000	25,000	25,000	25,000	15,930	8,496
CONTINGENCY	50,000	50,000	50,000	50,000	4,852	-	-	-
TOTAL	\$ 1,028,023	\$ 75,000	\$ 75,000	\$ 708,241	\$ 29,852	\$ 25,000	\$ 15,930	\$ 8,496

DESCRIPTION

Septic Health is a division of the Planning and Development department although it operates on a separate budget. This division is structured around the components of the Todd D. Krafft Septic Health Initiative Program. While these components are separate, they are interconnected to promote water quality and education to maintain the town's wastewater infrastructure, improve private septic system performance, and protect our local waterbodies. The four core components of the Todd D. Krafft Septic Health Initiative Program are:

1. **Wastewater System Inspection/Pumping** – This component encourages homeowners, through incentives and educational resources, to have their systems inspected and pumped (if needed) on a regular basis. Additionally, the Program administers a low-interest loan financing program to assist owners in the repair or replacement of malfunctioning wastewater systems. The inspection and pump out data collected has been used to develop the *Decentralized Wastewater Management Plan* and has informed the update of the Plan.
2. **Water Quality Monitoring** - This component monitors 23 surface and groundwater sites for the presence of nutrients and bacteria to identify stormwater runoff and other source impacts. The updated Decentralized Wastewater Plan recommends adding additional water quality monitoring sites as well as the installation of remote water quality and groundwater data loggers.
3. **Education** – This component is aimed at full time homeowners, part-time homeowners, and visitors to increase water quality awareness and knowledge of on-site wastewater function and maintenance.
4. **Decentralized Wastewater Management Plan** – The Town updated the 2005 Decentralized Wastewater Management Plan was adopted in 2022. The plan supports the continued viability for the use of on-site systems in the town and serves as the strategic plan for the Program and Division.

ORGANIZATIONAL CHART



RECENT ACCOMPLISHMENTS

- In March of 2021, the Town began updating the original Decentralized Wastewater Management Plan (DWWMP). After entering into a contract with Tetra Tech, a four-person advisory committee was appointed to provide guidance and feedback on the DWWMP update. The update of the Plan evaluated the overall effectiveness of the 2005 Plan and Septic Health Initiative program and makes recommendations where necessary.

UPCOMING PROJECTS

- The Septic Health Division will begin working on implementing the recommendations outlined in the updated Decentralized Wastewater Management Plan. This will include increasing incentives provided to homeowners through the Septic Health Initiative Program, installing remote groundwater data loggers, and expanding the water quality monitoring program.

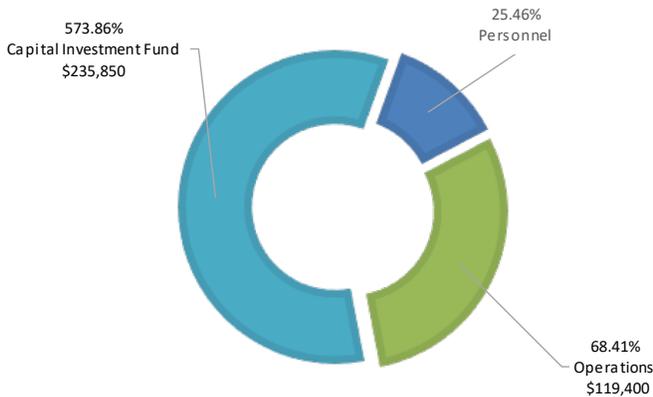
FY 2022-23 BUDGET HIGHLIGHTS

- Funding has been included to implement recommendations outlined in the updated Decentralized Wastewater Management Plan:
 - Enhanced water quality testing
 - Increase the water bill credit to expand the septic tank pumping program
 - Increase the maximum loan amount to expand the Septic Health Initiative Loan program
 - Purchase up to 28 remote water quality data loggers totaling \$154,000
 - Purchase ten groundwater data loggers totaling \$21,850
 - The data loggers are offset by 50% grant funding of \$87,925
- Funding of \$16,000 is included for pumping out the Town's septic systems.
- Funding of \$10,000 is recommended in contracted work for septic inspections.

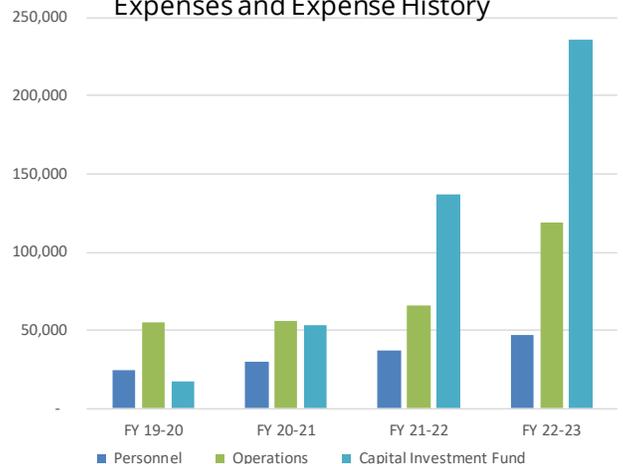
BUDGET SUMMARY SEPTIC HEALTH

Expenses By Type				
Type	FY 21-22 Estimated Actual	FY 21-22 Adopted Budget	FY 22-23 Recommended Budget	Percent Change
Personnel	\$ 37,371	\$ 37,794	\$ 47,416	25.46%
Operations	65,892	70,900	119,400	68.41%
Capital Investment Fund	137,019	35,000	235,850	573.86%
Subtotal	240,282	143,694	402,666	180.22%
Cost Reimbursement	33,840	-	25,384	
Total	\$ 274,122	\$ 143,694	\$ 428,050	197.89%

Recommended Expenses by Function 2022-2023/Percentage change from FY 2021-2022



FY 2022-2023 Recommended Expenses and Expense History



LINE-ITEM BUDGET SEPTIC HEALTH

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenses 2021-2022	Actual Expenses 2020-2021	Actual Expenses 2019-2020
PERSONNEL SERVICES								
SALARIES/WAGES - REGULAR	\$ 28,418	\$ 30,037	\$ 30,037	\$ 27,337	\$ 27,337	\$ 26,391	\$ 25,092	\$ 18,462
FICA TAX	2,158	2,282	2,282	2,075	2,075	1,984	1,913	1,383
GROUP HEALTH INSURANCE	4,786	9,985	9,985	4,480	4,480	5,227	418	2,445
RETIREMENT	3,248	3,621	3,621	3,090	3,090	2,984	2,550	1,660
401 K	1,126	1,491	1,491	812	812	785	506	367
Subtotal Personnel Services	\$ 39,736	\$ 47,416	\$ 47,416	\$ 37,794	\$ 37,794	\$ 37,371	\$ 30,479	\$ 24,317
OPERATIONS								
TRAINING	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 354	\$ 1,092	\$ -
POSTAGE	3,200	3,200	3,200	3,200	3,200	-	30	3,514
ADVERTISING	1,800	1,800	1,800	1,800	1,800	-	-	999
PRINTING	1,500	1,500	1,500	1,500	1,500	-	-	2,332
FUEL COSTS	750	750	750	750	750	174	162	94
DEPARTMENT SUPPLIES	500	500	500	500	500	315	417	255
VEHICLE MAINTENANCE	250	250	250	250	250	49	-	120
PROF. FEES H2O QUALITY TESTING	36,000	54,000	54,000	36,000	36,000	36,000	32,952	43,224
CONTRACTED SERVICES	12,000	16,000	16,000	12,000	16,900	16,900	6,027	800
INSPECTIONS	10,000	10,000	10,000	10,000	10,000	10,000	11,775	1,913
PUMPING CREDIT FOR WATER USE	3,500	30,000	30,000	3,500	3,500	2,100	3,780	2,085
DUES AND SUBSCRIPTIONS	400	400	400	400	400	-	-	-
Subtotal Operations	\$ 70,900	\$ 119,400	\$ 119,400	\$ 70,900	\$ 75,800	\$ 65,892	\$ 56,235	\$ 55,336
COST REIMBURSEMENT								
COST REIMBURSEMENT	\$ -	\$ 25,384	\$ 25,384	\$ -	\$ 33,840	\$ 33,840	\$ 38,216	\$ 93,475

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenses 2021-2022	Actual Expenses 2020-2021	Actual Expenses 2019-2020
<i>CAPITAL OUTLAY</i>								
OTHER	\$ -	\$ -	\$ -	\$ -	\$ 120,169	\$ 120,169	\$ 29,831	\$ -
EQUIPMENT	-	175,850	175,850	-	-	-	-	-
<i>Subtotal Capital Outlay</i>	\$ -	\$ 175,850	\$ 175,850	\$ -	\$ 120,169	\$ 120,169	\$ 29,831	\$ -
<i>DEBT SERVICE</i>								
SEPTIC LOAN PROGRAM	\$ 35,000	\$ 60,000	\$ 60,000	\$ 35,000	\$ 35,000	\$ 16,850	\$ 23,950	\$ 17,440
<i>Subtotal Debt Service</i>	\$ 35,000	\$ 60,000	\$ 60,000	\$ 35,000	\$ 35,000	\$ 16,850	\$ 23,950	\$ 17,440
TOTAL	\$ 145,636	\$ 428,050	\$ 428,050	\$ 143,694	\$ 302,603	\$ 274,122	\$ 178,711	\$ 190,568

**Water Fund Capital Outlay and Debt Service
For the Fiscal Year 2022-2023**

Description	Fiscal Year	Estimated Cost	Recommended 2022-2023
Septic Health:			
Capital Outlay			
Groundwater data loggers	22/23	\$ 21,850	\$ 21,850
Water quality data loggers	22/23	154,000	154,000
		\$ 175,850	\$ 175,850

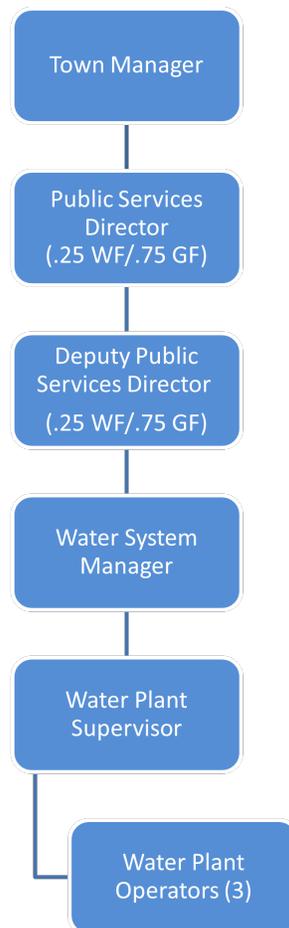
WATER OPERATIONS

DESCRIPTION

Water Operations is responsible for monitoring water quality distributed from Nags Head's plant into the Town's distribution system.

