

TOWN OF KITTY HAWK, NORTH CAROLINA  
OPERATING BUDGET

FISCAL YEAR  
2020-2021



‘Success is a forward progress’



**Elected Officials:**

Mayor  
Mayor Pro Tem  
Councilwoman  
Councilman  
Councilman

Gary Perry  
Craig Garriss  
Lynne McClean  
Jeff Pruitt  
David Hines

**Leadership Team:**

Town Manager  
Management Assistant  
Finance Director  
Fire Chief  
Planning & Inspections Director  
Police Chief  
Public Works Director  
Town Clerk

Andy Stewart  
Melody Clopton  
Liliana Noble  
Mike Talley  
Rob Testerman  
Joel Johnson  
William Midgett  
Lynn Morris

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May 11, 2020

Honorable Mayor, Town Council and Citizens  
Town of Kitty Hawk, North Carolina

In accordance with Section 159-11 of the North Carolina General Statutes it is my privilege to present for your review and consideration the FY 2020-2021 balanced budget for the Town of Kitty Hawk. This document represents months of work by dedicated staff and reflects revenues estimates and expenditures based upon an ongoing review of operations.

### Summary

This budget message is being written in a time when the COVID-19 pandemic has left many of us struggling to understand what will happen in 30, 60, or 90 days – let alone the what will happen over the course of 365 days beginning July 1, 2020. The Town Council during my tenure has always had the core belief of establishing strong reserves and preparing the Town for unexpected events such as this pandemic. This core belief will prove to be invaluable as we approach the upcoming fiscal year without a clear direction on what the future holds.

The proposed budget will continue to keep the guiding principles set forth by the Town at the forefront and planning for the unexpected is highlighted throughout all aspects of this budget process. This budget process as compared to others will be one that comes with difficult decisions to be made by all with keeping in mind the Town's desire to maintain exceptional services at the existing tax rate.

The proposed budget recommends a total spending in the amount of \$9,344,401 as compared to the current year's budget of \$10,152,437. The current Town budget represents an 8% decrease in revenues as compared to the previous FY 2019-2020 budget. The decrease is largely due to the uncertain tourism season ahead and revenues generated from Occupancy and Sales Tax which in total these revenues represent approximately 33% of our core services operating budget. Core services include staffing and minimal expenses needed to operate effectively on a day to day basis. The two revenue sources have been budgeted at 50% of the normal collection rate as compared to previous fiscal years. The Town remains cautiously optimistic that COVID-19 will not severely reduce visitors for the 2020 tourism season.

Another change that is highlighted comes at the heels of the 2020 Dare County Property Values Reassessment. Each County in North Carolina is required to conduct a countywide property revaluation at least every 8 years, although a county may choose to revalue on less than an 8-year cycle. Dare County chose to advance the effective date from 2021 to 2020, resulting in a seven-year cycle. Dare County's last revaluation was effective January 1, 2013, and this revaluation was effective January 1, 2020. In the Town of Kitty Hawk property values have increased from the last evaluation in 2013. Therefore, a reduction in the current tax rate of .34 cents per \$100 valuation is necessary to essentially keep the tax rate at a revenue neutral value.



The proposed budget proposes a new tax rate of .30 cents per \$100 valuation. This tax rate will generate revenues consistent with revenues generated in FY 19-20 and includes a growth factor of 1.19%. The growth factor is established by averaging the previous 7 years of increases/decreases.

The proposed budget continues to project revenues conservatively and will require the use of unrestricted fund balance in the amount of \$744,424. The FY 18-19 audit reflects an unrestricted fund balance in the amount of \$3,057,847. The budget maintains the \$3,500,000 emergency reserve and the general fund continues to operate on a debt ratio of \$0 for capital purchases and operations. It is imperative to continue to maintain the \$3,500,000 reserve as we move forward in times of uncertainty.

Prepared responsibly and conservatively to ensure accountability to the taxpayers of Kitty Hawk the budget is balanced with total revenues and expenditures of \$9,344,401.

**Budget Highlights:**

- The budget is balanced at a tax rate of .30 cents per \$100 valuation. Properties located in the Beach Nourishment District (MSD) pay an additional .10 cents. Both tax rates were factored on revenue neutral calculations.
- Utilizes \$744,424 of unrestricted fund balance as identified in FY 18-19 audit
- Maintains the \$3,500,000 emergency reserve
- The budget funds no new full/part-time positions
- Maintains all full-time Town employees at existing salaries
- 5% increase in Health Insurance Premiums
- Delays capital purchases in the amount of \$465,000
- Postpones funding of reserves for future police station in the amount of \$200,000 and future fire truck replacement in the amount of \$100,000
- Eliminates all non-essential training and travel
- Reduction to fuel expenses across the board by 20% as a result of oil crisis

**General Fund**

The General Fund provides the necessary funding for the operations of Public Safety (Police and Fire Departments), Town Council, Administration, Finance, Planning & Inspections as well as, Public Works. The Town of Kitty's Hawks General Fund can primarily be separated into four major spending categories. These categories include Personnel, Departmental Operating Expenses, Capital Purchases and Beach Nourishment.

**Personnel**

Personnel expenditures are always the largest expenditure in the Town's General Fund budget. Town employees are considered one of the Town's greatest assets and are responsible for ensuring professional and quality service delivery to our residents. The Town of Kitty Hawk utilizes a step-based Position Pay and Classification Plan. The Town's pay plan is intended to provide equitable compensation for all positions, reflecting differences in duties and responsibilities, the comparable rates of pay for positions in private and public employment in the area, changes in the cost of living, the financial condition of the Town, and other factors.

To place focus on maintaining existing staffing levels the budget proposes freezing the step pay plan with the possibility of reassessing if economic conditions improve during the fiscal year. The budget continues to fund 100% for health, dental, life and vision insurance for full-time employees. The budget includes a 5% increase percent increase for health insurance premiums. The health insurance plan for all employees was changed to a partially self-funded plan through CIGNA which has saved the Town and employees a considerable amount since it was implemented in 2016. The expected refund in the current fiscal year is expected to be in excess of \$20,000. Every year the Town has received a refund since enrolling in the partially self-funded plan.

Although no new positions were funded in the budget it should be noted that several departments still have a need for new positions however understand these requests will need to be delayed. Positions that were requested but not funded include a Deputy Fire Chief, additional Police Officer, and a position in Public Works.

A summary of full-time, part-time, and seasonal positions is provided below.

<b>Budgeted</b>	<b>Full-Time</b>	<b>Part-Time</b>	<b>Seasonal</b>	<b>Total</b>
FY 16/17	47	8	13	68
FY 17/18	47	7	14	68
FY 18/19	47	7	14	68
FY 19/20	47	7	14	68
FY 20/21	47	7	14	68

**Operating Expenditures**

Operating expenditures provide the means necessary for each Department within the Town to carry out the day-to-day services provided to Town residents. These expenses are reviewed thoroughly each year by Town Department Heads and management to ensure accountability and operational efficiency. Operational costs and equipment highlights in the FY 2020-2021 budget by Department include:

***Non-Departmental***

- No highlights

***Administrative Services***

- Reduction to Training and Travel

***Finance Department***

- Reduction to Training and Travel

***Planning & Inspections***

- Reduction to Training and Travel

***Public Works Department***

- Reduction to Training and Travel
- 20% reduction in fuel expenses

***Police Department***

- Reduction to Training and Travel
- 20% reduction to fuel expenses

***Fire Department/Ocean Rescue***

- Reduction to Training and Travel
- 20% reduction to fuel expenses

**Capital Expenditures**

The budget continues to plan for critical capital purchases and delays a vast majority of proposed capital purchases in FY 20-21. The FY 2020-2021 Capital Improvement Plan identifies a total of \$204,000 down from \$943,000 the previous fiscal year. Health and Safety capital purchases is the only slated capital purchases identified in the budget.

The capital purchases and future reserves included in the FY 2020-2021 budget consists of the following:

**Capital Purchases in FY 2020-2021:**

- Police Department Equipment - \$59,000
- Fire Department Equipment - \$25,000
- Street Resurfacing - \$120,000

**Capital Reserve Funding (Funds set aside for future years):**

- All Capital Reserve Funding has been Delayed

*Capital Reserve Overview*

The Capital reserve consists of funds that have been set aside in previous budget years for specific future capital purchases. These reserves are “banked” funds and can be utilized when needed to fund capital projects. The largest makeup of the capital reserve are funds that have been collected and set aside for Beach Nourishment. The only funds being set aside in the budget for future capital purchases is \$25,000 for future 800mhz radio upgrades in the Fire Department.

The current chart summarizes the Capital reserve available for future projects:

CAPITAL RESERVE FUND BALANCE						
Project Code	Description	Actual FY 17/18	Actual FY 18/19	Budget FY 19/20	Proposed FY 20/21	Ending Balance FY 20/21
0000	Interest in investments (Estimate)	5,257	8,320	8,320	8,320	33,554
105	Bathhouse Repairs/Replacement	-	20,000	(20,000)	-	-
113	Storm Damage /Beach Nourishmen	(87,519)	120,373	50,964	85,117	2,272,877
1003	Dump /Grapple Truck	(20,000)	-	-	-	-
1004	Fire Truck & Equipment	20,000	80,000	100,000		204,161
1005	Fuel Storage Tank Replacement	5,000	12,000	12,000		29,000
1009	Town Park & Recreation Developm	-	-	-	-	144,735
1041	Fire Department Air Compressor	-	-	(40,000)	-	-
1081	Fiber Optic Phone System Replacer	5,000	5,000	5,000		30,000
1082	Town Website	(2,500)	-	-	-	-
1083	IT Development	(27,832)	-	-	-	54,071
1084	Document Imaging System	-	20,000	-	-	20,000
1085	Finance Software Upgrade	5,000	5,000	(10,000)	-	-
1086	Board Walks	-	8,000	8,000		16,000
1088	Fire Department Training Equipmer	-	15,000	15,000		30,000
1089	Land Use Plan Update	-	15,000	5,000	-	20,000
1090	Police Department Building	-	120,000	-		120,000
	800 mhz- Radio Replacements	-	-	-	25,000	25,000
<b>TOTAL CAPITAL RESERVE FUND BALANCES</b>						<b>2,999,397</b>

**Beach Nourishment**

In accordance with North Carolina General Statute funds collected and expended for the Beach Nourishment project must be accounted for as part of the Town's General Fund. The Beach Nourishment project was completed in 2017. Since the completion of the project, property owners have made improvements to their properties near the ocean and the Town has experienced an increase in new construction. This secondary benefit of the Beach Nourishment project will increase property values for the Town for future years to come.

The Town of Kitty Hawk and Dare County will be pay the last payment of this debt service in this budget year FY 20-21. The Municipal Service District and Town-wide dedication is expected to remain in place to fund future beach re-nourishment projects. The final debt service payment (Payment 5 of 5) in the amount of \$2,056,795 is due in December of 2021. Of this payment the Town will receive \$1,169,681 from the Dare County Occupancy Tax Fund while the remaining balance will be paid from the annual collection of property taxes restricted for Beach Nourishment. Revenues generated for Beach Nourishment in excess of the yearly debt service payment will remain restricted and can be utilized for beach maintenance and other costs related to beach nourishment.

The budget continues to dedicate .035 cents of the .30 cents town wide tax to the Beach Nourishment Project. The dedication has also been distributed proportionately and calculated based on the revised revenue neutral tax rate. Properties located in the Municipal Service District will continue to pay an additional .10 cents that is restricted specifically for Beach Nourishment.

**Financial Stability**

The FY 2020-2021 budget maintains the Emergency Fund in the amount of \$3,500,000 and in accordance with Council fund balance policy. The FY 2020-2021 budget utilizes an unrestricted fund balance amount of \$744,424. The use of Fund Balance will leave the unrestricted fund balance at \$2,272,576 at the end of the proposed budget year. This will leave the Town's assigned and unassigned fund balance of \$5,772,576 which continues to represent extremely strong total reserves.

**Conclusion**

This budget document remains the same in format, layout and content as the previous four budgets. This format has proven effective over the past four years and intended to be easily interpreted by the general public.

While the Town remains positive about the foreseeable financial future it is imperative that fiscal responsibility remain at the core of our Town's values.

I would like to thank the hard-working Town employees for the jobs they do every day. Our employees are always ready to serve when called upon no matter what the circumstances. On behalf of myself and our employees, I would also like to thank the Town Council for their unselfish willingness to serve the Town and the professionalism displayed while serving in this capacity. Building a resilient community is a team effort and requires each and every one of us working together for the common good.

It is my pleasure to present to you the budget document for FY 2020-2021.

Sincerely,

Andy Stewart  
Town Manager, Town of Kitty Hawk

## Town of Kitty Hawk Budget Ordinance - FY 2020-2021

**BE IT ORDAINED** by the Town Council of the Town of Kitty Hawk, North Carolina that:

**ESTIMATED GENERAL FUND REVENUES:** It is estimated that the following General Fund Revenues will be available during the fiscal year beginning July 1, 2020 and ending June 30, 2021 to meet appropriations approved by the Town Council herein. The property tax revenue estimate is based on a projected collection rate of 99% by the Dare County Tax Department.

### GENERAL FUND BUDGET

Source	Amount
Ad Valorem Tax (\$.30)	\$3,383,695
Ad Valorem Tax (\$.035) Debt Service Beach Nourishment	\$451,159
Ad Valorem Tax MSD (\$.10) Beach Nourishment	\$510,629
Prior Years Taxes	\$25,000
Penalties/Interest	\$6,500
Motor Vehicle Tax	\$160,000
Motor Vehicle Tax (\$.035) Beach Nourishment	\$20,000
Motor Vehicle Tax (\$.10) MSD	\$8,000
Local Option Sales Tax	\$769,800
Local Option Sales Tax – BN & MSD	\$96,000
Land Transfer Tax	\$375,000
Occupancy Tax	\$725,000
Beer and Wine Tax	\$12,560
Telecom Tax	\$25,000
Electric Utility Tax	\$336,000
Cable Franchise Tax	\$84,500
Piped Natural Gas Tax	\$2,000
PEG Channel Tax	\$27,000
Solid Waste Disposal Tax	\$2,600
Mixed Beverage Tax (ABC)	\$29,000
Building Permits	\$101,250
Homeowner Recovery Fee	\$1,000
CAMA Permits	\$3,500
Planning Permits and Fees	\$10,000
Board of Adjustment Fees	\$500
Site Plan Reviews	\$1,000
Sanitation Fees (Garbage Carts)	\$7,000
Powell Bill Allocation	\$106,000
Dept of Justice Asset Forfeiture Program	\$1,000
NCDOR Unauthorized Sub Tax Distribution	\$4,000
Grants – NC Department of Agriculture	\$90,000
Dare County Sand Fencing	\$24,000

Source	Amount
Governor Crime Commission Grant	\$24,000
Dare County Payment to Obligation Bonds	\$1,131,684
Enforcement Fines & Parking Violations	\$3,000
Court Fees	\$2,500
Fines and Forfeitures	\$1,000
Interest on Investments	\$20,000
Town Merchandise Sales	\$300
Office Rental- DNR NC	\$4,800
Sale of Surplus Property	\$10,000
Miscellaneous Revenue	\$1,000
Icarus International	\$3,000
Fund Balance Appropriated	\$744,424
Transfer in from Capital Reserve	\$0
<b>Total</b>	<b>\$9,344,401</b>

**GENERAL FUND APPROPRIATIONS:** The following amounts are hereby appropriated for the operation of the Town government and its activities for the fiscal year beginning July 1, 2020 and ending June 30, 2021.

Function	Budget
General Government	\$2,341,907
Public Safety	\$3,457,082
Transportation – Powell Bill	\$137,000
Sanitation	\$1,191,000
Beach Nourishment	\$2,217,412
<b>Total</b>	<b>\$9,344,401</b>

### CAPITAL RESERVE FUND BUDGET

**ESTIMATED CAPITAL RESERVE FUND REVENUES:** It is estimated that the following Capital Reserve Fund Revenues will be available during the fiscal year beginning July 1, 2020 and ending June 30, 2021 to meet appropriations approved by the Town Council herein.

