



**Town of Nags Head  
Budget Ordinance  
Fiscal Year 2021-2022**

BE IT ORDAINED by the Board of Commissioners of the Town of Nags Head, North Carolina, meeting in session this the 16th day of June 2021, that the budget ordinance adopted on June 16th, 2021, effective July 1, 2021, to read as follows:

**SECTION I GENERAL FUND**

Revenues Anticipated:	
Current year ad valorem taxes	\$ 7,967,445
Municipal Service District taxes	1,626,766
Current town wide beach nourishment ad valorem taxes	758,804
Penalties and interest	7,000
DMV Taxes	141,150
Other taxes and licenses	7,420,101
Unrestricted intergovernmental revenues	903,200
Restricted intergovernmental revenues	1,442,709
Permits and fees	315,775
Sales and services	57,525
Investment earnings	110,000
Other revenues	321,403
Transfer from Capital Reserve Fund	4,185,733
Sale of capital assets	20,000
Transfer from Water Fund	633,241
Restricted Fund Balance	124,000
Committed Fund Balance	53,902
Undesignated Fund Balance Appropriated	<u>316,712</u>
Total General Fund Revenues	<u>\$ 26,405,466</u>



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**SECTION I GENERAL FUND**

Expenditures Authorized:	
Governing Body	\$ 180,633
Special Obligation Bond Debt	2,451,252
Town Manager	1,585,853
Administrative Services	1,178,005
Information Technology	400,052
Legal Services	115,000
Planning and Development	1,464,609
PW Administration	408,618
Facilities Maintenance	2,747,752
Garage	383,860
State Street Aid - Powell Bill	234,000
Sanitation	1,544,708
Solid Waste Disposal	797,456
Stormwater Management	1,435,522
Police	3,080,100
Fire	3,050,343
Ocean Rescue	757,224
Transfer to Capital Reserve Fund	4,465,479
Contingency	<u>125,000</u>
Total General Fund Expenditures	<u>\$ 26,405,466</u>



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**Section II WATER FUND**

Revenues Anticipated:	
Charges for utilities	\$ 3,610,348
Taps/connection fees	16,000
Reconnection fees	5,000
System development fees	25,000
Restricted intergovernmental revenues American Rescue Plan	435,000
Interest on investment	29,850
Penalties and interest	25,000
Septic loan repayments	25,000
Miscellaneous revenues	1,000
Transfer from water capital reserve	50,000
Restricted Net Position-American Rescue Plan	435,000
Appropriated Net Position	<u>561,459</u>
 Total Water Fund Revenues	 <u>\$ 5,218,657</u>
 Expenditures Authorized:	
Administration	\$ 260,661
Septic Health Initiative	143,694
Water Operations	1,656,348
Water Distribution	2,449,713
Transfer to General Fund	633,241
Transfer to Water Capital Reserve Fund	25,000
Contingency	<u>50,000</u>
 Total Water Fund Expenditures	 <u>\$ 5,218,657</u>



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**Section III NAGS HEAD LEASING**

Revenues Anticipated	\$	-
Expenditures Authorized	\$	-

**Section IV CAPITAL RESERVE FUND**

Revenues Anticipated:		
Transfer from General Fund	\$	4,465,479
Appropriations/Special Obligation Bond - debt		2,451,252
Appropriations/Stormwater Management		1,435,522
Appropriations/ Parks and paths		229,392
Appropriations/ Admin. facility fees		40,000
Appropriations/ Recreation facility fees		29,567
Appropriations/Beach Nourishment Capital Project Fund		1,088,847
Total Revenues	\$	<u>9,740,059</u>
Expenditures Authorized:		
Transfer to General Fund	\$	4,185,733
Transfer to Beach Nourishment Capital Project Fund		1,088,847
Contributions to Fund Balance		4,465,479
Total Expenditures	\$	<u>9,740,059</u>



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**Section V WATER CAPITAL RESERVE FUND**

Revenue Anticipated:	
Transfer from Water Fund	\$ 25,000
Appropriations/System development fees	<u>50,000</u>
Total Revenues	<u>\$ 75,000</u>
Expenditures Authorized:	
Transfer to Water Fund	\$ 50,000
Contributions to Net Position	<u>25,000</u>
Total Expenditures	<u>\$ 75,000</u>
TOTAL BUDGET FISCAL YEAR 2021-2022	<u>\$ 41,439,182</u>



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**SECTION VI 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, 2021. The estimated valuation of said property is three billion, forty two million, eight hundred twenty four thousand, one hundred twelve dollars (\$3,042,824,112). 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 five million, seven hundred fifty thousand, eight hundred twenty one dollars (\$1,045,750,821). The estimated collection rate is ninety-nine and three quarters percent (99.75%) on all real estate and personal property and one hundred percent (100%) on all motor vehicle property.

A tax rate of one (\$.01) cent per hundred dollar valuation is hereby levied on all real estate, personal property, and motor vehicle property located in municipal service district 4 with an estimated value of six hundred fifty five million, seven hundred fifty two thousand, four hundred eighty six dollars (\$655,752,486). 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, three hundred ninety three million, five hundred nine thousand, eighty one dollars (\$1,393,509,081). 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 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 forty nine million, ninety five thousand, six hundred twenty one dollars (\$49,095,621). 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, 2021.



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**SECTION VII. SPECIAL AUTHORIZATION - BUDGET OFFICER**

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

**SECTION VIII. RESTRICTION-BUDGET OFFICER**

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

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

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

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

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

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



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**SECTION IX - AUTHORIZATION TO EXECUTE CONTRACTUAL DOCUMENTS**

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

- (a) The Town Manager may execute contracts for: (1) Purchases or apparatus, supplies and materials, or equipment which are within budgeted department appropriations where formal bid is not required; (2) Leases of personal property for durations of one year or less which are within budgeted departmental appropriations; (3) Services and service contracts which are within budgeted departmental appropriations; and (4) formal bids involving purchase contracts, including rejecting bids and re-advertising to receive bids. This delegation can not be applied to construction or repair contracts.
- (b) The Town Manager may execute contracts, as the lessor or lessee of real property, which are of a duration of one year or less which are within budgeted departmental appropriations not to exceed an annual amount of \$20,000.
- (c) The Town Manager may execute contracts for design consultant services, where consultant fees are estimated to be less than \$50,000.
- (d) The Town Manager may execute contracts for construction or repair projects which do not require formal competitive bid procedures.
- (e) The Town Manager may execute change orders or amendments to construction contracts in amounts up to \$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.





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**SECTION X, UTILIZATION OF BUDGET AND BUDGET ORDINANCE**

This ordinance and the budget document shall be the basis of the financial plan for the Town of Nags Head, North Carolina Municipal Government during the 2021-2022 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 16TH DAY OF **JUNE 2021**.

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**Benjamin Cahoon, Mayor**

Attest:

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Carolyn F. Morris, Town Clerk

Motion to Adopt by Commissioner

Motion Seconded By Commissioner

Vote \_\_\_\_\_ Ayes \_\_\_\_\_ Noes

Recorded in Minute Book \_\_\_\_\_, Page \_\_\_\_\_