Water Operations consists of the Eighth Street Water Treatment Plant and storage tank, the Gull Street Pump Station and storage tank, and two 500,000-gallon elevated water storage tanks. In addition, Water Operations maintains a state certified laboratory for bacteriological testing to ensure that water quality complies with state and federal regulations.

ORGANIZATIONAL CHART



Recent Accomplishments

- Replaced the mixer in the Eighth Street water tower.
- Completed the annual THM/Haa5 testing, with the next testing due in September 2022.
- Completed Asbestos compliance testing, with the next testing due in 2030.
- Replaced doors and windows at the Eighth Street water plant.
- Gull Street ground storage tank was washed out and inspected.
- Assisted Sanitation with operation of the bulk item/brush collection yard December 2021 through March 2022.

UPCOMING PROJECTS

- Update the SCADA system for redundance at the Gull Street pump station
- Replace the mixer in the Gull Street ground storage tank
- Complete window replacements at the Eighth Street water plant

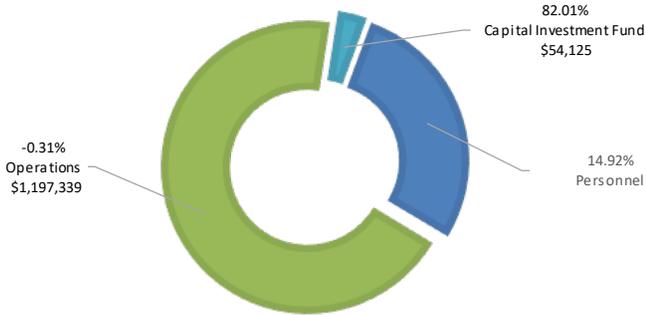
FY 2022-23 BUDGET HIGHLIGHTS

- Funding of \$895,000 is recommended for purchasing wholesale water from Dare County. The budget is based on an 8% decrease of the most recent actual annual 436.668 million gallons purchased at the current wholesale rate of \$1.97 per million gallons.
- Funding of \$32,600 is recommended to replace leaking windows at the Eighth Street water plant.
- Capital outlay cash funding includes:
 - A replacement mixer motor at the Gull Street ground tank - \$26,000
 - Updated SCADA computer system for redundancy - \$17,025
- The Water Fund proportionate share of insurances including workers compensation, general property and liability, and flood are centrally budgeted at \$65,000 in Water Operations.

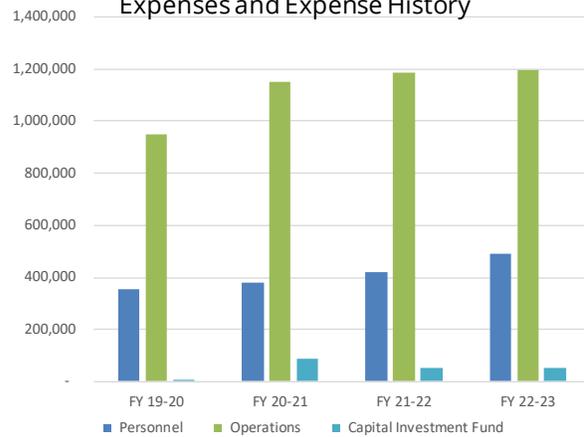
BUDGET SUMMARY WATER OPERATIONS

Expenses By Type				
Type	FY 21-22 Estimated Actual	FY 21-22 Adopted Budget	FY 22-23 Recommended Budget	Percent Change
Personnel	\$ 422,424	\$ 425,592	\$ 489,086	14.92%
Operations	1,182,994	1,201,019	1,197,339	-0.31%
Capital Investment Fund	54,008	29,737	54,125	82.01%
Subtotal	1,659,426	1,656,348	1,740,550	5.08%
Cost Reimbursement	340,719	-	292,597	
Total	\$ 2,000,145	\$ 1,656,348	\$ 2,033,147	22.75%

Recommended Expenses by Function 2022-2023/Percentage change from FY 2021-2022



FY 2022-2023 Recommended Expenses and Expense History



LINE-ITEM BUDGET WATER OPERATIONS

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenses 2021-2022	Actual Expenses 2020-2021	Actual Expenses 2019-2020
PERSONNEL SERVICES								
SALARIES/WAGES - REGULAR	\$ 289,561	\$ 322,101	\$ 322,101	\$ 280,487	\$ 286,293	\$ 277,630	\$ 269,204	\$ 257,142
SALARIES - LONGEVITY PAY	12,677	13,292	13,292	11,311	11,311	11,311	-	-
OVERTIME PAY	500	650	650	500	500	500	-	-
HOLIDAY PAY	6,700	7,550	7,550	6,700	6,700	6,700	-	-
FICA TAX	23,617	26,193	26,193	22,818	23,262	21,707	19,695	18,931
GROUP HEALTH INSURANCE	65,385	62,874	62,874	62,607	62,607	62,607	59,670	53,047
RETIREMENT	33,788	39,306	39,306	32,444	33,106	33,106	27,350	23,089
401 K	12,051	17,120	17,120	8,725	8,899	8,863	4,048	3,654
Subtotal Personnel Services	\$ 444,279	\$ 489,086	\$ 489,086	\$ 425,592	\$ 432,678	\$ 422,424	\$ 379,967	\$ 355,863
OPERATIONS								
TRAINING	\$ 3,285	\$ 4,145	\$ 4,145	\$ 4,145	\$ 4,145	\$ 522	\$ 1,348	\$ 2,924
BUILDING/EQUIPMENT RENTAL	940	940	940	940	940	152	444	707
TELEPHONE	4,478	5,218	5,218	3,998	3,998	106	587	529
UTILITIES	59,310	55,150	55,150	55,150	55,150	52,000	48,962	51,152
POSTAGE	2,950	2,950	2,950	2,950	2,950	2,181	1,578	1,538
ADVERTISING	260	260	260	260	260	260	-	277
PRINTING	3,825	3,826	3,826	3,825	3,825	4,187	2,975	3,023
FUEL COSTS	7,500	12,500	12,500	7,500	7,500	9,397	6,669	5,852
DEPARTMENT SUPPLIES	34,766	38,712	38,712	33,766	33,766	37,145	39,884	34,295
OTHER SUPPLIES	14,365	14,365	14,365	14,365	14,365	6,747	2,803	2,168
MAINT/REPAIR BUILDINGS	2,000	34,600	34,600	51,800	51,800	56,920	670	1,853
MAINT/REPAIR EQUIPMENT	16,400	33,050	33,050	30,400	26,958	26,958	17,909	17,659
VEHICLE MAINTENANCE	1,900	1,900	1,900	1,900	1,900	1,879	2,057	924
UNIFORMS	3,000	3,000	3,000	2,400	2,400	1,859	1,732	2,424
PROFESSIONAL FEES	6,250	6,250	6,250	6,250	6,250	6,250	690	1,090
CONTRACTED SERVICES	17,530	17,600	17,600	17,480	17,480	17,480	8,582	11,913
PURCHASES FOR RESALE	910,785	895,000	895,000	901,042	901,042	891,477	956,560	752,856
DUES AND SUBSCRIPTIONS	2,848	2,873	2,873	2,848	2,848	2,474	3,159	2,442
INSURANCE	60,000	65,000	65,000	60,000	60,000	65,000	55,680	57,542
Subtotal Operations	\$ 1,152,392	\$ 1,197,339	\$ 1,197,339	\$ 1,201,019	\$ 1,197,577	\$ 1,182,994	\$ 1,152,289	\$ 951,168

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenses 2021-2022	Actual Expenses 2020-2021	Actual Expenses 2019-2020
COST REIMBURSEMENT								
COST REIMBURSEMENT	\$ -	\$ 292,597	\$ 292,597	\$ -	\$ 340,719	\$ 340,719	\$ 413,738	\$ 408,674
CAPITAL OUTLAY								
EQUIPMENT	\$ 173,400	\$ 43,025	\$ 43,025	\$ 18,500	\$ 42,771	\$ 42,771	\$ 44,240	\$ 5,324
VEHICLE	-	-	-	-	-	-	32,890	-
Subtotal Capital Outlay	\$ 173,400	\$ 43,025	\$ 43,025	\$ 18,500	\$ 42,771	\$ 42,771	\$ 77,130	\$ 5,324
DEBT SERVICE								
PRINCIPAL	\$ 10,964	\$ 10,964	\$ 10,964	\$ 10,964	\$ 10,964	\$ 10,964	\$ 10,963	\$ -
INTEREST	136	136	136	273	273	273	-	-
Subtotal Debt Service	\$ 11,100	\$ 11,100	\$ 11,100	\$ 11,237	\$ 11,237	\$ 11,237	\$ 10,963	\$ -
TOTAL	\$ 1,781,171	\$ 2,033,147	\$ 2,033,147	\$ 1,656,348	\$ 2,024,982	\$ 2,000,145	\$ 2,034,087	\$ 1,721,029