Function	Budget
Capital Reserve Appropriated	\$0
Transfer from General Fund – Future Capital	\$25,000
Transfer from General Fund – Excess Beach Nourishment	\$85,117
<b>Total</b>	<b>\$110,117</b>



**CAPITAL RESERVE FUND APPROPRIATIONS:** The following amounts are hereby appropriated for the operation of the Capital Reserve Fund and its activities for the fiscal year beginning July 1, 2020 and ending June 30, 2021

Function	Budget
Transfer to General Fund	\$0
Reserves	\$110,117
<b>Total</b>	<b>\$110,117</b>

**TAXES AND FEES LEVIED:** The revenue neutral tax rate for the current year is 30 cents (\$0.2982) and 10 cents (\$0.1026). The RNR was rounded up to \$0.30 and \$0.10, respectively. There is hereby levied a tax rate of .30 cents (\$0.30) on each one hundred dollars (\$100.00) valuation of all real estate, personal and motor vehicle taxable property in the Town of Kitty Hawk, as listed for taxes for the current tax year by the Dare County Tax Department. The Municipal Service District (MSD) is established with a tax rate of an additional 10 cents (\$.10) for each one hundred dollars (\$100) valuation of all real estate, personal and motor vehicle taxable property in the Town of Kitty Hawk for the purpose of a Beach Nourishment Capital Project to repay debt service on special obligation bonds, as listed for taxes for the current tax year by the Dare County Tax Department. The total property tax base is estimated by the Dare County Tax Office to be \$1,384,451,441 with the MSD portion representing \$504,127,136 of the total property tax base. The total property tax levies are anticipated to produce \$ 4,334,969 in revenue based on a 99% collection rate. A penny on the tax rate is projected to generate approximately \$188,857.85.

**ENCUMBERED OPERATING FUNDS REAPPROPRIATED:** The operating funds encumbered on the financial records as of June 30, 2020 are hereby re-appropriated to this budget.

**TOWN MANAGER TRANSFER AUTHORIZATION:** The Town Manager is hereby authorized to transfer amounts between functional areas, including contingency appropriations, within the same fund. He must make an official report of such transfers at the next regular meeting of the Town Council.

**ANNUAL BUDGET COPIES:** Copies of the Budget for FY 2020-2021 shall be furnished to the Town Council members, Town Manager, Town Finance Officer, and Town Clerk to be kept on file by them for their direction in the disbursement of funds.

Adopted by the Kitty Hawk Town Council this \_\_\_\_ day of June 2020.

\_\_\_\_\_  
Gary L. Perry, Mayor

\_\_\_\_\_  
Lynn Morris, Town Clerk

2020 Date		Action Item
May 11		<a href="#">Budget work session with Town Council</a>
May 22		<a href="#">Public Hearing Advertised for Budget Ordinance</a>
May 23		<a href="#">Town Manager files proposed Budget with Town Clerk</a>
June 1		<a href="#">Council Holds Public Hearing on Proposed Budget and adoption of FY 2020-2021 Budget Ordinance</a>
July 1		<a href="#">Approved FY 2020-2021 budget becomes effective</a>
For information regarding meeting times and locations, visit <a href="http://www.townofkittyhawk.org">www.townofkittyhawk.org</a>		

The Town budget is adopted by ordinance in accordance with the North Carolina Local Government Budget & Fiscal Control Act (N.C.G.S. 159). It must be adopted no earlier than 10 days after the budget is presented to the Council and not later than July 1 of each year. The budget ordinance shall cover a fiscal year beginning July 1 and ending June 30 of each fiscal year. State law requires a balanced budget, i.e., a budget when the sum of estimated revenues and appropriated fund balances is equal to appropriations. The budget is developed on the modified accrual basis of accounting.

In accordance with General Statute Chapter 159 Department Heads transmit their budget requests to the designated budget officer with a list of expected expenditures before April 30 of each year. The budget officer then compiles all Department requests and develops a balanced budget. After the fiscal year begins, staff prepares monthly reports of budgeted-versus-actual revenues and expenditures. These reports are used by management to monitor spending and plan for the next year's budget.

### Budget Amendments

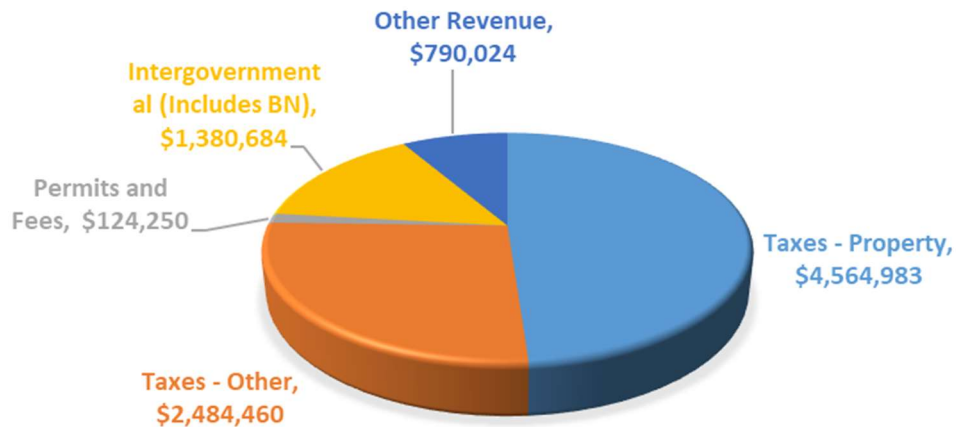
Expenses or transfers incurred throughout the year in excess of appropriations must have prior Council approval. These approvals are formally acknowledged by the Town Council in the form of budget amendments. The budget is prepared on a line-item basis and budgetary compliance is maintained on the Department level.

## Summary of General Fund Revenues by Percentage

Percentage of Revenues by Source

CLASSIFICATION	ACTUAL FY 17-18	ACTUAL FY 18-19	BUDGET FY 19-20	PROPOSED BUDGET FY 20-21	% of Total Revenues
<b>REVENUES</b>					
Taxes- Property	4,548,212	4,583,850	4,555,969	4,564,983	48.85%
Taxes- Other	3,980,834	3,942,384	3,872,417	2,484,460	26.59%
Permits and Fees	163,558	175,331	160,770	124,250	1.33%
Intergovernmental	1,718,942	1,577,911	1,338,681	1,380,684	14.78%
Fines and Forfeits	7,887	9,304	7,500	6,500	0.07%
Interest Earnings	94,702	214,565	50,000	20,000	0.21%
Other Revenue	83,971	83,204	22,100	19,100	0.20%
Fund Balance Appropriated	-	-	-	744,424	7.97%
Transfer in From Capital Reserve	50,332	-	145,000	-	0.00%
Total Revenues	10,648,438	10,586,550	10,152,437	9,344,401	100.00%

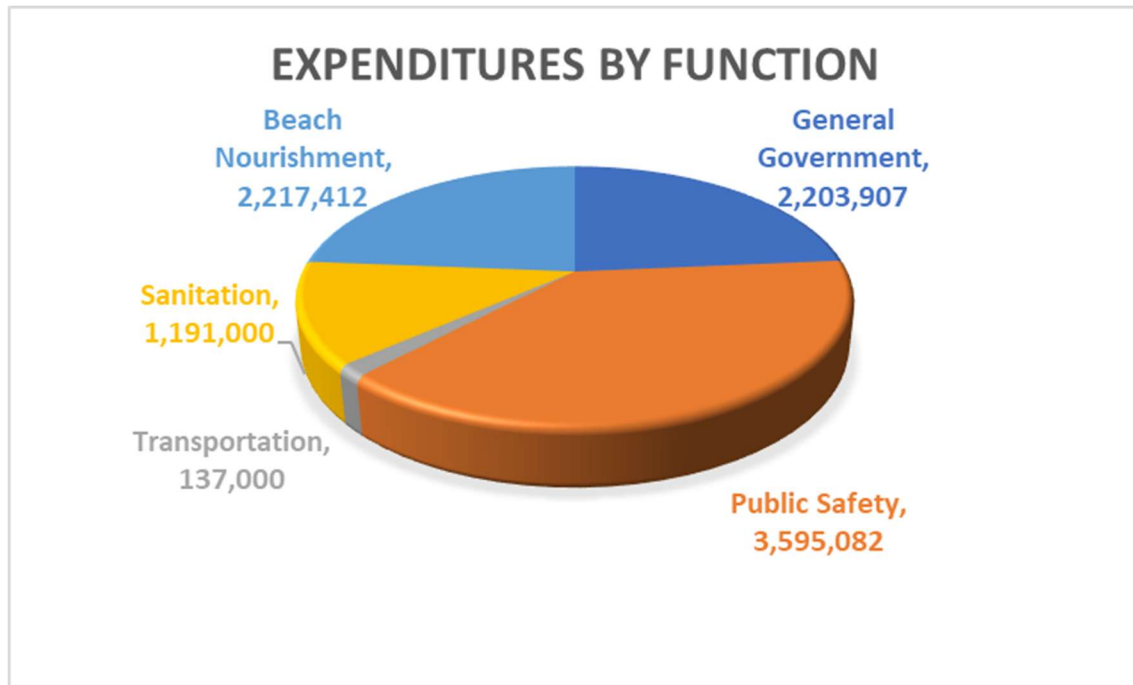
## TOP FIVE REVENUES BY SOURCE



## Summary of General Fund Expenditure by Percentage

## Percentage of Expenditures by Function

ACC #	CLASSIFICATION	ACTUAL FY 17-18	ACTUAL FY 18-19	BUDGET FY 19-20	BUDGET FY 20-21	% of Total Expenditures
<b>EXPENDITURES</b>						
4100	Non- Departmental	502,998	428,588	568,193	434,400	4.65%
4110	Governing Body ( Town Council )	18,602	17,238	27,500	30,573	0.33%
4111	Recreation Committee	3,885	16,133	3,700	3,700	0.04%
4120	Administration Services	423,784	440,649	476,896	479,384	5.13%
4130	Finance Department	203,696	211,266	309,425	240,354	2.57%
4270	Public Works Department	891,272	944,249	803,095	697,827	7.47%
4310	Police Department	1,838,346	1,944,132	2,213,629	1,948,567	20.85%
4340	Fire Department	2,698,176	1,508,243	1,648,503	1,492,925	15.98%
4370	Ocean Rescue	131,487	156,119	152,540	153,590	1.64%
4410	Beach Nourishment	2,403,017	2,365,710	2,295,955	2,217,412	23.73%
4510	Transportation ( Powell Bill )	80,972	265,553	142,000	137,000	1.47%
4710	Sanitation	914,295	958,085	1,191,000	1,191,000	12.75%
4910	Planning & Inspection Department	268,062	293,995	303,205	300,874	3.22%
4980	Planning Board	5,684	4,760	12,543	12,543	0.13%
4990	Board of Adjustment	-	-	4,252	4,252	0.05%
Total Expenditures		10,384,276	9,554,720	10,152,437	9,344,401	100%



The following revenue sources represent larger revenue sources that have a significant impact on the Town's operating budget:

### **Property Tax**

The Town's largest revenue source at 44.88% of General Fund revenues is the proposed property tax, budgeted at \$4,564,983—approximately .19% more than FY 20/21. This increase is derived mainly from new construction and improvements, according to the gross taxable value assessment certified by the Dare County Tax Office.

Collected by the Dare County Tax Office, the property tax amount is calculated by multiplying the Town's assessed property values by the property tax rate set by Council after the Property Appraiser certifies the gross taxable value. The proposed budget uses the tax rate of .30 cents per \$100 of property valuation town wide and budgets based on a 99%-collection rate. Of the .30 cent property tax .035 cents of this tax rate is specifically dedicated to the beach nourishment fund. Residents located within the beach nourishment Municipal Service District also pay an additional 10 cents in addition to the town wide property tax of 30 cents per \$100 of property valuation.

A penny of property tax rate is projected to generate approximately \$188,857.85. The Town receives a large portion of its property tax revenues from October through February, as the tax bills go out in July and become due on September 1.

As indicated above, property tax revenue is heavily affected by property values as well as new construction. Based on market indicators for Kitty Hawk properties, staff predicts property values will remain constant or rise at a slow pace over the next several years.

The Town has maintained the same property tax rate since 2015-2016. The tax rate is being reduced to .30 for FY 20-21. This tax rate generates the same level of property tax revenues in the previous fiscal year.

### **Motor Vehicle Tax**

Residents in North Carolina are required to register their motor vehicles with the state. These motor vehicles are taxed at the same rate as the Town's property tax rate. Motor vehicles are valued by year, make and model in accordance with the North Carolina Vehicle Valuation Manual. Values are based on the retail level of trade for property tax purposes.

The Motor Vehicle Tax will generate an estimated \$188,000 for FY 20/21 and represents 2% of the General Fund Revenues.

### **Local Option Sales Tax**

The State of North Carolina currently implements a 6.75% sales tax rate on all qualifying sales within Dare County. 2% of this sales tax consists of a Dare County local sales tax while the remaining 4.75% is the North Carolina State Sales Tax.

The proceeds from the sales tax collected is distributed utilizing the Ad Valorem Distribution formula. Utilizing this method, the proceeds must be divided between the county and the municipalities in proportion to the total amount of ad valorem taxes levied by each. Therefore, a large tax increase by a unit in one year may distort the next year's allocations. When a county increases tax rates each year and municipalities in that county hold the line on tax increases or keep the increase at a minimum, it is possible for municipalities in ad valorem distribution counties to find their sales tax revenues not increasing at the statewide average, and they may even be lower than the previous year.

In the Town of Kitty Hawk, the total amount of local option sales tax revenue is being budgeted conservatively as a result of the COVID-19 pandemic and the uncertainty and predictability of these revenues in the foreseeable future. The economic recovery is uncertain and therefore the Town has chosen to estimate Local Option Sales Tax revenues at 50% of collections received from FY 19-20. These revenues may be adjusted mid-year if the economy recovers at a quicker pace throughout the fiscal year.

The local option sales tax will generate an estimated \$865,800 and represents 9.2% of General Fund Revenues.

### **Occupancy Tax**

Dare County collects a total of six percent tax (6%) on gross receipts derived from the rental of room, lodging, campsite, or similar accommodation furnished by any hotel, motel, inn, including private residences and cottages rented to transients. Half of revenues collected from this tax are distributed to the County and the six municipalities within Dare County for tourist-related purposes, including construction and maintenance of public facilities and buildings, garbage, refuse, solid waste collection and disposal, police protection and emergency services. The six municipalities split two thirds of this revenue in proportion to the amount of ad valorem tax levied by each Town for the preceding fiscal year and the County gets the remaining one third. The remaining half of the tax is used for funding beach nourishment (2% tax) and (1% tax) promoting tourism in Dare County.

In the Town of Kitty Hawk, the total amount of occupancy tax revenue is being budgeted conservatively as a result of the COVID-19 pandemic and the uncertainty and predictability of these revenues in the foreseeable future. The economic recovery is uncertain and therefore the Town has chosen to estimate Occupancy Tax revenues at 50% of collections received from FY 19-20. These revenues may be adjusted mid-year if the economy recovers at a quicker pace throughout the fiscal year.

The Occupancy Tax will generate an estimated \$725,000 and represents 7.73% of General Fund Revenues.

#### **Electric Utility Tax**

The State of North Carolina levies a 7 percent (7%) franchise tax on the total gross receipts of all businesses within the State that furnish electricity. An amount equal to 3.09 % of the total gross receipts of electricity service derived from the sale within the municipality is distributed to the municipality in which these gross sales are made.

The municipal distributions of the utility franchise tax on electricity gross receipts are on September 15, December 15, March 15, and June 15. The Town is budgeting a decrease in electric utility tax in anticipation for a possible increase in vacation rental vacancies. Electric Utility Taxes are projected to be approximately 15% less than budgeted in FY 19-20.

The Electric Utility Tax will generate an estimated \$336,000 and represents 3.6% of General Fund Revenues.

#### **Land Transfer Tax**

The Land Transfer Tax for Dare County is 1%. The tax is an excise tax on instruments conveying certain interests in real property. The tax imposed is \$1 per each \$100 or fraction thereof of the total consideration of value of the interest conveyed. Currently the County receives 65% of the proceeds while the Towns receive 35% in proportion to the amount of ad valorem taxes levied by each town for the preceding fiscal year.

The Land Transfer Tax fluctuates based on the housing market environment. The housing market is predicted to remain neutral over the next several years, therefore, this tax is expected to remain consistent over the next several years.

The Land Transfer Tax will generate an estimated \$375,000 and represents 4.0% of General Fund Revenues.

#### **Building Permits**

The Town of Kitty Hawk requires permits for new construction, adding onto pre-existing structures, and other renovations to properties located within the Town limits. The fees generated from the building permits provides the resources for the building department to inspect and ensure compliance with national, regional, and local building codes.