Water Fund Capital Outlay and Debt Service For the Fiscal Year 2022-2023

Description	Fiscal Year	Estimated Cost	Recommended 2022-2023
Water Operations:			
Debt Service			
Pickup	20/21	\$ 32,890	\$ 11,100
Capital Outlay			
Gull Street tank mixer motor replacement	22/23	\$ 26,000	\$ 26,000
SCADA redundancy	22/23	17,025	17,025
		<u>\$ 43,025</u>	<u>\$ 43,025</u>

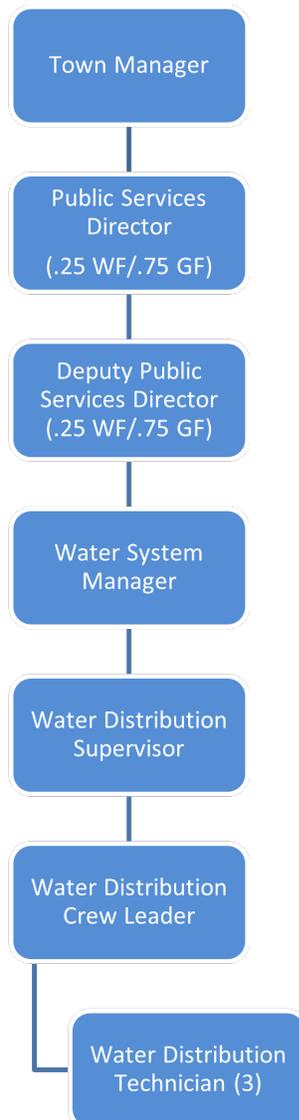
WATER DISTRIBUTION

DESCRIPTION

The Water Distribution Division is responsible for the overall quality of water in the Town's water system. Annual system flushing, monitoring system chlorine residuals, identifying water main tie ins to eliminate dead end lines, and the continued gradual change out of older water meters are several ways this is achieved.

Although Water Distribution is placed under the Public Services Department, for control and administrative support purposes, this division falls in the Water Fund, primarily because funding comes from revenues generated from water customers.

ORGANIZATIONAL CHART



RECENT ACCOMPLISHMENTS

- Installed Mariner’s Way, Coastal Villas, and Fourth Street waterlines.
- Secured the south Nags Head ditch line for protection of watermain and water meters with help from Facilities Maintenance
- Replaced the A/C waterline in the south half of Nags Head Cove
- Increase line size of waterline tie-in from six inch to eight inch on Old Cove Road, Cobia Way, Sandpiper Terrace, and Roanoke Way to South Links Drive for increase fire flow.

UPCOMING PROJECTS

- Replace A/C waterline on Memorial Avenue and in the Vista Colony neighborhood
- Implementation of Advanced Meter Infrastructure (AMI) meters to be able to better detect leaking infrastructure, which equates to water conservation as well as potentially saving homeowners significant billing with water leaks.

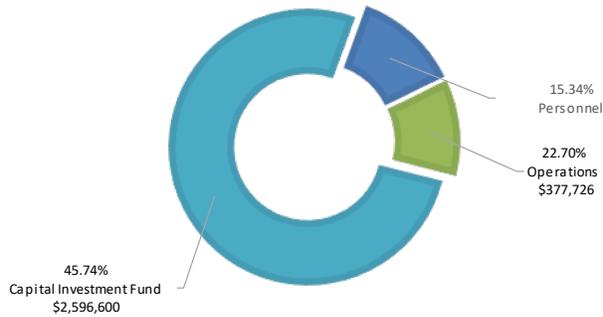
FY 2022-23 BUDGET HIGHLIGHTS

- Annual contracted water tower and tank maintenance is included at \$91,948.
- Due to erosion, ditch repairs of \$25,000 are recommended in south Nags Head.
- Funding of \$15,000 is recommended to replace fire hydrants.
- Capital Improvement Program funding includes:
 - o Update the 2018 water system comprehensive plan - \$79,600
 - o Asbestos cement water line replacements at South Memorial Avenue, in coordination with scheduled drainage and paving work - \$44,500
 - o A new excavator trailer - \$19,000
 - o Advanced metering infrastructure - \$2,302,000
 - This project is contingent upon full grant funding
 - o \$220,000 for design work to replace asbestos cement water lines in coordination with scheduled drainage and paving work:
 - Within the entirety of the Vista Colony neighborhood
 - South Memorial Avenue between Ario Street and Atlas Street
 - East and west segments of Ario Street and Albatross Street.
 - Full grant funding will be sought for the design work
 - o Requested items that were not recommended include:
 - Installation of water line tie-ins to existing water lines - \$175,000
 - A new vehicle - \$38,000

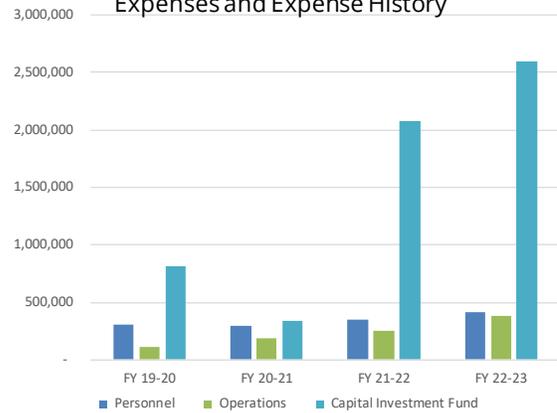
BUDGET SUMMARY WATER DISTRIBUTION

Expenses By Type				
Type	FY 21-22 Estimated Actual	FY 21-22 Adopted Budget	FY 22-23 Recommended Budget	Percent Change
Personnel	\$ 348,954	\$ 360,243	\$ 415,511	15.34%
Operations	250,561	307,846	377,726	22.70%
Capital Investment Fund	2,073,489	1,781,624	2,596,600	45.74%
Subtotal	2,673,004	2,449,713	3,389,837	38.38%
Cost Reimbursement	198,581	-	432,746	
Total	\$ 2,871,585	\$ 2,449,713	\$ 3,822,583	56.04%

Recommended Expenses by Function 2022-2023/Percentage change from FY 2021-2022



FY 2022-2023 Recommended Expenses and Expense History



LINE-ITEM BUDGET WATER DISTRIBUTION

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenses 2021-2022	Actual Expenses 2020-2021	Actual Expenses 2019-2020
PERSONNEL SERVICES								
SALARIES/WAGES - REGULAR	\$ 237,508	\$ 271,188	\$ 271,188	\$ 230,981	\$ 235,129	\$ 221,971	\$ 197,605	\$ 196,332
SALARIES - LONGEVITY PAY	1,000	1,000	1,000	500	500	500	-	-
OVERTIME PAY	1,500	1,500	1,500	1,500	1,500	797	-	-
HOLIDAY PAY	400	400	400	400	400	400	-	-
FICA TAX	18,299	20,839	20,839	17,762	18,079	16,023	14,562	14,419
GROUP HEALTH INSURANCE	53,204	59,536	59,536	61,403	61,403	62,861	49,454	49,580
RETIRES GROUP HEALTH INSUR	15,056	14,358	14,358	14,358	14,358	14,358	14,358	26,291
RETIREMENT	27,519	33,070	33,070	26,408	26,881	25,368	19,993	17,541
401 K	9,523	13,620	13,620	6,931	7,055	6,676	2,176	2,111
Subtotal Personnel Services	\$ 364,009	\$ 415,511	\$ 415,511	\$ 360,243	\$ 365,305	\$ 348,954	\$ 298,148	\$ 306,274
OPERATIONS								
TRAINING	\$ 6,415	\$ 11,620	\$ 7,620	\$ 6,415	\$ 6,415	\$ 1,562	\$ 1,811	\$ 4,073
TELEPHONE	1,130	2,173	2,173	1,130	1,130	2,098	1,432	1,054
ADVERTISING	1,400	1,700	1,700	1,200	1,200	772	906	560
PRINTING	500	500	500	500	500	-	-	-
FUEL COSTS	8,000	10,000	10,000	8,000	8,000	5,590	5,741	6,301
STREET SUPPLIES	3,096	3,240	3,240	3,096	3,096	1,920	2,697	1,437
DEPARTMENT SUPPLIES	20,475	20,475	20,475	20,475	20,475	9,015	11,079	8,379
OTHER SUPPLIES	22,050	22,050	22,050	22,050	22,050	16,658	15,011	13,359
MAINT/REPAIR EQUIPMENT	15,000	33,000	33,000	15,000	15,000	8,101	28,730	16,440
VEHICLE MAINTENANCE	5,000	5,000	5,000	5,000	5,000	1,211	1,532	2,468
MAINT/REPAIR OTHER	37,000	37,000	37,000	37,000	37,000	16,115	28,113	31,857
UNIFORMS	3,500	3,500	3,500	3,500	3,500	2,748	2,287	2,610
PROFESSIONAL FEES	97,600	95,000	95,000	40,000	24,500	24,500	7,196	855
CONTRACTED SERVICES	96,450	134,648	134,648	142,700	158,385	158,385	84,879	23,345
DUES AND SUBSCRIPTIONS	1,780	1,820	1,820	1,780	1,780	1,886	1,801	1,379
Subtotal Operations	\$ 319,396	\$ 381,726	\$ 377,726	\$ 307,846	\$ 308,031	\$ 250,561	\$ 193,215	\$ 114,117
COST REIMBURSEMENT								
COST REIMBURSEMENT	\$ -	\$ 432,746	\$ 432,746	\$ -	\$ 198,581	\$ 198,581	\$ 159,635	\$ 136,836

Account Description	Financial Plan 2022-2023	Departmental Requested 2022-2023	Manager's Recommended 2022-2023	Adopted Budget 2021-2022	Amended Budget 2021-2022	Estimated Actual Expenses 2021-2022	Actual Expenses 2020-2021	Actual Expenses 2019-2020
CAPITAL OUTLAY								
INFRASTRUCTURE	\$ -	\$ 439,500	\$ 264,500	\$ 889,930	\$ 1,103,670	\$ 1,103,670	\$ 284,798	\$ 758,611
AMERICAN RESCUE PLAN	-	-	-	870,000	948,125	948,125	-	-
EQUIPMENT	-	2,321,000	2,321,000	-	-	-	-	-
VEHICLE	-	38,000	-	-	-	-	32,890	31,762
Subtotal Capital Outlay	\$ -	\$ 2,798,500	\$ 2,585,500	\$ 1,759,930	\$ 2,051,795	\$ 2,051,795	\$ 317,688	\$ 790,373
DEBT SERVICE								
PRINCIPAL	\$ 10,964	\$ 10,964	\$ 10,964	\$ 21,242	\$ 21,242	\$ 21,242	\$ 21,066	\$ 28,734
INTEREST	136	136	136	452	452	452	354	398
Subtotal Debt Service	\$ 11,100	\$ 11,100	\$ 11,100	\$ 21,694	\$ 21,694	\$ 21,694	\$ 21,420	\$ 29,132
TOTAL	\$ 694,505	\$ 4,039,583	\$ 3,822,583	\$ 2,449,713	\$ 2,945,406	\$ 2,871,585	\$ 990,106	\$ 1,376,732

**Water Fund Capital Outlay and Debt Service
For the Fiscal Year 2022-2023**

Description	Fiscal Year	Estimated Cost	Recommended 2022-2023
Water Distribution:			
Debt Service			
Pickup	20/21	\$ 32,890	\$ 11,100
Capital Outlay			
Advanced Metering Infrastructure (AMI)	22/23	\$ 2,302,000	\$ 2,302,000
New trailer for mini-excavator	22/23	19,000	19,000
Asbestos Cement Pipe (ACP) replacement design - Vista Col	22/23	220,000	220,000
Asbestos Cement Pipe (ACP) replacement - South Memorial	22/23	44,500	44,500
		\$ 2,585,500	\$ 2,585,500

APPENDIX

PROPERTY TAX HISTORY

<u>Fiscal Year</u>		<u>Tax Rates</u>	<u>Gross Levy</u>	<u>Collected at June 30</u>	<u>Percent Collected</u>
2020-2021	Ad Valorem Tax	\$0.2425	\$7,381,714	\$7,378,264	99.95%
2020-2021	Beach Nourishment	\$0.0225	\$684,623	\$684,299	99.95%
2020-2021	MSD	\$0.1430	\$1,496,059	\$1,496,058	100.00%
2020-2021	NCDMV	\$0.2650	\$148,166	\$148,166	100.00%
2021-2022	Ad Valorem Tax	\$0.2625	\$8,018,190	\$8,016,810 (1)	99.98%
2021-2022	Beach Nourishment	\$0.0250	\$763,006	\$762,866 (1)	99.98%
2021-2022	MSD 1 and 2	\$0.1430	\$1,496,702	\$1,496,694 (1)	100.00%
2021-2022	MSD 4	\$0.0100	\$66,107	\$66,107 (1)	100.00%
2021-2022	MSD 3 and 6	\$0.0050	\$71,199	\$71,199 (1)	100.00%
2021-2022	NCDMV	\$0.2875	\$141,150	\$141,150 (5)	100.00%
2022-2023	Ad Valorem Tax	\$0.2625	\$8,011,481	\$7,991,453 (2)	99.75%
2022-2023	Beach Nourishment	\$0.0250	\$762,998	\$761,091 (3)	99.75%
2022-2023	MSD 1 and 2	\$0.1430	\$1,498,211	\$1,498,211 (4)	100.00%
2022-2023	MSD 4	\$0.0100	\$65,762	\$65,598 (4)	99.75%
2022-2023	MSD 3 and 6	\$0.0050	\$70,936	\$70,936 (4)	100.00%
2022-2023	NCDMV	\$0.2875	\$153,311	\$153,311 (5)	100.00%

(1) Year to date for fiscal year 2021-2022

(2) Town wide ad valorem adjusted estimated at 99.75% collection rate

(3) Town wide beach nourishment estimated at 99.75% collection

(4) Municipal service districts beach nourishment estimated at 99.75% collection

(5) Levy per the North Carolina Vehicle Tax System estimated at 100% collection

TOWN OF NAGS HEAD MISSION, VALUES, LEGACY AND COMMUNITY GOALS



MISSION

The mission of the Town of Nags Head is to provide for the health, safety and welfare of the citizens, property owners and visitors of the town, to fulfill the requirements placed on it by the State of North Carolina and to facilitate the achievement of community goals by providing municipal services in a flexible, cost effective, customer friendly manner and to achieve this through an open, consensus driven process that treats all with respect.



SHARED VALUES

The Town of Nags Head is a unique coastal community built upon a legacy rooted in shared values, including our most recognized common bond - a love for the Outer Banks. We recognize that the town must be a good place to live before it can be a good place to visit. We strive to preserve and protect the Nags Head character, environment, tourism-based economy, and sense of place to ensure a high quality of life for residents and a memorable family vacation experience for present and future generations.



LEGACY

We uphold our legacy by protecting and promoting our small-town character that includes a sustainable local economy based on family vacation tourism, a high-quality beach experience, and small, locally owned businesses. Fundamental to our legacy and quality of life are preserving the historic architecture and culture that distinguishes our town, providing residents and visitors with excellent public services and well-maintained recreational amenities; and ensuring access to a well-protected natural coastal environment.

Our legacy will be strengthened and preserved by a focused, transparent decision-making process that is comprehensive and consistent with the community's vision. To maintain that focus, our decisions are directed by five goals described below.

Community Goals

Preserve our community's distinctive heritage and unique lifestyle	Protect our critical natural resources and coastal ecosystem	Build and promote a sustainable economy that supports residents and visitors	Plan for orderly and sustainable growth and redevelopment	Maintain a well-run and efficient government that provides high quality and cost-effective services
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TOWN OF NAGS HEAD VISION 2025

Visioning looks into the foreseeable future and imagines what is possible. Nags Head has envisioned its future for decades, considering ‘how can our town be its best self?’ The vision set forth over the years is still relevant today. During the 2021 retreat, the long-term vision was affirmed.

<p>Reforming Process to Tackle Technical Issues</p>	 <p>In 2025 Nags Head has integrated infrastructure to meet all needs.</p>	 <p>In 2025 Nags Head has long-term, focused shoreline management.</p>	 <p>In 2025 Nags Head has integrated ground-water management.</p>
<p>Empowering the Delivery of Consistent and Exemplary Public Service</p>	 <p>In 2025 Nags Head has a high performing, strategic organization.</p>	 <p>In 2025 Nags Head has well-informed, engaged public and staff.</p>	 <p>In 2025 Nags Head has streamlined, efficient public works services.</p>
<p>Facilitating Collaboration to Address Community Wide Regional Issues</p>	 <p>In 2025 Nags Head is collaborating to identify regional needs and develop solutions.</p>	<p>Most Pressing Issues/Needs of 2021/22</p> <ul style="list-style-type: none"> ◇ Beach Traffic ◇ Employee Health and Wellness ◇ Sustainable Tourism ◇ Communication ◇ Covering Expenses and Timing of Expenses ◇ Pressure to Increase Density ◇ Sanitation ◇ Beach Nourishment 	

Reforming Processes to Tackle Technical Issues



Reformulating Processes to Tackle Technical Issues

This strategic direction is designed to make progress on lingering or threatening issues for the community such as groundwater protection, shoreline management, and sanitation. The Board and Staff want to ensure the long-term viability and health of the eco-system and the economic vitality of the Town.



First Year Actions

1. Continue progress on integrated Public Works Plan
2. Establish connectivity process (streets, stormwater)
3. Clarify expectations and language on ordinances and land use plan (Stormwater)
4. Communicate new ordinances to the public (develop resources)
5. Develop partnership with property managers to address sanitation and collection issues; sanitation plan approved and in place and communicated to the public in advance of next season
6. Develop and initiate communication plan for the public
7. Complete decentralized wastewater management plan
8. Build framework for one water plan
9. Develop Municipal Service District cross-section diagram
10. Develop pedestrian safety plan
11. Develop master plan for estuarine shoreline

Two-Year Results

1. Property owners have more clarity on MSD's
2. A framework/plan is in place addressing integrated groundwater management
3. Commercial recycling is implemented
4. Stakeholders have a better understanding and participation in sanitation collection approach
5. A managed sound shoreline is protecting the natural environment

Empowering the Delivery of Consistent and Exemplary Public Service



A high performing, Nags Head team will be known for

Personal and Organizational Accountability and Leadership	Employees and Public Have Mutually Respectful, Valued, Trusted, and Engaged Relationship	Employees are Valued, Trusted, Respected and Engaged	Pride Earned Through Excellence, Ownership, and Passion	Collective Commitment to a Belief in Excellence	Open, Transparent Communication Across the Organization and Community	Empowered to Think Freely Without Being Afraid to Fail
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Empowering the Delivery of Consistent and Exemplary Public Service

Town leaders recognize the best way to ensure **consistent and exemplary service delivery** is to have an exceptional organization that is strategic and high performing. The components of a high performing team and process for driving results were reviewed with an emphasis on communication.