The Town is preparing for a reduction to building permits in response the COVID-19 pandemic and economic downturn caused by this pandemic. Any other increases or decreases are driven by the economy and fluctuations in the housing market.

Building Permits revenues will generate an estimated \$101,250 and represents 1.08% of General Fund Revenues.

### **Powell Bill**

Powell Bill Funds comes from revenues generated by the state gas tax and other highway user fees. The formula requires 75 percent of the funds to be awarded based on population, while the remaining 25 percent are based on the number of street miles each municipality maintains.

In accordance with G.S. 136-41.1 through 136-41.4 Powell Bill funds shall be expended primarily for the purposes of resurfacing streets within the corporate limits of the municipality but may also used for maintaining, repairing, constructing, reconstructing or widening of any street or public thoroughfare within the municipal limits or for planning, construction, and maintenance of bikeways, greenways or sidewalks.

Funds generated are expected to remain consistent to previous year's allocations as a result of slow population growth and no additional streets planned for construction.

Powell Bill revenues will generate an estimated \$120,000 and represents 1.28% of General Fund Revenues.

### **Grants**

The Town of Kitty Hawk has been proactive at relieving the financial burden of residents for certain projects and programs when grant funding is available through other governmental agencies. The Town of Kitty Hawk in FY 17/18 received approximately \$350,000 in non-matching grant funding. The Town will actively pursue grant funding, however, in many instances these grants are applied for during the fiscal year and as they become available.

Grant funding that can be anticipated in advance of the fiscal year will generate an estimated \$90,000. The Town expects this revenue to increase as grants are applied for and awarded throughout the year.

### **Interest Earnings on Investments**

The Town has legal limitations on investments allowed under NC General Statute 159-30, however, does make investments in an effort to maximize the return of available funds. The Town has experienced very low interest rate returns over the past several years as a result of the Federal Treasury rates, however, continues to receive revenue from investments. In addition, the Town is consistently analyzing the investment funds available to the Town through the North Carolina Capital Management Trust to maximize return on investments. Several investment changes were made in FY 2018-2019 which have resulted in higher interest earnings for the Town. However, interest rate are tracking at an all-time low therefore a slight reduction is expected to occur in FY 20-21.

The interest earnings on investments is expected to generate an estimated \$20,000.



**Transfers from Capital Reserve and Fund Balance**

These revenues typically represent funds transferred into the current year budget from Town reserves. These funds are typically not collected throughout the fiscal year and have been set aside in previous years to fund large capital projects. These funds are transferred into the budget in the year in which the capital purchase is to be funded. In addition, funds may also be transferred from the Town Fund Balance to balance the budget.

The FY 20-21 budget identifies transfers in the amount of \$744,424 and represents 8% of General Fund Revenues.

The Fund Balance is FY 20/21 is estimated to be reduced by \$739,568. Most of this reduction is \$744,424 will be utilized from the unrestricted fund balance to balance the FY 20/21. The cause of this reduction is the uncertainty in the collection of Occupancy and Sales Tax throughout the fiscal year. If collections are better than 50% of previous years collections the amount being utilized from the unrestricted fund balance will be less.

The Capital Reserve Fund is projected to increase by an estimated \$34,000 in FY 2020-2021 because of funds being reserved for future projects.

In 2011 the Town Council adopted a fund balance policy for the general fund which sets aside \$3,500,000 for unanticipated expenditures, revenue shortfalls and emergencies. The Emergency Reserve is anticipated to remain at the levels identified in the policy for FY 2020-21

Overall, the Town is continuing to maintain healthy fund balances and is financially stable. If uncertainties in revenues persist for the next several years, the Town would be able to maintain a balanced budget without increasing the tax rate or expending any of the committed emergency reserves.

#### General Fund Balance

Fiscal Year Ending	Actual FY 17/18	Actual FY 18/19	Estimated FY 19/20	Estimated FY 20/21
<b>Non-spendable:</b>				
Prepaid Items	\$ 25,050	\$ 39,027	\$ 40,283	\$ 40,283
<b><u>RESTRICTED:</u></b>				
<b>Restricted for:</b>				
Stabilization by State Statute	\$ 1,067,740	\$ 1,033,232	\$ 1,097,521	\$ 1,097,521
Street - Powell Bill	\$ 351,182	\$ 202,805	\$ 100,000	\$ 100,000
Public Safety	\$ 7,007	\$ 11,555	\$ 7,082	\$ 7,082
Capital Reserve Fund	\$ 2,317,983	\$ 2,746,675	\$ 2,180,202	\$ 2,214,202
LEO Special Separation Allowance	\$ 28,628	\$ -	\$ 29,144	\$ -
<b>Assigned:</b>		\$ -	\$ -	\$ -
Subsequent Year's Expenditures	\$ -	\$ -	\$ -	\$ -
<b>Committed Emergency Reserve</b>	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000
<b>Total Restricted:</b>	<b>\$ 7,297,590</b>	<b>\$ 7,533,294</b>	<b>\$ 6,954,232</b>	<b>\$ 6,959,088</b>
<b><u>UNRESTRICTED:</u></b>				
<b>Total Unrestricted:</b>	<b>\$ 3,057,841</b>	<b>\$ 4,284,919</b>	<b>\$ 4,284,919</b>	<b>\$ 3,540,495</b>
<b>Total Fund Balance at Fiscal Year End:</b>	<b>\$ 10,355,431</b>	<b>\$ 11,818,213</b>	<b>\$ 11,239,151</b>	<b>\$ 10,499,583</b>

## General Fund Revenues - Detailed

### GENERAL FUND - 10 / DEPARTMENT DETAIL

ACCOUNT NUMBER	REVENUE SOURCE	ACTUAL FY 17/18	ACTUAL FY 18/19	BUDGET FY 19/20	BUDGET FY 20/21
<b>TAXES - PROPERTY</b>					
10-9000-3100-2019	Ad Valorem Tax (\$.265)	3,357,632	3,394,841	3,383,695	3,383,695
10-9000-3275-2019	Ad Valorem (\$.035) BN	451,600	506,735	451,159	451,159
10-9000-3274-2019	Ad Valorem (\$.10) MSD	504,613	455,465	500,115	510,629
10-9000-3100-0000	Ad Valorem Prior Years	32,221	24,049	25,000	25,000
10-9000-3100-4170	Ad valorem and Vehicle Penalties/Interest	8,261	6,901	8,000	6,500
10-9000-3280-4121	Motor Vehicle Tax	163,617	165,667	160,000	160,000
10-9000-3280-4123	Motor Vehicle Tax - (\$.035)BN	21,801	22,079	20,000	20,000
10-9000-3280-4125	Motor Vehicle Tax - (\$.10)MSD	8,467	8,113	8,000	8,000
	Subtotal	4,548,212	4,583,850	4,555,969	4,564,983
<b>TAXES - OTHER</b>					
10-9000-3230-0000	Local Option Sales Tax	1,286,597	1,263,274	1,283,000	769,800
10-9000-3230-0012	Local Option Sales Tax - BN MSD	170,808	165,607	160,000	96,000
10-9000-3245-0000	Land Transfer Tax	375,581	374,593	360,000	375,000
10-9000-3270-0000	Occupancy Tax	1,532,919	1,511,393	1,450,000	725,000
10-9000-3322-0000	Beer and Wine Tax	15,229	15,330	15,700	12,560
10-9000-3324-4001	Telecom Tax	26,716	24,476	27,900	25,000
10-9000-3324-4002	Electric Utility Tax	399,754	417,947	402,000	336,000
10-9000-3324-4003	Cable Franchise Tax	84,252	79,267	84,500	84,500
10-9000-3324-4004	Piped Natural Gas Tax	2,168	1,886	2,200	2,000
10-9000-3324-4005	PEG Channel	26,757	27,027	27,000	27,000
10-9000-3471-0000	Solid Waste Disposal Tax	2,336	2,636	2,300	2,600
10-9000-3837-0000	Mixed Beverage Tax (ABC)	57,717	58,947	57,817	29,000
	Subtotal	3,980,834	3,942,384	3,872,417	2,484,460
<b>PERMITS AND FEES</b>					
10-4910-3343-4010	Building Permits	133,981	147,580	135,000	101,250
10-4910-3343-4011	Homeowner Recovery Fee	770	1,020	770	1,000
10-4910-3343-4012	CAMA Permits	3,375	3,055	3,500	3,500
10-4910-3839-0000	Planning Permit and Fees	18,732	14,701	13,000	10,000
10-4990-3345-4020	Board of Adjustment Fees	-	-	500	500
10-4990-3345-4021	Site Plan Review Fees	-	-	1,000	1,000
10-9000-3470-0000	Sanitation Fees (Garbage Carts)	6,700	8,975	7,000	7,000
	Subtotal	163,558	175,331	160,770	124,250
<b>INTERGOVERNMENTAL</b>					
10-9000-3316-0000	Powell Bill Allocation (pass through)	106,118	105,539	106,000	106,000
10-9000-3317-4091	Dept of Justice Asset Forfeiture Program	-	-	1,000	1,000
10-9000-3317-4092	NCDOR Unauthorized Sub Tax Distribution	10,538	5,934	1,000	4,000
10-9000-3431-0000	Grants- Gov Access Channel Video	10,000	-	-	-
10-9000-3431-0000	Grants - Others ( NC Community Conservation )	57,722	-	13,000	-
10-9000-3431-0000	Grants- Other	-	31,666	-	-
10-9000-3633-0000	FEMA- Federal Grant Revenue(pass through)	-	112,116	-	-
10-9000-3633-0000	FEMA - State Grant Revenue (pass through)	-	69,035	-	-
10-9000-3633-0000	Grant- NC Dept Agriculture (pass through)	201,236	-	-	90,000
10-4270-3839-0519	Dare Co. - Sand Fencing (pass through)	24,000	20,396	24,000	24,000
10-4310-3431-0000	Gov. Crime Commission Grant (pass through)	17,672	25,511	24,000	24,000
10-4310-3431-5060	GHSP Grants (pass through)	45,983	37	-	-
10-4410-3271-0000	Dare County Payment to Obligation Bonds	1,245,673	1,207,677	1,169,681	1,131,684
	Subtotal	1,718,942	1,577,911	1,338,681	1,380,684

## General Fund Revenues - Detailed

### GENERAL FUND - 10 / DEPARTMENT DETAIL

ACCOUNT NUMBER	REVENUE SOURCE	ACTUAL 17/18	FY 18/19	BUDGET 19/20	FY 20/21
<b>FINES &amp; FORFEITS</b>					
10-9000-3331-0000	Code Enforcement Fines & Parking Violations	3,670	6,040	3,500	3,000
10-9000-3330-0000	Court Fees	2,967	2,514	3,000	2,500
10-9000-3332-0000	Fines and Forfeitures	1,250	750	1,000	1,000
	Subtotal	7,887	9,304	7,500	6,500
<b>INTEREST EARNINGS</b>					
10-9000-3831-0000	Interest on Investments	94,702	214,565	50,000	20,000
	Subtotal	94,702	214,565	50,000	20,000
<b>OTHER REVENUE</b>					
10-9000-3412-0000	Town Merchandise Sales	324	408	300	300
10-9000-3434-0000	General Donations	600	270	-	-
10-9000-3834-0000	Office Rental - DNR NC	4,800	4,800	4,800	4,800
10-9000-3835-0000	Sale of Surplus Property	21,795	32,371	10,000	10,000
10-9000-3839-0000	Miscellaneous Revenue	51,946	41,698	1,000	1,000
10-4270-3839-0110	Icarus International	4,506	3,657	6,000	3,000
	Subtotal	83,971	83,204	22,100	19,100
<b>FUND BALANCE</b>					
10-9000-3991-0000	Fund Balance-Appropriated	-	-	-	744,424
	Subtotal				744,424
<b>TRANSFER IN FROM CAPITAL RESERVE</b>					
10-9000-9500-0000	Powell Bill Reserves	-	-	-	-
10-9000-9500-0000	Bath House Repairs/ Replacement (0105)	-	-	20,000	-
10-9000-9500-0000	Grapple/Dump Truck (project code 1003)	20,000	-	-	-
10-9000-9500-0000	Town Website (project code 1082)	2,500	-	-	-
10-9000-9500-0000	IT Development (project code 1083)	27,832	-	-	-
10-9000-9500-0000	Financial Software Upgrade (1085)	-	-	10,000	-
10-9000-9500-0000	Air Compressor Funds Reserve -FD Equipment	-	-	40,000	-
10-9000-9500-0000	Storm Water Damage Pump Purchase	-	-	75,000	-
	Subtotal	50,332	-	145,000	-
<b>TOTAL REVENUES</b>		<b>10,648,438</b>	<b>10,586,550</b>	<b>10,152,437</b>	<b>9,344,401</b>

# Non-Departmental

**NON-DEPARTMENTAL OPERATING EXPENDITURES**

**GENERAL FUND - 10 / DEPARTMENT DETAIL - 4100**

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 17/18	ACTUAL FY 18/19	BUDGET FY 19/20	BUDGET FY 20/21
<b>OPERATING</b>						
5005		PEG Government Channel (pass through)	26,757	27,027	30,000	30,000
5006		Tax Collection Fees to Dare County	51,316	51,425	52,000	52,000
5007		Collection Fees -NCVTS	5,766	6,033	8,000	8,000
5220		Employee Relations and Events	5,161	3,804	6,000	6,000
5250		Vehicle Supplies	338	172	400	400
5299		Departmental Supplies	4,124	3,229	4,500	4,500
5321		Telephone, Communications , Email	5,105	6,904	5,500	5,500
5325		Postage	166	182	300	300
5330		Utilities	6,217	6,700	6,700	6,700
5340		Printing	600	1,196	600	1,000
5370		Advertising	-	-	500	500
5383		IT Services	101,869	60,635	70,000	70,000
5440		Service & Maintenance Contracts	6,734	11,190	6,000	6,000
5440		Serv. & Maint. Contracts New Town Website	5,000	-	-	-
5450		Insurance & Bonding	199,504	197,547	231,000	231,000
5491		Dues & Subscriptions	356	3,967	400	1,500
5455		Unemployment Compensation Contribution	6,766	20,021	10,000	10,000
5456		Fines and Forfeitures	1,250	1,139	-	-
		Subtotal	427,030	401,171	431,900	433,400
<b>MAINTENANCE &amp; REPAIRS</b>						
5353		Maintenance and Repairs - Vehicle	627	752	1,000	1,000
		Subtotal	627	752	1,000	1,000
<b>PROGRAMS AND GRANTS</b>						
5090		Grant - Gov. Education Access Chanel	-	1,665	-	-
5090		Kitty Hawk Landing Association	59,518	-	-	-
		Subtotal	59,518	1,665	-	-
<b>CONTINGENCY</b>						
5991		Budgetary Contingency	-	-	130,293	-
		Subtotal	-	-	130,293	-
<b>CAPITAL OUTLAY</b>						
5520	1083	IT Development	10,823	-	-	-
		Subtotal	10,823	-	-	-
<b>TRANSFER TO CAPITAL RESERVE</b>						
5520	1083	IT Development	-	-	-	-
5520	1082	Town Website Reserve	-	-	-	-
5520	1084	Document Imaging Reserve	-	20,000	-	-
5520	1081	Fiber Optic Town Wide Phone System Replace	5,000	5,000	5,000	-
		Subtotal	5,000	25,000	5,000	-
<b>TOTAL NON-DEPARTMENTAL EXPENDITURES</b>			<b>502,998</b>	<b>428,588</b>	<b>568,193</b>	<b>434,400</b>

## Governing Body Town Council

Councilman  
Jeff Pruitt

Mayor Pro Tem  
Craig Garriss

Mayor  
Gary Perry

Councilwoman  
Lynne McClean

Councilman David  
Hines

**GOVERNING BODY ( TOWN COUNCIL) OPERATING EXPENDITURES**

**GENERAL FUND - 10 / DEPARTMENT DETAIL - 4110**

ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 17/18	ACTUAL FY 18/19	BUDGET FY 19/20	BUDGET FY 20/21
<b>PERSONNEL</b>					
5121	Council Compensation	6,725	7,675	9,450	9,975
5181	FICA	545	624	750	798
	Subtotal:	7,270	8,299	10,200	10,773
<b>OPERATING</b>					
5192	Telephone, Communications , Email	3,685	-	-	-
5310	Travel and Training	150	223	5,000	2,500
5321	Telephone, Communications, Email	825	866	1,000	4,000
5396	Contract Services - Dare Co. Board Elections	-	-	4,300	4,300
5491	Dues and Subscriptions	6,131	7,695	6,000	8,000
5499	Miscellaneous	541	156	1,000	1,000
	Subtotal:	11,332	8,940	17,300	19,800
<b>TOTAL GOVERNING BODY EXPENDITURES</b>		<b>18,602</b>	<b>17,238</b>	<b>27,500</b>	<b>30,573</b>



# Recreation Committee



# RECREATION COMMITTEE OPERATING EXPENDITURES

## GENERAL FUND - 10 / DEPARTMENT DETAIL - 4111

ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 17/18	ACTUAL FY 18/19	BUDGET FY 19/20	BUDGET FY 20/21
	<b>OPERATING</b>				
5370	Advertising	-	410	200	200
5499	OBX Marathon	-	-	500	500
5499	Pruitt Parks (Playground Repairs )	3,885	-	3,000	3,000
5499	Sandy Run Park Improvements	-	15,723	-	-
	Subtotal:	3,885	16,133	3,700	3,700
	Telephone, Communications , Email				
	<b>TOTAL GOVERNING BODY EXPENDITURES</b>	<b>3,885</b>	<b>16,133</b>	<b>3,700</b>	<b>3,700</b>

# Administrative Services

## Mission:

Administrative Services conducts the overall administration of the Town as prescribed by the North Carolina General Statutes. Coordinates personnel and activities in accordance with the adopted Goals and Objectives of the Town Council and implements all policies and actions of the Town Council.



**ADMINISTRATIVE SERVICES OPERATING EXPENDITURES**

**GENERAL FUND - 10 / DEPARTMENT DETAIL - 4120**

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 17/18	ACTUAL FY 18/19	BUDGET FY 19/20	BUDGET FY 20/21
<b>PERSONNEL</b>						
5121		Salaries & Wages	269,812	280,980	287,494	296,334
5181		FICA	19,939	20,749	22,067	22,820
5182	0901	Retirement Contribution	20,840	24,274	29,181	30,179
5182	0902	401K	5,380	5,620	5,750	5,947
5183		Health Insurance	46,603	44,811	51,505	52,904
		Telephone, Communications , Email	362,575	376,433	395,996	408,184
<b>PROFESSIONAL SERVICES</b>						
5192		Legal Service	39,075	39,820	42,000	42,000
5199		Prof. Services - Other	363	2,342	11,500	2,500
5396		Video & Transcription	7,600	6,495	8,000	9,000
		Subtotal	47,038	48,657	61,500	53,500
<b>OPERATING</b>						
5299		Departmental Supplies	1,289	820	2,500	2,500
5310		Travel & Training	1,068	3,408	3,000	1,500
5321		Telephone, communications , Email	1,964	1,981	2,800	2,500
5325		Postage	195	92	300	200
5349		Printing Codification of Ordinances	1,871	4,123	3,000	4,000
5370		Advertising	3,744	2,499	3,200	3,000
5440		Service & Maintenance Contracts (Pre- Employment)	3,552	2,273	4,000	3,000
5491		Dues and Subscriptions	488	364	600	1,000
		Subtotal	14,171	15,560	19,400	17,700
<b>TOTAL ADMINISTRATIVE SERVICES EXPENDITURES</b>			<b>423,784</b>	<b>440,649</b>	<b>476,896</b>	<b>479,384</b>

# Finance Department

## Mission:

The mission of the Finance Department is to administer and provide fiscally responsible control and guidance for all financial matters of the Town while complying with all applicable Town, State and Federal mandates. The Finance Department, in accordance with adopted Town Council policies, handles all Town-related financial matters in accordance with the North Carolina Budget and Fiscal Control Act. The department manages the Town's investment program, receipts, payables, payroll, and is responsible for coordinating and preparing for the annual independent audit at the close of each year.



**FINANCE DEPARTMENT OPERATING EXPENDITURES**

**GENERAL FUND - 10 / DEPARTMENT DETAIL - 4130**

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 17/18	ACTUAL FY 18/19	BUDGET FY 19/20	BUDGET FY 20/21
<b>PERSONNEL</b>						
5121		Salaries & Wages	105,610	108,196	111,000	112,833
5181		FICA	7,260	7,158	8,528	8,707
5182	0901	Retirement Contribution	8,231	9,357	11,267	11,503
5182	0902	401K	1,855	1,300	2,220	2,267
5183		Health Insurance	28,499	35,006	36,910	38,294
		Telephone, Communications , Email	151,455	161,016	169,925	173,604
<b>PROFESSIONAL SERVICES</b>						
5191		Prof. Services Auditor & Actuaries	22,109	23,230	27,800	32,000
		Subtotal	22,109	23,230	27,800	32,000
<b>OPERATING</b>						
5299		Departmental Supplies	1,164	1,366	1,700	1,700
5310		Travel & Training	11,786	6,418	5,000	2,500
5321		Telephone, communications , Email	675	702	850	850
5325		Postage	314	339	400	400
5340		Printing	785	1,269	1,000	2,000
5440		Service & Maintenance Contracts	10,174	11,828	12,500	27,000
5491		Dues and Subscriptions	235	98	250	300
		Subtotal	25,133	22,020	21,700	34,750
<b>CAPITAL OUTLAY</b>						
5520		Capital Outlay Financial Software	-	-	90,000	-
		Subtotal			90,000	-
<b>TRANSFER TO CAPITAL RESERVE</b>						
5550	1085	Financial Software Upgrade	5,000	5,000	-	-
		Subtotal	5,000	5,000	-	-
<b>TOTAL ADMINISTRATIVE SERVICES EXPENDITURES</b>			<b>203,696</b>	<b>211,266</b>	<b>309,425</b>	<b>240,354</b>



# Public Works Department

## Mission:

The mission of the Public Works Department is to provide and maintain the highest level of public work services and facilities for residents and businesses in the Town of Kitty Hawk. Public Works is committed to providing reliable and responsive services to the community in a safe, respectful, and cost-effective manner, being ever mindful of the the public trust.



**PUBLIC WORKS DEPARTMENT OPERATING EXPENDITURES**

**GENERAL FUND - 10 / DEPARTMENT DETAIL - 4270**

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 17/18	ACTUAL FY 18/19	BUDGET FY 19/20	BUDGET FY 20/21
<b>PERSONNEL</b>						
5121		Salaries & Wages	200,736	211,191	186,042	186,042
5121		Seasonal/Part time	-		39,216	39,216
5122		Overtime	-	1,682	-	-
5181		FICA	14,799	15,655	17,417	17,379
5182	0901	Retirement Contribution	13,571	15,947	18,934	18,883
5182	0902	Telephone, Communications , Email	3,173	3,550	3,731	3,721
5183		Health Insurance	43,713	45,090	54,005	55,586
Subtotal			275,992	293,114	319,345	320,827
<b>OPERATING</b>						
5212		Uniforms	2,716	1,857	3,000	3,000
5250		Vehicle Supplies- Fuel	7,770	15,815	15,000	12,000
5260		Shop Tools & Equipment	1,514	2,851	2,000	2,000
5293		Supplies- Street Name Signs	1,974	1,976	1,500	1,500
5299		Departmental Supplies	1,235	8,832	2,000	2,000
5310		Travel & Training	1,104	1,075	3,500	1,750
5321		Telephone, Communications , Email	2,786	4,124	4,000	4,000
5330		Utilities	13,249	11,354	14,000	14,000
5433		ATV Rental	5,728	2,683	4,000	5,000
5440		Service & Maintenance Contracts	16,912	22,073	20,000	20,000
5491		Dues and Subscriptions	200	206	750	750
Subtotal			55,187	72,846	69,750	66,000
<b>MAINTENANCE AND REPAIRS</b>						
5295	0000	Maintenance & Repairs - Bldg and Grounds	78,598	230,989	155,000	160,000
5295	0114	Debris Removal Canals/Ditches (grant/pass through)	201,236	-	-	90,000
5295	0110	Maintenance & Repairs - Icarus	2,242	728	6,000	6,000
5352		Maintenance & Repairs- Equipment	7,165	11,181	12,000	16,000
5599		Sand Fence Project- (pass through)	24,585	22,075	24,000	24,000
5353		Maintenance & Repairs - Vehicle	5,296	9,307	7,000	7,000
Subtotal			319,122	274,280	204,000	303,000
<b>CAPITAL OUTLAY</b>						
5540		Vehicles	-	32,851	-	-
5550	0113	Equipment - 8" PUMP	-	-	75,000	-
5550		Grapple /Dump Truck	132,044	-	-	-
5550		Riding Mower	7,387	-	-	-
5580	0105	Bath House Repairs	-	-	100,000	-
5580		Building Structures -Metal Storage	20,480	-	-	-
5593		Police Department permeable pavement	-	-	15,000	-
5594		Storm Water Improvements Tateway /Rabbit Hollow	76,060	48,975	-	-
5595		Living Shoreline Project ( Moore Shore Rd )	-	182,182	-	-
Subtotal			235,971	264,009	190,000	-
<b>TRANSFER TO CAPITAL RESERVE</b>						
5550	1003	Dump/Grapple Truck Reserves	-	-	-	-
5550	1005	Fuel Storage Tank Replacement	5,000	12,000	12,000	-
5550	1086	Town- Wide Boardwalk and Dock Repairs	-	8,000	8,000	8,000
5550	0105	Future Bath House Replacement	-	20,000	-	-



**PUBLIC WORKS DEPARTMENT OPERATING EXPENDITURES (Continued)**

**GENERAL FUND - 10 / DEPARTMENT DETAIL - 4510 & 4710**

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 17/18	ACTUAL FY 18/19	BUDGET FY 19/20	BUDGET FY 20/21
<b>TRANSFER TO RESERVE (Cont.)</b>						
5550		Dump Trailer Replacement	-	-	-	-
5550		Remove Storage Containers	-	-	-	-
		Subtotal	5,000	40,000	20,000	8,000
		Public Works Subtotal	891,272	944,249	803,095	697,827
<b>Telephone, Communications , Email</b>						
5293		Transportation Signs	-	-	-	-
5295		Street Maintenance and Repairs	-	-	-	-
5591	E102	Professional Services Engineering	-	3,800	5,000	5,000
5591	E101/103	Street Maintenance (pass through)	80,475	194,533	12,000	12,000
5591	E106	Roadway Improvements (pass through)	497	67,220	125,000	120,000
		Subtotal	80,972	265,553	142,000	137,000
<b>ENVIRONMENTAL SERVICES (4710)</b>						
5690		Contract Services Chipping	14,053	15,895	16,000	16,000
5691		Contract Services Solid Waste Collection	900,242	942,190	1,175,000	1,175,000
		Subtotal	914,295	958,085	1,191,000	1,191,000
<b>TOTAL PUBLIC WORKS EXPENDITURES</b>			<u>1,886,539</u>	<u>2,167,887</u>	<u>2,136,095</u>	<u>2,025,827</u>

## Police Department

### Mission:

In cooperation with our community, the mission of the Kitty Hawk Police Department, is to protect life and property, and enhance the quality of life for all our customers. We will respond to the changing needs of our vacation community by implementing and sustaining compassionate, creative and comprehensive law enforcement programs, which focus on prevention, as well as apprehension.



**POLICE DEPARTMENT OPERATING EXPENDITURES**

**GENERAL FUND - 10 / DEPARTMENT DETAIL - 4310**

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 17/18	ACTUAL FY 18/19	BUDGET FY 19/20	BUDGET FY 20/21
<b>PERSONNEL</b>						
5121		Salaries & Wages	948,876	952,505	1,018,893	1,021,632
5121		Part time Salaries	720		5,000	5,000
5122		Overtime	3,585	21,911	10,000	20,000
5131		Separation Allowance	65,627	58,699	54,879	54,879
5181		FICA	72,283	68,891	83,961	84,936
5182	0901	Telephone, Communications , Email	78,726	83,531	111,033	112,167
5182		401K- State Mandate 5%	-	-	47,477	48,021
5182	0902	401K 2%	59,170	61,404	20,862	21,116
5183		Health Insurance	246,602	249,666	294,225	304,915
		Subtotal	1,475,589	1,496,606	1,646,329	1,672,667
<b>PROFESSIONAL SERVICES</b>						
5193		Professional Services- Medical	4,925	4,960	6,000	6,000
5199		Professional Services- Architect New Building		3,750		
		Subtotal	4,925	8,710	6,000	6,000
<b>OPERATING</b>						
5212		Uniforms	9,179	9,340	13,000	13,000
5220		Employee Events	-	-	2,500	2,500
5250		Vehicle Supplies- Fuel	34,256	34,849	37,000	29,600
5299		Departmental Supplies	8,063	8,027	8,000	9,000
5310		Travel & Training	13,259	11,875	13,000	15,000
5321		Telephone, communications , Email	20,501	17,893	21,000	21,000
5325		Postage	1,738	1,421	1,800	1,800
5330		Utilities	5,477	5,143	6,500	6,500
5340		Printing	1,216	997	1,500	1,500
5380		Controlled Substance Enforcement	130	900	1,000	1,000
5433		Special Operations	251	714	1,000	1,000
5440		Service & Maintenance Contracts	31,385	28,897	32,000	32,000
5491		Dues and Subscriptions	783	817	1,000	1,000
5498		Controlled Substances Tax- Restricted	9,287	1,087	1,000	1,000
5499		Dept. Of Justice Assest Forfeiture	300	300	1,000	1,000
		Subtotal	135,824	122,259	141,300	136,900
<b>MAINTENANCE AND REPAIRS</b>						
5352		Maintenance & Repairs- Equipment	20,483	18,756	15,000	20,000
5353		Maintenance & Repairs - Vehicle	21,731	27,301	28,000	28,000
		Subtotal	42,213	46,057	43,000	48,000

**POLICE DEPARTMENT OPERATING EXPENDITURES (Continued)**

**GENERAL FUND - 10 / DEPARTMENT DETAIL - 4310**

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 17/18	ACTUAL FY 18/19	BUDGET FY 19/20	BUDGET FY 20/21
<b>PROGRAMS AND GRANTS</b>						
5060		Grant- NCGHSP	45,983	84	-	-
5070		Grant- Gov. Crime Commision	17,672	24,311	25,000	25,000
5497		Community Outreach	999	989	1,000	1,000
		Subtotal	64,653	25,384	26,000	26,000
<b>Telephone, Communications , Email</b>						
5540		Vehicles	104,011	101,274	115,000	-
5550		Equipment	11,130	23,843	36,000	59,000
		Subtotal	115,141	125,117	151,000	59,000
<b>TRANSFER TO CAPITAL RESERVE</b>						
5580	1090	Future Police Department Building	-	120,000	200,000	-
		Subtotal	-	120,000	200,000	-
<b>TOTAL POLICE DEPARTMENT EXPENDITURES</b>			<b>1,838,346</b>	<b>1,944,132</b>	<b>2,213,629</b>	<b>1,948,567</b>

# Fire Department

## Mission:

It is the mission of the Kitty Hawk Fire Department to exceed our citizen's expectations and provide safe, quick, and effective lifesaving service to the community of Kitty Hawk



**FIRE DEPARTMENT OPERATING EXPENDITURES**

**GENERAL FUND - 10 / DEPARTMENT DETAIL - 4340**

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 17/18	ACTUAL FY 18/19	BUDGET FY 19/20	BUDGET FY 20/21
<b>PERSONNEL</b>						
5121		Salaries & Wages	762,020	808,853	817,388	807,646
5121		Part time Salaries	42,654	49,541	65,280	65,280
5121		Volunteer Incentive Pay	7,200	13,600	25,000	12,000
5122		Overtime	29,827	17,680	24,000	24,000
5181		FICA	61,742	65,367	70,355	69,643
5182	0901	Retirement Contribution	61,302	66,351	85,502	84,042
5182	0902	Telephone, Communications , Email	13,141	14,467	17,598	17,462
5182	0903	Firefighter Pension Fund	3,545	3,065	5,075	5,220
5183		Health Insurance	178,175	207,427	220,805	215,732
		Subtotal	1,159,606	1,246,350	1,331,003	1,301,025
<b>PROFESSIONAL SERVICES</b>						
5193		Professional Services- Medical Physicals	7,444	11,604	13,500	13,500
		Subtotal	7,444	11,604	13,500	13,500
<b>OPERATING</b>						
5212		Uniforms	17,612	18,220	18,500	19,000
5250		Vehicle Supplies- Fuel	12,193	10,669	13,000	11,050
5299		Departmental Supplies	13,557	14,791	14,000	15,000
5310		Travel & Training	13,992	16,236	15,000	15,000
5321		Telephone, Communications , Email	15,796	15,513	15,000	17,500
5325		Postage	124	156	250	250
5330		Utilities	13,824	12,005	15,000	15,000
5440		Service & Maintenance Contracts	8,047	3,433	9,000	10,000
5491		Dues and Subscriptions	2,052	1,519	2,250	2,350
		Subtotal	97,198	92,541	102,000	105,150
<b>MAINTENANCE AND REPAIRS</b>						
5352		Maintenance & Repairs- Equipment	10,948	12,395	12,000	12,250
5353		Maintenance & Repairs - Vehicle	17,855	24,853	35,000	36,000
		Subtotal	28,803	37,248	47,000	48,250
<b>CAPITAL OUTLAY</b>						
5550		Equipment	10,928	-	40,000	-
5550		Replace Rescue 13	34,503	-	-	-
5550		Air Packs	13,852	-	-	-
5550		Replace Gym Equipment	6,954	-	-	-
		Subtotal	66,237	-	40,000	-
<b>DEBT SERVICE</b>						
5710		Firehouse Loan Principal	1,284,350	-	-	-
5720		Firehouse Loan Interest	34,538	-	-	-
		Subtotal	1,318,888	-	-	-
<b>TRANSFER TO CAPITAL RESERVE</b>						
5550	1004	Future Fire Truck Reserve	20,000	120,500	100,000	-
5550		800 mhz _ Radio Replacement	-	-	-	25,000
5550	1088	Training Equipment	-	-	15,000	-
		Subtotal	20,000	120,500	115,000	25,000
<b>TOTAL FIRE DEPARTMENT EXPENDITURES</b>			<b>2,698,176</b>	<b>1,508,243</b>	<b>1,648,503</b>	<b>1,492,925</b>

# Ocean Rescue

## Mission:

It is the mission of the Kitty Hawk Ocean Rescue to exceed our customer's expectations and provide safe, immediate, and effective lifesaving services to the community of Kitty Hawk.