First Year Actions

1. Establish **strategic planning framework to integrate department plans into overall plan**
2. **Conduct mid-year budget/CIP review**
3. Initiate cross-department reporting system for violations/issues
4. Develop design process for mid-year evaluation of strategic plan
5. Develop an asset management program for equipment, facilities, and infrastructure
6. Establish norms (best practices) for board-staff communication
7. Establish grant strategy including grant monitoring
8. Review comprehensive employee benefits
9. Create book of ordinance interpretations to ensure consistency

Two-Year Results

1. Each department has a strategic plan that is integrated with the Town's strategic plan
2. An integrated master plan for Public Works facilities is in place
3. Integrated remote services for citizens is in place
4. Employees feel engaged, interactive, and connected as evident through surveys
5. Board members have 100% satisfaction with communications
6. Expectations are consistent and met on communications
7. Employees are engaged in providing feedback loops

Facilitating Collaboration to Address Community-Wide Regional Issues



Facilitating Collaboration to Address Community-Wide Regional Issue

Nags Head is a unique and beautiful place to live and visit. The high quality of life has made the community an attractive place to make a home. The desire to live in Nags Head and the investment in rental housing has impacted the affordability of housing, especially for seasonal workers who are the backbone of the small businesses and for the Town's own ocean rescue team. The communities of the Outer Banks must work together to solve the housing situation. Through collaboration with other local governments and businesses, Nags Head will bring the topic of housing and other regional issues to the table.



First Year Imperatives

1. Establish mental health protocols/ program
2. Engage with regional partners on calls for mental health
3. Re-initiate seasonal employee housing conversation
4. Develop clear understanding of housing needs and disposition of board
5. Broaden intergovernmental local agreements for additional services
6. Engage quarterly meetings with Dare County (i.e. beach/sanitation)
7. Re-engage with region on waste/recycle programs
8. Annual county forum on regional issues

Two-Year Results

1. A better living wage and information on moving regional issues forward
2. Beach nourishment long-range planning is taking place
3. A plan is in place for Town employee housing
4. Transportation continuity on cross-jurisdictional boundaries exists
5. Public safety collaboration towards shared resources and service delivery is underway
6. There is ongoing discussion between public safety agencies
7. Inter-local agreements for key personnel are in place (sharing staff resources)
8. Region-wide discussion is happening to address mental health
9. The Town is collaborating with regional partners to address sanitation and recycling

GLOSSARY

Accrual Basis of Accounting (or Full Accrual): Accounting method for proprietary funds that recognizes revenues in the accounting period in which they are earned and become measurable. Expenses are recognized in the period incurred, if measurable.

Ad Valorem Tax: A tax levied in proportion to the value of property.

Amortization: Paying the principal amount of a debt issue through periodic payments. Amortization payments include interest and any payment on principal.

Annual Comprehensive Financial Report (ACFR): A complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

Appropriation: Authorization granted by the Board of Commissioners to obligate and expend resources for purposes specified in the budget document.

Appropriated Fund Balance: The amount of fund balance the Board of Commissioners authorizes as a financing source to help fund specific expenditures.

Assessed Valuation: The value of real estate or personal property as determined by tax assessors and used as a basis for levying taxes.

Audit: An independent evaluation of the accuracy of the Town's financial statements, financial practices, and internal controls designed to ensure compliance with generally accepted accounting principles. Audits are conducted annually in accordance with state law.

Balanced Budget: Budget in which planned expenditures equal anticipated revenues. North Carolina state law requires municipalities to adopt a balanced operating budget.

Basis of Accounting: Accounting method that determines when revenues, expenditures, expenses, and transfers (and the related assets and liabilities) are recognized in accounts and reported in financial statements. The two bases of governmental accounting include accrual (or full accrual) and modified accrual.

Bond: A written promise to pay a specific amount of money with interest within a specific time, usually long-term. An obligation issued by the Town as a method of borrowing large amounts of resources for capital projects; bonds are issued for fixed terms and have fixed interest rates.

Bonded Debt: The portion of indebtedness represented by outstanding bonds.

Bond Rating: A grade indicating a governmental unit's investment qualities. Generally, the higher the bond rating, the less risk investors assume resulting in a more favorable interest rate and lower cost of financing capital projects for the governmental unit.

Budget: A plan for the coordination of resources and expenditures. The budget document

outlines the Town's financial plan for a fiscal year indicating how the Town intends to allocate resources to support goals, objectives, and desired service levels.

Budget Amendment: A legal procedure used by Town staff and Board of Commissioners to revise a budget appropriation.

Budget Calendar: The schedule of key dates that Town departments follow in the preparation, adoption, and administration of the budget.

Budget Message: A written overview of the proposed budget from the town manager to the Mayor and Board of Commissioners and the public that discusses the major budget items, changes from the current and previous fiscal years, and the Town's financial condition.

Budget Ordinance: The official enactment by Board of Commissioners to establish legal authority for Town officials to obligate and expend resources.

Budgetary Control: The control or management of a governmental unit in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

Capital Assets: Tangible property that is not easily converted into cash and is usually held for a long period, such as property, machinery, vehicles, equipment, etc.

Capital Improvement Plan (CIP): A multi-year plan for the construction or acquisition of major capital items. The plan usually outlines spending needs, the financing source or sources expected, and the impact of the CIP on future annual operating budgets.

Capital Investment Fund (CIF): A separate fund maintained within the General Fund to account separately for capital projects and debt.

Capital Outlay: Expenditure expected to have a useful life greater than one year or a total value of \$5,000 or more resulting in the acquisition of or addition to a fixed asset.

Capital Project: A capital improvement that usually requires a major initial investment, and a significant and continuing financial commitment in the form of operating costs.

Capital Project Fund: A fund used to account for the acquisition and construction of major capital facilities, infrastructure, or improvements.

Capital Reserve: An account used to indicate that a portion of a fund's balance is restricted for a specific capital purpose and is not available for general appropriation.

Capital Reserve Fund: permits the district to set aside money for future construction projects and major purchases.

Cash Accounting: An accounting method where receipts are recorded during the period they are

received, and the expenses in the period in which they are actually paid.

Cash Management: The management of cash necessary to pay for governmental services while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, and establishing and maintaining banking relationships.

Contingency: A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Debt Limit: The maximum amount of outstanding gross or net debt permitted by law.

Debt Service: The portion of the budget pertaining to payment of principal and interest requirements on outstanding debts.

Deferred inflows of resources: An acquisition of net assets that are applicable to a future reporting period.

Deferred outflows of resources: A consumption of net assets that are applicable to a future reporting period.

Deficit: The amount by which expenditures exceed revenues during an accounting period.

Department: An organizational unit of the Town responsible for overall management of a major governmental function.

Depreciation: The process of estimating and recording the lost usefulness, expired useful life, or diminution of service from a fixed asset that cannot or will not be restored by repair and must be replaced. The cost of the fixed asset's lost usefulness is the depreciation or the cost to the reserve to replace the item at the end of its useful life.

Disbursement: Payment for goods and services in cash or by check.

Encumbrance: A financial commitment of appropriated funds for services, contracts, or goods that have not yet been delivered by a specified time, usually the end of the fiscal year.

Enterprise Fund: A fund that accounts for a governmental activity supported primarily with user fees or charges and operated using business principles. Nags Head's Water Fund is an Enterprise Fund.

Estimated Revenue: The amount of projected revenue to be collected during the fiscal year.

Expenditures: The measurement focus of governmental fund accounting identifying financial resources expended.

Expenses: The measurement focus of proprietary fund accounting identifying costs expired. Expenses reflect the cost of goods or services used.

FICA: Social Security Tax and Medicare tax paid by the Town for each permanent, seasonal and temporary employee.

Fiscal Policy: The financial plan embracing the general goals and acceptable procedures for managing the Town's financial resources.

Fiscal Year (FY): The time designating the beginning and the ending period for recording financial transactions. In North Carolina, a municipal government fiscal year begins July 1 and ends June 30.

Fringe Benefits: A collection of various benefits provided by an employer, which are exempt from taxation as long as certain conditions are met.

Full-time Equivalent (FTE): An FTE converts the hours worked by a position into a percentage of a full year's number of hours. Generally, one FTE equals 2080 hours per year per permanent position.

Full-time Employee: A Town employee hired to work forty (40) hours per week on a continuing basis who is eligible to participate in the Town's health, dental and life insurance, and retirement programs.

Function: A group of related programs crossing organizational (departmental) boundaries and aimed at accomplishing a similar broad goal or major service such as public safety, environmental protection, cultural activities, etc.

Fund: A fiscal and accounting entity that has a self-balancing set of accounts recording cash and other financial resources, as well as related liabilities and residual equity. These are segregated to carry on specific activities or objectives in accordance with special regulations, restrictions, or limitations as established by State and Federal governments.

Fund Balance: The amount of assets in excess of the liabilities or appropriations for expenditures also known as surplus funds. North Carolina General Statutes require general fund balance reserves of at least 8% of General Fund expenditures at the end of the fiscal year. The Board of Commissioners has adopted a policy to set this at 25%.