**OCEAN RESCUE DEPARTMENT OPERATING EXPENDITURES**

**GENERAL FUND - 10 / DEPARTMENT DETAIL - 4370**

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 17/18	ACTUAL FY 18/19	BUDGET FY 19/20	BUDGET FY 20/21
<b>PERSONNEL</b>						
5121		Salaries & Wages	95,739	94,677	120,102	120,102
5181		FICA	7,324	7,243	9,188	9,188
		Subtotal	103,063	101,920	129,290	129,290
<b>PROFESSIONAL SERVICES</b>						
5193		Telephone, Communications , Email	1,040	1,167	1,400	1,500
		Subtotal	1,040	1,167	1,400	1,500
<b>OPERATING</b>						
5212		Uniforms	3,593	4,046	4,000	4,100
5250		Vehicle Supplies- Fuel	2,458	2,228	3,000	3,000
5299		Departmental Supplies	2,816	3,717	5,200	5,200
5310		Travel & Training	1,039	456	750	750
5321		Telephone, communications , Email	372	373	1,000	1,000
5340		Printing	538	556	650	650
5433		ATV Lease	3,900	3,900	4,400	4,500
5491		Dues and Subscriptions	30	30	100	100
		Subtotal	14,746	15,307	19,100	19,300
<b>MAINTENANCE AND REPAIRS</b>						
5352		Maintenance & Repairs- Equipment	496	1,286	1,250	1,500
5353		Maintenance & Repairs - Vehicle	714	1,575	1,500	2,000
		Subtotal	1,209	2,861	2,750	3,500
<b>CAPITAL OUTLAY</b>						
5540		Jet ski	-	-	-	-
5540		Replace 2006 Ocean Rescue Truck	11,429	34,865	-	-
		Subtotal	11,429	34,865	-	-
<b>TOTAL OCEAN RESCUE DEPARTMENT EXPENDITURES</b>			<b>131,487</b>	<b>156,119</b>	<b>152,540</b>	<b>153,590</b>



# Beach Nourishment

## Mission:

The Beach Nourishment department is established in order to reduce the vulnerability of public infrastructure, reduce flooding, and reduce vulnerability of ocean front homes within the Town.



**BEACH NOURISHMENT OPERATING EXPENDITURES**

**GENERAL FUND - 10 / DEPARTMENT DETAIL - 4410**

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 17/18	ACTUAL FY 18/19	BUDGET FY 19/20	BUDGET FY 20/21
<b>PROFESSIONAL SERVICES</b>						
5195		Prof. Services Engineer Annual Beach Profile Survey	-	96,366	60,000	60,000
		Subtotal	-	96,366	60,000	60,000
<b>OPERATING</b>						
5006		Dare County Collection Fee - (BN and MSD)	15,083	15,525	15,200	15,500
5599		Beach Maintenance	7,068	659	-	-
		Subtotal	22,151	16,184	15,200	15,500
		Telephone, Communications , Email				
<b>DEBT SERVICE</b>						
5710		Special Bonds Loan Principal	1,999,800	1,999,800	1,999,800	1,999,800
5720		Special Bonds Loan Interest	170,983	132,987	94,991	56,995
		Subtotal	2,170,783	2,132,787	2,094,791	2,056,795
<b>TRANSFER TO CAPITAL RESERVE</b>						
5591	0113	Excess Beach Nourishment Collections	210,083	120,373	125,964	85,117
		Subtotal	210,083	120,373	125,964	85,117
<b>TOTAL PLANNING BOARD EXPENDITURES</b>			<b>2,403,017</b>	<b>2,365,710</b>	<b>2,295,955</b>	<b>2,217,412</b>

# Planning & Inspections Department

## Mission:

To establish an attractive, safe, and functional community with a high "quality of life" for residents and visitors through planning and facilitating development activities in the Kitty Hawk community.



**PLANNING & INSPECTIONS DEPARTMENT OPERATING EXPENDITURES**

**GENERAL FUND - 10 / DEPARTMENT DETAIL - 4910**

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 17/18	ACTUAL FY 18/19	BUDGET FY 19/20	BUDGET FY 20/21
<b>PERSONNEL</b>						
5121		Salaries & Wages	184,136	183,700	190,210	190,210
5122		Salaries & Wages - Overtime	-	136	-	-
5181		FICA	13,943	13,833	14,625	14,625
5182	0901	Retirement Contribution	14,272	15,887	19,306	19,306
5182	0902	401K	3,218	3,564	3,804	3,804
5183		Telephone, Communications , Email	35,375	37,112	40,660	47,568
		Subtotal	250,944	254,232	268,605	275,514
<b>PROFESSIONAL SERVICES</b>						
5195	0115	Professional Services- Engineering	495	6,759	2,500	2,000
5199	0115	Contracted Inspections Services	195	-	1,250	800
		Subtotal	690	6,759	3,750	2,800
<b>OPERATING</b>						
5212	0115	Uniforms	181	52	200	200
5250	0115	Vehicle Supplies- Fuel	1,219	1,239	2,200	1,760
5299		Departmental Supplies	1,668	1,693	2,300	2,200
5310		Travel & Training	5,132	5,191	5,500	2,750
5321		Telephone, communications , Email	1,252	1,253	1,250	1,250
5325		Postage	423	1,210	2,300	2,300
5340		Printing	1,328	1,957	2,000	2,000
5370		Advertising	90	287	800	800
5440		Service & Maintenance Contracts	2,000	2,000	4,000	4,000
5491		Dues and Subscriptions	984	1,094	2,000	2,000
5693		Homeowner Recovery Fees	639	918	800	800
		Subtotal	14,916	16,893	23,350	20,060
<b>MAINTENANCE AND REPAIRS</b>						
5353	0115	Maintenance & Repairs - Vehicle	1,511	1,112	2,500	2,500
		Subtotal	1,511	1,112	2,500	2,500
<b>CAPITAL OUTLAY</b>						
5550		Equipment - Copier	-	-	-	-
		Subtotal	-	-	-	-
<b>TRANSFER TO CAPITAL RESERVE</b>						
5520	1089	Land Use Plan Update Reserve	-	15,000	5,000	-
		Subtotal	-	15,000	5,000	-
<b>TOTAL PLANNING &amp; INSPECTIONS EXPENDITURES</b>			<b>268,062</b>	<b>293,995</b>	<b>303,205</b>	<b>300,874</b>

# Planning Board



**PLANNING BOARD OPERATING EXPENDITURES**

**GENERAL FUND - 10 / DEPARTMENT DETAIL - 4980**

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 18/17	ACTUAL FY 18/19	BUDGET FY 19/20	BUDGET FY 20/21
<b>PERSONNEL</b>						
5121		Member Compensation	4,100	3,600	8,400	8,400
5181		FICA	314	275	643	643
		Subtotal	4,414	3,875	9,043	9,043
<b>PROFESSIONAL SERVICES</b>						
5396		Telephone, Communications , Email	1,270	885	3,000	3,000
		Subtotal	1,270	885	3,000	3,000
<b>OPERATING</b>						
5310		Travel & Training	-	-	500	500
		Subtotal	-	-	500	500
<b>TOTAL PLANNING BOARD EXPENDITURES</b>			5,684	4,760	12,543	12,543



# Board of Adjustment



**BOARD OF ADJUSTMENT OPERATING EXPENDITURES**

**GENERAL FUND - 10 / DEPARTMENT DETAIL - 4990**

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 17/18	ACTUAL FY 18/19	BUDGET FY 19/20	BUDGET FY 20/21
<b>PERSONNEL</b>						
5121		Member Compensation	-	-	1,500	1,500
5181		FICA	-	-	102	102
		Subtotal	-	-	1,602	1,602
<b>PROFESSIONAL SERVICES</b>						
5192		Telephone, Communications , Email	-	-	1,500	1,500
5396		Transcription	-	-	750	750
		Subtotal	-	-	2,250	2,250
<b>OPERATING</b>						
5310		Travel & Training	-	-	250	250
5370		Advertising	-	-	150	150
		Subtotal	-	-	400	400
<b>TOTAL PLANNING BOARD EXPENDITURES</b>			-	-	4,252	4,252



# Capital Reserve Fund

## Mission:

The capital reserves funds account for funds set aside for projects that present a long-term capital investment, or that may be related to some sort of capital expense in the future.



# CAPITAL RESERVE FUND REVENUES VS EXPENDITURES

## RESERVE FUND - 21 / DEPARTMENT DETAIL

ACCT. NO.	Project Code	ACTUAL FY 18/19	BUDGET FY 19/20	BUDGET FY 20/21
<b>REVENUES</b>				
<i>TRANSFER IN FROM THE GENERAL FUND BY DEPARTMENTS FOR THE FUTURE</i>				
4100	1081 Fiber Optic Phone System Replacement	5,000	5,000	-
4100	1084 Document Imaging System	20,000	-	-
4130	1085 Finance Software Upgrade	5,000	-	-
4270	1005 Fuel Storage Tank	12,000	12,000	-
4270	1086 Town Board Walks and Dock Repairs	8,000	8,000	-
4270	0105 Telephone, Communications , Email	20,000	-	-
4310	1090 Police Department Building	120,000	200,000	-
4340	1004 Fire Truck and Equipment	80,000	100,000	-
4340	1088 In - House Training Equipment	15,000	15,000	-
4340	800 mhz - Radio Replacements	-	-	25,000
4410	0113 Storm Damage/ Beach Nourishment	120,373	125,964	85,117
4910	1089 Land Use Plan Update	15,000	5,000	-
	0000 Interest Earnings	8,320	-	-
	Capital Reserve Appropriated	-	145,000	-
<b>TOTAL RESERVE FUND REVENUES</b>		<b>428,693</b>	<b>615,964</b>	<b>110,117</b>
<b>EXPENSES</b>				
<i>TRANSFER TO THE GENERAL FUND FROM THE RESERVE</i>				
4100	1082 Town website	-	-	-
4100	1083 IT Development	-	-	-
4270	0105 Bathhouse Repairs/Replacement	-	20,000	-
4270	1003 Grapple / Dump Truck	-	-	-
4130	1085 Finance Software Upgrade	-	10,000	-
4340	1041 Fire Air Compressor	-	40,000	-
4410	0113 Storm Damage/Beach Nourishment	-	75,000	-
<i>TRANSFER TO THE RESERVE FUND FOR FUTURE CAPITAL PROJECTS</i>				
4100	1081 Fiber Optic Phone System Replacement	5,000	5,000	-
4100	1082 Town Website	-	-	-
4100	1083 IT Development	-	-	-
4100	1084 Document Imaging System	20,000	-	-
4130	1085 Finance Software Upgrade	5,000	-	-
4270	0105 Bathhouse Reapirs/Replacement	20,000	-	-
4270	1003 Grapple/Dump Truck	-	-	-
4270	1005 Fuel Storage Tank Replacement	12,000	12,000	-
4270	1086 Town Wide Boardwalk & Storage Repair	8,000	8,000	-
4310	1090 New Police Department Station	120,000	200,000	-
4340	1004 Future Fire Truck Replacement	80,000	100,000	-
4340	1088 In - House Training Equipment	15,000	15,000	-
4340	800 mhz - Radio Replacements	-	-	25,000
4410	0113 Storm Damage/Beach Nourishment	120,373	125,964	85,117
4910	1089 Land Use Plan Update	15,000	5,000	-
<b>TOTAL RESERVE FUND EXPENDITURES</b>		<b>420,373</b>	<b>615,964</b>	<b>110,117</b>

**CAPITAL EXPENDITURES DETAIL EXPENDITURES BY DEPARTMENT**

**CAPITAL EXPENDITURES/ DEPARTMENT DETAIL - AS SHOWN**

CAPITAL PURCHASE	SOURCE	DESCRIPTION	JUSTIFICATION	FY 19/20
		<b>NO - DEPARTMENTAL (4100)</b>		
		No Capital Funded		
		<b>GOVERNING BODY (4110)</b>		
		No Capital Funded		
		<b>ADMINISTRATIVE SERVICES (4120)</b>		
		No Capital Funded		
		Telephone, Communications , Email		
		<b>FINANCE DEPARTMENT (4130)</b>		
		No Capital Funded		
			<b>Subtotal</b>	<b>0</b>
		<b>PUBLIC WORKS (4270)</b>		
		No Capital Funded		
			<b>Subtotal</b>	<b>0</b>
		<b>POLICE DEPARTMENT ( 4310)</b>		
Equipment	Operating	Replacement of Bullet Proof Vest/Other Safety Devices		59,000
			<b>Subtotal</b>	<b>59,000</b>
		<b>FIRE DEPARTMENT ( 4340)</b>		
800 mhz _ Radio Replacement	Operating	Current radios outdated and beyond useful life		25,000
			<b>Subtotal</b>	<b>25,000</b>
		<b>POWELL BIL (4510)</b>		
Roadway Improvements	Operating	Annual Overlay of Town Streets	Deterioration of streets requires overlay program	120,000
			<b>Subtotal</b>	<b>120,000</b>
		<b>PLANNING &amp; INSPECTIONS (4910)</b>		
		No capital Funded		0
			<b>Subtotal</b>	<b>0</b>
		<b>Total Capital Expenditures</b>		<b>204,000</b>

The Town's formal debt policy is consistent with that contained in North Carolina General Statutes 160-A. 20. This policy states that the issuance of bonds through an installment purchase contract shall be financed for a period not to exceed the anticipated useful life of the project.

Furthermore, it has been the current Town Council's practice to make every effort to avoid debt-service to pay for capital projects or operating expenses in the General Fund. The Town has historically planned and set aside capital reserve funds for the purchase of large capital projects to avoid debt service. The Town has taken the "pay as you go" approach.

The Town's only debt obligation is the Beach Nourishment Project which was established by the adoption of Capital Project Ordinance No. 15-03, in which all funds are derived by the special obligation bond and repaid by dedicated revenue sources.

This debt is shared between Dare County and the Town of Kitty Hawk through an inter-local agreement with Dare County. Dare County is contributing approximately 55% of the principal and interest payments yearly.

Fund	Project	Loan Origination Date	Original Loan Amount	FY 19/20 Principal & Interest	Outstanding Principal Balance	Expected Pay-Off Date
Beach Nourishment Fund	Beach Nourishment	04/01/16	10,185,309	2,094,791	3,999,600	12/15/21

**Year Incorporated:** Kitty Hawk was established in the early 18<sup>th</sup> century as Chickahawk. The Town incorporated in 1981.