Fund Balance, Unassigned: That portion of the fund balance that is not legally segregated for a specific future use; available for appropriation at any time by the Board of Commissioners in the event of a natural or financial emergency.

Generally Accepted Accounting Principles (GAAP): Uniform minimum standards and guidelines for financial accounting and reporting. GAAP encompasses the conventions, rules, and procedures necessary to define accepted accounting practices.

General Fund: A governmental fund used to account for financial resources of the Town,

except those required to be accounted for in another fund. Revenues to support the General Fund are derived from sources such as property tax, sales tax, franchise fees, and service fees. This fund usually includes most of the basic operation services, such as fire and police protection, finance, public works, general administration, planning, and recreation.

General Ledger: A file that contains a listing of the various accounts necessary to reflect the financial position of the government.

Limited Obligation Bond (LOB): A bond issued by a municipality, state, or public agency authorized to build, acquire, or improve a revenue-producing property such as a mass transit system, an electric generating plant, an airport, or a toll road.

Installment Financings/Limited Obligation Bonds (LOBs): General obligation debt that does not require voter approval. Debt service obligations are subject to the annual appropriation by the Board of Commissioners. Installment financing are secured by a lien on all or a portion of the property being financed.

Interfund: Transactions in which assets (such as cash) move between funds within the Town.

Land Transfer Tax: The Town's proportional share of an authorized excise tax on instruments conveying certain interests in real property. The tax is imposed by Dare County at \$1 per each \$100 or fraction thereof of the total consideration or value of the interest conveyed.

Local Government Commission: Established by NCGS 159-3, division of the NC Department of the State Treasurer that provides oversight and assistance to local governments in North Carolina. This includes approval of debt issuance and fiscal management assistance.

Modified Accrual Basis of Accounting: Accounting method for governmental funds that recognizes revenues in the accounting period in which they become available and measurable. Expenditures are recognized in the period the fund liability is incurred, if measurable, except for unmatured interest on (and principal of) general long-term debt, which should be recognized when due.

Municipal Service District (MSD): A defined area within the Town in which the Board of Commissioners levies an additional property tax in order to provide projects or extra services that benefit the properties in the district.

Net Position: The difference between total assets plus deferred outflows of resources, and total liabilities plus deferred inflows of resources.

North Carolina General Assembly (NCGA): The legislative body of the State's government.

North Carolina General Statutes (NCGS): Laws governing the State of North Carolina.

Objective: A simply stated, readily measurable statement of aim or expected accomplishment within the fiscal year. An objective should imply a specific standard of performance for a given program.

Occupancy tax: Receipts derived from the rental of room, lodging, or similar accommodation including private residences and cottages.

Occupational Safety and Health Act (OSHA): Regulations passed by the US Department of Occupational Safety and Health Administration to assure safe and healthful working conditions for working men and women by authorizing enforcement of the standards developed under the Act.

Operating Budget: A financial plan for the provision of direct services and support functions.

Operating Expenses: The portion of the budget pertaining to the daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as supplies, utilities, and materials.

Ordinance: a piece of legislation enacted by a municipal authority.

Part-time Employee: For budget purposes, a Town employee, either regular or temporary, who is regularly scheduled to work less than 30 hours per workweek.

Pay-As-You-Go (or Pay-Go): Financial policy of a government unit that finances capital outlays from current revenues rather than from borrowing.

Peer Group: Other municipalities with similar characteristics, such as population, services provided, and tax base used for comparison of financial condition and performance.

Personal Property: Movable property classified within two categories- tangible and intangible. "Tangible" or touchable property includes items of visible and movable property not permanently affixed to real property. "Intangible" or non- touchable property includes stocks, bonds, notes, cash, bank deposits, accounts receivable, patents, trademarks, copyrights, and similar assets.

Personnel Services: Salaries and wages paid to employees for fulltime, part-time, and temporary work including overtime and similar compensation.

Policy: A definite course or method of action considering given conditions to guide and determine present and future decisions.

Powell Bill Funds: Funding from state-shared gasoline taxes that are restricted for use on maintenance of local streets and roads.

Program: An organized set of related work activities that are directed toward accomplishing a common goal.

Property Taxes: Taxes levied on both real and personal property according to the property's valuation and tax rate.

Proprietary Funds: Funds used to separate, control, and track financial resources of business-

type activities carried out by government. Nags Head's proprietary fund type include its Enterprise Funds.

Real Property: Land, buildings, and items permanently affixed to land or buildings.

Reclassification: Change in a position title and/or the associated pay range based on changes in the job skills required for a given position.

Reserve: An account designated for a portion of the fund balance that is to be used for a specific purpose.

Resources: Assets that can be used to fund expenditures such as property taxes, user fees, beginning fund balance, or working capital.

Restricted Fund Balance: Monies over the year that remain unspent after all budgeted expenditures have been made, but which can be spent only for the specific purposes stipulated by statutes, external resource providers, or through enabling legislation.

Restricted Intergovernmental Revenues: Grants, entitlements, and shared revenues that are recorded in the appropriate fund and classified by both source and function for which the revenues are to be spent.

Revaluation: The process of revaluing a jurisdiction's real property in order to adjust the tax value to the market value. By North Carolina law, a revaluation must be conducted at a minimum of every eight years.

Revenue: Funds the Town receives as income including tax payments, fees from specific services, receipts from other governments, fines, grants, shared revenues, and interest income.

Revenue-Neutral Rate: The tax rate that is estimated to produce revenue for the next fiscal year equal to the revenue that would have been produced for the next fiscal year by the current tax rate if no reappraisal had occurred. The revenue-neutral rate is calculated as follows: 1) Determine a rate that would produce revenues equal to those produced for the current fiscal year, 2) Increase the rate by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal, and 3) Adjust the rate to account for an annexation, de-annexation, merger, or similar events.

Sales and Use Tax: Taxes based on the consumption of goods and services that the state collects for local governments and distributes based upon set formulas.

Special Assessment: A compulsory levy made against certain properties to defray part of the cost of a specific improvement or service, which are deemed primarily to benefit those properties.

Special Obligation Bond (SOB): Debt secured by a pledge of any revenue source or asset

available to the Town of Nags Head, except the Town's taxing power.

Strategic Plan: A specific set of strategies, implementing them, and evaluating the results of executing the plan, regarding the Town's overall long-term goals. It focuses on integrating various departments to accomplish these goals.

Surplus: The amount by which revenues exceed expenditures.

Tax Base: The assessed valuation of all taxable real and personal property within the Town's corporate limits.

Tax Levy: The resultant product when the tax rate per one-hundred dollars valuation is multiplied by the total taxable valuation, or tax base.

Taxes: Compulsory charges levied by a government for financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments or to user charges for enterprise type services.

Transfer: Movement of cash or other resources between funds.

Unassigned Fund Balance: The portion of a fund's unspent monies, or reserves that are not restricted for a specific purpose and are available for general appropriation.

User Fee/Charge: The payment for direct receipt of a service by the party benefiting from the service. These charges may or may not be designed to recover the full cost associated with providing the service or facility.

COMMON ACRONYMS

ACFR	Annual Comprehensive Financial Report	LEO	Law Enforcement Officer
ACP	Asbestos Cement Pipe	LGBFCA	Local Government Budget and Fiscal Control Act
AMI	Advanced Metering Infrastructure	LGC	Local Government Commission
CIF	Capital Investment Fund	LOB	Limited Obligation Bond
CIP	Capital Improvement Program	MSD	Municipal Service District
CO	Certificate of Occupancy	N/A	Not Applicable
EEO	Equal Employment Opportunity	NC	North Carolina
FEMA	Federal Emergency Management Administration	NCDEQ	North Carolina Department of Environment Quality
FLSA	Fair Labor Standards Act	NCDMV	North Carolina Division of Motor Vehicles
FT	Full-time	NCDMV	North Carolina Division of Motor Vehicles
FTE	Full-time Equivalent	NCDOT	North Carolina Department of Transportation
FY	Fiscal Year	NCDOT	North Carolina Department of Transportation
GAAP	Generally Accepted Accounting Principles	NCDWQ	North Carolina Division of Water Quality
GASB	Government Accounting Standards Board	NCLM	North Carolina League of Municipalities
GF	General Fund	OPEB	Other Post-Employment Benefits
GFOA	Government Finance Officers Association	OSHA	Occupational Safety and Health Act
GIS	Geographic Information Systems	PT	Part-time
GS / N.C.G.S.	General Statutes / North Carolina General Statutes	SCADA	Supervisory Control and Data Acquisition
HVAC	Heating, Ventilation, and Air Conditioning	SOB	Special Obligation Bond
IP	Instalment Purchase	UDO	Unified Development Ordinance
IT	Information Technology	WF	Water Fund
LCG	Local Government Commission		

CONSOLIDATED FEE SCHEDULE

Town of Nags Head

Consolidated Fee Schedule Changes are in Red DRAFT 1

Administration

Town Code Bound		\$100
Town Code Unbound		\$50
Town Code Supplements	per year	\$50
Unified Development Ordinance (UDO)		\$30
Unified Development Ordinance (UDO) Supplements	per year	\$15
Copies	per page	.15
Copy of digital information	(Purchase of USB flash drives/DVDs, etc., mailing envelopes, mapping service, copy service, etc. – does not include paper copies)	Actual cost (minimum \$10)
Sunshine List	per year	\$10
Use of public building	Refundable clean-up deposit	\$50
Town lapel pin		\$2
50th Anniversary Cookbook		\$13
Dowdy Park Adopt-a-Bench	per bench	\$1,400
	Vendor-supplied bench. Made with engineered wood to withstand a lot of activity and to match existing benches, for placement within Dowdy Park	