**Form of Government:** A five-member Town Council, including a Mayor, is elected at-large to establish policy for the Town. A Town Manager appointed by Council implements that policy in running the Town's government.

**Geography/Location:** Kitty Hawk is a Town in Dare County North Carolina and is part of what is known as North Carolina's Outer Banks. Kitty Hawk is located on the East Coast of the United States and is part of a string of barrier islands. The Town is surrounded by the Atlantic Ocean to the East and the Albemarle Sound to the West. The Town is nestled between the Town of Southern Shores to the North and Kill Devil Hills to the South.

**Size:** The Town's corporate boundary encompasses 5,248 acres (8.2 square miles), of which 5,235 acres (8.18 square miles) are land and 30.46 acres (.0476 square miles).

**Topography:** The topography of Kitty Hawk is relatively flat, with elevations ranging from 4 to 38 feet above mean sea level (MSL) per the North American Vertical Datum of 1988. The Town is approximately 3 miles wide from the Atlantic Ocean to the Currituck Sound at the widest point and approximately  $\frac{3}{4}$  of a mile wide at its narrowest point.

**Shoreline:** There are approximately 10.7 miles of shoreline in the Town, including 3.6 miles of Atlantic Ocean beach, 3.3 miles of Kitty Hawk Bay shoreline, and 3.8 miles of shoreline fronting the Albemarle Sound.

**Climate:** Kitty Hawk, NC climate is warm during summer when temperatures tend to be in the 70's and cold during winter when temperatures tend to be in the 40's.

The warmest month of the year is July with an average maximum temperature of 86.40 degrees Fahrenheit, while the coldest month of the year is January with an average minimum temperature of 35.80 degrees Fahrenheit.

The annual average precipitation at Kitty Hawk is 51.61 Inches. Rainfall is fairly evenly distributed throughout the year. The wettest month of the year is August with an average rainfall of 5.64 Inches.

**Population:** According to the 2010 United States Census the population was 3,272.

**Demographics (2010 U.S. Census):**

- Of the Town's total population (3272):
  - 4.28% are younger than 4 years old;
  - 14.23% between ages of 5 to 17 years old;
  - 66.38% between ages of 18 to 64 years old;

- 14.91% are 65 years and over.

**Income in 2014** (2010-2014 American Community Survey 5-Year Estimates): Median household income was \$52,975

- 5.4% of families made less than \$10,000
- 42.6% of families made between \$10,000 and \$50,000.
- 39.9% of families made between \$50,000 and \$100,000.
- 17.6% of families made more than \$100,000.

**Race/Ethnicity (2010 U.S. Census)**

- 96.3 % White
- 1.1 % Black or African American
- .2% American Indian and Alaska Native
- .8% Asian
- .1% Native Hawaiian and Another Pacific Islander
- .5% Some Other Race

**G.S. 159-8. Annual balanced budget ordinance.**

- (a) Each local government and public authority shall operate under an annual balanced budget ordinance.
- (b) The budget ordinance of a unit of local government shall cover a fiscal year beginning July 1 and ending June 30.

**G.S. 159-9. Budget officer.**

- (a) Each local government and public authority shall appoint a budget officer to serve at the will of the governing board. In counties or cities having the manager form of government, the county or city manager shall be the budget officer.

**G.S. 159-10 Budget Requests**

- (a) Before April 30 of each fiscal year (or an earlier date fixed by the budget officer), each department head shall transmit to the budget officer the budget requests and revenue estimates for his/her department for the budget year.

**G.S. 159-11 Preparation and submission of budget and budget message**

- (a) Upon receipt of the budget requests and revenue estimates and the financial information supplied by the finance officer and department heads, the budget officer shall prepare a budget for consideration by the governing board in such form and detail as may have been prescribed by the budget officer of governing board.
- (b) The budget, together with a budget message, shall be submitted to the governing body not later than June 1. The budget and budget message should, but need not, be submitted at the formal meeting of the board.
- (c) The governing body may authorize or request the budget officer to submit a budget containing recommended appropriations in a manner that will reveal for the governing board the nature of the activities supported by the expenditures that exceed estimated revenues.
- (d) The budget officer shall include in the budget a proposed financial plan for each intragovernmental service fund, and information concerning capital projects.
- (e) The budget shall include a statement of the revenue neutral property tax rate for the budget.

**G.S. 159-12 Filing and publication of the budget; budget hearings**

- (a) On the same day that he/she submits the budget to the governing board, the budget officer shall file a copy of it in the office of the clerk to the board where it shall remain available for public inspection until the budget ordinance is adopted.
- (b) Before adopting the budget ordinance, the board shall hold a public hearing at which time any persons who wish to be heard on the budget may appear.

**G.S. 159-13 The budget ordinance**

- (a) Not earlier than 10 days after the day the budget is presented to the board and not later than July 1, the governing board shall adopt a budget ordinance making appropriations and levying taxes for the budget year in such sums as the board may consider sufficient and proper, whether greater or less than the sums recommended by the budget.



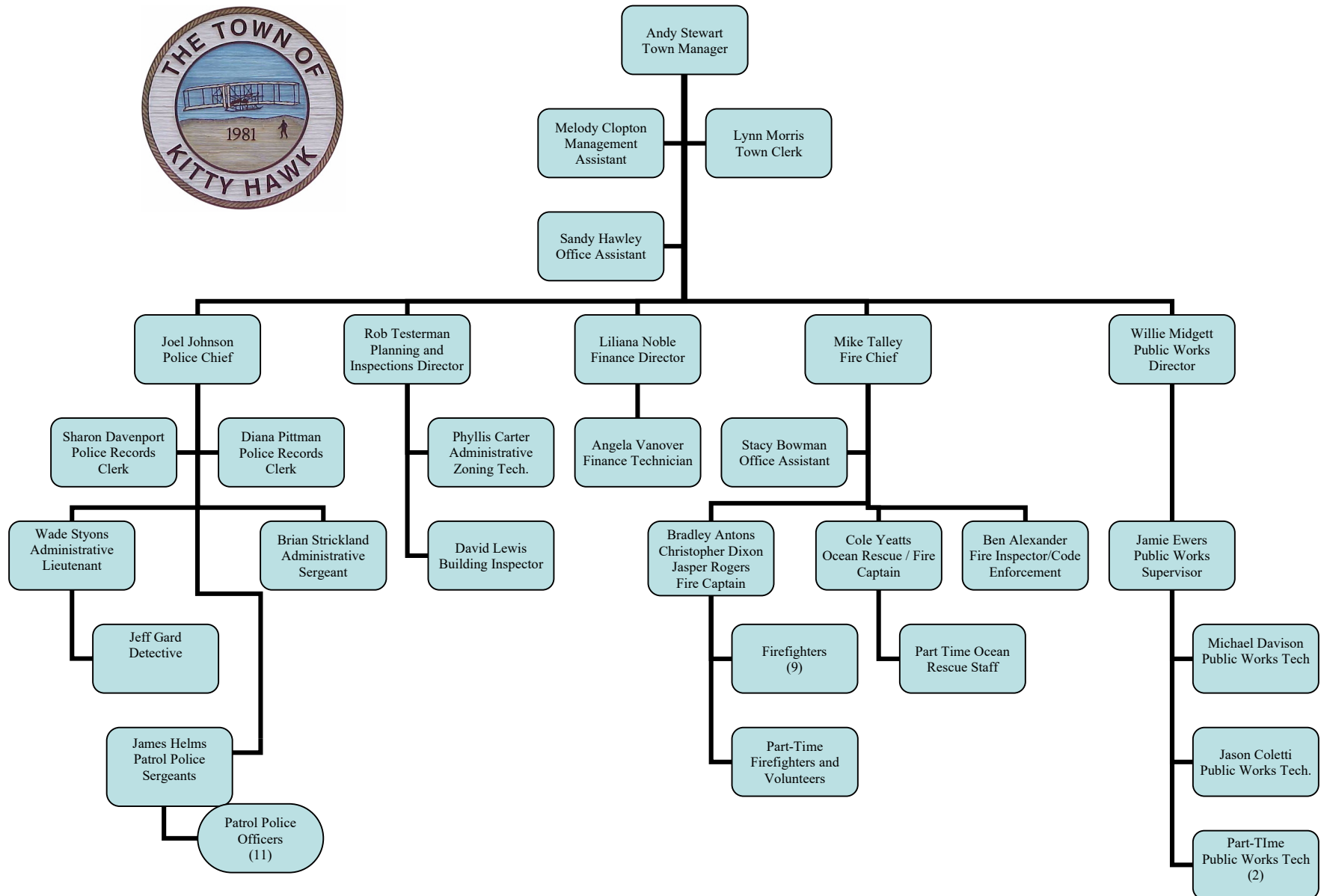
**The Town's budget addresses two main types of governmental funds:**

1. **General Fund**, the Town's primary operating fund, containing all financial resources of the general government except those required to be accounted for in another fund.
2. **Capital Reserve Fund**, established to account for long-term capital investment projects and other large purchases anticipated in the future.

**The Town also adopted a Capital Projects Ordinance that is a multi-year fund adopted in May 2015:**

**Capital Projects Fund**, this fund was established in May 2015 for the purpose of accounting for the Kitty Hawk beach nourishment project. The project is to be financed by special obligation bonds and contributions from Dare County beach nourishment occupancy tax fund.

## ORGANIZATION CHART (DEPARTMENT LEVEL)



<u>Grade</u>	<u>Position</u>	<u>Minimum</u>	<u>Maximum</u>
52		\$27,364.06	\$48,886.82
53		\$28,732.25	\$51,331.15
54		\$30,168.87	\$53,897.70
55	Public Works Technician Police Records Clerk Office Assistant/Receptionist	\$31,677.30	\$56,592.57
56		\$33,261.18	\$59,422.22
57		\$34,924.23	\$62,393.32
58	Public Works Supervisor	\$36,670.44	\$65,512.99
59	Finance Technician Police Officer I Firefighter I	\$38,503.96	\$68,788.62
60	Police Officer II Firefighter Engineer Administrative Zoning Technician Administrative Records Technician	\$40,429.15	\$72,228.05
61	Detective Police Officer III Master Firefighter	\$42,436.97	\$75,815.08
62	Police Sergeant Fire Captain	\$44,573.16	\$79,631.46
63	Ocean Rescue Director * Fire Inspector/Code Enforcement	\$46,801.82	\$83,613.04
64	Building Official Town Clerk* Police Lieutenant	\$49,141.90	\$87,793.67

<b><u>Grade</u></b>	<b><u>Position</u></b>	<b><u>Minimum</u></b>	<b><u>Maximum</u></b>
65		\$51,599.01	92,183.38
66	Management Assistant*	\$54,178.94	\$96,792.52
67		\$56,887.89	\$101,632.14
68		\$59,732.29	\$106,713.77
69	Finance Director* Public Works Director*	\$62,718.90	\$112,049.45
70	Director of Planning and Inspections*	\$65,854.84	\$117,651.91
71	Police Chief * (1) Fire Chief* (1)	\$69,147.59	\$123,534.52
72	Town Manager*	\$72,604.97	\$129,711.24

*\* Exempt position as defined by the Fair Labor Standards Act (FLSA)*

Approved by the Kitty Hawk Town Council this \_\_\_\_ day of June 2020.

(SEAL)

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Gary L. Perry, Mayor

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Lynn Morris, Town Clerk

Approved Positions for FY 2020-2021
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Department	Full-Time	Part-Time
Administration	4	0
Finance	2	0
Planning & Inspections	3	0
Public Works	4	4
Police	18	2
Fire	16	6
<b>Total</b>	<b>47</b>	<b>12</b>

Longevity Awards		
Name	Date of Hire	Amount
Melody Clopton	12/28/2010	\$1,000
Andy Stewart	01/01/2016	\$500
Lilliana Noble	03/03/2016	\$500
Jasper Rogers	02/28/2016	\$500
Cole Yeatts	04/16/2001	\$2000
Dan Heim	09/09/2010	\$1000
James Helms	03/09/2011	\$1000
<b>Total</b>		<b>\$6,500.00</b>
<b>Last Year Longevity Award</b>		<b>\$1,000.00</b>
<b>Total Change</b>		<b>\$5,500.00</b>

Retiree Health Insurance Payments			
Retiree Health Insurance Payments for FY 2020-2021			
Name	Health Benefit	Life Insurance	Total Year
Doris Pruitt	\$1,650.00		\$1,650.00
Bob Nicholl	\$4,500.00		\$4,500.00
Richard Reid	\$4,500.00		\$4,500.00
Mike Eubank	\$900.00		\$900.00
Bob Morris	\$9,640.00	\$130.00	\$9,745.00
Eugene McLawhorn	\$5,500.00	\$130.00	\$5,605.00
Mike Carver	\$8,326.00		\$8,326.00
Tony Garrett	\$3,000.00		\$3,000.00
David Ward	\$8,326.00		\$8,326.00
Jimmy Ray Watts	\$4,163.00		\$4,163.00
Lavelle Jenkins	\$6,245.00		\$6,245.00
JP Askew	\$6,245.00		\$6,245.00
<b>Total</b>	<b>\$62,995.00</b>	<b>\$260.00</b>	<b>\$63,255.00</b>

Separation Allowance			
Name	Monthly Separation Allowance	Annual Separation Allowance	Date of Retirement
Mike Carver	\$1,471.10	\$17,953.22	10/1/10
David Ward	\$1,872.53	\$22,735.70	1/1/13
Jimmy Ray Watts	\$1,182.55	\$14,190.54	2/1/16
<b>Total</b>	<b>\$6,017.61</b>	<b>\$54,579.46</b>	

Item	Fee
<b>Town Merchandise</b>	
Town of Kitty Hawk Hats	\$14.00
Town of Kitty Hawk License Plates	\$8.50
Town of Kitty Hawk Police Patch	\$5.00
Town of Kitty Hawk Fire Department Patch	\$5.00
Town Flag	\$85.00
Town 25th Anniversary Cookbook	\$9.00
<b>Town Documents</b>	
Copy of Town Meeting DVD	\$10.00
Copies from Town Copy Machine	\$0.25 per page
Zoning Book (Chapter 42)	\$25.00
Zoning Maps	\$3.25
Town Code Book	\$130.00
Town Budget Copy	\$10.00
Fire Incident Report (First Copy Free)	\$0.10/page for additional copies
<b>Town Miscellaneous Fees</b>	
Smith Room Rental Fee	\$30.00
Fire Department Meeting Room	\$30.00
Special Meeting /Town Council	\$825.00
Horse Registration Initial Fee	\$25.00
Horse Registration Annual	\$5.00 per horse
Dune Sign	\$31.00
Road Sign Repair	\$250.00
Christmas Tree Permit	\$100.00 Refundable Permit
<b>Police Department</b>	
Accident Report \$5.00	\$5.00
False Alarm -1 <sup>st</sup> Call in a Month	No charge
False Alarm -2 <sup>nd</sup> Call in a Month	\$50.00
False Alarm- 3 <sup>rd</sup> Call in a Month and subsequent calls	\$100.00
Kayak Permits(Annually)	\$300.00
Annual Fee for Precious Metal Permit	\$180.00
Employee Permit for Precious Metal (initial)	\$10.00
Employee permit for Precious Metal (annual)	\$3.00
Special Occasion Permit	\$180.00
Video from In Car Camera	\$15.00

Item	Fee
Handicapped Parking Violation	\$100.00
All other Parking Violations	\$25.00
<b>Fire Department</b>	
Fire Inspection-1 <sup>st</sup> Inspection	No Charge
Fire Inspection -1 <sup>st</sup> Follow –up	No Charge
Fire Inspection-2 <sup>nd</sup> Follow –up	\$50.00
Fire Inspection- 3 <sup>rd</sup> and subsequent follow-ups	\$100.00
False Alarm- 1 <sup>st</sup> Call in a Month	No Charge
False Alarm- 2 <sup>nd</sup> Call in Month	\$50.00
False Alarm -3 <sup>rd</sup> Call in a Month and Subsequent Calls	\$100.00
Hazardous Materials Fee ( per Hour)	\$190.00
Water Flow Test	\$250.00
Witness Water Flow Test	\$50.00
<b>PLANNING PERMIT AND FEES</b>	
<b>General Planning Fees</b>	
Zoning Compliance - Residential	\$35.00
Zoning Compliance – Commercial	\$75.00
Type I Home Occupation Fee	\$50.00
Type II Home Occupation Permit	\$100.00
Outdoor Gathering Permit Fee	\$50.00
Outdoor Gathering Permit Fee with Tent	\$75.00
Planning Board Special Meeting	\$825.00
Short Term Business Registration	\$10.00
<b>Pre-application Conference</b>	
Pre- Planning Application	\$255.00
PCD/PUD	\$535.00
BC3	\$0.15/sq. ft. of building
<b>Site Plans</b>	
Commercial	\$150 minimum, or: calculated area of proposed change
Heated Area	\$0.50 /sq ft
Unheated area	\$0.30 /sq ft
Parking Lot	\$0.02 /sq ft
All other new development not included elsewhere, excluding open decks and walkways	\$0.30/sq ft
<b>Multifamily/Townhouse/Hotel/Motel</b>	\$125/unit
<b>Garbage / Trash can fee</b>	
	\$125/home; \$200 for 4 bedrooms \$ up (2 cans)