Permits

Crowd Gathering Event		\$100
Special Event	Event Site (former Windmill Pt site)	\$100
Vendor Fee	assoc w/Crowd Gathering or Special Events permit	\$25 each or \$200 for all
Tent inspection (if applicable)	assoc w/Crowd Gathering or Special Events permit	\$50
	A permit shall be issued for tents, membrane structures, and temporary stage canopies based on the requirements of the 2018 NC Fire Prevention code and shall be determined by the Fire Chief or designee.	
Electrical inspection (if applicable)	assoc w/Crowd Gathering or Special Events permit	\$50

Rev - 3/2022 As of July 1, 2022

Administrative Services

Tax Rate	\$28.75 per \$100 value
Tax Rate - Municipal Service Districts 1 and 2 - additional tax	\$.143 per \$100 value
Tax Rate - Municipal Service District 4 - additional tax	\$.01 per \$100 value
Tax Rate - Municipal Service Districts 3 and 6 - additional tax	\$.005 per \$100 value
Return Check Fee (Excl. Tax Payment) G.S. 25-3-506.	\$35
Return Check Fee (Tax Payment)	\$25 /check or 10% of check, whichever is greater

Delinquent Taxes – Per G.S. 105-360 (a):

Interest accrues on taxes paid on or after January 6 as follows:

(1) For the period January 6 to February 1, interest accrues at the rate of two percent (2%).

(2) For the period February 1 until the principal amount of the taxes, the accrued interest, and any penalties are paid, interest accrues at the rate of three-fourths of one percent (3/4%) a month or fraction thereof.

Cart Roll Fees	No. of bedrooms	Per property cost
	4 or less	\$100
	5-6	\$250
	7 or more	\$425
Cable Franchise	Initial	\$2,500
Cable Franchise	Renewal	\$10,000

Permits

Beach driving permit		\$25 \$50
Beach driving permit	Duplicate decal	\$2
Bonafide fishing tournament permit	NH Surf Fishing Tournament OB Association of Realtor Fraternal Order of Eagles	N/C
Beach Equipment Vendor	Annual	\$75

Applications

Massage Therapist (business)	Application includes fingerprint fee	\$150
Operator license	w/verification of State License	N/C

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Administrative Services (cont.)

Vehicle for Hire (business)

Taxicab or Limousine	Application	\$50
Driver permit	Application includes fingerprint fee	\$90
	Driver permit annual renewal	\$7.50

Dowdy Park

Sponsorship	Movie & licensure (includes set up/tear down; equipment; popcorn treat)	\$650
	Concert with sound included	\$1,100 - \$1,800

Farmers Market

Membership Fee	Annual	\$240
Drop-In Fee	Per market date	\$25

Fees for Business License/Registration

Per G.S. 105-113.77:

Privilege License Tax

City Beer On and Off Premises	per location	\$15
City Beer Off Premises only	per location	\$5
City Wine On and Off Premises	per location	\$15
City Wine Off Premises only	per location	\$10
Beer Wholesaler	per location	\$37.50
Wine Wholesaler	per location	\$37.50

Per G.S. 20-97(d):

Privilege License Tax

Taxicabs	per vehicle	\$15
Limousines	per vehicle	\$15
Vehicle for Hire	Application fee only	-

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Administrative Services (cont.)

Business Registration:

Business Registration	per location	\$25
Massage Therapist	with State license	-
Massage Business	Application fee only	-

Licenses/Registrations not renewed by September 1st shall be considered delinquent.

- Business Registrations are subject to a civil penalty of \$50.

- Business Licenses are subject to a penalty of 5%.

Penalties will be assessed on September 2nd.

Miscellaneous

Town License Plate	Current year	\$5.50
	Prior years	\$1
Town Flag		\$50 + tax
Budget or Audit documents		\$10
Street (Powell Bill) map		\$2
Zoning map		\$17
Notary public service		N/C
Catamaran Rack Storage at Harvey Sound Access Season runs from June 1 until November 1	Nags Head resident	\$25
	Non-resident	\$45
	Monthly	\$10
	Weekly	\$5

Facility Fees Town Code Sec. 10-337

(1) Police facility fee:

Single-family/duplex, per unit; private dock	\$154.32
Multifamily, including hotel/motel, per unit	\$155.00
Commercial/industrial, per 1,000 square feet	\$445.66

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Administrative Services (cont.)

(2) Fire facility fee:

Single-family/duplex, per unit; private dock	\$153.23
Multifamily, including hotel/motel, per unit	\$95.08
Commercial/industrial, per 1,000 square feet	\$246.10

(3) Solid waste collection:

Single-family/duplex, per unit; private dock	\$83.04
Commercial/industrial, incl. multifamily and hotel/motel, per cy of dumpster required	\$357.20

(4) Administration facility fee:

All uses, per unit; private dock	\$382.99
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(5) Recreation facility fee:

New single-family/multifamily/hotel/motel construction, per dwelling unit; private dock	\$286.00
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Credit and debit card convenience fee:

Tax, utility, and all other payments	VISA, MasterCard, Discover (AMEX not accepted)	2.95% of total charge \$1.00 minimum
Pit Fire and Beach Driving Permits (charged by a third-party vendor)	Use of credit card to pay online	\$1.15 (flat fee)
E-check convenience fee		\$1.05 (flat fee)

Fire Department

Pit Fire Permits		\$10
- Credit card fee to pay online (charged by a third-party vendor)		\$1.15 (flat fee)
Structure Burn Permit	water use additional cost	\$1,500/day burn
Tent inspection	A permit shall be issued for tents, membrane structures, and temporary stage canopies based on the requirements of the 2018 NC Fire Prevention code and shall be determined by the Fire Chief or designee.	\$50
Electrical inspection	associated w/large tent or event	\$50
Vehicle use for events	Pickup truck (1/2 ton) – per day	\$12.30
	Mobile command vehicle – per day	\$19.00
	Fire truck – per day	\$78.90
Copy of Incident Report		\$5

Fire Inspection Business

First inspection		N/C
First re-inspection		N/C
Second re-inspection		\$25
Third re-inspection	per day	\$50

New Construction

Standpipe system inspection		\$50
Fire Sprinkler system inspection		\$75
Fire Alarm system acceptance testing		\$75
Kitchen suppression system acceptance testing		\$75
2-Hr Hydrostatic test witness		\$100

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Fire Department (cont.)

False Alarms

First False Alarm of calendar month	N/C
Second False Alarm of calendar month	\$25
Third False Alarm of calendar month	\$50

Fire Hydrant Testing

Flow testing required for sprinkler system installation or upgrades	\$250
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Planning & Development

New Construction

Residential (per sq. ft.)		heated non-living	0.75 0.40
Commercial (per sq. ft.)		heated & non-living	0.80
Pool			\$250
Electric			\$75
HVAC	\$40/unit +	\$5 electrical	min \$75
Plumbing			\$75
Gas			\$75
Sprinkler			\$75
Refrigeration			\$75
Sign			\$75
Multi-family (per sq. ft.)	\$100/unit +	heated & non-living	0.80
Hotel (per sq. ft.)	\$50/unit +	heated & non-living	0.80

Building permit fees

Building re-inspection		\$50
Proceeding work w/o a building permit		2x permit cost
Proceeding work w/o required inspection		½ permit cost

Demolition

Single Family		\$150/building
Duplex		\$150/building
Hotel	\$50/unit	min \$250
Multi-family	\$100/unit	min \$250
Commercial (per sq. ft.)	0.75	min \$250

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Planning & Development (cont.)

Moving

Single Family		\$500/building
Duplex		\$600/building
Hotel	\$150/unit	min \$1,000
Multi-family	\$300/unit	min \$1,000
Commercial (per sq. ft.)	\$1.00	min \$1,000

Clean Up Deposits

Demolition within AEC

Single family		\$1,000/building
Duplex		\$1,250/building
Hotel	\$100/unit	min \$1,000
Multi-family	\$500/unit	min \$1,000
Commercial (per sq. ft.)	\$1.00	min \$1,000

Demolition outside AEC

Single family		\$500/building
Duplex		\$600/building
Hotel	\$75/unit	min \$900
Multi-family	\$75/unit	min \$900
Commercial		\$900/permit

Move Within AEC

Single family		\$500/building
Duplex		\$600/building
Hotel	\$150/unit	min \$1,000

Planning & Development (cont.)

Multi-family	\$300/unit	min \$1,000
Commercial (per sq. ft.)	\$1.00	min \$1,000
<u>Move Outside AEC</u>		
Single family		\$500/building
Duplex		\$600/building
Hotel	\$75/unit	min \$1,000
Multi-family	\$75 unit	min \$1,000
Commercial (per sq. ft.)	0.50	min \$1,000

Miscellaneous Permit Fees

Bulkhead, dock, pier	See Alteration, Additions, Remodeling section	
Commercial towers/new tower	\$1.00 Lin. Ft. + \$100 for subs	
Electrical inspection	assoc. w/large tent or event	\$50
Fuel pumps	\$25 per pump	min \$50
Fuel storage tank	Per tank	\$200
Hood/duct		\$100

Planning & Development (cont.)