Item	Fee
<b>Conditional Use Permits</b>	
Conditional Use Permit	\$300.00
CUP- Family Dare Care	\$50.00
CUP- Residence in a Commercial Zone	\$25.00
<b>Subdivision Plan Review</b>	
Subdivision	\$100.00/lot
Exempt Subdivision	\$50.00/lot
<b>Erosion and Sediment Control</b>	
Land Disturbance Permit(less than 5,550 sq ft of disturbance)	\$35.00
Residential Erosion and Sedimentation Control Permit(5,500 sq. ft. or greater)	\$150.00
Commercial Erosion and Sedimentation Control Permit(5,500 sq. ft. or greater)	\$0.01/sq. ft. of disturbed area,\$1,000 maximum
<b>Signs</b>	
New Sign	\$50.00
Temporary Sign /Banner	\$25.00+\$50.00 deposit
Change of sign Face	\$25.00
<b>Zoning Text/Map Amendment</b>	
Zoning Text Amendment	\$250.00
Map Amendment(Rezoning)	\$300.00
<b>Wireless Communication Facility Review</b>	
Concealed attached WCF	\$4,500.00
Collocated or combined WCF	\$4,500.00
Freestanding Concealed WCF	\$5,000.00
Non-concealed Freestanding WCF	\$6,000.00
<b>Board of Adjustment</b>	
Variance Request	\$300+ Advertising Cost
Variance after the fact	\$510.00
Appeal of Zoning Decision	\$300.00
<b>CAMA</b>	
CAMA Minor Permit	\$100.00
<b>Refund Schedule</b>	
Pre- Planning Board Review	\$75% refund
If planning Board has begun review	\$50% refund
Pre-Council Review	\$25% refund
<b>Miscellaneous Permits and Fees</b>	
Sprinkler System	\$100.00

Item	Fee
Fire Suppression	\$100.00
Battery Systems	\$50.00
Compressed Gasses	\$50.00
Fire Alarm & Detection Systems and related Equipment	\$100.00
Fire Pumps and Related Equipment	\$100.00
Flammable and Combustible liquids	\$50.00
Hazardous Materials	\$50.00
Industrial Ovens	\$50.00
Private Fire Hydrants	\$50.00
Spraying or Dipping	\$50.00
Standpipe Systems	\$100.00
Irrigation Systems Building Permit	\$100.00
Type I Home Occupation Fee	\$50.00
<b>NOTE: Double fees will apply to all permits if work has commenced prior to an application approval.</b>	
<b>Building Permit Fees</b>	
Building permit valuations shall include cost of the job (including materials and labor) such as building, electrical, plumbing, mechanical, gas, fire protection and other service systems. If a job appears to be underestimated, the inspector may estimate the proposed work at fair market rates. One and /or two family dwellings shall be estimated at a minimum \$65.00 square foot, for permitting purposes. Minimum 24 hours requested for inspections.	
1.First \$1,000 of estimated cost(minimum fee)-\$50.00, plus per \$1,000 after the first(round up to the next\$1,000) (\$5.00/\$1,000)	
2.Above –ground Swimming Pool	\$40.00
3.Building Demolition	\$75.00
4.Day Care, ABC License, inspections, etc.	\$50.00
5.Moving a Building and /or Approved, labeled Modular Unit	\$250.00
6.Manufactured mobile home (includes building, electrical, plumbing and mechanical fees	\$250.00
<b>Insulation</b>	
1.Minimum permit fee applies to each dwelling	\$50.00/unit and /or tenant space
<b>Plumbing</b>	
1.Minimum Permit fee applies to each dwelling unit and /or tenant space	\$50.00, plus \$5.00 per fixture, trap or similar device.
<b>Gas</b>	
1.Minimum permit fee applies to each dwelling unit/or tenant space	\$35.00, plus \$5.00 per gas outlet/connection
<b>Mechanical</b>	
1.Walk –in cooler or freezer; Commercial cooking	\$50.00/hood

Item	Fee
2.Heating, air- conditioning and /or combination unit	\$50.00 per unit, plus per fire, radiation and/or smoke damper-\$5.00
3.Minimum Permit Fee	\$40.00 plus Non-walk in cooler, freezer, and/or other equipment
<b>Electrical</b>	
1.Temporary Service	\$40.00
2.Temporary Service w/construction site trailer	\$50.00
3.Approved/Labeled Modular(per service size)	Per service size
4.0-200 Ampere Service	\$75.00 plus \$0.50 per ampere above 200.00
5.Minimum permit fee	\$40.00, plus (waive minimum permit fee, if associated work is [performed in conjunction with new service and /or service change])
5a.Openinings 1-100 receptacle, switches or fixtures	\$25 plus \$0.10 for each additional opening over 100
5b. Sub-panel , Transformer, Generator	\$40.00 each
5c. Baseboard heaters(per thermostat) Signs, Fuel dispensers, "freestanding" per parking light poles, Manufactured Home Pedestals	\$6.00 each
5d. In- ground swimming pools	\$10.00
5e. Exhaust fans,/hood, range, oven, dryer, dishwasher, garbage disposal, water heater, spa, hot tub, whirlpool, window A/C, Thru the wall heat pump, motor and other equipment/ machinery, etc.	\$6.00 each
<b>NOTE: In addition to each individual service, applicable items a-e also apply to each dwelling unit and / or tenant space.</b>	
<b>Administrative and /or Negligence Fees</b>	
Permit Refund	\$50.00
Permit Transfer	\$100.00
Negligence fee and /or re-inspection	\$50.00/trade
Starting work without permit	\$Double Permit Fees
Homeowner Recovery fee	\$10.00
Flood Insurance Certification	\$25.00 each
Condemnation Inspection in Association with NFIP	\$75.00

*See list of acronyms used in this document at end of glossary.*

**Affordable Care Act** - The Patient Protection and Affordable Care Act (PPACA) – also known as the Affordable Care Act or ACA, and generally referred to as Obamacare – is the landmark health reform legislation passed by the 111th Congress and signed into law by President Barack Obama in March 2010.

**Appropriation** – Funds authorized by Town Council for a specific use.

**Assessed Value** – The value set by the County Property Appraiser on taxable real property as a basis for levying property taxes.

**Balanced Budget** – A budget in which total revenues available from taxes and other sources, including amounts carried over from prior fiscal years, equal total expenditures and reserves. North Carolina Law requires municipalities to have balanced budgets.

**Beach Nourishment** - is the process of dumping or pumping sand from elsewhere onto an eroding shoreline to create a new beach or to widen the existing beach. Beach nourishment does not stop erosion, it simply gives the erosional forces (usually waves) something else to "chew on" for a while.

**Budget** – A financial plan estimating proposed expenditures for the fiscal year and proposed means of financing such expenditures.

**Budget Calendar** – A schedule of dates the Town follows in preparing and adopting the budget.

**Capital Expenditures** – Expenditures over \$5,000 which acquire or add to capital assets, such as land, buildings, improvements other than buildings, machinery, furniture, equipment, etc.

**Capital Improvements Plan (CIP)** – A financial plan for the construction or purchase of infrastructure, facilities, equipment, vehicles, and technology assets needed over the next five years.

**Capital Reserve Fund** – A fund used to account for long-term Capital Projects

**Classification Plan** - A tool in implementing a compensation system that helps ensure equal pay for substantially equal work.

**Fund** – A separate set of accounts with revenues and expenditures for a defined purpose.

**Fund Balance** – The amount of revenues exceeding expenditures in a governmental fund. The fund balance in the Town's General Fund constitutes the Town's reserves.

**Fund Balance Policy** – Funds in the City’s reserves committed to unforeseen emergencies (e.g., natural disasters) and other non-routine expenditures formally approved by Council.

**General Fund** – The Town’s primary operating fund, containing all financial resources of the general government except those required to be accounted for in another fund.

**Municipal Service District** - A municipal service district, commonly referred to as a Business Improvement District, is a financing mechanism used to provide revenue for a variety of services that enhance, not replace, existing Town services

**Operating Expenses** – Expenditures for goods and services needed to run the Town’s day-to-day operations.

**Ordinance** – A formal legislative enactment by the Town Council which has the full force and effect of law within the Town’s boundaries, provided it does not conflict with any higher-level law such as a statute or constitutional provision.

**Personnel Expenditures** – Salaries and wages, overtime, shift differential, Social Security and retirement contributions, life and health insurance, workers’ compensation, unemployment compensation, and State-mandated training.

**Property (Ad Valorem) Tax** – A tax levied on the tax-assessed value of real property.

**Reserves** – Funds set aside for emergencies, unforeseen necessary expenditures, or identified for a specific purpose.

**Revenues** – Money coming in from various sources to fund expenditures.

**Tax Rate** – A tax levied on the assessed value of real property and personal property located within the Town, determined by multiplying the tax-assessed value by the tax rate set by the Town Council.

**Transfers** – Monies shifted from one fund (where it is shown as an expenditure) into another fund (where it is shown as revenue).

**Acronyms Used Throughout This Document:**

**ABC** - Mixed Beverage Tax

**BN** – Beach Nourishment

**BN MSD** – Beach Nourishment Municipal Service District

**CAMA** – Coastal Area Management Act

**CIP** – Capital Improvements Plan

**DNR NC** – Department of Natural Resources North Carolina

**FY** – Fiscal Year

**FICA** – Federal Insurance Contributions Act (federal payroll tax)

**GHSP** – Governors Highway Safety Program

**GCC** – Governor’s Crime Commission

**HDHP** – High Deductible Health Plan

**IT** – Information Technology

**NCVTS** – North Carolina Vehicle Transportation System

**NCLGERS** – North Carolina Local Governmental Employees’ Retirement System

**MSD** – Municipal Service District

**RMS** – Records Management System

**SCBA** - Self Contained Breathing Apparatus

# Town of Kitty Hawk Five-Year Capital Improvements Plan FY 2020 to 2025



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### **What is a Capital Asset/Project**

For Kitty Hawk's purposes, a capital asset/project is an asset/project or item that costs over \$5,000 and has an expected useful life of more than two years. Projects and items exceeding this threshold are considered to be outside of day-to-day operating expenditures for the Town's departments. These are major projects or purchases and need to be planned for by the Town.

### **The Importance of Capital Budgeting**

Capital budgeting is an extremely important planning tool in the overall budgeting process of any organization. Capital budgeting requires foresight and encourages each department, and the organization as a whole, to think about and plan for future needs and resources. In the atmosphere of shrinking resources and growing demand on those resources that many local governments are now facing, capital budget planning is more important than ever.

### **Identifying Capital Projects**

The Town of Kitty Hawk uses a variety of means to determine what projects are included and funded as capital projects. Most often, the Town's staff identifies capital projects based on projected growth or anticipated outcomes. The Town also uses master plans to identify capital projects. Each of these sources is discussed below in greater detail.

**Staff** - Each year prior to the Town's budget development process, each department submits a five-year capital improvement plan identifying needed capital projects.

**Vehicle Replacements** are identified according to the Town's vehicle replacement policy. The vehicle replacement policy is the vehicle has to meet one or more of the following criteria: (1) Mileage exceeds 100,000 miles; (2) Exceeds ten (10) years of age; and/or (3) High vehicle maintenance and repair.

**Master Plans** - Master plans are another way to determine future needs of a department or of the Town as a whole. These plans can be prepared by consulting firms or by Town staff often with significant input from citizens. Once the plans are completed, they are forwarded to the Town Council for consideration and adoption.

### **Funding for Capital Needs**

The Town has several options to pay for capital projects. The Town may use operating revenues, grant funds, capital reserves, installment purchase contracts, or available fund balance. While this is not an exhaustive list of funding options, as projects are needed other funding sources may need to be identified and explored. Each of these options is discussed below in greater detail.



1. **Operating Revenues** - Operating revenues are revenues that are generated on an annual basis and are expended by the Town for day-to-day operations.
2. **Grants** - Grant funds, when available and applied for, are a way to pay for capital projects. There are a multitude of grant opportunities for a wide variety of projects.
3. **Capital Reserves** - Capital reserves are monies that are set aside specifically for future funding of larger capital items. These funds may be assigned for capital needs, or unassigned, which means that they may be used for any capital expenditure upon approval by Council. To establish a Capital Reserve, the Council will need to pass a resolution.
4. **Capital Project and Grant Project Ordinances** - A Capital Project is financed in whole or part by bond proceeds, notes, or other debt instruments or a project involving the construction or acquisition of a capital asset. A grant project is one which is “financed in whole or in part by revenues received from the federal and/or State government for operation or capital purposes as defined by the grant contract” [G.S. 159-13.2(s)(2)]. A grant or project ordinance is a budget ordinance covering the revenue and expenditures related to a particular project without regard to time.

These types of ordinances, which take the place of an annual budget ordinance for the activities in question, are best suited for large, complex projects that will take more than one fiscal year to complete or are not part of the unit’s recurring operations and expenditures.

5. **Installment Purchase Contracts** - Installment purchase contracts are a local government’s means to finance the purchase of equipment or infrastructure. The Town borrows money from a lender in order to pay for a project and then pays the principal plus any interest back to the lender. The term of the contract will typically depend on the size and cost of the project.
6. **Fund Balance** - The Town may also decide to allocate available fund balance in order to fund a project. Fund balance represents the Town’s “savings account”. It is important that the use of fund balance to pay for projects is closely monitored along with cash flows for the Town to maintain an adequate percentage of annual expenses in fund balance. Maintaining a healthy fund balance is essential to the overall financial condition of the Town and its financial ratings. The availability and use of fund balance is also critical to recovering from natural disasters when the need for resources and services is at its highest and revenues from FEMA or state agencies are not reimbursed until a later date. The Town’s policy is to maintain at least \$3.5 million in the fund balance for natural disasters or extraordinary events.

## Capital Reserve Fund Balance

### CAPITAL RESERVE FUND BALANCE

Project Code	Description	Actual	Actual	Budget	Proposed	Ending Balance
		FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 20/21
0000	Interest in investments (Estimate)	5,257	8,320	8,320	8,320	33,554
105	Bathhouse Repairs/Replacement	-	20,000	(20,000)	-	-
113	Storm Damage /Beach Nourishmen	(87,519)	120,373	50,964	85,117	2,272,877
1003	Dump /Grapple Truck	(20,000)	-	-	-	-
1004	Fire Truck & Equipment	20,000	80,000	100,000		204,161
1005	Fuel Storage Tank Replacement	5,000	12,000	12,000		29,000
1009	Town Park & Recreation Developme	-	-	-	-	144,735
1041	Fire Department Air Compressor	-	-	(40,000)	-	-
1081	Fiber Optic Phone System Replacer	5,000	5,000	5,000		30,000
1082	Town Website	(2,500)	-	-	-	-
1083	IT Development	(27,832)	-	-	-	54,071
1084	Document Imaging System	-	20,000	-	-	20,000
1085	Finance Software Upgrade	5,000	5,000	(10,000)	-	-
1086	Board Walks	-	8,000	8,000		16,000
1088	Fire Department Training Equipmer	-	15,000	15,000		30,000
1089	Land Use Plan Update	-	15,000	5,000	-	20,000
1090	Police Department Building	-	120,000	-		120,000
	800 mhz- Radio Replacements	-	-	-	25,000	25,000
<b>TOTAL CAPITAL RESERVE FUND BALANCES</b>						<b>2,999,397</b>

The spreadsheet above is a detailed description of funds that have been set aside in previous years for future capital purchases and a projection of ending fund balances in FY 20/21. These funds are restricted for the identified purpose listed. These funds help offset the cost of large capital purchases and provide a financial planning tool for the Town. These funds can be reassigned, however, would require approval by the Town Council.