Alterations, Additions, Remodeling (based on actual cost)

Residential, Commercial, Accessory structures, Storage

From	To	
0	\$2,500	minimum \$100
\$2,501	\$5,000	\$130
\$5,001	\$10,000	\$160
\$10,001	\$20,000	\$190
\$20,001	\$30,000	\$220
\$30,001	\$40,000	\$250
\$40,001	\$50,000	\$280
\$50,001	\$60,000	\$310
\$60,001	\$70,000	\$340
\$70,001	\$80,000	\$370
\$80,001	\$90,000	\$400
\$90,001	\$100,000	\$430
\$100,001	\$110,000	\$460
\$110,001	\$120,000	\$490
\$120,001	\$130,000	\$520
\$130,001	\$140,000	\$550
\$140,001	\$150,000	\$580
\$150,001	\$160,000	\$610
\$160,001	\$170,000	\$640
\$170,001 and over		\$640 + \$1.50 per \$1,000 valuation above \$170,001 or fraction thereof

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Planning & Development (cont.)

Service Unit Fees

Gallons per Day (GPD)

To calculate Gallons per Day, refer to the NC Administrative Code – 15A NCAC 02T .0114 \$1.77
\$2.79

Small Wireless Facility Review

per application \$100 per facility – first 5 facilities
\$50 each – next 20 facilities

Miscellaneous Administrative and Zoning Fees

Site Plan, Major	0.50/sf
Site Plan, Minor (without or less than 250 sq. ft. of new floor area or lot coverage)	\$75 Waived for eligible Temporary Use Permits
Site Plan, Minor (with 250 sq. ft. or greater of new floor area or lot coverage)	\$400 Waived for eligible Temporary Use Permits
Variance or Appeal	\$200 \$500 Variance \$300 Appeal
Conditional Use/Vested Right	\$200 ea or \$300 combined \$500
Erosion & Sedimentation Control	\$50/up to 1 acre + \$40/additional acre and revision
Floodplain Review (not associated with building permit)	\$50
Zoning Permit for new single family/duplex	\$150 single; \$275 duplex
Zoning Permit associated with single family/duplex with no building permit (i.e., driveway, land disturbance, etc.)	\$25
Zoning Permit for commercial/multifamily in conjunction with building permit	No charge
Zoning Permit for commercial/multifamily in conjunction with no building permit (i.e., change of occupancy or use)	\$50
Zoning permit review fee for signage	\$75 (per application, inclusive of all signs)
Zoning permit for home occupation	\$50
Zoning map amendment	\$500 \$750 + \$500 per acre or fraction thereof

Planning & Development (cont.)

Unified Development Ordinance (UDO) text amendment		\$500 \$750
Application/Investigation of Sexually Oriented Business (SOB)		\$300
Subdivision, Minor or Major		\$75 per lot
Exempt subdivision/Recombination		\$50 per lot
GIS maps 11x17		\$5/parcel data only \$10/aerial photography
GIS maps 17x22		\$10/parcel data only \$25/aerial photography
GIS maps 22x34 through 36x48		\$25/parcel data only \$50/aerial photography
Short-term Rental Registration	Annual	\$25
Zoning or Flood Determination Letter		\$50

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Police Department

Town Ordinance Violation	\$50
Permit 24-hr parking at beach accesses for fishing Sep 1 - Feb 1	\$25
Copies of Accident Reports	\$5
Copies of Investigative Reports	\$5 or 0.15/pg < 33 pgs
Off-Duty Security Vehicle Use	\$19.75 per day
Fingerprint charges	\$5/set
Use of public building	Refundable clean-up deposit \$50

Civil Penalties as listed below: \$50 each

Traffic Violations \$50 each

Section 42-41	Failure to obey traffic control devices
Section 42-92	Prohibited riding coasters, roller skates, or similar devices
Section 42-92	Motorized vehicles prohibited on multi-use/pedestrian path
Section 42-132	Obstructing passage of other vehicles
Section 42-138	Prohibited parking in certain places
Section 42-139	Parking in front of driveway or fire hydrant
Section 42-140	Parking in Fire Lane
Section 42-141	Parking on certain streets

Taxi Cab Violations \$50 each

Section 46-8	Exceed maximum number of passengers
Section 46-9	Failure to properly mark taxi cab
Section 46-11	Failure to post rates and fares
Section 46-13	Failure to maintain daily manifest
Section 46-81	Taxi cab drivers permit required
Section 46-89	Failure to display taxi cab drivers permit

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Police Department (cont.)**Animal Violations** **\$50 each**

Section 6-2	Owner responsibility violation
Section 6-3	Dog must wear identification and rabies tags
Section 6-6	Mandatory removal of feces

Beach Violations **\$50 each**

Section 8-1	Surfing without a leash/within 300 ft. of a pier
Section 8-2	Swimming prohibited (red flags posted)
Section 8-4	Personal watercraft
Section 8-62	Driving on sand dune

Noise Violation **\$50 each**

Section 16-76	Prohibited noise
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Street Numbering

Section 36-46	Failure to display proper street nos. front/rear of structure
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Other **\$50 each**

Section 26-1	Disorderly conduct/urinating in public
Section 12-103	Peddler/itinerant merchant license required
Section 12-104	Peddler/itinerant merchant-regulations generally

Alarms

Alarm Protection System Permit-Initial	\$50
Alarm Protection System Permit-Renewal	\$25
A - First False Alarm of Calendar Month	N/C
B - Second False Alarm of Calendar Month	\$25
C - Third False Alarm of Calendar Month	\$50
D - Fourth False Alarm of Calendar Month	\$50
E - Fifth False Alarm of Calendar Month	\$50

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Police Department (cont.)

Towing of automobiles, vans, pick-up trucks, motorcycles	\$150 (during business hours) \$175 (after hours)
Responding to tow request where no hook-up is rendered	1/2 the corresponding rate above
Storage charges until owner/operator takes possession	\$25 per day
Excavation application permit	\$50

Police Escort to move house/commercial building	\$100 first 2 hours
	\$50/hour additional hours

Public Works

Sanitation Dept.

Dumpsters

4 yd side load	\$1,535 \$1,590 + tax
6 yd front load	\$1,650 + tax
8 yd front load	\$2,005 + tax

Automated carts Carts

Trash cart	\$75 + tax
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Automated cart Trash cart repair parts

Lid (Toter lids only)		\$30 + tax
Thru hole Town wheel system	(2 wheels, 1 rod)	\$45 + tax
Wheel	Separate	\$15 + tax
Rod	Separate	\$15 + tax
Rental (automated trash carts)		\$15/day
300-gallon trash cart		\$525 + tax

Miscellaneous

"No Trespassing" signs	two (2) styles	\$30 + tax
Town Parks reservation	Refundable clean-up deposit	\$50
Electricity at parks	Upon request	\$5
Review of plans for improvements for existing streets		\$200 < 250 linear ft
		\$200 > 250 linear ft
		+ \$50 per linear ft over 250

Water Rates

Water Meter Deposit

Residential	\$25 per bedroom	\$50 min.
Motel/Hotel/Cottage Court	\$25 per bedroom	\$100 min. \$750 max.
Restaurant	\$10 per seat	\$100 min. \$750 max.
Commercial		\$100
Hydrant (for use at Town of Nags Head Public Works/Nags Head Water Distribution)		\$500
Hydrant (for use at locations not maintained by Nags Head Water Distribution)		\$450

Hydrant Deposit

Hydrant 2 1/2" meter with RPZ	\$4,200
Hydrant	\$2,630

Excessive water consumption

Water breaks - if undetected water loss is due to a broken or damaged water line, valve, or water heater (toilet valve N/A) - bill adjustment can be made in accordance with Town Policy

Installation of water meter - drop in

3/4" meter	\$175
1" meter	\$215 \$245
1 1/2" meter	\$510 \$720
2" meter	\$710 \$750

Repair Charges

Charges on repairs by the Town to meters, meter boxes, hydrants, and valves	Cost of materials + 20% per incident \$50 min
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Water Rates (cont.)

Water Tap Connection

¾" tap	\$650 \$740 + meter dep
1" tap	\$670 \$785 + meter dep
1 ½ "tap	\$3,545 \$4,110 + meter dep
2" tap	\$4,000 \$4,725 + meter dep
Over 2" tap	Cost of materials + 20% + meter dep
Cut-off Tag Fee	\$50

Water Rates/Usage – Billed bi-monthly

Year-Round Rate

Minimum 0 - 3,000 gallons	\$39.80 (¾" meter)
3,001 - 15,000 gallons	\$6.95/thousand gallons
15,001 - 40,000 gallons	\$7.80/thousand gallons
40,001 – 75,000 gallons	\$8.30/thousand gallons
75,001 - 200,000 gallons	\$9.15/thousand gallons
200,001 + gallons	\$9.60/thousand gallons

Penalty

Late fee applied after due date	10% of balance
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Meter Size – Billed bi-monthly

Minimum

¾ " meter	\$39.80
1" meter	\$59.65
1 ½ " meter	\$114.60
2" meter	\$218.10
2 ½ "meter	\$315.35
3" meter	\$414.05
4" meter	\$675.30
6" meter	\$1,683.30

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Water Rates (cont.)

Miscellaneous Water

Re-read at customer's request	\$10
Re-read if incorrect	N/C
Turn on/off (each incident)	N/C
Meter test	\$25

(N/C if meter fails - bill will be adjusted)

Customer will be responsible for the repair or replacement cost of damage done by tampering with Town of Nags Head water meters. Criminal and/or civil charges can be filed under G.S. 14-151

Due to the administrative cost of processing reimbursements, the Town of Nags Head does not automatically reimburse final utility bill overpayments of \$5.00 or less. Customers may call and request a refund. After one year, monies will be sent to NC unclaimed funds.

Septic Health

Septic Loan Interest Rate

Prime less 2.5%, minimum of 2.5%

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