5 YEAR CAPITAL IMPROVEMENTS PLAN						
Project Name	Funding Source	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
<b>Non-Departmental (4100)</b>						
Fiber Optic Town Wide Phone System Replacement	Operating		5,000	5,000	5,000	5,000
<b>TOTAL NON-DEPARTMENTAL</b>		<b>0</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>
<b>Finance (4130)</b>						
No request	Operating	0	0	0	0	0
<b>TOTAL FINANCE</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Public Works (4270)</b>						
Town Hall Pump Station/ Septic Replacement	Operating		20,000			
Fire Department - Exterior Paint	Operating		30,000			
Vehicle Replacements	Operating		35,000			
Fuel Storage Tank Replacement	Operating		12,000			
Boardwalks and Docks Repairs	Operating		8,000	8,000	8,000	8,000
Replacement Pruitt Park Palyground	Operating			50,000		
Remove Rusted Storage Containers	Operating					
Replace Recycle Center Office	Operating		10,000			
Dump Trailer Replacement	Operating					
<b>TOTAL PUBLIC WORKS</b>		<b>0</b>	<b>115,000</b>	<b>58,000</b>	<b>8,000</b>	<b>8,000</b>
<b>Police (4310)</b>						
Police Equipment	Operating	59,000	34,000	44,000	41,000	40,000
Vehicles Replacement(s)	Operating		128,000	130,000	132,000	134,000
Future Police Department Station	Operating		200,000			
<b>TOTAL POLICE</b>		<b>59,000</b>	<b>362,000</b>	<b>174,000</b>	<b>173,000</b>	<b>174,000</b>
<b>Fire (4340)</b>						
Self Contained Breathing Apparatus	Operating				20,000	
Gym Equipment	Operating		6,000			
Bunker Gear Replacement	Operating			25,000		
Training Equipment/Site Improvements	Operating					
Replacement Fire Truck	Operating		120,000	120,000	120,000	120,000
Fire Equipment - Reserve	Reserve		20,000			20,000
800mhz - Radios replacement	Operating	25,000				30,000
<b>TOTAL FIRE</b>		<b>25,000</b>	<b>146,000</b>	<b>145,000</b>	<b>140,000</b>	<b>170,000</b>
<b>Ocean Rescue (4370)</b>						
No request	Operating					
<b>TOTAL OCEAN RESCUE</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Planning (4910)</b>						
Vehicle Replacement	Operating		35,000			
<b>TOTAL PLANNING</b>		<b>0</b>	<b>35,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Powell Bill Funds</b>						
Streets Resurfing Project	Operating	120,000	120,000	120,000	120,000	120,000
<b>TOTAL POWELL BILL</b>		<b>120,000</b>	<b>120,000</b>	<b>120,000</b>	<b>120,000</b>	<b>120,000</b>
<b>TOTAL 5 YEAR CIP EXPENDITURES</b>		<b>204,000</b>	<b>783,000</b>	<b>502,000</b>	<b>446,000</b>	<b>477,000</b>

**Capital Improvements Plan  
Department Project Requests**

**Fiscal Year 2020/2021 to 2024/2025**

Non – Departmental

**Phone System Replacement/Fiber Optic Connectivity**

**Description: Replace Phone System/Fiber Optic Connectivity**

**Justification:** The current phone system at the police department is used to accept incoming calls, make outgoing calls, receive messages after office hours and store voicemail messages for staff in their absence. The phones at each workstation were placed into operation in 1997. The voicemail portion of the phone system was part of a prior system in operation at the Town Hall. When the Town Hall purchased their new system around 2000 the police department was given the old one. Due to technological advances in telephonic communications the existing phones and voicemail system have outlived their life expectancy. The manufacturer no longer produces parts or repairs any of the components of the existing system.

The Town is also setting aside funds for future connection between Town owned facilities of fiber optic. Fiber Optic will provide a higher bandwidth for the Town and provide for a more reliable phone system for the Town.

<b>Estimated Cost:</b>	FY 2020-2021	\$5,000 (Delayed)
	FY 2021-2022	\$5,000
	FY 2022-2023	\$5,000
	FY 2023-2024	\$5,000
	FY 2024-2025	\$5,000

**Funding Source(s):** Operating Revenue

Finance Department

**No Requests**

### **Town Hall Pump Station/Drain Field**

**Project/Item Description:** Rebuild/replace existing sewage pumps and replace drain field.

**Justification:** The current pumps/drain field have been in service since 1989. The company responsible for inspecting the system recently inspected the drain field and deemed it to be operating properly. Therefore, the Town continues to fund its future replacement when necessary.

In 2019 Public Works constructed a man hole and access panel in the existing system to aid in the removal of persistent clogging pipe clogging being experienced in the plumbing system.

**Estimated Cost:**        FY 2021-2022        \$20,000

**Funding Source(s):** Operating Revenue

### **Paint Exterior of Firehouse**

**Project/Item Description:** Paint the exterior of the Firehouse.

**Justification:** The exterior of the Firehouse will need painting due to the extremes of the salt air. The steel roof supports have already been repainted by the Public Works Dept. Rust is beginning to show on the steel.

**Estimated Cost:**        FY 2021-2022        \$30,000

**Funding Source(s):** Operating Revenue

### **Vehicle Replacement(s)**

**Project/Item Description:** Replace 2010 F150 & 2014 Dodge Ram Truck

**Justification:** Projected high mileage and maintenance costs indicate a need to replace the vehicle. In addition, the vehicles usually have substantial rust due the environment by the 10-year policy replacement threshold.

**Estimated Cost:**        FY 2020-2021        \$35,000 (Replace 2010 Ford F150 Truck) (Postponed)  
                                 FY 2021-2022        \$35,000 (Replace 2014 Dodge Ram Admin Truck)

**Funding Source(s):** Operating Revenue

## **Fuel Tank Storage Replacement**

**Project/Item Description:** Replace the existing Emergency Fuel/Gasoline Storage Tanks.

**Justification:** The frame for these tanks has started to corrode. Also, the cofferdam where these tanks are housed is not in compliance with environmental requirements. In addition to these issues, in an emergency situation where electrical power has been lost, we require a portable generator and an extension cord to operate the pumps. This is not the safest nor most desirable way to operate for emergency fuel dispensing.

<b>Estimated Cost:</b>	FY 2020-2021	\$12,000 (Postponed)
	FY 2021-2022	\$12,000

**Funding Source(s):** Operating Revenue

## **Boardwalk & Dock Repairs**

**Description of the Project or Item(s):** Boardwalk & Dock Repairs.

**Justification:** The Town has multiple parks that are constructed of wood material that are beginning to age. These structures will need to be repaired or replaced at some point in time in the future as needed. The budgeting for this reserve recognizes that these repairs will be a budgetary concern in the future.

<b>Estimated Cost:</b>	FY 2020-2021	\$8,000 (Postponed)
	FY 2021-2022	\$8,000
	FY 2022-2023	\$8,000
	FY 2023-2024	\$8,000
	FY 2024-2025	\$8,000

**Funding Source (s):** Operating Revenue

## **Replacement of Pruitt Park Playground Equipment**

**Description of the Project or Item(s):** Replace/Update Playground Apparatus

**Justification:** The Paul Pruitt Park will eventually need to update and replace some playground equipment at the highly utilized Paul Pruitt Park. Playground equipment over time corrodes and will become unsafe for child play.

<b>Estimated Cost:</b>	FY 2022-2023	\$50,000
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**Funding Source (s):** Operating Revenue

### **Remove Rusted Storage Containers**

**Description of the Project or Item(s):** Demo/remove shipping containers located behind the Public Works Building

**Justification:** The flooring that supports the containers has corroded beyond effective repair. Roof leaks from rust and structural issues.

**Estimated Cost:** FY 2020-2021 \$10,000 (Postponed)

**Funding Source (s):** Reserve

### **Replace Recycle Center Office**

**Description of the Project or Item(s):** Replace small office/shelter at the Recycle Center.

**Justification:** The current office is in need of replacement due to the age and condition. The office is used by the recycle center volunteers and protects them from the elements.

**Estimated Cost:** FY 2021-2022 \$10,000

**Funding Source (s):** Operating Revenue

### **Dump Trailer Replacement**

**Description of the Project or Item(s):** Replace 8'X12' Dump Trailer

**Justification:** Current trailer has corrosion that will compromise the strength of the trailer. It is not cost effective to repair.

**Estimated Cost:** FY 2020-2021 \$7,000 (Postponed)

**Funding Source (s):** Operating Revenue

## **Police Department**

### **Police Equipment**

**Description of the Project or Item(s):** In-car Camera Systems & Bullet Proof Vests

**Justification:** The Kitty Hawk Police Department's In-Car Camera Systems are currently on a five- year replacement rotation. This rotation is due to the extreme environment of heat, cold,

salt and sand that these systems are exposed to, as well as the periodic technological updates in hardware and software. It is in the best interest of the Town from a liability, as well as financial standpoint, to maintain this rotation schedule. Also, the Town must also replace bullet proof vests that have expired. It should be noted that these expenditures may be deferred by funds received from the Governor's Highway Safety Program LEL Grant and GHSP's Points for Equipment incentive program.

<b>Estimated Cost:</b>	FY 2020-2021	\$59,000
	FY 2021-2022	\$34,000
	FY 2022-2023	\$44,000
	FY 2023-2024	\$41,000
	FY 2024-2025	\$40,000

**Funding Source(s):** Operating Revenue

### **Police Patrol Vehicle Rotation**

**Description of Project:** Replacement of Police Vehicles

**Justification:** The present policy for replacement of Police vehicles is based upon the vehicle has to meet one or more of the following criteria: (1) Mileage exceeds 100,000 miles; (2) Exceeds ten (10) years of age; and/or (3) High vehicle maintenance and repair. It is anticipated that as many as three (3) vehicles can be replaced on an annual basis. The amounts include decals and cost of installing equipment. The cars will also include a laptop computer to be used during the life of the car.

The Police Department evaluates the condition of the vehicles with the Town Manager on an annual basis and desires to maintain the rotation of the vehicles so that there exists an efficient and operational fleet that will provide the maximum amount of public safety.

<b>Estimated Cost:</b>	FY 2020-2021	\$ 126,000 (3 patrol vehicles) (Postponed)
	FY 2021-2022	\$ 128,000 (3 patrol vehicles)
	FY 2022-2023	\$ 130,000 (3 patrol vehicles)
	FY 2023-2024	\$ 132,000 (3 patrol vehicles)
	FY 2024-2025	\$ 134,000 (3 patrol vehicles)

**Funding Source(s):** Operating Revenue

### **Future Police Department Station**

**Description of Project:** Establishes a reserve for a future Police Department

**Justification:** The Town of Kitty Hawk Police Department has occupied the existing building since 1996. The lot size allows little room for expansion. There is currently a need for some major



improvements to the existing station such as sewage system replacement, driveway repairs from standing water, remodeling restroom facilities, and other improvements. The Police Department has outgrown the existing station. The building is also located in a flood zone and the inside of the building has received flood damage twice since 2007.

By establishing the reserve the Town Council is recognizing the potential need for a future Police Department Station in the future or major renovations to the existing station. The temporary plan funds a reserve until FY 2021-2022 at which time the Council would decide if funds are available to requests bids.

<b>Estimated Cost:</b>	FY 2020-2021	\$ 200,000 (Postponed)
	FY 2021-2022	\$ 200,000

**Funding Source(s):** Operating Revenue

Fire Department
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### **Self Contained Breathing Apparatus (SCBA) Replacement Program**

**Description of the Project or Item(s):** Annually replace three 4.5 psi air-packs with integrated PASS alarms, voice amplification, buddy-breathing system, visual low air warning devices, and thirty-minute carbon-fiber bottles.

**Justification:** This replacement schedule is to meet current and future employer requirements specified in OSHA standards for respiratory protection and safety of employees and negates having to replace approximately 35 breathing apparatus and 70 bottles at one time.

<b>Estimated Cost:</b>	FY 2023-2024	\$20,000
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**Funding Source(s):** Operating Revenue

### **Gym Equipment**

**Description of the Project or Item (s):** The Fire Department has a health maintenance program that is supported by gym equipment.

**Justification:** The Department is attempting to maintain the gym facility at the Fire Department by updating pieces of gym equipment as needed. The equipment is utilized by the Fire Department and other Town employees to improve the overall health and conditioning of Town

employees. These types of purchases aid in lowering the employee health care costs to the Town by encouraging physical fitness.

**Estimated Cost:** FY 2021-2022 \$6,000

**Funding Source(s):** Operating Revenue

### **Bunker Gear Replacement**

**Description of the Project or Item(s):** Replacement of expired bunker gear used in fire suppression.

**Justification:** The replacement of bunker gear is requested due to aging and low inventory of bunker gear for current members with the anticipation that several more sets will need to be purchases as a result of a new volunteer recruitment effort. The bunker gear has a ten (10) year life expectancy so it is imperative that gear is replaced prior to expiration.

**Estimated Cost:** FY 2022-2023 \$25,000

**Funding Source:** Operating Revenue

### **In-House Training Equipment**

**Description of the Project or Item(s):** Funds the construction and/or purchase of inhouse training equipment.

**Justification:** Training Equipment will consist of various firefighting training props to assist with maintaining practical firefighting skills. The various training props will consist of equipment both purchased and constructed. Examples of the props: forcible entry, roof ventilation, Denver drill, and SCBA maze. Each of the props will be portable and not affixed to a site.

Currently, the fire department does not have routine convenient access to a training facility containing the various training resources toward maintaining firefighting practical skills. The closest regional fire training facility is located in Buxton which is over an hour away. Purchasing and constructing training equipment will greatly aid maintaining critical skills and prevent travel time and costs in utilizing the Buxton fire training facility.

**Estimated Cost:** FY 2020-2021 \$15,000 (Postponed)

**Funding Source:** Operating Revenue

### **Future Fire Truck Reserve**

**Description of the Project or Item(s):** Establish reserves for a future fire truck.

**Justification:** The Town will continue utilizing the existing fire apparatus but understands that a replacement fire truck will be needed at some point in the future. The establishment of the reserve recognizes and plans for this large expense at some future date.

<b>Estimated Cost:</b>	FY 2020-2021	\$120,000 (Postponed)
	FY 2021-2022	\$120,000
	FY 2022-2023	\$120,000
	FY 2023-2024	\$120,000
	FY 2024-2025	\$120,000

**Funding Source:** Operating Revenue

### **Fire Equipment**

**Description of the Project or Item(s):** Purchases items such as new fire hoses, personal protection, vehicle extrication equipment, and air masks

**Justification:** In order to meet OSHA and State Regulations equipment must be in good working order. This capital line item was established in 2018 to aid in keeping equipment up to date and establishing a reliable and consistent replacement plan.

<b>Estimated Cost:</b>	FY 2021-2022	\$20,000
	FY 2024-2025	\$20,000

**Funding Source:** Operating Revenue

### **800 mhz Radio Replacements**

**Description of the Project or Item(s):** Purchase new 800mhz Radios

**Justification:** Replaces older radios that are approaching their useful life. The Town will be joining a county-wide effort in hopes of receiving grant funding for these radios. However, if the effort is unsuccessful the Town will need to replace the radios.

<b>Estimated Cost:</b>	FY 2020-2021	\$25,000 (Reserve)
	FY 2024-2025	\$30,000

**Funding Source:** Operating Revenue

**Vehicle Replacement(s)**

**Project/Item Description:** Replace 2010 Ford F150 Truck.

**Justification:** Projected high mileage and maintenance costs indicate a need to replace the vehicle. In addition, the vehicles usually have substantial rust due the environment by the 10-year policy replacement threshold.

**Estimated Cost:**        FY 2021-2022        \$35,000 (Replace 2010 Ford F150 Truck)

**Funding Source(s):** Operating Revenue

Powell Bill

**Road Resurfacing**

**Project/Item Description:** Annual resurfacing program as determined by Public Works Director.

<b>Estimated Cost:</b>	FY 2020-2021	\$120,000
	FY 2021-2022	\$120,000
	FY 2022-2023	\$120,000
	FY 2023-2024	\$120,000
	FY 2024-2025	\$120,000

**Funding Source(s):** State Funded

Adopted by the Kitty Hawk Town Council this\_\_\_\_ day of June 2020.

(SEAL)

\_\_\_\_\_  
Gary L. Perry, Mayor

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Lynn Morris